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PROCEEDINGS AND DEBATES OF THE 102d CONGRESS, SECOND SESSION

SENATE—*Friday, January 3, 1992*

The 3d day of January being the day prescribed by the Constitution of the United States for the annual meeting of the Congress, the 2d session of the 102d Congress commenced this day at 12 noon.

The Senate assembled in its Chamber at the Capitol.

The Senate was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The Senate will come to order in the 2d session of the 102d Congress.

RECESS UNTIL TUESDAY, JANUARY 21, 1992 AT 11:30 A.M.

The PRESIDENT pro tempore. Pursuant to the order of November 27, 1991, contained in the provisions of House Concurrent Resolution 260, the Senate now stands in recess until the hour of 11:30 a.m., Tuesday, January 21, 1992.

Thereupon, the Senate, at 12 noon and 39 seconds, recessed until Tuesday, January 21, 1992, at 11:30 a.m.

• This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

HOUSE OF REPRESENTATIVES—*Friday, January 3, 1992*

This being the date fixed by the 20th amendment of the Constitution of the United States for the annual meeting of the Congress of the United States, the Members of the 102d Congress met in their Hall and, at 12 noon, were called to order by the Speaker of the House of Representatives, Hon. THOMAS S. FOLEY.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

At the beginning of this new day, we are grateful as individuals and as a nation, O God, for all the blessings we have been given. As we anticipate the opportunities and difficulties that are before us and before so many people in our world, we pray that we will be worthy of the responsibilities that have been given to us and truly be the people you have called us to be. As the Scriptures remind, we know there is a time for everything under the Sun. We pray, gracious God, that this will be the time for renewed commitment to sharing with the needy our gifts of time and treasure and also working to increase the spirit of understanding and reconciliation with people everywhere. May the walls of distrust and suspicion that have for so long separated people one from another continue to be put aside and be replaced by the spirit of respect and dignity. May Your spirit, O God, be in our hearts and minds and encourage us to do the works of peace and justice, now and evermore. Amen.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of House Concurrent Resolution 260, 102d Congress, the House shall conduct no organizational or legislative business until January 22, 1992, or until the House is notified of legislative business pursuant to section 3 of that concurrent resolution.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Mississippi [Mr. MONTGOMERY] please come forward and lead the House in the Pledge of Allegiance.

Mr. MONTGOMERY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

A PROPOSAL TO REINVIGORATE THE ECONOMY

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RICHARDSON. Mr. Speaker, while people here in Washington worry about Boris Yeltsin and the President's "get tough" trip to Japan, the people back home are telling us in so many words that they are hurting, that they could care less about what is happening overseas. They are worried about their pocketbooks and they are worried about health care, but most importantly, they are worried about the future, and they want us to do something now.

Mr. Speaker, my constituents in New Mexico want a national health care plan. They do not care what plan. They simply can no longer afford to pay for health care. That should be our No. 1 priority in this session of Congress.

Mr. Speaker, I include an article from the Albuquerque Journal of November 15, 1991, and an article from the Wall Street Journal of December 12, 1991, as follows:

[From the Albuquerque Journal, Nov. 15, 1991]

RICHARDSON PROPOSES TO REINVIGORATE ECONOMY

(By Representative Bill Richardson)

Our economy is in a mess and it needs more than just a jump start to get it going again. It needs a major overhaul. That's why I am proposing a 10-point plan to reinvigorate our depressed economy.

My plan is broad-based, with components for both immediate stimulus as well as long-range economic growth provisions. And, it is geared toward the middle class in the belief that sustained economic growth will only occur by providing tax relief and boosting purchasing power for the majority of Americans.

INSTANT STIMULUS

Let's reduce the payroll tax for both employees and employer. It's the best anti-recessionary tool we've got. A reduction will lower the cost of doing business and free up more money for expansion and job creation. It also increases the take-home pay for every worker in America. Every extra dollar that gets sent home is another dollar that will be recirculated in the economy. This reduction would be a temporary two-year reprieve, paid for by future military cuts, to provide instant stimulus to our sinking economy. Cost: $26.6 billion over two years.

The Federal Reserve must push interest rates lower. The credit crunch now squeezing small and mid-sized companies is a major obstacle to economic recovery. While banks should remain wary of repeating the mistakes of the 1980s, that caution cannot come at the expense of denying credit to small business—those companies that create the bulk of new jobs in this country.

LONG-TERM ECONOMIC GROWTH

We should make the research and development tax credit permanent. Businesses that need to make long-term research commitments are being disadvantaged by the temporary nature of this pro-research tax policy. We ought to be doing everything we can to encourage research and development—it's the only way we're going to succeed in an increasingly competitive worldwide marketplace. Cost: $6.2 billion over five years.

Individual saving needs to be encouraged. This can be achieved by allowing more people the opportunity to deduct up to $2,000 in contributions to Individual Retirement Accounts. Let's expand the program so that individuals making up to $50,000 (or couples up to $100,000) can qualify. Cost: $10 billion over five years (which also takes into account the costs associated with IRA changes outlined in the second-to-last point below).

Our nation's burgeoning budget deficit is one of the most damaging long-term drains on a healthy economy. It does no good to encourage individual savings only to have the federal government gobble it up. We have borrowed so much money over such a long period of time, that long-term interest rates have no hope of coming down unless our long-term debt is reduced. As debate gets under way on an economic growth package, we must ensure that it is budget-neutral. Furthermore, given the failure and the irrelevancy of last year's budget agreement, serious consideration needs to be given to a constitutional amendment to balance the budget.

Government spending needs to be cut. Many existing programs have outlived their usefulness. Given new international realities and pressing domestic needs here at home, it is appropriate to achieve additional savings by cutting the defense budget by 5 percent annually. The close to $80 billion in savings can be achieved without jeopardizing the strong defense presence in New Mexico. Savings: $80 billion over five years.

The current trade negotiations among the United States, Mexico and Canada have much promise for improving economic growth and our trade deficit. Let's put together a deal that will increase commerce among the three countries, create jobs here at home, and expand export markets for American-made products.

MIDDLE CLASS TAX RELIEF

American families should be given a $300 tax credit for each child up to 18 years of age. This is the least the government can do to help middle class families whose earnings have stagnated while basic costs like education, housing and health care increased in the 1980s. This tax cut will offset, to some degree, the burdens families now face in meeting these basic needs. Cost: $73 billion over five years.

First-time homebuyers should be able to withdraw savings from their IRAs without penalty. One of the biggest obstacles in home-buying is coming up with the down payment. In addition, I believe parents

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

should be allowed to withdraw savings from their IRAs without penalty to help pay their children's college tuition.

We need to make the nation's wealthiest pay their fair share to Uncle Sam. The tax policies of the 1980s have demonstrably shifted the tax burden onto the middle class and away from our nation's top income earners—that needs to change in the 1990s. We should increase the top marginal tax rate from 31 percent to 33 percent for those individuals who make more than $200,000 a year. Savings: $48 billion over five years.

Quite clearly, more tax relief is needed for America's middle class, ignored by Washington for the past decade. Making our tax system more progressive for Americans who make between $20,000 and $70,000 has to be an immediate priority and objective. It's not only a matter of fairness. It's also a priority for economic growth. Even Henry Ford, the early 20th century titan of the auto industry, understood that if he wanted to sell more Model T's, he needed to pay a decent wage so workers could afford them. That wisdom would serve us well as America prepares for the 21st century.

Most importantly, my plan does not increase the federal deficit and may actually save a few dollars. I estimate my tax cut proposals would cost approximately $116 billion over the next five years. However, my combination of tax savings and spending reductions would save approproximately $128 billion—a net gain of $12 billion. While these figures represent ballpark calculations, I am confident my overall plan would be budget neutral, which must be a critical component of any economic plan.

Separately, each one of my 10 points would have only minimal effect on our economy. But, collectively, I believe my plan will go a long way toward improving the nation's economic health, both in the short term and over the long haul.

[From the Wall Street Journal, Dec. 12, 1991]

MEXICO—THE ANSWER TO BUSH'S DOMESTIC TROUBLES

(By Bill Richardson)

When Presidents Bush and Salinas meet this weekend to decide whether to conclude the U.S.-Mexico free-trade agreement in 1992, as planned, the easy political move for Mr. Bush would be to defer it until 1993 to avoid its potential use as an issue in the American presidential election. Pressures are building within the Bush administration to put off a ratification vote in the U.S. Congress.

But delaying the trade agreement would be a serious mistake. In fact, I believe President Bush should include the agreement as part of the economic package he submits to Congress in the State of the Union message next month. Our long-term economic objectives dictate that the nation export more. Any economic plan, Democratic or Republican, should include aggressive policies to overcome our huge trade imbalances.

Postponing the agreement would have a number of unfortunate consequences. First, it would send the wrong message to Latin American countries such as Chile, which view it as a first step toward a free-trade agreement for themselves.

Second, it would delay the formation of a North American trade bloc to compete in the world economy against a united Europe and a Pacific Rim trading bloc led by Japan. Third, a delay would be a slap at President Salinas, who has invested a lot of political capital in better economic and political ties with the United States.

A postponement based on political skittishness would feed public suspicions that the negotiations are taking place to reward a "good neighbor" rather than to capture substantial benefits for America's economy and workers. Postponement would betray our own national interests as well as our contribution to the economic reforms sweeping Latin American countries. If we delay, how can we maintain credibility with Latin American leaders whose message is, "We don't want more aid. Just give us access to your markets?"

For various reasons, Congress as an institution is not well suited to making the case to the public for a North American Free Trade Agreement. The president, particularly in his State of the Union Address, is uniquely positioned to give his trade initiative the economic primacy it deserves.

It is important for the American public to get a better understanding of the economic benefits achieved through liberalizing trade and investment in this hemisphere. While the U.S. does have other objectives to meet with Mexico, such as reducing illegal immigration and environmental pollution, the trade agreement needs to be sold on its economic merits.

Mexico now stands as the third largest export market for American goods. In 1990, U.S. exports to Mexico reached $28 billion, which translates into roughly 550,000 jobs in the American economy. At a time when members of Congress and the administration have grown frustrated with the cultural and trade impediments to the sale of American products in Asia and Europe, we should relish Mexico's preference for American-made goods.

More than two-thirds of Mexico's imports come from the U.S. The 4% growth that Mexico achieved in 1990 translates into a $1.2 billion increase in American exports. Every additional percentage point increase in Mexico's economy will result in roughly $300 million more in new American exports.

Unfortunately, these benefits have been obscured by political grandstanding and the familiar red herrings about income disparities and Mexico's relative poverty. For all the discussion surrounding these issues, it should be noted that the average Mexican consumer spends $300 per capita on American goods. This is considerably higher than the $265 per-capita consumption in the European Community. Moreover, this consumption is taking place in an environment where American products such as telecommunications equipment, agricultural goods, and motor vehicle parts are slapped with high tariffs. Once a free-trade agreement is in place, American sales to Mexico will grow through the gradual elimination of tariffs and improved living standards in Mexico.

U.S. trade negotiators should take as much time as necessary to bring back a good agreement. And President Bush must keep his word on his commitments to the environment, border infrastructure, and worker assistance. But if these important concerns can be satisfied by mid-1992, it makes sense for the U.S. to implement the agreement quickly.

The federal budget deficit stands at well over $360 billion. The fiscal policies of the past 12 years have put the U.S. in a deep hole. Any fiscal package put together by President Bush and Congress is likely to have a minimal effect on the economy, given the unfortunate consequences of swelling deficits. It is unfortunate that the spending policies of the 1980s have robbed us of the fiscal tools of tax cuts and pump-priming, but it's a fact worth noting. It therefore makes sense to focus more attention on opening up foreign markets to American exports.

In 1990, 88% of America's economic growth was owed to international trade. Every $1 billion in U.S. exports translates into roughly 20,000 jobs for American workers. Herein lies an important element of America's course toward sustained economic growth, and improvements in the standard-of-living and the federal deficit.

For all my concerns about President Bush's lack of a domestic agenda, his trade policies with Mexico represent one of his more significant legislative triumphs. Passage of the fast trade authority to negotiate a North American free-trade agreement this May was successful because of a bipartisan coalition that included 92 House Democrats (with a sizable majority of the House and Senate Democratic leadership) and 139 House Republicans. Unless Mr. Bush moves aggressively, this bipartisan support will continue to erode. He should recapture that momentum by making the North American Free Trade Agreement a national priority in 1992.

□ 1205

INTRODUCTION OF LEGISLATION TO STIMULATE OUR AUTO INDUSTRY

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYLIE. Mr. Speaker, today I am introducing legislation which would restore the Federal tax deduction in 1992 to purchasers of passenger cars and trucks made in the United States. My bill will enable purchasers of American-made cars to deduct from their income tax return the interest paid on vehicle loans, just as they did before the law was changed in 1986, and phased out in 1990.

Mr. Speaker, I got this idea when General Motors announced its intention to close 21 plants and eliminate 74,000 jobs over the next 4 years.

The intent of my legislation is to save American jobs and to help our economy.

Mr. Speaker, the passage of my bill could have a two-pronged effect. It could serve as inducement for consumers to buy American-made cars and an inducement for automotive manufacturers to produce them. Overall it should serve as a stimulus to our industry that is badly in need of a jolt.

I have had a very favorable reaction from my constituents to my legislation, and I hope to have the same favorable reaction from my colleagues.

LET US MAKE 1992 THE YEAR OF THE AMERICAN WORKER

(Mr. BLACKWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLACKWELL. Mr. Speaker, as 1992 begins, this Congress must make a resolution to stand up and make this the year of the American worker. This year should not see another U.S. company relocating to a foreign country as a means to cut labor costs. This year should not see another unemployed worker losing his or her health insurance. And this year should certainly not see an increase of foreign imports as nearly 1,000 American workers lose their jobs each day. Mr. Speaker, the time to act is now. Congress must put the American worker and the resurgence of American industry at the top of our agenda. As the President travels through the Far East, it is certainly my hope that he will work hard to promote fair trade and open foreign markets to U.S. products, but he must not stop there. Parental leave and civil rights in the workplace; guaranteed health insurance; the future quality of American products—these are the issues which must be addressed to ensure the recovery of our ailing and desperate economy. Lets not make this another year of forgotten promises and pink slips. Let us make 1992 a year of recovery. The kind of year we will be able to look back on with a sense of pride, accomplishment, and achievement for the American worker.

GOOD NEWS, BAD NEWS ON THE TRADE FRONT

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker and my colleagues, there is good news and bad news on the trade front.

The bad news is that the GATT negotiations are not going particularly well. The Secretary General has made a proposal, but it is not something that the United States can support. It does not adequately address issues that are vitally important to us, namely, dumping, subsidies, dispute settlements, and a number of other items. I hope that in the continued GATT negotiations the United States can get an agreement that will protect American jobs and that will provide for fair trade policies.

On the good news side the President has signed a 2-year extension of the Voluntary Restraint Agreement [VRA] for machine tools. The voluntary restraint agreement gives our machine tool manufacturers an opportunity to rebuild their technology which will enable the industry to remain competitive in the future. I hope this will be a harbinger of an extension of VRA's for the steel industry, inasmuch as they expire in March of this year.

It all boils down to this: That, as we look at our economic concerns for the future, we need to be concerned about jobs in America. That means fair trade policies through the GATT negotiations, extending the VRA's and continued negotiation of access to offshore markets. Our trade policies must recognize that what rebuilds the economy is putting people to work.

THE LOWER SALMON RIVER RECREATIONAL AND SCENIC RIVERS ACT OF 1992

(Mr. LAROCCO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAROCCO. Mr. Speaker, today, on behalf of myself, Mr. STALLINGS, and 13 other colleagues, I am introducing legislation to protect 112 miles of the lower Salmon River in Idaho as part of the National Wild and Scenic Rivers System. This measure enjoys strong support in my State, including the entire Idaho congressional delegation

The Salmon River is the longest free-flowing river in the lower 48 States and flows through the second deepest gorge on the continent. While other segments of the Salmon were protected when the Wild and Scenic Rivers Act was enacted in 1968, the act called for a study of the lower part of this river for possible future designation. Such a study was completed in 1974 which recommended the lower Salmon River be designated as well.

The Salmon River attracts many visitors because of its outstanding recreation opportunities. Currently, 44 outfitters operate float trips on the lower Salmon and more than 280,000 visitors use the area annually for everything from swimming to fishing and floating. It is estimated that steelhead fishing alone brings more than $1 million into the local economy.

The Salmon River also provides the habitat and migration route for both the Snake River Chinook salmon, which has been proposed for listing as a threatened species and the sockeye salmon, which was recently listed as endangered by the National Marine Fisheries Service.

Mr. Speaker, in addition to the lower Salmon River, my bill would also protect a spectacular 25-mile stretch of the North Fork of the Payette River from hydropower development. The North Fork is considered by many kayakers to be the finest stretch of whitewater in the United States—certainly one of the steepest. It drops as much as 260 feet per mile in some sections, providing excellent class five whitewater.

Last year, this stretch of river was made off limits to dams in a State water plan adopted by Idaho's legislature. Now, a small group is attempting to override the will of the State by seeking approval from the Federal Government for damming the river. If their proposed hydroproject succeeds, the churning torrents of water that travelers can now see and hear on their drive from Boise to McCall would be reduced to warm puddles filled with green algae.

Groups as diverse as the West Boise Chamber of Commerce, the Highway 21 Businessmen's Association, the Idaho Outfitters and Guides Association, and Idaho Consumer Affairs have endorsed efforts to preserve the North Fork in its free-flowing state.

Mr. Speaker, both of these rivers are truly national treasures. I urge my colleagues to support this legislation to protect the wild and scenic values of the lower Salmon River and the world-class whitewater of the Payette River.

CONGRESS MUST ACT TO BRING ON ECONOMIC RECOVERY

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Mr. Speaker, the first order of business for Congress this year must be economic recovery and creating new jobs.

In November, the Republican Conference offered legislation that would reduce the tax burden on working people and small business. The Republican proposal—endorsed by President Bush—would have stimulated economic growth and created new jobs for Americans. For no justifiable reason, the Democrats prevented the full House from considering this solid plan for economic recovery.

Well, Mr. Speaker, I can assure you that my constituents are tired of the same old irresponsible, undisciplined policies that are ruling this Congress.

The majority party is obviously blocking economic recovery ideas so that our economy languishes, hoping that such a situation will help them in their Presidential campaign against George Bush.

Mr. Speaker, it is time to stop politics as usual and start working honestly for the American people.

THE MESSAGE WE MUST HEED

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, Mikhail Gorbachev altered his nation's politics and influenced world events in remarkable, unprecedented ways.

Yes, the last ruler of what has been known for decades as the Soviet Union is responsible for the end of the cold war, the reduced threat of a major nuclear war, the destruction of the Berlin Wall, the reunification of Germany, and freedom for millions of Eastern Europeans who formerly existed under communism.

Ironically, Gorbachev lost his position of leadership at home. Yes, Gorbachev appeared to be incapable on the domestic front. Gorbachev was never able to jump start the Soviet economy.

Surely, President George Bush and those of us in the 102d Congress realize that the American people are also more worried about our serious economic problems, unemployment and recession than the world stage.

Let us heed the message inherent in Gorbachev's tragic fall from power. During December, while we were in our districts, the message was clear—do whatever it takes to stimulate our economy. This is the mandate we should follow in this second session of the 102d Congress.

Minutes ago our House Chaplain reminded us in his prayer of the words in Ecclesiastes: "For every season there's a purpose." Now is the season for us to stimulate the economy, reduce unemployment, and halt the galloping recession in our country.

OUR NEW YEAR'S RESOLUTION: PUT THE AMERICAN PEOPLE FIRST

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker and Members of the House, the Congress of the United States should today vote on and adopt our New Year's resolution, to put politics aside in the great political year of 1992 and concentrate on the American people. But we know that before the day is out, before the hour is out, that Congress will break that resolution because the Democrats are out to get the President, the President is out to retain his incumbency, and we, representing the American people, are going to be headlong into that kind of a battle.

□ 1215

What we ought to do is to do less to the American people. We ought to let the marketplace work to regain the optimism and confidence that it deserves so that the economy can begin to rise to its natural levels. That is what we ought to do, give incentives for investment and create jobs for growth. We ought to let the American people alone so that they would not have to worry about what the Congress and the President are going to do next to them.

Mr. Speaker, the New Year's resolution which will last about 30 seconds will have no place in 1992. We must put the American people first.

FIXING THE TRADE DEFICIT

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, as President Bush goes to Japan, he has a mission every bit as important as General Dolittle's "30 seconds over Tokyo" that occurred 50 years ago. Yet it seems we are about to witness a very sad spectacle: the President of the United States huddled in a closet with the Prime Minister of Japan, each begging the other for cosmetic concessions to provide political relief at home.

Mr. Speaker, that is a recipe for disaster.

The White House says it wants to persuade Japan to reduce car exports, and Prime Minister Miyazawa appears willing to go along but only so he can avoid real reforms of Japan's closed markets.

That is not good medicine for either of our economies, Mr. Speaker. The fact is that Japan makes better small cars than we do; both United States and Japanese consumers agree. Protectionist measures will only raise the price to U.S. consumers and permit inefficient manufacturers to remain that way.

Yet we make the best planes and computers in the world, we have the best financial services, and we have the greatest expertise in marketing and distribution.

The real solution is not to keep quality Japanese products out of our markets but to insist that Japan let in top-of-the-line United States products and services.

Is it any surprise that when they finally let Toys R Us open a store in Japan, the lines of Japanese consumers went around the block? The real question is, why did it take years and years to open this one store, and why are there not 20 of them in Japan? Why is there not a Walmart chock full of American products in every Japanese city like there is here?

Clearly, in conclusion, Mr. Speaker, Japan's leadership is protecting its political underbelly, just like President Bush is, by not angering entrenched, inefficient interests.

Mr. Speaker, the trade deficit can be fixed in two ways—one that sounds good and one that is good. President Bush should be on notice. Neither we in Congress nor the American people will be fooled by cosmetic, short-term fixes that undermine our economy.

ECONOMIC GROWTH

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, during the recess, I was pleased to have the opportunity to submit a statement to the Committee on Ways and Means in support of several proposals to stimulate economic growth. And I commend the distinguished chairman from Illinois, Mr. ROSTENKOWSKI, and the ranking member from Texas, Mr. ARCHER, for conducting these important economic hearings.

Too many of our constituents are severely suffering due to the current economic situation. We must find ways to help those in need by turning our Nation's economy around.

The $151 billion dollar Surface Transportation Reauthorization Act which we adopted in the closing days of the last session will be of a significant benefit to our economy. Additionally, the current world situation and the current downward trend in defense spending should help ease the pressures on our Federal budget.

On the first day of the 102d Congress, I introduced two measures that would benefit our economy. H.R. 106 allows the one-time exemption from capitol gains tax on income from the sale of a homeowner's principal residence. Currently, the law allows only Americans over the age of 55 to take advantage of that exemption.

And H.R. 105, the Social Security earnings test repeal of 1991, would fully eliminate the earnings test for Social Security beneficiaries over the age of 65. I urge my colleagues to support both of these economic support measures.

The recent Republican growth proposal, which includes policies which encourage research and development and enhances business investment through tax credits, focuses on the need to create additional jobs. With several million Americans out of work, it is vitally important that we offer those unemployed Americans a means to reenter the work force. These issues are not tax cuts for the rich, but are designed to stimulate small business and the increase in jobs that accompanies the growth of small businesses. The creation of jobs, not the creation of tax cuts, should be our goal.

A RECIPE FOR ECONOMIC RECOVERY IN 1992

(Mr. ANDREWS of Maine asked and was given permission to address the House for 1 minute.)

Mr. ANDREWS of Maine. Mr. Speaker, Happy New Year.

The people of Maine, the State in which I serve as a Representative, rang in the new year today by learning that just last year a record number of bankruptcies were filed—2,292 in all. That is 26 percent above the level of last year and over double the total of the year before.

Why? Well, for obvious reasons. We are in a deep and dark recession. People are losing their jobs and they cannot pay their debts, but we also are learning that more and more of these bankruptcies are due to medical emergencies and major illnesses befalling families, pushing those families into personal bankruptcy.

Mr. Speaker, it is good news that the Committee on Ways and Means has been focusing on an economic recovery strategy for America over the past few weeks. It is good news that the Members of this Chamber have been home talking and working with people and getting a front row view of the effects of this recession at home in human terms.

What is needed right now is action by this Congress, action based on the recognition that the key to economic recovery is our people, and the focus of our energy and our resources as a Nation should be on those people. Health care for every man, woman, and child should be the effect of what we do in 1993, as well as rebuilding our infrastructure, resetting budget priorities on the basis of the reality that is gripping this country, and insisting upon tax fairness.

Mr. Speaker, let us resolve in 1992 to make these our goals and our objectives so that truly we can herald in 1993 as a year of promise for everyone.

THE TRADE CENTER

(Ms. NORTON asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Ms. NORTON. Mr. Speaker, the President is off on a trade mission abroad while bureaucrats seek to destroy a trade center at home. The Congress has twice voted to build the International Cultural and Trade Center, now rising on Pennsylvania Avenue. In a display of bureaucratic arrogance, however, OMB and GSA functionaries are claiming unto themselves the right to overturn the law and convert the space for the EPA.

Even if this were lawful, it would be foolish. Congress never would have appropriated $650 million for a landmark building meant to pay for itself only to see it converted to an EPA office building, where the Government alone will pay the high construction costs.

OMB and GSA are making the same mistake that has made the United States uncompetitive globally—going for short-term illusionary gains, sacrificing larger long-term returns.

The trade center will bring trade and jobs to this country, this region and this city. The congressional investment in our global economic future must be protected.

EFFORTS TO UNDERMINE THE MISSION OF THE INTERNATIONAL CULTURAL AND TRADE CENTER, JANUARY 2, 1992

While Congress is out of session and the President is out of the country, administration bureaucrats are working at cross purposes with the stated goals of both. The Congress by law has authorized and appropriated funds for the federal building going up behind me specifically to serve as an International Cultural and Trade Center (ICTC) with law strictly mandating that federal agencies compatible with this mission be housed in the building. Our country is running so serious a trade deficit and has become so uncompetitive in the global economy that the President is abroad trying to drum up international trade.

How are the President's trade statements to be believed abroad if his agents are trying to destroy a center created to attract trade at home? Why are administration bureaucrats hurriedly trying to nullify the trade mission of this building? Why are administration spokesmen saying that the building will be preempted by one domestic agency, the EPA, with only 58 of its 17,000 employees devoted directly to international matters? Why are the bureaucrats voicing an intention to defy federal law? Why are they precipitating not the first but a second confrontation with the Congress over this building?

The ICTC has been a continuing temptation for a rip-off by federal bureaucrats. They tried to hijack it for Justice Department units in 1988. Congress responded by barring Justice Department tenants, passing resolutions in the Senate and the House requiring that agencies related to trade and culture is housed in the building. In the face of this precedent, it is incredible that once again an attempt would be made to preempt the building for domestic purposes.

Congress funded this landmark building to house a variety of tenants whose high rents would allow the building to pay for itself. Foreign missions, units of embassies, and international trade entities can hardly be expected to move into an EPA office building. And there can be no justification for displacing international federal agencies that will help draw these upscale tenants and instead usurping the space with a domestic agency that will drive them away. The EPA should have a home. That home should not be the most exclusive address in town. Congress would never have appropriated $650 million for a traditional federal office building. That investment must be protected not dissipated.

Congress intended this building to be the crown jewel of Pennsylvania Avenue finishing off a 20 year effort that began when President Kennedy noted the seedy condition of the avenue. Congress intended the building to help encourage trade and improve this country's global competitive posture and profile. I intend to see that the District of Columbia and the metropolitan region benefits and, above all, that our country benefits, as Congress intended.

No bureaucrat and no elected official, not even the President himself, can unilaterally change the law that mandates construction for a specific purpose. This is a government of laws, not men. Frank Hodsoll, the deputy director of OMB and Richard Austin, the administrator of the GSA, who have insisted on EPA tenancy of the building, should be supporting rather than challenging existing law. Mr. Hodsoll in particular sent word by one of the ICTC commissioners to a congressional hearing that OMB has no intention of destroying the international concept. His attempts to place EPA in the building and, it seems, to consider altering the building design, do just that.

Throughout, I have consulted with the relevant committee chairs and other members of the Senate and House. Later today, my office will be delivering a letter to the new White House Chief of Staff, Samuel K. Skinner, requesting that he take steps to avoid a second round of needless confrontation with the Congress on this issue, which began to build last year under his predecessor. Otherwise, I will be recommending hearings as soon as Congress returns, at which time I will introduce legislation to reinforce the original Congressional intent that this project be devoted to trade and culture. Our current languid international economic condition makes this major trade center more necessary than ever.

ACTION NEEDED NOW TO ASSURE ECONOMIC RECOVERY

(Mr. FLAKE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. FLAKE. Mr. Speaker, one of the discoveries that we made during the last few months as we have had opportunities to be in our districts and interface with our constituencies is that many of them are being laid off and many of them are losing their jobs and having uncertainties about how they will survive. Some will not be able to pay rent, and others will not be able to provide for themselves the basic amenities so that they might be able to meet the needs of their families.

In reality, we as a nation must come to the realization that when as many people as are being laid off or are otherwise put out of their jobs are placed out in the communities, many of them will become a part of the homeless population and they will suffer from various kinds of health problems. They will discover that it is almost impossible for them to be able to survive without coming to the Government for subsistence, either for welfare, or for unemployment benefits.

I believe that it is to the benefit of the Nation that we take a very good look at what we ought to be doing to speed the recovery so that we can assure that the amount of responsibility that the Government must assume for those individuals who, not by any fault of their own, find themselves having to look to the Government to be able to survive on an everyday basis will find they can indeed have their needs met.

Let us work together, Mr. Speaker, with the White House so that we can recover this Nation and allow it to be able to move forward with an economic base that for the future bodes well for all its citizens.

□ 1225

IN MEMORY OF HOSTAGES TORTURED AND SLAIN IN LEBANON

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MORAN. Mr. Speaker, today, I am introducing a resolution condemning the torture and treatment of the Western hostages in Lebanon and calling on the President and the international community to redouble their efforts to bring those parties responsible to justice.

Last month, we were all relieved to witness the release of the remaining American hostages held in Lebanon. It was truly a holiday gift for our entire Nation.

Our euphoria over their freedom, however, was sobered by the terrifying accounts of the torture inflicted on these American citizens and our memory of the torture and murder of William F. Buckley, Col. William Higgins, and Peter Kilburn.

Our Nation will never forget the agony and pain arbitrarily inflicted on these innocent American citizens and their families by these international thugs and criminals. William Buckley was tortured. His cries for help were unheeded by his captors as he slowly slipped into a painful and lonely death. Who in this Nation will ever forget the treatment of Colonel Higgins, a highly respected member of the U.S. Marine Corps who was serving as a member of a U.N. international peacekeeping force which was trying to establish some sanity in Lebanon. He, too, was tortured and murdered. He was later hung in front of cameras for the press. Finally, Peter Kilburn, who served as a librarian in the American University of Beirut with no ties whatsoever to the American military or intelligence organizations, was held for 15 months and then executed in retaliation for the American bombing of Libya.

We can never forget these men whose lives were taken by criminals acting outside of the law. We can never allow the agony and pain we felt with them to be softened by the passage of time. We can never allow those responsible for this most heinous of crimes to be given the impression that they are immune from punishment and accountability. Most importantly, we must never allow other individuals to feel that they can commit such crimes with impunity.

I hope my colleagues will remember those citizens of the United States held hostage in Lebanon and will join me as cosponsors of this resolution.

Mr. Speaker, I add for the RECORD my resolution, as follows:

H. RES. —

Whereas over the past 10 years, more than 15 citizens of the United States and 63 citizens of France, Great Britain, Germany, and other nations were seized against their will by terrorist groups operating in Lebanon;

Whereas such hostages were held for extended periods of time in solitary confinement, were deprived of basic human needs and adequate medical attention for prolonged periods, and were, in some cases, systematically tortured by their captors;

Whereas three of the citizens of the United States, William Buckley, Colonel William Higgins, USMC, and Peter Kilburn, died in captivity due to the torture inflicted upon them by their captors;

Whereas the ongoing conference among Israel, Jordan, Syria, Lebanon, and the Palestinian representatives holds the promise of peace in the Middle East and could lead to greater cooperation between nations in this region;

Whereas the failure to bring to justice the parties responsible for these crimes against international law establishes a dangerous precedent and give such individuals a sense of immunity from punishment and accountability: Now, therefore, be it

Resolved, That the House of Representatives—

(1) strongly condemns the treatment of William F. Buckley, Colonel William Higgins, and Peter Kilburn by their captors in Lebanon and the disrespect shown to their remains; and

(2) urges the President to work with the nations of the Middle East to seek the extradition of the individuals responsible for the torture and death of such citizens of the United States and to bring such individuals before an international tribunal for trial.

TOUGALOO COLLEGE USING STRATEGIC PLANNING TO AID SPECIAL MISSIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, I want to share with my colleagues an article from a recent edition of the Chronicle of Higher Education. It featured Tougaloo College in Jackson, MS and the effort it is making to use strategic planning to move ahead academically and financially. Since taking over as president in 1988, Adib Shakir has set a steady course toward the future. He and his faculty and staff deserve a lot of credit.

IN TIGHT ECONOMY, TOUGALOO SHOWS HOW BLACK INSTITUTIONS CAN USE STRATEGIC PLANNING TO AID THEIR SPECIAL MISSIONS

(By Scott Jaschik)

TOUGALOO, MS.—The Yazoo clay on which Tougaloo College is built has historically been a financial drain. The earth is notorious for the way it shifts, undermining building foundations and running up maintenance costs.

In the next few years, Tougaloo officials believe they can turn their location—Yazoo clay and all—into a steady money supply. For the college is located to the north of the city of Jackson, smack in the middle of where local businesses and residents are relocating.

Tougaloo hopes to reap millions of dollars a year from a non-profit corporation it has formed, which will lease portions of the land to businesses seeking to establish operations in the area.

The amount of money Tougaloo hopes to receive is small in an era when leading research universities undertake billion-dollar capital campaigns. But higher-education officials say what is happening at Tougaloo is significant: A small, private, historically black college that a few years ago was in danger of financial collapse is using strategic planning to rebound financially and academically.

The idea behind strategic planning, which links long-term academic and financial goals, has attracted considerable interest in higher education in recent years. Supporters of the concept say Tougaloo is a model for how black colleges can use the approach to thrive, even in a tight economy.

Robert Fenning, who was consultant to Tougaloo when it started the planning process in 1988, says many black colleges have a sense of their mission but lack adequate funds, making strategic planning ideal for them. "Strategic planning is combining focus and vision with a means to assure adequate resources," Mr. Fenning says, adding that Tougaloo has done just that.

IMPORTANT ROLE IN STATE'S HISTORY

Tougaloo was founded in 1869 by the American Missionary Association on what used to be a cotton plantation. The 500 acre campus, dotted with cedar and oak trees with Spanish moss hanging from their limbs, has played an important role in Mississippi history. In the 1950's and for much of the 1960's, it was the only place in Jackson where blacks and whites could meet to plan civil-rights activities. Later in the 1960's, Tougaloo students took the lead in many of the sit-ins that integrated Jackson businesses and public facilities.

The college also has a long-standing reputation for academic excellence in the liberal arts. While Tougaloo awards only 2 per cent of the undergraduate degrees earned by Mississippi's black students each year, 40 per cent of the state's black doctors and lawyers received theirs here.

Despite the college's proud history, it was in dire shape when Adib A. Shakir became president in 1988. As a result of Tougaloo's role in the civil-rights movement, local businesses shunned the college and state officials actively harassed its leaders until the 1970's, when bills were introduced in the Legislature to revoke Tougaloo's license to award degrees.

With no support from the local business community, and only minimal programs to raise money from alumni, Tougaloo's debt grew to $2-million, about the size of the college's endowment when Mr. Shakir became president. Buildings were also in decay. Despite those financial problems, major tuition increases were out of the question. At the time, almost every student needed financial aid, and more than a third came from families with annual incomes of less than $11,000.

'FENDING OFF THE ALLIGATORS'

Robert K. Goodwin, executive director of the White House Initiative on Historically Black Colleges and Universities and a proponent of strategic planning for black colleges, says the colleges haven't taken advantage of strategic planning because many of their leaders face urgent financial crises like the one at Tougaloo. "It's like the old adage that it's hard to drain the swamp when you're fending off the alligators," Mr. Goodwin says.

Mr. Shakir says that black colleges, in responding only to immediate needs, miss the chance to find long-term financial stability. He says the colleges need "to resist the temptation to get caught up in the trees instead of the forest."

To that end, Mr. Shakir started an 18-month review of the college shortly after he became president. Senior administrators, faculty members, and alumni held a series of meetings to determine the college's goals and mission. Additional meetings were held to examine financial problems and ways to remedy them.

Black colleges don't have any choice but to develop "a clearly conceptualized mission," Mr. Shakir says, and only with such a mission will black colleges attract financial support and students. At Tougaloo, Mr. Shakir adds, the overriding goal is to give more black students a rigorous liberal-arts education and to encourage them to attend graduate school and to serve their communities.

SERIES OF GENERAL GOALS

Under the strategic-planning process, the college set up a series of general goals—such as linking dormitories and classrooms more closely, recruiting more faculty members, and improving the physical plant—for which specific targets were set. Each target has an estimate of the money and time needed to reach it.

Some targets are relatively quick and inexpensive to achieve. For example, Tougaloo's plan envisions obtaining $5,000 in the next academic year to reclassify library books, using the Library of Congress system.

Other goals are long-term, such as expanding programs in gerontology that would meet job demands, link the college with state agencies, and help to provide for the needs of black senior citizens in the state. The plan calls for spending several hundred thousand dollars on the gerontology program over the next five years.

The plan also calls for the college to insure that academic requirements are related to its mission. Seeking to send students to graduate school and into leadership positions, Tougaloo requires all students to take a 56-credit-hour core curriculum, including public speaking; freshman seminars in which students discuss and write about books, current issues, and college life; and weekly assemblies featuring outside speakers.

PUBLIC SERVICE COMPONENTS

Many courses also have public-service components. Pre-medical students, for example, join their biology and chemistry classmates to volunteer in health clinics in the region.

The strategic plan is already attracting financial support. In recent years, Tougaloo has won grants for various aspects of the plan from the Bush, William Randolph Hearst, Carl J. Herzog, Charles Stewart Mott, and Surdna Foundations and the Lilly Endowment. Budgets have now been balanced for three straight years, and the college's debt has been reduced to $600,000. The endowment, meanwhile, has grown to more than $6-million.

Donors say that Tougaloo's strategic plan won them over. Jim Moore, vice-president for communications of the Mississippi Power & Light Company, says the utility's officials were so impressed with the "business-like, professional way that Tougaloo is managed" that they now give the college $20,000 a year—even though the company normally gives only to public colleges in the state.

Mr. Moore says the company also helped create "the Tougaloo Cluster," a group of Jackson business leaders who meet to discuss ways their companies can help the college. Tougaloo has made new gestures to the business community as well, transferring management of its endowment from out-of-state companies to Jackson branch of Merrill Lynch and Company.

Mr. Shakir is now moving to make more improvements in the college's financial base. The plans to develop Tougaloo's land are in full swing, and if the effort brings in several million dollars a year, as hoped, it could significantly increase the ability of the college to expand its programs. Its annual budget is now $11-million.

College officials are working to insure that the developed land contains a mix of businesses, homes and recreational and cultural facilities. In that way, he says, student and faculty members will also have more to do in the immediate vicinity.

In addition, college officials are making preliminary plans for a capital campaign with a five-year goal in the range of $25-million. Mr. Shakir says about half of the money raised will go toward new construction and half for endowments for faculty and academic programs.

1,000-PIECE ART COLLECTION

Instead of being used to build facilities for new programs, the construction money will support existing programs that need larger homes. For example, Tougaloo's 1,000-piece art collection, which is strong in the works of such black artists as Romare Bearden, Jacob Lawrence, and Hale Woodruff, will receive a permanent home if enough money is raised. Currently, only a small portion of Tougaloo's collection is on display in the library here, although college officials have encouraged other institutions to borrow some of the pieces for traveling exhibits.

The improved planning at Tougaloo also has enabled the college to attract students. Enrollment this year is 1,000, up from just 650 in 1988–89. Under the strategic plan, enrollment will gradually reach 1,200. With 3,500 applicants for this fall's freshman class of 350, Mr. Shakir says the college can increase enrollment without reducing quality.

Bettye Parker Smith, vice president for academic affairs, says the students are attracted to the college "because they've heard from someone in their town that we will prepare them to have a better quality of life," adding, "They know that we make doctors and lawyers."

MANY GO TO GRADUATE SCHOOL

More than half of each graduating class goes on to graduate school, and the institutions that Tougaloo alumni attend have been vying to set up programs to attract the college's students. Both Boston and Brown Universities now admit select Tougaloo students to their medical schools during their sophomore years in college. And at the University of Alabama at Birmingham, officials who have planned a program to work with science students at black colleges in Alabama have decided to include Tougaloo as well, because of the success of its alumni in graduate school.

"There is a spirit at Tougaloo where the students and faculty are like family, and they turn out students who are well prepared for graduate school and dedicated," says Terry L. Hickey, dean of the graduate school at Birmingham.

Students say faculty members encourage students to attend graduate school by helping them to apply for internships and memberships in national honor societies. Students say that once they find out that professors will track them down in the dorms when they miss a class, they don't miss very many.

Says Mweni Ekpo, a double major in English and music who plans to be a lawyer: "It's just understood that everybody is going to be a professional somebody."

PROCESS HAS NOT STOPPED

While Tougaloo is on the upswing, the college's strategic-planning process has not stopped. Faculty members, academic departments, and administrators are constantly evaluating whether they have met the plan's goals and whether those goals need adjusting.

Faculty members say they don't mind the time that the process takes because they see the ideas generated in the plan being translated into reality. Says Ben E. Bailey, a professor of music: "The heart of how things get done here now is through strategic planning. We had planning before, but it was never systematic or carried out."

Mr. Fenning, the consultant who helped Tougaloo start the planning process, says that strategic planning works only if there is a commitment by administrators to make it a continuing process, and he says that has been the case at Tougaloo.

"One of the most positive things is that planning is still going on and I'm not there doing it," says Mr. Fenning, who is assistant vice-president for information resources management at Wright State University. "The success is clear, because they were able to utilize my services and carry the planning forward themselves."

HAZARDOUS MATERIALS TRANSPORTATION UNIFORM SAFETY ACT OF 1990

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MINETA] is recognized for 5 minutes.

Mr. MINETA. Mr. Speaker, on November 19, 1990, the Hazardous Materials Transportation Uniform Safety Act of 1990—Public Law 101–615—was signed into law. That law establishes registration requirements for specific classes of persons subject to the Hazardous Materials Transportation Act. It also requires payment of fees by these registrants. Some confusion has arisen over the applicability of fees to persons transporting bulk shipments that weigh 5,000 pounds or more. New subsection 106(c) establishes registration requirements for three classes of persons. Only two classes are pertinent.

First, new subsection 106(c)(1)(B) of the law requires registration by persons that transport or cause to be transported a hazardous material in a bulk package, container, or tank. It applies to packages, containers, or tanks with a capacity of 3,500 or more gallons or more than 468 cubic feet. Second, new subsection 106(c)(1)(C) requires registration by persons transporting or causing to be transported shipments weighing 5,000 pounds or more for which placarding is needed. Plainly, one requirement was for bulk shipments of a certain capacity, liquid or dry. The other was for nonbulk shipments weighing 5,000 pounds or more. Under section 117A, persons covered by these subsections are required to pay registration fees.

In an interpretation of that law, the Department of Transportation concluded that the second requirement contained in subsection 106(c)(1)(C) also included bulk shipments, dry or liquid, and thus persons transporting liquid or dry bulk shipments would have to comply with the registration requirements if such shipments weigh 5,000 pounds or more. This conclusion seems to totally ignore the registration requirement contained in section 106(c)(1)(B) which immediately precedes it, and which applies to bulk shipments.

Informally, the Department was informed that the committee believed its interpretation was erroneous. However, the Department persisted in its interpretation and formalized it in a notice of proposed rulemaking released on October 10, 1991. Pursuant to that notice, a category of persons apparently will be subject to the registration requirements in apparent contradiction of the act's intent.

The Department insists the only way to correct this situation is to make a technical change to subsection 106(c)(1)(B) to exclude bulk shipments. Last year, the committee reluctantly had agreed to make that technical amendment in the Pipeline Safety Act of 1992, which it will dispose of later this year.

Recently, however, the committee was informed by the Department and the Office of Management and Budget that because of the Department's interpretation of subsections 106(c)(1) (B) and (C), the fees which would be charged incorrectly to registrants under subsection 106(c)(1)(C) will be scored as income for fiscal year 1993. If they are eliminated after the administration submits its budget for fiscal year 1993 and before the technical amendment is made, the resulting loss in revenue will have to be restored from other sources. The Office of Management and Budget insists that this will occur even though the interpretation by the Department of subsection 106(c)(1)(C) is erroneous and will be corrected by amendment.

Hence, the fees which would have been collected in fiscal year 1993 will be included in the budget even though the fees and their collection were not contemplated by the act.

The committee firmly believes that the Department should correct its interpretation of the registration requirement by amending the rules it proposed on October 10, 1991. The committee also believes that there should be no action taken to reflect the inclusion of fees in the budget that result from the assessment of fees on a class of registrants who were clearly not intended to be subject to such a requirement, and who will be excluded from the registration requirement by a technical amendment.

The committee will proceed to prepare and take action on legislation designed to affect the technical change before the Budget for fiscal year 1993 is submitted. Consequently, the legislation will be introduced and acted upon later this month.

FROM CAPE HOPE TO CAPE FEAR AND BACK AGAIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. GEPHARDT] is recognized for 60 minutes.

Mr. GEPHARDT. Mr. Speaker, when the House last met, shortly before Thanksgiving, the President was unable to settle on a plan for ending the recession. There was confusion over whether he wanted the Congress to stay in session during December, or to wait for his economic proposals in the State of the Union Address.

Members of the White House staff and the Cabinet communicated directly to our leadership that the President would not be submitting a recovery plan in December, and that he wanted Congress to go into recess.

But, while most Members of the House and Senate returned home to their districts, several committees of the Congress remained in session to hear testimony about the economy.

Chairman ROSTENKOWSKI, in particular, had several exceptionally important hearings during which the President's economic advisers, the Chairman of the Federal Reserve, Members of Congress, outside economists and others gave their best advice about how to deal with the recession.

At the same time, many of us traveled home to our districts, and elsewhere, to learn more about how the recession was hitting working families and various regions of the country.

Over this period of time, we have witnessed extraordinary events at home and around the world. Nearly every day, we received a greater statistical appreciation for the depth and severity of the recession and the deep-seated economic problems we face.

And I can say, from my own travels, in Missouri, Connecticut, and around the country, that the indicators of economic decline fail to describe adequately the human side of the story.

There is enormous tension and anxiety on the part of the American people, but they are also deeply interested in restoring their faith in the United States as the land of opportunity for themselves and for their children.

I believe, more strongly than ever, that real answers exist—not simply short-term fixes or gimmicks to get the President or his political party past the election—but structural and dramatic changes to restore confidence in our economy and recapture growth for our future.

My belief is rooted not simply in the resilience of our people—although resilient they are. My belief is founded upon the fact that we are entering a shining time of possibility for America in a world alive with positive change.

When Mikhail Gorbachev resigned, and the hammer and sickle was lowered from the flagpole above the Kremlin, a day of sacred meaning became a secular celebration of renewal and hope for everyone in the world.

While he is ostensibly a nonbeliever, and officially still a Communist, I do not believe it was by accident that President Gorbachev resigned on December 25. By choosing that day, Gorbachev signaled that the end of the Soviet Union was also a time of rebirth for people around the globe.

Although there is still violence and enslavement from Cuba to China, hundreds of millions of people are moving closer to democracy, free markets, and self-determination. Europe is engaged in a continentwide economic consolidation.

Across Eastern Europe, Latin America, Asia, and Africa, people are slipping the surly bonds of authoritarianism, communism, and mercantilism, and basking in the political and economic sunlight of liberty. Societies once ruled by an imposed choice of freedom or bread are now demanding both and, remarkably, they are making these demands in the context of democratic processes.

This is the verification of our values.

These achievements validate the sacrifices of more than a hundred thousand American lives, trillions of taxpayer dollars, countless opportunities forsaken, and all that has accompanied our country's long and lonely watch at freedom's gate. This is our victory.

But now that the cold war is over, there is no exhilaration, only exhaustion. America's economy is in the icy grip of a recession that is nearly 2 years old. But the problem runs even deeper than the economy; it goes to the core of our people's confidence in our future.

The President, to his partial credit, discusses this, although he doesn't seem to get it.

At a press conference 2 weeks ago, the President said:

> It's hard for me to explain exactly—I mean, to have explained the way that I can understand it—exactly why there is the degree of pessimism.

The Chairman of the Federal Reserve, Alan Greenspan, told Chairman ROSTENKOWSKI that—

> [T]here is * * * a deep-seated concern which I must say to you I have not seen in my lifetime.

I think the explanation for the gloom is obvious. America's energy is now found elsewhere around the world. And, since the 1980's, when the rich got richer, and a paper prosperity was built on debt, the United States has been stagnating economically—the American dream of upward mobility is beleaguered and on the edge of slipping away.

The 1980's ended with a measly 1-percent increase in median income; 1991 ended with the Government reporting a decline in the leading economic indicators.

Economic growth in the Bush administration has been slower than at any time in the post-World War II era. At this rate, the President's promise of 30 million jobs will take a century, not just 8 years, to fulfill.

Today, there are 16 million people who are jobless, underemployed, or too discouraged to look for work. This is the real unemployment rate, 12.8 percent—16.2 million Americans are suffering during this Republican recession, and millions of others are frightened that their jobs will be the next ones to go. Their fears are justified.

Corporate layoffs are occurring at the rate of 2,600 jobs per day. In December, General Motors announced that 74,000 good paying jobs would be lost to its workers over the next 4 years. Xerox, TRW, IBM, Allied-Signal, Tenneco, and other big corporations with longstanding reputations as lifetime employers are firing workers by the thousands.

Most of these are good jobs, and they are never coming back.

A vast majority of our citizens now believe that no one in the current generation will prosper as the previous generations did in the years following World War II.

I understand their pessimism and, if you spend just a few days outside of Washington, or if you look at people's lives through the lens of the media, you can understand it as well. Listen to the stories I was told in St. Louis, in Hamden, CT, and hear the chilling accounts of people across the country.

In a St. Louis living room, a couple told me they are now working three part-time jobs. The husband, who has been with a trucking company for 28 years, is so convinced he is going to lose his job, that he is working weekends at McDonald's. His wife has started two other part-time positions; they are both living in fear.

A man I met in Connecticut last month sent out 400 résumés, and he is getting no responses.

He and his wife are cashing out their life insurance policies just to make ends meet. He was nearly felled by despair when his daughter offered to give him the money in her savings account.

It's this way all over the country. Dream houses are up for sale. Retailers are padlocking their businesses for the last time, and cafe owners are watching cranes lower the neon signs with their names on them.

Idled fathers are brushing their daughters' hair in the morning after their wives leave home early to look for work. Layoff notices are page 1 headlines in local newspapers, and pink slips are being paperclipped to time cards. Families are terrified at the idea of catching a cold or finding a lump because they have no health insurance.

These are the anxieties of a country that has rounded Cape Hope and docked at Cape Fear. And what do these working families get from the White House?

Every citizen can read in the newspaper how the President's campaign advisers are bickering with the White House staff over whether to approach the economy as a political issue or something which needs the President's sincere attention.

Every worker with a fair mind and a decent memory can compare the President's new, rhetorical interest in fair trade with the dozens of decisions he's made in the last 3 years which suggested just the opposite.

Fifty years ago, Thomas Wolfe wrote:

> I believe that we are lost here in America, but I believe that we shall be found. And this belief * * * is for me—and I think for all of us—not only our own hope, but America's everlasting, living dream.

I, too, believe in the dream, but I also believe it can only be realized through comprehensive economic reform. It can only be realized through a plan that gives short-term relief to consumers yearning for confidence, but which also changes the way we approach education, public works, research, health care, and a number of other significant national issues.

A proposal to cut taxes on middle-class individuals, paid for by the very rich must be a centerpiece our new economic program.

Rather than rewarding the wealthy with another capital gains tax cut, we've got to get money into the hands of working Americans. Chairman ROSTENKOWSKI has offered a plan, which I have cosponsored, to provide relief for working Americans through a Social Security payroll tax credit. His plan is paid for by raising taxes on the very rich.

I believe that a revenue-neutral tax cut can help spur economic growth in the short term. While many believe otherwise, we need to recognize that putting money in the hands of middle-class working Americans, who have a higher propensity to spend than the rich, may well have a stimulative effect.

Tax cuts for the middle class is where our program begins, not where it ends.

We strongly believe that a comprehensive package must also contain other long-term investments that will ensure growth and prosperity.

Our proposal must also include substantial investments in programs to make us a high-skills, high-wage society. That means fully funding Head Start, increasing the access of middle-income students to college, and upgrading the training of workers through ideas such as school-to-work transition programs.

We should also add to the recently passed surface transportation bill to close the investment gap between the United States and Japan, with special attention paid to high technology transportation ideas.

We should pay for these ideas by breaking down the walls between defense and domestic spending, even as we keep the overall discipline of the deficit agreement in place.

We also need to pass comprehensive reform of the health care system aimed at lowering costs and providing more stable coverage. Skyrocketing health care costs borne by U.S. businesses have become a growing drag on American economic growth.

Funds that U.S. businesses could otherwise invest in activities to boost productivity—such as new plant and equipment and worker retraining—have been diverted to pay for out-of-control health benefit costs.

It's said that more than $800 of the cost of each American-built car is attributable to health care costs. One of the most effective steps we could take to improve the competitive posture of U.S. businesses is to enact effective controls on health care costs.

Finally, I believe that we should use foreign policy on behalf of America's economic interests, such as demanding more defense burden sharing and open markets from our allies. The first test of this principle comes next week when President Bush travels to Japan.

The President's message to the Japanese should be simple and unequivocal: The days of one-sided trade arrangements are over, and the day of Japan paying more for its own security are upon us.

Nothing less is acceptable, and promises written on press releases are no longer to be treated as acceptable currency.

I hope earnestly that the President can achieve such results during his meetings with Japanese officials, and I believe strongly that Congress must back up his negotiating posture with strong trade legislation to ensure that this new relationship takes hold.

We do not seek protectionism, isolationism, a fortress America, or a closed market. But we will not accept the old, existing arrangement where America's markets are open and Japan's borders are closed to American goods. It is a new day.

Every American alive or born since World War II has been living under a death sentence imposed by the cold war.

On Christmas Day, that death sentence was finally commuted.

We are living at a time when we no longer need to settle for survival, but can instead concentrate our energies on expanding freedom and prosperity for ourselves and others across the globe. It is this exceptional moment that must be the subject of President Bush's State of the Union Address.

In less than 1 month, the President will announce an economic program for America's recovery and renewal. Only then will we find out whether his new commitment to jobs, jobs, jobs, is more substantial than politics, politics, politics.

We'll know whether he shares our commitment to working families and rebuilding America, or whether he clings to his twin allegiances to the very rich and the status quo. We'll discover whether his vision extends only to next November or into the next century.

Programmatically, Democrats know what needs to be done. We need investments for economic growth, jobs and job training, greater access to education for the middle class, a reformed system of national health care, and a new foreign policy that comprehends the linkage between America's economic interests and our diplomatic objectives abroad. But programs are not enough.

We need to restore upward mobility in our society.

We need to renew what was uniquely an American social contract between government, industry, and working people that is becoming the common property of free people across the globe.

We need to recapture America's outward vision of daring and exploration; we need to enlist farmers, entrepreneurs, oil drillers, and teachers in an international effort to combat deprivation and secure prosperity for the newly awakened societies that are moving center stage.

The United States is too good, too strong, too historic a nation to remain caught in the waters around Cape Fear. Let us join the world in a voyage back to Cape Hope.

And let our national leadership have the wisdom, the courage and the vision to bring us there—more prosperous, more united, and more confident than we are today.

□ 1245

Mr. Speaker, I yield to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, I just want to commend the majority leader for once again bringing the focus to the economy and the state of our Nation. But I think it would be a mistake to think that this was something that began today or even began a year ago when we were debating with the administration whether or not there was a recession. It was almost a decade ago, in 1983 and 1982 that the majority leader led efforts in this Congress to try to give our industries a fighting chance. At that time the majority leader in particular, I recall, was attacked as being protectionist for uttering some of the very phrases that we are now hearing from the President of the United States.

If we had had the predecessor administration, the Reagan-Bush administration, on board to fight for fair trade back then, I think we would not be in this situation today when we look at the industries across this country that have been devastated by unfair trade practices. There is one company which I have talked about before, and it is so important, a small company in Montville, CT, Forea Corp., that makes tachometers and gauges for the automotive industry and for boat engines and other kinds of engines. They had a contract with a Japanese company and they were basically told that they had to switch to a Japanese manufacturer of the same product. They were not allowed to bid on the Hondas, the Toyotas that are made here in the United States.

So we are a decade late, not because of the Congress and particularly the efforts of the gentleman in the well in the Congress trying to fight to get attention to these issues a decade ago, but we have now got the administration's attention. So hopefully we can now join together. And it is not just automobiles. It is computers, it is insurance, it is almost any place that we have been competitive.

The old story, of course, was agriculture. They would not let agricultural products in. It is hard to imagine that we would take all of these cars but yet they would not give us an opportunity to sell some agricultural products. But we can go across the board.

So in this time when our economy has been so badly beaten we need to take a look at a couple of areas. The President, as we know, moved very forcefully in Operation Desert Storm. Part of the Operation Desert Storm was to go to our allies and to get about $70 billion to pay for that military engagement. It is time for an Operation Domestic Storm. I know we have discussed this before. The gentleman from North Dakota [Mr. DORGAN] and others have worked on this, and I have been working on some legislation.

If the administration, if the President wants to keep as much as we have in Europe, and God knows why we would want to have a large conventional force in Europe today, then we ought to give him 120 days to go to our Japanese and European allies and have them pay that $70 billion, half of what our presence in Europe and Japan costs, and bring that into the Treasury so that we can stimulate the American economy. If they do not do that, then we ought to bring the troops home.

A Hong Kong economist pointed out that if we brought about 200,000 or 300,000 troops home, which is almost all of them, but as we learned in, I think, Operation Desert Storm, we still have to move them to where the crisis is, whether we move them from Germany, or Groton, CT, or some other place in this country, it makes very little difference. That would restore about 40 percent of what we have lost in the economy.

How does that happen? Right now we take taxpayer dollars or borrowed money, more often than not, and we send it to a soldier in Germany, whose wife and family may be there, and they pay rent there, they buy in stores there. If that soldier was brought home, not released from the military, but just allowed to spend that money here, it would help the real estate prices and it would add about $7 billion to $15 billion in new economic activity to the economy.

Lastly, we are planning to spend $32 billion on something called O&M on European facilities. That is operation and maintenance.

So think about the threat in Europe for a moment. There may be a threat from nuclear weapons, but having a large ground force does not help in dealing with some mad individual or fight between some of the provinces, or whatever we worry about in the post-Soviet Union era. A ground force is not going to help. If the Soviets, for some insane reason, wanted to invade Germany, they would have to go through all of Eastern Europe first, which is now emerging democracies, so a large ground force does us no good in Europe.

If we bring those folks home, it helps our economy, and that is the battle of today.

All too often countries have lost because they had their sights on the last battle. The Maginot Line in France as World War II began, the Bar-Lev Line as the Israelis in 1973 almost lost it. We had better focus on the economic position this country is in or we are not going to be in a position to have Cape Hope, as the gentleman pointed out. We have the resources, we have the technical ability. Our defense workers have the ability to go into nondefense areas.

Last, the thing I think that confused me or upset me maybe the most in the last session is that the leader and I and a number of other Members worked on getting some conversion funds to change over from defense to nondefense so that we do not deal with our workers as if they are disposable. We fought tooth and nail for $200 million. The administration tied it up in knots. NICK MAVROULES finally had to hold some special hearings into why they are not releasing some of the funds. But the administration rapidly supported $500 million to diversify the Soviet military-industrial complex. If it makes sense there, it makes sense here.

Again, I just wish that folks would go back and look at some of the things the majority leader has said in the mid-1980's. Had we listened then, I do not think we would be in the crisis we are today. Hopefully now that the President has joined us, recognizing that fair trade is critical, we can get some legislation through this Congress to deal with diversification and conversion, to deal with economic opportunity for our workers.

So I just want to again commend the gentleman from Missouri for his efforts.

Mr. GEPHARDT. I thank the gentleman for his statement.

Two points the gentleman made I think are worthy of underscoring. One is that economic growth, success, and prosperity is a multifaceted issue. There is not one thing that we can do that will make the economy march forward in a proper fashion and get us out of this swamp that we are in and to get wages and incomes rising.

□ 1255

There is more than one cause of our problems, as I have tried to say, and as the gentleman has tried to say. Trade is part of it, an important part, not the only thing.

The rules by which we trade, the defense burden-sharing, are a part of it.

We have been carrying most of it for 45 years while our major competitors have been doing far less.

Our own education, our own capital formation, our own training, our own health-care system, all of that is part of it as well. You have to look at in its totality. You have to deal with all of the causes and all of the problems simultaneously. You cannot just pick out one thing and say that is the problem, and if we solve that, everything will be OK. Would that it were that easy; it is not. We have to do all of it.

But one of the concerns I have had is that whenever we have talked about trade rules, people who are critical of that approach are quick to point out and want to say that if you have got the trade rules, to be fair, it would not make any difference. I think they are wrong. I think that is an important part of the puzzle, not the only part, not the only thing, but it is an important part.

Let me just cite one fact that has sloughed over in all of these discussions about Japan and about trade. We have fought hard to get access to foreign markets. We have changed the exchange rate of the dollar vis-a-vis other currencies. It has had an effect on our ability to penetrate foreign markets. We have a surplus today with Europe.

If our products are so lousy, as some want to say they are, why do we have a surplus with Europe? It is a tough market, discerning consumers, at least as discerning as Japanese consumers. We have got a surplus. We are selling more there than they are selling in the United States. That indicates to me that the American economy is not all bad.

So I think that is an important thing that is not looked at, yet we have a $42 billion persistent deficit with Japan, and so with Japan, the trade rules become a very important factor. That is why we have to address that issue simultaneously with health care, with education, with capital formation, with taxes, with all of the other domestic issues that are so very important, and burden-sharing, as the gentleman said.

So in closing, let me just say that we have a large agenda in front of us this coming year. I hope and I pray that we will deal with all of these issues simultaneously, and we will be unafraid to change fundamentally the way we have dealt with these issues in the past in our country.

I yield to the gentleman from South Carolina [Mr. DERRICK].

Mr. DERRICK. Mr. Speaker, I thank the distinguished majority leader for yielding to me.

You know, we began the 1980's with being the greatest creditor nation in the world. Today we are the greatest debtor nation. We began the 1980's with an annual deficit of around $60 billion. Now it is up to around $350 billion or $400 billion.

During the 1980's, the average working man and woman in this country has lost in their wages, and their purchasing power, about $1.20 or $1.30 an hour.

This has been under policies in this country that we rewarded the rich and penalized the middle class and the lower middle income.

Our President is in Australia, I guess, on the way elsewhere to end up in Japan.

As we all know, that trip was planned back a long time ago, and nothing was mentioned about trade, because back then the administration did not even recognize that we had any problems in this country with our economy. Well, they finally recognized it. So now we have the President and a number of our leading executives flying around the world. But I would say that I wish them the best. I wish them the best.

But this administration is going to have to do a complete about-face in the way they approach our so-called trading partners if this trip is going to mean anything, and if they do not come back looking very impotent.

We all know that a healthy U.S. economy means jobs for American men and women. In what is emerging more and more as a global economy, the availability of U.S. jobs is increasingly related to the trade arrangements we have with other countries. Between 1986 and 1990, 25 percent of the growth in private industry jobs was attributed to exports, indicating that the future of U.S. manufacturing relies heavily on exporting. In Western Europe we are running trade surpluses. However, overall this year the United States will suffer a $67 billion trade deficit in merchandise products.

We will run a $42 billion deficit with Japan, and a $13 billion deficit with China. Textiles, the auto and auto parts industries, pharmaceuticals, and computer software are just a few of the American industries being decimated by these two "quote-unquote" Asian trading partners. It is clear that the future of United States manufacturing jobs will depend greatly on being able to reduce our trade deficits with Japan and China. Yet, besides a publicity trip to Asian countries, what is the administration doing to protect U.S. manufacturing jobs from unfair trade practices by these two countries?

The President's trade negotiators have all but abandoned our textile industry at the negotiating table. United States trade negotiators have essentially stepped back from GATT negotiations and allowed the GATT Chairman, who is a Swiss civil servant, to craft a take-it-or-leave-it trade agreement that will phase out the Multifiber Arrangement, the last line of protection American textile workers have against cheaply produced foreign imports.

This agreement, if enacted, will result in the loss of 1 million textile and apparel jobs and 60 percent of our Nation's textile industry over the next 10 years. Where are the benefits in free trade agreements of this kind? They are not in South Carolina textile mills in Anderson, Graniteville, and Barnwell. They are in China, India, Pakistan, and Indonesia—the very countries that will steal American textile and apparel jobs under the proposed GATT arrangement.

Forty thousand South Carolina textile workers—10 times that number nationwide—have lost their jobs to foreign imports over the last 10 years. How many more U.S. jobs will be lost in the name of free trade? And what exactly is the administration's position on trade with China? On the one hand there are threats to double tariffs on some Chinese goods, as well as investigations into Chinese trade barriers.

On the other hand, the President wants most-favored-nation trading status for China, a nation that illegally transships textile products into this country to avoid quotas and steal United States jobs. Who is the President siding with, the Chinese or American workers? Currently, America absorbs one-fourth of China's legal exports. The administration has to muster the courage to use that leverage and negotiate a deal that is fair to American workers.

If we are going to preserve the ability of American men and women to manufacture products for consumption, both here and abroad, we must act now to preserve U.S. manufacturing jobs. If the administration hesitates much longer in getting really tough on China and Japan, American manufacturing jobs will be forever lost.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman for his fine statements.

Mr. Speaker, I yield now to the gentleman from Iowa [Mr. NAGLE].

Mr. NAGLE. Mr. Speaker, I thank the majority leader for yielding.

Mr. Speaker, with the majority leader's help, I would like to go back to that chart, because I think there are probably two stories there.

The gentleman cites correctly the 12.8 percent of the work force is suffering in the Bush recession. I looked at that, and the gentleman may have mentioned this, but I think if he has not, that bears repeating, that actually means that we are losing 2,600 jobs a day in this country right now.

I do not think that those are just the average McDonald's cutback or you cannot work part-time at Sears. I think those are quality jobs, and I am puzzled, and I wonder if the majority leader would share his observations with me that if we are losing jobs at that rate and we have been for some time, why is the administration waiting until some magical date at the end of January to announce what they plan to do?

☐ 1305

I mean, for 2,600 individuals, men and women of this country who get up in the morning, have their coffee, get in their cars and drive to their jobs, every day the President waits with his economic rescue plan is another day that they do not have anywhere to go, that the economic condition of their family deteriorates and the stress on those families from unemployed parents increases.

Why is the administration waiting to come with this plan? Why are we not doing it now? Why did the President not ask us to be here today?

I know he is out of the country. That is not surprising. But what explanation can we offer to the American public as to why the administration seems so indifferent to the deteriorating condition of the individual Americans?

Mr. GEPHARDT. Well, the truth is, this should have been done years ago.

The involuntary part-time 6.5 million people has been growing year by year, with the discouraged workers of 1 million.

I will say that at least the President is going to Japan and trying to work on the trade problem. In my view, it is about 8 years late, but at least he is going there to do it and I give him credit for going and trying, but he must come back with more than a press release and a photo opportunity and a promise. There has to be concrete action.

The President has said, the Secretary of Commerce has said, the trade negotiator has said, that for every billion dollars of trade deficits, we lose 20,000 jobs. We have a trade deficit with Japan of $40 billion. Obviously, if we had a even trade balance with Japan, just that one country alone, these numbers could come down by a million jobs, or a million people who have lost their jobs, or lost good jobs. So it is part of the answer. At least he is there now trying to do that.

I wish him well, but he must come back with more than a promise, but then we have got to go forward with a tax bill to help the middle-income consumer, with a tax bill that will cause investment and growth in our society, with education so that we get the trained workers that we need to take the jobs that we hope will be there; health care reform, so that we do not suffer the competitive disadvantage with these other countries and on down the list of things that need to be done. They have needed to be done for 8 or 10 years.

I do not know why we have not had that kind of leadership. I hope we will get it, and I can assure the gentleman that we together in the Congress must respond to that leadership and must try to pass legislation which will make some of these fundamental changes in the American economy. If we do not, then these numbers will simply go up.

Mr. NAGLE. Well, I agree with the majority leader. I was frankly gratified to hear him say that if the President presents to us a decent plan, then we, of course, I think will stand ready to endorse, embrace, support and fight for that plan; but I am afraid that the history of the past two administration causes me to be somewhat discouraged that the President's rescue plan is not aimed at the people on that chart, but is aimed at those executives who are pulling down salaries annually of $1 million or more and are flying around the country with him.

I would like to think the President will come forward, but I am somewhat skeptical because so far these policies have not tilted in that direction. They have tilted toward the people who will never be shown on an unemployment chart, and that is our chief executives.

Mr. GEPHARDT. I understand the gentleman's skepticism. I think we agree that trickle-down has been tried and has been found wanting and that now we need to figure out how to have a bubble-up economy where people who have been crushed have the ability to get back into the economy and to perform as I believe they can.

Mr. NAGLE. You know, it is kind of gratifying to hear Alan Greenspan, the Chairman of the Federal Reserve, go before the Ways and Means Committee here and give a rather stunning and direct criticism of Reaganomics on the record of the 1980's as we have ever heard.

The gentleman has been in this Chamber for many years saying that these policies of trickle-down are not going to work. They are not going to build the economy, they are going to erode the economy.

It is almost as if Democrats, self-included, become fashionable for saying what this President said when presented with that plan back in 1980, that it was voodoo then, it is voodoo today, and it will be voodoo for the economic policy of this country.

Mr. GEPHARDT. My hope is that in the State of the Union Address the President will be willing to make the kind of fundamental change from that program so that we can cooperate together to put an economic plan in front of the American people that will really get the result that we want.

Mr. Speaker, I thank the gentleman for his contribution today. I look forward to working with him and other Members of the House as we look forward to this State of the Union Address.

A NECESSARY REVOLUTION IN ECONOMICS

The SPEAKER pro tempore (Mr. MONTGOMERY). Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I think our colleagues and citizens may find it interesting to read these two special orders back to back because they both address the need for change. They both address concerns about the economy and concerns about where America is going.

I am going to talk about the necessary revolution, applying common sense to our problems. I want to talk in a framework that I think is in contrast to the statements of the Democratic leader, but nonetheless fits the same sense of urgency and the same sense of concern.

I think America is at a crossroads and Americans know it. I think that Americans know we are winning the cold war and losing the competitive war. I think they know that we are defeating the Soviet empire, but that we are losing the domestic struggle against drugs, crime, ignorance, and welfare. They know we are losing the world market to Germany, Japan, and Korea. They know we are losing faith in our constitutional system, that they do not see it working. They do not see their votes mattering. They do not see their leaders being effective. They do not see the structures their Founding Fathers gave them producing results, and so they are almost in agony.

They see Taiwan with an intelligent enough system that they have $2 billion to invest in McDonnell Douglas when McDonnell Douglas cannot find that $2 billion in America, and they know that is crazy, and that it means for their children a desperate struggle of a declining standard of living. They turn on the evening news and it resembles a death watch in virtually every major city of this country and they know that is crazy. You look at the results of schools and they know that even the best of our American schools score in the bottom third of Japanese schools mathematically. And they know that their children cannot survive in a world where that remains true. And yet they do not know what to do. And so, in desperation, they turn to term limitation and a substantial percentage turn to people like David Duke.

Because they are so angry and so frightened that they believe that an ex-Nazi, ex-Klansman is less of a threat to their future than the established political system. Now that, to me, is a terrifying concept, and condemns the current structure of politics in America about as vehemently as you can imagine.

In that framework, the Sunday after Thanksgiving I was on "Meet the Press," and at the end of it, I stepped off the set and the three reporters were chatting. The NBC Washington bureau chief, Tim Russett said, "You know, GINGRICH may be the only true revolutionary in Washington."

I thought about it for a while and I decided he is right at least about my position. I think there are other folks who are also revolutionaries. I am a revolutionary.

Taking the streets back from violent crime and drugs, so local TV news is no longer a death watch would be a revolution in every major American city. Replacing welfare with workfare and ending a process by which teenage mothers outside marriage and ignorant, irresponsible male children who have sex but are not fathers would be a revolution. Having schools that are disciplined, require homework, and beat the Japanese in math and science would be a revolution. Replacing the most expensive red-tape-ridden, litigious health care system in the world with a revitalized, health-oriented private system we can afford, and that would be available to everyone would be a revolution. Having Government bureaucracies that are lean, efficient, courteous, and customer-service oriented would be a revolution. Having a tax code that favored work, savings, and investment, that helped create more and better jobs, greater productivity, and higher take home pay to make us the fastest growing industrial economy in the world would be a revolution.

Maybe my sense of the need for dramatic change has been influenced by two meetings with our leading management analyst, Edwards Deming. Deming wrote a warning. He said:

> Transformation of American style of management is not a job of reconstruction, nor its revision. It requires a whole new structure, from foundation upward. * * * Only transformation of the American style of management and of governmental relations with industry can halt the decline and give American industry a chance to lead the world again.

□ 1315

Dr. Deming wrote that in his book, "Out of the Crisis."

Now, Edwards Deming first lectured the Japanese on his concept of quality in 1950. Today, the highest award for productivity in Japan is the Deming Award. Deming's quality is a concept which has allowed the Japanese to develop extraordinary productivity. Yet it was originally an American concept developed by Americans and used by Americans. If we are again to create high value, based on high productivity, producing high take-home pay we must master the concepts of quality. That mastery will require constancy of purpose and the flexibility to engage in continuous improvement. Yet the welfare state's values and structures block the development of that quality. We believe America's survival as a prosperous, free country requires the replacement of the welfare state. The national transformation must start with a peaceful, political revolution.

WHAT IS AT STAKE

We believe this revolution is vital to the prosperity of Americans and the survival of America as a world leader. We believe the welfare state is literally crippling our country.

We believe another generation of drug addiction, violent crime, illiteracy, skyrocketing health cost, expensive litigation, and antijobs tax and regulatory policies will destroy America's capacity to lead and will permanently impoverish our children both economically and spiritually

A world without a strong America will be less democratic and less governed by free markets. That world will be more dictatorial and more violent.

Therefore, we believe that our entire future is at stake. We believe the safety and prosperity of our children and the world's children is at stake.

We believe a revolutionary replacement of the welfare state is literally a question of success or failure, prosperity or poverty, safety or danger, both for our children and our country.

We believe it is possible in an opportunity society to offer health, learning, safety, and jobs to our poorest children in our poorest neighborhoods.

We believe it is possible to create the opportunity for every American to develop a more prosperous future while establishing a framework of security for senior citizens truly to relax in their retirement years.

In an opportunity society, Americans can dream again of a boundless future. In the welfare state, we're trapped in decay. That is why we are committed to fighting for the necessary revolution to replace the welfare state with an opportunity society now.

THE FAILURE OF THE WELFARE STATE

This revolution is necessary because the welfare state has failed both to achieve its goals and to reform itself. The welfare state has increased poverty, not decreased it. The welfare state has increased ignorance while spending more on education, increased fears about health while spending more on health care, increased fears about drugs and violent crime while ineffectively decrying the very violence it spawns.

The welfare state has proven most destructive in the cities it most dominates. It is precisely where the most money has been spent and the most bureaucrats hired that the welfare state has crippled and deformed the largest number of human beings. In New York City, Boston, Philadelphia, Detroit, Washington, DC, and virtually every large city, we have spent more on the welfare state and the result has been extraordinarily destructive of human lives and human hopes.

If any private business had mistreated people as badly as the welfare state has in our largest cities, we would have forced the business into bankruptcy and tried its executives for criminal negligence. The time has come to end the welfare state and to replace it with an opportunity society based on very different principles, processes, values, and goals.

We emphasize three principles: that this must be a change so complete as to be a revolution; that such a revolution is unavoidably necessary; and that our Founding Fathers gave us the political process through which the American people can peacefully enact a revolution.

A REVOLUTIONARY REPLACEMENT OF THE WELFARE STATE

First, we believe no reforms within the welfare state can be effective. For over a decade we have participated in partial reforms affecting welfare, crime, drugs, education, health, and the effectiveness of Government bureaucracies. By any reasonable standard, these reforms have failed.

We have concluded that the very values, structure and nature of the welfare state doom it to failure. It is impossible for unionized bureaucracies with rigid work rules to adopt quality programs, to involve volunteers effectively, or to show flexibility and creativity in stretching scarce resources and setting priorities.

The core values of the welfare state when put into practice have the effect of protecting the criminal at the expense of the innocent. They have the effect of encouraging 12-year-old girls to have children. The welfare state is encouraging 15-year-old boys to promiscuously impregnate girls, in effect to father without becoming a father. These values have the effect of spending more and more resources on unproductive bureaucracies while taxing and regulating small businesses and job creators until they either leave for a better environment or simply close and kill the jobs they have created.

The list could go on but the principle is clear. Whatever the intentions of those who favor the welfare state, the effect has been devastating.

We conclude that it is necessary to replace the welfare state because its most fundamental flaws cannot be reformed. They cannot be reformed because they are the core of the welfare state.

We would replace its welfare values with opportunity society values based on work, savings, achievement and effort. We would replace its liberal values with conservative values including strong support of police, prosecutors, and prisons, requirements that prisoners work and learn, a determination to take every step necessary to defeat drugs and violent crime within the framework of our constitutional safeguards. We are committed to discipline, homework, and an achievement based educational system that can match the Japanese and Germans in math and science.

We favor the marketplace over bureaucracy as the primary mechanism to encourage change. We favor voluntarism and service to others whenever possible. We believe Government should be redesigned to reinforce the marketplace and voluntarism. We see a welfare state that is opposed to free markets and hostile to volunteers.

We believe the concept of quality taught by Deming, Joseph Juran, Phil Crosby, and others has to be applied to our Government as well as our corporations. Indeed, we believe every citizen must learn the key principles of quality so that our country can be committed to quality at all levels. Yet it is clear from any study of Edwards Deming's "profound knowledge" that the welfare state cannot possibly achieve quality. The process of continuous improvement, flexibility, and change required by quality is simply impossible within the current bureaucracies of Government. A quality change by definition must be a revolutionary change.

We favor a bold shift away from an absurdly expensive litigation approach to malpractice and liability. We cannot continue to graduate more lawyers than engineers and compete in the world market. As President Bush has advocated for the last 3 years, we must shift toward arbitration, mediation, and conflict resolution processes. That would clearly be a revolution compared to our current legal system.

We believe in helping create American jobs. The current Government approach to business is that of an adversary, regulator, and policeman. That approach must be replaced by Government as the ally of American business in the world market. From antitrust to trade negotiations and to research and development strategies, American businesses and American workers are crippled when their own Government establishes one-sided rules and one-sided behaviors. These weaken American jobs but have no impact on foreign competitors. The opposite is necessary. Americans must work together as a team successfully to compete in the world market and create jobs.

We believe the burden of health care cost, red tape, and litigation is now a major handicap to American business in world market competition, a major burden to every taxpayer, and a threat to every American family. We must shift away from rigid centralized bureaucracy and absurd malpractice rules. We must maximize preventive health care, emphasize wellness, and provide incentives to reestablish the consumer's choice and consumer's responsibility while ensuring every American's access to health care. We must decentralize decisions on health care for the poor to State and local government, establish a commonsense approach to malpractice, and reestablish the commitment to having the best health and wellness system on the planet.

We believe education is a vital key to a successful, competitive American economy. The information-industrial revolution places a greater and greater premium on education and training. Since technology and competition are changing constantly, we will have to learn constantly. We need a thorough revolution in education to establish lifelong learning. We must create a convenient, easy to use approach that allows all Americans to learn as rapidly as possible and make as much progress as quickly as possible. We cannot write off millions of adults who need to keep learning. We cannot continue to lose millions of young people who graduate with inadequate preparation. There is no sector in American life in which the coming revolution is more necessary or more vital.

We believe the welfare state combination of welfare payments, rules for health care, and the Tax Code have created a strong bias against work, savings, and investment. Our major competitors all have tax systems that are much more prowork, prosavings, and proinvestment. As a result they are building newer factories, buying newer technology, and creating greater productivity. Since higher productivity is the essential foundation for any real increases in income, it is the most vital economic goal of a healthy society. We must replace welfare with workfare for all able bodied adults under retirement age who receive Government checks. We must create a transitional process actually to encourage people to leave welfare by providing an opportunity to buy into basic health insurance as they leave Medicaid. We must reshape the Tax Code decisively to favor work, savings, investment and achievement. We want the maximum number of new entrepreneurs creating new businesses and new ventures. That will create the largest number of new American jobs with the highest productivity, the greatest value added, and the highest take-home pay in the world. We also want strong tax incentives for existing business to invest in education, training, new equipment, and research and development so its employees will also have the world's highest take-home pay. Only a thorough revolution in both the welfare system and the tax laws will create the kind of economic growth we believe the American people deserve and the American Nation needs.

We believe this new effort to create an economically dynamic America should include special efforts for urban and rural pockets of poverty. In order to create jobs for poor Americans, we believe in the strongest possible tax incentives, including zero capital gains, a massive investment tax credit for each new job, and special tax credits for hiring the hardcore unemployed and developing special job-related apprenticeship and training programs for lower income workers. We also recognize that inner city and rural America each have unique problems that must be resolved before prosperity can occur.

We believe no real job growth can occur in the inner city until we have truly won the war against violent crime and drugs. No reasonable person will invest in a war zone. Within our constitutional safeguards, we favor the strongest and most thorough measures in a combined local-State-Federal effort to ensure safety and impose order. We favor whatever steps are necessary to end the cycle of violence and drug use which are destroying our inner cities and killing our children, including a combination of additional police, special deputies, temporary prosecutors, temporary judges, and additional prisons, including the use of surplus Federal military bases as prison sites, and requiring work and study in prison.

We also believe big city bureaucracies must be challenged to cut their redtape for business by 50 percent and to return to the number of municipal employees per thousand citizens they had in 1950. Ironically the more cities have decayed economically the more bureaucrats they have hired, the more taxes they have imposed and the more antibusiness regulations they have created. Big city governments have become antijob, antigrowth, antitake-home pay engines which devour their own city's future. Our revolution must take place at city hall for jobs and economic growth to return.

We believe rural America could be on the verge of a generation of breathtaking growth and an explosion of opportunities. The new technologies are shrinking time and space. With creative cooperation between Government and business and an appropriate set of economic incentives, including tax credits, it should be possible to bring world class education, health care, and job opportunities to the most rural communities. Fiber optic cable, satellite transmissions, and high-speed computing may revolutionize rural America for the 21st century even more fully than the railroads did in the 19th century. The bureaucracies, regulations, taxes, and subsidies of the welfare state focus almost entirely on subsidizing the past and, in the process, help block the future. We want to revolutionize opportunities for income, quality of life, education, and health care and expand the list of possibilities for rural Americans just as rapidly as possible.

We believe these opportunities must be available to all Americans without discrimination. We also believe the Government itself should not favor or enforce discrimination. We oppose quotas and set asides based on ethnic definition or genetic code. We believe in an integrated America in which each person in every part of the country should have the maximum opportunity to improve his or her life. We believe in affirmative opportunities for those from a culture of poverty or in genuine economic need. However, helping a millionaire's son or daughter because they fit the right quota, while denying the child of a low-income worker because they are in the wrong quota, is simply wrong. We also believe that any efforts to set up group politics based on quotas and set asides is inherently destructive of that ideal.

Finally, we believe that America is permanently tied to the world market and has a permanent interest in maintaining international security. We must learn to compete in the world market because we cannot retreat from it. The greatest productivity, the highest value added, the widest choice of products, and the greatest take-home pay are all going to be found by competing in the world market. To retreat from competition is to accept decay. We must be tougher in negotiating with our trading partners, but our goal should be to increase American exports and to create American jobs, not to decrease imports and kill foreign jobs.

We believe that American involvement in the world must continue to include a strong military and foreign policy leadership role. The world will remain dangerous. In fact the end of the cold war may lead to an increase in violence around the planet. Because of the new technologies of mass destruction, increased travel by Americans, the worldwide communications and transportation system, and the interactions of the world market, it is clear that America and Americans may be more vulnerable in the future. Therefore, our national security requirements in the military, diplomatic, and intelligence areas will remain vital to our safety and security.

While we consider national security the first duty of Government, we do believe every commitment of defense and foreign aid developed during the cold war must be critically reexamined. We are living in a new revolutionary era with new national security requirements. In the new post-Soviet era, every military base, every aspect of force structure, every procurement item, and every dollar of foreign aid need to be critically questioned. Similarly, our intelligence activities need to be reexamined and restructured to meet the new requirements of American national security. We are just as prepared to be revolutionaries at the Defense and State Departments and with the intelligence agencies as we are with the domestic welfare state.

This is a necessary revolution. We believe this revolution to replace the welfare state is vitally necessary to America's prosperity and safety. We do not believe this is merely a matter of desirability or of ideological preference. We believe that continuation of the welfare state will kill jobs, lower the American standard of living, and end our ability to lead the world.

There is a quality revolution sweeping the planet which has an amazing impact on productivity. Companies that develop a process of continuous improvement, that focus intensely on the customer, that involve all their employees in training and improvement, and that apply Deming's "profound knowledge" are literally in a different era of productivity than those which don't. By applying the principles of Deming, Juran, Crosby, and their associates, it is possible to develop new systems, apply new principles, and achieve levels of effectiveness and quality that were historically impossible.

This quality revolution is a cultural revolution as decisive and as powerful as Henry Ford's invention of the mass production assembly line and Frederick Taylor's "Scientific Management." Just as the American system of mass production changed the world and won two world wars, similarly the American system of quality, as taught to the Japanese and improved by them, is changing our world.

In the early 20th century, countries found that they had to learn the new mass production and assembly line system or simply be economically overwhelmed. Further, they discovered that their military power relied on the same revolution in production technologies.

In the late 20th century we are learning that we have to adopt the Quality Revolution, or we will cease to be competitive.

□ 1335

Those American companies that are intensely committed to quality, such as Motorola and Milliken, are making dramatic progress.

However, individual companies will not be able to save America. As Deming points out, our education system, our health care system, and our legal system are enormous handicaps to American quality efforts. Our work force simply is not educated enough to compete in the market. Our health and litigation systems impose economic burdens on American companies that their foreign competitors don't have to carry. These three failing systems are the equivalent of our entering a foot race carrying a 50-pound weight the other racers can ignore.

As powerful as it is, the Quality Revolution does not exist in isolation. Four revolutions are transforming the world. The four concurrent revolutions are:

First, the political revolution;

Second, the world market economic revolution;

Third, the technological revolution; and

Fourth, the cultural revolution, as people seek permanent values in a world of constant change.

The news about the former Soviet Union, South Africa, Europe '92, and other, virtually daily, events prove that there is a political revolution. A walk through any mall or store will convince you there is a world market undreamed of in your childhood. Microwaves, VCR's, cable television, and portable phones are small reminders of the scale and momentum of technologies that did not exist 30 years ago. It would be interesting to see how many families gave Christmas presents that were not available in the market even 5 years ago.

Finally, the revival of values seems worldwide and driven in part by a search for stability in a changing world.

With four concurrent worldwide revolutions underway, the only practical position is to favor a peaceful political revolution in the United States.

It is inconceivable that the current structure of the big city welfare state can compete in a revolutionary world. The drug ridden, violence ridden, uneducated and unproductive neighborhoods that can be found in almost every major city are disgraces to the American dream. We owe it to the residents who have been denied safety, prosperity, and opportunity to replace the welfare state which has so thoroughly failed them. We owe it to the country's future to replace the welfare state everywhere and replace it with a proquality, protechnology, profree market opportunity society.

Failure to replace the welfare system will not merely be an ideological defeat for conservatives. The survival of the welfare state will cripple America in the 21st century and our leadership role in the world and will dramatically lower the standard of living for most Americans.

This revolution is truly necessary and not merely desirable. It must happen.

A PEACEFUL POLITICAL REVOLUTION

The Founding Fathers created a powerful system for each generation to have, to paraphrase Thomas Jefferson, its own necessary revolution. Our civil wars should be cultural and political, not military.

Ironically, at the very beginning of our Civil War, the only time we solved problems by violence, in his first inaugural address on March 4, 1861, Abraham Lincoln said:

> This country, with its institutions, belongs to the people who inhabit it. Whenever they shall grow weary of the existing government, they can exercise their constitutional right of amending it, or their revolutionary right to dismember, or overthrow it.

Yet Lincoln was saying precisely that this is a political right to be exercised politically.

We have political campaigns led by candidates, rather than military campaigns led by generals. We use ballots, not bullets, and our battlefields are the precincts in which Americans vote.

Every citizen who has complained about taxes, bureaucracy, inefficiency, indifference, and ineffectiveness of the welfare state now has an alternative.

Most Americans are tired of violent crime, drugs, inadequate education, overly expensive health care, too many lawsuits, welfare that encourages decay and taxes, and bureaucracies that kill American jobs and weaken the American standard of living. If every person who is fed up with these failures will register and vote to replace the welfare state, the revolution will occur in 1992 and 1993.

We will seek to run candidates at every level—from school boards to city and county governments, State legislatures, and to Congress—who are committed to replacing the welfare state. We will fight for a revolutionary platform that will lead to the replacement of the welfare state.

The challenge to our generation of America is clear. America met challenges in the cold war and in Desert Storm. We believe we can find just as much courage and commitment to meet the challenge here at home.

If you want jobs, you have to register and vote.

If you want a lasting standard of living, you have to register and vote.

if you want good education and health care, you have to register and vote.

That is our message to those who want change.

REVOLUTIONARY VISION, INCREMENTAL STEPS

We are not advocating a sudden, overnight, wholesale replacement of our current welfare state structure. We do not believe that any one group is able to plan and execute changes on the scale now required.

Furthermore, the lessons of the Quality Revolution clearly indicate that continuous improvement and constancy of purpose are dramatically more successful than sudden bursts of effort.

We believe the key is to establish the revolutionary vision of an opportunity society and the key principles which would distinguish that society from the current welfare state. As President Bush has said,

> There is a better way, one that combines our efforts—those of a government properly defined, the marketplace properly understood, and services to others properly engaged. This is the only way—all three of these—to an American whole and good.

Then we would encourage every level of government to begin reforms and experiments designed to replace the welfare state.

HUD Secretary Jack Kemp's HOPE Program for public housing tenant self-management and ownership is one example of the right incremental change toward a revolutionary goal. Education Secretary Alexander's America 2000 Program is a clear effort to mobilize communities and recruit citizen participation to break away from the welfare state failures in education. Health and Human Services Secretary Louis Sullivan's commitment to preventive health care and his bold pronouncements on male and family responsibility are a clear break from welfare state values. Governors John Engler of Michigan, Tommy Thompson of Wisconsin, and Bill Weld of Massachusetts have brought about exemplary breakthroughs in welfare and health reform at the State level.

While Deming discovered "profound knowledge" in quality and Adam Smith outlined the principles of a free market over 200 years ago, the fact is that each community, State, and Federal department will have to learn the basic rules and then apply them to their own locality. America is too large and complex for any centralized approach to work.

Finally, just as Deming and other quality experts emphasize employee involvement in creating a corporate culture of quality, we will need citizen involvement to create a quality replacement for the welfare state. Precisely because this is truly a revolution in vision, values, principles, and goals, there are virtually no experts to define the correct steps. In fact, the vast majority of so-called experts and professionals know exactly the wrong things. They studied the principles of the welfare state and the values of a philosophy that simply doesn't work. In many instances citizens will be much better off following their own instincts rather than relying on experts in a failed program.

We must establish the revolutionary vision, goals, values, and principles of the opportunity society and build a consensus that we are going to replace the welfare state. Then the cumulative impact of hundreds of thousands of small incremental steps taken in a decentralized basis will begin to build momentum. Once the process of replacement has begun, the creativity of millions of Americans in thousands of locations will ensure the success of an opportunity society and the demise of the welfare state.

As I had begun developing and looking at the process of replacing the welfare state, it is astonishing how often you see information that reminds you of the need for change.

For example, in Sunday's New York Times there was a page 1 story about the scale of fraud in workmen's compensation. According to the New York Times, 25 percent of the money paid for workmen's compensation in the State of Oregon is fraud. That is, the taxpayers paying increased taxes, weakening their take-home pay, and killing jobs to pay for pure fraud.

In California, the estimate, according to the New York Times, is that 20 percent of the workmen's compensation being paid out is pure fraud. There are lawyers and doctors who specialize in filling out phony fraud reports that they know are wrong, that they know are fraudulent, for people who they know are not sick, who do not have an injury, in order to let them draw the money.

Now, 20 percent fraud in California alone is $2 billion—in California, $2 billion a year. That means that we are taxing the people of California $2 billion. If you are an honest, hard-working Californian, you are helping pay $2 billion in additional taxes for pure fraud.

This is not arguing about exactly how big the benefits ought to be. This is not an argument about what we should consider to be illness. This is saying under the rules 20 percent in California and 25 percent in Oregon of the welfare state program for workmen's compensation is pure fraud. In one State alone, that comes to $2 billion a year.

□ 1345

Now why should a family of four in California pay $320 additional a year in taxes for pure fraud? And yet the welfare state, with its bureaucracy, with its value structure, makes it impossible to run that program in an intelligent, clear manner. This is more than just a matter of money; it is a matter of life and death.

As I was leaving Atlanta this morning driving to the airport, I listened to a radio report about a murder which even by the gruesome, barbaric standards of our age got to the city of Atlanta. Then I picked up the Atlanta Constitution on the way to the airport and I read the following article.

A suspect with "hatred in his heart," a crack addict, was charged with killing his parents, sister, and niece.

> The accused had been paroled last month. Maxwell Winston, Jr., a crack addict described by one neighbor as a man with hatred in his heart, was widely known and feared by residents of his family's middle-class northwest Atlanta neighborhood. "He is bad. Everybody knows he is bad," said Barbara Batten, who lives two doors down on Chappell Road.
>
> Winston, 30, charged Thursday with murder in the stabbing deaths of his father, stepmother, sister, and 5-year-old niece, was ordered to undergo a psychiatric evaluation.

Now, let me make clear the responsibility government in America has for this crime, and let me first of all remind us who the victims are. It just tears at my heart to read this list. Here is a situation where they print the pictures.

> Maxwell Winston, Sr., 72, was found lying in bed in the rear bedroom. He had been stabbed twice in the neck and struck three times in the head as he slept. Mary Ruth Winston, 73, was found lying on the floor in the rear bedroom. She had been stabbed in the face and neck three times and struck four times in the head.
>
> Valerie Winston, 31, was found lying next to the bed in the front bedroom. She had been stabbed twice in the neck and once in the chest and struck ten times in the head. Victoria Slaton, 5, was found on the bed in the front bedroom. She had been stabbed twice in the face and the neck area and struck four times in the head.

I wish I could show everybody on C-SPAN and I wish all of my colleagues could see a picture of Victoria Slaton, 5 years old. These four innocent people were killed. Who is Maxwell Winston, Jr.? What role does the government have in Maxwell Winston being able to commit these crimes?

This is his adult criminal history. This does not count his juvenile delinquency record. This is his adult criminal history. Nineteen seventy-nine, arrested for theft by receiving stolen property, two counts of burglary, one count of possession of tools for the commission of a crime. Nineteen seventy-nine, charged with rape. Nineteen eighty, sentenced to 3 years in prison, to serve 2 for 1979 property crimes, sentences running concurrently; paroled in December after serving 9 months.

Nineteen eighty-one, arrested on simple battery and criminal trespass charges; sentenced to 12 months for each disturbance, to serve concurrently; served 6 months, then freed. Nineteen eighty-three, charged with criminal damage to property; sentenced to 5 months, discharged after serving 5 months.

Nineteen eighty-four, probation revoked because of charge of criminal damage to property. Returned to prison for 6 months. Nineteen eighty-four, charged with criminal attempt to commit burglary. Sentenced to 10 years, to serve 8; served 4½ years and paroled in April 1989. Nineteen eighty-four, charged with attempted rape. Nineteen eighty-nine, parole revoked because of possession of cocaine charge and not reporting to parole officer.

Nineteen ninety, sentenced to 2 years for possession of cocaine, to run concurrently with the remainder of the sentence for burglary. Nineteen ninety-one, paroled on December 13; 1991, charged January 2 with four counts of murder.

In other words, this man got out 12 days before Christmas and 9 days after Christmas had killed 4 people. Let me say bluntly why I use the word "revolutionary." This is sickening. This is barbaric. No decent, civilized society would tolerate this kind of behavior. People say, "What can we do about it?" In this case four human beings would be alive today if Maxwell Winston, Jr., had simply served the time he was actually charged with.

He was charged with 3 years each on 2 counts. That is 6 years in 1979–80. He was charged for 12 months each on a series of counts in 1981. He was charged for 10 years in 1984. He was charged for 2 additional years in 1990. If this man had simply served the time he was supposed to serve he would be in jail until 1996 or 1997.

We are told, "Well, you cannot keep dangerous people in prison because we do not have enough prisons." Let me say this. I am committed in 1992 to establish the principle of prisons before pork. I am committed to hunting down every appropriation that we can find that is discretionary spending, that is some politician taking care of himself, and putting that money directly into prisons. I am going to be prepared to fight every rule on every appropriations bill.

This country ought to adopt a single principle for 1992 with crime, and that is in the next 18 months we are going to build enough prisons that there are enough beds that every violent criminal in America is locked up, and they will serve real time and they will serve their full sentence, and they do not get out on good behavior. If they have bad behavior they serve longer.

Then we ought to establish the principle that every prisoner ought to work and every prisoner ought to study. If you had a 20-year sentence and you get out as a Ph.D. in mathematics and you can get a job, that is fine. But we are not going to have prisoners who sit around and watch color television and work on muscle machines so when the riots occur they are stronger than the guards.

I think prisoners ought to work 48 hours a week. They ought to be paid minimum wage and we ought to then charge them the cost of being in prison.

I think it is possible for a healthy, civilized society to rationally and calmly find a method to build enough prisons, to build them at a common sense cost. If that means we take three or four large military bases, and we have some bases out West that are that huge, and we lease the land to every State in the country and we allow them to build prisons without having to worry about neighborhood problems, without having to worry about a lot of other concerns, and we build a whole zone where we have prisons where prisoners are sent, then we ought to do it. If that means we use the National Guard engineering battalions to do all of the basic work to keep the cost down, we ought to do it. If that means we use common sense lowest-cost bids, we ought to do it. Whatever steps are necessary we should take. But Maxwell Winston, Jr., and the evil, barbaric people who are like him should not be on the street.

We have to communicate that if people are determined to be barbarians, we are determined to protect ourselves. We are determined to lock ourselves up, and some people will say to me, "You should not use the word 'barbaric.'" How can anyone, any American, look at these pictures in the Atlanta paper this morning, look at Maxwell Winston, Sr., at 72, or his wife, Mary Ruth Winston, at 73, or Valerie Winston at 31, who by the way was struck 10 times in the head, or look at Victoria Slaton, 5 years old, who had been stabbed twice in the face and the neck and struck four times in the head, how can we look at these people and not say they are Americans and they should have been protected? Something should have been done to save them.

We had it in our power if we had built enough prisons in the State of Georgia, if we had had enough commitment to set the right priorities in building prisons, this evil man would not have been on the street and he could not have engaged in his brutality and in his barbaric behavior.

I think every American should have a sense of urgency. Years ago, Edward Teller, the father of the H-bomb, asked the question, "How hard would you struggle to survive after a nuclear war?" And everybody in the audience said, "We would work incredibly hard." He said, "Fine. Then you ought to work that hard today to stop nuclear war from ever occurring."

□ 1355

Let me say the same thing. Every one of us know how enraged we would be if it was our daughter or our niece, if it was our sister or our parents who had been killed yesterday. We know how angry we would be. We know how much time we would put into doing whatever it took.

Is it not better in 1992 if you are not registered to go out and register, if you are not in the habit of voting to vote? If you do not have a State legislator whose No. 1 priority is building prisons and locking up criminals, whose No. 2 priority is having the kind of schools that have discipline and require homework and make sure that our kids are better than the Germans and the Japanese in math and science, whose No. 3 priority is to replace welfare with workfare so that every able-bodied adult under the age of retirement has to work if they get a Government check; whose No. 4 priority is to put common sense back into our health-care system so that every American can afford health insurance; and whose No. 5 priority is to bring quality to the entire Government so that we can get back to a lean, efficient bureaucracy that understands that its customer is the taxpayer, that when you show up at the Government office you are the people that pay the taxes for those jobs to be there, if you do not have local candidates committed to that, you ought to recruit them. If nobody else runs, you ought to run. But every time you hear somebody gripe, ask them are they registered to vote, are they prepared to participate in a common sense American revolution that applies common sense to Government.

Common sense would have locked Maxwell Winston up for 20 years. Common sense would have required Maxwell Winston to work in prison and have required him to pay for his own care and his own keep so that we make it so that crime does not pay. It is not a vacation, as NANCY JOHNSON told me that criminals and prisoners refer to it in Connecticut, and drug dealers in Connecticut refer to it as a vacation. They ought to work, and if they work 8 hours a day, 6 days a week, then they will know that prison is not a vacation. And then they ought to study 3 hours in the evening, because when you go to prison our goal ought to be to change you so that when you come out you have a job skill and habits of being a worker so that you do not have to go back to prison.

We ought to say to the violent criminals, "You're not going back on the street while you are young enough to be violent."

All of us have to have a sense of urgency. Yet in America, as Thomas Jefferson and Abraham Lincoln reminded us, all of us have the power to change America if we will just exercise it by running for office, by registering and voting, by being a volunteer, by being involved. I do not care which party you are in. I am a Republican. I think, frankly, the Republican Party will be the party of revolution to replace the welfare state. But whichever party you are in, you ought to be actively involved, you ought to be committed, and you ought to insist on the absolute replacement of the welfare state and the future of the Victoria Slatons. Think of Victoria Slaton, 5 years of age, and what her future should have been. Instead of being brutally bludgeoned and stabbed to death, she should have gone to a decent school, had a chance to get good grades, known that there was going to be a safe neighborhood, drug free, known that she was going to have a chance to go out and earn a living in a community that encouraged jobs, and encouraged small business, and encouraged entrepreneurship, knew that her school was going to teach her enough and demand enough that she was going to score as high as anybody in the world, that she had as good a chance to learn math and science as anybody in Germany or Japan. That is what Victoria Slaton's future should have been. Instead, today she is going to be buried at 5 years of age, because all of us failed.

If all of us will get involved, if we can make 1992 the year we replace the welfare state, if we in the Congress will insist and set some priorities. Our No. 1 priority ought to be to be sure that Americans can be physically safe. Our No. 2 priority ought to be to pass a decent economic growth package so that we can get back to serious change and to create jobs. I referred a while ago to McDonnell Douglas. McDonnell Douglas is one of the most important industrial companies in America, a very important aerospace company. When they wanted $2 billion additional in capital to build the new commercial airliner to compete in the world market, to create American jobs, they went to Taiwan because they could not find that $2 billion in the United States. When my friends in the Democratic Party ask why do you over there want to cut capital gains, why do you want to cut the tax on people who save and invest, they ought to ask McDonnell Douglas. They should go to the headquarters in St. Louis of McDonnell Douglas and ask them why they could not find the money here in the United States.

We do not have a serious, deep revolution, peaceful revolution at the ballot box with candidates voting, doing things the American way. Nonetheless, we need a genuine replacement of the welfare state. If we do not take on that burden and that challenge and we do not solve it, then Alan Greenspan, the Chairman of the Federal Reserve Board, will once again come and testify as he did just 2 weeks ago. It was very eerie testimony. Dr. Greenspan, a very, very conservative, cautious professional, head and Chairman of the Board of the Federal Reserve Board, a man who clearly is troubled by the economy said that in his lifetime he had never sensed the disquiet that he feels with the American people today. Unemployment numbers, frankly, are not that bad. People should not be as anxiety-ridden as they are. They are not as bad as the recession was in 1981, but there is a difference. The difference is that in our heart we all know that America in its welfare state tradition is gone, that this welfare state cannot compete. You cannot have 12-year-old girls having a child, and you cannot have 15-year-old boys fathering five and six babies with five and six different girls, and have neither the mother nor father have any sense of responsibility, have any education, have any hope of doing a day's work. You cannot have a school system that graduates people who cannot do math and science, some of whom cannot even read the diploma they are getting. And we cannot have a Tax Code that punishes industry and jobs and savings and work and then expect to compete. The American people know in their gut that something is wrong, that it does not feel right, that for a decade the changes that looked good in 1981 did not get followed through on.

We thought in the 1981 recession like there was hope because Ronald Reagan had passed a program that led to a long period of economic growth. We saw the tax cuts coming in. We knew things were going to change. We saw the military buildup. We knew we could contain the Soviet empire. So in the early 1980's we had hope, and even though we got to a very high unemployment level, much higher than it is now, we felt that beyond the unemployment there were new jobs and new opportunity, and new dynamics and new entrepreneurship and new businesses.

We do not today believe that because the malpractice suits and the litigation, the cost of lawyers, the cost of health care, the cost of workman's compensation insurance, the cost of taxes, the cost of Government, the cost of welfare, all of those things have added up so that we are now at a point where we genuinely fear. I think every American fears that we are simply not going to be competitive in the world market, that our children and our grandchildren are not going to have the kind of future we had.

And then we watch the evening news. If you live near a big city or any big city and you watch the evening news, it is night after night of violence and brutality and inhumanity and barbarism. How can you watch that and not feel worried?

So I came today to simply say that I think Tim Russet was right. I think that I have concluded after 13 years of being in Washington that I am a revolutionary. I have concluded after trying to reform the welfare state that it cannot be reformed. I have concluded for me that we have to be in the business of totally, thoroughly replacing it. We have to create an opportunity society. We have to set priorities. We have to establish the right standards. And I believe that together we can create a revolution. We can do it peacefully, we can do it with the political system, and if every American who wants a better future for their children and their grandchildren will simply register and go and vote in 1992 I believe we can change the world.

I just want to close with one sentence from President Ronald Reagan for those who think that I have described more than we can do. In 1981 in his first inaugural in January, the economy was collapsing. We were at 23 percent interest rates and 13 percent inflation. The Carter economic disaster was upon us. We still had hostages in Iran. The Soviets were still offensive in Afghanistan. Malaise was the big word in American politics.

It came time for President Reagan to give his inaugural address. I was sitting out here on the Capitol steps with my colleagues, and word began to pass among us that the hostages had been released, and they had just left Iranian airspace. Then Ronald Reagan stood up. The sky literally parted, the clouds disappeared, it became a blue sky. It was almost as though it were a movie script. At one point in his speech he said, "You know, we have every right to dream heroic dreams. After all, we are Americans."

It is in that tradition that I wanted to say every American needs to insist on a revolution, a peaceful revolution. Every American needs to insist on replacing the welfare state. Every American needs to insist that their children, their grandchildren, their nieces, and their nephews will be free from drugs, safe from violence, go to a school that works and have a job in the future.

Together I believe we can live that heroic dream. Together I think we can create an America that our children deserve.

□ 1405

THE FOUR ONGOING SIGNIFICANT REVOLUTIONS IN THE WORLD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Madam Speaker, I am going to build a little bit off of what the gentleman from Georgia has just talked to the House about and also comment briefly on some of the things that the majority leader of the House had to say earlier.

I am going to try to talk a little bit about the circumstances that we find ourselves in worldwide. The gentleman from Georgia mentioned that I have hypothesized in the past that we are undergoing four significant revolutions in the world at the present time, and that those four revolutions will drive the future. Well, that is a part of what I am going to talk about here this afternoon.

What I want to begin with is a little bit of advice I got back when I was first learning to drive high-speed racing cars. I was told by the instructor at that time that one of the things that you have to learn first of all is that you can never look at where you are but you have to look at where you are going to be, that the only way that you can drive a car fast is to focus well out on the track ahead of you, because if you are looking at the end of your hood that you will never be able to control the automobile at the kinds of speeds you are driving. You certainly will not be able to get it through turns; you will not be able to keep the car on the track.

Well, that is a piece of advice that I soon found out is absolutely essential in driving high-speed cars, but it is also something I think that we need to understand if we are to live in an era where events are changing the world so rapidly.

I say that because that is exactly what is happening right now. Everything is happening very rapidly, and literally we are undergoing revolutionary change in a very rapid setting.

What I heard today when I heard the majority leader talk to the House is someone who is not focusing on the road ahead. He is focusing instead on where we are and, in some cases, it sounded to me as if he was driving at very high speeds looking only into the rear-view mirror. The only way that you can go backward successfully is to look backward. If you want to go forward, though, you have to look ahead. You cannot be focusing on the rear-view mirror.

What we ought to be looking ahead toward seeing and doing in our day and age are the four simultaneous revolutions that are taking place worldwide. Those four revolutions are the political revolution, the economic revolution, the cultural revolution, and the technological revolution.

Just before Congress broke, I spent some time outlining what each of these revolutions means, and I will not go into it into great detail this afternoon, but just briefly, I think that it is well to understand the context in which I am speaking.

First, you have the political revolution. The political revolution is that which we see happening nightly on our television news screens. That is the revolution which has consumed the Soviet Union, dissolved the Soviet empire, and, in fact, dissolved the Soviet Union itself, and it has resulted in a series of independent states now called the Commonwealth of Independent States, but it is more than that. It is also democracy and capitalism sweeping continents like Africa and South America and other places in the world where previously we have seen socialism and dictatorships on the rise. There is truly a political revolution being driven not just by leaders but by the people themselves.

What we have had in many nations in Eastern Europe and even in places like South America and Africa which are not as regularly on the news, we have had people rising up and demanding to take control of their own destinies, truly an amazing political revolution, one that we have had a chance to witness over the last 2 or 3 years.

We also have an economic revolution. I am going to go into that in some detail, so I will not discuss that at the moment.

But the cultural revolution to which I referred is multiple in nature. It is a revolution which is involved with all kinds of things that are happening in our everyday lives. For example, around the world you see a rise of religious fundamentalism. It is not just something which is happening in this country. We have seen fundamental religions arise, and interestingly, at the same time that some of the mainline churches, some of the mainline denominations have seen their membership falling off. People say, "Why is that happening?" Part of the reason why that is happening is because the mainline religions in too many cases have sought to go for the lowest common denominator at a time when people are seeking true values in their lives. The rise of religious fundamentalism in this country has been in part because people see their lives changing so rapidly that they want to find some mechanism to give them some sense of foundation, some sense of soundness in their lives, and they reach out to religion, and particularly to religions that have direct messages for people.

But that is happening also worldwide. The rise of fundamentalism in the Moslem world has influenced the political structures of those nations and has also caused much in the way of cultural and economic change.

There is a technological revolution. A technological revolution is sweeping the globe. It is a technological revolution that changes the ways in which we communicate with each other. We now get pictures instantly from anywhere in the world. When the war was taking place in the Persian Gulf, we literally watched the war taking place as it was happening. This was the first time in history we had had the opportunity to do that. That communications revolution is based upon technology. It, in fact, has helped inspire the political revolution, because it was part of that information base systems that influenced technology that allowed Eastern Europe and the Soviet Union and even the people who attempted to revolt in China to rise up and use information they knew from around the rest of the world in order to drive their political revolution.

It is other kinds of technologies, our ability to travel rapidly to any part of the world. We now, in a matter of hours, can go anywhere in the world. That is a change in this generation over what has been the case in the past.

In the not-too-distant future that time is likely to be cut to minutes, that literally we will be able to travel anywhere in the world in a couple of hours by airplane, where we will be able to fly across the continent of the United States in 15 minutes. Think of how that will change the way in which we look at the geography around us and look at nations. So technology is also a major revolution and one which almost overnight can change the dynamics of a society.

But what is important about these four revolutions is that they are not singular in nature. They do interact.

I have mentioned how the technology drives the politics or how culture drives the politics. That is true of the economic revolutions, too. As the economic revolution takes place, that drives the politics of a situation, or it drives the technology, or it drives the culture.

Today what I would like to concentrate on talking about is the economic revolution, because as I have spent time at home, it is clear to me that the American people are rightfully concerned about the direction our economy is taking. They are concerned that we have not taken the steps necessary in Washington to deal with a rapidly deteriorating economy. They are concerned that their job may be on the line, that their homes are in jeopardy, that their ability to give their families a good education is in jeopardy, that there are things out there which are happening which are detrimental to their personal futures, and they are worried about that, and rightfully so.

They are concerned when they look at Washington that Washington does not seem to be responding at all well to what is happening, that Washington always seems to be behind the curve, that whether it is the administration or the Congress, we never seem to be able to get ahead of what is going on and so, therefore, the economy can never respond in ways which improve it and thereby improve the lives of the American people.

It is well, I think, then to understand why Washington cannot get ahead of the curve, because it seems to me that Washington has yet to understand that we live in a time of an economic revolution. It is an economic revolution unparalleled in the past 200 years.

The last time that we had an economic revolution of this magnitude was back at the end of the 18th century when our forefathers were literally putting together the country and when our forefathers made a determination that they would go with a free-market economy based upon the writings of Adam Smith. But understand that they made that determination in a situation where the world had changed from a feudal economy to an industrial economy or to, I should say, a national economy.

□ 1415

What had happened was that you had a whole economic system based upon agriculture, that agriculture system had created wealth by basically land. If you owned a lot of land and you could grow a lot of crops, you tended to be a wealthy person. If what you could also do was hire a bunch of peasants to work for you, you became a lord of a manor, and that feudal system was the way in which the world worked for many, many centuries and had driven us toward the time when America was coming to be and when our forefathers were putting together the Constitution that we now know.

Well, that system was not going to work in the future. Now, some people at that time did not recognize that the feudal system was deteriorating and was going by the board. Some people thought the agrarian society of the past was still the way in which wealth would have to be created. There were people even writing at the time. There was a man by the name of Thomas Malthus who wrote a lot during that period of time in which he predicted that the world would starve to death, because what he saw was the feudal system deteriorating, but he did not understand what was going to replace it.

But the fact is there was another trend taking place. Not only were feudal economies becoming national economies, but the agrarian societies, the agricultural economy, was becoming an industrial economy. What took place at the end of the 18th century and throughout the 19th century and then rose to its greatest height in the 20th century was the development of the industrial economy.

What happened during that industrial economy was that we learned all kinds of new ways of creating wealth. We saw the rise of the middle class. We saw shopkeepers and merchants who derived their wealth from selling the products that were made in industry. We saw the change in our society from a society based purely on agriculture to a society based upon industry.

What I am suggesting is that we are in that kind of a situation at the end of the 20th century, that literally at the end of the 20th century we are moving away from the industrial economy into a postindustrial economy of some kind. We are moving away from national economies into a global economy, and that those two major changes are ones that we have to understand if we are going to properly develop policies that assure the future of both the American economy and the economies of American families.

Let me talk first of all about that move from national economies to a global economy.

Let me first suggest that the reality of it is very clear to anybody who wants to look around their own homes. All you have to do is look at the products in your home and figure out how many of those products were made overseas, how many of the things that you have personally decided to purchase for your own home have been products that were made somewhere other than the United States. Then look at the reverse of that also. Look at the rest of the world and find out how much of the products made in this country the rest of the world is buying, and you will find that is also considerable.

We are the largest market in the world, which means the world sells a lot here. What we sometimes do not understand is that we are also the largest exporter in the world, meaning that the world buys a lot of what we produce here.

So the reality is that the United States trades globally and we buy globally. We are a Nation which is very much involved in this idea that the marketplace is not just the fellow you are competing with down the street or the fellow you are competing with in the next town or the next State. The fact is you are competing all across the world. Your competition if you are in industry or you are in a retail business is not just someone close by. It may be someone around the world.

When President Bush travels now to Asia, one of the important things about that trip is that it based upon that reality. President Bush is not ignoring the fact that this is what is real, this is what is happening. We are not going to change it.

The United States cannot singularly stand alone and say, "I'm sorry, we are not going to participate in the world's economy."

First of all, it would be a disaster if it were to do so; but second, it would be impossible for us to do so. For instance, one-third of all the raw materials we consume in this country comes from overseas, so that to back out of the world market would mean to back out of the raw materials that we need to generate our own industrial machinery, so we cannot do it, and President Bush is recognizing that.

President Bush has said that the main mission of his trip is to open those foreign markets more to U.S. products, and that is exactly the right formulation, because if we are going to have a global marketplace, what we have to do is assured that U.S. products compete fairly and equally in other marketplaces. We have to be assured that the products that are made in this country are able to be competitive in those other countries, competitive in the sense that we are not given artificial barriers that we have to clear in order to sell our products around the world.

Now, what has been the response of the majority leader and others in this Congress to the President's trip and to the advent of the global marketplace? To often what I have heard coming out of the Democrats has been a message of protectionism. They are basically saying that they do not think that this Nation can compete in a world marketplace, nor that it should compete in a world marketplace. Essentially, their message is the message of status quo. It is the message of big business, big labor, and big government. They have decided that they want to tie themselves to the past, that because the United States at one time dominated the world with its big business, because we at one time dominated the world with the big labor that went with that big business, because big government fed off of big business and big labor, that we should retain that model as our model for the future. It is a status quo model and it is wrong.

In the middle of a revolution, when the world is moving toward a global environment, you cannot erect walls around the United States and suggest that we can live independently. We can be independent only if we are willing to compete and compete successfully.

"America First" is a word that is now being used in the political sense. Well, America has got to be first, but it has got to be first by being best.

And what do we mean by being best? It means making the products here that are truly competitive in any nation in the world and then making certain that every nation in the world is willing to accept those products on an equal basis for the products that they have within their own country. It means that we have to do the things toward improving the quality of our products, as the gentleman from Georgia explained here just a few minutes ago. Anything less than quality products are not going to sell in world markets. It is simply impossible to believe that Americans are going to be able to turn out anything we want and sell them around the world, nor is anybody going to be able to sell those kind of products in our marketplace.

The fact is you have to have high quality in order to be able to compare; but it is important that we understand that we do have to be a part of that global economy, because not to be a part of that global economy is to become a second- and third-rate nation very, very quickly.

The second aspect and the second thing which is happening in the economic revolution is the change into a postindustrial economy.

Now, do I mean by that that we are going to lose all our industry? No, not at all. In fact, industry is going to be made even more capable by the economy which is rising. Just as agriculture became better and more productive as a result of industrial tools, as the result of the ability to make machinery, just as agriculture became better, industry will become better because of the new economy which is rising.

What is the new economy? Well, I am not smart enough to tell you what that is, nor I do not think is anybody else at the present time. What we do know is that the economy is going to be based upon intellectual acumen, that the new capital of the future, where money is going to come from in the future, where you are going to create wealth in the future, is with intellect. Instead of with machines, instead of with muscle, we are now going to use the brainpower of mankind to create wealth. That is where the new wealth creation of the future will come from.

Now, we in this country are capable of being very competitive in that marketplace. We have been in the forefront of doing many of the things that have led to the intellectual economy. Our universities are still regarded as the finest in the world. We do basic research in this country, which is world class. We create new products which are world-class products. We need to be able to participate in this postindustrial economy. We cannot simply tie ourselves to the idea that we ought to keep in place everything which is and we ought not to allow businesses to restructure and do the things they need to do to compete in the new economy.

Businesses that were in the industrial economy are now finding it necessary to restructure themselves in order to compete in this new rising global intellectual economy.

GM recently announced that it was going to lay off workers, and that, of course, is a major tragedy for the workers of those families who are going to be affected by the closure of plants and other kinds of decisions that GM will make.

The reality of the situation, however, is that General Motors has more people in its white collar work force than Toyota Motor Co. has in its entire work force.

Now, the point being that you cannot compete in a global market with that kind of overhead, that at some point, whether it was a recession or not, General Motors was probably going to have to restructure itself, just as Ford Motor Co. a few years ago restructured itself substantially and Chrysler Motor Co. restructured itself substantially.

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So, we are going to have to have a restructuring there. This is something which was probably necessary within the context of the changing marketplace. It should not be seen as a failure. It ought to be seen as a part of what we have to do if we are going to be a nation committed to the future.

What do we do though about those workers who all of a sudden find themselves somewhere else? That is a legitimate question, and we need to be a nation committed to helping those people get the retraining they need in order to become a part of the new economy.

We need to be a nation committed, for instance, to lifetime learning. One of the things that we ought to have in our society is an ability to use the infrastructure which is already in place, our schools for example, not only to have our children learning in them, but to have adults learning in them, to use those schools at night as places to retrain workers so they can go out and get a job in perhaps the computer industry, or some other industry, if they lose their job in the auto industry. We have to allow the people to make the transition.

One of the comments which is often made is, "Well, they might make the transition, but it will be to lower paying jobs." Not necessarily. This Nation during the 1980's created 21 million new jobs. That is prior to the time when we produced the recession here at the end of the decade, but during the course of the 1980's we created 21 million new jobs in this country. Most of those jobs, interestingly, were in this new economy of which I speak. Most of those jobs were good paying jobs. There was a myth developed that they are all hamburger flipping jobs at fast food restaurants. No. The jobs for the most part averaged $28,000 a year. Those are pretty good jobs, and they are the kinds of jobs that are available in a growth economy based upon an understanding of what is real for our future.

The postindustrial economy is also a different kind of economy in terms of selling products. It is a very segmented economy. Today, people sell very specialized goods, and so our industries and our ability with our intellect to use our computers and all of that are going to further segment the industry and sell almost customized products to people for specialized needs.

Look what has happened, for example, on tennis shoes, or sneakers I should say. When I was a kid, we bought a pair of sneakers, and we used them when we played basketball or tennis, we used them when we ran track. We did nearly everything we wanted to do in terms of play and sports in one pair of sneakers. Now people in many cases would not be caught dead on a tennis court in sneakers that were designed for basketball play. Today we have become very segmented, very specialized, in what we do in buying even something as simple as a pair of sneakers.

Mr. Speaker, that is the segmented economy coming into play, and it is how we are going to compete in the postindustry economy. We are going to have to sell those kinds of specialized products to the world.

When the U.S. steel industry restructured itself, it did mean that thousands of American steelworkers lost their jobs, but it also meant that U.S. steel became very competitive in a relatively short period of time. During the 1980's, U.S. steel, and by that I mean the U.S. steel companies, restructured themselves in ways which allowed them to more personally create steel products for particular marketplaces, and in so doing they have become once again world class competitors.

In fact, when I was in Brazil a few months ago, the Brazilians were complaining with the fact that they could no longer compete with United States steel in our own marketplace, meaning the United States marketplace, or their own marketplace, meaning the Brazilian marketplace. The steel from the United States had become that competitive in a relatively short period of time.

Mr. Speaker, we can do it, if we decide to do it and we do it right. It means though that the Government has to develop policies which recognize the reality of the new economy, and that is where Congress in particular has failed.

In the early 1980's, we had seemed to have gotten the message. Ronald Reagan came to office suggesting tax cuts, and he suggested the right kind of tax cuts. He suggested tax cuts that were aimed at getting Americans to save, and invest and produce more, and in 1981, we passed just that kind of a tax cut. We gave back to the American people substantial amounts of money in tax relief. But it was money that was also then aimed at assuring that some of the people, usually those in the upper end of the economy, were going to be able to pull money that they had been sheltering for a long time in investments that were very safe, low risk investments, but were also tax free, that they would pull some of the money out of there and put it at risk in the economy and, thereby, create new jobs. In fact, the 1981 tax cut worked very well.

That is exactly what we see happening, and, despite the mythology which is often spread on the House floor, we can go back and show reams of figures indicating that that is what took place in 1981.

Now what will sometimes be pointed out, however, is that all of that did not help the middle class very much, and, if we look carefully at the figures, we will find out why, because what they do is talk about the overall burden of taxation rather than just income taxation, and they should. The overall burden is what affects the family, but what they fail to point out usually is that in 1983, we substantially modified what we had done in 1981 by passing a Social Security reform.

Mr. Speaker, the Social Security reform bill was one that was almost unanimously passed in the House. Everybody agreed that we had to do something to straighten out a Social Security system that was about to go bankrupt. But what we did in order to stave off the bankruptcy of the Social Security system was raise taxes significantly for middle-class America. We raised the withholding tax for Social Security, raised it significantly. It was a tax on both employers and on employees, and by so doing we changed the significance of the tax cut that we had given on income taxes in 1981, and so, for middle-class America, they ended up with very little in the way of a tax cut if we took the money they saved in 1981, but then took away the amount of additional taxes we were charging for Social Security.

Now what we probably should have done, could have done much better, is we should have reduced the income taxes to compensate for the increased Social Security tax. That would have, in fact, helped drive the economy forward. We did not do that, and we have paid the penalty since.

Some of my friends on the Democrat side of the aisle, many of my liberal friends, like to point to the figures from the 1980's and talk about the fact that the middle-class families ended up with very little improvement in terms of their tax standing, but what they usually do not talk to us about is the fact that the main reason for that is because of the enormous increase in Social Security taxes that took place in 1983 without a compensating cut in income taxes.

Then we compounded it, that situation in 1986, with a tax bill that was designed once again to be fairer and simpler, or so it was said, but also to bring down tax rates somewhat further. I voted for that bill. I sometimes think now it was a mistake to vote for it. I voted for it largely because I thought that the reduction in rates compensated for some of the other things that we were doing in the bill, but I think that, as the policy has played its way out, that there is reason to question whether or not that was an appropriate judgment.

□ 1435

I say that because what we did was, we raised capital gains taxes and thereby told people not to put their money at risk, not to save or invest their money, but, rather, to spend it.

We also did a triple whammy on the real estate industry. No. 1, capital gains has a direct impact on the real estate industry because it influences people when they sell real estate. But it also was a case where we changed the accelerated depreciation that previously had been given to real estate, and we eliminated what was called passive losses in real estate, passive losses being those things which people who invested in real estate could take as losses against their taxes when they actually were losing money on the property itself. It was one of the things that made people think that they were taking a little less risk to put their money into real estate and thereby help drive the real estate market.

Now, had we done any one of those things, it probably would not have changed real estate very much. When we did all three, it in fact undermined the whole value of real estate in the country. What did that lead to? Well, it led to a number of things.

First of all, it led to an actual depreciation of real estate values in some parts of the country. People today now have homes worth less in actual dollars than what they were worth a couple of years back, and that has undermined people's confidence in the nature of the economy. That was the chief asset for many middle-class families, and now that chief asset has been undermined by policies that we developed here in Washington.

Second, we undermined the solvency of the savings and loan industry and the banking industry. Those particular industries have an asset base which is largely real estate-oriented. When you put you money into a bank, the chances are that its asset base is largely real estate. If the price of real estate drops, the assets of the bank drop. In the case of savings and loans, the entire asset base in many cases was real estate-based. So when the property values dropped, many of the savings and loans lost up to 50 percent of their assets. And guess what? The American taxpayer now has had to come in and bail out all of that money that has been lost in those savings and loans, and it is a tragic situation, one which is undermining our economy.

So the 1986 tax act had some real problems that I do not think a number of us recognized at the time, but I think in retrospect we now recognize there have to be some corrections to what was done in that year.

Finally, in 1990 we further compounded the situation when we passed the budget deal that was agreed to by the legislative leadership and the President and in that budget deal raised taxes in the middle of an anemic economy. That was the last straw. The economy simply could not stand any more. So while it had been struggling along, going up just a little bit at a time, very anemic but nevertheless still growing, that was the last straw.

When we passed the tax increase in 1990, we literally killed the goose that laid the golden egg, and the economy plunged into a recession. Now the question is, can we return to policies that give us a chance to grow in a changing economy? I think we can if we are willing to look ahead and not backward, if we are willing to recognize that we live in revolutionary times and we simply cannot apply the old ways of doing things to the conditions of the present for the future.

I suggest the look-ahead has to have these features: First of all, the economy has to be global. When we look ahead, we have to understand that we are in fact competing on a global basis. It means a number of changes, policy changes here in the Congress, things we have to do. For example, we have to change our foreign aid policies. It makes no sense when we are competing with other industrialized nations around the world for the dollars of consumers around the world that we are taking a portion of our treasure and putting it off into foreign aid, which is largely a cold war mechanism. If we are going to have foreign aid programs in the future, they ought to be shared in by everybody. Japan, Germany, Great Britain, all of the nations of the world which are our trading partners, ought to play a role in providing foreign aid. It ought not be just Uncle Sugar doing it. We need to come up with some revised policies in that regard.

There is a tremendous desire for American products in the world market if we simply can get some of the policies straightened out. So we have to make certain we do things which feed upon that desire. As I said before, the President is doing the right thing by going to Japan and going elsewhere in the Pacific and suggesting that they open up their markets to our products, because what we know is that once the markets are opened to our products, they are products that are very much desired.

For example, in Japan, despite the problems in Japan, despite the problems we have getting our products into the Japanese marketplace, most Americans, I think, would be surprised to learn that on a per capita basis Japanese buy more United States products than Americans buy Japanese products. Let me say that again, because I think most people will probably find that puzzling. Japanese buy more per capita United States products than Americans buy Japanese products. The figure is this: $427 per Japanese for American products bought; $372 per American for Japanese products bought. The difference is, of course, that our economies are much different sized and our populations are much different sized, so overall we buy more from Japan than Japan buys from us.

But what the figure shows is that Japanese consumers are very willing to buy United States products if we simply will get those products into the marketplace and if we do a good enough job of marketing them within Japan. So we need to make certain that our policies are not aimed at stopping products from coming into this country. We need to make certain that our policies are aimed at exporting from this country to other nations around the world.

Second, our economy for the future has to be progrowth. Jobs must be created by people willing to take risks with their money. That is the only way we can create jobs. Jobs are not just created because someone is willing to do it or because someone would like to do it. Jobs are ultimately created because somebody takes the money that they have in their personal possession and takes a risk with that money. They take that risk by going out and forming a new business; they take that risk by putting their money into the stock market; they take that risk by putting their money into a risk capital venture where they are funding someone else to get a business started.

The problem with doing that is that you stand a risk of losing it all. It is not like having the money in a bank or in a CD. It is not like having your money in a savings account. It is not like having your money in a retirement fund. It is taking all the money that you have in many instances and putting it at risk in the marketplace. We have got to encourage people to do that.

The questions that Americans need to ask themselves is, who is willing to do that? Are most middle-class Americans willing to take everything they own and put it at risk, knowing that they might lose it all, understanding that of all new businesses formed, about 50 percent go bust in the first 2 years?

Well, most middle-class families cannot afford to do that. They look at their family's future, they look at educating their kids, and they look at the need for retirement. They look at health care and all the things that face them, and they say, "I can't put everything I have at risk."

That is the reason why sometimes we hear people suggest that some of the policies that were advocated were policies aimed at the rich. In a sense, they are not aimed at making the rich richer. What they are aimed at doing is getting the rich to take their money out of protected shelters and taking some of what they have and putting it at risk. The rich do not have to put everything at risk. They are not like middle-class families; in order to form a business they do not have to take away all their savings.

☐ 1445

They can take only a portion of what they have and put it at risk. But the fact is they are smart. If it is easier for them to keep the money safe, they will keep the money safe. If there is some encouragement for them to put the money at risk, they will put the money at risk. If they put it at risk, it helps create jobs.

We need to develop policies like that, to take some of that money now sitting in shelters somewhere and bring it out into the active economy and make certain that jobs are created to fund America's future.

Our outlook, in addition to being progrowth and global, has to be antideficit. We can no longer afford to continue to pile up big deficits in Washington that thereby change the overall economic structure of not only this country, but the world. We can no longer afford to pay the interest on that debt. In fact, paying interest on our debt alone right now in this country costs us more in our annual budget than all the domestic discretionary programs of the Government combined. That is education programs, housing programs, agriculture programs, you name it, all of it under the discretionary budget of the Federal Government, the appropriated money that Congress puts out for things that are for this country, all of those programs combined do not add up to the amount that we now spend just to finance our debt.

We are in over our heads. We can no longer pile up those kinds of deficits and expect to have a healthy future.

That is why my colleague from Georgia, Mr. GINGRICH, talks about the need to reform the welfare state and reform the process of big government. It is absolutely essential, because we have got to drive down deficits. We can no longer afford within that welfare state concept and within big government to subsidize the rich.

That is where we ought to have a discussion, about the nature of how taxpayer money is used. My colleagues on the liberal side of the aisle continue to talk about the fact that it is not fair that the rich do not pay their fair share of taxes.

Well, I think a case can be made that the rich do pay a substantial portion of the tax bill. But be that as it may, what is even more unfair is the fact that we actually collect these tax moneys from taxpayers and then put it out and subsidize a lot of rich people in a lot of programs that we do. A lot of the programs of the Federal Government are programs that ultimately benefit very rich people. I think that at the very least one of the things we ought to do to bring down deficits is to stop subsidizing rich people with middle-class families' money.

We can no longer afford to fund nonessential spending. There is a real question when Congress has in its mind programs that benefit individual Members of Congress and which do them political good, but do the Nation no particular good.

It is clear that one of the things that we have to do is reform the spending process in Congress to assure that only funds for the most essential things are spent.

We must cut the rate of Government growth. Government now is growing at a rate sometimes three and four times the rate of inflation. If we would simply bring down the rate of Government growth to the inflation rate, you could begin to move toward balanced budgets within a decade.

Now, it seems to me that is a very responsible and not all that onerous requirement, to suggest that we simply live with growth no more than what the economy is growing or what the inflation rate is. But, no, we grow at three and four times those rates. That is what we cannot afford to do. In essence, we must stop borrowing against the future, because what that means is reducing our ability to cope with that future. If what we do is pile up enormous debt, which means that the next generation and generations after that will spend all of their time just paying back the debts that we accumulated and spent during this era, it means that as all this revolutionary change takes place, as the economy changes completely, our children and their children will not have the wherewithal to cope because they are going to be paying the debts of the present era. That is irresponsible, terribly irresponsible.

My point here this evening is this: The economic revolution is very real. It is global in nature and is moving us into a postindustrial economy. It will not be met by looking backward.

As the gentleman from Missouri [Mr. GEPHARDT], the majority leader, offers new solutions and charts that are largely based upon his analysis of the past, that is not good enough. What we need is to be as revolutionary as the times in which we live. That is going to be a tough job, because it is a much greater challenge than simply looking at the past and suggesting we can still live in it. We cannot. The times are changing much too fast for all of that.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. MORELLA) to revise and extend their remarks and include extraneous material:)

Mr. GINGRICH, for 60 minutes, today.

Mr. WALKER, for 60 minutes, today.

Mr. MICHEL, for 60 minutes each day, on January 29 and 30.

Mrs. BENTLEY, for 60 minutes, today.

Mr. SOLOMON, for 60 minutes each day, on January 29 and 30.

Mr. YOUNG of Florida, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. GEPHARDT, for 60 minutes, today.

(The following Members (at the request of Mr. LAROCCO) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. MINETA, for 5 minutes, today.

Mr. OWENS of New York, for 60 minutes, today.

Mr. GEPHARDT, for 60 minutes each day, on January 23, 27, 28, and 29.

Mr. OWENS of New York, for 60 minutes each day, on January 22, 23, 24, 27, 28, 29, 30, and 31.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. MORELLA) and to include extraneous matter:)

Mr. SOLOMON.
Mr. GOODLING.
Mr. YOUNG of Florida.
Mr. GILMAN.

(The following Members (at the request of Mr. LAROCCO) and to include extraneous matter:)

Mr. TRAFICANT.
Mr. SWETT.
Mr. SARPALIUS.
Mr. LANTOS.
Mr. BROWN.
Mr. RAHALL.
Mr. PICKETT.
Mr. REED in two instances.
Mr. TORRICELLI.
Mr. MURTHA in two instances.

ADJOURNMENT TO WEDNESDAY, JANUARY 22, 1992

Mr. WALKER. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of House Concurrent Resolution 260 of the 102d Congress, the House stands adjourned until 12 noon Wednesday, January 22, 1992.

Thereupon (at 2 o'clock and 50 minutes p.m.), pursuant to House Concurrent Resolution 260, the House adjourned until Wednesday, January 22, 1992, at 12 noon.

EXTENSIONS OF REMARKS

THE SALINAS VISION FOR MEXICO AND NORTH AMERICA

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. KOLBE. Mr. Speaker, President Bush and President Carlos Salinas de Gotari of Mexico met at Camp David last month to discuss the North American Free-Trade Agreement [NAFTA] talks. The result was a unanimous commitment to vigorously pursue free trade and all of its benefits for all of North America. In essence, to paraphrase our U.S. Trade Representative, Ambassador Carla Hills, the two leaders agreed to let the substance drive the timing of NAFTA, not the timing drive the substance.

As a result, Congress may consider the passage of NAFTA this year. In the past year, each of us has been inundated with information regarding the potential effects NAFTA may have on workers and the environment. But I believe it is important to also understand the vision President Salinas has for Mexico, and how NAFTA plays a key role in that nation's future. Therefore, I believe it fitting to recommend to my colleagues the following address given by President Salinas to the membership of the Economic Club of New York on December 13, 1991.

MEXICO-UNITED STATES

(Address by Carlos Salinas de Gortari, President of Mexico)

Members of the Economic Club of New York; ladies and gentlemen: I am very pleased to be here in the great city of New York, and I thank the Economic Club for their invitation. I would like to share some thoughts with you this afternoon on my country's economic development within the context of a changing world.

The international scene is increasingly surprising, and increasingly uncertain as well. Only two years ago we were celebrating the new adventure of freedom and democracy in Central Europe and also in Latin America. Today we are witnessing the resurgence of regional conflicts and war, and the threatened breakup of nations that just a short time ago seemed rock-solid. The world economic trend is toward more intense interdependence, leading more countries to become active members of the world economy and creating growing hopes for a world more open to trade and to the transfer of technology. But we are also seeing rising competition for capital—increasingly scarce, given the demands of the onetime socialist countries and those of Latin America—uncertainty in the markets, risks of new forms of protectionism, and obstacles to the success of GATT agreements.

Mexico, a country neighboring on your own, has been the cradle of magnificent civilizations and has a history forged by dint of determination and love of freedom. It is also a nation of more than 83 million inhabitants, whose number grows by an additional 2 million each year. To us, the pursuit of economic growth and increased opportunities is not only good policy, but a vital, immediate need. We recognize that this cannot be done without making profound changes in our internal life and without establishing new links with other nations and particularly, given the importance of our trade relations, with the United States.

Within our borders, we Mexicans are taking a new approach in dealing with national and global realities. Sustained by three thousand years of culture and by our country's laws, we launched a process of far-reaching change in our economic structures and a renovation of our political practices as a society. We have maintained a strategy aimed at providing growth with stability, creating new employment opportunities and taking in-depth measures to combat poverty.

Today we see the results of our joint efforts. We have gone from the major deficits registered in the past to surpluses in public finances, and from triple-digit inflation to the current level of less than 20 percent, which we intend to bring down to less than 10 percent in 1992. We have increased government revenues and we have been carrying out a privatization process marked by its transparency, the formation of new industrial groups and a substantial influx of cash funds for the government.

In comparison to the past decade, the real value of our economy is greater and the public debt is smaller: the latter now represents 35 percent of GDP, whereas in previous years it had risen to twice that level. The reduction of our foreign and domestic debt has enabled us to restructure the distribution of public spending and channel almost half of the outlays into social areas such as the rural sector, education, health care, basic infrastructure and environmental protection.

We have recovered growth in the last three years at rates of almost 4 percent, which is almost double our population growth. We have carried out a unilateral trade opening of great consequence; in just a few years, our economy has been transformed from one of the most closed into one of the most open. We have deregulated and promoted foreign investment, which can now count on legal certainty and access to more areas of our economy. We have promoted technological innovation, technology transfers and exports.

We have also sought new linkages with the world to give us access to markets, technology and capital. We are convinced that only our own internal efforts can ensure the country's development, but also that it is essential for us to participate and broaden our presence in the world so that those efforts do not encounter obstacles in their path and will therefore prosper. Hence, we have diversified our relations with Europe, with the countries of the Pacific Rim and with Latin America. With Chile, we signed the first free-trade agreement between two Latin American countries and we are making solid progress toward the establishment of similar agreements with the countries of Central America and with Colombia and Venezuela.

We have embarked on important negotiations with the United States and Canada for the signing of a Trilateral Free Trade Agreement, by means of which our countries would make up the world's largest market with 360 million potential consumers and a combined production valued at more than 6 trillion dollars. It is important to clarify its significance: in Mexico, we want trade, not economic aid; we want to develop our economy by means of stronger and better trade relations. The trilateral agreement will achieve that end by benefiting all three countries.

Through the agreement we wish to establish clear rules that will provide certainty for investment and job creation, expand specialized production in the three countries, take advantage of economies of scale to make companies more efficient and more productive, ensure access, without barriers, to the regional market and establish mechanisms for settling disputes. The agreement can attain these objectives.

Growth is a central topic in both our countries. For many years Mexico followed the path of protectionism and was inward-looking, depending on the domestic market. The crisis of the eighties showed that this model was outworn. In order to grow it is necessary to export and that demands competitiveness, technology and access to markets. If a protectionist view is taken, this does not occur and any drop in economic activity becomes a collapse, and recession becomes depression. For Mexico it took extraordinary efforts to open up the economy but it would have been far more serious to insist on carrying on along the old path. We have lived in a protected economy and are living today in an open economy. The results are conclusive. The only option today is increased trade and an orientation to exports in order to revive the economy. It is therefore surprising to hear protectionist voices raised when what is wanted is to make economic activity more dynamic. This is what the trilateral agreement seeks. For Mexicans, it is an instrument for making more rapid progress and modernizing the country. For the United States, it is a way to contribute to growth based on exports and competitiveness.

I am convinced that these negotiations do not merely involve adding or subtracting amounts and figures. We are also talking about a vision for the future of this region at the end of this century and the beginning of the twenty-first. We must bring the Agreement to a satisfactory conclusion because it is the only means of facing the future, which we are already witnessing today. Europe has the resources, the technology and the market needed to become a powerful agent of the world economy at the end of 1992. Furthermore, as a result of the Autumn Revolution of 1989 in Central Europe, the European Community now has the possibility of gaining access to abundant skilled labor. Japan has not only built up a powerful economy, but has also entered into partnership with other countries of the Asian Pacific, distributing productive processes and resources and thereby generating a great overall capacity for exports. In addition, the countries of the Asian Pacific have access, both as consumers and producers, to a market made up of nearly three billion people in Asia. Both blocs,

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Europe and the Asian Pacific, are formidable competitors who are increasing their capacity to gain access to markets day by day. It is in this context that the significance of the Free Trade Agreement should be viewed.

Although the United States still has the largest national economy in the world and has increased its potential together with Canada, its complementarities with Mexico could significantly raise its competitive capacity. Let us remember that 35 percent of Japanese manufactures are produced in conjunction with other Asian countries, whereas only 5 percent of U.S. manufactures are produced in a similar fashion. Hence the great potential of a Free Trade Agreement with Mexico: it means greater competitiveness for your country as well as for Mexico. In our case it would also act as an instrument of our own economic project that could give us the impetus needed to reach new levels of development. Resources, technologies and a young, energetic population structure could be brought together to make each country, and the region as a whole, more competitive and therefore more successful in dealing with competition from Europe and Japan.

When I say that the agreement is inspired by a long-term vision, I do not mean that we should be insensitive to the immediate concerns of sectors and groups in each of our countries. Some are worried by the jobs they believe would be lost if investment were channeled to another country, particularly to Mexico. There is no reason to believe that the Agreement will not lead to the growth of all three economies, to higher employment levels, without industries that pollute, in the three countries. This is not a zero-sum negotiation, but one from which all three countries stand to gain.

In fact, studies show that Mexico's unilateral trade liberalization has permitted an increase in U.S. exports, which now stand at 28 billion dollars a year.

Freer trade with Mexico has already created almost a quarter-of-a-million additional new jobs in the United States. We know that 25,000 new jobs will be generated for every billion dollars' worth of net U.S. exports. Those are the facts. Naturally, new jobs have also been created in Mexico as a result of greater investment and higher exports.

Let me repeat: Mexico will not accept polluting industries nor will it permit non-compliance with my country's labor laws. The productive association of our countries will be all the more valuable if we have mutual respect for each country's institutions and for our shared aspirations. We have a historic opportunity and I am convinced that this vision of our region's future will prevail.

Ladies and gentleman: by changing, Mexico has strengthened its presence in the world. It is now better prepared to meet the demands and challenges of an increasingly active economic interrelationship with the world. We have confidence in our 3,000-year-old culture and in the enormous creativity of our people. We view encounters with other cultures as an opportunity to enrich our understanding and our sensibility. I urge you to become better acquainted with my country and to support the efforts of both governments to pave the way for an era of exchanges and cooperation, similar to the relationship already being shown by many families along our common border. Let us make our condition as neighbors a reason to deepen our friendship.

LET'S GET TOUGH WITH JAPAN, BUT WITH OURSELVES TOO

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BROOMFIELD. Mr. Speaker, on the eve of President Bush's visit to Japan, there are plenty of us hoping the President will talk tough to Japanese Government officials and industry leaders.

There's a huge trade imbalance between the United States and Japan, and there's no doubt that Japanese policies have something to do with it.

But those who think America's economic problems will be solved by Japan are simply deluding themselves.

It's time to get tough not only with Japan, but also to get tough on ourselves.

The Detroit Free Press recently made an excellent case for some national introspection. "If the trade deficit were to vanish tomorrow," says the Free Press, "our Nation would still be afflicted by the gargantuan budget deficit, the fallout from the savings and loan scandal, corporate executives addicted to big salaries and short-term thinking, and lousy schools and crumbling infrastructure."

In other words, it's time for America to roll up its sleeves and tackle some problems that only we have the means to solve.

I insert the Free Press editorial in the RECORD:

TWIN DEFICITS—PROTECTIONIST LEGISLATION WON'T SOLVE OUR DOMESTIC ILLS

America's $42-billion trade deficit with Japan is the cause of our economic miseries, while our $350-billion (and counting) federal budget deficit is not worth mentioning. Such is the premise of protectionist legislation advocated by several Michigan Democrats. The bill is an exercise in scapegoating, a bid for momentary political popularity that could work to our long-term detriment.

About three-fourths of the U.S.-Japan trade gap is in vehicles and auto parts. The new measure, sponsored chiefly by U.S. Sen. Donald Riegle, D-Mich., and House Majority Leader Richard Gephardt, D-Mo., would impose economic sanctions unless Japan eliminates its trade surplus with the U.S. within five years. The Big Three U.S. automakers applaud the legislation; the Bush administration opposes it.

Under the bill, the ceiling on American sales of Japanese vehicles—including those built at U.S. "transplants"—would be reduced from 3.8 million cars and trucks next year to 2.7 million in 1997, unless the trade deficit is cut by 20 percent a year and Japanese automakers greatly increase their use of parts from U.S.-owned suppliers.

The measure might make life temporarily easier for the Big Three, but the breathing room it provides could come at the expense of American consumers. If past practice is any example, car prices—U.S. and Japanese—likely would increase. A rising U.S. dollar would make our exports generally more expensive, threatening the jobs of other American workers. A trade war with Japan could just as easily invoke retaliation as capitulation.

Part of our persistent trade imbalance with Japan undeniably results from unfair trade practices. Sales of U.S. cars account for less than 3 percent of the Japanese market. The U.S. Commerce Department ruled last week that Toyota and Mazda illegally "dumped" minivans in the United States by charging less for them here than in Japan. The department has not determined what permanent penalties to assess.

Working aggressively to dismantle barriers to free and fair trade in autos and all other industries—not to erect new ones—is a necessary objective for President George Bush when he, the Big Three chiefs, and other corporate executives go to Tokyo next month.

Indeed, tough talk already appears to be having some effect. Japanese automakers have raised the prices of many of their cars, including models built in the United States—and pledged to buy more American-made auto parts. Such promises aren't good enough for the protectionists.

Slapping a "Made in Japan" label on the recession doesn't make it so. If the trade deficit were to vanish tomorrow, our nation still would be afflicted by the gargantuan budget deficit, the fallout from the savings and loan scandal (which the Japan-bashing Sen. Riegle did so much to exacerbate), corporate executives addicted to big salaries and short-term thinking, and lousy schools and crumbling infrastructure. Whom shall we blame for these deficiencies?

Similarly, the Big Three—and particularly General Motors—still would have major structural problems. Past "voluntary" import-restraint legislation, designed to enhance competition, largely provided a pretext for U.S. automakers to raise prices—and profits—while Japanese companies moved into luxury-car manufacturing, built assembly plants here, and achieved a one-third share of the U.S. market.

The United States' trade surplus with Europe now exceeds $20 billion. Will Sen. Riegle invite the European Community to dictate business practices to Washington and to U.S. corporations—or else?

But since lawmakers think the stick is more effective than the carrot in controlling behavior, how about legislation that would require the president and members of Congress to eliminate the budget deficit within five years—with those politicians' salaries to be reduced by 20 percent each year the target is not met? Any takers?

RESOLUTION CONCERNING THE UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. TORRICELLI. Mr. Speaker, I am introducing today a resolution expressing the sense of Congress with respect to United States policy on the issues before the United Nations Conference on Environment and Development [UNCED], and expressing the sense of Congress that the United States should pursue with the countries of Latin America and the Caribbean a cooperative strategy to address environmental concerns in the Western Hemisphere.

The UNCED, to be held in Rio de Janeiro in June, is the most important conference on the environment since the Stockholm Conference almost 20 years ago. The success of the UNCED is contingent upon active U.S. participation and is crucial to the protection of our world's shared environment.

My resolution defines what U.S. policy objectives should be with respect to the issues before the UNCED. It expresses the sense of the Congress that the United States should place the highest priority on the success of the conference by participating actively, particularly through the personal participation of President Bush. The President's presence at the conference would signal U.S. commitment to lead the international movement to protect the environment.

My resolution also calls for the United States to work with its neighbors in Latin America and the Caribbean to address environmental concerns in the Western Hemisphere. In such a small world, the environmental problems of our neighbors are our problems, and demand our attention. The resolution also states that the United States should evaluate its assistance programs in the region to ensure that they reflect our national security interests by apportioning sufficient funding to environmental concerns.

In addition, the resolution I am introducing today expresses the sense of Congress that the United States should:

Negotiate with other parties to the conference international agreements that effectively reduce the threats of climate change and biological diversity loss;

Propose a financing initiative for the global environment that takes into account the concerns of developing countries and increases the accountability of the funds provided for environmental purposes;

Support programs aimed at encouraging a global transition to environmentally sustainable energy systems;

Support new programs to help developing countries become more energy efficient;

Support global goals of slowing deforestation, increasing worldwide forest cover, and preserving mature forests;

Support the development of a new international agreement to eliminate land-based sources of marine pollution; and

Promote public participation in environmental and development decisions at all levels—local, national, and international.

In the coming months, the Subcommittee on Western Hemisphere Affairs, which I chair, will conduct hearings on this resolution and on other important environmental issues in our hemisphere and with respect to the UNCED.

The health of our planet is in the balance at the United Nations conference in June. The Congress must take an active role in setting the conference's agenda and ensuring that the interests of the American people are represented at the highest level. I urge my colleagues to support this resolution.

OUTRAGEOUS PAY FOR AUTO INDUSTRY MANAGEMENT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BEREUTER. Mr. Speaker, this Member wishes to call the attention of his colleagues to excerpts from a Lincoln, NE, Star editorial of January 2, 1992, entitled "Outrageous Pay Is Societal Problem." The editorial contains the following comments about corporate leadership salaries that is particularly relevant to the management of the American automotive industry:

> OUTRAGEOUS PAY FOR AUTO INDUSTRY MANAGEMENT
>
> As President Bush heads to Japan, the Japanese are making noise about this modern American propensity to pay top executives incomprehensibly enormous salaries.
>
> The 21 businessmen going along on the Bush trip include 12 chief executives of major U.S. corporations. Their combined annual compensation last year was $25 million, according to the Wall Street Journal—an average of more than $2 million each.
>
> By comparison Japanese chief executives are paid $300,000 to $400,000 a year, pay higher taxes and are expected to take voluntary pay cuts when a company gets in trouble. In Japan, top executive salaries get cut before any layoffs.
>
> Nebraskans may rage over their tax money going to pay for $100,000-plus salaries. But their hard-earned dollars also help pay for Roger Smith's $1.2 million annual pension when they buy a Chevrolet, or Donald Petersen's $6.5 million salary when they buy a Ford.
>
> The typical chief executive of an American company makes 160 times what an average American worker earns. In Germany, the figure is 21; in Japan it's less than 20, according to Graef S. Crystal, a business professor at Berkeley.

If American automobile manufacturers' leadership like those at General Motors want their blue collar workers and the American public to believe they are serious they might well follow the Japanese example and cap all combined salaries, benefits and bonuses to no more than $250,000 for top executives in 1992, with an appropriate lower cap for middle management. No doubt such a principle ought to also apply to many corporations and institutions—including Congress, Governors, and the White House—that cannot get their fiscal or competitive houses in order.

A TRIBUTE TO PAUL A. PUMPIAN

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. IRELAND. Mr. Speaker, I rise in recognition and appreciation of a true small business champion, Mr. Paul A. Pumpian. Mr. Pumpian joined the U.S. Small Business Administration in 1978 as the assistant chief counsel for environment and health, Office of the Chief Counsel for Advocacy, and since 1980 has served as consumer affairs officer. The invaluable skills and knowledge Mr. Pumpian has offered to the Administration have been acquired through years of distinguished experience in both the public and private sectors.

Mr. Speaker, too often we paint civil servants in one color, but the achievements of Paul Pumpian, in a variety of professional positions, throughout his career serve as proof that such a perception is an unfair one.

A 1950 graduate of the University of Maryland School of Pharmacy, Mr. Pumpian went on to receive his J.D. degree from the University of Maryland School of Law in 1953. He continued the excellence of his academic career as he embarked on his professional career in the pharmaceutical field. He started as an assistant professor and chairman of the department of pharmacy administration at the University of Maryland. He went on to become a patent attorney for E.R. Squibb & Sons, Inc., and later became the executive secretary of the Wisconsin State Board of Pharmacy.

Mr. Pumpian's Government service began in 1966 when he accepted a position at the U.S. Food and Drug Administration. For 3 years he offered his already impressive experience to the Federal Government, serving as deputy director of the Division of Case Assistance, as assistant to the director at the Bureau of Drug Abuse Control, and then as Director of the Office of Legislative and Governmental Services in the Office of the Commissioner.

Mr. Pumpian returned to the private sector in 1969 where he continued to contribute to the betterment of society, holding such notable positions as vice president and general counsel for Medical Health Industries, and later president of Langer Medical Supply Co., Inc., both in Milwaukee.

Paul Pumpian became, in 1971, the first person to have served as executive secretary for two State boards of pharmacy when he took over that position in New Jersey—a true indication of Mr. Pumpian's eminent accomplishments throughout his career.

The lifelong achievements of Paul Pumpian and his success have not gone unnoticed nor unappreciated. In 1963, he received the Achievement Medal of the Alpha Zeta Omega International Pharmaceutical Fraternity, and in 1976 he was chosen Hospital Pharmacist of the Year by the New Jersey Society of Hospital Pharmacists. More recently, in 1991, the Alumni Association of the University of Maryland presented Mr. Pumpian their highest honor, the Honored Alumnus Award.

Mr. Speaker, I bring the attention of my fellow colleagues in the House of Representatives to this fine American because he is soon to end his career. On January 10, 1992, Paul A. Pumpian will retire. His absence from the Administration will be felt and regretted, but his contributions to the small business, and other communities, has resulted in improvements which will endure. I congratulate and commend Paul Pumpian on a lifetime of achievement and extend my best wishes for happiness in the future.

TRIBUTE TO KENNETH A. RAHN

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. REED. Mr. Speaker, I rise today to salute a distinguished young man from Rhode Island who has attained the rank of Eagle Scout in the Boy Scouts of America. He is Kenneth A. Rahn of Troop 2 in Narragansett and he is honored this week for his noteworthy achievement.

Not every young American who joins the Boy Scouts earns the prestigious Eagle Scout Award. In fact, only 2.5 percent of all Boy Scouts do. To earn the award, a Boy Scout must fulfill requirements in the areas of leadership, service, and outdoor skills. He must earn 21 merit badges, 11 of which are required from areas such as citizenship in the community, citizenship in the Nation, citizenship in the world, safety, environmental science, and first aid.

As he progresses through the Boy Scout ranks, a Scout must demonstrate participation in increasingly more responsible service projects. He must also demonstrate leadership skills by holding one or more specific youth leadership positions in his patrol and/or troop. These young men have distinguished themselves in accordance with these criteria.

For his Eagle Scout project, he did an outstanding job coordinating with the Narragansett Police Department in finger printing students at a local elementary school. Kenneth should be commended for his sensitivity to this issue and his remarkable leadership ability.

Mr. Speaker, I ask you and my colleagues to join me in saluting Eagle Scout Kenneth A. Rahn. In turn, we must duly recognize the Boy Scouts of America for establishing the Eagle Scout Award and the strenuous criteria its aspirants must meet. This program has through its 80 years honed and enhanced the leadership skills and commitment to public service of many outstanding Americans, two dozen of whom now serve in the House.

It is my sincere belief that Kenneth A. Rahn will continue his public service and in so doing will further distinguish himself and consequently better his community. I am proud that Kenneth A. Rahn undertook his Scout activity in my representative district, and I join friends, colleagues, and family who this week salute him.

MEXICO'S ENVIRONMENTAL EFFORTS REQUIRE ECONOMIC GROWTH

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. DREIER of California. Mr. Speaker, I have been following the negotiations of the North American Free Trade Agreement between Mexico, the United States and Canada closely. Critics of the accord have suggested that we should avoid increased trade because of Mexico's environmental problems. They argue that Mexico should clean up her environment before we proceed with open trade.

The Los Angeles Times points out in the following editorial that this argument is "akin to putting the proverbial cart before the horse." Mexico has demonstrated its commitment to a clean and healthy environment for her people. What is needed now are the resources to support the promises made by President Carlos Salinas de Gortari and Mexico's other political leaders. Without the economic development that comes from enhanced trade, Mexican revenues will stagnate and environmental restoration will be forced to play second fiddle to social needs such as unemployment compensation and welfare benefits. I urge my colleagues to carefully consider the arguments made by the Times.

[From the Los Angeles Times, Nov. 29, 1991]

IT COSTS MONEY TO BE CLEAN

Mexico faces a daunting challenge in cleaning up its environment as it moves toward a free-trade agreement with the United States. As a recent series in The Times showed, Mexicans are already painfully aware of the enormous amount of self-inflicted damage that has been done on the road from a Third World nation of poverty to one of increasing industrialization.

Even as President Carlos Salinas de Gortari aggressively promotes free-market economic policies, he makes pointed—and substantive—gestures to show he is an environmentalist. He has, for instance, shut down government oil refineries and ordered his country's tuna fleet to protect dolphins. And he's not doing this just because environmentalists are among the harsher critics of his free-trade plan. He know Mexicans want a cleaner environment—and want their government to get the job done.

The U.S. Environmental Protection Agency will work closely with the Mexican government to provide whatever technical aid it may need to better regulate pollution and decrease it to U.S. standards. EPA's specialists have found that Mexico's top environmental officials are every bit as competent and dedicated as their U.S. counterparts. What Mexico needs are skilled officials and specialists at the lower levels. Right now, it does not have the resources to train such experts, provide technical support and compensate them enough to make them resistant to bribes or other inducements to look the other way when they find pollution.

Mexico will never have those resources without new wealth. The quickest way to generate wealth is to open up Mexico to more economic development by Mexican entrepreneurs and by U.S. and Canadian investors. Arguing for strict environmental controls in Mexico *before* a free-trade pact is in place is akin to putting the proverbial cart before the horse. The political will to clean up pollution exists; the question is not whether Mexico wants to clean up its act, but how. A free-trade pact is part of the answer.

THE AMERICAN STEEL INDUSTRY

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. MURTHA. Mr. Speaker, the recession has put much of the American industrial base in jeopardy. I want to report on an important part of this base, the American steel industry.

THE AMERICAN STEEL INDUSTRY: BACK AT THE CROSSROADS

During the past two decades Congress has faced some critical junctions in the history of the American steel industry. Without the actions of Congress and the Reagan administration, we would very likely have seen the American steel industry virtually destroyed.

In 1991, however, we saw a number of problems continue to develop. Moreover, the continuing recession has placed tremendous pressure on an industry that has worked hard to modernize. Despite now being among the most efficient steelmakers in the world, the U.S. steel industry remains under attack.

As chairman of the House Steel Caucus, I want to report to you on a number of issues affecting steel communities, steelworkers, and the steel industry that I believe Congress must deal with in the coming year.

TRADE

It is essential that through a continuation of the Voluntary Restraint Agreement Program or through negotiations by the Bush administration that we extend the ceiling on foreign steel imports.

Foreign steelmakers continue to subsidize production and try to dump steel on the U.S. market. The VRA Program has worked excellently to insure competition and competitive prices, while still insuring that American industry remains strong and that we keep U.S. jobs. That type of policy must continue.

In the present international trade negotiations underway, the House Steel Caucus has played a strong role in working with administration negotiators to make sure that we keep in the law the strong trade policies that Congress has adopted. We must be very diligent in continuing to battle unfair foreign competition that tries to steal U.S. jobs.

GOVERNMENT PURCHASING

Recently, I introduced the Fairness in Federal Procurement Act.

The bill provides for extra incentives to make sure that U.S. tax dollars are going toward "Buy American" plans during times of tough economic sledding as we are presently experiencing. This plan also aims that aid at small businesses located in economically distressed areas. That type of policy must also apply to steel purchases by the government, so that taxdollars aren't going overseas but are going to keep U.S. jobs.

PENSIONS

Congress must begin the process of reviewing the pension laws and making sure that every worker's pension is fully protected.

The 1974 law has worked excellently to make sure that workers do not face another case such as Studebaker going bankrupt and reneging on its pension obligations. But with the present pressure on key sections of the U.S. economy, as highlighted by the LTV case, it is essential that we update this law to make sure that the full protection continues. Anything less is breaking a solemn pledge to American workers—a pledge that must not be broken.

HEALTH CARE AND ENERGY POLICY

While affecting every citizen and sector of the economy, the steel and auto industries are clear cases of why the entire economy needs to see action in these areas.

Continuing reliance on foreign oil, and the fluctuating energy prices caused by that dependence, continue to eat away at a major portion of steel industry expenses. A steady policy, based on U.S. production, will free funding for other vital steel industry needs.

While some people see health care as only a citizen problem, from my conversations I find industry personnel just as anxious to see reform and improvements. In our distressed economy, industry cannot keep facing the rising cost of health care any more than employees can, and it is another reason why we need quick action on health care reform.

The CONGRESSIONAL RECORD on steel policy is an excellent one. Without the aggressive actions by Congress we would have seen the destruction of a great deal more of the industry and many more lost jobs.

Now, we must respond again to potential crisis situations. I look forward to working on these problems in the coming year, and achieving as much success as we have previously.

TRIBUTE TO LAURA JEAN THOMPSON

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. KILDEE. Mr. Speaker, I rise before you today to pay tribute to Laura Jean Thompson, a pioneer in the field of education. Mrs. Thompson, presently a counselor at the Flint Schools of Choice, is retiring after nearly 35 years of exemplary service to the Flint community schools.

Formerly of Little Rock, AR, Laura Jean Thompson moved to Flint in 1956 with her husband, retired Flint Northwestern High School principal, Billye G. Thompson. She earned a bachelor of science degree in music education at the University of Arkansas, a masters of music degree at Indiana University, and a masters of science degree in counseling and guidance at the University of Michigan. Laura has applied this education to her work in the field of music education for Grambling State University, McCory High School in Arkansas and for the Flint community schools.

Laura Jean Thompson's commitment to the young people of Flint extends far beyond her career. Over the years, she has spent a tremendous amount of time on a variety of community projects and currently serves as a secretary on the Genesee County Commission on Substance Abuse Services and for the Metropolitan Chamber of Commerce. In addition, Mrs. Thompson is a member-at-large of the Zeta Beta Omega chapter of the Alpha Kappa Alpha Sorority.

Mrs. Thompson is also a member of the Advisory Committee for the United Way of Genesee and Lapeer Counties, the Rotary International, Flint Club, the Flint Area Links, Inc., and the National Association of Media Women. Most recently, Laura Jean Thompson was named to the State of Michigan's Employability Skills Assessment Test. Laura Jean Thompson works with teen parents in the nurturing program and is the director of the 25 voice community choir that bears her name.

Over the years, Laura Jean Thompson has received many honors and awards. She is most proud of the Urban League's 1984 "Volunteer of the Year Award," the Jack and Jill Club's 1987 "Family of the Year," the 1987 Michigan School Counselor Association-Secondary School "Counselor of the Year Award," and the 1988 Award of Excellence from the Michigan ACT Council. In 1990, Laura Jean Thompson received the "Sojourner Truth Award" from the National Association of Negro Business and Professional Women's Club, Flint chapter, and the "Sidney Melet Award" from the Urban Coalition. During 1991, she has added to her collection of awards by receiving the Great Lakes Region Alpha Kappa Alpha "Helping Hands Award" and the President's Award for Metropolitan Chamber of Commerce.

Mr. Speaker, it is an honor and a privilege for me to ask you and my fellow members of the U.S. Congress to join me in honoring Mrs. Laura Jean Thompson. She has been and continues to be a drum major for education and peace in the Flint community.

GAZA STRIP BY WAY OF McDOWELL COUNTY, WV

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. RAHALL. Mr. Speaker, I traveled in December to the Middle East, to participate in the annual conference of the American-Arab Anti-Discrimination Committee, held this year in Amman, Jordan.

As you might imagine, the conference was much about the historic Middle East peace talks, began in Madrid, and continued in Washington, DC, taking place between representatives of the Arab countries including Palestinians, Jordanians, Syrians, Lebanese, and the Israelis. My speech was about the urgent need to keep the talks going, to keep up participation and commitment on all sides, and about not giving in to the nay-sayers who predict that the talks will cease, or that even if they continue, they will come to no agreement among themselves. When I spoke, both at the conference and in my travels from Jordan to Lebanon, I urged my listeners to pay no attention to those who believe the peace talks are doomed to failure, but urged instead that they believe the talks are destined for success.

During my recent visit, as I have done in the past, I met with the King of Jordan and the President of Lebanon, and with many of their ministers, members of their parliamentary governments, and with prominent private individuals in their homes. All have a great deal at stake at this peace conference, and they are clearly praying for success, while remaining ever aware that it will take many weeks, months, perhaps even years, for agreements to be reached that recognize both the sovereignty of each nation-state, and the human rights of all peoples who reside in them. All want a just, and a lasting, peace.

Just as the Lebanese and Syrians joined us in enforcing U.N. resolutions with respect to the Iraqi occupation of Kuwait, so they now ask for equal enforcement of U.N. Resolutions 242, 338 and 425, the latter addressing Israel's occupation of South Lebanon.

But Mr. Speaker, the most startling revelation came as I visited the Palestinian refugee camps at Bekqua outside of Amman, Jordan. There I found individuals who are not only aware of the peace talks, but who were surprisingly up to date on what was being said, and not being said, at the conference table so far. When we talk of how many nations of people have a stake in the outcome of the Middle East peace conference, especially the land of my grandfathers, Lebanon, we cannot lose sight of the fact that the Palestinians perhaps have more to gain by successful talks, and more to lose if they do not succeed, than any other nation of people. Why? Because that land, that territory, that used to be their homeland was taken from them—taken bit by bit until now the Palestinian people are nomads—living in Jordan, living in Lebanon, living in Syria, Kuwait and Egypt, living all over the world—and living in the occupied territories—the Gaza Strip and the West Bank—on land captured by Israel in its 1967 Six-Day War. For too many years they have been living wherever they can until the question—the Palestinian question—is resolved. In the meantime, wherever they are, they continue to struggle against their oppressors for human rights, the right to self-determination, for some control over their lives. Some would call it the struggle for autonomy which, no doubt, will become the buzzword for peace talks in 1992.

As I have been in the past, I was struck, Mr. Speaker, by the similarities between the plight of the Palestinians and the people I represent in Congress who live in the heart of Appalachia. For decades both have had to struggle against their oppressors, under similar living conditions.

In Appalachia, coal mining families in the past struggled against oppressive coal moguls and have had to live in dirty, poverty-stricken coal camps—much like the Palestinian refugee camps in Lebanon and in Jordan—because they owned nothing, not even the ground that produced their livelihood—Appalachian coal. They had no control over their destinies, no self-determination concerning where or how they would live, but were kept pressed beneath the heel of coal operators who owned the underground mineral rights to the black gold they were paid a pittance for too many years to dig out. And if they lost their lives doing so, if not to mine disasters, then to rampant occupational disease, they were buried in nearby potters fields, their families cast off coal company property, ousted from the pitiful shacks they called home—for now their man was no longer alive and digging in the pits.

Yes, Appalachia was occupied, and thus Applachia's people were beholden to their occupiers for housing, for food, for water, for heat, for clothing, for education, and for medical care—all of poor quality and of little durability. Coal magnates owned the mineral rights beneath the land, and even when they did not own the land topside, they controlled it to the extent that no coal miner could hope to ever own his own acres, or his own home. Instead, they lived in gerry-mandered housing which were little more than shacks, and they paid rent to the coal operators for these hovels. None of these homes boasted running water, or indoor toilet facilities; families drank and got their cooking and laundry water from community pumps, or mountain streams, and used outhouses for their bodily needs.

One complaint, one misstep or infraction of unspoken and unwritten coal company rules by an Appalachian coal miner, and he knew he would find himself and his family evicted, his few belongings thrown into the mire of coal dust and mud along unpaved roads. What about medical care in the coal camps? I personally visited doctors' offices in the Bekqua camp, and I can tell you that coal miners and their families received about as much as is given to Palestinians in the refugee camps today. As a rule, coal companies hired one doctor who was responsible for the care of literally thousands of coal miners and their families living in hovels—and if they were lucky enough that their sickness or disease came upon them during normal working hours, they could use the company store telephone to summon the doctor to stop by, for few coal miners had a telephone of their own. If something happened, an emergency, during non-daylight hours, they either had to wait, suffering and risking death, or to walk out of those narrow hollows, their footsteps lit by a coal miners' lamplight, to find help, for few had their own transportation.

In Appalachia, relief came only after the coal miners' intifada—known as unionizing. It often began with stone throwing too, but it also included bloody battles along mountain ranges between the oppressors and the mine workers. At one point in time, it involved the intervention by the United States when soldiers and aircraft were sent in to help put down the coal miners in their struggle for basic human rights. In the occupied territories, the Palestinians have instigated their intifada—as a gradual exercise of Palestinian sovereignty even under the heavy heel of their occupiers—as their attempt to recuperate from the spheres of decision-making and occupying authority that has gone on too long.

The Appalachian coal miners had their John L. Lewis to help lead them out of bondage; the Palestinian are awaiting their Israeli De Gaulle—one man who will seize their hand in peace and freedom.

Upon my return from the Middle East, with the Palestinian refugee camps and their haunting similarity to Appalachian coal camps still assaulting my senses, I came across an article which was written by a West Virginia attorney, Robert Rodecker who, like me, recently visited Gaza. The article he wrote, which appeared in the Charleston Gazette, is entitled "Gaza Strip by Way of McDowell." It caught my attention not only because of the similarities in our comparisons of oppressions suffered by Appalachian coal miners and Palestinians in Gaza, but also because McDowell County is one of the counties in my congressional district. In McDowell County unemployment among coal miners is still above 50 percent in some areas, and is a place where poverty still plagues those who live in coal camps in coal-company housing, up and down the hollows. I submit the article, written by Robert R. Rodecker, for reprinting in the RECORD.

GAZA STRIP BY WAY OF MCDOWELL

(By Robert R. Rodecker)

In 1974, as a young inexperienced attorney working for a public interest law firm in Charleston, I was asked by Rep. Ken Hechler to look into a matter involving some of his constituents in McDowell County. It seemed that a coal company wanting to remove the top of a mountain to extract several seams of coal felt the need to have the people in the area evacuated in order to eliminate potential liability problems.

When I visited Eureka Hollow to investigate, I discovered myriad problems facing the 15 to 20 families being evicted. Some of them believed they had been paying a land company pursuant to an option to buy the land on which they lived. Some had paid rent religiously, believing that gave them a certain amount of legal standing. And some were simply squatters who had no money and nowhere to go. Still others, who had not complained of their situation, lived in an adjacent hollow referred to as "Nigger Hollow." They were being treated precisely as the name of their neighborhood implied.

When I met with the attorney for the land company to discuss the plight of my clients, I was cordially received by a venerable member of the local bar who proudly displayed on his wall an incongruous picture of J. Fred Muggs, the chimpanzee who appeared with David Garroway many years ago on the Today Show. After initial pleasantries, this old man informed me that my clients had no legal rights to remain on the land, and furthermore, they would not get "one goddamned cent" from the land company. He was absolutely right about their legal claims but ultimately wrong about the other matter.

This experience of nearly 20 years ago came rushing forward in my mind recently on a visit to Israel and the occupied territories of the West Bank and Gaza Strip with a delegation from the North Carolina Council of Churches. The visit has been organized to enable interested individuals, both clergy and lay, to visit Israel and the occupied territories to learn from the people living there—Muslims, Christians and Jews—the problems associated with Israel's occupation of territory taken over by Israel during the 1967 six-day war. It was only by accident that the visit happened to coincide with the recent Madrid peace talks.

Prior to leaving for Israel, I happened to see a newsclip of an event which occurred in the vicinity of Jerusalem where conservative Israeli Jews apparently evicted several families of Palestinian Arabs from their homes. I hoped to find out more about this during my visit.

On Nov. 7, our group of 17 went to the village of Silwan near East Jerusalem and met with a retired U.N. employee whose family has, for generations, lived in this area near the southern end of the Kidron Valley. This man, who has organized a local group of Palestinians hoping to protect their land from confiscation by the Israeli government, took us to the place where, on Oct. 9, several Palestinian families were awakened at approximately 4 a.m. by Israeli civilians breaking into their homes and forcing them out into the night. The Israelis were accompanied by soldiers who stood by watching. Later that same morning, several members of the Israeli Knesset joined the occupation.

The occupation lasted a few days in some homes. In some others, the Palestinian owners were allowed to return. In at least one instance, the owner was not allowed to return, and his home was welded shut. This action took place at a time when the cases of these same Palestinians were pending in court involving the appeal of the landowners of the proposed taking of their land by the Israeli government.

To date, no action has been taken against the Israeli occupiers. The reason for the eviction apparently stemmed from a plan by Israelis to construct a settlement in the area to be known as the New City of David and to provide upgraded parking and improved highway facilities.

Because there is no constitution in Israel which requires just compensation for the taking of private property and the village is located in the occupied territory outside the state of Israel, there is no obligation on the part of the government to offer anything for the land, and the landowners have few, if any, legal rights. Even if the landowners were to be compensated, the opportunity of Palestinians to acquire land under Israeli occupation is extremely limited.

As in Eureka Hollow, the Palestinians of Silwan are the victims of economic and political powers beyond their control. Unlike Eureka Hollow, however, the scene in Silwan is being frequently repeated throughout the occupied territories of the West Bank and the Gaza Strip.

During our visit to the Gaza Strip, we were informed by the Near East Council of Churches and others that 4,000 Israeli settlers live on 45 percent of the land in the Gaza Strip but use 85 percent of the available water, while 850,000 Palestinians are crammed into the remaining territory and are left with the remaining 15 percent of the potable water supply.

Also, since the gulf war, when Palestinians in the occupied territories were confined to their homes for 45 days under 24-hour curfew, more than 60,000 Palestinians in the Gaza Strip alone lost their jobs to Israeli employers. In many instances, the Palestinians were replaced by Soviet immigrants who have moved into the settlements both in Israel and the occupied territories. Now, with the collapse of the Soviet Union, the pressures which gave rise to the forced evictions in Silwan will be accelerated with the expansion of settlements to accommodate the influx of Soviet immigrants.

Whether the Madrid peace conference is the beginning of a successful resolution of the Palestinian problem will depend upon the willingness of the Israelis to address the issue of the settlements in a humane and comprehensive manner. However, the example of Silwan does little to bolster confidence in the Israeli commitment to a reasonable approach to the issue.

JAPAN FAILS TO FACE THE TRUTH

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BEREUTER. Mr. Speaker, this Member would point to two recent actions in the Japanese Diet. The first event was the brawl that occurred when the Diet was preparing to vote to permit the use of Japanese forces in United Nations-sanctioned peacekeeping activities. The desire to maintain the purity of the Peace Constitution was so strong that Japanese legislators felt compelled to engage in fist-fights on the floor of the Japanese Diet. This has become something of a common practice—you may recall that similar fist-fights broke out when the Japanese Government proposed to send medical teams to support Operation Desert Shield.

The second event was the refusal of the Japanese Legislature to refuse to extend an apology to the United States of America on the 50th anniversary of the attack on Pearl Harbor. When presented with the opportunity to offer an apology, the Diet conspicuously chose not to act.

It is an interesting dichotomy: The Japanese Legislature can engage in fist-fights to ensure that Japanese forces do not engage in legitimate peacekeeping activity, but it scorns the notion of apologizing for one of the most heinous sneak attacks in recorded history. Japan is not well served by such inconsistent displays. The failure to offer such an apology, as urged by the Japanese Prime Minister, seems consistent with the Japanese failure to recognize its role in initiating hostilities during the World War II, the gross brutality of its armed forces in China and elsewhere in the Asian-Pacific regions, and the continuing attempt of the Japanese society to rewrite history to justify its past actions.

Mr. Speaker, this Member would point to an insightful editorial entitled "Japan Fails to Face the Truth: Ugly Message for America" in the December 7, 1991, edition of Omaha World-Herald. As the editorial correctly notes, the recent behavior of the Japanese Diet sends an very disturbing message to America, and indeed to the world:

JAPAN FAILS TO FACE TRUTH; UGLY MESSAGE FOR AMERICA

The Japanese parliament still doesn't get it.

German officials years ago faced their country's responsibility for starting World War II. Among other things, the Bonn government maintains a consistent policy of disavowing the Nazi era and paying reparations to designated victims of the Third Reich.

Even the Soviet Union has begun to acknowledge its past crimes, including the massacre of Polish officers during World War II and the invasion of Afghanistan.

But the Japanese legislators, who were presented this week with the opportunity to issue a modest, one-time expression of regret for one of history's most heinous sneak attacks, balked at doing even that much. They gave the lame excuse that they were too busy with domestic affairs to agree on the wording of an appropriate apology resolution.

What an ugly message for America on the 50th anniversary of the Pearl Harbor attack. After four decades of U.S. aid, U.S. support and U.S. protection, the government of Japan still refuses to face the truth about its country's unprovoked peacetime attack.

The attempt to avoid even the appearance of regret was contemptible. After American newspapers reported that Foreign Minister Michio Watanabe had expressed "remorse" over the suffering of war victims, the Japanese government backed away, saying that the correct translation of the word was "self-reflection" rather than "remorse."

A Foreign Ministry spokesman said that Watanbe's statement under no circumstances constituted an apology. Obviously it didn't. Even with the word "remorse," the statement came nowhere close to an apology for the attack.

It was encouraging to read that some Japanese citizens expressed concern about their government's attitude. Otohiko Endo, a member of the Clean Government Party, was an advocate of apologizing. But he acknowledged that few legislators shared his view. He said he encountered reluctance among legislators to face the fact that Japan was the aggressor.

The fact that Endo spoke out raises the hope that there are others like him in Japan—people who understand the importance of honestly confronting the past and saying the things that need to be said in the present.

TRIBUTE TO THE PONTIFICAL INSTITUTE OF THE RELIGIOUS TEACHERS OF FILIPPINI

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. TORRICELLI. Mr. Speaker, I would like to pay homage to the members of the Pontifical Institute of the Religious Teachers of Filippini. Sister Margherita Marchione, a renowned authority on Italian-American culture and researcher of Philip Mazzei, Jefferson's friend and neighbor, has issued a statement which I would like to place into the RECORD at this point:

RELIGIOUS TEACHERS FILIPPINI TERCENTENNIAL

The Pontifical Institute is one of the earliest teaching communities of Sisters in Italy. It began in Montefiascone in 1692, when Cardinal Bargarigo asked Lucy Filippini to head the schools he had established for the education of young girls. Twelve years later he devised a set of rules to guide Lucy and her followers in the religious life. These teachers were to provide Christian training for the children of the common people. As the community grew, it attracted the attention of Pope Clement XI who, in 1707, called Lucy to Rome to start schools which he placed under his special protection.

In Rome, Lucy Filippini completed the work of founding the schools and impressed her style and educational method on them. The primary objective of the schools was the formation of women in every aspect. Such a formation would serve to strengthen family life—not an easy task among the poorer classes of society of the 17th and 18th centuries. This educative and didactic adventure still continues today through the Schools and the Family to which they gave life. Its mission has spread beyond Italy, into Europe, the United States of America, Brazil, Ethiopia, India.

A new era began for the Religious Teachers Filippini when, at the command of Pope Pius X, five of them came to the United States in 1910. Their destination was Saint Joachim parish, Trenton, New Jersey, and their mission was to serve the needs of neglected Italian immigrants. They spoke their language, understood their customs, and cherished their traditions. When the immigrants' search for freedom, social improvement, and security lessened, they continued to staff schools for all children, regardless of race, nationality, or creed.

In Trenton, the group encountered obstacles which led to discouragement. But in 1916, with Sister Ninetta Ionata's appointment as superior, the situation changed. Under her leadership she improved the administration of the school. During 1917–18 Spanish influenza epidemic, she challenged the Sisters to assist the sick and the destitute. They served as nurses, and provided hot meals. Soon after they were recalled to Rome by the Superior General. Only when Sister Ninetta appealed to the new Bishop of Trenton, Thomas Joseph Walsh, did the situation again change. In fact, had it not been for him, the difficult circumstances of the early years would have indeed constrained the Sisters to return to Italy.

Bishop Walsh intervened and succeeded in keeping them in the United States. He simply sent a cable with the words: "Governo proibisce partenza." (The government forbids departure.) The Superior General did not understand whether the reference "government" was civil or ecclesiastical. Thus with Bishop Walsh's encouragement and personal interest, the Religious Teachers Filippini remained and prospered in the United States.

In 1920, Bishop Walsh purchased the property now known as Villa Victoria on the banks of the Delaware River in Trenton to serve as a motherhouse and novitiate. Ten years later, when he was transferred to Newark, Villa Walsh—the former Gillespie estate on Tower Hill in Morristown—became the new motherhouse and the commuity's educational headquarters. Today, members of the Province of Saint Lucy staff schools in New Jersey, New York, Ohio, Pennsylvania, and South Carolina.

Regarding the international activities of the Religious Teachers Filippini, the Province not only has representation at the Generalate in Rome, but also helps staff the foreign missions where the work of evangelization and human promotion continues. In the newest mission in India, they conduct a literacy program, teach Christian Doctrine to children and adults, visit and perform basic tasks of charity helping them spiritually, materially, and financially.

A commemorative book entitled "A Pictorial History of the Saint Lucy Filippini Chapel" (1992) contains a brief history of the Religious Teachers Filippini with a blessing and message from Pope John Paul II, dated January 22, 1991: "To the Pontifical Institute of the Religious Teachers Filippini, celebrating the 3rd centenary of its Foundation, and living the charism their Foundress Lucy Filippini wished to impart to the Institute, I express heartfelt congratulations for the educational and evangelical work that has been accomplished and continues to be performed for the poor and the humble. To the entire religious Community and to all those toward whom the educational mission of the Religious Teachers is directed, as a pledge of abundant heavenly graces, I affectionately impart a special apostolic blessing." The commemorative book for the 300th anniversary is a monument of Christian inspiration which transmits the spirit and sanctity of Saint Lucy Filippini through the originality and gracefulness of paintings by the renowned artist. Gonippo Raggi, as well as through stained glass windows, mosaic, and imported marble. It is also enhanced by a walking tour which contains some 30 pages of black and white sketches with explanation of each symbol, followed by 20 pages of colored photographs. It is the story of the Pontifical Institute of the Religious Teachers Filippini since 1692. What has transpired since then testifies to the zeal of many dedicated women whose sense of mission of their founders was adapted during the past 300 years to the needs of the world in the light of the Gospel. Its development in the United States of America has been rich in deeds and accomplishments.

WALK A MILE IN HER SHOES

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. RICHARDSON. Mr. Speaker, one of the most public-spirited citizens in the State of

New Mexico is Claudine Riddle, of Farmington. A successful realtor, civic leader, and humanitarian, she embodies the best of the American spirit: dignity, compassion, effectiveness, and generosity to others less fortunate. She has had a remarkable career, and I am proud to count her as a friend and valued adviser on a host of issues important to this country.

Recently she was profiled in a Farmington newspaper. I am submitting the article for the RECORD.

[From the Farmington Daily Times, Nov. 10, 1991]

WALK A MILE IN HER SHOES

(By Dorothy Nobis)

If the cliche that dynamite comes in small packages is true, then Claudine Riddle is an explosion waiting to go off.

Riddle may be short in stature, but her energy is boundless, according to friends.

A real estate broker who owns Claudine's Real Estate, Riddle is more than just a seller of property.

The soft lines that give character to Riddle's face, and the sparkle that glistens in her eyes belie the fact this lady has not had an easy life.

The child of a poor sharecropper, Riddle, 72, said, "I was raised . . . in a little shack with holes and cracks."

One of five children, Riddle said they slept together because there weren't enough beds.

Her poverty-stricken childhood did not, however, dampen Riddle's spirit or her determination.

"The way you are raised, no matter how tough, should make you the best person you can be," Riddle said. "You need to make good, regardless of how bad it is."

A mother of two before she was 19 years old, Riddle heeded her own advice when she returned to high school when she was 24.

"I had a ball," she said. "I enrolled with the rest of the kids on the first day of school in Plains, Texas."

Riddle said her typing skills got her a job as secretary to the school superintendent before she finished high school.

In 1960, she and her family moved to Farmington, and she went to work as the secretary for H.L. Wilby, principal at Farmington High School.

Four years later, Riddle and her family moved again, this time to Puerto Rico, then the Bahamas and to Nicaragua. Riddle got adept at packing and moving, she said.

"I moved 326 times in my married life," she said. "My kids went to schools in four different states and to eight different high schools."

Riddle continued to work, no matter where the family lived.

"I wanted my kids to have the things they wouldn't have had, if I had not worked," she explained.

There were other reasons Riddle worked, however. Her ambition, her dedication—and her determination—were driving forces to help her overcome a family problem.

A member of Riddle's family is a problem drinker, which has been difficult for her to understand and, at times, even more difficult for her to cope with.

"I've never been a drinker," she said. "I'll have one glass of wine at a party, but I have a problem of working with people who have too much to drink."

Ironically, Riddle said that when she was growing up, her family made their own brandy and wine.

"But it was never important to me," she said. "I wanted my mind to work."

The heavy drinking of a loved one made life difficult for Riddle, but she never lost hope, or her zest for life.

The hurts of being in such a situation are there, however, Riddle said.

But, she added, the sober members of the family must remain strong.

"The alcoholic doesn't care how many hurts you have, or how often he hurts you," she said. "But you have to be determined not to let it destroy you."

Because of the dictates of society at that time, Riddle said, she rarely talked about the problem drinker, and physical abuse never occurred in her home.

"If there is physical abuse with an alcoholic, I tell women never to stay," Riddle said. "I don't care what they're told, no woman should put up with physical abuse. With an alcoholic, the mental and emotional abuse are enough."

Riddle often speaks to women on the Navajo Reservation, she said.

"I speak about alcoholics and how to deal with it," she said. She encourages women who have an alcoholic husband to recognize their own needs.

Riddle said women, particularly, choose a pattern with how they live and deal with an alcoholic. She said dealing productively with the alcoholism is determined "by how you're made up within yourself and the faith to deal with it."

Riddle added it was her faith that kept her going over the years.

"I'd go out the front gate in the morning," Riddle said, "and I know God said, 'There she goes again,' and sent 100 angels to take care of me.

"Sometimes I'd run out of angels and have to ask for more," Riddle said with a smile. "And I'd know I'd have help during the day to survive."

And survive, Riddle did.

More than 21 years ago, when the problem drinker in her family was so sick because of the drinking, medical help—expensive medical help—was needed and she had to quit her job as a secretary and look for work that would pay more.

A new career opened up for her while she, typically, was looking out for a friend.

"I walked into a real estate office and told the broker they were misrepresenting land to a friend," she recalled. The broker was so impressed with Riddle he suggested she study to become a real estate agent.

"I was almost 52 years old," Riddle said. "And I opened my own real estate office when I was 54. Nobody told me I wasn't supposed to do that at my age, so I did it."

She also has become active in other areas.

Concerned with the plight of Navajo artists, and their inability to properly market their work, Riddle organized the Totah Festival five years ago.

"Most Indian traders and trading post people are fair with the artists, but they can only buy so much," Riddle said. "I kept buying stuff so cheap, I started talking to the city and county to try to get interest (in a festival)."

Riddle finally received support from Farmington for a festival, but only if she would coordinate it. City officials also gave support, and Riddle's dream of helping the Indian artist was realized.

"I had a hard time getting support from local organizations, and I didn't think it would be a success," Riddle said.

Four years ago, Riddle said she had no artists and no money for the festival.

With a lot of help from her friends and her rapport with the Indian artists, however, the Totah Festival was born.

This year, Riddle said 65 artists were represented at the festival, and an estimated 10,000 people from 27 states and five countries attended.

In addition, area Indian rug weavers earned $15,500 from a rug auction at the festival.

In the years she's helped Indian artists find a market for their work, or helped the mate of an alcoholic find hope for the present and the future, or helped someone fine a new home or business in San Juan County, Riddle said, occasionally, she gets tired.

"I've thought about running away from home," Riddle said with a laugh. "I've thought about dyeing my hair red, taking off my hat, getting on the train and running away."

With her love of people and her willingness to help others, however, Riddle said the only problem with running away is that, "A lot of people will want to go with me."

HONORING RETIRING EDITOR OF LATROBE BULLETIN

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. MURTHA. Mr. Speaker, the community of Latrobe, PA is fortunate to be served by a respected daily newspaper, the Latrobe Bulletin. In this age of huge media corporations, the local, small town paper might seem to be dying, but the role of the Latrobe Bulletin as a forum for the community and a source of community news remains strong. The role of editorial writer for the small community newspaper is a particularly important one, and for a long time, the people of Latrobe have been favored with an outstanding journalist in this position. Vince Quatrini is retiring this month, and I wanted to take a moment to wish him well and to let him know how much he'll be missed.

Vince is an outstanding writer, and he's served the Latrobe community well in his position with the Bulletin. He's equally a superb prognosticator—in fact, the Latrobe Bulletin was the first Pennsylvania newspaper to endorse and predict the victory of Senator WOFFORD in the 1991 Senate election.

The people of Latrobe will miss the witicisms and insight of a fine journalist. Whether they agreed with Vince's opinions or not, his columns were always eagerly read by everyone in Latrobe. I'm proud to call Vince a friend, and I know that the citizens of Latrobe join me in saying thanks and wishing Vince a happy and healthy retirement.

DEMOCRATIZATION COMES TO ZAMBIA

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. TOWNS. Mr. Speaker, I want to introduce the inaugural address of Zambia's new leader, President Frederick Chiluba to my colleagues.

President Chiluba's election is significant for several reasons. It was the first instance in

Anglophone Africa where a ruling party was defeated in peaceful elections. The United States played a key role in ensuring the integrity and popular acceptance of the election. And finally, former President Kenneth Kaunda accepted his defeat graciously as a part of a democratic process of the changing of the guard.

President Chiluba is expected to visit the United States next month. I commend this speech to my colleagues' attention. His words gave us much hope for a new era of warm relations between the United States and Zambia.

INAUGURATION SPEECH OF FREDERICK CHILUBA

Mr. Chief Justice, fellow citizens, neighbors and friends.

To us here today, this is a sobering most momentous occasion. To the nation, it is an affirmation of the power of patience and forbearance. This ceremony is indeed testimony to the will of the people. Zambia demanded democracy. Today, Zambia achieved that goal.

My first act as the President is a prayer. I ask you to bow your heads.

Heavenly Father, we bow our heads and thank you for your love. Accept our thanks for the peace that yields this day and the shared faith that makes its continuance likely. Make us strong to do your work, willing to heed and do your will and write on our hearts these words: "Use power to help people," for we are given power not to advance our own purposes, nor to make a great show in the world, nor a name. There is but one just use of power, and it is to serve people. Help us remember this, Lord, and make us strong to do your work. Amen.

How great is one's belief in your fellow citizens, your friends and neighbors, when you realize that the stream of democracy—damned up for 27 years—is finally free to run its course as a mighty African river. Not because of arms, not because of bullets, not because of any other time, but the patience of Zambia with corruption, repression, and dictatorship had run out. The voice of the Zambian people, weak as it was at one stage, faint against the thunder of one party and one man, is once again strong, a roar asserting itself. But let us not forget, that we cannot replace the tyranny of an elite with the tyranny of the many.

The Zambia we inherit its destitute—ravaged by the excesses, ineptitude and straight corruption of a party and a people who have been in power for too long. When our first President stood up to address you 27 years ago, he was addressing a country full of hope and glory. A country fresh with the power of youth, and a full and rich dowry. Now the coffers are empty. The people are poor. The misery endless.

The economic ills we suffer have come upon us over several decades. They will not go away in days, weeks or months. But we are determined they will go away. The will go away because we as Zambians have the will to apply ourselves to do whatever needs to be done to rebuild this glorious country.

In this present crisis, government alone is not the solution to our problems. For too long, government was the problem. This crisis needs discipline, hard work, honesty, clean government and a determination to grit our teeth, to look our problems squarely in the face, and to tackle them head-on.

Let no one believe otherwise. This Zambian government has the will, the courage and the ability to deal with the problems of the day, to make the hard decisions, and to do the things now that will allow this country to never again sink to the depths of misery which Zambian democracy has rescued us from now.

So with all the energy and discipline at our command, let us begin anew. Let us renew our determination, our courage and our strength and let us renew our faith, our hope and our pride. We have the right to dream heroic dreams. But more importantly, we have the obligation to make them come true. Perhaps not for our own sake, but for the sake of our children. Never again may we allow the next generation to inherit debt, corruption and misery.

For the first time in the history of this country, the Zambian citizens do not have to invent a system by which to live. We don't have to wrest justice from the kings or the chiefs. We only have to summon it from within ourselves.

For we know what works—freedom works. We know what is right—democracy is right. We know how to secure a more just and prosperous life for man on earth—through the freedom to work, the freedom to toil, through free speech, free elections and the exercise of free will unhampered by the state. We know that upon the individual rests the ability to make his own dreams come true. The state must allow every individual that freedom in security and in justice. The greatest lesson we can learn from the past 27 years is that freedom is at the core of every successful nation in the world and in Africa today.

The great nations, the prosperous nations, are the free nations. A new breeze is blowing in Zambia. The breeze of democracy and freedom. The breeze of human rights. The winds of change predicted for Africa decades ago, have finally reached our land.

When Winston Churchill offered his people nothing but blood, toil, tears and sweat, they rose to the occasion and swept away the forces of tyranny and I am proud that when we told Zambians that the hour has come, they rose to the hour with dignity, with compassion, but with determination. Zambia would not be denied.

Allow me now to address my colleagues who will join me in the new government. The Zambian people await action. They didn't send us here to bicker procrastinate. They did not send us here to enjoy the trimming of power and office. They sent us here to represent them and to work.

President Bush of the United States of America said in his inaugural speech: "Great Nations, like great men, must keep their word." This is my pledge to you, Zambia. This government will keep their word. And this is my message to the new government and to the civil service: "You must keep your word." Let honesty and honest toil be the pillars on which we build the future.

We deserve today not a victory of a party, but a celebration of sweet freedom after a long and sometimes, bitter struggle. An end as well as a beginning.

Zambia is like a patient who woke up from a long coma. We are weak, but we are awake. We are ill, but we are still alive. And most important: We are determined to get well again.

No government can change a country on its own. I am asking you, Zambians from all political persuasion, friends and neighbors, UNIP and MMD, and those who want to start new parties still, let there no longer be enemies in this land. At the most let there be political opponents, free to speak their minds, but free to be Zambians. And let us take hands and face the cruel and destitute present, let us take hands and work, let the patient get well again. Let Zambia rise up.

I am extending my hand of brotherhood to all Zambians—of all political persuasions—and particularly their leaders. My plea to Dr. Kaunda is to take my extended hand of friendship, for this is the very essence of this change; that we make one nation and live together in harmony. I urge you as ordinary members of UNIP and citizens of Zambia to extend you hands to your neighbor too—and embrace them, so that we go forward as one. Let Zambia rise in unity.

But what exactly is to be done? I believe we ought to concentrate on the basics. Our priorities must be the basic needs of the people of Zambia. One such priority is education. It is simply not good enough that Zambia has 126 school and college students per 100,000 population, when there are countries in Africa with three and four times that ratio. It is simply not good enough to have a literacy rate of less than 70 per cent, when we have skilled and schooled people to drive our economy towards productivity and prosperity.

Another priority is health care. Here, too we face enormous challenges, with only one medical doctor for every 5,000 Zambians with only 32 hospital beds for every 10,000 people, and infant mortality rate of 127 deaths per 1,000 children under the age of five, and with less than half the population having access to safe and clean drinking water.

Also in the spheres of housing, transportation need, telecommunications and other aspects of infrastructure do well behind the average in Africa. It is of crucial importance that we give infrastructure development all the urgent attention that we can afford, because this in turn determines the extent and the eagerness with which foreign investors would flock to Zambia.

But most important of all is the need to create a sustained confidence in the sociopolitical stability of our country. For without it, our children won't study our human resources, will not become a productive work force, our economy will not grow, or exports will not be competitive in international markets, our foreign investment growth will remain a pipedream.

If what I have said thus far sounds duly ominous, do not misunderstand me: I am not pessimistic about the future of Zambia. In fact, I am all too aware of the exceptional opportunities that we have with our mineral resources, and our abundance of land in a country that is not overpopulated.

But I am also a realist. The ills of Africa and of Zambia are such that our prosperity will not come about overnight. Forward on the path to prosperity we must go, but let nobody labor under the illusion that the progress we seek will be easily and speedily attained for the hour has come.

In our time of need, we will look to the world. Not for hand-outs, but for help to stand on our own feet again. To get well. We will look to our neighbors—not to strut around on the stage of the world, like a king without clothes, but to look them in the eye and to take their hands. In Africa today the era of dictators, of hypocrisy and lies is over. As usual, the Zambians realize that first. We will therefore not share in the hypocrisy and the self-deceit, but we will say to our neighbors, let us live in peace. Let us trade. Let us get to work.

Zambia is not the center of the universe, but Zambia is the center of our universe. We say the hour has come to put Zambia first, to put Zambia first. Let's do whatever we can, every day to slowly pull ourselves through our sweat and toil, out of the mud and to build a new Zambia where prosperity, decency, Human rights are normal parts of life. So on this inaugural day, I say, let us not have false pride. Let us rather get to work.

So, the hour has come. We have seized it. And now, to work!

TARGETED INVESTMENT TAX CREDIT WILL HELP ECONOMY

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mrs. JOHNSON of Connecticut. Mr. Speaker, along with the gentleman from Washington [Mr. CHANDLER] I am introducing today the Targeted Small Business Investment Tax Credit Act of 1992 and invite my colleagues to join us in our efforts to revitalize the backbone of the American economy: small business.

It is painfully clear, Mr. Speaker, that our economy needs a powerful shot in the arm to restore its vitality and keep us No. 1 in the world. Newspaper headlines repeat the story day after day: "Thousands Laid Off," "Sales Down," and "Economy Weakens."

While I applaud the recent drop in interest rates, Congress must act immediately on a precisely targeted economic growth package that will create manufacturing opportunities, stimulate the housing industry, and encourage consumer demand in the immediate future.

An integral part of any growth package is, in my view, targeted tax relief to a sector of the economy crucial to our future and in dire need of improvement: manufacturing. Investment in manufacturing has dropped precipitously since the Tax Reform Act of 1986 and threatens to remain weak for the foreseeable future. One retrospective simulation of the U.S. economy from 1986–88 indicates that gross private domestic investment dropped by over $100 billion in constant 1982 dollars in that period.

The Targeted Small Business Investment Tax Credit Act of 1992 focuses on this weakness and intends to help American manufacturing retool, modernize, grow, and hire more workers. Our bill offers short-term, nonrefundable tax credits to companies with fewer than 500 workers as follows:

A 15-percent credit for purchase of productive machinery and equipment, and business-use trucks, off-road vehicles, and cars;

A 25-percent credit if the capital goods mentioned above are at least 85 percent manufactured or produced in the United States.

As the following article from the Wall Street Journal clearly illustrates, previous ITC's skewed industrial investment and led to abuses now highlighted by advocates of the do nothing approach.

Today's bill, however, is narrowly drawn to prevent abuse and would be in place for just 6 months from the date of enactment. This feature would limit the direct cost to the Treasury and provide the economic kick the Nation needs in the near term, while supporting our long-term goal of improving our competitiveness.

I urge the administration and my colleagues on the Ways and Means Committee to review this proposal carefully, because I believe it will have a positive, immediate ripple effect on the economy, resulting in reduced unemployment costs, higher business tax receipts, increased revenues from personal taxpayers, and give a much needed boost to American manufacturing.

Mr. Speaker, the newspaper article I mentioned follows:

[From the Wall Street Journal, Dec. 30, 1991]

THE OUTLOOK—INVESTMENT CREDITS: A TEMPORARY ANSWER

(By Alan Murray)

WASHINGTON.—Millions of Americans work in office spaces separated by movable partitions rather than walls. But few realize that the tax code is partly to blame for their lack of privacy.

The investment tax credit, eliminated in the 1986 tax act, provided a powerful incentive for the purchase of equipment. The credit could be used to offset the cost of purchasing partitions but not to offset the cost of constructing walls. So, American office designers turned increasingly to partitions.

A similar transformation occurred in many of the nation's factories. Permanent ceiling lighting was not eligible for the credit; detachable, movable lights were. So, tax-conscious corporations outfitted factories with movable lights.

Such stories suggest why the credit was eliminated in 1986. It was indeed a powerful incentive. It did change the behavior of American businesses. But the changes weren't all for the better.

"The investment tax credit creates an investment incentive that favors some forms of economic activity over others," the U.S. Treasury wrote in 1984, in a tax-overhaul plan proposing repeal of the credit. It "discriminates among taxpayers within a single industry, and encourages tax-motivated, noneconomic behavior." Dale Jorgenson, a professor of economics at Harvard, says eliminating the credit "was one of the real steps forward of the 1986 tax act."

Memories are short in Washington. With the economy in recession, the nation's policy makers are rushing headlong towards re-enacting the credit, for the fourth time. The Bush administration is likely to include a limited credit as part of its proposal for economic revival—even though Budget Director Richard Darman was one of the architects of the 1986 law. And many members of Congress also favor the idea. Indeed, re-enacting the investment tax credit is one of the few proposals strongly supported by many Democrats and Republicans alike.

The interest in investment tax credits is understandable. A slowdown in investment spending is one reason for the recession that began last year. And economists frequently cite insufficient investment as an underlying cause of the American economy's slow productivity growth and declining competitiveness. Investment spending in Japan, for instance, is more than twice as large a share of the nation's total output as investment spending in the U.S.

And the evidence suggests the investment credit does indeed raise investment spending. Calculations by the American Council for Capital Formation suggest that purchases of equipment have grown far faster during periods when the credit was in effect than when it wasn't.

But such numbers tell only part of the story. They don't show how much of that money was wasted in installing partitions rather than walls, in developing tax-shelter packages or in pursuing other tax-motivated schemes that did little to help the nation's economic performance.

Moreover, even the productive-equipment purchases stimulated by the credit may not be what's needed to address the nation's competitiveness problems. Michael Porter, a competitiveness guru at the Harvard Business School, says the credit is far more effective at stimulating purchases of the basic machinery used by yesterday's industries than at promoting the high-risk, long-term investments needed for tomorrow. The credit is "fighting the last war," he says.

For all its drawbacks, however, many economists argue the investment tax credit may still be the most effective arrow in the tax-cutters' quiver for stimulating a stagnant economy—if it is instituted only on a temporary basis.

By ensuring that the credit expires after one or two years, tax writers can increase its potency. Many companies will speed up spending planned for three or four years down the road to take advantage of the credit and thus give the economy a short-term boost. "If it's temporary," says Robert Eisner, a Northwestern University economist, "an investment credit gives you a big bang for your buck."

At the same time, a temporary credit would avoid the problem of permanently distorting investment decisions. And the cost of such a credit could be reduced by making it "incremental"—which means it would apply only to investment that exceeds an amount based on a company's past investment. The credit being considered by the White House is both temporary and incremental.

Of course, there is the risk that a temporary credit would become permanent, as legislators extended it year after year. With Congress, "it's hard to know what temporary means," Harvard's Mr. Jorgenson says.

But Washington politicians are belatedly determined to do something to fight the recession. And a temporary investment credit is one of the few moves that would clearly help the economy in the short-term without causing too much long-term damage.

NOW YOU SEE IT....

A history of investment tax credit:
January 1962, 7% credit instituted.
October 1966, credit suspended.
March 1967, 7% credit reinstated.
April 1969, credit eliminated.
April 1971, 7% credit reinstated.
January 1975, credit increased to 10%.
January 1988, credit eliminated.

Source: American Council for Capital Formation.

NICARAGUA LIVES WITH THE GRIM LEGACY OF SANDINISTA ATROCITIES

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BEREUTER. Mr. Speaker, when the forces of democracy won their resounding electoral victory in Nicaragua in February of 1990, the world hoped this tiny war-torn nation could move toward a more peaceful future. Unfortunately, it appears the Sandinistas have done nearly everything in their power to frustrate the will of the Nicaraguan people and undermine the democratic process. They have illegally seized government property, beaten, and even killed legitimate labor leaders, and terrorized many communities.

This behavior, Mr. Speaker, is simply an outrageous continuation of the pattern of violence that has long been a trademark of the Sandinista movement. Indeed, we are only now coming to fully understand the level of brutality under the regime of Daniel Ortega. Deep within the jungle, scores of mass graves are being uncovered, and the evidence is mounting that large numbers of civilians were summarily executed.

Mr. Speaker, the Congress and the American people should have no illusions about the Sandinista Party. They are not committed to democracy, and they scorn even the most basic of human rights. When they were in power in the 1980's, they ruled by brute force. Now, as an opposition party, they continue their violent ways. This member would urge President Chamorro to be firm in her dealings with these thugs and urge the administration and Congress to give her every possible assistance in resisting such violent and intimidating tactics.

Accordingly, this Member would ask to insert a highly informative article from the December 4, 1991, edition of the New York Times. Entitled "Graves Call Witnesses to Sandinista Atrocity," it documents the legacy of Sandinista violence. This Member commends the article to his colleagues.

[From the New York Times, Dec. 4, 1991]

GRAVES CALLED WITNESS TO SANDINISTA ATROCITY

(By Shirley Christian)

BIJAGUA, NICARAGUA.—Down a steep slope and across a creek from a hilltop farmhouse, eight pits are waiting to offer up bitter fruit from Nicaragua's long war between the Sandinistas and the contra rebels.

For 14-year-old Héctor Gaitán, carrying a visitor to the site on his horse, the recollection is still vivid of the time in 1984 when he was sent fleeing into the mountains by Sandinista security forces and came back the next day to find that his father and dozens of other men had been slain and their bodies thrown into the excavations and covered lightly with dirt.

From time to time, he says, bones work their way to the surface when the holes fill with water from tropical downpours. Recently, two rubber boots of the kind worn by local farmers were found, still tied together as they must have been on the victim's feet before he was killed.

REPORTS OF 50 MASS GRAVES

Human rights groups say they have received reports from rural people of more than 50 such common burial sites around Nicaragua, raising doubts about the long-held perception by Sandinista defenders outside Nicaragua that the Sandinistas were not as brutal as their opponents.

The discoveries also present a challenge to President Violeta Barrios de Chamorro to satisfy demands for truth and justice without running into roadblocks from the still-powerful Sandinistas, who she defeated in the February 1990 elections.

Much of what happened in these hills 30 miles northeast of the town of Camoapa in the department of Boaco on Nov. 5, 1984, is still buried in the memories of those who were spared, and even today many adults speak with fear, or great care. They say this is because the Sandinistas still control the army and the police.

After pointing out the bullet holes and bayonet marks scattered over the wood plank walls of her house, where many of the victims died, 70-year-old Petrona Alvarez de González said the incident began on Oct. 22, 1984, when a group of at least 50 men arrived at her farm and said they were contras and wanted to camp on her land while recruiting.

In fact, as later confirmed by the Sandinista Government, they were members of the Sandinista intelligence police, led by Enrique Schmidt, who held a Cabinet-level post in Managua and had volunteered for an undercover mission to trap contras in this strongly pro-contra region.

In the coming days the men made recruiting forays into the countryside and returned with volunteers who thought they were joining the contras. They were brought to the camps scattered around the González farm and told they would soon be trained and given arms, she said.

She said the undercover Sandinistas had the recruits dig the pits a short distance from her house, with the explanation that they might be needed for burial sites in the event of a battle with the Sandinista Army.

GENUINE CONTRAS ARRIVE

At midday on Nov. 5, an actual contra force of perhaps a dozen men arrived under the command of a man well known in the area as Ciclón.

Mrs. González, whose husband was in a hospital at the time, said a fierce battle erupted between the undercover Sandinista force and Ciclón's men and that Ciclón, his men, and Mr. Schmidt were killed.

Then, said Héctor Gaitán, the unarmed recruits, including his father, Pedro, were ordered into the kitchen area of the house and the killing soon started. At that time, he said, Mrs. González and he and other children were ordered by the Sandinistas to leave, but they heard the shooting and screams as they ran away.

He said that after spending the night in the mountains, they returned the next day to be told by the departing Sandinistas that they had killed more than 70 contras.

VICTORY IS PROCLAIMED

The next day in Managua, the Sandinista newspaper Barricada reported Mr. Schmidt's death as that of a hero. It said he had died near the end of a battle in which his troops "completely wiped out a counterrevolutionary task force." It acknowledged the deaths of 73 men, but claimed that all had died in battle. Mr. Schmidt's was the only reported Sandinista death.

Violeta Graneja de Sandino, a spokeswoman for the Nicaraguan Human Rights Association, one of three human rights groups in the country, said that reports of the burial site here had come to the association offices in Managua from a number of people.

"The Government seems to maintain the thesis that forgetting is the way to deal with those years," she said. "But we want legal processes and the removal from police and military posts of those responsible."

So far, she said, exhumations have been carried out at eight clandestine burial sites, with the number of sets of remains found ranging from one to 35. The bodies of two men found in one grave were killed by the contras, she said, and the rest of the sites contained Sandinista victims.

The Bijagua pits are thought to contain the remains of 40 to 80 people.

JUSTICE BAINS THREATENED BY INDIAN POLICE

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BURTON of Indiana. Mr. Speaker, Dr. Gurmit Singh Aulakh, President of the Council of Khalistan has informed me that Justice Ajit Singh Bains, chairman of the Punjab Human Rights Organization [PHRO] has received a death threat from the Indian Police warning him to cease his activities with the PHRO which consistently exposes Indian government atrocities committed against the Sikhs. I ask the Indian Government to bring no harm to Justice Bains and beseech it to cease its violation of human rights in the Sikh homeland, Punjab.

I submit for the RECORD a press release issued by the Council of Khalistan describing the death threat made against Justice Bains by Indian police.

JUSTICE BAINS, CHAIRMAN OF THE PUNJAB HUMAN RIGHTS ORGANIZATION THREATENED BY INDIAN POLICE

WASHINGTON, DC, January 3—Justice Ajit Singh Bains, retired Judge of the Punjab and Haryana High Court and current Chairman of the Punjab Human Rights Organization (PHRO) was threatened with murder recently by the Indian police if he continues to lead the PHRO in exposing human rights abuses committed by the Indian government against the Sikhs. The threat was made via an anonymous phone call and highlights the Indian government's increasing anxiety over being exposed as one of the worst voilators of human right in the world today.

Justice Bains has long lead a crusade against India's brutal treatment of the Sikhs and has travelled not only within India but to North America and Europe to educate the international community on the ever worsening state of Sikh human rights under Indian government occupation.

The Sikh nation declared independence on October 7, 1987 creating the separate country of Khalistan. In their quest for freedom, Sikhs have been met with brutal repression at every juncture. With the recent deployment to Punjab of an additional 180,000 army soldiers, India appears ready to unleash the full might of its military force to crush the Sikh voice of freedom. In all, over 600,000 police, paramilitary forces, and full combat troops now patrol the villages and cities of Khalistan. Extrajudicial killings, torture, rape, extortion and humiliation are part of everyday life in the Sikh homeland. Uniformed brutality is on the increase. In Justice Bains' own words, the Indian police in Punjab are nothing but "criminals in uniform."

One might understand the Indian government's desire to silence a voice as resounding as that of Justice Bains. Exposure is India's worst fear. It has worked long and hard to erect a facade of democracy for the world to see. Justice Bains and people like him make India extremely nervous because they threaten to tear down its facade and expose India's brutality. Already India has arrested Professor Brijinder Singh, PHRO Amritsar district President and Mr. Virsa Singh another human rights activist from Voltoha, Amristar district. The two men remain in custody. As part of his work with the PHRO, Justice Bains continually supplies Amnesty

International and Asia Watch with detailed reports concerning hideous atrocities committed against the Sikhs by Indian Government forces. India has long maintained a ban on international human rights groups, and the work of Justice Bains promises to reveal what India has long tried to hide.

Dr. Gurmit Singh Aulakh, President of the Council of Khalistan has warned the Indian government not to harm Justice Bains in any way, shape or form. "Justice Bains has met with members of the U.S. Congress and human rights activists throughout the world," he said. "India cannot expect to get away with murdering him. The world is watching very closely. India treads on thin ice. India should stop arresting human rights activists and release them immediately. The world sees the brutality India has brought to bear upon the Sikhs. I warn India not to harm Justice Bains in any way, and I tell India that no amount of oppression will deter the Sikh nation from gaining its much deserved independence."

TRIBUTE TO MARIO PERRUCCI, THE RECENTLY ELECTED VICE PRESIDENT OF THE TEAMSTERS UNION

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. TORRICELLI. Mr. Speaker, I rise today to pay tribute to Mr. Mario Perrucci who was recently elected vice president at large of the Teamsters International Union.

Mr. Perrucci has worked dilegently on labor issues over the past 25 years, excelling in both leadership and community service. During this time he has been a loyal member of the Teamsters Local 177 Union in Hillside, NJ, and in 1978 was elected its principal officer. As chairman he has fought hard to guarantee its 7,000 members the highest standards of labor protections and benefits.

I have had the pleasure of working with Mr. Perrucci since coming to Capitol Hill. I have known him to be a fair and equitable man who has always had the interests of the Teamsters at heart. Mr. Perrucci has worked to curb the export of American jobs to foreign competitors, and has fought to ensure better retirement and health benefits for union members.

In addition to his service to the Teamsters Union, Mr. Perrucci has given countless hours to his country and the communities of New Jersey. He is a veteran of the Vietnam war and has served 4½ years on the Dunellen Board of Education. He currently resides in Brigantine with his wife Laura and is the proud parent of five children.

Mr. Speaker, once again I salute Mario Perrucci for his many achievements and numerous years of exemplary service and dedication to the Teamsters Union. He has been a prominent resident of New Jersey, and I wish him continued success at his new post.

AMERICAN RECOGNITION OF ARMENIAN INDEPENDENCE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BROOMFIELD. Mr. Speaker, today, I am pleased to join my colleagues, MEL LEVINE and WAYNE OWENS, in sponsoring a resolution which congratulates the Armenian people in their progress toward freedom and democracy and commends President Bush for extending formal diplomatic relations to Armenia.

On Christmas Day, 1991, President Bush announced that the United States formally recognized Armenian independence and would establish full diplomatic relations with the former Soviet Republic. I believe that President Bush's decision was an historic one, a decision that marks a new milestone in the long friendship between the Armenian and American peoples.

United States recognition of Armenian independence was the logical next step. In the latter part of 1991, Armenia declared its independence in a democratic and constitutional manner and held a Presidential election. In addition, Armenia has ratified all major international human rights treaties and agreed to abide by all CSCE documents. Under the leadership of its newly elected President, Levon Tar-Petrosyan, Armenia has taken its place among the free nations of the world.

I look forward to a strong and mutually beneficial relationship between the United States and Armenia. I hope that President Bush will make every effort to strengthen the special relationship between our two countries.

RESOLVED: CONGRESS SHALL PROTECT AND PROMOTE SMALL BUSINESS

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. IRELAND. Mr. Speaker, as we stand at the beginning of 1992, I think it is appropriate for Congress to adopt an informal but very important resolution that will help create jobs, spur economic growth, and foster new opportunities at home and abroad. Let's consider this our new year's resolution: To do all we can to protect and promote our Nation's 20 million small businesses.

What does this mean? In general terms, it means that each and every one of us will scrutinize each and every piece of legislation with two simple questions in mind: Will this help small businesses survive and grow or will this actually make it harder for small enterprises to create new jobs, products, and services?

And as part of this process, Mr. Speaker, it is vital that we constantly and very carefully analyze the accumulative effect of our actions. A particular new law or regulation may not seem like much of a burden when viewed alone but, when added to all the other laws and regulations Congress has piled on over the years, the weight becomes very great indeed—perhaps intolerable.

Every day in 1992, we must remember that it's not just the effect of mandatory health benefits on small enterprises. Rather, it's the cumulative effect of mandatory health benefits along with the civil rights bill and OSHA regulations and payroll tax requirements and the Disability Act and the hundreds of thousands of demands, little and large, that Congress heaps on small enterprises year after year. Congress, Mr. Speaker, is killing small businesses and burying jobs with them.

Beyond protecting small enterprises from their own government, we must also be attentive to programs and policies that actually help small businesses thrive and expand.

For example, this year the Small Business Committee, in all probability, will ask Congress to reauthorize the Small Business Innovation and Research Program, or simply SBIR.

As you know, Mr. Speaker, 10 years ago, Congress created a program that encouraged small businesses to undertake the research needed to discover innovations, to develop those innovations into products, and to sell those products successfully at home and abroad.

By all accounts, SBIR has been a tremendous success. It has created jobs and improved our economic performance here at home. It has helped small businesses explore new opportunities. And it has cultivated a new, bountiful source of innovative products that will improve our competitive edge.

In short, Mr. Speaker, SBIR is a shining example of the types of things Congress can do to help small businesses.

Here's another: Before adjourning, Congress temporarily extended five important tax benefits for our Nation's small businesses. They are the research and development tax credit, the targeted jobs tax credit; the employer-provided education benefits exclusion; tax-exempt small issue bonds; and the health insurance deduction for the self-employed.

These historic tax benefits have, and will, give jobs to the less advantaged among us, help the self-employed afford health care coverage, promote education and training, and help make our country competitive through research, development, and growth.

This year, Congress will decide whether each of these small business benefits should be made permanent or allowed to expire. This year, Congress will have the opportunity to help small businesses and the millions of people they employ. It's imperative that we do so in every way we can.

Mr. Speaker, a fresh, new, promising year lies ahead. It holds for us the opportunity to loosen the shackles on our Nation's small businesses and the chance to find ways to help them do what they do best: Create the new jobs, products, and services our country needs in 1992 and beyond.

So let us resolve among ourselves and to ourselves that this new year will find us passionately dedicated to the future of small business.

PRESTIGIOUS EAGLE SCOUT AWARD

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. REED. Mr. Speaker, I rise today to salute a distinguished young man from Rhode Island who has attained the rank of Eagle Scout in the Boy Scouts of America. He is Paul T. Kelly of Troop 117 in Warwick and he is honored this week for his noteworthy achievement.

Not every young American who joins the Boy Scouts earns the prestigious Eagle Scout Award. In fact, only 2.5 percent of all Boy Scouts do. To earn the award, a Boy Scout must fulfill requirements in the areas of leadership, service, and outdoor skills. He must earn 21 merit badges, 11 of which are required from areas such as citizenship in the community, citizenship in the Nation, citizenship in the world, safety, environmental science, and first aid.

As he progresses through the Boy Scout ranks, a Scout must demonstrate participation in increasingly more responsible service projects. He must also demonstrate leadership skills by holding one or more specific youth leadership positions in his patrol and-or troop. These young men have distinguished themselves in accordance with these criteria.

For his Eagle Scout project, he organized the tremendous task of putting up a 300–400 foot fence near a local bike trail, in order to protect the wildlife. Paul's dedication to his troop and to his community exemplifies the true spirit of the Boy Scouts of America.

Mr. Speaker, I ask you and my colleagues to join me in saluting Eagle Scout Paul T. Kelly. In turn, we must duly recognize the Boy Scouts of America for establishing the Eagle Scout Award and the strenuous criteria its aspirants must meet. This program has through its 80 years honed and enhanced the leadership skills and commitment to public service of many outstanding Americans, two dozen of whom now serve in the House.

It is my sincere belief that Paul T. Kelly will continue his public service and in so doing will further distinguish himself and consequently better his community. I am proud that Paul T. Kelly undertook his Scout activity in my representative district, and I join friends, colleagues, and family who this week salute him.

HONORING THE LIFE OF GRANT ALEXANDER HARTLEY

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. YOUNG of Florida. Mr. Speaker, I take this time today to recognize and honor the life of 28-year-old Grant Alexander Hartley of St. Petersburg, FL.

After a valiant 2-month struggle, Grant died on New Year's Day of complications associated with a bone marrow transplant which caused his liver to fail.

Over the past few years, I had an opportunity to introduce many of you to Grant, who was one of the many heroes who have played such an important role in the development and success of the National Marrow Donor Program. Grant was afflicted with leukemia and in need of a marrow transplant to save his life, and he traveled with me many places throughout Florida and our Nation to promote and emphasize the need for Americans, especially minorities, to join the national marrow donor registry. He also was featured on recruitment posters that were distributed throughout our Nation.

Grant was so committed to this effort that he never turned down a request from any group to discuss the national registry or his own situation. In fact, the Congressional Black Caucus agreed to my request to hold a special meeting with Grant in October 1990 so that he could personally encourage the caucus members to sponsor minority donor recruitment programs in their home districts.

The form of leukemia from which Grant suffered was terminal. His only hope for a cure was a marrow transplant from an unrelated donor. After more than 3 years of searching for a matched donor, Grant learned in October that a potential donor had been located. Although the donor was not a perfect match, Grant and his doctors decided to go forward with the transplant and Grant entered the hospital October 28 to begin the procedure. After several days of preparation, chemotherapy, and radiation treatments, Grant received his gift of marrow from an unknown donor on November 9.

The doctors, nurses, and entire staff at All Children's Hospital in St. Petersburg worked tirelessly on Grant's case. They did all they could for him, but as can occur with this procedure, complications arose and Grant's liver began to fail. it was determined that his liver would never regain its normal functions, and that a liver transplant was his only hope for life.

The Presbyterian University Hospital in Pittsburgh, the world's premier liver transplant center, agreed to accept Grant as a liver transplant candidate and, on December 21, Grant was transferred by air ambulance from St. Petersburg to Pittsburgh.

Every effort was made by the medical staff at Presbyterian Hospital to stabilize Grant for a liver transplant, but after a valiant struggle, Grant died at 12:25 p.m. on New Year's Day.

He leaves behind his mother Mary Robinson, who stood beside him at every step of the way and until the very end. He also is survived by his brother Dwight Barber, of Syracuse, NY, and his sister Tracie Barber, of St. Petersburg. He also leaves behind hundreds of friends and admirers, and most importantly, thousands of volunteer donors who joined the national registry to give others a chance at life after hearing Grant's message.

He also leaves behind the friendship of this Congressman and his wife Beverly who were with Grant throughout his ordeal in St. Petersburg and Pittsburgh and at the time of his death. He touched our lives in a very special and personal way.

Mr. Speaker, Grant Hartley showed tremendous strength, courage, and dignity throughout the past 2 months of trials and suffering and in death. He was a strong but gentle man with a heart full of compassion. As he demonstrated many times, he would do anything to help another person in need. In fact, he said many times that his primary goal in recruiting marrow donors was not to help himself, but was to give hope and life to the thousands of others who would die from leukemia if they could not find a matched donor.

To say that my wife and I will miss Grant would be the greatest of understatements. What I can say, however, is that Grant's life and death only strengthen my resolve to recruit more morrow donors for the national registry so that we ensure that every leukemic patient finds a matched donor. Early this year, the donor rolls will reach 500,000 and as a tribute to Grant Hartley, I challenge my colleagues in the House and Americans throughout our Nation to join me in setting as a goal a fully typed, ethnically diverse national registry of 1 million volunteer marrow donors that in combination with another 1 million donors in a number of international registries will give hope to every patient in need of a medical miracle that unfortunately eluded Grant Hartley.

Mr. Speaker, the memory of Grant's strength, courage, compassion, and gentleness will always be with us and let us work to secure that his legacy remains the inspiration to continue the work that we began here in the Congress more than 6 years ago when we first established the modern medical miracle that is now the National Marrow Donor Program.

HEALTH CARE COSTS RISE

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BEREUTER. Mr. Speaker, I commend to my colleagues the following editorial which appeared in the Omaha World-Herald on January 2, 1992:

HEALTH-COST SPIRAL INTOLERABLE

It is not difficult to see why proposals to reform the health-care system in this country have surfaced recently. Consider this:

The Commerce Department has estimated that health-care spending will jump by 11 percent, to $817 billion, in 1992. It would be the fifth straight year of double-digit increases. It would add up to 14 percent of the U.S. gross national product being allocated for health care, an all-time high. Put another way, one of every seven dollars spent in the United States would go for health care.

In addition, the government predicts that average annual increases of 12 to 13 percent will continue over the next five years. In 1970, spending on health care was only 7.3 percent of the GNP.

Health-care spending is outstripping inflation. It is rising about 2½ times faster than the economy expands. And despite the enormous expenditure of dollars, at least 35 million Americans have no health insurance.

The Commerce Department report said the reasons include the aging of the population, increases in doctors' fees, the high cost and increased use of high-technology equipment and the growth in the use of psychiatric care.

Significantly, the department said, malpractice claims, often cited as one reason for the skyrocketing cost of health care, have dropped steadily and substantially. In 1989, the most recent year for which data are available, there were eight claims for every 100 doctors; in 1985, when the number peaked, there had been 17.8 claims.

But still, the government said, defensive medicine—the use of duplicate tests and expensive documentation as a shield against possible malpractice claims—adds $15 billion to the nation's health-care costs.

There is little the government can do about the aging of the population. But the other causes of the rising costs should be open for discussion. The economy simply cannot support double-digit medical inflation forever. It is a hopeful sign that the problem is being discussed by influential and knowledgeable groups and individuals both in government and in the health care and insurance industries.

INTRODUCTION OF WORK FORCE READINESS ACT

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. KILDEE. I am pleased to introduce the Work Force Readiness Act which is designed to provide all students in all schools with the skills necessary to be effective participants in the work force.

The United States has entered into a new era of global economic competition, one in which we must compete for market share globally as well as in our own country. Businesses increasingly have to contend with an onslaught of competition from abroad, changing consumer demands, and the need to provide high quality goods quickly and efficiently. It is no longer business as usual.

A key element in making sure America can compete is a qualified and productive work force. The Work Force Readiness Act will help ensure that students graduating from high school have the generic skills necessary to enter the work force ready to perform. These skills are tools which all students can use whether they enter the work force immediately upon graduation from high school or continue on to some form of higher education. These skills also will provide the foundation upon which more occupational specific skills can be built.

The Work Force Readiness Act will create a national board of employers and educators which will work to identify generic skills necessary to enter the work force and how these skills can be incorporated into what students learn in grades kindergarten through 12. The skills the board identifies and the strategies for integrating them into the regular school curriculum would then be available on a voluntary basis to schools wishing to use them. Building on the concept behind the Secretary's Commission on the Achievement of Necessary Skills [SCANS] which is scheduled to terminate in March, the national board will be a more permanent entity able to respond to the changing needs of the work force over time.

Title II of the bill proposes grants to consortia of education, business, and labor for the actual implementation of school-to-work transition projects. Many of its provisions are modeled after innovative programs operating in my congressional district, where consortia of business, education, and labor are working together to implement projects in schools which will provide students with the skills necessary to enter the work force. These projects seek to provide workplace skills through a comprehensive approach which begins in elementary school and continues through graduation from high school by integrating workplace skills into the regular school curriculum. Because of programs like this, students in my district are better able to understand what it means to work and what skills are necessary to work.

Hopefully, this bill can provide a focal point around which serious discussions concerning workplace skills will continue. I welcome the comments of those concerned about building the capacity of our students to enter the work force ready to achieve and to be active participants in our economy.

TRIBUTE TO DR. JAMES CHIPMAN FLETCHER—TWICE ADMINISTRATOR OF NASA

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. SWETT. Mr. Speaker, just before Christmas, our Nation lost one of the great contributors to our Nation's space program. As a member of the Science, Space, and Technology Committee, I feel keenly the great loss of Dr. James Chipman Fletcher—scientist, educator, businessman, administrator, and dedicated public servant.

Dr. Fletcher served twice as Administrator of the National Aeronautics and Space Administration. He was the only man to head our Nation's civilian space agency on two separate occasions. With a total of 9 years of service during his two terms in office, he was NASA Administrator longer than any other person, guiding the space agency under five different Presidents of the United States.

Mr. Speaker, to do this, Jim Fletcher unhesitatingly placed service to his country above his own personal convenience and financial rewards. His willingness to do so, and his selfless dedication to public service provides the rest of us with an example we would do well to follow.

Dr. Fletcher was serving as president of the University of Utah when he first accepted the position of NASA Administrator in 1971. Prior to this, he had been a research physicist, a teacher, and an official in several corporations, one of which he founded. He was well underway in the pursuit of his lifetime goal of increasing man's knowledge and understanding of the universe in which we live.

When asked to leave the university to take on the sensitive and highly visible position as head of our Nation's space agency, Jim Fletcher answered the President's call. He said at the time that he felt it was his duty as a citizen to serve his country when asked to do so. From 1971 to 1977, he directed a space program which saw development of the Apollo manned space flights and great advances in man's exploration of outer space.

After leaving NASA in May 1977 to return to his family and private life, Dr. Fletcher accepted a teaching position with the University of Pittsburgh and operated a lucrative consulting business. He was again fulfilling his personal goals and receiving substantial financial rewards.

In May 1986—4 months after the space shuttle *Challenger* exploded, causing the death of all seven astronauts on board—then-President Ronald Reagan asked Jim Fletcher to return as NASA Administrator until the shuttle program and public confidence in the space agency could be restored.

Reluctantly, but spurred on by duty and a patriotic obligation to serve our country, Dr. Fletcher agreed to return. As he said at that time, he "felt he had an obligation to help NASA and the space program in a time of trouble." From May 1986 until April 1989, he supervised efforts to restore the manned flight program as well as revamp NASA management and safety procedures.

He submitted his final resignation from NASA in a letter to President Bush on March 21, 1989, just 3 days after the third successful post-*Challenger* space shuttle flight. Characteristically, he told the President that "the time has come when the leadership of NASA can safely be placed in another's hands."

We live in an era where many persons adopt the philosophy of me first. We see around us all too many examples of individuals who accept positions in our Government for a short time when the intention of establishing connections and contacts which they can use when they return to the private sector to earn rich financial rewards.

Dr. James C. Fletcher twice demonstrated that he is another kind of individual—one who is willing to place service to our country ahead of personal convenience and financial reward.

Mr. Speaker, I invite my colleagues to join me in paying respect to this outstanding scientist, teacher, NASA Administrator, and public servant. Dr. Fletcher's example is one that we—and all Americans—should seek to emulate.

SALUTE TO JAMES "JIM" BELL

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. SERRANO. Mr. Speaker, I rise today to recognize the accomplishments of James "Jim" Bell, a leader and humanitarian whom I greatly respect and admire. Mr. Bell is the political action director as well as director of vocational training and basic education for District 65 of the United Auto Workers AFL–CIO. He is also president of the New York City Chapter of the Coalition of Black Trade Unionists.

Mr. Bell has dedicated all of his adult life to community service. He is a founding member of the New York Consortium for Worker Education; a member of the National Executive Board of the Coalition of Black Trade Unionists; a member of the NY Anti-Apartheid Coordinating Council Board; a member of the Labor Research Association Board; a member of the NAACP; and coordinator of the United Negro College Fund's NY Labor Committee. In the past, he has been chairman of the District 65 Black Affairs Committee and in 1990 he was director of Nelson Mandela's historic visit to New York City.

Mr. Bell has also played an active role in politics. In 1981, he was labor coordinator for the Coalition of Blacks for Barbaro. The following year, he was Governor Cuomo's labor coordinator for the Harlem campaign office and in 1986 he was appointed deputy campaign manager for Governor Cuomo. Two years later, in 1988, Mr. Bell was a leader in the labor committee of New Yorkers for Jesse Jackson and a Jackson delegate to the Democratic National Convention. In 1989, he was director of security for David Dinkin's mayoral campaign.

Mr. Bell's dedication to community service extends above and beyond that inherent in his participation in the aforementioned organizations. He is well-known for his outstanding leadership of the African-American community, organizing events such as Christmas drives for homeless children or protests against South African apartheid. Mr. Bell is entirely dedicated to people and this is clearly reflected in the activities he chooses to undertake and the fervor with which he performs his work.

For this exemplary commitment to people, Mr. Bell has received numerous awards. The Coalition of Black Trade Unionists, the Coalition of Latin American Trade Unionists, the Black and Puerto Rican Legislative Caucus, among other organizations, have all recognized Mr. Bell for distinguished community service. Today, I also would like to recognize James Bell's devotion to the people and express my deep appreciation for his invaluable contributions.

KAL 007 REVISITED

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. CRANE. Mr. Speaker, since 1983, press reports of the downing of Korean Airline flight 007 have painted a very vivid picture of the infamous and supposed crash. According to reports, flight 007, "tumbled out of the sky," Newsweek, "spun uncontrollably downward," Readers Digest, "cartwheeled toward the sea," Time, and was "literally ripped into shreds," United Press International. According to the official statement of the Soviet Government, as reported in the state-sponsored newspaper, Izvestia, a Soviet military pilot mistook the commercial flight for a spy plane and shot it down. Whereupon the plane smashed into the sea of Japan leaving no survivors.

Yet 8 years later, no evidence has surfaced to support any of these claims. On the contrary, facts have been uncovered recently which indicate that the Soviet Government has led an 8 year coverup to hide the real fate of Congressman Larry McDonald and 268 others aboard KAL 007. An excellent article in the September 10, 1991 issue of the New American entitled "KAL 007: The Questions Remain Unanswered," examines a number of inconsistencies between the news reports and the actual findings of the investigations immediately following the crash. Below are listed just a few of the many discrepancies.

First, according to several news reports, KAL 007 was blown to pieces by a Soviet attack. The Soviet pilot responsible for the attack, Lt. Col. Gennadiy Nikolayevich Osipovich, contends that although he fired two rockets at the aircraft, the plane remained intact. According to bomb specialists, it would have taken at least 7 bombs similar to the type Osipovich used to destroy the commercial airplane. If, as the pilot contends, the plane was in one piece as it made its descent then investigators should have found far more debris from the wreck than was reported. In 1985, for example, Air India's flight 182 had a similar in-air explosion. Rescuers in the Air India incident recovered 132 bodies and over 4 tons of wreckage. The KAL 007 search party found only 13 body parts and 1,000 parts of wreckage all small enough to be lifted by a single individual.

Second, despite reports that the airplane immediately plunged into the sea, radar records show that the plane remained airborne for at least 12 minutes after the attack.

Third, further evidence that the plane did not fall into the sea is found in the fact that it was tracked by Japanese radar as landing on the island of Sakhalinska. Additionally, according to an article published by Aviation Week & Space Technology, Korean Air Lines sent a plane to Sakhalinska in the hope of picking up survivors of flight 007 after early reports indicated that the plane landed safely on the island.

In addition to detailing the many inconsistencies in the investigation reports of KAL 007, the article goes on further to suggest a possible scenario of what may have actually occurred. According to the author, Robert W. Lee, it is likely that the Soviet pilot did in fact hit the target, striking the No. 4 engine. This punctured the fuselage and ripped some small parts off the plane. Immediately following the strike, the captain descended quickly to an altitude which could support life and then slowed down so that he could consider his landing options. Although the Island of Sakhalinska is a reknown Soviet military base, the pilot decided to make an emergency landing on their runway anyway. After the plane landed, Congressman McDonald and the rest on board were taken captive and the plane was hidden in one of the hangers on the military base.

The author goes into further detail as to the current whereabouts of the passengers of flight 007 citing recent, but unconfirmed reports that Congressman McDonald has been held at a number of prisons in Moscow and its surrounding areas. According to Lee the other passengers were also imprisoned and the children were separated from their parents and hidden in orphanages in the Soviet Middle Asian republics.

Mr. Speaker, if there is even a remote possibility that the passengers of flight 007 may still be alive, we have a responsibility to their families to do everything in our power to guarantee their safe return. At the very least, Members of Congress should insist that the investigation of KAL 007 be reopened. With the changes in the Soviet Union it should not be difficult to determine once and for all what really happened to KAL 007 and our colleague Larry McDonald.

CONGRESS DOESN'T DESERVE ORNSTEIN

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. McEWEN. Mr. Speaker, I commend to my colleagues the following thoughtful article by Martin Gottlieb, a gifted editorial columnist for the Dayton Daily News. His insights are, in my judgment, directly on target.

[From the Dayton Daily News, Nov. 6, 1991]

CONGRESS DOESN'T DESERVE ORNSTEIN

(By Martin Gottlieb)

On the page opposite, this, professional Congress-watcher Norman Ornstein explains—to anybody willing to calm down and listen—that all the recent talk about alleged Congress-wide scandals is mainly hot air.

Correct and overdue as his message is, he misses something. Much of this hot air comes from Congress itself. And criticism of an institution that comes from within is the most damaging kind. It is seen as authoritative, especially in the absence of rebuttals.

For a decade, many members of Congress have been engaged in relentless Congress-bashing. They say Congress is responsible for the deficit, is hyprocitical, self-indulgent and overpaid, is bought by the interests, and is removed from the people and indifferent.

Congressional Congress-bashing is most intense on the far night, of course, where the word "Congress" means "the Democrats." The conservatives hope that their rhetoric will cause voters to turn against the Democrats.

It doesn't happen. The Democrats have been strengthening their hold on Congress all through the decade-long onslaught. The anti-Congress rhetoric weakens Congress. Surprise.

One result is the term-limits movement, which if it succeeds, will take down the longtime Congress bashers along with everybody else, which would be delightful justice.

Indeed, to the degree that term-limits is a partisan issue—a substantial degree—it will backfire. Democrats control the House of Representatives because they put up better, more recognized, more experienced candidates. They do this because they elect more people to lower offices, such as state legislatures. To a party with that strength, turnover poses no problem.

Turnover is a Republican problem. A striking fact: If the GOP still held all the House seats it has held at one time in the 1980s. It would now control the House, rather than being an astounding 101 seats down.

And this anti-GOP turnover has come during a supposedly conservative era, when party identification is supposedly moving in the GOP direction, and when the South is going GOP.

The Republicans are correct in believing that their ideology is not their problem. But they don't seem to understand what is. They need to think hard about turnover before they go off on the tangent that beckons.

At any rate, in-house Congress-bashing extends way beyond the right. Even those members of Congress who refrain from it also refrain—at all costs—from defending the institution. They are the headlines and polls; they sense the political winds, and they back off.

This passivity emboldens the critics. If nobody is rebutting a case that is being widely made, everybody assumes there is no rebuttal to be made.

This meekness—this unwillingness to assert that reality exists—is what the public should hold against Congress. Our representatives, after all, are the people who are supposed to be dealing with the nation's controversies.

Take the term-limits controversy, itself. The idea is nearly mindless. To borrow a thought from Suzame Garment formerly a conservative columinist with the Wall Street Journal.

Whoever came up with the notion that the way to attract better people to a job is to make the job less attractive?

The tragedy—and irony—of the term-limits movements is that it is politics-as-usual. Some advocates think of it as a response to politics-as-usual but it is a continuation—indeed, a bold affirmation—of our age's abandonment of substance in favor of symbolism.

Term limits will do nothing to improve the schools, reduce the crime rate, save your job, clean up the environment, combat drugs or anything.

The issue only offers up a symbol to be attacked—the politicians. And yet, at the grass-roots level, it is the most energy consuming issue of the day.

Meanwhile, the politicians won't stand up and say, "Look, I'm a decent person, and I work hard, and I do the job better now that I am experienced at it, and this idea that experience is a bad thing is incredibly stupid and would not be applied in any other profession."

They sit back and wait for the Ornsteins to make their case. But in not speaking up, they speak volumes.

HONORING JOSEPH L. GREER, JR.: RETIREMENT FROM THE DEPARTMENT OF THE NAVY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. HOYER. Mr. Speaker, I rise today to pay tribute to Joseph L. Greer, Jr., who retires today from the Department of the Navy after 38 years of dedicated service to the Federal Government.

Mr. Greer has served as head of the Casualty Assistance Branch in the Bureau of Naval Affairs for the last 18 years. In one of the most difficult and sensitive positions in the Department of the Navy, Mr. Greer has executed his duties to service personnel, families, the civilian community, and government agencies with the highest standard of excellence and care. He will be greatly missed by his colleagues at the Department of the Navy, yet his efforts will be remembered and appreciated by the thousands of people he has assisted throughout the years.

A native Marylander, Mr. Greer graduated from Sacred Heart High School in LaPlata and later continued his education at the University of Maryland and Georgetown University. He served in both the Maryland National Guard and U.S. Air Force before beginning his career with the Department of the Navy. Mr. Greer has received the Defense Meritorious Civilian Service Award for his exemplary record as head of the Casualty Assistance Branch.

Mr. Speaker, I am proud to be able to bring to the attention of the House the contribution Mr. Greer has made to the Nation. I am sure that all of my colleagues join with me in wishing Mr. Greer all the best retirement has to offer.

EQUALIZATION IN PUBLIC EDUCATION

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. COLEMAN of Texas. Mr. Speaker, today I have introduced legislation that would provide incentives to States to equalize their public education systems. This bill builds upon the work of our former colleague, Augustus F. Hawkins, retired House Education and Labor Committee chairman, who introduced similar legislation in the 101st Congress. The intent of the legislation is to ensure that all children have an equal opportunity for a good education, without that opportunity being contingent on the taxing ability of the school district in which they live. Equal opportunity is what the Founding Fathers meant when they declared that "all men are created equal * * *" The role of the Government is to provide equal protection and opportunity to all, but we have failed to do that by allowing inequities in educational funding.

There are those who argue that equal funding will not solve the problems of property-poor school districts. While I am not presenting this as the panacea for all our Nation's educational problems, inequities in financing clearly translates into discernible differences in the classroom. As Arthur E. Wise of the National Council for Accreditation of Teacher Education has pointed out, "It's easy to be misled and think that the numbers aren't serious, but a $2,000 difference per kid in a classroom of 25 kids means the difference of $50,000." That is roughly the equivalent of the salaries for two additional teachers.

In fact, I would argue that any effort that attempts to improve the education of our children without equalizing the system of funding will fail. We cannot accept a situation in which rain pours through the leaky ceilings of some schools while others fill their on campus swimming pools.

When District Judge F. Scott McCown declared Texas' system of education funding unconstitutional, he dismissed arguments against equity with the following parable:

> A father has two sons—John and Javier. He says to each that he will divide his wealth between them equally so that he may spend the same on each. For John he provides food, clothing, shelter, a car, tennis lessons, and pocket money. For Javier, he provides food, clothing, and shelter. Javier says to his father, "How is this equal?" His father answers: "This is exactly equal. I have done an accountable cost study and learned that a boy does not need a car, tennis lessons, or pocket money to grow into a fine man. So these costs do not count. I have provided for you and John equally."
>
> This simple story has even more force if the facts are altered slightly. Imagine that the food, clothing, and shelter provided Javier are inadequate, while John's are ample. Or imagine that Javier has special needs John does not have, for example, poor health or learning disabilities. Or imagine that the accountable costs studies of the father are wrong, and that certain special advantages do help boys grow into better men. All of these variations on the story fit the evidence.
>
> Our need for education is too great and our wealth too modest for inequitable funding of our schools to be tolerated. Our founders wisely required our Legislature to equitably distribute our resources for a general diffusion of knowledge to ensure our liberties and rights. That task awaits the 72nd Legislature.

I would agree with Judge McCown and would suggest that this is the task also awaiting the 102d Congress.

THE TRAGIC PASSING OF KEITH LEVINE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. GILMAN. Mr. Speaker, I regret to inform our colleagues that yet another courageous law-enforcement officer has given his life to protect the lives and property of the rest of us.

Keith Levine, a 27-year-old resident of the town of Clarkstown in my 22d Congressional District of New York, was known by his fellow police officers as an exceptionally dedicated and bright young police officer. As a member of the New York City police force, he was one of our dedicated fighters in the front lines of our war against crime.

Last weekend, Keith—while off duty—witnessed an attempted holdup of an individual using an automatic teller machine in midtown Manhattan. Giving chase to the perpetrator of this crime, Levine was shot dead in attempting to apprehend the perpetrator.

Hundreds of friends, family, loved ones, and police officers joined at the memorial services for Sgt. Keith Levine. All were shocked and stunned that such a promising police officer could be taken from us in the prime of life. New York City's Mayor Dinkins was one of many officials paying tribute to this courageous young man, the son of Michael Levine, himself a retired investigator for the U.S. Drug Enforcement Agency, and the author of a best-selling book on undercover police work.

I am confident that all of us in this Chamber join with me in extending our condolences to Keith's family and many friends. It is ironic that a police sergeant residing in Rockland County, NY, should fall in the line of fire, for the police officers of Rockland County were especially notable in their activities above and beyond the call of duty in bringing about the dedication of the National Law Enforcement Memorial here at our Nation's Capital.

Mr. Speaker, Sgt. Keith Levine did not die in vain. His struggle against crime and lawlessness will be bourne by the rest of us until final victory against such criminals is achieved.

FEDERAL DEPOSIT INSURANCE CORPORATION IMPROVEMENT ACT OF 1991

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. SCHUMER. Mr. Speaker, on November 27, 1991, the House and Senate passed the Federal Deposit Insurance Corporation Improvement Act of 1991. In light of the recent attention that has been given to the grossly inadequate competition in the Nation's credit card market, I want to call my colleagues attention to section 471 of the act and reiterate my comments, and those of others, in the conference committee that considered this legislation.

There should be no doubt about this provision. After several years of being a leader with its no annual fee Discover Card, Sears Roebuck decided last year to break with the 19.8-percent interest rate that most of the big credit issuers charge and to offer a new low-interest rate card. It is important that such a major player offer a lower rate card. Many small banks can and do offer low-interest rate cards, but with their limited resources, marketing efforts and their very selective credit underwriting, their impact on the market has been small.

Sears acquired from the Resolution Trust Corporation [RTC] the Visa membership rights and other assets of a failed savings and loan association. Sears prepared to launch the new card through the small institution in Utah. However, when the large banks that dominate Visa learned of Sears intentions, they had Visa take immediate action to halt the new program, based on technicalities. To protect the comfortable profits that these banks derive from their own overpriced credit card programs, they wanted to cut off at the pass the competition of Sears' new lower priced card.

The act will change the unacceptable status quo in the marketplace by allowing Sears to launch its new lower priced Visa card now, and if necessary, to take action to protect the rights that it bought from the RTC. I know, and the conference committee was well aware, that there is ongoing litigation between Sears and Visa. That litigation is based on antitrust claims and those antitrust claims are not affected by this act. I agree entirely with Chairman GONZALEZ' statement on the floor on November 26 shortly after the House had passed this legislation, in which he confirmed Chairman BROOKS' understanding that the pending antitrust issues in that litigation are not affected by this provision, retroactively or otherwise.

However, the ability of Sears to immediately issue its Visa card is very much affected by this act. There could be no clearer statement of the explicit intent of the conferees in this respect than that of Chairman GONZALEZ, who did not himself support the provision. His remarks are reflected in the minutes of the conference committee's deliberations:

> I can't accept [the Senate provision which became section 471] because it involves litigation; it would impact ongoing litigation. . . . I am not predicating my objecting just on the fact there is current litigation, even though it does, and it would, impact that ongoing litigation.

As Chairman GONZALEZ has said, it is Visa's privilege to continue to pursue in litigation any valid antitrust theory concerning why Visa should be permitted to refuse to provide services to someone who has purchased from the RTC the right to receive them. But unless and until Visa succeeds in persuading a court that it is correct, this legislation will ensure that consumers will begin to reap the immediate benefits of new and desperately needed competition in the credit card marketplace.

ANNOUNCEMENT OF THE 1991 CONGRESS-BUNDESTAG STAFF EXCHANGE

HON. RALPH REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. REGULA. Mr. Speaker, since 1983, the United States Congress and the West German Parliament, the Bundestag, have conducted an annual exchange program in which staff members from both countries observe and learn about the workings of each other's political institutions and convey the views of members from both sides of issues of mutual concern.

This exchange program has been one of several sponsored by both public and private institutions in the United States and West Germany to foster better understanding of the institutions and policies of both countries.

This year will mark the second exchange with a reunified Germany and a parliament consisting of members from both the West and the East. Ten staff members from the U.S. Congress will be chosen to visit Germany from April 25 to May 9. They will spend most of the time attending meetings conducted by members of the Bundestag, Bundestag party staffers, and representatives of political, business, academic, and media institutions. They also will spend a weekend in the district of a Bundestag member.

A comparable delegation of German staff members will come to the United States in late June for a 3-week period. They will attend similar meetings here in Washington and will visit the districts of Members of Congress over the Fourth of July recess.

The Congress-Bundestag exchange is highly regarded in Germany. Accordingly, U.S. participants should be experienced and accomplished Hill staffers so that they can contribute to the success of the exchange on both sides of the Atlantic. The Bundestag sends senior staffers to the United States and a number of high ranking members of the Bundestag take time to meet with the U.S. delegation. The United States endeavors to reciprocate.

Applicants should have a demonstrable interest in European affairs. Applicants need not be working in the field of foreign affairs, although such a background is helpful. The composite U.S. delegation should exhibit a range of expertise in issues of mutual concern to Germany and the United States, such as, but not limited to, trade, security, the environment, immigration, economic development, and other social policy issues.

In addition, U.S. participants are expected to help plan and implement the program for the Bundestag staffers when they visit the United States. Among the contributions participants should expect to make is the planning of topical meetings in Washington. Moreover, participants are expected to host one or two staff people in their Member's district over the Fourth of July, or to arrange for such a visit to another Member's district.

Participants will be selected by a committee composed of U.S. Information Agency personnel and past participants of the exchange.

Senators and Representatives who would like a member of their staff to apply for participation in this year's program should direct them to submit a resume and cover letter only in which they state why they believe they are qualified, what positive contributions they will bring to the delegation, and some assurances of their ability to participate during the time stated. Applications may be sent to Connie Jones, Office of Representative RALPH REGULA, 2207 Rayburn, by Friday, February 14.

INTRODUCTION OF THE INTERNATIONAL PEACE AND SECURITY RESOLUTION

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. PENNY. Mr. Speaker, today I am introducing a resolution known as the international peace and security resolution. This resolution contains a set of proposals which I believe will, if later enacted, begin the process of curbing the proliferation of offensive arms and military equipment in the entire world. The statistics are alarming. Between 1978 and 1988, the developing world imported 371 billion dollars' worth of arms, and the five permanent members of this U.N. Security Council accounted for almost 80 percent of all arms transfers to the developing world. Between 1986 and 1990, the United States transferred 54 billion dollars' worth of arms to foreign countries. Finally, since 1945, 40 million people have died in 125 wars and conflicts in the Third World.

In addition to international arms sales, these proposals attempt to deal with the problem of excessive military spending in some parts of the world, spending which in all likelihood has led to conflicts and instability in the world. For example, between 1980 and 1988, Iraq devoted an average of 32 percent of its GNP on military spending and spent over $65 billion on international arms sales. Costa Rica, by comparison, devoted 0.5 percent of its GNP in 1988 on military spending.

Many other Third World countries, in particular, spend large proportions of their GNP on military, rather than investing in the health and education of their people. Botswana, for example, is reported to be building an air base at a cost of $350 million or nearly 20 percent of their GNP. Botswana's Air Force has only 13 aircraft. By comparison, the United States currently devotes less than 5 percent of its GNP on military spending, and it plans to decrease this figure to nearly 3 percent by 1996.

Finally, these proposals deal with peace and security through international diplomatic means. In particular, the resolution urges the United States to continue negotiations with other arms sellers on setting strict limits and guidelines on all international arms transfers. The resolution suggests devoting savings from reduced U.S. military assistance programs to United Nations and international peacekeeping operations. In addition, the resolution urges the United States to encourage the U.N. Security Council to assist in the negotiation of peaceful solutions to territorial and other disputes in the world and to guarantee the security of all countries threatened by other countries.

Most of the proposals in this resolution are not new. In fact, many Members of Congress have already shown their support for several of these proposals. The purpose of this particular resolution is to outline reasonable and equitable policy goals which the United States should pursue to set an example for the rest of the world in terms of these important issues.

I urge my colleagues to cosponsor the international peace and security resolution.

WILLIAM F. BUCKLEY: AN AMERICAN HERO

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. MARKEY. Mr. Speaker, on December 30 William Buckley was finally laid to rest in the hallowed ground of Arlington National Cemetery, just outside the U.S. Capitol, where his remains will lie surrounded by other Americans heroes. The final chapter on his suffering as a hostage and his tragic death at the hands of his captors in Beirut was brought to a close with full military honors.

Bill Buckley's life and death give us pause to wonder—what constitutes a hero? Is it courage? Intelligence? Cunning or skill? Is it perseverance in the face of adversity or leadership in a time of prosperity? Heroes may possess some or all of these attributes, but what distinguishes the truly heroic is the ability to draw strength from the content of one's character.

Born and raised in Stoneham, MA, Bill Buckley's patriotism and his strength of character was shaped by the values of a small town in New England. Bill was a great student of history, and he particularly admired our 26th President, Theodore Roosevelt. Perhaps it was Teddy Roosevelt's views on the patriotic duties of American citizens that had such a profound impact on Bill's life. Roosevelt said:

> America will cease to be a great nation whenever her young men cease to possess energy, daring, and endurance, as well as the wish and the power to fight the nation's foes. No citizen of a free state should wrong any man; but it is not enough merely to refrain from infringing on the rights of others; he must also be able and willing to stand up for his own rights and those of his country against all comers, and he must be ready at any time to do his full share in resisting either malice domestic or foreign levy.

It was this staunch belief in the individual's duty to defend the freedom of his Nation that guided Bill into his lifelong career of public service.

As a decorated soldier in both Korea and Vietnam, he valiantly defended the freedom of the United States. It was in the Army that Bill earned the reputation as a man with the fortitude and ability to successfully complete the most difficult missions. Even among his peers, those pledged to face danger in the service of their country, Bill was regarded as an exceptionally courageous man who led by example. An officer and friend remarked that, "Bill did things that none of the rest of us would have attempted."

As a man who would become the Central Intelligence Agency's top expert on counterterrorism, Bill Buckley fully understood the dangers inherent in the nature of his job. He understood the vital role that intelligence, as the eyes and ears of our Nation, plays in the areas of national security and world peace. The vitality of this role will increase in importance as the world progresses toward becoming a global community.

With the dedication of the William F. Buckley Memorial Park in Stoneham Center in 1989, we are able to move out of the shadow of the tragic circumstances of Bill's death. We may now focus on the spirit of the goals and accomplishments of his life from which countless Americans will benefit.

William Buckley's legacy will not be lost on us, he was an extraordinary man who provided his country with extraordinary service. He was a man able to draw strength from the content of his character. William Buckley is truly a hero.

ANNA CONKEY BRISTOL OF ARGYLE, NY—A CARING PUBLIC SERVANT

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. SOLOMON. Mr. Speaker, in small rural communities across New York State, the town clerk is, in many ways, the most important person in town because he or she is the one person who can help you obtain information about almost anything to do with the town. In the case of Anna Conkey Bristol, town clerk of Argyle, NY, that was certainly the case.

Before deciding to retire this year, she gave 25 caring years to the residents of Argyle, and during those years she developed a well-deserved reputation of being one of the most likable, knowledgeable, and helpful public servants ever to serve the people of Argyle.

I've had the privilege of serving as a State legislator and Congressman representing Argyle for 20 of the 25 years, and if I could be at the January 24 dinner being held in her honor, I would be proud to stand up and say: Anna, thank you for all the many times you helped me and my staff serve the people of Argyle.

Members of Congress, will you please join me in saluting Argyle Town Clerk Anna Conkey Bristol on her 25 years of exemplary service to her community.

END OPPRESSION OF SIKHS; SUPPORT H.R. 953

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BURTON of Indiana. Mr. Speaker, I rise today to bring awareness to the ever-growing violence plaguing the Sikh homeland in Punjab, India. I also rise to seek the support of all Members of the House for my legislation to terminate development aid to India until that country allows independent human rights organizations access to all regions of India. The oppression of Sikhs grows daily, and India seems to be committed to denying the Sikhs their freedom and human rights.

The Los Angeles Times—December 28—documented some of the atrocities committed by Indian Government agents against Sikhs. It tells of the family of 85-year-old Sikh farmer Malook Singh, whose 80-year-old wife, son, daughters-in-law, and grandsons were chained to trees and stakes at their farmhouse in the remote village of Killi Bodhla and tortured for more than 3 hours by an armed police party, which burned them with diesel oil before killing all seven last October. Singh's 4-year-old great-granddaughter witnessed it all.

Dr. Gurmit Singh Aulakh, president of the Council of Khalistan has supplied me with photos of another Sikh torture victim. The photos graphically display that Avtar Singh, a Sikh candidate for the state assembly, was tortured by Indian police with a hot iron and electric shock.

On August 25, 1991, Asia Watch reported that "virtually everyone detained in Punjab is tortured." In interviews conducted with Sikh torture victims, Asia Watch found the following:

> Most commonly, the detainees described the use of a heavy wooden plank or roller which is placed over the prisoner's thighs while he is seated or supine, and which is then rotated while one or two persons stand on it. Detainees also described being made to sit while their legs were pulled apart at an angle intended to cause intense pain. In some cases, detainees described having their genitals smeared with hot chili powder and being gagged overnight with cloth smeared in dog feces. Handcuffed detainees were also thrown repeatedly into a canal on the jail compound. At least one detainee was subject to electric shock.

Since 1984, over 100,000 Sikhs have been killed by Indian police, paramilitary forces, and death squads, according to Dr. Aulakh. Under draconian measures passed by the Indian Parliament, over 15,000 Sikhs are being held in Indian prisons without any trial. The U.N. Human Rights Committee called these laws disturbing and completely unacceptable.

For over 13 years, India has refused to allow internationally recognized human rights organizations, like Amnesty International and the International Red Cross, within its borders to conduct investigations. Asia Watch had to sneak into Punjab unbeknownst to the Indian Government to get its information. India has even refused to sign the United Nations Covenant Against Torture and Other Cruel, Inhumane or Degrading Treatment or Punishment—a document to which over 80 nations are party.

Recently, India deployed nine additional Army divisions—180,000 soldiers—to the Sikh homeland in Punjab. This brings the total of Indian police, paramilitary, and military forces in Punjab to over half a million. Undeclared martial law has been firmly established. All semblance of liberty is gone from the Sikh homeland. Though the Indian Government claims the latest military deployment is to "assure free and fair elections in Punjab," extrajudicial killings, rape, extortion, and humiliation by these forces are on the increase.

Mr. Speaker, I have never advocated violence or terrorism to resolve conflicts between the Government of India and religious minorities. However, I believe that the U.S. Government must take a strong stand against the horrible abuses that are occurring in Punjab, Kashmir, and other parts of India. My legislation, H.R. 953, would terminate development assistance to India until that country allows international human rights groups like Amnesty International and Asia Watch free access to troubled areas like Punjab and Kashmir. My bill currently has over 45 cosponsors from both sides of the aisle. I urge every Member of the House to cosponsor H.R. 953 and take a strong stand for human rights, dignity, and freedom. If the newly emerging world order is to be based on the concept of justice, then we must make a world where freedom and human rights are the rule and not the exception.

Mr. Speaker, I insert several items into the RECORD at this point. First I would like to insert an open letter from Dr. Aulakh of the Council of Khalistan to Prime Minister Rao and a statement by Dr. Aulakh concerning a recent attack on a train carrying civilian passengers. In addition, I would like to insert a recent Los Angeles Times article detailing the horrible atrocities committed by Indian forces against Sikhs, and a Washington Times article concerning possible decentralization in India:

OPEN LETTER TO PRIME MINISTER NARASIMHA RAO—ARMY DEPLOYMENT IS YOUR LAST RESORT KHALISTAN WILL BE FREE

PRIME MINISTER RAO: Weak is the government dependent on brutal oppression to preserve its legitimacy; and India is weakest of all. Your government has beaten Sikhs, tortured Sikhs, raped and murdered Sikhs. And now you deploy your army. You have paraded before us your military might and we respond: All your strength is weakness—Khalistan Zindabad!

You cannot crush the Voice of Khalistan. Against it, your brigades, your tanks, your Soviet made weapons stand powerless. Though you have dispatched at least 180,000 new troops to join the hundreds of thousands of army, police and paramilitary forces already stationed in Khalistan, the Sikh nation clings tenaciously to a principle diametrically opposed to the philosophy of your party and your government: the principle of freedom. The very word vexes the Indian government to its malicious, tyrannical core. The very word will prove to be its downfall.

But surely your protest. You claim your enormous military deployment has been executed for the most decent and honorable of reasons: to assure free and fair elections in the Sikh homeland. This is simply window dressing for the international community. Your actions in Khalistan belie your pronouncements. Since the army deployment, extrajudicial killings, "disappearances," torture, rape, extortion of money, harassment and humiliation have increased. The army is conducting door to door searches of Sikh households, and you have personally unleashed Indian soldiers from the constraints of human ethics and legal restrictions, granting them shoot-to-kill authority with full immunity from the law.

Sikhs suffering the brutality of your military forces know the army comes not to defend democracy but to kill more Sikh youth and instill a psychosis of fear throughout the Sikh nation. Sikhs know that the army comes not to assure free and fair elections but to rig elections in the favor of your government. This is why you have re-appointed the tyrant killer, K.P.S. Gill to the post of Director-General of Police. His "kill Sikhs" policy, it is hoped by your government, will provide simple but effective in quelling the Voice of Khalistan. But let me assure you, Prime Minister Rao, such hope will bear no fruit. The Sikh nation declared its independence from India on October 7, 1987, and Khalistan will be ours.

The Indian government has a long record of betraying the Sikhs; and the Sikhs learn from their history. Our Harmandar Sahib has been repeatedly desecrated. Our water has been diverted to neighboring Hindu states. Our territory has been cheated away from us. We have been placed under Presidential rule ten times since 1947, and we have suffered some of the worst violations of human rights known to mankind.

The Sikhs know that Hindu India is committed to its demise. With every new government swept into power in the last two years, oppression in the Sikh homeland has only increased. Over 100,000 Sikhs have been killed by Indian police, paramilitary forces and death squads since 1984. Over 15,000 Sikhs currently languish in Indian prisons without any chance of getting a trial under your draconian anti-Sikh laws. L.K. Advani can travel throughout India espousing Hindu, Hindi, Hindutwa, Hindu Rashtra and still sit as Opposition leader in the Parliament. But if a Sikh dares to speak in support of Khalistan, he is charged under TADA with terrorism and treason and thrown into prison or tortured and murdered as in the case of Jagdev Singh Khudian, MP and thousands of others. India's treatment of the Sikhs has taught us well that we cannot expect to live freely under Indian rule. This is why we declared independence. And this is why we oppose elections under the Indian constitution.

But as might have been expected, you try to force feed us your bogus elections as if to show the world you really care about the principles of democracy. Such propaganda tactics, however, wear thin. The international community remains highly suspect of the Indian government and watches your every move. Elections do not a democracy make, Prime Minister Rao. Even your old ally, the now defunct Soviet Union, held elections, but this fooled no one. You tread precarious waters; be careful. You can only push a people, a nation so far before it reciprocates in a mass movement too powerful to suppress. Learn from history. The Soviet Union with all its military strength could not stay the impending waves of freedom. What makes you think India will succeed where the Soviet Empire has failed?

Oppression is a sign of weakness, the mark of decay. With your farcical elections, you would have the international community believe India is a flourishing democracy, but the world sees instead a deteriorating tyranny. The Sikhs do not want your elections, we seek only freedom. Our declaration of independence is irreversible, irrevocable and non-negotiable. I suggest that you settle the Punjab issue peacefully by sitting down with the Sikh leadership and demarcating the boundaries between India and Khalistan.

But you would agree to no such peaceful solution. Yours is the philosophy of violence, the stratagem of savagery. No amount of Sikh death is too exorbitant a price to maintain your repressive grip on our homeland. You would sooner commit the genocide of the Sikh nation than bruise your ego and the ego of the Hindu nation by honoring our declared independence. But you will fail, Mr. Rao. You and the entire Indian government's oppressive machinery, which you represent, will fail dismally.

Do not underestimate the power of freedom. Once upon a time, you would have scoffed at the thought that such a large military force would be needed to quell the Sikh nation. Sikhs are united; we stand together against the tyranny and oppression of the Indian government. We stand together in support of freedom, and we will not rest until every last Indian government occupying force is removed from the soil of Khalistan and independence is ours. "Khalistan Zindabad," "India Quit Khalistan."

Sincerely,

DR. GURMIT SINGH AULAKH,
President, Council of Khalistan.

ONCE AGAIN: TRAIN MURDERS COMMITTED BY INDIAN GOVERNMENT TO BLAME SIKHS

WASHINGTON, DC, December 27.—It happened in 1985 when Indian government officials exploded a plane off the coast of Ireland simply to blame the Sikhs and malign their independence movement in the world's eye. It happened in 1987 when the Indian government staged a fake hijacking of an Indian Airlines plane and portrayed the hijackers as Sikhs to instigate communal rioting against them. It happened in June when Sikhs were blamed for killing 76 train passengers in Ludhiana, despite evidence to the contrary. And today, it happens again.

Indian Police say that Sikhs yesterday killed 55 people in Punjab after stopping a train and ordering all the passengers to come down. No Sikh group has claimed responsibility. Dr. Gurmit Singh Aulakh, President of the Council of Khalistan denounced the massacre and called it a hoax by the Indian government. "Sikhs condemn this and all senseless acts of violence. This massacre is a crime against humanity itself and was most likely carried out by the Indian government with the help of antisocial elements working as its agents or police masquerading as Sikhs."

In many cases, Indian government agents have dressed as SIkhs and committed atrocities to defame the Sikhs and cast their movement for independence in the worst of all possible light. "This could be exactly what happened here," said Dr. Aulakh. "Though nobody has claimed responsibility, the Indian police immediately blamed the Sikhs. They want to perpetuate the myth of 'Sikh terrorism' to defame us and our movement for independence. Over half of a million police, paramilitary forces and armed forces are streaming through Khalistan right now. How is it that the so-called "Sikhs terrorists" are so skilled as to pull off these attacks without ever being caught?"

Though the Indian government has long peddled its story of "Sikh terrorism" to the international community, not one Sikh has been convicted in a fair trial of any terrorist crimes. Sikhs are either killed by Indian police or are put in prison. Under laws designed to oppress the Sikhs, over 15,000 Sikhs languish in Indian prisons without any chance of getting a trial. Even the United Nations Human Rights Committee has recognized India's tyranny calling such laws "disturbing" and "completely unacceptable."

Since last month, the Indian government has deployed nine additional divisions (180,000 soldiers) to the Sikh homeland ostensibly to "assure fee and fair election" in the Punjab. The brutality of the army, however, portrays a different story. Extrajudicial killings are rampant. The army is conducting door to door searches of Sikh households, and the Indian government has granted its soldiers shoot to kill authority with full immunity from the law. The whole of Punjab has been declared a "disturbed area."

The recent train murders were most likely conducted by the Indian government itself, part of campaign to discredit us and leave us stranded from the support of the world community" said Dr. Aulakh. "News reports said the attackers 'disappeared into the night.' If India wanted to catch the attackers it would have by now. But its interest is not justice, not the truth, not human compassion and certainly not democracy. It wants to quell the Sikh voice of freedom and forever subject the Sikh nation to its oppressive will. But the nation will not submit. We declared independence on October 7, 1987 forming the separate country of Khalistan. We simply want our freedom. India should learn from the Soviet Union and honor the freedom of the Sikhs and other minorities under its oppressive rule."

[From the Washington Times, Jan. 1, 1992

INDIAN POLITICIANS ARE PONDERING DECENTRALIZATION

(By Kate Webb)

NEW DELHI, INDIA. The one taboo question of whether India would be better off split into independent or increasingly autonomous states has been pushed out of the closet by the breakup of the Soviet Union.

Now that the issue is openly debated in the country's newspapers, those aguing that the huge country with its 850 million people of different ethnic, linguistic and religious backgrounds should break up no longer face condemnation as traitors.

Politicians of all hues at the national and local levels have been quick to point to the disintegration of the Soviet Union, some as a threat but others as a lesson that India should decentralize before it is too late.

"Soviet-style disintegration if India does not treat Harijans [untouchable] better," ran one typical headline this week.

"Form a commonwealth to protect religious identities," ran another.

This week, a two-page spread asking "Should India Break Up? appeared in the Sunday Observer newspaper, detailing the pros and cons of a commonwealth similar to what was formed by 11 former Soviet republics.

The debate would have been unthinkable even a year ago. The trauma of the subcontinent's violent 1947 partition into India and Pakistan, lingering on was viewed by many as the basis for much of India's policy of preserving the union at all costs.

But there are serious splits in the country.

The most obvious candidates for secession are Punjab, Kashmir and Assam, states where bloody independence struggles have kept 50 percent of the Indian army, by its own admission, tied down for the past year.

Significantly, it was a Sikh politican. Prakash Singh Badal, who called for the government to convert India into a commonwealth of autonomous states along the lines of the Commonwealth of Independent States.

In the Sunday Observer debates, former minister Ram Vilas Paswan warned that unless the government became more responsive to minority needs and less dominated, by Brahmins—the highest Hindu caste—there would be continued caset, communal and separatist violence.

"In the academic sense, India was not a country before, but then, is there any country in the world which was a country before," Congress centrist thinker M.J. Akbar replied to arguments that India is a British invention.

"Of course, India should remain one," said historian Ravinder Kumar, adding that the breakup of the country would lead to widespread violence.

But he agreed with Communist MP Subhashini Ali, who said that while it should not break up, "if India is to stay one it will have to loosen up.

"Otherwise I see serious fissures widening", Mr. Ali said.

Calcutta editor Swapan Dasgupta told the newspaper that most Indians want the country to stay united but feel there is a need for change.

It is "overcentralization which makes the people in Assam join the ULFA [the separatist United Liberation Front of Assam], because they do not feel any sense of belonging to the power structure imposed on them by Delhi," he said.

Even P.V. Narasimha Rao, the septuagenarian prime minister who stunned the country this year by starting the reverse decades of socialistic policies, appears to have caught on to the mood for change.

Over the weekend, he sent the country's state governors home after a two-day meeting here with the words: "Tell me what the states need; don't ask what the center needs."

The advice seemed expecially surprising to many observers who used to mock Mr. Rao for his habit, when a state chief minister, of looking to the national capital for its blessing on even the smallest decision.

WORLD CLASS ANARCHY IN BLOODY PUNJAB CONFLICT

INDIA: THE SEEMINGLY MINDLESS VIOLENCE OF A 10-YEAR SECESSIONIST WAR HAS TORN APART THOUSANDS OF FAMILIES

(By Mark Fineman)

MANAWA, INDIA.—Dalip Singh could not plant his winter rice crop this year. At 70, the old Sikh farmer has long since lost his strength. He's little more than a living skeleton now, his frail bones cracking beneath a shell of weathered skin and his shattered spirit now vanished along with his sons.

In the past, Dalip Singh's boys helped him plant the rice each year at this time. But this winter, they're gone, victims of a war almost without equal in a world struggling toward new visions of peace.

"I often asked God what have I done?" the old man said, his voice just a whisper and rattling with grief one recent morning in this remote mud village of 400. "I must have committed a sin, and I am being punished. Because once, I had three sons, and now, I have none."

But if the old farmer is being punished for past sins, so, too, are the entire state of Punjab and its 20 million people, all now caught in the constant cross-fire of seemingly mindless murder and disappearances in a war that seems unending.

One of Dalip Singh's sons was killed by police; a second disappeared in police custody months ago and is feared dead; the third fled into hiding with the underground. They are just a handful of the mounting casualties in the brutal, secessionist struggle in the northern Indian state of Punjab that has claimed more than 5,300 lives this year alone, including the 55 reported killed in an attack on a train Thursday near Ludhiana that also left at least 70 wounded.

Authorities said four men carrying AK-47 assault rifles boarded the train with 250 people aboard, forced it to stop at the farming village of Sohian and carried out the massacre. Most of the victims were Hindus, who are a majority in India but a minority in Punjab. Police blamed Sikh militants, who often conduct random attacks in their campaign for a homeland.

The war has torn apart tens of thousands of families like Dalip Singh's during 10 years of guerrilla warfare that has spawned a culture of killing, kidnaping, extortion and police corruption in Punjab. With daily death tolls that routinely reach into double figures, it is one of the world's bloodiest regional insurgencies.

For India, the 10-year secessionist war by its turbined Sikh religious sect has been nothing short of epic.

Twice, the Indian army has used tanks and artillery to attack and invade the Sikh's holiest shrine in an effort to rout the militants' leadership. The first such assault in June, 1984, led to the assassination of India's best-known prime minister, Indira Gandhi, who was gunned down by two of her Sikh bodyguards five months later. Her assassination triggered Hindu-Sikh rioting that left the thousands of Sikhs burned, clubbed or hacked to death in an orgy of religious violence.

Fueled by such injustices against the Sikh minority in predominantly Hindu India, the war developed as a Sikh crusade to create a separate Sikh homeland in Punjab called Khalistan (Land of the Pure). Sikhs belong to a 500-year-old sect founded as a compromise between Hinduism and Islam, and they now make up about 60% of the population in Punjab state.

The conflict has degenerated in recent years into little more than a gang war without rules between a dizzying array of Sikh militant groups and the police. The militants are heavily armed former zealots now using Khalistan as a cover and the Sikh masses as human shields and pawns in a campaign more for personal profits and power than for Sikh independence.

And the police have run amok, often using torture, summary execution and abduction-for-profit rather than arrests, trials and due process.

"We have a world-class anarchy in Punjab today," said an Indian journalist who has covered the Sikh insurgency since its inception. "There are just no rules at all anymore. You can get away with anything, including murder. And the last people you call when you're in trouble are the police. Chances are, they're in on it."

Behind that general picture are thousands of stories like Dalip Singh's, tragic human byproducts of police atrocities that have become as commonplace as the daily killings and kidnapings by Sikh militants, who concede they are routinely armed and trained through Pakistan, India's neighbor and traditional foe. Pakistan was sharply warned by Washington last month that it risks inclusion on the U.S. list of nations supporting terrorism if it persists in supplying Sikh militants.

During a journey through war-torn Punjab recently, a Times reporter documented many cases of mounting police abuse that human-rights groups have cited as the ultimate cause of continuing bloodshed. Among the recent victims:

The family of 85-year-old Sikh farmer Malook Singh, whose 80-year-old wife, son, daughters-in-law and grandsons were chained to trees and stakes at their farmhouse in the remote village of Killi Bodhla and tortured for more than three hours by an armed police party, which burned them with hot diesel oil before killing all seven last October. Singh's 4-year-old great-granddaughter witnessed it all. The attack was carried out to avenge the deaths of two police officers shot by armed Sikh militants who had seized the Singh farmhouse hours before as an overnight hide-out.

The younger brother of suspected Sikh militant Jagir Singh and 17 of his wedding guests, who were massacred at Jagir's wedding reception outside the Sikh holy city of Amritsar a few weeks ago when an undercover police agent with a reputation for assaults on civilians used automatic rifles supplied to him for counterinsurgency duty to settle an old family feud by firing on the marriage party.

Dalip Singh's son, Rajbir, who was executed by police after they kept him in chains for nearly a month, alternately using death threats and promises of freedom to extract information about militant groups that Rajbir said he had joined merely to avenge the rape and death of his elder sister years before.

After investigating a series of "extrajudicial executions of civilians" by both the police and Sikh militants earlier this year, the human rights group Asia Watch concluded: "Government forces operating in Punjab systematically have violated international human rights law, as well as the laws of war governing internal armed conflicts."

The security forces "have engaged in widespread summary executions of civilians and suspected militants," the U.S.-based group said in its 130-page report, adding that the Sikh militant groups similarly have used execution and kidnaping to extort financial and logistic support from innocent civilians.

The Asia Watch report cited dozens of kidnapings by militants and police alike—unchallenged crimes that have soared since the August date of that report to a current rate of at least one kidnaping per day—as examples of the "terror tactics" used by both sides. But the group stressed in its conclusions that it found "a disturbing tolerance for lawlessness by the state as a means of fighting the militant threat."

When asked about Asia Watch and other human rights groups that have documented similarly disturbing trends in Punjab in recent years, one senior police officer in the state said, "We like them as long as they don't talk rot." Then, he added, "Mostly, though, it is rot."

But in the rural Punjabi villages now hostage to this war—strategic hamlets such as Dalip Singh's village of Manawa—there is ample evidence of how far India's counterinsurgency campaign has spun out of control. Things are so bad that federal authorities in New Delhi called out the army again in late November, deploying more than 100,000 soldiers throughout Punjab to restore order. Federal officials privately concede that the police are all but out of control.

A drama typical of the human price exacted by such anarchy is provided by the case of Dalip Singh's son, Rajbir, and the senior police officer who ordered his execution seven months ago.

Just days before his death, a Times reporter met 25-year-old Rajbir, sitting barefoot and crosslegged, his hands and feet manacled and chained, on the floor of Police Superintendent Sidharth Chattopadhyaya's office in the embattled Punjabi town of Firozepur.

"My future?" Rajbir asked that afternoon, echoing a reporter's question as he looked toward the senior police officer smiling awkwardly behind his desk. "My future is certain."

"Death."

During an hourlong interview that day, under Chattopadhyaya's watchful eye, the young Sikh said that at no time during the two years he admittedly fought in the guerrilla war alongside fellow Sikh insurgents did he embrace the concept of a separate Sikh state.

"Whenever I talked to my seniors, I talked about Khalistan to them," Rajbir said. "But in the heart of my heart, I knew Khalistan was not possible. So I didn't believe in it.

"For me, it was all for the revenge of my sister, Rani Lakhminder Kaur. In 1981, she was raped by some man in the village, a relation of the village chief. She was well educated. She had just graduated the 10th grade. She could not take the shame. So she jumped in the village well and killed herself.

"But this man who raped her had a rifle. Our family had none. So, from the start, it was only my burning desire to get an automatic weapon to take her revenge that drove me."

At first, it drove Rajbir to join the government's "home guards," a grass-roots village-defense network supplied with old police rifles. Then one night a group of militants came to Manawa, he recalled. They were running guns, and Manawa, only four miles from the India-Pakistan border, was the last stop before the long barbed-wire fence that India has erected along Punjab's entire frontier to curb cross-border gun trafficking.

The militants offered Rajbir an AK-47 assault rifle if he would accompany them on their mission that night, and, within minutes, the young Sikh changed sides.

Rajbir conceded that he made several more trips into Pakistan, bringing back with him such weapons as assault rifles, mortars, land mines and grenades, ultimately earning himself the rank of "lieutenant general" in one of the myriad militant groups.

He also conceded that he staged dozens of kidnapings throughout Punjab, bringing in 1.3 million rupees (about $65,000) in ransom to finance arms purchases. And, he said, he did order several executions of suspected police informants. But he insisted that he had never killed anyone with his own hand—not even the man who raped his sister, he said, because the man fled the village and went into hiding.

Whether Rajbir might ultimately have been punished by a court of law for his crimes will never be known. If Superintendent Chattopadhyaya had had his way, no one would ever have known that Rajbir had even been picked up by the police before his bullet-riddled body was discovered along a rural Punjabi road a few days after that interview.

"You cannot say this man is in police custody," Chattopadhyaya instructed the reporter that day as Rajbir sat in chains on the police officer's floor. "Just say you interviewed him in his secret hide-out."

"Why?" the reporter asked.

In reply, Chattopadhyaya smiled, reached for his telephone, dialed the number of a Sikh hide-out that Rajbir had supplied under earlier interrogation and ordered Singh to tell his fellow militants to meet him the next day—a meeting that would become a police ambush.

Later, a veteran of the Punjab insurgency who is close to both the police and militant leaders said that a standard police tactic in the state is to capture a suspected guerrilla leader such as Rajbir, squeeze him for all the information they can and at the same time attribute every murder in their district to him to justify increases in the reward on his head. Finally, the veteran said, they execute the guerrilla and collect the reward. In Rajbir's case, the reward was $50,000.

Asked about such a tactic, Chattopadhyaya, a professional officer who was trained at the Indian Police Service academy, spoke only in general terms.

"We are on the offensive now," he said. "It's a carrot-and-stick policy in which the stick comes first, and the carrot comes later on. For now, we've got to show them, 'You're either going to end up shot, or you end up in jail. You are being exploited. You are being misled.' These points have to be explained to them.

"Only then will we take a very sympathetic attitude. Now, you see, it's all just a matter of power. All this Khalistan is the talk of criminal elements. The masses don't want Khalistan. Even if you ask the extremists, they probably can't spell Khalistan.

"The masses have given up hope," added Chattopadhyaya, who was promoted last week to senior superintendent in the larger metropolis of Amritsar. "The courts aren't functioning. Everyone's been victimized by the terrorists or by the police. So, at the same time, we have to move very carefully to win the masses to our side."

In Rajbir's village of Manawa, though, such police tactics seem to have won few supporters.

As Manawa's frightened farmers gathered one-by-one in the mudwalled compound of Dalip Singh's small farmhouse to lend support to his tale of grief, each expressed a growing hatred and mistrust not only of the police but also of the entire system that now rules their lives.

Most were afraid to declare their loyalties outright. But, as Dalip silently and tearfully shook his head, all made clear that the police stick had not worked here, at least.

OPPOSITION TO CONFERENCE COMMITTEE REPORT ON H.R. 3371

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. CAMPBELL of California. Mr. Speaker, I opposed the report produced by the conference committee on H.R. 3371. While I support waiting periods for handgun purchases, I had to oppose the conference report. I agree with the President and the district attorneys of our Nation; they opposed the conference report because of its weak provisions. I hope, as do they, that we will be able to produce a better bill, one that truly will fight crime.

While there are a number of problems with the bill, I would like to concentrate on one problem in particular, the good faith exception to the exclusionary rule. Presently, it is clear that the good faith exception exists for searches with warrants, *United States* v. *Leon,* 468 U.S. 897 (1984). In addition, the fifth circuit has expressly extended this exception to warrantless searches, see, for example, *United States* v. *Williams,* 622 F.2d 830 (1980) and *United States* v. *De Leon-Reyna* 930 F.2d 396 (1991). The House of Representatives passed an amendment that would have expanded the good faith exception for the exclusionary rule to warrantless searches, but the conferees deleted this provision.

When police act in good faith—when their searches are based on a reasonable belief that they are acting legally—the evidence they find should be admissible in court. The Supreme Court has stated that the exclusionary rule "cannot be expected, and should not be applied, to deter objectively reasonable law enforcement activity." *U.S.* v. *Leon,* 468 U.S. at 919. If a police officer reasonably believes that he or she is acting legally, then excluding that evidence does not serve the purposes of the fourth amendment.

The good faith exception should logically apply in cases whether or not they involve warrants. As noted above, the fifth circuit has explicitly made this logical extension of the Leon rule. In the De Leon-Reyna case, for example, the police officer had acted in good faith in a warrantless search case, though a technicality threatened the admission of the evidence. Had the appellate court not applied the good faith exception to the exclusionary rule, a man carrying 1,200 pounds of cocaine would have gone free.

I hope in the coming months the Congress will produce a stronger bill to fight crime. Unfortunately, the bill as it now stands is not sufficient.

IN MEMORY OF EGIL HAGEN

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. WOLF. Mr. Speaker, it is with sadness that I share with my colleagues today the news of the death of a courageous Norwegian man whose efforts to deliver food aid in the Sudan saved literally thousands of lives.

Egil Hagen, who single-handedly organized the delivery of thousands of tons of emergency food to thousands of starving civilians in rebel-held southern Sudan, lost his battle with cancer on December 27, 1991, at the age of 46.

I saw Egil in action in the Horn of Africa on my trips to Sudan in 1989 and 1990. He was a remarkable man whose approach to his work as the Norwegian People's Aid residential representative for Africa was summed up in a 1989 Washington Post article as: "The way we work is very clear. Rather than finding 99 excuses for why things can't be done, we are trying to find the one reason why it should be done."

He saw Sudanese people dying of starvation and became frustrated with the delays in food delivery imposed by the Sudanese Government and its restriction on aid operations in rebel areas. He defied the government in Khartoum and organized relief convoys to get the food aid to where it was needed. He used his experience as a soldier and officer with the United Nations peacekeeping mission in Lebanon and Uganda in dealing with the rebels in southern Sudan to convince them to let the food aid pass through.

To acknowledge Egil's outstanding humanitarian work, his name has been submitted by the Norwegian Government as a candidate for the Nobel Peace Prize for 1992. Egil also has been named a candidate for the Order of Olaf which is the highest military decoration that can be given and is always presented by the King of Norway. In addition, Egil was the recipient of the Order of Leopold given to him by the King of Belgium in recognition of his successful mediation efforts to have two Belgian hostages, medical doctors, freed following their capture in southern Sudan.

In these days when heroes are hard to find, Egil Hagen was a true hero. He risked his life to save thousands of lives because he cared and wanted to make a difference. The world owes him a large debt of gratitude.

To his wife Dounia and their family, we express our deepest sympathy.

TRIBUTE TO THE YOUNGSTOWN STATE UNIVERSITY FOOTBALL TEAM

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to the Youngstown State University Penguins, of my 17th Congressional District of Ohio, who recently won the NCAA Division I-AA football championship.

Two weeks ago, the Penguin football team defeated Marshall, 25–17, to complete a most improbable year. The odds of winning this championship were clearly stacked against the Penguins, because early in the year YSU dropped three of its first seven games, and even in the championship game, the Penguins had to come back from a 17–6 fourth quarter deficit. Credit should certainly go to the YSU players, such as quarterback Ray Isaac and running back Tamron Smith, both Youngstown natives, for bringing the championship trophy home. But above all, praise should go to coach Jim Tressel for guiding his men to victory, even when they had their backs to the wall.

Again, let me congratulate this outstanding team on their fine accomplishment, and wish them the best in the season to come.

FAMILY CHILD CARE PROVIDERS WIN IN IRS DECISION

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. AUCOIN. Mr. Speaker, it's great to stand up today and say we beat the IRS! Yesterday, the IRS issued a ruling overturning a spring 1991 policy requiring family child care providers to keep hourly records of how much each room in the home was used for their child care business. This action by the IRS created havoc among the Nation's 1.5 million family child care providers so I'm glad to see the IRS got the message.

The original policy presented the family child care providers with a Hobson's choice: Do they fill out multiple forms and keep meaningless records of how often a child uses the bathroom or eats in the kitchen, or do they spend time caring for kids? This action was just another example of the IRS strangling the honest taxpayer and businessowner in red tape. Another example of bureaucracy at its worst.

Since last spring, I've heard from child care providers and parents from all across Oregon. They said if the IRS had its way, many of them would either go out of business or be forced underground and evade taxes. For example:

Joyce May in Monroe, OR wrote and said: "IRS get real! Children that are in good home day care are the fortunate ones because they have two homes—two families—and less pressure."

Helen Payne in Salem, OR wrote that she has been a provider for 15 years. Her business expenses are so high that in the end she earns less than minimum wage.

Sandra Dean in Woodburn, OR reports many child care providers were considering going out of business. She works with other providers in Oregon through a support network called the Provider Resource Organization [PRO].

Sandra Strohm in Portland, OR said she wasn't afraid of record keeping, but "every moment I spend recording room use is time I am not holding a child, reading a story, and paying attention to the wonderful children in my care."

When so many parents can't afford to stay at home and care for their children, I think Federal policy should support child care providers, not force them out of business! Our children deserve nothing less.

The revenue ruling 92–3 could not have come at a better time for Oregon's 31,000 family child care providers. This week the IRS mailed out the 1991 tax forms. It's just too bad that it took the IRS nearly a year to decide that their interpretation of the law was not only unfair, it was wrong.

In October, I introduced legislation to overturn the IRS' proposed changes. The Family Child Care Improvement Act of 1991 codified the widely accepted interpretation of the tax law by which child care providers calculate their deductible expenses. Yesterday's ruling by the IRS reflects that formula. The IRS will now permit family child care providers to use a simple time-space formula. A provider will simply take the total percentage of space used and the total percentage of time the provider worked to calculate the business deduction.

Mr. Speaker, this administration spends a lot of time talking about the need to eliminate Government bureaucracy—it's even created a Quayle-headed Council on Competitiveness to help big business get out from under Government regulation. Then it issues a ridiculous policy that hurts the backbone of our Nation's child care system. Well, I say it's about time the administration got the word that parents want the IRS off the backs of honest taxpaying family child care providers. They want help in paying for child care, training for the child care providers, and support for good quality care. I say it's time the administration gets its priorities straight.

TRIBUTE TO STEVEN THOMAS AVERY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. FORD of Michigan. Mr. Speaker, I rise today to tell my colleagues of an outstanding young man from my hometown, Taylor, MI. For any baseball fan in America, the name Steve Avery, and the accomplishments that go along with that name, should be very familiar. But for those of you who were not witness to the Atlanta Braves' "worst to first" season, the National League Pennant Series, or the 1991 World Series, let me take some time to tell you about this young man from Michigan's 15th Congressional District.

He was born Steven Thomas Avery on April 14, 1970, and has lived in my hometown of Taylor, MI, all of his life. Steve received all of his formal schooling in the Taylor Public School system, finally attending Kennedy High where he lettered in basketball, cross-country, and, of course, baseball. Playing the latter, he lettered for 4 years. To many, this alone is the mark of an above average athlete. Steve, however, was and is far more than an above average athlete.

His athletic prowess attracted college recruiters from many Division 1 schools, and before long, Steve was looking at full, 4-year athletic scholarships to the best of this country's colleges and universities. One offer that greatly interested Steve was a scholarship to Stanford University. Let me point out that this scholarship was no gift. Certainly Stanford University wanted Steve to be their starting pitcher, but they also recognized the strength of Steve's 3.7 cumulative grade point average, and realized that they would be doubly blessed to have not only a great athlete but also a very bright honors student—a young man who could make an impact at Stanford on the ball field and in the classroom.

It's hard, however, to ignore the major league recruiters in this day of multimillion dollar contracts, and the recruiters did come. With better than average high school statistics, Steve was one of the most highly touted major league prospects. It seemed he was on every team's wish list. Upon graduation from Kennedy High School in 1988, Steve became the No. 1 pick of the Atlanta Braves and the No. 3 pick in baseball overall. It was during this time, postgraduation, that Steve made the decision to put off college and try to fulfill his dream of becoming a starting major league baseball pitcher.

In 1988, the Atlanta Braves assigned him to the Division-A rookie league in Pulaski, VA. He spent the year there and in 1989 he was moved up a level to pitch for the Durham Bulls, also a Division-A farm team. As Steve continued to improve, the Braves began to really believe that which they had known all along: that Steve Avery, although only 19 years old, had the potential to become a force in the big leagues. It is every team's greatest fear that they might rush a great prospect to become a star, bring him up too fast, put too great a stress on him, and destroy his potential. The Braves were not going to make this mistake. They knew what they had and they intended to take their time. Later in 1989, Steve was assigned to the Braves' farm team in Greenville, SC. He stayed in South Carolina for the remainder of the year. In 1990, Steve was assigned to Atlanta's AAA team in Richmond, VA. This team represented the last barrier between Steve and the big leagues and was also the place where Steve would have access to some of the best coaching—where he would learn how and where to throw to major league hitters. Needless to say, he was successful at this level, as he had been at every previous level. The Braves called him to Fulton County Stadium in Atlanta on June 19, 1990, at the age of 20, to begin his career in the major leagues. That season was a learning experience for the whole Braves' organization. They finished last in their division but obviously took some notes along the way. The next season was to be far more successful.

And, 1991 was a remarkable year for the Atlanta Braves and Steve was an integral part of it. The club went from the cellar to a pennant race with the Los Angeles Dodgers, and, in October, found themselves in the National League Championship Series. What Steve accomplished there made history. He set a championship series record pitching 16⅓ innings of shutout baseball. He displayed a 95 mile-per-hour fastball with such a pop on it that it repeatedly left the Pittsburgh sluggers swinging at air. In his second start of the series, No. 33 threw for eight innings, allowing only one walk and three hits while striking out eight.

Steve's efforts drew rave reviews from all quarters. None, however, were as big a compliment as that of Pirates' manager Jim Leyland when he described Avery's second start as a "Koufax-like performance," a reference to the great Los Angeles Dodgers Hall of Famer.

Surely the World Series loss was a disappointment for Atlanta and for Steven—although many will say it was the greatest series ever—but Atlanta's loss does not diminish the tremendous season of 18–8 that Steve put together, nor does it diminish the pride that we in the 15th District take in his accomplishments. November turned out to be just as big a month for Steve as October had been as he began the off-season by marrying his high school sweetheart, Heather McMillan, on November 2, 1991.

Mr. Speaker, for me and everyone from the 15th District of Michigan, this is truly a story of local boy makes good. And I would say that if this past season was any indication of the career that young Steve Avery has ahead of him, it will only be a matter of time before I return to the well of this House and say "Local boy is inducted into Baseball's Hall of Fame." Certainly all of Atlanta, and my colleagues from Georgia, are looking forward to next season with hope and pride, but none are more proud than the people of Taylor and Michigan's 15th Congressional District. We wish Steve and his new wife a healthy off-season and the best of luck in all that the future holds for them.

Congratulations Steve.

LONG BEACH NAVAL SHIPYARD SAVES TAXPAYERS DOLLARS—AGAIN

HON. DANA ROHRABACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. ROHRABACHER. Mr. Speaker, congratulations to the men and women of the Long Beach Naval Shipyard.

On December 4, 1991, repairs on the U.S.S. *Princeton*, CG–59, which was damaged by two Iraqi mines during the gulf war gulf war, were completed—under budget and ahead of schedule.

After 17 weeks of work on the *Princeton*, an *Aegis* class cruiser, the taxpayers of America were saved $1 million through the expertise and hard work of the employees at the Long Beach Naval Shipyard.

This is the second major overhaul or repair at the Long Beach shipyard that has saved money for the taxpayer since the shipyard was spared from closure by the Defense Base Closure and Realignment Commission.

Earlier this year, on October 4, 1991, 11 months of work were completed on the U.S.S. *Belleau Wood*, LHA–3. The Long Beach workers finished this major job ahead of schedule and under budget at a savings of $3 million to the U.S. taxpayer.

I call the attention of my colleagues to the superb job that is consistently being performed by the employees of the Long Beach Naval Shipyard. This shipyard has been the most efficient and cost effective of the 8 Navy shipyards for the past 4 years in a row.

I particularly call this record of performance and savings to the attention of Secretary of Defense Dick Cheney, Navy Secretary Lawrence Garrett, and Gen. Colin Powell, Chairman of the Joint Chiefs of Staff.

LEGISLATION TO PERMANENTLY EXTEND TAX PROVISION TO BENEFIT AMERICA'S SMALL MANUFACTURERS

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Ms. SLAUGHTER. Mr. Speaker, American businesses have virtually unlimited potential, if they are given the basic tools they need to create thriving businesses. The most basic tool is access to capital. This great Nation was built by small entrepreneurs trying to better themselves and their country. It would be tragic indeed to allow this American ingenuity to go untapped for lack of affordable investment capital. For this reason, I am introducing legislation today to permanently extend the Tax Code's provision for small-issue industrial development bonds [IDB's].

Small-issue industrial development bonds provide small- and medium-sized manufacturing businesses access to capital at competitive rates. Such financing is an important tool for promoting economic development and job creation, and effectively lowers the cost of capital for firms financed with small-issue bonds. Furthermore, small-issue IDB's allow local economic development groups the ability to channel development capital into the community in a manner consistent with their economic development plans.

Generally, interest on State and local bonds is exempt from Federal taxation, unless it is a private activity bond. Small-issue IDB's are private activity bonds, but have also, traditionally, qualified for tax exemption because of the benefit which industrial development brings to a community. The proceeds of small-issue bonds only go to financing manufacturing facilities and certain farm property.

The designation "small-issue" refers to the limit placed on the aggregated bond issue, which is generally below $5 million, but can be up to $10 million. The average bond issue is for $1.6 million and creates 25 jobs. A single facility using the bonds can have only $10 million in total capital expenditures over a 6-year period, and can have no more than $40 million in tax-exempt bonds outstanding. These and other criteria ensure that the beneficiaries of IDB's are small manufacturers.

With the changes made in 1984 and 1986, small issue IDB's have become a targeted and fiscally responsible program. These changes limited the volume of such bond issues and other private activity bonds, greatly reducing Federal tax expenditures while fostering better allocation decisions for such financing. The changes further limited the use of such bonds to manufacturing facilities, which has eliminated the potential for abuse of the program by targeting investment to projects representing economic growth potential.

Unfortunately, the last several years have seen the tax-exemption for small-issue bonds extended in a series of stopgap measures of 6 months to 2 years at a time. From the perspective of a local economic development organization, this instability undermines the effectiveness and long-term perspective which their programs demand. While I am pleased that the tax-exemption has been retained until June 30, 1992, a permanent extension is now in order.

The best thing we can do as a nation to ensure the future economic vitality of our manufacturing sector is to encourage capital formation. Small issue IDB's, through the lower interest rates they offer, have enabled small manufacturers to accelerate expenditures on their plants and equipment. The New York State Economic Development Council estimates that 8 to 10 percent of all such investments during the early 1980's involved small issue IDB financing.

By reducing the cost of capital, small-issue bonds encourage the needed investment which helps American businesses compete in the international marketplace and keeps manufacturing jobs in America. Maintaining our manufacturing base is essential in generating employment.

Moreover, increasing our manufacturing base increases our standard of living. Jobs within the manufacturing sector on average pay 24 percent more than the service sector, and provide more comprehensive benefits. In addition, manufacturing jobs have the ripple effects of creating jobs in other sectors of the economy.

Unfortunately, manufacturing is the area of our economy most vulnerable to international competition. A report published last year by the Council on Competitiveness pointed out that manufacturing accounted for 95 percent of 1988's $109 billion U.S. trade deficit. Despite surpluses in service and agricultural trade, we continue to run large deficits with our major trading partners year after year, and are increasingly dependent on imports for manufactured goods.

Furthermore, between 1979 and 1985, America lost 1.7 million manufacturing jobs. The loss of those jobs has affected countless people. We owe it to the American family to protect and expand our manufacturing base so that they and they children can find good jobs at decent wages.

Small-issue bonds directly address these issues by targeting small- and medium-sized manufacturers, which have been providing the majority of job growth in the manufacturing sector over the last 10 years. The use of these bonds has a proven track record, and has been particularly useful in helping to leverage private capital for public good. The foregone tax revenue is small when compared to the high social and economic benefits. In my home district alone, IDB-financed projects have created over 1,000 jobs in the last 4 years. In this era of shrinking Federal resources we must target assistance to areas of greatest potential investment in our economic security.

There are many approaches to address the issues raised by stiffer international economic competition and an aging industrial base, but the essential element of any approach is finance. The ability of our smaller firms to achieve their full potential, as producers for both the domestic and international markets continues to be limited by the access to capital. The current credit crunch has only aggravated this problem. We need to encourage investment in this area, and industrial development bonds are an important part of this effort.

We are still the world's leading military power, but our economic predominance is under seige. We need to redevelop our infrastructure, and address these issues in a targeted and cost-effective manner. This legislation is a key step in securing a growing and thriving manufacturing base. Permanently extending tax-exemption for small-issue bonds is a way of encouraging economic development from the grass roots in a fiscally responsible manner.

SECTION 471, S. 543

HON. BILL ORTON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. ORTON. Mr. Speaker, I rise today to reiterate the points that I made in my CONGRESSIONAL RECORD statement of November 26, 1991, regarding the intent of the conferees concerning section 471 of S. 543, the Federal Deposit Insurance Corporation Improvement Act of 1991. As I stated on November 26, section 471—formerly section 1133 of the Senate bill—should not be construed to interfere in any way with pending Federal litigation, including the ongoing Sears-Visa litigation in the U.S. District Court in Utah. This interpretation is supported by the colloquy here on the House floor during debate and passage of S. 543 between the two distinguished gentlemen from Texas, the chairman of the Committee on the Judiciary, Mr. BROOKS, and the chairman of the House Banking Committee, Mr. GONZALEZ, in which Mr. BROOKS reiterated that "I would like to clarify for the record that nothing in the language of section 1133 is intended to interfere with the pending Sears-Visa litigation."

As a member of the Banking Committee, I understand that the conference committee adopted section 471 based on assurances made by its sponsor that it was not intended to have any impact on existing litigation in the U.S. District Court in Utah between Sears and Visa. However, it has been brought to my attention that a party to the litigation has filed a motion for summary judgment with the Utah District Court on December 27, 1991, arguing that section 471 effectively allows the defendants to issue millions of Visa cards without a trial on the merits of the antitrust issues. In its motion, counterdefendants are attempting to avoid a trial on the merits by advancing an interpretation of section 471 that directly conflicts with the stated intent of the conferees and the Congress.

As a member of the Banking Committee, I believe that section 471 is not intended to overturn, modify, or in any way adversely impact, the decision by the Tenth Circuit Court of Appeals—endorsing the position of the Attorney General of Utah—that the case should be remanded to the district court for a trial on the merits with the status quo intact.

THE STAKES INVOLVED WITH THE MEXICO FREE-TRADE AGREEMENT

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. RICHARDSON. Mr. Speaker, as we enter the new year of 1992, U.S. trade policy is very much on the minds of both Washington officials and the general public. While there remains some disagreement over how it should be shaped in the coming year, a consensus is emerging around its importance to the Nation's economic recovery.

As a strong proponent of the proposed North American Free-Trade Agreement, I believe our Nation's overall trade policy needs to move aggressively to eliminate trade barriers in North America for the benefit of America's economy, its workers, and its consumers. Along these lines, I would ask that the following two articles be included in the RECORD.

[From the Wall Street Journal, Dec. 12, 1991]

MEXICO—THE ANSWER TO BUSH'S DOMESTIC TROUBLES

(By Bill Richardson)

When Presidents Bush and Salinas meet this weekend to decide whether to conclude the U.S.-Mexico free-trade agreement in 1992, as planned, the easy political move for Mr. Bush would be to defer it until 1993 to avoid its potential use as an issue in the American presidential election. Pressures are building within the Bush administration to put off a ratification vote in the U.S. Congress.

But delaying the trade agreement would be a serious mistake. In fact, I believe President Bush should include the agreement as part of the economic package he submits to Congress in the State of the Union message next month. Our long-term economic objectives dictate that the nation export more. Any economic plan, Democratic or Republican, should include aggressive policies to overcome our huge trade imbalances.

Postponing the agreement would have a number of unfortunate consequences. First, it would send the wrong message to Latin American countries such as Chile, which view it as a first step toward a free-trade agreement for themselves.

Second, it would delay the formation of a North American trade bloc to compete in the world economy against a united Europe and a Pacific Rim trading bloc led by Japan. Third, a delay would be a slap at President Salinas, who has invested a lot of political ties with the United States.

A postponement based on political skittishness would feed public suspicions that the negotiations are taking place to reward a "good neighbor" rather than to capture substantial benefits for America's economy and workers. Postponement would betray our own national interests as well as our contribution to the economic reforms sweeping Latin American countries. If we delay, how can we maintain credibility with Latin American leaders whose message is, "We don't want more aid. Just give us access to your markets?"

For various reasons, Congress as an institution is not well suited to making the case to the public for a North American Free Trade Agreement. The president, particularly in this State of the Union Address, is uniquely positioned to give his trade initiative the economic primacy it deserves.

It is important for the American public to get a better understanding of the economic benefits achieved through liberalizing trade and investment in this hemisphere. While the U.S. does have other objectives to meet with Mexico, such as reducing illegal immigration and environmental pollution, the trade agreement needs to be sold on its economic merits.

Mexico now stands as the third largest export market for American goods. In 1990, U.S. exports to Mexico reached $28 billion, which translates into roughly 550,000 jobs in the American economy. At a time when members of Congress and the administration have grown frustrated with the cultural and trade impediments to the sale of American products in Asia and Europe, we should relish Mexico's preference for American-made goods.

More than two-thirds of Mexico's imports come from the U.S. The 4% growth that Mexico achieved in 1990 translates into a $1.2 billion increase in American exports. Every additional percentage point increase in Mexico's economy will result in roughly $300 million more in new American exports.

Unfortunately, these benefits have been obscured by political grandstanding and the familiar red herrings about income disparities and Mexico's relative poverty. For all the discussion surrounding these issues, it should be noted that the average Mexican consumer spends $300 per capita on American goods. This is considerably higher than the $265 per-capita consumption in the European Community. Moreover, this consumption is taking place in an environment where American products such as telecommunications equipment, agricultural goods, and motor vehicle parts are slapped with high tariffs. Once a free-trade agreement is in place, American sales to Mexico will grow through the gradual elimination of tariffs and improved living standards in Mexico.

U.S. trade negotiators should take as much time as necessary to bring back a good agreement. And President Bush must keep his word on his commitments to the environment, border infrastructure, and worker assistance. But if these important concerns can be satisfied by mid-1992, it makes sense for the U.S. to implement the agreement quickly.

The federal budget deficit stands at well over $360 billion. The fiscal policies of the past 12 years have put the U.S. in a deep hole. Any fiscal package put together by President Bush and Congress is likely to have a minimal effect on the economy, given the unfortunate consequences of swelling deficits. It is unfortunate that the spending policies of the 1980s have robbed us of the fiscal tools of tax cuts and pump-priming, but it's a fact worth noting. It therefore makes sense to focus more attention on opening up foreign markets to American exports.

In 1990, 88% of America's economic growth was owed to international trade. Every $1 billion in U.S. exports translates into roughly 20,000 jobs for American workers. Herein lies an important element of America's course toward sustained economic growth, and improvements in the standard-of-living and the federal deficit.

For all my concerns about President Bush's lack of a domestic agenda, his trade policies with Mexico represent one of his more significant legislative triumphs. Passage of the fast trade authority to negotiate a North American free-trade agreement this May was successful because of a bipartisan coalition that included 92 House Democrats (with a sizable majority of the House and Senate Democratic leadership) and 139 House Republicans. Unless Mr. Bush moves aggressively, this bipartisan support will continue to erode. He should recapture that momentum by making the North American Free Trade Agreement a national priority in 1992.

[From the Christian Science Monitor, Dec. 4, 1991]

CONSUMERS' STAKE IN FREE TRADE

(By Robert E. Moore)

Back in August, federal officials held public hearings at Georgia State University in Atlanta on President Bush's proposal to enter into a free trade agreement with Mexico. Those testifying represented business and labor interests. Conspicuously absent was any consumer representation. Yet United States consumers have much to gain from the success of the proposal and much to lose if it fails.

Adding Mexico to the Free Trade Area already formed by the US and Canada would create the largest free trade zone in the world in terms of economic size—second only to the European Community in terms of population.

Removing trade and investment restrictions may seem to be an obscure issue for the average consumer. But even though US tariff levels are low by world standards, trade restrictions dramatically increase prices and the cost of living in the US. Restrictions in clothing, automobiles, and steel have been estimated to cost US consumers over $1 billion a year in each sector.

Even seemingly insignificant trade restrictions can cause substantial price increases. At the hearings nearly a dozen representatives of Florida orange growers and processors pleaded to have their trade barriers remain in place. The US has a history of trade restrictions on frozen concentrated orange juice (FCOJ) that goes back to 1930. These restrictions increase the price of FCOJ to consumers from 35 to 44 percent!

The Florida orange growers made the standard claim that Mexican orange growers have "unfair advantages." They do have advantages. It is these comparative advantages, resulting in part from the lower level of economic development in Mexico, that will bring about a decrease in prices to the consumer.

Some business and labor groups charge that wages in some sectors are so low that Mexican workers are exploited, but none of these groups explain how Mexican laborers are better off with no jobs because of US trade restrictions than they would be with low-paying jobs made possible by trade with the US.

Also cited as an "unfair advantage" is the fact that the Mexican government gives land to orange growers. During the early stages of US development, the government gave land to railroads and to homesteaders. Should we question Mexico's development choices? Furthermore, much of the benefit of such a subsidy passes directly to the final consumer. Why should we object to an action of the Mexican government that benefits US consumers?

Finally, free land is available (as is cheap labor) because of the underdevelopment of the Mexican economy, and underdevelopment can hardly be considered an "unfair advantage."

US business lobbyists will also argue that trade restrictions are necessary to save jobs in a sector threatened by import competition. There are two problems with this argument. First, higher prices in one sector (caused by trade restrictions) threaten marginally viable jobs in all other sectors. So the "saved" jobs in the protected sector cause jobs to be lost in other sectors.

Second, the cost to consumers per job "saved" in the threatened sector is astounding. For example, the cost to US consumers per job saved by trade restraints in FOCJ is approximately $240,000 per job per year. This is a very expensive way to "save" a job that pays less than $20,000 a year. The FOCJ producers' gain from trade restraints is estimated to be $90,000 per job per year.

The high cost to consumers per job "saved" is not unique to FCOJ. For canned tuna it is $76,000; for textiles it is $50,000, for apparel it is $39,000; and for automobiles it is $105,000 to $241,000.

There may be valid concerns about a free trade agreement with Mexico. Some groups have expressed environmental and workplace safety concerns. The correct response to these concerns is not maintaining trade restrictions but entering into broader economic agreements with Mexico that involve mutual cooperation on these issues.

If there is a free trade agreement with Mexico, some businesses will close, and some workers will lose their jobs and need to be retrained for other work. The federal government should take an active and aggressive role in helping workers, businesses, and communities make the transition. Even a large federal trade adjustment assistance program would cost the US consumer/taxpayer much less than maintaining the current trade restrictions.

But beware the talk by threatened businessmen of our need to "level the playing field" or of "fair trade." Trade is made "fair" by US consumers being required to pay more for essential goods and services because of trade restrictions. The "playing field is leveled" because US consumers must hoist it up on their shoulders, Titan-like, while the international businesses compete on top.

WORKERS' COMPENSATION: RIDDLED WITH FRAUD

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BROOMFIELD. Mr. Speaker, one significant issue in the 1992 campaign will likely be the high cost of medicine and the inability of many in America to gain access to good health care.

Already candidates are unveiling plans to nationalize medicine, under the dubious proposition that Government management of the health care system will improve it.

Before we consider any grandiose plans for nationalized medicine, we ought to consider ways of improving and building on the system we already have.

One way to lower the cost of health care would be to eliminate fraud. A recent article in the New York Times, for example, says cheating may involve as much as 20 percent or more of the claims filed under workers' compensation insurance.

That is a staggering figure. It means that the Nation is spending $10 or $12 billion more than it needs to every year, money that could be used to bring health care to the poor or to lower the costs of health care for the rest of us.

When workers cheat their employers, they are also cheating their fellow employees.

One worker cited by the Times took three off afternoons a week for medical treatments for a bruise he sustained when falling in the snow. But as the Times notes, the same employee attends karate classes, where he is "kicked, punched, or thrown across a mat two nights a week."

Three afternoons a week he lays the burden of meeting the production schedule on his friends on the line who are too proud and too high minded to cheat. His cheating also means higher premiums for all of us.

I ask that the Times article be printed in the RECORD in the hope that those in this House who are rushing to embrace radical proposals for nationalized medicine will consider ways we can achieve lower costs and greater access by simply improving the system we already have.

[From the New York Times, Dec. 29, 1991]

VAST AMOUNT OF FRAUD DISCOVERED IN WORKERS' COMPENSATION SYSTEM

(By Peter Kerr)

Fraud and exaggerated claims are driving up the cost of workers' compensation insurance by billions of dollars a year, a variety of experts say, and have become a significant though still largely unrecognized factor in the skyrocketing cost of health care.

This conclusion has been reached by regulators and law-enforcement officials in several states who are looking into the forces behind the rising costs and by insurance officials who have begun investigations of suspicious claims. It is suggested, too, by a number of studies.

To many workers, these authorities say, lying about injuries or illness related to work has become no more sinister than crossing the street against a red light. That attitude and the resulting false claims are helping to push workers' compensation systems in some states into crisis or even to the edge of collapse.

CHEATING IN 20 PERCENT OF CLAIMS

Although other factors are also driving up the $60 billion paid out by employers to public and private insurers for workers' compensation each year, officials and insurance companies in Oregon, California, New Jersey and other states say cheating may involve as much as 20 percent or more of claims. They say it is costing legitimately injured workers many of the benefits they rightly deserve.

"We've found workers' compensation is riddled with fraud," said Stan Long, the president and chief executive of SAIF, the state-owned workers compensation insurer in Oregon, which says it has uncovered fraud in one of every four claims. "If you run a system where you give money to everybody who asks, you are going to get a lot of people asking for money."

Fraud by employers is also increasingly being recognized as a problem in workers' compensation as is widespread abuse by doctors and lawyers. But experts say cheating by individuals illustrates a larger phenomenon in American society that government and insurance companies have often ignored: the belief that cheating on insurance is acceptable because the system always seemed to have endless amounts of money to pay for it. That is an attitude, they say, the nation can no longer afford.

In the last decade the costs of the insurance programs that care for workers injured on the job in the 50 states have grown more than 150 percent—or 50 percent faster than the cost of health care over all.

In more than a dozen states where employers have been hit by double-digit premium increases, officials say rising workers' compensation costs have devastated small companies and sapped the competitiveness of entire industries. In some states, like Maine and Rhode Island, where costs have risen more than 50 percent a year, insurance companies are abandoning as unprofitable.

For years experts have attributed the rising cost of workers' compensation to growing litigation, the rising price of medical care in general and the expanded coverage and benefits awarded by states. But rarely until now have insurers, government agencies, employers or social scientists studied how much actual fraud may also be involved.

Employers have often been timid in challenging dubious workers' compensation claims, many executives say, partly out of fear of being seen as attacking vulnerable workers and partly because fraud is hard to prove, in addition, they say, insurance companies often discourage investigations.

Recently, however, a small but growing number of government officials and insurance companies have begun to look into the question. They say they are finding that in some states at least, workers' compensation has nurtured a culture of fraud, in which workers regularly lie without fear or shame.

In Los Angeles, pitchmen working for doctors and lawyers swarm the sidewalks outside unemployment offices, openly telling passers-by they can win thousands of dollars in workers' compensation benefits simply by filing phony claims.

In Pittsburgh, the city government reported a 15 percent drop in workers' compensation claims this year after it televised videos taken by hidden cameras of supposedly injured police officers and firefighters working at second jobs, playing basketball and fixing roofs.

"It is socially acceptable to exaggerate, or even lie, to insurance companies and workers' compensation agencies," said Douglas F. Stevenson, executive director of the national council of self-insurers, a trade association of large corporations. "Such conduct has become so institutionalized that it no longer shocks our sense of morality."

Government and private leaders in some states, however, say the type of fraud reported in California, Oregon, Colorado, New Jersey and elsewhere is rare in their states.

Labor leaders insist that the vast majority of workers are honest. And some insurance industry spokesmen say individuals are often not the ones to blame. "The system puts impossible pressure on people," said Eric Oxfeld, senior counsel for the American Insurance Association, an industry trade group. "An attorney says you can go back to work now and get nothing or you can go back in a month and get thousands of dollars. I don't think it is fair to fault people when the system offers that kind of incentive."

EASY MONEY: BLATANT ABUSE IN CALIFORNIA

"Say you get headaches, or backaches, or you get bad dreams," said Alexi Chau, one of more than a dozen men and women milling outside the entrances of the state unemployment office on Broadway in downtown Los Angeles. "You've got to sue your boss. You can get money."

Up and down the block, recruiters were plying their trade on the sun-dappled sidewalk one afternoon this month. Some offered passers-by their business cards and glossy fliers. Others invited potential customers to sit on folding chairs and hear the rich rewards of the workers' compensation system explained.

A reporter simply asked Mr. Chau for one of his business cards. Mr. Chau responded with a two-minute discourse on how the system works: he could collect $350 a week, Mr. Chau said, if he agreed to meet a doctor and a lawyer immediately. The doctor, Mr. Chau said, would find that he was suffering from back and neck pain caused by work.

Although the reporter never mentioned anything about having health problems, Mr. Chau told him he would receive two therapy sessions a week for four months. After two months of treatment, Mr. Chau promised that the doctor would help him obtain a city pass for the disabled that would let him ride municipal buses free.

As long as the patient agrees to the diagnosis, Mr. Chau said, no one can disprove it.

"Don't worry about doctor and lawyer bills," he said. "Insurance pays for it all."

When later asked by the reporter if he knew he was breaking the law, Mr. Chau said that he did, but that he was planning to leave the business. He said he had been paid $200 for each successful referral.

In California, as in other states, workers' compensation is a system of insurance that reimburses employees for the economic harm from injuries and illness caused by the job. In some states the insurance is sold by private companies, in others by public agencies, and in many states by both.

Workers are compensated for lost wages, medical bills, in some states job retraining, and in cases of death, benefits for their families. In most states, the law requires employers to insure all workers and pay the premiums for 100 percent of their benefits.

California has seen a threefold rise in workers' compensation payments in the last decade to more than $10 billion. In the highest-risk industries, employers are now required to pay premiums of more than $5,000 for each worker.

Part of the high costs comes from real and debilitating diseases that science has linked to the workplace only in recent years, including asbestosis, hearing loss, certain types of cancer and carpal tunnel syndrome, an affliction of people who use computers.

John F. Henning, head officer of the California Labor Federation. A.F.L.–C.I.O., said that although the majority of workers file honest claims, the system does encourage abuse. "There are shyster attorneys who seduce workers to make false claims of stress," he said.

In Southern California, newspapers and television stations are flooded with ads from workers' compensation clinics and lawyers. One clinic, Boulevard Health Services in Los Angeles, even offered patients who attend 30 therapy sessions free trips for two to Las Vegas, Nev., "The Fun Capital of the World."

But until recently, officials and insurance companies in California rarely spoke about workers' compensation fraud. Of the 2,500 cases investigated by the State Department of Insurance's fraud unit in its 12-year history, only 49 cases involved workers' compensation and only 5 were prosecuted.

Lori Kammerer, the managing director of Californians for Compensation Reform, an organization of employers, said that when businesses complained to their insurance companies about workers who were lying or inflating claims, they were often told it would cost more to fight such claims than pay them.

One event that did seem to bring about a change in official attitudes was a news report broadcast on May 19 by KCBS–TV in Los Angeles. A reporter, Harvey Levin, disguised himself as an unemployed data processor and was taken by a recruiter outside an unemployment office to the offices of lawyers and doctors who specialized in workers' compensation cases. Photographed by a hidden video camera, the reporter told interviewers at the law firm, the Office of Administrative Law on Wilshire Boulevard, that the was not sick. But the firm filed forms that described him as suffering from severe abdominal pain, stiff and sore neck, lower-back pain, nervousness, dizziness, blurred vision and too much stress on the job. The law firm referred him to a medical office that charged $1,195 for initial consultations.

As a result of the broadcast and the outcry of employers, the State Department of Insurance and the Los Angeles District Attorney have begun investigating workers' compensation fraud. The insurance department founded a new investigative unit this fall solely devoted to the matter and now estimates that fraud accounts for more than 20 percent of the dollars paid out.

"We are just finding out that fraud is out of control in California's workers' compensation system," said Albert H. Mackensie, a deputy district attorney in the Los Angeles District Attorney's office. "Workers' comp has been a license to steal here, and there has not been a law enforcement or police agency in place to investigate it."

Several insurance companies in California have also begun aggressively investigating these cases. The Zenith Insurance Company of Woodland Hills has charged that one clinic certified four restaurant workers as totally unable to work and deserving thousands of dollars in benefits because of what it described as stress and mistreatment by the restaurant's management.

At the time of their medical exams, however, the company charges in Federal court papers that the four men were fully employed at a nearby restaurant. The clinic, American Psychometric Consultants, billed the insurance company for 18.1 hours of psychological testing for each of the four workers in one day, though the office was said to be open only nine hours a day.

A lawyer representing American Psychometric Consultants, Richard K. Simon, disputed Zenith's charges, saying his client was a reputable organization that had neither violated the law nor professional standards. Mr. Simon said he would ask the court to dismiss the case.

Vincent Tokatlian, a Los Angeles chiropractor who worked at another clinic for six months, said he was disturbed by the fact that many patients did not even pretend to want to be treated. They asked to sign the form and leave.

"They were reluctant to spend more than three minutes," he said. "There would just be a smile or a wink but never any sign of shame."

BAD ATTITUDES: NO RELUCTANCE ABOUT CHEATING

Geoffry Burnham, a physician's assistant who has reviewed more than 2,500 workers' compensation claims for Connecticut employers, says he is startled at how blatant workers' compensation cheating has become.

Workers under the age of 40, Mr. Burnham said, often try to charge the system for whatever they can get, a striking reversal of the strong work ethic of an older generation of workers. The younger workers, he said, exaggerate injuries, file for injuries that happened off the job or for injuries that never happened at all.

In one case, Mr. Burnham recalls attending a karate class where he spotted an employee of General Dynamics's Electric Boat division in New London, a company where Mr. Burnham worked for several years.

For three years the employee missed work three afternoons a week for medical treatments as a result of a bruise he had sustained from a fall in the snow. But as a regular karate student, Mr. Burnham said, the worker was kicked, punched or thrown across a mat two nights a week. When confronted, however, Mr. Burnham said, the worker was neither embarrassed nor concerned that he had been caught.

By contract, Mr. Burnham recalled the case of a 60-year-old metal pattern maker who came to the Electric Boat's medical office with hands that had been knurled by years of heavy labor. He could no longer work. More typical of workers of that generation, Mr. Burnham said, the pattern maker was not interested in his workers' compensation benefits. He wanted surgery that would get him back to work as quickly as possible.

"What scares me is what is happening to the American work ethic," he said.

Eugene Tish, chief operating officer at the Schuler Corporation of Salem, Ore., said his company, too, has found that disability claims primarily involved younger employees, who file claims for injuries sustained on their own time. "What do you call it if you find that 30 of your claims appear in the first 15 minutes of Monday morning?" Mr. Tish asked.

Acceptance of cheating on insurance in general was found to be surprisingly widespread by a study on auto insurance released last month by the Roper Organization.

Nearly one in three Americans said it was usually acceptable to understate the numbers of miles they drive each year to get lower premiums, according to the study, which did face-to-face interviews in 1,987 households. The study found 23 percent said it was acceptable to pad claims.

"The attitudes revealed in this survey indicate that cheating and misrepresentation have become serious," said Donald Seagraves, the executive director of the Insurance Research Council, an industry group.

Officials in some states say, nonetheless, that deceit and fraud are not a significant problem in workers' compensation claims.

In New York, officials say fraud does not account for more than a small fraction of claims, which rose 39 percent in the last two years. Officials in Illinois, where premiums will rise 9 percent next year, agree.

But in some other states, officials are reaching different conclusions.

Oregon officials say they did not see employee fraud as a big problem either until two years ago, when the state-owned workers' compensation insurer, the State Accident Insurance Fund, or SAIF, began an intensive and controversial crackdown.

As a result of the crackdown and other reforms, premiums have dropped 23 percent since 1990—after years of double-digit increases. SAIF executives now say that 37 percent of claims they investigated did not deserve to be paid and that they believe 25 percent of all claims were fraudulent.

Among the more than 200 fraud cases the company has brought to district attorneys and professional boards for action was the case of a former deputy sheriff, Jerry A. Lea, who injured his leg and finger on the job in 1982, and collected $160,000 over seven years. Mr. Lea said he was almost totally incapacitated, appeared at hearings in a back brace, a neck brace and with a cane.

After being videotaped by the company's surveillance team stacking wood and washing his car in his backyard, Mr. Lea was sentenced to 90 days in the county jail.

In two other cases, workers who claimed to be fully incapacitated were taped climbing into their race cars at stock car races.

Among the 82 chiropractors charged in Oregon, investigators said, several openly counseled patients on how to cheat the system. On March 2, 1990, Dennis L. Campbell, a chiropractor in Salem, told an undercover investigator complaining of an injury—in a conversation secretly taped by the company's fraud unit—that there would be compensation if the injury occurred on the job.

"If this was a workman's comp, they'd pick up the tab," the chiropractor said.

"I know," the undercover investigator said.

"Did you hurt yourself at work?" Dr. Campbell asked.

"No," the investigator replied.

"Did you hurt yourself at work?" Dr. Campbell asked again.

"No," the investigator said again.

"Did you hurt yourself at work?" Dr. Campbell asked a third time.

"Yeah, I did," the investigator said.

"Yeah, you did," Dr. Campbell said. "How did you do that?"

Dr. Campbell was sentenced to 60 days in jail.

In Pittsburgh, where officials showed the videos of supposedly injured workers in seemingly fine health, the city has started a so-called safety lottery. Workers are now eligible to win $200 if they go one month without claiming an injury. "We make the lame well." said Ben Hayllar, the director of finance of the city.

In Massachusetts, the office of Gov. William F. Weld estimates that fraud accounts for more than $400 million of the $3 billion paid out in claims. In New Jersey, the director of the insurance department's fraud division, Louis Parisi, said fraud or abuse in his state could account for some of the costs in 25 percent of workers' compensation claims.

In Colorado, a study for employers found that as many as 30 percent of workers' compensation claims involve fraud or exaggeration, ranging from outright faking to stretching recuperation by extra days, said Michael D. DeWitt, executive vice president of Avert, a consulting company in Fort Collins.

Authorities in Florida, Texas and other states say they are discovering rising evidence of employers who are defrauding the system by lying about the number of employees or by setting up deceptive lease-back agreements to "lease" their workers to other companies to reduce their premiums. In many cases, when workers are injured they find they have no coverage at all.

OTHER PROBLEMS: COSTS GROWING AT A RAPID PACE

Fraudulent claims and abuse are by no means the only problems afflicting workers' compensation systems.

The oldest social program resulting from a compact between labor and management, workers' compensation was begun in the United States at the turn of the century to blunt the often savage health dangers facing workers.

By the late 1960's, however, benefits to injured workers were often regarded as so low that they failed to meet the needs of the injured and their families. In 1972, a Presidential commission during the Nixon Administration recommended that states sharply raise benefits. Among other recommendations adopted by most states was one to give employees unable to work a minimum of two-thirds of their gross salaries before they were injured or 80 percent of their net pay—tax free.

Since then, the total costs of workers' compensation has soared. The average premium that an employer pays for an employee has jumped to more than $500 today from the $92 it was 20 years ago. The number of claims doubled in the 1980's and the cost of claims during that time rose by 154 percent.

Meanwhile, lost workdays attributed to on-the-job injuries doubled from 30 million in 1975 to more than 60 million in 1989—even as the economy moved from factory work to service jobs and the rate of industrial accidents remained flat. Among the states with systems in crisis are Maine, Rhode Island, Massachusetts, Pennsylvania, Texas, Louisiana and Florida.

In part the rise in costs is a result of an increase in benefits, which encourages more people to use the system. Studies show that for every 10 percent increase in the value of benefits, workers' compensation systems pay out 15 percent more money.

Workers' compensation costs have also been driven up by price of medical care, with hospital, doctor and medication bills soaring, and litigation increasing. In Illinois, litigation expenses now amount to 14 percent of all dollars paid out in claims in disputes that may not involve fraud at all but rather legitimate disagreements over the extent of coverage.

One study published by the Minnesota Department of Labor and Industry in 1990 found that the same treatments for back injuries and sprains cost more than twice as much when charged to workers' compensation than to Blue Cross and lasted longer. Treatment for back disorders on average cost $308 when charged to workers' compensation, compared with $132 to Blue Cross, and lasted 21 days, compared with 10 days. For sprains the difference was even more striking: $167 for eight days under workers' comp; $84 and one day under Blue Cross. By comparison, the treatments for fractures, which leave less to discretion, were about the same.

Unlike people with ordinary health-insurance, like Blue Cross, patients in the workers' compensation system pay no deductible and no part of the bills, giving the patients no incentive to turn tests or treatments down. In addition, few workers' compensation systems have cost-containment programs like managed care, intended to prevent unneeded or overly expensive treatments.

As a result, Orin Kramer, an economist based in Princeton, N.J., said, workers who have limited or no health insurance, and medical professionals who have lost profits to cost-containment programs, often turn to workers' compensation. By linking treatment to a problem on the job, both can be sure employers will pay 100 percent of the bill.

A new study of more than 3,000 Boeing company workers By Dr. Stanley Bigos of the University of Washington, found that although many workers suffer some sort of back pain, the workers most likely to file workers compensation claims are not necessarily the most debilitated, but rather, are those most dissatisfied with their jobs. While the greatest risk of back symptoms was among workers ages 30 to 40, the study found, the greatest risk of back injury claims, was among workers ages 20 to 25.

Another 1990 study, published by the non-profit Workers' Compensation Research Institute in Cambridge, Mass., found that workers' compensation claims climb in recessions and drop as employment rises. Richard B. Victor, the institute's executive director, said people might underuse workers' compensation in good times—or, use it to replace lost wages and job benefits in hard times.

"A lot of the problem goes unseen because nobody is looking," said Mr. Parisi of the New Jersey Insurance Department. "But we know that many people out there think workers' compensation is a bargain, and they are hitting the system for as much as they can."

NATIONAL WOMEN AND GIRLS IN SPORTS DAY

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Ms. SNOWE. Mr. Speaker, I am pleased to introduce, for the sixth consecutive year, a resolution to designate February 6, 1992, as "National Women and Girls in Sports Day."

This day was conceived as a way to encourage women and girls to participate in sports, to continue to work for equal opportunities and to celebrate the great progress made by females in sports. Participation in athletics at any level has proven to be significant for emotional and physical development for boys and girls. Through sports, girls learn to take initiative, work well with others, and develop a positive self-image—qualities crucial for everyday life.

Mr. Speaker, it is important to recognize how far women have come in athletic achievement, while not forgetting inequities still exist. For example, in 1988, just 16 percent of the total college athletic budget was allocated to women, and just one-third of total athletic scholarships were available to women.

For the past 5 years, Members of Congress have joined together to cosponsor National Women and Girls in Sports Day. On this day, a woman athlete will be presented with the Flo Hyman Award—an award representing the commitment and passion of the Olympic volleyball star who died in 1986. Last year the award was presented to Diana Golden, a disabled world ski champion, a 1988 Disabled Olympics gold medalist and winner of 19 national titles. It is my hope that this resolution will inspire future generations of women athletes to strive for the excellence exemplified by Flo Hyman, Diana Golden, and other female athletes.

Please join me in commemorating February 6, 1992, as National Women and Girls in Sports Day by cosponsoring this resolution.

HONORING CLETUS SCHENK

HON. BILL SARPALIUS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. SARPALIUS. Mr. Speaker, today I wish to honor a man who has devoted his life to preserving the spirit and heritage of the West. Cletus Schenk has been a member of the Wichita County Mounted Patrol for 30 years. During these three decades, he has, through his hard work, helped Wichita Falls' Red River Rodeo grow into a major annual event. His work has also helped build a modern arena that is used for several rodeos and other western style events each year. The money earned there is shared with the people of the Wichita Falls area through contributions to local charities and other worthwhile causes.

For his decades of hard work and dedication, Mr. Schenk was named 1991 John Justin Committeeman of the Year. He was chosen from among 70 candidates nominated from committees representing the nearly 500 rodeos sanctioned by the Professional Rodeo Cowboys Association.

In Texas' 13th District, the western spirit is a part of everyday life. Thanks to hard-working, dedicated men like Cletus Schenk, even city dwellers have a chance to experience the western heritage. For his contributions to that experience, Mr. Schenk richly deserves the John Justin Committeeman of the Year Award. I know I speak for all my colleagues in extending a hearty congratulations from the U.S. House of Representatives.

Mr. Speaker, I ask my fellow Members to join me in thanking Cletus Schenk for a job well done, and commending him for keeping alive the rich western heritage of America. I trust the hard work and vision of Mr. Schenk will help future Texans' dreams come true.

TRIBUTE TO FRANK CARRINGTON

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. GOODLING. Mr. Speaker, I rise today to pay tribute to a great American who spent a large part of his life providing assistance to crime victims, Frank Carrington.

Our Nation, and particularly victims of crime, have suffered a great loss in the person of Frank Carrington, who was killed in a tragic home fire on January 2, 1992.

In April 1991, Frank was honored by President Bush for his outstanding service on behalf of crime victims. The President noted, "for far too many years, victims of crime became 'the forgotten people,' subjected to continued victimization by the system itself. Then, people like Frank Carrington—rightly regarded as one of the 'founding fathers' of the [victims' rights] movement—stepped into the breach. They fought back. They got involved. And they proved to America that one man or woman can make a difference." I don't know what more I can add to describe the dedication of Frank Carrington to protecting the rights of victims.

I first met Frank when he made an appointment with my office several years ago to discuss a national campus crime reporting law. What struck me about Frank then—and was reinforced every time I met with him thereafter—was that here was a man who truly cared about the welfare of others and was willing to devote his life to helping those in need.

The enactment of the Student Right-to-Know and Campus Security Act would not have taken place without the hard work and devotion of Frank Carrington. He provided us with a great deal of relevant background information and worked closely with my staff to secure the support of other Members of Congress for a campus crime law.

Often people talk about the need to address the problems of society but are unwilling to put action behind their words and do something to bring about change. Frank was not one of those people. He believed very strongly that our country had to do something to stop the growing number of violent crimes on college campuses and he was willing to put the time and effort into finding a solution.

As the author of the campus crime legislation, it is certainly my hope that many, many student lives will be saved and violent crimes prevented by its enactment into law. And, if it works, all of those students have Frank Carrington to thank, for he took that first step toward making the law a reality.

My heart goes out to his family. Their loss is a tragic one. I hope, however, they can find some peace in the knowledge that Frank was one of the truly wonderful people who use their life to help and protect others.

We will all miss Frank Carrington. He made the world a safer place in which to live.

INTRODUCTION OF LEGISLATION FOR ADJUSTMENT OF BOUNDARIES OF THE SIOUX RANGER DISTRICT

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. JOHNSON of South Dakota. Mr. Speaker, today I am introducing legislation to provide for a boundary adjustment of the Sioux Ranger District of the Custer National Forest in South Dakota. This legislation has the support of the Custer National Forest as well as local landowners, and I look forward to consideration by the House. Similar legislation has also been introduced in the Senate, S. 1879.

Land exchanges between the private landowners and the Forest Service are authorized by three pieces of existing law, the Weeks Law Act of 1911, the General Exchange Act of 1922 for national forest lands, and the Bankhead Jones Act, 1937 for national grasslands. The General Exchange Act allows for exchanges of lands with the exterior boundaries of national forest lands. The national forest boundary usually lies directly adjacent to federally owned lands, which results in land outside the boundary not being able to be exchanged, even if they were immediately adjacent to the boundary and forest lands. The legislation which I am introducing today would allow the Secretary of Agriculture to accept title to any lands located within 5 miles of the exterior boundaries of the South Dakota portion of the Sioux Ranger District of Custer National Forest.

Over a period of 50 years, a number of boundary extension laws have been passed which allowed for land exchanges to include lands adjacent to but outside the national forest boundary. While there is boundary extension law for the Black Hills National Forest and portions of the Sioux Ranger District National Forest in Montana, there is no extension law for the South Dakota portion of the Sioux Ranger District, which prevents them from conducting land exchanges the rest of the Custer National Forest, as well as many others, are already able to conduct.

The Forest Service and private landowners have used land exchanges as another tool to increase the management of their respective holdings, allow for the consolidation of property ownership and allow the Forest Service to resolve public access and trespass situations. The Sioux Ranger District currently has two firm and several possible exchange proposals from several landowners which involve private lands just outside the forest boundary. This legislation is necessary to provide for a boundary extension for the Sioux Ranger District so these proposals can be pursued.

I urge my colleagues to support this legislation.

TRIBUTE TO TY RICHARD MARR

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. GEKAS. Mr. Speaker, I rise today to pay tribute to Ty Richard Marr of Selinsgrove, PA, on attaining the rank of Eagle Scout. Ty is the son of Harry and Carol Marr.

Ty has been involved with Scouting since he joined Cub Scout Pack 3419 of Selinsgrove in 1981. He later joined Boy Scout Troop 419 in May 1984. Ty has attained several ranks during his many years of scouting, and he has completed requirements for several certificates and honors over that time as well.

For his Eagle Scout project, Ty wanted to make residents of the local community aware of the services provided by the Selinsgrove Ambulance League. Ty contacted the league and distributed Ambulance League applications to households in the Selinsgrove area. He coordinated and supervised the distribution of over 2,000 applications. This project was completed within 3 weeks with the help of family, friends, and fellow Scouts. Due to Ty's efforts, the Ambulance League expanded its membership substantially and acquainted many new residents to its services.

Ty not only has been successful in Scouting, but is on the honor roll at Selinsgrove Area High School and plans on studying marine biology in college. There is little doubt that this young man will continue to be a success at whatever he strives to do.

Mr. Speaker, I ask all of my colleagues to join me in praising Ty Marr for his accomplishments and in wishing him well in all that he does in the years ahead.

TRIBUTE TO PAULA AND JOSEPH QUAGLIANA

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BILBRAY. Mr. Speaker, I take this opportunity to congratulate Paula and Joseph Quagliana on their selection as Woman and Man of distinction by the Las Vegas chapter of Hadassah. Theirs is an honor prompted by their outstanding contributions to Hadassah but to the Jewish community and the Las Vegas community as a whole.

This has been a year of leadership and honors for Paula Quagliana. Besides her responsibilities as a member of the Las Vegas Board of Realtors, Paula has found time to be president of Women's Issues in Nevada, served as a board member of Temple Beth Shalom, served on the women's division of the Jewish Federation and also as a member of the Clark County Democratic Central Committee.

These efforts were exemplified by her instrumental initiative in creating and lobbying for the first Nevada State Women's Commission. Governor Bob Miller honored her efforts by naming her one of the first members of the commission. In addition she has received the coveted Woman of the Year Award by the Desert Sands Business and Professional Women, Nevada Federation of Business and the Professional Women's Clubs, Inc. Clearly, these achievements warranted her recognition as one of 1991's distinguished women of southern Nevada.

It is only fitting that both members of this outstanding marriage be honored by Hadassah. Dr. Joseph Quagliana has proven to be a leader in the field of oncology throughout the Nation. His skills have earned him the distinction of receiving the Maimonides Award, Thomas Henreich Award, Outstanding Professor Award at the University of Utah, and the Fraternal Order of Eagles cancer grant for cancer research. In addition in 1988 he was awarded the Humanitarian Award by the Augustus Society and the Society of Italian-American Lawyers.

Along with their three daughters, Rhonda, Lisa, and Angela, these two outstanding individuals have become an intricate part of the southern Nevada community. Their tireless energy has not only promoted their personal and professional success but become part of the success of our community. I join Hadassah in honoring Paula and Joseph Quagliana and ask my colleagues to join me in honoring them.

THE 26TH ANNIVERSARY OF KWANZAA

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BROWN. Mr. Speaker, I ask today that my colleagues join me in recognizing both the 25th anniversary of a unique African-American holiday, its creator, and the efforts of a dedicated community group in my 36th Congressional District.

Kwanzaa, the only nationally celebrated, nonreligious, nonheroic African-American holiday in the United States, is observed each year by an estimated 15 million people. Kwanzaa represents a practical expression of African-American consciousness of and commitment to cultural values and an African-American heritage. It is an annual reaffirmation and reinforcement of the bonds between African-Americans as a people, and a celebration of themselves and their history.

Kwanzaa was created by Dr. Maulana Karenga who was a professor at the University of California, Riverside, in my congressional district. Dr. Karenga is now professor, and Chair, Department of Black Studies, California State University, Long Beach, is an internationally recognized scholar and author, a professor of black studies, and founder and chairman of Us Organization, a cultural and social change organization. He created Kwanzaa to introduce and reinforce the Nguzo Ssaba—the seven principles—as a core African-American value system. The seven principles establish a model of self-determination and creativity which other African-Americans may emulate.

On December 17, 1991, Dr. Karenga joined the Inland Area Kwanzaa Committee in Rialto, CA, to mark the 25th anniversary of Kwanzaa and to discuss the holiday and the seven principles that he created in 1966. The core principles of Kwanzaa, the Ngbuzo Ssaba, are: Umoja (unity), Kujichagulia (self-determination), Ujima (collective work and responsibility), Ujamaa (cooperative economics), Nia (purpose), Kuumba (creativity), and Imani (faith). These principles are positive and proactive and contribute to the building and development of the community and African-American people.

Through the efforts of the Inland Area Kwanzaa Committee, every year the celebration of Kwanzaa and the expression of these principles are an important part of the holiday traditions in my congressional district. I ask my colleagues to join me in recognizing and affirming these principles and in commending the effort of the Inland Area Kwanzaa Committee.

RESOLUTION URGING UNITED STATES DIPLOMATIC RECOGNITION OF THE REPUBLIC OF KOSOVA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. LANTOS. Mr. Speaker, today, a number of my colleagues and I have introduced a House concurrent resolution which expresses the sense of the Congress that the President should recognize the independence of the Republic of Kosova and extend full United States diplomatic recognition to that Republic. I have been joined in introducing this resolution by a number of my distinguished colleagues in the Congress—Mr. BROOMFIELD, the ranking minority member of the Foreign Affairs Committee; Mr. BONIOR, the majority whip; Mr. GILMAN, the ranking minority member of the Subcommittee on Europe and the Middle East; and Mr. SWETT of New Hampshire.

All of us in the Congress, Mr. Speaker, have witnessed with horror and dismay the tragic violence and bloodshed which has taken place as a result of the ethnic violence between Serbs and Croatians in the former Yugoslav Federation. That has taken place because of the failure to recognize the sovereign rights of the Yugoslav constituent republics and the failure to acknowledge and observe the civil and human rights of these people.

It is important that this mistake not continue with regard to the Republic of Kosova. There is no question that the Republic of Kosova has had a sovereign and recognized identity in the past. The Yugoslav Constitution of 1946 recognized the special autonomous status of Kosova, and the 1974 Yugoslav Constitution continued to recognize Kosova as one of the eight sovereign constituent territorial units comprising the Yugoslav Federation.

It has only been in the past few years that the status of Kosova has been suppressed and denied by the Republic of Serbia. In March of 1989, the Serbian Parliament denied the autonomous status of Kosova, and through action that was in violation of the Yugoslav Federal Constitution denied and suppressed rights of the people of Kosova. The suppression of the elected Government of Kosova and the imposition of martial law by the Republic of Serbia followed this illegal and unconstitutional action. The elected representatives of Kosova must function as a "Government-in-Exile" because of the repressive actions of the Government of the Republic of Serbia.

The Republic of Kosova is composed of roughly 90 percent ethnic Albanians, yet these Albanians are repressed in their own land. The Republic of Serbia has imposed severe restrictions on freedom of speech, freedom of movement, freedom to work, and subjected ethnic Albanians to illegal imprisonment and the violation of their fundamental civil and human rights. These are not unsupported assertions, Mr. Speaker. These are charges that have been documented by our own State Department in the annual Country Reports on Human Rights Practices for the past several years.

In the past 2 years, we have witnessed the transformation of the former Soviet Union and of Central and Eastern Europe. The process that is taking place in Yugoslavia is simply another facet of that great eruption of democracy. The U.S. Government has welcomed the independence and international sovereignty of Russia, Ukraine, Byelorussia, Kazakhstan, Uzbekistan, Armenia, and the three Baltic Republics of Lithuania, Latvia, and Estonia, and other newly emerging peoples. It is essential that we also recognize the sovereign will of the Albanian people of Kosova by recognizing their right to determine their own future and status.

The people of Kosova have expressed their wish for independence. In a popular referendum held in Kosova during the period September 26–30, 1991, over 87 percent of the eligible voters of that Republic expressed their opinion on independence for Kosova, and an astonishing 99.87 percent of those who voted favored Kosova's independence from Yugoslavia.

Mr. Speaker, the final act of the Helsinki Conference on Security and Cooperation in Europe noted that "all peoples have the right, in full freedom, to determine, when and as they wish, their internal and external political status, without external interference, and to pursue as they wish their political, economic, social and cultural development."

Mr. Speaker, the people of Kosova have clearly and unequivocally expressed their wish to be independent of Yugoslavia and become a sovereign state. We should recognize the will of the people of Kosova and extend to them diplomatic recognition, just as we have extended diplomatic recognition to other peoples of the former Soviet Union. I urge my colleagues to join us in cosponsoring this resolution.

H. CON. RES. —

Resolution to express the sense of the Congress that the President should recognize the independence of the Republic of Kosova and extend full United States diplomatic recognition

Whereas Kosova was constitutionally defined as a sovereign territory in the First National-Liberation Conference for Kosova on January 2, 1944, and this status was confirmed in the Constitution of the Socialist Federal Republic of Yugoslavia adopted in 1946, and the amended Yugoslav constitution adopted in 1974 preserved the autonomous status of Kosova and described it as one of the eight constituent territorial units of the Yugoslav Federation, and the effort of the Government of the Republic of Serbia to abolish the autonomous status of Kosova through the adoption of an unlawful constitutional amendment on March 23, 1989, was done without the consent of the people of Kosova;

Whereas the elected Assembly of Kosova adopted a Declaration of Independence of Kosova on July 2, 1990, and proclaimed the Republic of Kosova and adopted a constitution of the Republic of Kosova on September 7, 1990, based on the principles of self-determination, equality and sovereignty;

Whereas a popular referendum was held in Kosova during the period September 26-30, 1991, and in this referendum, 87.01 percent of all eligible voters cast ballots and 99.87 percent of those participating voted in favor of declaring Kosova independent of the Socialist Federal Republic of Yugoslavia;

Whereas the elected Government of Kosova—which now functions as a government-in-exile because the Government of the Republic of Serbia has forcibly denied this freely-elected government the ability to function on the territory of Kosova—has affirmed its commitment to observe internationally recognized obligations for the protection of human rights, including: the International Covenant on Civil and Political Rights; the International Covenant on Economic, Social, and Cultural Rights of the United Nations; the Final Act of the Conference on Security and Co-operation in Europe, the Charter of Paris for a new Europe and other documents of the Conference on Security and Cooperation in Europe relating to the Human Dimension; and the Council of Europe Convention for the Protection of Human Rights and Fundamental Freedoms, including the protocols to that Convention;

Whereas the Government of Kosova has affirmed its willingness to accept and observe all commitments and obligations defined by the European Community as preconditions for the formal recognition of Yugoslav republics wishing to be recognized as set forth in the Declaration on Yugoslavia adopted in the Extraordinary Ministerial Meeting of the European Community in Brussels on December 16, 1991;

Whereas the Government of Kosova has affirmed its support for the efforts of the United Nations and the European Community to resolve the continuing conflict between the Republics of Serbia and Croatia;

Whereas the Government of Germany has extended diplomatic recognition to the Republics of Croatia and Slovenia, and the European Community has established principles for the recognition of the independence and sovereignty of republics of the former Socialist Federal Republic of Yugoslavia and the Republic of Kosova fully satisfies those principles;

Whereas it has been the policy of the United States for over two centuries to recognize and extend full diplomatic relations to those nations whose people have freely expressed their sovereign wish for independence and recognition as a sovereign state;

Whereas the Congress has traditionally supported the rights of peoples to peaceful and democratic self-determination; and

Whereas pursuant to article VIII of the Helsinki Final Act of the Conference on Security and Cooperation in Europe, "all peoples always have the right, in full freedom, to determine, when and as they wish, their internal and external political status, without external interference, and to pursue as they wish their political, economic, social and cultural development": Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President—

(1) should recognize the independence of Kosova and undertake steps toward the establishment of full diplomatic relations with Kosova; and

(2) should use United States assistance, trade, and other programs to support the Government of Kosova and encourage the further development of democracy and a free market economic system.

THE EMERGENCY COMMUNITY DEVELOPMENT ACT OF 1992

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. GONZALEZ. Mr. Speaker, today I am introducing a bill to provide an economic stimulus for the Nation's sagging economy and collapsed public confidence level which will create jobs mainly by spurring construction of major public infrastructure activities and multifamily housing. This bill would authorize $15.8 billion to be appropriated for certain housing and community development programs that will generate $29.1 billion economic stimulus and create more than three-quarters of a million—755,944—permanent jobs. The reasons for this economic stimulus package are abundantly clear. The Nation continues to be in a deep recession. Growth is at best flattening out but more likely it will fall lower than 2½ percent. As CBO notes this level of growth is much below that typical of past recoveries which averaged above 6 percent. This will result in a continuing level of the unemployment rate above 6.5 percent of American workers. The latest figures state that 8.5 million Americans are unemployed, about 6.5 million are underemployed and another one million American workers are shown as discouraged workers. Together with announced and unannounced lay-offs, these facts make the job outlook in the Nation one of depression proportion.

According to the experts, the Nation loses more than $30 billion in revenues from unpaid taxes and for the payment of unemployment and welfare benefits for each percentage point of unemployed. So, clearly, we need to create jobs—that's the bottom line here, and it must be done now.

The bill would address the initial infrastructure and housing needs in urban and rural communities throughout the Nation. It would use existing housing programs for the most part and an expedited community development funding process for its infrastructure component. And in many instances, it would fund activities that have already been applied for or fully planned but which have been shelved for lack of funding. It would streamline regulations but maintain key protection of the public interest and the Federal Government while assuring that the funds appropriated are available to be spent in a short period of time.

The fiscal problems faced by the States, as well as cities and towns, large and small, rural and urban, are at crisis proportions. Because of a host of local reasons and a cold and indifferent retreat by the Federal Government, the infrastructure of these communities is crumbling. Robert Eisner, a prominent economist says, "we should act and act quickly" to stem the recession and "not foolishly gamble with the well being of the American people" in hopes that things will straighten out by themselves. Chief among his recommendations is the appropriation of funds for repair and construction of roads and bridges, airports, and sewer systems, and the reconstruction of our decaying cities. As one group has stated to me:

> Our States and cities have gone out of the business of reinvesting in the Nation's urban infrastructure. Basic public work projects, vital to the functioning of cities and their neighborhoods, have been depressed * * * streets and alleys crumble, sidewalks cave-in, sewers back up * * * essential public facilities like neighborhood libraries and clinics just never seem to get built.

The eminent economist, John Kenneth Galbraith, recently noted the spiral of depression and despair in the construction industry and called for using some of the idle labor and equipment for infrastructure investment as a means of stimulating the economy. The bill that I introduce today, Mr. Speaker, would provide a substantial fiscal stimulus by creating jobs mainly in the construction industry.

In order to do this in a timely manner, the bill would distribute $10 billion principally through the community development block grant [CDBG] formula for funding cities, counties, and the States. This method of distribution was used for the Emergency Jobs Appropriations Act—Public Law 98-8—enacted in March 1983. In May, less than 2 months after enactment, all funds were allocated to recipients. By the end of September 1983, 55 percent of the total had been expended and together with commitments, 72 percent of the amount made available was either committed or expended. This in 4 months more than one-half of the funds was expended. According to HUD, 100 percent of the Emergency Jobs Act was expended or committed within 1 year of enactment. The bill I am introducing contains provisions to streamline the distribution process based on the 1983 experience and can be expected to create approximately 300,925 jobs in infrastructure construction and public service employment. At least one-half of these funds would be required to be used in moderate- and low-income neighborhoods to meet their pressing revitalization needs.

The remainder of the funds that would be authorized in my bill would be aimed at stimulating the defunct housing construction industry. This component would focus on the major housing needs in the Nation and would include meeting the homeownership needs of lower-middle-income families, as well as lower-income families. Home purchasing continues to be beyond the reach of many working families as housing prices increases have outstripped the rise in real incomes. Even the lower interest rates that we are experiencing are not making it affordable for most of these families to purchase modest homes. For these first-time homebuyers, the bill provides $500 million in downpayment and interest subsidies under the housing trust provisions in current law. This will generate $3.9 billion in single-family housing activity for more than 52,600 households.

In addition, the single-family housing stimulus provisions would add $106 million in rural housing loans for a total single-family housing stimulus to create more than 87,472 new jobs.

The bill also provides for a multifamily housing stimulus to meet the Nation's backlog of rental housing for low- and moderate-income families. These provisions utilize the existing housing programs under HUD, the Farmers Home Administration, and the Federal Home Loan Bank System. The need for decent affordable rental housing for the poor persists. In 1987, according to recent studies undertaken by the 20th Century Fund, more than two-thirds of the poor families in the Nation live in substandard housing or pay more than one-half of their incomes for housing. However, these same studies show that moderate- and middle-income families are now experiencing the same housing problems as the poor, although to a lesser degree; 4.3 percent of these families live in substandard housing, 11.6 percent paid more than 30 percent of their income for housing and these studies note: "the problem is worse for middle-income renters than (homeowners): the incidence of substandard housing is nearly twice as great and * * * of excessive housing outlays is nearly three times greater than for moderate-income homeowners." Thus, the rental housing provisions in this bill address all of these needs and would generate $10.4 billion in new rental housing construction, creating 265,734 jobs, when taking into account a full blown FHA Multifamily Market Rental Program that would be enabled by the provision of $100 million for multifamily processing staff.

In addition, the bill contains several provisions for the homeless which include $430 million of construction activity that is estimated to generate 10,847 jobs.

A key provision in this bill would fund the vacant public housing provision enacted last year but for which the administration would not request any funds while decrying their existence and trying to penalize housing authorities through lowering their operating subsidies. Reinvesting in the 80,000 vacant public housing units means as many poor families—many now homeless—can be housed. In the process, it is estimated that the $2 billion authorized for this purpose will create 52,000 jobs.

Other provisions in the bill deal with specific housing problems, including those of migrant farmworkers.

As I promised you last month, Mr. Speaker, I have set forth a bill, which together with other actions of the Banking Committee, will contribute to the efforts of the House, along with other committees, to meet the Nation's need for economic recovery. In all, this is a $29.1 billion package creating more than 755,944 jobs in needed infrastructure and housing activities which should be expeditiously adopted by the House. I have included a section-by-section summary of the bill for the RECORD:

EMERGENCY COMMUNITY DEVELOPMENT ACT OF 1992 AND ESTIMATED NUMBER OF FULL-TIME JOBS CREATED

[Fiscal year 1992 additional authorizations]

	Authorization	Estimated number of jobs created
CDBG Program	$10,000,000,000	300,925
Vacancy reduction in public housing	2,000,000,000	52,000
National homeownership trust	[1] 500,000,000	85,140
Flexible Subsidy Program	150,000,000	3,810
Section 502 rural housing loans	106,000,000	2,332
Remote rural areas grants	1,000,000	22
Section 504 rural home improvement grants	12,500,000	295
Section 504 rural home improvement loans	12,500,000	295
Section 515 rural rental housing loans	1,700,000,000	42,500
Rural homeless and migrant farmworkers	10,000,000	254
Rural rental assistance payments (RAP)	500,000,000	
FEMA emergency homeless grants	150,000,000	
HUD emergency shelter grants	150,000,000	3,735
HUD supportive housing demo	150,000,000	3,810
SAFAH Homeless Program	50,000,000	1,270
Section 8 SRO assistance	80,000,000	2,032
FHLB Affordable Housing Program	[1] 100,000,000	38,100
FHA multifamily housing field staff	[1] 100,000,000	219,424
Total amount authorized	15,772,000,000	
Total economic stimulus	29,132,000,000	
Jobs total		755,944

[1] The $15.8 billion in total authorizations of appropriations generates approximately $29.1 billion in housing and infrastructure construction because the National Homeownership Trust leverages approximately $3.9 billion in total home purchases, the FHLB program leverages approximately $1.5 billion in new housing unit construction, and increases in FHA Multifamily Housing Staff enables FHA to process at least 107,000 units generating $8.6 billion in new construction activity.

SECTION-BY-SECTION OF THE EMERGENCY COMMUNITY DEVELOPMENT ACT OF 1992

Sec. 1. Short title and table of contents: The short title of this act is the "Emergency Community Development Act of 1992."

Sec. 2. Findings and purpose: States Congress' finding and purposes with regard to this act.

TITLE I—TEMPORARY ASSISTANCE FOR COMMUNITY DEVELOPMENT ACTIVITIES

Sec. 101. Purpose:

States that the purpose of this title is to provide temporary assistance to state and local governments to enable them to address vital unmet needs and to promote jobs and economic development.

Sec. 102. Definitions and Designation of Public Agencies:

Adopts as definitions for this section those definitions used in section 102(a) of the Housing and Community Development Act of 1974 (the regular CDBG program). Exceptions to this general rule are made for the age of housing definition which is revised for the purposes of this temporary program to refer to pre-1950 housing and the definitions of metropolitan cities and urban counties. For purposes of this Act a metropolitan city is any city so classified in FY 1992 for purposes of the regular CDBG program. Urban counties are those counties so classified for purposes of the FY 1992 regular CDBG program and all units of general local government whose populations were included in such counties for that program.

Allows for the chief executive officer of the State or local government to designate the public agency to undertake assisted activities.

Requires that all data used to calculate the allocation of funds be the same data as is used for allocation of funds appropriated for the regular CDBG program for FY 1992.

Sec. 103. Authorization of appropriations:

Authorizes for appropriation $10 billion in FY 1992 to carry out the purposes of this title. Provides that Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands and the Trust Territory of the Pacific Islands, be authorized to receive $15 million of the total authorization.

Sec. 104. Statement of projected activities and compliance:

Requires that before a grant of funds can be made to a State or local unit of government, such entity shall submit to the Secretary of Housing and Urban Development (the Secretary) a statement of community development activities and projected use of funds. This statement must contain the following certifications: (1) a certification that the grant will be conducted and administered in accordance with the Civil Rights Acts of 1964 and 1968, (2) a certification that the projected use of funds gives maximum feasible priority to activities designed to meet community development needs that have a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community, (3) a certification that the projected use of funds for public services will benefit primarily low and moderate income families, (4) a certification that the grantee will not attempt to recover any capital costs from low and moderate income persons.

Requires that such statement be approved by the appropriate unit of government or chief executive officer and applies the antidisplacement provisions of the regular CDBG program to the use of any funds under this temporary program.

Requires that the Secretary review such statement and approve it unless it is inconsistent with the act or the required certifications are not made. Requires that grantees submit to the Secretary a statement approved by the chief executive officer that describes the actual use of funds.

Authorizes the GAO to audit the use of funds under this Act. Adopts from the regular CDBG program provisions relating to the assumption of environmental responsibilities by the grantee. Provides that no funds may be given to a unit of government that fails to adopt policies to protect against the use of excessive force against individuals engaged in nonviolent civil rights demonstration and to protect against physically barring entrances and exits of any facility that is the subject of a nonviolent demonstration.

Sec. 105. Eligible activities:

Provides that eligible activities under this title are (1) the acquisition of real property which is blighted, deteriorated, undeveloped, or inappropriately developed; appropriate for rehabilitation or conservation activities; appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources and scenic areas, the provision of recreational opportunities or the guidance or urban development; to be used for the provision of public works, facilities, and improvements or to be used for other public purposes; (2) the acquisition, construction, rehabilitation, or installation of public works or public facilities, including buildings for the general conduct of government; (3) the clearance, removal, and rehabilitation of buildings and improvements, including interim assistance and assistance to privately owned buildings and improvements; (4) the provision of public services related to job training and retraining, health care and education, crime prevention, drug abuse treatment and rehabilitation, child care, education and recreation; (5) relocation assistance; (6) public safety and public health vehicles; and (7) administrative expenses. Prohibits a grantee from using more than 50% of its grant funds to provide public services.

Prohibits assistance under this title from being used for an activity the primary purpose of which is to provide housing or for any activity involving the construction, acquisition, or rehabilitation of inpatient medical facilities.

Sec. 106. Allocation and distribution of funds:

Provides that the allocation of funds will be according to a system that is very similar to the regular CDBG program. Establishes a set aside of 1 percent of the funds for Indian tribes to be distributed by the Secretary according to criteria published by the Secretary. Provides that the remaining funds be split 70-30 between entitlement communities (metropolitan cities and urban counties) and the States. Uses criteria identical to the regular CDBG program to determine the allocations to individual entitlement communities and States. Allocations will differ from the regular CDBG program because of the change in the definition of the age of housing.

Sec. 107. Nondiscrimination:

Provides that no person shall be discriminated against on the basis of race, color, national origin, religion, or sex under any activity funded in whole or in part with funds from this title. Provides for enforcement if such prohibited discrimination occurs.

Sec. 108. Labor standards:

Requires that Davis-Bacon wage rates be used in all activities funded in whole or in part under this title, except the rehabilitation of residential property of less than 8 units.

Sec. 109. Remedies for noncompliance:

Provides sanctions for the failure of a grantee to comply with the terms of this title.

Sec. 110. Consultation:

Requires the Secretary, in carrying out the provisions of this title, to consult with other Federal departments and agencies administering grant-in-aid programs.

Sec. 111. Interstate agreements:

Authorizes two or more states to enter into agreements or compacts for cooperative efforts and mutual assistance in support of community development planning and programs.

Sec. 112. Regulations:

Authorizes the Secretary to issue regulations to implement this title without public notice and comment rulemaking. Such regulations must be published within 45 days of enactment including a 15-day Congressional review and are final upon publication.

TITLE II—HOUSING PROGRAMS

Sec. 201. Vacancy reduction in public housing:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated $2 billion in additional funds for FY 1992 to carry out the vacancy reduction program provided for in the Cranston-Gonzalez National Affordable Housing Act (section 14(p) of the United States Housing Act of 1937).

Provides that the amounts appropriated can be used for any travel and administrative expenses of any assessment team provided for in the vacancy reduction program.

Sec. 202. National Homeownership Trust Demonstration:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated $500 million in additional funds for FY 1992 to carry out the National Homeownership Trust Demonstration. Requires that the Secretary publish regulations to implement the program within 45 days of enactment.

Sec. 203. Homes Investment Partnerships Act:

Eliminates the preference in the HOME program against new construction and deletes the special new construction allocation system. Extends the waiver of the HOME match requirement through FY 1993.

Sec. 204. Flexible subsidy program:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated $150 million in additional funds for FY 1992 for the Flexible Subsidy Fund.

TITLE III—SINGLE FAMILY MORTGAGE INSURANCE

Sec. 301. Prohibition on limitation of closing costs financed:

Prohibits the Secretary from using discretionary authority to establish any limit on the amount of closing costs that can be financed.

Sec. 302. Insurance premiums for refinanced mortgages:

Establishes a new premium structure for refinanced FHA mortgages when the original mortgage was executed before July 1, 1991, and the property securing the new mortgage is the same property that secured the original mortgage. Provides that in such cases the borrower under the refinanced mortgage will pay only the upfront premium applicable to a non-refinanced mortgage executed on the same day as the refinanced mortgage.

Sec. 303. Authority to decrease insurance premium charges:

Provides that the Secretary has authority to reduce the premium structure established in statute.

TITLE IV—RURAL HOUSING

Sec. 401. Section 502 rural housing loans:

Provides that because of extreme recessionary economic conditions the budget authority for loans insured or guaranteed under section 502 of the Housing Act of 1949, except loans guaranteed under section 502(h) is increased by $106 million.

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated $1 million for grants in remote rural areas.

Sec. 402. Section 504 housing improvement loans and grants:

Provides that because of extreme recessionary economic conditions the budget authority for the section 504 loan program is authorized to be increased by $12.5 million during FY 1992 and there is authorized to be appropriated for FY 1992 $12.5 million in additional funds for the section 504 grant program.

Sec. 403. Section 515 rental housing loans:

Provides that because of extreme recessionary economic conditions the budget authority for the section 515 insured loan program is authorized to be increased by $1.7 billion during FY 1992.

Provides the Secretary of the Department of Agriculture from denying assistance under the section 515 program because the housing or related facility is in an excessively remote area and prohibits the Agriculture Secretary from giving preferences to projects solely because they are located in areas which provide essential services.

Requires that the Agriculture Secretary coordinate the processing of Section 515 applications with the provision of any rental assistance necessary for the project.

Sec. 404. Section 516 Housing for rural homeless and migrant farmworkers:

Provides an authorization of appropriations in the amount of $10 million to implement the FmHA housing program for rural homeless and migrant farmworkers and requires the Secretary of Agriculture to promulgate regulations within 45 days of enactment.

Sec. 405. Rental assistance payment contracts:

Provides that because of extreme recessionary economic conditions the budget authority for the rental assistance contracts is authorized to be increased by $500 million during FY 1992.

TITLE V—HOMELESS ASSISTANCE

Sec. 501. Federal Emergency Management Agency emergency food and shelter grants:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated $150 million in additional funds for FY 1992 for the FEMA emergency food and shelter grants program. Provides that for the first 8 months after the funds become available the funds can only be used for homeless prevention programs.

Sec. 502. Emergency shelter grants program:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated $150 million in additional funds for FY 1992 for the McKinney Homeless Act emergency shelter grants program.

Sec. 503. Supportive housing demonstration program:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated $150 million in additional funds for FY 1992 for the McKinney Homeless Act supportive housing demonstration program.

Sec. 504. Supplemental assistance for facilities to assist the homeless:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated $50 million in additional funds for FY 1992 for the McKinney Homeless Act supplemental assistance for facilities to assist the homeless program.

Sec. 505. Section 8 assistance for single room occupancy dwellings:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated $80 million in additional funds for FY 1992 for section 8 assistance for single room occupancy dwellings.

Sec. 506. Repeal of shelter plus care transition provisions:

Repeals section 837(e) of the Cranston-Gonzalez National Affordable Housing Act.

TITLE VI—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ADMINISTRATION

Sec. 601. Temporary inapplicability of notice and disclosure requirements for multifamily projects:

Prohibits the application of the anti-subsidy layering provisions of section 102 to any multifamily housing project developed or insured with FHA, HOME or McKinney Act funds if the applications for assistance were pending at HUD upon enactment or are submitted to HUD before the end of FY 1993.

Sec. 602. Authorization of appropriations for multifamily housing field office staff:

Authorizes for appropriation $100 million to be used by HUD for staff in HUD's regional, field or zone offices to review, process, approve and monitor multifamily insured projects.

TITLE VII—FINANCIAL INSTITUTIONS HOUSING PROVISIONS

Sec. 701. Federal Home Loan Banks Affordable Housing Program:

Provides that because of extreme recessionary economic conditions, there is authorized to be appropriated $100 million for use by the Federal Home Loan Banks for their affordable housing programs. These funds will be used to fund application which were received and approved in FY 1991, but not funded for lack of funds.

Sec. 702. Regulations regarding risk-weighting of housing loans for purposes of capital requirements:

Requires the relevant federal banking agencies to issue regulations to implement the changes in risk capital required by financial institutions for single and multifamily residential construction loans within 45 days of enactment of this Act, including a 15 day Congressional review.

SENATE—*Tuesday, January 21, 1992*

(Legislative day of Friday, January 3, 1992)

The Senate met at 11:30 a.m., on the expiration of the recess, and was called to order by the Honorable JOSEPH I. LIEBERMAN, a Senator from the State of Connecticut.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

For I know the thoughts that I think toward you, saith the Lord, thoughts of peace, and not of evil, to give you a future and a hope.—Jeremiah 29:11.

Eternal God, Creator of Heaven and Earth, we are so conditioned to think materialistically, so immersed in secularism, so transitory in our views we can miss Your Word through Jeremiah. But we need to hear Your Word, especially now. A national election tends to obliterate everything else, absorbing all other issues in political exploitation. Political campaigns arouse the worst in us: negativism, egotism, factionalism, cynicism, anger. It fragmentizes national life, awakening animal instincts, confusion, pessimism.

Gracious Father in Heaven, help us hear Your Word which transcends by infinity our mundane preoccupations. Forgive our spiritual bankruptcy, our moral and ethical decay, our absence of vision and hope.

Lord of history, none of our desperate needs will dissolve in the heat of political debate. Dysfunctional families, alienation, violence, crime, drugs will not disappear as candidates try to destroy one another. Prevent critical issues from being pingpong balls batted back and forth on TV. Awaken us, mighty God, to Your promise of a future and a hope.

In the name of Yeshua who conquered by sacrificial love. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, January 21, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOSEPH I. LIEBERMAN, a Senator from the State of Connecticut, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. LIEBERMAN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senate majority leader.

THE JOURNAL

Mr. MITCHELL. Mr. President, am I correct in stating that the Journal of the proceedings has been approved?

The ACTING PRESIDENT pro tempore. The Senator is correct.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, am I correct in stating that the time for the two leaders has been reserved?

The ACTING PRESIDENT pro tempore. Again the majority leader is correct.

SCHEDULE

Mr. MITCHELL. Mr. President, I now wish to use as much of my leader time as I may consume, and I ask unanimous consent that during the period for morning business Senators be permitted to speak for up to 10 minutes each; further, that following the cloture vote at 2:15 p.m. today, regardless of the outcome, it be in order for the Senate to consider two leadership resolutions notifying the President and the House of Representatives that the Senate is assembled and ready to transact business; and that upon conclusion of action on those resolutions, Senator HARRIS WOFFORD be sworn in as the junior Senator from the Commonwealth of Pennsylvania.

The ACTING PRESIDENT pro tempore. Is there objection?

Hearing none, it is so ordered.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The Chair recognizes the Republican leader.

Mr. DOLE. Mr. President, if the majority leader has no objection, I would like to reserve my time following the swearing in of Senator WOFFORD.

Mr. MITCHELL. I have no objection.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, when the period for morning business closes today at 12:30 p.m., the Senate will stand in recess until 2:15 p.m. in order to accommodate the regular party conference luncheons. Upon reconvening at 2:15 p.m., the Senate will vote on a motion to invoke cloture on the motion to proceed to S. 2, the Neighborhood Schools Improvement Act.

THE AGENDA OF THE 102D CONGRESS IN 1992

Mr. MITCHELL. Mr. President, the Senate faces a full and challenging year. We must complete some legislation begun last year and act on a new agenda this year.

In looking forward, I am particularly pleased to welcome back the Republican leader, Senator DOLE. His recovery is welcome and the workload awaiting him is large. I know he will, as he always does, give it his best attention and energy. I express in advance my gratitude for his cooperation in moving the Senate's business forward.

I welcome back all my colleagues on both sides of the aisle. The needs of the Nation are not partisan, and we will do best when we respond to those needs in a bipartisan manner.

The most urgent need is to respond to the recession. Unemployment is over 7 percent; incomes remain stagnant; the economic indicators are for a weak recovery.

The changes in the world last year were dramatic. Those changes left our Nation the preeminent world power. But to meet and discharge our role in the world with credibility and strength, we have to face and overcome the critical and demanding challenges we face at home.

We must move the economy out of recession and return to growth, job creation, and expansion. That is a prerequisite for every other policy goal at home and abroad.

We intend to do so.

We will work for a tax cut for middle-income working Americans; a temporary investment tax credit to speed up business investment; and a package of programs to revive the construction industry: A tax credit for firsttime home buyers; no-penalty use of IRA savings for the same purpose; a permanent low-income housing tax credit program; a permanent Mortgage Revenue Bond Program.

We will seek a one-time State and local assistance grant. State and local budget cuts and tax hikes driven by the recession are a $35 billion drag on the economy. A one-time grant will help offset that drag.

Job creation is not occurring quickly enough to counteract layoffs, so we will move to do what we have done in every other prolonged recession—provide a full 52 weeks of unemployment insurance. I hope that this year, unlike last year, President Bush will readily agree that long-term unemployment is not the fault of its victims and demands a prompt reaction.

We must reorder our budget priorities, including the budget agreement of 1990. Defense spending allocated in 1990 is no longer appropriate to the changed world. So the Senate will debate the size of the defense reduction and the purpose to which the savings are put.

I believe we can cut more than $100 billion over the next 5 years prudently and without endangering our security. Those funds should be used to reverse the domestic policies of drift and neglect which are the root cause of our economic problems.

We need a program of conversion from military to civilian purposes. Virtually every part of the country will feel the economic effects of job losses, base closings or canceled defense contracts over the next few years.

Without a plan to use the people and expertise that will become militarily redundant, we will waste immense human and economic resources.

The reservoir of skill and experience in the defense sector could give the civilian economy an enormous boost. A conversion plan will let us use these people and resources to invest in the new technologies and skills that will be the basis for future economic growth and prosperity.

Prosperity for the average American family is in jeopardy. Studies from every source today confirm what most Americans instinctively knew: For the last 10 years, working people have had to run twice as fast just to stay in place financially.

Income growth slowed dramatically during the 1980's. Eighty percent of two-parent families with children saw their income decline. Real hourly pay was either stagnant or actually fell for men in this group. Women worked a third more hours in 1989 than they did in 1979.

Income grew 8 percent from 1979 to 1989 for two-parent families, half the rate of growth in the 1970's, and a quarter of the rate of growth of the 1960's. What growth there was came exclusively from more hours worked: More spouses joined the workforce, more working people put in longer hours.

We have to respond to declining American income. There are three different but complementary fronts where action is needed.

The first is to lay the groundwork for long-term economic growth. That is our urgent need. The second is to improve the quality of life for middle class Americans through direct action now; the third is to correct those problems which threaten sustained growth in the future.

Long-term economic growth demands a revived civilian economy. That means investment in research. So we will work to make the research and development tax credit permanent. We will work to enact the package of bills to support industry-led research into the critical emerging technologies which will be the building blocks of a 21st-century economy.

Energy conservation and resource recovery programs are both opportunities for job creation and technological innovation. We will take up the energy bill and the Resource Conservation and Recovery Act this year.

Energy conservation makes every economic sector more competitive. Energy conservation and energy alternatives will promote growth in the future. We have shortchanged both far too long. This year, we will reverse that shortsighted policy.

An accelerated and intensive development of resource recovery techniques will make American production processes more cost-efficient over the long term and save businesses, governments and taxpayers millions of dollars in environmental cleanup costs.

What is true of health care for people is just as true for the health of the natural environment: Prevention is cheaper than cure.

Manufacturing technologies which use their own waste byproducts do not contribute to the pollution stream and they create added profit opportunities for manufacturers.

This year, the Senate will also turn to the long-range investment in human beings which lies at the heart of economic growth.

It is human intelligence and will which makes innovations possible and develops them for wider use. Human intelligence and will are intangibles, but they are not mysteries.

Well-educated employees are more efficient; well-trained researchers and scientists are more imaginative and inventive; skilled workers can readily turn their talents to new fields.

An economy which can speedily adapt to changing economic demands is an economy that grows with change instead of being overwhelmed by it.

The economic policies of the past 12 years did not produce the promised explosion of entrepreneurship, invention and prosperity. They encouraged the manipulation of existing wealth, not the production of new wealth. For 12 years, we have heard that there's a silver bullet—lower taxes for wealthy people—that will create effortless prosperity for all. But there is not and it has not.

The reality is that everything worthwhile has a price. An individual who wants a skill can get that skill only by being disciplined enough to learn and practice it. A society which wants economic growth and expansion can achieve it only if its policies increase productivity. Increased productivity is the essential prerequisite to a rising standard of living in any society.

That understanding is at the heart of our approach to the long-term investment needs of our economy. I have already mentioned the need for research and development and support for critical technologies.

But long-term means long-term. Education reform at the elementary and secondary level is a crucial ingredient of long-term economic growth.

Better schools, more highly trained and motivated teachers, increased parental involvement and focused funding are all needed to give the next generation the attitudes, skills, knowledge and outlook that preserve and strengthen traditional American values.

S. 2, the Neighborhood Schools Improvement Act, is geared toward this goal. It will be the first legislative issue taken up this year.

S. 2 does not pretend there is a simple or even a single solution for underfunded schools, poor texts or incoherent curricula. Instead it provides a way to measure and reach credible education goals. Goals are necessary. But goals do not achieve themselves. There has to be plan to reach them. S. 2 provides that plan.

The final element of long-term economic growth is to rescue the children who are today most at risk.

Head Start must be available to all eligible children—today it reaches a third of them. But it is a proven program to prevent school failure. It works. Millions of children need it now. They cannot afford to wait a few more years, because in a few more years they will already be in school and failing. This year we will focus on ways to fully fund Head Start.

We will also overhaul the Foster Care Program. Children living in abusive, neglectful, or dangerous homes have to be protected. That may demand family help or removal. But warehousing children, or passing them from one set of temporary caretakers to another is no answer. We need a foster care program to speed family reunion where that is possible, and terminate family custody where that is necessary.

As we invest in the future, we must face the neglected problems of the past.

None is more acute than health care. Too many people who need coverage cannot afford it. Too many who could afford it are locked out by insurers who will cover only the healthy. The system permits overuse by the well-insured, discourages preventive care for those most at risk, distorts our economy by locking people into jobs and forcing businesses to make hiring decisions driven by health care costs.

We face a health care system that is not serving either private citizens or private business.

With a number of Democratic colleagues, last year I introduced Health America, a plan to build on the current employer-based health insurance system.

It is a plan that meets the three standards essential to real health care reform: First, access to affordable health insurance for every American; second, effective strategies to restrain runaway cost increases; and third, increased emphasis on preventive care.

Other neglected problems we will face this year are environmental, energy and infrastructure issues.

We passed a surface transportation bill last year. But the aviation sector is still operating from dangerously overcrowded airports. We will work to modernize and upgrade those facilities.

A year after the war in the Persian Gulf, the United States is dependent as ever on oil imports. Our energy use remains unchecked. We still consume twice as much energy per unit of output as our economic competitors.

We have to exploit the conservation technologies already developed. We have the technology to cut electric needs dramatically if we use high-efficiency lighting. Similar efficiencies and savings can be developed if we invest for that purpose.

We recognize that all choices involve costs.

The decision to save money by cutting alternative energy research just shifted the costs to the private sector: It makes our products and our businesses less competitive. The decision to remain dangerously dependent on imported oil means accepting the human and financial costs of defending foreign oil sources. This year we will work to change those outdated and costly policies.

By the end of next year, almost half the Nation's landfills will close. Half our cities and towns will have to spend far more money to ship trash to distant landfills. Some of their residents will pay higher taxes. Others will forego better schools, repaved sidewalks, and other services. Cities and towns which will not face this problem next year will face it soon enough.

That is why action on the Resource Recovery and Conservation Act is essential this year. State and local efforts to encourage recycling and reduce landfill use need the enhancement of a national effort to develop stable markets for recycled materials and incentives for business to reduce the waste stream in packaging and production.

We will also act on another bill that affects the local tax rates of most homeowners and the health of every American: The Clean Water Act reauthorization to continue the program of loans to localities for the construction of wastewater treatment.

While we work for the future, we cannot and will not neglect the standard of living and quality of life our society provides average American families.

That means an agenda which includes real street-level crime control and drug control.

Controlling crime has two sides. One is remedial—we can catch those who commit crimes and punish them, and we will do that. The other is preventive: Invest in the police manpower, the street lighting and security that reduces the opportunities for crime.

The Democratic crime bill passed last year includes tough penalties, funds for ten regional drug prisons, boot camps for youth offenders, and money for drug interdiction. But it also provides funds for the States and cities—where 90 percent of crime is committed, punished or prevented; it provides programs to curb teenage gang violence, and additional police manpower through the police corps. It is a substantial and tough crime bill.

Much of the quality of life for working people depends on the interaction of job demands with family responsibilities. That is why we have to enact a family leave bill. No one can live a decent life if torn between uncompromising workplaces and unavoidable personal responsibilities. Why should working Americans, of all the people in the world, have to turn week-old infants over to day care? Why do we expect our people, American families, to ignore the needs of frail parents for help and care?

We deeply regret the President's threatened veto of the family leave bill. We compete with countries that all pay for family leave, but the President says we cannot compete if we give Americans unpaid family leave. He is wrong. I hope he will reconsider.

We will also take up the housing reauthorization bill to broaden the options for low- and moderate-income families to become homeowners.

And we will take up the cable television reregulation bill right after the education bill.

And this year we will conclude work on campaign finance reform.

Congress is not now, has never been, and will never be a beloved institution in American life. It does not speak with a single voice. Like our democracy itself, it reflects a diversity of demands, ambitions, hopes, fears, and frustrations. What we can and must do is make certain that the process by which persons reach the Congress is a process that can command public respect. The current system does not. Reform is needed. The bill the Senate passed last year reforms the system. We will finalize the conference on that measure this year and send it to the President.

He has threatened to veto campaign finance reform. I hope he reconsiders.

Every elected official is a steward of the underlying values of the Constitution. We are all responsible for preserving the integrity of our institutions and passing them to the next generation uncorrupted and unimpaired. I hope the President will agree that campaign finance reform deserves to become law. Americans want reform. A majority of the Congress has voted for reform. There should be reform.

Our domestic agenda is a full one, but we cannot afford to ignore the world beyond our borders. Our security and our economic health are tied to the fate of the larger world.

The demise of the Soviet Union and the economic transition facing the new Commonwealth countries has created a vastly different international climate.

We must do our part in the world effort to ease that economic transition in a way that preserves the emerging democratic institutions of those new countries. This is a time of hardship for them. It will test the patience and will of their people severely. If we play our part wisely, we can assure our national security far more certainly than we could by increasing the number of our missiles.

But beyond the immediate challenge they face, there is opportunity—for them and for us.

The new Commonwealth nations are a potentially immense market whose civilian sector has stagnated for half a century. They need the technology of modern communications, financial services, efficient agriculture, construction, transportation, and industrial machinery, environmental cleanup and medical care—virtually every aspect of an advanced twentieth century economy. American companies can provide all of those commodities.

We should work to see that our businesses can share in the expansion that is inevitable as the transition to free market conditions succeeds.

We also face the important task of preserving and enforcing arms agreements with the former Soviet Union. The nucleus of highly proficient former Soviet physicists and other scientists should not be left adrift, to sell their expertise to the highest international bidder.

The fighting in what was Yugoslavia and the new Republic of Georgia is a sobering reminder that the end of communism is not the end of ethnic rivalries, historic hatreds, or the passions born of economic fear and deprivation.

Middle East peace talks are under way, thanks to the leadership of President Bush and Secretary of State Baker. Although success is not yet assured, I commend their effort.

But I disagree with the administration on China policy. The President's policy supports the existing regime, despite overwhelming evidence of unfair trade practices, a dismal human rights record and continuing political repression. A large and bipartisan majority of the Congress disagrees with the administration.

The issue of most-favored-nation trading status for China will be considered in the Senate again this year.

This June, the largest international environmental conference since the Stockholm conference two decades ago will convene in Brazil to deal with the issue of climate change.

The goal is international agreement to curb greenhouse gases. Our NATO allies have already undertaken to do so. The United States refuses to commit to reducing atmospheric carbon dioxide emissions. The United States is the world's largest energy consumer, and therefore one of the largest contributors to the buildup of carbon dioxide. The threat of climate change is as serious for us as for any other nation. Yet, despite our refusal to join our allies in combatting the problem, we still expect to be heard with respect and deference in the international community. The Senate will work to reverse that shortsighted policy.

The threat of climate change, no less than the changes in national boundaries in the former Soviet Union, is a stark reminder to all of us that the fate of the people of the United States is tied to the fate of the people of the larger world, as theirs is to us. We must discharge our share of global obligations responsibly and make sure that others do the same.

We have much to do. We will begin to do it today.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Chair recognizes the President pro tempore, the Senator from West Virginia [Mr. BYRD].

AMERICA'S SURVIVAL AS A WORLD ECONOMIC POWER

Mr. BYRD. Mr. President, I thank the Chair.

Mr. President, 1 week from today President Bush will address the Nation. It will be his fourth State of the Union Message. The President will speak to the Nation at a time of great uncertainty and anxiety among the American people. And there is every reason to be uncertain and pessimistic.

The President will make his fourth State of the Union Address in the midst of the longest recession since the 1930's. He will do so at a time when 8.9 million American men and women are unemployed; at a time when another 1.1 million men and women have become so discouraged that they have given up looking for work and are no longer counted officially among the unemployed; and at a time when another 6.3 million people who want full-time work can only find part-time employment.

So, taken together, 16.3 million people are either unemployed or underemployed. That amounts to 13 percent of the U.S. work force.

What will the President say to these discouraged Americans who look to him for hope?

As the President takes the podium to address the assembled Congress on Tuesday next, our collective responsibilities as leaders of this Nation will be very serious.

The U.S. Department of Agriculture, in its most recent report on food stamp participation, states that a record 24,160,000 Americans were enrolled in the Food Stamp Program for the month of October. That total is 400,000 more than the old record of 23.76 million set the previous month, and 3.23 million higher than October 1990. Nearly 1 in 10 Americans is now enrolled in the Food Stamp Program. That figure hardly corresponds to the American dream that we politicians all like to talk about.

Furthermore, according to the American Bankruptcy Institute, during the 12 months ending September 30, 1991, 73,519 businesses filed for bankruptcy, a 14-percent increase from the previous year. The surge in personal bankruptcies was even more dramatic, up 22 percent to 918,988 over the same 12-month period. Because of the dismal holiday season just past, Dunn and Bradstreet predicts that 1992 will be a record year for post-Christmas bankruptcies. The American people have every cause then to be uncertain and pessimistic.

Most troubling to many Americans is the sense that things will not improve even after the recession ends or certainly not improve much. General Motors recently announced layoffs of 74,000 workers, and IBM of 29,000. These layoffs are permanent. Those jobs will not return.

The President's recent trip to Japan only served to underscore how dependent we have become on that nation and how important a thriving economy is to the future of this Nation and the fate of our people.

We are losing our ability to compete in world markets, and, although the inflexibility of some of our trading partners is one cause, much of the blame lies right here at home.

America has reached a crossroads and our people look to the President and to the Congress to make decisions that will set the Nation on the right path again.

The people do not watch us with very easy eyes. The have lost confidence in our ability to put aside politics and to make the hard choices. They question our willingness to lead. And in this most political of all political years—a Presidential election year—the chances for real solutions to the ever-mounting problems of this vast Nation are likely to diminish as election day draws nearer.

I believe that time is running out on the American dream. Already it only shimmers over the horizon, just out of reach for millions of Americans. I believe that the time when that dream is beyond reach and only a distant memory is not far away. We must wake up and act quickly if we are to turn the tide, change the handwriting on the wall, and recapture the dream. We cannot afford the luxury of political posturing or finger pointing or delay.

The longer this recession drags on, the more our already weakened economy will be damaged. Some of the damage will not be recoverable. The longer we put off doing the things that must be done to make this once-thriving Nation thrive again, the more expensive and burdensome these tasks become.

In 1990, at the budget summit, I made the case for addressing this Nation's crumbling infrastructure. I urged the budgeteers to look at what was happening to our human and physical capital, and I showed that spending priorities in the 1980's were responsible for that decline. Between 1981 and 1990, domestic discretionary programs which are the backbone of our economy—our roads, our bridges, our education and training programs, our environmental cleanup, our ports and waterways, our nonmilitary research and development, our anticrime and antidrug programs, the money we invest in our Nation and its people—that money was cut $326 billion below inflation during that decade. We are decaying from within and this is one of the reasons. The leaders of this Nation for the past decade have made conscious decisions to starve our own economic engine. Political decisions have been made to pump dollars into defense and into foreign operations and to increase entitlement programs via direct spending of Federal tax dollars, while the care and feeding of the Nation's human and physical infrastructure have been left to the whim of private sector investment encouraged by rewriting the Tax Code.

But as we are so painfully learning today, a nation that does not invest adequately in its human and physical infrastructure will be unable to maintain its competitive posture and its standard of living. That nation is doomed to second-rate status unless something is done to reverse the decline.

At the budget summit, I argued that public investment spurs private investment. Our international competitors have outspent us on infrastructure for years and they are now reaping the benefits economically of a more skilled, better trained, better educated work force and more modern transportation systems.

We finally succeeded at the summit in securing increases for these critical priorities totaling $40 billion above the June 1990 baseline for fiscal years 1991 through 1993. That was $80 billion more than the administration wanted, but, in the light of subsequent developments, it was plainly not enough.

We established caps for domestic discretionary spending, defense spending, and international spending. I believe that those caps and that budget agreement have served us well for 2 years.

But we did not know that the world would change so radically, and we could not know that we would be stalled in an 18-month-long recession. That agreement was not chiseled in stone. Times have changed, and the agreement must change.

We must respond to the dramatic shifts in our strategic situation in order now to allocate our national resources to other more pressing priorities. While I will always strongly support spending for our legitimate defense needs, substantial shifts of resources from defense to domestic programs are now possible, and there is no dispute about that. But there will be a dispute about the size of the shift. According to the CBO, the administration's projected defense budgets for fiscal years 1993 through 1995 will have to be cut by approximately $60 billion and the savings applied to domestic discretionary programs for these years just to avoid real cuts—just to avoid real cuts—in these vital domestic programs.

The practical question is whether we should remove the wall erected by the budget agreement to prevent shifting dollars from defense to domestic needs. That wall has outlived its usefulness and, like the Berlin Wall, must come down.

I hope that the Congress and the administration will work to alter the agreement in a controlled fashion which reflects our altered priorities.

Mr. President, on December 11, 1991, I wrote a letter to the President saying just that. I will read portions of that letter:

> DEAR MR. PRESIDENT: As I am sure you are aware, during Congressional deliberations on the Fiscal Year 1992 Department of Defense Authorization and Appropriation Bills, there were a number of amendments offered in both Houses to cut back or eliminate funding for several long-term DoD procurements which many members feel are no longer required in light of changing world realities, particularly the recent events in the Soviet Union.
>
> According to CBO's Mid-Session Review, the Administration's projected defense spending levels for Fiscal Years 1994 and 1995 of $295.5 billion and $298.5 billion, respectively, represent cuts below baseline of $8.4 billion, or 2.7 percent for Fiscal Year 1994, and $18.4 billion, or 5.8 percent for Fiscal Year 1995. In light of the tremendous backlog of unmet domestic needs in the areas of infrastructure, housing, education, environmental cleanup, health care, and research, and development, it is not realistic to expect reductions in domestic discretionary spending.
>
> It is critical that these issues be addressed now; otherwise, we will find ourselves locked into spending scarce resources, in future years, on DoD procurements which may no longer have merit. I, therefore, urge you to work with the bipartisan leadership of Congress in the coming months in hopes of reaching a bipartisan agreement on changes in the BEA that will more closely reflect the changed world environment and will enable us to make rational and orderly judgments on these very important matters. If I can be helpful in such deliberations, I shall be glad to respond.

Mr. President, the President of the United States did not respond to my letter. I know that he has been very busy, and I do not quarrel with that. But I merely call attention to the fact that I did write to the President in early December and urged that there be a modification of the budget agreement and that the administration and the Congress work together on a bipartisan basis in a way that would bring that about in a reasonable and effective way.

Again, I say I have not received a response thereto. So, therefore, today I take the floor to say that I do believe there should be a modification of the agreement, and if the Congress and the administration will not work together to bring about that modification, the pressures will be so great here that we cannot withstand them and the agreement will be broken. I do not like to break the agreement unilaterally, but it is coming if the administration and the Congress will not be able to sit down together and work out a new agreement based on new realities, new circumstances that did not exist, of course, when the summit occurred.

Mr. President, I do not believe that any portion of the peace dividend should be used to offset tax cuts. I believe that the peace dividend should be used to invest directly in America and in the American people.

We simply can no longer put off investing in our people and in our infrastructure.

As leaders in a troubled time, we do not have the luxury of the standard election year fare—promising the people that a tax cut will solve everything.

What good is a tax cut, Mr. President, to a man who stands in the unemployment lines? What good is a tax cut to a single mother who has just lost her job?

The middle-class working families of this Nation certainly need some tax relief, but that should be done by shifting the burden within the Tax Code. It should not be paid for from cuts in defense. That is my judgment.

With all the critical, unmet needs which abound in this land, especially the need for some sort of affordable health care system for our people, this is, indeed, not a time when revenue-losing tax cuts are feasible or wise.

To claim that any sort of tax cut will be enough to jolt our ailing economy out of its catatonic state is shear folly. When the patient is hemorrhaging, one takes more serious measures than that of applying a Band-Aid.

World events have given this Nation a second chance—an opportunity to reverse a trend. The dissolution of a once powerful adversary has made it possible for us to reorder our priorities and redirect our energies.

We must not let this opportunity pass. The global marketplace has no tolerance for undereducated, undertrained workers.

We must improve our children's education and our workers' skills.

The world's trading bazaar has no use for outdated technology. We must finance civilian research and development to once again be competitive.

The global village has no trade for inefficient businesses.

We must repair our infrastructure to spur private investment and improve productivity.

Action is needed to provide the jolt to jump-start this sagging economy. I believe the long-term solution for America, which I proposed at the budget summit, is also the right short-term solution for America to pull herself out of the doldrums of this long recession.

Congress should quickly enact legislation to provide for short- and long-term infrastructure funding—both physical and human. This action would quickly create jobs for thousands of Americans. We are told that between 41,000 and 60,000 jobs per $1 billion of investment in physical infrastructure is the formula on which we can depend.

So this action would create jobs in public works projects that are ready right now to start, all over this country. Talk to any State administration, any county administration, any State highway commissioner and one will find that there are plans on the shelf gathering dust for which the environmental impact statements have already been made, the rights of way have already been taken care of, the plans are ready to go, and the dirt is ready to start flying if the funding can be provided.

We also need to appropriate funds for job training and retraining programs and for educational needs. The action will, I believe, not only help to bring the recession to an end, it will begin to provide the support that can improve our economic performance over the long term. If we cannot totally offset this funding now, that should not stay our hand.

Increased State and local taxes and layoffs as well as other factors have created a drag on the economy of up to $50 billion.

For this reason, economists tell us that a temporary increase in the deficit to fund such an economic stimulus package will not cause an increase in inflation or an increase in interest rates.

The reality is that this country has very little place to go but up. But we need to move quickly to relieve further pain and suffering for millions of

Americans and to begin to change the course for future generations.

Empty promises of a resurrection of prosperity through the mantra of election-year tax cuts are a sorry substitute for decisive and effective action now.

I hope that there is more meat to the President's proposal for economic recovery than press accounts would indicate, for if there is not, his plan is like offering a beggar a bone. There is no real nourishment—only something to chew on while hoping for better times.

Reversing the downward spiral we find ourselves in calls for bold action and leadership.

We cannot afford to waste time with Democrats and Republicans positioning themselves for political gain. I stand ready to work with the administration or anybody else to do what must be done for this Nation's survival as a world economic power.

Mr. President, I ask unanimous consent that my letter to the President be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, December 11, 1991.

The President
The White House, Washington, DC.

DEAR MR. PRESIDENT: As I am sure you are aware, during Congressional deliberations on the Fiscal Year 1992 Department of Defense Authorization and Appropriation Bills, there were a number of amendments offered in both Houses to cut back or eliminate funding for several long-term DoD procurements which many members feel are no longer required in light of changing world realities, particularly the recent events in the Soviet Union.

The Budget Enforcement Act (BEA) set three discretionary spending caps for Fiscal Years 1991–1993: one for domestic, one for defense, and one for international. For Fiscal Years 1994 and 1995, these three caps are replaced by one overall cap for discretionary spending. I am concerned that, if we continue to fund defense in Fiscal Years 1992 and 1993 at the levels allowed in the BEA, we will face insurmountable difficulties in Fiscal Years 1994 and 1995 in meeting the discretionary spending caps called for in the Act. I applaud your recent decision to make unilateral reductions in certain tactical nuclear weapons. Nevertheless, it is my understanding that these reductions will result in no significant budgetary savings.

According to CBO's Mid-Session Review, the Administration's projected defense spending levels for Fiscal Years 1994 and 1995 of $295.5 billion and $298.5 billion, respectively, represent cuts below baseline of $8.4 billion, or 2.7 percent for Fiscal Year 1994, and $18.4 billion, or 5.8 percent for Fiscal Year 1995. However, for domestic discretionary spending, the projected requests of $200.4 billion for Fiscal Year 1994 and $204.3 billion for Fiscal Year 1995 represent far greater, and more severe, cuts below baseline. In fact, they would amount to real cuts below baseline for domestic discretionary spending of $14.9 billion, or 6.9 percent, for Fiscal Year 1994, and $21.9 billion, or 9.7 percent, for Fiscal Year 1995. In light of the tremendous backlog of unmet domestic needs in the areas of infrastructure, housing, education, environmental cleanup, health care, and research and development, it is not realistic to expect reductions in domestic discretionary spending.

It is critical that these issues be addressed now; otherwise, we will find ourselves, locked into spending scarce resources, in future years, on DoD procurements which may no longer have merit. I, therefore, urge you to work with the bipartisan leadership of Congress in the coming months in hopes of reaching a bipartisan agreement on changes in the BEA that will more closely reflect the changed world environment and will enable us to make rational and orderly judgments on these very important matters. If I can be helpful in such deliberations, I shall be glad to respond.

With kind regards, I am
Sincerely,
ROBERT C. BYRD,
Chairman.

Mr. BYRD. Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Montana [Mr. BAUCUS].

Mr. BAUCUS. Mr. President, I thank the Chair. I also thank the President pro tempore for that statement. I think he has put the agenda in perspective and I appreciate his remarks.

PRESIDENT BUSH'S TRIP TO JAPAN

Mr. BAUCUS. President's Bush's recent trip to Japan with a group of highly paid corporate executives has drawn a chorus of criticism both here and in Japan.

Some argue the executives on the trip bear more responsibility for the current recession than the Japanese.

Others object to what they see as scapegoating Japan.

Still others argue that it is unseemly for the President to act as a glorified salesman for American automobiles.

I have mixed feelings about the trip. On the one hand, it is good to see the President finally address himself to our trade problems with Japan. Such personal involvement is long overdue.

On the other hand, the entire trip smacks of a political quick fix to the Japanese trade problem. And such quick fixes almost always do more harm than good.

THE BUSH RECORD ON JAPAN

The trip to Japan and the Presidential rhetoric associated with it represents a sharp departure from the Bush administration's position on Japan over the last 3 years.

In the past, the Bush administration has repeatedly shied away from pursuing an aggressive trade policy toward Japan.

For example, in April 1990, the Bush administration declined to designate Japan an unfair trader under United States trade law.

Now, the administration opposes the efforts of myself and others to extend the so-called Super 301 provision of the 1988 Trade Act. It takes this position even though it concedes that a year earlier Super 301 opened the Japanese market to exports of wood products, supercomputers, and satellites.

The administration has generally opposed efforts to strengthen United States trade laws that are critical to United States efforts to open the Japanese markets. It has even agreed to positions in the Uruguay round that undermine these laws.

The administration has also blocked efforts to improve the competitiveness of United States industry vis-a-vis Japan.

In 1989, for example, the administration killed a Commerce Department initiative to make the United States the leader in the development of the next generation of consumer electronics—high definition television.

Just last year, the administration threatened to veto congressional efforts to invest Federal money in developing commercial technologies that would help United States industry compete with Japan.

The Bush administration has opposed these initiatives because of a misguided belief that our competitors play by the same free market trade principles as we do.

THE BUSH REVERSAL

But as the New Hampshire primary approaches and the trade deficit with Japan looms as a huge blot on the administration's economic record, President Bush has broken from this hands-off rhetoric largely and laid blame for the recession on Japan.

Unfortunately, the one lesson that is clear from three decades of trade disputes with Japan is that one-shot initiatives never pan out.

As a number of commentators are fond of noting, every United States President since President Nixon has declared victory over the Japanese trade problem. Indeed, the Bush administration has declared victory twice: First when he incorrectly declared the structural impediment initiative talks a success. And, more recently his claim of victory upon returning from Japan.

But history has shown these declarations premature and the victories hollow.

In fact, in the cases where we have made trade gains with Japan—beef, semiconductors, and forest products—the victories came only after years of sustained effort and a commitment by the United States industry to produce quality products.

A FORMULA FOR SUCCESS

Unfortunately, I fear the Bush administration has not made a long-term commitment to solving our trade problems with Japan.

I hope that the agreements with Japan on auto parts and computers will yield benefits. It appears that they will not. But I fear they will soon be forgotten and the Bush administration will return to its tired free market rhetoric.

If the administration were truly committed to solving the Japanese trade problem, it would have worked with Congress to fashion a comprehensive trade and competitiveness policy.

It would have worked with Congress to identify key Japanese trade barriers and engaged in tough negotiations to eliminate them.

It would have worked with Congress and United States industry to build competitive products that could be sold in Japan, as well as in this country.

It would be willing to invest Federal funds in developing commercial technology and raising American educational standards.

Such a policy could make a real difference. Even though none of this could be completed before the Presidential primaries and the general election in November in the interests of saving our country and building a sound economy, we should start now.

Mr. President, I yield the floor.

Mr. BRYAN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Nevada [Mr. BRYAN].

Mr. BRYAN. I thank the Chair.

SPEAKER SAKURAUCHI'S COMMENTS ON AMERICAN TRADE POLICY

Mr. BRYAN. Mr. President, I offer my comments this morning in the context of when will we learn?

Mr. President, I refer to the alleged comments by Speaker of the Japanese House, Yo-shio Sakurauchi. They are arrogant, they are offensive, and they are insulting. The Speaker is quoted as disparagingly saying that the United States is "Japan's subcontractor" and that the world may tell America "you're no good." Predictably, there are already reports of denying the comments, but there is acknowledgment of the sentiments behind the words.

The President should take heed that this is the kind of response his weak trade policies have evoked. Weakness and softness at the bargaining table, rather than eliciting concessions and meaningful agreements, has bred only contempt and vague agreements repudiated as soon as Air Force One leaves the Pacific time zone.

The President claimed that his recent journey had made real accomplishments in opening up the Japanese market. Now we are told by Mr. Bush's friend, the Japanese Prime Minister, that there are no "promises" on buying 20,000 American cars, just "targets."

The administration says this back peddling "may be"—I emphasize the words "may be"—"a sign of backing off from the stated goals that they have unilaterally set for themselves." What does it take, Mr. President, for the administration to learn.

This is not a sign; this is a billboard. A billboard of contempt for our economy, our businesses, our workers and most of all the administration.

Considering the weak advocacy of American business and industry it is no wonder the Japanese hold us in such contempt. President Bush went to Tokyo looking for a helping hand, instead he was turned away with soothing words and meaningless and vague agreements.

The Japanese Government is not the friend of American business or the American worker but rather the friend and ally of Japanese business and workers. This is not wrong, nor is it Japanese bashing to point that out. What is wrong, is terribly wrong, is that this administration cannot understand that their ideological purity to free trade, without defending America's interests has been a failure. The sooner we put our own house in order, the more respectful our international competitors will treat Americans with respect rather than contempt.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Massachusetts.

Mr. KENNEDY. I see my friend and colleague from New York on the floor. I know he desires to speak. How much time remains before the time for recessing?

The ACTING PRESIDENT pro tempore. The Chair advises the Senator there are 3½ minutes remaining before the scheduled recess.

EXTENSION OF MORNING BUSINESS

Mr. KENNEDY. Mr. President, I ask unanimous consent that the time for morning business be extended until 12:45 under the same conditions and limitations as previously ordered.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Massachusetts has the floor.

Mr. KENNEDY. I thank the Chair.

(The remarks of Mr. KENNEDY pertaining to the introduction of S. 2137 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. MOYNIHAN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the distinguished Senator from New York.

TRIBUTE TO ARTHUR OCHS SULZBERGER

Mr. MOYNIHAN. Mr. President, on this first day of the 2d session of the 102d Congress, I rise to record for the Senate what all of the world knows. After 29 years as publisher of the New York Times, Punch Sulzberger has retired.

This can only be an occasion for celebration. Celebration, that is, of a career of unequaled responsibility fulfilled with unequaled rigor and unexampled grace.

It would be some 205 years this January that Thomas Jefferson's letter to Col. Edward Carrington included this memorable passage.

> The basis of our government being the opinion of the people, the very first object should be to keep that right; and were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter.

Jefferson cannot have had the New York Times in mind. Who could: not even he. But something approaching its republican majesty? Yes, surely. His hopes for the Nation exceeding anyone's reach at that moment. Indeed, the New York Times was founded a scarce quarter century after Jefferson's death. Adolph S. Ochs became publisher not a half century later, and that lineage has continued ever since.

The New York Times is very simply the world's greatest newspaper. More: The greatest newspaper the world has ever known. It is described as the newspaper of record, and it is just that. Each year its mammoth Sunday edition—some three quarters of a million words—and its quarter million word daily edition—some 113 million words a year, almost twice that of the King James Bible—fix for all time the record of the age. Not, mind, anyone's opinion of that record; merely the events that the world will continuously reassess and reinterpret. The world has known no such achievement. The great ascent of the S curve is completed now; all else is consigned to the imitative and tedious destiny of the asymptotic.

How the Times has changed the world. The news story of January 17 reporting that Arthur Ochs Sulzberger had relinquished the publisher's title noted that he first became publisher in 1963 at a moment when "The Times and the city's other papers were still reeling from a prolonger strike." It happens that as an Assistant Secretary of Labor I accompanied the Secretary to New York City to help resolve that epic conflict. Weeks of negotiation followed, during which the only facts in circulation came by word of mouth. From the Rialto, as the old Italian saying has it. Save that they were not facts. Twenty minutes would serve to transmute the plainest event into the most fantastical invention. One learned to appreciate anew the printed word.

Having said all that, and mindful of the occasions on which Everett Dirksen, having eulogized the marigold, would turn to Margaret Chase Smith, bow most reverently, and assure his colleague that his remarks were not meant "To slight the rose," allow me to note that jointly with the Washington Post, the Times now publishes the International Herald Tribune. The old Paris Trib is a joy in itself and an institution of its own. But now more. It has become the first European newspaper. The premier journal of the New European Community. May the joint enterprise prosper far into the future.

It would be perhaps inappropriate on this occasion to speak too personally of Punch Sulzberger, save to say that he is loved, and deservedly so. On December 17 a year ago, I had occasion to be his guest at luncheon. With his characteristic grace, and urge to get the facts on record, he began by noting that that occasion marked the 25th year since I had first dined there. It is a quarter century I shall treasure.

It would be a daunting assignment even for our illustrious President pro tempore to record the number of other U.S. Senators who have also dined at that table. Surely, a third of our membership over more than two centuries have been there. All have been welcomed; in recent decades with this lovely "Grace before Meat" by John M. Finley.

O Lord, the Giver of all Good.
  In whose just Hands are all our Times.
We thank Thee for our daily Food
  Gathered (as News) from many Climes.
Bless All of Us around this Board
  And All beneath this ample Roof:
What we find fit to print, O Lord,
  Is, after all, the Pudding's Proof.
May Those we welcome come again
  And Those who stay be glad. Amen.

And so, not goodbye, great friend, but on to other matters, including, of course, the management of the Times and its vast enterprises. May I also conclude by extending the Senate's most sincere felicitations to the incomparable Carol. Greetings also to the new publisher, Arthur Ochs Sulzberger, Jr. He began his career as a reporter in the Senate gallery, and alas, knows our ways. There could be no better time to mind them.

Mr. President, I ask unanimous consent that the Times account of Mr. Sulzberger's retirement, and his successor's editorial statement be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Jan. 17, 1992]

ARTHUR OCHS SULZBERGER PASSES TIMES PUBLISHER'S POST TO SON; FATHER REMAINS AS CHAIRMAN AND CHIEF EXECUTIVE

(By Alex S. Jones)

Arthur Ochs Sulzberger, chairman and chief executive officer of The New York Times Company and for 29 years publisher of The New York Times, relinquished the publisher's title yesterday to his son, Arthur Ochs Sulzberger, Jr.

As publisher Mr. Sulzberger, Jr. will oversee all aspects of the newspaper, including its editorial-page policy. He will report to the elder Mr. Sulzberger, 65 years old, who intends to continue active participation in the overall company day to day as chairman and chief executive.

Mr. Sulzberger, Jr., 40, has been deputy publisher since 1988. He represents the fourth generation of his family to head The New York Times, and he is the fifth member to serve as publisher in the 96 years since the family acquired the newspaper. Through several trusts, the family controls about 84 percent of the stock that elects 9 of the Times Company's 14 board members.

In a statement yesterday after a meeting of the board, the elder Mr. Sulzberger said: "This promotion is another important step in forming the management team that will lead The New York Times in the years ahead. The appointment will allow me more time to work directly with our other lines of business and to concentrate on the further development of the company."

In an interview, Mr. Sulzberger said: "If you believe in the process of an orderly transition, then you have to 'tran-*sit*.' It gives me great fatherly pride to turn the publishership over to someone not only qualified, but a son."

Mr. Sulzberger, Jr. has worked at The Times since 1978 in many departments, including news, advertising, production and strategic planning. His appointment has been expected throughout the industry as Mr. Sulzberger neared his 66th birthday, on Feb. 5.

PLANNING NEW PRINTING PLANT

In recent years, Mr. Sulzberger, Jr. has taken a leading role in shaping the paper's future—helping, for example, to plan the $450 million color printing and distribution plant in Edison, N.J., which is expected to open this year. Mr. Sulzberger, Jr. took part in creating the paper's redesigned sports and metropolitian news sections, and has been one of the newspaper industry's most outspoken advocates of diversity in the workplace.

In a letter to the paper's staff, Mr. Sulzberger, Jr. said, "I pledge my devotion to the precepts that make this paper great: the fairness and honesty of its journalism, the integrity of its business practices, and the decency of its treatment of all individuals."

Reporting to Mr. Sulzberger, Jr. will be Max Frankel, The Times's executive editor; Lance R. Primis, the paper's president and general manager, and Jack Rosenthal, editorial page editor.

Founded in 1851, The Times was on the verge of bankruptcy when it was acquired in 1886 by Adolph S. Ochs, a former printer in Tennessee who had become the successful proprietor of The Chattanooga Times. Mr. Ochs, at 38, became publisher of The New York Times and moved north, to live with his wife and daughter, Iphigene. Mr. Sulzberger, Jr. is Mr. Ochs's great-grandson.

Upon Mr. Ochs's death in 1935, Iphigene's 43-year-old husband, Arthur Hays Sulzberger, was named publisher; he served until 1961, when the publisher's chair passed to Orvil E. Dryfoos, 48, whose wife, Marian, was the oldest child of Arthur Hays and Iphigene Sulzberger. The Sulzbergers had four children; the youngest, and the only son, was Arthur Ochs Sulzberger.

In 1963 Mr. Dryfoos died. Arthur Ochs Sulzberger—known all his life by the nickname Punch—became the paper's president and, at age 37, its youngest publisher. He was elected chairman and chief executive of the paper's parent company in 1973.

In 1979, the company gave the title of president and chief operating officer to Walter E. Mattson. Mr. Mattson retains responsibility for the operating groups of the Times Company, which now includes numerous broadcast, magazine and newspaper properties, and will continue to report to Mr. Sulzberger.

STEERED THROUGH LANDMARK CASES

As publisher, Mr. Sulzberger has steered the paper through an era marked by some of the most significant journalistic achievements in the paper's history, including Times v. Sullivan, a landmark First Amendment decision by the United States Supreme Court shielding journalists against many libel suits by public officials. And it was Mr. Sulzberger who made the decision in 1971 to publish the secret Government history of the Vietnam War known as the Pentagon Papers, and who led the company's successful Supreme Court defense of that decision. He said he took particular pride in the 31 Pulitzer Prizes—out of the paper's 63—awarded during his tenure.

The Times has also expanded considerably as a business, with revenues of $1.7 billion in 1991, compared with $100 million in 1963. Weekday circulation is now 1.1 million, compared with 714,300 in 1963, and Sunday circulation grew to 1.7 million, from 1.4 million, making the Times the nation's largest Sunday paper.

Mr. Sulzberger has been a quiet but active force in the industry and served as chairman of the American Newspaper Publishers Association as well as on many other industry boards.

Yesterday, assessing Mr. Sulzberger's contribution to publishing, Katharine Graham, chairwomen of The Washington Post Company, said: "Above all, he took the quality of the product up to an entirely new level. I think he's been an outstanding publisher and a modest and wonderful man—and he's really funny."

Both those who worked closely with Mr. Sulzberger and members of his family cited as perhaps his greatest overall achievement a refusal to abuse the power that went with being publisher of The Times. While taking his responsibility seriously, they said, he also bore it with a lightness, warmth and and self-deprecating wit that made him a beloved figure throughout the paper.

"It was like inheriting the White House," said A.M. Rosenthal, who served as The Times's executive editor during much of Mr. Sulzberger's tenure, "and he has never used the paper for personal, family, political or financial advantage, ever. That's his monument."

TOOK CHARGE WHEN PAPER WAS REELING

Susan W. Dryfoos, daughter of Mr. Sulzberger's predecessor Orvil Dryfoos, said: "He is so modest, so understated and so wise. It never went to his head." She described the Sulzberger family as "bursting with pride" at Mr. Sulzberger's performance as steward of the family's great jewel.

When Mr. Sulzberger became publisher in 1963, the Times and the city's other papers were still reeling from a prolonged strike. And though Mr. Sulzberger was working as an executive at the Times, he was regarded even by some within the family as unprepared for such demanding responsibilities.

In an interview yesterday, Mr. Sulzberger recalled being "shellshocked" by having to assume the job.

"My sister Ruth called me after my first day as publisher and asked me how it had gone," he recalled, "and I said, "I've made my first executive decision. I've decided not to throw up.'" Gradually, Mr. Sulzberger negotiated critical agreements with unions that effectively opened the door to a new area of using high technology to make the paper's operations more efficient, a process that continues today in the form of the new Edison plant.

But in the early 1970's, The Times faced a financial crisis that the company viewed as a threat to the paper's very existence.

EXPANDING PAPER, NOT SLASHING COSTS

The Arab oil embargo had plunged the nation into recession, and New York City, after years of free spending, was on the verge of bankruptcy. Advertising at The Times plunged by 25 percent from 1969 to 1974.

Mr. Sulzberger's predecessors had fought their way out of similar fiscal emergencies by investing in improvements and by expanding the paper rather than slashing costs in ways that damaged journalistic quality. During World War II, for example, when newsprint was rationed, newspapers had had to choose between reducing space for news or advertising. The Times elected to reduce advertising, which hurt immediate profits but attracted news-hungry readers who remained with the paper when rationing was lifted. The New York Herald Tribune, then The Time's main competitor, reduced its news coverage and never recovered the resulting loss of readership, ceasing publication in 1967.

Taking his family's example, Mr. Sulzberger elected to solve the paper's financial problems by attracting new readers—and thus advertisers—by investing heavily in new sections, to broaden the paper's appeal.

The daily paper went from two parts—a front section and a Metro section—to four. Each weekday edition was given its own special section: SportsMonday, Science on Tuesday, Living on Wednesday, Home on Thursday and Weekend on Friday. In addition, a daily business section—Business Day—was begun. Each of the sections not only had audience appeal, but offered a new environment for specialized advertising, like financial ads for the business section. Circulation and advertising—and profits—rose accordingly.

Mr. Sulzberger also accelerated the policy of acquiring compatible businesses to diversify the company's sources of income.

The Times Company, which he continues to direct, now includes 32 regional newspapers; a one-half interest in The International Herald Tribune, based in Paris; 17 consumer and trade magazines including McCall's, Family Circle and Golf Digest; five television stations; an AM and an FM radio station, WQXR in New York; a news service and other information services; and interests in two newsprint companies and one supercalendered mill.

Mr. Sulzberger, Jr. assumes the paper's helm at a time when the New York region is in deep recession and advertising has declined steadily for several years. The company has projected earnings of 55 cents to 60 cents a share for 1991 compared with 85 cents a share in 1990.

But in an interview, Mr. Sulzberger, Jr. said that the fundamental lesson in the paper's history was that "if you have quality information, profit will follow," and he pointed to the recent investments in expanded sports and metropolitan coverage as an indication of his approach.

While Mr. Sulzberger, Jr. said the paper would continue to evolve, he said he planned to make no executive changes in the near future and predicted that The Times would look essentially the same a year from now, except for color in some Sunday sections after the Edison printing plant opens.

As publisher, Mr. Sulzberger, Jr. plans to confer daily with Jack Rosenthal, the editorial page editor, as his father did.

IN ACCORD ON THE ISSUES

He said that he and his father were in virtually total agreement about the paper's editorial positions, and that he intended to consult with his father on editorial policy. Indeed, Mr. Sulzberger, Sr. said he would continue to write occasional editorials.

The new publisher was born in Mount Kisco, N.Y. While he was still a child, his parents divorced. He lived with his mother, the former Barbara Grant, and his stepfather.

At 14, with his mother's blessing, he elected to live with his father, who had since married Carol Fox Fuhrman.

Mr. Sulzberger, Jr. said he had made the change to come to know his father better, though their relationship was somewhat strained when the younger Sulzberger adopted the trappings of the 1960's, including wearing his father's old Marine Corps jacket on all occasions.

But he said his father's "civility of spirit" was such that he allowed his son to go his own way largely without criticism, and the two grew very close and remain so. For instance, in his statement on today's editorial page, Mr. Sulzberger, Jr. said of his father, "It gives me great comfort to know that his presence and counsel will continue for years to come."

In 1970, Mr. Sulzberger, Jr. entered Tufts University, outside Boston, where he studied political science and spent several vacations working at various newspapers, including The Boston Globe and The Vineyard Gazette.

He said he had already concluded that his essential life ambition was to follow his father's footsteps as publisher of The Times.

"I do not recall ever having that debate with myself, which I consider lucky," he said. "I was not pushed to do it either by myself or some strange sense of responsibility." He added, "It was something I wanted to do as long as I can recall."

Upon graduation in 1974, Mr. Sulzberger, Jr. took a job as a general assignment reporter at The Raleigh Times, an afternoon paper in North Carolina no longer in existence that was operated by the Daniels family, another newspaper dynasty that continues publish The News & Observer in Raleigh.

While in Raleigh, Mr. Sulzberger, Jr. married Gail Gregg, whom he met while visiting his mother in Topeka, who had moved there and which was Ms. Gregg's hometown. Ms. Gregg was also a journalist, and worked for The Associated Press at the time. The couple have two children.

JOINED TIMES IN 1978

After two years, Mr. Sulzberger, Jr. left Raleigh to become a correspondent for The Associated Press in London.

In 1978, when Mr. Sulzberger, Jr. finally joined The Times as a reporter in the Washington bureau, he said he felt he knew what he was doing.

"I wasn't the greatest reporter in the world, but I wasn't starting at zero," he said.

In Washington, Mr. Sulzberger worked on a wide array of articles, from the long-term impact of nuclear testing in the 1940's to a brief stint covering the Federal Trade Commission. He recalls with some pride an article he wrote about the Panama Canal Treaty that "led the paper," meaning that it appeared in the upper-right corner of the front page, the position reserved each day for the most important news article.

Shortly after Ronald Reagan became President, the family moved to the Upper West Side of Manhattan, the neighborhood where he has lived since then.

As a member of the metropolitan staff, Mr. Sulzberger, Jr. worked as a general assignment reporter and covered City Hall.

He then became an assignment editor for year, which he described as "the single most exhausting job I ever had."

This was his first management experience.

"I was not a great manager, but I walked around a lot, often without shoes on, and that walking around will cover a multitude of sins," he said, adding that he concluded that the fundamental role of a good manager is motivation.

"It's no different from now," he said, and, indeed, he still walks around a lot, speaking to people in the newsroom, but wearing shoes.

REFINED STYLE OF MANAGEMENT

In 1982, Mr. Sulzberger, Jr. transferred to the advertising department, where he sold advertising and supervised an advertising sales team.

Mr. Sulzberger, Jr. said it was during this period that he began to think carefully about his own management style, which he characterized as a belief in group decision-making that taps the energy and insight of a wide array of participants.

"I don't think leadership demands yes or no answers; I think leadership is providing the forum for making the right decision, which doesn't demand unanimity," he said.

This month, in keeping with his management views, he oversaw changes in the paper's business management organization intended to streamline decision-making and encourage innovation and individual accountability.

After advertising, Mr. Sulzberger, Jr. moved to corporate planning, where he was instructed in the analytical skills required in managing a sophisticated business, and there followed a period in production, including two nights each week as night production manager overseeing the presses at the paper's 43d Street headquarters.

When he was made assistant publisher and later deputy publisher, Mr. Sulzberger, Jr. said, the threads of his multifaceted training began to come together and are still coalescing.

While he said the paper would continue to have "the honesty of its journalism and the honesty of its business practices" as its guiding principle, he said he was not afraid of experimenting and making mistakes.

"If you don't occasionally make a mistake, you aren't trying hard enough," he said.

A GENERATION REMAINS CLOSE

As a child, during weekend visits with his father, Mr. Sulzberger, Jr., he often went to Hillandale, the Connecticut estate of his paternal grandparents—Arthur Hays and Iphigene Sulzberger, whom he and the other 13 Sulzberger grandchildren called Bumpy and Granny.

His generation of cousins remain close, Mr. Sulzberger, Jr., said, attributing the friendship in part to their time together as children at Hillandale, where the family's heritage was lightly but constantly present. That generation has created a charitable trust, the Hillandale Group, to which they all contribute.

Four of Mr. Sulzberger, Jr.'s first cousins also work at the Times Company: Stephen Golden, Ruth S. Holmberg's son, is vice president for forest products; his brother Michael Golden is senior vice president and general manager of the women's publishing division; Daniel Cohen, Judith Sulzberger's son, is director of sales development in the circulation department of The Times, and Susan W. Dryfoos, Marian S. Heiskell's daughter, is director of the Times History Project, a continuing video documentary of the paper and the company.

Speaking of his family generally, Mr. Sulzberger, Jr. said, "The New York Times is inherent in what we are, but not worn as "what we are'; it's important and crucial to all of us, but not something that was drilled in, in any specific ways."

[From the New York Times, Jan. 17, 1992]

FROM THE PUBLISHER

It has been four generations since Adolph S. Ochs laid down the precepts that have successfully guided The New York Times for 96 years. Those principles have been carried forward with distinction by my grandfather, Arthur Hays Sulzberger; my uncle, Orvil E. Dryfoos, and my father, Arthur Ochs Sulzberger.

Each of these men, in their message upon being named Publisher, quoted the pledge Mr. Ochs made when he took the helm of The Times: To give the news impartially, without fear or favor, regardless of any party, sect or interest involved.

Each remained faithful to those words and the spirit behind them.

To follow in such footsteps is both a great honor and a daunting challenge. I pledge that, with the aid of the men and women who make this great paper all it is, The Times will continue to adhere to the high standards of journalism and business to which it has always held itself.

In assuming the duties of this office, I remain grateful for the guidance that has been and will continue to be given to me by my father. While he relinquishes the title of Publisher, he retains that of Chairman and Chief Executive Officer of The New York Times Company. It gives me great comfort to know that his presence and counsel will continue for years to come.—Arthur Ochs Sulzberger, Jr.

Mr. PRESSLER addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from South Dakota [Mr. PRESSLER].

NUCLEAR NONPROLIFERATION

Mr. PRESSLER. Mr. President, it was my pleasure to make a trip during the recess to India, Pakistan, and Sri Lanka. I am particularly interested in the issue of nuclear nonproliferation throughout the world, and I was looking into the effects of the amendment I sponsored some years ago that has resulted in the elimination of United States aid to Pakistan. The so-called Pressler amendment, which became law in 1985, states that if the President cannot certify to Congress on a yearly basis that Pakistan does not have a nuclear weapon, United States aid to that nation be cut off.

For several years, the Reagan administration was able to certify that Pakistan did not have a nuclear weapon. However, in 1990, the administration, with the technical information available to it, was unable to certify. Indeed, it is widely believed that Pakistan does have a nuclear weapon. It may keep it in two or three components, but it could assemble such a weapon very quickly. Thus, United States aid to Pakistan quite rightly has been shut off.

Mr. President, I think we need to make every effort to work toward the reduction of nuclear weapons in the world. Members of the Security Council are reducing their nuclear weapons. There are also reductions being made in conventional arms. However, certain small countries appear simultaneously to be acquiring nuclear weapons. This is a very dangerous development.

One example of this danger is that Islamic fundamentalism could take control in Pakistan very easily. The result would be a country ruled by Islamic fundamentalists in control of nuclear weapons.

Also, while in the region, I did a great deal of listening about some strategic changes that are occurring. One potential change, is that the Muslim states of the former Soviet Union which have now become independent, may well look to Pakistan and its warm, deepwater port at Karachi as an outlet for supplying their trading needs.

Traditionally, these former Soviet Republics have been forced, by the Soviet Union, to ship by rail to either the port at Vladivostok in the east or Minsk in the west as their major ports. Now, if they choose to come down through Afghanistan and the Khyber Pass into Pakistan, they can very easily use the deep, warmwater port at Karachi. There is a feeling on the part of many leaders with whom I visited during this trip that a confederation of eight or nine Muslim states could emerge as a new strategic force in the world. These are the five or six former Soviet Republics that are Muslims, Afghanistan, Pakistan, possibly Iran, and parts of Turkey. If all these states turn to Islamic fundamentalism and possess nuclear weapons, which some of them already do, it would be a very serious threat to world stability.

At least two or three of the Muslim states in the former Soviet Union have nuclear weapons. They are supposed to turn these over to Russia, but whether that actually will happen remains to be seen. Pakistan also has nuclear weapons. This could result in competition between Pakistan and Iran for leadership of any such confederation.

The point is that an entirely new strategic group of Islamic fundamentalist states with nuclear weapons may be emerging in that part of the world. As a result, the United States must be very careful about its policy regarding foreign aid. American taxpayers do not want to subsidize the building of nuclear bombs nor should they be in the position of indirectly supporting the buildup of conventional weapons.

There is now a shifting of used weapons to countries such as Pakistan and India and other countries in that region, in Africa and throughout the world. This, too, is a dangerous development.

I am working to develop new measures designed to reward countries for reducing nuclear arms, if they have them, and for reducing conventional arms. The great powers of the world should establish a regime that would facilitate the reduction of all types of armaments. The great powers are reducing their armaments, while many of the smaller countries are increasing theirs. It is almost incomprehensible to imagine the results in the Persian Gulf had Iraq had a nuclear bomb. Pakistan and other countries in this region could soon be in this very position.

During my trip, I also urged India to sign the Nuclear Nonproliferation Treaty. I also encouraged India to participate in the five-nation meeting that has been proposed as part of efforts to reduce the nuclear threat in South Asia.

Mr. President, this trip was taken in connection with my assignment to the Foreign Relations Committee. I found it very worthwhile and am certain it will help me do a better job both in that committee and in the Senate. As the result of this trip it has also become clear to me that the U.S. Government has taken the correct position concerning nuclear nonproliferation in South Asia and I urge that we maintain it.

Mr. President, I ask unanimous consent to place articles which appeared in the Hindustan Times on January 12, 1992, the Times of India on January 14, 1992, and the Pierre, SD, Capital Journal on January 17, 1992, in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Hindustan Times, Jan. 12, 1992]

PRESSLER WARNS INDIA OF ISLAMIC "FEDERATION"

NEW DELHI, January 11.—American Senator Larry Pressler spoke of a danger of seven to nine Islamic "fundamentalist" nations, some of them possessing nuclear weapons capability, forming a "federation" to become a major force in this region in the late 1990s and, he felt, "this could cause a problem to India."

Addressing a Press conference here today, Mr. Pressler said the "fundamentalist belt" of the Muslim nations could include Pakistan, five central republics of the erstwhile Soviet Union, Afghanistan, Iran and parts of Turkey.

During his talks yesterday with the Indian leaders, including Prime Minister P.V. Narasimha Rao, External Affairs Minister Madhavsinh Solanki and Defence Minister Sharad Pawar, Mr. Pressler said he warned them of the danger of a new force of Islamic nations emerging in the 90s with them.

Mr. Pressler said he told the Indian leaders that such a scenario in the vicinity of India could pose a problem for it. "There was some concern when I told them about this possibility," he said, adding that they were, however, the best judge to analyze such a situation.

Mr. Pressler is the author of an American law, widely known as the "Pressler Amendment", under which U.S. military and economic aid has been denied to Pakistan in view of its nuclear weapons programme.

He is here as part of his 11-day official visit to South Asia. He is leaving for Islamabad tomorrow from where he will go to Sri

Lanka and possibly to Maldives on his way back home. The 49-year-old Mr. Pressler has represented the State of South Dakota in the U.S. Senate since 1979.

Before his election to the Senate, he served two terms (four years) as member of the U.S. House of Representatives.

Answering questions, Mr. Pressler said there was "no need to bring India within the ambit of the Pressler Amendment to deny it the U.S. aid on the nuclear issue."

In fact, Mr. Pressler suggested a "US sponsored" Camp David type summit between India and Pakistan to resolve the nuclear issue.

Mr. Pressler appreciated India's decision not to sign the Nuclear Non-Proliferation Treaty (NPT) and said there was "substantive evidence" to suggest Pakistan's involvement in terrorism in India's two border States—Jammu and Kashmir and Punjab.

A ranking Republican on the Senate's European Affairs Sub-Committee, Mr. Pressler is also on the Science, Technology and Space Sub-Committee and the Small Business Export Expansion Sub-Committee. He is also a member of both the Near Eastern and South Asian Affairs Sub-Committee and the Rural Economy and Family Farming Sub-Committee. The Senator is also an honorary chairman of the Washington based National Indian-American Chambers of Commerce.

With Islamic fundamentalism "on the rise in the world," Mr. Pressler said the group of seven to nine geographically continuous Muslim States, including Pakistan, could get together into a "confederation" and could be a major force in this part of the world causing problems for India.

In his opinion, pressure should be mounted on the Central Asian republics of the former Soviet Union to hand over their nuclear weapons to the Russian Federation.

About the possibility of a Camp David type summit of India and Pakistan, Mr. Pressler said during his talks with Mr. Narasimha Rao and the External Affairs and Defense Ministers he got the impression that New Delhi was willing to talk to Islamabad to iron out differences on contentious issues.

Although Mr. Pressler did not foresee the possibility of any immediate breakthrough, he said a summit could be held in a year's time to tackle the nuclear issue between India and Pakistan.

At the same time, Mr. Pressler supported Pakistan Prime Minister Nawaz Sharif's proposal for a five-nation meeting to settle the nuclear question with India on a regional basis.

Emphasizing the need to prevent Pakistan from becoming a nuclear power, Mr. Pressler said he was in favour of the proposal for a five-power agreement to make South Asia a nuclear weapons free zone.

Some way must be found to have an early meeting of the leaders of India, Pakistan, China, the USA and the erstwhile USSR in this connection, he suggested, "A Camp David type meeting can also be arranged with the U.S. assistance," he commented.

Regarding the possession of nuclear weapons by some of Central Asian republics of former Soviet Union, Mr. Pressler said some sort of conditionalities would have to be attached to the foreign economic aid to them "so that they hand over their weapons to the Russian Federation."

The Senator did not want India to retain its nuclear option in the face of the possible threat from Islamic States in the neighborhood. "I would rather like India to sign the Nuclear Non-Proliferation Treaty keeping in view the ultimate objective of a nuclear-free world by the 1990s," he observed.

"I am aware of India's opposition to signing the treaty," Mr. Pressler said, adding that the five-nuclear weapon States—the US, Russia, Britain, France and China—would gradually reduce their nuclear stockpile.

According to Mr. Pressler, the Bush administration had wanted the "Pressler Amendment" to be repealed in the U.S. Congress. But, he felt, the measures should be kept in the way as it was in view of overwhelming evidence of Pakistan's nuclear weapons programme.

As far as India was concerned, the Senator felt that the "Pressler Amendment" was not necessary as there was no evidence towards non-peaceful uses of nuclear energy, a fact which had been borne out by technical experts.

"However, the Pressler Amendment is very much needed to end nuclear proliferation and to give an opportunity for arms control", he maintained.

For better India-Pakistan relations, Mr. Pressler said that there was need for confidence-building measures in an effort to have a peaceful environment in the region. But, he pointed out, the Indian leaders had furnished evidence to show Islamabad's involvement in subversive activities in the border States.

[From the Times of India, Jan. 14, 1992]

Pakistan Refuses To Curtail N-Plan

ISLAMABAD, January 13.—Pakistan has turned down suggestions by Washington to roll back its weapon-oriented nuclear programme and has declined to unilaterally sign the nuclear nonproliferation treaty, report PTI and Reuter.

Islamabad's position was conveyed to the U.S. senator, Mr. Larry Pressler, during his meetings with the federal finance minister, Mr. Sartaz Aziz, the minister of state for foreign affairs, Mr. Siddique Khan Kanju, and the senate chairman, Mr. Wasim Sajjad.

Responding to questions at a press conference at the end of his two-day visit to Pakistan today, Mr. Pressler said he had not received any indication from Islamabad that it was willing to roll back its nuclear programme.

Pakistan, he said, should take overt steps to dismantle its nuclear weapon capability. The Bush administration would be in a position to issue the necessary certification under the Pressler amendment only after Islamabad takes such a measure, he said.

The U.S. administration is convinced Pakistan has gone beyond a theoretical nuclear capability and has developed a nuclear bomb, "The Bush administration has determined that Pakistan has a nuclear device it could use," Mr. Pressler said.

"The Bush administration made a determination, and I cannot talk for the Bush administration, that Pakistan has the capability to have a nuclear bomb which may have to be put together. It is in two pieces or something, but it is there," he said.

"It may not be a bomb that we can look at or touch or so forth," he said.

Pakistan denies developing nuclear weapons, but President George Bush halted all military or new economic aid in October 1990 after refusing to certify under a law introduced by Pressler that Pakistan was not developing nuclear weapons.

U.S. sources said then that Pakistan had stepped up efforts to make weapons-grade uranium. Mr. Pressler made it clear that Washington believed Pakistan's nuclear programme had gone much further.

The U.S. Senator said more amendments were in the offing later this month to enhance U.S. relations with those countries which were not only reducing nuclear weapons but also cutting down their conventional weapons.

He said there was considerable apprehension of the emerging "Islamic bloc" possessing nuclear bombs and fears of growing Islamic fundamentalism.

The new strategic group, he said, could get access to the warm water port in Karachi.

He said there was no evidence that India has a nuclear bomb. Technical experts in the U.S. had suggested that India had abandoned is programme in this regard while Pakistan was going ahead with it, he said.

The visiting U.S. senator, who during his recent New Delhi visit had criticised Pakistan's involvement in secessionist and terrorist activities in Jammu and Kashmir and Punjab, was given a cold reception by Pakistani leaders. The customary calls on the President, Mr. Ghulam Ishaq Khan, and the Prime Minister, Mr. Nawaz Sharif, did not materialise.

Most of the Pakistani dailies today led its front page reports on the Pressler visit with the news of the President and the Prime Minister refusing to meet him. Official sources however claimed that there were no scheduled meetings.

Political analysts feel that Pakistan's relations with the United States had touched a low ebb in the wake of the senator's visit.

Yesterday, Pakistani authorities dismissed as unfounded Mr. Pressler's statement that he feared the creation of a nuclear-armed Islamic federation stretching from Turkey to Pakistan.

"Such baseless apprehensions hardly need any comment," Mr. Siddiq Khan Kanju said after meeting Mr. Pressler in Islamabad yesterday.

The official APP news agency quoted Mr. Kanju as saying he had made clear to Mr. Pressler that Pakistan's nuclear programme was peaceful.

Meanwhile, Pakistan today denied Indian charges that it was sponsoring secessionist activities in Jammu and Kashmir and Punjab and instead accused New Delhi of fomenting subversive activities in Pakistan.

A Pakistan government release quoted Mr. Pressler as having told Mr. Sajjad that his statement in Delhi had been reported "out of context".

While in the Indian capital, he was informed about Pakistan's involvement in the terrorist activities, but, he had categorically stated that he can give his opinion only after hearing the Pakistani side, the official release said.

Mr. Kanju termed as "wild and baseless", Indian charges of Islamabad's involvement in terrorist activities in the two Indian border states.

[From the Pierre, SD, Capital Journal, Jan. 17, 1992]

Foreign Relations Still Important Task

President Bush faces harsh criticism for paying too much attention to foreign affairs and not spending enough time on domestic issues. There should be a lesson in that for our representatives in Washington, yet, Sen. Larry Pressler, R-S.D., is off in Islamabad, Pakistan, on what seems to be a trip designed to insult Islamic fundamentalists everywhere.

While in New Delhi, India, earlier this week, Pressler said the U.S. is worried about a confederation of Islamic fundamentalist states including Pakistan, Iran, Afghanistan, Turkey and central Asian republics of the former Soviet Union. Pressler said there is a fear that these Islamic states would develop a nuclear bomb, forming a threat to India and the rest of the world.

This is the first we've heard of such a threat, but then Sen. Pressler serves on the Senate Foreign Relations Committee and travels in circles that should know about such things. The question remains, however, what's the Senator doing in Pakistan when things are so tough here at home.

The answer's quite simple—he's doing his job.

As a member of the Senate Foreign Relations Committee, Pressler is charged with watching out for America's interests in foreign affairs. With the dismantling of the Soviet Union and its nuclear threat, the Senate committee may not have the clout it once did, but that doesn't change the fact that this country exists in a world where nuclear threats are still quite real.

Americans know from their painful experience with Iraq that the friction between smaller nations can have a profound effect on this country. And, while this country keeps searching for a peace dividend, other nations are still trying to increase the amount of foreign aid they receive from the United States.

As angered as the Pakistanis are with Pressler, they still see fit to say that this nation's policies discriminate against Pakistan which, through its insistence on nuclear proliferation, is denied U.S. aid through a law called the Pressler Amendment. Despite what the Pakistanis say, this nation has every right to reward its allies and keep potential nuclear threats at bay.

While we like to see our leaders giving their best efforts to solving problems here at home, we have to realize that the United States does not exist in a vacuum. We'll have no part in establishing a new world order unless we're paying close attention to the rest of the world.

DANA HESS,
City Editor.

REGISTRATION OF MASS MAILINGS

The filing date for 1991 fourth quarter mass mailings is January 24, 1992. If your office did no mass mailings during this period, please submit a letter to that effect.

Mass mailing registrations, or negative reports, should be submitted to the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510–7116.

The Public Records Office will be open from 8 a.m. to 6 p.m. on the filing date to accept these filings. For further information, please contact the Public Records Office on (202) 224–0322.

TRIBUTE TO JUDGE CLARENCE ALLGOOD

Mr. HEFLIN. Mr. President, Clarence Allgood, a U.S. district judge from Alabama, died November 30 at his home in Birmingham after 55 years on the bench. Appointed to the Federal bench by President Kennedy in 1961, Clarence first became a judge in 1938, when he began serving in bankruptcy court, then called "debtor's court."

Judge Allgood was always described as the kind of person who would literally give a stranger the clothes off his back. In fact, there is a story recounted in his aptly named biography, "Judge Clarence Allgood: His Brother's Keeper," describing an incident when the judge gave his coat to a defendant who needed one.

As his long-time secretary, Virginia Tidwell, relates the story:

> Dressed only in a short-sleeved shirt and trousers, the man appeared to be suffering from a chill and was shivering. Allgood motioned to his bailiff, Walter Jones, and whispered to him. Jones disappeared into the judge's chambers and emerged with Allgood's favorite, old, green-checkered sport coat. * * * The bailiff helped the defendant put on the jacket. Then the trial continued.

This story speaks volumes about the character of Judge Clarence Allgood, who was known as a man who displayed deep compassion for people whether on or off the bench. Friends and colleagues say that even the people on whom he imposed punishment respected him; they thought he was fair and that they got a fair shake. As a close associate for many years says, "They didn't get off, but they got justice, kindness, and consideration."

Judge Allgood, who may have been a judge longer than any other Federal jurist, was frequently called upon to fill in for Federal judges in other districts, most of them outside Alabama. He had a reputation for getting in and making the system work.

Clarence lost both his legs at age 18 in a train accident, but most people who met him were unaware of it since he learned to use his artificial ones so well. When his wife, Marie, died 10 years ago, he insisted on a heavier caseload upon returning to work as a way to adjust to life as a widower. Despite these personal hardships, as well as numerous health problems, Judge Allgood persevered, serving up until his death last week at age 89.

In paying tribute to such a distinguished jurist as Judge Clarence W. Allgood, one cannot help but realize and acknowledge that this man did, indeed, epitomize and practice the American ideal of jurisprudence, "Justice tempered with mercy." I commend Judge Allgood on a long life of professional and personal achievement in the name of public service, and extend my sincerest condolences to Judge Allgood's family, including a son, Clarence Allgood, Jr., and sister, Mrs. Helen Hedon.

I ask unanimous consent that an article from the Birmingham News on the judge's career and biography, published earlier this year, be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Birmingham News, Apr. 17, 1991]

JUDGE ALLGOOD FIRST IN SERIES OF LOCAL BIOS

(By Elma Bell)

After 55 years on the bench, Judge Clarence Allgood still looks forward to going to work each day.

"I like people and I like working with lawyers" Allgood explains. "As a senior judge, I can choose my cases. I like criminal cases and I like people, and I learn something every day. If I get to the place where I am not doing a good job, I believe my fellow judges and friends will have the good sense to tell me, and then I will retire."

Allgood's life story is the first in a series of books called Birmingham Portraits which feature prominent Birminghamians and are being published by the Birmingham Historical Society.

The title of this first book is Judge Clarence W. Allgood, His Brothers' Keeper. Authors are Stephen B. Coleman Jr., and Judge Stephen B. Coleman, a longtime friend. Publication of the book is being celebrated Friday night at a party at South Trust Tower, hosted by a group of Allgood's former law clerks and by the historical society.

George McMillan, who is called the dean of the Allgood law clerks, says those former clerks are now enjoying careers as lawyers and judges in cities spread all over the country.

"And they are coming here from all directions to pay tribute to Judge Allgood," McMillan says.

Talking with Allgood, it becomes obvious why the Colemans report that practically everyone who came in contact with Allgood admired and respected him, even those people who appeared before him as defendants.

"You have to have a compassion," Allgood says. "I don't crusade and I don't lecture. I never did. Those people appearing before you feel bad enough already about being there, without you jumping on them."

His compassion even extended to lawyers, who sometimes could try the patience of a saint.

"You have to understand they have to make a living too." Allgood says. "In all these years, I never issued a contempt citation—but I came close a few times.

He calls the time a lawyer infuriated him by dishonesty during a meeting in his chambers.

"I lost my temper to the extent that I told him I was tempted to ask him out into the hall so I could knock his brains out." Allgood says.

He recalls another time when he was as close as he ever came to issuing a citation. It was many years ago, and he says he has been thankful all those years that he reconsidered.

"This young lawyer did some strange things. I tried to help him, and the opposing council even tried to help him, but he seemed to tell himself that we were lined up against him," Allgood says. "He did some things in the open courtroom that caused me to make up my mind that he had mental problems, so I called a recess and talked with him in my chambers."

The young man admitted that he had been treated for some problems, and Allgood asked him to bring his attorney and come to his chambers to talk with him.

"They came, and I said if they would agree that the young man go to a doctor of his choice for treatment, and keep me advised periodically on his progress, I would not issue a contempt citation."

They agreed to Allgood's suggestion.

"That young man went on to a successful career, and is still practicing law today," Allgood says. "And there is no contempt citation on his record."

In their book, the Colemans tell about Allgood's reputation for "getting down to business." Appointed in 1938 as Referee in Bankruptcy over what was then called Debtor's Court, Allgood quickly established a reputation for believing the court had a duty both to the debtor and to the creditor to work out a feasible plan of payment, and "to get things going."

President Kennedy appointed Allgood the third judge in the Northern District of Alabama in 1961. At the investiture ceremonies, Clifford Fulford represented the Birmingham Bar Association and said, "Your life has demonstrated that you will listen and consider before you pass judgment, and perhaps most important of all that you will judge with an understanding heart."

The Colemans point out that this did not indicate a "bleeding heart" approach to the law. "Allgood found satisfaction in bringing swift justice to criminals," they write.

The book follows Allgood from 1902 when he was born in Avondale, on through what is called his "stormy" youth, when he and his young friends found fishing, hunting and catching rides on freight trains more interesting than school. One of those train rides resulted in Allgood losing both legs when he fell beneath the train. As he lay in the hospital, convinced he would never walk again, Fred Herps came into the disheartened boy's room, deftly jumped up onto a chair, jumped down and suggested he teach Allgood to jump. When Allgood turned his face to the wall, Herps rolled up his pants to reveal two artificial limbs. Allgood left the hospital walking on two artificial limbs and crutches, and it wasn't long before he threw the crutches away.

Splendidly written, the book keeps even the reader with no special interest in law fascinated as it recounts Allgood's part in the trials of public officials Richmond Flowers and Jim Garrison and his involvement in civil rights cases.

The book can be ordered from the Birmingham Historical Society, #1 Sloss Quarters, Birmingham, Ala. 35222, for $15, which includes handling and shipping. It will be available later at local bookstores for $12.95.

PHILIP J. MEATHE

Mr. LEVIN. Mr. President, on January 24, 1992, Philip J. Meathe will mark the end of a very remarkable career with Smith, Hinchman & Grylls, the Nation's oldest architectural, engineering and planning firm. SH&G has been part of the Detroit landscape for 139 years.

Phil Meathe came to the firm in 1969 and in 1971 was named president and chief executive officer. In 1974 he became chairman. During his years at the helm of SH&G, the firm pioneered a construction management system that substantially reduces the time and cost of designing and building major projects. The company expanded to other cities in the United States and then took on contracts around the world. SH&G specializes in designing industrial complexes, medical facilities, and research, office, and educational buildings.

During Phil Meathe's career, he has been honored by his alma mater, the University of Michigan, architectural societies, and civic organizations. He always found the time to involve himself in the vital activities of his community as a volunteer even while watching over the growth and development of his firm.

He has an enthusiasm that is contagious and a wonderful way in his dealings with people.

Mr. President, Phil Meathe will be missed as the guiding force at Smith, Hinchman & Grylls, but now he will have even more time to contribute his expertise to the many organizations on whose boards he serves.

I want to wish my friend Phil Meathe good luck, good health, and a productive retirement.

MARY BALL

Mr. LEVIN. Mr. President, on February 1, 1992, one of the most dedicated and respected members of the Detroit community will retire from her position as executive director of the International Institute of Metropolitan Detroit. The name Mary Ball is synonymous with ethnic heritage and cultural diversity.

I have known Mary Ball for many years. She worked in an executive capacity for six Detroit mayors and initiated Detroit's Riverfront Ethnic Festivals, one of summertime's popular activities for the entire metropolitan area.

And since 1978, Mary has been at the helm of the International Institute, and it has become the central address for the many ethnic groups which are part of the rich fabric of our great community.

On January 13, the community honored Mary in the building she called home for 13 years. Hundreds and hundreds of people from every facet of our community came to say "thank you" and "we love you." It was a magnificent tribute.

I sent Mary a letter, and I believe it expresses how so many of us feel about her. Let me share that letter with my colleagues:

> DEAR MARY: I wish I could join with other friends at the celebration on the 13th.
>
> If I could be there, I would tell you how much you have meant to our community and to me.
>
> You are as tightly woven into the fabric of Detroit as anyone I know. You have uniquely and vastly enriched the texture of that fabric by your love of ethnicity and by your passionate devotion to the preservation and sharing of diverse cultures.
>
> You have strengthened that fabric with your contagious enthusiasm and constant outreach to include more and more people in the exciting experiment that is America.
>
> The International Institute and a host of other community organizations have benefited from your commitment.
>
> A lot of us in public life have also.
>
> The International Institute is only an institute—you, Mary Ball, are an institution.

Mr. President, I know that Mary Ball will have a creative and fruitful retirement and that her life will continue to touch the lives of her myriads of friends and associates.

TRIBUTE TO AARON ARONOV

Mr. HEFLIN. Mr. President, on December 12 of last year, the State of Alabama lost a long-time friend when Aaron Aronov died at his home after an extended illness. A close personal friend of mine, Aaron was a commercial developer with projects in 14 States. He got his start by selling inexpensive homes and property to returning World War II veterans.

Aaron was the son of a Ukrainian immigrant who arrived in the United States in 1912 from what is now Kiev. As a young man, he worked for a time in his father's auto and tire business, but soon found his niche in real estate development. He founded Aronov Realty Co. in 1952 as a one-man operation and built it into a diversified company operating primarily in the Southeast. Aaron remained its chairman up until his death.

His first development was Normandale, built on a tract of land in South Montgomery, AL. Built in 1952, the mixed-use development featured what was at that time the largest planned regional shopping center in the Southeast.

Aaron was appointed to the University of Alabama Board of Trustees in 1983, on which he served for 7 years. He was a major donor to the university's various scholarship programs, and the school named its chair of Judaic studies after him. Throughout his life, he showed great loyalty to his friends and his causes, particularly the University of Alabama.

Those of us fortunate enough to have known him personally knew him as a very unique and kind individual who shared his success in many humanitarian ways, often anonymously. He was a great friend to the poor and the unfortunate.

Mr. President, I am happy that Aaron lived to see independence and the emerging democratic freedoms in the land of his ancestry; it must have been deeply gratifying to witness long dormant forces at work there that he had cultivated so richly in America. Alabama benefited immensely from his leadership and entrepreneurial spirit, and he will be sorely missed. As the mayor of Aaron's hometown said, he was one of Montgomery's greatest citizens. He was involved in everything that was good in Montgomery. This simple, yet revealing, characterization is perhaps the best and most fitting that can be attributed to a man of such dimension, one who truly lived the American dream.

I extend my sincerest condolences to Aaron's wife, Marjorie, and their children, Jake, Owen, and Teri.

TRIBUTE TO COL. SAM P. McCLURKIN

Mr. HEFLIN. Mr. President, my close friend and former administrative assistant, Sam P. McClurkin, a retired Air Force colonel, died on Christmas Day last year. His first Air Force mission came in 1953, when as a captain he lead a fighter/reconnaissance squadron of over 500 men and 30 F-80 type aircraft, the first jet fighter/reconnaissance aircraft in the Air Force—a rare feat for a captain.

Born in Birmingham, AL, and graduated from the public schools there, Sam won a football scholarship to Auburn University in 1942. His college career was interrupted by World War II, during which he served as a fighter pilot. He eventually returned to Auburn, where he was elected captain of the football team and was awarded a degree in aeronautical administration.

Upon graduating from Auburn, Sam joined the Alabama Air National Guard 160th Tactical Fighter Squadron, flying six different types of aircraft. The 160th became one of the top Air National Guard combat squadrons in the country and was among the first to be called to active duty when the Korean conflict began. He was awarded a regular Air Force commission in 1952 and decided to make the Air Force his career. He later was graduated from the Air War College, the Air Force's highest school for its senior officers.

During his illustrious Air Force career, Colonel McClurkin earned 22 medals, 11 awarded for successful combat missions. These include the Distinguished Flying Cross with one leaf cluster; the Legion of Merit with one oak leaf cluster; the Air Medal with seven oak leaf clusters; two Unit Citations for the best Wing in combat; the Meritorious Service Medal; and the Joint Service Commendation Medal with one oak leaf cluster, among others. Upon his retirement, Sam was awarded the Alabama Distinguished Service Medal presented by the Governor for his accomplishments at Craig Air Force Base, which he commanded during the early 1970's.

I came to work closely with Sam during my term as chief justice of the Alabama Supreme Court, when he came on board to assist the Department of Court Management with establishing training programs used by judges throughout the State. Later, he served on my Senate staff in Montgomery. His capable leadership skills, outstanding military service record, extraordinary work ethic, and winning personality made him a valuable asset to both my staffs.

I extend my sincere condolences to Sam's wife, Marjorie, and their children, Marcia, Janet, and Sam. He will be sorely missed by those of us who knew and worked with him over the years.

Before his death, Sam was asked what he would change about his life if given the opportunity. He quickly replied:

> The only thing I'd change would be trying to negate the losses of pilots we had over the years. However, you're going to lose a few pilots both in peace and wars in the fighter business if you're in it 20 to 30 years like I was. It's a high risk occupation but you can't convince them of that and you don't try.
>
> They are the greatest professionals in the world and I was lucky and honored to be a part of it. My survival was primarily the result of the Lord flying with me. Any fighter pilot will tell you that. And why change anything if you were fortunate to have the best wife and family in the world, fly in the greatest Air Force in the world, and attend the greatest school in the world.* * *

These are comforting words from a dear friend and dedicated public servant who we will forever remember as a true credit to his Nation, State, community, and profession.

EXCESSIVE REGULATION KILLING SMALL BUSINESS

Mr. HELMS. Mr. President, Murray Weidenbaum, the distinguished economist and former Chairman of the Council of Economic Advisers under President Reagan, said recently that—

> It took a lot of stupid government actions to produce a sluggish American economy * * * those who wonder why the economy has not responded more swiftly to successive doses of monetary stimulus should consider a development over-looked by most analysts of the macro-economy: any U.S. company brave enough to consider embarking on a new capital investment faces a thicket of obstacles in the form of expanded environmental and other social regulations.

Professor Weidenbaum found that environmental regulations alone cost each American family more than $1,000 a year. The cost of environmental compliance costs $110 billion each year, but the Government doesn't worry about it because those costs are borne by the private sector.

More regulations—in the form of the Clean Air Act, the Americans with Disabilities Act, the Civil Rights Act, and various OSHA rewrites—have been passed on to business in the last 3 years than in all of the previous 10. The 1992 Federal budget provides for 122,400 environmental, and social regulators, the most in history.

On January 16, I received a letter from the president of the National Roofing Contractors of America, Richard Rosenow. Mr. Rosenow—who speaks for over 3,000 small companies employing an average of 40 people per business—detailed the regulatory nightmare his members must endure to put a simple roof on a family garage.

I ask Senators to take note of the hoops that the small businessmen in its basic industry must jump through in order to appease the bureaucrats and social engineers in Washington. Mr. Rosenow points out that, thanks to the Federal Government, the most dangerous act performed by an American roofer is handing his neighbor a bill and trying to explain why the costs have increased so dramatically in the last 3 years.

Mr. President, I ask unanimous consent that the letter and enclosure from the National Roofing Contractors of America to White House Counsel C. Boyden Gray be placed in the RECORD at the conclusion of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL ROOFING
CONTRACTORS ASSOCIATION,
Washington, DC, January 15, 1992.

C. BOYDEN GRAY,
Counsel to the President, The White House, Washington, DC.

DEAR MR. GRAY: There is speculation that President Bush will unveil far reaching proposals for regulatory reform in his State of the Union address. NRCA President Richard Rosenow wrote to him on October 31, 1991, urging relief for small businesses from the explosion of federal regulations.

In that letter, Mr. Rosenow stated that a list would be forthcoming of federal regulations that a roofing contractor must labor under when repairing a roof. Enclosed is a scenario that details how burdensome these have become for something as simple as fixing the roof on your neighbor's garage.

On behalf of NRCA, please consider the absurdity of this industry-specific situation and its negative economic parallel to all small businesses. We would be happy to provide more information on this matter and eagerly await your reply.

Sincerely,

CRAIG S. BRIGHTUP,
Director of Government Relations.

January 1992.

Theories abound as to why the economy is at a standstill. There can be little doubt that one of the contributing factors is the avalanche of regulations that has put a drag on American business. The following scenario will demonstrate just how pervasive the web of regulations has become, even for something as simple as fixing the roof on your neighbor's garage.

Suppose you own a roofing business, and one morning you get a call from your neighbor, whose garage roof is leaking. He tells you that the roof is asphalt-based, and you agree to send a repair crew to try to fix it. In order to fully comply with federal regulations that are in effect today, you would have to:

First examine the roof to determine whether asbestos is present. There is a good chance that an asphalt roof will at least include asbestos-containing base flashings and cements; if they do, EPA regulations will apply, and OSHA regulations may apply.

It is very likely that you won't know from a visual examination whether asbestos is present. In that case, you will have to cut a sample from the roof, and patch it to avoid leaks at the point of the sample cut. You will then send the sample, after you have bagged it properly, to an accredited laboratory, and delay your repair work until the sample is analyzed. (In some states, only a certified abatement contractor is allowed to make this test cut.)

If you discover that asbestos is contained in the roof: Notify the owner (your neighbor) in writing. Notify the EPA Regional Office (10 days prior to beginning work, which will mean your neighbor's roof will continue to leak). Be sure that at least one person on your repair crew is trained to satisfy EPA requirements. Conduct air monitoring on the job, once you are able to start work, to determine whether emissions of asbestos will exceed OSHA's action level. You can't do this, of course, until the 10-day EPA notification period has passed. Once you begin any repair work, you will have to "adequately wet" the materials. EPA defines this as "thoroughly penetrating" the asbestos-containing material, which is an interesting concept for a waterproof material like asphalt. EPA also stipulates that there be no "visible emissions" on the job, even if you can demonstrate that the emissions contain no asbestos fibers. You will then have to vacuum the dust generated by any "cutting" that you do, put it in double bags, and take it to an approved landfill. You will also be responsible for prohibiting smoking on the job site, and are subject to fine if one of your employees lights up. You will probably wonder why your neighbor will be asked to absorb all of the costs associated with these steps, since hundreds of test samples have shown no asbestos exposures above acceptable limits in roofing operations.

Ensure that your crew is trained about any hazardous materials that they may encounter. (These will include the gasoline you use to power the pump on your roofing kettle). You will also have to be sure that copies of the appropriate Material Safety Data Sheets are present at the work site, and that all containers are properly labelled.

Your crew must also be thoroughly trained in handling these materials. This will be determined not by what steps you have taken to train them, but by what your employees tell the OSHA inspector who asks them what they have been taught.

Because you are transporting asphalt at a temperature above 212 degrees, so that your crew won't have to wait two or three hours at your neighbor's home for the asphalt to heat, you must: Mark the side of your roofing kettle with a sticker that says "HOT" in Gothic letters; complete shipping papers before the truck leaves your yard; have emergency response procedures developed in the event the kettle should turn over en route to your neighbor's home; be sure that your driver has been drug-tested, and has a commercial driver's license; be sure that the driver completes his log sheets for the day, and stops 25 miles after he leaves your yard to see if the load has shifted; and be sure that your kettle has a hazardous material palacard, in addition to the "HOT" sticker mentioned above.

Because your vehicle is being driven for work-related matters, you must be sure that the driver wears his seat belt, and has received driver training. If he does not wear his seat belt, you, of course, will be fined.

Assuming you have met other OSHA safety standards, and are satisfied you will be in compliance with local and state regulations, it is now safe for you to begin. Your most dangerous act, however, is yet to come; presenting your neighbor with his bill, and explaining why your costs increased so dramatically in the three years since these regulations have been promulgated.

HONORING DR. MARTIN LUTHER KING, JR.

Mr. RIEGLE. Mr. President. Yesterday, Americans observed our national holiday honoring Dr. Martin Luther King, Jr. Each year when we honor the memory of Dr. King, we gain new appreciation for his tremendous personal courage and for his deep conviction that our country could become a better place for all citizens.

Dr. King lifted our Nation through his eloquence and gave voice to the millions of Americans who had been denied their most basic human rights. He moved us forward by asking us to look deep within ourselves and consider the meaning of freedom, justice, and equality in our society. Through nonviolent protest he exposed the contradictions between our ideals and the extremely unjust conditions in which millions of Americans were forced to live. In his work, Dr. King took a nation that was largely complacent about civil rights and brought it forward in ways that have enriched all of our lives.

Dr. King was a young minister in 1954 when he was asked to lead the effort to integrate the Montgomery, AL, bus system. This effort, which was sparked by Rosa Parks' refusal to give up her seat on the bus, set in motion a movement for freedom that would sweep through the South and the rest of the country over more than a decade.

Dr. King deeply believed that people would be moved to change by appealing to the good qualities within them. He believed that the best way to defeat an enemy was to make him a friend. His adoption of peaceful, nonviolent means of protest were effective weapons of change.

Dr. King and the thousands of Americans who actively worked for civil rights in the 1950's and 1960's unmasked the brutality of a system that prevented millions of Americans from enjoying the full measure of their citizenship. Few things burn so fiercely in our memory as the sight of peaceful Americans being beaten, hosed, and jailed by individuals who would not recognize their basic rights. For millions of Americans, these scenes symbolized the years of violence and suppression directed towards blacks in our country, and illustrated the long distance that we had to travel in order to fulfill the promises of our democracy.

A great deal of courage was required by Dr. King and the thousands of Americans who actively challenged the shameful system of segregation and injustice. These men and women faced brutal force and a society that would not easily reform itself. The bravery of the Americans who fought for freedom set a clear example and encouraged millions of citizens to confront the racism and injustice that they encountered in their own lives. Dr. King forced America to face racism and intolerance and inspired us to move forward.

When Dr. King was awarded the Nobel Peace Prize in 1964 for his work, he spoke of a prize that has not yet been achieved. And despite much progress, that prize—true equality and justice for all Americans—has not been fully won. Today, 24 years after Dr. King's death, too many American feel the sting of racism.

Our national holiday honoring Dr. King is important because it reminds us that our Nation must continue to move forward. It helps us to maintain our awareness that his fight for racial justice, tolerance, and opportunity must continue to be our fight—the fight of each and every American citizen. And we must continue to confront injustice and help to expand the freedom of all members of our society.

BRIG. GEN. CARSON TO RECEIVE "MINUTEMAN" AWARD

Mr. PACKWOOD. Mr. President, I rise to honor Brig. Gen. Wallace P. Carson, Jr., who has been chosen by the enlisted members of Oregon Air National Guard as the recipient of Oregon's Order of the Minuteman.

General Carson achieved his high rank through long and dedicated service in both the U.S. Air Force and the Oregon Air National Guard. His outstanding professionalism and exemplary leadership skills resulted in the increased effectiveness of the Guard in Oregon. He contributed greatly to the success of the Guard in Oregon and earned the deep respect of his men.

While guiding the Guard forward, General Carson pursued his civilian career in the Oregon judiciary, eventually becoming Chief Justice of the Oregon Supreme Court. In these endeavors, General Carson epitomizes the concept of the Minuteman—an individual who is always ready to respond to the needs of our great Nation.

The Order of the Minuteman was established to recognize and honor military volunteers and civilians for their significant contributions to both the welfare and prestige of the enlisted forces of the Oregon Air National Guard. General Carson's enviable record has earned him this honor, and I am pleased to be able to acknowledge his achievement.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER (Mr. BREAUX). Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m. this afternoon.

Thereupon, at 12:46 p.m. the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the President pro tempore [Mr. BYRD].

STRENGTHENING EDUCATION FOR AMERICAN FAMILIES ACT—CLOTURE MOTION

The PRESIDENT pro tempore. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to S. 2, a bill to strengthen education for American families.

George Mitchell, Daniel K. Akaka, Paul Simon, Christopher Dodd, Pat Leahy, Jeff Bingaman, Carl Levin, Dennis DeConcini, Claiborne Pell, Paul Wellstone, Albert Gore, Jr., John Glenn, Kent Conrad, David Pryor, Harris Wofford, Wyche Fowler, Jr.

CALL OF THE ROLL

The PRESIDENT pro tempore. By unanimous consent, the quorum call has been waived.

VOTE

The PRESIDENT pro tempore. The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of S. 2, the national education goals bill, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Iowa [Mr. HARKIN], and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND], the Senator from Idaho [Mr. CRAIG, the Senator from Texas [Mr. GRAMM], and the Senator from Idaho [Mr. SYMMS] are necessarily absent.

The PRESIDENT pro tempore. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 93, nays 0, as follows:

[Rollcall Vote No. 1 Leg.]

YEAS—93

Adams
Akaka
Baucus
Biden
Bingaman
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Grassley
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—0

NOT VOTING—7

Bentsen
Bond
Craig
Gramm
Harkin
Kerrey
Symms

The PRESIDENT pro tempore. On this vote, the yeas are 93, the nays are none. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The majority leader is recognized.

NOTIFICATION TO THE HOUSE

Mr. MITCHELL. Mr. President, pursuant to a prior agreement, I send a resolution to the desk and ask that it be read and immediately considered.

The PRESIDENT pro tempore. The clerk will state the resolution.

The assistant legislative clerk read as follows:

A resolution (S. Res. 242) informing the House of Representatives that a quorum of the Senate is assembled.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution (S. Res. 242) was considered and agreed to, as follows:

S. RES. 242

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

NOTIFICATION TO THE PRESIDENT

Mr. MITCHELL. Mr. President, I send another resolution to the desk and ask that it be read and immediately considered.

The PRESIDENT pro tempore. The clerk will report the resolution.

The assistant legislative clerk read as follows:

A resolution (S. Res. 243) informing the President of the United States that a quorum of each House is assembled.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution (S. Res. 243) was considered and agreed to, as follows:

S. RES. 243

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

The PRESIDENT pro tempore. Pursuant to the resolution, the majority and minority leaders are appointed as members of the committee.

The majority leader is recognized.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that following disposition of S. 2, the Neighborhood Schools Improvement Act, but not earlier than Monday, January 27, at 3 p.m., the Senate proceed to the consideration of Calendar No. 138, S. 12, the cable television regulatory reform bill; and that, if the Senate proceeds to consider S. 12 on Monday, January 27, it be for the sole purpose of Senators making opening remarks on the legislation that no amendments or motions may be proposed with respect to the legislation on Monday, January 27.

The PRESIDENT pro tempore. Is there objection to the request? The Chair hears no objection. That will be the order.

ADMINISTRATION OF OATH TO HARRIS WOFFORD, SENATOR FROM PENNSYLVANIA

The PRESIDENT pro tempore. Under the previous order, the Chair lays before the Senate a certificate of election for an unexpired term. If there is no objection, the reading of the certificate will be waived and it will be printed in full in the Journal.

The certificate of appointment is as follows:

COMMONWEALTH OF PENNSYLVANIA,
GOVERNOR'S OFFICE

To the President of the Senate of the United States:

This is to certify that on the fifth day of November, Anno Domini, one thousand nine hundred and ninety-one, Harris Wofford was duly elected by the qualified electors of the Commonwealth of Pennsylvania as a United States Senator for the unexpired term ending at noon on the third day of January, Anno Domini, one thousand nine hundred and ninety-five, to fill the vacancy in the representation for said Commonwealth in the Senate of the United States caused by the death of H. John Heinz, III.

Given under my hand and the Great Seal of the Commonwealth of Pennsylvania, at the City of Harrisburg, this eighteenth day of December in the year of our Lord one thousand nine hundred and ninety-one and of the Commonwealth the two hundred and sixteenth.

ROBERT CASEY,
Governor.

The PRESIDENT pro tempore. If the Senator to be sworn will now present himself at the desk, the Chair will administer the oath of office.

Mr. WOFFORD, of Pennsylvania, escorted by Mr. MITCHELL, of Maine, and Robert Casey, Governor of Pennsylvania, advanced to the desk of the Vice President; the oath prescribed by law was administered to him by the President pro tempore; and he subscribed to the oath in the official Oath Book.

[Applause, Senators rising.]

The PRESIDING OFFICER (Mr. ADAMS). The Senate will come to order.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

SENATOR HARRIS WOFFORD

Mr. MITCHELL. Mr. President, in behalf of all Senators, it is a real pleasure to welcome back our colleague from Pennsylvania, Senator HARRIS WOFFORD.

[Applause.]

Mr. MITCHELL. May we have order?

The PRESIDING OFFICER. The Senate will come to order.

All those conversing in the aisles will please retire to their seats.

The majority leader.

Mr. MITCHELL. Mr. President, in behalf of all Senators, it is a pleasure to welcome back our colleague from Pennsylvania.

The swearing in ceremony of Senator WOFFORD today is the formal acknowledgment of what the people of Pennsylvania told the Nation so dramatically last November, that Senator HARRIS WOFFORD is their choice to represent their State in the U.S. Senate and to work for the future of their State and our Nation.

The people of Pennsylvania made a wise decision. HARRIS WOFFORD spoke clearly and plainly to them last year of the needs our Nation faces.

I congratulate Senator WOFFORD on his success, and look forward to his help and advice as we begin this 2d session of the 102d Congress.

Mr. WOFFORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

SERVING IN THE U.S. SENATE

Mr. WOFFORD. Mr. President, Senator MITCHELL, Senator DOLE, Governor Casey, my friend Senator SPECTER, my partner in fighting for things for Pennsylvania, I want to thank my majority leader and teacher here for his warm words.

This year has transpired to give me an extraordinary opportunity. When I first stood before you in this Chamber 8 months ago, I was determined to make something good come out of the tragedy of John Heinz' death. Now, thanks to the people of Pennsylvania, I have a chance to make good on that pledge.

To my Democratic colleagues, you know how I appreciate the help you gave me in coming back here. To my friends on the other side of the aisle, I know how surprised you must have been to see me come back. But here I am.

I am looking forward to working with you, to getting to know you, and to making something good happen for our country. I means that very seriously because if there was one message from Pennsylvania, it was that they are tired of politics as usual, and the bottom line of the Pennsylvania election was that it is time for us Republicans and Democrats to bring homeward and to tap anew what Lincoln called the "better angels of our nature," to take effective action on the problems pressing down upon the people of this country, for action to get our economy moving again, for action to achieve a universal health care system in this country, and for action to give tax equity for all Americans, and especially the middle class.

You all have heard, all of you, that same frustration, anxiety, and impatience. So let us together turn the heat that we feel and we felt in these last weeks back in our districts, in our States—let us turn that heat into new energy and light because Americans, however, skeptical they are about politics and politicians, still look to us and to Government to make a difference in their lives.

I assure you that this is the greatest honor of my life: to represent the people of Pennsylvania in this Chamber and to work with my colleagues on both sides of this aisle.

I look forward to turning the trust and the hopes of the people in Pennsylvania that have been vested in me into a reality, and into rolling up my sleeves and getting to work with you.

Thank you.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania [Mr. SPECTER] is recognized.

WELCOMING SENATOR WOFFORD

Mr. SPECTER. I thank the Chair.

Mr. President, I join all my colleagues in welcoming again our distinguished colleague, Senator WOFFORD, who has graced this Chamber and done outstanding work, and has now embarked on the balance of the term.

I recall, not too many days ago, Senator WOFFORD was appointed by the Governor on a Wednesday, sworn in on a Thursday, and most of the Friday morning was in my office talking over the legislation I have on the agenda. And at that time—he can confirm this—I promised him my full support on every single issue except one, that was his election campaign, and he did not need my help on that. And he is back today and has already tackled the very important problems of our State.

I welcome our distinguished Governor, Robert Casey, who is present in the Senate Chamber again today, as he was on the occasion when Senator WOFFORD was sworn in initially.

I had an opportunity on the Metroliner to get to know Senator WOFFORD much better in the intervening months since his appointment last spring. We have already worked together on a number of important items—the Philadelphia Navy Yard. We held joint announcement conferences on the transportation bill. And I look forward to working very closely with him in the days ahead.

I think that our joint activities and efforts will be replicated by cooperation on both sides of this aisle as the Senate begins its business today in the 2d session of the 102d Congress with the very important work which confronts the Senate and Congress in tackling the Nation's business.

Again, I congratulate my distinguished colleague.

I thank the Chair. I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The distinguished Republican leader is recognized.

CONGRATULATIONS TO SENATOR WOFFORD

Mr. DOLE. Mr. President, first let me extend my congratulations to Senator WOFFORD. I will confess I was surprised to see him elected. But I also remember what he said to me after the election. He said now we will have time to become acquainted and work together. I certainly accept that in the spirit in which it was conveyed to me by the junior Senator from Pennsylvania.

I look forward to working with Senator WOFFORD and getting to know him better. I think he is exactly right: the American people are frustrated—whether they live in Kansas, Pennsylvania, or somewhere else. They are taking names. They are concerned about a lot of issues.

So I think it is incumbent upon all of us to heed the message we received from the State of Pennsylvania which, in my view, is sort of a bipartisan, nonpartisan message. The people were speaking. I think that message will not be lost by Senators on either side of the aisle.

Again, I extend my congratulations to Senator WOFFORD. Welcome.

THE 102D CONGRESS: NO MORE BUSINESS AS USUAL—END POLITICAL GAMES TO SOLVE AMERICA'S PROBLEMS; PEOPLE ARE DISILLUSIONED

Mr. DOLE. Mr. President, Congress is back in town. It is another year, another session, with another State of the Union just around the corner. But before anyone starts believing that all these facts add up to business as usual, let me tell you how dead wrong that assumption would be.

There are just too many issues—too many problems—demanding our attention for us to begin this session of Congress with a business-as-usual attitude.

Whether it is the economy, health care, drugs and crime, tax relief, agriculture, or whatever, this Congress has one simple assignment: Do something, and do it quickly for a change.

Let us face it, the American people will not stand for business-as-usual.

They are fed up, frustrated, and frankly disillusioned with what we are doing or not doing here in Washington.

The American people are demanding action. They will simply not accept the same old partisan posturing, political games, and congressional gridlock that we have been giving them for too long now.

You can't go anywhere these days without hearing the people and hearing them loudly and clearly: "Do something, and do it quickly for a change," they are telling us.

Well, it is time to listen to the people—even on Capitol Hill, even in the White House, and yes, even in an election year.

Oh, the temptation will be great, what with election day only 288 days away. The temptation will be great, indeed, to block anything the President might want to do, or play games with some Democrat or Republican initiative.

I know a lot of attention is being paid these days to polls and Presidential popularity. No doubt about it, the President is the biggest target in town; no one understands this better than George Bush; he knows it comes with the territory.

So let's be honest. It's pretty easy to criticize the President for the Nation's problems, but his critics cannot have it both ways: They cannot block every Presidential initiative and then blame him for not getting the job done; they cannot dismiss every Presidential initiative as inadequate when their only response is to see how many taxpayers' dollars they can spend; and no critic—no party—can claim a monopoly on compassion for the American people.

The people understand that Congress is just as accountable as the President of the United States, and they see Congress as part of the problem, not the solution—and they will be taking names.

It is no wonder they are fed up with the business-as-usual congressional agenda.

So, if the American people are to believe all the rhetoric and all the speeches they have been hearing since Congress left town a month-and-a-half ago about the economy and health care and all the other challenges facing us this year, then we had better start delivering instead of just complaining, or promising.

It is time to make the people's agenda our No. 1 priority around here instead of our next election.

My guess is that anyone ignoring this advice could well be looking for another line of work come 1993.

I reserve the remainder of my time.

The PRESIDING OFFICER. The pending question is the motion to proceed to S. 2. The question is on agreeing to the motion.

The motion was agreed to.

STRENGTHENING EDUCATION FOR AMERICAN FAMILIES ACT

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 2) to provide the achievement of national education goals, to establish a National Council on Education Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Strengthening Education for American Families Act".

TITLE I—NATIONAL GOALS

SEC. 101. PURPOSE.

It is the purpose of this title to establish a plan of action for the initial steps that the Federal Government must take in order to assist State and local governments, organizations, and institutions in the joint effort of achieving the national education goals as outlined in this title.

SEC. 102. SCHOOL READINESS.

(a) FINDINGS.—The Congress finds that the Federal Government has a long-standing commitment to ensuring that all physically and economically disadvantaged children are ready and able to begin school by providing them with the same opportunities to develop physically and mentally as their more advantaged peers.

(b) POLICY.—It is the goal of the United States that, by the year 2000, all children in America will start school ready to learn. As part of the joint effort of Federal, State, and local governments, organizations, and institutions in achieving this goal, it is the policy of the Federal Government to take consistent steps—

(1) to provide Head Start services to every eligible child who needs such services;

(2) to provide sufficient funding for the special supplemental food program for women, infants, and children so that all potentially eligible women, infants, and children have access to the services provided by the program; and

(3) to expand funding for Even Start to allow programs to reach all parts of the United States and to allow each State to fund a sufficient number of programs throughout the State so that approaches are available for local educational agencies, the State educational agency, and other organizations to adopt and implement.

SEC. 103. SCHOOL COMPLETION.

(a) FINDINGS.—The Congress finds that in order for the Nation to regain its economic competitiveness, each individual in the United States must be educated to his or her greatest potential and must be encouraged to finish secondary school.

(b) POLICY.—It is the goal of the United States that, by the year 2000, the high school graduation rate will increase to at least 90 percent. As part of the joint effort of Federal, State, and local governments, organizations, and institutions in achieving this goal, it is the policy of the Federal Government to take consistent steps—

(1) to expand funding for secondary school dropout prevention and reentry programs and basic skills programs to allow programs to reach all parts of the United States and to allow each State to fund a sufficient number of programs throughout the State so that approaches are available for local educational agencies, the State educational agency, and other organizations to adopt and implement; and

(2) to collect uniform, reliable data from the States with respect to school completion rates.

SEC. 104. STUDENT ACHIEVEMENT.

(a) FINDINGS.—The Congress finds that—

(1) American students are falling behind students in other industrialized nations on tests measuring abilities in all academic subject areas; and

(2) the United States, in seeking to increase student ability and achievement, has traditionally served special populations, such as disadvantaged individuals and individuals with disabilities.

(b) POLICY.—It is the goal of the United States that, by the year 2000, American students will leave grades 4, 8, and 12 having demonstrated competency over challenging subject matter including English, mathematics, science, foreign languages, history, and geography, and every school in America will ensure that all students learn to use their minds well, so they may be prepared for responsible citizenship, further learning, and productive employment in our modern economy. As part of the joint effort of Federal, State, and local governments, organizations, and institutions in achieving this goal, it is the policy of the Federal Government to take consistent steps—

(1) to provide remedial assistance for all disadvantaged children in the United States by increasing the participation of eligible children in programs under chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

(2) to fulfill the commitment made by the United States in 1975 to provide 40 percent of the costs of educating children with disabilities;

(3) to reward successful programs in schools with concentrations of disadvantaged children; and

(4) to promote efforts that encourage all students to be involved in activities that promote and demonstrate good citizenship, community service, and personal responsibility.

SEC. 105. MATHEMATICS AND SCIENCE.

(a) FINDINGS.—The Congress finds that—

(1) students in the United States are falling behind students from other industrialized nations on tests measuring achievement in mathematics and science;

(2) the Federal Government has a significant role in promoting the study of mathematics and science in elementary and secondary schools by providing financial assistance to local educational agencies to improve the general quality of programs for the study of mathematics and science through authorized math and science education programs; and

(3) the Federal Government has indirectly assisted in the postsecondary study of mathematics and science by providing future scientists, mathematicians, and engineers with financial assistance to attend postsecondary institutions, but more incentives are needed to attract high-achieving students into these areas of study.

(b) POLICY.—It is the goal of the United States that, by the year 2000, United States students will be first in the world in mathematics and science achievement. As part of the joint effort of Federal, State, and local governments, organizations, and institutions in achieving this goal, it is the policy of the Federal Government to take consistent steps—

(1) to expand funding for the Excellence in Mathematics, Science, and Engineering Act of 1990 to increase the number of individuals, particularly women and minorities, in graduate and undergraduate programs in mathematics, science, and engineering;

(2) to expand funding for the Dwight D. Eisenhower Mathematics and Science Education Act so that all elementary teachers and all sec-

ondary teachers of mathematics and science will have an opportunity for updating and improving their mathematics and science education skills;

(3) to expand funding for such Act so that all elementary school teachers have an opportunity for skill improvement; and

(4) to award scholarships to high-achieving students to pursue the study of mathematics, science, and related subjects at postsecondary institutions.

SEC. 106. FAMILY LITERACY AND LIFELONG LEARNING.

(a) FINDINGS.—The Congress finds that—

(1) nearly 30,000,000 adults in the United States are lacking literacy skills which limits their ability to read, write, or speak in English or to compute or solve problems effectively; and

(2) the Federal Government has a responsibility to assist State and local governments in providing literacy services to those individuals in need of such services so that they may be full participants in society.

(b) POLICY.—It is the goal of the United States that, by the year 2000, every American will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship. As part of the joint effort of Federal, State, and local governments, organizations, and institutions in achieving this goal, it is the policy of the Federal Government to take consistent steps—

(1) to provide increased funding for the Adult Education Act so that all eligible individuals who seek such services under such Act will receive such services; and

(2) to expand Federal assistance for literacy programs in order to assist State and local governments, public libraries, organizations and volunteers in providing all individuals lacking literacy skills the opportunity to acquire skills needed to function in society.

SEC. 107. SAFE, DISCIPLINED, AND DRUG-FREE SCHOOLS.

(a) FINDINGS.—The Congress finds that—

(1) use of illicit drugs and alcohol by the youths of the Nation continues to be a major problem that threatens the safety of the children of the Nation and impedes their ability to succeed in school and in their lives; and

(2) more Federal efforts are urgently needed in the areas of drug and alcohol abuse education and prevention.

(b) POLICY.—It is the goal of the United States that, by the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning. As part of the joint effort of Federal, State, and local governments, organizations, and institutions in achieving this goal, it is the policy of the Federal Government to take steps to ensure that all students receive drug abuse prevention education and counseling services.

SEC. 108. TEACHER RECRUITMENT AND RETENTION.

(a) FINDINGS.—The Congress finds that—

(1) the success of America's schools depends most heavily on the Nation's teachers;

(2) when teachers have the necessary skills to be highly motivated and committed to excellence, they succeed in not only imparting subject matter knowledge, but also in instilling in their students an appreciation of the value and importance of education;

(3) teachers are significant role models for our Nation's diverse student population; and

(4) teachers, and a diverse teaching faculty, are instrumental in the education of the children of the United States and are key to achieving the national education goals described in section 2(a)(8).

(b) POLICY.—It is the goal of the United States, that by the year 2000, there will be a well qualified and diverse teaching faculty in every school in the Nation. As part of the joint effort of Federal, State, and local governments, organizations, and institutions in achieving this goal, it is the policy of the Federal Government to take consistent steps—

(1) to eliminate nationally identified areas of teacher shortages by assuring access to high quality education and training to individuals desiring to pursue a career in the teaching profession; and

(2) to expand Federal assistance for teacher training and other professional development programs in order to improve the skills of the teaching force and enhance the recruitment and retention of well-qualified professionals in the classroom.

SEC. 109. EQUAL OPPORTUNITY FOR POSTSECONDARY EDUCATION.

(a) FINDINGS.—The Congress finds that—

(1) it is essential to the economic well-being of the United States that all Americans be educated to their fullest potential;

(2) to bring this about, it is necessary to increase college participation by all Americans, especially minorities, and to reduce the imbalance between grants and loans in financing a college education, so that all Americans with the desire and the ability have an equal opportunity to participate in postsecondary education and training, from the undergraduate to the postgraduate level.

(b) POLICY.—It is the goal of the United States that, by the year 2000, no qualified student shall be denied the opportunity for postsecondary education because of financial or other barriers. As part of the joint effort of Federal, State, and local governments, organizations, and institutions in achieving this goal, it is the policy of the Federal Government to take consistent steps—

(1) to increase the participation of low-income, first-generation-in-college, and minority students in postsecondary education;

(2) to expand college assistance to middle income families;

(3) to reduce the reliance on loans as the principal means of financing postsecondary education for students and their parents by increasing the annual appropriations for the Pell Grant program so that the maximum grant provides substantial assistance towards the cost of attending an institution of higher education; and

(4) to enhance the capacity of postsecondary institutions to recruit and retain low-income, first-generation-in-college, and minority students, including graduate students, and to provide those students with a quality education, by increasing the annual appropriations for the TRIO programs to expand the percentage of eligible students served and to more effectively serve the students receiving services from these programs.

TITLE II—NATIONAL COUNCIL ON EDUCATIONAL GOALS

SEC. 201. SHORT TITLE.

This title may be cited as the "National Academic Report Card Act of 1991".

SEC. 202. FINDINGS AND PURPOSE.

Congress finds that—

(1) the social well-being, economic stability, and national security of the United States depend on a strong educational system that provides all citizens with the skills necessary to become active members of a productive work force;

(2) despite the many reforms of the educational system that have been implemented since the National Council on Excellence in Education declared our Nation "at risk" in 1983, the United States remains at risk for educational failure;

(3) United States children and youth leave school unprepared to participate productively in the work force, suffer high rates of functional illiteracy, and often display a lack of understanding about the United States and the world, in both a historical and futuristic context;

(4) United States students currently rank far below students of many other countries in educational achievement, particularly in mathematics and the sciences;

(5) although States and localities bear the primary responsibility for elementary and secondary education, rapidly increasing international competitiveness requires that the United States increase efforts to make education a national priority;

(6) the Federal Government has played a vital, leading role in funding important educational programs and research activities and should continue to play the role;

(7) accurate and reliable mechanisms must be available to assess and monitor educational progress;

(8) many schools have shown considerable progress and success in improving achievement, including model schools and schools that have implemented innovative approaches to school structure;

(9) the mechanisms to assess and monitor educational progress, and the national information infrastructure needed to support the mechanisms, do not exist or must be strengthened;

(10) many factors contribute to the performance of a school, including school finance, resources, teaching conditions, and parental involvement, and an analysis of the factors, along with educational achievement, should be included in reports on school performance;

(11) there should be established an independent Council of highly respected, bipartisan, diverse experts to—

(A) study, make recommendations regarding, and monitor progress on meeting national goals for education; and

(B) make recommendations on the educational assessment and information system of the United States;

(12) the Council described in paragraph (11) should have the authority to—

(A) make such recommendations as the Council determines to be necessary to the President, Congress, and the States; and

(B) issue annual reports in the form of a national report card; and

(13) States require Federal assistance to conduct State Summits on Education.

(b) PURPOSE.—Pursuant to the establishment of the national education goals, it is the purpose of this title to establish a bipartisan independent council of highly respected and diverse experts to develop and implement methods to measure progress in attaining the national goals, to make recommendations concerning further progress in attaining such goals, and to annually report on the progress made in reaching such goals.

SEC. 203. NATIONAL COUNCIL ON EDUCATIONAL GOALS.

(a) ESTABLISHMENT.—There is established a National Council on Educational Goals (referred to in this Act as the "Council").

(b) COMPOSITION.—The Council shall be composed of 18 members (referred to in this title as "members"), including—

(1) two members appointed by the President;

(2) six members, not more than three of whom shall be from the same political party, nominated by the Chairperson of the National Governor's Association in consultation with the Vice Chairperson of the Association, and appointed by the President;

(3) five members appointed by the Speaker of the House of Representatives in consultation with the Minority Leader of the House of Representatives; and

(4) five members appointed by the President Pro Tempore of the Senate on the recommenda-

tion of the Majority Leader and Minority Leader of the Senate.

(c) QUALIFICATIONS.—

(1) CONGRESSIONAL APPOINTEES.—Members appointed under paragraph (3) or (4) of subsection (b)—

(A) shall be appointed on the basis of—

(i) widely recognized experience in, knowledge of, and commitment to, education and educational excellence; and

(ii) training or experience in analyzing educational data;

(B) shall not include elected Federal public officials; and

(C) shall be appointed from among—

(i) individuals who are engaged in the professions of teaching and research;

(ii) individuals with experience in analyzing school performance data who are—

(I) engaged in school administration;

(II) members of school boards;

(III) parents; or

(IV) representatives of parents or parent organizations;

(iii) individuals who are representatives of nonprofit organizations or foundations and businesses that have demonstrated a commitment to the improvement of United States education; and

(iv) other individuals determined to be appropriate by the person appointing the individuals under subsection (b).

(2) NATIONAL GOVERNOR'S ASSOCIATION NOMINEES.—Members nominated under subsection (b)(2) shall be nominated from among—

(A) the Governors; or

(B) individuals with the qualifications described in paragraph (1), or other qualifications as determined to be appropriate by the Chairperson of the National Governor's Association.

(d) TERM.—

(1) PRESIDENTIAL APPOINTEES.—The President shall designate one of the members appointed under subsection (b)(1) to serve a 4-year term, and one to serve a 6-year term.

(2) NATIONAL GOVERNOR'S ASSOCIATION NOMINEES.—Among the members appointed under subsection (b)(2), the Chairperson and the Vice Chairperson of the National Governor's Association shall each designate one appointee to serve a 6-year term, one to serve a 4-year term, and one to serve a 2-year term.

(3) HOUSE APPOINTEES.—Among the members appointed by the Speaker of the House under subsection (b)(3)—

(A) the Speaker shall designate one appointee to serve a 6-year term, one to serve a 4-year term, and one to serve a 2-year term; and

(B) the Minority Leader shall designate one appointee to serve a 4-year term, and one to serve a 2-year term.

(4) SENATE APPOINTEES.—Among the members appointed by the President Pro Tempore of the Senate, under subsection (b)(4)—

(A) the President Pro Tempore of the Senate, in consultation with the Majority Leader of the Senate, shall designate one appointee to serve a 6-year term, one to serve a 4-year term, and one to serve a 2-year term; and

(B) the President Pro Tempore of the Senate, in consultation with the Minority Leader of the Senate, shall designate one appointee to serve a 4-year term, and one to serve a 2-year term.

(5) DATE OF APPOINTMENT.—The initial members shall be appointed not later than 60 days after the date of enactment of this Act.

(6) RETENTION.—In order to retain an appointment to the Council, a member must attend at least 50 percent of the scheduled meetings of the Council in any given year.

(d) CHAIRPERSON.—

(1) INITIAL SELECTION.—During the first 60 days after the date of the enactment of this Act, the members appointed under subsection (b)(2) shall select a Chairperson from among the members appointed under subsection (b)(2).

(2) SUBSEQUENT SELECTION.—If no individual described in paragraph (1) assumes the position of Chairperson of the Council within 60 days of the date of the enactment of this Act, the members shall select a Chairperson from among the members.

(e) VACANCIES.—A vacancy on the Council shall not affect the powers of the Council, but shall be filled in the same manner as the original appointment.

(f) COMPENSATION AND TRAVEL.—Members shall serve without compensation, but each member shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(g) INITIATION.—The Council may begin to carry out the duties of the Council under this title when—

(1) nine members have been appointed; or

(2) six members have been appointed under paragraph (3) or (4) of subsection (b).

SEC. 204. FUNCTIONS.

(a) FUNCTIONS.—The Council shall—

(1) compile, inventory, and analyze existing information regarding the educational achievement of United States students and schools, including public and private elementary, secondary, and post-secondary schools;

(2) monitor and report on progress toward meeting national goals and the objectives of the goals, using appropriate and recognized indicators;

(3) establish benchmarks to meet long-term national goals by the year 2000;

(4) identify the information that would best advise the public about the state of schools in the United States;

(5) develop consensus about the indicators on which data will be collected and analyzed for the Report Card described in section 206, and identify data bases that provide the needed information;

(6) make recommendations about additional data that will be needed;

(7) through the interim Council report described in section 205 and the annual Report Card described in section 206, identify gaps in existing educational data and make recommendations for improvements in the methods and procedures of assessing attainment or realization of goals by the Department of Education and any other Federal governmental entity, including suggestions for such changes in laws and regulations as may be required to improve the assessment process, procedures, and organization of the Federal Government; and

(8) through information obtained in the hearing process described in section 207, develop recommendations regarding Federal, State, and local policymaking for meeting the national goals.

(b) PERFORMANCE OF FUNCTIONS.—In carrying out subsection (a)(2), the Council shall—

(1) consider the goals already set forth or recommended by the National Education Summit and other governmental and nongovernmental organizations;

(2) consider the goals of the States developed through the State Summits described in section 209;

(3) report on the progress toward achieving the goals at the national level, including appropriate comparisons of the educational achievement of the United States with other nations;

(4) consider relevant data that affect student performance, including data on—

(A) school readiness;

(B) student achievement in elementary, secondary, and post-secondary education;

(C) school financing and equalization;

(D) the degree and quality of parental involvement;

(E) availability of instructional resources;

(F) the degree of involvement of social service agencies;

(G) school and student performance, including—

(i) attendance and completion rates;

(ii) climate (vandalism, crime, and drugs);

(iii) conditions of teaching including salary and professional development training;

(iv) parent participation; and

(v) school financing;

(H) work force literacy and skills; and

(I) areas of teacher shortages, such as mathematics and science;

(5) report on progress comparing skill attainment or progress within similar bands of school resources; and

(6) consider alternative assessment instruments emphasizing mastery over skill areas rather than specific information.

(c) DATA COLLECTION.—

(1) CONTRACTS.—On the development of the timetable described in section 205(1), the Council shall contract with an eligible entity to generate or collect such data as may be necessary to appropriately assess progress toward the national goals, based on the recommendations of the Council.

(2) ELIGIBLE ENTITIES.—Entities eligible to enter into contracts under paragraph (1) include the National Center for Education Statistics and any entities that meet such eligibility criteria as the Council may establish.

SEC. 205. INTERIM COUNCIL REPORT.

Not later than 1 year after the Council concludes the first meeting of the Council, the Council shall prepare and submit a report to the President, the appropriate committees of Congress, the National Education Goals Panel, and the Governor of each State, that—

(1) establishes a timetable for reporting on progress toward achieving national education goals by the year 2000; and

(2) includes a series of reasonable steps for measuring the implementation and success of each recommendation of the Council.

SEC. 206. ANNUAL REPORT CARD.

(a) IN GENERAL.—Not later than 2 years after the date the Council concludes its first meeting of members, the Council shall prepare and submit to the President, the appropriate committees of Congress, and the Governor of each State a National Report Card, that—

(1) shall set forth an analysis of the progress of the United States toward achieving the national education goals; and

(2) may, as determined necessary by the Council based on the findings of the Council and an analysis of the views and comments of all interested parties, including the National Summit on Education and the State Summits, all relevant Federal entities, the National Governor's Association, Congress, and private organizations and citizens—

(A) describe modifications to existing goals;

(B) identify continuing gaps in existing educational data; and

(C) make recommendations for improvement in the methods and procedures of assessing educational attainment and strengthening the national educational assessment and information system by the Department of Education or any other appropriate Federal Government entity.

(b) CONTINUATION.—Based on the timetable established in section 205, the Council shall continue to issue a National Report Card on an annual basis for the duration of the existence of the Council.

(c) FORMAT.—National Report Cards shall be presented in a form that is understandable to parents and the general public.

SEC. 207. POWERS OF THE COUNCIL.

(a) HEARINGS.—

(1) IN GENERAL.—The Council may, for the purpose of carrying out this title, conduct such hearings, sit and act at such times and places, take such testimony and receive such evidence, as the Council considers appropriate.

(2) CONDUCT.—In carrying out this title, the Council shall—

(A) conduct public hearings in different geographic areas of the country, both urban and rural, to receive the reports, views, and analyses of a broad spectrum of experts and the public on—

(i) the status and goals of the current educational system of the United States;

(ii) the need to redefine and redirect educational goals;

(iii) policy recommendations for pursuing the goals at the Federal, State, and local levels; and

(iv) methods that could be implemented to foster higher levels of educational attainment in United States schools; and

(B) receive testimony from—

(i) individuals such as practicing educators, parents, business persons, and elected and appointed public officials; and

(ii) representatives of public and private organizations and institutions with an expertise or interest in improving the quality of the educational system of the United States.

(b) INFORMATION.—The Council may secure directly from any Federal agency such information as may be necessary to enable the Council to carry out this title. On the request of the Chairperson of the Council, the head of the agency shall furnish the information to the Council.

(c) GIFTS.—The Council may accept, use, and dispose of gifts or donations of services or property.

(d) POSTAL SERVICES.—The Council may use the United States mail in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(e) ADMINISTRATIVE AND SUPPORTIVE SERVICES.—The Administrator of the General Services Administration shall provide to the Council on a reimbursable basis such administrative and support service as the Council may request.

SEC. 208. ADMINISTRATIVE PROVISIONS.

(a) MEETINGS.—The Council shall meet on a regular basis, as necessary, at the call of the Chairperson of the Council or a majority of its members.

(b) QUORUM.—Nine members shall constitute a quorum for the transaction of business.

(c) VOTING.—The Council shall take all action of the Council by a majority vote of the members attending a duly called and constituted meeting of the Council. No individual may vote or exercise any of the powers of a member by proxy.

(d) OFFICE OF CHAIRPERSON AND VICE CHAIRPERSON.—The Chairperson and Vice Chairperson of the Council shall serve as Chairperson and Vice Chairperson until the expiration of the terms of the Chairperson and Vice Chairperson as members, or until resignation or removal by a majority of the members.

(e) STAFF.—The Chairperson of the Council, in consultation with the Vice Chairperson, shall appoint and fix the compensation of a staff administrator and such support personnel as may be reasonable and necessary to enable the Council to carry out the functions of the Council. The rate of compensation for each staff member shall not exceed the daily equivalent of the rate specified for GS-18 of the General Schedule under section 5332 of title 5, United States Code for each day the staff member is engaged in the performance of duties for the Task Force. The Chairperson of the Council may otherwise appoint and determine the compensation of staff without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision of law, relating to the number, classification, and General Schedule rates.

(f) PERSONNEL DETAIL AUTHORIZED.—On the request of the Chairperson of the Council, the head of any Federal agency is authorized to detail, without reimbursement, any of the personnel of the agency to the Council to assist the Council in carrying out the duties of the Council. The detail shall be without interruption or loss of civil service status or privilege.

SEC. 209. STATE SUMMITS ON EDUCATION.

(a) ESTABLISHMENT.—The Secretary of Education shall make grants to States to pay for the Federal share of—

(1) conducting State Summits on Education;

(2) evaluating progress made toward implementing national goals; and

(3) evaluating the implementation process.

(b) APPLICATION.—To be eligible to receive a grant under subsection (a), a State shall submit an application to the Secretary of Education at such time, in such manner, and containing such information as the Secretary of Education may require.

(c) FEDERAL SHARE.—The Federal share of grants made under this section shall be not more than 50 percent.

(d) REPORT.—Each State receiving a grant under this section shall, on completion of the State Summit, prepare and submit to the Council a report describing—

(1) the educational goals of the State, including changes or additions to the national goals;

(2) a plan for meeting the goals and a timetable for carrying out the plan; and

(3) a plan for evaluating the progress of the State in meeting the goals according to the timetable.

SEC. 210. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out sections 202 through 208 $2,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 through 2001.

(b) STATE SUMMITS.—There are authorized to be appropriated to carry out section 209 $5,000,000 for the fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 through 2001.

TITLE III—LITERACY

SEC. 301. SHORT TITLE.

This title may be cited as the "National Literacy Act of 1991".

SEC. 302. FINDINGS.

The Congress finds that—

(1) nearly 30,000,000 adults in the United States have serious problems with literacy;

(2) literacy problems are intergenerational and closely associated with poverty and pose a major threat to the economic well-being of the United States;

(3) present public and private literacy programs reach only a small portion of the population in need and often result in only minimal learning gains;

(4) the prevention of illiteracy is essential to stem further growth in national illiteracy rates;

(5) literacy programs generally lack adequate funding, adequate coordination with other literacy programs, and an adequate investment in teacher training and technology;

(6) access to better information about the best practices in the literacy field and more research in order to provide better diagnostic and instructional tools are essential for the improvement of literacy and employability in the United States;

(7) as many as 50,000,000 workers may have to be trained or retrained before the year 2000;

(8) the supply of unskilled workers is increasing while the demand for unskilled labor is decreasing;

(9) programs under the Adult Education Act, which are the largest Federal source of direct literacy services in the United States, serve only 10 percent of eligible participants; and

(10) all public and private literacy programs serve only about 19 percent of those who need help.

SEC. 303. DEFINITION.

For purposes of this title the term "literacy" means an individual's ability to read, write, and speak in English, and compute and solve problems at levels of proficiency necessary to function on the job and in society, to achieve one's goals, and develop one's knowledge and potential.

PART A—LITERACY: STRATEGIC PLANNING, RESEARCH, AND COORDINATION

SEC. 311. LITERACY RELATED PROGRAMS IN THE DEPARTMENT OF EDUCATION.

Section 202 of the Department of Education Organization Act (20 U.S.C. 3412) is amended by adding at the end the following:

"(h) The Assistant Secretary for Vocational and Adult Education, in addition to performing such functions as the Secretary may prescribe, shall have responsibility for coordination of all literacy related programs and policy initiatives in the Department. The Assistant Secretary for Vocational and Adult Education shall assist in coordinating the related activities and programs of other Federal departments and agencies.".

SEC. 312. NATIONAL INSTITUTE FOR LITERACY.

(a) PURPOSE.—It is the purpose of the amendment made by this section to enhance the national effort to eliminate the problem of illiteracy by the year 2000 by improving research, development and information dissemination through a national research center.

(b) FINDINGS.—The Congress finds that—

(1) much too little is known about how to improve access to, and enhance the effectiveness of, adult literacy programs, assessment tools, and evaluation efforts;

(2) there is neither a reliable nor a central source of information about the knowledge base in the area of literacy;

(3) a national institute for literacy would—

(A) provide a national focal point for research, technical assistance and research dissemination, policy analysis, and program evaluation in the area of literacy; and

(B) facilitate a pooling of ideas and expertise across fragmented programs and research efforts.

(c) AMENDMENT TO THE ADULT EDUCATION ACT.—Section 384 of the Adult Education Act (20 U.S.C. 1213c) is amended—

(1) in the second sentence of subsection (a), by inserting after "shall include" the following: "the operation of the Institute established by subsection (c) and"; and

(2) by adding at the end the following:

"(c) ESTABLISHMENT.—(1) There is established the National Institute for Literacy (in this section referred to as the 'Institute'). The Institute shall be administered under the terms of an interagency agreement entered into by the Secretary with the Secretary of Labor and the Secretary of Health and Human Services (in this section referred to as the 'Interagency Group'). The head of any other agency designated by the President may be involved in the operation of the Institute as fits the involvement of such agency in accomplishing the purposes of the Institute. The Secretary may include in the Institute any research and development center supported under section 405(d)(4)(A)(ii) of the General Education Provisions Act and any other center, institute, or clearinghouse established within the Department of Education whose pur-

pose is determined by the Secretary to be related to the purpose of the Institute.

"(2) The Institute shall have offices separate from the offices of any agency or department involved in the operation of the Institute.

"(3) The Interagency Group shall consider the Board's recommendations in planning the goals of the Institute and in the implementation of any programs to achieve such goals. The daily operations of the Institute shall be carried out by the Director. If the Board's recommendations are not followed, the Interagency Group shall provide a written explanation to the Board concerning actions the Interagency Group has taken that includes the Interagency Group's reasons for not following the Board's recommendations with respect to such actions. The Board may also request a meeting with the Interagency Group to discuss the Board's recommendations.

"(d) DUTIES.—(1) The Institute is authorized, in order to improve and expand the system for delivery of literacy services, to—

"(A) assist appropriate Federal agencies in setting specific objectives and strategies for meeting the goals of this title and in measuring the progress of such agencies in meeting such goals;

"(B) conduct basic and applied research and demonstrations on literacy, including—

"(i) how adults learn to read and write and acquire other skills;

"(ii) how the literacy skills of parents affect the ability of children to learn literacy skills;

"(iii) the assessment of literacy skills and the development of instructional techniques;

"(iv) the best methods for assisting adults and families to acquire literacy skills, including the use of technology;

"(v) the special literacy needs of individuals with learning disabilities and individuals with limited English proficiency;

"(vi) how to effectively reach and teach the most educationally disadvantaged individuals;

"(vii) the use of technology and other studies which will increase the literacy knowledge base, use but not duplicate the work of other research services, and build on the efforts of such other research services; and

"(viii) how to attract, train, and retrain professional and volunteer teachers of literacy;

"(C) assist Federal, State, and local agencies in the development, implementation, and evaluation of policy with respect to literacy by—

"(i) establishing a national data base with respect to—

"(I) literacy and basic skills programs, including programs in Federal departments, State agencies, and local agencies, and programs that are privately supported through nonprofit entities and for profit entities;

"(II) assessment tools and outcome measures;

"(III) the amount and quality of basic education provided in the workplace by businesses and industries; and

"(IV) progress made toward the national literacy goals; and

"(ii) providing technical and policy assistance to government entities for the improvement of policy and programs relating to literacy and the development of model systems for implementing and coordinating Federal literacy programs that can be replicated at the State and local level;

"(D) provide program assistance, training, and technical assistance for literacy programs throughout the United States in order to improve the effectiveness of such programs and to increase the number of such programs, which assistance and training shall—

"(i) be based on the best available research and knowledge; and

"(ii) be coordinated with activities conducted by—

"(I) regional educational laboratories supported under section 405(d)(4)(A)(i) of the General Education Provisions Act;

"(II) curriculum centers assisted under section 251(a)(8) of the Carl D. Perkins Vocational and Applied Technology Education Act; and

"(III) other educational and training entities that provide relevant technical assistance;

"(E) collect and disseminate information to Federal, State, and local entities with respect to literacy methods that show great promise (including effective methods of assessment, effective literacy programs, and other information obtained through research or practice relating to adult and family learning that would increase the capacity and quality of literacy programs in the United States), using a variety of methods to ensure that the best information is received by State and local providers of literacy services;

"(F) review and make recommendations regarding—

"(i) ways to achieve uniformity among reporting requirements;

"(ii) the development of performance measures; and

"(iii) the development of standards for program effectiveness of literacy-related Federal programs; and

"(G) provide a toll-free long-distance telephone line for literacy providers and volunteers.

"(2) The Institute may enter into contracts or cooperative agreements with, or make grants to, individuals, public or private nonprofit institutions, agencies, organizations, or consortia of such institutions, agencies, or organizations to carry out the activities of the Institute. Such grants, contracts, or agreements shall be subject to the laws and regulations that generally apply to grants, contracts, or agreements entered into by Federal agencies.

"(e) LITERACY LEADERSHIP.—(1) The Institute is, in consultation with the Board, authorized to award fellowships, with such stipends and allowances that the Director considers necessary, to outstanding individuals pursuing careers in adult education or literacy in the areas of instruction, management, research, or innovation.

"(2) Fellowships awarded under this subsection shall be used, under the auspices of the Institute, to engage in research, education, training, technical assistance, or other activities to advance the field of adult education or literacy, including the training of volunteer literacy providers at the national, State, or local level.

"(3) Individuals receiving fellowships pursuant to this subsection shall be known as 'Literacy Leader Fellows'.

"(f) NATIONAL INSTITUTE BOARD.—(1)(A) There is established the National Institute Board (in this section referred to as the 'Board'). The Board shall consist of 10 individuals appointed by the President with the advice and consent of the Senate from individuals who—

"(i) are not otherwise officers or employees of the Federal Government;

"(ii) are representative of entities or groups described in subparagraph (B); and

"(iii) are chosen from recommendations made to the President by individuals who represent such entities or groups.

"(B) Entities or groups described in this subparagraph are—

"(i) literacy organizations and providers of literacy services, including—

"(I) providers of literacy services receiving assistance under this Act; and

"(II) nonprofit providers of literacy services;

"(ii) businesses that have demonstrated interest in literacy programs;

"(iii) literacy students;

"(iv) experts in the area of literacy research;

"(v) State and local governments; and

"(vi) organized labor.

"(2) The Board shall—

"(A) make recommendations concerning the appointment of the Director and staff of the Institute;

"(B) provide independent advice on the operation of the Institute; and

"(C) receive reports from the Interagency Group and the Director.

"(3) The Interagency Group may carry out the duties of the Board until the expiration of the 180-day period beginning on the date of the enactment of the National Literacy Act of 1991.

"(4) Except as otherwise provided, the Board established by this subsection shall be subject to the provisions of the Federal Advisory Committee Act.

"(5)(A) Each member of the Board shall be appointed for a term of 3 years. Any such member may be appointed for not more than 2 consecutive terms.

"(B) Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that members' term until a successor has taken office. A vacancy in the Board shall be filled in the manner in which the original appointment was made. A vacancy in the Board shall not affect the powers of the Board.

"(6) A majority of the members of the Board shall constitute a quorum but a lesser number may hold hearings. Any recommendation may be passed only by a majority of its members present.

"(7) The Chairperson and Vice Chairperson of the Board shall be elected by the members. The term of office of the Chairperson and Vice Chairperson shall be 2 years.

"(8) The Board shall meet at the call of the Chairperson or a majority of its members.

"(g) GIFTS, BEQUESTS, AND DEVISES.—The Institute and the Board may accept (but not solicit), use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Institute or the Board, respectively. Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in the Treasury and shall be available for disbursement upon order of the Institute or the Board, respectively.

"(h) MAILS.—The Board and the Institute may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

"(i) STAFF.—The Interagency Group, after considering recommendations made by the Board, shall appoint and fix the pay of a Director.

"(j) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Institute may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay payable for GS–18 of the General Schedule.

"(k) EXPERTS AND CONSULTANTS.—The Board and the Institute may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

"(l) REPORT.—The Institute shall submit a report to the Congress in each of the first 2 years in which it receives assistance under this section, and shall submit a report biennially thereafter. Each report submitted under this subsection shall include—

"(1) a comprehensive and detailed description of the Institute's operations, activities, financial

condition, and accomplishments in the field of literacy for such fiscal year;

"(2) a description of how plans for the operation of the Institute for the succeeding fiscal year will facilitate achievement of the goals of the Institute and the goals of the literacy programs within the Department of Education, the Department of Labor, and the Department of Health and Human Services; and

"(3) any additional minority, or dissenting views submitted by members of the Board.

"(m) NONDUPLICATION.—The Institute shall not duplicate any functions carried out by the Secretary pursuant to subsection (a) or (b). This subsection shall not be construed to prohibit the Secretary from delegating such functions to the Institute.

"(n) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated for purposes of operating the Institute established by subsection (c) $15,000,000 for each of the fiscal years 1992, 1993, 1994, and 1995.

"(2) Any amounts appropriated to the Secretary, the Secretary of Labor, the Secretary of Health and Human Services, or any other department that participates in the Institute for purposes that the Institute is authorized to perform under this section may be provided to the Institute for such purposes.".

SEC. 313. STATE LITERACY RESOURCE CENTERS.

Part B of the Adult Education Act (20 U.S.C. 1203 et seq.) is amended—

(1) by redesignating subpart 7 as subpart 8; and

(2) by inserting after subpart 6 the following:

"Subpart 7—State Literacy Resource Centers

"SEC. 356. STATE LITERACY RESOURCE CENTERS.

"(a) PURPOSE.—It is the purpose of this section to assist State and local public and private nonprofit efforts to eliminate illiteracy through a program of State literacy resource center grants to—

"(1) stimulate the coordination of literacy services,

"(2) enhance the capacity of State and local organizations to provide literacy services, and

"(3) serve as a reciprocal link between the National Institute for Literacy and service providers for the purpose of sharing information, data, research, and expertise and literacy resources.

"(b) ESTABLISHMENT.—From amounts appropriated pursuant to subsection (k), the Secretary is authorized to make grants for purposes of establishing a network of State or regional adult literacy resource centers.

"(c) ALLOTMENT.—(1) From sums available for purposes of making grants under this section for any fiscal year, the Secretary shall allot to each State having an approved application under subsection (h) an amount that bears the same ratio to such sums as the amount allotted to such State under section 313(b) for the purpose of making grants under section 321 bears to the aggregate amount allotted to all States under such section for such purpose.

"(2) The chief executive officer of each State that receives its allotment under this section shall contract on a competitive basis with the State educational agency, 1 or more local educational agencies, a State office on literacy, a volunteer organization, a community-based organization, institution of higher education, or other nonprofit entity to operate a State literacy resource center. No applicant participating in a competition pursuant to the preceding sentence shall participate in the review of its own application.

"(d) USE OF FUNDS.—Funds provided to each State under subsection (c)(1) to carry out this section shall be used to conduct activities to—

"(1) improve and promote the diffusion and adoption of state-of-the-art teaching methods, technologies and program evaluations;

"(2) develop innovative approaches to the coordination of literacy services within and among States and with the Federal Government;

"(3) assist public and private agencies in coordinating the delivery of literacy services;

"(4) encourage government and industry partnerships, including partnerships with small businesses, private nonprofit organizations, and community-based organizations;

"(5) encourage innovation and experimentation in literacy activities that will enhance the delivery of literacy services and address emerging problems;

"(6) provide technical and policy assistance to State and local governments and service providers to improve literacy policy and programs and access to such programs;

"(7) provide training and technical assistance to literacy instructors in reading instruction and in—

"(A) selecting and making the most effective use of state-of-the-art methodologies, instructional materials, and technologies such as—

"(i) computer assisted instruction;

"(ii) video tapes;

"(iii) interactive systems; and

"(iv) data link systems; or

"(B) assessing learning style, screening for learning disabilities, and providing individualized remedial reading instruction; or

"(8) encourage and facilitate the training of full-time professional adult educators.

"(e) ALTERNATIVE USES OF EQUIPMENT.—Equipment purchases pursuant to this section, when not being used to carry out the provisions of this section, may be used for other instructional purposes if—

"(1) the acquisition of the equipment was reasonable and necessary for the purpose of conducting a properly designed project or activity under this section;

"(2) the equipment is used after regular program hours or on weekends; and

"(3) such other use is—

"(A) incidental to the use of the equipment under this section;

"(B) does not interfere with the use of the equipment under this section; and

"(C) does not add to the cost of using the equipment under this section.

"(f) LIMITATION.—Not more than 10 percent of amounts received under any grant received under this section shall be used to purchase computer hardware or software.

"(g) SPECIAL RULE.—(1) Each State receiving funds pursuant to this section may not use more than 5 percent of such funds to establish a State advisory council on adult education and literacy (in this section referred to as the 'State council') pursuant to section 332.

"(2) Each State receiving funds pursuant to this section may use such funds to support an established State council to the extent that such State council meets the requirements of section 332.

"(3) Each State receiving funds pursuant to this paragraph to establish or support a State council pursuant to section 332 shall provide matching funds on a dollar-for-dollar basis.

"(h) APPLICATIONS.—Each State or group of States, as appropriate, that desires to receive a grant under this section for a regional adult literacy resource center, a State adult literacy resource center, or both shall submit to the Secretary an application that has been reviewed and commented on by the State council, where appropriate, and that describes how the State or group of States will—

"(1) develop a literacy resource center or expand an existing literacy resource center;

"(2) provide services and activities with the assistance provided under this section;

"(3) assure access to services of the center for the maximum participation of all public and private programs and organizations providing or seeking to provide basic skills instruction, including local educational agencies, agencies responsible for corrections education, service delivery areas under the Job Training Partnership Act, welfare agencies, labor organizations, businesses, volunteer groups, and community-based organizations;

"(4) address the measurable goals for improving literacy levels as set forth in the plan submitted pursuant to section 342; and

"(5) develop procedures for the coordination of literacy activities for statewide and local literacy efforts conducted by public and private organizations, and for enhancing the systems of service delivery.

"(i) PAYMENTS; FEDERAL SHARE.—(1) The Secretary shall pay to each State having an application approved pursuant to subsection (h) the Federal share of the cost of the activities described in the application.

"(2) The Federal share—

"(A) for each of the first 2 fiscal years in which the State receives funds under this section shall not exceed 80 percent;

"(B) for each of the third and fourth fiscal years in which the State receives funds under this section shall not exceed 70 percent; and

"(C) for the fifth and each succeeding fiscal year in which the State receives funds under this section shall not exceed 60 percent.

"(3) The non-Federal share of payments under this section may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

"(j) REGIONAL CENTERS.—(1) A group of States may enter into an interstate agreement to develop and operate a regional adult literacy resource center for purposes of receiving assistance under this section if the States determine that a regional approach is more appropriate for their situation.

"(2) Any State that receives assistance under this section as part of a regional center shall only be required to provide under subsection (i) 50 percent of the funds such State would otherwise be required to provide under such subsection.

"(3) In any fiscal year in which the amount a State will receive under this section is less than $100,000, the Secretary may designate the State to receive assistance under this section only as part of a regional center.

"(4) The provisions of paragraph (3) shall not apply to any State that can demonstrate to the Secretary that the total amount of Federal, State, local and private funds expended to carry out the purposes of this section would equal or exceed $100,000.

"(5) In any fiscal year in which paragraph (2) applies, the Secretary may allow certain States that receive assistance as part of a regional center to reserve a portion of such assistance for a State adult literacy resource center pursuant to this section.

"(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the provisions of this section $25,000,000 for each of the fiscal years 1992 and 1993, and such sums as may be necessary for each of the fiscal years 1994 and 1995.".

PART B—WORKFORCE LITERACY

SEC. 321. NATIONAL WORKFORCE LITERACY ASSISTANCE COLLABORATIVE.

(a) ESTABLISHMENT.—There is established in the Department of Labor a National Workforce Literacy Assistance Collaborative (in this subsection referred to as the "Collaborative") to improve the basic skills of individuals, especially those individuals who are marginally employed or unemployed with low basic skills and limited opportunity for long-term employment and advancement, by assisting small- and medium-sized businesses, business associations that represent small- and medium-sized businesses, and labor organizations to develop and implement literacy programs tailored to the needs of the workforce.

(b) FUNCTIONS.—The Collaborative shall—

(1) develop and implement a plan for providing small- and medium-sized businesses with the technical assistance required to address the literacy needs of their workforce;

(2) monitor the development of workforce literacy training programs and identify best practices and successful small- and medium-sized business program models;

(3) inform businesses and unions of research findings and best practices regarding exemplary curricula, instructional techniques, training models, and the use of technology as a training tool in the workplace;

(4) provide technical assistance to help businesses assess individual worker literacy skill needs, implement workforce literacy training programs, and evaluate training program effectiveness;

(5) promote cooperation and coordination among State and local agencies and the private sector to obtain maximum uses of existing literacy and basic skills training resources;

(6) conduct regional and State small business workforce literacy meetings to increase program effectiveness and accountability;

(7) establish cooperative arrangements with the National Institute for Literacy and other centers involved in literacy and basic skills research and development activities; and

(8) prepare and produce written and video materials necessary to support technical assistance and information dissemination efforts.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out this section $5,000,000 for each of the fiscal years 1992, 1993, 1994, and 1995.

SEC. 322. GRANTS FOR NATIONAL WORKFORCE LITERACY STRATEGIES.

Section 371 of the Adult Education Act (20 U.S.C. 1211) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by inserting after "Secretary" the following: ", in consultation with the Secretary of Labor and the Administrator of the Small Business Administration,";

(B) in subparagraph (B) of paragraph (2)—

(i) by striking "and" and inserting a comma; and

(ii) by inserting after "local educational agencies" the following: ", and other entities described in paragraph (1) that receive grants under this subsection"; and

(C) by adding at the end the following:

"(5) In awarding grants under this section, the Secretary shall give priority to applications from partnerships that include small businesses.

"(6) The Secretary is authorized to award grants under this section for a period not to exceed 3 years.";

(2) in subsection (b)—

(A) in paragraph (1), by striking "subsection (c)" and inserting "subsection (e)";

(B) in subparagraph (B) of paragraph (2)—

(i) by striking "and" the first place it appears and inserting a comma; and

(ii) by inserting after "local educational agencies" the following: ", and other entities described in paragraph (1) that receive grants under this subsection"; and

(C) in paragraph (7), by amending subparagraph (B) to read as follows:

"(B) From the sum appropriated for each fiscal year under subsection (c) for any fiscal year in which appropriations equal or exceed $50,000,000, the Secretary shall allot to each State (as defined in section 312(7)) an amount proportionate to the amount such State receives under section 313.";

(3) by redesignating subsection (c) as subsection (e);

(4) by inserting after subsection (b) the following:

"(c) GRANT FOR NATIONAL WORKFORCE LITERACY STRATEGIES.—(1) In any fiscal year in which amounts appropriated pursuant to the authorization contained in subsection (e) equal or exceed $25,000,000, the Secretary shall reserve not more than $5,000,000 to establish a program of grants to facilitate the design and implementation of national strategies to assist unions, unions in collaboration with programs eligible for assistance under this Act and businesses, and small- and medium-sized businesses to effectively provide literacy and basic skills training to workers.

"(2) Grants awarded under this subsection shall pay the Federal share of the cost of programs to establish large-scale national strategies in workforce literacy, which may include the following activities:

"(A) Basic skills training that is—

"(i) cost-effective;

"(ii) needed by employees; and

"(iii) required by employers to establish a trainable workforce that can take advantage of further job specific training and advance the productivity of the labor force on an individual, industry, or national level.

"(B) Specific program offerings, which may include—

"(i) English as a second language instruction;

"(ii) communications skill building;

"(iii) interpersonal skill building;

"(iv) reading and writing skill building; and

"(v) computation and problem solving.

"(C) Appropriate assessments of the literacy and basic skills needs of individual workers and the skill levels required by business.

"(D) Cooperative arrangements with other organizations involved in providing literacy and basic skills training, including adult education organizations, vocational education organizations, community and junior colleges, community-based organizations, State level agencies, and private industry councils.

"(E) The establishment as appropriate of technology-based learning environments, such as computer-based learning centers.

"(3) Any partnership described in subsection (a)(1) that desires to receive a grant under this subsection shall submit a proposal to the Secretary. The proposal shall contain a plan specifying a strategy for designing and implementing workforce literacy and basic skills training for workers, and justifying the national, statewide, or industry-wide importance of this strategy. The proposal shall include—

"(A) a demonstration of need for literacy and basic skills training;

"(B) a description of the business or industry for which the strategy is to be established;

"(C) a statement of specific, measurable goals and participant outcomes;

"(D) a strategy for achieving the goals, including a description of the process to identify literacy and basic skills required by employers and the skills of individual workers, and a description of the specific services to be provided; and

"(E) a description of the costs of the activities to be undertaken.

"(4) The Secretary shall develop a formal process for the submission of proposals and publish an announcement in the Federal Register with respect to that process and the availability of grants under this subsection.

"(5) The Federal share of the cost of a program assisted under this subsection shall not exceed 70 percent.

"(6) The Secretary shall give priority for grants under this subsection to proposals to carry out activities described in paragraph (2)(D).

"(7) In awarding grants under this subsection, the Secretary may consider geographic factors, such as rural and urban areas and national distribution.

"(8) Of the grants awarded under this subsection each year, not less than 5 shall each be for an amount that is not less than $500,000.

"(d) EVALUATION.—The Secretary shall reserve not more than 2 percent of any amount appropriated pursuant to the authorization contained in subsection (e) for the purpose of carrying out an independent evaluation of the effectiveness of programs assisted under this section in improving the literacy and basic skills of workers and the productivity of employees, including potential for the replicability or adaption of such programs."; and

(5) in subsection (e) (as redesignated by paragraph (3)) by striking paragraph (1) and inserting the following:

"(1) There are authorized to be appropriated for purposes of carrying out this section such sums as may be necessary for the fiscal year 1991, $60,000,000 for the fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993, 1994, and 1995.".

PART C—INVESTMENT IN LITERACY

SEC. 331. AMENDMENTS TO THE ADULT EDUCATION ACT.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 313 of the Adult Education Act (20 U.S.C. 1201b) is amended in subsection (a) by striking "$200,000,000" and all that follows through "1993" and inserting the following: "such sums as may be necessary for the fiscal year 1991, $260,000,000 for the fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993, 1994, and 1995".

(b) USE OF FUNDS.—Subsection (a) of section 322 of the Adult Education Act (20 U.S.C. 1203b(a)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) Grants to States under this subpart shall be used in accordance with State plans (and amendments thereto) approved under sections 341 and 351, to pay the Federal share of the cost of the establishment or expansion of adult education programs to be carried out by local educational agencies, correctional education agencies, community-based organizations, public or private nonprofit agencies, postsecondary educational institutions, and other institutions that have the ability to provide literacy services to adults and families. Each State educational agency receiving financial assistance under this subpart shall provide assurance that local educational agencies, public or private nonprofit agencies, community-based organizations, correctional education agencies, postsecondary educational institutions, and institutions which serve educationally disadvantaged adults will be provided direct and equitable access to all Federal funds provided under this subpart. Failure to provide the assurance required by the preceding sentence shall disqualify a State from receiving its allotment under this title. In determining which programs shall receive assistance under this paragraph, the State shall consider—

"(A) the past effectiveness of applicants in providing services (especially with respect to recruitment and retention of educationally disadvantaged adults and the learning gains demonstrated by such adults);

"(B) the degree to which the applicant will coordinate and utilize other literacy and social services available in the community; and

"(C) the commitment of the applicant to serve individuals in the community that are most in need of literacy services.";

(2) in paragraph (3)—

(A) by striking the first sentence;

(B) by inserting after "sources;" the following: "the projected goals of the applicant with respect to participant recruitment, retention, and educational achievement and how the applicant will measure and report progress in meeting its goals;";

(C) by striking "the Carl D. Perkins Vocational Education Act" and inserting "the Carl D. Perkins Vocational and Applied Technology Education Act"; and

(D) by striking "the Education of the Handicapped Act" and inserting "the Individuals with Disabilities Education Act";

(3) in paragraph (4)—

(A) by striking "(A)";

(B) by inserting after "adults" the following: ", particularly in areas with a high proportion of adults who do not have a certificate of graduation from a school providing secondary education or its equivalent"; and

(C) by striking subparagraph (B);

(4) by redesignating paragraphs (3) and (4) (as amended by paragraphs (2) and (3) of this subsection) as paragraphs (4) and (5), respectively; and

(5) by inserting after paragraph (2) the following:

"(3)(A) Grants to States provided under this section shall also be used for competitive 2-year grants to public housing authorities for literacy programs and related activities. Any public housing authority that receives a grant under this subparagraph shall consult with local adult education providers in conducting programs and activities with assistance provided under the grant. Any grant provided under this subparagraph shall be referred to as a 'Gateway Grant'.

"(B) The Secretary shall, not less often than every 2 years, evaluate any grants made under this paragraph and report the results of such evaluation to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate.".

(c) STATE ADMINISTRATION.—Section 331(a) of the Adult Education Act (20 U.S.C. 1205(a)) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(2) by inserting after paragraph (1) the following:

"(2) within 2 years of the enactment of the National Literacy Act of 1991, the development and implementation, in consultation with a widely representative group of appropriate experts, educators, and administrators, of indicators of program quality to be used to evaluate programs assisted under this title, as required by section 352, to determine whether such programs are effective, including whether such programs are successfully recruiting, retaining, and improving the literacy skills of the individuals served in such programs;".

(d) STATE ADVISORY COUNCIL.—(1) The heading for section 332 of the Adult Education Act is amended to read as follows:

"SEC. 332. STATE ADVISORY COUNCIL ON ADULT EDUCATION AND LITERACY.".

(2) Section 332 of the Adult Education Act (20 U.S.C. 1205a) is amended—

(A) in the first sentence of subsection (a)(1), by striking "adult education, appointed by the Governor" and inserting "adult education and literacy, appointed by, and responsible to, the Governor";

(B) in the second sentence of subsection (a)(1)—

(i) by inserting "and literacy" after "adult education"; and

(ii) by striking "consist" and all that follows through the period at the end and inserting the following: "consist of—

"(i) representatives of public education;

"(ii) representatives of public and private sector employment;

"(iii) representatives of recognized State labor organizations;

"(iv) representatives of private literacy organizations, voluntary literacy organizations, and community-based literacy organizations;

"(v) the chief administrative officer of a State, or the designee of such officer;

"(vi) representatives of—

"(I) the State educational agency;

"(II) the State job training agency;

"(III) the State human services agency;

"(IV) the State public assistance agency;

"(V) the State library program; and

"(VI) the State economic development agency;

"(vii) officers of the State government whose agencies provide funding for literacy services or who may be designated by the Governor or the Chairperson of the council to serve whenever matters within the jurisdiction of the agency headed by such an officer are to be considered by the council; and

"(viii) classroom teachers who have demonstrated outstanding results in teaching children or adults to read.";

(C) by amending subsection (d) to read as follows:

"(d) PROCEDURES.—(1) Subject to paragraphs (2) and (3), the State advisory council shall determine its own procedures, staffing needs (subject to funding levels authorized by the chief executive officer of the State), and the number, time, place, and conduct of meetings.

"(2) The State advisory council shall meet at least 4 times each year. At least 1 such meeting shall provide an opportunity for the general public to express views concerning adult education in the State.

"(3) One member more than one-half± of the members on the council shall constitute a quorum for the purpose of transmitting recommendations and proposals to the chief executive officer of the State, but a lesser number of members may constitute a quorum for other purposes.";

(D) in subsection (f)—

(i) by amending paragraph (1) to read as follows:

"(1) meet with the State agencies responsible for literacy training during the planning year to advise on the development of a State plan for literacy and for adult education that fulfills the literacy and adult education needs of the State, especially with respect to the needs of the labor market, economic development goals, and the needs of the individuals in the State;";

(ii) by amending paragraph (2) to read as follows:

"(2) advise the Governor, the State educational agency, and other State agencies concerning—

"(A) the development and implementation of measurable State literacy and adult education goals consistent with section 342(c)(2), especially with respect to—

"(i) improving levels of literacy in the State by ensuring that all appropriate State agencies have specific objectives and strategies for such goals in a comprehensive approach;

"(ii) improving literacy programs in the State; and

"(iii) fulfilling the long-term literacy goals of the State;

"(B) the coordination and monitoring of State literacy training programs in order to progress toward the long-term literacy goals of the State;

"(C) the improvement of the quality of literacy programs in the State by supporting the integration of services, staff training, and technology-based learning and the integration of resources of literacy programs conducted by various agencies of State government; and

"(D) private sector initiatives that would improve adult education programs and literacy programs, especially through public-private partnerships;";

(iii) by redesignating paragraph (3) as paragraph (7); and

(iv) by inserting after paragraph (2) the following:

"(3) review and comment on the plan submitted pursuant to section 356(h) and submit such comments to the Secretary;

"(4) measure progress on meeting the goals and objectives established pursuant to paragraph (2)(A);

"(5) recommend model systems for implementing and coordinating State literacy programs for replication at the local level;

"(6) develop reporting requirements, standards for outcomes, performance measures, and program effectiveness in State programs, that are consistent with those proposed by the Interagency Task Force on Literacy; and".

(e) STATE PLAN.—Subsection (c) of section 342 of the Adult Education Act (20 U.S.C. 1206a) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) describe and provide for the fulfillment of the literacy needs of individuals in the State;";

(2) by striking paragraph (9);

(3) by redesignating paragraphs (2) through (8) as paragraphs (3) through (9), respectively;

(4) by inserting after paragraph (1) the following:

"(2) set forth measurable goals for improving literacy levels, retention in literacy programs, and long-term learning gains of individuals in the State and describe a comprehensive approach for achieving such goals, including the development of indicators of program quality as required by section 331(a)(2);";

(5) in paragraph (4) (as redesignated by paragraph (3) of this section)—

(A) by striking "the use of" and inserting "coordination by";

(B) by striking "other than" and inserting "including"; and

(C) by striking "such as" the second place such term appears;

(6) by striking "and" at the end of paragraph (12);

(7) by striking the period at the end of paragraph (13) and inserting a semicolon; and

(8) by adding at the end the following:

"(14) report the amount of administrative funds spent on program improvements; and

"(15) contain assurances that financial assistance provided pursuant to this title shall be used to assist and expand existing programs and to develop new programs for adults whose lack of basic skills—

"(A) renders them unemployable;

"(B) keeps them, whether employed or unemployed, from functioning independently in society; and

"(C) severely reduces their ability to have a positive effect on the literacy of their children.".

(f) EVALUATION.—Section 352 of the Adult Education Act (20 U.S.C. 1207a) is amended—

(1) in paragraph 1—

(A) by striking "data to the Secretary" and inserting the following: "to the Secretary and make public within the State data";

(B) by inserting before the semicolon the following: ", including—

"(A) the number and percentage of local educational agencies, community-based organizations, volunteer groups, and other organizations that are grant recipients; and

"(B) results of the evaluations carried out as required by paragraph (2) in the year preceding the year for which the data is submitted";

(2) in paragraph (2)—

(A) by striking "before the end" and all that follows through "shall consider" and inserting the following: "evaluate 20 percent of the grant recipients each year so that at the end of such period 80 percent of all grant recipients shall have been evaluated once and such evaluations shall consider, at a minimum";

(B) by redesignating subparagraphs (A) through (D) as subparagraphs (B) through (E), respectively;

(C) by inserting before subparagraph (B) (as redesignated by subparagraph (B) of this paragraph) the following:

"(A) the projected goals of the grant recipient as described in its application pursuant to section 322(a)(3);";

(D) by amending subparagraph (D) (as redesignated by subparagraph (B) of this paragraph) to read as follows:

"(D) the success of the grant recipient in meeting the State's indicators of program quality after such indicators are developed as required by section 331(a)(2); and"; and

(E) by striking "and" at the end.

(g) TEACHER TRAINING.—(1) Subsection (a) of section 353 of the Adult Education Act (20 U.S.C. 1208(a)) is amended—

(A) by striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting "; and"; and

(C) by adding at the end the following:

"(3) training professional teachers, volunteers, and administrators, with particular emphasis on—

"(A) training—

"(i) full-time professional adult educators;

"(ii) minority adult educators;

"(iii) educators of adults with limited English proficiency; and

"(B) training teachers to recognize and more effectively serve illiterate individuals with learning disabilities and individuals who have a reading ability below the fifth grade level.".

(2) Section 353 of the Adult Education Act (as amended by paragraph (1) of this subsection) (20 U.S.C. 1208) is amended—

(A) in subsection (a), by striking "10" and inserting "15"; and

(B) by amending subsection (b) to read as follows:

"(b) SPECIAL RULE.—At least two-thirds of the 15 percent reserved pursuant to subsection (a) shall be used to carry out the provisions of paragraphs (2) and (3) of subsection (a).".

(h) FEDERAL RESPONSIBILITY.—Section 361 of the Adult Education Act (20 U.S.C. 1209) is amended by adding at the end the following:

"(c) FEDERAL RESPONSIBILITY.—Within 1 year after the enactment of the National Literacy Act of 1991, the Secretary, in consultation with appropriate experts, educators, and administrators, shall develop indicators of program quality that may be used by State and local programs receiving assistance under this title as models by which to judge the success of such programs, including success in recruitment and retention of students and improvement in the literacy skills of students. Such indicators shall take into account different conditions under which programs operate and shall be modified as better means of assessing program quality are developed.".

SEC. 332. TARGETED ASSISTANCE.

Section 1531(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2941) is amended by—

(1) redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively; and

(2) inserting the following new paragraph (5) after paragraph (4):

"(5) programs of training to enhance the ability of teachers and school counselors to identify, particularly in the early grades, students with reading and reading-related problems that place such students at risk for illiteracy in their adult years;".

SEC. 333. AMENDMENTS TO THE EVEN START PROGRAM.

(a) AMENDMENT TO PART HEADING.—The heading for part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.) is amended to read as follows:

"PART B—EVEN START FAMILY LITERACY PROGRAMS".

(b) STATE GRANT PROGRAM.—Section 1052 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2742) is amended—

(1) in subsection (a), by striking "local educational agencies or consortia of such agencies" and inserting "eligible entities";

(2) in subsection (b)—

(A) by inserting "(1)" before "In"; and

(B) by adding at the end the following:

"(2) In any fiscal year in which this subsection applies, no State shall award a grant under this part for an amount less than $75,000.

"(3) In any year in which this subsection applies, each State that receives a grant under this part may use not more than 5 percent of assistance provided under the grant for costs of—

"(A) administration; and

"(B) the provision, through grant or contract, of technical assistance for program improvement and replication to eligible entities that receive grants under this part.";

(3) by redesignating subsection (c) as subsection (d);

(4) by inserting after subsection (b) the following new subsection:

"(c) RESERVATION.—From amounts appropriated for purposes of carrying out this part, the Secretary may reserve an amount equal to not more than 2 percent of such amounts or the amount reserved for such purposes in the fiscal year 1991, whichever is greater, for purposes of—

"(1) carrying out the evaluation required by section 1058; and

"(2) providing, through grant or contract, technical assistance for program improvement and replication to eligible entities that receive grants under this part."; and

(5) by amending subsection (d) (as redesignated by paragraph (3)) to read as follows:

"(d) DEFINITIONS.—For the purpose of this part:

"(1) The term 'eligible entity' means—

"(A) a local educational agency applying in collaboration with a community-based organization, public agency, institution of higher education, or other nonprofit organization; or

"(B) a community-based organization, or other nonprofit organization of demonstrated quality applying in collaboration with a local educational agency.

"(2) The terms 'Indian tribe' and 'tribal organization' have the respective meanings given such terms in section 4 of the Indian Self-Determination and Education Assistance Act.

"(3) The term 'State' includes each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.".

(c) ALLOCATION.—Subsection (a) of section 1053 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2743) is amended to read as follows:

"(a) RESERVATION FOR MIGRANT PROGRAMS AND TERRITORIES.—(1) In each fiscal year in which section 1052(a) applies, the Secretary shall first reserve for programs consistent with the purpose of this part—

"(A) for programs for migrant children, which shall be conducted through the Office of Migrant Education, an amount equal to 3 percent of the amount appropriated for purposes of carrying out this part; and

"(B) for allocations to Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the Compact of Free Association with Palau takes effect pursuant to section 101(a) of Public Law 99-658), and to Indian tribes and tribal organizations, an amount comparable to their relative need.

"(2) In each fiscal year in which section 1052(b) applies, the Secretary shall first reserve for programs consistent with the purpose of this part, an amount equal to 5 percent of the amount appropriated for purposes of carrying out this part, of which—

"(A) amounts shall be allocated for programs for migrant children, Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the Compact of Free Association with Palau takes effect pursuant to section 101(a) of Public Law 99-658), and Indian tribes and tribal organizations, according to their relative need; but

"(B) in no case shall the amount reserved for programs for migrant children be less than the amount reserved for such programs in the preceding fiscal year.".

(d) FEDERAL SHARE LIMITATION.—Section 1054 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2744) is amended—

(1) in subsection (a), by striking "local educational agencies" and all that follows through "nonprofit organizations," and inserting "an eligible entity";

(2) in paragraph (2) of subsection (b), by inserting after "counseling," the following: "other developmental and support services,"; and

(3) in subsection (c)—

(A) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively;

(B) by inserting "(1)" before "The Federal share";

(C) in subparagraph (A) (as redesignated by subparagraph (A) of this paragraph), by striking "local educational agency" and inserting "eligible entity";

(D) by striking the last sentence and inserting the following: "The remaining cost may be provided in cash or in kind, fairly evaluated, and may be obtained from any source other than funds made available for programs under this chapter."; and

(E) by adding at the end the following:

"(2) The Secretary (in any fiscal year in which section 1052(a) applies) or the State educational agency (in any fiscal year in which section 1052(b) applies) may waive, in whole or in part, the requirement that all or part of the remaining cost described in paragraph (1) be obtained from sources other than funds made available under this chapter if an eligible entity—

"(A) demonstrates that it otherwise would not be able to participate in the program under this part; and

"(B) negotiates an agreement with the Secretary or the State educational agency, as appropriate, with respect to the amount of the remaining cost to which the waiver would be applicable.".

(e) ELIGIBLE PARTICIPANTS.—Section 1055 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2745) is amended—

(1) by striking "Eligible" and inserting the following: "(a) IN GENERAL.—Except as provided in subsection (b), eligible";

(2) in paragraph (2) of subsection (a) (as designated by paragraph (1)), by striking "(aged 1 to 7," and inserting "(from birth to age 7,"; and

(3) by adding at the end the following:

"(b) CONTINUATION OF ELIGIBILITY FOR CERTAIN PARTICIPANTS.—Any family participating in the program under this part that becomes ineligible for such participation as a result of 1 or more members of the family becoming ineligible for such participation, may continue to participate in the program until all members of the family become ineligible for participation, which—

"(1) in the case of a family in which ineligibility was due to the child or children of such family attaining the age of 8, shall be when the parent or parents become ineligible due to educational advancement; and

"(2) in the case of a family in which ineligibility was due to the educational advancement of the parent or parents of such family, shall be when all children in the family attain the age of 8.".

(f) APPLICATIONS.—Section 1056 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2746) is amended—

(1) in subsection (a), by striking "a local educational agency" and inserting "an eligible entity"; and

(2) in subsection (b), by striking "the local educational agency" and inserting "the eligible entity".

(g) SELECTION PROCESS.—Section 1057 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2747) is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (1) through (7) as subparagraphs (A) through (G), respectively;

(B) by inserting "(1)" before "The";

(C) in paragraph (1) (as designated by subparagraph (B) of this paragraph)—

(i) by amending subparagraph (B) (as redesignated by subparagraph (A) of this paragraph) to read as follows:

"(B) demonstrate that the area to be served by such program has a high percentage or a large number of children and adults who are in need of such services as indicated by high levels of poverty, illiteracy, unemployment, limited English proficiency, or other need-related indicators;";

(ii) in subparagraph (E) (as redesignated by subparagraph (A) of this paragraph), by striking "the local educational agency's" and inserting "the eligible entity's"; and

(iii) by adding at the end the following:

"(2) The review panel shall give priority for grants under this subsection to proposals which—

"(A) make the demonstration described in paragraph (1)(B); and

"(B) demonstrate an ability to operate an effective program.";

(2) by amending subsection (c) to read as follows:

"(c) DISTRIBUTION OF ASSISTANCE.—(1) In approving grants under this part pursuant to section 1052(a), the Secretary shall ensure a representative distribution of assistance among the States and among urban and rural areas of the United States.

"(2) In approving grants under this part pursuant to section 1052(b), the review panel shall ensure a representative distribution of assistance between urban and rural areas of the State."; and

(3) in paragraph (1) of subsection (d)—

(A) by striking "a local educational agency" and inserting "an eligible entity"; and

(B) by striking "such local educational agency" and inserting "such eligible entity".

(h) AUTHORIZATION OF APPROPRIATIONS.—Section 1059 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2749) is amended to read as follows:

"SEC. 1059. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for purposes of carrying out this part such sums as may be necessary for the fiscal year 1991, $60,000,000 for the fiscal year 1992, and such sums as may be necessary for the fiscal year 1993.".

SEC. 334. FAMILY LITERACY PUBLIC BROADCASTING PROGRAM.

(a) PROGRAM AUTHORIZED.—(1) The Secretary is authorized, subject to the availability of appropriations, to enter into a contract with the Corporation for Public Broadcasting to arrange for the production and dissemination of family literacy programming and accompanying materials which would assist parents in improving family literacy skills and language development. In producing and developing such programming, the Corporation for Public Broadcasting shall work in cooperation with local public broadcasting stations to avoid duplication of efforts.

(2) After the program described in paragraph (1) is produced, the Corporation for Public Broadcasting shall arrange to have audio and video instructional media materials for distribution at sites chosen from among—

(A) State and local libraries operating literacy programs, and

(B) nonprofit entities serving hard-to-serve populations as defined in section 304(b)(2), including community-based organizations, volunteer organizations and other nongovernmental entities.

(3) The audio and video instructional media materials described in paragraph (2) shall be used at sites described in paragraph (2), and on a loan basis, distributed to families.

(4) One year after distribution of the audio and video instructional media materials, the Corporation for Public Broadcasting shall report to the Congress on the distribution and use of the audio and video instructional media materials produced pursuant to this subsection and such audio and video instructional media materials' contribution in promoting literacy.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $2,000,000 for fiscal year 1992 to carry out the provisions of subsection (i), of which $100,000 shall be reserved for reproducing and distributing programming or audio and video instructional media materials.

PART D—BUSINESS LEADERSHIP FOR EMPLOYMENT SKILLS

SEC. 341. EDUCATION PROGRAMS FOR COMMERCIAL DRIVERS.

(a) IN GENERAL.—Part C of the Adult Education Act (20 U.S.C. 1211 et seq.) is amended by adding at the end the following:

"SEC. 373. EDUCATION PROGRAMS FOR COMMERCIAL DRIVERS.

"(a) PROGRAM AUTHORIZED.—The Secretary is authorized to make grants on a competitive basis to pay the Federal share of the costs of establishing and operating adult education programs which increase the literacy skills of eligible commercial drivers so that such drivers may successfully complete the knowledge test requirements under the Commercial Motor Vehicle Safety Act of 1986.

"(b) FEDERAL SHARE.—The Federal share of the costs of the adult education programs authorized under subsection (a) shall be 50 percent. Nothing in this subsection shall be construed to require States to meet the non-Federal share from State funds.

"(c) ELIGIBLE ENTITIES.—Entities eligible to receive a grant under this section include—

"(1) private employers employing commercial drivers in partnership with agencies, colleges, or universities described in paragraph (2);

"(2) local educational agencies, State educational agencies, colleges, universities, or community colleges;

"(3) approved apprentice training programs; and

"(4) labor organizations, the memberships of which include commercial drivers.

"(d) REFERRAL PROGRAM.—Grantees shall refer to appropriate adult education programs as authorized under this title individuals who are identified as having literacy skill problems other than or beyond those which prevent them from successfully completing the knowledge test requirements under the Commercial Motor Vehicle Safety Act of 1986.

"(e) DEFINITIONS.—For purposes of this section:

"(1) The term 'approved apprentice training programs' has the meaning given such term in the National Apprenticeship Act of 1937.

"(2) The term 'eligible commercial driver' means a driver licensed prior to the requirements of the Commercial Motor Vehicle Safety Act of 1986.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out this section $3,000,000 for each of the fiscal years 1991, 1992, and 1993.".

(b) AVOIDANCE OF DUPLICATE ENACTMENT.—The amendment made by subsection (a) shall not take effect if the Higher Education Amendments of 1991 are enacted before the enactment of this Act.

PART E—BOOKS FOR FAMILIES

SEC. 351. INEXPENSIVE BOOK DISTRIBUTION PROGRAM.

(a) PRIORITY.—Section 1563(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2963) is amended by—

(1) striking "and" at the end of paragraph (2);

(2) by redesignating paragraph (3) as paragraph (4); and

(3) by inserting after paragraph (2) the following:

"(3) in the fiscal year 1991 and each succeeding fiscal year, the contractor will give priority in the selection of additional local programs to programs and projects which serve children and students with special needs including, at a minimum—

"(A) low-income children (particularly such children in high poverty areas);

"(B) children at risk for school failure;

"(C) children with disabilities;

"(D) emotionally disturbed children;

"(E) foster children;

"(F) homeless children;

"(G) migrant children;

"(H) children without access to libraries;

"(I) institutionalized or incarcerated children; and

"(J) children whose parents are institutionalized or incarcerated; and".

(b) STUDY.—The contractor shall report to the Secretary of Education annually regarding the number and description of the additional programs funded under subsection 1563(a)(3) of the Elementary and Secondary Education Act of 1965.

SEC. 352. LIBRARY LITERACY PROGRAMS.

Section 601 of the Library Services and Construction Act (20 U.S.C. 375) is amended by inserting at the end thereof the following new subsection:

"(f) In awarding grants under this section the Secretary shall give priority to programs and services which—

"(1) will be delivered in areas of greatest need which have highest concentrations of adults who do not have a secondary education or its equivalent, and which—

"(A) have few community or financial resources to establish the program described under this section without Federal assistance, or

"(B) have low per capita income, unemployment or underemployment; and

"(2) coordinate with literacy organizations and community based organizations providing literacy services.".

PART F—LITERACY FOR INCARCERATED INDIVIDUALS

SEC. 361. MANDATORY EDUCATION FOR INCARCERATED ADULTS.

Subpart 1 of part B of the Adult Education Act (20 U.S.C. 1203 et seq.) is amended by adding at the end the following:

"SEC. 324. MANDATORY LITERACY PROGRAM.

"(a) INITIAL REQUIREMENT.—Before the expiration of the 2-year period beginning on the date of the enactment of the National Literacy Act of 1991, each State correctional system shall have in effect a mandatory functional literacy program in at least 1 major correctional facility.

"(b) Subsequent Requirement.—Before the expiration of the 5-year period beginning on the date of the enactment of the National Literacy Act of 1991, each State correctional system and each local jail or detention center with a population of more than 150 inmates shall have in effect a mandatory functional literacy program where funds are available to operate such a program.

"(c) Program Requirements.—Each mandatory functional literacy program required by subsections (a) and (b) shall include—

"(1) a requirement that each individual incarcerated in such system, jail, or detention center who is not functionally literate shall participate in such program until such individual—

"(A) achieves functional literacy;

"(B) is granted parole;

"(C) completes his or her sentence; or

"(D) is released pursuant to a court order;

"(2) a prohibition on granting parole to any individual described in paragraph (1) who refuses to participate in such program;

"(3) adequate opportunities for appropriate educational services and testing all inmates for functional literacy upon reception; and

"(4) an inmate participation incentive program which may include—

"(A) better housing opportunities;

"(B) monetary incentives for achievement; and

"(C) positive reports from the education department to the parole authorities for inmates who participate and progress in the literacy program.

"(d) Functional Literacy.—For purposes of this section, the term 'functional literacy' means—

"(1) an eighth grade equivalence in reading on a nationally recognized standardized test;

"(2) functional competency or literacy on a nationally recognized criterion-referenced test; or

"(3) both.

"(e) Excepted Individuals.—Any individual who is serving a life sentence without parole, is terminally ill, or is under a sentence of death shall not be required to participate in a mandatory functional literacy program.

"(f) Early Release Waiver.—Subsection (c)(2) shall not apply in any case in which a court order requires early release of an individual due to a constitutional consideration.

"(g) Annual Report.—Each State correctional education agency shall submit a report annually to the Secretary with respect to its program under this section. Such report shall include—

"(1) the number of individuals tested for eligibility;

"(2) the number of individuals eligible for the program;

"(3) the number of individuals participating in the program;

"(4) the numbers of hours of instruction per week;

"(5) sample data on achievement of students; and

"(6) data on the costs of the program.

"(h) Educational Recommendations.—Parole agencies are encouraged to make educational recommendations for those being released who do not have a marketable job skill or a high school diploma.

"(i) Non-mandatory Programs.—Jails and detention centers with a population of 150 inmates or less are encouraged to develop mandatory functional literacy programs as described in subsection (c).".

SEC. 362. BLUE RIBBON AWARDS FOR CORRECTIONAL EDUCATION PROGRAMS.

(a) In General.—Section 1566 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2966) is amended—

(1) in subsection (a), by striking "The" and inserting "Subject to subsection (d), the"; and

(2) by adding at the end the following:

"(d) Blue Ribbon Awards for Correctional Education Programs.—The Secretary, through nominations provided by the Office on Correctional Education after consultation with representatives of correctional education organizations and others active in literacy education, shall annually make 1 or more awards under this section to effective and innovative programs for inmate education and literacy.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on October 1, 1992.

PART G—VOLUNTEERS FOR LITERACY

SEC. 371. LITERACY CHALLENGE GRANTS.

(a) General Authority.—

(1) Program Authorized.—Part C of title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4991 et seq.) is amended by adding at the end the following:

"LITERACY CHALLENGE GRANTS

"Sec. 125. (a) The Director is authorized to award challenge grants to eligible public agencies and private organizations to pay the Federal share of the costs of establishing, operating or expanding community or employee literacy programs or projects that include the use of full-time or part-time volunteers as one method of addressing illiteracy.

"(b) Each eligible organization desiring a grant under this section shall submit to the ACTION Agency an application in such form and accompanied by such information as the Director may reasonably require. Each such application shall—

"(1) describe the activities for which assistance is sought,

"(2) contain assurances that the eligible organization will provide from non-Federal sources the non-Federal share of the cost of the program or project,

"(3) provide assurances, satisfactory to the Director, that the literacy project will be operated in cooperation with other public and private agencies and organizations interested in, and qualified to, combat illiteracy in the community where the project is to be conducted, and

"(4) contain such other information and assurances as the Director may reasonably require.

"(c)(1)(A) The Federal share of the cost of a program or project authorized by this section administered by a public agency, a nonprofit organization other than an organization described in paragraph (2), or a private, for-profit organization shall not exceed—

"(i) 80 percent in the first fiscal year;

"(ii) 70 percent in the second fiscal year; and

"(iii) 60 percent in the third fiscal year.

"(B) The non-Federal share paid by a private, for-profit organization shall be in cash.

"(2) The Federal share of the cost of a program or project administered by a nonprofit or community-based organization shall not exceed—

"(A) 90 percent in the first fiscal year;

"(B) 80 percent in the second fiscal year; and

"(C) 70 percent in the third fiscal year.

"(3) The non-Federal share provided by a public agency or a nonprofit or community-based organization may be provided in cash, or in kind, fairly evaluated, and may include the use of plant, equipment, and services.".

(2) Conforming Amendment.—The table of contents contained in the first section of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 note) is amended by inserting after the item relating to section 124 the following new item.

"Sec. 125. Literacy challenge grants.".

(b) Authorization of Appropriations.—Section 501(c) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5081(c)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by inserting "(1)" after the subsection designation; and

(3) by inserting at the end the following:

"(2) Except as provided in paragraph (3) and in addition to the amounts authorized to be appropriated pursuant to paragraph (1) there is authorized to be appropriated $2,500,000 for the fiscal year 1992 and such sums as may be necessary for 1993 for Literacy Challenge Grants under section 125.

"(3) No funds shall be appropriated pursuant to paragraph (2) in any fiscal year unless—

"(A) the funds available in such fiscal year for the VISTA Program under part A of title I are sufficient to provide the years of volunteer service specified for such fiscal year under section 501(d)(1) for the VISTA Program; and

"(B) the funds available in such fiscal year for the VISTA Literacy Corps under part A of title I are sufficient to provide at least the same years of volunteer service as were provided in the fiscal year preceding such fiscal year.".

TITLE IV—EDUCATION FOR THE FUTURE

PART A—SCHOOL BASED MANAGEMENT/SHARED DECISIONMAKING AND FLEXIBILITY INCENTIVE

SEC. 411. SHORT TITLE.

This part may be cited as the "School Based Management/Shared Decisionmaking and Flexibility Incentive Act".

SEC. 412. FINDINGS.

The Congress finds that—

(1) schools may be more effective when individuals who are held responsible for the outcomes of decisions are also responsible for making such decisions;

(2) the needs of students vary from one school building to the next and faculty and administrators of a school need sufficient flexibility to use resources in the way that will best meet students' needs;

(3) school based management/shared decisionmaking provides flexibility for teachers and school based administrators to create a school environment which meets the specific needs of students attending such school; and

(4) school based management/shared decisionmaking provides an opportunity for parents and the community to play a larger role in the operation of a school.

SEC. 413. PROGRAM ESTABLISHED.

(a) In General.—The Fund for the Improvement and Reform of Schools and Teaching Act (20 U.S.C. 4801 et seq.) is amended by—

(1) redesignating subparts 3 and 4 as subparts 4 and 5, respectively;

(2) redesignating sections 3231, 3232 and 3233 as sections 3241, 3242, and 3243, respectively;

(3) redesignating sections 3241, 3242 and 3243 as sections 3251, 3252 and 3253, respectively; and

(4) inserting the following new subpart after subpart 2:

"Subpart 3—School Based Management/Shared Decisionmaking

"SEC. 3231. PROGRAM AUTHORIZED.

"(a) General Authority.—The Secretary is authorized to make grants to local educational agencies whose applications are approved under this subpart, to provide incentives to test school based management/shared decisionmaking programs at school sites within the local educational agency, and to evaluate and disseminate results of such evaluation.

"(b) Professional Development Academy.—Each recipient of a grant under this subpart, who also receives Federal financial assistance under the Professional Development Academy Establishment Act established pursuant to title II of the Teacher Recruitment, Training and Professionalism Act of 1989 shall either pro-

vide in-service training programs developed under this subpart through a professional development academy, or coordinate programs funded under this subpart with programs operated by such professional development academies.

"SEC. 3232. SCHOOL BASED MANAGEMENT/SHARED DECISIONMAKING.

''(a) In General.—As used in this subpart the term ''school based management/shared decisionmaking'' means a process by which a team of individuals is formed at a school site to make decisions regarding the management of the school. Such a team may include—

''(1) teachers, including representatives of professional teachers associations or organizations, where applicable;

''(2) the school principal;

''(3) school administrators;

''(4) parents;

''(5) community representatives;

''(6) school employees; and

''(7) students.

''(b) Responsibilities.—(1) The school based management/shared decisionmaking team is responsible for decisions, determined by the team, which affect the school and classroom environment. Such decisions may include decisions such as—

''(A) curriculum and instruction priorities which meet priorities and goals of the local educational agency, including materials and activities, organization, evaluation and assessment, while taking into account the special needs of students;

''(B) student grouping, promotion, and tracking;

''(C) school rules and discipline policies;

''(D) the scheduling, and structure of the school day;

''(E) the school environment;

''(F) the physical structure of school facilities;

''(G) the administrative structure of the school;

''(H) the use of funds available to the school;

''(I) establishing standards for the hiring and evaluation of teachers and administrators;

''(J) professional development programs which will meet faculty needs; and

''(K) relationships with parents and community.

''(2) The school superintendent and school board of each local educational agency receiving assistance under this subpart shall encourage school individuality while also ensuring sufficient coordination and linkages to allow student mobility.

"SEC. 3233. USES OF FUNDS.

''Funds provided pursuant to the provisions of this subpart may be used to—

''(1) establish training programs for teachers, principals, administrators, superintendents, school board members and members of the school based management/shared decisionmaking team regarding the implementation of school based management/shared decisionmaking, including—

''(A) use of decisionmaking skills, concensus building, creative problem solving, and group dynamics;

''(B) ways to establish a school mission which responds to the needs of students attending the school;

''(C) use of staff resources to implement school based management/shared decisionmaking; and

''(D) use of nonprofessional staff, including paraprofessionals, volunteers, peer tutors, and instructional technologies, so that an individual teachers' time can be used most productively; and

''(2) evaluate the effectiveness of school based management/shared decisionmaking in improving student performance, and teacher recruitment and retention.

"SEC. 3234. APPLICATION.

''(a) In General.—Each local educational agency desiring to receive a grant under this subpart shall submit an application to the Secretary, at such time and in such manner, and containing such additional information as the Secretary may reasonably require.

''(b) Contents of Application.—The Secretary shall only approve applications which meet the requirements of this subpart and contain—

''(1) a description of the school based management/shared decisionmaking program to be tested with funds provided under this subpart;

''(2) if available, a list of schools chosen to participate in school based management/shared decisionmaking, and a description of the school based management/shared decisionmaking teams established or to be established;

''(3) a description of the training programs to be established or expanded with funds provided under this subpart; and

''(4) assurances that the administrative and teaching staff of the local educational agency has participated in the development of the application.

''(c) Priority.—In approving applications under this subpart, the Secretary shall give priority to applications which seek to implement school based management/shared decisionmaking programs on a local educational agencywide basis within 5 years of application.

"SEC. 3235. EVALUATIONS.

''(a) Recipient Information.—Each recipient of a grant under this subpart shall annually submit to the Secretary such information regarding the program as the Secretary may require. Such information shall include a description of—

''(1) how support was achieved for the program;

''(2) what decisions were transferred to the school based management/shared decisionmaking teams;

''(3) any resulting changes in teacher attitude and staff turnover; and

''(4) any resulting changes in student performance.

''(b) Evaluation by the Secretary.—The Secretary shall—

''(1) within 1 year of the date of enactment of this subpart, compile and analyze the information received pursuant to subsection (a) and submit such analysis to the appropriate committees of the Congress; and

''(2) within 2 years of the date of enactment of this subpart, conduct an evaluation of school based management/shared decisionmaking programs funded under this subpart as well as other school based management/shared decisionmaking programs to determine the effectiveness of such programs in improving school performance.''.

(b) Authorization of Appropriations.—Section 3252 of the Fund for the Improvement and Reform of Schools and Teaching Act (as redesignated in subsection (a)(3)) is amended—

(1) in subsection (a), by striking ''$30,000,000'' and inserting ''$55,100,000''; and

(2) in subsection (b), by inserting at the end thereof the following new paragraph (3):

''(3) The Secretary may reserve not more than $25,100,000 from funds appropriated for activities authorized in subpart 3.''.

PART B—MODEL SCHOOLS OF EXCELLENCE

SEC. 421. MODEL SCHOOLS OF EXCELLENCE.

The Elementary and Secondary Education Act of 165 (20 U.S.C. 2701 et seq.) is amended—

(1) by inserting at the end of title I the following new chapter:

"CHAPTER 3—MODEL SCHOOLS OF EXCELLENCE

"SEC 1601. STATEMENT OF PURPOSE.

''It is the purpose of this chapter to assist—

''(1) local educational agencies;

''(2) consortia of such agencies; and

''(3) intermediate educational units;

which have significant percentages of economically disadvantaged students to establish and conduct programs to strengthen the knowledge of elementary and secondary school students in academic subjects.

"SEC. 1602. PROGRAM AUTHORIZATION.

''(a) Grants by the Secretary.—In any fiscal year in which the appropriations for this chapter do not equal or exceed $50,000,000, the Secretary is authorized, in accordance with the provisions of this chapter which are not inconsistent with the provisions of this subsection, to make grants to local educational agencies, consortia of such agencies or intermediate educational units to carry out model school programs.

''(b) State Grant Program.—(1) In any fiscal year in which the appropriations for this chapter equal or exceed $50,000,000, the Secretary is authorized, in accordance with the provisions of this part, to make allocations to States in accordance with section 1603.

''(2) Allocations received pursuant to paragraph (1) shall be used by States to award grants to local educational agencies, consortia of such agencies or intermediate educational units within the State to enable such agencies, consortia or units to carry out model school programs.

"SEC. 1603. ALLOCATION.

''(a) Allocation.—Except as provided in section 1602(a) each State shall be eligible to receive a grant under this part in each fiscal year that bears the same ratio to the amount appropriated under section 1608 as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than one-half of 1 percent of such amount.

''(b) Definitions.—For purposes of this section—

''(1) the term 'school-age population' means the population aged 5 through 17; and

''(2) the term 'States' includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 1604. ELIGIBILITY.

''A local educational agency, consortium of such agencies, or intermediate educational unit, is eligible to receive a grant under this chapter if such agency, consortium or unit submits an application which contains evidence of collaborative arrangements between the applicant and an institution of higher education, a community-based organization, another local educational agency, an appropriate State educational agency, or any combination of such institutions, organizations, or agencies.

"SEC. 1605. USES OF FUNDS.

''Grants under this chapter may be used for—

''(1) planning and outreach activities directly related to expansion and enhancement of academic programs and services in the model school;

''(2) the acquisition of books, materials, and equipment (including computers and the maintenance and operation thereof) necessary for the conduct of educational programs in the model school; and

''(3) the payment, or subsidization of the compensation, of elementary and secondary school teachers who are certified or licensed by the State and who are necessary for the conduct of educational programs in the model school,

whenever such assistance is directly related to improving the knowledge of mathematics, science, history, English, foreign languages, art, or music, or to improving the vocational skills of elementary and secondary school students.

"SEC. 1606. APPLICATIONS.

''(a) In General.—To be eligible to receive a grant under this chapter a local educational

agency, consortium of such agencies, or intermediate educational unit shall submit an application to the Secretary under section 1602(a) and to the State educational agency under section 1602(b) in such form and containing or accompanied by such information as the Secretary or the State educational agency, as the case may be, may require.

"(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall—

"(1) provide assurances that the assistance will be used for the purposes described in section 1605;

"(2) provide assurances that the local educational agency, consortium of such agencies, or intermediate educational unit has a significant percentage or enrollment of economically disadvantaged students, or in the case of a consortium, that at least one local educational agency participating in such consortium has a significant percentage or enrollment of economically disadvantaged students;

"(3) provide assurances that the students served in the model school established reflect a significant percentage or enrollment of economically disadvantaged students;

"(4) demonstrate the extent to which the model school will contribute to the improvements of the academic quality of the education offered by schools throughout the local educational agency;

"(5) describe the collaborative efforts required by section 1604;

"(6) provide assurances that teachers will be employed in the courses of instruction assisted under this chapter who are certified or licensed by the State to teach the subject matter of the courses of instruction;

"(7) provide assurances that the applicant will not engage in discrimination based upon race, religion, color, national origin, sex, or handicapping conditions in—

"(A) hiring, promotion, or assignment of employees of the applicant or other personnel for whom the applicant has any administrative responsibility;

"(B) the mandatory assignment of students to schools or to courses of instruction within schools of such applicant, except as is necessary to carry out an approved desegregation plan; and

"(C) designing or operating extracurricular activities for students;

"(8) describe how funds made available under this chapter will be used to promote integration and provide a high quality education program for local educational agencies with significant concentrations of economically disadvantaged students;

"(9) describe how such applicant will devote its resources to continuing the program when funds made available to it under this chapter may no longer be made available; and

"(10) provide such other assurances as the Secretary determines necessary.

"SEC. 1607. SPECIAL EVIDENTIARY RULE.

"Notwithstanding any other provision of law, the award of funds under this chapter may not be used in any cause of action or administrative proceeding as evidence relating to the issue of desegregation of a public school of a local educational agency receiving such an award.

"SEC. 1608. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $100,000,000 for the fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993, 1994, 1995, and 1996 to carry out the provisions of this chapter.";

(2) by repealing section 4606;

(3) by redesignating section 4608 (as renumbered by Public Law 100–569) as section 4609; and

(4) in section 4609 (as redesignated in paragraph (3))—

(A) in subsection (a), by striking "(other than section 4606)"; and

(B) by striking subsection (b).

PART C—MATHEMATICS AND SCIENCE EXCELLENCE

Subpart 1—Dwight D. Eisenhower Mathematics and Science Education Act

SEC. 431. DWIGHT D. EISENHOWER MATHEMATICS AND SCIENCE EDUCATION ACT.

Subsection (b) of section 2003 of the Dwight D. Eisenhower Education Act (20 U.S.C. 2983(b)) is amended—

(1) by striking "and such" and inserting ", such";

(2) by striking "4" and inserting "2"; and

(3) by striking the period at the end thereof and inserting "$300,000,000 for fiscal year 1992 and such sums as may be necessary for fiscal year 1993.".

Subpart 2—Star Schools Program

SEC. 436. STAR SCHOOLS PROGRAM.

Subsection (b) of section 903 of the Star Schools Program Assistance Act (20 U.S.C. 4082(b)) is amended by inserting at the end thereof the following new paragraph:

"(4) There are authorized to be appropriated $50,000,000 for each of the fiscal years 1992, 1993, 1994, 1995, and 1996 to carry out the provisions of this Act.".

Subpart 3—Classrooms For The Future

SEC. 441. SHORT TITLE.

This subpart may be cited as the "Classroom of the Future Act".

SEC. 442. PURPOSE.

It is the purpose of this subpart to develop mathematics and science curricula using state-of-the-art learning technology and techniques which are developed to increase the mathematics and science achievement levels of underachieving students.

SEC. 443. GRANTS AUTHORIZED.

(a) IN GENERAL.—The Secretary shall award grants to local educational agencies, State educational agencies, institutions of higher education, public or private nonprofit agencies, or consortia thereof to enable such entities to conduct programs to develop curricula that combine classroom teaching strategies with state-of-the-art learning technologies for underachieving mathematics and science students in elementary, secondary and vocational educational schools.

(b) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to applications describing programs that—

(1) are developed so that the program may be applied nationally; and

(2) serve a large number or percentage of disadvantaged students.

(c) APPLICATION.—

(1) IN GENERAL.—Each entity desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may prescribe.

(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall include—

(A) a description of the degree to which the program addresses the needs of underachieving students to increase such student's mathematics and science achievement;

(B) a description of the degree to which the program is coordinated with teacher training programs;

(C) an assurance that the program serves a large number or percentage of economically disadvantaged students; and

(D) a description of the degree to which funds received under this subpart shall be coordinated with funds received under other Federal teacher training programs and Federal technology programs, such as the Star Schools Program Assistance Act.

SEC. 444. USE OF GRANT FUNDS.

Grants awarded under this subpart may be used for the development, implementation and operation of innovative learning strategies which may include—

(1) the development of curricula that combine classroom teaching strategies with computerized artificial intelligence and other technologies;

(2) video-assisted instructional materials, such as video disk technology;

(3) the development of educational television or educational radio programming for use in the classroom;

(4) teacher training programs in elementary, secondary and vocational schools that are designed to improve the quality of mathematics and science instruction through learning strategies which employ innovative technology;

(5) the acquisition of instructional materials including laboratory equipment; and

(6) the dissemination of information and research regarding innovative learning strategies.

SEC. 445. DEFINITIONS.

For the purpose of this subpart—

(1) the term "institution of higher education" has the meaning given to such term by section 1201(a) of the Higher Education Act of 1965;

(2) the term "local educational agency" has the meaning given to such term by section 1471(12) of the Elementary and Secondary Education Act of 1965;

(3) the term "Secretary" means the Secretary of Education; and

(4) the term "State educational agency" has the meaning given to such term by section 1471(23) of the Elementary and Secondary Education Act of 1965.

SEC. 446. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $50,000,000 for the fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993, 1994, 1995, and 1996 to carry out the provisions of this subpart.

PART D—SCHOOL DROPOUT DEMONSTRATION ASSISTANCE

SEC. 451. AUTHORIZATION OF APPROPRIATIONS.

Subsection (a) of section 6003 of the School Dropout Demonstration Assistance Act (20 U.S.C. 3243(a)) is amended by striking "1989, 1990 and 1991" and inserting "1992, 1993, 1994, 1995, and 1996".

Mr. KENNEDY. Mr. President, American education needs substantial improvements, and this legislation is the place to begin. Few, if any, issues are more important to the future of the country than the quality of our schools. Their problems are great, their needs are enormous, and the solutions are complex.

According to a recent study by the Carnegie Foundation for the Advancement of Teaching, far too many young children—about 35 percent, over one in every three students—do not start school ready to learn. Most of these students will never catch up with their peers and many will drop out of school.

Student achievement is too low. According to the National Assessment of Educational Progress, fewer than one out of every five pupils in grades 4, 8, and 12 can demonstrate competency in mathematics. Scores on the Scholastic Achievement Test have fallen significantly over the last 20 years. The decline in the number of high-scoring students on the SAT verbal exam is especially serious.

The shortcomings of American students in comparison with those from other countries have been widely documented. The bottom line is clear. We need to improve all schools so that all students will have access to high quality education. This will take time and a great deal of effort. It will require hard work by Federal, State, and local governments, as well as by business and community groups.

The Federal Government has an essential role to play in helping to improve America's schools. Action on several different fronts is required:

First, we must take steps to see that all children start school ready to learn. The best way to achieve this goal is by ensuring that all eligible children are served by the Head Start Program. The education and social services provided by Head Start are proven cost-effective—every dollar spent in Head Start saves almost $5 in later costs for welfare, unemployment, and crime.

S. 911, legislation which I introduced and which was reported by the Senate Labor Committee in the last session, is now on the Senate calendar. It would assure that all Head Start students are served. The President today announced his Head Start proposal.

America's children need more than an election year hand out, they need a long term commitment to their school readiness and their future. This budget proposal ensures that nearly 40 percent of eligible children will receive Head Start services in 1993, but falls far short of putting this landmark program on a guaranteed path to full funding.

What we ought to do, Mr. President, is to ensure that Head Start is fully funded. I favored an entitlement. We have made Social Security an entitlement, and I favor it. We have made the cost of living for improvements in Social Security effectively an entitlement, and I support that.

I think it is about time that this country said what we all know, and that is the investment that we provide with prenatal care, early education programs, from the earliest of times—certainly from the third, fourth, and fifth years of age—is absolutely essential if we are going to see an educated population for the future. That has been proven time in and time out.

We welcome, certainly, the increase over last year's request of the administration—$100 million. That would have taken to the year 2058, I believe, to have the Head Start fully funded. Now we have $600 million. And, Mr. President, there are few priorities before this Nation which are higher than investing in our young people and our children, and I hope that during this session of the Congress, when we come to the debate on priorities for this Nation, and we come to do the reassessment in terms of our overall investments, that we recognize that the cold war is over, and that we are going to be able to find those few billions of dollars—a lot of resource, but a few billions of dollars to make sure Head Start is fully funded.

Second, we must provide new resources to improve the quality of America's public schools. Our goal must be to encourage as many schools as possible to take the steps needed to achieve reform. The leadership to do so—the ideas, the plans, and the commitment—must be supplied by the local schools. They are the ones who know what it will take to succeed. The legislation that we consider today provides substantial resources to help local schools design and implement school restructuring plans.

Third, we must take steps to expand access to postsecondary education. Higher education is America's best hope for long-term economic growth and social progress. Yet, far too many students find the doors to higher education closed because they lack the resources to attend. The most important step the Federal Government can take to help open the doors of higher education is to expand eligibility for student aid, and to increase the amount of assistance that students can receive.

The Senate Labor Committee has also approved legislation (S. 1150) to achieve this goal, and I hope that the Senate will have the opportunity to consider it in the near future.

Fourth, we must take steps to improve the school-to-work transition. Many high school students do not go on to college or do not consider college. These students become the front-line workers upon whom the Nation's future productivity and competitiveness depend. Yet we do very little to assist them or train them for work—much less than our competitors do. The Nation faces an important choice. Either we make the investment in human capital necessary to train these workers while they are still in high school and throughout their working lives, or we consign ourselves to an irreversible future as a low-wage society with a declining standard of living.

Legislation to accomplish this goal, S. 1790, was introduced late last year. I intend to make this bill one of the Labor Committee's top priorities in 1992.

It was introduced in a bipartisan fashion with Senator HATFIELD. It basically reflects the recommendation of the excellent Commission chaired by Ray Marshall, the former Secretary of Labor under President Carter, and Senator Bill Brock, a former colleague of ours from Tennessee, former chairman of the Republican National Committee, that strongly urged action in this area of moving from school to work.

It is really a result not only of their own experience, which is considerable, but also having reviewed what our principal competitors in Europe, France, Germany, other European countries, and Japan are doing in this area, where, as a matter of national objective and priority, these countries have determined that they are going to pay high wages and be internationally competitive. And they found the area of moving from school to work a key area in terms of helping and assisting young people in those nations.

I think we have taken a number of the lessons that have been learned from that experience and hopefully have adopted our own, the excellence of our own Ray Marshall and Bill Brock, in a proposal which hopefully we will have a chance to debate and enact into law later in the session.

Today, Mr. President, we consider one key aspect of this four-part strategy for education reform—S. 2, the Neighborhood Schools Improvement Act, whose goal is to improve the quality of the Nation's elementary and secondary schools.

Under this legislation, the Federal Government will provide funds to State agencies to encourage educational reform at the neighborhood school level.

In the first year, the States will use the funds to develop a State school improvement plan to reach the national education goals. In the following years, the States will use the funds to make competitive grants to neighborhood public schools to undertake comprehensive restructuring projects to improve academic achievement.

Local school officials, in concert with the local community and the local school district, will decide what is needed to improve their schools and will submit an application to the State for a grant. The State will decide which projects to fund.

Local schools may undertake whatever initiatives they feel will best improve academic achievement at their schools. For example, they may implement comprehensive and continuous early childhood education programs, enhanced academic programs, school-based management programs, or programs to increase the knowledge and skills of teachers and school leaders, to strengthen parental involvement, to expand the use of educational technology, or to reduce the number of dropouts.

A wide range of alternative plans will be funded. The key feature is that the decision on what to implement, and how to implement it, will be made by the schools themselves and the local community, a key difference with the administration's proposal.

Mr. President, in the legislation, we outline even in more graphic terms those types of programs that we have seen have been successful in local schools around this country. That is not an exhaustive list. Every day we are finding innovative, creative, and imaginative programs that are being initiated at the local school district. And there is no reason that we have to restrict ourselves even to this list.

But what we have done in the legislation is to make a series of recommendations based upon what the hearing record has demonstrated as to areas which have proved to be effective in enhancing academic achievement and accomplishment. And a key element, Mr. President, is accountability—accountability—for those various programs, so that we will have meaningful examination of those programs to demonstrate the effectiveness in terms of strengthening academic achievement and accomplishment.

Funds will be available to the schools for an extended period of time—5 years. Continued funding, however, will depend on successful implementation of the program in the first 3 years, and on genuine academic improvement in the fourth and fifth years. Grants may be renewed for a second 5-year period, based on continued gains in academic achievement.

The bill authorizes $850 million in fiscal year 1992, and such sums as may be necessary in future years.

Seventy-five percent of the funds made available are earmarked for schools with the lowest levels of student achievement or the highest levels of student poverty.

The advantages of this approach are substantial:

It will benefit several thousand schools.

It will focus money on the schools that need help the most.

States and local communities will make the key decisions, not the Federal Government.

It recognizes that school reform requires a sustained financial commitment.

Funds are restricted to public schools. This legislation will not divert tax dollars to support private schools.

It includes strict accountability provisions.

We have worked as closely as possible with the administration in preparing this legislation, but we have not been able to resolve all our differences. In my view, the legislation corrects several major shortcomings in the administration's proposals.

First, the administration's plan would help only 535 schools, one in each congressional district plus two more for each State. Obviously, many more schools than that number need help. It makes no sense to help only this drastically limited number of schools, chosen because Congress consists of 435 Representatives and 100 Senators.

Second, the administration's plan proposed only a one-time infusion of a large amount of Federal funds to this small number of schools, when what is needed most is a sustained, long-term commitment to steady educational improvement for all schools.

Third, the administration's plan emphasized the creation of new schools, rather than the reform of existing schools.

Fourth, the administration's plan gave the Secretary of Education, rather than State or local officials, the authority to decide which schools to help.

Fifth, the administration's plan placed an excessive emphasis on so-called choice schemes, including the use of public tax dollars for this support of private schools. This legislation encourages choice among public schools but it draws a clear line against diverting scarce tax dollars to private schools.

We face many challenges today, but one of the best ways to ensure a brighter future for the Nation is by commiting ourselves now to excellence within those four walls in every community in America.

The reform we need is not superficial, cosmetic change developed by bureaucrats, public relations experts, or policymakers in Washington. It cannot be administered from above, or inspired from the top down. "One size fits all" is the wrong approach and could well be a disastrous prescription for continuing decline.

True education reform must be developed by teachers who work in the schools, by parents whose children attend the schools, and by the communities served by the schools. To be real, meaningful and effective, reform must take place parent by parent, student by student, school by school, community by community, State by State. It must be directed specifically at local needs. And it must be bold enough to succeed.

At a recent Labor Committee hearing, Shirley Rau, a teacher at Nampa High School in Nampa, ID, gave this eloquent description of a school—it is a building, she said, that has "four walls with the future inside."

Mr. President, I will have more to say as we begin the debate on this extremely important legislation. I welcome the fact that the majority leader has identified this legislation to begin the debate of this session of the Congress. Few public policy issues are more important.

I pay tribute to the chairman of our Education Subcommittee, Senator PELL, for all of the work that he has done as chairman of the Education Subcommittee for a number of years. I again thank all of the members of the committee on both sides of the aisle. We have worked together. Although we have some important differences, those differences should not overshadow many of the areas that we have worked very closely together on to develop this legislation.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER (Mr. SIMON). The Senator from Utah is recognized.

Mr. HATCH. Mr. President, both sides of the aisle can and should work together to develop a strategy to improve education in this country. We have done it before, and I think we should do it again.

On our committee, generally we agree on education matters before they come to the floor. In this particular case, we have not agreed. I think education should not become a political issue, at least among ourselves.

My home State of Utah has done some excellent things in the area of education. Through the years they have tried many experiments to try to improve the education of children, despite rather limited resources in our State. Some of these experiments have been very successful and have been adopted by other schools, while others have not worked as well and have been terminated. In most cases, these changes were ideas of individual teachers working with the children assigned to them. I believe in teachers and I know that by working with them, we can do what is best for our children.

Last spring, the Bush administration proposed a bold new strategy to upgrade and reform schools in this country. Many of the ideas presented by President Bush and Secretary Alexander are ideas that I strongly endorse. I also can support many of the ideas outlined by the majority in this particular bill, S. 2. But I am very sorry that, after spending many hours trying to work with both the administration and the majority, we do not have a bipartisan bill before us which incorporates the ideas of both the administration and the majority.

It seems that all that effort went down the drain and with it went our hope for the kind of bipartisan compromise that has been the hallmark of education policy and the hallmark of our committee through the years.

Mr. President, this is the son of S. 2. The committee has reported this bill out twice, once early last spring when the bill was developed without input from the administration or the Republican members of the Labor and Human Resources Committee. The second time this bill was reported out the Republicans agreed to vote for the bill with a commitment that there would be a serious effort to meet the needs of the administration and the Republican members of the committee. Unfortunately the second S. 2 has met the same fate as the first S. 2, because there has been no willingness to incorporate any of the major ideas of the President in the bill.

Let me read to you the concerns of the minority regarding the bill after the initial markup.

> We are ready and willing to be full participants in a process of developing constructive legislation which will move toward the common goal of a better-educated America.
>
> We all want the best possible education for the children and adults of our nation. To make the most effective use of the federal resources devoted to this cause, it is important that Congress work closely with the

President and the new Secretary of Education to develop and implement an education program which has broad bipartisan support.

Those concerns are even more true today. I was hopeful that the process of revising S. 2 would have reflected the same collaborative effort as we just made on the higher education measure.

I support many of the provisions in this bill, but there is obvious omission of several key elements of the President's America 2000 Program. The President has proposed meaningful reforms in education and these ideas deserve to be incorporated in this bill.

School choice, including private schools, is certainly one of those. It is an idea whose time has come. It deserves a fair test. It is currently receiving a lot of support from the public. I agree that there are questions that need to be answered, but a demonstration program will help us answer those questions. Such an experiment in education will serve particularly as an invaluable alternative in our inner cities, where there are so many problems with dropouts and low achievement levels. It seems to me that we need to look at this new idea. Let us not just throw out a promising local option without testing it, especially since it is only six areas selected by the Secretary. It is limited to those students who are at or below 185 percent of poverty. It is a testing ground for those who, qualify for the Free School Lunch Program or the Reduced Price School Lunch Program. It gives these families a choice in both private and public schools that otherwise they will not have.

We will debate that more fully as we bring up the amendment, and I hope my colleagues will look upon that amendment favorably.

New American Schools is another program which needs to be included in this bill, with funding available in 1992. This is one of the most innovative education programs we have seen in a long time. It should not be confined to the public sector. Private schools, too, should be encouraged to make changes to accommodate the needs in modern society.

We have a new Secretary of Education. He is a great human being. He was not only considered an education Governor because of the innovative approaches that he took when he was Governor of Tennessee, but he became the president of the University of Tennessee. He has been very seriously concerned with education the whole time he has been in Government and, even, before. He is an impressive Secretary of Education. These requests that he is making are not out of line. They are certainly not too difficult to give, and I think we ought to give Secretary Alexander the tools he needs to do his job. He has outlined the program he must have to be effective as our country's education leader. Unfortunately, this bill does not include much of that program. This bill continues our old tradition of business as usual.

I regret that the only way we can get any of the President's programs in this bill are through the process of amendment, rather than through the normal process of bipartisan negotiations. I plan to work with my colleagues to try to make some needed changes in this bill.

But let nobody miss the major point here. S. 2 is a bill that will perpetuate business as usual. It is a block grant for everybody who likes the system as it currently is. That is what it is, nothing more, nothing less. If you like the current system and you think our kids are getting a fair break, that we have all the innovations we need, that everything is going just fine and we are being competitive with other nations, especially Japan, then you ought to vote for this bill without change. Because that is what you are going to get. You are going to get some money dribbled out to school districts, throughout this country, with the same group of people deciding how to spend that money.

Our choice proposal is a block grant for families so they can spend this money on any school they wish. Poor kids will have the same opportunity as rich kids to choose private or public schools that are different from the ones that they currently have. This is a reasonable proposal. It is not going to be a great big program across the board. It is six locations in the country. It is a demonstration program that basically will allow us to look for the pitfalls in the program, to look for the good things in the program, and to see if this idea really does work.

We have some indications that choice is working in some areas of the country. There are 11 areas that have some modified versions of choice. One in particular has full choice. I believe, where it has been properly implemented, it has been proving efficacious, innovative and good for students.

Our New Americans Schools proposal, which will be an amendment here, as a block grant to communities to create break-the-mold schools. If there is anything we need in this country right now it is to break the mold and get out of the ruts we have been in these last few years.

The New Americans Schools amendment, will do exactly that. Senator COCHRAN will bring up that amendment later and we will support him in every way we can.

Our flexibility proposal is a block grant to teachers and schools to spend the Federal money the way they think will help their students the most. It is innovative. It is creative. It is a good thing to do.

The President does not want, in our schools, business as usual. But that is what this bill will do unless we can get some changes.

S. 2 is based upon the belief that the U.S. school system is fundamentally OK and that the best thing for Congress to do is to dribble a little more money out there, to solve every problem. That is what this bill does. That is about all it does.

The President believes that the U.S. school system has a lot of good people in it—most of whom are working hard. But that the system does need fundamental change to help our children get where we want them to go. We must achieve the six national education goals as outlined by the President and Secretary Alexander.

Congress should focus its money on communities, teachers, and citizens trying to change the system by giving families choice, giving teachers flexibility, and giving communities money to help create new break-the-mold schools.

I think it is awfully hard to waste money on children but this bill comes close. And unless we can put some of these programs of the President into it, then we are just dribbling money down the drain.

S. 2 spreads money across a system that is not working very well. I think it is called the peanut butter theory, just spread a little bit all over everywhere to solve the problems. This bill cannot change a system by distributing $100 million widely across our 83,000 public schools in 1992.

S. 2 also creates new councils, new plans, and new bureaucracies that are not needed. It seems like we never learn our lessons here. I am unhappy with these bills that dribble out money and then eat it all up in bureaucracy, in paperwork, and in other approaches that basically do not get the money to the schools.

Mr. President, there is a lot more I have to say about this bill. I think, unless we can get it amended, the American people are not going to put up with something that is business as usual. It dribbles a few dollars here, a few there. The bill eats up the money by creating new bureaucracies and does not make the creative, innovative and flexible changes we need in our schools at this time.

We are not happy on this side with this bill as it currently stands. Perhaps we can amend it on the floor. If we can, maybe there will be bipartisan support for the bill. Then maybe we can do the educational work of America and do what really has been needed these last few decades while our kids have struggled in our schools.

I hope that my colleagues on both sides will work very closely together to try to amend this bill, to correct it, to create something that really will break the mold and help us develop a better system than we have today. If we do not, then I worry about what our future really is going to be. I worry about the young people who have to continue in the same system and those who have to continue to work in the same system without any further incentives for new ideas.

I think we ought to support this education President. I have never been as enthused about an education Secretary as I am about Secretary Alexander. He has his head screwed on right. He wants to do what is best for the schools. He would like to make major changes so that we can get running in this country rather than continuing to plod ahead with the status quo that this bill, unamended, would create.

Having said all that, I have high hope that the distinguished chairman of this committee, Senator KENNEDY, and the distinguished chairman of the subcommittee, Senator PELL, will work with us to try and resolve these problems and put some of the President's programs into this bill. Maybe that way we can develop a bill that everybody is enthusiastic about.

We were able to do it on civil rights. Before we finally came up with the final solution last year, there were going to be at least 35 votes against that bill. As it was, there were eight. I would like to see all civil rights bills passed with that kind of majority. I think education bills ought to pass 100 to zip. That does not mean we cannot differ or that we won't have language in the bill that one or the rest of us does not really care for. But it does mean we ought to work together, to get an overwhelming, if not a unanimous vote, as we usually do, on many of these educational bills.

I hope that our colleagues will work with us. We are going to try and be constructive on this side. I hope we can have fair debate and have up-and-down votes on some of these amendments—I think it is important we do so, especially on the choice amendment—then let the chips fall where they may. I am prepared to do that, and I hope my colleagues on the other side are prepared to do that.

With that, I yield the floor and look forward to working with my colleagues over the next day or so.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PELL. I thank the Senator from Washington for his courtesy.

Mr. President, I rise in support of the modifications that have been made to S. 2, and want to commend the chairman of the Labor and Human Resources Committee, Mr. KENNEDY, for the leadership he has provided on this important and vital legislation. It is without question that the changes that have been made to the original S. 2 will strengthen its impact on educational improvement nationwide.

First, the modification streamlines the bill. It would establish a single new program, the Neighborhood Schools Improvement Act. I have always held that we achieve the best results by directing Federal assistance through a rifle shot rather than a shotgun. The focus of one program would insure that the assistance will have a direct and solid impact on school reform, and not be frittered away through several smaller programs.

The initial year authorization of $850 million is most certainly a modest one given the need for educational reform in virtually every school district in the Nation. My own personal view is that we should be investing even more resources in educational reform. Yet, I am sensitive to the fact that there are those who would criticize a higher amount as "throwing money at a problem" and that it is more important that we get Federal assistance in place than subjecting it to a protracted spending debate.

Second, unlike the President's bill, which would help only 535 schools, this bill sets our sights on bringing excellence to every American school. We seek not only to aid more schools, 4,000 or 5,000 of them, but also to make sure that the programs developed are spread to other schools so that reform will not be an isolated occurrence. Our goal is to reach out to every American family and to provide a public education that is second to none.

Third, the legislation places a priority on helping schools that have the lowest educational achievement levels and the deepest levels of poverty. This would include schools in a district experiencing extreme financial distress, such as bankruptcy or State takeover, or districts undergoing consolidation. These provisions speak directly to the very serious situation in my home State of Rhode Island, where several school districts find themselves in extreme financial difficulty and where school district consolidation is an issue of major concern.

Mr. President, this is a solid piece of legislation. It not only builds upon but improves the legislation the administration submitted last year. It sets our schools on the path to achieving the national goals set forth by the President and the Governors and amplified in this bill. Most important, its thrust is educational reform and not political gimmicks and code words. It is a bill we should pass and a bill the President should sign.

Finally, as evidenced by the need for education reform and education legislation, there is a Pell test that anyone of my colleagues can carry out themselves when they speak to high school classes. I have been doing it in my State for several years. That is, I ask all of them, put up your hands if you feel you are studying to capacity, working to capacity. I am lucky if 10 percent of the kids throw up their hands. They know they are not working to capacity. It is up to us to make sure they do.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. ADAMS. Mr. President, I rise today to renew my commitment to achieving excellence in the Nation's public schools. This bill would provide aid to some 6,000 public schools, to build on the experiences that they are having, and to create new experiences for all of our children—all of our children, and particularly those of the middle-class families from which many of us came—to have an opportunity to have an improvement in education which we all agree must be achieved.

The vast majority of Americans learn their ABC's in the public schools. Public schools are the lifeblood of learning in this country. I know that firsthand. Without public education, I would have had a tough time learning my ABC's. I would never have had an opportunity to leave high school. I would have never had an opportunity to go to a university. I learned all of this in a working class neighborhood, in a working class school and a working class city. I am proud of it, and I know all the other members of my class are too. I know that my experience is shared by many, many in this Chamber.

We have good teachers in our system and willing students in our public schools. Yes, we have some bad ones also. We understand that. But the good teachers and the good schools need our help to reach their full potential and that is what S. 2 does. It provides $850 million of additional funding to public schools to develop plans to raise student achievement. It is directed to all of our children, not an elitist group, but all of our children who are in those public schools. It will take the best of the best ideas. These schools will work with parents, teachers, and educators to determine what will work best for their students. This will vary community to community and very often school district to school district. And an urban school district, as we all know, is very different from a rural school district or a suburban school district. Under S. 2, schools will have the support of local education agencies in doing better. And this bill will make schools accountable. We will look to see what exactly happens with the grant that is made to the public school. Did it improve the schools that received these grants? Will it show that their students are making progress in order to continue to receive funds over a 5-year grant period? Otherwise they will not receive the remaining funds.

Right now, we only spend 6 percent of our total national budget on children's education. Our children cannot afford any further diversion of funds away from the public schools. That is what this program proposed by the administration would do. The time to invest in our children and youth is now because we will end up paying tomorrow for our failure to invest in public education today.

Just consider this: A class of school dropouts will earn about $237 billion less in their lifetime than their peers who graduate.

Employers complain that students graduating from high school cannot read well enough, cannot compute well enough, and cannot think for themselves. Today's educational failures are tomorrow's unemployed. That is the group we are trying to reach with this bill.

Teachers and principals are ready and need better materials, training, and school environments to help children learn. Parents, students, and teachers deserve more resources to make public schools centers of excellence. This legislation can help do that.

There are many, many innovative schools in the public school system, ones that have created systems that work. But they need funding. There are others which already have in place systems that are working but are underfunded and cannot be spread to other schools in their district. So that is what we are trying to do with this bill. We are trying to take the best education ideas that we have in this country, apply funds to it, and make it better. Then we can spread them throughout the entire system.

Let us contrast this with the Bush administration and what they have given us in terms of their elitist rhetoric on education. And it really concerns me. It concerns me because it looks like the re-creation of the old English schoolboy system. The President wants to spend money—any additional money on private schools—not public schools. He wants to ignore existing public schools and create new American schools, one school in each congressional district. That is not education policy. That is election year politics.

The Republicans' New American Schools would benefit less than 1 percent of the schools in my State. It would not reach those young people who are not going to school. It would not give discipline to those who are causing trouble in school. And it would not help schools that are having a tough time with students who are having learning problems, either because of language difficulties, because their families have not had opportunities, or because where they started in school did not give them the opportunity to compete with those who got a better start in school.

I also oppose the President's idea of using scarce Federal dollars for private school vouchers. Under that plan, a select few students will receive taxpayer money to attend private schools. The rest of the public school students will be left behind with even fewer resources than they now have. Private school vouchers give all the choices to the private schools. Private schools will choose the students they will admit or reject or send home because they do not like the way they act. This is the same choice private schools exercise today. We have this system already. Public schools cannot do that. Public schools have a commitment and a requirement to educate all of the public. That is the magic of the American public school system and what has made this country great. The public school system needs to be improved, not attacked.

Private schools are freer to reject students who are slower learners. Give us the opportunity, the Chair and myself, a lot of money, and the ability to select whatever students we want and we will produce a magnificent group of students that can pass any kind of tests and can compete any place in the world. But what a small group, and what a small effort in such a large Nation. What will we have when we are finished? Another Eton, another Andover, another Exeter? Wonderful schools, cost a lot of money, turn out some very good students, but it is not the total American public. It is not the public that is working in our industrial plants trying to compete with the Japanese and Germans.

Private schools may refuse admission to disabled children, to children of a particular religion, or just to children they do not like. A voucher will not change the choice that private schools now enjoy and it will not increase a parent's real choice except for a very few. Rich parents are already exercising that choice.

It is especially true—and I want to speak now to my friends from rural areas—that there are very few private schools in the rural areas of the United States that are not boarding schools. In order to use a voucher, a poor child would have to travel miles and miles from their own community. That is not good policy. It is done now in certain cases with gifted students who can go to a boarding school or have an athletic ability. That does not change any of this. It just simply pours Federal money, money from middle-class families that want their child in a public school to be educated, into the hands of a few who would do very well anyway. It does not help the rural districts in my State. We should be promoting Star Schools and not schools for stars.

Who has the real choice in education today? Real choice lies with parents. In public school systems, they elect school boards. They pay taxes for those schools. In my State of Washington, they elect the chief education officer as well as elect the school boards. The choice should remain with the parents and not be turned over to private school administration.

More than 800,000 children attend over 1,500 public elementary and secondary schools in the State of Washington. That is a large number. Many of these schools are doing a terrific job of educating our children. All of them would like to do better. This bill will help many of them do better. It will give public schools the resources and flexibility to allow teachers to teach and students to learn. But even this bill will not cover all of them. But it will build on the best of what we have. I wish it contained more funds, much more in the way of funds so we could create comprehensive services for students and families at school sites and other programs that I favor.

I urge my colleagues to act favorably on this bill before another day passes because it would be another day in which we did not help the children of this country. This is a very fundamental choice that is being given to us between private school vouchers and very selective type schools and the public school system of the United States. The public school system has good and bad in it, but most important of all, it has nearly all of our children. It needs our help.

I thank the Chair. I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, the first observation I would like to make is that the vote we took a moment ago on cloture, on the motion to proceed to consider this legislation, was unanimous. Every Republican and every Democrat in the Senate who voted on that issue today voted to end the debate on whether or not we should proceed to the consideration of this legislation and to try to come up with a bill that could be passed by this body, enacted into law, signed by the President, that will do something effective about education reform.

So I think the debate here today is not about whether we all have our hearts in the right place. We are all in favor of moving forward. We have all had a chance to consider many of the options that have been suggested. The Nation's Governors met 28 months ago with the President to outline six goals on which they could all agree that would serve as national goals for our country and for our communities, so that we could move ahead in concert with a unity of purpose to deal with the problem that we all consider to be one of the most important which our country faces today.

I am disturbed, Mr. President, frankly, with the fact that the bill that is before us falls far short of what we ought to do in terms of stimulating reform, encouraging innovation, and rewarding experiments that are working. We need to demonstrate the new technologies that are working to bring classroom instruction across distances, where teachers may not be eligible to teach hear-to-teach subjects.

There are many areas—computer technology, telecommunications—where we ought to be focusing attention and supporting with Federal resources some of the efforts being made by local communities to harness these new technologies and new techniques for education programs.

S. 2 just provides some money to the same applicants through the existing education establishment to carry out the same old programs. If you like the system the way it is, you do not want to change it. And S. 2 does not change it. S. 2 does not encourage change. It rewards sameness; the system we had last year, 10 years ago, and 20 years ago.

You can apply for and qualify for grants under S. 2 without doing anything really new. You can say you will try some new things; you can allocate some funds to existing programs that are not fully funded now. Providing more money for some of the same old tried-and-failed programs is not what America wants right now from this Congress on this issue.

The other day, the President had an opportunity to speak to a group—1 week ago today, January 14—on the subject of education reform. And after outlining what his administration is trying to do, trying to encourage the Congress to do, for reform in education, the President made this statement about this bill that is before the Senate now, and I quote:

> While Americans across this Nation are working to spark a revolution for the future, the Senate regrettably remains riveted on the past.

I agree with the President. I think he is absolutely right when he characterizes this legislation as business as usual.

Today I heard Secretary Lamar Alexander in a discussion with some members of the press answering questions that they were putting to him about this bill and what the administration would prefer. He said, and I quote:

> It is awfully hard to waste money on children, but this comes close.

Mr. President, I think we can do better than this, and the Senate will have an opportunity to improve this legislation when amendments will be offered later. And I hope the Senate will adopt some of these amendments.

S. 2 can correctly be characterized as a grant to everybody who likes the system the way it is. It does not include the Governors in the grant process, as some amendments that will be offered will do, even though the Governors were involved with the President in establishing the national goals, and in challenging communities to adopt those goals and to take steps to implement a strategy for the attainment of those goals at the local level.

It bothers me, Mr. President, that some here continue to be locked in the mindset that the Congress ought to be the goal setter; Congress ought to dictate to the local communities how to use the Federal money. That is what S. 2 frankly does. It suggests that there can be changes made by local schools and local school officials, but it does not include anybody else in the process.

I am hoping that the Senate will carefully consider an amendment that I intend to offer later in this debate. It will be called the New American Schools amendment. It is a proposal to provide a block grant not to school officials, not to the education establishment, but to communities—directly to communities—which come up with new and better ways of instructing and teaching the Nation's children.

But it is aimed at the local needs. It builds on the local strengths that exist in each community. It identifies the special weaknesses that exist in each community. It is designed to address more competently the problems of education in that community. It is a community-based program. That is why to me it is a more attractive alternative than the Kennedy bill.

I am hoping the Senators who received a letter that I sent on January 10 will take another look at that Dear Colleague letter. At the conclusion of my remarks, I will ask that a copy be included in the RECORD.

In essence, if the amendment is adopted, it will help communities in every State begin the design and implementation of thousands of new break-the-old-mold schools. It will encourage the schools to teach to world-class standards, and it will seek to meet the needs of children today, the way children are growing up today. And it will challenge everybody—parents, local administrators, businesses, education officials, and teachers—to work together to come up with a new and better way to bring education and information to the students of their community.

Mr. President, I am convinced that if we do reach out and involve more people in this process, as this particular amendment will do and as some others will do as well, the results are necessarily going to be better.

In my judgment, one of the missing ingredients right now in the entire education process is a successful effort to bring a student through the process who has a higher regard for himself or herself as a competent individual, better able to deal with the problems of this complex world, able to get a job, to hold a job, to know what it means to come to work every day, to work a full day, to devote energies and intellect to solving a problem that is complicated, and that takes a lot of effort; a person that is not so easily persuaded to give up on himself and take an easy way out, get hooked on drugs, or just drop out of society.

It is my hope that we can reinvigorate our Nation's schools and those who work in the schools, the teachers and the administrators, with the resolve that we are going to insist that students learn a higher degree of self-discipline; we are going to insist on a higher degree of individual responsibility and respect for each other than we now see in our schools and in our communities.

I may be naive, but I really think that is possible for us to do in America today, even though it is harder today to be a student or to be a teacher or to be a parent than ever before. It certainly is not so hard that we cannot succeed at it, and do better than we are doing now.

But, adopting the Kennedy bill as it now is written and saying to the people of this country that we are responding to the needs of our students and teachers and parents by passing this bill I think falls far short of the challenge that is before us, and falls far short of what we ought to be doing.

Even though the Republican President has proposed with the Governors the adoption of these goals, and I am a Republican Senator offering this New American Schools amendment that is being supported strongly by the Republican Secretary of Education, I hope that does not necessarily mean that all the Democrats will vote against it just because it may be characterized as the speaker before me did—a Republican amendment.

I hope Senators will look at each amendment and judge each amendment on its merits, rather than on a partisan basis, as has been suggested by the Senator from Washington. I do not think the Republicans have all the right answers, but I do not think the Democrats do either. And from the looks of this bill that came out of committee back in April of 1991 it was a partisan bill. All of the Democrats voted for it; all of the Republicans voted against it. I would hate to see us bogged down now in a partisan fight over this legislation. It, of course, would mean that the Democrats would win, because there are more Democrats in the Senate than there are Republicans. I hope we will try to work together to see if there is a way to reach an accommodation and pass a bill that has some Republican suggestions in it, and we are not just stiff-armed by the Democratic majority, which is what I am beginning to worry about more and more, Mr. President.

I do not think the pathway to reform or the pathway to better schools and a better education system will be found if we spend our time arguing on a partisan basis about something as fundamentally important as education reform. So I hope the Senate will set aside its partisan interests to some extent. I know it is an election year, and I am not unaware of what that means to everybody; but I do hope that we can have a chance at least to have some of these amendments considered on their merits.

Mr. DIXON. Mr. President, this body just voted on the motion to invoke cloture on S. 2, the Neighborhood Schools Improvement Act, the Senate Democratic education initiative. This legislation provides a real opportunity to our hard-pressed elementary and secondary school systems, giving them the chance to initiate real reforms.

Progress reports on our neighborhood schools, and reports that continue to come in from colleges and universities nationwide, make it all too clear that an increasing number of freshmen simply do not have the basic skills necessary to do successful college-level work. The fact that our primary and secondary school systems have failed so many of our Nation's children leaves me deeply troubled.

The 1983 report from the U.S. Department of Education entitled, "A Nation At Risk," depicted a crisis in our Nation's education system. Now here we are today, 9 years later, Mr. President, and the education of our children continues to be at risk.

Early on during his Presidency, President Bush pledged to be the "Education President." I lauded this announcement. However, the administration's actions have not matched its rhetoric. It was not until this year that the administration offered any real education proposal.

Almost 3 years ago, the President and the 50 Governors agreed on 6 national education goals to be achieved by the year 2000. I was one to praise this initiative. However, last year when the first report card on the goals was issued, this country learned that progress had been made in only a few areas.

Over the years, the administration has proposed to shift more financial responsibilities to State and local governments, to private industry, and to individual taxpayers. Like the previous administration, this administration has proposed a federally funded voucher program, available to both private or public schools, as its solution to the problems facing our neighborhood school system.

In addition, the administration's recent education reform initiative proposes to authorize the Secretary of Education to provide grants so that communities may establish 535 new schools, one in each congressional district and one for each Senator.

These are not education reforms, Mr. President. Instead, this is education pork barrel politics.

Today, I join with my Democratic colleagues in presenting a package that will make a real difference—a package that will help make possible a brighter future for our children.

This bill proposes higher national education goals, tougher education standards, increased student, teacher, and school system accountability, and given the budget problems facing State and local governments, additional financial assistance.

To achieve significant education reform, I believe that we must reorder our national priorities as this bill so eloquently proposes.

These goals are simple, sensible, and straightforward. The bill proposes that, by the year 2000:

First, all children will start school ready to learn;

Second, high school graduation rate will increase to at least 90 percent;

Third, students will leave grades 4, 8, and 12 with competency in basic subjects;

Fourth, American students will be first in the world in mathematics and science;

Fifth, every American will be literate. My distinguished colleague in the chair has been a great national advocate of that goal.

Sixth, every school will be free of drugs and violence and offer an environment conducive to learning.

There are more than 80,000 public schools in this country. Rather than creating new schools, as is proposed by the administration, S. 2 provides grants to help revitalize thousands of existing public schools nationwide, taking into account those in greatest need. The bill does not drain funds from the vast majority of public schools in order to provide funding for the administration's 535 new schools.

The Democratic proposal recognizes that school reform occurs at the local level. For that reason, S. 2 offers seed money to States and neighborhood schools that are willing to implement "comprehensive, schoolwide education reforms." Additionally, S. 2 offers parents the option of sending their children to the public school of their choice. Like the Federal budget, public school budgets at the State and local levels are being severely cut. I do not believe that the Federal Government can afford to offer federally financed certificates or vouchers for students to attend private schools. This could only weaken our public school system by taking resources from already underfunded programs. Therefore, I will vote against any certificate or voucher legislative proposal.

Mr. President, the bill before us today is a demonstration of our commitment to provide a better education for all Americans.

Of course, more needs to be done. I continue to support increasing the Head Start Program, which is cost effective and has a demonstrated record of success in preparing children for school.

I also strongly support and will continue to fight for the School Dropout Program, the National Literacy Program, and other education reform programs.

I urge my colleagues to support this bill without major amendment.

Our children need our help. Our priority must be to provide that help.

I yield the floor.

Mrs. KASSEBAUM. Mr. President, as we begin the consideration of S. 2, I think it is very important that we keep foremost in mind a goal that unites us, and that is the well-being of our schoolchildren and the importance that we should give to this effort. We all want to see reforms in our school system which assure that our children meet the standards that they need and expect and that we need and expect.

In debating this measure, we are delivering the message that education matters. I do not think there is any disagreement on that. As the Senator from Mississippi [Mr. COCHRAN] pointed out, we were all united in a vote to move forward to the consideration of S. 2.

But in the absence of a respect for learning and a respect for those who transmit knowledge, no reform efforts will bear fruit. In far too many cases, we do not place the demands upon students that we should. I think our Nation's students are ready and willing to accept more challenging work and more rigorous knowledge. Unfortunately, we have an ample supply of data demonstrating that our school system is not living up to the standards that we need and expect. Moreover, we are being challenged in ways we have not had to address before. We have heard that many times in debates here on the Senate floor.

The world has changed dramatically, and we are having to compete in areas where the United States once stood alone. At a time when one's business competitor can just as easily be located across the ocean as across the street, a diploma alone does not guarantee success. Rather, it is the acquisition of the skills which that diploma should represent which will make the difference.

I cannot tell you, Mr. President, how important I believe that is.

The solutions are what they have always been: Hard work, discipline, respect for learning, high standards, self-confidence, and effective instruction. The challenge which faces each of us is finding effective means to encourage development of these qualities.

Money alone is not the answer. Certainly, we all would hope that the funds authorized by this legislation will be helpful in moving us in the right direction. Providing block grant funds focusing on statewide systematic reform is a positive step, as is the focus of S. 2 on the improvement of neighborhood schools. Later in this debate, we will be considering other proposals designed to encourage schools to undertake new initiatives, which I think will prove useful.

Nevertheless, there is no way that we in Washington can wave a magic wand or a huge bag of Federal dollars, and cure our education problems overnight. We also cannot and should not displace local and State controls over schools, but we can provide leadership and support for innovative thinking and experimentation.

This point has not been lost on President Bush or his Secretary of Education, Lamar Alexander, who have consistently emphasized that America 2000 is a broad education strategy. The themes underlying this initiative—high standards, accountability, and innovation—transcend specific Government programs to speak to the fundamental goals which each of us must pursue.

The President has, I believe, done a great service by elevating national attention to education. He has stirred the populace of this country to a debate on what matters in education. He has provided vigorous and energetic leadership in focusing on its importance. He has also made it clear that fundamental reform will be accomplished only by strengthening the connection between communities and their schools and in renewing the absolutely vital partnership among parents, teachers, and students. Our vision for education must be national in scope but its delivery rests squarely in hands at the local level.

Our education system is one of our Nation's original private-public partnerships. We have guaranteed a free public education to all students—honoring that commitment through substantial State and local support over the decades. That support has been embellished more recently through Federal assistance and private business involvement.

It is a system, Mr. President, which relies not only on the financial support of Government but also upon the voluntary involvement of parents, school board members, and community leaders. Without that, it would fail. And, as we all know, the foundation for successful education is laid in the home—at a point before formal schooling begins.

President Bush acknowledged that just today, by announcing that in his new budget he will call for funds that will guarantee that all 4-year-olds have access to Head Start programs in preparation for their formal schooling.

The importance of State and local efforts is recognized both by the President and by the crafters of S. 2. The people of Kansas and other States across the Nation do not particularly care whether specific reform proposals are put forward by Democrats or by Republicans.

As a matter of fact, Mr. President, I think some of the calls for partisanship, again as the Senator from Mississippi pointed out, are really ridiculous. Education is not a partisan battle. It is something we care about. We want to develop the best legislation possible to support the needs of our educational system.

The people of Kansas and States all across the country do not really care about partisanship with respect to this issue. What concerns them is that their children get the best possible education that our collective energy, dedication, and resources can provide.

They know as well that many of the answers lie at their own doorsteps. In Kansas, their are many examples of innovative education reforms. Last year, the Kansas State Board of Education adopted a performance accreditation system designed to measure school outcomes in terms of student performance rather than focusing on inputs which may or may not affect achievement. Several schools in Topeka and Leavenworth have adopted James Comer's model for school improvement, which focuses on parental involvement, staff development, and student assessment.

The New Stanley Elementary School in the Kansas City, KS, school district has received support from the RJR Nabisco Foundation for an experimental program which entails a longer school year and an emphasis on what students actually learn.

The McPherson, KS, school district joined forces with McPherson College to provide a reading improvement clinic for 418 elementary students. Other special reading programs are supported by groups such as El Dorado's Partners in Education Foundation.

The list goes on and on. Mr. President, I am sure that there are similar lists in Illinois or Massachusetts or Mississippi or in every other State. What I think is very exciting, being a former school board member, is to realize that really the essence of democracy is represented in our school districts, and that a school board, with its own energy and dedication, can do so much to be innovative and be creative.

Our purpose here today is to assist and encourage States and localities in advancing the cause of education reform. Be it existing neighborhood schools or New American Schools, we must all work toward a better future.

Mr. President, I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Illinois [Mr. SIMON].

Mr. SIMON. Mr. President, I rise in support of the legislation. I commend Senator KENNEDY and Senator PELL for their leadership on this, as well as the interests of our colleagues on the other side.

Let me just add, those of us who followed the news and saw that Senator PELL was in an automobile accident while in a taxi in New York City, we are glad to see him back here on the floor and in reasonably good shape—a little battered up in his face but otherwise in excellent shape.

I think it is extremely important that we move ahead. I regret it has become somewhat partisan. I am not sure of the reason for that. I think part of it is in past times, whether we have had Terrel Bell as Secretary of Education or a Democratic Secretary of Education, we had working together, or else we had, frankly, under a couple of Secretaries of Education, almost no interest in working with us.

And so you had the distinguished Senator from Vermont, Senator STAFFORD, Senator PELL, and Senator KENNEDY, and our colleagues on their own kind of working things out.

But it has become unnecessarily partisan. I hope, before this is all over, we can be pulling together.

We face a basic choice in this country, Mr. President. We are talking about economics a great deal, as you look at the front page of the newspaper. We are either going to become a nation that competes by lower wages or we are going to become a nation that competes because we have higher skills. One or the other. And if we decide we are going to become a higher skilled nation, that means our standard of living will increase. If we take the other course, our standard of living goes down.

I wish we had a bill here that we knew the President could sign, that went much further than where we are going right now. And Senator KENNEDY has indicated he would like the same. But we have to face some of the political realities right now. Part of this—and I do not want to add to the partisanship here now—but I think part of the blame has to rest with the President and with the Secretary of Education. We had a meeting calling the Governors together. We have yet to have a meeting calling Democrats and Republicans here on the Hill who work in the field of education together, and say what can we do to move this Nation ahead.

When my friend from Mississippi—and he is my friend and respected colleague with whom I served in the House—said this just means business as usual, when my colleague from Utah said the same, I do not think that is the case at all. As a matter of fact, this provides innovation for a great many more schools than does the President's New American Schools Program. This gives us a chance to try many things out, not just for the elite, not just for 1 percent at the most, of our schools. But at least a little broader base.

I visited one school on the west side of Chicago, the McNair Academic Center. They wanted to get away from even using the term elementary school. It is an all-black area; 97 percent of the students come from families below the poverty level. There is a principal by the name of Dr. Holloway who was in charge, an African-American woman, who had that neighborhood and that school excited. She had parents involved. I went and visited every classroom in that little elementary school and these young people, where you might expect to come away really depressed, I came away exhilarated.

What is the difference? Part of the difference is clearly the leadership of Dr. Holloway. But how can we replicate that? I do not know the answer. But it does seem to me that this legislation moves us in the direction of giving us a chance of doing that.

Senator KENNEDY has outlined the details. I do not need to go over that. It at least nudges us in the right direction.

Education is going to have to become a much greater priority in this country. I read a story in this morning's paper about the trade deficit. You have to pay for a trade deficit just like you have to pay for every other debt. And you will pay for a trade deficit in one of two ways: reduce our standard of living or increase our productivity. Much the better way is to increase our productivity. And we can do that, I think, in great part through the field of education. Not alone. It also means savings, it means getting hold of the deficit so we get long-term interest rates down so we have industrial investment. It involves other things. But there is no question that a key ingredient is this area of education.

After all the amendments and we go through the fights, I hope we will not end up with just a political battle but that we can get something the President can sign and everyone can brag a little politically. But that is really kind of incidental. Much more important, we will have done what is essential for the future of our country.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts [Mr. KENNEDY.].

Mr. KENNEDY. Mr. President, I express my appreciation to our colleagues who indicated support for our particular program and proposal and would like, at this part of the debate, to at least correct the record about some of the representations of our legislation.

I have been around here for a fair amount of time and one of the techniques which are used is to describe a piece of legislation in a certain way that is not related to really what the legislation is before us, and then to differ with it.

I am sure it was not intentional by any of those who made representations about our particular legislation. But, quite frankly, in terms of those who were attempting to describe the legislation, as one of the authors of the legislation, I could not really follow the application of their description to what is actually the legislation which is being proposed. So I will take just a few moments to address that feature of the description of the legislation.

Second, I have been around here long enough to hear that if you agree with a certain group over here in the Senate—sometimes the statement is made by the Democrats, sometimes by our friends the Republicans—if you agree with them you are a statesman and if you are different you are a partisan. We hear that all the time around here. I hope we are not going to start that particular debate on that issue. It is used more and more frequently, I find, around here in recent times. Perhaps we are going to hear about it during the course of this debate.

But I hope that those who are serious about following this legislation would really not give great heed to that particular suggestion because it is not really what we have been involved with, even though I know those who have differed with our legislation have made a number of very useful suggestions in terms of trying to make it more effective. They differ with it. I understand it. I respect it. But they have been very constructive even though they favor another way of approaching it, and we very much appreciate those recommendations and suggestions.

Mr. President, I will outline very briefly what I think are the principal differences between the legislation which is sponsored by the administration, the President's legislation, and that which is before us today.

First of all, we have 80,000 schools in this country. The administration is going to help 535 schools. When the initial announcement was made about the President's proposal, it was all going to be new schools. None of the existing schools. Nothing that is going to take place in any school community in this country. No, none of them. Five hundred and thirty-five new schools.

So for all those parents who have their children going to the neighborhood school and are troubled by it, they are not going to benefit by the administration's proposal, the proposal by Secretary Lamar Alexander. It has been altered now. The break-the-mold school now not only applies to new schools but can also qualify for existing schools. But there will be 35 out of 80,000.

So for all of the parents around this country who are listening to how the administration's proposal is going to be break-the-mold schools, with the problems that we have in our elementary and secondary education, you just go ahead and support the administration's proposal and you are really going to see the kinds of changes take place with one grant, a $1 million grant. You make the application, you get the grant.

I do not know how long we have been listening for accountability around here. Why are we not getting accountability around here? Why are we not finding out how Federal taxpayer's money is being spent around here? That is why we insist, on each and every grant, that there is going to be accountability built into it; and why we take the recommendations of those who have been the most thoughtful and have made the biggest difference in the number of the school areas in this country where there has been growth in academic achievement and accomplishment, and say do not just make it an one-shot deal. Give us consistency, give us certainty, give us predictability, give us accountability; do not just single shot us. Give us something that is going to have a sense of continuity.

We have 5-year grants. But you have to start to produce after the second year. You have to demonstrate that there is an improvement in academic achievement and accomplishment or that grant stops.

But not under the administration's proposal. You get the grant and that is it: A $1 million grant to you, new school; $1 million grant. Lord only knows what happens to that $1 million. What we are finding out is that in most school districts they can use the money, they can spend the money, but for the innovative and creative programs that are taking place, a few thousand dollars, $50,000, $100,000, $200,000, will make a great deal of difference in the areas which have been outlined in our legislative proposals and recommended. Not that this is all inclusive but it is a good starting point. So you help out 535 schools.

Second, who makes this? How is the Secretary of Education going to know all about all those programs that are taking place in Kansas?

I listened with great interest to Senator KASSEBAUM describing the very innovative, creative programs that are taking place at the local level. How in the world is one individual going to know what is taking place in every small community around this country in order to give some enhancement to it, encouragement to it, life to it? Who is making the ultimate judgment? One individual. Where? In your local community? Absolutely not. Right here in Washington, DC.

How many times have I heard from that side of the aisle that all knowledge does not reside in Washington, DC? There is a lot of information back there in local communities. Not with this administration's education program. It is right here. One individual is going to know what is happening in all those small towns and communities across this country. That defies understanding or logic or reason or rationality, Mr. President.

I was going to list some of the very creative things that have been done in school districts all across this country that have made a difference in academic achievement. Maybe later in the debate I will have that opportunity.

How is this Secretary going to know about it? I listened to our good friend, Senator SIMON, from Illinois, one of those individuals who has really spent his public career, both in the House of Representatives and in the Senate, in the area of education, describe new programs that he has been seeing back in the State of Illinois. I went through my own State over the past recess, into a number of new communities and a number of old communities that have new ideas. Later in this debate, I will describe some extraordinary, incredible, creative, unique ideas that are having some real impact in terms of academic achievement.

Nonetheless, we have the administration's program, only 535 schools. Now we have the Cochran amendment to add $200 million, $300 million more. It is going to be another 200 schools. Maybe we will get up to 1,000. None of the existing 80,000, but some new schools—maybe a few hundred of the existing schools—are going to be impacted by the administration's proposal, and they talk about business as usual.

Next, as I mentioned, the federally directed program is going to be biased toward new schools. It has virtually no accountability provisions, and it authorizes use of public funds for private and religious schools. Many of the private schools need additional help and assistance. We have a lot of very good private schools in my own State of Massachusetts. We have a lot of preparatory schools—St. Marks, Andover, Milton. Maybe they need taxpayers' money.

But we have seen in real dollars—real dollars—the decline of the Federal commitment in its innovative programs and supporting programs for local school districts reduced in effectiveness by a third over the period of the last 10 years. I will give examples of what the impact has been in many areas of the country, particularly in the southern part of this country; about school districts now, because of the reductions in support, which are considering going to 4-day-a-week schools and other kinds of significant cutbacks in the various academic programs.

Mr. President, on the other hand, our program is attempting to help thousands of schools—thousands of schools. Take, say, $200,000 grants. You are talking about 6,000 schools, maybe talking 5,000 of the 80,000 schools in the first year, but not doing as much as I would like to do. Hopefully, if we are able to have the debate and discussion and change the budget, we will be able to build that up to a lot more.

I hope and I think it is the general intention of many of us on this side of the aisle, but it was at least our belief, that rather than getting into the debate in terms of total numbers, what we ought to do is make a decision in terms of direction, and then once we get that on track, begin to enhance it with additional resources.

The State education agency picks the local schools to receive the grants on the basis of competition. I do not know where this Secretary of Education gets the idea that we are going to give $1,000 to every school district in the country. It is a gross distortion, misrepresentation, misinformation, and from a Secretary of Education? I hope that this Secretary may differ with us, but not distort and misrepresent.

I defy anyone who differs with us to find and point out in this legislation where we provide $1,000 per school district. It does not exist there, Mr. President. We are talking about grants developed at the local school level that are going to be considered in a competitive way by the State educational agency, half appointed by the Governor, half by the State Education Commissioner. In some States, that individual is appointed; in States like California, they are elected.

We did not try and trisect this kind of proposal, but they will be making the judgments. They will have to obviously include in the advisory groups parents and others who will be part of this particular proposal. But it will be based on competition, competition within the State that will hopefully include the kinds of recommendations or suggestions, at least, that are being included in this legislation from pages 51, 52, and 53. We do not make it all inclusive, but these are at least some of the suggestions, and they have to build in there the accountability.

And there are no public funds for the private schools: Scarce resources. There are those who would like to privatize the whole education system and abandon the public education system. I am not one of them. I do not believe that those who support our particular proposal are prepared to do that. We are not. We believe that that is the wrong way to go, Mr. President.

And so, Mr. President, I hope that we will be able to, during the course of this debate, get into some of the kinds of proposals, the kinds of areas that we have mentioned in terms, for example, of the school-based management concept, a proposal that is very strongly supported by Mr. Boyer, the head of the Carnegie Commission, and former Commissioner on Education. Some schools have accepted it. Others have not. But at least it does permit teachers who virtually have no time today to consider curriculum, have a voice in terms of the size of the classroom, and are virtually without any voice about the kinds of textbooks that can be used and have to comply with various textbook proposals.

It might have a different organization and a different structure. I have had the good opportunity to see down in Dade County, FL, just about a year ago, when the superintendent of schools, Mr. Fernandez, was the director—he is now Superintendent of Schools in New York—what was being done with that school-based management. It was enormously creative and imaginative: Raising the salaries, reducing the number of teachers, raising the salaries of those in those schools. And also reaching out into the community, including 22,000 senior retired people who are involved in the Dade County school system, individuals who are teaching photography, who are involved in art courses, in drama, in a variety of other areas, coming in there and volunteering.

Do you know what they are getting paid? They have the opportunity to go to productions, to enjoy lunch with the students in the cafeteria. It is real involvement in their community, which they are drawn into. It is not decided in Washington, DC; it is decided in Dade County, with the parents involved. Prior to the time they began that program, when they were doing applications for teachers in Dade County, the superintendent had a choice. One out of two.

Do you know what happened after 5 years of developing this program with follow-on training for teachers, so that teachers themselves could upgrade their skills, so that teachers themselves had a voice and decision in terms of the kinds of textbooks, new computers, new technology in that local school district? They made decisions to teach K-4 in private businesses, in 22 different sites, including the Miami Airport today, K-4 down there, where the only thing that is being provided is the teacher and the books, saving the taxpayers money down there for building more schools because they have been flooded with all kinds of populations down there.

This idea of going K through 4, as Superintendent Fernandez said, "If we did not have the science and lab requirements, I would do it K through 12 in those areas." That is going to be an idea that is going to originate at the Department of Education? Where has it been? I have a lot of respect for Lamar Alexander. He has been a very creative, imaginative leader in education; he was as a Governor, but I do not hear that kind of imagination and creativity and making it work being decided by the Department of Education. Where are the ideas now that they find out with respect to schools with high pupil ratios, basically over 750 students—many of the schools that were built in the 1950's and 1960's—went to large public schools so they would get a variety of different courses that would be available, curriculum in terms of the students themselves. We have a number of them in my own State. Brockton High School is one of the large schools, one of the finest in terms of athletics in the country, quite frankly, but has had a troubled experience in many ways. What you are finding out is that schools which run above

750 or about 1,000, generally in this country, have twice the dropout rate, with some exceptions. But the experimentation they are doing in communities is to form in the larger schools families, effectively, to try to make small schools out of big ones. That is an idea that is generated here at the Department of Education and has had a dramatic impact in reducing dropout rates, cutting them in half and even more in certain areas when they are supplemented by other areas.

In my own home State of Massachusetts, I went up to Lowell. For 60 percent of the parents of students, English is not their first language, and that happens to be true of the students that are going there. I do not know how many Secretaries of Education would understand that Lowell, MA, has the fourth largest Cambodian population in the world. As individuals were settled in the United States through various church agencies, after a period of time they started moving to where other Cambodians were. They have temples up there, Cambodian temples. Many of them have the Khmer language, but it is virtually impossible to find books under Pol Pot. It takes a long time to get teachers up there with any kind of bilingual experience. And the experience they have in terms of getting the parents involved in programs with the children seems to be something that most of us would say makes a lot of sense. But what they are finding out is using the adult literacies in terms of trying to find that particular Cambodian effort and targeting those programs in very specialized ways in that community is now tipping over and having a significant effect in terms of academic achievements. Is the Secretary of Education supposed to know that? We had a difficult time getting the former Secretary of Education to understand it. He did. He came up to Lowell, traveled up there, had an eye-opening experience as to the various challenges which exist in that community.

I can tell you about one of the really fascinating education programs developed in one of those school districts, one of the neediest school communities in our State. What they have done under this school-based management is to effectively replicate the community in the school. What do I mean? They have third graders who commit some infringement in the school being tried by other third graders with judges that are third graders and a jury of third graders. Or if it is a 4th grader, a 4th grader. They have involved the local bar association coming down and working with those kids. You go sit in that little courtroom where they are trying to find out about different kinds of infractions and listen to both the discussion and the questioning and see the attentiveness of the jury, the judges, the children in that room. It is extraordinary. They have their own little bank tellers, their print shop. They borrow; they pay taxes. They are totally involved. They do that 1½ hours a day, and it is so incredibly popular. It is run by the teachers themselves who are teaching the other courses. It is so incredibly popular that the children themselves do not want to be excluded from that kind of involvement, who pay more and more attention to the teachers. The problems in terms of discipline have been reduced dramatically. The academic achievement in terms of doing homework, attentiveness in class, being on time, has changed dramatically.

That is an idea which came out of that community in Lowell, MA.

Now, is the Secretary of Education supposed to have those kinds of ideas? Is he supposed to have that kind of imagination? What we are trying to say with this kind of program is to try not just those ideas but the thousands of ideas out there across this country that exist in the parents and among teachers and principals and superintendents who have not had a real voice. The reason they have not had a real voice is because they have been stifled, by and large, by State higher-up admonition, requirements, rules, and regulations. They have been smothered.

There are other problems clearly in balancing finances and many others we can get into. But for the discussion in this particular debate on S. 2, which does not involve equalizing that is going to be expended in different districts, but in the policy matter about how we encourage those kinds of creative aspects, I daresay, Mr. President, that no Secretary of Education would be able to have been exposed. Maybe they would. Maybe one individual in this city could be able to absorb all of those different kinds of innovative programs. I can mention hundreds of others that are taking place. Maybe they could absorb them and say, well, we can make that decision and here it is, $1 million—$1 million for that program without knowing what is going to happen.

We want to see those programs continue if they are demonstrating academic achievement and accomplishment. We want to be able to show that they continue so that they are being tried, they are being evaluated, they are making a difference in that third year, a difference in the fourth and fifth year, and then they are going to be shared with other communities around this country.

That is really what we are attempting to achieve and accomplish. That is why we have listed in our legislation the kinds of things which at least come to our attention and are illustrative of not only the points, Senator KASSEBAUM and others have made, but it is our belief that those elements ought to be encouraged to make a proposal and that they be examined at the State level.

I wish there was a better way of doing it. We do not know how. But that they be examined on a State basis, on a competitive basis as to who will receive these grants. Some will be grants for a few thousand dollars, $50,000 maybe, $100,000 or $200,000 over that period of time with that accountability. And the State will make a determination on the basis of competition. That every district will get grants with no accountability, just a matter of procedure, is poppycock. It is not the way this legislation is fashioned. It is competition to get it; accountability when you get it. And we believe that that is the way to go.

I see my friend from Kansas on her feet.

Mrs. KASSEBAUM. I would like the Senator to yield for a question when he finishes.

Mr. KENNEDY. I will be glad to. A final point.

Mr. President, I had talked with members of our committee and our colleagues on our side and to the Secretary. As far as I am concerned, if we want to put an allocation of the money that goes to the State—I had described how the money from the State would go into the local communities with 75 percent to the neediest school districts and 25 percent flexibility. The money goes to the State split 50 percent chapter I and 50 percent chapter II.

One measures the disadvantaged children and other population. Then when it gets there, it goes in terms of the areas of need but provides some degree of flexibility. We provide 10 percent for the administrative costs. There will be some who say you will do it for 5, 7, or 10. I think if we are really going to provide technical help and assistance to the neediest school districts that are already hard pressed, that seems to be a fair allocation. Maybe others can come up with a more exact way of doing it. It seems to me to be a fair way of doing it.

We want to make sure the neediest are going to get the technical help and assistance, and they are going to be involved within those local communities as broad-based representation of the communities as much as possible. But as far as I am concerned, I would support an additional allocation of 10 or 15 percent—maybe others would want 20 percent or even more.

I welcome the opportunity to see if we could find some common ground in permitting that 20 percent to be used if it is the decision of the States after examining the variety of different local kinds of requests—if it is the decision of the State to make some kinds of judgment in terms of a new American school in the State. If they want to make that judgment, I would support it.

If they want to use those resources in terms of trying to give some support for what some people here have talked about—charter schools within certain kinds of protections so that we guarantee, which I can spell out in terms of assuring that they are not going to just be grants. I would have to spell that out. But as a concept—as long as it is for the public, not the private—then I, for one, am open to those kinds of discussions.

We are going to probably increase that part which can be retained to the State. The concept of charter school is a new concept. If it is going to be supported, it ought to be supported by the States rather than Federal, initially. But if it is a consensus, it is my own view that we can try to work and recognize that there may be circumstances where States want to try and do this. But if it is the State's decision after evaluating what comes in at the local level, then I, for one, would certainly welcome the opportunity to discuss that further with those who are interested.

So, in a perfect world, what we would have is the basic reliance upon the local application—judgments made on a competitive basis with the accountability at the State. If the State makes a judgment and decision for some form of new American schools that we could make some accommodation for, or even in the charter schools, as I stated I have my own concerns about it. But if we are able to reach a broader support for it, I, for one, would be willing to at least entertain those ideas.

But what we will not entertain on that is the use at least of public funds for the support for private, preparatory schools.

I am glad to yield.

Mrs. KASSEBAUM. Mr. President, I appreciate the comments of the chairman of the Labor Committee and particularly his suggestion that there could be a means of coming to some agreement. But I would like to correct what I think is a misperception of the New American Schools' concept. The Senator from Mississippi is going to offer that amendment. Perhaps he can address it better than I.

On the chart that the Senator exhibited, he showed that only five Pennsylvania schools will be receiving funds. The New American Schools amendment would create a separate title. It does not take away from the neighborhood school moneys and guidelines that are in another title of the bill. So it is in addition to that title. I think that chart would be very misleading to those who are following this debate.

Mr. KENNEDY. That takes $535 million right off the top out of what, $640 million? If each gets $1 million, and there are 535, that is $535 million right off the top of it. I do not know what the rest of the money will be used for, but it will be virtually de minimis—whatever is leftover between the 535; setting up that whole process in the selection.

I grant you after they do the 535, that if there is a difference between 535 and what is actually appropriated, there would be some additional resources.

Mrs. KASSEBAUM. It does authorize the additional resources.

Mr. KENNEDY. What is the intention? What is the Senator going to use those resources for?

The point I want to make is the thrust of the administration's proposal has been the New American Schools. I mean that is the central point, the break-the-mold schools. All we have to do is read the press conference of the Secretary of Education here today. If the Senator wants to point out the advantages of the other money outside of what will be allocated for those new schools and how valuable that will be in terms of reform of education, I would welcome it.

Mrs. KASSEBAUM. I am a strong supporter of neighborhood schools and the neighborhood school concept. The innovations that the Senator was talking about was in schools in Massachusetts, that I was talking about in Kansas, are the very examples that I think we want to encourage. I think they are encouraged, as a matter of fact, by the neighborhood school concept that is laid out in S. 2. I think they are further encouraged by the examples given by the Secretary of Education regarding New American Schools.

Senator COCHRAN might want to address this.

Further, you ask how grants are going to be awarded and whether the Secretary of Education knows somehow how to make this award? Grant applications come through the Governor of the State. The Governor makes the recommendation to the Secretary of Education, who then consults with a panel of experts.

To repeat, however, I think it is misleading to say the New American Schools Program would make up the entire bill. Rather, it is in addition to, and really a way to encourage that innovation that the Senator was addressing and that I was addressing. Such innovation, I believe, is very important. Also, I would like to touch on the mention of school-based management. I think there is strong support for school-based management. I do not believe this is an issue that has ever been a divisive one.

Mr. KENNEDY. I say in response to the Senator, according to the administration's own proposal on the New American Schools, page 9, beginning no later than January 1, 1993, the Secretary would devise the panel of experts established under section 308 which shall approve some or all of the eligible recipients nominated by the Governors to receive the new American grants in behalf of the community based on the Secretary's determination that such approval will be fully consistent with the purpose and requirements of the title.

I read that based on the Secretary's determination such approval would be fully consistent. I am sure he would intend that it be consistent. But it is his judgment finally, ultimately his judgment, one individual's judgment instead of what we have established, and that is at least in the 50 States' judgment in terms of that particular panel that is supposed to be more reflective. I mean you really cannot have it both ways, I do not believe.

Under the administration, it is one individual, the Secretary of Education located here in Washington, DC. I am sure he will be getting out and getting around. But he has a lot of things that he has to worry about, this Secretary of Education, a lot of things that he has responsibility for. But he is going to be making that judgment about which new schools or perhaps even the existing schools, is going to get it—one individual.

It seems to me that the chances of innovative and creative energy and ideas to strengthen our educational system are more enhanced at the local level through the State rather than just the Secretary of Education, in spite of how well he is or she is advised.

Mrs. KASSEBAUM. Does the Senator discount the Governor's role in this? I mean the Governor will make that recommendation first.

Mr. KENNEDY. It is clear that the Secretary makes the determination. When you have one individual accountable, he is going to be accountable. Either he is accountable or I do not know who is accountable. It says right here it is the Secretary's determination. I am sure that he is going to be looking for advice or guidance.

I am sure, for example, that in Republican States where there are Republican Governors that the Republicans will say, "Look, I want it here in this congressional district. Put it here rather than over here." I am sure that probably will come about. I am sure that following that someone will call it a recovery bill. I sat next to a Republican Governor yesterday morning at a Martin Luther King breakfast.

And I was talking to him. He had been visiting with Lamar Alexander, because he is interested in education. Bill will be calling up, I am sure, and say, on that Cape Cod district, you know, we have a hot race down there against GERRY STUDDS, and we have a real potential—I hope he would not, but this is the kind of thing that it lends itself to that it says finally where that is going to go. You come up and down here—down to Duxbury and Scituate. We have a nice Marshfield. We have a winner down there, rather than in New Bedford and Fall River.

Mr. COCHRAN. Will the Senator yield? Before we get too carried away——

Mr. KENNEDY. Just before doing that, I do not want to interrupt——

Mr. COCHRAN. If the Senator will yield a minute.

Mrs. KASSEBAUM. I am happy to yield.

Mr. KENNEDY. I am glad to yield.

Mrs. KASSEBAUM. I think we have gotten mired down here.

Mr. COCHRAN. One observation, if the Senator will agree, is that the wording of the amendment that will be offered provides that no grant can be made, no announcement can be made about any grant until January 1993. That is after the congressional elections, and that congressional district, or the Presidential election, and so we have intentionally tried to move the dates to a point where there cannot be any suspicion that the decisions are going to be based on what is good for which candidate in these elections coming up this year.

I further ask the Senator if he would not agree also that there is a provision in the amendment to be offered that will involve a panel of education officials, of private sector advisers, people who are looked to for leadership in education, people from out in the grassroots areas of the country who have had experience in these matters, to advise the Secretary of Education. Of course, he cannot be everywhere and know everything about every application and about the quality of the people and their experience, who have decided to make application for these grants. That is why at the local level the first thing that is done is that the chief education officer in each State makes a recommendation to the Governor, and that is where it all starts. It starts with the community first, then goes up through the elected or appointed highest education official in the State. It has to clear those hurdles first before it is ever considered by even the Governor or the Secretary of Education. I hope the Senator will notice that those are provisions that will be a part of this amendment.

Mr. KENNEDY. Well, I appreciate that fact. I know that Secretary Alexander has called a lot of our colleagues about how they are going to make these announcements after the election. Let us look at what the process is.

First of all, the President designates an America 2000 community. So they are going to get the grant after the election. But here comes our Secretary who says that Marshfield has been designated an America 2000 community because it has adopted the six national education goals. It is developing a communitywide strategy and designing a report card, and it has a plan for support of new American schools. They have not received the grant yet.

But here is Scituate, Marshfield, you are an America 2000 community, says Secretary Alexander. So they say that is good. This is the first press release.

Second, you have sponsor groups from your community made up of the agencies, organizations, institutions, and developments, including evidence of their commitment to meet the national education goals of the description to be taken to receive State accreditation.

We were up here in Marshfield 3 months ago. We are back here today to tell you we have all these community agencies, and they are getting their award today and recognition because this second point has been achieved. Then the Governor, in conjunction with the chief of state, shall make nominations from the applications. So Marshfield gets one. Maybe Scituate gets one. They submit them to the Secretary. This is education. This is even before you come down and give that grant. And then the Secretary will be making the selection using the various criteria and under the restriction of only one.

Well, what is this? Why is this not a serious kind of business of finding out that you have a qualified kind of applicant that is done in a businesslike way; if Marshfield has it, it has worked out in a technical way, and it goes right up to the statewide agency that is appointed by the Governor. The Governor is cut out of this program.

The interesting fact is that we have lessened the role of the Governor at the request of a number of our colleagues on that side of the aisle. They wanted less of a role. We tried to balance that between a panel on behalf of the Governor and on behalf of State educational agencies. As I say, they come from different traditions in different States. We feel that is the best way.

We understand there is going to be at least a group up there, but they are going to draw from a lot of different teachers and principals and parents, and then have them make the decision. And then have them go out, if the Governor wants to make that announcement. But what they will have is a local community who knows they won it on the basis of the merits. It is not that we are going to pin a star on you because you have adopted the national education goals.

Second, you developed the communitywide strategy to achieve them.

I wonder what criteria the administration is going to use for school readiness when in their own report they said there is not adequate criteria available to be able to set up any standard for school readiness. What is the community going to do? I think the kind that has been described by Ernie Boyer, adequate criteria—if a child has been a part of an early education experience and the child has been immunized and it has seen the doctor in the last year, as well as other criteria. You get at least some impact. But the administration does not even know. They have not set a criteria for what is school readiness.

Look at their last report. They cannot do it. If you are certified, if you say you will adopt school readiness and you are able to get some kind of bouquet for it, I just do not know what it really means.

It seems to me that the kind of criteria which are outlined in this proposal—I mentioned some of those earlier. I know others want to speak. People understand what school-based management is. They may have different ways of trying to do it, but it has a frame within which people can make some judgment, and that local community is going to spell out what they will do with regards to school-based management. In terms of the training of teachers, they have an idea; they know what that means; and in upgrading teachers so they are able to use advanced resource books and new technologies. People can describe that. But it seems to me, Mr. President, that ought to be done in a businesslike way on the basis of competition with accountability, rather than with a whole series of different announcements, and ultimately be made by one individual.

I thank the Chair.

Mr. THURMOND. Mr. President, 9 months ago, President Bush announced a bold, long-range plan to reform education in this country. Known as America 2000, this forward-looking plan was introduced in May of last year as S. 1141. I was pleased to be an original cosponsor of that bill which encompassed four key concepts of education reform: First, make existing schools better and more accountable for results; second, establish 535 New American Schools—one in each congressional district and two for each State in addition—which break the mold and set aside traditional assumptions about schooling; third, promote lifelong learning for those already out of school and in the force; and fourth, involve communities and families directly in education reform.

Mr. President, today we begin debate on S. 2, the Neighborhood Schools Improvement Act. My preference would have been that the Senate consider the more far-reaching S. 1141, the bill which President Bush put forth and which I previously outlined. Yet, reality is that the alternative, S. 2, is before this body.

S. 2, among other things, takes the approach of a block grant to the States. While that represents a step forward in improving schools in this country, I am concerned that S. 2 does not include any of the far-reaching reform proposals included in America 2000, such as break-the-mold New American Schools, and private school choice. In addition, I am concerned that the bill as reported from committee contains authorization for a National Council on Education Goals, which would be duplicative of the education goals panel already established by the President and the Governors.

Mr. President, I look forward to the debate and to consideration of amendments which will address some of these concerns.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. KENNEDY. Mr. President, there were some Senators who wanted to make comments. I wish to pursue that briefly and then come back and indicate to the Members what I find, at least from this side of the aisle, and if there are any others who want to speak from that side of the aisle.

So I will suggest the absence of a quorum, and then come back to the floor and indicate what will be the course of action for this evening.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. MIKULSKI). Without objection, it is so ordered.

Mr. MURKOWSKI. Madam President, I ask unanimous consent that I may be allowed to speak for not more than 5 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. MURKOWSKI. I thank the Chair.

(The remarks of Mr. MURKOWSKI pertaining to the introduction of S. 2140 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DIXON. Madam President, I ask unanimous consent to proceed as though in morning business very briefly on another topic to submit a resolution.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator may proceed.

Mr. DIXON. Thank you, Madam President.

(The remarks of Mr. DIXON pertaining to the submission of Senate Resolution 245 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

Mr. DIXON. I yield the floor. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. KENNEDY. Madam President, I ask unanimous consent that when the Senate resumes consideration of S. 2 tomorrow at 12 noon that I be recognized to offer a committee modification and that immediately thereafter Senator COCHRAN be recognized to offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. AKAKA). Without objection, it is so ordered.

MORNING BUSINESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business, with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS ON BEHALF OF THE MAJORITY LEADER

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, pursuant to Public Law 102–138, appoints the following individuals as members of the Commission on Broadcasting to the People's Republic of China: Dr. Merle Goldman, of Massachusetts; and Mr. Gene Mater, of Virginia.

APPOINTMENTS ON BEHALF OF THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore and upon the recommendation of the majority leader and the Republican leader, pursuant to Public Law 100–297, appoints 78 individuals as delegates to the White House Conference on Indian Education and submits a list of their names for the RECORD.

The appointees are as follows:

Julie Abeyta of New Mexico.
Susan Adair of Oklahoma.
Joan Ainslie of California.
Andrew L. Anderoli of California.
Richard W. Arnold of Nevada.
Vivian L. Arviso of Arizona.
Katherine J. Bancroft of California.
Lionel Bordeaux of South Dakota.
Marilyn K. Bread of Kansas.
Mary Ann Brittan of Oklahoma.
Joe Byrd of Oklahoma.
Howard Chavez of California.
Robert K. Chiago of Kansas.
Julie Clouse of Kansas.
Shirley Cogswell of Maine.
Pete G. Coser of Oklahoma.
Cheryl Crazy Bull of South Dakota.
Carol Ann Davis of North Dakota.
James L. Davis of North Dakota.
William Demmert of California.
Carl Downing of Oklahoma.
Joyce Dugan of North Carolina.
Lloyd Elm of New York.
Ruth Frazier of New Mexico.
Nora Garcia of California.
Lillian Garnett of Alaska.
Pat Goggles of Wyoming.
Mary Helen Haney of Oklahoma.
Marcelle Sharron Ahtone Harjo of Oklahoma.
Lawrence H. Hart of Oklahoma.
Earl Havatone of Arizona.
Victoria Higgins of Maine.
John Hornbrook of Indiana.
Cindy Huston of Oklahoma.
Pat Jagiel of Florida.
Stephen Lewis of California.
Patrica Locke of South Dakota.
Dwight D. Lowry of California.
Ronnie Lupe of Arizona.
Oren Lyons of New York.
Wilma Mankiller of Oklahoma.
Bob G. Martin of Kansas.
Twila Martin-Kekahbah of North Dakota.
Vernon Masayesva of Arizona.
Sylvia J. McCloud of Nevada.
Sharon McLane of Kansas.
William Mehojah of Washington, D.C.
Ted Mitchell of Maine.
Josiah Newton Moore of Arizona.
James Nageak of Alaska.
Patty Nelson-Bourdeaux of South Dakota.
Karen Onco of Oklahoma.
Reginal Pasqual of New Mexico.
Luanne Pelagio of Alaska.
Levi Pesata of New Mexico.
Paul Plume of South Dakota.
Marshall Plummer of New Mexico.
Edwin Stronglegs Richardson of Washington, D.C.
Donna Rhodes of Oklahoma.
M. Grace Roderick of Maine.
Nell Allen Rogers of Mississippi.
Ernie C. Salgado, Jr. of California.
Ruth Sampson of Alaska.
Ivan L. Sidney of Arizona.
J. Brian Smith of Maine.
Kiamichi Stairs-Camp of Oklahoma.
Loren "Bum" Stiffarm of Montana.
Robert J. Swan of Montana.
Carmen Cornelia Taylor of New Mexico.
Virginia Thomas of Alaska.
Alice M. Tonemah of Oklahoma.
Daniel Tso of Arizona.
Delores R. Twohatchet of Oklahoma.
Mary Margaret Willson of Nevada.
Ruth Dial Woods of North Carolina.
Sydna Yellowfish of Oklahoma.
Bernadine Young Bird of North Dakota.
Peterson Zah of Arizona.

MEASURE READ THE SECOND TIME—H.R. 2092

The PRESIDING OFFICER. The clerk will read H.R. 2092 for the second time.

The assistant legislative clerk read as follows:

A bill (H.R. 2092) to carry out obligations of the United States under the United Nations Charter and other international agreements pertaining to the protection of human rights by establishing a civil action for recovery of damages from an individual who engages in torture or extrajudicial killing.

Mr. COCHRAN. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The bill will be placed on the Calendar.

PRESIDENTIAL APPROVALS

Under the authority of the order of the Senate of January 3, 1991, the Secretary of the Senate, on January 10, 1992, during the recess of the Senate, received a message from the President of the United States announcing that he had approved and signed the following enrolled bills and joint resolutions:

On October 18, 1991:

S.J. Res. 107. Joint resolution to designate October 15, 1991, as "National Law Enforcement Memorial Dedication Day."

On October 28, 1991:

S.J. Res. 131. Joint resolution designating October 1991 as "National Down Syndrome Awareness Month" and

S.J. Res. 192. Joint resolution designating October 30, 1991, as "Refugee Day."

On October 30, 1991:

S.J. Res. 160. Joint resolution designating the week beginning October 20, 1991, as "World Population Awareness Week."

On November 5, 1991:

S. 1823. An act to amend the Veterans' Benefit and Services Act of 1988 to authorize the Department of Veterans Affairs to use for the operation and maintenance of the National Memorial Cemetery of Arizona funds appropriated during fiscal year 1992 for the National Cemetery System.

On November 13, 1991:

S. 1848. An act to restore the authority of the Secretary of Education to make certain preliminary payments to local educational agencies, and for other purposes;

S.J. Res. 36. Joint resolution to designate the months of November 1991, and November 1992, as "National Alzheimer's Disease Month";

S.J. Res. 145. Joint resolution designating the week beginning November 10, 1991, as "National Women Veterans Recognition Week"; and

S.J. Res. 188. Joint resolution designating November 1991 as "National Red Ribbon Month."

On November 21, 1991:

S. 1745. An act to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes.

On November 26, 1991:

S. 374. An act to settle all claims of the Aroostook Band of Micmacs resulting from the Band's omission from the Maine Indian Claims Settlement Act of 1980, and for other purposes.

On November 27, 1991:

S. 1475. An act to amend the Protection and Advocacy for Mentally Ill Individuals Act of 1986 to reauthorize programs under such act, and for other purposes and

S.J. Res. 207. Joint resolution to designate the period commencing on November 24, 1991, and ending on November 30, 1991, and the period commencing on November 22, 1992, and ending on November 28, 1992, each as "National Adoption Week."

On December 2, 1991:

S. 1568. An act to amend the act incorporating the American Legion so as to redefine eligibility for membership therein and

S. 1720. An act to amend Public Law 93-531 (25 U.S.C. 640d et seq.) to reauthorize appropriations for the Navajo-Hopi Relocation Housing Program for fiscal years 1992, 1993, 1994, and 1995.

On December 4, 1991:

S. 1663. An act to authorize appropriations to carry out the National Sea Grant College Program Act, and for other purposes;

S.J. Res. 187. An act to make a technical correction to Public Law 101-549; and

S.J. Res. 217. Joint resolution to authorize and request the President to proclaim 1992 as the "Year of the American Indian."

On December 5, 1991:

S.J. Res. 184. Joint resolution designating the month of November 1991, as "National Accessible Housing Month."

On December 9, 1991:

S. 272. An act to provide for a coordinated Federal program to ensure continued U.S. leadership in high-performance computing, and

S. 1284. An act to make certain technical corrections in the Judicial Improvements Act of 1990 and other provisions of law relating to the courts.

On December 11, 1991:

S. 159. An act for the relief of Maria Erica Bartski;

S. 2050. An act to ensure that the ceiling with respect to health education assistance loans does not prohibit the provision of Federal loan insurance to new and previous borrowers under such program, and for other purposes;

S. 2098. An act to authorize the President to appoint Maj. Gen. Jerry Ralph Curry to the Office of Administrator of the Federal Aviation Administration; and

S.J. Res. 198, Joint resolution to recognize contributions Federal civilian employees provided during the attack on Pearl Harbor and during World War II.

On December 12, 1991:

S. 367. An act to amend the Job Training Partnership Act to encourage a broader range of training and job placement for women, and for other purposes and

S. 1532. An act to revise and extend the programs under the Abandoned Infants Assistance Act of 1988.

On December 17, 1991:

S. 1193. An act to make technical amendments to various Indian laws and

S. 1891. An act to permit the Secretary of Health and Human Services to waive certain recovery requirements with respect to the construction or remodeling of facilities, and for other purposes.

On December 19, 1991:

S. 543. An act to require the least-cost resolution of insured depository institutions, to improve supervision and examinations, to provide additional resources to the bank insurance fund, and for other purposes.

On December 20, 1991:

S. 1462. An act to amend the Communications Act of 1934 to prohibit certain practices involving the use of telephone equipment.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time and placed on the calendar:

H.R. 2092. An act to carry out obligations of the United States under the United Nations Charter and other international agreements pertaining to the protection of human rights by establishing a civil action or recovery of damages from an individual who engages in torture or extrajudicial killing.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2211. A communication from the Architect of the Capitol, transmitting, pursuant to law, a report of all expenditures during the period April 1, 1991 through September 30, 1991 from moneys appropriated to the Architect of the Capitol; to the Committee on Appropriations.

EC-2212. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, the report of the Defense Environmental Response Task Force; to the Committee on Armed Services.

EC-2213. A communication from the President of the Oversight Board, Resolution Trust Corporation, transmitting, pursuant to law, a report on the number of savings associations for which the Director has determined grounds exist, or are likely to exist in the current fiscal year, for appointment of a conservator or receiver under the Home Owners' Loan Act; to the Committee on Banking, Housing, and Urban Affairs.

EC-2214. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Audit: Bank Insurance Fund's 1990 and 1989 Financial Statements"; to the Committee on Banking, Housing, and Urban Affairs.

EC-2215. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report on the capitalization of the Federal National Mortgage Association and the Federal Home Loan Mortgage Association; to the Committee on Banking, Housing, and Urban Affairs.

EC-2216. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, reports on the Departments of Health and Human Services, and Education, and Related Agencies Appropriations Act for fiscal year 1992 and the Department of Defense Appropriations Act for fiscal year 1992; to the Committee on the Budget.

EC-2217. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, a report on the proposed use of certain construction of facilities funds for the construction of an addition to the Avionics Systems Laboratory Building 16 at the Johnson Space Center; to the Committee on Commerce, Science, and Transportation.

EC-2218. A communication from the Secretary of Energy, transmitting, pursuant to law, a report entitled "Limiting Net Greenhouse Gas Emissions in the United States"; to the Committee on Energy and Natural Resources.

EC-2219. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2220. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2221. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2222. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2223. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2224. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2225. A communication from the Assistant Secretary of Energy (Conservation and Renewable Energy), transmitting, pursuant to law, notice that a report on the progress of the implementation of the Automotive Propulsion Research and Development Act of 1978 will be forthcoming; to the Committee on Energy and Natural Resources.

EC-2226. A communication from the Inspector General of the Department of the Interior, transmitting, pursuant to law, a report entitled "Accounting for Reimbursable Expenditures of Environmental Protection Agency Superfund Money, Office of Environmental Affairs, Office of the Secretary"; to the Committee on Environment and Public Works.

EC-2227. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, two documents related to the Treaty Between the United States and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Weapons; to the Committee on Foreign Relations.

EC-2228. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on a long-term plan for acquiring secure permanent facilities for the United States mission in Kiev; to the Committee on Foreign Relations.

EC-2229. A communication from the Chairman of the National Endowment for the Arts, transmitting, pursuant to law, the semiannual report of the Office of Inspector General and the semiannual report on the status of Management Decisions and Final Actions Regarding Audit Recommendations for the National Endowment for the Arts for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2230. A communication from the Director of the United States Information Agency, transmitting, pursuant to law, the semiannual report of the Office of Inspector General for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2231. A communication from the Chairman of the National Endowment for the Humanities, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, National Endowment for the Humanities, for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2232. A communication from the Chairman of the National Science Board, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, National Science Board, for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2233. A communication from the Secretary of Energy, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Energy, for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2234. A communication from the Secretary of Energy, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Energy, for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2235. A communication from the Secretary of Labor, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Labor, for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2236. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the semiannual report of the Office of Inspector General for the period April 1 through September 30, 1991 and the management report on actions taken in response to reports of the Inspector General; to the Committee on Governmental Affairs.

EC-2237. A communication from the Secretary of Education, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Education, for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2238. A communication from the Attorney General of the United States, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Justice, for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2239. A communication from the Administrator of General Services, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, General Services Administration, for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2240. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Agriculture, for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2241. A communication from the Acting Chairman of the United States International Trade Commission, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, United States International Trade Commission, for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2242. A communication from the Chairman of the Board of Directors of the Corporation for Public Broadcasting, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Corporation for Public Broadcasting, for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2243. A communication from the Chairman of the Equal Employment Opportunity Commission, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Equal Employment Opportunity Commission for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2244. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Securities and Exchange Commission, for the period April 1 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2245. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of the reports issued by the General Accounting Office in October 1991; to the Committee on Governmental Affairs.

EC-2246. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report identifying accounts containing unvouchered expenditures potentially subject to audit by the Comptroller General; to the Committee on Governmental Affairs.

EC-2247. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-106 adopted by the Council on November 5, 1991; to the Committee on Governmental Affairs.

EC-2248. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-99 adopted by the Council on November 5, 1991; to the Committee on Governmental Affairs.

EC-2249. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-100 adopted by the Council on November 5, 1991; to the Committee on Governmental Affairs.

EC-2250. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-101 adopted by the Council on November 5, 1991; to the Committee on Governmental Affairs.

EC-2251. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-102 adopted by the Council on November 5, 1991; to the Committee on Governmental Affairs.

EC-2252. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-103 adopted by the Council on November 5, 1991; to the Committee on Governmental Affairs.

EC-2253. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-104 adopted by the Council on November 5, 1991; to the Committee on Governmental Affairs.

EC-2254. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-98 adopted by the Council on November 5, 1991; to the Committee on Governmental Affairs.

EC-2255. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of

D.C. Act 9-105 adopted by the Council on November 5, 1991; to the Committee on Governmental Affairs.

EC-2256. A communication from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Employee Retirement Income Security Act of 1974 and the Bankruptcy Code to clarify and improve the status of claims of the Pension Guaranty Corporation and the treatment of the pension plans in bankruptcy proceedings, and for other purposes; to the Committee on the Judiciary.

EC-2257. A communication from the Chairman of the United States Sentencing Commission, transmitting, pursuant to law, a report entitled "The Federal Sentencing Guidelines: A Report on the Operation of the Guidelines System and Short-Term Impacts on Disparity in Sentencing, Use of Incarceration, and Prosecutorial Discretion and Plea Bargaining, Volume I"; to the Committee on the Judiciary.

EC-2258. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the Drug Abuse Treatment Waiting List/Period Reduction Grant Program; to the Committee on Labor and Human Resources.

EC-2259. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for Student Assistance General Provisions—Verification; to the Committee on Labor and Human Resources.

EC-2260. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-107 adopted by the Council on November 5, 1991; to the Committee on Governmental Affairs.

EC-2261. A communication from the President of the United States, transmitting, pursuant to law, a report on budget authority deferrals for fiscal year 1992, pursuant to the order of January 30, 1975; referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition, and Forestry, and the Committee on Foreign Relations.

EC-2262. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget rescissions and deferrals dated December 1, 1991; referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition and Forestry, the Committee on Foreign Relations, the Committee on Armed Services, the Committee on Finance, the Committee on Commerce, Science, and Transportation, and the Committee on Environment and Public Works.

EC-2263. A communication from the Comptroller of the Department of Defense, transmitting, pursuant to law, a report of violations of title 31, United States Code; to the Committee on Appropriations.

EC-2264. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on the appropriations for the Board of International Broadcasting for Fiscal Year 1992; to the Committee on Appropriations.

EC-2265. A communication from the Assistant Secretary of the Army (Financial Management), transmitting, pursuant to law, a report on the value of property, supplies, and commodities provided by the Berlin Magistrate for the quarter June 1, 1991 through September 30, 1991; to the Committee on Armed Services.

EC-2266. A communication from the Secretary of the Air Force, transmitting, pursuant to law, an update on the Air Force's plans to consolidate the assets of Military Airlift Command (MAC), Strategic Air Command (SAC) and Tactical Air Command (TAC) into two new commands, Air Combat Command (ACC) and Air Mobility Command (AMC); to the Committee on Armed Services.

EC-2267. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on United States Costs in the Persian Gulf Conflict and Foreign Contributions to Offset Such Costs; to the Committee on Armed Services.

EC-2268. A communication from the Under Secretary of Defense (Acquisition), transmitting, pursuant to law, a report on the program acquisition unit cost (PAUC) for the AOE 6 program; to the Committee on the Armed Services.

EC-2269. A communication from the Secretary of the Air Force, transmitting, pursuant to law, a report on the continuation of two B-2 Full Scale Development (FSD) contracts; to the Committee on Armed Services.

EC-2270. A communication from the General Counsel of the Department of Defense, transmitting, a draft of proposed legislation to amend the Department of Defense Authorization Act, 1985, to relieve the Secretary of Defense from the requirement of relating to the Congress, on an annual basis, a report entitled United States Expenditures in Support of Nato; to the Committee on Armed Services.

EC-2271. A communication from the President of the United States, transmitting, pursuant to law, a report stating that the Libyan emergency is to continue in effect beyond January 7, 1992; to the Committee on Banking, Housing and Urban Affairs.

EC-2272. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report on the State of Fair Housing; to the Committee on Banking, Housing and Urban Affairs.

EC-2273. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report with respect to a transaction involving U.S. exports to the USSR; to the Committee on Banking, Housing and Urban Affairs.

EC-2274. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report with respect to a transaction involving a medium-term financial guarantee to support United States exports to the Union of Soviet Socialist Republics; to the Committee on Banking, Housing and Urban Affairs.

EC-2275. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the results of audits of the financial statements of the FSLIC Resolution Fund for the year ended December 31, 1991, 1990, and the period August 9, 1989, through December 31, 1989; to the Committee on Banking, Housing and Urban Affairs.

EC-2276. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report on the interim report on the Public Housing Comprehensive Transition Demonstration; to the Committee on Banking, Housing, and Urban Affairs.

EC-2277. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation; to the Committee on the Budget.

EC-2278. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation; to the Committee on the Budget.

EC-2279. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation; to the Committee on the Budget.

EC-2280. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation; to the Committee on the Budget.

EC-2281. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report of direct spending or receipts legislation; to the Committee on the Budget.

EC-2282. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation for P.L. 102-231, P.L. 102-232, P.L. 102-233 and P.L. 102-234; to the Committee on the Budget.

EC-2283. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on appropriations legislation; to the Committee on the Budget.

EC-2284. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report of direct spending or receipts legislation; to the Committee on the Budget.

EC-2285. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation; to the Committee on the Budget.

EC-2286. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report of direct spending or receipts legislation; to the Committee on the Budget.

EC-2287. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation; to the Committee on the Budget.

EC-2288. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, a report on the National Transportation Safety Board's letter to the OMB appealing the FY 1993 allowance; to the Committee on the Commerce, Science and Transportation.

EC-2289. A communication from the Chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, a report on the results of CPSC's user fee feasibility study; to the Committee on Commerce, Science and Transportation.

EC-2290. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on special use airspace; to the Committee on Commerce, Science and Transportation.

EC-2291. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, a report on extending the time period for issuing a final decision in No. 40365, National Starch and Chemical Corporation v. The Atchison, Topeka and Santa Fe Railway Company, et al.; to the Committee on Commerce, Science and Transportation.

EC-2292. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, a report on extending the time period for issuing a final decision in No. 346, Rail General Exemption Authority—Miscellaneous Agricultural Commodities—Petition of G. & T. Terminal Packaging Co., Inc., et al. to Revoke Conrail Exemption; to the Committee on Commerce, Science and Transportation.

EC-2293. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report on the National Airway System for fiscal year 1990; to the Committee on Commerce, Science and Transportation.

EC-2294. A communication from the Secretary of Energy, transmitting, pursuant to law, a report discussing activities undertaken with respect to the development of the Strategic Petroleum Reserve during the period July 1, 1991, through September 30, 1991; to the Committee on Energy and Natural Resources.

EC-2295. A communication from the Chairperson of the Northeast Interstate Low-Level Radioactive Waste Commission, transmitting, pursuant to law, a report of the Northeast Interstate Low-Level Radioactive Waste Commission; to the Committee on Energy and Natural Resources.

EC-2296. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on low-level radioactive waste management progress; to the Committee on Energy and Natural Resources.

EC-2297. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report of the Agency for Toxic Substances and Disease Registry (ATSDR) covering the period from January 1, 1989, through December 31, 1990; to the Committee on Environment and Public Works.

EC-2298. A communication from the Chairman, Council on Environmental Quality and Chair, Interagency Task Force on Acidic Deposition, transmitting, pursuant to law, a report of the program plan of the National Acid Precipitation Assessment Program (NAPAP); to the Committee on Environment and Public Works.

EC-2299. A communication from the Environmental Protection Agency, transmitting, pursuant to law, a report on the assessment of needed publicly owned wastewater treatment facilities in the United States—including federally recognized Indian tribes and Alaska native villages; to the Committee on Environment and Public Works.

EC-2300. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the implementation of the Home Health Agency (HHA) prospective payment demonstration; to the Committee on Finance.

EC-2301. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the Rural Health Care Transition Grant Program; to the Committee on Finance.

EC-2302. A communication from the President of the United States, transmitting, pursuant to law, notification of Don E. Newquist as Chairman of the United States International Trade Commission; to the Committee on Finance.

EC-2303. A communication from the President of the United States, transmitting, pursuant to law, a report on Soviet compliance with the Treaty on Conventional Armed Forces in Europe (CFE); to the Committee on Foreign Relations.

EC-2304. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements other than treaties, entered into by the United States in the sixty day period prior to December 5, 1991; to the Committee on Foreign Relations.

EC-2305. A communication from the Assistant Legal Adviser for Treaty Affairs Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties entered into by the United States in the sixty day period prior to December 19, 1991; to the Committee on Foreign Affairs.

EC-2306. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, a semiannual report of the Inspector General and the semiannual report on the status of audit followup, for the period ending September 30, 1991; to the Committee on Governmental Affairs.

EC-2307. A communication from the Administrator of General Services, transmitting, pursuant to law, the annual report on the system of financial and administrative controls in effect at the General Services Administration during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2308. A communication from the Federal Co-Chairman of the Appalachian Regional Commission, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Appalachian Regional Commission, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2309. A communication from the Chairman of the Board for International Broadcasting, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Board for International Broadcasting, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2310. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Environmental Protection Agency, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2311. A communication from the United States Commissioner of the Susquehanna River Basin Commission, transmitting, pursuant to law, a report on the internal accounting system and controls in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2312. A communication from the President and Chief Executive Officer of the Overseas Private Investment Corporation, transmitting, pursuant to law, the annual report on the management control and financial management systems of the Corporation in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2313. A communication from the Director of the Woodrow Wilson Center, transmitting, pursuant to law, the annual report of the Center on financial systems in place during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2315. A communication from the Secretary of Commerce, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Commerce, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2316. A communication from the Chairman of the Oversight Board of the Resolution Trust Corporation and the Chairman of the Resolution Trust Corporation, transmitting jointly, pursuant to law, the semiannual report of the Office of Inspector General, Resolution Trust Corporation, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2317. A communication from the Secretary of Education, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Education, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2318. A communication from the Chairman of the Merit Systems Protection Board, transmitting, pursuant to law, the annual report on management systems and controls in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2319. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Federal Maritime Commission, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2320. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the annual report on the systems of internal accounting and management controls in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2321. A communication from the Director of the Federal Domestic Volunteer Agency (ACTION), transmitting, pursuant to law, the semiannual report of the Office of Inspector General, ACTION, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2322. A communication from the Secretary of the Interior, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of the Interior, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2323. A communication from the Chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Consumer Product Safety Commission, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2324. A communication from the Administrator of the Agency for International Development, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Agency for International Development, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2325. A communication from the Executive Director of the Japan-United States Friendship Commission, transmitting, pursuant to law, the annual report on financial management of the Commission for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2326. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Health and Human Services, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2327. A communication from the Director of the Peace Corps, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Peace Corps, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2328. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Office of Personnel Management, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2329. A communication from the Secretary of Veterans Affairs, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Veterans Affairs, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2330. A communication from the Director of the United States Soldiers' and Airmen's Home, transmitting, pursuant to law, the annual financial system report of the Home for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2331. A communication from the Deputy Assistant to the President for Management and Director of the Office of Administration, transmitting, pursuant to law, the personnel report for personnel employed in the White House Office, the Executive Residence at the White House, the Office of the Vice President, the Office of Policy Development (Domestic Policy Staff, and the Office of Administration; to the Committee on Governmental Affairs.

EC-2332. A communication from the Assistant Secretary of the Interior (Indian Affairs), transmitting, pursuant to law, a proposed plan for the use and distribution of Fort Peck Assiniboine and Sioux Tribes' judgement funds; to the Select Committee on Indian Affairs.

EC-2333. A communication from the Clerk of the United States Claims Court, transmitting, pursuant to law, the annual report of the United States Claims Court for fiscal year 1991; to the Committee on the Judiciary.

EC-2334. A communication from the Chief Justice of the United States, transmitting, pursuant to law, the report of the Federal Judicial Center on Phase I of the study on the number and frequency of intercircuit conflicts; to the Committee on the Judiciary.

EC-2335. A communication from the Secretary of Education, transmitting, pursuant to law, the annual report of the International Research and Studies Program or fiscal year 1991; to the Committee on Labor and Human Resources.

EC-2336. A communication from the Commissioner of the Rehabilitation Services Administration, Department of Education, transmitting, pursuant to law, the annual report on Federal activities related to the Rehabilitation Act of 1973, as amended; to the Committee on Labor and Human Resources.

EC-2337. A communication from the Acting Assistant Secretary of Education (Management and Budget), transmitting, pursuant to law, a report on the general education activities conducted by ten Federal agencies; to the Committee on Labor and Human Resources.

EC-2338. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, proposed forms implementing new bank loan reporting requirements; to the Committee on Rules and Administration.

EC-2339. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, proposed regulations governing bank loans to candidates and political committees; to the Committee on Rules and Administration.

EC-2340. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2341. A communication from the Acting Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2342. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2343. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2344. A communication from the President of the United States, transmitting, pursuant to law, the President's intent to add Bulgaria to the list of beneficiary developing countries under the General System of Preferences; to the Committee on Finance.

EC-2345. A communication from the Senior Vice President and Chief Financial Officer of the Tennessee Valley Authority, transmitting, pursuant to law, a report on the reconciliation to the budget report and a statement on internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-2346. A communication from the Office of the Chairman of the Equal Employment Opportunity Commission, transmitting, pursuant to law, a report on the Federal Managers' Financial Integrity Act for Fiscal Year 1991; to the Committee on Governmental Affairs.

EC-2347. A communication from the Director of the Federal Emergency Management Agency, transmitting, pursuant to law, a report on an evaluation of internal accounting and administrative controls; to the Committee on Governmental Affairs.

EC-2348. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report on final action for Inspector General audits for the period covering April 1, 1991 through September 30, 1991; to the Committee on Governmental Affairs.

EC-2349. A communication from the Director of the Arms Control and Disarmament Agency, transmitting, pursuant to law, a report on progress made in the Agency's effort to place ACDA in full compliance with the Federal Managers' Financial Integrity Act and OMB Circulars A-123 and A-127; to the Committee on Governmental Affairs.

EC-2350. A communication from the Acting Secretary of Transportation, transmitting, pursuant to law, a report on the management control and financial management systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2351. A communication from the Office of the Administrator of the Panama Canal Commission, transmitting, pursuant to law, a report on the evaluation of the Panama Canal Commission's system of internal accounting and administrative control in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2352. A communication from the Acting Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a report on management controls and financial management systems for the fiscal year ending September 30, 1991; to the Committee on Governmental Affairs.

EC-2353. A communication from the Office of the Director of the Federal Domestic Volunteer Agency, transmitting, pursuant to law, a report on the status of the Agency's management control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2354. A communication from the Chairman of the National Endowment for the Arts, transmitting, pursuant to law, an annual report on the Federal Managers' Financial Integrity Act for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2355. A communication from the Office of the Public Printer of the Government Printing Office, transmitting, pursuant to law, a report on the audits and investigations performed by the Office of the Inspector General; to the Committee on Governmental Affairs.

EC-2356. A communication from the Environmental Protection Agency, transmitting, pursuant to law, a report on the management integrity programs in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2357. A communication from the Secretary of the Department of Housing and Urban Development, transmitting, pursuant to law, a report on the Federal Managers' Financial Integrity Act Report for Fiscal Year 1991; to the Committee on Governmental Affairs.

EC-2359. A communication from the Chairman of the Railroad Retirement Board, transmitting, pursuant to law, a report on internal control and financial management initiatives in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2360. A communication from the Chairman of the Federal Housing Finance Board, transmitting, pursuant to law, a report on the activities and findings of the Federal Housing Finance Board's Office of Inspector General for the six month period ending September 30, 1991; to the Committee on Governmental Affairs.

EC-2361. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, a report on the internal control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2362. A communication from the Acting Secretary of the Department of State, transmitting, pursuant to law, a report on management controls and financial systems for Fiscal Year 1991; to the Committee on Governmental Affairs.

EC-2363. A communication from the Secretary of Transportation, transmitting, pursuant to law, the semiannual reports of the Office of the Inspector General and Management Decisions and Final Actions on Office of Inspector General Audit Recommendations, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2364. A communication from the Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, a report on the Commission's Federal Managers' Financial Integrity Act Report for Fiscal Year 1991; to the Committee on Governmental Affairs.

EC-2365. A communication from the Executive Director of the Federal Retirement

Thrift Investment Board, transmitting, pursuant to law, a report on the audit reports issued during Fiscal Year 1991 regarding the Thrift Savings Plan; to the Committee on Governmental Affairs.

EC-2366. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of the Treasury, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2367. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report of the Department under the Financial Managers Financial Integrity Act for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2368. A communication from the Chairman of the Defense Nuclear Facilities Safety Board, transmitting, pursuant to law, the annual report of the Board under the Financial Managers' Financial Integrity Act for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2369. A communication from the Chairman of the National Endowment of the Humanities, transmitting, pursuant to law, a report on internal control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2370. A communication from the Deputy Assistant to the President for Management and Director of the Office of Administration, the White House, transmitting, pursuant to law, the reports for each branch of the Executive Office of the President on internal control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2371. A communication from the Chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, a report on an evaluation of the system of internal accounting and administrative control in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2372. A communication from the Chairman of the International Cultural and Trade Center Commission, transmitting, pursuant to law, a report in the Commission's internal control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2373. A communication from the Executive Director of the Committee for Purchase from the Blind and Other Severely Handicapped, transmitting, pursuant to law, the report on the system of internal controls and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2374. A communication from the Director of the United States Information Agency, transmitting, pursuant to law, a report on the Agency's management control program for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2375. A communication from the Director of the Peace Corps of the United States, transmitting, pursuant to law, a report on the Peace Corps' internal controls and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2376. A communication from the Chairman of the United States International Trade Commission, transmitting, pursuant to law, a report on the Commission's internal control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2377. A communication from the Office of the Director of the Federal Mediation and Conciliation Service, transmitting, pursuant to law, a report on the Service's internal control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2378. A communication from the National Credit Union Administration, transmitting, pursuant to law, a report on the internal accounting and management controls of the NCUA in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2379. A communication from the Chairman of the Commodity Futures Trading Commission, transmitting, pursuant to law, a report on the Commission's internal control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2380. A communication from the Acting Archivist of the United States, National Archives and Records Administration, transmitting, pursuant to law, a report on the Administration's internal control and financial systems for Fiscal Year 1991; to the Committee on Governmental Affairs.

EC-2381. A communication from the Office of the Chairman of the Occupational Safety and Health Review Commission, transmitting, pursuant to law, a report on the Commission's internal control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2382. A communication from the Acting Chief Executive Officer of the Farm Credit System Insurance Corporation, transmitting, pursuant to law, a report on the Corporation's internal accounting and administrative control systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2383. A communication from the Chairman of the National Commission on Responsibilities for Financing Postsecondary Education, transmitting, pursuant to law, a report on the Commission for Fiscal Year 1991; to the Committee on Governmental Affairs.

EC-2384. A communication from the Chairman of the National Commission on Responsibilities for Financing Postsecondary Education, transmitting, pursuant to law, a report on the Commission's Federal Managers' Financial Integrity Act report for Fiscal Year 1991; to the Committee on Governmental Affairs.

EC-2385. A communication from the Director of Selective Services, transmitting, pursuant to law, a report on the Selective Service System's internal control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2386. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a report on the Department's internal controls and financial management systems for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2387. A communication from the Office of the Special Counsel, transmitting, pursuant to law, a report on the Counsel's internal control and financial managements systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2388. A communication from the Secretary of Labor, transmitting, pursuant to law, a report on the Federal Managers Financial Integrity Act report for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2389. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, a report on the Office's management control and financial management systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

Mr. KENNEDY (for himself and Mr. WELLSTONE):

S. 2137. A bill to make emergency supplemental appropriations to provide a short-term stimulus for the economy and meet the urgent needs for the fiscal year ending September 30, 1992, and for other purposes; to the Committee on Appropriations.

Mr. SEYMOUR:

S. 2138. A bill to suspend temporarily the duty on unstuffed dolls, doll parts, and accessories; to the Committee on Finance.

Mr. DECONCINI:

S. 2139. A bill to authorize the President to award a gold medal on behalf of Congress to the Americans who were held hostage in Lebanon and to the families of the Americans who were killed while being held hostage; to the Committee on Banking, Housing, and Urban Affairs.

Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 2140. A bill to authorize the extension of university development linkages projects to the former Soviet Union; to the Committee on Foreign Relations.

Mr. KENNEDY (for himself, Mr. ADAMS and Mr. SIMON):

S. 2141. A bill to amend the Public Health Service Act to improve the quality of long-term care insurance through the establishment of Federal standards, and for other purposes; to the Committee on Labor and Human Resources.

Mr. PACKWOOD:

S.J. Res. 239. A joint resolution designating February 6, 1992, as "National Women and Girls in Sports Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

Mr. MITCHELL:

S. Res. 242. A resolution informing the House of Representatives that a quorum of the Senate is assembled; considered and agreed to.

Mr. MITCHELL:

S. Res. 243. A resolution informing the President of the United States that a quorum of each House is assembled; considered and agreed to.

Mr. DECONCINI:

S. Res. 244. A resolution relating to the Americans held hostage in Lebanon; to the Committee on Foreign Relations.

Mr. DIXON (for himself and Mr. RIEGLE):

S. Res. 245. A resolution expressing the sense of the Senate in support of United States workers and objecting to attempts by the Prime Minister of Japan to undermine the President's trade mission; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KENNEDY (for himself and Mr. WELLSTONE):

S. 2137. A bill to make emergency supplemental appropriations to provide a short-term stimulus for the economy and meet the urgent needs for the fiscal year ending September 30, 1992, and/or other purposes; to the Committee on Appropriations.

EMERGENCY ANTI-RECESSION ACT OF 1992

Mr. KENNEDY. Mr. President, as 1992 and the 2d session of the 102d Congress begin, the Nation is still in the grip of a punishing recession. Recent economic news is not good. The most recent index of leading economic indicators fell by three-tenths of 1 percent, the largest drop in 10 months, signaling that we may well have entered a second dip of the recession. Unemployment stands at its highest level in over 5 years. Although Wall Street has been booming, Main Street is hurting.

Massachusetts continues to suffer some of our worst economic conditions since the Great Depression.

These declining economic conditions have gone on month after month for well over a year. They are sapping our strength and harming our future. A depressed economy means that businesses cannot create new jobs, or even preserve current ones.

For too long, the American people have waited for effective leadership to revive the economy. Economic mismanagement over the past year has allowed a mild recession to turn into a near depression.

It is time for bold and decisive action sufficient to end this recession before it becomes any worse, and to make the long-term investments essential to put the country back on the right track.

What is needed most is substantial short-term stimulus to end the recession, and a commitment to make long-term investments to create jobs and meet the Nation's fundamental needs in education, job training, research and development, health care, and other top priorities.

The end of the cold war and the collapse of the Soviet Union allow us to pay for essential investments here at home by shifting defense expenditures to domestic needs, without jeopardizing our national security. But to do so, we must revise the 1990 budget agreement to eliminate the so-called budget firewalls and other restrictions that currently block this necessary shift.

It would be a serious mistake to divert the peace dividend to pay for tax cuts. The pendulum has swung too far against public investment. The peace dividend may be our last best chance to restore the proper balance.

I am introducing legislation today to carry out the first part of the program. The Emergency Anti-Recession Act of 1992 will provide a 40-billion-dollar fiscal stimulus, to be used immediately in the remaining 8 months of the current fiscal year to create jobs, relieve the excessive burdens on State and local governments, and jump-start the economy.

The most effective and most immediate stimulus can be achieved only by increased Federal, State, and local spending. It may well be the only realistic way to guarantee that we do enough to end the recession and start the recovery.

Under this proposal, $40 billion in new funds will begin flowing as soon as possible to Federal programs and to States and local governments. The funds will go to existing programs, and they will be divided equally between infrastructure and human needs.

This approach will allow funds to be distributed promptly and spent quickly.

But most important, it will create jobs. In Massachusetts, this program will put an additional $1.15 billion into the State economy this year. This could mean the creation of over 25,000 new jobs directly, and thousands more jobs created indirectly as the State's economy revives.

New funds will be available for training laid-off workers, for repairing schools, and for housing construction. Environmental, water treatment, and transportation maintenance and construction projects that have been postponed because of lack of funds can be implemented, creating jobs and rebuilding our basic infrastructure.

Additional extended unemployment benefits will be available to those who have lost their jobs. Emergency needs will be covered, including food, shelter, and health care.

The so-called block grant or revenue-sharing approach to economic stimulus would be less effective. If we are going to put Americans back to work, dollars must be targeted to programs that we know will work.

As a result of the short-term stimulus, the Federal deficit will rise in the current year, but the program will have no impact on the long-term deficit. By making a series of reductions in military spending over the next 7 years, defense funds will gradually be transferred to domestic spending, and both parts of the program will be paid for in full.

In addition, as the economy regains its strength, deficit reductions will become an increasing priority. But as this proposal is designed to demonstrate, none of these priorities is more important than rebuilding America.

Finally, in the interest of tax fairness, I support a middle-class tax cut, to be paid for by increased taxes on wealthy individuals. I also support new investment incentives for business to encourage increased private sector investment, to be paid for by increased taxes on wealthy corporations. In particular, if the traditional investment tax credit is restored as an anti-recession step to encourage business investments in equipment and machinery, it should also be extended to investments in job training.

This economic debate is long overdue. Unlike previous recessions, the Federal Government has been too slow to act. As a result, our economic decline has been longer and more painful than it should have been. Our States and local governments have tried, but they cannot do the job alone. Working families are paying the price, because the Federal Government has abdicated its responsibility.

This package will create jobs—the most important thing we need now. I intend to press for action on this legislation as quickly as possible. Reviving the economy and putting America back to work is too important to ignore any longer.

I ask unanimous consent to place the text of the Emergency Anti-Recession Act of 1992, a summary, and other materials in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2137

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Emergency Anti-Recession Act of 1992".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Nonapplicability of Budget Act.

TITLE I—EMERGENCY SUPPLEMENTAL APPROPRIATIONS

Sec. 101. General appropriation authority.

Subtitle A—Agriculture, Rural Development and Related Agencies

Sec. 110. Women, infants and children supplemental food program.
Sec. 111. Farmers Home Administration rural housing insurance fund.
Sec. 112. Farmers Home Administration rural development insurance fund.
Sec. 113. Farmers Home Administration rural water and waste disposal grants.

Subtitle B—Defense

Sec. 121. Community planning and adjustment assistance.
Sec. 122. Small business conversion assistance.
Sec. 123. Research, development, and generic technology.
Sec. 124. Demonstration projects for dislocated workers.
Sec. 125. Federal facilities clean-up.

Subtitle C—Energy and Water Development

Sec. 131. Federal facilities clean-up.
Sec. 132. Army Corps of Engineers.

Subtitle D—Interior

Sec. 141. Land and water conservation fund.
Sec. 142. Historic Preservation Fund.
Sec. 143. Energy conservation.

Subtitle E—Labor, Health and Human Services, and Education

Sec. 151. Employment and training services.
Sec. 152. Community service employment for older Americans.
Sec. 153. Health Resources and Services Administration.
Sec. 154. National Institutes of Health.
Sec. 155. Alcohol, Drug Abuse, and Mental Health Administration.

Sec. 156. Low-income home energy assistance.
Sec. 157. Community Services Block Grant Act.
Sec. 158. Human development services.
Sec. 159. Compensatory education for the disadvantaged.
Sec. 160. Student financial assistance.

Subtitle F—Transportation

Sec. 171. Federal Railroad Administration.
Sec. 172. Federal Transit Administration.
Sec. 173. Federal Aviation Administration.
Sec. 174. Federal Highway Administration.

Subtitle G—Veterans Affairs and Housing and Urban Development

Sec. 181. Community development and planning.
Sec. 182. Contributions for assisted housing.
Sec. 183. Home investment partnerships.
Sec. 184. Superfund.
Sec. 185. EPA construction grants and State revolving loan fund.
Sec. 186. National Science Foundation.
Sec. 187. National and community service.
Sec. 188. FEMA emergency assistance grants.

TITLE II—FOOD STAMP AND RELATED PROVISIONS

Sec. 201. Short title.

Subtitle A—Food Stamp Program

Sec. 210. Simplifying the household definition for households with children and others.
Sec. 211. Increase in basic benefit level.
Sec. 212. Child support payments to nonhousehold members.
Sec. 213. Exclusion of child support payments from income.
Sec. 214. Elimination of cap on excess shelter deduction.
Sec. 215. Resources of households with disabled members.
Sec. 216. Value of vehicles excluded from allowable financial resources.
Sec. 217. Homeless families in transitional housing.
Sec. 218. Barriers in rural areas.
Sec. 219. Homeless participation projects.

Subtitle B—Nutrition Programs

Sec. 221. Provision of fluid milk.
Sec. 222. Participation of private residential day care organizations in child and adult care food program.
Sec. 223. Meal supplements for children in afterschool care.
Sec. 224. Assistance to homeless preschool children.

Subtitle C—Effective Date

Sec. 231. Effective date.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Federal unemployment benefits and allowances.
Sec. 302. Increased matching rate for aid to families with dependent children.
Sec. 303. Increased Medicaid matching rate.
Sec. 304. Local freight assistance.
Sec. 305. Federal Transit Administration.
Sec. 306. Federal Highway Administration.
Sec. 307. EPA State revolving loan funds.
Sec. 308. Army Corps of Engineers authority with respect to matching rates.
Sec. 309. Health benefits for the unemployed program.

SEC. 2. FINDINGS.

Congress finds that—

(1) in October of 1990, the Congress passed and the President signed the Budget Enforcement Act, which included a 21 percent reduction in defense spending between fiscal years 1990 and 1995;

(2) this defense spending reduction was based on the end of the Warsaw Pact, the withdrawal of Soviet troops from Eastern Europe and the conclusion of treaties limiting conventional forces in Europe and strategic nuclear arms;

(3) events since the signing of the 1990 Budget Enforcement Act, including the triumph of reformers over those involved in the right wing coup in the Soviet Union, the break-up of the Soviet State itself, and the resulting acceleration of the Soviet military draw down, permit further reductions in defense spending; and

(4) the additional reductions in defense spending beyond those assumed as a result of the 1990 Budget Enforcement Act will more than offset the supplemental appropriations provided for in this Act.

SEC. 3. NONAPPLICABILITY OF BUDGET ACT.

Notwithstanding any other provision of law, any new budget authority or outlays provided for in this Act shall not be counted for purposes of determining any spending limits provided in the Balanced Budget and Emergency Deficit Control Act of 1985.

TITLE I—EMERGENCY SUPPLEMENTAL APPROPRIATIONS

SEC. 101. GENERAL APPROPRIATION AUTHORITY.

The sums described in this title are appropriated, out of any money in the Treasury not otherwise appropriated, to provide emergency supplemental appropriations for the fiscal year ending September 30, 1992, and for other purposes.

Subtitle A—Agriculture, Rural Development and Related Agencies

SEC. 110. WOMEN, INFANTS AND CHILDREN SUPPLEMENTAL FOOD PROGRAM.

For an additional amount to carry out the program under section 17 of the Child Nutrition Act of 1966, $250,000,000.

SEC. 111. FARMERS HOME ADMINISTRATION RURAL HOUSING INSURANCE FUND.

(a) GROSS OBLIGATIONS.—For additional gross obligations for direct and guaranteed loans as authorized under title V of the Housing Act of 1949, as amended, to be available from the Rural Housing Insurance Fund—

(1) $1,000,000,000 for loans to section 502 borrowers; and

(2) $200,000,000 for section 515 rental housing.

(b) COST OF LOANS.—For an additional amount for the cost, as defined in section 13201 of the Budget Enforcement Act of 1990, including the cost of modifying direct and guaranteed loans—

(1) $179,500,000 for low income loans under section 502 of the Housing Act of 1949; and

(2) $87,000,000 for rental housing purposes under section 515 of such Act.

(c) ADDITIONAL RENTAL ASSISTANCE AGREEMENTS.—For additional rental assistance agreements entered into under or renewed under section 521(a)(2) of the Housing Act of 1949, $50,000,000.

SEC. 112. FARMERS HOME ADMINISTRATION RURAL DEVELOPMENT INSURANCE FUND.

(a) GROSS OBLIGATIONS.—For additional gross obligations for the principal amount of direct and guaranteed loans under section 308 of the Consolidated Farm and Rural Development Act, to be available from the Rural Development Insurance Fund, $1,000,000,000 for water and sewer facility loans, except that none of the funds made available under this title may be used for the transfer of funds described in this subsection.

(b) COST OF LOANS.—For an additional amount for the cost, as defined in section 13201 of the Budget Enforcement Act of 1990, including the cost of modifying direct loans under section 308 of the Consolidated Farm and Rural Development Act, $90,510,000 for water and sewer facility loans.

SEC. 113. FARMERS HOME ADMINISTRATION RURAL WATER AND WASTE DISPOSAL GRANTS.

For an additional amount for Farmers Home Administration rural water and waste disposal grants, $500,000,000.

Subtitle B—Defense

SEC. 121. COMMUNITY PLANNING AND ADJUSTMENT ASSISTANCE.

For an additional amount to enable the Secretary of Defense to transfer amounts to the Economic Development Administration of the Department of Commerce to provide, pursuant to title IX of the Public Works and Economic Development Act of 1965, planning and adjustment assistance to communities that are or are likely to become adversely and substantially impacted by proposed or actual closure of, or substantial reduction in, military installations, or by any proposed or actual cancellation of, or reduction in, any contract or subcontract for products or services for the Department of Defense, $200,000,000.

SEC. 122. SMALL BUSINESS CONVERSION ASSISTANCE.

For an additional amount to enable the Secretary of Defense to transfer amounts to the Small Business Administration to provide, pursuant to the Small Business Act of 1958, technical information, consultation, and financial assistance to small business firms that are or are likely to become adversely and substantially impacted by proposed or actual closure of, or substantial reduction in, military installations, or by any proposed or actual cancellation of, or reduction in, any contract or subcontract for products or services for the Department of Defense, $200,000,000, in order to facilitate the conversion of the such small business firms from defense to civilian markets.

SEC. 123. RESEARCH, DEVELOPMENT, AND GENERIC TECHNOLOGY.

For an additional amount to enable the Secretary of Defense to transfer amounts to the National Institute of Standards and Technology to provide, pursuant to the National Institute of Standards and Technology Authorization Act of 1988, project support for civilian oriented research and development and generic technology projects designed to aid scientists, engineers, and technicians in converting their skills from the defense to the civilian sector, while creating new scientific and technological information as a spur to increased innovation and productivity in civilian economy, $200,000,000.

SEC. 124. DEMONSTRATION PROJECTS FOR DISLOCATED WORKERS.

For an additional amount to enable the Secretary of Defense to transfer amounts to the Department of Labor to provide, pursuant to section 325(d)(2) of the Job Training Partnership Act, demonstration projects to encourage and promote innovative responses to the dislocation of workers resulting from reductions in expenditures by the United States for defense or by the closure of United States military installations, which assist in retraining and reorganization efforts that are designed to avert layoffs that would otherwise occur as a result of such reductions or closures, except that notwithstanding section 325(a) of such Act, grants made with amounts received under this section may be used to provide services to individuals who have not received a notice of termination or layoff if the Secretary of Labor determines that a termination or layoff is reasonably likely, $200,000,000

SEC. 125. FEDERAL FACILITIES CLEAN-UP.

For an additional amount to enable the Deputy Assistant Secretary of Defense (Environment, Safety, and Occupational Health) to carry out the Defense Environmental Restoration Program, $400,000,000.

Subtitle C—Energy and Water Development

SEC. 131. FEDERAL FACILITIES CLEAN-UP.

For an additional amount to enable the Assistant Secretary of Energy for Environmental Restoration and Waste Management to carry out the Environmental Restoration and Waste Management Program, $600,000,000.

SEC. 132. ARMY CORPS OF ENGINEERS.

For an additional amount for the Assistant Secretary of the Army for Civil Works to carry out the Army Corps of Engineers Civil Works Programs, $500,000,000.

Subtitle D—Interior

SEC. 141. LAND AND WATER CONSERVATION FUND.

For an additional amount for State grants under section 6 of the Land and Water Conservation Fund Act of 1965, $50,000,000.

SEC. 142. HISTORIC PRESERVATION FUND.

For an additional amount to provide grants-in-aid in accordance with the Historic Preservation Act of 1966, $50,000,000.

SEC. 143. ENERGY CONSERVATION.

For additional amounts to enable the Secretary of Energy to make grants under title III of the State Energy Conservation and Production Act, $100,000,000 to be used for the weatherization assistance program for low income persons, and $100,000,000 to be used for the Institutional Conservation Program.

Subtitle E—Labor, Health and Human Services, and Education

SEC. 151. EMPLOYMENT AND TRAINING SERVICES.

For an additional amount to carry out the Job Training Partnership Act—

(1) $700,000,000 to carry out subtitle B of title II of such Act;

(2) $1,300,000,000 to carry out title III of such Act, of which $700,000,000 shall be utilized to make needs-related payments as authorized under section 314(e) of such Act; and

(3) $300,000,000 to carry out subtitle B of title IV of such Act.

SEC. 152. COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS.

For an additional amount to carry out title V of the Older Americans Act of 1965, $300,000,000, to be obligated on a Federal and State by State basis in the same manner as amounts were otherwise obligated under such title in fiscal year 1992.

SEC. 153. HEALTH RESOURCES AND SERVICES ADMINISTRATION.

(a) MIGRANT, COMMUNITY AND HOMELESS HEALTH CENTERS.—For an additional amount to carry out sections 329, 330, and 340 of the Public Health Service Act, $200,000,000, to be obligated under such sections in the same proportion as amounts were otherwise obligated under such sections in fiscal year 1992.

(b) HIV HEALTH CARE SERVICES.—For an additional amount to carry out title XXVI of the Public Health Service Act, $500,000,000.

(c) NATIONAL HEALTH SERVICE CORPS.—For an additional amount to carry out subpart II of part D of title III of the Public Health Service Act, $50,000,000.

SEC. 154. NATIONAL INSTITUTES OF HEALTH.

For an additional amount to carry out title IV of the Public Health Service Act, $1,000,000,000, to be allocated among the various Institutes in the same proportion as amounts were otherwise allocated among the Institutes in fiscal year 1992.

SEC. 155. ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION.

For an additional amount to carry out subpart 1 of part B of title XIX of the Public Health Service Act, $1,000,000,000.

SEC. 156. LOW-INCOME HOME ENERGY ASSISTANCE.

For an additional amount to carry out the Low-Income Home Energy Assistance Act of 1981, $1,000,000,000.

SEC. 157. COMMUNITY SERVICES BLOCK GRANT ACT.

(a) GRANTS.—For an additional amount to carry out section 672 of the Community Services Block Grant Act, $100,000,000, to be obligated as emergency assistance.

(b) COMMUNITY DEVELOPMENT CORPORATIONS.—Notwithstanding section 681(c) of the Community Services Block Grant Act, for an additional amount to carry out section 681(a)(2)(A) of such Act, $100,000,000, except that such amounts may be made available under such section to eligible entities for the purpose of enabling such entities to capitalize revolving funds to provide assistance to private business enterprises that lack appropriate financing.

SEC. 158. HUMAN DEVELOPMENT SERVICES.

For an additional amount to carry out the Head Start Act, $530,000,000, of which—

(1) $500,000,000 shall be obligated for Head Start services; and

(2) $30,000,000 shall be obligated for renovation or rehabilitation of Head Start facilities and equipment.

SEC. 159. COMPENSATORY EDUCATION FOR THE DISADVANTAGED.

For an additional amount to carry out chapter 1 of title I of the Elementary and Secondary Education Act of 1965, $1,600,000,000, of which—

(1) $1,000,000,000 shall be obligated for chapter 1 services under sections 1005 and 1006; and

(2) $600,000,000 shall be obligated for renovation and rehabilitation of chapter 1 school facilities and equipment.

SEC. 160. STUDENT FINANCIAL ASSISTANCE.

(a) HIGHER EDUCATION.—For an additional amount to carry out title IV of the Higher Education Act of 1965, $1,000,000,000.

(b) LIBRARY SERVICES.—For an additional amount to carry out title II of the Library Services and Construction Act, $60,000,000.

Subtitle F—Transportation

SEC. 171. FEDERAL RAILROAD ADMINISTRATION.

(a) NORTHEAST CORRIDOR IMPROVEMENT PROGRAM.—For an additional amount to carry out the Northeast Corridor Improvement Program, $500,000,000.

(b) NATIONAL RAILROAD PASSENGER CORPORATION.—For an additional amount to enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation for capital improvements and the improvement of railroad rights-of-way, $500,000,000.

(c) RAIL ASSISTANCE.—For an additional amount for necessary expenses for rail assistance under section 5(q) of the Department of Transportation Act, $500,000,000, to remain available until expended.

SEC. 172. FEDERAL TRANSIT ADMINISTRATION.

For an additional amount for necessary expenses to carry out the capital grant provisions of sections 3, 9 and 18 of the Urban Mass Transportation Act of 1964, and to assist transit properties in complying with the requirements of the Americans with Disabilities Act and the Clean Air Act, $1,250,000,000, to be derived from the Mass Transit Account of the Highway Trust Fund and to remain available until expended.

SEC. 173. FEDERAL AVIATION ADMINISTRATION.

For an additional amount for Airport Improvement Program grants-in-aid as authorized under section 14 of the Airport and Airway Development Act of 1970, $1,000,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended.

SEC. 174. FEDERAL HIGHWAY ADMINISTRATION.

For an additional amount for resurfacing, restoring, rehabilitating and reconstructing roads and bridges on the Federal-aid highway system, $1,500,000,000, to be apportioned in the same manner as funds were apportioned for such purposes in fiscal year 1991, to be derived from the Highway Trust Fund and to remain available until expended.

Subtitle G—Veterans Affairs and Housing and Urban Development

SEC. 181. COMMUNITY DEVELOPMENT AND PLANNING.

For an additional amount to carry out a community development grants program under title I of the Housing and Community Development Act of 1974, $2,000,000,000, such funds to be obligated for making grants to States and units of local government under such Act. For purposes of applying the limitation contained in section 105(a)(8) of the Housing and Community Development Act of 1974 to amounts made available under this section, the maximum percentage of funds received by a unit of general local government under this section that may be used for the provision of public services shall be 20 percent.

SEC. 182. CONTRIBUTIONS FOR ASSISTED HOUSING.

For an additional amount for the modernization of public housing projects under section 14 of the Housing Act of 1937, $1,550,000,000.

SEC. 183. HOME INVESTMENT PARTNERSHIPS.

For an additional amount to make grants to States and units of local governments for investments in low income housing under section 211 of the National Affordable Housing Act, $1,000,000,000.

SEC. 184. SUPERFUND.

For an additional amount to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, $100,000,000 to be derived from general revenues of the Hazardous Substance Superfund.

SEC. 185. EPA CONSTRUCTION GRANTS AND STATE REVOLVING LOAN FUND.

For an additional amount to carry out the Federal Water Pollution Control Act and the Water Quality Act of 1987, $4,400,000,000, of which $2,000,000,000 shall be made available for grants under title II of the Federal Water Pollution Control Act, and $2,400,000,000 shall be made available to the State Revolving Loan Fund under title VI of such Act.

SEC. 186. NATIONAL SCIENCE FOUNDATION.

For an additional amount to enable the National Science Foundation to carry out academic facilities renovation, $60,000,000.

SEC. 187. NATIONAL AND COMMUNITY SERVICE.

For an additional amount to carry out programs under the National and Community Service Act of 1990, $100,000,000.

SEC. 188. FEMA EMERGENCY ASSISTANCE GRANTS.

For an additional amount for Federal Emergency Management Agency emergency assistance grants, $200,000,000.

TITLE II—FOOD STAMP AND RELATED PROVISIONS

SEC. 201. SHORT TITLE.

This title may be cited as the "Mickey Leland Childhood Hunger Relief Act".

Subtitle A—Food Stamp Program

SEC. 210. SIMPLIFYING THE HOUSEHOLD DEFINITION FOR HOUSEHOLDS WITH CHILDREN AND OTHERS.

The first sentence of section 3(i) of the Food Stamp Act of 1977 (7 U.S.C. 2012(i)) is amended—

(1) by striking "(2)" and inserting "or (2)";

(2) by striking ", or (3) a parent of minor children and that parent's children" and all that follows through "parents and children, or siblings, who live together" and inserting a period and the following: "Parents and their minor children who live together and spouses who live together"; and

(3) by striking ", unless one of" and all that follows through "disabled member".

SEC. 211. INCREASE IN BASIC BENEFIT LEVEL.

The second sentence of section 3(o) of the Food Stamp Act of 1977 (7 U.S.C. 2012(o)) is amended—

(1) by striking ", and (11) on October 1, 1990, and each October 1 thereafter," and inserting "(11) on October 1, 1990,"; and

(2) by inserting before the period at the end the following: "(12) on October 1, 1991, adjust the cost of such diet to reflect 103 percent of the cost of the thrifty food plan in the preceding June, as determined by the Secretary, and round the result to the nearest lower dollar increment for each household size, (13) on October 1, 1992, adjust the cost of such diet to reflect 103½ percent of the cost of the thrifty food plan in the preceding June, as determined by the Secretary, and round the result to the nearest lower dollar increment for each household size, (14) on October 1, 1993, adjust the cost of such diet to reflect 104 percent of the cost of the thrifty food plan in the preceding June, as determined by the Secretary, and round the result to the nearest lower dollar increment for each household size, (15) on October 1, 1994, adjust the cost of such diet to reflect 104.5 percent of the cost of the thrifty food plan in the preceding June, as determined by the Secretary, and round the result to the nearest lower dollar increment for each household size, and (16) on October 1, 1995, and each October 1 thereafter, adjust the cost of such diet to reflect 105 percent of the cost of the thrifty food plan in the preceding June, as determined by the Secretary, and round the result to the nearest lower dollar increment for each household size, except that each adjustment made under clause (11) through this clause shall be made without regard to any previous adjustment made under clause (9) through this clause".

SEC. 212. CHILD SUPPORT PAYMENTS TO NON-HOUSEHOLD MEMBERS.

Section 5(d)(6) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)(6)) is amended by inserting after the comma at the end the following: "except that child support payments made by a household member to or for a person who is not a member of the household shall be excluded from the income of the household of the person making the payments if such household member was legally obligated to make the payments,".

SEC. 213. EXCLUSION OF CHILD SUPPORT PAYMENTS FROM INCOME.

(a) IN GENERAL.—Section 5(d)(13) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)(13)) is amended by striking "at the option of a State agency and subject to subsection (m),".

(b) CONFORMING AMENDMENT.—Section 5 of such Act (7 U.S.C. 2014) is amended by striking subsection (m).

SEC. 214. ELIMINATION OF CAP ON EXCESS SHELTER DEDUCTION.

The fourth sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking ": *Provided*, That" and all that follows through "June 30".

SEC. 215. RESOURCES OF HOUSEHOLDS WITH DISABLED MEMBERS.

The first sentence of section 5(g) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)) is amended by striking "a member who is 60 years of age or older," and inserting "an elderly or disabled member,".

SEC. 216. VALUE OF VEHICLES EXCLUDED FROM ALLOWABLE FINANCIAL RESOURCES.

Section 5(g)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)(2)) is amended by striking "$4,500" and inserting "$5,500 (adjusted on October 1, 1992, and each October 1 thereafter, to reflect changes in the index determined by the Secretary to be most reasonable, for the 12 months ending on the preceding June 30 of the year)".

SEC. 217. HOMELESS FAMILIES IN TRANSITIONAL HOUSING.

Section 5(k)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(k)(2)) is amended by striking subparagraph (F) and inserting the following new subparagraph:

"(F) housing assistance payments made to a third party on behalf of a household residing in transitional housing for the homeless;".

SEC. 218. BARRIERS IN RURAL AREAS.

Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by adding at the end the following new subsection:

"(k)(1) The Secretary shall conduct, and may permit States, on their initiative, to conduct, pilot projects that test changes in, and new, food stamp program administrative and eligibility determination procedures designed to increase participation in rural areas.

"(2) Projects under paragraph (1) shall be carried out over not less than a 2-year period and shall test changes in administrative and eligibility determination procedures suggested by research on barriers to participation in rural areas and State agency experience, including—

"(A) conducting certification activities that would otherwise be conducted in offices of the State agency, by mail, by telephone, or at other locations;

"(B) increased flexibility in office hours and more accessible sites for eligibility certification and benefit issuance;

"(C) expanded provision of program information;

"(D) outstationing of State agency staff;

"(E) State agency processing of social security numbers;

"(F) reduced verification and reporting requirements;

"(G) changes in the rules governing how household assets are counted in eligibility determinations; and

"(H) coordination with and use of personnel administering the expanded food and nutrition education program conducted under section 3(d) of the Act of May 8, 1914 (38 Stat. 373, chapter 79; 7 U.S.C. 343(d)) and section 1425 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3125), community action agencies, and other local resources in providing program information, screening and advising applicants, and providing transportation.

"(3) In carrying out pilot projects under this subsection, the Secretary shall give priority to projects encompassing more than one substantial change in administrative and eligibility determination procedures and may pay up to 60 percent of the administrative costs related to implementation of pilot projects authorized under this subsection.".

SEC. 219. HOMELESS PARTICIPATION PROJECTS.

Section 18 of the Food Stamp Act of 1977 (7 U.S.C. 2027) is amended by adding at the end the following new subsection:

"(g) Of amounts appropriated to carry out this section, not to exceed $1,000,000 in any fiscal year may be used by the Secretary to make grants to public or private nonprofit organizations or agencies, in one or more areas of the United States, for projects designed to improve the effectiveness of the food stamp program in delivering food assistance to homeless individuals.".

Subtitle B—Nutrition Programs

SEC. 221. PROVISION OF FLUID MILK.

Paragraph (2) of section 9(a) of the National School Lunch Act (42 U.S.C. 1758(a)) is amended to read as follows:

"(2) Lunches served by schools participating in the school lunch program under this Act shall offer students fluid milk.".

SEC. 222. PARTICIPATION OF PRIVATE RESIDENTIAL DAY CARE ORGANIZATIONS IN CHILD AND ADULT CARE FOOD PROGRAM.

(a) IN GENERAL.—Section 17(a) of the National School Lunch Act (42 U.S.C. 1766(a)) is amended—

(1) in the last sentence—

(A) in paragraph (2), by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively; and

(B) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by designating the first through sixth sentences as paragraphs (1) through (6), respectively; and

(3) in paragraph (2) (as so designated)—

(A) by inserting "(A)" after the paragraph designation;

(B) by striking "; and such term" and all that follows through the period at the end and inserting a period; and

(C) by adding at the end the following new subparagraph:

"(B) For purposes of this section, the term 'institution' shall also mean any other private organization providing nonresidential day care services if—

"(i) at least 25 percent of the children served by the organization meet the income eligibility criteria established under section 9(b) for free or reduced price meals; and

"(ii) as a result of the participation of the organization in the program established under this section—

"(I) the nutritional content or quality of meals and snacks served to children under the care of the organization will be improved; or

"(II) fees charged by the organization for the care of the children described in clause (i) will be lowered.".

(b) CONFORMING AMENDMENTS.—Section 17 of such Act is amended—

(1) in subsection (d)(2)(B), by striking "subsection (a)(1)" and inserting "subsection (a)(6)(A)"; and

(2) by striking subsection (p).

SEC. 223. MEAL SUPPLEMENTS FOR CHILDREN IN AFTERSCHOOL CARE.

Section 17A(a)(2) of the National School Lunch Act (42 U.S.C. 1766a(a)(2)) is amended—

(1) by inserting "and" after the semicolon at the end of subparagraph (A);

(2) by striking "; and" at the end of subparagraph (B) and inserting a period; and

(3) by striking subparagraph (C).

SEC. 224. ASSISTANCE TO HOMELESS PRESCHOOL CHILDREN.

Section 18(c)(5)(A) of the National School Lunch Act (42 U.S.C. 1769(c)(5)(A)) is amended by striking the first sentence and inserting the following new sentence: "Except as provided in subparagraph (B), the Secretary shall expend to carry out this subsection, from amounts appropriated to carry out this Act, not less than $2,000,000 in fiscal year 1992, not less than $2,000,000 in fiscal year 1993, and not less than $3,000,000 in fiscal year 1994, in addition to any amounts made available under section 7(a)(5)(B)(i)(I) of the Child Nutrition Act of 1966 (42 U.S.C. 1776(a)(5)(B)(i)(I)), except that not more than $5,000,000 shall be expended for the program authorized by this subsection in any fiscal year.".

Subtitle C—Effective Date

SEC. 231. EFFECTIVE DATE.

This title and the amendments made by this title shall become effective on April 1, 1992.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES.

The Emergency Unemployment Compensation Act of 1991 is amended—

(1) in sections 102(f)(1)(B), 102(f)(2), 106(a)(2), and 501(b)(1) and (2), by striking "June 13, 1992" and inserting "September 30, 1992"; and

(2) in section 501(a), by striking "June, 1992" and inserting "September, 1992".

SEC. 302. INCREASED MATCHING RATE FOR AID TO FAMILIES WITH DEPENDENT CHILDREN.

Notwithstanding any other provision of law, for purposes of making payments under section 403 of the Social Security Act, the aid to families with dependent children expenditure rate for each State shall be increased by 11.47 percent for fiscal year 1992. Additional amounts derived from such increase shall be used as follows:

(1) Fifty percent of such amounts shall be provided to all States.

(2) Fifty percent of such amounts shall be provided only to those States that do not decrease or restore benefits levels under part A of title IV of such Act.

SEC. 303. INCREASED MEDICAID MATCHING RATE.

Notwithstanding any other provision of law, for purposes of making payments under section 1903 of the Social Security Act, the Federal medical assistance percentage for each State shall be increased by 4.21 percent for fiscal year 1992.

SEC. 304. LOCAL FREIGHT ASSISTANCE.

Notwithstanding any other provision of law, for purposes of providing rail assistance under section 5(q) of the Department of Transportation Act, the matching rate under such Act for each State shall be decreased by ½ for fiscal year 1992 with respect to amounts made available under title I.

SEC. 305. FEDERAL TRANSIT ADMINISTRATION.

Notwithstanding any other provision of law, for purposes of carrying out the capital grant provisions of sections 3, 9 and 18 of the Urban Mass Transportation Act of 1964, and to assist transit properties in complying with the requirements of the Americans with Disabilities Act and the Clean Air Act, the matching rate under the Urban Mass Transportation Act of 1964 for each State shall be decreased to 10 percent for fiscal year 1992 with respect to amounts made available under title I.

SEC. 306. FEDERAL HIGHWAY ADMINISTRATION.

Notwithstanding any other provision of law, for purposes of resurfacing, restoring, rehabilitating and reconstructing roads and bridges on the Federal-aid highway system, the matching rate with respect to the Highway Trust Fund for each State shall be decreased to 10 percent for fiscal year 1992 with respect to amounts made available under title I.

SEC. 307. EPA STATE REVOLVING LOAN FUNDS.

Notwithstanding any other provision of law, for purposes of the State Revolving Loan Fund under title VI of the Water Pollution Control Act, the matching rate with respect to such Fund for each State shall be decreased by 10 percent for fiscal year 1992 with respect to amounts made available under title I.

SEC. 308. ARMY CORPS OF ENGINEERS AUTHORITY WITH RESPECT TO MATCHING RATES.

Notwithstanding any other provision of law, the Assistant Secretary of the Army for Civil Works shall have the authority to waive up to ½ of any matching rate requirement to be applied by such Assistant Secretary for each State for fiscal year 1992 with respect to amounts made available under title I.

SEC. 309. HEALTH BENEFITS FOR THE UNEMPLOYED PROGRAM.

(a) PURPOSE.—It is the purpose of this section to establish a State program to provide unemployed individuals and their families with health benefits either directly through a public program or indirectly through the continuation of an employer-based plan.

(b) ESTABLISHMENT.—The Secretary of Health and Human Services (hereafter referred to in this section as the "Secretary") shall establish a program under which the Secretary shall award grants to States to carry out the purpose described in subsection (a).

(c) APPLICATION AND PLAN.—

(1) IN GENERAL.—To be eligible to receive a grant under this section, a State shall prepare and submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including the plan required under paragraph (2). A State shall not be eligible to receive a grant unless its application and plan are approved by the Secretary.

(2) PLAN.—A State application submitted under paragraph (1) shall contain the plan of the State for the administration of the amounts received by the State under this section. Such plan shall contain a description of the procedures that the State intends to utilize to—

(A) notify unemployed individuals in the State of their potential eligibility for assistance under the program established by the State under this section;

(B) determine which individuals in the State are eligible to participate in such program;

(C) enroll eligible individuals for participation in such program; and

(D) process claims made by eligible individuals under such program.

(d) USE OF FUNDS.—The State shall use amounts received under this section to—

(1) establish a Statewide program to provide coverage for certain minimum health care benefits provided to such eligible individuals under this section; and

(2) establish a program to provide funding to eligible individuals to enable such individuals, until the expiration of a 6-month period beginning on the date on which such individual's employment is terminated, to continue to pay their employer-based health insurance premiums under a group health plan pursuant to title XXII of the Public Health Service Act (42 U.S.C. 300bb–1 et seq.), section 4980B of the Internal Revenue Code of 1986, or part 6 of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1161 et seq.) in amounts not to exceed the premium cost attributable to the minimum health care benefits under paragraph (1).

(e) ELIGIBLE INDIVIDUALS.—

(1) IN GENERAL.—To be eligible to receive assistance under a program established by the State under subsection (d), an individual must—

(A) become separated from such individual's full-time source of employment, through no fault of such individual, on or after the date of enactment of this Act;

(B) have been a participant in the employer-based health insurance plan provided by the employer referred to in Subparagraph (A); and

(C) not have access to health insurance coverage through—

(i) another employer of such individual or the spouse of such individual;

(ii) an immediate family member of such individual; or

(iii) any Federal health care insurance program, including Medicaid.

(2) ELECTION BY INDIVIDUAL.—An individual eligible to receive assistance under paragraph (1), shall have the option to elect to receive assistance under either of the programs referred to in subsection (d) established by the State.

(f) COVERAGE PERIOD, CONTINUATION OF EMPLOYER COVERAGE, AND MINIMUM BENEFITS.—

(1) COVERAGE PERIOD.—Except as provided in paragraph (2), health care coverage provided to an individual under this section, either directly or through subsidized premium payments, shall apply to services provided after the date of enactment of this section and shall terminate 6 months after the date on which such coverage is initiated for such individual, or 30 days after such individual is reemployed on a full-time basis, whichever occurs first.

(2) CONTINUATION OF EMPLOYER-BASED COVERAGE.—

(A) PROHIBITION.—An individual who is covered under an employer-based health plan through continuation of coverage provisions of the type referred to in subsection (d)(2), and who elects to receive assistance under a State program established under subsection (d)(1), shall not be permitted to further continue such coverage under such continuation of coverage provisions after the expiration of the period of assistance under such State program.

(B) SUBSIDIZED PREMIUMS.—An individual who is covered under an employer-based health plan through continuation of coverage provisions of the type referred to in subsection (d)(2), and who elects to receive assistance under a State program established under subsection (d)(2), shall apply such assistance to subsidize such coverage under such continuation of coverage provision for not to exceed a 6-month period after the normal date on which such continued coverage would expire. Such 6-month period shall be considered an extension of such continued coverage.

(C) An individual who—

(i) otherwise is eligible for assistance under this section;

(ii) becomes unemployed after the date of enactment of this section;

(iii) elects to remain enrolled under an employer-based health plan; and

(iv) elects to receive assistance under a State program established under subsection (d)(2);

shall apply such assistance to remain enrolled in such plan and, after such assistance is terminated, such individual may elect to continue coverage under such health plan through continuation of coverage provisions of the type referred to in subsection (d)(1), and such coverage shall be considered an extension of such continued coverage.

(3) MINIMUM BENEFITS.—Health care benefits that shall be covered under the program established under this section, either directly or through subsidized premium payments, shall include—

(A) hospital services;

(B) physician services;

(C) diagnostic and screening services;

(D) mental health services, including not more than 45 days of inpatient care and not more than 20 outpatient visits;

(E) prenatal and well-baby care services;

(g) COST SHARING.—In the case of an individual—

(1) covered under the Statewide health care program established by the State under subsection (d)(1), who is ineligible to participate in an employer-based health insurance plan of the type referred to in subsection (d)(1), such individual shall contribute an amount equal to 20 percent of the cost of the coverage provided to such individual under such Statewide program; or

(2) receiving premium assistance under the program established under subsection (d)(2) in the State, who is eligible to participate in an employer-based health insurance plan of the type referred to in subsection (d)(1), such individual shall contribute 20 percent of the cost of the premiums under such employer-based plan.

(h) PAYMENTS.—

(1) ENTITLEMENT.—Each State for which an application has been approved by the Secretary under this section shall be entitled to payments under this section to be expended by the State in accordance with the terms of the application for the fiscal year for which the allotment is to be made.

(2) METHOD OF PAYMENTS.—The Secretary may make payments to a State in installments, and in advance or, by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(3) STATE SPENDING OF PAYMENTS.—Payments to a State under this section for any fiscal year must be expended by the State in that fiscal year or in the succeeding fiscal year.

(4) ADMINISTRATIVE EXPENSES.—Of the amount provided to a State under this section, an amount not to exceed 15 percent shall be used by such State to provide for the administrative costs of carrying out the program established under this section.

(i) DECREASE IN LENGTH OF COVERAGE.—If amounts appropriated under subsection (j) are insufficient with respect to the individuals in a State who are eligible under subsection (e) for benefits under this section, such State may reduce the length of coverage required under subsection (f)(1) to the extent necessary to enable the State to provide benefits to such individuals.

(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated, such sums as may be necessary to carry out this section in each of the fiscal years 1992 through 1995.

SUMMARY—SHORT-TERM STIMULUS/RELIEF FOR STATE AND LOCAL GOVERNMENTS

[In billions of dollars]

	Fiscal year 1992 Appropriations	Additional stimulus
I. Jobs and infrastructure—$20,000,000,000:		
Rail	0.20	1.500
Mass transit/ADA compliance grants	2.60	1.250
Airports	1.90	1.000
Roads and bridges maintenance	16.80	1.500
FmHA water/wastewater grants	.350	.500
FmHA water/wastewater loans	.650	1.000
EPA construction grants/State revolving loan fund	2.400	4.400
Superfund	.250	.100
Federal facilities clean-up	6.100	1.000
Army Corps of Engineers/EPA projects	2.700	.500
Energy conservation (institutional)	.300	.100
Land and water conservation fund (State assistance)	.020	.050
Historic Preservation Fund	.040	.050
Job Corps facilities construction	.800	.300
Chapter 1 school renovation	(1)	.600
Head Start facilities renovation	.010	.030
NSF academic facilities renovation	.030	.060
Library facilities construction	.020	.060
HOME (housing construction and rehabilitation)	1.500	1.000
Community development block grant	3.200	2.000
FmHA 502 (single family housing)	1.300	1.000
FmHA 515 (multi-family housing)	.600	.250
Community development corporations	.030	.100
Public housing modernization	2.800	1.550
Weatherization	.200	.100
Total		20
II. Education, job training, health-care, and safety net—$20,000,000,000:		
Elementary-secondary/chapter 1	6.600	1.000
Head Start	2.200	.500
Pell grants for higher education	5.300	1.000
Community service (school-based/youth corps)	.075	.100
Dislocated Workers—Job Training Partnership Act	.600	1.300
Summer youth, JTPA	.700	.700
Community service employment (older Americans)	.400	.300
Economic conversion	.200	.800
Temporary Medicaid match rate increase	(1)	4.500
Drug treatment and mental health	1.500	1.000
Ryan White AIDS care	.400	.500
National Institutes of Health	9.000	1.000
Community health centers	.530	.200
National Heatlh Service Corps/physician placements	.040	.050
Continuation of extended unemployment benefits/health care for the unemployed	6.200	2.500
Temporary AFDC match rate increase	(1)	2.500
FEMA emergency assistance	.175	.200
Low income home energy assistance	1.500	1.000
Community services block grant	.440	.100
WIC	2.700	.250
Mickey Leland Childhood Hunger Relief Act	(1)	.500
Total		20
Overall total		40
Total for Massachusetts		1.15

1 New program or increased entitlement funding.

SHORT-TERM STIMULUS/RELIEF FOR STATE AND LOCAL GOVERNMENTS

I. JOBS AND INFRASTRUCTURE—$20 BILLION

Rail

Additional funds would be provided to Amtrak for improvement of Northeast Corridor right-of-way and for other capital improvements to Amtrak stations, facilities, and rail lines; and to states under the Local Freight Assistance program for track improvements. (The match requirement for the latter program is reduced by half for these fiscal year 1992 supplemental funds.)

Mass Transit/Americans with Disabilities Act (ADA) compliance grants

Grants are provided to state and local transportation authorities for capital improvement projects, including upgrading commuter rail infrastructure and retrofitting transit buses and rail facilities to comply with ADA. Due to state budget deficits, serious shortfalls have occurred for such capital improvements. This proposal has the dual objective of creating jobs for transit system reconstruction in the short term and increasing access to employment opportunities for people with disabilities in the long term. (The match requirement on states, municipalities and transit authorities is reduced to 10% for these fiscal year 1992 supplemental funds.)

Airports

Under the Airport Improvement Program, grants are provided to airport authorities for capital improvements and expanded facilities. The FAA estimates a current backlog of approximately $8 billion in approved, unfunded projects.

Roads and bridges maintenance

The Federal Highway Administration reimburses states for maintenance and improvements to bridges and roadways. The American Association of State Highway and Transportation Officials has projected an additional need of tens of billions of dollars to fund maintenance projects beyond the recently passed Surface Transportation Act. (The state and state highway authority match requirement is reduced to 10% for these fiscal year 1992 supplemental funds.)

Farmers Home Administration water/wastewater loans and grants

These programs finance construction of public facilities providing clean water and safe wastewater disposal for small cities and rural areas. The current backlog in requests for funding is more than $2 billion.

EPA construction grants/State revolving loan fund

These funds will be used to construct wastewater treatment facilities to meet Clean Water Act standards. It is estimated that $4 billion in projects eligible for state revolving loan funds are ready to go to construction. (The 20% match required by states for revolving funds would be cut in half for these fiscal year 1992 supplemental dollars.).

Superfund

This program funds site investigations and cleanup activities at hazardous waste sites across the country. There are more than 1,000 sites on the National Priority List that EPA has not yet begun to clean up, and many other sites with potential hazardous waste problems that EPA has not yet investigated. Additional funds will allow the agency to conduct preliminary reviews at more sites, and to expedite clean-up at known sites.

Federal facilities clean-up

These funds will be used to help stabilize and clean up hazardous and radioactive waste at Department of Defense and Department of Energy facilities. Funds will also permit accelerated base closure site investigations and clean up as well as research and development of advanced technologies for pollution prevention, monitoring and remediation.

Army Corps of Engineers

Funds will assist the Corps in undertaking local projects such as protective flood control measures; harbor dredging for navigational safety; environmental restoration; and mitigation and emergency recovery operations. (Any match requirements may be reduced by up to half for the fiscal year 1992 supplemental funds.)

Energy conservation

The Department of Energy provides grants for institutions (hospitals, schools, prisons, etc.) to install more efficient lighting, heat systems, motors and other equipment. These funds will enable public institutions to sustain and expand their energy conservation efforts.

Land and Water Conservation Fund

These funds will provide additional grants to states and communities for local recreation and park capital investments, at a time when most state budgets are being cut back.

Historic Preservation Fund

This program provides grants to states, localities, and non-profit organizations for preservation of historic and cultural resources. It has been documented that preservation work of at least $50 million is ready to go to planning and construction immediately.

Job Corps facilities renovation

Recent engineering surveys of the 106 Job Corps Centers have identified $334 million in "must do" construction and renovation projects. These funds will create 6,000 job opportunities while accomplishing important facility repairs to expand the availability and improve the effectiveness of Job Corps training.

Chapter 1 school renovation

These funds will be used to repair and renovate existing elementary and secondary school buildings and help assure that children attend school in facilities conducive to learning.

Head Start facilities renovation

Chronic underfunding of the program and reliance on free or low cost facilities have left many Head Start programs in need of significant physical improvement or replacement. These funds will immediately create construction jobs to carry out approved but unfunded projects on file at the Department of Health and Human Services.

NSF academic facilities renovation

This National Science Foundation (NSF) program helps rebuild the nation's academic research facilities. In 1991 less than one-sixth of the institutions that applied for assistance were funded. The additional funds will enable NSF to support more projects across the country.

Library facilities construction

The Library Services and Construction Act provides formula grants to the states to assist public libraries in the construction of new buildings and the remodeling and renovation of existing facilities. Additional funds will be targeted to projects already underway which will create jobs and improve library services.

HOME (home ownership made easy)

This newly enacted block grant supports housing construction and rehabilitation. H.U.D. housing assistance in the Reagan era sustained the largest cuts (over 80 percent of any domestic program.

Community development block grant

These funds support a broad array of economic development, community facilities and housing rehabilitation programs. Funding for this program has been stagnant for over a decade. (The ceiling of 15 percent on use of CDBG dollars for public services will be raised to 20 percent for these fiscal year 1992 supplemental funds.)

Farmers Home Administration housing programs

These programs provide long-term financing for single family (section 502) and multifamily (section 515) housing construction in small cities and rural areas. The FmHA housing programs decreased nearly 70 percent during the Reagan years.

Community development corporations (CDC's)

These funds will create jobs for hard-to-employ individuals in distressed areas, and help to expand the role of CDCs in community revitalization.

Public housing modernization

These funds will help public housing authorities to renovate and repair housing units, and preserve the dwindling stock of low-income housing. A recent survey showed that tens of billions of dollars would be required to make all existing public housing units fully habitable.

Weatherization

These funds will go to states to distribute to localities for weatherization assistance. The proposal will create 4,500 journeymen carpenter jobs and provide increased energy assistance to low-income households.

II. EDUCATION, JOB TRAINING, HEALTH AND SAFETY NET—$20 BILLION

Chapter 1 elementary and secondary education

Funds will be used by state and local education agencies to improve educational opportunities for economically disadvantaged students.

Head Start

Services are currently available to only 28 percent of eligible children. This additional stimulus will expand the program by almost 25 percent, adding jobs for Head Start providers and bringing increased services to eligible children.

Pell grants for higher education

The federal government plays a major role in increasing access to higher education through the student aid programs authorized by the Higher Education Act. Pell Grants provide assistance to the neediest students.

Community service (school-based/youth crops)

These funds will create opportunities for more Americans, particularly young citizens, to become involved in serving their communities. This additional stimulus will almost double the number of states and programs that receive grants in 1992. It will expand part-time and school-based service opportunities as well as full-time positions.

Dislocated workers—Job Training Partnership Act

This proposal will substantially increase the amount allocated for dislocated worker programs under Title III of the Job Training Partnership Act (and add an income support component). Much of the job loss in the current recession is attributable to the permanent restructuring of major sectors of the economy. These jobs will not be restored when the economy recovers, and laid-off workers need help in acquiring new skills.

Summer youth employment and training

The unemployment effects of the recession have had a harsh impact on young people, particularly disadvantaged youth in the nation's cities. This proposal will substantially increase the amount allocated for the Summer Youth Employment Program under Title II of the Job Training and Partnership Act. These funds are urgently needed for the summer of 1992.

Community service employment (title V, Older Americans Act)

Older workers of modest income will receive temporary employment in public sector jobs and job training under this program.

Economic conversion

Reductions in defense spending involve significant dislocations of military and civilian personnel. Base closings threaten the economic health of entire communities. These funds will provide resources for communities to develop strategies to retrain workers and revitalize local economies.

Temporary Medicaid match rate increase

The recession has reduced state resources at a time when human needs are growing. Increasing the Federal Medicaid matching rate for one year will relieve fiscal pressures on the states and make more health services available to those in need.

Drug treatment and mental health

This proposal will address the millions of persons needing treatment who cannot be accommodated at existing program levels.

Ryan White AIDS care

This program provides emergency relief to 18 cities hardest hit by the HIV epidemic. It also provides grants to all states to deliver health and support services to individuals and families with HIV disease.

National Institutes of Health

The Institutes have a large backlog of unfunded grants. Almost three-quarters of the applications submitted last year could not be funded, and those funded were reduced below requested levels. This proposal will allow funding of 2,600 additional grants and restore funding of research centers to the level of the mid-1980's.

Community health centers

This program delivers comprehensive outpatient health services through a network of more than 600 clinics nationwide. Centers are typically found in communities most affected by the recession, and they provide services to the uninsured and the underserved.

National Health Service Corps/Physician Placements

The Corps places primary care physicians, nurses, and other health professionals in "medically underserved" areas, both urban and rural. These funds will enable additional health care professionals to be sent to these areas.

Continuation of extended unemployment benefits/health insurance for the unemployed

Basic unemployment benefits cover eligible workers for 26 weeks. Extended benefits currently provide up to twenty additional weeks. This enhanced benefit will expire in June, and should be extended through the entire fiscal year. In addition, health insurance is provided so that individuals who lose their jobs will have six months of coverage.

Temporary aid to families with dependent children match rate increase

A one-year increase in this federal matching rate will ease the current fiscal burden on state governments and help reduce cutbacks in this program that have been more severe than the Reagan cuts in 1981–82. Many states are proposing additional cuts this year as AFDC caseloads have grown by as much as 79 percent.

Federal emergency management agency assistance

This program funds emergency food and shelter programs through local coalitions of human services agencies. Assistance is distributed to communities based on rates of unemployment. These additional funds can be distributed within one week with a 1% cap on administrative expenses.

Low income home energy assistance

LIHEAP pays a portion of the home heating and cooling costs for low and moderate income families. The program also provides emergency fuel assistance. This program has sustained one of the largest percentage cuts—about a third—of any domestic program over the last six years.

Community services block grants

These funds support social services for low-income families largely through neighborhood-based community action agencies. The additional amount will be targeted to emergency assistance.

Women, Infants, and Children Supplemental Food Program

This nutrition program for pregnant women, new mothers, and young children has a proven track record of reducing infant mortality.

Mickey Leland Childhood Hunger Relief Act

These funds will primarily expand the food stamp program, with new assistance targeted to families with children in areas with high shelter costs. The food stamp program is the only safety net entitlement broadly available to families suffering from short-term economic distress.

State by State impact of increasing the fiscal year 1992 Medicaid and AFDC Federal matching rate proposed by the Emergency Anti-Recession Act of 1992

[Dollars in thousands]

State:	
Alabama	$84,762.30
Alaska	17,522.61
Arizona	79,267.14
Arkansas	51,530.70
California	850,680.09
Colorado	55,798.68
Connecticut	118,688.94
Delaware	12,896.25
D.C.	33,606.27
Florida	261,774.87
Georgia	158,751.48
Hawaii	19,835.79
Idaho	15,535.23
Illinois	284,722.05
Indiana	120,708.90
Iowa	58,486.53
Kansas	52,839.33
Kentucky	121,420.23
Louisiana	192,602.10
Maine	43,434.57
Maryland	117,885.30
Massachusetts	218,400.03
Michigan	275,072.94
Minnesota	126,649.32
Mississippi	60,506.49
Missouri	93,558.90
Montana	16,474.62
Nebraska	27,709.29
Nevada	16,376.88
New Hampshire	25,732.77
New Jersey	248,753.73
New Mexico	27,229.88
New York	1,100,747.80
North Carolina	142,043.37
North Dakota	14,954.22
Ohio	286,986.36
Oklahoma	57,693.75
Oregon	51,541.56
Pennsylvania	359,411.70
Rhode Island	37,792.80
South Carolina	83,388.51
South Dakota	13,960.53
Tennessee	142,515.78
Texas	360,144.75
Utah	23,750.82
Vermont	19,368.81
Virginia	92,907.30
Washington	131,107.35
West Virginia	41,001.93
Wisconsin	123,831.15
Wyoming	8,378.49
Puerto Rico	14,280.90
Territories	1,618.14

Note.—To receive the full AFDC increase, states would be required to maintain AFDC benefits at fiscal year 1991 levels.

By Mr. DECONCINI:

S. 2139. A bill to authorize the President to award a gold medal on behalf of Congress to the Americans who were held hostage in Lebanon and to the families of the Americans who were killed while being held hostage; to the Committee on Banking, Housing, and Urban Affairs.

AUTHORIZATION OF CONGRESSIONAL GOLD MEDAL TO AMERICANS HELD HOSTAGE IN LEBANON

• Mr. DECONCINI. Mr. President, I rise today to introduce legislation authorizing the Secretary of the Treasury to mint and the President to present, on behalf of the Congress, a special medal to the American hostages who were recently released from captivity in Lebanon, and to the families of the three hostages, William Buckley, Lt. Col. William Higgins and Peter Kilburn, who were killed in captivity.

Terry Anderson, an Associated Press journalist and the longest held captive was abducted in Beirut on March 16, 1985, has now been rejoined with his family after more than 6½ years in captivity. His has been the most publicized cause. But there were other American citizens also held captive in Lebanon by terrorist organizations: Thomas Sutherland, dean of agriculture, American University of Beirut, seized June 9, 1985; Joseph Cicippio, deputy comptroller of the American University of Beirut, seized September 12, 1986; Edward Tracy, illustrator, seized September 12, 1986; Jesse Turner, computer and mathematics professor, Beirut University College, seized January 24, 1987; and Alann Steen, professor of journalism at Beirut University College, seized January 24, 1987.

These men endured years of brutal treatment at the hands of their captors. Three other American citizens, William Buckley and Lt. Col. William Higgins, were savagely beaten and ultimately killed by their captors. Peter Kilburn, a librarian at American University in Beirut, disappeared on December 3, 1984, and his body was discovered on April 17, 1986. He was killed by his terrorist captors in retaliation for the United States attack on Libya on April 14, 1986.

We must also remember the other Americans previously held in captivity: Robert Polhill, abducted January 24, 1987, and released April 22, 1990; Frank Reed, seized September 9, 1986, and released April 30, 1990; Rev. Lawrence Jenco, seized January 8, 1985, and released July 26, 1986; Rev. Benjamin Weir, seized March 7, 1984, and released September 15, 1985; David Jacobsen, taken hostage May 28, 1985, and released November 2, 1986; David Dodge, abducted June 1982 and held hostage for 1 year before being released; Frank Regier, seized February 10, 1984 and released May 15, 1985; Jeremy Levin, seized March 7, 1984, and released February 13, 1985; Charles Glass, seized June 17, 1987, and released August 18, 1987.

The medals which will be minted through this legislation are a fitting tribute for the United States citizens held hostage in Lebanon for so long and who have now been returned to their loving families, and fitting testament for CIA station chief William Buckley, Lt. Col. William Higgins and Peter Kilburn, who died so courageously in the line of duty at the hands of brutal terrorist organizations operating in Lebanon.

Mr. President, I ask unanimous consent that the full text of this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2139

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL GOLD MEDAL.

(a) PRESENTATION AUTHORIZED.—The President is authorized to present, on behalf of Congress, to the Americans who were held hostage in Lebanon and to the families of the Americans who were killed while being held hostage in Lebanon a gold medal of appropriate design in recognition of the courage shown and sacrifices made by such Americans and families during the period when such Americans were held hostage.

(b) DESIGN AND STRIKING.—For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury shall strike a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary.

SEC. 2. NATIONAL MEDALS.

Medals struck pursuant to this Act are national medals for the purposes of chapter 51 of title 31, United States Code.

SEC. 3. AUTHORIZATION OF APPROPRIATION.

There is authorized to be appropriated such sums as may be necessary to carry out the purpose of this Act.•

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 2140. A bill to authorize the extension of university development linkages projects to the former Soviet Union; to the Committee on Foreign Relations.

INTERNATIONAL UNIVERSITY LINKAGES ACT OF 1992

Mr. MURKOWSKI. Mr. President, I rise today to introduce legislation along with my senior Senator, Senator STEVENS, that will facilitate the establishment of educational contacts between universities in the United States and universities in the former Soviet Union.

Madam President, the Agency for International Development university development linkages project under AID seeks to assist U.S. universities in establishing a variety of long-term relationships with their counterparts in developing countries. The project's purpose is to internationalize U.S. universities while helping to strengthen developing countries' institutions as well. A number of our universities are now engaged in successful, mutually beneficial programs around the world in a wide range of fields, including business management, health, environment, forestry, and many other academic efforts.

However, due to legislative prohibitions, a legacy of the past cold war, this valuable program cannot be linked to United States universities that are in association with Soviet universities in the former Soviet Union. I think at a time and in an area where history is making daily changes, and where events continue to profoundly affect our world and its future, it is appropriate that we rectify this situation.

As a consequence, Madam President, I am introducing this legislation that will enable funds to be made available to the AID university development linkages project and other assistance projects for universities for use in the former Soviet Union.

Madam President, due to its geographic proximity and history, we have taken an energetic lead in our State of Alaska in developing education, business, and social contacts with nearby Russia. As the Chair knows we are linked by Big and Little Diomede Islands. Approximately 3½ miles of open water separate my State of Alaska from the former Soviet Union.

I am pleased to say the University of Alaska has already established some 23 educational exchanges, research projects, and other programs with Russian universities in areas such as marine biology, economics, aviation, agriculture, mining, and Arctic studies.

I had an opportunity last year to meet with a number of Soviet students from Magadan that were in residence at the University of Alaska in Fairbanks. Some of those students were also from the campus of the University of Alaska in Juneau as well as Anchorage and the community college in Kotzebue and other areas. It was gratifying to see the exchange of those young students and learning their particular area of study and interest. I cannot think of a better way to further understanding and communication and to bring Western democratic philosophies to the former Soviet Union than through exchanges of this type.

The University of Alaska, along with Alaska Pacific University in Anchorage and Sheldon Jackson College in Sitka, AK, would certainly welcome the opportunity to participate in this university development linkage project as they continue building new relationships with universities and students in the former Soviet Union. I am sure other universities across the Nation would welcome this opportunity as well.

I believe this legislation will greatly benefit our Nation as we widen our contacts with the people in the emerging nations of the former Soviet Union. Institutes of higher education are key in all societies, and certainly contacts established through them can and will extend to other parts of our society. Obviously, this will be particularly useful at the present time as we address the tremendous change in the social structure within the former Soviet Union. I, as well as Senator STEVENS, who is joining me on this, invite my colleagues to support this particular piece of legislation.

Finally, Madam President, I again remind my colleagues that under current administrative procedures we are unable to maintain this kind of communication with the former Soviet universities through the AID Program because of the standing prohibitions. This action would eliminate that prohibition and would go a long way toward achieving communication and understanding that is so sorely needed in the former Soviet Union, particularly at this extraordinary time of restructure.

By Mr. KENNEDY (for himself, Mr. ADAMS, and Mr. SIMON):

S. 2141. A bill to amend the Public Health Service Act to improve the quality of long-term care insurance through the establishment of Federal standards, and for other purposes; to the Committee on Labor and Human Resources.

LONG-TERM CARE INSURANCE IMPROVEMENT AND ACCOUNTABILITY ACT

Mr. KENNEDY. Mr. President, today I am introducing legislation to protect our senior citizens against the abuses in the marketing and sale of private long-term care insurance.

Three million disabled elderly Americans need home care or nursing home care today. They are unable to perform two or more of the basic activities of daily living without assistance—bathe, eat, dress, go to the bathroom, or transfer from a bed to a wheelchair.

Of these disabled senior citizens, 1.3 million reside in nursing homes. Another 1.6 million are struggling to survive in their own homes, in their children's homes, or in other community settings. As many as 1 million younger Americans are similarly disabled.

Large as these figures are, they dramatically understate the need for long-term care. According to studies by the Brookings Institution, between 35 and 50 percent of today's senior citizens will enter a nursing home at some point in their lives.

Long-term care is not just a problem for the elderly—it is a major burden for their families as well. Few families are prepared—either financially or emotionally—to take full responsibility for meeting the challenge of providing long-term care for those who need it.

The vast majority of senior citizens lack coverage to protect themselves and their families against the high cost of long-term care, whether that care is provided in a nursing home or a senior citizen's own home. Congress must act on comprehensive long-term care legislation and I intend to introduce such legislation early this year. Ensuring such protection is the unfinished business of Social Security and Medicare and it is also one of the critical goals of comprehensive health reform. I look forward to a full debate on these issues in the Senate this year.

In the absence of a national program for long-term care, senior citizens have two basic alternatives—either spending their life savings on the cost of care, sometimes impoverishing themselves by spending down to State Medicaid eligibility levels—or purchasing a private long-term care insurance policy.

The insurance industry boasts about the growth in long-term care insurance plans. The number of people with such policies has doubled in the last 3 years and is expected to grow as the elderly population increases. As of June 1990, nearly 2 million policies had been sold. Yet, the cost of these policies is high, particularly for those that offer adequate coverage, and few elderly citizens can afford them.

There is also growing evidence that the private long-term care market is not serving consumers well. Numerous abuses exist in the marketing and sale of private long-term care insurance. Testimony at recent congressional hearings and reports from the General Accounting Office indicate that many policies are sold by unscrupulous companies or sales agents.

One of the most serious defects is that most policies currently on the market do not keep pace with inflation. When benefits are not indexed for inflation, they are likely to be inadequate when an elderly person needs the coverage.

In 1990, Congress set tough new Federal standards for private MediGap insurance. Similar legislation is needed to correct the many abuses of the private long-term care insurance market, and that is the purpose of the measure we are introducing today.

I urge my colleagues to pass this legislation, which is strongly supported by the Alzheimer's Association, Consumers Union, Families USA, the National Council of Senior Citizens, and the United Seniors Health Cooperative.

I ask unanimous consent that a summary of the bill and the text of the bill may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2141

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Long-Term Care Insurance Improvement and Accountability Act".

SEC. 2. ESTABLISHMENT OF FEDERAL STANDARDS FOR LONG-TERM CARE INSURANCE.

(a) In General.—The Public Health Service Act is amended—

(1) by redesignating title XXVII (42 U.S.C. 300cc et seq.) as title XXVIII; and

(2) by inserting after title XXVI the following new title:

"TITLE XXVII—LONG-TERM CARE INSURANCE STANDARDS

"Part A—Administration

"SEC. 2701. LONG-TERM CARE INSURANCE STANDARDS COMMISSION.

"(a) Establishment.—The Director of the Congressional Office of Technology Assessment (hereafter referred to in this section as the 'Director') shall provide for the appointment of a Long-Term Care Insurance Standards Commission (hereafter referred to in this Act as the 'Commission').

"(b) Composition.—

"(1) In general.—The Commission shall be composed of 11 individuals to be appointed by the Director (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service) representing a just balance of the State Insurance Commissioners, consumers, insurance agents, actuaries, long-term care providers and the insurance industry.

"(2) Terms.—Members of the Commission shall be appointed for a terms of 3 years, except that the initial members shall be appointed for staggered terms as determined appropriated by the Director.

"(c) Functions.—The Commission shall—

"(1) establish minimum Federal standards for long-term care insurance consistent with the provisions of this title;

"(2) provide for the modification of the standards established under paragraph (1) consistent with future laws to expand existing Federal or State long-term care benefits or establish a comprehensive Federal or State long-term care benefit program; and

"(3) carry out any other activities determined appropriate by Congress.

"(d) Administrative Provisions.—The following provisions of section 1886(e)(6) of the Social Security Act shall apply to the Commission in the same manner as such provisions apply under such section:

"(1) Subparagraph (C) (relating to staffing and administration).

"(2) Subparagraph (D) (relating to compensation of members).

"(3) Subparagraph (F) (relating to access to information).

"(4) Subparagraph (G) (relating to use of funds).

"(5) Subparagraph (H) (relating to periodic GAO audits).

"(6) Subparagraph (J) (relating to requests for appropriations).

"(e) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to enable the Commission to carry out its functions under this section.

"(f) Annual Report.—Not later than December 31 of each year, the Commission shall prepare and submit to the appropriate committees of Congress a report concerning the activities of the Commission for the previous year.

"Part B—Establishment and Implementation of Long Term Care Insurance Policy Standards

"SEC. 2711. IMPLEMENTATION OF POLICY STANDARDS.

"(a) In General.—

"(1) Regulatory program.—No long-term care insurance policy (as defined in section (2731)) may be issued, sold, or offered for sale in a State on or after the date specified in subsection (d) unless—

"(A) the Secretary determines that the State has established a regulatory program that—

"(i) provides for the application and enforcement of the standards established under subsection (c); and

"(ii) complies with the requirements of subsection (e);

by the date specified in subsection (d), and the policy has been approved by the State commissioner or superintendent of insurance under such program; or

"(B) if the State has not established such a program, the policy has been certified by the Secretary (in accordance with such procedures as the Secretary may establish) as meeting the standards established under subsection (c) by the date specified in subsection (c).

For purposes of this subsection, the advertising or soliciting with respect to a policy, directly or indirectly, shall be deemed the offering for sale of the policy.

"(2) Review of state regulatory programs.—The Secretary periodically shall review regulatory programs described in paragraph (1)(A) to determine if they continue to provide for the application and enforcement of the standards established under subsection (c). If the Secretary determines that a State regulatory program no longer meets such standards and requirements, before making a final determination, the Secretary shall provide the State an opportunity to adopt such a plan of correction as would permit the program to continue to meet such standards and requirements. If the Secretary makes a final determination that the State regulatory program, after such an opportunity, fails to meet such standards and requirements, the Secretary shall assume responsibility under paragraph (1)(B) with respect to plans in the State.

"(3) Look-behind authority.—In the case of a State with a regulatory program found by the Secretary to meet the standards and requirements under this title, the Secretary is authorized to determine whether or not long-term care insurance policies offered in the State have failed to comply with the applicable requirements of this title.

"(4) Plan disapproved under look-behind authority.—If the Secretary determines, under paragraph (3) that a long-term care insurance policy does not meet the applicable requirements of this title on or after such effective date, regardless of whether or not the State has taken any action with respect to such noncompliance, no new policies may be offered under the plan on or after the date of the determination.

"(b) Sanctions.—

"(1) Complaints and investigations.—The Secretary shall establish procedures—

"(A) for individuals and entities to file written, signed complaints with the Secretary respecting potential violations of the requirements of this title;

"(B) for the investigation of those complaints which have a substantial probability of validity; and

"(C) for the investigation of such other violations of the requirements of this title as the Secretary determines to be appropriate.

"(2) Authority in investigations.—In conducting investigations and hearings under this subsection—

"(A) agents of the Secretary and administrative law judges shall have reasonable access to examine evidence of any person or entity being investigated; and

"(B) administrative law judges, may, if necessary, compel by subpoena the attendance of witnesses and the production of evidence at any designated place or hearing.

In case of contumacy or refusal to obey a subpoena lawfully issued under this subsection and upon application of the Secretary, an appropriate district court of the United States may issue an order requiring compliance with such subpoena and any failure to obey such order may be punished by such court as a contempt thereof.

"(3) Hearing.—

"(A) In general.—Prior to imposing an order described in paragraph (4) against a carrier under this subsection for a violation of the requirements of this title, the Secretary shall provide the carrier with notice and, upon request made within a reasonable time (of not less than 30 days, as established by the Secretary) of the date of the notice, a hearing respecting the violation.

"(B) Conduct of hearing.—Any hearing so requested shall be conducted before an administrative law judge. If no hearing is so requested, the Secretary's imposition of the order shall constitute a final and unappealable order.

"(C) Issuance of orders.—If the administrative law judge determines, upon the preponderance of the evidence received, that an agent, association or its subsidiary, or a carrier named in the complaint has violated the requirements of this title, the administrative law judge shall state the findings of fact and issue and cause to be served on such agent, association or its subsidiary, or a carrier an order described in paragraph (4).

"(4) Enforcement and civil money penalty.—

"(A) Enforcement.—Subject to the provisions of this paragraph, an order issued under this subsection—

"(i) shall require the agent, association or its subsidiary, or a carrier—

"(I) to cease and desist from such violations; and

"(II) to pay a civil penalty as required in paragraph (8); and

"(ii) may require the agent, association or its subsidiary, or a carrier to take such other corrective action as is appropriate.

"(B) Corrections within 30 days.—No order shall be imposed under this subsection by reason of any violation if the agent, association or its subsidiary, or a carrier establishes to the satisfaction of the Secretary that—

"(i) such violation was due to reasonable cause and not to willful neglect; and

"(ii) such violation is corrected within the 30-day period beginning on earliest date the carrier knew, or exercising reasonable diligence could have known, that such a violation was occurring.

"(C) Waiver by secretary.—In the case of a violation which is due to reasonable cause and not to willful neglect, the Secretary may waive part or all of the civil money penalty imposed by paragraph (8) to the extent that payment of such penalty would be grossly excessive relative to the violation involved and to the need for deterrence of violations.

"(5) Administrative appellate review.—The decision and order of an administrative law judge under this subsection shall become the final agency decision and order of the Secretary unless, within 30 days, the Secretary modifies or vacates the decision and order, in which case the decision and order of the Secretary shall become a final order under this subsection.

"(6) JUDICIAL REVIEW.—An agent, association or its subsidiary, or a carrier adversely affected by a final order issued under this subsection may, within 45 days after the date the final order is issued, file a petition in the Court of Appeals for the appropriate circuit for review of the order.

"(7) ENFORCEMENT OF ORDERS.—If an agent, association or its subsidiary, or a carrier fails to comply with a final order issued under this section against the agent, association or its subsidiary, or a carrier, the Secretary shall file a suit to seek compliance with the order in any appropriate district court of the United States. In any such suit, the validity and appropriateness of the final order shall not be subject to review.

"(8) AMOUNT OF CIVIL MONEY PENALTY.—The amount of any civil money penalty imposed under this subsection shall not exceed $25,000 for each agent, association or its subsidiary, or a carrier with respect to which a violation occurs. Such amount may take into account the penalties imposed by a State with respect to the same such violation.

"(9) NOTICE OF ORDER.—As part of any order issued under this subsection in the case of a long-term care insurance policy, the order shall require that notice be provided to the carrier of the findings in the order.

"(10) LOSS OF STATUS AS A LONG-TERM CARE PLAN.—If an agent, association or its subsidiary, or a carrier is not in compliance with subsection (a) and is not determined to have come into compliance with the applicable standards within 6 months after the date of the initial determination of such a violation, such agent, association or its subsidiary, or a carrier shall be subject to the provision of this subsection.

"(11) EFFECTIVE DATE.—The effective date specified in this subsection is January 1 of the second full year that begins after the date of the enactment of this part.

"(c) PROMULGATION OF STANDARDS.—

"(1) IN GENERAL.—If, within 12 months after the date of the enactment of this section, the Commission establishes minimum standards that incorporate the requirements of sections 2712 through 2717, such standards shall apply under subsection (a).

"(2) DEFAULT.—If the Commission does not promulgate the model standards under paragraph (1) by the deadline established in that paragraph, the Secretary shall promulgate, within 12 months after such deadline, a regulation that provides standards that incorporate the requirements of sections 2712 through 2717 and such standards shall be applied under subsection (a).

"(3) RELATION TO STATE LAW.—Nothing in this section shall be construed as preventing a State from applying standards that provide greater protection to policyholders of long-term care insurance policies.

"(d) DEADLINE FOR APPLICATION OF STANDARDS.—

"(1) IN GENERAL.—Subject to paragraph (2), the date specified in this subsection for a State is—

"(A) the date the State adopts the standards established under subsection (c)(1); or

"(B) 1 year after the date such standards are first established under subsection (c)(2); whichever is earlier.

"(2) STATE REQUIRING LEGISLATION.—In the case of a State which the Secretary identifies, in consultation with the Commission, as—

"(A) requiring State legislation (other than legislation appropriating funds) in order for the standards established under subsection (c) to be applied; but

"(B) having a legislature which is not scheduled to meet in 1993 in a legislative session in which such legislation may be considered;

the date specified in this subsection is the first day of the first calendar quarter beginning after the close of the first legislative session of the State legislature that begins on or after January 1, 1993. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

"(e) ADDITIONAL REQUIREMENTS FOR APPROVAL OF STATE REGULATORY PROGRAMS.—For purposes of subsection (a)(1)(A)(ii), the requirements of this subsection for a State regulatory program are as follows:

"(1) ENFORCEMENT.—The enforcement under the program—

"(A) shall be designed in a manner so as to secure compliance with the standards within 30 days after the date of a finding of noncompliance with such standards; and

"(B) shall provide for notice to the Secretary in cases where such compliance is not secured within such 30-day period.

"(2) TOLL-FREE NUMBERS.—The program shall provide for the establishment of a toll-free telephone number which provides—

"(A) for a system for the receipt and disposition of consumer complaints or inquiries regarding compliance of health benefit plans with the requirements of this title; and

"(B) information to employers and consumers about carriers that offer long-term care insurance policies in the area covered by the regulatory authority.

Such system shall provide for the recording of consumer complaints in accordance with a uniform methodology developed by the Commission and recognized by the Secretary.

"(3) CONSUMER ACCESS TO COMPLIANCE INFORMATION.—

"(A) IN GENERAL.—A State regulatory program must provide for consumer access to complaints filed with the State commissioner or superintendent of insurance with respect to long-term care insurance policies.

"(B) CONFIDENTIALITY.—The access provided under subparagraph (A) shall be limited to the extent required to protect the confidentiality of the identity of individual policyholders.

"(4) PROCESS FOR APPROVAL OF PREMIUMS.—The program must provide for a process for approving or disapproving proposed premium increases with respect to long-term care insurance policies and must establish a policy for the holding of public hearings prior to approval of such a premium increase. No such premium increase shall be approved (or deemed approved) unless the proposed increase is accompanied by an actuarial memorandum which supports the increase and which contains such information as may be required under the standards under subsection (c).

"(5) ACCESS TO OTHER INFORMATION.—The program must provide for consumer access to actuarial memoranda provided under paragraph (4).

"(6) SECRETARIAL AUTHORITY.—In the case of a State without a regulatory program approved under subsection (a), the Secretary shall provide for the activities described in paragraphs (1) through (5).

"(f) DEMONSTRATION GRANT PROGRAM.—

"(1) IN GENERAL.—The Secretary may award grants to States for the establishment of demonstration programs to improve the enforcement within such States of long-term care insurance standards applicable under this title.

"(2) APPLICATION.—To be eligible to receive a grant under paragraph (1), a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a description of the program for which the State intends to use the amounts provided under the grant.

"(3) MINIMUM AMOUNT OF GRANTS.—The amount of a grant awarded under this subsection shall not be less than $100,000.

"(4) EVALUATION.—A State that receives a grant under this subsection shall comply with such evaluation procedures as the Secretary shall by regulation establish. The Secretary shall utilize such evaluations to conduct an overall evaluation of the results of the demonstration programs established under this section.

"(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection, $5,000,000 for each of the fiscal years 1992 through 1996.

"SEC. 2712. REGULATION OF SALES PRACTICES.

"(a) DUTY OF GOOD FAITH AND FAIR DEALING.—

"(1) IN GENERAL.—Each agent (as defined in section 2733) or association that is selling or offering for sale a long-term care insurance policy has the duty of good faith and fair dealing to the purchaser or potential purchaser of such a policy.

"(2) PROHIBITED PRACTICES.—An agent or association is considered to have violated paragraph (1) if the agent or association engages in any of the following practices:

"(A) TWISTING.—

"(i) IN GENERAL.—Knowingly making any misleading representation or incomplete or fraudulent comparison of any long-term care insurance policy or insurers for the purpose of inducing, or tending to induce, any person to retain or effect a change with respect to a long-term care insurance policy.

"(ii) POLICY REPLACEMENT FORM.—With respect to any person who elects to replace or effect a change in a long-term care insurance policy, the individual that is selling such policy shall ensure that such person completes a policy replacement form developed by the Commission. A copy of such form shall be retained by such person and additional copies shall be delivered by the selling individual to the old policy issuer, the new issuer and the State insurance commission.

"(B) HIGH PRESSURE TACTICS.—Employing any method of marketing having the effect of, or intending to, induce the purchase of long-term care insurance policy through undue pressure.

"(C) COLD LEAD ADVERTISING.—Making use directly or indirectly of any method of marketing which fails to disclose in a conspicuous manner that a purpose of the method of marketing is solicitation of insurance and that contact will be made by an insurance agent or insurance company.

"(D) OTHERS.—Engaging in such other practices determined inappropriate under guidelines issued by the Commission.

"(b) COMPLETION OF MEDICAL HISTORIES PROHIBITED.—An agent offering for sale a long-term care insurance policy may not complete the medical history portion of an application.

"(c) FINANCIAL STANDARDS.—

"(1) DEVELOPMENT.—The Commission shall develop minimum financial standards (including both income and asset criteria) that an individual must meet in order to be eligible to purchase a long-term care insurance policy.

"(2) PROHIBITION OF SALE OR ISSUANCE TO MEDICAID BENEFICIARIES.—An agent, an association, or a carrier may not knowingly sell or issue a long-term care insurance policy to an individual who is eligible for medical assistance under title XIX of the Social Security Act.

"(d) PROHIBITION OF SALE OR ISSUANCE OF DUPLICATE SERVICE BENEFIT POLICIES.—An agent, association or its subsidiary, or a carrier may not sell or issue a service-benefit long-term care insurance policy—

"(1) knowing that the policy provides for coverage that duplicates coverage already provided in another service-benefit long-term care insurance policy (unless the policy is intended to replace such other policy); or

"(2) for the benefit of an individual unless the individual (or a representative of the individual) provides a written statement to the effect that the coverage—

"(A) does not duplicate other coverage in effect under a service-benefit long-term care insurance policy; or

"(B) will replace another service-benefit long-term care insurance policy.

In this paragraph, the term 'service-benefit long-term care insurance policy' means a long-term care insurance policy which provides for benefits based on the type and amount of services furnished.

"(e) PROVISION OF OUTLINE OF COVERAGE.—No agent, association or its subsidiary, or carrier may sell or offer for a sale a long-term care insurance policy without providing to the purchaser or potential purchaser (or representative) an outline of coverage that complies with the standards established under section 2711(c).

"(f) PENALTIES.—Any agent who sells, offers for sale, or issues a long-term care insurance policy in violation of this section may be imprisoned not more than 5 years, or fined in accordance with title 18, United States Code, and, in addition, is subject to a civil money penalty of not to exceed $25,000 for each such violation. Any association or its subsidiary or carrier that sells, offers for sale, or issues a long-term care insurance policy in violation of this section may be fined in accordance with title 18, United States Code, and in addition, is subject to a civil money penalty of not to exceed $25,000 for each violation.

"(g) AGENT TRAINING AND CERTIFICATION PROGRAM.—

"(1) ESTABLISHMENT.—The Secretary, acting through the Commission, shall establish requirements for long-term care insurance agent training and certification that—

"(A) specify requirements for a training program to train insurance agents who desire to sell or offer for sale long-term care insurance policies; and

"(B) specify procedures for certifying agents who have completed such program as qualified to sell or offer for sale long-term care insurance policies.

"(2) ADMINISTRATION.—The program established under paragraph (1) shall be administered in each State through the State insurance commission.

"SEC. 2713. ADDITIONAL RESPONSIBILITIES FOR CARRIERS.

"(a) REFUND OF PREMIUMS.—If an application for a long-term care insurance policy (or for a certificate under a group long-term care insurance policy) is denied or an applicant returns a policy or certificate within 30 days of the date of its issuance pursuant to subsection 2717, the carrier shall refund to the applicant, not later than 30 days after the date of the denial or return, any premiums paid with respect to such a policy.

"(b) MAILING OF POLICY.—If an application for a long-term care insurance policy (or for a certificate under a group long-term care insurance policy) is approved, the carrier shall provide the applicant the policy (or certificate) of insurance not later than 30 days after the date of the approval.

"(c) INFORMATION ON DENIALS OF CLAIMS.—If a claim under a long-term care insurance policy is denied, the carrier shall, within 30 days of the date of a written request by the policyholder or certificate holder (or representative)—

"(1) provide a written explanation of the reasons for the denial; and

"(2) make available all information directly relating to such denial.

No claim under such a policy may be denied on the basis of a failure to disclose a condition at the time of issuance of the policy if the application for the policy failed to request information respecting the condition.

"(d) REPORTING OF INFORMATION.—A carrier that issues one or more long-term care insurance policy shall periodically (not less often than annually) report to the Commissioner or superintendent of insurance of each State in which the policy is sold, and shall make available to the Secretary, upon request, information respecting—

"(1) the long-term care insurance policies of the issuer that are in force;

"(2) the most recent premiums for such policies and the premiums imposed for such policies since their initial issuance;

"(3) the lapse rates, replacement rates, and rescission rates for policies (by agent); and

"(4) the claims denied (as a percentage of claims submitted) for such policies.

Information under this subsection shall be reported in a format specified in the standards established under section 2711(c) to carry out this subsection. For purposes of paragraph (3), there shall not be included as a lapse of policy such a lapse due to the death of the policyholder. For purposes of paragraph (4), there shall not be included as a denied claim a claim that is denied solely because of the failure to meet a deductible, waiting period, or exclusionary period.

"(e) LIMITS ON COMPENSATION FOR SALE OF POLICIES.—

"(1) IN GENERAL.—A carrier that issues one or more long-term care insurance policy may not provide a commission or other compensation in the first year to an agent or other representative for the sale of such a policy in an amount that exceeds 200 percent of the commission or other compensation paid for selling or servicing such a policy in the second or subsequent year.

"(2) RENEWAL POLICIES.—With respect to the renewal of a long-term care insurance policy, commission shall be paid by the carrier to such agent or other representative over at least a 5-year period.

"(3) REPLACEMENT POLICY.—An agent or other representative shall receive a renewal commission for the sale of a replacement policy.

"(4) COMPENSATION DEFINED.—In paragraph (1), the term 'compensation' includes pecuniary or nonpecuniary remuneration of any kind relating to the sale or renewal of the policy or certification, including deferred compensation, bonuses, gifts, prizes, awards, and finders fees.

"SEC. 2714. RENEWABILITY OF POLICIES.

"(a) IN GENERAL.—No long-term care insurance policy may be canceled or nonrenewed for any reason other than nonpayment of premium or material misrepresentation.

"(b) CONTINUATION AND CONVERSION RIGHTS FOR GROUP POLICIES.—

"(1) IN GENERAL.—Each group long-term care insurance policy shall provide covered individuals with a basis for continuation or conversion in accordance with this subsection.

"(2) BASIS FOR CONTINUATION.—For purposes of paragraph (1), a policy provides a basis for continuation of coverage if the policy maintains coverage under the existing group policy when such coverage would otherwise terminate and which is subject only to the continued timely payment of premium when due. A group policy which restricts provision of benefits and services to or contains incentives to use certain providers or facility, may provide continuation benefits which are substantially equivalent to the benefits of the existing group policy.

"(3) BASIS FOR CONVERSION.—For purposes of paragraph (1), a policy provides a basis for conversion of coverage if the policy entitles each individual—

"(A) whose coverage under the group policy would otherwise be terminated for any reason; and

"(B) who has been continuously insured under the policy (or group policy which was replaced) for at least 6 months before the date of the termination;

to issuance of a policy providing benefits identical to, substantially equivalent to, or in excess of, those of the policy being terminated, without evidence of insurability.

"(4) TREATMENT OF SUBSTANTIAL EQUIVALENCE.—In determining under this subsection whether benefits are substantially equivalent, consideration should be given to the difference between managed care and non-managed care plans.

"(5) GROUP REPLACEMENT OF POLICIES.—If a group long-term care insurance policy is replaced by another long-term care insurance policy purchased by the same policyholder, the succeeding issuer shall offer coverage to all persons covered under the old group policy on its date of termination. Coverage under the new group policy shall not result in any exclusion for preexisting conditions that would have been covered under the group policy being replaced.

"(c) GUARANTEED ISSUANCE.—

"(1) IN GENERAL.—An agent, association or carriers that sells or issues long-term care insurance policies shall guarantee that such policies shall be sold or issued to an individual if such individual meets the minimum medical underwriting requirements of such policy as established in compliance with the age rating formula recommendations of the Commission.

"(2) UPGRADE FOR CURRENT POLICIES.—Each long-term care insurance policy in effect as of the effective date of the standards established under section 2711(c) shall permit the policyholder to purchase a policy that meets all such standards. With respect to a policy that offers upgraded benefits in accordance with a new Federal or State requirement, the issuer of such policy may not impose additional medical underwriting criteria, except that such issuer may utilize an age rate for such policy based on a formula approved by the Commission.

"(d) EFFECT OF INCAPACITATION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), a long-term care insurance policy in effect as of the effective date of the standards established under section 2711(c) may not be canceled for nonpayment if the policy holder is determined by a long-term care provider, physician or other health care provider, independent of the issuer of the policy, to be cognitively, mentally, or physically incapacitated.

"(2) PERMITTED CANCELLATION.—A long-term care insurance policy may be canceled under paragraph (1) for nonpayment if—

"(A) the period of such nonpayment is in excess of 90 days; and

"(B) notice of intent to cancel is provided to a designated representative of the policy holder not less than 90 days prior to such cancellation.

"SEC. 2715. BENEFIT STANDARDS.

"(a) USE OF STANDARD DEFINITIONS AND TERMINOLOGY, UNIFORM FORMAT, AND STANDARD BENEFITS.—Each long-term care insurance policy shall, pursuant to standards established under section 2711(c)—

"(1) use uniform language and definitions;

"(2) use a uniform format for presenting the outline of coverage under such a policy; and

"(3) provide coverage for a standard benefits package that shall include limitations on the amount of payments per day and lengths of covered stays for nursing facility and home health care services;

as prescribed under guidelines issued by the Commission.

"(b) DISCLOSURE.—

"(1) OUTLINE OF COVERAGE.—

"(A) REQUIREMENT.—Each carrier that sells or offers for sale a long-term care insurance policy shall provide an outline of coverage under such policy that meets the applicable standards established pursuant to section 2711(c), complies with the requirements of subparagraph (B), and is in a uniform format as prescribed in guidelines issued by the Commission.

"(B) CONTENTS.—The outline of coverage for each long-term care insurance policy shall include at least the following:

"(i) A description of the principal benefits and coverage under the policy.

"(ii) A statement of the principal exclusions, reductions, and limitations contained in the policy.

"(iii) A statement of the terms under which the policy (or certificate) may be continued in force or discontinued, the terms for continuation or conversion, and any reservation in the policy of a right to change premiums.

"(iv) A statement that the outline of coverage is a summary only, not a contract of insurance, and that the policy (or master policy) contains the contractual provisions that govern.

"(v) A statement of the value of the policy (determined in accordance with standard established to carry out this subparagraph).

"(vii) A description of the terms, specified in section 2717, under which a policy or certificate may be returned and premium refunded.

"(viii) Information on national average costs for nursing facility and home health care and information (in graphic form) on the relationship of the value of the benefits provided under the policy to such national average costs.

"(ix) A statement of the percentage limit on annual premium increases that is provided under the policy pursuant to this section.

"(x) Information (in graphic form) on the projected effect of inflation on the value of benefits provided under the policy during a period of at least 20 years.

"(2) CERTIFICATES.—A certificate issued pursuant to a group long-term care insurance policy shall include—

"(A) a description of the principal benefits and coverage provided in the policy;

"(B) a statement of the principal exclusions, reductions, and limitations contained in the policy; and

"(C) A statement that the group master policy determines governing contractual provisions.

"(3) LONG-TERM CARE AS PART OF LIFE INSURANCE.—In the case of a long-term care insurance policy issued as a part of or a rider on a life insurance policy, at the time of policy delivery there shall be provided a policy summary that includes—

"(A) an explanation of how the long-term care benefits interact with other components of the policy (including deductions from death benefits);

"(B) an illustration of the amount of benefits, the length of benefit, and the guaranteed lifetime benefits (if any) for each covered person; and

"(C) any exclusions, reductions, and limitations on benefits of long-term care.

"(c) LIMITING CONDITIONS ON BENEFITS; MINIMUM BENEFITS.—

"(1) IN GENERAL.—A long-term care insurance policy may not condition or limit eligibility—

"(A) for benefits for a type of services to the need for or receipt of any other services;

"(B) for any benefit on the medical necessity for such benefit;

"(C) for benefits furnished by licensed or certified providers on compliance with conditions which are in addition to those required for licensure or certification under State law; or

"(D) for residential care (if covered under the policy) only—

"(i) to care provided in facilities which provide a higher level of care; or

"(ii) to care provided in facilities which provide for 24-hour or other nursing care not required in order to be licensed by the State.

"(2) HOME HEALTH CARE SERVICES.—If a long-term care insurance policy provides benefits for home health care services, the policy—

"(A) may not limit such benefits to services provided by registered nurses or licensed practical nurses;

"(B) may not require benefits for such services to be provided by a nurse or therapist that can be provided by a home health aide or licensed or certified home care worker acting within the scope of the worker's licensure or certification;

"(C) may not limit such benefits to services provided by agencies or providers certified under title XVIII of the Social Security Act; and

"(D) must provide benefits for personal care services (including home health aide and homemaker services), home health services, adult day care, and respite care in an individual's home or in another setting in the community, or any of these benefits on a respite care basis.

"(3) NURSING FACILITY SERVICES.—If a long-term care insurance policy provides benefits for nursing facility services, the policy must provide such benefits with respect to all nursing facilities (as defined in section 1919(a) of the Social Security Act or as subsequently provided for by the Commission in establishing uniform language and definitions under section 2715(a)(1)) in the State.

"(d) PROHIBITION OF DISCRIMINATION.—A long-term care insurance policy may not treat benefits under the policy in the case of an individual with Alzheimer's disease, with any related progressive degenerative dementia of an organic origin, or with any organic or inorganic mental illness differently from an individual having another medical condition for which benefits may be made available.

"(e) LIMITATION ON USE OF PREEXISTING CONDITION LIMITS.—

"(1) INITIAL ISSUANCE.—

"(A) IN GENERAL.—Subject to subparagraph (B), a long-term care insurance policy may not exclude or condition benefits based on a medical condition for which the policyholder received treatment or was otherwise diagnosed before the issuance of the policy.

"(B) 6-MONTH LIMIT.—A long-term care insurance policy may exclude benefits under a policy, during its first 6 months, based on a condition for which the policyholder received treatment or was otherwise diagnosed during the 6 months before the policy became effective.

"(2) REPLACEMENT POLICIES.—If a long-term care insurance policy replaces another long-term care insurance policy, the issuer of the replacing policy shall waive any time periods applicable to preexisting conditions, waiting period, elimination periods and probationary periods in the new policy for similar benefits to the extent such time was spent under the original policy.

"(f) USE OF FUNCTIONAL ASSESSMENT.—

"(1) IN GENERAL.—Each long-term care insurance policy—

"(A) shall determine eligibility for, and level of, benefits available under the policy based on a professional assessment of the policyholder's physical, cognitive, and mental abilities; and

"(B) shall specify the level (or levels) of physical, cognitive, or mental impairment required under such an assessment to obtain benefits under the policy.

Such assessment may not be conducted by an individual who has a direct or indirect ownership or control interest, or direct or indirect affiliation or relationship with, the issuer of the policy or an entity that provides services for which benefits are available under the long-term care insurance policy.

"(2) APPEALS PROCESS.—Each long-term care insurance policy shall provide for an appeals process, meeting standards established under this section, for individuals who dispute the results of an assessment conducted under this subsection.

"(3) STANDARD ASSESSMENTS.—Not later than 2 years after the date of enactment of this title, the Commission, after coordination with the on-going efforts of the Secretary to establish uniform needs assessments, shall issue guidelines with respect to assessments made under this subsection and determinations of eligibility for benefits under such assessments.

"(g) INFLATION PROTECTION.—To account for inflation, at the time of each annual renewal each long-term care insurance policy shall provide for an increase in the dollar payment levels and the maximum payment limit on benefit coverage above the levels or limit in effect during the previous policy year. Such increase shall be based on the increase in the average wage index utilized under section 215(b)(3)(A)(ii)(I) of the Social Security Act projected to reflect increases for the 20-year period beginning 1 year prior to the issuance of the policy. Such inflationary increases shall continue even if the policy holder is in claim status. In applying this subsection, the increases shall be compounded annually and the policy may provide for rounding such an increase to the nearest multiple of $1 (in the case of dollar payment levels) or $100 (in the case of the maximum payment limit).

"(h) SPECIFICATION OF LIMITS ON PREMIUM INCREASES.—Each long-term care insurance policy shall specify a limit on the percentage increase in premiums for a policy that may be made in between one policy year and the subsequent policy year.

"(i) PREMIUM INCREASES.—With respect to a long-term care insurance policy issued to an individual who is 75 years of age or older, the premiums for such policy may not be increased by more than 10 percent each year.

"SEC. 2716. NONFORFEITURE.

"(a) IN GENERAL.—Each long-term care insurance policy shall provide that if the policy lapses after the policy has been in effect for a minimum period (specified under the standards under section 2711(c)), the policy will provide, without payment of any additional premiums, nonforfeiture benefits as determined appropriate by the Commission.

"(b) ESTABLISHMENT OF STANDARDS.—The standards under section 2711(c) shall provide that the percentage or amount of benefits under subsection (a) must increase based upon the policyholder's equity in the policy.

"SEC. 2717. LIMIT OF PERIOD OF CONTESTABILITY AND RIGHT TO RETURN.

"(a) CONTESTABILITY.—The issuer of a long-term care insurance policy may not cancel such a policy or deny a claim under the policy based on fraud or misrepresentation relating to the issuance of the policy unless notice of such fraud or misrepresentation is provided within 6 months after the date of the issuance of the policy.

"(b) RIGHT TO RETURN.—Each applicant for a long-term care insurance policy shall have the right to return the policy (or certificates) within 30 days of the date of its delivery (and to have the premium refunded) if, after examination of the policy or certificate, the applicant is not satisfied for any reason.

"SEC. 2718. CIVIL MONEY PENALTY.

"Any issuer of a long-term care insurance policy who—

"(1) fails to make a refund in accordance with section 2713(a);

"(2) fails to transmit a policy in accordance with section 2713(b);

"(3) fails to provide, make available, or report information in accordance with subsections (c) or (d) of section 2713;

"(4) provides a commission or compensation in violation of section 2713(e);

"(5) fails to provide an outline of coverage in violation of section 2715(b)(1); or

"(6) issues a policy without obtaining certain information in violation of section 2715(f);

is subject to a civil money penalty of not to exceed $25,000 for each such violation.

"PART 3—LONG-TERM CARE INSURANCE POLICIES, DEFINITION AND ENDORSEMENTS

"SEC. 2721. LONG-TERM CARE INSURANCE POLICY DEFINED.

"(a) IN GENERAL.—In this title, except as otherwise provided in this section, the term 'long-term care insurance policy' means any insurance policy, certificate, or rider advertised, marketed, offered, or designed to provide coverage for each covered person on an expense incurred, indemnity, prepaid, or other basis, for one or more diagnostic, preventive, therapeutic, rehabilitative, maintenance or personal care services, provided in a setting other than an acute care unit of a hospital. Such term includes a group or individual annuity or life insurance policy or rider which provides directly (or which supplements) long-term care insurance.

"(b) POLICIES EXCLUDED.—Except as provided in subsection (d), the term 'long-term care insurance policy' does not include any Medicare supplemental policy (as defined in section 1882(g) of the Social Security Act) and any insurance which is offered primarily to provide—

"(1) basic hospital expense coverage, basic medical-surgical expense coverage, hospital confinement indemnity coverage, or major medical expense coverage;

"(2) disability income or related asset-protection coverage;

"(3) accident only coverage; or

"(4) specified disease or specified accident coverage.

"(c) TREATMENT OF CERTAIN LIFE INSURANCE POLICIES.—Except as provided in subsection (d), the term 'long-term care insurance policy' does not include life insurance policies—

"(1) which accelerate the death benefit specifically for—

"(A) one or more of the qualifying events of terminal illness;

"(B) medical conditions requiring extraordinary medical intervention; or

"(C) permanent institutional confinement;

"(2) which provide the option of a lump-sum payment for those benefits; and

"(3) in which neither the benefits nor the eligibility for the benefits is conditioned upon the receipt of long-term care.

"(d) INCLUSION OF POLICIES MARKETED AS LONG-TERM CARE INSURANCE.—The term 'long-term care insurance policy' also means any product which is advertised, marketed, or offered as long-term care insurance.

"SEC. 2722. CODE OF CONDUCT WITH RESPECT TO ENDORSEMENTS.

"Not later than 1 year after the date of enactment of this title the Commission shall issue guidelines that shall apply to organizations and associations and their subsidiaries that provide endorsements of long-term care insurance policies, or that permit such policies to be offered for sale through the organization or association. Such guidelines shall include at minimum the following:

"(1) In endorsing or selling long-term care insurance policies, the primary responsibility of an organization or association shall be to educate their members concerning such policies and assist such members in making informed decisions. Such organizations and associations may not function primarily as sales agents for insurance companies.

"(2) Organizations and associations shall provide objective information regarding long-term care insurance policies sold or endorsed by such organizations and associations to ensure that members of such organizations and associations have a balanced and complete understanding of both the strengths and weaknesses of the policies that are being endorsed or sold.

"(3) Organizations and associations selling or endorsing long-term care insurance policies shall disclose in marketing literature provided to their members concerning such policies the manner in which such policies and the insurance company issuing such policies were selected. If the organization or association and the insurance company have interlocking directorates, the organization or association shall disclose such fact to their members.

"(4) Organizations and associations selling or endorsing long-term care insurance policies shall disclose in marketing literature provided to their members concerning such policies the precise nature and amount of the compensation arrangements (including all fees, commissions, administrative fees and other forms of financial support that the organization or association receives from the endorsement or sale of the policy to its members).

"(5) The Boards of Directors of organizations and associations selling or endorsing long-term care insurance policies shall review and approve such insurance policies, the compensation arrangements and the marketing materials used to promote sales of such policies.

"PART 4—MISCELLANEOUS PROVISIONS

"SEC. 2731. FUNDING FOR LONG-TERM CARE INSURANCE INFORMATION, COUNSELING, AND ASSISTANCE.

"There are authorized to be appropriated to provide information, counseling, and assistance relating to the procurement of adequate and appropriate long-term care insurance, $10,000,000 for each of fiscal years 1993, 1994, and 1995.

"SEC. 2732. REPORTS AND STUDIES.

"(a) REPORT ON SOLVENCY PROTECTION.—Not later than 2 years after the date of the enactment of this title, the Secretary shall prepare and submit to the appropriate committees of Congress a report on standards that may be applied to assure the solvency of insurers with respect to long-term care insurance policies.

"(b) STUDY OF STANDARD MEASURE OF VALUE FOR LONG-TERM CARE INSURANCE POLICIES.—The Secretary shall provide for the conduct of a study to develop a standard measure of value for long-term care insurance policies. Not later than 2 years after the date of the enactment of this title, the Secretary shall prepare and submit to the appropriate committees of Congress a report concerning such study.

"SEC. 2733. DEFINITIONS.

"As used in this title:

"(1) AGENT.—The term 'agent' means—

"(A) prior to 2 years after the date of enactment of this Act, an individual who sells or offers for sale a long-term care insurance policy subject to the requirements of this title; and

"(B) after the date referred to in subparagraph (A), an individual certified under a training and certification program established under section 2712(g).

"(2) ASSOCIATION.—The term 'association' includes the association and its subsidiaries.

"(3) CARRIER.—The term 'carrier' means any person that offers a health benefit plan, whether through insurance or otherwise, including a licensed insurance company, a prepaid hospital or medical service plan, a health maintenance organization, a self-insurer carrier, a reinsurance carrier, and a multiple small employer welfare arrangement (a combination of small employers associated for the purpose of providing health benefit plan coverage for their employees).".

(b) CONFORMING AMENDMENTS.—

(1) Sections 2701 through 2714 of the Public Health Service Act (42 U.S.C. 300cc through 300cc–15) are redesignated as sections 2801 through 2814, respectively.

(2)(A) Sections 465(f) and 497 of such Act (42 U.S.C. 286(f) and 289(f)) are amended by striking out "2701" each place that such appears and inserting in lieu thereof "2801".

(B) Section 305(i) of such Act (42 U.S.C. 242c(i)) is amended by striking out "2711" each place such appears and inserting in lieu thereof "2811".

SUMMARY OF THE LONG-TERM CARE INSURANCE IMPROVEMENT AND ACCOUNTABILITY ACT

1. Problem: Many states have not adopted the standards for long-term care insurance policies developed by the National Associa-

tion of Insurance Commissioners. For example, forty states have not adopted the NAIC standards for inflation protection and home health care benefits. Twenty-three states have not developed standards to insure policy renewals and nineteen states have not adopted standards prohibiting Alzheimer's exclusions. Moreover, the NAIC standards do not sufficiently address problems concerning the marketing and sale of long-term care insurance policies.

Under this bill, the Director of the Office of Technology Assessment would appoint individuals to a Long-Term Care Insurance Standards Commission. The Commission would be comprised of state insurance commissioners, consumers, insurance agents, actuaries, long-term care providers, and the insurance industry. The Commission would be responsible for establishing standards incorporating the requirements of the bill, which states would then be required to adopt.

2. Problem: Marketing and sales abuses leave consumers vulnerable to purchasing policies that they do not need.

This bill would prohibit several practices:

A. Twisting/churning which occurs when individuals are pressured into changing policies in order for an agent to receive a new sales commission.

B. High pressure tactics used by agents to threaten or capitalize on the fear of financial catastrophe associated with the cost of financing long-term care.

C. Cold lead advertising, which refers to obtaining leads for the sale of insurance by deceptive means, e.g. conducting a raffle.

The bill would also prohibit the completion of medical histories by agents. There is evidence of problems with agents who fill in medical histories incorrectly. If an agent incorrectly answers these questions on behalf of an applicant, an applicant could face the possibility of having claims denied at a later date on the basis that the applicant misrepresented his or her health status at the time of application.

The sale of long-term care insurance to an individual who is eligible for Medicaid would be prohibited.

The bill would limit the difference in commissions or other compensation for new sales and renewal to no more than 200 percent. This provision will greatly decrease the amount of "front-loading" of commissions, which refers to agents earning large commissions for new sales and smaller commissions for policy renewals.

The Secretary, acting through the Commission, would be charged with establishing requirements for long-term care insurance agent training and certification. This training and certification program would be administered in each state through the state insurance commission.

3. Problem: Marketing and sales abuses leave consumers vulnerable to purchasing benefit packages that do not guarantee coverage will be there when services are needed.

To address this problem, the bill includes two important protections:

A. Inflation protection would be a required feature of all long-term care policies.

Long-term care policies typically include benefits defined by a specific dollar level, e.g., a daily benefit equal to $50 per day for nursing home care, as opposed to the number of days covered. Assuming a conservative inflation estimate of 5 percent per year, without inflation protection a long-term care policy would be eroded by 50 percent in just 10 years. This feature would ensure that benefit levels increase by an annual amount which reflects increases in the cost of long-term care services.

B. All policies will be required to include a nonforfeiture benefit, which conforms to one of the models developed by the Long-term Care Commission.

Similar to a whole life policy or home mortgage, a nonforfeiture benefit for long-term care insurance would assure that a policy holder did not have to forfeit vested equity in a policy should the policy lapse. Long-term care policies are typically held for many years before their benefits are used. Thus, the possibility of a policy lapsing during this period is significant. For example, assuming a conservative lapse rate of 10 percent per year, only 7 percent of policies purchased as age 65 are still in force at age 85, when they are most likely to be needed.

When a long-term care insurance policy lapses, the policy holder forfeits a significant amount of equity which has been built up to pre-fund future needs. Individuals often pay into long-term care policies for 10, 15, or 20 years or more only to find that a premium suddenly makes the policy unaffordable. When this happens, policy holders surrender years of premiums plus interest earned and are left with no long-term care protection at all.

4. Problem: The current lack of information makes it difficult if not impossible for consumers to compare benefit options and insurance companies in order to make wise decisions on coverage.

Currently, insurance companies have devised their own format for explaining benefit packages, making it difficult for consumers to compare alternative policies. Consumers generally do not have information concerning how much benefits are expected to be worth over time. Nor do they have access to information concerning the reputation and quality of services or products of a particular insurance company or agent.

This bill would require the Commission's to provide standardized outline of coverage that contains information on the scope and terms of coverage, including: the principal benefits and exclusions under the policy; the effects of inflation on the benefits covered; and a statement that premiums for the policy will not increase by more than a specified percent during any calendar year.

The bill would also require states to make information available to consumers regarding the quality of insurance companies and individual agents, including complaints received with respect to long-term care insurance policies; the lapse and replacement rates for policies; the number of policy recisions; and the number of claims denied as a percent of claims submitted.

5. Problem: Some states still allow insurers to cancel long-term care insurance policies because the health of the policy holder has declined. In addition, companies are continually working to improve their policies, but they do not generally guarantees policy holders access to these improvements.

All policies would be required to be guaranteed renewable. Policies could only be cancelled for nonpayment of premium with individuals given a three-month grace period.

6. Problem: There is a variety of problems associated with the current lack of standard definitions used for benefits and services as well as the lack of a standard assessment method for determining determinations of eligibility for coverage.

The Commission would be charged with establishing standards to be used in all long-term care insurance policies according to requirements specified in the bill, including: uniform language and definitions for benefits and services; standard benefits packages; limitations on the use of pre-existing condition limitations; standardized assessments and determinations of eligibility for benefits.

Long-term care insurance policies that cover home health would have to meet additional requirements including that such policies may not limit home health benefits to skilled nursing services and that they must provide benefits for personal care services, adult day care, and respite care.

7. Problem: Even though the NAIC model act contains a prohibition on the use of prior hospitalization as a condition for receiving coverage for services, several states have not adopted this provision. Several insurers still sell policies that impose a prior stay in hospital (usually 3 days) or in a nursing home. Studies estimate that a prior hospitalization requirements effectively excludes two-thirds of the policy holders from receiving coverage for nursing home care.

Under this bill, long-term care insurance policies may not impose prior hospitalization as a prerequisite for the receipt of benefits for nursing home care or home and community-based care.

8. Problem: Some associations endorse long-term care policies that do not meet minimum standards and associations and their subsidiaries that provide endorsements for long-term care insurance policies.

9. Problem: Many elderly have difficulty in obtaining objective information concerning long-term care insurance plans sold in their state.

This bill would establish a grant program for states to establish long-term care counseling programs. The bill authorized $10 to be appropriated for this program.

10. Problem: Even states that have adopted the NAIC standards lack resources to effectively enforced the standards.

This bill would establish a demonstration program to encourage states to improve enforcement efforts.

By Mr. PACKWOOD:

S.J. Res. 239. Joint resolution designating February 6, 1992, as "National Girls and Women in Sports Day"; to the Committee on the Judiciary.

NATIONAL GIRLS AND WOMEN IN SPORTS DAY

• Mr. PACKWOOD. Mr. President, today, I rise to introduce a joint resolution to designate February 6, 1992, as "National Girls and Women in Sports Day." In the House of Representatives, a similar resolution will be introduced by Congresswoman OLYMPIA SNOWE.

Ours is a culture rich in sports tradition and sports heritage. Yet for too long the lessons learned and experiences gained from participating in sports were often denied to half of our citizens. For not until 1972, with the passage of title IX of the Education Amendments Act, were women assured equal opportunities to participate in high school and college athletics. Title IX forever changed the course of women's participation in athletics. It is important to recognize how far women have come in their athletic achievements, while not forgetting that inequities still exist.

That is why we have joined together for the past 5 years to cosponsor "National Girls and Women in Sports Day," to encourage women and girls to participate in sports, to continue to work for equal opportunities and to celebrate the great progress made by women in sports.

Again this year a woman athlete will be presented with the Flo Hyman Award—in honor of the Olympic volleyball star who died in 1986. Last year, the award was presented to Diana Golden—a world ski champion, the 1988 Disabled Olympics gold medalist and winner of 19 national titles.

It is our hope that this resolution will inspire future generations of women athletes to strive toward the excellence which Diana Golden, Flo Hyman, and other female athletes exemplify. Mr. President, I offer this resolution designating February 6, 1992, as "National Girls and Women in Sports Day" and invite my colleagues to join me in recognizing our women athletes.●

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. BIDEN, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 15, a bill to combat violence and crimes against women on the streets and in homes.

S. 20

At the request of Mr. ROTH, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 20, a bill to provide for the establishment and evaluation of performance standards and goals for expenditures in the Federal budget, and for other purposes.

S. 21

At the request of Mr. CRANSTON, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 21, a bill to provide for the protection of the public lands in the California desert.

S. 25

At the request of Mr. CRANSTON, the names of the Senator from Connecticut [Mr. LIEBERMAN] and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of S. 25, a bill to protect the reproductive rights of women, and for other purposes.

S. 316

At the request of Mr. CRAIG, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 316, a bill to provide for treatment of Federal pay in the same manner as non-Federal pay with respect to garnishment and similar legal process.

S. 388

At the request of Mr. BAUCUS, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 388, a bill to amend the Trade Act of 1974 to provide that interested persons may request review by the Trade Representative of a foreign country's compliance with trade agreements.

S. 447

At the request of Mr. THURMOND, the names of the Senator from South Carolina [Mr. HOLLINGS] and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 447, a bill to recognize the organization known as the Retired Enlisted Association, Incorporated.

S. 474

At the request of Mr. DECONCINI, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 474, a bill to prohibit sports gambling under State law.

S. 588

At the request of Mr. MITCHELL, the names of the Senator from New York [Mr. MOYNIHAN] and the Senator from New Hampshire [Mr. SMITH] were added as cosponsors of S. 588, a bill to amend the Internal Revenue Code of 1986 with respect to the tax treatment of certain cooperative service organizations of private and community foundations.

S. 615

At the request of Mr. LAUTENBERG, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 615, a bill entitled the "Environmental Marketing Claims Act of 1991."

S. 698

At the request of Mr. CRAIG, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 698, a bill to amend the Internal Revenue Code of 1986 to provide for 50 percent exclusion of long-term capital gains, and for other purposes.

S. 747

At the request of Mr. PRYOR, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 747, a bill to amend the Internal Revenue Code of 1986 to clarify portions of the Code relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 794

At the request of Mr. METZENBAUM, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 794, a bill to amend the Employee Retirement Income Security Act of 1974 to provide that such act does not preempt certain State laws.

S. 843

At the request of Mr. SPECTER, his name was added as a cosponsor of S. 843, a bill to amend title 46, United States Code, to repeal the requirement that the Secretary of Transportation collect a fee or charge for recreational vessels.

S. 988

At the request of Mr. LAUTENBERG, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 988, a bill to authorize the promulgation of a model building code to enhance recycling and for other purposes.

S. 1010

At the request of Mr. INOUYE, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 1010, a bill to amend the Federal Aviation Act of 1958 to provide for the establishment of limitations on the duty time for flight attendants.

S. 1067

At the request of Mr. LAUTENBERG, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1067, a bill to amend the Urban Mass Transportation Act of 1964 to provide for grants and loans to private nonprofit corporations and associations to be used to pay operating expenses related to new and existing mass transportation services for elderly and handicapped persons.

S. 1100

At the request of Mr. KERRY, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1100, a bill to authorize the Secretary of Housing and Urban Development to provide grants to urban and rural communities for training economically disadvantaged youth in education and employment skills and to expand the supply of housing for homeless and economically disadvantaged individuals and families.

S. 1175

At the request of Mr. KERRY, the names of the Senator from Washington [Mr. ADAMS], the Senator from Tennessee [Mr. SASSER], and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 1175, a bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoners or taken captive by a hostile foreign government or its agents or a hostile force before April 25, 1962, and for other purposes.

S. 1289

At the request of Mr. BIDEN, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1289, a bill to amend the provisions of the Higher Education Act of 1965 relating to treatment by campus officials of sexual assault victims.

S. 1332

At the request of Mr. BAUCUS, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 1332, a bill to amend title XVIII of the Social Security Act to provide relief to physicians with respect to excessive regulations under the Medicare Program.

S. 1423

At the request of Mr. DODD, the names of the Senator from Idaho [Mr. CRAIG], the Senator from Minnesota [Mr. WELLSTONE], the Senator from

California [Mr. CRANSTON], the Senator from North Dakota [Mr. BURDICK], and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1557

At the request of Mr. LAUTENBERG, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 1557, a bill to improve the implementation and enforcement of the Federal Cleanup Program.

S. 1578

At the request of Mr. THURMOND, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1578, a bill to recognize and grant a Federal charter to the Military Order of World Wars.

S. 1641

At the request of Mr. BREAUX, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 1641, a bill to amend section 468A of the Internal Revenue Code of 1986 with respect to deductions for decommissioning costs of nuclear powerplants.

S. 1673

At the request of Mr. HEFLIN, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 1673, a bill to improve the Federal Justices and Judges Survivors' Annuities Program, and for other purposes.

S. 1677

At the request of Mr. DASCHLE, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1677, a bill to amend title XIX of the Social Security Act to provide for coverage of alcoholism and drug dependency residential treatment services for pregnant women and certain family members under the Medicaid Program, and for other purposes.

S. 1725

At the request of Mr. DIXON, the names of the Senator from New Jersey [Mr. BRADLEY] and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 1725, a bill to authorize the minting and issuance of coins in commemoration of the quincentenary of the first voyage to the New World by Christopher Columbus and to establish the Christopher Columbus Quincentenary Scholarship Foundation and an Endowment Fund, and for related purposes.

S. 1788

At the request of Mr. WIRTH, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1788, a bill to establish the National Air and Space Museum Expansion Site Advisory Panel for the purpose of developing a national competition for the evaluation of possible expansion sites for the National Air and Space Museum, and to authorize the Board of Regents of the Smithsonian Institution to select, plan, and design such site.

S. 1810

At the request of Mr. ROCKEFELLER, the names of the Senator from Nevada [Mr. REID] and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of S. 1810, a bill to amend title XVIII of the Social Security Act to provide for corrections with respect to the implementation of reform of payments to physicians under the Medicare Program, and for other purposes.

S. 1829

At the request of Mr. D'AMATO, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 1829, a bill to expand the exclusion of service of election officials or election workers from Social Security coverage.

S. 1850

At the request of Mr. BAUCUS, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 1850, a bill to extend the period during which the U.S. Trade Representative is required to identify trade liberalization priorities, and for other purposes.

S. 1851

At the request of Mr. ROCKEFELLER, the names of the Senator from Rhode Island [Mr. CHAFEE] and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of S. 1851, a bill to provide for a Management Corps that would provide the expertise of United States businesses to the Republics of the Soviet Union and the Baltic States.

S. 1901

At the request of Mr. DASCHLE, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1901, a bill to amend title 5, United States Code, to make election day a legal public holiday, with such holiday to be known as "Democracy Day."

S. 1902

At the request of Mr. ADAMS, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 1902, a bill to amend title IV of the Public Health Service Act to require certain review and recommendations concerning applications for assistance to perform research and to permit certain research concerning the transplantation of human fetal tissue for therapeutic purposes, and for other purposes.

S. 1912

At the request of Mr. DOMENICI, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1912, a bill to amend the Public Health Service Act and the Social Security Act to increase the availability of primary and preventive health care, and for other purposes.

S. 1962

At the request of Mr. ADAMS, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 1962, a bill to amend the Civil Rights Act of 1991 to apply the act to certain workers, and for other purposes.

S. 1989

At the request of Mr. ROCKEFELLER, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1989, a bill to amend certain provisions of the Internal Revenue Code of 1986 to improve the provision of health care to retirees in the coal industry, to revise the manner in which such care is funded and maintained, and for other purposes.

S. 2000

At the request of Mr. PRYOR, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 2000, a bill to provide for the containment of prescription drug prices by reducing certain non-research related tax credits to pharmaceutical manufacturers, by establishing the Prescription Drug Policy Review Commission, by requiring a study of the feasibility of establishing a pharmaceutical products price review board, and by requiring a study of the value of Federal subsidies and tax credits given to pharmaceutical manufacturers, and for other purposes.

S. 2085

At the request of Mr. PRYOR, the names of the Senator from Arkansas [Mr. BUMPERS] and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 2085, a bill entitled the Federal-State Pesticide Regulation Partnership.

S. 2103

At the request of Mr. GRASSLEY, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 2103, a bill to amend title XVIII of the Social Security Act to provide for increased Medicare reimbursement for nurse practitioners, clinical nurse specialists, and certified nurse midwives, to increase the delivery of health services in health professional shortage areas, and for other purposes.

S. 2104

At the request of Mr. GRASSLEY, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 2104, a bill to amend title XVIII of the Social Security Act to provide for increased medicare reimbursement for physical assistance, to increase the delivery of health services in health professional shortage areas, and for other purposes.

S. 2106

At the request of Mr. CRANSTON, the names of the Senator from Maine [Mr. COHEN] and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 2106, a bill to grant a Federal charter to the Fleet Reserve Association.

SENATE JOINT RESOLUTION 139

At the request of Mr. THURMOND, the names of the Senator from Missouri

[Mr. Danforth], the Senator from Idaho [Mr. Symms], the Senator from South Carolina [Mr. Hollings], the Senator from West Virginia [Mr. Byrd], the Senator from Florida [Mr. Mack], the Senator from Virginia [Mr. Warner], the Senator from Nebraska [Mr. Exon], the Senator from Rhode Island [Mr. Chafee], the Senator from Massachusetts [Mr. Kennedy], the Senator from Vermont [Mr. Leahy], the Senator from Mississippi [Mr. Cochran], the Senator from Alabama [Mr. Shelby], the Senator from Maine [Mr. Cohen], the Senator from Arkansas [Mr. Bumpers], the Senator from Connecticut [Mr. Dodd], the Senator from Nevada [Mr. Reid], the Senator from Nevada [Mr. Bryan], the Senator from Utah [Mr. Garn], the Senator from Connecticut [Mr. Lieberman], and the Senator from Florida [Mr. Graham] were added as cosponsors of Senate Joint Resolution 139, a joint resolution to designate October 1992, as "National Lock-In-Safety Month."

SENATE JOINT RESOLUTION 210

At the request of Mrs. Kassebaum, the names of the Senator from Maine [Mr. Mitchell], the Senator from West Virginia [Mr. Byrd], the Senator from Pennsylvania [Mr. Specter], the Senator from Connecticut [Mr. Lieberman], the Senator from Utah [Mr. Garn], the Senator from Texas [Mr. Bentsen], the Senator from Virginia [Mr. Robb], the Senator from Illinois [Mr. Dixon], the Senator from Arizona [Mr. DeConcini], the Senator from Michigan [Mr. Riegle], the Senator from Ohio [Mr. Glenn], the Senator from New Mexico [Mr. Domenici], the Senator from Alaska [Mr. Murkowski], the Senator from Virginia [Mr. Warner], the Senator from Mississippi [Mr. Lott], the Senator from Georgia [Mr. Nunn], the Senator from Oregon [Mr. Packwood], the Senator from Maine [Mr. Cohen], and the Senator from Washington [Mr. Adams] were added as cosponsors of Senate Joint Resolution 210, a joint resolution to designate March 12, 1992, as "Girl Scouts of the United States of America 80th Anniversary Day."

SENATE JOINT RESOLUTION 228

At the request of Mr. D'Amato, the names of the Senator from Alaska [Mr. Murkowski] and the Senator from Connecticut [Mr. Dodd] were added as cosponsors of Senate Joint Resolution 228, a joint resolution to designate the week beginning February 23, 1992, as "National Manufacturing Week."

SENATE JOINT RESOLUTION 233

At the request of Mr. Biden, the names of the Senator from Nebraska [Mr. Exon], the Senator from New Jersey [Mr. Bradley], and the Senator from Michigan [Mr. Levin] were added as cosponsors of Senate Joint Resolution 233, a joint resolution to designate the week beginning April 12, 1992, as "National Public Safety Telecommunicators Week."

SENATE JOINT RESOLUTION 236

At the request of Mr. D'Amato, the name of the Senator from New Jersey [Mr. Bradley] was added as a cosponsor of Senate Joint Resolution 236, a joint resolution designating the third week in September 1992 as "National Fragrance Week."

SENATE CONCURRENT RESOLUTION 65

At the request of Mr. Levin, his name was added as a cosponsor of Senate Concurrent Resolution 65, a concurrent resolution to express the sense of the Congress that the President should recognize Ukraine's independence.

SENATE CONCURRENT RESOLUTION 70

At the request of Mr. Sanford, the name of the Senator from Hawaii [Mr. Akaka] was added as a cosponsor of Senate Concurrent Resolution 70, a concurrent resolution to express the sense of the Congress with respect to the support of the United States for the protection of the African elephant.

SENATE CONCURRENT RESOLUTION 74

At the request of Mr. DeConcini, the names of the Senator from North Dakota [Mr. Conrad], the Senator from Pennsylvania [Mr. Specter], and the Senator from Vermont [Mr. Jeffords] were added as cosponsors of Senate Concurrent Resolution 74, a concurrent resolution calling for acceptance and implementation by certain republics of the commitments on human rights, fundamental freedoms, and humanitarian cooperation contained in the Helsinki Final Act and other documents of the Conference on Security and Cooperation in Europe.

SENATE RESOLUTION 213

At the request of Mr. Gore, the names of the Senator from California [Mr. Seymour] and the Senator from Utah [Mr. Hatch] were added as cosponsors of Senate Resolution 213, a resolution expressing the sense of the Senate regarding United States policy toward Yugoslavia.

SENATE RESOLUTION 227

At the request of Mr. Pressler, the name of the Senator from Montana [Mr. Burns] was added as a cosponsor of Senate Resolution 227, a resolution expressing the sense of the Senate that meaningful reforms with respect to agricultural subsidies must be achieved in the GATT negotiations.

SENATE RESOLUTION 242—INFORMING THE HOUSE THAT A QUORUM OF THE SENATE IS ASSEMBLED

Mr. MITCHELL submitted the following resolution; which was considered and agreed to:

S. Res. 242

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

SENATE RESOLUTION 243—INFORMING THE PRESIDENT OF THE UNITED STATES THAT A QUORUM OF EACH HOUSE IS ASSEMBLED

Mr. MITCHELL submitted the following resolution; which was considered and agreed to:

S. Res. 243

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

SENATE RESOLUTION 244—RELATING TO THE AMERICANS HELD HOSTAGE IN LEBANON

Mr. DeCONCINI submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 244

Whereas the last of the Americans held hostage in Lebanon, some for more than six years, have been released;

Whereas three of the American hostages were brutally killed by their captors;

Whereas the families of those held captive, and the families of those hostages killed in captivity, endured great hardships;

Whereas during the period of the hostages' captivity the families of the hostages and the American people kept the plight of the hostages foremost among their concerns while the President, the Secretary of State, United Nations Secretary General Javier Peres de Cuellar and his aide, Gian Domenico Picco, made every effort, diplomatic and humanitarian, to secure their release: Now, therefore, be it

Resolved, That the Senate hereby—

(1) expresses its elation at the release of the last of the Americans held hostage in Lebanon and its relief at their safe return to the United States;

(2) praises the courage and heroism displayed by the hostages during their years of captivity;

(3) further expresses its deep sorrow for the three Americans killed in captivity: William Buckley, Colonel William Higgins and Peter Kilburn;

(4) further expresses its outrage at the treatment of the hostages by their captors and at the brutal killing of the three American hostages;

(5) recognizes the courage of the hostages' families in enduring years of fear and uncertainty; and

(6) praises the indefatigable efforts of United Nations Secretary General Javier Peres de Cuellar and his aide, Gian Domenico Picco, as well as those of President Bush and other officials of the United States Government, to secure the release of the Americans and other hostages held captive in Lebanon.

• Mr. DeCONCINI. Mr. President, I rise today to offer a resolution recognizing the release of the American citizens held captive in Lebanon, and to praise them for their courage, tenacity, and dignity under duress. My resolution also recognizes their families, who had to endure years of cruel torment with fear and uncertainty over the well being, and indeed, the very lives of their loved ones. Throughout their long ordeal, both the hostages and their families have been a source of concern, prayer, and inspiration for millions of Americans.

Fortunately, Mr. President, most of the hostages were returned to their homes in time to celebrate the holiday season with their families. But the tales of brutality that they endured, and the psychological and physical scars that they will carry throughout their lives, make their return a bittersweet event. Alann Steen, seized January 24, 1987, has permanent brain damage from being beaten and having his head slammed against a wall 4 years ago. He still suffers from seizures and blackouts. Joseph Cicippio, seized September 12, 1986, has permanent damage to his hands and feet from frostbite sustained when he was chained on an outside balcony for two winters. Thomas Sutherland, taken captive June 9, 1985, suffers from dental and mobility problems due to repeated beatings. Each of the former hostages can relate similar acts of horror sustained at the hands of cruel and unmerciful terrorists.

I would like to offer special recognition to Terry Anderson, the longest held hostage, whose ordeal lasted 2,455 days. He met his 6-year-old daughter, Sulome, for the first time last month. It was Anderson's family who kept his cause alive, and kept the public's attention focused on the plight of all the hostages. Anderson's sister, Peggy Say, made several trips to Arab capitals, meeting with officials and clerical leaders to plead for her brother's release. She made herself available to anyone who cared to listen.

Anderson's brother, Rich, made a video while lying in a hospital bed dying of cancer. He pleaded: "I have made a vow, that I would not die before I saw my brother one more time. That vow is coming to an end. Please, let me see my brother just one more time before I die." Sadly, his last wish went unfulfilled.

We rejoice with Terry Anderson, Thomas Sutherland, Joseph Cicippio, Edward Tracy, Jesse Turner, and Alann Steen. They are home with their families. Their nightmare, and ours, has ended. Tragically for three of our citizens, CIA station chief William Buckley, Lt. Col. William Richard Higgins, and Peter Kilburn, the nightmare has a different ending. These three men died at the hands of their brutal and sadistic captors. Colonel Higgins deliberately stepped in harm's way as a member of the special United Nations peacekeeping force in Lebanon. The reward for his service was a sentence of torture and death, at the hands of a group calling itself the Revolutionary Justice Organization. The sight of Colonel Higgins dangling lifelessly from the end of a rope is hauntingly etched upon my memory and the memory of millions, especially, I'm certain, his wife, family, and friends.

Mr. President, now that their nightmare is over, these brave men and their devoted families deserve recognition for their heroism in the face of the atrocities they endured. Recognition by this body will not heal their physical ailments or wash away the scars of their captivity. It is our obligation, however, not to let this episode face from our Nation's memory. We must use this occasion not only to show our appreciation for their courage, but also to demonstrate that our Nation cannot be held hostage to inhumane terrorist organizations and their radical demands.

Mr. President, I ask my colleagues to join me in supporting this resolution. For their courage in enduring the pain and agony of captivity, these former hostages and their families deserve the recognition of the U.S. Senate. It is the very least we can do.●

SENATE RESOLUTION 245—SUPPORTING UNITED STATES WORKERS AND OBJECTING TO ATTEMPTS BY THE JAPANESE PRIME MINISTER TO UNDERMINE THE PRESIDENT'S TRADE MISSION

Mr. DIXON (for himself and Mr. RIEGLE) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 245

Whereas the United States worker is one of the most productive in the world;

Whereas it was the hard work, dedication, and efficiency of United States workers that made the United States the number one industrial power in the world;

Whereas the quality of United States products is one of the best in the world;

Whereas the United States has been able to successfully export to other areas of the world;

Whereas the trade deficit with Japan for 1991 is approximately $42 billion;

Whereas United States and other foreign auto makers attempting to sell in Japan have less than 3 percent of the Japanese market;

Whereas Japan's structural impediments, such as restrictive distribution system, exclusionary business practices, keiretsu relationships, regulatory system, land policy, and predatory pricing practices, prevent United States companies from fairly competing in Japan;

Whereas Japan's tariffs and quotas on foreign agricultural goods restrict the import of United States agricultural products into Japan;

Whereas Japan still violates United States copyright, patent, and trademark protection laws; and

Whereas Japan still restricts foreign direct investment in certain industries and the United States permits unrestricted foreign investment: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Senate objects to—

(1) the comments made by Japan's Speaker of the House, Yoshio Sakurauchi, regarding American workers, and

(2) the statements made by Prime Minister Kiichi Miyazawa undermining the commitment that was made with President Bush.

Mr. DIXON. Madam President, Speaker of the House Yoshio Sakurauchi said that America lost its global lead because its workers "want high pay without working for it," according to the newspaper, Yomiuri Shimbun.

Mr. Sakurauchi went on to say that the "real reason" for the United States trade deficit with Japan is the "deterioration in the quality of U.S. workers."

Mr. Sakurauchi's comments are dead wrong. The U.S. worker is one of the most productive in the world.

In fact, the United States is rated No. 1 compared to Canada, Japan, Korea, Germany, and Britain in terms of gross domestic product produced per employed person.

It was the hard work, dedication, and efficiency of U.S. workers that made the United States the No. 1 industrial power in the world.

Americans still produce some of the highest quality products in the world made from high-technology computers to blue jeans. "Made in America" means a quality made product.

What Mr. Sakurauchi and Prime Minister Miyazawa neglected to mention was the unfair trade barriers facing United States products in Japan. Japan's structural impediments—restrictive distribution system, exclusionary business practices, keiretsu relationships, regulatory system, land policy, and predatory pricing practices—prevent United States companies from fairly competing in Japan.

Prime Minister Kiichi Miyazawa told NHK television network in Japan that Japan's announcement to purchase 20,000 cars and $19 billion in auto parts was "a target rather than a firm promise."

Further, Toyota chairman Eiji Toyota, who had announced a plan to sell GM cars through his company's dealerships, said that Toyota will "consider the possibility of selling GM cars. It is too much to say we will actually sell them."

This is an outrage. These statements seriously undermine the commitment that Prime Minister Kiichi Miyazawa made with President Bush, and the comments of Speaker Sakurauchi are insulting to the American worker.

I ask unanimous consent at this point in time to have printed in the RECORD productivity information that I think is pertinent to what I have said here.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RELATIVE LEVELS: PURCHASING-POWER-PARITY EXCHANGE RATES

Real Gross Domestic Product, Real GDP per Capita, and Real DGP per Employed Person, Output Based on OFCD Price Weights (United States = 100)

Year	United States	Canada	Japan	Korea	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Sweden	United Kingdom
Gross domestic product per employed person:														
1950	100.0	76.1	15.7	NA	30.9	47.2	NA	38.1	34.3	29.6	49.7	43.3	NA	54.4
1955	100.0	78.0	18.8	NA	34.0	47.2	44.8	41.0	40.7	34.4	52.4	44.7	NA	52.2
1960	100.0	79.0	24.1	NA	39.2	50.7	53.1	47.7	49.5	42.1	57.5	50.5	52.4	54.7
1961	100.0	78.2	26.6	NA	40.0	51.5	54.0	49.0	49.7	44.1	56.9	51.4	53.6	54.5
1962	100.0	78.9	27.2	NA	39.7	51.6	54.3	50.6	50.1	45.4	56.3	50.8	53.8	53.0
1963	100.0	79.0	29.0	13.0	40.5	52.1	52.5	51.5	50.1	47.5	55.9	51.1	54.9	53.7
1964	100.0	79.0	31.4	13.6	41.7	53.3	54.3	52.7	51.8	47.6	57.9	51.9	56.1	54.1
1965	100.0	78.7	31.5	13.2	41.8	53.2	54.2	53.3	52.5	48.8	58.5	52.5	56.0	53.0
1966	100.0	78.5	33.2	14.1	43.4	53.2	53.0	54.1	52.7	51.1	58.0	52.8	55.5	52.6
1967	100.0	78.2	35.8	14.3	45.3	55.3	54.9	56.2	54.1	53.9	61.0	55.4	57.8	54.4
1968	100.0	79.3	38.9	14.9	47.0	56.5	55.4	57.7	55.9	56.3	63.3	55.5	58.1	55.8
1969	100.0	81.1	43.2	16.5	50.0	59.3	58.3	60.8	59.1	60.2	66.4	57.5	59.9	56.6
1970	100.0	83.0	47.3	17.5	53.8	63.5	59.6	63.9	61.9	63.6	70.0	58.2	63.0	58.6
1971	100.0	83.9	47.9	18.2	54.6	63.9	59.5	65.2	62.1	63.2	70.9	59.0	62.3	59.7
1972	100.0	84.6	50.8	17.9	56.5	66.2	60.2	66.4	63.2	64.9	72.5	60.2	62.4	59.7
1973	100.0	85.5	52.5	19.1	57.4	68.4	60.6	68.0	64.6	67.8	74.7	61.3	63.6	62.2
1974	100.0	88.0	53.7	20.5	60.7	71.9	61.8	71.3	67.2	72.0	78.9	65.3	66.0	63.1
1975	100.0	88.7	55.4	21.6	60.7	71.9	62.1	71.7	68.1	69.6	79.3	66.7	66.3	62.9
1976	100.0	90.9	56.3	22.7	62.2	75.2	64.0	73.1	71.0	72.6	81.5	67.9	65.8	64.8
1977	100.0	91.7	57.6	24.2	63.8	75.1	63.9	74.1	72.2	73.6	81.1	67.9	64.0	64.8
1978	100.0	91.8	59.2	25.5	63.1	76.4	63.6	75.6	73.2	75.6	81.6	69.1	64.3	66.0
1979	100.0	92.3	62.1	27.2	66.1	77.9	65.6	78.6	75.4	79.8	82.6	72.0	66.3	67.1
1980	100.0	91.6	64.1	26.5	68.3	81.8	66.0	80.3	75.6	82.5	81.3	73.9	67.1	66.9
1981	100.0	91.6	65.3	27.6	67.4	82.0	65.7	81.1	75.2	82.0	79.6	73.2	66.5	68.0
1982	100.0	93.4	67.8	28.9	70.1	85.7	68.6	84.4	76.6	83.7	80.2	74.6	68.5	70.8
1983	100.0	93.6	66.9	31.0	70.4	84.9	68.4	83.3	77.1	82.4	81.0	76.5	67.9	72.2
1984	100.0	94.5	67.5	33.2	69.3	84.4	68.3	82.9	76.9	81.8	79.6	78.2	68.1	70.2
1985	100.0	95.0	69.3	33.7	69.8	83.4	68.4	83.4	76.6	82.3	78.1	78.9	67.9	70.8
1986	100.0	94.9	70.0	36.3	69.8	83.6	68.7	84.8	76.7	83.5	77.9	79.2	68.5	72.6
1987	100.0	95.0	71.5	38.2	70.5	84.2	67.6	85.6	76.5	85.4	76.5	78.4	69.2	73.6
1988	100.0	94.0	73.1	40.4	70.6	85.0	66.5	86.6	77.0	85.7	76.2	76.9	68.3	72.2
1989	100.0	94.6	74.6	41.1	72.2	86.9	67.4	88.7	78.0	88.4	77.3	78.9	68.4	71.5
1990	100.0	93.0	76.9	43.3	74.4	88.7	68.6	89.7	79.1	88.4	77.7	80.4	67.7	71.2

AMENDMENTS SUBMITTED

NATIONAL LITERACY ACT OF 1992

WOFFORD AMENDMENT NO. 1464

(Ordered to lie on the table.)

Mr. WOFFORD submitted an amendment intended to be proposed by him to the bill (S. 2) to promote the achievement of national education goals, to establish a National Council on Educational Goals and an academic report card to measure progress on the goals, and to promote literacy in the United States, and for other purposes, as follows:

On page 24, line 12, strike "and" the second place such term appears.

On page 24, line 13, insert "and" after the semicolon.

On page 24, between lines 13 and 14, insert the following:

(J) the use of service-learning teaching methods and involvement in community service;

On page 45, line 17, insert "the Commission on National and Community Service" after "centers,".

On page 53, line 7, strike "and".

On page 53, between lines 7 and 8, insert the following:

(13) service-learning and student community service projects; and

On page 53, line 8, strike "(13)" and insert "(14)".

• Mr. WOFFORD. Mr. President, I submit an amendment to integrate community service into the school reform efforts of the Neighborhood Schools Improvement Act. This act will make great strides in preparing the work force of the 21st century. These efforts can only be strengthened by helping our children to take personal responsibility and direct action against the pressing problems facing their communities.

When integrated into a school's curriculum, community service can enhance student performance in the entire range of studies. A youngster who tutors others in algebra hones his own math skills. A child who plants trees in a public park learns about biology. And a child who helps a recent immigrant learn English will gain a greater understanding of the rules of grammar. Community service can benefit all types of students—from those who are bored with traditional course work to those particularly gifted students who need greater challenges to remain interested in school.

I know from my own community service work that much of the pioneering work in service-learning is being done at the State level. In Pennsylvania, the statewide PENNserve Program is working to infuse schools, community organizations, colleges, and job training systems with a culture of service. In Fulsome, PA, students learn physics as they help families to make their homes more energy efficient. In Philadelphia, students teach younger children about preventive health care—reinforcing the importance of preventive health care in their own lives. I hope the amendment I am introducing today will help PENNserve to continue to thrive, and will help other States to learn from PENNserve's example.

The strength of our democracy depends on educated, informed, and involved citizens. We must instill in children from an early age that they are part of a larger community—and that citizenship entails certain responsibilities.

But beyond that, children gain the confidence that comes from realizing that they are needed and valued, and that through their actions they can effect change—both in their own lives, and in the world. This confidence will help children to succeed in school. Often, children become disillusioned with education because they see its benefits as some vague and distant promise of future prosperity. With community involvement, the children see direct results from their work.

The community benefits from more than just the services provided by students. Too often, the younger generation is viewed in terms of its problems; drug addiction, teenage pregnancy, gang violence. Community service can help us to see them as a resource rather than a threat. Community service can build bridges between the generations.

The amendment I am introducing integrates the concept of service-learning into the broader program of school reform. The first provision of this amendment would require the National Council on Education Goals to review data on how service-learning can improve not just citizenship but also achievement in traditional subjects. Too many educators still see community service as an extracurricular activity. The National Council on Education Goals will have the resources and attention needed to show that community service is an integral part of school reform.

My amendment also encourages grant applicants to use the Commission on National and Community Service as a resource in developing their reform plan. The Commission, which was created by the National and Community Service Act of 1990, can provide research and information on model service projects. School-based community service programs are best developed by individual schools—for only they know the true needs of their communities. But teachers and administrators can learn from the experience of other schools in establishing service projects that best suit their students and their communities.

And finally, this amendment will help schools to develop their own service-learning programs by encouraging schools to use grants for community service projects. This amendment does not ask for any more Federal funds—it merely encourages schools with community service programs to apply for the grants established by S. 2. Federal funding will allow innovative service programs to grow, providing even more children with the opportunity to serve.

Education does not need to be an isolating process. We lose sight of the goals of education if we allow it to occur in a vacuum. Service-learning will help us to expand classrooms to include the community, the Nation, and the world.●

DURENBERGER (AND LIEBERMAN) AMENDMENT NO. 1465

(Ordered to lie on the table.)

Mr. DURENBERGER (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by them to the bill S. 2, supra, as follows:

On page 34, line 11, strike "and" the second place such term appears.

On page 34, between lines 11 and 12, insert the following:

(iii) initiatives to expand the number and diversity of school choices available by establishing new chartered public schools, including—

(I) planning, equipment purchases, and other startup costs of new chartered public schools; and

(II) minor renovation of facilities necessary to meet applicable State and local health and safety requirements; and

On page 34, line 12, strike "(iii)" and insert "(iv)".

On page 56, between lines 22 and 23, insert the following:

(1) the term "chartered public school" means a school—

(A) that is nonsectarian in its programs, admission policies, employment practices, and all other operations;

(B) the sponsor of which does not support a chartered public school or program that is affiliated with a nonpublic sectarian school or a religious institution;

(C) that has a primary focus of providing a comprehensive program of instruction for at least one grade from kindergarten to twelfth grade or one age group from 5 to 18 years of age;

(D) that does not charge tuition;

(E) that complies with title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, and the procedural safeguards under the Individuals with Disabilities Education Act;

(F) in the event that more students choose to attend than may be accomodated, that admits students on the basis of a lottery;

(G) that is subject to the same Federal and State audits and audit procedures and requirements as any other school located in the State in which such school is located;

(H) that meets all State and local health and safety requirements;

(I) that has entered into an outcome-based performance contract with a sponsor;

(J) that has been granted a waiver of all State and Federal statutes and regulations applicable to a school board, local educational agency or school district that are relevant to and hinder the establishment of a chartered public school in such State, except regulations or statutes described in subparagraph (E), (G) or (H);

(K) that is eligible to receive Federal, State, and local education revenue, grants and other aids as though such school were a local educational agency;

On page 56, line 23, strike "(1)" and insert "(2)".

On page 57, line 1, strike "(2)" and insert "(3)".

On page 57, line 4, strike "(3)" and insert "(4)".

On page 57, between lines 7 and 8, insert the following:

(5) the term "outcome-based performance contract" means a—

(A) written, multiyear agreement between a chartered public school and a sponsor that—

(i) sets forth specific outcomes to be achieved by the students attending the chartered public school;

(ii) provides a description of how the chartered public school shall be required to meet the definition of chartered public school as described in paragraph (11);

(iii) provides an explanation of how progress in meeting the required outcomes shall be measured; and

(iv) contains a description of how teachers, parents, and community members have been, or will be, involved in the planning, development and implementation of the chartered public school;

On page 57, line 8, strike "(4)" and insert "(6)".

On page 57, line 13, strike "(5)" and insert "(7)".

On page 57, line 17, strike "(6)" and insert "(8)".

On page 57, line 21, strike "(7)" and insert "(9)".

On page 57, line 23, strike "(8)" and insert "(10)".

On page 58, before line 1, insert the following:

(11) the term "sponsor" means a—

(A) school board;

(B) local educational agency;

(C) joint board formed for educational purposes if at least one member of such board is a school board;

(D) State education agency; or

(E) any other State or public agency designated by State law to act as a sponsor for a chartered public school;

On page 58, line 1, strike "(9)" and insert "(12)".

On page 58, line 4, strike "(10)" and insert "(13)".

CRAIG AMENDMENTS NOS. 1466 AND 1467

(Ordered to lie on the table.)

Mr. DOLE. (for Mr. CRAIG) submitted two amendments intended to be proposed by him to the bill S. 2, supra, as follows:

AMENDMENT NO. 1466

On page 2, after the item relating to section 212, insert the following:

TITLE III—FREEDOM OF SPEECH ON CAMPUS

Sec. 301. Short title

Sec. 302. Prohibition of discrimination.

On page 2, in the table of contents, redesignate the item relating to title III as the item relating to title IV.

On page 2, in the table of contents, redesignate the item relating to section 301 as the item relating to section 401.

On page 56, between lines 19 and 20, insert the following:

TITLE III—FREEDOM OF SPEECH ON CAMPUS

SEC. 301. SHORT TITLE.

This Act may be cited as the "Freedom of Speech on Campus Act of 1992".

SEC. 302. PROHIBITING OF DISCRIMINATION.

(a) IN GENERAL.—Title IX of the Education Amendments of 1972 is amended by inserting after section 901 (20 U.S.C. 1681) the following new section:

"SEC. 901A. PROHIBITION OF DISCRIMINATION BASED ON PROTECTED SPEECH.

"(a) PROHIBITION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), no student attending an institution of higher education shall, on the basis of protected speech, be excluded from participation in, be denied the benefits of, or be subjected to discrimination or official sanction under, any education program or activity receiving Federal financial assistance under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

"(2) RELIGIOUS AND MILITARY INSTITUTIONS.—Paragraph (1) shall not apply to an institution of higher education—

"(A) that is controlled by or affiliated with a religious organization, if the application of this section would not be consistent with the religious tenets of such organizations; or

"(B) whose primary purpose is the training of individuals for—

"(i) the military service of the United States; or

"(ii) the merchant marine.

"(b) CONSTRUCTION.—Nothing in subsection (a) shall be construed to prevent—

"(1) the imposition of an official sanction on a student determined to have willfully participated in the disruption or attempted disruption of a lecture, class, speech, presentation, or performance, made or scheduled to be made, under the auspices of the institution of higher education; or

"(2) actions by the institution of higher education that are necessary to ensure—

"(A) the safety of individuals;

"(B) the protection of property; and

"(C) the continuation of the academic and administrative process without interference.

"(c) DEFINITIONS.—As used in this section:

"(1) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1441(A)).

"(2) PROTECTED SPEECH.—The term 'protected speech' means speech that is protected under the first and fourteenth amendments to the United States Constitution, or would be so protected if the institution of higher education were subject to those amendments.

"(3) OFFICIAL SANCTION.—The term 'official sanction'—

"(A) means expulsion, suspension, probation, censure, condemnation, reprimand, or any other disciplinary, coercive, or adverse action taken by in institution of higher education or an administrative unit of the institution; and

"(B) includes an oral or written warning made by an official of an institution of higher education acting in the official capacity of the official.".

(b) FEDERAL ADMINISTRATIVE ENFORCEMENT.—Section 902 of the Education Amendments of 1972 (20 U.S.C. 1682) is amended in the first sentence by striking out "section 901" and inserting "sections 901 and 901A".

AMENDMENT NO. 1467

On page 2, after the item relating to section 212, insert the following:

TITLE III—FREEDOM OF SPEECH ON CAMPUS

Sec. 301. Findings.
Sec. 302. Sense of the Senate.

On page 2, in the table of contents, redesignate the item relating to title III as the item relating to title IV.

On page 2, in the table of contents, redesignate the item relating to section 301 as the item relating to section 401.

On page 56, between lines 19 and 20, insert the following:

TITLE III—FREEDOM OF SPEECH ON CAMPUS

SEC. 301. FINDINGS.

The Congress finds that—

(1) free speech is a fundamental right and a safeguard against political and intellectual tyranny;

(2) curtailment of free speech strikes twice at intellectual freedom, for whoever deprives a person of the right to state unpopular views necessarily deprives other persons of the right to listen to the views;

(3) the primary and traditional function of a university is to disseminate knowledge and assist in the search for truth, and, in order to carry out the function, to do everything possible to ensure the free exchange of ideas and the fullest degree of intellectual freedom;

(4) therefore, to carry out the function of the university, every member of the university has an obligation to permit free expression, and every university official has a special obligation to foster freedom of speech and to ensure that the speech is not obstructed, at the university; and

(5) unfortunately, some universities and other institutions of higher education are using Federal funds to institute prior restraints on speech, by taking action such as instituting behavior codes and harassment policies that require "politically correct" speech, with the effect of suppressing unpopular viewpoints.

SEC. 302. SENSE OF CONGRESS.

It is the sense of Congress that students attending universities, or other institutions of higher education, that receive Federal funds should be able to exercise full rights to freedom of speech on campus free from official intrusion.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for my colleagues and the public that an oversight hearing has been scheduled before the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on the Hawaiian Homes Commission Act.

The hearing will take place on Thursday, February 6, 1992, at 9:30 a.m., in room SD-628 of the Dirksen Senate Office Building, First and C Streets, NE., Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, Attention: Allen Stayman.

For further information, please contact Allen Stayman of the committee staff at (202) 224-7865.

COMMITTEE ON ENERGY AND NATURAL RESOURCES, SUBCOMMITTEE ON WATER AND POWER

Mr. BRADLEY. Mr. President, I would like to announce for the public that a field hearing has been scheduled before the Subcommittee on Water and Power of the Senate Committee on Energy and Natural Resources to receive testimony on the safety of Jordanelle Dam, central Utah project.

The hearing will take place Saturday, February 1, 1992, beginning at 9 a.m., in the Wasatch High School Auditorium, 600 South Main Street, Heber City, UT.

Due to the limited time available at the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the printed hearing record is welcome to do so. Those persons wishing to submit written testimony should mail five copies of the statement to the Subcommittee on Water and Power, U.S. Senate, 304 Dirksen Senate Office Building, Washington, DC 20510-6150.

For further information, please contact Tom Jensen, counsel for the subcommittee at (202) 224-2366 or Anne Svoboda at (202) 224-6836.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON POW/MIA AFFAIRS

Mr. KENNEDY. Mr. President, I ask unanimous consent for the Senate Select Committee on POW/MIA Affairs to meet Tuesday, January 21, 1992, at 2:30 p.m. in 216 of the Senate Hart Office Building to examine the claim of former KGB Gen. Oleg Kalugin regarding Soviet interrogation of American POW's in the Vietnam war.

ADDITIONAL STATEMENTS

LEARNING TO LISTEN

• Mr. ROCKEFELLER. Mr. President, 11-year-old Sarah Creel of Tucson, AZ, visited Jackson County, WV, this summer, spending time at the Cottageville home of her grandparents, Don and Joyce.

Don Creel spent almost 30 years working at Ravenswood Aluminum. Now, like most of his coworkers, he has been locked out. Sarah sensed the anger and sadness her grandparents felt at the loss of jobs and the loss of community, and like a true West Virginian, decided to do something about it. She wrote a letter to President Bush:

> Dear Mr. Bush: I'm 11 years old and I live in Tucson, Arizona. I came to Ravenswood, WV, to visit my grandparents.
>
> My grandfather has worked at R.A.C. aluminum plant for 28½ years. This aluminum plant has been involved in a labor dispute since November 1, 1990. This is totally unfair to the working class people of America. I know when I reach my grandfather's age, I would like to be enjoying my life, not fighting for my job.
>
> I came to Ravenswood May 29, and from seeing the suffering my grandparents and fellow union members have gone through, I strongly urge you not to veto the [strikebreaker bill]. Thank you very much.
>
> Sincerely,
>
> SARAH A. CREEL.

This is a thoughtful letter from a concerned granddaughter, and one she obviously put a great deal of time and effort into. The President's response?

> Dear Young Friend: I appreciate hearing from you. Thanks for sharing your thoughts and concerns with me.
>
> Mrs. Bush and I hope that you will have a lot of fun during your summer vacation, but that you also will take full advantage of your extra time. This may include spending more time reading, keeping up with hobbies that you may have, exercising more, and making a special effort to help someone who is less fortunate than you.
>
> Whatever you choose to do, Mrs. Bush and I send you our warmest wishes for a wonderful summer.
>
> Sincerely,
>
> GEORGE BUSH.

This letter is a truly sad example of one of President Bush's key failings: he does not listen. He does not hear the concerns of a little girl, and he does not see the needs of the working people of this country.

George Bush has visited 35 nations since he was sworn in—a record. He has set another record as well: the worst economic growth of any Presidency since World War II.

President Bush was too focused on foreign policy to listen to the people of America who needed an extension of unemployment insurance benefits. He actually called the plan to provide the benefits garbage—benefits that Americans wanted, and thousands desperately needed.

President Bush is not listening to Americans demanding better health care coverage. Meanwhile, the costs of our health care system are spiraling out of control—crippling our economy, breaking the backs of workers, bankrupting businesses and threatening labor agreements that have been worked out over decades.

He treats the middle-class in our country like second-class citizens. He fights for a capital gains tax cut for speculators, but will not lift a finger for a tax cut for families with children.

George Bush has threatened to veto the strikebreaker bill, and did not even understand—or respond to—the simple, compelling concern of an 11-year-old girl for her grandfather.

Sarah Creel wrote George Bush again. She said he "ignored the issue." Three months later, he is still ignoring her—he still has not written her back. Let us hope that soon he begins to listen to Sarah, and to the millions of other Americans he has ignored for so long.•

HONORING MILWAUKEE ELECTRIC TOOL CO.

• Mr. KASTEN. Mr. President, it is essential to the future of the economy that we learn from the example of companies that succeed—companies that prosper due to their hard work and commitment to excellence.

One such company is the Milwaukee Electric Tool Co. in Brookfield, WI. Overcoming serious challenges from its foreign competitors, Milwaukee Electric Tool has carved out a solid niche for itself as a producer of high-quality power handtools.

The success story of this outstanding company is well-recounted in an article in the Milwaukee Journal of December 22. I compliment the company's president, Richard Grove, and the 625 employees on their terrific track record. I ask that the full text of the Milwaukee Journal article be printed at the conclusion of my remarks.

The article follows:

QUIET FORCE IN POWER TOOLS LENDS CITY'S NAME TO QUALITY

(By John Fauber)

BROOKFIELD.—Don't be fooled by the lightning bolt under the nameplate on Milwaukee Electric Tool Co. products. This is not a flashy company.

Sure, the Brookfield-based manufacturing firm spent much of the 1980s fighting foreign competition, enduring Wall Street takeovers and quietly growing to sales that will reach nearly $250 million this year.

But most of that was done in relative obscurity.

Though its 625-person work force ranks it as Brookfield's largest private employer, and its highly regarded power hand tools carry the Milwaukee name all over North America, Milwaukee Electric Tool has remained one of the Milwaukee area's biggest secrets.

"The company has taken the position in the past that the people who need to know who we are know us," said Richard Grove, who took over as president in September. "Our markets know who we are. Our suppliers know who we are. The fact that the man on the street doesn't know who we are doesn't matter."

Grove might sound overly dismissive, but his remark is founded in market research that year-in and year-out suggests that Milwaukee Electric Tool has some of the highest brand awareness among professional power hand tool companies selling in the U.S. market.

Even its competitors say kind things about the quality and reliability of its products.

"It's a good, solid, traditional example of American craftsmanship that for many years has been respected and revered by its customers and competitors," said Roy Thompson, marketing manager for Makita USA Inc., a Japanese-owned power hand tool company. "It really is a class act."

Thompson added, however, that over the last decade Milwaukee Electric Tool has lost market share to Makita and other competitors.

THE PROFESSIONAL'S CHOICE

Milwaukee Electric manufacturers more than 300 power tools, including drills, sanders, saws, rotary hammers, heat guns and a growing line of cordless products. The tools are especially popular with professional electricians, carpenters, plumbers and other tradesmen.

Milwaukee Electric and companies such as Black & Decker, Makita, Porter Cable and Robert Bosch a German firm, compete in the $1-billion-plus US market for professional power tools and accessories.

Milwaukee Electric's market acceptance "is only short of excellent," said Robert Robischon, manager of Syracuse Industrial Sales Co. Ltd., a power hand tool distributor in Syracuse, N.Y.

But, he added, "All power tool manufacturers are really fighting for the other guy's market share."

For years, Milwaukee Electric's products were sold mainly through industrial and commercial supply houses. However, in recent years the company's tools have become fixtures in hardware and do-it-yourself stores as well.

Despite a low profile in its home town, Milwaukee Electric Tool has not escaped the attention of Wall Street.

The company was founded here by Albert Siebert in 1924. It remained in the ownership of Siebert's family until 1975, when Amstar Corp., a New York firm that also owned Domino Sugar, bought it for $30.5 million.

At the time, the company's sales were $47 million a year, about one-fifth of what they are today.

The company's growth and earnings potential continued to attract Wall Street's attention after Amstar took the reins.

In 1983, a hostile takeover attempt by a corporate raider put the company in play, and although that takeover failed, the New York investment banking firm of Kohlberg Kravis & Roberts wound up buying Amstar and Milwaukee Electric Tool in a leveraged buyout in 1984.

In 1986, Merrill Lynch Capital Partners, a branch of the New York-based brokerage and investment banking operation, bought the company in another LBO and has retained a controlling interest since.

About three years ago, there were rumors that Black & Decker was considering buying Milwaukee Electric Tool. Grove declined to comment on that.

But Gary DiCamillo, president of the US power tool division of Black & Decker, in Towson, Md., said his firm and several others had actively considered buying Milwaukee Electric Tool. "They [Merrill Lynch] didn't accept our bid," DiCamillo said.

RIDING OUT THE WAVES

Despite Wall Street's ongoing stake in the company and the specter of burdensome debt and short-sighted vision often associated with leveraged buyouts. Milwaukee Electric apparently has weathered the storms.

Company president Grove said capital spending had increased in recent years. In 1991, the company will spend a record $8 million, he said.

It has growing engineering and research and development departments here, which have helped to step up the pace of new product development.

The company also has invested heavily in its Pewaukee electronics division, a high-tech operation that designs and manufacturers electronic control modules for power tools and battery chargers for cordless tools.

The company's main manufacturing plant, at 13135 W. Lisbon Road in Brookfield, is undergoing a makeover into several manufacturing cells, which has cut down set-up time and reduced the need for inventory and space.

The extra space has allowed the company to bring in equipment to manufacture blades for its popular Sawzall reciprocating saw, and it will add about 20 jobs in coming months, Grove said.

Hourly employes at the Brookfield plant earn about $13 an hour. Grove said. They also participate in a profit-sharing arrangement that puts up to an additional 15% of their compensation into a pension plan.

Grove said the company had not had an unprofitable year in decades.

A DE-UNIONIZED SHOP

For many years, the company's hourly employes had been unionized, but in 1983 they soundly rejected affiliation with the International Association of Machinists. In the process, the employes also voted out their independent union and have remained a nonunion operation ever since.

One of the company's better-known alumni, Milwaukee Mayor John Norquist, recalled an effort to affiliate with the United Auto Workers when he worked at the company from 1972 to 1974. It failed by 12 votes, and the employes continued on with their independent union, he said.

Norquist, who worked on the third shift polishing electric tool bodies, was editor of the union's newsletter at the time.

Despite the normal amount of labor-management tension, employes had a great deal of pride in their work, he said He said they referred to the company as "the tool."

"It's the Cadillac of tools, as far as trades people are concerned," Norquist said. "I really had a warm feeling about working there."

Norquist left the company in 1974 when he was elected to the state Assembly.

Milwaukee Electric also has plants in Blytheville, Ark., and Jackson, Miss.

Because of a slump in sales, the company earlier this year temporarily laid off about 80 workers in Brookfield and cut back the hours of other hourly employes by switching to an alternate-week work schedule.

However, Grove said the laid-off workers have been called back, and the company has returned to a regular work schedule. Still, he said, 1991 sales would be down 7 percent.

Next year does not promise to be a spectacular growth period either.•

A FUNNY THING IS HAPPENING TO TV'S PUBLIC FORUM

• Mr. SIMON. Mr. President, I have expressed concern about the Public Broadcasting Services [PBS] increased dependence on commercials, that it is twisting what public television was designed to do.

I am a strong supporter of public broadcasting, and I believe that National Public Radio also performs a valuable service.

Recently, Patricia Aufderheide, who teaches at the School of Communication at the American University in

Washington, DC, had an article in the Columbia Journalism Review outlining her concerns about what is happening with PBS.

The thoughts she expresses deserve a much wider audience than, with all due respect, the Columbia Journalism Review has.

I hope my colleagues and their staffs will read the article by Ms. Aufderheide, and I ask to insert it into the RECORD at this point.

The article follows:

[From the Columbia Journalism Review, November to December 1991]

A FUNNY THING IS HAPPENING TO TV'S PUBLIC FORUM

(By Pat Aufderheide)

This past July, public TV's *P.O.V.* (for "point of view") aired Marlon Riggs's *Tongues Untied*. But eighteen of the Public Broadcasting Service stations in the top fifty markets refused to run the video poem on African-American gay identity. Too risky.

In August, before there was even a whiff of controversy, PBS yanked another scheduled *P.O.V.* film, *Stop the Church*, which documents AIDS activists' disruption of a mass led by Cardinal John O'Connor. Way too risky.

Public television is supposed to be a place where freedom of expression can flourish—not only in gutsy journalism and wide-ranging talk shows, but also in creative work that showcases the range of perspectives in a multicultural nation. Television viewers value its First Amendment functions; they rate the service a highly valuable community institution (more so than newspapers), and rank it higher than commercial television as a source for understanding important issues.

At the very least, public television is supposed to do what commercial television won't or can't. But, all too often, public television won't or can't.

Consider national public affairs, a weak spot in commercial TV. And then look at the Voters Initiative debacle. The John & Mary R. Markle Foundation had pledged $5 million for 1992 electoral coverage—a chance to break out of soundbite-driven campaigns—if PBS could come up with something new and convinced stations to carry the programs. After more than a year had passed and $400,000 had been spent, Lloyd N. Morrisett, the foundation's president, withdrew the offer in despair. PBS had never even gotten stations to agree to air programs. One potential co-founder and longtime supporter of public television, Eli N. Evans, president of the Charles H. Revson Foundation, said he was "stunned" that the deal fell through "because of an unwillingness to commit that level of time to something they felt would not generate as much membership revenue and support as their other programming."

A few weeks later, PBS proudly announced joint political convention coverage with NBC. "You get the newsgathering of NBC plus the perspective Robin [MacNeil] and Jim [Lehrer] give to those activities," PBS president Bruce Christensen said. "It's a wonderful match and marriage." Not everyone agrees. "If PBS and NBC have so much in common, why do we need public television?" muttered one PBS station staffer. In mid-October, the Markle Foundation gave $3.5 million to an organization it thought *could* deliver innovative election coverage—CNN.

Community news and public affairs—another weak spot in commercial television—is also ailing on public television. In the face of cutbacks in 1990, Boston's WGBH cancelled its unique, fifteen-year-old *Ten o'Clock News*, substituting cheaper public affairs shows. WNET in New York, which had already dropped two local news programs last year, shrank staff for its replacement "talk-television" shows. Los Angeles station KCET, which in palmier days had a nightly news show, has cut back the production cost of its remaining local programming, emphasizing studio segments and talk rather than investigative field reporting. (Last year, before the cuts, its local public affairs won more Emmies than any other station in the market.) Smaller stations axed shows as well. WLIW, the only broadcast station on Long Island to provide in-depth local news, killed its nightly news show and two other local programs, substituting a weekly journalists' talk show; WSKG-TV in Binghamton, New York, dropped four of five local public affairs series.

Suddenly-unemployed producers are angry, but they won't speak on the record, and with good reason. They say their only hope of doing local journalism again, however slim, is public television. "In-depth local news disappeared a long time ago in commercial television," said one, in words similar to those used by many. "It's a tragedy that public television is not stepping into that void and telling people what's going on where they live."

Sometimes it's hard to tell public television from other channels on the cable lineup. The Discovery Channel now delivers public television's longtime staple—animal shows. Arts & entertainment seems to be concerning the market in BBC programs, which used to go to public TV. Recently, WGBH and ABC jointly produced an AIDS special for teenagers, which will air on ABC stations the day after it airs on public television.

And sometimes cable is more daring than public television. At the same time this summer that Washington, D.C.'s WETA was airing *Hollywood, The Golden Years*, an affectionate tribute to the old RKO studio days, A&E aired *Naked Hollywood*, a scathing BBC take on the U.S. film industry.

The founding vision of today's public television featured its First Amendment functions. Essayist E.B. White, in a letter to the 1967 Carnegie Commission on Public Broadcasting, had imagined noncommercial television as "out Lyceum, our Chautauqua, our Minsky's, and our Camelot. It should restate and clarify the social dilemma and the political pickle." But the 1967 legislation failed to enact the Carnegie Commission's dream of a service that could "help us see America whole, in all its diversity." Rejecting many of the report's recommendations, it provided no permanent endowment for the Public Broadcasting Service, never defined "public," and created a Rube Goldbergesque bureaucracy.

A large part of that bureaucracy is dedicated to dialing for dollars, one way or another, from its three largest kinds of funders. Viewers contribute nearly a quarter of public television's funds, and are the largest single source of funds for public television's billion-dollar-plus annual budget. Taxpayers—through local, state, and federal governments—pay about 40 percent. Corporations contribute about 16 percent of public television's overall budget and 27 percent of PBS's national programming costs.

Public television officials celebrate the editorial freedom granted by the service's multiple funding base. But even if public television isn't beholden to advertisers, it's still true that all money comes with strings. Governments have time and again meddled in public television's affairs, from Nixon's attempt to quash public affairs altogether to congressional phone calls to *P.O.V.* after *Tongues Untied* aired.

Viewers pick up the phone and donate during programs that are tried, true, and genteel—like 1991's best draw during pledge week, *Three Tenors* (Pavarotti, Carreras, and Domingo).

Corporate dollars are usually tied directly to the production and promotion of particular programs (many taxpayer dollars pay for basic operations, and viewer dollars are used at the station's discretion). That makes big business the most influential agenda-setter in public television programming.

Corporations use public television to reach audiences suspicious of advertising. Public television's weekly ratings—which show that nearly 80 percent of viewers tune in at some point, although only slightly more than 2 percent are likely to stay tuned in prime time—reflect an audience much like that of the American public. But individual programs, especially when shaped by an underwriter's interest, can pull in that hard-to-reach, upscale, educated consumer. Herb Schmertz, Mobil Oil's longtime marketing guru, boasted that *Masterpiece Theatre* (which he designed and for which he personally selected the programs) turned Mobil into "the thinking man's gasoline."

Public television woos corporations with the promise of burning their image. Related organizations go further. Station magazines promise advertisers they will reach readers—contributors to the station—who are 80 percent college-educated, with household incomes more than two-and-a-half times that of the average American family. Public Broadcast Marketing, which places underwriting blurbs on local public TV stations, touts the opportunity to "increase sales, improve your corporate image, and influence the people most important to your company's success."

Corporations have no interest in attaching their names to something controversial or low-rated. Marc Weiss, executive producer of *P.O.V.*, the premier national showcase for independent documentaries, recalls scouring the corporate community for donations. "We knocked on a hundred corporate doors and they said, 'We'll pass, thank you.'" Finally Lands' End, the large mail-order firm, expressed interest. But then executives viewed one of the more controversial programs in the anthology series. Weiss recalls the one-sentence good-bye: "We don't think our customers would like this show."

South Africa Now, an award-winning, half-hour show featuring uncensored news from southern Africa, folded last spring after three years of struggling without corporate backing. *The Kwitny Report* was bumped from New York's WNYC after winning several journalism awards; veteran investigative journalist Jonathan Kwitny has searched in vain for corporate backing to continue it. Even the eminently respectable Bill Moyers has seen corporate backers back away from hard-hitting pieces.

Corporations may fund programs that are entertaining and even informative, but they are hardly forums for public debate. For instance, *The Health Century*, funded by drug companies such as Pfizer, Squibb, and Eli Lilly, discussed the conquest of infectious disease and organ transplants—but not health insurance or the nursing crisis.

Living against the Odds, a PBS series aired this past spring, was launched with more than a million dollars of advertising and promotional money from its sole sponsor, Chevron (maker of Ortho pesticides as well as petroleum products), which has long funded academic research in risk assessment. *Living against the Odds* was Chevron's chance to popularize that research.

The three-part show humorously analyzes the risks to individuals of everything from hang gliding to being struck by lightning. Finally, in part three, the program addresses the issue of industrial pollution—in Poland. It contrasts the bad-guy Polish state to American NIMBY, or "not in my backyard," movements. NIMBYs here are heartening examples of democracy in action, not evidence of a toxic waste problem.

And, increasingly, corporations back programs that cozy right up to their business interests. For instance, Northwest Airlines, which has Asian routes, last year backed the four-part *Doing Business in Asia*.

Nobody from the company that underwrites a program or series needs to tell producers to be careful. Segment producer Liz Schlick recalls her experience several years ago on the children's science series *Newton's Apple*, whose sole corporate funder at the time was Du Pont. "Some things we would want to deal with—such as chemical pollution—[the executive producer] wouldn't let us touch," she says. "I don't know if it was ever even brought up to Du Pont. After a while, we just stayed away from some issues."

More important, corporate funding inevitably conditions what *doesn't* get made—or even imagined. The vice-president for development who lunches with the local corporate v.p. is not shaping the station's production agenda independently. And in this atmosphere, even fully funded noncorporate voices can have a hard time getting on the air, especially if those voices are outside the status-quo consensus. Labor unions, for instance, have waged an uphill battle to place a few programs such as *America Works* on some public television stations.

The Center for Defense Information, a think-tank often critical of defense policy, produces *America's Defense Monitor* with foundation funding (acceptable under PBS rules). The program airs on some ninety public television stations, as well as hundreds of cable systems, but senior producer Sanford Gottlieb has also encountered fierce resistance.

KPBS in San Diego—a Navy town—recently told Gottlieb it was dropping the show because the station didn't want any advocacy programming. Gottlieb argues that the CDI is not an advocacy group but a think tank that draws research-backed conclusions (some of which could irritate Navy brass, not to mention military retirees who might cancel their memberships). Furthermore, Gottlieb points to KPBS's airing of National Audubon Society specials that boldly advocate environmental protection measures. But the station has held firm.

Public television has come under fire both from the right and the left. Accuracy In Media has, among other charges, indicted the documentary series *Frontline* for liberal bias in Central American reporting. COMINT, a Los Angeles-based conservative watchdog group, has also accused public television of liberal bias, militating against *South Africa Now* when it was still carried by KCET. Meanwhile, Fairness & Accuracy in Reporting has criticized *The MacNeil/Lehrer NewsHour* for showcasing a preponderance of white male officials, and pointed out that public TV schedules are dotted with conservative and business-oriented syndicated shows (offered cheap or free), such as *Firing Line*, *The McLaughlin Group*, and *American Interests*.

But the most marked bias in public television programming is toward safety, consensus, and the status quo, pushing programming toward the safely splendid. And now cable, too, is going after the safely splendid.

Public TV must now struggle to fulfill its First Amendment promise in a fiercely competitive environment. Recently, public broadcasters staked their future on a reorganization that centralizes programming decisions at PBS's national headquarters. A more homogeneous schedule lets stations benefit from national promotion; central selection permits more efficient pooling of resources, and possibly more daring choices. But will it result in a wider range of perspectives, more programs for and by the kind of people who don't usually get heard from in commercial television, and more vigorous public affairs? Jennifer Lawson, the new head of national programming, vows that, with competition heating up, "PBS's public service role is more singular and important than ever." She proudly cites new series in the works about Native Americans and "the state of American democracy," as well as a game show on geography for school-age children.

But the Voters Initiative debacle was not a heartening sign of commitment to public service. There were other dismaying omens. For instance, new PBS policies make life even more difficult for second and third public stations in a market—stations that often provide more diverse programming than the main station. And the recent Boston Consulting Group study, commissioned by the Corporation for Public Broadcasting, recommends cutbacks on prouction of local programs in favor of the more lucrative national programs. The study frankly analyzes public television as a service "for its consumers"—the same yardstick used by the commercial networks. And it assumes the same logic of '90s media conglomerates: each activity (news, kids' shows) must be a profit center.

Bill Moyers, who has done quite handsomely out of public TV, nonetheless worries whether feeding the ratings monster may in time betray the service's origins as a public forum. In a public television meeting last year, he recalled helping to push through the 1967 law as a press aide to President Johnson: "We didn't think public broadcasting should serve an audience. We thought it should serve the public."

Without an adequate subsidy or a clear mandate, that's easier said than done. Not that public broadcasters don't try. For instance, at Washington, D.C.'s WETA, the recent series *Nine Months* tracked women of various races and classes through their pregnancies. In the process of making the series, the station's staff worked with community groups' prenatal health programs. Another positive sign is the brand-new Independent Television Service, a $6 million annual fund set up by Congress after years of lobbying by independent producers. Its job: to produce programs that take creative risks and that feature perspectives and cultures often marginalized in mainstream TV.

On the eve of making the service's first funding decisions, John Schott, ITVS's executive director, was optimistic. "It used to be that public television only had to do what the networks *weren't* doing," he says. "Now the environment is changing daily, and in chaos there is opportunity. I think the stations are looking to us to help establish the unique contribution of public television."

To safeguard that unique contribution, public television needs insulated money—whether this is raised by taxing VCRs, by the sale of stations, or by cable revenues—a clear mandate, and a depoliticized funding structure. Most of all, it needs public concern and participation.

And that's the question. Do Americans see their public television service as better entertainment or as a forum for the free expression of significant ideas? Market pressures keep pushing public television toward the former. But its unique role is as the latter.•

HONORING CRITICARE SYSTEMS

• Mr. KASTEN. Mr. President, at a time when millions of Americans are rightly concerned about the future of U.S. health care, it is important that we recognize success stories in this field.

Criticare Systems, Inc., of Milwaukee, WI, is one such success story. Criticare is a manufacturer of pulse oximeters, which measure the oxygen saturation of circulating blood. Criticare has taken a leadership role in developing reusable sensor technology for pulse oximeter monitoring and encouraging hospitals to switch from current disposable sensors.

By converting to reusable sensors, each U.S. hospital could save $100,000 to $400,000 per year. If all hospitals nationwide switched from disposable to reusable sensors, the savings would be $100 million per year. This would also eliminate the need to discard almost 10 million disposable sensors annually.

We all believe how important it is to get health care costs under control. Criticare is a terrific example of how free enterprise can take the lead in cost containment and serve as an example for the rest of the medical profession.•

PIONEERS IN DESALINATION

• Mr. SIMON. Mr. President, recently, I was invited to speak at an annual dinner at the Claremont School of Theology in Claremont, CA, now headed by a distinguished former Member of Congress, Dr. Robert Edgar.

While I was in that area, I took advantage of the opportunity to meet with the officials of the National Water Research Institute, an institute for research that was founded by five Orange County, Irvine Ranch Water District, Municipal Water District of Orange County, Orange County Water District, and San Juan Basin Authority.

Funding for this endeavor was provided, in part, by the Joan Irvin Smith/Athalie R. Clarke Foundation. These two women had the vision and courage to launch something that is unique in the Nation, as far as I know; a research institute on the key issue of water that, up to this point, does not receive any Federal funds.

What they are doing, however, is extremely important. They are working on how we can further desalting technology so that we can have ample supplies of water.

I am hopeful that the bill that I have the honor to be the chief sponsor of, that has bipartisan cosponsorship—S. 481—will emerge from committee shortly to further the cause of the desalting technology. We simply have to find less expensive ways of converting salt water to fresh water and to use water that we have within the country that has a high saline content, that is now virtually unusable.

What is impressive about the National Water Research Institute is that they appear to be on the cutting edge of things that are going to be extremely important.

Water is not a headline-producing topic, but as the world's population mushrooms, and our usable water supply does not, it will become increasingly important.

I am grateful to Ron Linsky, the executive director of the National Water Research Institute and to William Mills, who heads the Orange County Water District, for arranging the briefing for me.

I am impressed by their pioneering work, and I hope that it will be encouraged by others around the Nation and around the world.

We will be hearing and talking much more about water in the years to come. I'm confident that as we do, we will hear more and more about the good work of the National Water Research Institute.

In that connection, let me pay tribute, particularly, to the city of Santa Barbara, CA, for pioneering on the largest desalination plant yet to be constructed in our country.

Just as the National Water Research Institute is pioneering, so is the city of Santa Barbara.

Every time we launch an enterprise like this, we learn a little more. Mayor Sheila Lodge and the members of the city council of Santa Barbara are not only helping the citizens of Santa Barbara, they are helping the citizens of this country and the world by their pioneering.

Mr. President, I ask to insert into the RECORD a news release from the National Water Research Institute that describes in some greater detail the nature of their important work.

The news release follows:

Orange County, California, is recognized nationwide for its success in managing ground water resources. Situated in an arid region, and with a population of well over two million people, the county benefits from the expertise of several water management agencies. Over the past three decades, while the county evolved from an expanse of farms and ranches to a center of industry and commerce, these agencies have maintained both the quantity and quality of the area's water supply.

Orange County and other water-short areas are under pressure to recycle water, to treat contaminated or brackish supplies and those with excessive color, and to balance extraction of ground water with efficient recharge of aquifers. The county's water and sanitation agencies have taken great strides on each of those fronts, and their successes can benefit others throughout the United States.

Meeting the ever-growing demand for water, protecting it from contamination, and replenishing depleted supplies is, however, a formidable and expensive challenge. Indeed, one of the greatest needs in the field of water resources research and management is funding. It was therefore highly gratifying when members of one of Orange County's oldest and most respected families to support research for the improvement of ground water management.

Joan Irvine Smith and Athalie R. Clarke recognized the significance of water resources to California and the nation and generously offered to contribute funds to support vital research needs in the field of water resources. As a result of their commitment, five of the agencies that serve the county's water treatment and delivery needs have joined to establish the National Water Research Institute (NWRI) currently located in Fountain Valley, California. These agencies, County Sanitation Districts of Orange County, Irvine Ranch Water District, Municipal Water District of Orange County, Orange County Water District, and San Juan Basin Authority, joined forces in 1991 to execute a joint forces in 1991 to execute a joint powers agreement giving rise to the NWRI "for the promotion of excellence in water management and research."

The NWRI is independently governed by a Board of Directors consisting of one member from each of the contributing agencies. The Board's Chairman is Langdon W. Owen, Orange County Water District; the Vice-Chairman is Peer Swan, Irvine Ranch Water District; and William R. Mills Jr., Orange County Water District, is Secretary. Ronald B. Linsky serves as the Executive Director of the NWRI.

The NWRI's mission is to assist organizations throughout the nation to meet their needs for research aimed at developing innovative technologies and practical management methods by:

Supporting multi-disciplinary water quality research.

Developing new technologies for improvement of ground water quality and supply.

Researching water-related environmental and public health concerns.

Developing more effective and efficient water resources management programs.

Exploring the public policy impacts of a variety of water resources management strategies.

Establishing an education and training center for public officials involved in managing and regulating water resources.

Promoting public awareness.

On October 17, 1991, the Board of Directors approved 7 research projects totaling $2,283,000. Of this amount, $1,076,000 were provided as grants to the recipients who in turn contributed $1,207,000 in hard dollar matching funds. The 3-year total research expenditures of these projects amount to over $6.3 million. The initial suite of research projects are:

The Development and Application of Molecular Techniques to Detect Indicator and Pathogenic Microorganisms in Treated Wastewater.

Identification of Microbially Mediated Aesthetic and Health Issues Related to Santa Ana River Recharge.

Dyer Road Well Field Color Removal Project.

Investigation of Design Parameters and Biological Factors Influencing Vapor-Phase Biotreatment of Volatile Organic Contaminants in Groundwater.

Potential for Generic Enhancement of Bacterial Degradative Processes in Wastewater.

Water Quality and Wildlife Enhancement in Prado Wetlands.

San Juan Basin Water Quality Control Program.

The NWRI has also established its first public information project in cooperation with the Joan Irvine Smith/Athalie R. Clarke Foundation and Orange County Public Television, KOCE, Channel 50. This initial project will produce three documentary television programs and 10 public service announcements. The subject matter will provide viewers insight into where our water comes from, how it is distributed and managed, and present NWRI sponsored research activities currently underway in the areas of desalination, toxic waste management, and water reclamation.•

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

•Mr. SANFORD. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for Jacquie Lawing, a member of the staff of Senator GORE, to participate in a program in Korea sponsored by the A-san Foundation on December 14–21, 1991.

The committee has determined that participation by Ms. Lawing in this program, at the expense of the A-san Foundation is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for John Behuncik, a member of the staff of Senator RUDMAN, to participate in a program in Brussels, sponsored by NATO, from January 13 to January 17, 1992.

The committee has determined that participation by Mr. Behuncik in this program, at the expense of NATO, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Dr. Clifford A. Kiracofe, Jr., a member of the staff of Senator HELMS, to participate in a program in Brussels sponsored by the NATO Alliance Directorate on January 11-18, 1991.

The committee has determined that participation by Dr. Kiracofe in this program, at the expense of NATO Alliance Directorate is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mary Daly, a member of the staff of Senator JEFFORDS to participate in a program in Brussels and Praque sponsored by the NATO Office of Information and Press from January 11-18, 1992.

The committee has determined that participation by Ms. Daly in this program, at the expense of the NATO Office of Information and Press is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Jim Jatras, a member of the staff of Senator NICKLES to participate in a program in Brussels and Praque sponsored by the NATO Office of Information and Press from January 11-18, 1992.

The committee has determined that participation by Mr. Jatras in this program, at the expense of the NATO Office of Information and Press is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Senator WALLOP and Mrs. Wallop to participate in a program in South Africa sponsored by the South Africa Foundation on January 11-17, 1992.

The committee has determined that participation by Senator WALLOP and Mrs. Wallop in this program, at the expense of the South Africa Foundation is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mike Tongour, a member of the staff of Senator SIMPSON, to participate in a program in Taiwan sponsored by the Chinese Culture University on January 9-16, 1992.

The committee has determined that participation by Mr. Tongour in this program, at the expense of the Chinese Culture University is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for William Woolf, a member of the staff of Senator MURKOWSKI, to participate in a program in Taiwan sponsored by the University of Chinese Culture on January 9-16, 1991.

The committee has determined that participation by Mr. Woolf in this program, at the expense of the University of Chinese Culture is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Richard Baker, a member of the staff of the Secretary of the Senate, Walter J. Stewart, to participate in a program in Norway, sponsored by the University of Oslo, from September 7-9, 1991.

The committee determined that participation by Dr. Baker in this program, at the expense of the University of Oslo, was in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for David Lewis, a member of the staff of Senator LEVIN, to participate in a program in Berlin, Germany, sponsored by the Berlin Information Center for Transatlantic Security [BITS] on December 6-8, 1991.

The committee has determined that participation by Mr. Lewis in this program, at the expense of the BITS is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Dan M. Berkovitz, a member of the staff of Senator BURDICK, to participate in a program in Moscow sponsored by the University of California at Irvine in connection with the W. Alton Jones Foundation on December 14-22, 1991.

The committee has determined that participation by Mr. Berkovitz in this program, at the expense of the University of California at Irvine and the Russian Republic is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Irene Bueno, a member of the staff of Senator CRANSTON, to participate in a program in Taiwan sponsored by the Soochow University on January 12-18, 1992.

The committee has determined that participation by Ms. Bueno in this program, at the expense of the Soochow University is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Michael Hoon, a member of the staff of Senator WALLOP, to participate in a program in Venezuela sponsored by the Petroleos de Venezuela on January 12-17, 1992.

The committee has determined that participation by Mr. Hoon in this program, at the expense of the Petroleos de Venezuela is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Senator AKAKA to participate in a program in China sponsored by the Chinese People's Institute of Foreign Affairs during the month of January 1992.

The committee has determined that participation by Senator AKAKA in this program, at the expense of the Chinese People's Institute of Foreign Affair is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for John Nakahata, a member of the staff of Senator LIEBERMAN, to participate in a program in Taiwan sponsored by the Soochow University on January 12-16, 1992.

The committee has determined that participation by Mr. Nakahata in this program, at the expense of the Soochow University is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Angela Chiu, a member of the staff of Senator RIEGLE, to participate in a program in Taiwan sponsored by the Soochow University on January 14-18, 1992.

The committee has determined that participation by Mrs. Chiu in this program, at the expense of the Soochow University is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Ray Natter, a member of the staff of Senator RIEGLE, to participate in a program in Taiwan sponsored by the Chinese Culture University on January 9-16, 1992.

The committee has determined that participation by Mr. Natter in this program, at the expense of the Chinese Culture University is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Mark Whitenton, a member of the staff of Senator NICKLES, to participate in a program in Venezuela, sponsored by the Petroleos de Venezuela, from January 11-17, 1992.

The committee determined that participation by Mr. Whitenton in this program, at the expense of the Petroleos de Venezuela, was in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Mira Baratta, a member of the staff of Senator DOLE, to participate in a program in Brussels, sponsored by NATO, from January 11 to January 19, 1992.

The committee has determined that participation by Ms. Baratta in this program, at the expense of NATO, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Clarkson Hine, a member of the staff of Senator DOLE, to participate in a program in Brussels, sponsored by NATO, from January 11 to January 19, 1992.

The committee has determined that participation by Mr. Hine in this program, at the expense of NATO, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Brant Lee, a member of the staff of Senator SIMON, to participate in a program in Taiwan, sponsored by Soochow University, from January 13–19, 1992.

The committee has determined that participation by Mr. Lee in this program, at the expense of the Soochow University, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Patricia McDonald, a member of the staff of Senator WALLOP, to participate in a program in Taiwan sponsored by Chinese Culture University from January 9–16, 1992.

The committee has determined that participation by Ms. McDonald in this program, at the expense of the Chinese Culture University is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Mark Ashby, a member of the staff of Senator BREAUX, to participate in a program in Taiwan sponsored by Chinese Culture University from January 9–16, 1992.

The committee has determined that participation by Mr. Ashby in this program, at the expense of the Chinese Culture University is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Mary Stuart McCamy, a member of the staff of Senator FOWLER, to participate in a program in Venezuela sponsored by the Petroleos de Venezuela on January 12–17, 1992.

The committee has determined that participation by Ms. McCamy in this program, at the expense of the Petroleos de Venezeula is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Thomas Hughes, a member of the staff of Senator PELL, to participate in a program in Brussels, sponsored by NATO, from January 11 to January 19, 1992.

The committee has determined that participation by Mr. Hughes in this program, at the expense of NATO, is in the interest of the Senate and the United States.•

LESSONS, HARSH AND DIFFICULT, FROM 1,000 DAYS "TRAPPED INSIDE A METAPHOR"

• Mr. SIMON. Mr. President, during our recess period, I read the statement of Salman Rushdie at Columbia University in behalf of freedom of speech.

I also read that the United States is making gestures toward reconciliation with Iran.

I am not opposed to improving relations with Iran, but that Government ought to know clearly that we stand for human rights and the freedom of people, like Salman Rushdie, to write their opinions freely, whether we agree with them or not.

And when the Iranian Government does something like he refers to in his speech—in April of this year giving 800 women 74 lashes each for not wearing a veil—Iran should understand that those kind of actions discourage an improved relationship with the civilized world.

We achieve stability in the world much more through recognition of human rights by freely elected governments than through dictatorships.

I want to see the day arrive when we have an excellent relationship with Iran, but our Government should make clear to Iran that while relations will improve and can improve, they will never be really quality relationships until human rights are respected by the Government of Iran.

I ask to insert the Salman Rushdie speech into the RECORD at this point.

The speech follows:

[From the New York Times, Dec. 12, 1991]

LESSONS, HARSH AND DIFFICULT, FROM 1,000 DAYS "TRAPPED INSIDE A METAPHOR"

(Following is the text of a speech at Columbia University last night by Salman Rushdie, who adapted it from a forthcoming essay entitled "One Thousand Days in a Balloon.")

A hot-air balloon drifts slowly over a bottomless chasm, carrying several passengers. A leak develops. The wounded balloon can bear just one passenger to safety. But who should live, who should die? And who could make such a choice?

In point of fact, debating societies everywhere regularly make such choices without qualms, for of course what I've described is the given situation of that evergreen favorite, the Balloon Debate, in which, as the speakers argue over the relative merits and demerits of the well-known figures they have placed in disaster's mouth, the assembled company blithely accepts the faintly unpleasant idea that a human being's right to life is increased or diminished by his or her virtues or vices—that we may be born equal but thereafter our lives weigh differently in the scales.

I have now spent over a thousand days in just such a balloon; but, alas, this isn't a game. For most of these thousand days, my fellow-travelers included the Western hostages in Lebanon, and the British businessmen imprisoned in Iran and Iraq, Roger Cooper and Iran Richter. And I had to accept, and did accept, that for most of my countrymen and countrywomen, my plight counted for less than the others'. In any choice between us. I'd have been the first to be pitched out of the basket and into the abyss. "Our lives teach us who we are," I wrote at the end of my essay "In Good Faith." Some of the lessons have been harsh, and difficult to learn.

Trapped inside a metaphor, I've often felt the need to redescribe it, to change the terms. This isn't so much a balloon, I've wanted to say, as a bubble, within which I'm simultaneously exposed and sealed off. The bubble floats above and through the world, depriving me of reality, reducing me to an abstraction. For many people, I've ceased to be a human being. I've become an issue, a bother, an "affair." And has it really been so long since religions persecuted people, burning them as heretics, drowning them as witches, that you can't recognize religious persecution when you see it?

What is my single life worth? Despair whispers in my ear: "Not a lot." But I refuse to give in to despair, because I know that many people do care, and are appalled by the upside-down logic of the post-fatwa world, in which a novelist can be accused of having savaged or "mugged" a whole community, becoming its tormentor (instead of its victim) and the scapegoat for its discontents. (What minority is smaller and weaker than a minority of one?)

I refuse to give in to despair even though, for a thousand days and more, I've been put through a degree course in worthlessness, my own personal and specific worthlessness. My first teachers were the mobs marching down distant boulevards, baying for my blood, and finding, soon enough, their echoes on English streets. At first, as I watched the marchers, I felt them trampling on my heart.

Sometimes I think that one day, Muslims will be ashamed of what Muslims did in these times, will find the "Rushdie affair" as improbable as the West now finds martyr-burning. One day they may agree that—as the European Enlightenment demonstrated—freedom of thought is precisely freedom from religious control, freedom from accusations of blasphemy. Maybe they'll agree, too, that the row over "The Satanic Verses" was at bottom an argument about who should have power over the grand narrative, the Story of Islam, and that that power must belong equally to everyone. That even if my novel were incompetent, its attempt to retell the story would still be important. That if I've failed, others must succeed, because those who do not have power over the story that dominates their lives, power to retell it, rethink it, deconstruct it, joke about it, and change it as times changes, truly are powerless because they cannot think new thoughts.

One day, Maybe. But not today.

Back in the balloon, something longed-for and heartening has happened. On this occasion, *mirabile dictu*, the many have not been sacrificed, but saved. That is to say, my companions, the Western hostages and the jailed businessmen, have by good fortune and the efforts of others managed to descend safely to earth, and have been reunited with their own, free lives. I rejoice for them, and admire their courage, their resilence. And now I'm alone in the balloon.

Surely I'll be safe now? Surely the balloon will drop safely toward some nearby haven? Surely it's my turn now?

But the balloon is still sinking. I realize that it's carrying a great deal of valuable freight. Trading relations, armaments deals, the balance of power in the Gulf—these and other matters are weighing it down. I hear voices suggesting that if I stay aboard, this precious cargo will be endangered. The national interest is being redefined; am I being redefined out of it? Am I to be jettisoned, after all?

When Britain renewed relations with Iran at the United Nations in 1980, British officials assured me unambiguously that something very substantial had been achieved on my behalf. The Iranians had secretly agreed to forget the *fatwa*. They would "neither encourage nor allow" their citizens, surrogates or proxies to act against me. Oh, how I wanted to believe that! But in the year-and-a-bit that followed, we saw the *fatwa* restated in Iran, the bounty money doubled, the book's Italian translator severely wounded, its Japanese translator stabbed to death; there was news of an attempt to find and kill me by contract killers working directly for the Iranian Government.

It seems reasonable to deduce that the secret deal make at the United Nations hasn't worked. Dismayingly, however, the talk as I write is all of improving relations with Iran still further. Is this a balloon I'm in, or the dustbin of history?

Let me be clear: *There is nothing I can do to break this impasse*. The *fatwa* was politically motivated to begin with, it remains a breach of international law, and it can only be solved at the political level. To effect the release of the Western hostages in Lebanon, great levers were moved; for Mr. Richter, 70 million pounds in frozen Iraqi assets were "thawed." What, then, is a novelist under terrorist attack worth?

Despair murmurs, once again: "Not a plugged nickel."

But I refuse to give in to despair.

You may ask why I'm so sure there's nothing I can do to help myself.

At the end of 1990, dispirited and demoralized, I faced my deepest grief, my sorrow at having been torn away from the cultures and societies from which I'd always drawn my inspiration—that is, the broad community of British Asians, the broader community of Indian Muslims. I determined to make my peace with Islam, even at the cost of my pride. Those who were surprised and displeased by what I did perhaps failed to see that I wanted to make peace between the warring halves of the world, which were also the warring halves of my soul.

The really important conversations I had in this period were with myself.

I said: Salman, you must send a message loud enough to make ordinary Muslims see that you aren't their enemy, and make the West understand a little more of the complexity of Muslim culture, and start thinking a little less stereotypically.

And I said to myself: Admit it, Salman, the Story of Islam has a deeper meaning for you than any of the other grand narratives. Of course you're no mystic, mister. No supernaturalism, no literalist orthodoxies for you. But Islam doesn't have to mean blind faith. It can mean what it, always meant in your family, a culture, a civilization, as open-minded as your grandfather, was, as delightedly disputatious as your father was. Don't let the zealots make *Muslim* a terrifying word, I urged myself; remember when it meant *family*.

I reminded myself that I had always argued that it was necessary to develop the nascent concept of the "secular Muslim," who like the secular Jew, affirmed his membership of the culture while being separate from the theology. But, Salman, I told myself, you can't argue from outside the debating chamber. You've got to cross the threshold, go inside the room, and then fight for your humanized, historicized, secularized way of being a Muslim.

It was with such things in mind—and with my thoughts in a state of some confusion and torment—that I spoke the Muslim creed before witnesses. But my fantasy of joining the fight for the modernization of Muslim thought was stillborn. It never really had a chance. Too many people had spent too long demonizing or totemizing me to listen seriously to what I had to say. In the West, some "friends" turned against me, calling me by yet another set of insulting names. Now I was spineless, pathetic, debased; I had betrayed myself, my Cause; above all, I had betrayed them.

I also found myself up against the granite, heartless certainties of Actually Existing Islam, by which I mean the political and priestly power structure that presently dominates and stifles Muslim societies. Actually Existing Islam has failed to create a free society anywhere on Earth, and it wasn't about to let me, of all people, argue in favor of one. Suddenly I was (metaphorically) among people whose social attitudes I'd fought all my life—for example, their attitudes about women (one Islamicist boasted to me that his wife would cut his toenails while he made telephone calls, and suggested I find such a spouse) or about gays (one of the Imams I met in December 1990 was on TV soon afterwards, denouncing Muslim gays as sick creatures who brought shame on their families and who ought to seek medical and psychiatric help).

I reluctantly concluded that there was no way for me to help bring into being the Muslim culture I'd dreamed of, the progressive, irreverent, skeptical, argumentative, playful and unafraid culture which is what I've always understood as freedom. Actually Existing Islam, which makes literalism a weapon and redescription a crime, will never let the likes of me in.

Ibn Rushd's ideas were silenced in their time. And throughout the Muslim world today, progressive ideas are in retreat. Actually Existing Islam reigns supreme, and just as the recently destroyed "Actually Existing Socialism" of the Soviet terror-state was horrifically unlike the utopia of peace and equality of which democratic socialists have dreamed, so also is Actually Existing Islam a force to which I have never given in, to which I cannot submit.

There is a point beyond which conciliation looks like capitulation. I do not believe I passed that point, but others have thought otherwise.

I have never disowned my book, nor regretted writing it. I said I was sorry to have offended people, because I had not set out to do so, and so I am. I explained that writers do not agree with every word spoken by every character they create—a truism in the world of books, but a continuing mystery to "The Satanic Verses'" opponents. I have always said that this novel has been traduced. Indeed, the chief benefit of my meeting with the six Islamic scholars on Christmas Eve 1990 was that they agreed that the novel had no insulting motives. "In Islam, it is a man's intention that counts," I was told. "Now we will launch a worldwide campaign on your behalf to explain that there has been a great mistake." All this with much smiling and friendliness. It was in this context that I agreed to suspend—not cancel—a paperback edition, to create what I called a space for reconciliation.

Alas, I overestimated these men. Within days, all but one of them had broken their promises, and recommenced to vilify me and my work as if we had not shaken hands. I felt (most probably I had been) a great fool. The suspension of the paperback began at once to look like a surrender. In the aftermath of the attacks on my translators, it looks even more craven. It has now been more than three years since "The Satanic Verses" was published; that's a long, long "space for reconciliation." Long enough. I accept that I was wrong to have given way on this point. "The Satanic Verses" must be freely available and easily affordable, if only because if it is not read and studied, then these years will have no meaning. Those who forget the past are condemned to repeat it.

"Our lives teach us who we are." I have learned the hard way that when you permit anyone's else's description of reality to supplant your own—and such descriptions have been raining down on me, from security advisers, government, journalists, Archbishops, friends, enemies, mullahs—then you might as well be dead. Obviously a rigid, blinkered, absolutist world view is the easiest to keep hold of, whereas the fluid, uncertain, metamorphic picture I've always carried about is rather more vulnerable. Yet I must cling with all my might to my own soul; must hold on to its mischievous, iconoclastic, out-of-step clown-instincts, no matter how great the storm. And if that plunges me into contradiction and paradox, so be it; I've lived in that messy ocean all my life. I've fished in it for my art. This turbulent sea was the sea outside my bedroom window in Bombay. It is the sea by which I was born, and which I carry within me wherever I go.

"Free speech is a non-starter," says one of my Islamic extremist opponents. No, sir, it is not. Free speech is the whole thing, the whole ball game. Free speech is life itself.

What is my single life worth?

It is worth more or less than the fat contracts and political treaties that are in here with me? Is it worth more or less than good relations with a country which, in April 1991, gave 800 women 74 lashes each for not wearing a veil; in which the 80-year-old writer Mariam Firouz is still in jail, and has been tortured; and whose Foreign Minister says, in response to criticism of his country's lamentable human rights record. "International monitoring of the human rights situation in Iran should not continue indefinitely . . . Iran could not tolerate such monitoring for long"?

You must decide what you think a friend is worth to his friends, what you think a son is worth to his mother, or a father to his son. You must decide what a man's conscience and heart and soul are worth. You must decide what you think a writer is worth, what value you place on a maker of stories, and an arguer with the world.

Ladies and gentleman, the balloon is sinking into the abyss.•

THE CONGRESS-BUNDESTAG EXCHANGE

• Mr. DECONCINI. Mr. President, the Bundestag exchange is an excellent program that has given the staff of both the United States Congress and the German Parliament the opportunity to observe the workings of each other's political institutions and discuss common problems. I encourage all interested staff members to take advantage of this opportunity and apply. Mr. President, I request unanimous consent that the following announcement of the 1992 Congress-Bundestag staff exchange be inserted at this point in the RECORD.

The announcement follows:

Since 1983, the United States Congress and the West German Parliament, the Bundestag, have conducted an annual exchange program in which staff members from both countries observe and learn about the workings of each other's political institutions and convey the views of members from both sides on issues of mutual concern.

This exchange program has been one of several sponsored by both public and private institutions in the United States and Germany to foster better understanding of the institutions and policies of both countries.

This year will mark the second exchange with a reunified Germany and a parliament consisting of members from both the west and the east. Ten staff members from the U.S. Congress will be chosen to visit Germany from April 25 to May 9. They will spend most of the time attending meetings conducted by members of the Bundestag, Bundestag party staffers, and representatives of political, business, academic and media institutions. They also will spend a weekend in the district of a Bundestag member.

A comparable delegation of German staff members will come to the United States in late June for a 3-week period. They will attend similar meetings here in Washington and will visit the districts of Members of Congress over the Fourth of July recess.

The Congress-Bundestag Exchange is highly regarded in Germany. Accordingly, U.S. participants should be experienced and accomplished Hill staffers so that they can contribute to the success of the exchange on both sides of the Atlantic. The Bundestag sends senior staffers to the United States and a number of high ranking members of the Bundestag take time to meet with the U.S. delegation. The United States endeavors to reciprocate.

Applicants should have a demonstrable interest in European affairs. Applicants need not be working in the field of foreign affairs, although such a background is helpful. The composite U.S. delegation should exhibit a range of expertise in issues of mutual concern to Germany and the United States, such as, but not limited to, trade, security, the environment, immigration, economic development, and other social policy issues.

In addition, U.S. participants are expected to help plan and implement the program for the Bundestag staffers when they visit the United States.

Among the contributions participants should expect to make is the planning of topical meetings in Washington. Moreover, participants are expected to host one or two staff people in their Member's district over the Fourth of July, or to arrange for such a visit to another Member's district.

Participants will be selected by a committee composed of U.S. Information Agency personnel and past participants of the exchange.

Senators and Representatives who would like a member of their staff to apply for participation in this year's program should direct them to submit a resume and cover letter only in which they state why they believe they are qualified, what positive contributions they will bring to the delegation, and some assurances of their ability to participate during the time stated.

Applications may be sent to Bob Maynes, office of Senator DENNIS DECONCINI, 328 Hart, by Friday, February 14.•

PRESIDENT BUSH SALUTES THE VOLUNTEERS OF PIONEER POTLATCH AS THE 635TH "DAILY POINT OF LIGHT"

• Mr. PACKWOOD. Mr. President, it is a pleasure for me to rise today in honor of the volunteers of Pioneer Potlatch based in Dallas, OR. These volunteers have been enriching the lives of over 1,600 senior citizens and isolated individuals by providing food and friendship for these people—people who might otherwise have little or no contact with others.

Founded in 1976, Pioneer Potlatch has been bringing together senior citizens of 10 communities for good meals and companionship. This organization, made up of over 430 volunteers, transports seniors to and from local dining halls, many located in church basements, for meals prepared and served by the volunteers. They also deliver meals to people who might not be able to leave their house to go to one of the dining halls. The Pioneer Potlatch meal delivery may be the only chance some of these people have to spend time with others. The volunteers not only see to it; that people have to spend time with others. The volunteers not only see to it that people have good meals, they also provide much needed friendship and companionship. They do all this, not expecting a nickel in return. Their payment is the sense of meaning and fulfillment the work brings to their lives.

Some volunteers go beyond the call of their very worthy duties by taking seniors on outings, like shopping trips or scenic drives. These outings, as well as dining with other seniors in the area, create a sense of community for those who might otherwise feel nothing but isolation.

Mr. President, I am proud to see people in my home State of Oregon selflessly enriching the lives of others. The volunteers of Pioneer Potlatch well deserve the honor of the Presidential recognition as the 635th point of light. For all of their work, I salute them.•

RESOURCE CONSERVATION AND RECOVERY ACT

• Mr. COATS. Mr. President, for some time now my home State of Indiana has been the recipient of garbage from other States. East coast trash vendors continue to send solid waste to the Hoosier State at an alarming rate, and this trend shows no sign of abating.

I recently received 16 letters from Miss Betsy Gee's third grade class from Allisonville Elementary School in Indianapolis. What these students lack in age they more than make up in enthusiasm, sincerity, and Hoosier common sense. The students related their concerns about the trash crisis in Indiana.

The students, who have joined a group called Kids for Saving the Earth, wrote me with insightful questions, comments, and suggestions about the solid waste disposal issue.

Taylor Hughes reminds us that "we are getting too much trash from other States. I also think if possible they should spread their biodegradable trash underneath the other stuff so there will be more room." Jay Schroeder says he "heard about New Jersey. It's dumping garbage in Indiana. I don't like it at all. I hope you can help stop it." Whitney Scolnik puts it simply and eloquently: "I hope that soon the entire Earth will be cleaned."

The time for change is now. Congress should act quickly within the context of the upcoming Resource Conservation and Recovery Act to give States the legal right to regulate the flow of out-of-State garbage flowing across their borders. As our young friends from Indianapolis help us remember, there is no time to lose.•

AMERICA'S TRADING PARTNERS

• Mr. SIMON. Mr. President, I confess I did not read President Bush's speech on the Pearl Harbor anniversary until the holiday recess.

But in the middle of that speech, which I ask unanimous consent to insert at the end of my brief comments, he has this sentence: "The time has come for America's trading partners in Europe and Asia and around the world to resolve that economic isolationism is wrong."

That applies not only to Europe and Asia, but also to the United States.

We are losing out on a sizable market in Vietnam, and we are failing to promote better human rights in Vietnam because of our rigid adherence to public policy that no longer makes sense.

Vietnam has cooperated with us on the prisoner-of-war and missing-in-action issue, and they have signaled a number of times that they would welcome trading relations with the United States.

Foreign policy should be dictated by the national interest and not the national passion. Our policy toward Vietnam is clearly being dictated by the national passion rather than the national interest.

I am old enough to recall when President Truman said we're going to help Japan and Germany after World War II. There were great cries of objection, but time has clearly shown that President Truman was right. No one who I know of is suggesting that we provide economic aid to Vietnam. What is being suggested by the British and many others who are just as much adherents to freedom and human rights as we are, is that our economic policies hurt the United States and hurt the cause of progress in Vietnam.

I hope we will follow a more rational course soon.

I ask to insert the Reuters article into the RECORD at this point.

The article follows:

EXCERPTS OF BUSH SPEECH ON PEARL HARBOR ATTACK

HONOLULU, December 7.—Following are excerpts from President Bush's address today to World War II veterans and military families on the 50th anniversary of the attack on Pearl Harbor, as provided by News Transcripts Inc., a private transcription company.

Over 2,000 men died in a matter of minutes on this site a half a century ago. Many more died that same day as Japanese forces assaulted the Philippines and Guam and Wake Island, Midway, Malaya, Thailand, Singapore, Hong Kong. On that day of infamy, Pearl Harbor propelled each of us into a titanic contest for mankind's future. It galvanized the American spirit as never, ever before into a single-minded resolve that could produce only one thing, victory.

Churchill knew it as soon as he heard the news. He'd faced the Nazi conquest of Europe, the blitz of London, the terror of the U-boats. But when America was attacked, he declared there was no more doubt about the end. He knew then that the American spirit would not fail the cause of freedom.

The enemy mistook our diversity, our nation's diversity, for weakness. But Pearl Harbor became a rallying cry for men and women from all walks of life, all colors and creeds. And in the end, this unity of purpose made us invincible in war and now makes us secure in peace.

Ironically, isolationists gathered together at what was known in those days as an American First rally in Pittsburgh at precisely the moment the first Americans met early violent deaths right here at Pearl Harbor.

The isolationists failed to see that the seeds of Pearl Harbor were sown back in 1919 when a victorious America decided that in the absence of a threatening enemy abroad we should turn all of our energies inward. That notion of isolationism flew escort for the very bombers that attacked our men 50 years ago.

And now we stand triumphant for the third time this century, this time in the wake of the cold war. As in 1919 and in 1945, we face no enemy menacing our security. And yet we stand here today on the site of a tragedy spawned by isolationism. And it is here, and we must learn and this time avoid the dangers of today's isolationism and its economic accomplice, protectionism. To do otherwise, to believe that turning our backs on the world would improve our lot here at home is to ignore the tragic lessons of the 20th century. The fact is, this country has enjoyed its most lasting growth and security when we rejected isolationism, both political and economic, in favor of engagement and leadership.

We're a Pacific nation. And next month, in Asia, I'll discuss with our Pacific friends and allies their responsibility to share with us the challenges and burdens of leadership in the post-cold war world.

The time has come for America's trading partners in Europe and Asia and around the world to resolve that economic isolationism is wrong. To the leaders of Japan in particular I say this solemn occasion should reinforce our determination to join together in a future energized by free markets and free people. And so I'll continue to speak out against the voices of isolationism and protectionism, both at home and abroad.

Fifty years ago we paid a heavy price for complacency and over-confidence. That, too, is a lesson we shall never forget. To those who have defended our country, from the shores of Guadalcanal to the hills of Korea, and the jungles of Vietnam to the sands of Kuwait, I say this: We will always remember.

In remembering, it is important to come to grips with the past. No nation can fully understand itself or find its place in the world, if it does not look with clear eyes at all the glories—and disgraces, too—of the past.

We in the United States acknowledge such an injustice in our own history. The internment of Americans of Japanese ancestry was a great injustice, and it will never be repeated.

Let me tell you how I feel. I have no rancor in my heart toward Germany or Japan—not at all. And I hope, in spite of the loss, that you have none in yours. This is no time for recrimination. World War II is over. It is history. We won. We crushed totalitarianism, and when that was done, we helped our enemies give birth to democracies.•

PRESIDENT BUSH SALUTES 4-H SEARCH AND RESCUE CADET PROGRAM MEMBERS OF WARM SPRINGS, OR, AS DAILY POINT OF LIGHT

• Mr. PACKWOOD. Mr. President, I rise today to recognize the hard work and dedication of the members of the Warm Springs, OR, 4-H Search and Rescue Cadet Program. These cadets have provided emergency search and rescue services for individuals and agencies in their area of Warm Springs, OR.

Founded in 1987, these cadets are Native American youths from the Warm Springs Indian Reservation. The cadets include young men and women who range in age from 10 to 18. The Warm Springs program is one of the few youth search and rescue operations in the country. Each week, these cadets train for 3 hours in swift water rescue, CPR, first aid, and wilderness survival. They are also trained to start a fire under any weather conditions, and cook their own meals in the outdoors. One weekend each month is dedicated to specific search and rescue operations.

The Warm Springs area is located at the edge of the Cascade Mountains. It is a rugged, high desert landscape with ravines that are 300 to 400 feet deep. Emergency rescue situations are common. Since June, the cadets have completed 14 rescue missions. Their assignments have included tracking missing persons, recovering bodies, and scoping murder scenes. They are full-fledged members of the Jefferson County Search and Rescue, and are treated as professionals by their adult counterparts. As a matter of fact, they are often called upon to train adult search and rescue groups. They also work jointly with local police and other rescue agencies when performing missions.

These cadets work hard throughout their training, and their rescue operations. They also develop leadership skills and promote unity within their group. The skills mastered by these young people give them the background, experience, and self-esteem necessary to succeed as they become adults.

In recognition of this group's outstanding community service, President Bush has saluted the cadets of the Warm Springs 4-H Search and Rescue as the 653d Daily Point of Light. The Daily Point of Light recognition is intended to reward those individuals and groups who claim society's problem as their own by taking direct action, like the efforts made by these search and rescue cadets.

To the Warm Springs 4-H Search and Rescue cadets and their program director, Keith Baker, thank you on behalf of Oregon, and the many people in whose lives you made a difference.•

STUDENTS ALLEGE RELIGIOUS BIAS

• Mr. SIMON. Mr. President, the move toward greater religious activity in public schools is something that we should view with great caution.

The traditional separation of church and state that we have had in our country, while it is not a complete severance of the two, has been healthy for both the government and the religious community.

Recently, I was in Eugene, OR, and picked up the Eugene Register-Guard and saw an article titled "Students Allege Religious Bias," written by Randi Bjornstad of the Register-Guard staff. I know none of the details, other than this article, but the article suggests, once again, that some self-restraint is necessary in this area of church/state relations.

I ask to insert the article into the RECORD at this point.

The article follows:

STUDENTS ALLEGE RELIGIOUS BIAS

(By Randi Bjornstad)

BLUE RIVER.—An overflow crowd showed up Thursday night at a school board meeting to listen to complaints that McKenzie High School is rife with persecution of students who do not practice the Baptist religion.

About 200 parents, students, teachers, school officials and community members packed the high school cafeteria as speakers rose to discuss allegations of religious intolerance against non-Christian students at the combined junior-senior high school.

Dick Roberts of Leaburg, a local Baptist pastor, defended students' practice of "witnessing to their peers" during school hours.

"This school does not have the legal right to tell my kids they can't talk about their faith at school," he said.

As for reports that some students are upset about being told they would "burn in hell" if they failed to become Christians, Roberts said students who are members of the Baptist church "have a responsibility to speak the truth in love."

Student Janet Hedstrom disagreed. "I'm sick of having religion pushed down my throat, including at school," she said.

Hedstrom said that when she left the Baptist church she used to attend with her family, she received a letter from Principal Russ Conklin expressing sorrow that she had "opened your heart a bit to Satan's world."

The letter urged Hedstrom to "see him any time" and to return to her religious beliefs.

"He had no right to do that," Hedstrom said, then burst into tears.

Conklin, who serves as an elder in the Baptist church, did not respond at the meeting. Earlier Thursday, he said he had written the letter at home to ensure that it would not violate legal standards for separation of church and state.

Chairman James Goodpasture said he didn't expect the school board to take any action Thursday night. He gave no indication of what the board's next action might be. The testimony lasted nearly three hours.

Paul Petit, a senior at the high school, touched off the controversy recently when he wrote a letter to the editor of the McKenzie River Reflections community newspaper contending that an "overwhelming and sickening cancer" of religious discrimination is spreading through the student body.

Petit said in his letter, published Nov. 15, that he and other non-Christian students at the high school have been approached numerous times during school hours and told that they would "burn in hell' if they did not become Christians.

He said he believes all students, regardless of faith, should be able to pursue an education "in a comfortable environment" free of religious discrimination. But that's not happening at McKenzie High School, Pettit said.

Pettit's letter sparked a flurry of responses from the community, some condemning the district for allowing proselytizing at the school, others supporting the practice.

Conklin acknowledged Thursday that some students are aggressive about voicing their religious beliefs during school hours. But he denied that school district officials condone their activities.

"I just don't get involved," he said. "Under the First Amendment to the Constitution—the right of free speech—I can't put a gag on these students, just as I can't stop other students from pressuring kids to attend alcoholic parties."

But Pettit and others maintain that allowing proselytizing on school property violates another traditional American ideal—the separation of church and state.

Phil Lemman of the state attorney general's office says the degree to which religion may be discussed in schools depends on the situation.

"If the school administration actively encourages or promotes that kind of activity, then, yes, there may be a violation," Lemman said. "But if school officials are aware but not participating in any way, then there may be no legal problem."

Several area residents said children who do not attend conservative Christian churches have experienced discrimination in the McKenzie School District for the past 10 years.

Judith Olson, the mother of two teen-age children, said her family's problems in the schools began shortly after they moved to the Leaburg area nearly eight years ago.

"I soon started getting little clues that something wasn't right," Olson said. "My children started getting off the bus every day to ask me, 'Mommy, how come we aren't Christians?'

"I said, 'We are Christians. We're Catholic, and that's Christian.' They told me no, their friends told them repeatedly that they weren't," she said.

She contends that her children were excluded from social activities because they didn't belong to the same church as the other children. Her son, Erik, felt he was disciplined more harshly than students "who belonged to the 'right' church," Olson said.

Conklin said he has heard similar complaints. "I've heard students say in anger that they're tired of our rules, that we're no more than a little Christian school, but I don't take that seriously," he said. "We demand respect here. Anyone who doesn't conform with those rules will be disciplined."

Olson finally withdrew both her daughter and son from the district and now drives them to private schools in Eugene.

At the board meeting, Robert Ashley, a school district resident, presented a petition with several dozen signatures seeking Conklin's removal. Ashley said he knew of teachers and students who have left the school district because of religious intolerance.●

RECIPIENTS OF 1991 PRESIDENTIAL ENVIRONMENTAL CONSERVATION CHALLENGE AWARD

● Mr. BOND. Mr. President, I rise today to pay tribute to Missouri's Environmental Improvement and Energy Resources Authority, which, along with the University of Missouri extension, was recently recognized with a 1991 Presidential Environmental Conservation Challenge Award.

The working partnership between EIERA and University of Missouri extension culminated in the household hazardous waste project, which was created to inform the citizens of Missouri about the importance of safe disposal and storage on hazardous waste products from household chemicals. The project has helped increase awareness of the dangers that can result from improper use and disposal, and contribute to a safer environment. The household hazardous waste project began as a grassroots community effort that was expanded statewide due to the hard work and efforts of the EIERA and University of Missouri extension.

We are proud that Missouri's efforts to increase community awareness on this important issue have resulted in the household hazardous waste project being adopted as a nationally recognized model used by the United Nations and countless others. On behalf of my fellow Missourians, I congratulate our environmental improvement and energy resources authority and the University of Missouri Extension on the national recognition their efforts have earned.●

THE ISSUE OF SOLID WASTE DISPOSAL

● Mr. CHAFEE. Mr. President, every State is grappling with the issue of solid waste disposal. Landfills across America are reaching their capacity, and residents are resisting efforts to create new landfill sites in their communities. Incinerators are an alternate means of waste disposal, but I am concerned that some communities are considering incineration before all other options have been thoroughly explored.

Congress soon will be considering renewing and strengthening RCRA [the Resource Conservation and Recovery Act] our Nation's primary regulations regarding solid waste disposal. A main topic of concern will be what to do with the growing mound of waste we are creating daily. Obviously, the best solution to dealing with waste is to avoid producing it in the first place. Waste that is produced can be burned, or buried, or dumped at sea, but each method has a devastating environmental consequence. There is one method, however, that can be done by everyone and actually has a positive environmental impact, and that is recycling.

There are States, such as my home State of Rhode Island, that have instituted mandatory recycling programs. By complying with these efforts, residents feel that they are doing their part to help improve the environment. Businesses also have begun to pitch in by instituting their own recycling programs. In fact, many Senate offices, mine included, now have separate bins for paper, glass, cans, and other waste.

Today I would like to bring your attention to another source of waste. Have you ever wondered how much trash is generated at a convention? Once the exhibits have been broken down, the leftover accompanying trade material, handouts and such have been collected—all this adds up to quite a large amount of trash. Last year McCormick Place in Chicago, the largest exhibition hall in the country, generated more than 77,000 cubic yards of solid waste. This is enough to cover more than 500 football fields to a depth of 1 inch, and this is just one facility.

From January 12 through 15, 1992, the National Housewares Manufacturers Association will be sponsoring its International Housewares Show at McCormick Place in Chicago. This national trade show, one of the largest in the world, will include 2,000 exhibitors and attract more than 50,000 attendees. This year the National Housewares Manufacturers Association has decided to implement a comprehensive waste recycling program for its convention. Plastic, aluminum, and mixed paper, such as trade magazines, will be recycled.

I commend and applaud the National Houswares Manufacturers Association recycling initiative. It is my hope that other trade show managers will follow the association's lead and institute similar programs.

Waste disposal is a very serious and complex environmental problem. Recycling alone is not the solution, but efforts by organizations like the National Housewares Manufacturers Association and mandatory recycling programs implemented by States like Rhode Island will go a long way in helping to reduce the amount of waste we generate each year.●

COMMENDING STEVE ECKHOFF, STOVER, MO

● Mr. BOND. Mr. President, I rise today to pay tribute to Mr. Steve Eckhoff of Stover, MO. Mr. Eckhoff was recently recognized for heroic actions.

Mr. Eckhoff, a professional truck driver for Opies' Transport, Inc., was driving his truck on U.S. Highway 65 near Warsaw, MO, when a vehicle attempting to pass his truck collided head on with another vehicle and immediately caught fire. When Eckhoff was unable to put out the fire, he quickly pulled two passengers and the driver of the car to safety. He then used a log chain and his truck to pull the other car safely away from the burning vehicle.

Missouri is proud to have quick-thinking heroes like Steve Eckhoff. I commend Steve for his brave actions.●

HAZARDOUS MATERIALS TRANSPORTATION UNIFORM SAFETY ACT OF 1990

● Mr. BURNS. Mr. President, I would like to alert my Senate colleagues about a technical correction that must soon be passed by Congress. I was the original sponsor of this technical correction, requested by the Department of Transportation [DOT], to subsection 106(c)(1)(C) of the HMTUSA which was adopted by the Senate Commerce Committee and included in the Senate-passed Pipeline Safety Improvement Act (S. 1583). I would like to include in today's Record the excerpt relating to this matter from the Senate Report No. 102-152 to accompany S. 1583.

This technical correction will be sponsored in the House by my colleague, Representative Norm Mineta, the chairman of the House Public Works and Transportation Surface Transportation Subcommittee. I would like to also include in today's Record Representative Mineta's remarks made in the January 3, 1992, Congressional Record (Vol. 138, No. 1). I would also like to thank Representative Mineta for his leadership and for his stated goal to take prompt action to remedy this inequity that will impact our Nation's farm sector.

Despite the fact that this error was formalized by the DOT in a notice of proposed rulemaking dated October 10, 1991, the DOT asked Congress to take legislative action to correct this error. I would like to include in today's Record a letter from DOT to me in this regard.

Because of this error in law, now formalized in the proposed October 1991 DOT rulemaking, registration fees may be assessed on a class of registrants in the farm sector who ship small quantities of farm inputs and who were not intended to be subject to such fees by Congress when it passed HMTUSA.

Prompt passage by Congress of the technical correction has now become necessary because the DOT now informs us that the proposed October 1991 DOT rulemaking, unless modified, may require OMB to "score" these incorrect fees as income for fiscal year 1993.

I would like to join my House colleague, Representative Mineta, in urging DOT to modify its proposed October 1991 rule—Docket No. HM-208 entitled "Hazardous Materials Transportation Registration and Fee Assessment Program"—to reflect the intent of Congress. I will also join my House colleague in formalizing the intent of Congress by including this technical correction to subsection 106(c)(1)(C) of HMTUSA in an appropriate legislative vehicle.

This is a plain, old-fashioned glitch. It matters not who erred or how. Simply, it needs to be fixed. It is one of those complicated technical errors that, if not corrected, will be hard to explain to our farm friends who Congress intended to be exempt from registration fees in the first place.

Material to be included in the Record follows:

Pipeline Safety Improvement Act of 1991

(Excerpt from the report of the Senate Committee on Commerce, Science, and Transportation on S. 1583)

Section 13.—Technical Correction

This section would amend section 106(c)(1)(C) of the Hazardous Materials Transportation Act to add the phrase ", in other than a bulk package,". Addition of this phrase clarifies that registration is required for any person who transports or causes to be transported or shipped in commerce a hazardous material in a *bulk package*, container, or tank which has a capacity of 3,500 or more gallons, and for any person who transports or causes to be transported or shipped in commerce, *in other than a bulk package*, a shipment of 5,000 pounds or more of a class of a hazardous material for which placarding is required.

By adding subsection (c) to section 106 of the Hazardous Materials Transportation Act in 1990, the HMTUSA both created and eliminated an exemption from mandatory registration for tanks and containers with a capacity of less than 3,500 gallons. For example, a cargo tank carrying 1,000 gallons of liquid fertilizer would weigh 8,300 pounds. If considered under section 106(c)(1)(B), applicable to shipments of 3,500 or more gallons, registration would not be required. If considered under section 106(c)(1)(C), applicable to shipments of 5,000 pounds or more, the same shipment would require registration. This section is intended to clarify that bulk package shippers are subject to mandatory registration if they meet one specific set of conditions, and that shippers of nonbulk packaging are covered by a different set of conditions.

[From the Congressional Record, Jan. 3, 1992]

Hazardous Materials Transportation Uniform Safety Act of 1990

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. Mineta] is recognized for 5 minutes.

Mr. Mineta. Mr. Speaker, on November 19, 1990, the Hazardous Materials Transportation Uniform Safety Act of 1990—Public Law 101-615—was signed into law. That law establishes registration requirements for specific classes of persons subject to the Hazardous Materials Transportation Act. It also requires payment of fees by these registrants. Some confusion has arisen over the applicability of fees to persons transporting bulk shipments that weigh 5,000 pounds or more. New subsection 106(c) establishes registration requirements for three classes of persons. Only two classes are pertinent.

First, new subsection 106(c)(1)(B) of the law requires registration by persons that transport or cause to be transported a hazardous material in a bulk package, container, or tank. It applies to packages, containers, or tanks with a capacity of 3,500 or more gallons or more than 468 cubic feet. Second, new subsection 106(c)(1)(C) requires registration by persons transporting or causing to be transported shipments weighing 5,000 pounds or more for which placarding is needed. Plainly, one requirement was for bulk shipments of a certain capacity, liquid or dry. The other was for nonbulk shipments weighing 5,000 pounds or more. Under section 117A, persons covered by these subsections are required to pay registration fees.

In an interpretation of that law, the Department of Transportation concluded that the second requirement contained in subsection 106(c)(1)(C) also included bulk shipments, dry or liquid, and thus persons transporting liquid or dry bulk shipments would have to comply with the registration requirements if such shipments weigh 5,000 pounds or more. This conclusion seems to totally ignore the registration requirement contained in section 106(c)(1)(B) which immediately precedes it, and which applies to bulk shipments.

Informally, the Department were informed that the committee believed its interpretation was erroneous. However, the Department persisted in its interpretation and formalized it in a notice of proposed rulemaking released on October 10, 1991. Pursuant to that notice, a category of persons apparently will be subject to the registration requirements in apparent contradiction of the act's intent.

The Department insists the only way to correct this situation is to make a technical change to subsection 106(c)(1)(B) to exclude bulk shipments. Last year, the committee reluctantly had agreed to make that technical amendment in the Pipelines Safety Act of 1992, which it will dispose of later this year.

Recently, however, the committee was informed by the Department and the Office of Management and Budget that because of the Department's interpretation of subsections 106(c)(1)(B) and (C), the fees which would be charged incorrectly to registrants under subsection 106(c)(1)(C) will be scored as income for fiscal year 1993. If they are eliminated after the administration submits its budget for fiscal year 1993 and before the technical amendment is made, the resulting loss in revenue will have to be restored from other sources. The Office of Management and Budget insists that this will occur even though the interpretation by the Department of subsection 106(c)(1)(C) is erroneous and will be corrected by amendment.

Hence, the fees which would have been collected in fiscal year 1993 will be included in the budget even though the fees and their collection were not contemplated by the act.

The committee firmly believes that the Department should correct its interpretation of the registration requirement by amending the rules it proposed on October 10, 1991. The committee also believes that there should be no action taken to reflect the inclusion of fees in the budget that result from the assessment of fees on a class of registrants who were clearly not intended to be subject to such a requirement, and who will be excluded from the registration requirement by a technical amendment.

The committee will proceed to prepare and take action on legislation designed to affect the technical change before the Budget for fiscal year 1993 is submitted. Consequently, the legislation will be introduced and acted upon later this month.

U.S. DEPARTMENT OF TRANSPORTATION,
Washington, DC.

Hon. CONRAD BURNS,
U.S. Senate, Washington, DC.

DEAR SENATOR BURNS: Thank you for you recent letter concerning a technical correction to the Hazardous Materials Transportation Uniform Safety Act of 1990 (HMTUSA). As you know, the proposed technical correction would exempt from the registration requirements of the HMTUSA nurse tanks that have a capacity of less than 3,500 gallons, and which are widely used by farmers to transport fertilizers. The technical correction would relieve the burden on farmers and others using such tanks of registering with the Department of Transportation and paying the required fees. The Department has been considering proposing such a technical amendment, and we would support its enactment.

Because the HMTUSA amended the Hazardous Materials Transportation Act (HMTA), we recommend that the technical correction be made to section 106(c)(1)(C) of the HMTA (49 App. U.S.C. §1805(c)(1)(C)), and we have enclosed suggested language.

We would also like to bring to your attention a similar problem with respect to the motor carrier permitting requirements of the HMTA. Section 106(d)(5) of the HMTA (49 App. U.S.C. §1805(d)(5)), as amended by the HMTUSA, requires a motor carrier of any quantity of a class A or B explosive, liquefied natural gas, or a material extremely toxic by inhalation, to have a safety permit.

Farmers may use small quantities of toxic-by-inhalation materials as grain fumigants and commonly use small quantities of explosives in their farming operations. The Department's legislative proposal, which was transmitted to Congress on July 11, 1989, included the authority for the Secretary to determine by regulation the quantities of those materials to which the permit requirements would apply. We have enclosed language that would correct section 105(d)(5).

We appreciate your interest in the safe transportation of hazardous materials. If I can be a further assistance, please do not hesitate to call me.

Sincerely,

TRAVIS P. DUNGAN.●

AIDS UPDATE

● Mr. CRANSTON. Mr. President, according to the latest available data from the Centers for Disease Control, as of December 31, 1991, 206,392 Americans have been diagnosed with AIDS; 133,232 Americans have died from AIDS; and 73,160 Americans are currently living with AIDS. As these figures demonstrate, the number of AIDS cases is escalating dramatically. It took 8 years to reach 100,000 cases and just 26 months to double that number. According to CDC, the 300,000 mark could be reached in less than 2 years, perhaps faster.

ACCESSING THE PRESIDENT

To be a sports star in America is to have an awesome entree to the media, the public, and public officials. Magic Johnson, now a gracious but outspoken advocate of Federal attention to the AIDS epidemic, is wisely using the power of his celebrity position to focus President Bush's attention on the AIDS crisis.

Magic Johnson is the latest Presidential appointment to the National Commission on AIDS. He met with the President last week and has been invited back next month. Although what Johnson is saying has been said many times by many others, perhaps now the President will listen, and even more importantly, act.

Johnson's hand-delivered letter to President Bush echoed the sentiments of many experts in Federal AIDS efforts: "I don't feel you have been there," he told the President.

Johnson asked the President to see to it that his upcoming budget includes far more spending on AIDS. Specifically, he asked $900 million for the National Institutes of Health research programs, $900 million to fund treatment programs under the Ryan White Act, and $500 million for Medicaid payments to people with AIDS.

Johnson's sports metaphor just might catch the President's attention. He wrote, "No matter how good the team may be, it won't win the championship without the owner fully in the game."●

CONCERNING THE EFFORTS OF SECTION 471, FEDERAL DEPOSIT IMPROVEMENT ACT OF 1991

● Mr. GARN. Mr. President, an assortment of statements have appeared in the CONGRESSIONAL RECORD concerning the effect of section 471 of the Federal Deposit Insurance Corporation Improvement Act of 1991 on the pending lawsuit between Sears, Roebuck and the VISA credit card organization. For the most part these statements simply confirm that the provision was not intended to affect the antitrust issues raised in the lawsuit. This point was discussed at length by the members of the conference committee that adopted the provision and was well understood. However, other statements appearing in the RECORD, including statements by some Members who were not even on the conference committee, reflect a misunderstanding of the intended effect of this provision. I want to take this opportunity to set the record straight, once and for all.

Section 471 of the Federal Deposit Insurance Corporation Improvement Act of 1991 is a simple and straightforward provision. What it says, without placing any gloss whatsoever on its own words, is that if someone was obligated to provide services to a thrift institution at the time that it was taken over by the Resolution Trust Corporation [RTC] and the RTC then transferred the right to receive those services to someone else after August 9, 1989, then the service provider is obligated to provide those services to the RTC's transferee. There is one exemption: Where the transferee fails to comply with a material term or condition of the original obligation.

I will not reiterate here the importance of this provision for ensuring the ability of the RTC to maximize the amount that it can recover from the assets of failed thrifts and, thus, to reduce the ultimate cost of the savings and loan crisis to the American taxpayer. I addressed this in remarks that appeared in the CONGRESSIONAL RECORD on December 18. However, I do want to return to the other point that I made on the same occasion: The members of the conference committee who voted without dissent—and only one abstention—to include this provision in our conference report were fully cognizant that this provision would apply to a dispute then pending between Sears, Roebuck and the VISA credit card organization, and that this provision would have the effect of permitting Sears to launch its VISA card program now.

Some Members of Congress have since inserted statements in the RECORD regarding the application of the provision to that dispute. For example, it has been asserted that the requirements of the provision do not apply if a service provider is asked to increase or expand or "otherwise modify" its services in any way. The language of the statute is clear: The scope of the service provider's obligation is defined by what services it was obligated to provide to the failed thrift, not by what services, or what volume of services, it was actually providing to the thrift at any point in time. Any suggestion to the contrary simply contradicts the terms of the statute, and finds no support whatsoever in the discussions of the conference committee.

A few statements have been made that there was no intention on the conferees' part to affect the litigation between Sears and VISA. Most of those statements merely confirm that the antitrust issues were the subject of that litigation are unaffected by this legislation. With this I agree entirely; in fact, I made this point myself in a written colloquy with Senator METZENBAUM. Whether Sears has valid claims against VISA, or VISA against Sears, under the antitrust laws is not addressed by this legislation and should be decided by the courts.

One or two statements appear to go further, however, and to suggest that the conferees did not intend this legislation to provide Sears with the basis to launch its VISA card program before those antitrust issues were decided. One statement, made by a Member who was not on the conference committee, states that section 471 was adopted "based on assurances made by its sponsor"—a clear reference to me—to this effect. These assertions are incorrect.

At the time when the conference committee was meeting, there was no doubt whatsoever about the effect of this provision. I had been actively lobbied by opponents of this provision, as I know other Members of Congress were both before and during the conference committee, precisely on the grounds that it would affect the dispute between Sears and VISA. The provision's opponents knew exactly what this provision would do, and the chairman of the House Banking Committee argued against the provision precisely on the ground that it would affect this litigation. At no time did I ever say or suggest, much less assure anyone, that it would do otherwise. In fact, the transcript of the conference committee deliberations shows that when the chairman of the House Banking Committee argued against the provision on the ground that it would impact on ongoing litigation, I noted that: "* * * it does involve Sears and both of us have been very open about that. * * *"

I invite anyone with any question about this issue to read the transcript of the committee's deliberations on this provision in full. What they will see is that several participants, including me, made repeated and explicit reference to the fact that this provision would affect the dispute between Sears and VISA, although it would not affect the antitrust causes of action that were then pending in litigation between Sears and VISA. In addition, I read portions of a memo from the Bankcard Holders of America, which I know many conferees had copies of and which was available to anyone to examine. I ask to have the text of that memo inserted in the RECORD following these remarks.

Mr. President, there appear to be handful of Members of Congress who opposed, or who at some point since the conference committee have come to oppose, this provision, and I respect their right to do so. But by overwhelming votes of the conference committee, this Chamber and the House of Representatives, and as well as President Bush's signature, this provision is now law. Its implementation should be based first and foremost on the legislative language itself, and not, in any event, on belated efforts to defeat it by altering its clear meaning.•

CLARIFYING LEGISLATIVE INTENT OF RTC PROVISION

• Mr. D'AMATO. Mr. President, today I seek to clarify the legislative intent of a provision concerning the Resolution Trust Corporation that was discussed at some length by the House-Senate conference committee and included in the Federal Deposit Insurance Corporation Improvement Act of 1991.

I understand that several statements regarding section 471 have been made in the CONGRESSIONAL RECORD following the passage of the Federal Deposit Insurance Corporation Improvement Act of 1991. some of these statements clearly misconstrue the intent of this provision as well as its effect.

Section 471 ensures that the Resolution Trust Corporation will be able to transfer assets of a failed institution without risk that the assets will become useless in the hands of the transferee.

Among other things, section 471 allows the RTC to freely transfer the credit card business of a failed savings and loan, without third party consent.

As I stated during the discussion of section 471, this provision has a twofold value. First, it has a substantial impact on the ability of the RTC to be able to sell certain assets, such as credit card operations, and to maximize profits when selling these assets. As a result, taxpayers will ultimately benefit. Second, section 471 promotes a competitive free market in the credit card industry. A competitive free credit card market will ultimately benefit consumers.

One of the issues that was specifically considered during the discussion of section 471 was the effect that this provision would have on pending litigation involving Sears, Roebuck and VISA. Indeed, it is not unusual for legislation to affect some pending litigation. The conferees concluded that Sears could continue its lawsuit against VISA on the grounds of antitrust law. However, the effect of section 471 would be to provide an independent basis for Sears to enforce the rights it had acquired from the RTC.

Mr. President, section 471 should be read for its plain meaning which is clearly reflected in the transcript of the House-Senate Conference on Federal Deposit Insurance Corporation Improvement Act of 1991.•

THE DEDICATION OF CAROLINE CHURCH IN BROOKHAVEN, NY

• Mr. D'AMATO. Mr. President, I rise today to honor Caroline Church of Brookhaven, NY.

Caroline Church of Brookhaven was organized in 1723 as Christ Church and by 1729 the building was erected. The original settlement was known interchangeably as Cromwell Bay and various spellings of Setauket. Later, Captain Scott changed the name to Ashford after his hometown in Kent, England. The name Brookhaven is used in town records as early as 1664; however, in an application dated 1659 by free holders of the town to become attached to Connecticut, the name Cromwell Bay is used. The charter or patent given to the town by Colonel Nicolls, Governor General of New York on March 7, 1666, established the legal name as Brooke Haven.

The edifice, essentially unaltered in size, has been used for worship by the Setauket congregation continuously since its building. In the year 1730 the name was changed from Christ Church to Caroline, in honor of Wilhelmina Karoline, the Queen of George II, who then gave the church altar cloths and a Communion service, consisting of a chalice, pattern, and alms basin. The service is used on special occasions.

Up until 1937 the interior of the church had undergone many changes, the most significant of which took place in the middle of the 19th century. At this time a false ceiling was added, beams were enclosed, and new furnishings installed, with the result that the colonial interior became unrecognizable. In the late 1930's, under the leadership of the Melville family, a major program was undertaken in the three villages to construct a village in colonial style. In 1934, the Melvilles, parishioners of Caroline Church, in memory of Frank Melville, Jr., provided the resources for the program and initiated a project to restore Caroline Church's original colonial features.

After a period of research, work commenced in 1937. The parish house was detached from the church thereby restoring the original lines of the self-standing building. On the inside, the false ceiling and walls were stripped off to reveal the original hand-hewn oak timbers. The earlier barrel ceiling was restored. In the vestibule, additional columns and beams were uncovered along with wooden retaining brackets—ships knees—in the upper corners, the latter indicative of the carpentry skills of the shipbuilding village. The church's interior was completely remodeled in colonial style. Of antique significance was the restoration of the old whale lamps and the return of the Sheraton chairs, previously owned by Bishop Seabury, given by his son, Charles Seabury, to the sanctuary.

In addition to the restoration aspect of the project, new facilities were added. Excavation under both church and parish house provided meeting rooms and catering facilities.

Improvements and restoration continued to be necessary for good maintenance and care. During the years 1985–87 the church tower was completely restored and the gallery repaired and renovated.

The church and graveyard have been placed on the National Register of Historic Places by the U.S. Department of the Interior in 1991.

I offer my sincere congratulations to the congregation of Caroline Church on this historic occasion.•

CENTENNIAL OF MANHATTAN COLLEGE'S SCHOOL OF ENGINEERING

• Mr. D'AMATO. Mr. President, I rise today on the first day of session in 1992 to congratulate Manhattan College as it begins the centennial celebration of its school of engineering. Tonight in the Waldorf Astoria, in New York City, the Jaspers will gather and begin a year that will commemorate and celebrate all that the school of engineering has contributed to New York City, New York State, our Nation, and our world. Over the past century, the school and its faculty have helped set the highest standards for one of civilization's most noble professions by preparing leaders in the development of this indispensable field.

Among the better known structures that have been designed or built by Manhattan's engineering graduates are the George Washington and Triborough Bridges in New York, One Liberty Place in Philadelphia, the Potomac Bridge in Virginia, and most recently, Sears Tower, the largest reinforced concrete building in Chicago and the world.

The school of engineering recently marked another important anniversary, the 50th year of its prestigious graduate program in environmental engineering. Alumni of this program hold top posts in industry, government, academe, developing technologies and enacting policies that help cities and towns dispose of municipal wastes safety and effectively.

The school of engineering can actually trace its roots to the 1880's, when Manhattan joined other American colleges in an effort to meet our growing Nation's need for a professional corps of engineers.

To some, it was a radical move. Like most 19th century colleges, Manhattan had a classical curriculum, focusing on Latin, Greek, philosophy, rhetoric, and mathematics. But the Christian Brothers, who founded Manhattan, had always believed in keeping up to date in a world of growing technology. And so, in the mid-1880's, they introduced subjects such as chemistry, physics, quantitative and qualitative analysis, and engineering.

The program gained momentum in 1888, when the college opened courses specifically to prepare students for careers in engineering. Entrusted with the program's development was Brother Caesarius Paulian, who, before joining the Christian Brothers in 1882, taught engineering at McGill University and served as an engineer with the Canadian Pacific and Missouri Pacific Railroads.

In 1892, Manhattan College conferred its first two engineering degrees. Propelled by the program's success, the college formally established its school of engineering.

The father of engineering at Manhattan College, Brother Paulian, died in 1893. Taking the helm was another academic giant, Brother Potamian O'Reilly. A graduate of London University, Brother Potamian worked closely with a number of distinguished British scientists.

The school of engineering grew in prestige—and enrollment—throughout the 20th century. This success was largely due to the leadership of one man, Brother Amandus Leo Call, dean of the school of engineering from 1930 to 1961.

Brother Leo was unsurpassed as an educator and administrator. Under his direction, the school's original curriculum in civil and electrical engineering was expanded. An option in mechanical engineering was added in 1956, and chemical engineering followed suit in 1957.

The school of engineering gained a new home—and redoubled in strength—with the inauguration of the Leo Engineering Building in 1963, named after the dean who had meant so much to the school, its faculty, and particularly its students. The stately brick facility is just off the main campus at 24th Street. Additional space was added with the completion of the Fischback Wing in 1979 and the Research and Learning Center in the mid-1980's.

The school of engineering now begins its second century with a sense of historical precedence. Today's faculty and administration, led by Brother President Thomas Scanlon, are as committed to offering state-of-the-art engineering education as were their 19th century predecessors. It is a legacy of excellence that promises future generations of outstanding engineers.•

SEPHARDIC QUINCENTENNIAL

•Mr. D'AMATO. Mr. President, I rise in recognition and commemoration of the 500th anniversary of the expulsion of the Jewish people from Spain—the Sephardic Quincentennial.

The year 1992 marks not only the 500th anniversary of the momentous voyage of Christopher Columbus but the beginnings of Sephardic Jewry. In 1492, King Ferdinand and Queen Isabella signed a decree which effectively expelled the Jews from Spain, unless they denounced their faith. There was much suffering for those who refused, but others secretly kept their faith or left for new lands to establish new communities. Wherever they went, the host societies benefited greatly from their contributions.

The American Sephardi Federation and the Jewish Community Relations Council of Greater New York, in addition to many other prominent organizations, will coordinate commemorations of the tragic results of the Inquisition, honor the nations that welcomed the dispersed Jews, and celebrate the innumerable contributions of Sephardic culture of Jewish history and the world at large.

The New York City area is home to over 200,000 Sephardic—Mediterranean and Middle Eastern—Jews. The Jewish people originating from Syria, Egypt, Lebanon, Turkey, Iraq, and a host of other countries are among America's most successful immigrants. More importantly, their tradition of self-help and public spiritedness serves as an example for our Nation's citizens.

In the Jewish matrimonial tradition, the groom breaks a glass during the ceremony to commemorate the destruction of the Second Temple. This provides a sense of "level headedness" even during a moment that is one of life's most joyous. One can draw a parallel between this tradition and the "bittersweet" flavor of the momentous events whose 500th anniversary we observe this year.

For the Sephardic Jews and, indeed, for all Jews and all people of good will, this year's celebrations are bittersweet as well. We must remember that 4,000 Syrian Jews remain hostages in the Syria of Hafez Assad, several Lebanese Jews remain kidnaped by Hezbollah terrorists, and four Israeli MIA's remain held or unaccounted for. Furthermore, the State of Israel, beloved to all Jews, remains under great pressure, even by her friends, in deference to untrustworthy dictators like Syria's Assad. There is more than legitimate reason for concern.

But let us take this opportunity to recognize some of the positive attributes of this anniversary. Let us utilize this commemoration to mark a victory over intolerance and to remind us of the need for rapprochement among the peoples of the world. Let us honor the world's Sephardic Jewish communities who have given so much to their fellow man.•

TRIBUTE TO A LEADING FIGURE IN MEDICINE

• Mr. D'AMATO. Mr. President, I rise today to pay tribute to a very special person who made many great contributions to numerous New Yorkers, Dr. W. Brewster Wolfe. His long and outstanding career as an internist and specialist in heart disease and as chief of staff of St. Luke's Hospital in Newburgh, NY, began at Harvard Medical School. He graduated in 1949 and served as a medical officer in the U.S. Army in Germany. From there, he went to St. Louis University Medical Center and on to Bellevue Hospital in New York City. He worked in the Garrison, NY, area before finally settling in Newburgh after completing the necessary certification for internal medicine.

Dr. W. Brewster Wolfe's outstanding qualities of enlightened leadership and exceptional dedication brought him to the scene of the giant Woodstock Music Festival at Bethel, NY, in 1969. It occurred to him that much needed medical assistance would be in short supply, so he traveled to the event with his daughter Anria. For 3 days, from August 15 to 17, virtually without rest, and almost no food, he treated more than 1,000 patients at the festival. He became an unsung hero then and remained an unsung hero until he died on

December 7, 1991. It is time for us to recognize Dr. Wolfe as the hero that he was, remember the contributions that he made, and honor his memory by our own selfless efforts on behalf of our Nation's most noble ideals.

Born in Pittsburgh, PA, Dr. Wolfe was the son of the late Maj. C. Holmes Wolfe, Sr., an executive of the Aluminum Co. of America, and the late Madeleine Dougherty Wolfe, active in community life in New York, where she was born, and in Pittsburgh for many years.

He married Margaret Conway of Medford, MA, and has 10 children, 4 sons and 6 daughters: Christopher, Timothy, Gregory, Brian, Sharron, Anria, Elizabeth, Victoria, Penelope, and Pamela.

His medical accomplishments were great, his approach was philanthropic, and we might say that Dr. W. Brewster Wolfe was a model physician. He has done much for his community—he was instrumental in creating a coronary care unit at St. Luke's Hospital—and for New York State. At the time of his death, despite illness, he was seeking funds for a patient-controlled anesthesia unit at the St. Luke's Hospital.

We are grateful to Dr. W. Brewster Wolfe for his relentless dedication to the Mid-Hudson Valley for 35 years. We will remember and he will be sorely missed.•

A MAJOR MILESTONE FOR THE DURHAM COS.

• Mr. D'AMATO. Mr. President, I rise today to acknowledge the 25th anniversary of the Durham Cos., a temporary help services company.

The Durham Co. was founded by E. Barry, Peter D., and Brian C. Durham in Buffalo, NY, in 1967. From the onset, the firm provided primarily industrial labor to businesses in western New York.

Since then, the Durham Cos. have grown and prospered in the human resource arena. They provide temporary and permanent personnel to the clerical, industrial, and technical arena and permanent personnel to the health care industry throughout the United States and overseas.

The Durham Cos. are responsible for getting thousands of western New Yorkers employed. They have also provided physicians to area facilities and contributed to Buffalo's growth by bringing physicians into western New York.

I am proud to congratulate this fine organization in playing such a vital role in bringing jobs and employees together. The Durham Cos. were the initial leaders of the temporary help industry. I salute the Durham Cos. for their achievements and wish them continued growth for the next 25 years.•

U.S. NATIONAL TEAM FIRST WOMEN'S WORLD CUP CHAMPIONS

• Mr. WARNER. Mr. President, on November 30, 1991, before 59,000 soccer fans in Guangzhou, China, the United States Women's National Team made sports history in defeating Norway 2 to 1 to become the first-ever, Women's World Cup Champions. The tournament brought to light the successes attained and perhaps the obstacles to be faced by those promoting women's soccer around the world and in the Olympics.

For the past 5 years, the Senate and House of Representatives have joined together to recognize how far American women have come in athletic achievement. The Congress will again commemorate National Women and Girls in Sports Day on February 6, 1992.

In my remarks on the floor of the Senate on October 8, 1991, I called attention to an exhibition match between the United States women and the Chinese team at George Mason University. I pointed with pride that the American team, with a number of players from Virginia, had already qualified to play in the FIFA Women's World Championship. I also urged that as a result of the world-wide competition in women's soccer, it should be considered as a gold medal sport at the 1996 Olympics in Atlanta.

Fortunately, we have a congressional Olympic Caucus to promote such an idea. Although the U.S. Government does not directly support the Olympics, its support of the Olympic Coin Act has helped raise millions for the U.S. Olympic Committee. Therefore, I take this opportunity to urge the caucus to consider ways of promoting women's soccer as a gold medal sport at the 1996 Olympics in the city of Atlanta, GA.

Such action would provide a continuing opportunity to encourage more participation in girls' soccer by promoting the U.S. Women's National Team and our ever-improving youth programs. At this time it is interesting to note:

Females make up 40 percent of all youth players;

One out of every three youngsters under the age of 18 plays soccer—of that—50 percent are women;

Of the 29,372 who play college soccer, 26 percent are women;

In high schools, 33 percent of the 327,000 soccer players are women;

High schools added more boys and girls varsity soccer programs than any other sport in 1990–91.

The women on this team have made countless personal sacrifices. All of the women are college-educated and have devoted themselves mentally, physically, and spiritually to the game. It is especially pleasing that Virginia is well represented. Virginia alumnae of the Washington Area Girls Soccer Program on the team are: Kim Maslin-Kammerdeiner, all-American at George Mason University who returns to Fairfax County as a coach and teacher; Wendy Gebauer, graduate of South Lakes High School in Reston, all-American and graduate of the University of North Carolina; Mia Hamm, graduate of Lake Braddock High School in Burke, all-American and student at the University of North Carolina; Megan McCarthy, graduate of Robinson High School in Fairfax, all-American and graduate of William and Mary; and Amanda Cromwell, graduate of Annandale High School in Annandale, all-American and student at the University of Virginia. The latter two team members were unable to play at the World Cup—McCarthy, former NCAA player of the year, was injured and Cromwell, co-captain and all-time leading scorer, was playing with UVA in the NCAA final four tournament.

Mr. President, let us strive to make their dreams come true in Atlanta, GA in 1996.•

A TIME FOR PEACE IN EL SALVADOR

• Mr. LEAHY. Mr. President, as one who fought for a decade against the Reagan and Bush administration's military policy in El Salvador, I want to be among the first to congratulate all those who had a role in the successful peace negotiations which led to the January 16 peace agreement ending that terrible war.

From the cowardly and still unpunished assassination of Archbishop Oscar Romero a dozen years ago to the brutal massacre of the six Jesuit priests in 1989, the people of El Salvador have witnessed and endured horrors almost unimaginable. For a dozen years they have prayed for an end to the calamity that has left over 70,000 dead, and forced hundreds of thousands to flee their homes.

During that period, the United States poured over $5 billion into El Salvador, a country not much bigger than my own State of Vermont. Much of that aid went to support the Salvadoran Armed Forces, despite its record of corruption and human rights atrocities. Likewise, the former Soviet Union, East Germany, Cuba, and the Sandinistas bankrolled the FMLN's cause, which contributed to the suffering of many civilians caught in the middle.

But the time for blame is past. I have spoken on this floor too many times to count about the waste of money and lives caused by our policy, the Salvadoran Government and the FMLN. It is time to look ahead, to turn our energies to the peace agreement and the permanent ceasefire on February 1, which sets the stage for the demobilization of the combatants and reconstruction of the country.

No party to the negotiations should go unrecognized. Former U.N. Secretary General Perez de Cuellar and his assistant Alvaro De Soto deserve special praise, for challenging the parties to negotiate under U.N. auspices and for their persistence through many months of extremely complex and at times acrimonious discussions.

Mr. President, Cristiani and the FMLN leaders also showed courage, Cristiani for becoming personally engaged in the negotiations when they seemed close to collapse, and the FMLN for agreeing to demobilize and putting their faith in the political process.

The United States representative to the United Nations, Ambassador Thomas Pickering, Assistant Secretary Bernard Aronson and United States Ambassador to El Salvador, William Walker, all played indispensable roles in the steadily pushing the parties toward an agreement.

Many in Congress played important roles. Senator CHRIS DODD and Congressman JOE MOAKLEY provided indispensable leadership, and it was an honor to work so closely with them to contribute toward the goal of this peace agreement.

But perhaps the greatest recognition should be to the six Jesuits. Their deaths, more than anything else, galvanized opposition to continued United States support for a military solution to the conflict. The Congress soon drew the line. Over the administration's vehement objections, we withheld half the military aid and tied release of the other half to progress in the negotiations and on human rights. Only then did the negotiations really begin to bear fruit.

The road ahead is filled with obstacles. There will almost certainly be violations of the ceasefire, and public denunciations that one side or the other is not living up to the agreement. But I am optimistic. The United Nations, which brought the two sides together and kept the peace process alive, will have a central role in the reconciliation and reconstruction process in the months ahead. After so much has been achieved, neither side wants to be blamed for a return to the old days.

Much will depend on the ability of all sectors of the society—Government, business, labor, the FMLN—to join forces and address the underlying causes of the war—poverty, injustice, and a political system which perpetuated those inequities. Any successful reconstruction program must bring a better life to the hundreds of thousands of people, especially in the rural areas in the north, who have been ignored. For many of those communities the only contact they have had was with disastrous consequences. They must have a voice in the design and implementation of the reconstruction program.

Mr. President, as chairman of the Foreign Operations Subcommittee I will be consulting with other Senators and officials in the State Department and AID on a new United States aid program for El Salvador. I have also sought the views of the Government of El Salvador and the FMLN. My hope is that together we can design a program that fully supports the United Nations agreement, and avoids the controversies of the past. It is my hope and my intention to include a new aid program for El Salvador in the forthcoming Foreign Operations appropriations bill which must be completed and sent to the President prior to March 31.•

UKRAINE IS FREE

• Mr. LEVIN. Mr. President, after a struggle of countless generations spanning a millennium, Ukraine is free. Freedom-loving people throughout the world celebrate and pray that this is the culmination of Ukraine's struggle, the dawn of unchallenged independence, sovereignty, and freedom.

While Ukraine has been an independent nation only intermittently in recent centuries, the Ukrainian people never lost their unique culture, their religion, their identity, and their pride of being Ukrainian. Through years of foreign domination, the Ukrainian people succeeded in their struggle to maintain their identity and their desire for independence. With inspiring tenacity, Ukrainians never lost their determination to be free. Generation after generation passed the torch, never allowing the flames of the dream to be extinguished.

And now, as this generation bears witness to the fulfillment of Ukrainian independence, freedom, and sovereignty, we should pay special tribute to the men and women who struggled through the years, through the decades, sometimes through lifetimes to preserve the identity and dignity of Ukraine. At immeasurable personal cost and pain, countless patriots never abandoned the dream that this generation has lived to see become a reality.

The nations of the world, new and old, are joining the United States in welcoming Ukraine as a free and sovereign nation. Ukraine has made many important commitments to sister nations of the world. None is more important that the commitment to be bound by treaties governing nuclear weapons reductions and dismantlement.

Freedom-loving people everywhere have a stake in Ukrainian independence. The struggle was long, the sacrifices were great, and the victory is historic. Ukraine is free.

ORDERS FOR TOMORROW

Mr. KENNEDY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m., Wednesday, January 22; that following the prayer, the Journal of the proceedings be deemed approved to date; that following the time reserved for the two leaders, there be a period for morning business not to extend beyond 12 noon, with Senators permitted to speak therein, with the following Senators recognized for the time specified: The first hour under the control of the majority leader or his designee, with the next 15 minutes under the control of Senator PELL, and the remaining time under the control of Senator WIRTH or his designee.

The PRESIDING OFFICER. Without objection, it is ordered.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. KENNEDY. If there is no further business today—and I see no other Senator seeking recognition—I ask unanimous consent that the Senate stand in recess, as previously ordered, until 10 a.m., Wednesday, January 22.

There being no objection, the Senate, at 6:05 p.m., recessed until Wednesday, January 22, 1992, at 10 a.m.

HOUSE OF REPRESENTATIVES—*Wednesday, January 22, 1992*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

With gratefulness, O God, we enter this new day and look upon all the possibilities or difficulties that are before us with a sense of privilege for the opportunity of serving the people of the Nation. With a sense of thankfulness for this responsibility we dedicate ourselves to doing the works of justice, seeking the ways of peace and sharing the quality of mercy with every person. May Your blessing, O God, be with us and with all who seek to strengthen and renew our land so that Your gifts of righteousness and understanding will be the heritage of all.

This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Colorado [Mr. ALLARD] please come forward and lead the House in the Pledge of Allegiance.

Mr. ALLARD led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1989. An act to authorize appropriations for the National Institute of Standards and Technology and the Technology Administration of the Department of Commerce, and for other purposes;

H.R. 2032. An act to amend the Act of May 15, 1965, authorizing the Secretary of the Interior to designate the Nez Perce National Historical Park in the State of Idaho, and for other purposes;

H.R. 3635. An act to amend the Public Health Service Act to revise and extend the program of block grants for preventive health and health services, and for other purposes; and

H.R. 3866. An act to provide for the designation of the Flower Garden Banks National Marine Sanctuary.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 3635), "An act to amend the Public Health Service Act to revise and extend the program of block grants for preventive health and health services, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. METZENBAUM, Mr. HARKIN, Mr. HATCH, and Mrs. KASSEBAUM to be the conferees on the part of the Senate.

The message also announced that the Senate had passed the following resolution:

S. RES. 242

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

The message also announced that the Senate had passed bills and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 36. An act entitled the "New York City Zebra Mussel Monitoring Act of 1991";

S. 1392. An act to strengthen the authority of the Federal Trade Commission regarding fraud committed in connection with sales made with a telephone, and for other purposes;

S. 2131. An act to repeal section 618 of the Resolution Trust Corporation, Refinancing, Restructuring and Improvement Act of 1991;

S. Con. Res. 85. Concurrent resolution to correct a technical error in the enrollment of the bill (H.R. 3531), and for other purposes; and

S. Con. Res. 86. Concurrent resolution to correct the enrollment of H.R. 2950.

The message also announced that pursuant to Public Law 100-297, the Chair, on behalf of the President pro tempore and upon the recommendation of the majority leader and the minority leader, appoints Julie Abeyta of New Mexico, Susan Adair of Oklahoma, Joan Ainslie of California, Andrew L. Andreoli of California, Richard W. Arnold of Nevada, Vivian L. Arviso of Arizona, Katherine J. Bancroft of California, Lionel Bordeaux of South Dakota, Marilyn K. Bread of Kansas, Mary Ann Brittan of Oklahoma, Joe Byrd of Oklahoma, Howard Chavez of California, Robert K. Chiago of Kansas, Julie Clouse of Kansas, Shirley Cogswell of Maine, Pete G. Coser of Oklahoma, Cheryl Crazy Bull of South Dakota, Carol Ann Davis of North Dakota, James L. Davis of North Dakota, William Demmert of California, Carl Downing of Oklahoma, Joyce Dugan of North Carolina, Lloyd Elm of New York, Ruth Frazier of New Mexico, Nora Garcia of California, Lillian Garnett of Alaska, Pat Goggles of Wyoming, Mary Helen Haney of Oklahoma, Marcelle Sharron Ahtone Harjo of Oklahoma, Lawrence H. Hart of Oklahoma, Earl Havatone of Arizona, Victoria Higgins of Maine, John Hornbrook of Indiana, Cindy Huston of Oklahoma, Pat Jagiel of Florida, Stephen Lewis of California, Patricia Locke of South Dakota, Dwight D. Lowry of California, Ronnie Lupe of Arizona, Oren Lyons of New York, Wilma Mankiller of Oklahoma, Bob G. Martin of Kansas, Twila Martin-Kekahbah of North Dakota, Vernon Masayesva of Arizona, Sylvia J. McCloud of Nevada, Sharon McLane of Kansas, William Mehojah of Washington, DC, Ted Mitchell of Maine, Josiah Newton Moore of Arizona, James Nageak of Alaska, Patty Nelson-Bourdeaux of South Dakota, Karen Onco of Oklahoma, Reginal Pasqual of New Mexico, Luanne Pelagio of Alaska, Levi Pesata of New Mexico, Paul Plume of South Dakota, Marshall Plummer of New Mexico, Edwin Stronglegs Richardson of Washington, DC, Donna Rhodes of Oklahoma, M. Grace Roderick of Maine, Nell Allen Rogers of Mississippi, Ernie C. Salgado, Jr. of California, Ruth Sampson of Alaska, Ivan L. Sidney of Arizona, J. Brian Smith of Maine, Kiamichi Stairs-Camp of Oklahoma, Loren "Bum" Stiffarm of Montana, Robert J. Swan of Montana, Carmen Cornelia Taylor of New Mexico, Virginia Thomas of Alaska, Alice M. Tonemah of Oklahoma, Daniel Tso of Arizona, Delores R. Twohatchet of Oklahoma, Mary Margaret Willson of Nevada, Ruth Dial Woods of North Carolina, Sydna Yellowfish of Oklahoma, Bernadine Young Bird of North Dakota, and Peterson Zah of Arizona, as Delegates to the White House Conference on Indian Education.

ADJOURNMENT TO FRIDAY, JANUARY 24, 1992, AND ADJOURNMENT FROM FRIDAY, JANUARY 24, 1992, TO TUESDAY, JANUARY 28, 1992

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 a.m. on Friday, January 24, 1992, and that when the House adjourns on Friday, January 24, it adjourn to meet at noon on Tuesday, January 28, 1992.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

DISPENSING WITH ORGANIZATIONAL OR LEGISLATIVE BUSINESS ON TODAY OR ON FRIDAY, JANUARY 24, 1992

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that no organizational or legislative business be in order today or when the House convenes on Friday, January 24, 1992.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the order of the House of today, bills and resolutions introduced thus far during the second session of the 102d Congress will be numbered as of the day introduced but not noted until the RECORD of January 28, and not referred to committee by the Speaker until January 28. Likewise, executive communications, petitions, and memorials will not be numbered or referred until January 28.

COMMEMORATING THE LIFE OF GLENN BRENNER

(Ms. NORTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. NORTON. Mr. Speaker, the brilliant Redskins, the hometown team of the U.S. Congress, are on a roll toward victory at the Super Bowl on Sunday. But the lights are dim at RFK Stadium because this year's season is ending without Glenn Brenner. Members and area residents alike watched the Channel 9 sportscaster who for 15 years made the reporting of sports an art that was a hybrid of information and entertainment. Glenn Brenner was one of a kind—a reporter of consummate skill, a man whose effervescent wit was born of intelligence and style, a sportscaster who brought as much to the game as he took from it.

Glenn collapsed while engaged in sports—after running his last race—the Marine Marathon. He died 10 weeks later on January 14, just after his 44th birthday, of a malignant brain tumor. All of Washington grieved.

But Glenn brought joy and fun to his own funeral as friends and colleagues took their cues from his unique way of covering sports. Glenn made us laugh as we learned. He brought fans to sports by the way he covered the games. You didn't have to be a sports fan to love Glenn Brenner. But Glenn made us love them both.

AN AMERICAN SUCCESS IN JAPAN—CATERPILLAR

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, may I first welcome all our Members back to the second session of the Congress on both sides of the aisle.

Mr. Speaker, we are told by critics that American workers are to blame for our trade imbalance with Japan. We are told our companies just can't compete.

Those myths need to be destroyed by some facts. And there's no better place to turn than my hometown of Peoria where our largest employer and one of our countries premier manufacturers, Caterpillar, Inc. sold more than 400 million dollars' worth of United States-produced equipment in Japan this past year.

As a matter of fact, Japan accounts for $1 out of every $8 in Cat export sales.

Furthermore, 70 percent of the equipment being used to build the Kansai Airport near Osaka, Japan, carries the Caterpillar name.

For product lines it sells, Caterpillar outsells its nearest competitor, Komatsu of Japan right in their own backyard and Cat claims more than 50 percent of the Japanese market.

Does that sound like an inability to compete?

Of course not!

Instead of crying the blues, critics of American workmanship and salesmanship should come to Peoria and see how Americans can compete, head-to-head with anyone in the world.

Believe me when it comes to quality—we don't just "play" in Peoria—we work at it.

CONCERN ABOUT THE NEW GATT PROPOSAL

(Ms. LONG asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. LONG. Mr. Speaker, today I rise to express concern over the recent GATT proposal. Our country needs for Congress to be presented with a better trade agreement and it needs to be presented early this year.

Among the areas that still need further negotiations in my opinion are some disturbing aspects of the agreement that would impact many sectors of our domestic economy, and a provision that would establish a Multilateral Trade Organization—an MTO. Establishment of this MTO would constitute an attack on our basic form of government because it would be granted the authority to supersede powers contained in domestic law.

Under current GATT rules, opposition by any country may forestall a GATT-panel decision. But to overturn a decision made by the new MTO would require opposition by all 103 nations.

I urge my colleagues to carefully review the new GATT proposal and let the administration know of the Members' concerns, so that they may bring us a good trade agreement this year. It is an agreement our economy demands and our country desperately needs.

REPEAL THE EARNINGS TEST

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, in the coming weeks we will consider proposals to get the economy rolling again, but there is one action we can take right now, something we have already studied and debated that will not only give our sluggish economy a boost, but will also restore a measure of fairness by taking the cap off the earned income potential of our senior citizens.

I am talking about repealing the earnings limitation test, something the other body has already voted to do and something that 268 of our colleagues already support. Studies show that about 700,000 seniors would go back to work if this unfair and outdated tax penalty were repealed. The impact this would have on our economy would be significant, potentially adding about $15 billion to the gross national product. Repealing the earnings test is a cost-effective measure, and we can take it right now to help in this stubborn recession. Repeal is common sense, it is economic sense, and it is fair play for older Americans who want to or need to look out for themselves by earning their own way.

INTRODUCTION OF HOUSE RESOLUTION 325 CONCERNING RELEASE OF SEALED DOCUMENTS ON KENNEDY ASSASSINATION

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GONZALEZ. Mr. Speaker, I am introducing a simple House resolution today that would unseal and release to the public those files that were sealed by the Select Committee on Assassinations pertaining to the assassination of President John Kennedy. Until a few weeks ago, I had no idea that any documents had been sealed. The sealing of documents by the House is something that I believe the House of Representatives should find abhorrent.

Yet, I was the one who is responsible for creating the committee—I introduced the resolution that the House adopted, although the original purpose of the committee was skewed. As it turned out, the committee turned into a who dunnit rather than a committee dedicated to a legislative purpose. Thus, the committee was undermined from the very start when it took off in the direction of an investigation with no legislative goal. When they announced their findings that the assassination of President Kennedy was probably the result of a conspiracy, but then sealed the records of the committee, the germseed for eternal conjecturing and infinite hypothesizing was planted.

We in the Congress have often enough engaged in debates with the executive branch about claims of executive privilege to withhold information from the Congress. If the Congress does this itself, by sealing documents that should be part of the public domain, we have lost our moral argument on this issue.

I am not reviving anything, not espousing any theory or endorsing any inference of conspiracy, and I am not asking for anything other than to release the sealed records to the public. I ask my colleagues to join with me if they share my interest and concern in ensuring openness in government and in our processes.

The documents referred to follow:

H. RES. 325

Resolved, That, within thirty days beginning after the date of adoption of this resolution, the Archivist of the United States shall release for public use the records specified in section 2.

SEC. 2. The records referred to in the first section are all of the records of the Select Committee on Assassinations of the Ninety-fourth Congress and of the Ninety-fifth Congress.

JANUARY 15, 1992.

Hon. HENRY B. GONZALEZ,
U.S. House of Representatives,
Washington, DC.

DEAR HENRY: Congratulations on moving to get all the information related to the Kennedy assassination released. Enclosed is a copy of a letter I sent to Lou Stokes which you may want to put in the CONGRESSIONAL RECORD when you introduce your resolution.

Keep up all your good work.

Sincerely,

JOSEPH A. CALIFANO, Jr.

JANUARY 13, 1992.

Hon. LOUIS STOKES,
U.S. House of Representatives,
Washington, DC.

DEAR LOU: As an aide to President Lyndon Johnson from 1965 until he left office in January, 1969, let me add my voice to those who are urging you and the House of Representatives to release all files related to your investigation of the assassination of John Kennedy and the Warren Commission report.

The Oliver Stone movie JFK is a disgraceful concoction of lies and distortions designed, among other things, to leave the impression that there was a massive conspiracy among all elements of American society—government, business, the media—to kill President Kennedy, and that one of the conspirators was President Johnson. The movie may make Stone and Time-Warner lots of money, but it is still a big lie.

The film is particularly offensive with respect to President Lyndon Johnson who called the Kennedy assassination "the foulest deed of our time" and said when he faced a joint session of Congress shortly thereafter, "All I have I would have given gladly not to be standing here today." In addition to working as Lyndon Johnson's closest domestic aide for three and one-half years, I have spent the past four years reseaching and writing The Triumph and Tragedy of Lyndon Johnson.

Johnson believed, as he said to me, that Fidel Castro was responsible for President Kennedy's assassination. In a reference to attempts by the Kennedy brothers to assassinate Castro, Johnson told me, "Kennedy tried to get Castro, but Castro got Kennedy first." After assuming the Presidency, Lyndon Johnson ordered a stop to all covert activity to eliminate Castro. Moreover, LBJ was so convinced that Castro assassinated Kennedy that he asked the FBI to take special precautions to protect him and his family from an attempt by Castro on his own life. Johnson did not agree with the Warren Commission's report that Lee Harvey Oswald acted alone. In late 1966 and early 1967, he discussed with me reopening the investigation, but decided against it because he did not believe it was in the interests of the country and he did not want to inflict any additional pain on the Kennedy family.

Mr. Chairman, you did take the time in a thorough House inquiry to reexamine the Warren Commission findings and conduct your own investigation. In these circumstances—and particularly with this scurrilous film giving millions of young Americans a false revisionist history lesson—I believe it is imperative that the House open to the public all the files accumulated in the course of your investigation.

With best regards.

Sincerely,

JOSEPH A. CALIFANO, Jr.

□ 1210

TRIBUTE TO GLENN BRENNER

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, I join my colleagues today in paying tribute to Glenn Brenner—a man who was loved by so many people in the Washington area and beyond—and also to send my condolences and prayers to Glenn's wife, children, and parents in their time of sorrow and loss.

I think everybody got to know Glenn Brenner like I did by watching him on television. A member of my staff who had the privilege of working with Glenn said he was everything he appeared to be on TV, and more.

Having been born and raised in Philadelphia, PA, like Glenn, I took a special interest in following his career.

Glenn Brenner was a consummate family man. Despite his success and the celebrity he obtained, Glenn's family always came first.

In life—and death—Glenn Brenner taught us the value of laughter. More importantly, he taught us not to take our work and careers so seriously that we lose sight of what is most important in this life—our families and friends.

Thank you, Glenn, and may God bless your family and friends.

RESPONDING TO THE CHEMICAL-BIOLOGICAL WARFARE THREAT

(Mr. BROWDER asked and was given permission to address the House for 1 minute.)

Mr. BROWDER. Mr. Speaker, in a time of worldwide proliferation of chemical and biological warfare programs, when the former Soviet Union's enormous CBW resources might be available for sale to the highest bidder, it is imperative that the United States be trained and ready to face the threat of chemical/biological war.

The intelligence community recognizes the threat.

Director of U.S. Central Intelligence Robert Gates last month told the House Armed Services Committee:

> The accelerating proliferation of nuclear, biological, and chemical weapons in other countries around the world is probably of gravest concern.

The defense community recognizes the threat.

Gen. H. Norman Schwarzkopf, last year told the same committee:

> One of these days it's going to happen—we're going to have to fight a chemical war.

Yet we are not prepared or preparing.

In October 1988 the MITRE Corp., in a report authorized by the HASC, found that the Department of Defense could not adequately and effectively provide direction and oversight to the military services' chemical/biological defense programs. MITRE proposed several options for addressing identified problems, but as of August 19, 1991, GAO determined, again at our committee's request, that "virtually no change had taken place in response to MITRE's recommended options."

Congress should begin now to provide direction and oversight for our CBW program. Given the central importance of the chemical/biological warfare threat in the post-Soviet world, we must inquire into the exact nature of the threat, as well as how we as a nation should counter that threat.

WETLANDS SIMPLIFICATION ACT

(Mr. BUNNING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUNNING. Mr. Speaker, today I am introducing the Wetlands Simplification Act to reduce the number of agencies that have jurisdiction over determining agricultural wetlands.

Currently, four different agencies have jurisdiction over wetlands. The Environmental Protection Agency, the Soil Conservation Service, the Army Corps of Engineers, and the Fish and Wildlife Service can all issue different determinations on agricultural wetlands.

The bottom line is that the bureaucratic redtape over wetlands that our farmers face is far too complicated.

The legislation I have introduced would make one of those agencies, the Soil Conservation Service the "one-stop shop" for American farmers and ranchers.

Our farmers want to comply with the law and this bill will merely make it less complicated to do so.

INTRODUCTION OF THE FREEDOM OF CHOICE ACT

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I want to commend the 129 brave Members of this body who have been willing to stand up and join us in cosponsoring the Freedom of Choice Act and say it is time that women be treated as adults by this Congress.

It is very clear that the Supreme Court decision allowing women the right to choose is in danger and will clearly be changed. The Freedom of Choice Act codifies Roe versus Wade. It says that an individual woman's right to choose to terminate a pregnancy prior to fetal viability is hers, not the Government's not a Supreme Court Justice's, not a President's, not a Senator's, or not a Congressman's. That is very important.

H.R. 25 is out there, and it is absolutely critical that it become one of the primary bills we take up in this session. Especially as we are looking more and more toward national health care, we cannot have a national health care that does not recognize women equally. Otherwise, we will be forcing all women into secondary class citizens.

I certainly hope that the right-to-choose bill gets the majority of this body, we pass it out of here, and we say to America's women, indeed, they are going to be treated equally by this Congress even though the Supreme Court is gone.

WE ALL MISS OUR PAL, GLENN BRENNER

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, "How do you say goodbye to someone who gave us a million laughs." We remember that sentiment when we think of the tragic death of WUSA sportscaster and my constituent Glenn Brenner.

Rarely does the passing of an individual generate an outpouring of emotion from such a broad cross-section of a community—people from all walks of life were touched and uplifted by this man.

Glenn Brenner was more than a sportscaster to area viewers. Sports fans and nonsports fans alike were drawn to him by his magnetism, natural good humor, and ability to keep sports in perspective. He always made you feel good about yourself.

Whether it was his "Weenie of the Week" award, his constant pranks, or his guest football prognosticator interviews, Glenn kept it light. Who can forget his wonderful interviews with Sister Marie Louise, classics in the annals of Washington broadcasting.

Glenn Brenner distinguished himself with his charm, honesty, and extraordinary sense of humor. Watching one of his newscasts was a treat, for Glenn talked about the "big game" without getting technical or too wrapped up in scores and statistics. He delivered a broadcast that nonsports fans could not only follow, but truly enjoy. He always kept sports in perspective.

Glenn began his career as an athlete, a baseball player with the Philadelphia Phillies' organization, before moving into broadcasting. After stops in his hometown of Philadelphia, Huntington, WV, and Millville, NJ, Glenn came to Washington's WUSA-TV, channel 9, in 1977. For the next 14 years, Glenn laughed and cried with athletes of all shapes, sizes, and abilities. Sportscasters enjoy interviewing a famous athlete, but interviews with little leaguers and fans on the street were always done in a professional, yet sympathetic manner.

Some say Glenn Brenner was a comedian in a broadcaster's body. That was partly true. However, no one can ever say that Glenn treated a story too lightly or did not treat it with sensitivity.

Glenn was a devoted husband and father to his wife and three children, making his family life his first priority amid a busy broadcasting schedule.

At a time when the sports world is focusing on the upcoming Super Bowl, our thoughts are with Glenn's family and his many colleagues and friends at WUSA-TV/channel 9.

The entire community mourns the death of this great man whom his distinguished colleague, Gordon Peterson, called simply pal. We all miss our pal.

ENACT FREEDOM OF CHOICE ACT

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, today marks the 19th anniversary of the Roe versus Wade decision, the Supreme Court decision that confirmed every woman has the basic right to decide for herself, free of government intrusion, whether or not to terminate a pregnancy. The Roe decision has saved lives and virtually eliminated back-alley abortions.

In spite of the overwhelming public support for a woman's right to choose, that right is at risk from a hostile Supreme Court, stacked with antichoice Justices appointed by the Reagan and Bush administrations.

Congress must act now to uphold the majority's views on choice and the guarantee that all Americans have a right to understand and expect.

We must enact the Freedom of Choice Act, protect the freedoms embodied in Roe versus Wade, and once and for all make a woman's right to choose the law of the land.

INTRODUCTION OF RESOLUTION WELCOMING HOME THE HOSTAGES

(Mr. JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JOHNSON of Texas. Mr. Speaker, last month, the last of the Americans held hostage in Lebanon were freed.

Their homecoming ended years of anguish for them, their families, and for all Americans.

Having spent several years as a prisoner of war in Vietnam, I know how they felt when they came home to this wonderful country.

These men, displayed great courage while in captivity. Sadly, three Americans were murdered by their captors—two while in the service of the United States.

Today, I am introducing a resolution—formally welcoming these men home and calling for the release of all remaining hostages in Lebanon and around the world.

I urge my colleagues to join me in saying, "Welcome home, Americans."

□ 1220

SUPPORT EXTENSION OF EMERGENCY UNEMPLOYMENT COMPENSATION

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks).

Mrs. KENNELLY. Mr. Speaker, I was very relieved that after Congress tried several times last fall, the administration finally signed into law an emergency unemployment compensation program.

But Mr. Speaker, the recession is not yet over. The national unemployment rate for December just rose to 7.1 percent, up from 2 straight months at 6.9 percent. That represents 289,000 newly unemployed Americans, and brings the total to 8.9 million unemployed people across the country. By February 15, the emergency benefits we enacted will expire for 600,000 people.

We cannot abandon Americans out of work now when they need us most. I am proud, Mr. Speaker to be an original cosponsor of legislation my colleagues, Mr. ROSTENKOWSKI and Mr. DOWNEY, among others, will introduce today to extend unemployment compensation an additional 13 weeks. As people throughout the Nation fight their way out of the recession face the grim prospect of yet another day, week, or month without a job, we must do what is right and help these struggling people to made ends meet. I urge my colleagues to support the extension of the emergency unemployment compensation program.

REPEAL SOCIAL SECURITY EARNINGS LIMIT

(Mr. HASTERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HASTERT. Mr. Speaker, I rise to echo sentiments expressed at a press conference today on the Social Security earnings limit.

Today, about 10 organizations representing a broad cross section of businesses and older Americans demanded that the conferees to the Older American Act do the right thing and adopt the McCain amendment, which would repeal the Social Security earnings limit for those aged 65 to 69.

Mr. Speaker, I have come to this well many times to speak out for seniors on this issue. It has been and remains my No. 1 legislative priority.

The Social Security earnings limit is a Depression-era fossil that greatly discourages seniors who need to supplement their Social Security check by working. Currently, after earning only $10,200, older Americans lose $1 in benefits for every $3 earned.

It is high time that we retire the earnings limit and free our seniors to work if they want to. I urge our House conferees to take the advice of seniors, businesses and the 269 House cosponsors of my bill, H.R. 967, and adopt the McCain amendment.

TRIBUTE TO GLENN BRENNER

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN. Mr. Speaker, last Sunday, all of us from the Washington area were overjoyed to see the Washington Redskins defeat the Detroit Lions in the NFC championship game. It was a great game fought between two of the finest teams in the NFL.

Our enthusiasm, however, was diminished and turned to sadness as we read the reports that Glenn Brenner's bout with cancer had ended and that this jubilant and energetic Washingtonian had died at the early age of 44.

I remember Glenn Brenner as the witty newscaster who reintroduced us to the fun of professional sports and who showed us how silly we can all be when we take life too seriously.

I remember Glenn Brenner as the activist in the Washington community and as the guy who beat me by several minutes in a charity race for the homeless—only a week before his stroke in the Army 10 miler.

And I remember Glenn Brenner as a friend. One that I and many other Washingtonians appreciated for the joy, humor, and professionalism he brought so uniquely into our daily lives.

PROTECTION OF THE SAGUARO NATIONAL MONUMENT

(Mr. PASTOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PASTOR. Mr. Speaker, I rise today in order to address an immediate and compelling concern not only for the citizens of the Second Congressional District of Arizona, but for all those who value the beauty and integrity of our Nation's desert lands.

The Saguaro National Monument, located outside of Tucson, AZ, encompasses and protects some of the finest land of the Sonoran Desert. It is a visually stunning and environmentally important enclave for desert flora and fauna. It is also a fragile island of untouched nature amid the continually expanding communities of the Southwest.

Mr. Speaker, I rise along with my esteemed colleague from Arizona, Senator DECONCINI, who is introducing identical legislation in the Senate, to protect the Saguaro National Monument from a very serious threat—the reactivation of a mining claim along its boundary. The blasting and other activities associated with the reopening of the Old Yuma Mine pose grave dangers to the integrity of the monument.

The bill I am submitting the Saguaro National Monument Protection Act of 1992, proposes to incorporate the land on which the Old Yuma Mine is located into the monument itself, thereby permanently halting mining operations and eliminating the dangers that such operations pose to the preservation of the monument.

Congress has already recognized the importance of the Saguaro National Monument as well as its delicate nature. Last year Congress approved $100,000 in the fiscal year 1992 Interior appropriations bill for a boundary expansion study for the monument, so that threats to this pristine land may be identified and mitigated. The intent of this bill is not to preempt the study, but rather to eliminate an immediate danger to the monument and preserve its integrity. I urge my colleagues to demonstrate their commitment to the environment and vote in favor of this legislation when it comes to the floor.

UNITED STATES-JAPANESE TRADE PROBLEMS ARE NOT THE FAULT OF AMERICAN WORKERS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, recently the Speaker of the Japanese House of Representatives said that the trade problems that we, the United States, are having with his country are the fault of the United States worker because the United States worker is lazy, incompetent, and even illiterate.

For these malicious, malevolent, and highly untruthful statements, the Speaker of the Japanese House of Representatives was taken to the Japanese equivalent of the woodshed. He was chastised. He is now very contrite and suggests that he was misquoted.

This flap, Mr. Speaker, may be behind us, but the trade imbalance continues and we have to take action in the Congress to address it.

Mr. Speaker, I urge quick action on the bill introduced by the majority leader, the gentleman from Missouri [Mr. GEPHARDT], of which I am a proud cosponsor, which would reinstate the Super 301 trade sanctions which can be levied against countries like Japan which in many cases treat us unfairly in trade matters.

Also, Mr. Speaker, I am very much in favor of an economic revitalization program that would allow the American worker to have the tools, the equipment, and the training which a worker needs to be competitive.

Mr. Speaker, we have grave trade problems, but those trade problems cannot be laid at the doorstep and at the foot of the U.S. working man or the U.S. working woman.

WASHINGTON REGION MOURNS THE LOSS OF GLENN BRENNER

(Mr. HOYER asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous material.)

Mr. HOYER. Mr. Speaker, many of us from the Washington metropolitan area have risen to say goodbye to a friend.

Television is a uniquely powerful medium. It is a medium that in many ways brings us together as a country and provides us with common experiences. Therefore, personalities on television tend to become very personally known to people. We think they are our friends, even if we do not know them well.

I had the opportunity of playing golf with Glenn Brenner from time to time and seeing him relatively regularly.

My kids from time to time say, "Dad, be real," when they think I am not focused on what they think is to them real.

Glenn Brenner was one of those happy people who was real. He did not take himself too seriously. He was honest. He lifted us up. He knew his business. He was competent. He was somebody that the Washington area respected. He was chosen by his colleagues as America's outstanding sportscaster in 1989 and 1990.

So I join my colleagues in saying that Glenn Brenner ran the race. He fought the good fight. He kept the faith. Glenn Brenner we lost too early, but Glenn Brenner in the years given to him used them well.

God bless you, Glenn, and God bless your family.

INTRODUCTION OF TRADE ENHANCEMENT ACT OF 1992

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, for all its failings, the President's trip to Japan succeeded in one sense. It brought to center stage the issue of trade. The debate over trade has finally moved out of the shadows. Emotional rhetoric such as protectionism, trade wars, and bashing has masked the real economic issues. A government that will not stand up overseas for its entrepreneurs and its workers will not do the things necessary at home. A more aggressive trade policy is a metaphor for a more activist approach across the board, including education, training, and tax and export policy.

For these reasons, the majority leader, the gentleman from Missouri [Mr. GEPHARDT] and other colleagues and I are introducing today the Trade Enhancement Act of 1992. It requires action on the persistent trade deficit with Japan to give the American automobile, auto parts and other industries, a chance to survive.

□ 1230

The purpose of our legislation is to tear down walls, not build up ours. It is antiprotectionist. The President's trip to Japan must be more than election-year lipservice. This bill will help make certain that fair as well as free trade is indeed the ultimate result.

NATIONAL DEFENSE: REDSKINS VERSUS BILLS

(Mr. LAFALCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAFALCE. Mr. Speaker, this morning I traveled from Buffalo, NY, to Washington, DC. Upon arriving, I quickly discovered there has been a great deal of local talk in Washington about the national defense, not about military defense.

Now, I have long favored appropriate cuts in defense weaponry, and moreover polls show that most Americans favor great cuts in our national defense.

On this, the first day of the second session of the 102d Congress, I make this pledge: This Sunday the representatives of Buffalo, NY, will make those cuts. Indeed, our Buffalo offense will emasculate the national defense. Our strategic and tactical weapons are simply too many, and too great.

Our Kelly missile, our Thomas tank, our Lofton and Reed jets, our Beebe bomber, with all their speed, their power, their range, their accuracy, their diversity, will not only cut the national defense, we will shred it. Our attack will not be secret, nor will it be conspiratorial; indeed, we will do it with no huddle.

In the annals of Washington, DC's history, January 26 shall replace December 7 as "Washington's day of infamy."

TRIBUTE TO EARNEST KILLUM, OREGON STATE UNIVERSITY STUDENT ATHLETE

(Mr. KOPETSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOPETSKI. Mr. Speaker, on Monday, Earnest Killum, a member of the Oregon State University men's basketball team, died after suffering a serious stroke last week. Mr. Speaker, I rise today to commemorate Earnest Killum's life.

Earnest was an exceptional young man and a tremendous athlete. His high school career was remarkable as he averaged 29.7 points per game and was named the California 5–A prep player of the year his senior year. In fact, just last Wednesday, his alma mater, Lynwood High School in Los Angeles, honored him by retiring his number. Earnest was one of the most highly rated high school recruits in the Nation. It was clear that he would most likely enjoy an outstanding collegiate career as well.

Mr. Speaker, Earnest also was an outstanding competitor. Last July, he suffered a stroke while playing in a pickup basketball game near his home. Two days later, he underwent surgery for removal of a blood clot from his upper left arm. During the course of the surgery, doctors determined that Earnest had a series of inoperable clots throughout his body, including one in the main artery to his brain. Even with this condition, Earnest desired to play baseball. He was treated with an anticoagulant, and his condition improved to the point that he passed the physical necessary to rejoin the team on December 27, 1991. Doctors knew that he would always be at some risk with his condition, but through treatment, it was determined that the risk was in an acceptable range.

Earnest Killum was a fighter, not a quitter. After being ruled academically ineligible to play during his freshman year, Earnest worked very hard, became a serious student and earned a 3.5 grade point average last term.

The January 13, 1992, issue of Sports Illustrated featured a story on Earnest Killum's dramatic comeback. In the article, Earnest said,

> At the start of the practice everyone said I would redshirt this season, and maybe I'd be O.K. to play next year. But I never felt any symptoms after they took care of that first problem. I knew I'd be able to play this season.

After his first four impressive outings, the Sports Illustrated columnist commented, Killum's performance "would be impressive for any player, but for him, it's remarkable." In Earnest Killum's last game against USC last Thursday night, he scored 13 points in 16 minutes, true testimony of his ability.

Oregon State University basketball coach Jim Anderson spoke for all of us adaptly conveying the grief of the Oregon State community over Earnest's death when he said:

> It's a great loss. We all loved Earnest dearly, and that's what makes it such a huge loss. I'm drained right now but knowing the type of person Earnest was, and his religious beliefs, I'm sure he has gone to a better place.

Oregon State University Athletic Director Dutch Baughman stated:

> Earnest would epitomize everything you would say you were looking for in a student-athlete. He just was a very impressive young man in areas other than athletics, where everyone knew of his outstanding talent.

Mr. Speaker, it is a great loss when someone so young and so talented meets such an untimely demise. At a time when our young people are in desperate need of positive role models—heroes if you will—we look at Earnest's life, his character and his potential and one knows our youth, particularly inner city youths, lost a hero. I want to convey my cost sincere condolences to Thelma Woods, his mother, and Earnest Killum, Sr., his father, and to the rest of his family, friends and teammates. Earnest Killum is already missed.

A PLAN FOR THE ECONOMY: MAKING THE PIE GROW

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, as Congress reconvenes on the dawn of another election year, the effort to jump start the U.S. economy takes on a new sense of urgency. Everyone in Washington, from the President to the Congress, is zeroing in on tax relief for the middle class as the answer to our economic woes.

To at least this Member, tax cuts, paltry tax cuts of this kind, are beside the point. It is not that the wealthy should not pay their fair share, but putting $6 in the back pocket of someone making $35,000 a year is not going to do something for the economy. It is like a constituent told my colleague from Oregon, "What do they think I am going to do with $300 a year, invest in a steel mill?"

We are here in Washington fighting over ways to redivide the pie when we should be finding ways to make it bigger so all Americans can have a bite. Why are not Americans spending? They are out of work or afraid of soon being that way.

With news like United Technologies' planned layoff of 13,000 workers, who can blame them?

The answer to restoring consumer spending is to restore confidence in the job market. A real growth package must boost overall savings and investment in the long run. It must restore short-term economic confidence by putting Americans back to work, and it must sharpen their competitiveness, and do all this without increasing the deficit.

Mr. Speaker, the task before us is not easy, it is complicated by the election-year climate, which makes the temptation to seize on issues for political gain ever harder to resist. But resist we must. America's future depends on it.

"AMERICA-BASHING" A SERIOUS MISTAKE

(Mr. BLACKWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLACKWELL. Mr. Speaker, "Too lazy." "Often illiterate." These are the adjectives that one of our Japanese counterparts has used to describe the work force of our country. In addition, this same enlightened official is rumored to have said that "it is a pathetic reality that America is becoming a subcontractor to Japan." I find it extremely ironic that while I and many of my colleagues stand on this floor, and call for fair trade, on a level playing field, there are people who label us as "Japan bashers." Well my friends, I believe that a certain Japanese official has engaged in an act of "America bashing."

Now it is time for us to send a message across the Pacific. We cannot and will not accept the bigoted remarks of those who have never sat down and talked with those who have been labeled as lazy and illiterate. During the President's visit to Japan earlier this month, many of us hoped that the commitments made by Japanese leaders to boost their American-made auto parts purchases from $9 billion in 1990 to $19 billion in 1994 would help pave the way toward better relations between the two countries. Obviously, this is not so.

While it may be true that America is declining as an economic power, it could not be further from the truth that this is the fault of the America worker. We have placed every burden imaginable on the back of these hard working men and women, who constantly work in the shadow of unemployment and loss of health insurance, and they have kept fighting, working hard for themselves and their families. It is now our job as a Congress to show the Japanese politician who is quick with the tongue that we care and will continue to bolster the spirits of the American worker. I look forward to proving this man wrong.

"AMERICA BASHING"—WE WILL NOT TAKE IT ANYMORE

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, this is an open letter to the leadership in Japan from the American people, and it is trite but it is true that we are mad as hell and we are not going to take it anymore.

If you think Members of Congress, like some of the members of this administration, are going to continue to make excuses for your arrogant, rude, obnoxious remarks, disparaging the American people and the American industries and American workers, you are wrong; you are dead wrong.

Japan has assumed a significant place in this world by virtue of American help, American technology. For the last 30 years or more, the American people, those people that you categorize, those American workers you say are lazy and stupid, have spent $30 billion protecting you in Japan from all enemies, especially the foreign ones. That $30 billion was earned with the sweat of their brows. Those Americans who worked, who slaved for their own families and for you.

If they are so lazy and stupid, why did you take their money? Why do you not protect yourselves? Give us back the $30 billion; we know how to use it for Americans, and you can do it then for yourself.

I think the American people are being very patient in listening to the arrogant remarks of your leadership and not, frankly, making more of it than they have. But I will tell you something, Members of this body are not like the administration officials, we are not going to take it anymore, because we represent those Americans. We work with them every day.

I will make you a promise: You make it the same for American industry and workers to compete in your country, to export cars and TV's and VCR's and every other product we have, just like we make it easy for you to import your products into our country, your cars, your VCR's, your TV's; you do that, and just like the last speaker said, we will see who wins this battle. I think, Mr. Speaker, the problem is that the Japanese leadership is afraid of the American industry, afraid of the American worker and afraid in a fair fight what they will do.

□ 1240

And so, Mr. Speaker, they will stoop to every measure, including lying, cheating on international agreements, and disparaging American workers. Well, the Americans are mad as hell, and so am I, and, when the President gets mad as hell, Mr. Speaker, then maybe we are going to have a trade policy that is fair for America for a change.

TRIBUTE TO FRANK CARRINGTON: FATHER OF THE VICTIMS' RIGHTS MOVEMENT

The SPEAKER pro tempore (Mr. LAUGHLIN). Under a previous order of the House, the gentleman from Minnesota [Mr. RAMSTAD] is recognized for 5 minutes.

Mr. RAMSTAD. Mr. Speaker, with great sadness and deep respect I rise to pay tribute to Mr. Frank Carrington—a man President Bush honored last spring as the "father of the victims' rights movement."

Frank passed away in a tragic house fire in Virginia Beach on the second day of his new year. For those of us who had the privilege of knowing Frank personally, we have lost a great friend. For victims of crime, their most dedicated and successful advocate has been lost. For his beloved wife, Mary, and family, a loving husband, father, and grandfather has passed on.

It was with sad irony that after hearing of Frank's death I received a letter he had just written to me. In it he began:

> Reviewing 1991, one of the really high points was meeting you and having the opportunity to work with you. You personify all that is admirable in high government service, and I look forward to working with you and your superb staff in the future.

How I wish I could return the compliment, and how I looked forward to working with him this year. When I review 1991, working with Frank Carrington and getting to know this wonderful, caring man was certainly one of my high points.

Our colleague, Mr. GOODLING, has already told this body of Frank's tremendous contribution to the Student Right to Know and Campus Security Act, which was signed into law in 1990. That law will undoubtedly save many lives and prevent many violent crimes. Frank recognized, however, that more was needed to be done to protect the rights of campus rape victims.

Last spring, when I was made aware of the magnitude of the campus rape problem and set out to introduce legislation, I was fortunately introduced to Frank Carrington. Not only did Frank share my goal of protecting campus rape victims, he had already drafted a bill. After working closely with Frank to make minor refinements to his initial draft, on May 15 I introduced H.R. 2363, the Campus Sexual Assault Victims' Bill of Rights Act of 1991. Attesting to Frank's ability to write solid legislation to respond to a very real problem, the measure attracted over 50 original cosponsors and currently has the strong bipartisan support of over 160 Members.

Frank often told me that, for each provision of the bill, there was a victim's story on which it was based. Only Frank Carrington had the experience and the wisdom to recognize the full extent of the campus rape problem, and also have the dedication to work tirelessly for change.

Frank was a man blessed with both an extraordinary intellect and an exceedingly compassionate spirit. He used those gifts well to help others in need, particularly those who found themselves victims of violence and abuse, and who often felt powerless to defend themselves.

In the eulogy for his dear friend—which I will include in the RECORD at the end of my remarks—Don Baldwin of the National Law Enforcement Council captured the essence of Frank's spirit by recalling the Gospel story of the Good Samaritan.

> A story about a man who cared enough to help a complete stranger that was the victim of a horrible crime. The unidentified man who lay dying in the ditch was the victim of a robbery and a brutal beating. The rest of society saw the victim, but merely passed by on the other side of the road. Only the Good Samaritan gave of his time, his finances, and himself to help the stranger.

As Don Baldwin rightly concluded:

> Today, the Good Samaritan would be known as Frank Carrington.

Frank Carrington showed us all that one person can make a difference in this world. Although Frank may no longer walk among us, his legacy remains in those who can walk and live in safety because of his great concern and effort.

When I think of Frank Carrington, I will always remember a good friend. And I will forever cherish the inspiration he was to all of us who care about crime victims.

Frank, although you will no longer be walking the Halls of Congress in search of votes for victims' rights legislation, your spirit will live forever.

A TRIBUTE TO FRANK CARRINGTON

(By Don Baldwin)

This is one of the most difficult things I have ever tried to do—to express the deep feelings I have about Frank Carrington.

He touched so many people. He made a difference in so many people's lives.

Frank touched the lives of thousands of people: those with the highest levels of accomplishments as well as those who had no resources of any kind, but whose causes were desperate and whose needs were great.

He was never too busy. He was never too over-worked; at least, that was the impression he gave to those who called him for advice and counsel. Both professional and personal.

He never turned down a call for help, from anyone.

He was a good man, kind, and considerate of everyone. Frank epitomized what our Lord tells us about real compassion—that true caring for people involves more than just words or feelings. It involves action.

The gospels contain the story of the good samaritan—a story about a man who cared enough to help a complete stranger that was the victim of a horrible crime. The unidentified man who lay dying in the ditch was the victim of a robbery and a brutal beating. The rest of society saw the victim, but merely passed by on the other side of the road. Only the good samaritan gave of his time, his finances, and himself to help the stranger.

Today, the good samaritan would be known as Frank Carrington.

Our good samaritan founded the victims' movement in this country, about this, there is no doubt. No one will challenge his right to be called the father of the victims' rights movement.

I spent the past several days, and many hours, making telephone calls to inform people of the tragic accident which took our friend's life. I also received calls from people wanting to express their feeling of loss. Everyone with whom I talked seemed to have a personal story about what Frank had done for them, how he had helped someone get legal assistance they would have otherwise not gotten.

His data bank of expert litigators on behalf of victims and victims' causes was the best in the country. He created the initial data bank of cases used by lawyers in defense of victims. This data bank is today being used by lawyers and victims who would otherwise not have any recourse.

We are all aware of what Frank did. He responded to each and every call for help from anywhere, at any time, at any hour of the day, or night.

He authored a half dozen books about litigation/victim law. Some used as basic textbooks; wrote article for law journals; lectured widely at colleges and universities and professional associations; testified numerous times before Congress; and appeared as special guest on many national television programs.

Frank loved people, but most of all, he loved his family. His wife, Mary, meant everything to him. They had a very special relationship. I remember the many times when Frank came to Washington, and for trips we made together around the country on behalf of the Justice Department or some other aspect of victims' work. Mary more often than not would be at his side. Always, his first question after I would tell him about a meeting arranged with the President of the United States, prominent political and business leaders, or anyone, whatever their station in life, he would ask: "Can I bring Mary?" and, Mary came gladly to be at his side.

This great man, this humble man, would tell his friends about the accomplishments of his children and grandchildren: he stressed how smart they are, and about all the unusual things they do. He was so proud of his children: his daughter, Christine Carrington Winters, and son-in-law, Edward G. Winters, and their daughter, Gabrielle; his daughter, Clara Carrington McDowell, and son-in-law, Paul McDowell; his step-son, Daniel Robert Willey, and his wife, Amy, and their children, Robert, Allen, Eric, and Edith; and his step-daughter, Christine Willey Miller. He spoke of them with high praise and unbounded love.

Our great friend would tell you with love and affection that his children and grandchildren are the greatest in the world.

Frank's accomplishments and the many honors bestowed upon him are too numerous to list here. You know them anyway. But, I do think one of the highlights of his career, if not his most cherished moment in the spotlight, and there were many, was when President Bush honored him last April in a special Rose Garden ceremony at the White House. He received a special plaque and citation from the President. The presentation was witnessed by several hundred top government officials, and leaders from the law enforcement/criminal justice/victims' rights community. They gathered at the White House for this special occasion.

When the President singled out Frank for his special award, he expressed the gratitude of the Nation for his unparalleled accomplishments and contributions in the field of law enforcement in general and victims' rights specifically.

The President recognized Frank as the "Father of the Victims' Rights Movement." It was a long overdue honor for Frank.

Frank's humbleness stood out above all else. With his great intellect, his vast knowledge of many subjects, he was all the while a quiet, easy-going humble man. No one will ever say that Frank thought himself above anyone else. He shared what he had—a great mind and a repository of knowledge about his beloved victims' rights law.

Frank was unique. He cannot and will not be replaced. No one will devote the time, the energy, or the effort, twenty-four hours a day, that Frank was willing to devote. Many of us will try, but none of us will succeed as did Frank.

I will miss his daily calls, starting often as early as 6:00 a.m. We were both early risers.

I would call him before the crack of dawn, and he would answer, "Hello Don." I asked him once how he knew it was me, "Because you and I are the only nuts up at this hour. Ready to take 'em on," he said. When he would call me, always with a cherry voice, it would be, "Donald, me boy!" And then he would burst forth with a new idea or new information about something we were involved with.

All of Frank's friends have similar experiences they could share. He had many "close personal friends," as he called us. In fact, we are and will remain his "close personal friends," as will hundreds, and many more across the country.

During the last two days, I received a call that I think epitomizes Frank's style. His dedication to the causes in which he believed so passionately. Pat McGuigan, chief editorial writer for the Daily Oklahoman, columnist, TV talk show host, and long-time friend of Frank's, told me about receiving a call from an Oklahoma state legislator. The legislator did not know Pat, but Frank had asked him to call Pat anyway. The legislator had told Frank it was too late in their session to pass his legislation dealing with victim's rights—the security on campus bill. Commonly known to many of us as "the Clery bill."

Pat said the legislator quoted Frank as saying, "Tell Pat to get off his rear and do something for his country." Laughing about the conversation, Pat said he responded by saying he didn't know a thing about the issue Frank was asking him to champion, but if Frank thought it was important, then he would go to work.

Pat did go to work, along with the state legislator, and the bill was passed before the session ended and was signed into law. This illustrates the effective skills of our great friend. He never thought it was too late, and never said, "no," to anyone when the cause was right.

I've asked former attorney general Ed Meese to share with you a few brief thoughts about Frank. His long-time personal friend.

(Ed Meese speaks.)

Ed has expressed it well, and his is a deep feeling shared by all of you who were ever touched by the man whose memory we honor today.

Alfred, Lord Tennyson, might have had someone like Frank in mind when he wrote, "Crossing the Bar."

Sunset and evening star,
And one clear call for me!
And may there be no moaning of the bar,
When I put out to sea.
But such a tide as moving seems asleep,
Too full for sound and foam,
When that which drew from out the boundless deep
Turns again home.
Twilight and evening bell,
and after that the dark!
And may there be no sadness of farewell,
When I embark;
For though from out our bourne of time and place
the flood may bear me far,
I hope to see my pilot face to face
When I have crost the bar.

As we depart today, I would like to share with you a prayer I found in a small library in a cottage I rented several years ago in England. The author of this special prayer is unknown, but I suspect you'll agree with me it is a prayer that Frank might have written.

Let us bow our heads.

Keep me O God from pettiness; let me be large in thought, in words, in deeds. Let me be done with fault-finding and leave off self-seeking.

May I put away all pretence, and meet everyone face to face, without self pity. May I never be hasty in judgment and always generous. Let me take time for all things; make me to grow calm, serene and gentle.

Teach me to put into action my better impulses, straight forward and unafraid.

Grant that I may realize it is the little things of life that create differences; that in the big thing of life we are all one.

And, O Lord, let me not forget to be kind.—Amen

□ 1250

TRIBUTE TO KENNETH MICHAEL HEDRICK

The SPEAKER pro tempore (Mr. LAUGHLIN). Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, I follow my colleague who has spoken of his friend, Frank Harrington, whose death was a loss, I am sure, to the country.

Mr. Speaker, in the past few months, the National Commission on Children issued their report on the status of children, and stated:

> Today, too many young people seem adrift without a steady moral compass to [guide] their daily behavior or to plot a thoughtful and responsible course for their lives.

I think many of us would say amen to that.

The statistics supporting these claims are everywhere, not just in the Washington metropolitan area, where they are rampant, but throughout the country. The Federal Bureau of Investigation estimates that murder, rape, and aggravated assault increased by 10 percent last year. Much of the crime is drug related, and a significant proportion of it is committed by youthful offenders in their teens and early twenties. No matter where you go, people are always asking "What has happened to the younger generation?" "Why do they seem so removed from their sense of community?" "Why do they think only of their own welfare?" "And why are they so irresponsible?"

Perhaps these are questions we should have asked of Kenneth Michael Hedrick. Perhaps Kenneth could have told us on what he based his commitment to the community in which he volunteered as a firefighter. Maybe he could have explained to us what drove him to look beyond his own welfare to the welfare of strangers when he ran into a burning building from which most people were running out. And finally, only he could have told us why his responsibilities to his community and his job were so important to him.

Grievously, Kenneth is not here to answer our questions. He lost his life on January 12 of this year fighting a residential fire in Suitland, MD. As someone who went to Suitland High School, that community is very close to me. He lost his life at the age of 18. Unlike too many of the stories reported about youthful deaths, Kenneth did not die over drug money, hip sneakers, or a careless glance. He died trying to put out a fire of a family starting a new life in a new home. He died after helping to carry out of the burning building a small, 7-year-old boy.

As fire officials have pieced the story together of the circumstances of the fire and Kenneth's death, it appears he had accompanied another firefighter from the Morningside Volunteer Fire Department who was carrying the body of 7-year-old Shawn Sanchez from the burning home. They thought him to be then unconscious; subsequently that 7-year-old boy died. However, moments after helping the other firefighter bring the boy out, he reentered the house and was killed when his oxygen mask was struck and knocked from his face, exposing him to the fire's deadly gases.

Kenneth's actions embodied the highest principles and values held by civilized societies and religions of all nations and all peoples. Self-sacrifice is the greatest gift any Human being can give to another. But it is a gift that is given by more than one brave individual. For When Kenneth gave his life for others, his family, friends, and fellow firefighters lost someone very precious to them all. The community of Prince George County and the State of Maryland are lesser for having lost Kenneth.

While Kenneth is truly a singular individual whose actions cannot be overpraised, his death in the line of duty, unfortunately, was not a singular occurrence. In Prince George's County, where Kenneth served, 30 firefighters have died in the line of duty during the last century. Twenty-eight of those firefighters were volunteers. Nationally, in the last decade, it is estimated that 12,000 firefighters have died in the line of duty, a duty to serve their communities, make for safer communities, fight fire, and save lives.

As a nation of diverse ethnicity, living standards, and opinions, we must not forget the lesson that Kenneth and his family have taught us, and that is so much a part of the spirit of the fire services. That lesson teaches us that commitment to our community, care for the welfare and dignity of others, and responsibility to uphold these ideals is alive right here in America. But if we are to keep it alive, and if we are to overcome the increasing greed and selfishness of others, we must all live by the standards and values that Kenneth and his family so represent.

Kenneth's dad is the chief of the volunteer fire department in Morningside. It was his dad's example that Kenneth was following.

As a community, Mr. Speaker, we in Prince George County, the Washington metropolitan area, and the State of Maryland grieve for the loss of one of the best of us. The loss of a hero is always tragic, and the loss of a young man 18 years of age, dedicated to his family, dedicated to his friends, dedicated to his community, and dedicated to his duty is always more than we can afford.

Mr. Speaker, I know that all the Members of this House join me in extending our sympathies to both the Hedrick and the Sanchezes, the family that was burned out, the family that lost that 7-year-old child. On behalf of all of us, I extend our deepest sympathies and our earnest prayers as we share their grief and share their loss.

INTRODUCTION OF H.R. 4095, EXTENSION OF THE EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, most of us know by now that the recession is more serious than anyone imagined as little as 6 months ago. After a long, hard struggle, Congress finally passed an emergency extension of unemployment benefits that the President signed into law last November. But earlier this month we learned that the unemployment rate rose again, this time to 7.1 percent in December. In my own State alone, the unemployment rate in the last 2 months has jumped from 7.7 to 9.3 percent. Compared to a year ago, the number of unemployed in Illinois has increased by over 200,000 workers.

Clearly, we must take bold action to turn this economy around. The Committee on Ways and Means held extensive hearings on a wide variety of economic growth proposals last December. After the President presents his recommendations in his State of the Union Message, we'll be ready to act. But with rising unemployment threatening American workers again, we also need an immediate extension to unemployment benefits to help them through the winter and spring. The emergency benefits enacted last year will start running out for current claimants after February 15, 1992. We must act before they suffer another period without benefits.

The Emergency Unemployment Compensation Program was enacted on November 15, 1991, and amended on December 4, 1991. It is effective from November 17, 1991, through June 13, 1992. The program provides 13 or 20 additional weeks of benefits beyond the 26 weeks of benefits normally available under the regular State unemployment insurance programs. States with an adjusted insured unemployment rate of at least 5 percent or a total unemployment rate of at least 9 percent are able to pay 20 weeks of benefits. All other State programs are able to pay 13 weeks of benefits.

Presently, 10 States and Puerto Rico are eligible to pay 20 weeks of benefits and the remaining States plus the District of Columbia and the Virgin Islands are eligible to pay 13 weeks of benefits. As of the week ending December 21, 1991, 946,761 unemployed Americans were receiving benefits. Roughly two-thirds, or about 600,000, of these workers will begin exhausting their benefits in the weeks immediately after February 15, 1992.

Earlier this month, the Bureau of Labor Statistics reported that the seasonally adjusted civilian unemployment rate jumped to 7.1 percent in December from a revised 6.9 percent in November and October. The number of unemployed workers rose by 289,000 to 9.9 million while employment remained unchanged at about 117 million. In addition, the number of workers unemployed more than 26 weeks rose by 150,000 to nearly 1.5 million, and the number of discouraged workers held steady at 1.1 million while the number of persons working part time for economic reasons persisted at 6.3 million.

Although there are some encouraging economic signs, most analysts expect the economy to remain sluggish in the first half of this year. Producer prices actually fell by 0.1 percent last year, suggesting that inflation will not flare up again soon. Long-term interest rates have begun to drop as evidenced by the U.S. 30-year Treasury bond falling to a 5-year low of 7.39 percent recently. But even if a recovery begins soon, it is well known that unemployment only begins to drop well after a recovery has begun, and long-term unemployment problems usually persist even longer. With initial claims for unemployment insurance still running at recession levels of 450,000 per week late in December 1991, it has become clear that more than a temporary 13- or 20-week extension of benefits is needed.

The Rostenkowski-Downey extension of emergency benefits would lengthen the authorization of the program from June 13, 1992 through October 3, 1992. In addition, all States would be able to pay an additional 13 weeks of benefits through June 13, 1992. This means that until June 14, 1992, the maximum weeks of benefits available under the extended EUC Program would be 33 weeks in high-unemployment States and 26 weeks in all other State programs.

Until June 14, 1992, the combined maximum duration of benefits under the regular State programs and the emergency program would be 59 weeks in high-unemployment States and 52 weeks in all other State programs. This compares with a conceivable maximum of 65 weeks available in some States during the recessions of the mid-1970's and early 1980's.

According to the Congressional Budget Office, the cost of this new extension would be $3.5 and $1.0 billion in fiscal years 1992 and 1993, respectively. Balances in the extended unemployment compensation account of the unemployment trust fund would continue to draw down to cover the cost. An emergency would be declared by the President by the act of signing the bill, thereby waiving the pay-as-you-go requirements of the Balanced Budget and Emergency Deficit Control Act of 1985. Payments under the program would be exempt from sequestration.

Mr. Speaker, there is no doubt that many workers currently receiving emergency benefits will not be back to work by the time they run out of benefits. They need another extension until the economy improves. I urge my colleagues to support this bill, and pass it as soon as possible. America's long-term unemployed workers and their families need these benefits to survive and pay their bills until they too can go back to work. It is the very least that we in Government can do.

ROSTENKOWSKI-DOWNEY BILL, H.R. 4095 TO EXTEND THE EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM

PRESENT LAW

The Emergency Unemployment Compensation (EUC) program was enacted on November 15, 1991 and amended on December 4, 1991. It is effective from November 17, 1991 through June 13, 1992. The program provides 13 or 20 additional weeks of benefits beyond the 26 weeks of benefits normally available under the regular State unemployment insurance programs. States with an adjusted insured unemployment rate (AIUR) of at least 5 percent or a total unemployment rate (TUR) of at least 9 percent are able to pay 20 weeks of benefits. All other State programs are able to pay 13 weeks of benefits.

H.R. 4095

An emergency extension of benefits would lengthen the authorization of the EUC program from June 13, 1992 through October 3, 1992. In addition, all States would be able to pay an additional 13 weeks of benefits through June 13, 1992. This means that until June 14, 1992 the maximum weeks of benefits available under the extended EUC would be 33 weeks in States with AIURs of at least 5 percent or TURS of at least 9 percent and 26 weeks in all other State programs.

Until June 14, 1992 the combined maximum duration of benefits under the regular State programs (26 weeks) and the extended EUC (33 or 26 weeks offset by any EB weeks) would be 59 weeks in high unemployment States and 52 weeks in all other State programs. This compares with a conceivable maximum of 65 weeks available in some States during the recessions of the mid-1970s and early 1980s.

According to the Congressional Budget Office, the cost of the extension would be $3.5 billion and $1.0 billion in fiscal years 1992 and 1993, respectively. Balances in the Extended Unemployment Compensation Account of the unemployment trust fund would continue to draw down to cover the cost. An emergency would be declared by the President by the act of signing the bill, thereby waiving the pay-as-you-go requirements of the Balanced Budget and Emergency Deficit Control Act of 1985. Payments under the EUC program would be exempt from sequestration.

A REPORT FROM MIDDLE AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DURBIN] is recognized for 60 minutes.

Mr. DURBIN. Mr. Speaker, during this congressional recess Members of Congress returned to their home districts to be with their families during the holiday season, but also to be in touch with their constituents, and many Members have taken that opportunity to hold town meetings and to have office hours across this entire Nation.

I cannot speak for any other congressional district but my own. I have just completed my most recent round of town meetings, and to date, since my election in 1982, I have held over 325 town meetings in my congressional district.

□ 1300

This last round of town meetings, which was held across a section of downstate Illinois which I represent, some nine different meetings, were held in small villages and towns, as well as larger cities.

It is interesting what we learned. In the first instance, let me tell you that the very last town meeting in Morrisville, IL, I did not think I would reach. I have never missed a town meeting, but we had a blizzard in Illinois that day and my staffer and I were stranded on the highway for 40 minutes. I thought by the time we got there there would be no one left in the small town of Morrisville in Christian County. The major and town secretary were there. As soon as I arrived, to their amazement, they called the other folks around town, and before long we had 20 people sitting around. So there was a real interest in these town meetings, even under adverse conditions.

If it is your concern or you question what people are talking about in at least my part of the Midwest, I can tell you that there were two issues on their minds in virtually every town meeting. These two issues were the economy and health care.

I would like to share with Members some of the thoughts that were expressed at those meetings. I would also like to share some of my own thoughts on these subjects.

The first is the state of the economy. I think it is fair to state that people that I represent are generally concerned about this economy. It is true that today's recession is not as bad, at least in the State of Illinois, as it was 10 years ago. Yet there is more fear about this recession than I sensed 10 years ago.

There is a belief that what we are going through may not be temporary. There is a further belief that if we have some kind of mild recovery, we may fall back into another recession. People sense there is something fundamentally weak and lacking in the American economy today.

It is no surprise that people focus a lot of their attention on the issue of trade. Our own President took his trip to Asia. He converted it from a diplomatic mission, which it was several weeks ago, and announced it would be a trade mission, because, as he said, he was concerned about jobs, jobs, and jobs.

That concern is shared across America. A great deal of time at our town meetings was spent discussing the President's trip to Japan. Most everyone concluded that although the President had made the effort, the trip, in and of itself, was not a success.

The people listening to the results of the trip, even before they were questioned 1 or 2 days ago by the leadership in Japan, wondered what 20,000 more automobiles sent to Japan would mean to America's economy.

Well, we shared with them the fact we now export about 30,000 American automobiles to Japan. Half of those, incidentally, are produced by the Honda plant in Ohio and sent back to Japan.

If we increased that number by 20,000 and hit some 50,000 American automobiles being exported from this country, please keep in perspective that the Japanese are exporting 3 million vehicles to the United States. So the addition of some 20,000 cars may have appeared on its face to have been an accomplishment, yet, by analysis, it would lead people to believe it really would not do much, if anything, to help America's economy.

Some of the people that I represent feel very strongly about buying American. They are very proud of the fact that every truck and vehicle they own in their family has been produced in the United States. Yet they all concede to you, as we all must, that there is no longer any truly American vehicle on the road. Once you lift the hood on what you consider to be an American vehicle you are likely to find parts made in Brazil, Mexico, Japan, Germany, or wherever.

Many of the people who come to my town meetings and complain the loudest about the fact that their neighbors are not buying American think nothing of going down the street to the Hardee's restaurant to have a cup of coffee. We have a lot of Hardee's restaurants across the United States. I am glad they are there. But it is a Canadian firm.

We are living in a world economy. The folks who are concerned about just buying American may be deluding themselves to believe that they can honestly do that any more. It is not possible. From the wristwatch on your wrist today to the stereo you listen to tonight, to the spaghetti sauce you put on the pasta tonight, likely or not that is going to turn out to be an imported product.

Yet folks do sense, and I think honestly sense, that something is wrong when the United States and Japan have such a terrible trade imbalance.

Why is it that the Japanese can sell $41 billion more in goods in the United States than we can sell in Japan? I think there are two ways of looking at it.

In the first instance, there are clearly unfair trade practices in Japan. Consider the fact that if you would leave today and buy a Ford Mustang at a local dealership in your hometown, you might pay $15,000 for it.

If that same car is exported to Japan and someone wanted to purchase it, it would cost them $30,000. The $15,000 difference goes far beyond the cost of transportation. It includes the duties and tariffs imposed on American products.

That is an obstacle to sales in Japan. It is one we should address. It is unforgivable.

If we are clearly going to open up this world economy and have real fair trade, this sort of thing has to end.

Now let us be honest and tell the other side of that story. When the big three automobile companies went to Japan, they came back and said we want to have an opportunity to sell more automobiles in Japan. The President said we think we have this opening over the next couple of years for that to happen.

But then there was a footnote to the story. It turns out that at the moment none of the big three automobile manufacturers in the United States has an automobile to sell in Japan which has a steering wheel on the right side of the car, which is what the Japanese are looking for. They drive on the other side of the road from the United States. So we do not have a product today to sell in Japan. The Mustang I described earlier might not be appealing to the Japanese consumer.

Consider if every Japanese-made car in the United States had a steering wheel on the right side instead of the left. How many Americans would say, forget it, I am not used to driving that way. It will not work in this country.

So it is not just a question of breaking down the barriers in Japan, it is a question of having a product that can sell in the world market, not only in Japan, but around the world, and being competitive in that regard.

You cannot do that with the Presidential trip to Japan. You need a lot more.

Let me discuss two things that I think are critical to this debate. Since 1945, with the end of World War II, Japan and the United States have enjoyed a special relationship. At first as an occupying force the Americans, under General MacArthur, came into Japan and virtually rewrote their society, their government, and their economy.

One of the things which we said, for our own relief and security as much as anything else, is that the Japanese would no longer have the army and navy that they were able to put together in World War II. We did not want them to be a threat to us in the Far East.

So as a result, we, the United States of America, assumed a major responsibility in defending Japan. That is why since 1945 there has been a continued military presence by the Americans in that theater, at great expense.

In fact, this year American taxpayers will spend $33 billion of American tax money to defend Japan and Korea. Some would suggest that this commitment should be examined. I agree with that.

At the very minimum, the Japanese should pay the United States for the defense which we provide to them. If we do not want them to own an army or navy, for whatever reasons it may be, at a minimum they should be compensating American taxpayers for our subsidy of their defense.

Today for every dollar spent by the Japanese citizen in defense of his country in taxes the American citizen spends $5. Five times as much.

We have this large Defense Establishment, and much of it is going overseas. In fact, Japan and Korea are not the worst part of the story. We spend about $120 billion a year now in defense of Western Europe. From what? From the invasion of the Warsaw Pact nations?

Honest to goodness, the Warsaw Pact no longer exists. We should have a strong defense. But subsidizing the defense of Japan and Korea and Western Europe is taking its toll on the American economy.

To think that we are in a position today where $153 billion is being spent overseas that could be spent in the

United States to reduce our deficit, to put money into the classrooms, to help educate our children, to put money into research to develop an economic policy, think about what $150 billion would do coming back to the United States.

The second issue I would like to raise has to do with how we do business in America and how we should do business in America. Let me give you an example.

Several months ago McDonnell-Douglas, one of the major aerospace corporations in the United States, came to the realization that if they wanted to remain competitive in terms of commercial airliners they would have to build a new plane, the MD-12.

They sat down and plotted it out and determined that they would need $2 billion to build this plane. Their primary competitor was the Airbus, a plane made in Europe by a group of European companies and governments working together, which for the past 5 or 6 years have developed this Airbus plane.

So McDonnell-Douglas said we need $2 billion. They went across the United States and looked to borrow $2 billion, and they could not find it. They came to Washington, DC, and asked our Government what to do. The Government here in Washington, under this administration, said that this is a private sector concern. You have to find your money in the private sector market. This is not a Government concern.

□ 1310

So at that point McDonnell-Douglas started looking overseas to borrow the money, not surprisingly. They went to Taiwan and the Taiwanese Aerospace Corp. said:

> We are interested in building a new commercial airplane at McDonnell-Douglas, but we do not want to lend you the money. We want to be your partners. We want to own 40 percent of McDonnell-Douglas' commercial aircraft venture.

McDonnell-Douglas said they had nowhere else to turn, and they want our Government to agree to that deal. Probably 40 percent of the jobs will be in Taiwan, which means layoffs in Oklahoma City, St. Louis, Long Beach, CA. Consider that when McDonnell-Douglas came to Washington to tell us the story of how they had looked for $2 billion and could not find it, it was the same day that this administration came to this Chamber and asked us to appropriate over $100 billion for the savings and loan bailout.

Is it not curious that we can find $100 billion for failed businesses in the United States but we cannot find $2 billion to build a business and to keep jobs in America in a critical industry for our future? I am afraid that anecdote tells the whole story in terms of the U.S. attitude toward world competition. Where other companies around world can turn to their governments and say, "We have an idea, a long-term idea and we need our help," and find after a process that they will receive that assistance, in the United States there is nowhere to turn.

We have to change our way of thinking, if we are truly going to be competitive in this world. And we have to change our way of financing industrial investments for the future.

The last point I would like to make on this economic question relates not to Japan or foreign trade but rather to college students. At this point in the United States of America if one is qualified and skilled and has a good enough record to be accepted at a major college or university, one still faces a bigger obstacle than say SAT. The obstacle is coming up with the money to pay for it.

In my home State of Illinois, it costs roughly, for a resident of the State, about $5,000 or $6,000 to attend our premier universities such as the University of Illinois. I have families coming up to me at town meetings and saying; "Congressman, we pushed our son and daughter along and said work hard, get the grades, and someday you will make it to the university. And they did, and now we can't afford to send him. With another brother and sister coming along the line, we cannot spend $5,000 or $6,000 a year, and we don't think it is fair for our son or daughter to go through this experience and end up with a debt of $15,000 or $20,000 and a bachelor's degree."

So as a consequence, many of these students end up perhaps not going to school or perhaps going to another school that may not offer the same opportunities for education. If we are going to be competitive in this world in years to come, we cannot tolerate this to continue. We have to have a program in America which basically says that if one is qualified, one will have the wherewithal, the financial wherewithal, to go to school, either through scholarships, grants, or low-cost loans not payable until long after graduation.

This is not a brand-new idea. The National Defense Education Act, created in the late 1950's because of our fear of Russia's development of Sputnik, paid for the education of many, many Americans. I am one of them. I borrowed the money to go through college and law school because my family did not have it. I paid it back 10 years after graduation at 3-percent interest. The best investment I ever made. I hope a good investment from the viewpoint of this Nation. That has to be an opportunity available to everyone. If we are going to have tomorrow's scientists and engineers and teachers, the present system is not an incentive system for people to try to do the very best.

The system today is designed for people to do as much as they can afford to do. That will not cut it.

The second issue that came up at the town meetings, every town meeting from every person, was health care. Most of us in the Democratic caucus held town meetings across the Nation on this issue. I cannot tell my colleagues all of the stories that were shared with me at these town meetings. It would take too long. But the people who stood up and told these stories really, I think, gave a face to this issue of health care. Senior citizens, retired, living on Social Security, covered by Medicare, had a little savings on the side and paid for their home, felt that now they could enjoy retirement and relax from going to work every day, came down with an illness and found themselves bankrupted by prescription drug pricing not covered by Medicare. They bought a supplemental policy to Medicare but it did not cover it. They were worried, and they sure as heck were worried about long-term care.

What if the husband or wife ended up in a nursing home for a long period of time? Who would pay for it? And then, of course, we had the superintendent of the Morrisonville School District who came in and explained to us that the costs of health care in that school district had risen to such a height that it was impossible for them to hire as many teachers as they needed. They had to cut back in teachers because health care costs had gone up so dramatically.

I might add that the teachers in that school district struck over this issue and several others. They have not settled that dispute, and they are back to work. But that is not unusual. Seventy-five percent of the strikes in the United States of America over the last 5 years have been over 1 major issue, health care benefits.

Workers are willing to take less per hour in a contract dispute, but they are not willing to expose their families and themselves to the uncertainty of future medical expenses.

Then we had the person come in and tell us, this person looked perfectly healthy to me, how she had had cancer 10 years before, had gone through chemotherapy, cured by virtue of the diagnosis of their physician, and then turned around and tried to buy hospitalization insurance and found no one would sell it to her.

Here is a person who beat the odds, used the system, paid into it, cannot buy insurance today to cover themselves. And another family talking about an 80-year-old grandmother who had to get a hip replacement in order for her to overcome the pain of arthritis and get around. The bill came back, $65,000 for a hip replacement.

Another family tells the story of the husband who went off to have ear surgery in the hospital 1 night. The bill that came back for this surgery, $12,000 for the surgeon, the anethesiologist, and the hospital.

People are a little bit nervous, and they have a right to be. We are losing that peace of mind we used to have, and for many of us, we are in a better position than many Americans.

Some 40 million Americans have no protection whatsoever. At my Litchfield town meeting, a farmer said:

> I am 65. I qualify for Medicare, and that is where I am. But my wife here, who is 61, doesn't qualify for Medicare, and I can't afford to buy her hospitalization insurance. I am retired now. So she has no insurance.

The meat cutter in Macon, IL, out of work for 1 year, finally gets a job working in a grocery store. He is thankful for it. No health care protection for him and his family whatsoever.

These are people who are not sitting at home waiting for a government check. These are people working or people who have worked who are totally exposed under this current system to bills which could bankrupt any person in America, save Donald Trump or a few of the most wealthy people in our country.

So we have discussed at the town meetings what to do about it. The first thing we have to look to is cost containment. It is said that the President will come to this Chamber in just a week or so and propose tax credits to say to some Americans, "We will help you pay for your hospitalization premiums." I endorse that. In fact, I have been on that type of bill for over almost 10 years. Self-employed people, farmers in the United States of America, for example, should have the same benefits as the corporate structure in terms of deducting the cost of hospitalization premiums. That is only fair and right. And it is certainly very important to them that they have it. I endorse that.

The President is on the right track with that proposal, but tax credits in and of themselves are not going to contain the costs of this medical system. The President may also propose tort reforms, do something about medical malpractice.

I come to that issue with some experience. Before my election to Congress, I was a trial lawyer. I defended doctors and hospitals, and I prosecuted doctors and hospitals for medical malpractice. I worked that system, and it does need a change.

We should have a system that is quicker, gives more money to the person who is harmed than to the lawyers and the legal system.

We should also have the availability of expert witnesses so that if someone does have what they think is a good claim, they can have a doctor stand up and give them an honest appraisal of whether or not malpractice was committed. That is hard to do. It is hard to find any doctor in any State who will stand up and say his colleague may not have done the right thing. That should be part of the system.

We should put a cap on punitive damages. There is no reason to let that runaway cost be part of this system. We cannot absolve, nor should we absolve, any medical professional from their own negligence. If each of us should be guilty of negligence, in driving a car or whatever our decision might be, we are held liable. Certainly doctors and hospitals should be as well. But the system should be fairer, streamlined, reducing the cost of malpractice premiums.

That in and of itself is not going to contain the runaway costs that we have described here. It is going to take much, much more.

The other thing we have to make certain of is that workers in America do not continue to see their health care benefits erode year and year out. As I mentioned earlier, that is the biggest bone of contention between labor and management. How much more will we have to give this year? How much more do we have to pay out of pocket this year? These are things which concern each of us and particularly those living on the margin.

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Finally, we have to change the system that relates health insurance to employment exclusively. Two-thirds of the American people when asked say that they are in a situation where they or a member of their family has turned down an opportunity for another job because of health care benefits; it was too risky to leave what they presently have and to run the risk that they will not have as good benefits in some other position.

I do not think anyone ever envisioned that the system in America would disintegrate to this point, and yet it is a fact. We mentioned preexisting conditions before. We ought to have a system in America where if you have had an illness you are not disqualified from protection in the future. As HARRIS WOFFORD, the candidate for the Senate in the State of Pennsylvania, said during the course of his campaign, "Why is it that we guarantee a lawyer for every convict but cannot guarantee a doctor for every American's health care?" That I think is a basic question we have to resolve here in Washington.

The costs of medical care in this country have gone up dramatically. In 1980 the family costs annually for Medicare, for hospitalization premiums, and out-of-pocket averaged $2,500 a year. By 1991 that cost had gone up to $6,500 a year, more than twice the cost it was a little over 10 years ago. It is estimated that in another 8 years that cost will be up to $14,000 a year out-of-pocket for every family in America. I wish that I could tell you that the wages of Americans have gone up by that same amount but they have not, so people have had to sacrifice the type of home they live in, the clothing that they wear, the food they buy, the education for their children, because this cost for health care had gone up so dramatically.

When the President stands before us with the State of the Union address we have the right to ask him and his administration and his party what they will do to contain costs. That is a critical element. We Democrats have several proposals on the table. I hope that the President will come up with his own and we can sit down and have a meaningful bipartisan discussion about this issue.

Keep in mind this is the biggest social issue Congress has ever undertaken. Nothing matches it. It touches every American, the reform of the health care system. It is one that I am sure everyone has an opinion on.

Let me close by saying this. We have got to reduce the cost of health care, to restore peace of mind and family security. We have to raise quality of health care. For those who think we have a good health care system in America, and I am one of them, because I am one of the fortunate ones and my family is protected, we have to do even better.

If we look at countries like Canada, which has 25 percent less heart disease than the United States and where they have a 2 year longer lifespan than American citizens, it is clear there is more we can do to bring more quality to this system.

It is not just a matter of buying technology and equipment. There are 12 MRI machines in Canada. There are 10 MRI machines in Topeka, KS. You would say to yourself that that must mean that the Canadian citizens do not have the advantage of the technology and equipment we are used to. This is true. But there is another side to that story.

The story is told of a town, a city, a major city in the southwestern part of the United States where for many years one hospital did most of the heart bypass surgery. They of course bought the heart-lung machine necessary for that purpose. The other hospitals in the city decided they wanted to get in the business, too, so they bought this expensive machinery, too. What happened? The cost of the surgery went up dramatically because each hospital had to pay off the machine instead of one hospital specializing.

The second thing which happened, which concerns me, is that the mortality rate and morbidity rates for those involved in the surgery went up, too. It was no longer a question of some specialist at one center doing the surgery, it was a question of a lot of new surgeons getting into the field and using the new machinery. So more technology does not necessarily translate into lower cost or better health care. We have got to look at this in an honest fashion.

We have to also look at the challenge of long-term care. I do not stand before you today with a suggestion of how we pay for it, but until this particular burden is taken off the minds of Americans they will not believe that we have a complete national health care plan.

We also have to attack profiteering. If we have insurance companies or health care providers who are profiteering on the system they have to be held accountable and pay for it. Those of us who pay in the hospitalization premiums expect when we need them that we will get fair treatment, but the experience of many Americans who come to my town meetings and write to my office suggests that it is the fine print on these policies that ends up excluding a lot of things many people thought were covered.

We have to look for solutions to these problems rather than to look for obstacles. Please, I hope this debate does not disintegrate into who can use the term "socialized medicine" the most. The American people do not want to hear those old political saws going back and forth, and clichés. They want a solution to this problem. There is no political victory here unless there is a victory for people in America concerned about the costs of health care.

That is what this Congress and this President have to take into account. Merely who wins in November in this election is secondary to most people. They want problems solved. The buck stops here and in the White House. We have that responsibility.

Let me conclude by saying that these town meetings which I held have been educational experiences for me. I hope that sharing some of the results will give an indication to people here in the chamber and across the country about the challenges that face us, and they are substantial. We have a government we are proud of. New leaders from around the world come to this city, Washington, to stand where the President will stand in a few weeks and to basically say they want to be like us. They want their system of government to be like ours. Of course, we live with it. Perhaps we take it for granted. We see its faults. Democracy is not the most efficient form of government but it is the fairest and the best as far as I am concerned. So perhaps we will not solve everything as quickly as we should, but the American people will have a voice in the process through their elected representatives.

I sincerely hope for the good of this Nation that we can tackle these twin problems of dealing with our economic challenge and the challenge to provide quality health care at affordable costs for all Americans.

MORE CONTRACTS FOR AMERICAN BUSINESSES AND MORE JOBS FOR AMERICAN WORKERS

The SPEAKER pro tempore (Mr. LAUGHLIN). Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 30 minutes.

Mr. DUNCAN. Mr. Speaker, a few days ago I learned that the Los Angeles County Transportation Commission had awarded a $121 million contract to a Japanese firm over an American company which submitted a bid $5 million lower. The Commission's decision meant the loss of over 3,000 American jobs. The American company, Morrison-Knudsen, planned to hire 4,900 American workers compared to the 1,750 the Japanese company said they would hire, for a loss of 3,150 American jobs.

Now I certainly have nothing against Japan or any Japanese individual, but sometimes I think that Japanese in high places must be laughing at us. Here we are in the midst of a recession with millions out of work trying desperately to think of ways to create jobs, and this governmental unit in one of the largest metropolitan areas, sends thousands of jobs overseas.

Some might wonder why I would be concerned about this. My home State of Tennessee is certainly a long way from California, and I have no connection whatsoever to Morrison-Knudsen, the American company which won this bid. I simply thought it was time for as many people as possible to stand up for American workers. I though someone needed to say that it was ridiculous for something like this to happen right on the heels of President Bush's visit to Japan.

I think we need to say to government departments, agencies, commissions, and offices at whatever level, Federal, State, or local all over this Nation that they should try to do business with American companies whenever possible. This is especially true when an American company is the low bidder and wins in fair and square competition. We need to get rid of this mindset that foreign is better.

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American products are not inferior. American workers are not inferior, and they are certainly not lazy and illiterate. The truth is that there are good workers in all countries, and there are poor workers in all countries, and American workers overall are better than the workers found in many nations and not exceeded by any that I know of.

There is an old joke that says that a person is an expert if he has a briefcase and is at least 500 miles from home. Of course, this is not true, and it is likewise false to think that a Japanese company could have done this Los Angeles contract better than an American company.

This is a contract to build rail cars. Morrison-Knudsen, the American company which won this bid, has such great faith in its American work force it not only agreed to do the work $5 million cheaper, it offered to put up a performance bond to guarantee the quality of its work, and that all standards would be met or exceeded. In addition, Morrison-Knudsen is a large, successful, reputable company which has been in business for many years and in this field for 10 years and has provided rail cars to some of the largest cities in the United States.

I think we should try to put America first in every way we can, but surely even those who disagree with this do not believe we should force Japan first on the American taxpayers even where it comes in second. This is something which should be of concern to all Americans.

The recent surface transportation bill we passed here in the Congress provided $1,230 million for the Los Angeles metro transit system. Of course, this was just the first installment. This system will ultimately cost a total of at least $150 billion, much of it provided by Federal funds, and thus taxpayers all over the country have a big stake in this.

Now, I really think this whole system is ridiculously expensive and overpriced, and I do not think taxpayers in Tennessee and Maine and Florida and other places should be forced to help pay for a transit system in Los Angeles. However, they will have to pay since most here do not share my views, and they will pay through the nose if those in charge of this system continue to turn down qualified low bids.

There are other issues here. For one thing, cities and States all over the Nation are saying they are short of funds. Now, we have a local government which has turned down a bid which would have saved $5 million and also have created over 3,000 new American jobs and thus have generated additional tax revenues.

Already, the Federal Government and many State and large local governments write their contract requirements in such a way that small businesses are unable to bid. We have placed so many rules and regulations and so much red tape on businesses in this Nation that we are slowly driving small businesses out of existence in this country.

Now, if our own governmental units start favoring foreign companies even against some of our larger businesses, the economy of this Nation is surely headed for even more serious trouble than at present.

Another issue here, and in many government contracts, is the question of influence peddling and lobbying. Did the qualified low bidder lose this contract because it was out-lobbied? Is there too much leeway in these contract procedures all over the Nation so that the low bids can just be ignored?

A recent quote I read by Edward Rendell, the newly elected Democratic mayor of Philadelphia, comes to mind. Mr. Rendell said:

> Government does not work, because it was not designed to. There is no incentive for people to work hard, so many do not. There is no incentive to save money, so much of it is squandered.

Talk about squandering money, this commission could have saved $5 million by one stroke to the pen. Yet, as government grows bigger and bigger and further removed from the people and thus further removed from reality, millions and sometimes even billions become less and less meaningful. At the Federal level, we sometimes talk about a billion dollars as if it were nothing. The late Senator Everett Dirksen once said that when you have a billion here and a billion there, pretty soon it adds up to some real money. The $5 million that the American company would have saved Los Angeles County could have helped a lot of poor people.

This whole fiasco might have been avoided. It certainly would have been less likely to happen if these commission members had been elected officials rather than appointed. They would have been more accountable to the people.

Now, I know we cannot elect everyone, but we have been sold a bill of goods in this country in recent years. The liberal elitists are always saying, "Take the politics out of this or take the politics out of that." This sounds good on the surface, but we have taken the politics out of so many things that the American people have just about lost control of their own Government. We need to start working in this country to give the Government back to the people of this Nation.

Believe me, the overwhelming majority of American people all across this country do not want our own governmental units sending business and, thus, jobs overseas, especially when Americans are the low bidders.

The problem has become so bad that the red, white, and blue uniforms of the U.S. Olympic team are being made overseas. An employee of the State Department told me recently that the Federal Government State Department ball-point pen he was using said, "Made in Japan."

I wonder how many Federal contracts are with foreign-owned companies. I wonder how many of these same contracts could have been performed at the same or less cost by companies here.

I have companies in my own district that could have made the U.S. Olympic team uniforms at a very low cost.

Now, because of all of the uproar, a report came out yesterday that the Los Angeles Transit Commission may try to do this contract itself. This would be the very worst thing for the taxpayers. Some things have to be done by government, but almost everything done by the government is going to cost 5 or 10 times more than if done by the private sector through our great free enterprise system. If the Los Angeles Transit Commission tries to do this work itself, there is no telling where the costs will go.

Just to show you how little they know about what they are doing, they put out in this press release that they could save $95 to $690 million if they did it themselves. Talk about wild estimates, talk about ballpark figures. Almost anyone could have come up with a better, more accurate estimate than that.

At any rate, times are tough for many people here in this country. Our workers are not lazy or illiterate and incompetent, no matter what the Speaker of the Japanese House thinks.

We do not need to send even one more American job overseas. In fact, we need to stop giving tax breaks and government contracts to American companies which move plants and jobs overseas.

We have too many good American workers out of jobs here. This is a tremendous national problem. We need to all work on it together to solve it.

Even if we cannot get our own Government to put America first, we surely do not need to see America and American companies put second or even last.

UNITED STATES-JAPAN AUTOMOTIVE TRADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York, Mr. LAFALCE, is recognized for 60 minutes.

Mr. LAFALCE. Mr. Speaker, today I join with Majority Leader GEPHARDT and many other Members in supporting legislation to address our country's severe automotive trade deficit with Japan. Representative GEPHARDT's bill would, over several years, restore the overall balance of trade between the United States and Japan.

I would also like to draw the attention of my colleagues to a bill on this issue that I introduced last year, H.R. 3978. My bill is very simple, it limits Japanese imports to 10.1 percent of total United States automobile sales. This is the same level permitted in the European market. The advantage of this bill is that it proposes a direct, speedy solution to the automotive trade imbalance, by far the largest element of our trade deficit with Japan.

Mr. Speaker, the tremendous problem of our automotive trade deficit with Japan cannot be overstated. Automobiles and parts accounted for three-fourths of the $41 billion United States trade deficit with Japan last year. Nearly one-third of cars sold in the United States last year were Japanese, with direct exports from Japan totaling 1.75 million vehicles. By contrast, United States manufacturers exported only 35,000 vehicles to Japan last year. By any measure, our trade deficit with Japan constitutes a severe threat to the United States economy and demands more than a business-as-usual response from our Government.

President Bush's recent trade trip to Asia underscored the inadequacy of the administration's policy on United States-Japan trade. Our competitive disadvantage with Japan has its roots in such longstanding issues as education, productivity, technology development, and our crumbling infrastructure. But rather than addressing these problems, the President of the United States travels hat in hand to our biggest creditor and asks for help in selling more American cars and auto parts in Japan.

Predictably, the President returned to the United States with assurances from the Japanese Government of future purchases of United States cars and parts. As with such arrangements in the past, the Japanese Government already is beginning to hedge on the nature and extent of their promises. One certainty is that we should not rely on the good will of the Japanese Government to solve our trade problems.

In recent months I have been accused of protectionism in advocating limits on Japanese imports. My response is that I am advocating self-preservation, not protection. If we do not begin to address the economic problems underlying the United States-Japan trade deficit, there may not be much of an American automobile industry to protect in the next century.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DUNCAN) to revise and extend their remarks and include extraneous material:)

Mrs. BENTLEY, for 60 minutes, on January 24.

Mr. SAXTON, for 60 minutes, on January 24.

Mr. RAMSTAD, for 5 minutes, today.

Mr. DELAY, for 60 minutes each day, on today and January 24.

Mr. DUNCAN, for 30 minutes, today.

Mr. GINGRICH, for 60 minutes each day, on January 27, 28, 29, 30, 31; February 2, 3, 4, 5, 6, and 7.

Mr. BURTON of Indiana, for 60 minutes each day, on January 28; February 7, 18, 19, 20, 21, 24, 25, 26, 27, and 28.

Mr. NUSSLE, for 5 minutes, today.

(The following Members (at the request of Mr. DURBIN) to revise and extend their remarks and include extraneous material:)

Mr. HOYER, for 5 minutes, today.

Mr. GEPHARDT, for 5 minutes, today.

Ms. LONG, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. DURBIN, for 60 minutes, today.

Mr. WISE, for 5 minutes each day, on January 28 and 30 and for 60 minutes on January 29.

Mr. GEPHARDT, for 60 minutes each day, on February 3, 4, 5, 6, 19, 20, 25, and 26.

Mr. OWENS of New York, for 60 minutes each day, on February 3, 4, 5, 6, 7, 18, 19, 20, 21, 24, 25, 26, 27, and 28.

Mr. LAFALCE, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DUNCAN) and to include extraneous matter:)

Mr. MARTIN.

Mr. GOODLING.

Mr. GINGRICH.

Mrs. MORELLA in two instances.

Mr. THOMAS of California.

Mr. KYL.

Mr. ARCHER.

Mr. GILMAN.

Ms. ROS-LEHTINEN in six instances.

Mr. BEREUTER.

Mr. MILLER of Ohio in three instances.

Mr. SOLOMON.

(The following Members (at the request of Mr. DURBIN) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN in 10 instances.

Mr. ANNUNZIO in six instances.

Mrs. LLOYD in five instances.

Mr. HAMILTON in 10 instances.

Mr. DE LA GARZA in 10 instances.

Mr. PEASE.

Mr. BLACKWELL in two instances.

Mr. CLAY.

Mr. APPLEGATE.

Mr. STARK in two instances.

Mr. GAYDOS.

Mr. FALEOMAVAEGA.

Mr. BONIOR in two instances.

Mr. MATSUI in four instances.

Mr. MAZZOLI.

Mr. LAFALCE in two instances.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On November 22, 1991:

H.J. Res. 215. Joint resolution acknowledging the sacrifices that military families have made on behalf of the Nation and designating November 25, 1991, as "National Military Families Recognition Day";

H.J. Res. 130. Joint resolution designating January 1, 1992, as "National Ellis Island Day";

H.J. Res. 327. Joint resolution designating 1992 as the "Year of the Gulf of Mexico";

H.R. 3394. An act to amend the Indian Self-Determination and Education Assistance Act;

H.R. 2270. An act amending certain provisions of title 5, United States Code, relating to the Senior Executive Service;

H.R. 3624. An act to amend the Tariff Act of 1930 to provide appropriate procedures for the appointment of the Chairman of the U.S. International Trade Commission; and

H.R. 2038. An act to authorize appropriations for fiscal year 1992 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, and the Central Intelligence Agency retirement and disability system, and for other purposes.

On November 26, 1991:

H.R. 2521. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes;

H.J. Res. 125. Joint resolution to designate the week beginning November 24, 1991, and the week beginning November 22, 1992, each as "National Family Caregivers Week";

H.R. 2629. An act to amend the Small Business Act to assist the development of small business concerns owned and controlled by women, and for other purposes;

H.R. 2100. An act to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes;

H.R. 3728. An act to provide for a 6-month extension of the Commission on the Bicentennial of the Constitution; and

H.R. 3839. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1992, and for other purposes.

On November 27, 1991:

H.R. 3370. An act to direct the Secretary of the Interior to carry out a study and make recommendations to the Congress regarding the feasibility of establishing a native American cultural center in Oklahoma City, OK;

H.R. 1988. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight control, and data communications, construction of facilities, research and program management, and inspector general, and for other purposes; and

H.J. Res. 346. Joint resolution approving the extension of nondiscriminatory treatment with respect to the products of the Union of Soviet Socialist Republics.

On December 3, 1991:

H.R. 794. An act to establish the Silvio O. Conte National Fish and Wildlife Refuge along the Connecticut River, and for other purposes;

H.R. 848. An act Little Bighorn Battlefield National Monument;

H.J. Res. 201. Joint resolution designating the week beginning December 1, 1991, and the week beginning November 15, 1992, each as "Geography Awareness Week";

H.J. Res. 300. Joint resolution designating the month of May 1992 as "National Trauma Awareness Month";

H.R. 392. An act to improve the operational efficiency of the James Madison Memorial Fellowship Foundation, and for other purposes;

H.R. 3909. An act to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes;

H.R. 3604. An act to direct acquisitions within the Eleven Point Wild and Scenic River to establish the Greer Spring Special Management Area in Missouri, and for other purposes;

H.R. 3387. An act to amend the Pennsylvania Avenue Development Corporation Act of 1972 to authorize appropriations for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House, and for other purposes;

H.R. 990. An act to authorize additional appropriations for land acquisition at Monocacy National Battlefield, MD;

H.R. 829. An act to amend title 28, United States Code, to make changes in the composition of the Eastern and Western Districts of Virginia;

H.R. 690. An act to authorize the National Park Service to acquire and manage the Mary McLeod Bethune Council House National Historic Site, and for other purposes;

H.R. 1476. An act to provide for the divestiture of certain properties of the San Carlos Indian irrigation project in the State of Arizona, and for other purposes;

H.R. 3709. An act to waive the period of congressional review for certain District of Columbia acts;

H.J. Res. 372. Joint resolution designating December 21, 1991 as "Basketball Centennial Day";

H.J. Res. 356. Joint resolution designating December 1991 as "Bicentennial of the District of Columbia Month";

H.R. 635. An act for the relief of Abby Cooke;

H.R. 948. An act to designate the U.S. courthouse located at 120 North Henry Street in Madison, WI, as the "Robert W. Kastenmeier United States Courthouse";

H.R. 1724. An act to provide for the termination of the application of title IV of the Trade Act of 1974 to Czechoslovakia and Hungary;

H.R. 2105. An act to designate an area as the "Myrtle Foester Whitmire Division of the Aransas National Wildlife Refuge";

H.R. 3029. An act to make technical corrections to agricultural laws;

H.R. 3169. An act to lengthen from 5 to 7 years the expiration period applicable to legislative authority relating to construction of commemorative works on Federal land in the District of Columbia and its environs;

H.R. 3245. An act to designate certain National Forest System lands in the State of Georgia as wilderness, and for other purposes;

H.R. 3327. An act to amend title 38, United States Code, to provide for the designation of an Assistant Secretary of the Department of Veterans Affairs as the Chief Minority Affairs Officer of the Department;

H.R. 3435. An act to provide funding for the resolution of failed savings associations and working capital for the Resolution Trust Corporation, to restructure the Oversight Board and the Resolution Trust Corporation, and for other purposes;

H.R. 3531. An act to authorize appropriations for the Patent and Trademark Office in the Department of Commerce for fiscal year 1992, and for other purposes;

H.R. 3595. An act to delay until September 30, 1992, the issuance of any regulations by the Secretary of Health and Human Services changing the treatment of voluntary contributions and provider-specific taxes by States as a source of a State's expenditures for which Federal financial participation is available under the Medicaid Program and to maintain the treatment of intergovernmental transfers as such a source;

H.R. 3919. An act to temporarily extend the Defense Production Act of 1950;

H.R. 3881. An act to expand the boundaries of Stones River National Battlefield, TN, and for other purposes;

H.R. 3807. An act to amend the Arms Export Control Act to authorize the President to transfer battle tanks, artillery pieces, and armored combat vehicles to member countries of the North Atlantic Treaty Organization in conjunction with implementation of the Treaty on Conventional Armed Forces in Europe;

H.R. 3049. An act to amend the Immigration and Nationality Act to restore certain exclusive authority in courts to administer oaths of allegiance for naturalization, to revise provisions relating to O and P nonimmigrants, and to make certain technical corrections relating to the immigration laws;

H.R. 3576. An act to amend the Cranston-Gonzalez National Affordable Housing Act to reserve assistance under the HOME Investment Partnerships Act for certain insular areas;

H.R. 3322. An act to designate the building in St. Louis, MO, which is currently known as the Wellston Station, as the "Gwen B. Giles Post Office Building";

H.R. 3012. An act to amend the Wild and Scenic Rivers Act by designating the White Clay Creek in Delaware and Pennsylvania for study for potential addition to the National Wild and Scenic Rivers System, and for other purposes;

H.R. 1009. An act to amend the Wild and Scenic Rivers Act by designating segments of the Lamprey River in the State of New Hampshire for study for potential addition to the National Wild and Scenic Rivers System, and for other purposes;

H.R. 525. An act to amend the Federal charter for the Boys' Clubs of America to reflect the change of the name of the organization to the Boys & Girls Clubs of America;

H.J. Res. 157. Joint resolution making dire emergency supplemental appropriations and transfers for relief from the effects of natural disasters, for other urgent needs, and for incremental costs of "Operation Desert Shield/Desert Storm" for the fiscal year ending September 30, 1992, and for other purposes;

H.J. Res. 212. Joint resolution to designate the week beginning February 16, 1992, as "National Visiting Nurse Associations Week"; and

H.J. Res. 191. Joint resolution designating January 5, 1992 through January 11, 1992 as "National Law Enforcement Training Week".

On December 9, 1991:

H.R. 1776. An act to authorize for fiscal year 1992 the U.S. Coast Guard budget.

On December 10, 1991:

H.R. 2950. An act to develop a national intermodal surface transportation system, to authorize funds for the construction of highways, for highway safety programs, and for mass transit programs, and for other purposes.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 39 minutes p.m.), under its previous order, the House adjourned until Friday, January 24, 1992, at 11 a.m.

BILLS AND JOINT RESOLUTIONS APPROVED PRIOR TO SINE DIE ADJOURNMENT

The President, prior to the sine die adjournment of the Congress, notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the following titles:

On October 18, 1991:

H.R. 3259. An act to authorize appropriations for drug abuse education and prevention programs relating to youth gangs and to runaway and homeless youth; and for other purposes.

On October 21, 1991:

H.J. Res. 230. Joint resolution designating October 16, 1991 and October 16, 1992, each as "World Food Day."

On October 24, 1991:

H.R. 3280. An act to provide for a study, to be conducted by the National Academy of Sciences, on how the Government can improve the decennial census of population, and of related matters.

On October 25, 1991:

H.R. 2426. An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes.

On October 28, 1991:

H.J. Res. 340. Joint resolution to designate October 19 through 27, 1991 as "National Red Ribbon Week for a Drug-Free America";

H.J. Res. 360. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes;

H.R. 972. An act to make permanent the legislative reinstatement, following the decision of Duro against Riena (58 U.S.L.W. 4643, May 29, 1990), of the power of Indian tribes to exercise criminal jurisdiction over Indians;

H.R. 1415. An act to authorize appropriations for fiscal years 1992 and 1993 for the Department of State, and for other purposes;

H.R. 2519. An act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes;

H.R. 2608. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1992, and for other purposes;

H.R. 2622. An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1992, and for other purposes;

H.R. 2698. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1992, and for other purposes; and

H.R. 2942. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1992, and for other purposes.

On October 30, 1991:

H.R. 470. An act to authorize the Secretary of Transportation to release the restrictions, requirements, and conditions imposed in connection with the conveyance of certain lands to the city of Gary, IN.

On October 31, 1991:

H.R. 1720. An act to amend the St. Elizabeths Hospital and District of Columbia Mental Health Services Act to permit the Secretary of Health and Human Services to enter into an agreement with the Mayor of the District of Columbia with respect to capital improvements necessary for the delivery of mental health services in the District, and for other purposes.

On November 12, 1991:

H.J. Res. 280. Joint resolution to designate the week beginning November 10, 1991, as "Hire a Veteran Week"; and

H.R. 1046. An act to amend title 38, United States Code, to increase, effective as of December 1, 1991, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

On November 13, 1991:

H.J. Res. 175. Joint resolution to designate the weeks beginning December 1, 1991, and November 29, 1992, as "National Home Care Week."

H.J. Res. 177. Joint resolution to designate November 16, 1991, as "Dutch-American Heritage Day."

H.J. Res. 281. Joint resolution approving the extension of nondiscriminatory treatment with respect to the products of the Mongolian People's Republic.

H.J. Res. 282. Joint resolution approving the extension of nondiscriminatory treatment with respect to the products of the People's Republic of Bulgaria; and

H.R. 2686. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1992, and for other purposes.

On November 15, 1991:

H.J. Res. 374. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes; and

H.R. 3575. An act to provide a program of emergency unemployment compensation, and for other purposes.

On November 18, 1991:

H.J. Res. 140. Joint resolution designating November 19, 1991, as "National Philantrophy Day."

On November 26, 1991:

H.J. Res. 215. Joint resolution acknowledging the sacrifices that military families have made on behalf of the Nation and designating November 25, 1991, and "National Military Families Recognition Day."

H.R. 2521. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes;

H.R. 3350. An act to extend the U.S. Commission on Civil Rights;

H.R. 3402. An act to amend the Public Health Service Act to revise and extend certain programs regarding health information, health promotion, and vaccine injury compensation; and

H.R. 3839. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1992, and for other purposes.

On December 2, 1991:

H.J. Res. 125. Joint resolution to designate the week beginning November 24, 1991, and the week beginning November 22, 1992, each as "National Family Caregivers Week";

H.J. Res. 130. Joint resolution designating January 1, 1992, as "National Ellis Island Day";

H.J. Res. 327. Joint resolution designating 1992 as the "Year of the Gulf of Mexico"; and

H.R. 2270. An act amending certain provisions of title 5, United States Code, relating to the Senior Executive Service.

On December 3, 1991:

H.R. 3728. An act to provide for a 6-month extension of the Commission on the Bicentennial of the Constitution.

On December 4, 1991:

H.J. Res. 201. Joint resolution designating the week beginning December 1, 1991, and the week beginning November 15, 1992, each as "Geography Awareness Week";

H.R. 1724. An act to provide for the termination of the application of title IV of the Trade Act of 1974 to Czechoslovakia and Hungary;

H.R. 2038. An act to authorize appropriations for fiscal year 1992 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, and the Central Intelligence Agency retirement and disability system, and for other purposes;

H.R. 3394. An act to amend the Indian Self-Determination and Education Assistance Act; and

H.R. 3624. An act to amend the Tariff Act of 1930 to provide appropriate procedures for the appointment of the Chairman of the United States International Trade Commission.

December 5, 1991:

H.R. 2100. An act to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes; and

H.R. 2629. An act to amend the Small Business Act to assist the development of small business concerns owned and controlled by women, and for other purposes.

December 6, 1991:

H.R. 3919. An act to temporarily extend the Defense Production Act of 1950.

December 9, 1991:

H.J. Res. 346. Joint resolution approving the extension of nondiscriminatory treatment with respect to the products of the Union of Soviet Socialist Republics;

H.R. 1988. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control, and data communications, construction of facilities, research and program management, and inspector general, and for other purposes; and

H.R. 3370. An act to direct the Secretary of the Interior to carry out a study and make recommendations to the Congress regarding the feasibility of establishing a native American cultural center in Oklahoma City, OK.

December 10, 1991:

H.J. Res. 191. Joint resolution designating January 5, 1992, through January 11, 1992 as "National Law Enforcement Training Week";

H.J. Res. 212. Joint resolution to designate the week beginning February 16, 1992, as "National Visiting Nurse Associations Week";

H.J. Res. 300. Joint resolution designating the month of May 1992 as "National Trauma Awareness Month";

H.J. Res. 356. Joint resolution designating December 1991 as "Bincentennial of the District of Columbia Month";

H.J. Res. 372. Joint resolution designating December 21, 1991, as "Basketball Centennial Day";

H.R. 525. An act to amend the Federal charter for the Boys' Clubs of America to reflect the change of the name of the organization to the Boys & Girls Clubs of America;

H.R. 829. An act to amend title 28, United States Code, to make changes in the composition of the Eastern and Western Districts of Virginia;

H.R. 848. An act Little Bighorn Battlefield National Monument;

H.R. 990. An act to authorize additional appropriations for land acquisition at Monocacy National Battlefield, MD;

H.R. 3322. An act to designate the building in St. Louis, MO, which is currently known as the Wellston Station, as the "Gwen B. Giles Post Office Building";

H.R. 3531. An act to authorize appropriations for the Patent and Trademark Office in the Department of Commerce for fiscal year 1992, and for other purposes; and

H.R. 3709. An act to waive the period of congressional review for certain District of Columbia acts.

On December 11, 1991:

H.R. 690. An act to authorize the National Park Service to acquire and manage the Mary McLeod Bethune Council House National Historic Site, and for other purposes;

H.R. 794. An act to establish the Silvio O. Conte National Fish and Wildlife Refuge along the Connecticut River, and for other purposes;

H.R. 948. An act to designate the U.S. courthouse located at 120 North Henry Street in Madison, WI, as the "Robert W. Kastenmeier United States Courthouse";

H.R. 1099. An act to amend the Wild and Scenic Rivers Act by designating segments of the Lamprey River in the State of New Hampshire for study for potential addition to the National Wild and Scenic Rivers System, and for other purposes;

H.R. 2105. An act to designate an area as the "Myrtle Foester Whitmire Division of the Arkansas National Wildlife Refuge";

H.R. 3012. An act to amend the Wild and Scenic Rivers Act by designating the White Clay Creek in Delaware and Pennsylvania for study for potential addition to the National Wild and Scenic Rivers System, and for other purposes;

H.R. 3169. An act to lengthen from 5 to 7 years the expiration period applicable to legislative authority relating to construction of commemorative works on Federal land in the District of Columbia and its environs;

H.R. 3245. An act to designate certain National Forest System lands in the State of Georgia as wilderness, and for other purposes;

H.R. 3327. An act to amend title 38, United States Code, to provide for the designation of an Assistant Secretary of the Department of Veterans Affairs as the Chief Minority Affairs Officer of the Department;

H.R. 3387. An act to amend the Pennsylvania Avenue Development Corporation Act of 1972 to authorize appropriations for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House, and for other purposes;

H.R. 3604. An act to direct acquisitions within the Eleven Point Wild and Scenic River, to establish the Greer Spring Special Management Area in Missouri, and for other purposes;

H.R. 3881. An act to expand the boundaries of Stones River National Battlefield, TN, and for other purposes;

H.R. 3909. An act to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; and

H.R. 3932. An act to improve the operational efficiency of the James Madison Memorial Fellowship Foundation, and for other purposes.

On December 12, 1991:

H.J. Res. 157. Joint resolution making dire emergency supplemental appropriations and transfers for relief from the effects of natural disasters, for other urgent needs, and for incremental costs of "Operation Desert Shield/Desert Storm" for the fiscal year ending September 30, 1992, and for other purposes;

H.R. 635. An act for the relief of Abby Cooke;

H.R. 1476. An act to provide for the divestiture of certain properties of the San Carlos Indian irrigation project in the State of Arizona, and for other purposes;

H.R. 3049. An act to amend the Immigration and Nationality Act to restore certain exclusive authority in courts to administer oaths of allegiance for naturalization, to revise provisions relating to O and P nonimmigrants, and to make certain technical corrections relating to the immigration laws;

H.R. 3435. An act to provide for funding for the resolution of failed savings associations and working capital for the Resolution Trust Corporation, to restructure the Oversight Board and the Resolution Trust Corporation, and for other purposes;

H.R. 3576. An act to amend the Cranston-Gonzalez National Affordable Housing Act to reserve assistance under the HOME Investment Partnerships Act for certain insular areas;

H.R. 3595. An act to delay until September 30, 1992, the issuance of any regulations by the Secretary of Health and Human Services changing the treatment of voluntary contributions and provider-specific taxes by States as a source of a State's expenditures for which Federal financial participation is available under the Medicaid Program and to maintain the treatment of intergovernmental transfers as such a source; and

H.R. 3807. An act to amend the Arms Export Control Act to authorize the President to transfer battle tanks, artillery pieces, and armored combat vehicles to member countries of the North Atlantic Treaty Organization in conjunction with implementation of the Treaty on Conventional Armed Forces in Europe.

On December 13, 1991:

H.R. 3029. An act to make technical corrections to agricultural laws.

On December 18, 1991:

H.R. 2950. An act to develop a national intermodal surface transportation system, to authorize funds for construction of highways, for highway safety programs, and for mass transit programs, and for other purposes.

On December 19, 1991:

H.R. 1776. An act to authorize for fiscal year 1992 the U.S. Coast Guard budget.

SENATE—*Wednesday, January 22, 1992*

(Legislative day of Friday, January 3, 1992)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The prayer will be led by the Senate Chaplain, the Reverend Dr. Richard C. Halverson.

Dr. Halverson, please.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Eternal God, Lord of history, Ruler of the nations, the psalmist promises that you will "teach his senators wisdom" (Psalm 105:22). The Senate enters this 2d session of the 102d Congress at an unprecedented, critical period in our history. Economic crisis, social disruption, frustrated, angry citizens busy bashing Congress, compound the pressure of legislative leadership, and overshadowing everything, the national election.

As you have promised, Lord, to give Your "senators wisdom," I pray for Senators MITCHELL and DOLE, for those who chair committees and subcommittees, and for all the members of their office and committee staffs, that they may seek Your wisdom and exercise their offices in its light and power.

In the name of Jesus who is the light of the world. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, this morning, following the time for the two leaders, there will be a period for morning business until 12 noon. The first hour of morning business will be under my control or that of my designee.

Thereafter, Senator PELL is to be recognized for up to 15 minutes. The remaining time will be under the control of Senator WIRTH or his designee.

When morning business closes at noon, the Senate will resume consideration of S. 2, the education bill. At noon, Senator KENNEDY will be recognized to offer a modification of the committee-reported substitute amendment, and as soon as that modification is pending, Senator COCHRAN will be recognized to offer an alternative proposal.

It is my hope that we can make significant progress on this important legislation today. Senators should be aware that rollcall votes may occur at any time during today's proceedings.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I ask unanimous consent that the remainder of my leader time and all of the leader time of the distinguished Republican leader be reserved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, we will now enter a period for morning business.

The PRESIDENT pro tempore. The Senate will now transact morning business under the order.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The majority leader is recognized.

HEALTH CARE REFORM

Mr. MITCHELL. Mr. President, as we begin the 2d session of the 102d Congress, I want to stress again my intention to move forward in our effort to reform the Nation's health care system.

I intend this statement to be the first in a series of statements I will make this year on health care reform. Today, I will focus on the need for preventive care as a critical part of comprehensive health care reform.

Last December, I traveled to five cities across the country in an effort to learn more about the problems with the Nation's health care system and to seek viable solutions for reform. The eloquent, often tragic testimony from ordinary citizens who have been failed by the system has reinforced my determination to enact meaningful health care reform legislation as soon as possible.

This is a matter of urgency. It cannot wait for the turn of the century, or even the next election. Those who testified at our hearings are representative of the American people at large. Families who have become impoverished because of a child's chronic illness; women who are not able to be treated for recurrences of breast and cervical cancer because they have no insurance coverage. Our current health care system is failing millions of American families, resulting in bankruptcy for many, worsening of illness for still others, and even death for some who might have been saved with appropriate treatment.

Today, Senator KENNEDY, who chairs the Senate Committee on Labor and Human Resources, intends to bring before his committee an original bill which is based upon the structure for health care reform contained in S. 1227, legislation I and other Democratic Senators introduced last year.

I commend Senator KENNEDY for his continued commitment to assuring that every American has access to affordable health care, a commitment that Senator KENNEDY began more than 20 years ago.

There are many other Senators on both sides of the aisle who share a commitment to health care reform.

One is the chairman of the Senate Finance Committee, Senator BENTSEN. Senator BENTSEN has worked diligently for many years to expand access to health care for our Nation's most vulnerable citizens, the poor and the elderly. His commitment has been to protect and improve Medicare and Medicaid, the programs that are the foundation upon which we will assure access to quality care for all Americans. I look forward to working with Senator BENTSEN to achieve this important objective.

I believe that access to affordable health care is a fundamental right of every citizen in a democratic society. It is not a privilege to be afforded some. It is a right to be exercised by all. Yet, it is a right that cannot be realized by millions of our citizens. We have a responsibility to them and to others whose access to care is jeopardized. We must see that this right is one they can exercise and see that it is not an illusion.

We must also address the crisis of long-term care for the elderly and the disabled. As our population ages, the need for a comprehensive, long-term care policy increases. We must develop a policy that will provide the most appropriate care based on the needs of the individual.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

For a growing number of our citizens, quality health care is unavailable because of their inability to have access to the system or their inability to afford health insurance.

I believe any serious health care reform proposal must meet three fundamental objectives, and I do not rate them in order of importance. They are all of equal importance.

First, it must assure access to good care for all Americans. Not some, not many, not most, but all. Every single citizen has a right to good care. We must vindicate that right.

Second, it must include significant cost containment strategies. The United States cannot continue the spectacular increases in health care costs that have occurred in the past few decades. In 1960, Americans spent $27 billion on health care, in total. This year, according to the most recent estimate, Americans will spend $817 billion on health care. Even allowing for inflation, that is an unsustainable rate of increase.

Finally, any reform must emphasize preventive care. One of the reasons we spend so much as a society on care is that almost all of what we spend is on curative care, making people well after they have become ill. If we devote just a fraction of our resources, of our effort, of our intention to keeping people well, we can dramatically reduce the cost of care and people will live better, healthier lives at the same time.

So, Mr. President, I want to go into a little more detail about each of these points today.

First, a comprehensive health care reform proposal, regardless of design, whoever plan it is, must assure that every American, regardless of income, place of employment or health status, has access to affordable health insurance. Millions of Americans are now unable to purchase health insurance because insurers refuse to cover those with preexisting medical conditions. Still others are denied coverage because they work in high-risk industries or occupations.

Millions more work for small businesses that do not offer coverage to their employees or their dependents. According to the Department of Labor, nearly 1 million Americans lose their health insurance coverage every year. The Children's Defense Fund reports that in 1977, 73 percent of all children had employer-based coverage. By 1987, 10 years later, the proportion had dropped to 63 percent—a substantial decline over the decade. And a decline which is continuing and even accelerating today. And a growing number of low- and middle-income Americans simply cannot afford the rising cost of health insurance premiums.

Between 1979 and 1987—less than 10 years—the number of Americans without health insurance rose by a fourth—from 30 to 37 million. This simply cannot continue.

Any health care reform must—and I emphasize "must"—include meaningful cost containment strategies to reduce the escalating costs of health care. In 1965, the United States spent 6 percent of its gross national product on health care. According to a new study by the Department of Health and Human Services, by the year 2030 health care spending will increase to 26 percent of the Gross National Product—approximately twice the current percentage of about 13 percent. So we can see a continuing and dramatic increase in overall costs in absolute dollars and as a percentage of the gross national product.

The United States spends more of its gross national product on health care than any other industrialized country in the world—and at the same time fails to provide access to care for millions of its citizens.

Part of this increase in health care spending has paid for widely acclaimed improvements and very desirable improvements in procedures and technology. But higher spending has not prevented reductions in coverage nor significantly increased our health status relative to other nations.

According to a recent study by the General Accounting Office, while there have been improvements in life expectancy and infant mortality rates in the United States, these improvements are no better, and they are often less, than the gains made by other industrialized countries that have had smaller increases in spending for health care.

Finally, reform must include an emphasis on prevention and wellness. That is the central focus of my remarks today. We spend far too many of our health care dollars attempting to cure illness, and invest too few dollars in efforts to keep people well.

Prevention and wellness can be organized into three broad categories. The first is health promotion, which includes strategies intended to change individual behavior—inducing people to stop smoking, to have a healthy diet, to engage in regular exercise.

The second is in the area of health protection, strategies intended to protect large population groups through occupational safety and health efforts, environmental health, food, and drug safety. These are approaches which involve a communitywide rather than an individual focus.

And, third, preventive services, which includes screening for disease, immunization, prenatal care, and well baby care, monitoring chronic diseases like diabetes, high blood pressure, and other conditions, which can be regulated with regular medical care.

The Centers for Disease Control reported last week that deaths from cervical cancer have been reduced by 50 percent since the Pap test became available in 1965. The success of the Pap test, which is relatively inexpensive and can be done in a physician's office, is an excellent example of investment in preventive care which reduced both the incidence of advanced disease, the cost of complex care, and most importantly, premature death among women.

We must expand our efforts in the area of targeted testing for disease in its earliest stages. Efforts must be undertaken and increased to prevent breast cancer in women. Breast cancer takes an increasingly tragic toll on American women. It will occur in 1 out of every 9 American women alive today; this year, nearly 45,000 American women will die of this disease. And yet, when detected at its earliest stage, the 5-year survival rate is more than 90 percent. The National Cancer Institute recommends that women take an active role in the early detection of breast cancer by getting routine mammograms after age 40, have a yearly clinical breast exam by a physician, and practice monthly breast self-examinations. The recommendation is an example of how individuals must take greater responsibility to protect their own health.

Mr. President and Members of the Senate, self-responsibility for health is something we as a society should be placing much more emphasis on. It is something we have been deficient in encouraging in the past. At the same time, society must make an investment in mammography screening, which can detect disease in its earliest stages to reduce costs and save lives.

About 80 percent of the women with breast cancer are over the age of 50. Of this group, about half are over the age of 63. Yet, when we Democrats in Congress advocated coverage for screening mammograms under the Medicare Program, the Bush administration opposed it, fought it all the way. They said it was too expensive and we could not afford it. It was one of the most contentious items in the budget summit of last year. Finally, we prevailed, and American women are better off today and in the future as a result.

Clearly, if we are going to save lives and reduce the costs associated with the treatment of advanced stage breast cancer, we must make an investment in a screening procedure that is known to detect disease early, when it is the most curable.

We also know that an investment in prenatal care will reduce deaths from infant mortality while reducing the high costs of neonatal intensive care.

Mr. President, in December, I visited five cities, one of which was Tampa, FL. There I was given a tour of Tampa General Hospital, a superb medical institution. There are about 7,500 babies born at that medical center each year. About 10 percent of them require intensive care.

I was given a tour of the intensive care facility. The pediatrician in charge pointed out to me infants whose cost for maintaining so far have exceeded $1 million. They are affectionately referred to by the hospital staff as their "million-dollar babies." Almost all of them were born of mothers who had no prenatal care. They were born prematurely with relatively low birth weight. And, without exception, the experts there in Tampa and across the country tell us that, if we can see to it that every pregnant American woman has access to good prenatal care, the result will be healthier babies, healthier families, and billions of dollars in savings for our society.

The Children's Defense Fund reports that comprehensive maternity care will save more than $3 for every $1 spent. That fund also reports that routine health care for children will result in annual health costs that are 10 percent lower than for children who do not receive such care, and that immunizations will save between $10 and $14, for each $1 spent. This is an investment that our society cannot afford not to make. We must make this investment in prenatal care.

We need only to look at the results of the investment in preventive health care made by the State of Hawaii since the implementation of its health care reform plan in 1974. Because Hawaiians have access to affordable primary health care the infant mortality rate has been reduced by 50 percent since 1974. Hawaii now has the greatest longevity and the lowest premature death rates from heart disease, cancer, and lung disease in the Nation. We must assure that all Americans, whether they live in Hawaii or in any other State all the way across the country to Maine, have access to preventive services.

Prevention includes making investments in primary care services for pregnant women and children as well as targeting preventive tests for adults. While there is much debate about the cost effectiveness of widespread testing on the entire population, there is much more we as a society can do to expand the use of those tests which have been proven effective on specific age and gender groups in the population.

While preventive strategies alone will not solve our Nation's health care crisis, they must be an integral part of any solution.

Last year I joined with a number of Democratic colleagues to introduce comprehensive health care reform legislation. It is known as Health America. It meets the three fundamental objectives I set forth: universal access, cost containment, emphasis on preventive care. Our proposal builds upon the current employer-based health insurance system while providing access to health care benefits through a public plan for those who do not have access to employer-based insurance.

We offered this legislation as one solution. It is not the only solution. We welcome constructive comments about the bill. We are open to revising its provisions in an effort to improve it.

I urge President Bush to offer a proposal that meets the three fundamental objectives I have outlined: access to affordable health insurance for every American, serious strategies to contain the overall rate of growth of health care costs, and an investment in preventive health care to keep people well.

We must, we can and I believe we will pass comprehensive health care reform legislation this year. Let us begin today.

Mr. President, I yield the floor and I designate Senator DASCHLE to allocate the remaining time.

The PRESIDENT pro tempore. Who yields time?

Mr. DASCHLE. Mr. President, I yield 5 minutes to the distinguished new Senator from Pennsylvania.

The PRESIDENT pro tempore. The Chair regular recognizes, under the designation of time, the Senator from Pennsylvania [Mr. WOFFORD] for 5 minutes.

THE HOT IRON OF HEALTH CARE

Mr. WOFFORD. Mr. President, during our recent special election campaign I told Pennsylvanians that their votes could send a wake-up call to Washington for real action—after years of debate and delay—to halt the sharply rising cost and declining availability of health care in our country.

Few of us could have guessed how accurate that prediction would turn out to be.

Since then, the press has been filled with stories on the politics and economics of our Nation's health care crisis, on endorsements of various plans by business, labor, and Presidential candidates, and on the relative strengths and weaknesses of other nations' health care systems.

Indeed, our Pennsylvania contest was one of those rare occasions when an idea made a decisive difference in the outcome. One poll taken in the days after the election showed health care to have been a determinative issue for some two-thirds of the voters. Not the only issue, to be sure, but a major one for the great majority.

President Bush, reading the same returns, quickly backed away from his previous position that he would have no health care plan until after the 1992 election. And in recent weeks we have been watching the trial balloons float out of the White House in anticipation of the proposals expected in next week's State of the Union Message.

The President is not alone. On my first day in this Chamber after the election, colleagues on the other side of the aisle took to the floor to introduce their own proposal to help some 37 million uninsured Americans.

We Democrats welcome the President and his party to the table. Long before the Pennsylvania election, Democrats in Congress had taken the lead in crafting a number of comprehensive national health insurance proposals.

I want to particularly commend our leader, Senator MITCHELL, as well as Senators KENNEDY, ROCKEFELLER, and RIEGLE for their good and hard work in bringing one such bill forward—a proposal to require individual employers to provide basic health benefits or pay a fee into a public system that would cover their employees. Also, I commend Senator KERREY of Nebraska for his specific and far-reaching bill to go beyond an employer-based system to State-based universal health insurance. And I commend the Senator from South Dakota for his leadership in developing a consensus for action on a comprehensive and effective plan.

The need for action grows with each passing month. When I started campaigning for national health insurance last spring, the United States was estimated to have spent some $666 billion—more than 12 percent of our gross national product—on health care in 1990. A few months later, the estimates for 1991 put that number at $738 billion—13 percent of GNP. Now comes the Commerce Department estimate that in 1992 Americans will spend some $817 billion—up to 14 percent of our otherwise stagnant economy.

The stinging, and now familiar, indictment of our Nation's health care system is that despite spending far more than every other country, our people are getting less and less for their money.

The great political force of this issue comes not only from the tragic fact that some 37 million Americans can not afford health insurance at all; but that far more millions fear losing what coverage they do have just when they need it most—when they lose a job or have a catastrophic illness—or fear the rising costs of health insurance will bankrupt them.

The President appears ready to deliver proposals which merely tinker with our current system primarily through tax incentives for some—paid for by taxes on health benefits for others—proposals which fail to address the underlying forces driving up health care costs for every business and family.

At the same time, his Cabinet members misleadingly attack Democratic proposals for their potential cost in dollars and jobs, without acknowledging that doing nothing carries a far steeper price tag.

Their arguments sound like the old ones made against Social Security and Medicare.

Pennsylvanians proved that Americans are ahead of the administration on this issue. Hyperbolic threats of new taxes and government bureaucracy do not strike much fear in the millions of families who are already struggling to cope with the complicated forms and endless, rising bills of our present employer-based private health insurance system.

If the Social Security system were being designed today, no one in his right mind would propose that it be created by requiring each individual employer to negotiate and contract for a separate Social Security program. The result would be an inefficient maze and duplicative bureaucracy.

But that is how our unplanned, inadequate and costly health care system has grown up, like Topsy. I am convinced that the most effective way for us to bring costs under control, shift the emphasis to preventive care instead of expensive emergency procedures, and eliminate the great waste in overhead and administrative expenses required by the current patchwork system is to move to a truly universal national health insurance system.

The problem is to find the ways and means to move from this employer-based maze to a simplified, comprehensive health insurance plan that is available to every American.

With such a universal, portable system, and a single card entitling every person to basic health services, the medical profession could be relieved of much of the current staggering burden of paperwork. And American companies would be able to focus on what is the business of business, their products and productivity, not on providing health care.

The "pay or play" approach—with provisions now being advanced to strengthen its cost control measures and expand its scope—can be an important step in the right direction. It establishes clear standards for universal coverage that insurance carriers, HMO's and Government programs would have to meet.

In this Chamber, and in my campaign, I laid out 11 principles to use as a yardstick by which to measure any reform proposal. My discussions with Pennsylvanians these past 2 months have made me add a couple more to that list. But the essential test I have for any plan is whether it:

First, makes coverage available to all, throughout their lives, regardless of what job they have or where they live;

Second, makes coverage affordable and effectively controls skyrocketing costs; and

Third, opens the way for States to experiment with universal systems, pointing the way for all States to move from our current employer-based approach to universal health insurance.

Election year politics may make it difficult for Congress to go beyond bipartisan recognition of the problem to a bipartisan solution the President would accept. But the harsh logic of events—the out of control inflation in medical costs—will press us forward. And the Presidential campaign should provide a national forum needed to expand and intensify the debate and to establish a national mandate we began in Pennsylvania last autumn.

The mandate from Pennsylvania is to keep pushing this debate forward toward resolution. One way to do that is to join with me and 17 cosponsors of S. 1830, the bill I introduced to make all Members of Congress pay a fair market rate for the medical services of the Office of Attending Physician.

That would put all of us in the same boat as the American people and provide a very real catalyst for action, not just words.

For just as the time once came when women finally won the right to vote, as the walls of segregation laws finally fell after decades of lawsuits and nonviolent protest, and as the moment finally came for the creation of Social Security, the iron is now red hot for fundamental change in our Nation's health care system. That fire is not likely to cool until we have a President and a Congress willing to hammer out a truly comprehensive reform.

Mr. President, I yield the floor back to the Senator from South Dakota.

Mr. DASCHLE. I thank the distinguished Senator from Pennsylvania for an excellent and very insightful statement and again welcome him to the debate and appreciate his most significant contribution to the discussion this morning.

The PRESIDENT pro tempore. The Senator has 31 minutes remaining.

Mr. DASCHLE. I thank the President.

PRIVILEGE OF THE FLOOR

Mr. DASCHLE. Mr. President, I ask unanimous consent that Charles Rice, a fellow working in my office, be granted privilege of the floor during morning business.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I yield myself 5 minutes.

The PRESIDENT pro tempore. The Senator from South Dakota is recognized for 5 minutes.

THE TIME IS NOW

Mr. DASCHLE. Mr. President, last fall, Secretary Sullivan, appearing before a committee of Congress and commenting on various proposals for reform of our health care system, stated that, "Americans will not—and should not—accept radical departures from a system that offers them so much."

To which Americans was the Secretary referring?

He could not have meant the 37 million who have no health insurance at all. Thirty-seven million people, Mr. President, is the equivalent of all those who reside in 23 States, including Alaska, Oregon, Nevada, Idaho, Montana, Utah, Arizona, Wyoming, New Mexico, Nebraska, Oklahoma, Iowa, Arkansas, Mississippi, Kentucky, West Virginia, South Carolina, Vermont, Maine, New Hampshire, North Dakota, and South Dakota—23 States comprising 37 million people would have absolutely no health care whatsoever today.

He could not have been speaking of working people, who have seen their health care costs double, from 8 to 16 percent of their disposable incomes. Or of organized labor, for whom health benefits have been the issue in 8 of 10 recent strikes. Or of the one in four U.S. workers who lost health insurance for some period in the last 2 years.

He must not have been referring to businesses who now face annual increases in their health care costs of 20 percent per year.

And he must not have meant the 72 percent of Americans who are now so frustrated and frightened that in poll after poll indicate they want an entirely new system.

But, of course, the administration's opposition to reform of our health care financing system should come as no surprise. It is a fact that Republicans overall have traditionally opposed comprehensive health reform and have done so historically.

Throughout much of this century, a variety of proposals for national health reform have been debated by the Congress. Democrats have traditionally led these discussions. President Franklin D. Roosevelt developed the Social Security system, and, in 1944, included basic health care in his economic bill of rights, proclaiming the right of every American to adequate medical care and the opportunity to achieve and enjoy good health.

In 1945, President Harry S. Truman sent legislation to Congress which proposed a prepaid, comprehensive medical insurance plan for people of all ages. The President recognized the plight of "millions of our citizens who do not now have protection or security against the economic effects of sickness. The time has come," the President went on, "for action to help them attain that opportunity and that protection."

Unfortunately, President Truman's initiative was opposed and defeated by Republicans. Senator Robert A. Taft, "Mr. Republican," called the Truman bill "the most socialistic measure that this Congress has ever had before it." And the Republican candidate for President, Dwight Eisenhower, claimed that it constituted "socialized medicine."

In 1961, President John F. Kennedy proposed comprehensive health legislation as one of his five chief legislative goals. Using the same arguments, Republicans doomed these efforts as well.

Reason prevailed in 1965 with the enactment of Medicare, clearly a victory for the Nation's elderly, but a Democratic victory, as well. Many Republicans opposed this measure, claiming that Medicare would destroy Social Security, lead to socialized medicine, and that it constituted "coercive collectivism."

President Johnson, however, saw it differently: "helping to maintain and improve the health of all Americans is not just our tradition—or the tradition of the Democratic Party—or even the tradition of the Nation." He continued, "it is as old as the day it was first commanded: 'Thou shalt open thine hand wide unto thy brother, to thy poor, to thy needy, in thy land.'"

As the nineties began 2 years ago, the President instructed Secretary Sullivan to propose solutions to our health care problems. As in past decades, the Secretary has told us a great deal about what the administration does not want. They do not want mandated benefits; they do not want the present system; they do not want national health insurance. And when serious analysis of one of the leading proposals is undertaken by the administration, Secretary Sullivan and Secretary Martin distort the results.

Now, the President seems to have heard our citizens who have made it abundantly plain that they expect us, their elected representatives, to deal with this issue effectively, and to deal with it now. They want the hemorrhage stopped. If we do not listen to them, we will continue to believe the inside-the-beltway conventional wisdom which has existed for more than 50 years that the "time isn't right" or "there isn't a consensus." After more than 50 years of effort, the time is now, and the responsibility for building that consensus and solving the problem is now ours: Republicans and Democrats looking to solve the problem, not find excuses.

Mr. President, I yield 5 minutes to the distinguished Senator from Nevada.

The PRESIDENT pro tempore. The Senator from Nevada [Mr. REID] is recognized for 5 minutes.

Mr. REID. Mr. President, through you to my friend from South Dakota, could I have 10 minutes? That was the understanding.

Mr. DASCHLE. Certainly, the Senator from Nevada has 10 minutes.

The PRESIDENT pro tempore. The Senator from Nevada [Mr. REID] is recognized for 10 minutes.

THE FEDERAL GOVERNMENT IS IN THE HEALTH CARE BUSINESS

Mr. REID. Mr. President, last week I was in Las Vegas on a radio talk show and there was a discussion about the deficit, crime, narcotics, education, and then there was an extended discussion—and I was there answering questions from the public—regarding health care. After a few minutes, one of the talk show hosts—there were two—said to me, "Well why doesn't the Federal Government just stay out of health care? It is no business of theirs. Just stay out of it with all the proposed programs that have been suggested."

My response was that the Federal Government is in health care now. It is not a question of whether we are going to get into it. With Medicare and Medicaid, we are in it. And one of the reasons that States are having such tremendous difficulties with their budgets is because of health care. Medicaid cost overruns at the State level are literally ruining the budgets of States throughout this country.

So the Federal Government is involved in health care not peripherally; the Government is in the health care industry already.

Health care costs, Mr. President, are this year going to be $800 billion—almost a trillion dollars. We might ask, how much is $800 billion? From the chart I have here, we have an exact figure—$738 billion. How much is that? It is $2 billion a day. It is $85 million each hour, with no holidays off, no weekends off—$1.4 million each minute, and about $23,000 each second is spent in this country on health care.

Between 1965 and 1985, the gross national product of this country increased 500 percent. But, interestingly enough, health care costs during that same period of time went up 1,000 percent. From 1965 to 1985, health care costs went up double the gross national product growth—1,000 percent.

If this rate continues—and it appears that it will, unless we do something about it—a baby born in 1988 will live to see all the gross national product devoted to health care.

We have heard on this Senate floor today, and we will hear it in the future, that there are millions and millions of Americans who are uninsured—35 million, maybe even 37 million. That is 37 million too many. But who we do not hear about are those who are underinsured. We have many people who have insurance, but not necessarily good insurance.

It may be that for the person who is working, the employer covers him or her, but not the family. It may be that the coverage they have pays for certain illnesses and treatments but not all. When these 35 to 37 million people become acutely ill, Mr. President, they are taken care of. They do not usually lie in their bed and die. If they are in an automobile accident or injured or hurt, they are taken to a hospital and they are taken care of. Somebody who is acutely ill is taken care of in this country.

Who pays for these uninsured people? Everybody pays for them—you and me—everybody. We pay for these 35 million people when they become ill, through our taxes. Indigent costs are borne by the taxpayer; so are higher insurance premiums to cover those who can't pay, and increased hospital and doctor fees also cover those unable to pay. So the 35 million people who are uninsured—we are paying for them anyway.

Should we not have a better program, a more level paying field, so that the costs and benefits are more equally distributed?

There is a train moving down the track to reform health care costs in one way or another. Therefore, we should all be part of this program of reform.

When and how it is going to come, no one really knows right now. But the train is moving. There are many different proposals being suggested.

When I go to townhall meetings throughout Nevada, there are many people who ask, why not have the Canadian plan? It has some good benefits especially if you are acutely ill. In Canada, if a person is acutely ill, he is taken care of and taken care of immediately. But in Canada, if you are not acutely ill, if you need a hysterectomy or hernia operation, you can wait for months before that surgery will take place. So the Canadian system has some good points, but it also has some significant drawbacks.

What about the pay-or-play program? This is a program that is receiving an awful lot of attention and is a program I am studying closely. I have not signed on to it, but I have looked at it very closely. The reason I think it has some merit is that we have to distribute this pain, the inequality in our system, more equally, and the pay-or-play would basically provide that if an employer did not provide insurance for his employees, then there would be a percentage of the employee's wages assessed and the Federal Government would buy private insurance for those people who are uninsured.

If that program is not perfect, which it probably is not, we may need to mesh the good points of the Canadian program and the German program, which are both getting much attention. But the point is we need to do something and we better get all the input we can from people who are concerned about health care. We have overwhelming inadequacies, Mr. President, in our health care system.

Let me just take a couple of examples. Let me begin with prenatal care. The average cost of prenatal care in this country is $400, more some places, some less. The average cost of a hospitalized premature baby is $1,000 a day. Certainly it is not unusual that a premature baby spends 100 days in a hospital, for a total of $100,000.

If, for example, you look at three hospitals in New York, Chicago, and Los Angeles, we find that a third of the women arrive there having their babies never having been to a doctor. Fifteen million women in this country of childbearing age have no health insurance. And it has been proven scientifically, empirically, that for every $1 spent on prenatal care, it means a savings of $3 in medical costs the first year of life, notwithstanding the costs in the out-years, because many premature babies develop problems that are with them their entire lifetimes.

So prenatal care is an example of how we could spend a few dollars and save vast amounts of dollars. If we gave every woman in America prenatal care, we would save $3 for every $1 it costs us.

The White House Task Force on Infant Mortality determined that 10,000 infant deaths and 100,000 disabilities would be eliminated if women had adequate prenatal care.

There are other programs we need to look at—simple programs. I have heard, as a member of the Appropriations Committee every year when the Labor-HHS appropriations bill comes before the committee, Senator DALE BUMPERS talk about immunizations, and how this country would save millions and millions of dollars if we would spend a few extra dollars on inoculations. But we have not. We have been penny-wise and pound-foolish.

It has been determined that for every $1 spent on an immunization, $10 is saved in health care costs.

There are all kinds of issues that relate to women's health which we must be concerned about and are not being addressed at this time. Interstitial cystitis, lupus, and multiple sclerosis are diseases for which women are not getting proper attention. This does not take into consideration breast cancer, ovarian cancer, or cervical cancer.

The administrative costs of the health care system in this country, Mr. President, are twice what they are in any other country—two times higher. Should we not come up with a better system, maybe eliminating most of the forms and paperwork?

Last Thursday evening in Las Vegas, I attended a meeting with a group of physicians. One orthopedic surgeon told me that in his practice alone, 40 percent of every dollar which comes in to his office goes out for administrative costs. That is exorbitant. That is wrong. We need standard insurance policies.

Mr. President, let me close by saying that in this country of ours, the rising cost of health care is indicated by the figures on my chart here. From 1960 to 1990, the average cost of health care for an American was exorbitant. I say, and I repeat, there is going to be health care reform in this country and it is going to come soon. I think it is important the parties get together and work with us—the providers, the insurance interests, the Governments, that is, State and local governments, and the consumers—and try to get this train moving down the track with some direction. Health care is an issue in this country that is second only to the creation of jobs.

The longer we ignore the problem, the more complex and difficult it will be to solve.

I yield the floor.

Mr. DASCHLE. Mr. President, I yield 10 minutes to the distinguished Senator from Illinois.

The PRESIDENT pro tempore. The Senator from Illinois [Mr. DIXON] is recognized for 10 minutes.

AMERICA'S HEALTH CARE CRISIS MUST BE TACKLED

Mr. DIXON. Mr. President, during November of last year, I appealed to this body to approve universal access to health care, now. Again, I make the appeal that our health care system is critically ill, and we must find a cure.

The figures are staggering.

The current system does not even work well for those who have good health insurance coverage. These folks receive health care but at skyrocketing costs. We spend more, per person, on health care than any other industrialized nation.

And then there are the 37 million Americans who have no health care coverage—of which more than a quarter of them are children. About a million and a half of these uninsured folks are in my own State of Illinois.

Another 50 million Americans are underinsured. Mr. President, two-thirds of these folks—and that number continues to increase—are a part of the backbone of this country. They are full-time, hardworking taxpayers with incomes above the poverty level.

Given the economic conditions of this country today, many American citizens are one paycheck from being either uninsured or underinsured. Our current health care system has reached the level where many families have to choose between receiving health care and buying food—or paying rent.

Mr. President, back at home during mid-January, I attended several town hall meetings which specifically addressed the issue of health care. Just as I have found during my many other town hall meetings, the public wants affordable and accessible health care for everyone, and they want it now.

Under our failing health care system, insurance rates have escalated so fast that they are now out of reach for many middle-income families. These families are one increased premium away from joining the uninsured.

Our health care system is not a good value for the huge cost. We must halt this financial drain on our pocketbooks, as well as on our national economy. We have got to get much better value for the money we spend.

Senator MITCHELL, other Democratic Senators, and I will hold a hearing in Chicago on Monday, January 27, 1992, at the Children's Memorial Hospital. This is a continuation of the Mitchell regional hearings intended to solicit public input throughout the country on the direction Congress should take in meeting health care needs.

I am a cosponsor of S. 1227, the Health America Act, and continue to work with Senator MITCHELL and others to develop and shape an alternative solution to our existing health care system.

It is a responsible plan that addresses the fundamental problems at the heart of the health care crisis. The bill will actually save the average American and the average American business money.

It assures that every American has access to basic health care.

It will reduce health care costs by $80 billion over the first 5 years.

And it addresses the special needs of small businesses in obtaining affordable health insurance for their employees.

My goal is to see that in the very near future, health care legislation is enacted where families will never again have to worry about losing their life savings because of an illness, or watch ever-increasing amounts of their paychecks go to unrestrained health care costs.

Mr. President, the people of Illinois and of America are in real pain and fear from this health care crisis. They expect the Congress to move quickly to end their pain. They deserve nothing less. We must act now.

I implore my colleagues to join me in support of affordable and accessible health care, now, this session.

The American people are counting on us. We must not let them down.

Mr. President, I yield the remainder of my time. I thank my colleague.

Mr. DASCHLE. I thank the distinguished Senator from Illinois for a very powerful statement, and I appreciate his contribution to our discussion this morning.

EXTENSION OF TIME

Mr. President, I ask unanimous consent that the time under my control be extended until 11:15, and that all other provisions of the previous consent governing speeches this morning remain in effect.

The PRESIDENT pro tempore. Is there objection? The Chair hears no objection. It is so ordered.

Mr. DASCHLE. I thank the President. I yield 10 minutes to the distinguished Senator from Vermont.

The PRESIDENT pro tempore. The Senator from Vermont [Mr. LEAHY] is recognized for 10 minutes.

PROBLEMS WITHIN THE STATES AND THE NATION

Mr. LEAHY. I thank the Chair. I thank the distinguished Senator from South Dakota, who also, I might note, Mr. President, along with so many of our colleagues, has made a very compelling and very strong statement on this issue this morning.

Mr. President, we can all speak of the problems within our own States and problems within the country on health care. This morning, I would like to speak of both.

Vermont, as well as the rest of the country, is gripped in a terrible recession, one of the worst I can remember in my lifetime. Last month alone, nearly 300,000 Americans lost their jobs. What is very gripping is that millions more fear that they may well be next.

In the United States, losing a job means losing health care benefits. For an American family, it means worrying about having enough money to make ends meet and worrying about paying for a child's basic health needs. That is because the United States has failed to do what every other industrialized nation, except South Africa, has done—provide universal health care to its citizens.

Over the past months, I held town meetings all over Vermont—in Bennington, Brattleboro, Waterbury. I heard hard-working Vermonters say they are afraid one illness will strip them of what matters most—being able to provide for their families.

In Vermont, we have very, very proud people. We believe in taking care of our families. We believe in providing for our families. We believe in providing the basic needs in a State where the weather and the conditions can often be very difficult. These Vermonters feel because of health care costs they may not be able to do what generations of Vermonters have done in the past—provide for the basic needs of their family.

For too many Americans throughout the country, seeing a doctor is far too expensive. Too many mothers and fathers spend sleepless nights wondering if they should use their limited budget for food or for a doctor. What a terrible choice in the wealthiest, most powerful nation on Earth.

Too many are forced to use the emergency room for their children's care. Why? Because they cannot afford regular checkups at the pediatrician's office. Too many have to wait until their children are sick enough to require a doctor's attention. So they do not have preventive medicine, and the consequences can be tragic. A child's ear infection untreated can lead to deafness. A minor eye infection can lead to blindness.

Today, the Senator Labor Committee is voting on a bill that will end the fear. This bill is the Democrats' proposal, "Health America"—a comprehensive plan ensuring affordable health care to all Americans. It is a solid plan that addresses the two most important problems plaguing health care today—controlling costs and making sure all Americans have quality care.

President Bush is planning to announce his health care plan in the State of the Union address next week. It has been widely reported that he will propose tax credits to help some Americans defray some of their health care costs.

If these reports are accurate, the administration's plan is a charade that fails the American people. It fails to eliminate Americans' fears about losing health care benefits, fails to provide universal health coverage, and fails to control skyrocketing health care costs.

Under the administration's plan, when you lose your job, you lose your health benefits. Under the Democrat's plan, when you lose your job, you still keep your health benefits.

In our country, Social Security is a well-accepted right of economic security for older Americans. Health security should be an established right as well.

Mr. President, our current system is bankrupting families and businesses while making millions for insurance companies, drug manufacturers and others in the industry that reap huge profits at taxpayer expense. The Democrat's plan sets tough controls on health care spending to end this greed and restore health security, for all Americans. It is a key part of our economic recovery plan to bring this Nation out of recession.

As I look at the Democrats' bill, it has many things that should appeal to us. I am pleased that our bill includes legislation I introduced last year, called State Care. My bill removes the Federal obstacles that prevent States like Vermont from moving ahead with their own plans for providing universal health coverage.

With State Care, Vermont—under the able leadership of Gov. Howard Dean—will be able to devise a comprehensive plan that meets the health care needs of all Vermonters, while controlling soaring medical costs.

This approach has worked in the past. With Social Security and child labor protections, States led the way in testing ideas for national application. At the beginning of this century, we did not have child labor laws, but over half the States did. And then the Congress was able to pass what appeared to be radical at the time—something we all accept today—child labor laws.

State Care brings the Federal Government and interested States together to test the most innovative methods of providing health insurance. These are the ideas that will shape our health care system in the years to come.

In 1935, 24 of the 48 States had forms of Social Security. There was no Federal Social Security system. But because the States had taken the step, because the States had shown the way, then the Federal Government came in and established Social Security for everybody.

I wanted to make sure that if Vermont and other States want to show the way, we have the ability to do so.

But let us also be realistic. Health care reform will only be a dream if we do not have the President's leadership. President Bush's commitment to work with Congress is absolutely necessary if we are able to find the will to pass universal health care legislation. That is what the American people want. They do not really care who gets the credit—Democrats or Republicans—and neither do I. Let us restore the American people's faith in the Government's ability to get the job done. As most Americans know, there is probably no greater job that we could do than to provide health care for our people, all of our people, not just a favorite few.

I thank the Senator from South Dakota, and I yield whatever time I have remaining.

Mr. DASCHLE. Mr. President, I thank the Senator from Vermont for a very insightful statement. He brings his customary reason and thoughtful approach to these complex issues to the floor, and his contribution this morning was a very important one.

At this time, I yield 5 minutes to the distinguished Senator from Nevada.

The PRESIDENT pro tempore. The Senator from Nevada [Mr. BRYAN] is recognized for 5 minutes.

Mr. BRYAN. Mr. President, last summer I traveled by automobile during almost the entire month of August, some 3,000 miles, visiting virtually every small community in my State. And this past month and a half during the occasion of our recess after November, I continued that effort to communicate with Nevadans in Reno and the metropolitan area of Las Vegas.

If there was ever a perception that the concern about health care cost and access to health care were largely confined to America's senior citizens, let me say that that notion ought to be irrevocably shattered. It is the concern of young families. It is a concern of State and local governments, as they try to wrestle the very difficult problems. It is the concern of small and large businesses in our country as they try to compete internationally. The rising cost of providing health care benefits for their employees, indeed, threatens to endanger their ability to compete internationally.

The numbers are familiar to us. It is estimated this year that health care costs in America will approximate some $800 billion. They have been increasing at double-digit increases, whereas the consumer price index increases have been in a single-digit category in recent years. And if we do not make a fundamental change in the way in which we provide and pay for health care in this country, we are soon to see a $1 trillion annual cost of health care in America.

Those are costs that we simply cannot sustain. We are spending more than 12 percent of our gross national product annually, double what we spent just 20 years ago. Yet, at the same time we have 37 million Americans who have no health care insurance at all, and perhaps an equal number of Americans who are underinsured; that is, inadequately covered.

Identifying the problem has been relatively easy. What to do about it has been more difficult. Clearly, in my judgment, we need a comprehensive solution.

This morning I want to spend a few moments to congratulate our colleague, the distinguished junior Senator from Arkansas, DAVID PRYOR, who has authored a piece of legislation entitled "the Prescription Drug Cost Containment Act." I am very proud to be a cosponsor of this piece of legislation. I want to illustrate by sharing with you a piece of correspondence that I received relatively recently from a constituent of mine from Las Vegas who wrote about price increases in his blood pressure medicine. He writes that he paid $44.40 in May of 1988 for a beta blocker drug. In May of 1990, 2 years later, the cost had risen to $58.60, and by February of 1991, the price was a hefty $64.70.

Sadly, this is not an isolated story, nor a problem related to this one drug alone. In a 10-year period, from 1980 to 1990, when the overall rate of inflation grew by 58 percent, prescription drug prices increased by a staggering 152 percent. For the 12-month period, October 1990 to October 1991, prescription drug inflation continued to spiral, increasing 10.1 percent, again outpacing the general price inflation at 2.9 percent.

As out-of-pocket costs soared for all of us as consumers, so did the profit margins of major drug companies. In 1990, U.S. industries as a whole showed a modest 4.6-percent rate of profit. However, pharmaceutical companies reaped a 15.5-percent profit. In other words, major drug companies showed triple that profit margin of the average Fortune 500 company.

If we were considering these statistics as pharmaceutical stockholders, we would be smiling. However, for most of us, these statistics are alarming. And for older citizens living on fixed incomes, these statistics evoke fear. The simple fact is that drug cost increases are out of control.

The drug cost containment bill will:

Penalize only those drug companies whose prices rise over the annual Consumer Price Index. Nonresearch tax credits provided under section 936 of the Tax Codes will be reduced by 20 percent for each percent increase over the CPI.

Each drug sold in the United States, Canada, Australia, and Europe; to let us compare how American consumers fare with consumers buying the same drugs in other countries.

In December, I received a letter from the President of the National Allergy and Asthma Network/Mothers of Asthmatics. The letter said the prescription drug cost containment bill could "cripple scientific drug research in this country." While I do not want to oppose the Mothers of Asthmatics, I suspect this information is the line being used by the drug industry to fight cost containment efforts. There are no provisions in this legislation to reduce research tax credits. The curb on tax credits when a company has excessive profits applies only to nonresearch credits.

Controlling health care costs and making better health care available to all Americans should be a priority for each Member of Congress, the Bush administration and the public. We all want universal access to health care, quality health care, affordable health care, and health care cost containment for all Americans. It is finding the viable solution that poses the greatest challenge for all of us. Health care providers and the health care industry must join the effort.

As Governor of Nevada, I fought for cost containment on hospital cost increases. I know this health care fight on the national level will be controversial, difficult and time consuming. But it will be easier and accomplished quicker if all of us are willing participants, not obstacles.

Mr. President, I yield the remainder of my time and thank my colleague.

Mr. DASCHLE. I thank the distinguished Senator from Nevada for his excellent statement and his remarks this morning.

I yield the remainder of my time, which is about 6 minutes, to the distinguished Senator from Washington.

The PRESIDENT pro tempore. Five and half minutes are remaining. That time is yielded to Mr. DASCHLE to the Senator from Washington [Mr. ADAMS].

Mr. ADAMS. Thank you, Mr. President, and I thank Senator DASCHLE.

HEALTH CARE REFORM

Mr. ADAMS. Mr. President, I rise today to call on the administration and Congress to enact comprehensive health care reform. We need this legislation. This past December and January, in meeting after meeting throughout the State of Washington, whether it was with seniors, with families, with individuals or groups, the subject of jobs, and the subject of health care emerged as the primary concern for every one of them.

This morning the Congress is taking the first step toward adopting legislation to reform our health care system. The Senate Labor and Human Resources Committee is meeting to pass an impressive comprehensive health care package that will provide all Americans with access to affordable health care. Yet this bill will not go anywhere if the President is not prepared to act. And I am concerned whether he is.

It was not until just recently that the President took the temperature of the country on health care. He finally discovered what Americans and Democrats have been saying all along—that the health care system of this country is ailing. Costs are out of control. Millions and millions of Americans do not have access to basic health care. There are almost 700,000 people in the State of Washington alone who do not have any health insurance coverage, and what is worse one-third of these are children.

Thousands more people in my State are saying to me they are only one job away, either, because of job change or loss, from losing their health care. Health care is tied directly to employment. Workers are afraid to change a job. Afraid to look for something better for fear of losing their health benefits altogether. Health care has become the primary subject in labor negotiations now. Workers are being forced to strike to save their health coverage. So reforming the health care system is not just a health issue. It goes to the fundamental fabric of our society.

In a country as great as ours, that situation is an outrage. It is not that the United States cannot provide the best quality health care in the world. We can. It is not that we do not have the most highly skilled professionals in the world. We do. It is not that we cannot afford to guarantee the right to health care to all Americans. It is we cannot afford not to.

What we do not have is universal health care and any way to control costs. We cannot wait any longer. The state of our health care system is critical. The United States spends more per person on health care than any other country—40 percent more than Canada, 65 percent more than any European country. This year we will spend over $700 billion, over 13 percent of our GNP. We will spend 10 percent more than we did last year. But what did we get? More employers unable to afford health care, more Americans without any health insurance, and more companies cutting back on benefits that they do provide.

This diagnosis, President Bush, calls for more than a Band-Aid. Tax credit and insurance reform are not enough. They do not address the fundamental source of the problem which is skyrocketing costs and lack of access.

What we need is comprehensive health care reform that guarantees access to affordable health care and controls costs. This is the proper prescription for our system's ills, and I urge my colleagues to support Health America when it comes to the floor.

It builds on our current employer-based system. It requires employers to provide coverage or pay into a public insurance system. It guarantees a basic level of care to every American. And it establishes innovative approaches on controlling costs, reforming the insurance market, and guaranteeing the highest quality care possible.

It also allows States like my State, the State of Washington, or other States that may wish to do it, to experiment with their own approach to health care reform.

Senator SIMON and I introduced a provision in Health America which allows States to opt out of the pay-or-play plan and adopt a single-payer Canadian-style plan of their own design.

We think States should be allowed to demonstrate other innovative approaches to test what is best in solving the crisis.

We must act now before American families go deeper into their pockets. Let us enact this legislation that will guarantee Americans quality health care when they need it.

I thank the Chair.

The PRESIDENT pro tempore. Under the order previously entered the Senator from Rhode Island [Mr. PELL] is recognized for 15 minutes.

Mr. PELL. Mr. President, I thank the Chair very much indeed.

THE SITUATION IN THE FORMER SOVIET UNION

Mr. PELL. Mr. President, I recently returned from a 10-day visit to three of the four former Soviet republics currently possessing nuclear weapons—Russia, Belarus, and Ukraine, and to Armenia. I was the first Senator on the scene as the Soviet Union was being abolished and the new republics were attempting to deal with very real and urgent problems. I began my visit less than 1 week after the dissolution of the Soviet Union; on December 30, 11 of the former Soviet republics met in Minsk and agreed on the structure of the Commonwealth of Independent States, and on January 2, while I was in Moscow and then Minsk, price ceilings were lifted on most consumer goods.

Early in this new session, I will be chairing hearings on the START Treaty and dealing with pressing nonproliferation issues, so much of my attention was given to nuclear-related issues. At the same time, I wanted to get a firsthand look at the new leaderships and discuss with them the current problems, how they are addressing these difficulties and how best the Western nations might be helpful in the evolutionary period.

I thought that my fellow Senators might be interested in the observations and conclusions drawn from the trip.

Mr. President, I believe that the issues on the adherence by the new states of the former U.S.S.R. to the START and CFE Treaties can and will be resolved. I was also assured of their commitment to destroy nuclear weapons. I was told by republic officials that the several States would formally adhere to START and CFE, but that details and method of approval have not yet been agreed to. I received the impression that this would occur around midyear. I urged the leaders of Russia, Belarus, and Ukraine to decide the issue and set a timetable as soon as possible. Kazakhstan should do the same.

It is clear that Russia must adhere to the START Treaty, and Kazakhstan must either get rid of its silo-based SS-18's or adhere. Belarus may concur, rather than ratify, since it desires nonnuclear status and its weapons can be removed easily. Ukraine wants nonnuclear status, but does possess silo-based weapons that are subject to the treaty.

Mr. President, regarding the location of nuclear weapons, I was assured that all nuclear weapons, both strategic and tactical, have been concentrated in four republics and are under a single unified command authority. The leaders of all four states with nuclear weapons would have to concur in their use. This decision is a great relief.

Mr. President, I am delighted that Russia has received Secretary Bartholomew and the United States technical delegation to help with the dismantling and destruction of nuclear weapons. This was a congressional initiative by Senators NUNN and LUGAR which I strongly supported. I urged Russian leaders in the strongest possible terms that they get their act together so that the destruction of nuclear weapons, which they agree is in our mutual interest, can begin. In this regard, I welcome Ukrainian leaders' statements that they wanted to receive the United States team as soon as possible. I was also encouraged by Belarusan and Ukrainian commitments that they aspire to become nonnuclear States as soon as possible.

Mr. President, during my meetings with senior officials, I also expressed my concern about nuclear proliferation. In particular, I cited the possibility of unemployed nuclear scientists going to work for rogue states such as Iraq and Libya. The officials I met with share this concern. Russian scientists, supported by France and Italy, have proposed a scholarship program to keep these scientists employed in the Commonwealth of Independent States in projects not involving weapons for other countries. The United States should enthusiastically support this proposal.

Mr. President, my talks convince me that they also are eager to cut nuclear weapons well beyond the limits set by the START Treaty.

The committee's START hearings early in the new session will provide an opportunity to determine how best to proceed to bring about deeper cuts beyond the START limits.

Deeper cuts could solve two critical problems: First, removal of the most threatening remaining systems in the former Soviet Union, and second, facilitating decisions by the Republics other than Russia to become nuclear-free states.

We should also seek ways to bring about these needed cuts faster than the START 7-year period provides. I received the clear impression during my trip that the former Soviet nuclear republics are willing, and even eager, to speed up the process. To do this, we need to look at serious options such as demobilization of weapons, which can be done quickly pending the necessary destruction of weapons.

This is a grand opportunity for American leadership in helping both sides come to grips with the nuclear weapons problem.

The situation in the former Soviet Union—which could lead to diversion of materials or even, possibly, weapons—underscores the importance of tighter controls on nuclear proliferation. Late in the last session, I authored an amendment cosponsored by Senator HELMS to a bill by the Senator from Ohio [Mr. GLENN], the Omnibus Nuclear Proliferation Control Act. Our amendment would apply very stiff sanctions against any nuclear-weapons state that transfers a nuclear device, design information, or components to a nonnuclear weapons state. Sanctions would also apply against any nonnuclear weapons state that receives these items or detonates a nuclear device. The bill, with our amendment, was approved unanimously by the Committee on Foreign Relations. We will press for early Senate approval this year.

Mr. President, on the subject of economic reform, I observed the first days of the freeing of most price controls for consumer goods. I made a point of visiting as many markets as I could to observe food availability and costs. I witnessed no shortages threatening severe hunger or starvation, and indeed, the president of the Russian Supreme Soviet, Ruslan Khasbulatov, stated that predictions of massive social upheaval in Russia this winter are grossly exaggerated; he ruled out the possibility of famine in Russia this winter.

I share that view. As usual, government stores were poorly stocked, but that has always been the case, and the stocks were no sparser than the ones I saw during previous visits in 1982 and 1985. In contrast, the free market stores that have sprung up since 1985 were well stocked with a wide variety of goods. They are very expensive, however, and many people cannot afford to shop there. This situation suggests that there is much that Russia and the other former Soviet States can do for themselves by actions to close the gap between purchasing power and prices of available goods.

Mr. President, while I did not witness any signs of severe shortages or protests over increased prices, I would note that the winter—and the price increases—have only begun. Khasbulatov himself said that food shortages and 11 or 12 percent unemployment are to be expected in at least 15 key Russian industrial areas this winter, and he expressed great concern about the situation next winter.

It will be difficult for the new democracies to survive if their people perceive that they are worse off than they were when the Soviet Union existed. In 1917, the world failed the emerging Kerensky government. We can't afford to repeat that mistake. Greater privation and further deterioration could set the stage for catastrophe. They need Western help.

I believe that unless the West—Western Europe and the United States—extends the hand of friendship and help to the peoples of the former Soviet Union, the door will be opened to a man on a white horse, a dictator, to take over much as Lenin did when we failed to support Kerensky's moderate revolution over 70 years ago. Democracy is a new, rare and almost esoteric experience for Russians and my view is that if inflation, hunger, turmoil, and chaos render life unlivable, the peoples of the Commonwealth of Independent States will consider democracy a second choice and hold out their arms to welcome an alternative authoritarian law and order regime.

From my observations on the trip, I support the Bush administration initiative to convene an international conference in Washington on how best to assist the new nations in the former Soviet Union to deal with their current economic and humanitarian needs.

In the next few days, I will be issuing a fuller report on my trip. In the meantime, I would like to share with my colleagues the following recommendations that I will be making to the administration:

The United States should monitor closely the humanitarian needs in the new countries of the former Soviet Union and respond with sufficient urgency to any situation that might reverse the democratic trend in Russia and the other former Soviet republics.

The United States should enthusiastically support a proposal made by Russian scientists and endorsed by France and Italy to develop a scholarship program to keep nuclear scientists employed in the Commonwealth of Independent States in projects not involving weapons for other countries.

The United States should press Russia and Kazakhstan on the issue of destruction of nuclear weapons, and should support efforts by Belarus and Ukraine to dismantle their nuclear arsenals and move them to Russia for destruction under international supervision by midyear.

The United States should press the relevant states to set a date for their intended accession to the CFE and START Treaties as soon as possible, and should work with those governments to help them determine the best method of accession to these treaties.

The United States should encourage all states of the former Soviet Union to join the Nuclear Nonproliferation Treaty regime, and should work with the governments of the nonnuclear states and those that aspire to nonnuclear status to determine how they might abide by the treaty without compromising their nonnuclear status.

United States efforts to help the former Soviet Union get through the winter should take into account that although sufficient food supplies may be available, the challenge is to get enough money into the hands of consumers—particularly pensioners and families with children—to buy what is available without generating runaway inflation.

The United States should respond positively and quickly to requests from the leaders of the new countries for technical cooperation and training in areas such as small business development, banking reform, and food distribution. The United States should view cooperation with the new republics in these areas as opportunities to build markets for United States goods, to increase United States output and employment, and to create greater economic and political stability in the former Soviet Union.

The administration should move quickly to establish a permanent diplomatic presence in the capitals of all the newly independent states to which it has committed establishing diplomatic relations. The current situation in which the only United States presence in the former Soviet Union outside Russia—in Kiev—must filter its reporting through Embassy Moscow perpetuates the notion that Russia is first among equals.

The United States should encourage the leaders of Russia and Kazakhstan to revive their mediation efforts on the issue of Nagorno-Karabagh, possibly with a view toward creating a Commonwealth peacekeeping force in Nagorno-Karabagh.

Now that the dispute between Armenia and Azerbaijan is one between two independent countries, the United States should support the efforts of Armenia—which will now have a seat in the General Assembly—to raise at the United Nations the issue of Nagorno-Karabagh and the Azerbaijani blockade of Armenia.

With the breakup of the Soviet Union, Armenian refugees from Azerbaijan, who had previously been categorized as displaced persons within the Soviet Union, should now quality as international refugees. The United States should support the efforts of the Government of Armenia to receive the support of international refugee organizations in addressing the refugee problem.

Now that the Armenian Government—rather than the Soviet Government—is in control of the territory devastated by the December 1988 earthquake, the United States should support efforts to channel assistance directly to the democratically elected Government of Armenia. Rebuilding efforts have been adversely affected by a dropoff in Soviet funding, creating a greater sense of urgency for outside assistance to the earthquake zone.

Mr. President, I yield the floor.

The PRESIDENT pro tempore. The Chair, in his capacity as a Senator from the State of West Virginia, suggests the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered. Under the order previously entered, the Senator from Colorado [Mr. WIRTH] is recognized for the remaining time between this moment and 12 noon.

COMMEMORATING THE ANNIVERSARY OF ROE VERSUS WADE

Mr. WIRTH. Mr. President, today is the 19th anniversary of the landmark Supreme Court decision Roe versus Wade, which, as we all know, affirmed in this country the constitutional right of choice. Those who had an unwanted pregnancy, for whatever reason, had the opportunity to make their own decision—in consultation with their family doctor, their family or clergy, or whomever they chose—absent of any State interference.

That fundamental right, Mr. President, has been the law of the land in the United States for the last 19 years, and it is now, as we all know, under significant attack across the country, in our country's courts and by this administration. Yesterday the Supreme Court agreed to hear the Pennsylvania case, and it is my concern that its decision will lead to a further erosion of individual rights. The recent broad attacks on women and their rights in this society is a terrible misfortune. It is time for us, Mr. President, to reaffirm our commitment to these rights, a commitment that is shared by a very strong majority of the citizens in the United States. It is time to reaffirm our commitment to a woman's right to choose—reaffirm our understanding that this is not a decision in which the State, the government at any level, should intervene.

Recently I saw a bumper sticker that pulled together many of my thoughts about this issue and about the choices that women make about themselves and their families. That bumper sticker read, "If you can't trust me with a choice, how can you trust me with a child?"

Though I do not normally subscribe to bumper sticker philosophy, this one seemed to hit the nail right on the head. That bumper sticker is certainly noteworthy today as we recognize the anniversary of that Supreme Court decision to which I referred to earlier, Roe versus Wade.

This is the decision that held a woman's right to choose to terminate an unwanted pregnancy is a fundamental right protected by the Constitution. Unfortunately, with yesterday's news that the Court will hear the Pennsylvania case, that directly threatens Roe, this may very well be the last anniversary of Roe versus Wade.

Because the right to choose is protected by the Constitution, the 1973 decision in effect removed the patchwork of State laws that often lead to illegal and harmful abortions. It put an end to the butchery and brutal acts that we have all heard about with horror.

Having access to a safe and legal abortion means a great deal to the Colorado teenager who, after being abandoned by her mother as an infant, and being abused by her mentally ill father, spent 15 years running away from various foster homes, and then became pregnant. The woman who is the single mother of four small children and was undergoing chemotherapy after having a mastectomy was relieved to know that she could safely terminate her unwanted pregnancy. The young Colorado woman whose only child is being treated for a severe, life-threatening metabolic disease that necessitates constant dietary and medical monitoring faced the very real fear that her second pregnancy could produce a child with the same condition. Though a difficult decision, it was made easier knowing that a safe abortion was available.

These are the kinds of examples, Mr. President, in my own State, of very real people facing very real decisions. In my own State, Mr. President, the ability of a woman to make the decision herself to terminate an unwanted pregnancy is enormously important, both for her well-being and for that of the whole society. And that right should not be interfered with. Coloradans have fought various threats to this fundamental right but want Federal protection of that right. They do not want to see a patchwork of State laws limiting their options. They want the right to choose to extend far beyond the borders of our own State.

Roe versus Wade guarantees that States, the Government, cannot make intrusive decisions about an individual's health. Because many of us are profoundly concerned that the current Court, in a continuation of its chipping away at women's reproductive rights, will gut this decision. Many of my colleagues and I are supporting the Freedom of Choice Act, which simply codifies the Roe decision. Enacting the Freedom of Choice Act would ensure, no matter how the Court rules, that this fundamental right is protected.

President Bush opposes the Freedom of Choice Act. But President Bush's voice will not stop us from fighting to protect that right. We have that obligation. Nor will we be stopped by Supreme Court decisions. Because the Court has clearly shifted to the point where it appears a majority of the Justices will not support the right to choose, we must push on as legislators, both in trying to pass bills and letting our opinions be heard by the Court.

I and several other Members of the Congress will be sending a friend of the court brief to the Court reaffirming the precedent established by the Court in 1973. While I would like to believe our efforts will help to uphold Roe, legislation will likely be our best recourse.

For 19 years we have entrusted women to make thoughtful and responsible decisions about their own lives. Nothing, absolutely nothing, has transpired during that time that should make us change that commitment. We live under the same Constitution. The only thing that has changed is the politics of this administration and the membership of the Supreme Court. Should the Court fail to protect these individual rights, we have an obligation to step in, once again, and reestablish those rights.

The right to choose is enormously important. It is not a right for a fringe group. It is a right that 3 years ago, in that marvelous march up Pennsylvania Avenue, brought hundreds of thousands of American women and men, Republicans and Democrats, rich and poor, to their feet to take back the issue of choice as an American issue. We have an obligation to these people to reaffirm that.

On that day I marched with my daughter, my wife, my sister-in-law, my mother-in-law, as part of that demonstration of what is the right thing.

Those who would argue that the State should get off everybody's back should not get involved in anybody's business, should examine that very rhetoric as they think about this issue. Saying get the Government off my back in one instance should certainly hold when it comes to personal decisions. We cannot allow the Government to get into the most important and private decision that individuals make—it is demeaning, it is wrong, it does not respect individuals as we should in this great country.

Mr. President. I yield 4 minutes to the distinguished Senator from California [Mr. CRANSTON].

The PRESIDENT pro tempore. The Senator from California [Mr. CRANSTON] is recognized for 4 minutes.

ANNIVERSARY OF ROE VERSUS WADE

Mr. CRANSTON. Mr. President, today marks the 19th anniversary of Roe versus Wade—the landmark decision guaranteeing freedom of choice in matters relating to abortion.

The Supreme Court in Roe recognized that a woman's personal decision whether or not to bear a child is a fundamental right protected by the Constitution of the United States and restricted the power of Government to interfere with the exercise of that right.

For nearly two decades access to safe, legal abortions has been protected for those women who make the decision to terminate a pregnancy. Today, tragically, Roe versus Wade and freedom of choice hang by a thread.

Over 2 years ago, the Supreme Court sent a shockwave through the country when it handed down its decision in the Webster case. In Webster, the Court signaled its willingness to apply a less stringent standard of review to State restrictions on a woman's right to an abortion. It extended an open invitation to State legislatures to begin meddling with the rights of women making these difficult decisions. The result can be seen in regressive legislation enacted in Louisiana, Utah, Pennsylvania, and Guam.

Yesterday, the Supreme Court announced that it will hear a case which directly challenges whether Roe versus Wade continues to be the law of the land. That decision brings us another perilous step closer to seeing Roe versus Wade overturned by a Court now dominated by Justices selected by the Reagan-Bush administrations.

Mr. President, the vast majority of Americans support the right of an individual woman to make her own decision regarding whether or not to terminate a pregnancy. They believe that decisions regarding abortions are deeply personal, profound matters best made by the individual woman herself, guided by her own personal beliefs and convictions, free from Government control or interference.

If American women can no longer look to the Supreme Court to protect and preserve fundamental rights and liberties, then the burden will shift to Congress. Just as Congress enacted legislation responding to the regressive civil rights decisions handed down by this Court, Congress can and must act to restore the rights secured by Roe versus Wade.

Last year, I introduced bipartisan legislation, the Freedom of Choice Act, which would prohibit States from enacting legislation which would violate the principles established in the Roe decision. Congress has the clear power under section 5 of the 14th amendment to enact legislation necessary to protect rights and liberties of citizens. The Freedom of Choice Act would codify Roe versus Wade as Federal law.

Mr. President, a poll released yesterday indicated that nearly 7 out of 10 voters, both men and women, would support passage of the Freedom of Choice Act if Roe is overturned.

The American people believe in and support individual freedom. We neither want nor need government by "Big Brother." Nor do we want to see the clock turned back and a return to the days when unskilled, illegal abortionists preyed upon desperate women.

Abortion is a very emotional and controversial issue. There are strong feelings on both sides, often based upon deeply felt convictions and beliefs. The issue, however, is what role should Government play in these decisions. I, and the cosponsors of the Freedom of Choice Act, believe that women, not Government, should make these profoundly personal decisions.

If the Court refuses to reaffirm the holding in Roe, we will seek to restore freedom of choice through this legislation. I and other Members of Congress will not stand by idly while the Reagan-Bush Supreme Court strips away individual liberties.

Mr. President, I yield the floor.

Mr. WIRTH. Mr. President, I yield 5 minutes to the Senator from Washington.

The PRESIDENT pro tempore. The Senator from Washington [Mr. ADAMS] is recognized for 5 minutes.

NINETEENTH ANNIVERSARY OF ROE VERSUS WADE

Mr. ADAMS. I thank you, Mr. President, and I thank the Senator from Colorado for yielding his time.

Mr. President, 19 years ago today, the Supreme Court handed down its decision in the case of Roe versus Wade.

The Court announced that the U.S. Constitution—the highest law in the land—protects a woman's right to decide whether to end a pregnancy.

That decision was notable Mr. President. The Court said that a woman's right to decide is a fundamental right—and only after the "strictest scrutiny" could the Government interfere with a woman exercising that right. Justice Harry Blackmun, writing for the majority, called the decision "a landmark of liberty."

Mr. President, I can barely recognize that landmark today. Roe versus Wade has been eroded bit-by-bit. Worn down by onerous restrictions. Restrictions that neither meet the test set up in Roe. Nor standards of fairness and equality that our country stands for. Nor are in the interest of the women the Court sought to protect 19 years ago.

How did this happen?

The Reagan-Bush administrations have transformed the Court. It is no longer a beacon of light. It is a dark shadow of its past.

It has become a revisionist Court—in the worst way. Rewriting constitutional history to fit its politics. And tearing at Roe, case by case.

It's no secret that the Court is poised to overturn Roe one way or another. I will join in the amicus brief asking the Court to reaffirm Roe.

The tragedy is women in this country are about to lose their right to choose—a right that amounts to equality. They will be consigned to the shadowy past of dark back alleys. To illegal abortions. Forced pregnancies.

The Court cannot be allowed to be the last word on the right to choose.

One thing is clear. Any decision in the Pennsylvania case short of reaffirming Roe will be tantamount to overturning the Roe decision.

Congress must take up the fight to protect a woman's right to choose to terminate her pregnancy. It must reject the Court's political agenda. And it must pass the Freedom of Choice Act if the Court does overturn Roe. I pray that it does not. Too much is at stake in our country.

I yield back my time to the Senator from Colorado.

Mr. WIRTH. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been noted. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The time under the previous order has expired.

Mr. WIRTH. Mr. President, I ask unanimous consent that the distinguished Senator from Virginia be granted 10 additional minutes.

The PRESIDENT pro tempore. As under the previous order?

Mr. WIRTH. As under the previous order.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Virginia [Mr. ROBB] is recognized for 10 minutes.

ROE VERSUS WADE

Mr. ROBB. Mr. President, I am pleased to rise today to join him and many others in celebrating the 19th anniversary of the Supreme Court's ruling in Roe versus Wade.

I have studied, as most of my colleagues have, this case very closely. In fact by the time this landmark decision was handed down January 22, 1973, I had completed almost a decade of active duty in the U.S. Marine Corps and was at that time finishing law school at the University of Virginia in Charlottesville.

Just a few months earlier in a moot court exercise my team had been assigned the task of arguing against extending the right to privacy embodied in the 14th amendment of the Constitution to a woman's right to choose whether to continue a pregnancy which, of course, was the eventual holding in Roe versus Wade.

In preparing my side of the case, I delved in great detail into the strong moral and ethical issues involved in this debate, and I developed genuine respect for those who believe very deeply that abortion is wrong.

But while the issue of abortion continues to remain a very painful one for me, I came to a conclusion very different from the one I had been assigned to argue in that moot court. After all, Mr. President, a moot court is simply that. It is moot. It is an academic exercise to test an individual's skills of advocacy. But Roe versus Wade has real effects on real people and debating it is not a mere intellectual exercise. Lives, in this case, truly hang in the balance.

After considering the question then pending before the Court in Roe, and the decision it ultimately rendered, I concluded that the Government's right to interfere in the decision on whether a woman chooses to continue a pregnancy ought to be limited to the guidelines established under Roe. At least during the early stages of pregnancy, this difficult and emotional issue, in my judgment, ought to be left to the individual woman involved—and her conscience. And since winning my first statewide office in Virginia in 1977, I have acted on that belief.

I have consistently supported, and I continue to support, a woman's right to choose.

During my tenure in the Senate I have been an original cosponsor of the Freedom of Choice Act which would codify Roe versus Wade. Yet, on this anniversary of the Court's decision upholding a woman's right to choose, there are ominous signs on the horizon.

First, it continues to trouble me greatly that our Government has denied some Americans the rights properly enjoyed by others. By executive decree we have made it impossible for women serving our Nation in the armed services, as well as female spouses and dependents of male servicemen, to receive safe, privately funded abortions in American military hospitals overseas.

There should not be two classes of Americans, those with rights and those without rights.

In the same vein, I am saddened that our Federal Government has succeeded in preventing the District of Columbia from funding, with its own tax dollars, abortions for poor women under any circumstances. And I disagree fundamentally with the Supreme Court decision upholding in Rust versus Sullivan the implementation of the gag rule which has the effect at least of making ignorance America's public policy.

Yesterday, as has been mentioned several times on this floor, the Supreme Court agreed to reconsider the Pennsylvania Abortion Control Act which includes a host of State-imposed restrictions.

If the Court uses the Pennsylvania case to significantly weaken or reverse Roe versus Wade, it will be a very sad day for individual freedom in America.

If that day comes Congress will have no choice, in my judgment, but to rally behind Federal legislation to codify Roe versus Wade.

Today on the 19th anniversary of this landmark case we can recommit ourselves to joining the majority of the American people in seeking to continue to recognize and protect our privacy and to keep Government out of our bedrooms and out of our doctors' offices when it interferes with our right to privacy.

I will meet today with many of my constituents from Virginia who are participating in the National March for Life. They will be unalterably opposed to my position on choice and particularly my cosponsorship of the Freedom of Choice Act. Based on past experience, no matter how I explain my point of view, I will not change a single mind. Fifteen years of emotional meetings with opponents of Roe versus Wade have not changed my mind. But I respect the depth of their conviction and will continue to meet, knowing the outcome in advance.

However, I plan to also challenge my constituents who participate in the March for Life to expand their agenda to include other important goals. Those who care for life, it seems to me, must join in a consensus to combat poverty. Those who care for life, it seems to me, should enthusiastically assist in creating a strategy to strengthen American families.

We can and we should argue the merits of Roe versus Wade. But when we debate the beginning of life in our society, it seems to me that we have a responsibility to debate the "caliber" of it, and to work to improve it as well.

Both sides of the choice debate should favor full funding for WIC. Both sides should demand better health care and improved education. In this way I believe that every American can truly show a real commitment to life.

Mr. President, I thank you. I thank my colleague from Colorado for yielding me this additional time. I yield any time remaining at this point.

Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER (Mr. WOFFORD). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, was the leader time reserved?

The PRESIDING OFFICER. Yes. The Senator has 10 minutes reserved.

THE RELEASE OF HOSTAGES

Mr. DOLE. Mr. President, much has changed in America and around the world since we last met here the day before Thanksgiving.

And before we begin debating the critical domestic and foreign policy challenges facing our country, I wanted to take a moment to call attention to one change in which we can all rejoice.

America's hostages are free. The Christmas season brought with it gifts we have long prayed for—the release of Joseph Cicippio on December 2, after over 5 years of captivity; the release of Alann Steen on December 3, after nearly 5 years of captivity, and finally, on December 4, the release of Terry Anderson, after 2,455 days of captivity.

They joined in freedom 10 other Americans who had also been held hostage, and who also form a rollcall of courage.

The Reverend Benjamin Weir: kidnaped, May 8, 1984. Freed September 9, 1985.

Jeremy Levin: Kidnaped, March 7, 1984. Escaped, February 14, 1985.

The Reverend Lawrence Martin Jenco: Kidnaped, January 8, 1985. Freed, July 26, 1986.

David Jacobsen: Kidnaped, May 28, 1985. Freed, November 2, 1986.

Charles Glass: Kidnaped, June 17, 1987. Escaped, August 18, 1987.

Robert Polhill: Kidnaped, January 24, 1987. Freed, April 22, 1990.

Frank Reed: Kidnaped, September 9, 1986. Freed, April 30, 1990.

Edward Tracy: Kidnaped, October 21, 1986. Freed, August 11, 1991.

Jesse Turner: Kidnaped, January 24, 1987. Freed, October 21, 1991.

Thomas Sutherland: Kidnaped, June 9, 1985. Freed, November 18, 1991.

In the days following their release, these courageous men told of how they and other Western hostages persevered through inhumane conditions and brutal beatings. And they stated how glad they were that America never lowered itself to pay ransom, and never consented to any of the kidnapers' demands.

The American people owe their gratitude to Javier Perez de Cuellar, who worked tirelessly for the release of the hostages in his last weeks as U.N. Secretary General.

And, of course, I think I speak for all the Members of this body in saluting Peggy Say, all the families of the hostages, and people and organizations such as Carmella Laspada and No Greater Love, who never forgot and who never gave up hope.

And while our prayers have been answered, our work is not done. Two German relief workers are still held hostage in Lebanon. And, we must remember that two Americans—William Buckley, and Rich Higgins—made the ultimate sacrifice.

It is my belief that those who held hostages are international terrorists and murderers who should be brought to justice.

Mr. President, I reserve the remainder of my time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SANFORD). Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I understand that we are waiting for other Senators to come forward on the health care debate, and I understand I will not be taking time away from other Senators if I speak now. I ask unanimous consent to be able to proceed as in morning business.

The PRESIDING OFFICER. The Senator has that privilege.

ISRAELI LOAN GUARANTEES

Mr. LEAHY. Mr. President, I have had a number of questions from Senators about the Israeli loan guarantees and when the foreign aid bill might come up this year.

As the Presiding Officer knows, I held that bill up last year. We had a dispute over two issues: Whether and how much foreign aid we should give to what was then the Soviet Union and, of course, the Israeli loan guarantees. So I withheld the bill for a period of time.

As a way of answering those Senators who are asking when foreign aid will come up, when the subcommittee might act, I would like to speak to the Senate for a few moments on that topic.

Primarily, the timing revolves around the issue of Israeli's request for loan guarantees to help absorb immigrants coming from the former Soviet Union. In my capacity as chairman of the Foreign Operations Subcommittee, I would like to speak about how I expect the process to unfold over the next few weeks. If I might, I would like to summarize, first, the procedural situation.

The Foreign Aid Program is now operating under a continuing resolution. The continuing resolution runs out on March 31 of this year. It is my intention, and certainly my fervent hope, that the foreign aid appropriation for fiscal 1992, which has to be enacted by March 31 if it is going to replace the continuing resolution, will also be the vehicle for absorption loan guarantees to Israel.

That assumes the President and Congress can agree on acceptable terms and conditions for those loan guarantees. Indeed, to provide a vehicle for the guarantees is why, after I had discussions last fall with the President, and after I had consulted with the leadership in the Senate and the chairman of the Appropriations Committee, I postponed consideration of the fiscal 1992 foreign aid appropriation.

It is my judgment, shared by others, that postponement was necessary.

One thing should be clear to all Senators, Mr. President. Without an acceptable loan guarantee package, I see no way there can be a new foreign aid bill. Even with the loan guarantees it could be impossible to get a foreign aid bill through Congress. But without the guarantees, I just do not see how you can get a foreign aid bill through both Houses.

Now, if we do not get a bill through, what happens? In all likelihood, there will be an extension of the current continuing resolution for the rest of the fiscal year, probably with a few adjustments but nothing of a great policy nature.

I want to make it clear to everybody on both sides of this issue of Israeli loan guarantees that I do not intend to give a foreign aid blank check drawn on the American taxpayers to any country for any reason. I will not support any foreign aid bill which does that.

Those who want the loan guarantees without any conditions on them, frankly, are fooling themselves. I will do everything possible to block such a move.

As many Senators know, in a statement to the Senate last October 2, I outlined some principles or elements of an approach which I believe could be a basis for the solution of this whole issue of the Israeli loan guarantees.

The problem posed by Israel's request for these guarantees is obvious to anybody who reads the papers. It is Israel's insistence on expanding settlements in the occupied territories. U.S. policy through every single Presidential administration—Republican and Democrat—since the time of Lyndon Johnson has been to oppose settlements as an obstacle to peace. If we are going to provide this assistance to Israel, we have to find a way to do so in a way that does not contradict or undermine the American position shared by Republican and Democratic Presidents alike.

The approach I have suggested has three basic elements:

One, the amount of loan guarantees approved in the first year should be limited to no more than $2 billion. In other words, we should not approve $10 billion in that first year.

Second, there should be conditions requiring significant economic reforms in Israel, both to enhance its ability to absorb the immigrants and to strengthen its capacity to repay the loans so that the American taxpayer does not have to step in in the case of a default.

Third, the amount of the loan guarantees provided Israel in the first year should be reduced by whatever the Israeli Government spends to expand its settlements in the occupied territories.

Unless you have this dollar-for-dollar reduction, it can be said that with the loan guarantees the American taxpayers would be underwriting settlements that are contrary to our Government's position. I cannot support that. I will not support that. We must have a way that if Israel continues to increase these settlements, they will lose American aid; they will lose guarantees on a dollar-for-dollar basis for whatever they spend to increase settlements.

Obviously, behind these principles lie some very difficult issues to resolve. What I have laid out are some general principles for a solution.

As has been said so many times before, the devil is always in the details. The details will be very difficult. I anticipate there are going to be some tough negotiations between Congress, the President, the Israelis, the Secretary of State, and others on the guarantees as well there should. I do not know how long those negotiations are going to take, but I would hope that the administration, the leaders in Congress, and the Israelis understand we do not have very much time. We also have an issue on the question of how much aid will go to the former Soviet Union. The President has made certain recommendations about aid to the Commonwealth of Independent States.

Our allies are making other recommendations. The republics themselves, in the former Soviet Union, are asking questions of us about what they might receive. This is also a contentious issue and it will take time to resolve.

On the Israeli loan guarantees, if we do not work out a solution within a very few weeks at most—and I do not want to understate for anybody how difficult this could be—I do not see how we can complete work on new foreign aid appropriation before the current continuing resolution expires on March 31.

Mr. President, discussions on the Israeli loan guarantee issue will begin very soon between the administration, the Israelis, and other Senators in both parties. For the last few weeks many Senators have expressed strong interest in the approach I have suggested. Many Senators on both sides of the aisle told me that they see my approach as the basis of a compromise solution which would allow the United States to help Israel in a great humanitarian endeavor while making our aid compatible with the longstanding American policy regarding the settlements.

I hope that in the end there is going to be a compromise along the lines I have suggested, a compromise that will allow the loan guarantees with acceptable terms and conditions to go forward.

It is manifestly in the interest of all parties to avoid a confrontation that would only damage, perhaps profoundly, Israeli-American relations without advancing the cause of peace. I assure all Senators I will be working as hard as I can over the next few weeks to reach that compromise outcome. The time is short. We either work this out in the next few weeks or we will probably not be able to do it. It is as simple as that.

I hope that everybody, wherever they are on this issue, will forget the rhetoric, forget the debating points, forget trying to score political points with one side or the other, and sit down and look at reality. There are refugees who need help. I think it is a fantastic thing that any country will say, whether you are old, young, sick, poor, rich, you can come in and we will provide for you. I think the United States feels strongly in favor of that.

At the same time, as an American, I strongly oppose, as every President has since Lyndon Johnson, Israel's program on settlements. And I will fight against having American dollars go for that. There is a way to deal with both issues. There is a way to help the humanitarian needs of refugees that have come from what was the Soviet Union, from Ethiopia, or from anywhere else.

At the same time, we can also make it very clear, probably more definitively than at any time in the history of our Foreign Aid Program, that the United States means it when it says it cannot support Israel's settlement policy. We can make that position very clear in the way we handle this issue.

I said earlier that American foreign aid should never be given as a blank check to any country. In saying that, I do not single out just Israel. I say the same thing about foreign aid to what was the Soviet Union or to Central America or anywhere else. We do not have unlimited resources in this country. In fact, at the time of recession, we have greatly limited resources. We simply cannot say to the countries of the world that the United States will send you a check and you can do whatever you want.

So for those who have asked when this will come up, I hope I have given you somewhat of an answer. But I would also urge now the key parties involved to sit down and negotiate a compromise acceptable to all of us, just as I would also urge the parties involved in the question of aid to the former Soviet Union to do the same.

Obviously, having spent trillions of dollars during the cold war, we know that the struggle is not yet over. There are steps we must take to make sure that the cold war indeed is over. Again, foreign aid is a tool we are going to have to use for that goal. But it is also a tool that requires that we sit down now, not with bells and whistles and political statements, but with a hefty and a sobering dose of reality, and work out agreements on these issues very, very soon, certainly within the next few weeks. At that point my subcommittee will be able to bring up the foreign aid bill for the full committee and the Senate.

Mr. President, I thank the Senators who may have been waiting to speak. I appreciate the courtesy of being allowed to make these remarks at this time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, I ask unanimous consent to proceed for 20 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator may proceed.

Mr. RIEGLE. I thank the Chair.

(The remarks of Mr. RIEGLE pertaining to the introduction of S. 2145 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. BINGAMAN). The Senator from West Virginia is recognized.

HEALTH CARE REFORM

Mr. ROCKEFELLER. Mr. President, George Bush has the great fortune to be President at a moment when the American people and both Houses of Congress are ready to transform our health care system.

We are united behind the idea of overhauling a system that every year serves fewer people at a greater cost.

Today, the Senate Labor and Human Resources Committee is scheduled to mark up S. 1227, the proposal for health care reform that Senate Democrats developed with the leadership of our majority leader. I am one of the proud and committed sponsors of this bill.

It is a detailed blueprint that lays out the steps for revamping our health care system—for building a stable system that will provide good, affordable health care for every American.

President Bush would profit from a close inspection of the provisions of this bill.

Because next Tuesday, in his State of the Union Address, the President has an opportunity to begin a health care revolution which will save dollars and lives, and benefit tens of millions of Americans—workers and employers, parents and children—for years to come.

I have no doubt that, over the past weeks and even as I speak, dozens of aides and experts, policy and political people, legislative and budget analysts have been working intensely to agree on a major health care proposal by Tuesday night.

Today—and I say this to George Bush and his aides—I suggest a simple commonsense test for any health care proposal.

Last month, I listened to the gripping testimony of Mrs. Ray Quinelly at a hearing that I participated in with our majority leader, Senator MITCHELL and our colleague, Senator FOWLER of Georgia.

Mrs. Quinelly told us that her husband, a researcher for 10 years at the Center of Urban Research, was laid off in 1990. A year after that, their health insurance expired.

Today, the costs of treating their asthmatic son are on the verge of overwhelming them financially: their young boy's illness may end up costing them their house.

The test: If a Presidential health care initiative cannot keep the Quinelly's son healthy, without costing the Quinellys their savings and their home, it flunks. It needs to be sent back, and the administration should start over again.

Mrs. Connie Wells—who testified at a hearing we held in Tampa, FL—and her husband Bob, have four children, three with chronic medical needs. Forced to auction their family farm in Michigan, they spent down their life savings to qualify for Medicaid.

Although Mr. Wells is now employed by the State of Florida, he needs to keep his income low enough to qualify for Medicaid and Florida's Children's Medical Service—without which the Wells could not afford their children's care.

Despite his low wage, and despite assistance, the Wells pay $2,000 a year out of their own pockets for health care.

If the Bush proposal cannot bring treatment to the Wells' children; if it cannot end the penalties for economic success and personal advancement; if it cannot keep other families from losing their farms, it flunks. It needs to be sent back.

A machine shop worker in my home State of West Virginia—whose employer had paid two-thirds of his health care coverage for years—lost his workplace coverage last year. His small business employer could no longer afford coverage for the dozen or so workers in the shop. He got a letter from his old insurer though—they were willing to take him on. At $920 a month.

Frankly, there are a tremendous number of people in West Virginia and across the country who do not take home $920 a month.

And unless George Bush is ready to propose a way to keep insurance affordable and available to hard working West Virginians, I am going to lead the fight to send his plan back to the drawing board.

It is time to abandon symbolism and abstraction, charts, and projections. Outside this building, there are millions of people living nightmares or facing wrenching futures. They are counting on us and our President.

Any reform plan that cannot bring real relief to them is a cruel hoax—nothing but a placebo for a terminal system.

We have an opportunity. Like many Americans, I hope and pray that George Bush is ready to lead a revolution for a true health care solution.

If he does that, this Senator and the rest of Congress, on both sides of the aisle, will work with him with all our might. But if he does not, if his proposal fails the test, he will be pushed aside and the people will lead. They are ready.

I thank the Chair. I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I want to express, certainly, my appreciation for the excellent statement that the Senator from West Virginia has just made. I think all of us in this body know that he served as the chairman of the Pepper Commission as did our good friend from Minnesota, Senator DURENBERGER, myself, and others. And he has been a tireless advocate in terms of the availability of health care that is going to be quality health care, effective cost controls, and has had a very special interest not only in that aspect of the health care crisis but on long-term care.

Earlier today when we passed out the Health America legislation, of which Senator ROCKEFELLER is an original cosponsor and has been involved in the shaping and the fashioning of that legislation as much as anyone in this body, there were many questions about where we were on long-term care.

I had indicated to the membership that Senator ROCKEFELLER, as well as the majority leader, was in the process of shaping and fashioning a long-term proposal that was going to reflect the very extensive knowledge of the majority leader on this type of legislation. He has introduced other legislation on long-term care in the past that also reflects the experience of the chairman of the Pepper Commission.

I think all of us who are involved in health care reform recognize that the issues to be resolved include access to health care, quality of health care, getting control of health care costs, and providing for long-term care.

I was impressed in the discussion and the debate that there were very few members of the panel that did not have a personal experience on long-term care. I have a mother that is 101 years old. We have been able to take care of her, and she continues to be an inspiration to all of her children and to her grandchildren and great grandchildren. Also, my father was able to stay home after a very serious heart attack for some 8 years before his death.

This is something which is a matter of enormous concern to Americans, and I just want to remind the Senate as we have been focusing on the health care issue today how all of us are indebted to the Senator from West Virginia, who has done such an able job.

Mr. ROCKEFELLER. Mr. President, if the Senator will yield, I would like to point out that standing on the floor now, the Senator from Massachusetts and Senator DURENBERGER, from Minnesota, is the exemplification of the spirit that I hope is going to pervade over those coming months on health care.

Both Senator KENNEDY and Senator DURENBERGER have been experts on health care for decades and know far more than certainly this Senator and virtually everybody else in this body.

There is a power in the chairman, Senator KENNEDY, and Senator DURENBERGER and others, people of good will and long experience and fierce determination to make a health care system that will work.

Mr. DURENBERGER addressed the Chair.

THE PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. DURENBERGER. Mr. President, I rise for the purpose of wanting to express on this side of the aisle appreciation to the Senator from West Virginia for his leadership in the area of health care. We all served with him on the Pepper Commission.

This morning, as the Senator from Massachusetts indicated, we liked phase 2 of the Pepper Commission report in the Labor and Human Resources Committee. The end result was about the same. In the Pepper Commission we had an 9-to-7 vote. In the Labor Committee this morning we had a 10-to-7 vote. That indicates that there is a substantial difference in how to go about resolving the problem in America today.

But the good news, I think, is that on one side of this issue for too long have been those who said, "Let us do something," and the other side have been the people who said, "Do not do anything." I think the contribution that our colleague from West Virginia, Senator ROCKEFELLER, has made to this entire debate is to the "do" side. It is no longer America, it is no longer ethical, moral, or anything else you want to characterize it, to do nothing about the cost of the consequences to the health of Americans in this body, in this Congress, in this town, or anywhere else in America.

I told my colleagues, along with the Senator from West Virginia, who is still here, this morning as we were in the process of the markup that I had been lucky while I was home visiting, lucky two ways; one, I, at my age, still have two parents living. They are both in their eighties. And I was visiting them during the holidays. I was lucky enough to turn on a channel and catch the national and New Hampshire debate by the Democratic candidates.

I watched through the whole thing as only an interested participant can. And at the end, one of my parents asked me, "Well, which one of those do you think should be President or the best Democratic candidate for the President of the United States?" I said, "JAY ROCKEFELLER." Unfortunately, he has decided to carry his leadership on the issue outside of that.

But I do not think today of a better way to pay a compliment to my colleague from West Virginia than that. That is the way I feel about him. That is the way I feel about his leadership on the issue.

I think we have all said this about the Senator from Massachusetts because we have all learned on his curve.

While we disagreed by 10 to 7 this morning and we disagreed by 8 to 7 a year and a half ago on the way to go about it, there is no disagreement on the floor of the Senate today with our colleague's comments about the role the President of the United States needs to play as well. I trust and I hope and when I pray I will pray that in the State of the Union we may see his leadership join in the fray as well.

ORDER OF PROCEDURE

Mr. President, I ask unanimous consent that I might proceed for 4 minutes as though in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURENBERGER. I thank the Chair.

(The remarks of Mr. DURENBERGER pertaining to the introduction of S. 2146 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

INTERNATIONAL ORGANIZATION FOR MIGRATION

Mr. KENNEDY. Mr. President, during the congressional recess an extraordinarily important conference was held in Geneva—the 63d session of the Council of the International Organization for Migration [IOM].

Today global migration is being recognized as one of the major international issues before the world community. The movements of people—migrants, refugees, workers, famine and disaster victims—are visible in every region of the world, and they increasingly pose serious humanitarian, legal, and foreign policy problems.

Playing a crucial role in this emerging issue is the International Organization for Migration, which last year celebrated its 40th anniversary. Over these many years, the United States has played an active and constructive role in the work of IOM, and I am pleased the administration continues to do so. It has also had the strong support of the Congress.

Mr. President, the challenges IOM and the international community face today in the migration field were thoughtfully reviewed in the opening statement of IOM's Director-General, Mr. James Purcell.

I would like to share his excellent statement with my colleagues and readers of the RECORD, and I ask that it be printed at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[International Organization for Migration 63d Session of the Council, Geneva, November 26, 1991]

STATEMENT BY THE DIRECTOR GENERAL, MR. JAMES PURCELL

Mr. Chairman, distinguished delegates, ladies and gentlemen,

1. Let me take this opportunity first to congratulate the newly-elected Bureau, beginning with yourself, Mr. Chairman. The experience you bring to this task, and the support you have from a highly qualified Bureau, provide the certainty of an efficient and productive session. You may rest assured that you will have the fullest co-operation of the Administration throughout.

2. To the outgoing Bureau, I express my deep thanks. A special debt of gratitude goes to Ambassador Gonzáles Arias for his time, patience and understanding in preparing for and guiding the deliberations not only of the last regular session, but also the special session held last month.

3. Mr. Chairman, ladies and gentlemen,

4. The historical experience of most countries represented in this room shows that migration can contribute mightily to nation building, to economic growth, and to social and cultural advancement. That is also IOM's experience, born of 40 years' work. How ironic, then, that in recent months, all one seems to read about or hear about is the "problem" of migration. Is migration really the ticking time bomb that so many fear?

5. Clearly, growing numbers of persons are on the move. There are those who are compelled to migrate owing to persecution or conflict. There are those who choose to migrate, seeking new opportunities or broader horizons. And, increasingly, there are those who migrate out of desperation—to leave behind conditions of poverty, stultifying economic and political regulation, or spreading environmental degradation.

6. The visibility of migration is also magnified by broader media coverage. And migration is creating problems—objective problems—in economic, social and cultural terms in many places. The result is, at best, an uneasy uncertainty as to how to address this new reality. At worst, it is a reaction of near hysteria.

7. Increasingly, this worst of all reactions—near hysteria and panic, rising xenophobia and racism—threatens stability. Now—before the situation gets worse—is the time to step back. To consider the real issues. To identify workable and constructive migration solutions.

8. Solutions do exist. Refined and put into place in time, these solutions can ensure that migration—planned and orderly—will again be the essentially positive force that it has been in the past.

9. In today's public debate on migration, much of the fear and uneasiness may well be attributable to the feeling that no one is in control. Who crosses a border, who stays once the border has been crossed and who goes back home, seem more the result of chance than of process. When unemployment, underemployment and/or painful structural adjustment are deep concerns in nearly every region of the world, an immigration system out of control—or the perceived lack of any immigration system at all—will inevitably generate fears. And the fears will, equally inevitably, generate calls

for closing borders. But we already know that this is not the answer.

10. The migration phenomenon we face today is not the same one we faced forty, fourteen or even four years ago. As a matter of priority, we need to analyze and better understand current migration, as well as to anticipate better the migration of the future. Here, I believe that the number of conferences, workshops and studies being undertaken in academic, governmental and intergovernmental fora is promising. It is a field where IOM also must be—and is—increasingly active.

11. The sooner we reach a better understanding of the causes and consequences of migration in today's world, the sooner we will be able better to disaggregate current migratory flows into: first, those which inevitably will take place and must be dealt with; second, those that are desirable and should be fostered; and third, those that should not occur and whose root causes must be addressed quickly and seriously.

12. IOM is committed to pro-active participation in this process of fostering clearer understanding. One contribution is the document prepared for the fortieth anniversary of the Organization, and distributed to you today. This first monograph will be followed by others to be published in IOM's quarterly *International Migration* over the course of the coming months. Our aim is to provide a substantive addition to the literature available to the migration community as it grapples with the issues and devises solutions.

13. But clearly, studies and discussion alone will not solve the real migration problems of today, or prevent the migration problems of tomorrow. There is a need for action. Action to disseminate realistic information about migration prospects and realities, including information about permanent immigration possibilities, so that those who should never move, will not, and those who could qualify for permanent legal immigration will be aided in doing so. Action will be needed to create temporary migration schemes, when required, tied to orderly return migration. Action to promote income generation and job creation in source countries, including through well-conceived return migration schemes, to further development and stem future migration. And, finally, action to achieve greater harmonization and, yes, discipline in the immigration procedures of receiving countries. These are areas where IOM is either already at work or far along in planning appropriate programme responses. We are operationally well experienced and well placed to do so.

14. On the world's migration agenda, two major trends are likely to dominate: increased East-West migration, and further accentuation of present South-North flows. I will, for the purposes of this statement, concentrate on the common elements of these two phenomena. I recognize, of course, that there are significant differences—not least in population growth rates—which would need to be addressed in a more in-depth discussion.

15. As a first comment on the characteristics of both flows, it is noteworthy that in the industrialized countries at least, the proportion of irregular migrants presenting claims for asylum appears to be registering a general and continuous increase. At the same time, acceptance rates on asylum/refugee grounds have shown a general and continuous decline. Clear cases of individual persecution or human rights violation aside, the root causes of the vast majority of irregular movements appear largely economic. They often stem from widening disparities in income levels, insufficient job generation, and/or economic adjustment leading to increased unemployment or underemployment in the short term. There undeniably are also political elements, such as civil unrest, influencing many individual decisions to migrate. These elements must be factored into any solutions devised for specific situations, particularly if the solution is return migration.

16. Clearly, migration is not the answer to all the problems I have listed. Large-scale migration is not and cannot be the solution to world poverty. At the root, only increased job generation and sustained economic development in those countries currently providing the vast majority of migrants—and especially irregular migrants—can solve the problem. But until that longer-term goal can be achieved, solutions for many people caught up in irregular migration flows, especially those not qualifying for refugee status, will include assistance in the orderly return to their countries of origin.

17. However, it should not be forgotten either that in not so distant times of dislocation in Western Europe, outward migration helped alleviate potentially significant economic and social difficulties. This was one of the very reasons IOM was created. As was the case than, migration should be seen now as one of the elements in a pragmatic solution.

18. In this sense, and if planned outward migration is to play such a role in today's world, it should include two components. The first should be short-term, linking temporary migration to projected economic growth and/or restructuring in regions of origin, and including elements of training or skills upgrading as needed. Such temporary migration would thus relieve short-term pressure on economies in readjustment, while being clearly linked to return migration and reintegration. The second component would be permanent or semi-permanent migration. Both would require clear identification of sectors or professions in sending areas experiencing oversupply, and corresponding identification of needs or likely absorptive capacity in potential receiving areas. Increased temporary and permanent migration opportunities would probably need to be made available, in both traditional and non-traditional receiving countries, to address current demand more realistically. If such migration solutions were available, it would not be necessary for many of today's migrants to attempt to force themselves into the overworked and often inappropriate political asylum system. To the extent this can be achieved, preservation of existing humanitarian mechanisms which ensure safe haven for refugees and persons in humanitarian need will also be facilitated.

19. In large parts of Africa, Asia, Latin America and the Middle East, migration "push" factors such as population growth, insufficient job creation and sluggish economic growth will continue to create outmigration pressures for some time to come. While a portion of that pressure can in fact be alleviated by channeled migration programmes of the type I just described, these clearly are not the total or primary solutions. More effort is needed to determine what areas produce irregular migration, and why, so that opportunities can be created *in situ* to replace the migration option. This is ambitious, one might say. I would say that it is essential.

20. Development is one of the primary keys to stemming irregular migration. Can migration itself contribute to that development process?

21. Clearly, the days of large-scale settlement schemes are generally over. However, carefully planned and targeted migration still has considerable potential for job generation, wealth creation, and skills upgrading. Whether through the infusion of immigrants bringing capital or skills in short supply, or through the return of highly talented nationals repatriating their professional know-how, migration can contribute to development.

22. I have dwelt at some length on economically linked, even if mixed-motive, migratory trends. In such cases, with time, effort and creativity, there can be forward planning and identified solutions. If only this were the whole story. Alas, there are only too many sudden outflows caused by man's inhumanity to man, or stemming from natural calamities. These will continue to require quick, emergency responses. This sad fact of life obviously has a considerable impact on IOM in view of our broad migration mandate.

23. This is necessarily a general overview of the worldwide migration situation I see us facing through the end of this decade. What is IOM doing—what should IOM be doing—to address these needs? In order to answer that question, let us focus for a moment on what this Organization's mandate is.

24. You, the Members, were very clear, very precise on this point when you adopted our revised Constitution. You determined IOM's concern to be the organized transfer of persons in need of international migration services. You foresaw that this concern could translate into making transport and processing arrangements for such transfers; could translate into furnishing advisory services, studies, or other appropriate assistance; and could entail providing a forum for exchanges of views and experiences with a view to promoting regional and international co-operation in the migration field. Moreover, you explicitly and wisely recognized in the Constitution that the categories of persons who might be in need of international migration services are many, including but not limited to refugees, displaced persons and returning migrants.

25. IOM is mandated to provide migration services at an international level in order to ensure the orderly flow of migration movements throughout the world. Let us look, region by region, at some of the ways we are carrying out that mandate in 1991.

26. In Latin America, where for many years one of our regional Member States' priorities has been meshing migration with development imperatives, traditional activities are being pursued—and refined—with due regard for their impact and effectiveness. But we must also demonstrate once again the creativity which gave rise to useful and successful programme initiatives in that region in the past. Notable among these was the return of qualified human resources programmes so successfully adapted to other regions after being launched and tested in Latin America.

27. Today's imperative is regional and subregional integration. That such integration processes include important migration-related elements is clear; one need look no further for an example than to the evolution of the European Community, with 1992 around the corner.

28. Over the past year, IOM has focused on support to integration efforts in Latin America. In a first phase, we have contributed our expertise and technical support to nascent

subregional groupings. We have also finalized the juridical studies which can form the basis for comparison of national migration legislation, and eventually their harmonization. Moreover, IOM has completed initial project documents on migration-related integration issues in both Central America and in the Southern Cone, which are currently being considered by the Governments concerned.

29. Also noteworthy are discussions regarding possible renewal of selected migration schemes for newcomers with skill or capital. Linking this interest on the part of several Latin American governments with projected outward migratory pressures in other world regions—notably Eastern Europe—will be one of our priorities for the period ahead. This is a prime example of how a migratory flow in one region, which might otherwise become an irregular and disruptive outpouring, can be channeled into both a positive and an orderly process in another region—and one serving a development objective as well. I had the opportunity to discuss these areas of possible collaboration earlier this year with the Presidents of Argentina, Chile and Uruguay, and I can attest to you of their strong interest.

30. As regards humanitarian activities in Latin America, IOM's long tradition of assistance, concentrated in recent years largely in Central America, continues now in the Caribbean where, in collaboration with UNHCR, we are working with a variety of governments on safe haven for Haitians fleeing their country.

31. In Africa, too, there undoubtedly will be many challenges for IOM in the years ahead. Today, our focus is largely on programmes which bring the talents and know-how of professional Africans residing abroad to the development of their own region through return migration schemes. Extension and broadening of this activity appears to be one of Africa's priorities. Indeed, not only will present target countries in Africa continue to request assistance under the Lomé IV programme cycle, but the number of target countries is expected to double. From our experience, the contribution such return migration programmes can make is particularly noticeable in post-conflict periods of reconstruction on the one hand, and in market economy situations on the other.

32. In the humanitarian migration context, our major involvement today is the voluntary repatriation programme for South Africa which we are undertaking in partnership with UNHCR and for which IOM has been asked to handle the actual movements.

33. What of the future for IOM in Africa? Clearly, this will depend on the international migration services required by an expanding membership and observership and in light of changing political and economic realities. In this connection, we welcome the admission today of Egypt and Angola as Members, and of Namibia as observer. We look forward to the further broadening of our base in this important region.

34. In South East Asia, 1991 has seen a continuation of IOM's refugee resettlement activities from countries of first asylum, as well as of our logistical support for UNHCR's voluntary repatriation efforts. At the same time, orderly emigration of nationals from Viet Nam has been growing numerically into the largest single activity for IOM worldwide. The Orderly Departure Programme, increasingly a migration and not a refugee activity, and seen as such, has been gradually transferred to IOM from UNHCR over the current year. Possibilities for orderly out-migration—and voluntary return migration, particularly for skilled nationals—are the next challenges for us in former refugee producing areas.

35. In South Asia, IOM's work has evolved from assisting return movements from the Gulf to exploring ways of providing appropriate reintegration or re-migration services to the persons affected. Such activities have also been an element of IOM's work in the Philippines in the post-Gulf War era. In programmatic terms, farthest advanced is discussion of training for potential migrants, who will continue to exist in large numbers in all the countries concerned for the foreseeable future. On our horizon, we also see an evolving situation throughout the Asian region, where we welcome two new observers, India and Indonesia. IOM's involvement in Asia has already begun to evolve beyond traditional refugee resettlement activities to accommodate new realities.

36. Since the Council last met in regular session, IOM's work in the Middle East has changed dramatically. From carrying out a massive programme to help foreign workers return to their home countries in the wake of the Gulf crisis, IOM's involvement is now almost exclusively devoted to voluntary repatriation of Iraqi Kurds from Iran, or in transport of displaced Kurds within Iraq itself. We continue to provide this support as part of the United Nations inter-agency team in Iraq, under the aegis of the Secretary General's Executive Delegate.

37. In migration terms, Europe has seen vast changes since we last met, and IOM's plans and programmes have evolved accordingly. Some of the ideas I sketched out earlier have been tested, or are being pursued, in this context. As regards Central and Eastern Europe, these include fostering the exchange of ideas and experiences concerning migration systems and processes through training or workshops, providing advisory services, planning migration information activities, and pursuing the conceptualization of temporary or permanent migration programmes, both inward and outward.

38. In Western Europe, on the other hand, IOM's efforts have concentrated to a great extent on programmes for voluntary return migration, either of the highly skilled third world nationals assisted under our return of talent schemes, or of asylum seekers who do not pursue or do not gain permission to remain. The magnitude of the needs and IOM's activities in the field have also led to closer links with the Intergovernmental Consultation process in Europe, to which IOM is now regularly and formally associated.

39. With a growing network of European Governments, IOM is positioning itself to play an increasingly active and important role in addressing this region's migration concerns. In this connection we warmly welcome Hungary and Finland as members, and Albania, Bulgaria, Czechoslovakia, Poland, and Romania as observers. I would also like to inform you that IOM has just completed a mission to Moscow to discuss future collaboration with officials of both the central government and the Russian Republic.

40. Mr. Chairman, even such a glancing overview of IOM's work over the past year and IOM's planning for the future must bring home very forcefully the complexity and scope of migration issues today. Yet think back just a few years. How frequently did migration figure on the world's political agenda? Not very. It is remarkable how quickly all that has changed. Changed to such an extent that, in 1991, for the first time, the leaders of the G–7 group of most industrialized nations included worldwide migratory pressures among the concerns mentioned in the final statement from their London summit.

41. The migration concerns are indeed many, but solutions are achievable. I have painted some with a broad brush here today. And I am struck by the fact that, whether in terms of studying current migration phenomena, acting as a catalyst for international discussion and co-operation in the field, or devising and carrying out programme solutions, the mandate you have given this organization can address the range of needs. No bending or stretching of our mandate is required in order to deal with these situations. All that is needed, if you as Member States wish to pursue these solutions, is full-fledged and explicit support for what IOM already is and can be. Not the reworking of what this or any other organization's mandate is.

42. This reality has been brought into sharper focus for many, I believe, as IOM has come into ever more frequent contact with a broader range of governmental, intergovernmental and non-governmental interlocutors in recent years. Increased programme activity worldwide, enlargement of membership and observership, and the generally increasing attention to migration issues which I mentioned earlier have been further factors. Combined, they find IOM at some sort of a crossroads.

43. Indeed, it is striking how often the remark is made that IOM's place on the international scene is changing. That, painstakingly achieved over 40 years, is something of which we can be proud. We have encouraged it by not shirking the challenges, but by structuring ourselves in such a way as to respond to the needs of the day, and by engaging in creative thinking in response to evolving migration situations as wide-ranging and as different as South East Asia's, Eastern Europe's and Latin America's. But we cannot sit back in complacency. What we have worked to achieve, we will have to work to preserve. Moreover, this new role makes new demands on IOM in terms of our interface with our international organization partners in particular. This is especially true in an era when inter-agency co-operation is both increasing, and increasingly expected.

44. This thread of inter-agency co-operation runs throughout my statement today. That is natural, given both the inextricable links between migration and broader economic and social issues, and the growing importance of migration on the world's political agenda. In fact, IOM's consultations and co-operation with UNDP, UNDRO, UNFPA, UNHCR, UNV, the Secretary General's Executive Delegate, the regional economic commissions, and other parts of the United Nations system have probably never been as frequent or as close. However, there is no parallel arrangement between IOM and the General Assembly. Since migration-related issues of concern to IOM are increasingly the subjects of discussion in the General Assembly and various Committees in New York, it would appear both timely and wise to seek formal General Assembly observer status for IOM. I believe this would be consonant with the wish of Governments to maximize inter-agency co-operation and efficient division of labour. It will also be important for IOM as it is called upon to participate in inter-agency undertakings. The current debate in New York on crisis management, in which IOM is explicitly mentioned as a partner but is not present, is but one case in point. I would therefore invite Member States' support for

this undertaking, and shall listen with interest to your comments in the course of the Council's debates.

45. Mr. Chairman, distinguished delegates,

46. Migration, in 1991, needs no presentation as one of the major issues of our times. As I said in beginning this statement, however, that does not and should not mean that migration has to be seen as one of the major problems of our times. Orderly migration can be a positive force, provided it is addressed early, adequately and comprehensively. But addressed it must be, in a clearheaded and solution-oriented way. Let us seize the opportunity to contribute to that process, beginning here today.

Mr. KENNEDY. Mr. President, at the same session in Geneva, the International Council of Voluntary Agencies—the umbrella organization representing all the church and voluntary agencies involved in refugee and migration issues—also presented a provocative review of the migration issues confronting us today.

Presented by Patrick Taran, the ICVA statement highlights in particular some of the root causes of the problem and its humanitarian dimensions. And it notes the challenges and special role the voluntary agencies have in dealing with migration issues.

I ask that the text of the ICVA statement also be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

GLOBAL MIGRATION TODAY: THE CHALLENGES FOR NGO'S

(Presentation to the International Council of Voluntary Agencies, Working Group on Refugees, Displaced Person and Migrants, Geneva, October 2, 1991)

INTRODUCTION

Within the last two years or so, international migration of people has finally been recognized and acknowledged as one of the major dilemmas facing societies and governments worldwide. The mass movements of people, whether from South to North, East to West, within world regions, and even within countries, are now the subject of much governmental, UN, academic, media and popular debate.

Perhaps more than any other factor, the international crisis following Iraq's invasion of Kuwait last August placed the plight and vulnerability of millions of migrant workers in the news headlines around the world. That invasion and subsequent conflict resulted in the displacement of over one million migrant workers from those two countries in a matter of weeks. More recently the mass exodus of Albanians towards Italy and Malta in March and June of this year dramatically brought the global reality of mass exoduses to European shores.

The discrimination and racist treatment faced by migrant workers in many countries, especially in Europe, emerged as a major topic of debate in the hearings of the United Nations Sub-Commission on Human Rights this August.

MAJOR DIMENSIONS

Overall, current assessments calculate more than 100 million "people on the move" across the world today. This includes recognized refugees and large scale forced internal displacement as well as other migration. This is some 2% of the world's population, or one in every 50 human beings!

The UNHCR currently cites a total of 17 million refugees worldwide. Various sources indicate between 15-20 million internally displaced persons. These are included as they are generally denied the protection of their own government and in many circumstances would cross international boundaries if they could.

Figures cited by the International Organization for Migration (IOM) indicate that there are another 50 million *more* people on the move today, those nominally referred to as migrants, migrant workers or immigrants; 20 million of these are the acknowledged migrant workers and transient skilled professionals contractually employed across the global economic system.

There are also at least 30 million migrant workers in irregular situations. These are the undocumented immigrants or migrants working and surviving without legal permission to remain in the countries where they are. Termed "illegal aliens" or similar by governments, they usually face even more exploitative conditions and hardships than those with permission. Sometimes, they are forced to accept conditions close to slavery as the alternative to being denounced to authorities and deported to situations which may be even worse.

Meanwhile, the Labor Migration for Employment Division of the International Labor Office (ILO) estimates some 25 million migrant workers spread world-wide. Around 18 million of these are calculated to be in Europe, the Gulf region and North America, 3 million in Central and South America, and 1 million in Asia and Oceania. Calculating an average of three dependents for each migrant worker, the ILO indicates a total world-wide migrant worker population of 100 million.

This presentation focuses on international migration. However, rural to urban migration has also now become a dominant process in this century in most larger and smaller Southern and less developed countries. And indeed, the process is accelerating. Urban growth is now at the rate of 8 percent per year in some African countries. An overall indication of the dimensions of this process can be seen in these figures: In 1980, one billion of the peoples of the developing countries lived in urban areas. By the year 2000, twenty years later and just nine years from now, two billion people will be in the urban areas of the so-called South.

This continued movement of people into the urban areas in their own country which cannot offer means of survival or livelihood also translates into increased pressure for international migration.

WORLDWIDE

Migration is a major feature in every region of the world today, as the following regional highlights illustrate:

Africa

Migration has long been a major feature on the African continent. Beyond the relatively better-known plight of Africa's five million refugees and more than six million internally displaced persons, there are an estimated three million migrant workers in countries other than their own.

A most dramatic illustration of the often precarious situation of migrant workers in the region was given to the world in 1983 and 1984 when Nigeria abruptly expelled over one million migrant workers and family members, giving them little more than time to pack their clothes and get on buses or trucks to the borders.

Asia

Labor migration is now a growing feature within South and East Asia. Rapid industrial growth and economic expansion combined with relatively low rates of population growth have characterized Hong Kong, Singapore, South Korea and Taiwan. As a result, these countries have been compelled to accept increasing numbers of migrant workers to meet labor shortages and to perform service jobs for which there are decreasing numbers of citizen applicants. For example, some two million foreign workers enter and leave South Korea each year.

The Americas

Migration among nations has been a major process within and from Latin America for decades now. The larger countries in the region, Argentina, Brazil, Colombia, Mexico and Venezuela, have been both lands of immigration and emigration. Each hosts today hundreds of thousands of temporary and not so temporary migrants from neighboring states, particularly those relatively less economically developed. Ironically, each has also been the origin of tens of thousands of migrants to other countries both within and outside the region. The USA, Australia, Spain and Italy have been major destinations for Latin American refugees and migrants. The numbers and conditions of these movements have been very difficult to document, or sometimes even to discern, due to the cultural and language similarities between countries.

While many Mexicans and Central Americans migrate to the USA, there are also as many as one million Central Americans in Mexico. Some are de facto but officially unrecognized refugees. Others are seasonal or permanent laborers in Mexican agriculture.

Europe

The European Economic Community is creating a common market for capital, goods and labour in its so-called 1992 accord. Creating the largest single market area of the world of more than 300 million people, assumes that future labour needs in one area or country can be met by labour available in other member countries, such as from Greece, Spain or Portugal, where unemployment is currently high.

On the other hand, increasing numbers of refugees fleeing strife and migrants leaving desperate situations in other areas of the world are seeking to enter Europe. There are estimated to be over one million persons from different African countries now in Italy, and similar numbers of undocumented persons from Latin America and Africa in Spain.

The Middle East

Until last year, Asian countries provided up to 3.5 million temporary migrant workers in the Gulf states and other countries in the Middle East, particularly Saudi Arabia, Syria, the United Arab Emirates and, until recently, Iraq and Kuwait. While up to one million were displaced by the war, some of these are now returning. At the same time, hundreds of thousands of each Egyptians, Lebanese, Palestinians and Yemenis also comprise the migrant labour force in the region, along with many expatriates from Europe, other African countries and the Americas.

The Pacific

Migration is also a reality across the vast Oceania or Pacific region. Many residents of Pacific island nations have emigrated to Australia, New Zealand and the United States in search of employment. An ominous consequence of the expected rise in sea levels due to "global warming" will be the eventual submersion of entire island nations. If current trends continue, tens of thousands of Pacific islanders will be displaced within some twenty to thirty years.

MAJOR DILEMMAS

These large scale and global movements of people present us and the world with several huge dilemmas. These include:

—the increasing dimensions of migration, both within nearly all world regions and inter-regionally, during a period of increasing economic difficulties across the globe;

—the rising pressures for movement across the increasingly marked differences in labour market and demographic trends between the industrialized countries of the "North" and the under- or mal-developed "South";

—a frightful rise in incidents of hostility and violent attacks against migrants and immigrants, especially but not only in the industrialized countries;

—rapid expansion of restrictive immigration control and the imposition of draconian "deterrence measures" against the movement of people by governments worldwide;

—the breakdown of sustainable economic, political, social and environmental situations which otherwise allowed people to survive and remain in their traditional communities and their own countries.

VIOLENCE AND RESTRICTIONS

Two aspects of these dilemmas are especially negative. This must be of immediate concern for non-governmental organizations. One is the increasingly restrictive attitude by Western countries against granting refuge to persons fleeing war and persecution. The main features are plummeting rates of acceptance of asylum (refugee status) claims and the imposition of restrictions that prevent potential asylum-seekers from even getting to where they can file a claim.

Tragically, these restrictions are being justified and popularized by an anti-foreigner and anti-migrant rhetoric that claims that most people arriving in Western countries and claiming asylum are simply "economic" migrants. This rhetoric poses that those coming from the rest of the world are voluntarily arriving simply to seek economic fortune. Some views go further to suggest that these movements of people from South to North actually constitute a hostile and quasi-premeditated "invasion" of peoples threatening to overwhelm and subvert Western societies.

Another of the dilemmas cited above may require even more urgent response from NGO's, especially those based in this region. That is the rising incidences of violent attacks on migrants, refugees and immigrants throughout Europe. Especially targetted are those who are more racially and culturally different than the dominant populations. However, this situation, I might add, is also becoming more prevalent in North America and Australia as well.

WHERE ARE THE NGO'S?

Despite these major human dilemmas posed by the immensity of global migration today, there exist virtually no international non-governmental organizations primarily dedicated to migration issues. The exceptions are church related agencies, two of which participate in ICVA. These are the International Catholic Migration Commission (ICMC), the Pontifical Council for the Pastoral Care of Migrants and Itinerants, the World Council of Churches' Migration Secretariat, and, in this region, the Churches Committee for Migrants in Europe.

I should hasten to add that there are numerous local and some national NGO's in several countries which focus on migration. However, these for the most part address domestic immigration or migration questions, or focus on the situation of their own nationals. As examples, we can cite the Australian Migration Center, the Servico Pastoral dos Migrantes in Brazil, CIMADE and the Groupe d'Information et de Soutien des Travailleurs Immigrés en France, the Asian Migrant Centre in Hong Kong, Friends of Filipino Migrant Workers (KAIBIGAN) in the Philippines, and the National Immigration, Refugee and Citizenship Forum and the National Network on Immigrant and Refugee Rights in the USA.

There are, as well, several international associations of migrant workers, such as the Commission of Filipino Migrant Workers in Europe and important study and documentation centers, such as the Center for Migration Studies in the USA.

However, there is no other international coalition or grouping of these organizations or of other NGO's, such as some ICVA members, which have some concern or programmatic activity on migration issues.

ROOTS AND DEFINITION

My current work is constantly strengthening the perception that most migration is not voluntary. Rather, it reflects circumstances which in most cases are as compelling as those seen to motivate the flight of people recognized as refugees.

At least in some quarters, there is increasing understanding that the motivations for most migration run along a continuum spanning political and economic factors. These reach from motivations of fleeing immediate threats to life, safety and freedom to those which essentially compel departure from situations where the prospects for life—even survival—are marginal or non-existent.

An International Organization for Migration paper notes that it is not the absolute *difference* in economic and demographic conditions between current sending and receiving countries which primarily induces migration elsewhere. Rather, it is conditions *falling below a critical threshold of tolerance* for people to stay at home. That threshold is the minimum situation below which people no longer see a possible future for themselves and their families. The tolerable economic levels and conditions may be quite different in different places, but clearly, the basic condition is the ability to survive within some minimal local standard of decency.

War, conflict-related conditions, and situations of wide-spread human rights violations remain the most volatile and traumatic causes of movements of people. However, the destruction of traditional rural systems and infrastructures, massive environmental degradation, and breakdown of productive processes due to the destruction of productive assets are today major and growing factors compelling mass migrations.

An aspect of these disasters is the continuing displacement of peoples from productive agricultural land through economic or political coercion. The removal of peoples from their traditional lands that blacks experienced in Southern Africa is still continuing today in areas such as Mexico, the Philippines, and even the United States. In numerous countries around the world, international agri-business enterprises are buying up or otherwise taking over large tracts of land previously dedicated to small scale farming. The labor-intensive farming supporting many families is being replaced with large-scale, often highly mechanized agriculture. The result is the forced displacement of the farmers and their families, often to urban areas where there are simply no opportunities to make a living, and where survival itself may be precarious.

CHALLENGES FOR THE NGO'S

I believe that the dilemmas posed by increasing migration and the situations which compel movement of peoples pose three major challenges for NGO's and the international community. These are, first, to determine anew who are the people who need protection and who may require some forms of assistance, thus having some claim to the attention of NGO's and the international system. Second, we must determine how to effectively uphold the dignity and defend the rights of the different groupings of people on the move, without supporting the needs of one category *at the sacrifice* of the rights or dignity of other categories. Thirdly, the real immediate and long term challenge is to determine how to address the root causes of the overall migratory dilemma. If we cannot face this challenge in our work, we will only be faced with more millions of people displaced from ravaged lands across the world seeking to flee or migrate with nowhere to go.

WHO DESERVES ATTENTION?

It is my sense that a most immediate question for our organizations and constituencies is that of redetermining who needs protection and who should have some claim to international legal recognition. This is certainly not to reject or diminish the current, globally accepted legal definition but to affirm unequivocably that it is now far from adequate in today's world.

I would note that the just issued draft report of the special UNHCR Working Group on Solutions and Protections is already quite illustrative in this regard. As you may have noted in the document from the working group, some seven categories of persons of concern to the group are identified. These are defined as "those associated with the search for asylum and refuge." Categories one and two include persons covered by the 1951 Convention and persons covered by the OAU (Organization of African Unity) Convention or the Cartagena Declaration.

What is especially notable is that category three describes "others forced to leave or prevented from returning because of man-made disasters" and category four "persons forced to leave or prevented from returning because of natural or ecological disaster or extreme poverty." The discussion reported from the working group indicates that the participants, representatives of governments, recognized protection needs among people compelled to migrate or flee such circumstances. While no consensus has yet emerged on the many questions regarding these groupings, their motivations for flight, and what to do about them, the door is opening to new considerations of who needs protection.

While category five referred to rejected asylum seekers and category seven to stateless persons, category six also opened a major area of international debate over who needs protection. This topic is the internally displaced persons, with the group report indicating general recognition that these people fled some of the same causes and faced many of the same problems as refugees and externally displaced persons.

THE IDEOLOGIZED BACKDROP

As we discuss definitions, I would also like to note that the concept and implementation of the basic international refugee definition we work with has been a very ideologized and politically manipulated understanding. It appears safe to say now that this definition emerged out of the post World War II "cold war" political environment as an instrument formulated and used by a political block of states to pursue specific geo-political aims. This definition, and most certainly its utilization, responded first and foremost to the political needs of the dominant Western economic powers to delegitimize and destabilize the contending "socialist" political-economic system.

Until recently, the emphasis of the application of the 1951 Convention definition has been on persons fleeing the political and economic measures of the so-called totalitarian state regimes, the self-proclaimed communist states in Europe, and later elsewhere. Indeed, until the 1967 Protocol, the definition applied only to Europe. Even with a reference to the individual in the definition, Western states' practices often reflected a de facto group designation of presumed eligibility for persons leaving those communist-ruled countries, regardless of personal motivations.

At the same time, even until today, most persons fleeing similar circumstances of totalitarian dictatorial repression in other than the communist states have simply not been recognized or protected by the international system. This despite the reality that numerous other regimes have and continue to rely on national secret political police systems with torture, executions and with economic measures against opponents and innocents as brutal and omnipresent as any utilized by Stalin. Have the many thousands of people who fled the brutal dictatorships of Pinochet in Chile, Duvalier in Haiti, Suharto in Indonesia or Mbuto in Zaire been really any less qualified for recognition as refugees than the many Eastern Europeans welcomed in the West?

Another group of people fleeing immediately life-threatening circumstances, but which are not at all recognized by the current legal regime are those fleeing the *absence* of state authority and the correspondingly violent chaos in places such as Colombia, Lebanon and Somalia. Again, it appears that the recognition of victims of these situations, as those of other countries within the geo-political spheres of influence of the Western industrialized powers, has not been convenient to include in the refugee practice of recent decades.

What is especially stark is the extent to which the Western nations now strive to limit or abandon their commitment to even the basic elements of the old refugee definition. It would appear that it is no mere coincidence that this happens precisely at a historical moment when the concept and practice of refugee recognition no longer serves geo-political purposes.

HUMAN RIGHTS AND DIGNITY

The second major challenge is in part bound up with some resolution of the first. To the extent that we can recognize that there is a larger number of people on the move needing some recognition, protection and support in the extent NGOs and others can play a role in affirming the dignity of such people and in assuming responsibility to advocate for upholding their rights. The danger in not addressing these questions is that of remaining on the ever narrower ground of defending certain people and groups as "legitimate" refugees and conceding to the prevailing trends that the others are not so legitimate; whatever happens to them is too bad but there's not much we can do about it.

Inasmuch as the world regime is dominated by the nation-state concept, we may still need to concede certain "states rights" of control over who is lawfully admitted to remain in national territories. Nonetheless, as the refugee system poses, there are clearly basic human rights and international obligations which supercede state prerogatives.

At present, as attacks on foreigners in societies increase, it is imperative to reassert a broad perspective of upholding basic dignity of all, regardless of status or motivation, and of defending the basic human rights recognized in international instruments without distinction to nationality or legal residence status. Doing otherwise, defending just refugees or particular groups will only lead to an ideological dead end of simply arguing where the line is to be drawn between those who must be protected and those whose persecution can be justified or explained.

Certainly, in the context of our international system, we must go on distinguishing within legal frameworks between those with claims to refugee status and, therefore, additional protections. On the other hand, I believe it also imperative for NGOs to publicly take a stance of defining, asserting and advocating for basic guarantees for the rights of all migrants. And thus to engage in concrete activities in local communities to interpret to the public a positive image around the basic dignity of people on the move, while explicitly and vocally condemning any and all attacks or hostility against any foreigner, or other minority group for that matter.

THE NEW CONVENTION

Here, we can and must make use of the new 1990 International Convention on the Protection of the Rights of All Migrant Workers and Their Families. This Convention provides a broad but basic definition of human rights applicable to migrant workers and their families. It was just approved by the U.N. General Assembly last December, after ten years of arduous negotiation. This new human rights instrument can serve as a basic tool to defend the dignity and insure humanitarian treatment of migrants. Indeed, campaigning to promote ratification by governments can itself highlight the role and contributions of migrant workers in many countries and to gain recognition of their rights.

ADDRESSING THE ROOT CAUSES

Perhaps the most fundamental challenge we face is responding to the factors which in most cases mean that migration is not a matter of choice. I would suggest that this can also be considered most fundamentally a question of human rights. Just as we have strived to develop the concepts of the right to leave and to return to one's homeland, I think we should also develop and assert a language of a *fundamental right to remain* in one's homeland, indeed in one's community or locality of origin.

If, increasingly, migration is the visible, human consequence of environmental destruction and the failure of "development" models and of economic systems to provide employment and to meet basic human needs, then these factors will have to be better understood and changed if people are to be able to stay at home. And indeed, the information I see indicates that most people migrating, whether refugees or otherwise, would rather have stayed in their own places of origin.

It is clear, at least to many church entities, that social and political peace will only come about when a measure of justice, economic and social, is assured. I see more evidence of awareness that economic justice can only come about through a global shift to more sustainable and participatory development models and economic processes. These may indeed need to be more regionally and locally defined by traditions, cultures and conditions, in contrast to pursuing the currently dominant "market system" model of capitalist production based on ever-expanding material consumption in turn consuming the non-renewable resources of the world.

The point is, we must confront such questions and assertions as these in order to even consider trying to ameliorate the pressures compelling so much of global migration today. Otherwise, as I said earlier, we will be faced with more millions of people seeking to migrate within and to all regions of the world, with no place willing or able to accept them. And our societies will experience even more hostilities and violence than we see now.

Clearly, this means that a most essential question which we, and the world, must address, is upholding or restoring the essential economic and social viability of home environments throughout our world.

THE TASKS FOR NGO'S

So, several specific questions and tasks present themselves in taking up these challenges. First, is to work towards redefining needs and categories of people on the move. This would involve both the distinguishing who we see today as refugees and at the same time recognizing the continuum of motivations which compel most migration.

This redefinition would involve tasks of working and advocating in the international community, with inter-governmental organizations, legal institutions, governments, to bring about official recognition, protection and assistance to those needing it.

Then, and alongside the above, is building what has been referred to as a "culture of solidarity" with the people on the move and their communities. A major component must be organizing of viable and effective campaigns to impede hostility and uphold basic human dignity and rights of refugees and migrants. In this work, a vital, parallel step is to develop relations and cooperation with the organizations and communities of refugees and migrants themselves.

And, of course, NGOs individually and collectively must build our analysis, understanding and action on the underlying causes of migration. In particular, this will involve challenging eurocentric or northern-centric views predominating in our societies and within NGO constituencies. Such views tend to separate or isolate the actions of our governments, the models of our corporations and banks, and our national military aid and arms sales from the human, social and political consequences in other parts of the world of these actions, models and aid. Not that there aren't also similarily bold challenges to be faced by southern NGOs with their societies and governments.

IMMEDIATE STEPS

For immediate action by ICVA and this working group, I pose the following suggestions:

1. Commend to member agencies work on promoting the ratification and implementation of the 1990 International Convention on the Protection of the Rights of All Migrant Workers and the Families. We should ask members to take an active role in organizing advocacy efforts with their national governments. It is going to require a lot of work to get even the minimum number of twenty

governments to ratify for this Convention to enter into force.

The World Council of Churches Migration Secretariat, together with the Churches Committee on Migrants in Europe and the Quaker U.N. Office, have prepared a booklet called "Proclaiming Migrants Rights" to help promote the Convention. It is available in English, French, German and Spanish, and can be obtained from the WCC in bulk quantities for widespread distribution.

2. Formalize an ongoing discussion within this working group to develop NGO perspectives on migration issues. Presumably, the agenda would include identifying protection needs and new definitions for people on the move, as well as exploring cooperative NGO work to develop a culture of solidarity. I would suggest we initiate the "contact group on migration" that was proposed for this ICVA Working Group some time ago. My office is willing to serve as a convenor for it.

3. Include migration as a specific component of the ICVA related discussions and activities in preparation for the UN Conference on the Environment and Development (UNCED) in Brazil in 1992. This could certainly be done by exploring further understanding of migration as a major human consequence of today's global environmental, development and economic disasters.

Thank you for your consideration of these ideas and proposals.

Patrick A. Taran,
Secretary for Migration,
World Council of Churches.

INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT, SECTION 4010, EXEMPTION OF CUSTOM HARVESTING FARM MACHINERY

Mr. BURNS. Mr. President, as we all know a major piece of legislation, the Intermodal Surface Transportation Efficiency Act of 1991, was passed a few hours before adjournment on November 27, 1991. Prior to voting on that legislation, my staff and I did our best to look over the bill and understand its provisions. As you know, Mr. President, that is not an easy task when there is only 1 or 2 copies of a 1,000 page bill available to all Members of the Senate. In addition, as far as I know there were no copies of the report language available for Members to review prior to voting on November 27. As a result, I voted on the bill and made a statement in support of it and several provisions that were originally included by myself based on the information available to me at the time. Naturally, I was very disappointed to learn of report language accompanying the transportation bill that undermines the intent of one such provision to exempt custom harvesters from the commercial drivers license [CDL] requirements mandated under the Commercial Motor Vehicle Safety Act of 1986 [CMVSA]. The Senate Commerce conferees, led by Senator Exon, fought long and hard to retain this amendment. It was one of the last issues in disagreement between the House and Senate Commerce conferees. I see Senator Exon is on the floor; I wonder if he might describe for us what happened?

Mr. EXON. I thank the Senator from Montana. I would be happy to do so. As the Senator has already stated, the CDL exemption was one of the last issues on the table for the Commerce conferees. At the 11th hour, over strong opposition in the House to any exemption, a compromise was reached providing an exemption only for "custom harvesting farm machinery." I was disappointed that we could not provide this much-needed regulatory relief to the other farm-related operations included in the original amendment, but was pleased to help this important part of the agricultural community. My understanding of the agreement was that the bill would exempt custom harvesting farm machinery—period—no exceptions. This was a concession on the Senate's part given that we had passed the CDL waiver for farm retailers and custom harvesters four times. Concerns have been raised that the report language does not recognize the operating needs of the custom harvesters and confused the scope of the intended exemption. I think we should work with the Department of Transportation to get this matter clarified prior to April 1, 1992, the date by which all States must have a CDL Program in place.

Mr. BURNS. I agree completely. In fact, I ask unanimous consent to have printed in the Record at this point a letter from 18 Senators requesting the Department's interpretation of this provision. If they decide to interpret the bill language narrowly, then a legislative remedy may be in order.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, DC, January 6, 1992.

Adm. James B. Busey,
Acting Secretary of Transportation, Department of Transportation, Washington, DC.

Dear Jim: We are writing to seek the Department of Transportation's interpretation of Section 4010 of the Intermodal Surface Transportation Efficiency Act of 1991 (H.R. 2950). The language itself clearly grants an exemption from the commercial drivers license (CDL) requirements in Section 12019(5) of the Commercial Motor Vehicle Safety Act of 1986 to custom harvesting farm machinery. This is something that we have sought for over a year and is similar to legislation that has passed the Senate four times during that time.

However, some concerns have been raised with regard to the report language accompanying Section 4010. The bill language grants a straightforward exemption with no defining terms, while the report language places caveats on the exemption.

It is very important that we know as soon as possible how DOT will interpret Section 4010 so that we can proceed accordingly once the Senate reconvenes to consider a possible technical corrections bill. Your assistance and prompt reply will be much appreciated.

Sincerely yours,

Robert Dole, J. James Exon, Conrad Burns, Thomas A. Daschle, Quentin N. Burdick, Brock Adams, Lloyd Bentsen, Charles E. Grassley, Robert J. Kerrey, Christopher S. Bond, Jake Garn, Max Baucus, Kent Conrad, Wendell H. Ford, David L. Boren, Larry E. Craig, Robert W. Kasten, Malcolm Wallop.

Mr. DOLE. I wonder if the Senators would yield to me for some brief comments. As you both know, Kansas is the home base of operations for a number of custom harvesting operations and I have been very active in seeking a CDL waiver for them. I think we should remind our colleagues this is an important issue. It is a question of when regulation ceases to be beneficial to society and becomes a burden—of when the costs outweigh the benefits. This is clearly a situation where the costs of the CDL requirements outweigh the benefits. The custom harvesters operate on a seasonal basis using part-time labor. This requirement puts the efficiency and quality of their operations at risk. It is difficult and expensive to hire seasonal, temporary help with CDL's. If they have a CDL, they will want more pay. The custom harvesters already operate on a mariginal basis, and this additional burden could push them over the wrong edge. When DOT originally granted an exemption from the CDL requirements to the farmers themselves, they did so after determining that they could present an unnecessary burden to the marginal farmers. I see no difference between that finding as it related to farmers and the situation now faced by the custom harvesters. Would my colleagues not agree with that view?

Mr. EXON. Absolutely; the Senator raises a very valid point. He points out why we have battled so long to obtain a waiver for the custom harvesters. I would also like to make note of another aspect of DOT's prior record with regard to custom harvesters. Under section 391.2 of the Federal Motor Carrier Safety Regulations [FMCSR's], DOT exempted custom harvesting operators from the 21 year age requirement set for all drivers of commercial motor vehicles. The exemption applies to the transport of farm machinery, supplies, or both, to or from a farm, for custom harvesting operations on a farm, or transporting custom-harvested crops to storage or market. In this instance, DOT recognized the unique nature of the custom harvesting business and its limited labor pool. The report language included in the Intermodal Surface Transportation Efficiency Act of 1991 is inconsistent with DOT's treatment of custom harvesters in prior law. I would like to have DOT specify for us whether or not they will follow this precedent in granting this further exemption to the custom harvesters.

Mr. BURNS. I think it is also important that the Record show exactly who it is we are talking about here. There are approximately 2,000 custom harvesters in the United States, each with an average crew of five or six employees, for a total of 10,000 to 12,000 people who may be affected by this new waiver. The average harvest crew has three combines, three grain trucks, and one service truck. The crew works for an average of 26 farmers each year, operates in five different States, and travels 9,780 miles. The custom harvester exemption would only apply to this narrow group of people and operations.

Mr. DOLE. The RECORD should also show that the custom harvesters have a good safety record. Obviously, safety is of prime concern to the Department of Transportation and to the Members here. The Kansas-based U.S. Custom Harvesters, Inc. conducted a survey of its members in an attempt to provide safety-related data. The group participating represents a good cross-section of the membership with 125 harvest operations completing the survey, 23 percent of the total membership. The results were as follows: First, an estimate accident rate of 0.5 percent per year for custom harvesters involved in an accident with another party while moving equipment between jobs, 7 accidents recorded over three years for the 500 trucks involved in the survey; second, an estimated accident rate of 2.5 percent per year for trucks involved in accidents resulting in more than $1,000 damage to the truck itself; and third, an estimated accident rate of 1 percent per year in accidents where there has been a liability claim. Also, of the 125 crews surveyed there has only been one diesel fuel spill in the past 3 years of more than 10 gallons.

I hope that this information is helpful to the Department as they decide how to implement the custom harvester waiver.

Mr. EXON. I want to thank my colleagues for their comments. I am gald we are all united in our commitment to making sure the custom harvesters get the exemption we intended for them. I look forward to hearing from DOT and to working with you both during the 2d session of the 102d Congress.

ANDY CARD

Mr. KENNEDY. Mr. President, earlier today, President Bush announced that he is nominating Andrew Card of Massachusetts to serve as Secretary of Transportation. I join many others in commending Mr. Card on this honor, and I look forward to his confirmation.

Mr. Card has served the public interest with distinction for many years, as a State representative in Massachusetts, and more recently as a principal White House aide in the Reagan and Bush administrations. As Deputy Chief of Staff under President Bush, he has worked effectively on a wide range of issues.

As all of us are well aware from the debate on the far-reaching transportation bill last year, this country faces serious challenges on transportation policy. All of us on both sides of the aisle in Congress look forward to working with Mr. Card to address these concerns and to implement the recently enacted legislation as promptly and as effectively as possible.

The people of Massachusetts are particularly fortunate to have a Secretary who brings extensive knowledge of the State to the job, and who understands the importance of the central artery project, high-speed rail, mass transit upgrades, and road and bridge maintenance to our local communities.

Improved and modernized transportation systems are essential to our region's economic recovery, and can be a principal source of jobs to help end this painful recession.

In fact, Mr. Card will be following in distinguished Massachusetts footsteps in his new position as Secretary.

Many of us in Congress have warm recollections of John Volpe, the outstanding Governor of Massachusetts who became an outstanding Secretary of Transportation, serving for 4 years under President Nixon.

And that gives me an idea. If Mr. Card does the kind of job we expect, when the new democratic President is inaugurated next January, I will be among the first to urge him to reappoint Andy Card to a full 4-year term as Secretary of Transportation. I am confident that the Nation will benefit from that kind of continuity.

JOHN THOMPSON

Mr. BURDICK. Mr. President, a teenager from my State made national news recently for his bravery after a farm accident. John Thompson, an 18-year-old from Hurdsfield, ND, was working alone on his family farm when he slipped and had his arms torn off by farm machinery. He not only made it the 400 feet to the house, he twisted the doorknob open with his mouth, clenched a pencil in his teeth to phone for help, and then waited for the ambulance in the bathtub so he wouldn't drip blood on his mother's carpet.

Luckily, the emergency workers who responded to the call had been trained on what to do in this type of situation. They packed the severed limbs, which doctors were able to reattach. John is now in stable condition at North Memorial Medical Center in Robbinsdale, MN, and the doctors are reporting good circulation in both arms.

This remarkable young man kept his cool throughout this ordeal. I congratulate John Thompson for his courage and wish him well in his recovery. I would also like to honor those emergency workers and health care professionals who made it possible that he will have use of both arms again.

This incident illustrates both how dangerous farming can be and the value of providing emergency medical services to rural areas. As cochair of the Senate Rural Health Caucus and chairman of the Agriculture Appropriations Subcommittee, I call on my colleagues to join me in renewed effort to promote farm safety and prevent this type of accident and to guarantee that rural areas have access to emergency medical care and other needed health services.

ANNIVERSARY OF THE SUPREME COURT DECISION IN ROE VERSUS WADE

Mr. PACKWOOD. Mr. President, today we who support a woman's right to choose celebrate the 19th anniversary of Roe versus Wade. I would like to begin with a quote from a statement I made on the floor of this Senate on January 22, 1974, the first anniversary of Roe:

> (W)e would all welcome a time in which abortion is a thing of the past, truly a medical rarity. With adequate family planning information and services for all who want, but do not currently have access to them, we could virtually eliminate the need for abortions. I had fervently hoped that following the Supreme Court's decision, opponents of legalized abortion would begin to work with us to make family planning services available for all, so that abortions might one day not be necessary. Unfortunately, however, we find today some opponents of legalized abortion are choosing to pursue other courses—designed to override the Supreme Court and impose new restrictive regulations on Federal programs—rather than the far more constructive approach of helping to prevent unwanted pregnancies.

Mr. President, at the time I made those remarks I would not have believed how appropriate they would be all these years later. I thought there would be a few years of controversy over Roe, and then we as a Nation would then be off to the next pressing constitutional issue. How wrong I was!

A long 19 years has passed since Roe. The right to choose has been gradually eroded through court decisions and legislative and administrative action. The mixed emotions with which we celebrate Roe have never been as acute as they are on this particular anniversary. For just yesterday the Supreme Court announced that it will hear Planned Parenthood of Southeastern Pennsylvania versus Casey, a head-on challenge to the validity of Roe. The Court's decision will likely have the practical effect of overturning Roe—whether the Court uses that language or not.

In spite of these setbacks, there is much to give us hope. Mr. President, Congress has the means to ensure the right to choose regardless of the caprice of the Supreme Court. The Freedom of Choice Act, first introduced in the 101st Congress, would ensure the right recognized in Roe. This one-page piece of legislation, which would simply codify Roe, has over 150 cosponsors in the Senate and House.

In addition to congressional support to maintain the right to choose, we in the pro-choice community can be proud of our impressive strength at the grassroots level. We celebrate, and thank, those medical professionals and clinic personnel who remain committed to providing safe and legal abortions, in the face of harassment and even violence. We celebrate, and thank, those clinic escorts who act on their beliefs that the right to choose must be protected for each and every woman seeking to exercise it. We note with great appreciation the assistance of law enforcement personnel in many communities across the country in safeguarding the clinics from interference. We celebrate the steadfastness of the numerous organizations and churches which have made the preservation of the right to choose a priority. The public education they do, the lobbying of Congress and legislatures, and their many other activities in support of choice make a critical difference. We celebrate those individuals in public and private life who vote and speak out for choice. And I personally thank and take heart from the hundreds of thousands of Oregonians who have stood with me over the years in support of the right of a woman to make her own decision in this matter.

In 1969 when I came here, abortion was illegal in nearly every State. My attempt to legalize abortion as a freshman Senator in 1970, got little support. Then Roe was decided in 1973. For about a year we had relative quiet. Then the attempts to chip away at Roe began, and they have never stopped. Some, we defeated—like an amendment which would deny tax-exempt status to any organization associated with abortion. And we defeated numerous attempts to pass human life amendments. Some, we lost—like the Hyde amendment—after long and bitter struggles to hold them off. During the 19 years since Roe, we have never rested. But I am not battle weary. My enjoyment of a good fight has served me well on this issue. And the pro-choice community has been steadfast. We are not defeated. We will win this one. The American public is on our side.

On this 19th anniversary of Roe versus Wade, I urge my colleagues' support of the right of American women to control their reproductive lives, and of the Freedom of Choice Act. I thank the Chair.

THE HEALTH CARE CRISIS IN THE UNITED STATES

Mr. LAUTENBERG. Mr. President, Americans face a health care crisis. It is made worse by our economic recession. Americans are worried about losing their jobs and they are worried about how they are going to provide health care for themselves and their families.

I commend the majority leader for his plan to bring up comprehensive health legislation this year and for his leadership on this important issue. We need to get on with the job of comprehensive reform of our Nation's health care system.

Our Nation's health care system is a patchwork quilt of different Government programs, insurers, and providers. Despite our country's leadership in health research, schools of medicine, development of pharmaceuticals, and medical technologies, our Nation's health care system has two major problems that must be addressed. The first is that lack of access and the second is the spiraling cost of health care.

In terms of access to quality health care, there are over 34 million uninsured people in this country, including 1 million New Jerseyites. Another 60 million Americans are underinsured. The majority of the uninsured are above the poverty level and 54 percent of those working are employed full time. Most of these Americans make too much money to qualify for Medicaid but lack sufficient resources to obtain their own insurance.

But they are not alone. Businesses also have a hard time buying insurance for their workers. Some insurance companies engage in the practice of cherry picking and will not underwrite insurance for some businesses and employees. In many cases insurance companies will not insure businesses whose employees and dependents have preexisting conditions.

In my State, half of the nearly 1 million people who do not have insurance are employed. And many of the workers who do have insurance live in fear of losing it. Many New Jerseyites are experiencing an economic depression. Many are afraid of losing their job and their insurance too. Many also fear changing jobs and are experiencing so-called job lock, where people stay in occupations that are often low-paying and noncompatible with their skills because they cannot afford to have their families go without health insurance. This is no way to live.

My State has tried to tackle this access crisis by setting up an uncompensated care trust fund to reimburse hospitals for care provided to those who lack insurance. In order to finance this program, there is a 19-percent tax levied on all hospital bills. While this program provides care in the short term for many New Jerseyites, this tax drives up premium costs and exacerbates the problem of access and cost in the long run. Because of the recession, this fund has teetered on the brink of bankruptcy. It is clear from this experience that States cannot comprehensively reform the health care system alone.

The second problem we must begin to address is the spiraling cost of health care. In 1991, health costs in our country were $737 billion, up from $676 billion in 1990. If we do not take action immediately, we will be spending more than one trillion dollars annually on health care, before the end of this century.

The United States also spends more per person on health care than any country in the world—40 percent more than Canada, 90 percent more than Germany, twice as much as Japan.

Who pays these costs? The American people do. In 1980, the average American family paid $1,700 for health care expenses. In 1991, the average family paid $4,300 for the same care including co-payments, insurance premiums, Medicare payroll taxes and Medicare premiums. This is an incredible burden on the American family.

Businesses also pay for these increasing costs. Business health care premiums have been increasing by over 20 percent per year over the last few years. A study by Families USA released last month showed that business paid an average of $2,239 per family for health care premiums in 1991. This is expected to double before the year 2000. These skyrocketing costs coupled with the severe recession, have forced American business into a Hobson's choice, either invest in staying competitive or pay bigger and bigger health insurance bills. It is no wonder that 78 percent of labor disputes in 1990, centered around health benefits.

There are currently over 30 comprehensive health care reform bills pending in the Congress. If we are to ensure enactment of a health care measure this year, we will have to forge a compromise with Democrats, Republicans and the Administration. I will work hard to make sure that any comprehensive health care reform measures includes the following.

First, universal access to quality health care for all Americans. This means that every American should have access to basic, quality health care without regard to where the person is employed or whether he or she is employed. A family's health coverage should not depend on whether or not the person is unemployed. Today, we have millions of Americans who are unemployed through no fault of their own. Many Americans are losing or have lost their health insurance because of the recession.

Universal access should also include access to quality, basic care. This means that the uninsured should have access to insurance with equitable premiums and deductibles. In addition, all Americans should have access to quality health care providers.

So long as private insurers is the main way Americans assure themselves of health care, we must undertake insurance reform so that employers have reasonable access to the private insurance market.

Second, skyrocketing health care costs must be controlled. Any comprehensive health care package must include meaningful cost controls. This need to eliminate duplicative services and cut administrative costs in our health care system. We must make sure that our precious health care dollar is used to reasonably compensate our health care providers only for necessary services rendered.

This will in turn help to control the costs of health care premiums for individuals, the self-employed and businesses, and help assure access to health care.

If we can develop the most sophisticated medical technologies in the world and graduate world class health researchers and practitioners, we must also be able to provide affordable, quality health care to all Americans who need it. That is what the American people want and that is what I will work hard to deliver.

STRENGTHENING EDUCATION FOR AMERICAN FAMILIES ACT

Mr. KENNEDY. Mr. President, what is the matter before the Senate?

The PRESIDING OFFICER. The clerk will report the pending business.

The bill clerk read as follows:

A bill (S. 2) to provide the achievement of national education goals, to establish a National Council on Education Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Under the previous order the Senator from Massachusetts is recognized to offer whatever modification he desires.

MODIFICATION TO COMMITTEE SUBSTITUTE

Mr. KENNEDY. Mr. President, on behalf of the Labor Committee, I send to the desk a modification to the committee substitute and ask for its immediate consideration.

The PRESIDING OFFICER. The substitute is so modified.

The modification is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Neighborhood Schools Improvement Act".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Findings and purposes.

TITLE I—NATIONAL EDUCATION GOALS

PART A—NATIONAL GOALS

Sec. 101. Purpose.
Sec. 102. School readiness.
Sec. 103. School completion.
Sec. 104. Student achievement.
Sec. 105. Mathematics and science.
Sec. 106. Family literacy and lifelong learning.
Sec. 107. Safe, disciplined, and drug-free schools.

PART B—NATIONAL ACADEMIC REPORT CARD

Sec. 111. Short title.
Sec. 112. Findings and purpose.
Sec. 113. National Council on Educational Goals.
Sec. 114. Functions.
Sec. 115. Interim council report.
Sec. 116. Annual report card.
Sec. 117. Powers of the Council.
Sec. 118. Administrative provisions.
Sec. 119. Director and staff; experts and consultants.
Sec. 120. Authorization of appropriations.

TITLE II—NEIGHBORHOOD SCHOOLS IMPROVEMENT ACT

Sec. 201. Purpose.
Sec. 202. Allotment of funds.
Sec. 203. State application.
Sec. 204. Neighborhood Schools Improvement Advisory Council.
Sec. 205. State Neighborhood Schools Improvement Plan and report on restrictions.
Sec. 206. Review of State plans.
Sec. 207. State administration and local applications.
Sec. 208. Use of funds.
Sec. 209. Requirements relating to use of allotments.
Sec. 210. Evaluation requirements.
Sec. 211. Dissemination of exemplary practices by the Secretary.
Sec. 212. Authorization of appropriations.

TITLE III—DEFINITIONS

Sec. 301. Definitions.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) to achieve the National Education Goals each State must develop and implement widely shared, comprehensive strategies to support the revitalization of all public elementary and secondary schools;

(2) education improvement will require statewide reform strategies and an unshakable long-term commitment by State policymakers;

(3) educational improvement will require adequate commitment and investment from the Federal Government;

(4) educational reform will require that teachers and school leaders play the central role in designing and implementing changes at the school level and they must have access to high-quality training and professional development to maximize that role and increase their effectiveness;

(5) ultimately, meaningful educational reform will be achieved on a school by school basis;

(6) teachers, principals, parents and members of the local community can, in collaboration with the local educational agency, design effective education reform strategies to achieve the National Education Goals and be strongly committed to such plans if these individuals have access to the resources to implement such plans;

(7) schools receiving resources under this Act to implement a reform plan should be required to show improved academic achievement and progress towards the achievement of the National Education Goals;

(8) the Federal Government can best encourage efforts to achieve the National Education Goals by making resources available to States for the development of coherent and coordinated education reform plans and to assist neighborhood public schools in implementing education reform efforts; and

(9) the Federal Government can also encourage reform by establishing an independent, non-partisan mechanism to measure progress toward the achievement of the National Education Goals.

(b) PURPOSE.—It is the purpose of this Act to provide resources to assist States and neighborhood public schools in the design and implementation of education reform strategies to improve student achievement and achieve the National Education Goals.

TITLE I—NATIONAL EDUCATION GOALS

PART A—NATIONAL GOALS

SEC. 101. PURPOSE.

It is the purpose of this title to establish a plan of action for the initial steps that the Federal Government must take in order to assist teachers, school leaders, parents, State and local governments, and businesses in the joint effort of achieving the National Education Goals as outlined in this title.

SEC. 102. SCHOOL READINESS.

(a) FINDINGS.—The Congress finds that the Federal Government should expand its commitment to school readiness to ensure that all children are ready and able to begin school.

(b) POLICY.—It is the goal of the United States that, by the year 2000, all children in America will start school ready to learn. As part of the joint effort of Federal, State, and local governments, organizations, institutions and individuals in achieving this goal, the Federal Government will take steps—

(1) to provide Head Start services to every eligible child who needs such services;

(2) to provide sufficient funding for the special supplemental food program for women, infants, and children so that all potentially eligible women, infants, and children have access to the services provided by the program;

(3) to assure that all women have access to affordable, high quality prenatal care and that all infants and children have access to affordable, high quality comprehensive and preventive health care, by providing sufficient funding for programs, including the Maternal and Child Health Services Block Grant, the Community and Migrant Health Center Grant Program, Medicaid, and the Childhood Immunization Grant Program;

(4) to expand funding for Even Start and the Follow Through Act to allow programs to reach all parts of the United States and to allow each State to fund a sufficient number of programs throughout the State so that approaches are available for local educational agencies, the State educational agency, and other organizations to adopt and implement;

(5) to provide sufficient funding to assist States in providing a free appropriate public education to preschool children with disabilities and early intervention services to infants and toddlers with disabilities and their families pursuant to the Individuals With Disabilities Education Act; and

(6) to assure that every child participating in early childhood education is taught by a well-qualified teacher.

SEC. 103. SCHOOL COMPLETION.

(a) FINDINGS.—The Congress finds that in order for the Nation to improve its economic competitiveness, each individual in the United States must be educated to his or her greatest potential and must be encouraged to finish secondary school.

(b) POLICY.—It is the goal of the United States that, by the year 2000, the high school graduation rate will increase to at least 90 percent. As part of the joint effort of Federal, State, and local governments, organizations, institutions and individuals in achieving this goal, the Federal Government will take consistent steps—

(1) to expand funding for secondary school dropout prevention and reentry programs and basic skills programs to allow programs to reach all parts of the United States and to allow each State to fund a sufficient number

of programs throughout the State so that approaches are available for local educational agencies, the State educational agency, and other organizations to adopt and implement; and

(2) to collect uniform, reliable data from the States with respect to school completion rates.

SEC. 104. STUDENT ACHIEVEMENT.

(a) FINDINGS.—The Congress finds that American students are falling behind students in other industrialized nations on tests measuring abilities in all academic subject areas.

(b) POLICY.—It is the goal of the United States that, by the year 2000, American students will leave grades 4, 8, and 12 having demonstrated competency over challenging subject matter including English, mathematics, science, foreign languages, history, and geography, and every school in America will ensure that all students learn to use their minds well, so they may be prepared for responsible citizenship, further learning, productive employment, and independent living in our modern economy. As part of the joint effort of Federal, State, and local governments, organizations, institutions and individuals in achieving this goal, the Federal Government will take steps—

(1) to provide appropriate educational assistance for all disadvantaged children in the United States by increasing the participation of eligible children in programs under chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

(2) to fulfill the commitment made by the United States in 1975 to provide 40 percent of the costs of educating children with disabilities;

(3) to reward successful programs in schools with concentrations of disadvantaged children;

(4) to promote efforts that encourage all students to be involved in activities that promote and demonstrate good citizenship, community service, and personal responsibility; and

(5) to encourage highly qualified individuals to become teachers and to remain in the teaching profession.

SEC. 105. MATHEMATICS AND SCIENCE.

(a) FINDINGS.—The Congress finds that—

(1) most students in the United States are behind students from other industrialized nations on tests measuring achievement in mathematics and science;

(2) the Federal Government has a significant role in promoting the study of mathematics and science in elementary and secondary schools by providing financial assistance to local educational agencies to improve the general quality of programs for the study of mathematics and science through authorized mathematics and science education programs; and

(3) the Federal Government has indirectly assisted in the postsecondary study of mathematics and science by providing future scientists, mathematicians, and engineers with financial assistance to attend postsecondary institutions, but more incentives are needed to attract high-achieving students into these areas of study.

(b) POLICY.—It is the goal of the United States that, by the year 2000, United States students will be first in the world in mathematics and science achievement. As part of the joint effort of Federal, State, and local governments, organizations, institutions and individuals in achieving this goal, the Federal Government will take steps—

(1) to expand funding for the Excellence in Mathematics, Science, and Engineering Act of 1990 to increase the number of individuals, particularly women and minorities, in graduate and undergraduate programs in mathematics, science, and engineering;

(2) to expand funding for the Dwight D. Eisenhower Mathematics and Science Education Act so that all elementary teachers and all secondary teachers of mathematics and science will have an opportunity for updating and improving their mathematics and science education skills;

(3) to expand funding for such Act so that all elementary school teachers have an opportunity for skill improvement;

(4) to award scholarships to high-achieving students to pursue the study of mathematics, science, and related subjects at postsecondary institutions; and

(5) to encourage highly qualified individuals to become and to remain mathematics and science teachers in elementary and secondary schools.

SEC. 106. FAMILY LITERACY AND LIFELONG LEARNING.

(a) FINDINGS.—The Congress finds that—

(1) nearly 30,000,000 adults in the United States are lacking literacy skills which limits their ability to read, write, or speak in English or to compute or solve problems effectively; and

(2) the Federal Government has a responsibility to assist State and local governments in providing literacy services to those individuals in need of such services so that they may be full participants in society.

(b) POLICY.—It is the goal of the United States that, by the year 2000, every American will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship. As part of the joint effort of Federal, State, and local governments, organizations, institutions and individuals in achieving this goal, the Federal Government will take steps—

(1) to provide increased funding for the Adult Education Act so that all eligible individuals who seek such services under such Act will receive such services;

(2) to expand Federal assistance for literacy programs in order to assist State and local governments, public libraries, organizations and volunteers in providing all individuals lacking literacy skills the opportunity to acquire skills needed to function in society; and

(3) to provide increased funding for the rehabilitation and training of young persons with disabilities in accordance with the Rehabilitation Act of 1973.

SEC. 107. SAFE, DISCIPLINED, AND DRUG-FREE SCHOOLS.

(a) FINDINGS.—The Congress finds that—

(1) use of illicit drugs and alcohol continues to be a major problem that threatens the safety of the children of the Nation and impedes their ability to succeed in school and in their lives; and

(2) more Federal efforts are urgently needed in the areas of drug and alcohol abuse education and prevention.

(b) POLICY.—It is the goal of the United States that, by the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning. As part of the joint effort of Federal, State, and local governments, organizations, institutions and individuals in achieving this goal, the Federal Government will take steps to ensure that all students receive drug abuse prevention education and counseling services.

PART B—NATIONAL ACADEMIC REPORT CARD

SEC. 111. SHORT TITLE.

This part may be cited as the "National Academic Report Card Act of 1991".

SEC. 112. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the social well-being, economic stability, and national security of the United States depend on a strong educational system that provides all citizens with the skills necessary to become active members of a productive work force;

(2) despite the many reforms of the educational system that have been implemented since the National Council on Excellence in Education declared our Nation "at risk" in 1983, the United States remains at risk for educational underachievement;

(3) United States children and youth leave school unprepared to participate productively in the work force, suffer high rates of functional illiteracy, and often display a lack of understanding about the United States and the world, in both a historical and futuristic context;

(4) United States students currently rank far below students of many other countries in educational achievement, particularly in mathematics and the sciences;

(5) although States and localities bear the primary responsibility for elementary and secondary education, rapidly increasing international competitiveness requires that the United States increase efforts to make education a national priority;

(6) the Federal Government has played a vital, leading role in funding important educational programs and research activities and should continue to play the role;

(7) accurate and reliable mechanisms must be available to assess and monitor educational progress;

(8) many schools have shown considerable progress and success in improving achievement, including model schools and schools that have implemented innovative approaches to school governance structure;

(9) the mechanisms to assess and monitor educational progress, and the national information infrastructure needed to support the mechanisms, do not exist or must be strengthened;

(10) many factors contribute to the performance of the students at a school, including school finance, resources, teaching conditions, and parental involvement, and an analysis of the factors, along with educational achievement, should be included in reports on school performance;

(11) there should be established an independent Council of highly respected, bipartisan, diverse experts to—

(A) study, make recommendations regarding, and monitor progress on meeting national goals for education; and

(B) make recommendations on the educational assessment and information system of the United States; and

(12) the Council described in paragraph (11) should have the authority to—

(A) make such recommendations as the Council determines to be necessary to the President, Congress, and the States; and

(B) issue annual reports in the form of a national report card.

(b) PURPOSE.—Pursuant to the establishment of the National Education Goals, it is the purpose of this title to establish a bipartisan independent council of highly respected and diverse experts to develop and implement methods to measure progress in attaining the national goals, to make recommendations concerning further progress in attaining such goals, and to annually report on the progress made in reaching such goals.

SEC. 113. NATIONAL COUNCIL ON EDUCATIONAL GOALS.

(a) ESTABLISHMENT.—There is established a National Council on Educational Goals (referred to in this part as the "Council").

(b) COMPOSITION.—The Council shall be composed of 22 members (referred to in this part as "members"), including—

(1) four members appointed by the President;

(2) six members, not more than three of whom shall be from the same political party, appointed by the Chairperson of the National Governors' Association in consultation with the Vice Chairperson of the Association;

(3) six members appointed by the Speaker of the House of Representatives in consultation with the Minority Leader of the House of Representatives; and

(4) six members appointed by the President pro tempore of the Senate on the recommendation of the Majority Leader and Minority Leader of the Senate.

(c) QUALIFICATIONS.—

(1) CONGRESSIONAL APPOINTEES.—Members appointed under paragraph (3) or (4) of subsection (b)—

(A) shall be appointed on the basis of—

(i) widely recognized experience in, knowledge of, and commitment to, education and educational excellence; and

(ii) training or experience in analyzing educational data;

(B) shall not include elected or appointed Federal public officials; and

(C) shall be appointed from among—

(i) individuals who are engaged in the professions of teaching and research;

(ii) individuals with experience in analyzing school performance data who are—

(I) engaged in school administration;

(II) members of school boards;

(III) parents; or

(IV) representatives of parents or parent organizations;

(iii) individuals who are representatives of nonprofit organizations or foundations and businesses that have demonstrated a commitment to the improvement of United States education; and

(iv) other individuals determined to be appropriate by the person appointing the individuals under paragraphs (3) and (4) of subsection (b).

(2) NATIONAL GOVERNORS' ASSOCIATION APPOINTEES.—Members appointed under subsection (b)(2) shall be appointed from among—

(A) the Governors; or

(B) individuals with the qualifications described in paragraph (1), or other qualifications as determined to be appropriate by the Chairperson of the National Governors' Association.

(d) TERM.—

(1) PRESIDENTIAL APPOINTEES.—From among the members appointed under subsection (b)(1), the President shall designate one appointee to serve a six-year term, two appointees to serve a 4-year term, and one appointee to serve a 2-year term.

(2) NATIONAL GOVERNORS' ASSOCIATION NOMINEES.—From among the members appointed under subsection (b)(2), the Chairperson and the Vice Chairperson of the National Governors' Association shall each designate one appointee to serve a 6-year term, one to serve a 4-year term, and one to serve a 2-year term.

(3) HOUSE APPOINTEES.—Among the members appointed by the Speaker of the House under subsection (b)(3)—

(A) the Speaker shall designate two appointees to serve a 6-year term, one to serve a 4-year term, and one to serve a 2-year term; and

(B) the Minority Leader shall designate one appointee to serve a 4-year term, and one to serve a 2-year term.

(4) SENATE APPOINTEES.—Among the members appointed by the President pro tempore of the Senate, under subsection (b)(4)—

(A) the President pro tempore of the Senate, in consultation with the Majority Leader of the Senate, shall designate two appointees to serve a 6-year term, one to serve a 4-year term, and one to serve a 2-year term; and

(B) the President pro tempore of the Senate, in consultation with the Minority Leader of the Senate, shall designate one appointee to serve a 4-year term, and one to serve a 2-year term.

(5) DATE OF APPOINTMENT.—The initial members shall be appointed not later than 60 days after the date of enactment of this Act.

(6) RETENTION.—In order to retain an appointment to the Council, a member must attend at least 50 percent of the scheduled meetings of the Council in any given year.

(e) CHAIRPERSON SELECTION.—

(1) INITIAL SELECTION.—The members appointed under subsection (b)(2) shall select a Chairperson from among such members, except that after the expiration of the term of the member selected under this paragraph to serve as Chairperson as of October 1, 1991, or upon the termination of the tenure of such Chairperson, whichever is earlier, a majority of the members of the Council shall select the Chairperson from among the members.

(2) CONTINGENT SELECTION.—If no individual described in paragraph (1) assumes the position of Chairperson of the Council within 60 days of the date of the enactment of this Act, a majority of the members shall thereafter select a Chairperson from among the members.

(f) VACANCIES.—A vacancy on the Council shall not affect the powers of the Council, but shall be filled in the same manner as the original appointment.

(g) TRAVEL.—Each member shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(h) INITIATION.—The Council may begin to carry out the duties of the Council under this part when—

(1) eleven members have been appointed; or

(2) eight members have been appointed under paragraph (3) or (4) of subsection (b).

SEC. 114. FUNCTIONS.

(a) FUNCTIONS.—The Council shall—

(1) compile, inventory, and analyze existing information regarding the educational achievement of United States students and schools, including public and private elementary, secondary, and postsecondary schools; and private elementary, secondary, and postsecondary schools;

(2) monitor and report on progress toward meeting national goals and the objectives of the goals, using appropriate and recognized indicators;

(3) establish benchmarks to meet the National Education Goals;

(4) identify the information that would best advise the public about the state of schools in the United States;

(5) develop consensus about the indicators on which data will be collected and analyzed for the Report Card described in section 115, and identify data bases that provide the needed information;

(6) make recommendations about additional data that will be needed;

(7) through the interim Council report described in section 114 and the annual Report Card described in section 115, identify gaps in existing educational data and make recommendations for improvements in the methods and procedures of assessing attainment or realization of goals by the Department of Education and any other Federal governmental entity, including suggestions for such changes in laws and regulations as may be required to improve the assessment process, procedures, and organization of the Federal Government; and

(8) through information obtained in the hearing process described in section 116, develop recommendations regarding Federal, State, and local policymaking for meeting the national goals.

(b) PERFORMANCE OF FUNCTIONS.—In carrying out subsection (a)(2), the Council shall—

(1) consider the National Educational Goals and other goals set forth or recommended by nongovernmental organizations;

(2) report on the progress toward achieving the goals at the national level, including appropriate comparisons of the educational achievement of the United States with other nations;

(3) consider relevant data that affect student performance, including data on—

(A) school readiness;

(B) student achievement in elementary, secondary, and postsecondary education;

(C) school financing and equalization;

(D) the degree and quality of parental involvement;

(E) availability of instructional resources;

(F) the degree of involvement of social service agencies;

(G) school and student performance, including—

(i) attendance and completion rates;

(ii) climate (vandalism, crime, and drugs);

(iii) conditions of teaching including salary and professional development training; and

(iv) parent participation;

(H) work force literacy and skills; and

(I) areas of teacher shortages;

(4) report on progress comparing skill attainment or progress within similar bands of school resources; and

(5) consider alternative assessment instruments emphasizing mastery over skill areas rather than specific information.

(c) DATA COLLECTION.—The Council shall make arrangements with any appropriate entity to generate or collect such data as may be necessary to appropriately assess progress toward the National Education Goals.

SEC. 115. INTERIM COUNCIL REPORT.

Not later than 1 year after the Council concludes the first meeting of the Council, the Council shall prepare and submit a report to the President, the appropriate committees of Congress and the Governor of each State, that—

(1) establishes a timetable for reporting on progress toward achieving National Education Goals; and

(2) includes a series of reasonable steps for measuring the implementation and success of each recommendation of the Council.

SEC. 116. ANNUAL REPORT CARD.

(a) IN GENERAL.—Not later than 2 years after the date the Council concludes its first meeting of members, the Council shall prepare and submit to the President, the appropriate committees of Congress, and the Governor of each State a National Report Card, that—

(1) sets forth an analysis of the progress of the United States toward achieving the National Education Goals; and

(2) may, as determined necessary by the Council based on the findings of the Council and an analysis of the views and comments of all interested parties—

(A) describe modifications to existing goals;

(B) identify continuing gaps in existing educational data; and

(C) make recommendations for improvement in the methods and procedures of assessing educational attainment and strengthening the national educational assessment and information system of the Department of Education or any other appropriate Federal Government entity.

(b) CONTINUATION.—Based on the timetable established in section 114, the Council shall continue to issue a National Report Card on an annual basis for the duration of the existence of the Council.

(c) FORMAT.—National Report Cards shall be presented in a form that is understandable to parents and the general public.

SEC. 117. POWERS OF THE COUNCIL.

(a) HEARINGS.—

(1) IN GENERAL.—The Council shall, for the purpose of carrying out this part, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Council considers appropriate.

(2) CONDUCT.—In carrying out this part, the Council shall conduct public hearings in different geographic areas of the country, both urban and rural, to receive the reports, views, and analyses of a broad spectrum of experts and the public on—

(A) the status and goals of the current educational system of the United States;

(B) the need to redefine and redirect educational goals;

(C) policy recommendations for pursuing the goals at the Federal, State, and local levels; and

(D) methods that could be implemented to foster higher levels of educational attainment in United States schools.

(b) INFORMATION.—The Council may secure directly from any department or agency of the United States information necessary to enable the Council to carry out this title. Upon request of the Chairperson of the Council, the head of a department or agency shall furnish such information to the Council to the extent permitted by law.

(c) GIFTS.—

(1) IN GENERAL.—The Council may accept, use, and dispose of gifts or donations of services or property.

(2) REGULATIONS.—The Chairperson of the Council is authorized to establish regulations setting forth the criteria the Council shall use to determine whether the acceptance of gifts, donations or services under paragraph (1) shall reflect unfavorably upon the ability of the Council or any employee to carry out responsibilities or official duties under this part in a fair and objective manner, or shall compromise the integrity of or the appearance of the integrity of a government program or any official involved in such program.

(d) POSTAL SERVICES.—The Council may use the United States mail in the same manner and under the same conditions as other departments and agencies of the United States.

(e) ADMINISTRATIVE AND SUPPORTIVE SERVICES.—The Secretary of Education shall provide to the Council, on a reimbursable basis, administrative support services as the Council may request.

SEC. 118. ADMINISTRATIVE PROVISIONS.

(a) MEETINGS.—The Council shall meet on a regular basis, as necessary, at the call of the Chairperson of the Council or a majority of its members.

(b) QUORUM.—Eleven members shall constitute a quorum for the transaction of business.

(c) VOTING.—The Council shall take all action of the Council by a majority vote of the members attending a duly called and constituted meeting of the Council. No individual may vote or exercise any of the powers of a member by proxy.

(d) OFFICE OF CHAIRPERSON AND VICE CHAIRPERSON.—The Chairperson and Vice Chairperson of the Council shall serve as Chairperson and Vice Chairperson until the expiration of the terms of the Chairperson and Vice Chairperson as members, or until resignation or removal by a majority of the members.

SEC. 119. DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The Chairperson of the Council shall, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, appoint a Director to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(b) APPOINTMENT AND PAY OF STAFF.—The Chairperson may appoint personnel as the Chairperson considers appropriate without regard to the provisions of title 5, United States Code, governing appointments to the competitive service. The staff of the Council may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates. The rate of pay of the staff of the Council shall not exceed the rate of basic pay payable for GS–15 of the General Schedule.

(c) EXPERTS AND CONSULTANTS.—The Council may procure temporary and intermittent services under section 3019(b) of title 5, United States Code.

(d) STAFF OF FEDERAL AGENCIES.—Upon the request of the Council, the head of any department or agency of the United States is authorized to detail, on a reimbursable basis, any of the personnel of that agency to the Council to assist the Council in its duties under this title.

SEC. 120. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $2,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 through 2001 to carry out this part.

TITLE II—NEIGHBORHOOD SCHOOLS IMPROVEMENT ACT

SEC. 201. PURPOSE.

It is the purpose of this title to provide multiyear financial assistance to public elementary and secondary schools to encourage all schools to engage in comprehensive improvement to—

(1) meet the National Education Goals;

(2) improve the educational achievement of the students attending the school; and

(3) increase community, parental and business collaboration to improve such schools and raise academic achievement.

SEC. 202. ALLOTMENT OF FUNDS.

(a) ALLOTMENT.—From the amount appropriated pursuant to the authority of section 212 in each fiscal year the Secretary shall allot to each State educational agency having an application approved under section 203 an amount which bears the same relation to—

(1) 50 percent of such funds as the amount such State educational agency received under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 in the preceding fiscal year bears to the amount received by all State educational agencies under such chapter in such fiscal year; and

(2) 50 percent of such funds as the amount such State educational agency received under chapter 2 of title I of the Elementary and Secondary Education Act of 1965 in the preceding fiscal year bears to the amount received by all State educational agencies under such chapter in such fiscal year.

(b) STATE MINIMUM.—

(1) IN GENERAL.—No State educational agency, by reason of the application of subsection (a) shall receive an allotment under this title in any fiscal year which is less than one-quarter of one percent of the amount appropriated pursuant to the authority of section 212 for such fiscal year.

(2) SPECIAL RULE.—The Secretary shall award a grant to the Pacific outlying area using whatever mechanism the Secretary determines shall best meet the purposes of this title.

(c) GENERAL USE OF ALLOTMENT.—

(1) INITIAL YEAR.—In the initial year for which a State educational agency receives an allotment under this title, funds under such allotment shall be used to develop a State Neighborhood Schools Improvement Plan as required under section 205, to assist neighborhood schools in developing improvement plans that are consistent with the State Neighborhood Schools Improvement Plan, to assist local schools in preparing applications for grants as described in section 207(c) and to review local applications.

(2) SPECIAL RULE.—A State educational agency may, in the first year for which funds are received under this title, use funds not otherwise used for planning activities as described in section 205, for training and professional development activities for teachers and school leaders and for initiatives to increase parental choice among public schools. Any such funds remaining at the end of such year may be carried over by the State educational agency for distribution to schools in the following year.

(3) SECOND AND SUCCEEDING YEARS.—

(A) IN GENERAL.—Subject to the provisions of section 209, in the second and succeeding years for which a State educational agency receives an allotment under this title, not to exceed 10 percent of the funds received under such allotment in each such year may be used for evaluations, administrative activities, and technical assistance to assist local schools in preparing an application to be submitted pursuant to section 207(c) and for the review of local applications. The remainder of such funds shall be made available to local schools as required in section 208.

(B) WAIVER.—A State may submit an application to the Secretary for a waiver of the requirements of subparagraph (A). Under such waiver, the Secretary may permit such State to expend not to exceed an additional 10 percent of the funds received under this title for activities such as—

(i) teacher training and professional development for teachers and school leaders;

(ii) initiatives to increase parental choice among public schools, including assessment of student needs and parent information and referral programs; and

(iii) other activities developed in conjunction with local education agencies that are designed to improve student achievement in the public schools.

SEC. 203. STATE APPLICATION.

(a) IN GENERAL.—A State educational agency desiring to receive an allotment under this title shall prepare and submit to the Secretary an application at such time, in such manner and containing such information as the Secretary may require.

(b) FIRST YEAR.—In the first year an application is submitted under this section such application shall contain a description of the process and procedures that the State educational agency will undertake to establish, the Neighborhood Schools Improvement Advisory Council in accordance with section 204.

(c) SECOND YEAR.—In the second year an application is submitted under this section such application shall include the State Neighborhood Schools Improvement Plan described in section 205.

SEC. 204. NEIGHBORHOOD SCHOOLS IMPROVEMENT ADVISORY COUNCIL.

(a) IN GENERAL.—

(1) IN GENERAL.—Each State educational agency receiving an allotment under this title shall establish a Neighborhood Schools Improvement Advisory Council (hereafter referred to in this title as the "Council").

(2) FUNCTIONS.—The Council shall serve as an advisory group for the development of a comprehensive and systemic plan to improve the public elementary and secondary schools in the State, to review the Neighborhood Schools Improvement Plan developed by the State educational agency, and to advise on the development of the criteria used to evaluate applications for Neighborhood Schools Improvement Grants.

(b) COMPOSITION AND REPRESENTATION.—

(1) COMPOSITION.—(A) The Council shall be composed of 14 members, of which—

(i) seven shall be appointed by the State educational agency; and

(ii) seven shall be appointed by the Governor.

(B) The State educational agency and the Governor shall appoint members of the Council pursuant to this section so that such members are in approximate proportion to the relative distribution of students in the State who are from urban and rural areas in the State. The Council shall include, at a minimum, representatives of the State educational agency, the Governor, State legislators, local educational agencies, the business community, parents, public school teachers, and public school administrators.

(2) REPRESENTATION.—

(A) IN GENERAL.—A Council established pursuant to this section shall be broadly and widely representative of the population of the State.

(B) HIGH NEED SCHOOLS.—Not less than 50 percent of the members of the Council appointed by the State educational agency and the Governor shall be selected from communities with schools designated as high need schools in accordance with section 207(a)(2) and shall include public school teachers, school leaders and parents.

(c) CHAIRPERSON.—The Council shall appoint a chairperson.

SEC. 205. STATE NEIGHBORHOOD SCHOOLS IMPROVEMENT PLAN AND REPORT ON RESTRICTIONS.

(a) PLAN.—

(1) IN GENERAL.—The State educational agency shall, not later than 1 year after the date of enactment of this Act and in consultation with the Council, develop a State Neighborhood Schools Improvement Plan, that meets the requirements of subsection (b), for the improvement of academic achievement in all public elementary and secondary schools in the State and to assist the State in achieving the National Education Goals.

(2) REVIEW AND COMMENT; TRANSMISSION.—The plan described in paragraph (1) shall be submitted to the Council and the Governor for review and comment. The Council and the Governor shall review the plan and submit their comments to the State educational agency within 30 days of receipt of such plan. Such comments shall be transmitted by the State educational agency along with the plan to the Secretary as part of the application described in section 203(b).

(b) GENERAL REQUIREMENTS OF PLANS.—A State Neighborhood Schools Improvement Plan developed under subsection (a) shall contain a plan for the comprehensive and systemic reform of all public schools in the State to assist such State in improving the academic achievement of all students and achieving the National Education Goals. Such plan shall—

(1) affirm the commitment of the State to the National Education Goals and describe the measures to be taken to achieve such goals;

(2) establish the goal of transforming the system of education to provide every child a high quality education;

(3) describe the manner in which appropriate resources will be provided to implement the reform plan;

(4) describe the manner in which the State will measure progress made towards achieving the National Education Goals and make such information available to the public;

(5) describe plans to improve the professional development of teachers and school leaders;

(6) provide an evaluation of the efforts undertaken to achieve the goals;

(7) contain a description of the manner in which the State educational agency shall encourage and enhance improvement in all public schools in the State to improve student achievement to meet the National Education Goals; and

(8) describe the measures to be taken to assure widespread public support for the plan.

(c) DESCRIPTION OF GRANT ADMINISTRATION.—A State Neighborhood Schools Improvement Plan developed under subsection (a) shall describe the measures to be undertaken by the State to administer the allotment provided to the State under this title. In meeting the requirement of this subsection, such plan shall include—

(1) a description of the procedures that shall be used to—

(A) identify and inform local educational agencies and schools about the program assisted under this title; and

(B) provide technical assistance, where necessary or requested, to help local educational agencies and schools, especially high need schools, prepare the applications submitted pursuant to section 207(b);

(2) a description of the measures to be undertaken to monitor and evaluate the activities and results at schools receiving a grant under this title;

(3) a description of the measures to be undertaken to implement a competitive process to award grants under this title in accordance with section 207;

(4) an assurance that grants awarded under this title shall be equitably distributed among local educational agencies with the greatest number or concentration of economically disadvantaged students;

(5) an assurance that funds received under this title shall be used to supplement and not supplant other Federal, State and local funds available to the schools;

(6) an assurance that funding under this title shall terminate if the State educational agency determines that a school—

(A) is not successfully implementing the activities and services described in the application submitted pursuant to section 207(b); or

(B) is not making measurable gains in student achievement or increasing the graduation rate at such school in the fourth, fifth, and, if appropriate, succeeding years of the project assisted under this title;

(7) a description of an appeals process available for schools whose funding under this title has been terminated pursuant to paragraph (6), and an assurance that any such decision to terminate funding shall be reviewed;

(8) a description of the steps the State educational agency shall use to ensure that successful practices identified through grants awarded to schools under this title shall be disseminated to other schools served by the State educational agency and the measures to be taken by the State educational agency to encourage and assist other schools in implementing such successful practices; and

(9) an assurance that the State educational agency shall inform the Secretary of the most successful neighborhood schools served under this title, and provide such information regarding such schools as the Secretary shall request in order to facilitate the national dissemination of successful practices.

(d) IDENTIFICATION OF LAWS AND REGULATIONS THAT RESTRICT FLEXIBILITY.—At the end of the initial year, the Council shall prepare and submit to the Secretary, the Governor, the State educational agency and the State legislature a report identifying Federal and State statutes, rules and regulations that, in the opinion of the relevant local school teachers and administrators, restrict school level flexibility and make it difficult for the schools to improve academic achievement and reach the National Education Goals.

SEC. 206. REVIEW OF STATE PLANS.

The Secretary shall, through a peer review process, review plans submitted under section 205 to ensure that the plans meet the requirements of such section. A plan shall not be disapproved because such plan lacks one or more specific education reform strategies or initiatives. The Secretary shall specify, in writing, the reasons for disapproving any plan and shall submit such written reasons to the appropriate State educational agency.

SEC. 207. STATE ADMINISTRATION AND LOCAL APPLICATIONS.

(a) REQUIREMENT FOR GRANTS.—

(1) IN GENERAL.—Each State educational agency receiving an allotment under this title shall award grants under this title to schools within the State that have submitted an application pursuant to subsection (b).

(2) HIGH NEED SCHOOLS.—For the purpose of this title the term "high need school" means a school designated by the State educational agency as meeting at least two of the following criteria:

(A) The school is eligible to participate in a schoolwide project assisted under section 1015 of the Elementary and Secondary Education Act of 1965.

(B) The school is located in a school district experiencing extreme financial distress (such as bankruptcy, State takeover or undergoing consolidation because of financial problems).

(C) The school is among the 25 percent of all elementary schools in the State with the greatest number or concentration of children eligible to be counted under section 1005(c) of the Elementary and Secondary Education Act of 1965.

(D) The school is among the 25 percent of all secondary schools in the State with the greatest number or concentration of children eligible to be counted under section 1005(c) of the Elementary and Secondary Education Act of 1965.

(E) The school is among the 25 percent of all elementary schools in the State with the lowest levels of student achievement, as measured by the State, or, in the case of a State that has no statewide assessment system, as shown by the school through the use of a nationally normed test that demonstrates the school ranks in the lowest quartile of student achievement.

(F) The school is among the 25 percent of all secondary schools in the State with the lowest levels of student achievement, as measured by the State, or, in the case of a State that has no statewide assessment system, as shown by the school through the use of a nationally normed test that demonstrates the school ranks in the lowest quartile of student achievement.

(G) The school is participating in a school improvement program pursuant to section 1021(b) of the Elementary and Secondary Education Act of 1965.

(b) LOCAL APPLICATIONS.—

(1) IN GENERAL.—

(A) PREPARATION.—Each school desiring a grant under this title shall prepare an application, in consultation with the appropriate local or intermediate educational agency, at such time, in such manner, and containing or accompanied by such information as the State educational agency may reasonably require, and shall submit such application to the local educational agency.

(B) DESIGNS.—In preparing an application under subparagraph (A), a school is encouraged to review and utilize, as appropriate, research, model projects and other activities conducted or sponsored by the New American Schools Development Corporation, federally funded educational research laboratories and centers, public and private nonprofit research organizations, the National Diffusion Network, and the Department of Education.

(C) REVIEW, COMMENT AND SUBMISSION.—(i) In submitting the application described in subparagraph (A) each local educational agency shall—

(I) review, comment and offer any recommendations regarding the application submitted by a school pursuant to subparagraph (A); and

(II) submit such application to the State educational agency within 30 days of receipt of such application.

(ii) In making the comments described in clause (i), the local educational agency shall—

(I) assure that funds received under this title shall supplement and not supplant other Federal, State, and local funds available to the school for the activities and services assisted under this title;

(II) provide data on the poverty level and the academic achievement of the students at the school;

(III) describe the resources and commitment that the local educational agency will contribute to a school assisted under this title to help the school meet the National Education Goals and improve the academic achievement of the students attending the school, including an assurance that the local educational agency shall expedite action on requests for assistance made by such school;

(IV) describe steps the local educational agency will take to encourage and enhance comprehensive improvement in other schools in the local educational agency in order to meet the National Education Goals;

(V) assure that the local educational agency shall act as the fiduciary agent for a school receiving a grant under this title and shall expeditiously transmit to the school any grant funds received from the State educational agency under this title, except as provided in paragraph (2);

(VI) describe the technical assistance and dissemination activities that the local educational agency shall undertake to assist schools receiving a grant under this title; and

(VII) provide assurances that—

(aa) the application was originated by the school seeking such a grant;

(bb) all funds received under this title, except as provided in paragraph (2), shall be spent for the benefit of the school at the direction of local school officials; and

(cc) the activities assisted under this title shall be directed at the school.

(iii) Notwithstanding any other provision of law, if a local educational agency is unable or unwilling to act as a fiduciary agent for a school receiving a grant under this title in accordance with subclause (V) of clause (ii), then the State educational agency, in making such a grant to such a school, shall make alternative arrangements so that the school may receive the funds.

(2) LIMITATION.—Each local educational agency receiving a grant under this title on behalf of a school may use not more than 5 percent of such grant funds for administration, technical assistance, dissemination and evaluation of activities assisted under this title.

(3) CONTENTS.—Each application submitted pursuant to this subsection shall describe—

(A) the school's academic goals and the status of students in such school with respect to such goals;

(B) a comprehensive, schoolwide initiative likely to result in the school making substantial progress toward the National Education Goals, especially such goals related to the improvement of student achievement;

(C) the goals for the initiative and a multiyear plan to improve student achievement at the school;

(D) the steps to be taken by the school to achieve the goals of the initiative;

(E) the staff development activities to be conducted in implementing the initiative;

(F) efforts, if any, to link the activities of the school with federally supported teacher training and school leadership activities;

(G) the use of funds to achieve such goals;

(H) the statistical indicators to be used to measure progress toward achieving the National Education Goals, especially such goals related to the improvement of student achievement;

(I) the schedule for reporting the data described in subparagraph (H) to the State and the local community at least once a year beginning at the conclusion of the second year in which a grant payment under this title is made and annually thereafter and an assurance that such data shall be reported in a manner that is clear, and easily understandable; and

(J) describe how the local educational agency will use funds, if any, reserved for the local educational agency under paragraph (2).

(4) ASSURANCES.—In preparing the application described in this subsection the school shall ensure that such application shall—

(A) be developed by school administrators, teachers, parents, and community-based organizations and local businesses, in consultation with the local educational agency; and

(B) give clear evidence that commitment to such project is widely shared in the school community.

(c) STATE REPORT.—Each State educational agency receiving an allotment under this title, after awarding grants under this title in each fiscal year, shall file a report with the Secretary indicating—

(1) the names and addresses of the schools that received a Neighborhood Schools Improvement Grant under this title;

(2) the improvement activities each school shall undertake and the expected results of such activities;

(3) the number of high need schools that have received a grant and the amount of such grants;

(4) the Council's reasons for the selection of each such school; and

(5) the amount of the grant awarded to each school.

SEC. 208. USE OF FUNDS.

(a) MANDATORY.—Each school receiving a grant under this title shall use such grant funds for an initiative to implement significant, comprehensive, schoolwide changes in the structure or programs of such school in a manner that shall help such school meet the National Education Goals, especially by improving student achievement.

(b) PERMISSIBLE.—Each school receiving a grant under this title may use such grant funds for—

(1) continuous and comprehensive early childhood education;

(2) enhanced academic programs, including supplementary instruction, efforts to improve higher order thinking skills, and activities to increase the participation of minority and female students in mathematics and science courses;

(3) school-based management programs designed to move more authority for decisionmaking to the school building level and increase the participation of teachers and parents in school governance;

(4) the provision of coordinated educational and vocational services within the school;

(5) projects to increase the knowledge and skills of teachers and school leaders;

(6) educational enrichment projects to meet the needs of educationally and economically disadvantaged children, students with disabilities, and limited-English proficient students;

(7) projects to improve the condition and adequacy of school buildings, instructional facilities and equipment when such improvements are directly related to improving student achievement, except that no funds shall be used for construction or major remodeling;

(8) projects to strengthen parent involvement and parenting education and to increase the partnership between families and the schools;

(9) extended day and year projects, especially projects with an academic component;

(10) projects to increase the use of educational technology and integrate such technology into the instructional program of the school to improve student achievement;

(11) the implementation of measures to reduce class size and provide more individualized instruction;

(12) dropout prevention, re-entry, alternative programs and support activities for students at-risk of dropping out of school, or students who have returned to school; and

(13) any other initiative which will result in significant, comprehensive schoolwide changes in the structure or programs of such school.

SEC. 209. REQUIREMENTS RELATING TO USE OF ALLOTMENTS.

(a) RESERVATION.—

(1) IN GENERAL.—Each State educational agency receiving an allotment under this title shall reserve not less than 75 percent of such funds to award grants on a competitive basis to schools designated as high need schools in the State in accordance with section 207(a)(2).

(2) REMAINDER.—The remainder of funds not reserved pursuant to paragraph (1) shall be available to award grants on a competitive basis to any school that needs to improve student achievement, as determined by the State educational agency. In distributing funds under this paragraph, priority shall be given to schools with the lowest levels of academic achievement.

(b) SPECIAL RULES.—

(1) ADDITIONAL EFFORTS.—Each school receiving a grant under this title that requires additional efforts to implement the provisions of this title may use the first 6 months in which such grant is received for planning purposes if the State educational agency has approved such use.

(2) LIMITATION.—No school shall receive a grant under this title prior to January 1, 1993.

(c) DURATION.—Grants awarded under this title may be awarded for a period not to exceed 5 years and may be renewed if the State determines that the applicant has made meaningful progress in improving student achievement.

(d) AMOUNT.—

(1) IN GENERAL.—Each State educational agency receiving an allotment under this title shall award grants in accordance with the provisions of this title and in an amount that reflects, relative to other grants awarded under this title and in light of the proposed project, the size and economic profile of the student population to be served.

(2) MINIMUM AMOUNT.—Each State educational agency receiving an allotment under this title shall award a grant to a local educational agency for a school in an amount that is of sufficient size and scope to permit the school to conduct a significant comprehensive, schoolwide project.

SEC. 210. EVALUATION REQUIREMENTS.

(a) EVALUATION.—Each State educational agency receiving an allotment under this title shall evaluate the initiatives assisted under this title. Such evaluations shall be designed to ensure that such initiatives are being implemented satisfactorily and that schools receiving grants are making demonstrable progress in improving student achievement or increasing the graduation rate.

(b) DATA.—Each local educational agency serving a school that receives a grant under this title shall annually collect and submit to the State educational agency data on the project assisted under this title based on the statistical indicators and other criteria described in the application submitted by the school. Such data shall include multiple measures or indicators of each National Education Goal, as available, and may take into consideration the mobility of students in the schools served under this title or other special factors.

SEC. 211. DISSEMINATION OF EXEMPLARY PRACTICES BY THE SECRETARY.

Each State educational agency shall submit to the Secretary information about successful Neighborhood Schools under its jurisdiction. The Secretary shall make summaries of such information available to schools that are undertaking, or planning to undertake improvement projects, regardless of whether such projects are assisted under this title, by means of the dissemination mechanisms established by the Secretary. The Secretary shall biennially provide to the Congress summaries of all data collected from and reports filed by schools, local educational agencies and State educational agencies pursuant to the requirements of this title.

SEC. 212. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $850,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 through 2001 to carry out the provisions of this title.

TITLE III—DEFINITIONS

SEC. 301. DEFINITIONS.

For the purpose of this Act—

(1) the term "elementary school" has the same meaning given to such term by section 1471(8) of the Elementary and Secondary Education Act of 1965;

(2) the term "institution of higher education" has the meaning given to such term by section 1201(a) of the Higher Education Act of 1965;

(3) the term "local educational agency" has the same meaning given to such term by section 1471(12) of the Elementary and Secondary Education Act of 1965;

(4) the term "Pacific outlying area" means American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the Republic of Palau (until such time as the Compact of Free Association is ratified);

(5) the term "school dropout" has the same meaning as the definition of such term developed by the Secretary pursuant to section 6201(a) of the Elementary and Secondary Education Act of 1965;

(6) the term "secondary school" has the same meaning given to such term by section 1471(21) of the Elementary and Secondary Education Act of 1965;

(7) the term "Secretary", unless otherwise specified, means the Secretary of Education;

(8) the term "school", means a public elementary or secondary school;

(9) the term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico and the Virgin Islands; and

(10) the term "State educational agency" has the same meaning given to such term by section 1471(23) of the Elementary and Secondary Education Act of 1965.

Mr. KENNEDY. Mr. President, I understand that under the previous order, the Senator from Mississippi was to be recognized, and I see him now on the floor.

I would hope, if agreeable to the Senator from Mississippi, that we might be able to permit the Senator from New Mexico to be recognized briefly to be able to offer his amendment which, as I understand, will be accepted by the majority and will be accepted by the minority. If we can dispose of that particular issue, which had been a source of some dispute in the past, then, hopefully, we can move on to the consideration of the amendment of the Senator from Mississippi or some other language which, hopefully, might be accommodated.

So if that would be agreeable to the Senator from Mississippi, I would make a unanimous-consent request.

Mr. COCHRAN. If the Senator will yield, I will have no objection to proceeding to taking up the amendment of the Senator from New Mexico under those conditions stated by the Senator.

Mr. KENNEDY. Fine.

Mr. President, then I ask unanimous consent that when I yield the floor the Senator from New Mexico be recognized for the purposes of offering an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KENNEDY). Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, first of all, let me say that I wholeheartedly support S. 2, the strengthening Education for American Families Act, and see that as a major step in the right direction toward improvement of our educational system, and I want to commend both the chairman of the committee, Senator KENNEDY, and the chairman of the subcommittee, Senator PELL, for the leadership they have provided in getting this issue before the Senate. I very much hope that we can pass this bill quickly and move to conference with the House and send it to the President for his signature.

As we debate public policy, education must become a major priority. Over the past decade, we have witnessed a growing concern about educational achievement in the United States. There has been an increasing acceptance that there needs to be a more sustained national effort if we are to improve the quality of education offered to American students. I believe S. 2 is a step in the right direction to improve the quality of education in this country.

AMENDMENT NO. 1468

(Purpose: To establish the National Education Goals Panel and the National Education Standards and Assessments Council, and for other purposes)

Mr. BINGAMAN. Mr. President, I do have an amendment which I want to offer at this time, and I send the amendment to the desk and ask for its immediated consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 1468.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, in the table of contents, redesignate the item relating to section 113, as the item relating to the National Education Goals Panel.

On page 2, in the table of contents, strike the item relating to section 115.

On page 2, in the table of contents, redesignate the items relating to sections 116 through 120 as the items relating to sections 115 through 119.

On page 2, in the table of contents, before the item relating to title II, insert the following:

PART C—NATIONAL EDUCATION STANDARDS AND ASSESSMENTS COUNCIL

Sec. 131. National Education Standards and Assessments Council.
Sec. 132. Annual reports.
Sec. 133. Powers of the Council.
Sec. 134. Administrative provisions.
Sec. 135. Director and staff; experts and consultants.
Sec. 136. Authorization of appropriations.

On page 13, beginning with line 13, strike all through page 20, line 14, and strike page 21 lines 7-20, and insert the following:

(a) FINDINGS.—The Congress finds that—

(1) the social well-being, economic stability, and national security of the United States depend on a strong educational system that provides all citizens with the skills necessary to become active members of a productive work force;

(2) despite the many reforms of the educational system that have been implemented since the National Council on Excellence in Education declared our Nation "at risk" in 1983, the United States remains at risk for educational underachievement;

(3) United States students currently rank far below students of many other countries in educational achievement, particularly in mathematics and the sciences;

(4) although State and local governments bear the primary responsibility for elementary and secondary education, rapidly increasing international competitiveness requires that the United States increase efforts to make education a national priority;

(5) the Federal Government has played a vital, leading role in funding important educational programs and research activities and should continue to play that role;

(6) accurate and reliable mechanisms must be available to assess and monitor educational progress;

(7) the mechanisms to assess and monitor educational progress, and the national information infrastructure needed to support the mechanisms, do not exist or must be strengthened;

(8) there should be established an independent, bipartisan panel, building on existing efforts to measure progress toward achievement of the National Education Goals;

(9) the Nation should also move forward to set national education standards and develop a voluntary system of assessments to help students and schools meet those standards;

(10) the primary purpose of developing standards and a system of assessments related to those standards is to inform instruction and improve learning;

(11) establishing voluntary national standards and assessments is an important, complex, and sensitive task and any coordinating structure for this purpose must be bipartisan, engage government at all levels, and involve the many constituencies that have an established interest in improving education;

(12) much work in the area of developing standards and assessments linked to those standards has already begun and the national effort should benefit from and not attempt to duplicate any good work being done by existing Federal and non-Federal entities;

(13) in accordance with the recommendations of the National Council on Education Standards and Testing, a coordinating structure needs to be put into place to ensure that this work is being done;

(14) this coordinating structure should maintain the Nation's tradition of State and local authority over education and therefore be a part of a cooperative national effort; and

(15) there should be established a national coordinating body to ensure the establishment of national education standards and a voluntary system of assessments.

(b) PURPOSE.—It is the purpose of this part to establish the National Education Goals Panel, to establish the National Education Standards and Assessments Council, to provide resources to develop means to measure and report on progress toward the achievement of the National Education Goals, and to advance the establishment of world class education standards and the development of a voluntary system of assessments as a catalyst for comprehensive educational reforms.

SEC. 113. NATIONAL EDUCATION GOALS PANEL.

(a) ESTABLISHMENT.—There is established within the Department of Education a National Education Goals Panel (hereafter in this part referred to as the "Panel").

(b) COMPOSITION.—

(1) IN GENERAL.—The Panel shall be composed of 14 members (hereafter in this part referred to as "members"), including—

(A) two members appointed by the President;

(B) eight Governors, three of whom shall be from the same political party as the President and five of whom shall be of the opposite political party of the President, appointed by the Chairman or Vice Chairman of the National Governors' Association, with each appointing those of his respective political party, in consultation with each other and in accordance with paragraph (2); and

(C) four Members of Congress appointed as follows:

(i) The Majority Leader of the Senate shall appoint 1 individual from among the Members of the Senate.

(ii) The Minority Leader of the Senate shall appoint 1 individual from among the Members of the Senate.

(iii) The Majority Leader of the House of Representatives shall appoint 1 individual from among the Members of the House of Representatives.

(iv) The Minority Leader of the House of Representatives shall appoint 1 individual from among the Members of the House of Representatives.

(2) SPECIAL APPOINTMENT RULES.—(A) The members appointed pursuant to paragraph (1)(B) shall be appointed as follows:

(i) If the Chairperson of the National Governors' Association is from the same political party as the President, then the Chairperson shall appoint 3 persons pursuant to such paragraph and the Vice Chairperson shall appoint 5 persons pursuant to such paragraph.

(ii) If the Chairperson of the National Governors' Association is from the opposite political party as the President, then the Chairperson shall appoint 5 persons pursuant to such paragraph and the Vice Chairperson shall appoint 3 persons pursuant to such paragraph.

(B) If the National Governors' Association has appointed a panel that meets the requirements of this subsection prior to the date of enactment of this Act, then the members serving on such panel shall be deemed to be in compliance with the provisions of this subsection and shall not be required to be reappointed pursuant to this subsection.

(c) TERMS.—The terms of service of members shall be as follows:

(1) EXECUTIVE BRANCH.—Members appointed under paragraph (1)(A) shall serve at the pleasure of the President.

(2) GOVERNORS.—Members appointed under paragraph (1)(B) shall serve a two-year term, except that the initial appointments under such paragraph shall be made to ensure staggered terms with one-half of the such member's terms concluding every two years.

(3) MEMBERS OF CONGRESS.—Members appointed under paragraph (1)(C) shall serve a term of four years.

(d) INITIATION.—The Panel may begin to carry out the duties of the Panel under this part when seven members of the Panel have been appointed.

(e) DATE OF APPOINTMENT.—The initial members shall be appointed not later than 60 days after the date of enactment of this Act.

(f) RETENTION.—In order to retain an appointment to the Panel, a member must attend at least two-thirds of the scheduled meetings of the Panel in any given year.

(g) VACANCIES.—A vacancy on the Panel shall not affect the powers of the Panel, but shall be filled in the same manner as the original appointment.

(h) TRAVEL.—Each member shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the panel $2,000,000 for each of the fiscal years 1992, 1993 and 1994, and such sums as may be necessary for each succeeding fiscal year thereafter.

On page 21, line 22, strike "Council" and insert "Panel".

On page 21, beginning with line 22, strike all through page 24, line 19, and insert the following:

(a) FUNCTIONS.—

(1) IN GENERAL.—The Panel shall—

(A) propose the indicators to be used to measure the National Education Goals and reporting progress toward their achievement, the baselines and benchmarks against which progress may be evaluated, and the format for an annual report to the Nation;

(B) select interim and final measures and appropriate measurement tools to be developed as necessary in each goal area;

(C) report on the Federal actions to fulfill its responsibilities to education, including funding the Federal financial role, providing more flexibility and controlling mandates that limit the States' ability to fund education;

(D) issue a report to the President, the Congress, the Governors, and the Nation annually on progress toward the National Education Goals;

(E) assure, through requirements for State reports, that student performance is reported in the context of other relevant information about student, school and system performance;

(F) identify gaps in existing educational data, make recommendations for improvements in the methods and procedures for assessments that would be appropriate to assessing progress toward the National Education Goals, propose changes in national and international measurement systems as appropriate and make recommendations to the President, the Congress, and the Governors for needed improvements;

(G) appoint members to the National Education Standards and Assessments Council; and

(H) in accordance with paragraph (2), issue certification of content and student performance standards and the criteria for assessments as world-class following submission of such certification by the National Education Standards and Assessments Council.

(2) SPECIAL RULE.—In the event the Panel denies certification to all or part of a certification of the National Education Standards and Assessments Council, all or part of a certification shall be returned to such Council with detailed written explanations for the denial.

(b) PERFORMANCE OF FUNCTIONS.—In carrying out its responsibilities, the Panel shall operate on the principle of consensus.

On page 24, line 20, strike "Council" and insert "Panel".

On page 25, strike lines 1 through 11.

On page 25, line 12, strike "116" and insert "115".

On page 25, line 13, strike all beginning with "Not" through "the Council" on line 15, and insert "The Panel".

On page 25, lines 21 and 22, strike "Council" each place such term appears and insert "Panel".

On page 25, strike lines 25 and 26.

On page 26, line 1, strike "(B)" and insert "(A)".

On page 26, line 2, strike "(C)" and insert "(B)".

On page 26, line 11, strike "Council" and insert "Panel".

On page 26, line 13, strike "Council" and insert "Panel".

On page 26, line 17, strike "117" and insert "116".

On page 26, line 17, strike "Council" and insert "Panel".

On page 26, line 19, strike "Council" and insert "Panel".

On page 26, line 22, strike "Council" and insert "Panel".

On page 26, line 25, strike "Council" and insert "Panel".

On page 27, line 3, strike "public on—" and insert "public regarding the Panel's functions described in section 114(a).".

On page 27, strike lines 4 through 13.

On page 27, line 14, strike "Council" and insert "Panel".

On page 27, line 16, strike "Council" and insert "Panel".

On page 27, line 17, strike "Council" and insert "Panel".

On page 27, line 19, strike "Council" and insert "Panel".

On page 27, beginning with line 21, strike all through page 28, line 9, and insert the following:

(c) GIFTS.—The Panel may accept, use, and dispose of gifts or donations of services or property.

On page 28, line 10, strike "Council" and insert "Panel".

On page 28, line 15, strike "Council" and insert "Panel".

On page 28, line 17, strike "Council" and insert "Panel".

On page 28, line 18, strike "118" and insert "117".

On page 28, line 19, strike "Council" and insert "Panel".

On page 28, line 21, strike "Council" and insert "Panel".

On page 28, line 22, strike "Eleven" and insert "A majority of the".

On page 28, line 24, strike all beginning with "The Council" through "Council." on page 29, line 1.

On page 29, strike lines 4 through 9.

On page 29, line 10, strike "119" and insert "118".

On page 29, line 12, strike "Council" and insert "Panel".

On page 29, line 20, insert "of the Panel" before "may".

On page 29, line 23, strike "Council" and insert "Panel".

On page 30, line 2, strike "Council" and insert "Panel".

On page 30, line 5, strike "Council" and insert "Panel".

On page 30, line 9, strike "Council" and insert "Panel".

On page 30, line 12, strike "Council" each place such term appears and insert "Panel".

On page 30, line 13, strike "120" and insert "119".

On page 30, between lines 17 and 18, insert the following:

PART C—NATIONAL EDUCATION STANDARDS AND ASSESSMENTS COUNCIL

SEC. 131. NATIONAL EDUCATION STANDARDS AND ASSESSMENTS COUNCIL.

(a) ESTABLISHMENT.—There is established within the Department of Education a National Education Standards and Assessments Council (referred to in this part as the "Council").

(b) APPOINTMENT AND COMPOSITION.—

(1) APPOINTMENT.—The Council shall be composed of 21 members (hereafter in this part referred to as "members") appointed by the National Education Goals Panel described in section 113 (hereafter in this part referred to as the "Panel").

(2) COMPOSITION.—The Council shall be composed of—

(A) seven public officials;

(B) seven educators; and

(C) seven members of the general public.

(3) TIME.—The members of the Council described in paragraph (2) shall be appointed within 120 days after the date of enactment of this Act.

(c) QUALIFICATIONS.—

(1) IN GENERAL.—Members shall be appointed to the Council on the basis of widely recognized experience in, knowledge of, commitment to, and a demonstrated record of service to education and to achieving education excellence at the Federal, State or local level.

(2) NOMINATIONS.—Members under this subsection shall be appointed from among qualified individuals nominated by the public.

(d) TERMS.—

(1) IN GENERAL.—The members shall be appointed for three-year terms, with no member serving more than 2 consecutive terms.

(2) INITIAL SELECTION.—The Panel shall establish initial terms for individuals of two, three, or four years in order to establish a rotation in which one-third of the members are selected each year.

(A) PUBLIC OFFICIALS.—From among the members appointed under subsection (b)(2)(A), the Panel shall designate 2 appointees to serve 2-year terms, 3 appointees to serve 3-year terms and 2 appointees to serve 4-year terms.

(B) EDUCATORS.—From among the members appointed under subsection (b)(2)(B), the Panel shall designate 2 appointees to serve 2-year terms, 3 appointees to serve 3-year terms and 2 appointees to serve 4-year terms.

(C) GENERAL PUBLIC.—From among the members appointed under subsection (b)(2)(C), the Panel shall designate 2 appointees to serve 2-year terms, 3 appointees to serve 3-year terms and 2 appointees to serve 4-year terms.

(3) SPECIAL PROVISION.—No member of the Panel may concurrently serve as a member of the Council.

(4) DATE OF APPOINTMENT.—The initial members shall be appointed, by the Panel, not later than 120 days after the date of enactment of this Act.

(5) RETENTION.—In order to retain an appointment to the Council, a member must attend at least two-thirds of the scheduled meetings of the Council in any given year.

(6) OFFICER SELECTION.—The members appointed under subsection (b)(2) shall select officers of the Council from among the members of the Council. The officers of the Council shall serve for 1-year terms.

(7) VACANCIES.—A vacancy on the Council shall not affect the powers of the Council, but shall be filled in the same manner as the original appointment.

(8) TRAVEL.—Each member of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(9) INITIATION.—The Council may begin to carry out the duties of the Council under this part when—

(A) all 21 members have been appointed; or

(B) 11 members have been appointed pursuant to the provisions of subsection (b).

(e) FUNCTIONS OF THE COUNCIL.—The Council shall—

(1) be a coordinating body to ensure the establishment of national education standards;

(2) serve as a coordinating body to encourage a voluntary system of assessments for individual students consistent with the national standards;

(3) develop criteria for world-class content and student performance standards and establish guidelines for standard setting and assessment development;

(4) establish guidelines for assessments which ensure technical merit through determining that assessments are specifically valid, reliable, fair and cost effective for any purpose for which the assessments may be used;

(5) establish procedures and criteria for ensuring that, to the extent possible and without sacrificing the validity, reliability, directors and fairness of the assessments, assessments are comparable to each other; and

(6) issue certification of content and student performance standards and criteria for assessments as world-class, and transmit such certification to the Panel for the Panel's certification.

(f) PERFORMANCE OF FUNCTIONS.—In carrying out its responsibilities, the Council shall work with Federal and non-Federal agencies and organizations which are conducting research, studies or demonstration projects to determine world-class education standards and assessments based on such standards.

(g) DATA COLLECTION.—The Council shall make arrangements with any appropriate entity to generate or collect such data as may be necessary to carry out its functions.

SEC. 132. ANNUAL REPORTS.

Not later than 1 year after the date the Council concludes its first meeting of members and in each succeeding year, the Council shall prepare and submit to the President, the appropriate committees of Congress, and the Governor of each State a report on its work.

SEC. 133. POWERS OF THE COUNCIL.

(a) HEARINGS.—

(1) IN GENERAL.—The Council shall, for the purpose of carrying out this part, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Council considers appropriate.

(2) CONDUCT.—In carrying out this part, the Council shall conduct public hearings in different geographic areas of the country, both urban and rural, to receive the reports, views, and analyses of a broad spectrum of experts and the public on the establishment of national education standards and assessments.

(b) INFORMATION.—The Council may secure directly from any department or agency of the United States information necessary to enable the Council to carry out this part. Upon request of the Chairperson of the Council, the head of a department or agency shall furnish such information to the Council to the extent permitted by law.

(c) GIFTS.—The Council may accept, use, and dispose of gifts or donations of services or property.

(d) POSTAL SERVICES.—The Council may use the United States mail in the same manner and under the same conditions as other departments and agencies of the United States.

(e) ADMINISTRATIVE AND SUPPORTIVE SERVICES.—The Secretary shall provide to the Council, on a reimbursable basis, administrative support services as the Council may request.

SEC. 134. ADMINISTRATIVE PROVISIONS.

(a) MEETINGS.—The Council shall meet on a regular basis, as necessary, at the call of the Chairperson of the Council or a majority of its members.

(b) QUORUM.—A majority of the members shall constitute a quorum for the transaction of business.

(c) VOTING.—The Council shall take all action of the Council by a ⅔ majority vote of the total membership of the council, assuring the right of the minority to issue written views. No individual may vote or exercise any of the powers of a member by proxy.

SEC. 135. DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The Chairperson of the Council shall, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, appoint a Director to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(b) APPOINTMENT AND PAY OF STAFF.—The Chairperson may appoint personnel as the Chairperson considers appropriate without regard to the provisions of title 5, United States Code, governing appointments to the competitive service. The staff of the Council may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates. The rate of pay of the staff of the Council shall not exceed the rate of basic pay payable for GS-15 of the General Schedule.

(c) EXPERTS AND CONSULTANTS.—The Council may procure temporary and intermittent services under section 3019(b) of title 5, United States Code.

(d) STAFF OF FEDERAL AGENCIES.—Upon the request of the Council, the head of any department or agency of the United States is authorized to detail, on a reimbursable basis, any of the personnel of that department or agency to the Council to assist the Council in its duties under this title.

SEC. 136. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Council $2,000,000 for each of the fiscal years 1992, 1993 and 1994 and such sums as may be necessary for each succeeding fiscal year thereafter.

On page 58, in the matter following line 7, insert ", to develop national education standards and voluntary assessments in accordance with such standards" after "toward such goals".

Mr. BINGAMAN. Mr. President, this amendment is straightforward and as the Senator indicated earlier in his statement this amendment is one which is agreeable to the leadership on both the majority and minority side. It is one which I believe is important to the country and to the Senate; we need a strong educational system that will provide all citizens with the skills necessary to become full participating members in our work force and in our society. I believe that a strong education system is important to the social well-being, economic stability, and national security of our country. For those reasons I want to identify this amendment as a separate piece of legislation. Monitoring educational progress and establishing national education standards, thereby in this amendment, are, I believe, vitally important piece of this legislation.

Let me very briefly state what this amendment does. First of all, it resolves the longstanding dispute that some of us here in the Senate have had with the administration over the makeup of the National Education Goals Panel. That organization was established by the President and the Governors nearly 1½ years ago, and under the strong leadership of Governor Romer of Colorado it has been working to establish a monitoring mechanism for assessing programs toward the national education goals. Under Governor Romer's leadership, the panel has begun to focus the attention of the Nation on education. One of the areas in which the panel has focused the Nation's attention is the area of national education standards and assessments systems based on those standards.

I have been impressed, frankly, by the progress that has been made by the goals panel in this area, but all during that time I have expressed concern about the composition of the panel. I have long objected that the panel is not bipartisan and that it is constituted in such a way that politics and not sound educational policy will guide the goals panel in its significant role in forming national education policy in this country. There is an issue of credibility with respect to this panel as it is configured today. This issue of credibility became obvious when the National Council on Education Standards and Testing began to debate a governing structure for the proposed National Standards and Assessment Council. It became clear that the current panel was viewed as a political entity by whose policy decisions were being skewed toward the dominant Republican interests. Seven of the ten members in the current goals panel are Republicans.

This amendment, which I have sent to the desk, corrects that. This amendment ensures that the goals panel be bipartisan. It ensures that representatives of the Congress be on that panel as well as representatives of the executive branch, and I think change cannot be overstressed. It also increases the number of Governors who are serving on the panel, but it does so in a way that ensures that we have the bipartisanship that I think is so important to all of us in the country.

The second thing which this amendment I have sent to the desk does—and perhaps the most important thing this amendment does—is to establish a National Education Standards and Assessment Council. I have had the good fortune, Mr. President, to serve for the last 8 months on the Education Standards and Assessment Commission which this Congress established and the President signed into law this past year. That Commission has been an extremely fruitful enterprise, in my opinion. It has been chaired by Governor Romer from Colorado and Governor Campbell from South Carolina. It has had a broad group of individuals serving on it, many of them with strong background in education and in testing and assessment. It has had representatives of the business community. It has also had representatives of State government and local government. The National Education Standards and Assessment Council will be issuing its report this Friday. I ask unanimous consent to print in the RECORD a copy of the list of the members of the Council. This list of the membership on the Council will serve to emphasize the truly broad participative nature of the Council: The broad participation from all segments of society involved with education, to me, was an essential feature that was missing in the composition of the current goals panel. That essential element—broad participation from the education community—is, I believe, crucial to forming national education policy.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

INTERIM COUNCIL ON STANDARDS AND TESTING

CO-CHAIRS

Governor Carroll A. Campbell, Jr., South Carolina.

Governor Roy Romer, Colorado.

MEMBERS

Brian Benzel, Edmonds School District, Washington.

Mary Bicouvaris, Bethel High School, Virginia.

U.S. Senator Jeff Bingaman, Committee on Labor and Human Resources.

Eve M. Bither, Maine State Department of Education.

Bill Brock, Washington, D.C.

Iris Carl, Houston Independent School District, Texas.

Lynne V. Cheney, National Endowment for the Humanities.

Senator Carlos Cisneros, New Mexico.

Ramon C. Cortines, San Francisco Unified School District.

Chester E. Finn, Jr., Vanderbilt University.

Martha Fricke, Ashland School Board, Nebraska.

Keith Geiger, National Education Association.

U.S. Representative William Goodling, House Committee on Education and Labor.

Senator John Hainkel, Louisiana.

Sandra Hassan, Beach Channel High School, New York.

U.S. Senator Orrin Hatch, Committee on Labor and Human Resources.

David Hornbeck, Baltimore, Maryland.

David Kearns, U.S. Department of Education.

U.S. Representative Dale E. Kildee, House Committee on Education and Labor.

Walter Massey, National Science Foundation.

Mark Musick, Southern Regional Education Board.

Michael Nettles, University of Tennessee.

Roger B. Porter, Assistant to the President for Economic and Domestic Policy.

Lauren Resnick, University of Pittsburgh.

Albert Shanker, American Federation of Teachers.

Marshall S. Smith, Stanford University.

Mr. BINGAMAN. Mr. President, this report, I believe, will be a major contribution to the dialog on national educational policy that is now being debated in our country. The amendment that I have sent to the desk is consistent with the recommendations in that report.

I believe very strongly that the recommendations are well reasoned, that they are important in creating informed national education policy, and for that reason are important to the future of our country. The Council's recommendation not only revises the makeup of the national education goals panel, but we recommend the establishment of a national commission to establish standards and a system of assessment based on these standards for the country over the long term.

In my view, this is a very important undertaking for our country. It is one that is past due. It is one that many industrialized nations have pursued before us, but it is one that can have a tremendous stimulative effect on reform efforts at the State and local level.

I believe very strongly that the reforms that are taking place now will be encouraged by this effort to set national standards and that in many cases where reforms are not taking place they will occur as a result of this legislation.

This amendment is important not only in its own right, it is also important, Mr. President—and I think this is a reason to highlight it here for the Senate—it is important because this is being done with the support of both political parties. Senator Hatch served with me on the National Council on Education Standard and Testing and he is well aware of the debates that occurred within the Council that resulted in the report and this amendment.

There is a lot of reporting being done in the media these days that great divisions and disagreements separate those of us in Congress from the administration; that we cannot get together on any concrete actions to move the country forward in many of these areas, and clearly there are major disagreement, and many of those are honest disagreements that need to be debated and resolved through the legislative process, but here is one area where we are in agreement. This is an area where the administration, the Secretary of Education, the Governors of the country, Republicans and Democratic Members of the Congress all have come together and said this is important and here is a way to proceed which we agree with.

In my opinion, Mr. President, that is an important accomplishment in its own right. The American public needs to know that the area of national education standards is one area where real progress is being made and where agreements between Congress, the administration, and the Department of Education has been reached. And I think it can result in a major benefit to all Americans.

Mr. President, I do not know of any opposition to the amendment. Unless there is further debate on it, which I am not aware of, I think we are probably ready to go ahead and vote on the amendment.

Mr. KENNEDY. Mr. President, as part of our effort to improve the American educational system, we need a mechanism for monitoring our progress toward the National Education Goals. Senator BINGAMAN'S amendment puts this mechanism in place. It establishes a National Education Goals Panel and a National Education Standards and Assessment Council. These two entities will monitor and coordinate the United States education system as it makes the changes necessary to help our students achieve the national education goals.

We all agree on the need to achieve the national education goals. However we need a credible group to help guide our efforts in setting standards for our students and establishing mechanisms to assess the performance of our students against these standards. Once we agree on what we expect our children to know, then we may put into place an unbiased system for assessing their knowledge. We must also assure that all students subject to the assessment system will have had a reasonable and equitable opportunity to learn the material on which they will be assessed and thereby meet the performance and content standards. Recently, the National Council on Education Standards and Testing of which Senator BINGAMAN is an active member, completed a year long study on national standards and assessments. Senator BINGAMAN's amendment puts their well-informed recommendations into action.

Senator BINGAMAN has spent long hours on this amendment and I commend him for his great leadership on this issue. All of us who want a fair, nonpartisan and nonbiased report on the goals are in his debt. And all of our students will forever be thankful for his commitment to equity and fairness within the educational system.

AMENDMENT NOS. 1469 AND 1470

Mr. BINGAMAN. Mr. President, before we vote, let me send some technical modifications of the amendment to the desk and ask that they be approved by unanimous consent.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

The amendments (Nos. 1469 and 1470) follow:

AMENDMENT NO. 1469

On page 34, line 11, strike "and" the second place such term appears.

On page 34, between lines 11 and 12, insert the following:

(iii) the establishment of new public schools, such as Essential Schools, Accelerated Schools, New American Schools, charter schools, ComerSchools, and Schools of the 21st Century in accordance with subparagraph (C); and

On page 34, line 12, strike "(iii)" and insert "(iv)".

On page 34, between lines 15 and 16, insert the following:

(C) SPECIAL REQUIREMENT.—A new public school established under subparagraph (B)(iii) shall be nonsectarian in its programs, admission policies, employment practices, and all other operations and shall not be affiliated with a nonpublic sectarian school or a religious institution.

On page 57, between lines 7 and 8, insert the following:

(4) the term "new public school" means a public school that—

(A) reflects the best available knowledge regarding teaching and learning for all students;

(B) uses the highest quality instructional materials and technologies;

(C) is designed to meet National Education Goals as well as the particular needs of the students and community served by such school; and

(D) is under the authority of a state educational agency or a local educational agency.

On page 57, line 8, strike "(4)" and insert "(5)".

On page 57, line 13, strike "(5)" and insert "(6)".

On page 57, line 17, strike "(6)" and insert "(7)".

On page 57, line 21, strike "(7)" and insert "(8)".

On page 57, line 23, strike "(8)" and insert "(9)".

On page 57, line 1, strike "(9)" and insert "(10)".

On page 57, line 4, strike "(10)" and insert "(11)"

AMENDMENT NO. 1470

On page 42, between lines 10 and 11, insert the following:

(e) SPECIAL RULE FOR STATES WHICH ALREADY HAVE ENACTED A COMPREHENSIVE, STATEWIDE EDUCATION IMPROVEMENT PLAN.—

(1) WAIVER.—In the case of a State which has enacted a comprehensive, statewide education improvement plan, the Secretary may, in accordance with the provisions of section 206, grant such State a waiver from the requirements of section 204 and subsections (a) and (b) of section 205, and such State may use an allotment under this section in the initial and succeeding years in accordance with the provisions of section 202(c)(3).

(2) APPLICATION.—Each State desiring a waiver under this subsection shall include a request for such waiver in application submitted under section 203. Such application shall include a plan which meets the requirements of section 205(c).

The PRESIDING OFFICER. Is there further debate. If there is no further debate, the question is on agreeing to the amendment of the Senator from New Mexico.

The amendment (No. 1468), as amended, was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment, as amended, was agreed to.

Mr. BINGAMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1471

(Purpose: To establish New American Schools)

Mr. COCHRAN. I send an amendment to the desk under the previous order and ask that it be reported.

The bill clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] for himself, Mr. SPECTER, Mr. HATFIELD, Mr. SEYMOUR, Mr. DURENBERGER, and Mr. STEVENS, proposes an amendment numbered 1471.

Mr. COCHRAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. BINGAMAN). Without objection it is so ordered.

The amendment is as follows:

On page 2, immediately after the item relating to section 212, insert the following:

TITLE III—NEW AMERICAN SCHOOLS

Sec. 301. Findings.
Sec. 302. Purpose.
Sec. 303. Program authorized.
Sec. 304. Local applications.
Sec. 305. State applications.
Sec. 306. Selection of eligible recipients to create New American Schools.
Sec. 307. Amount of grants, operation of schools, and uses of funds.
Sec. 308. Secretary's panel of experts.
Sec. 309. National evaluation and dissemination.
Sec. 310. Insular areas.
Sec. 311. Definitions.
Sec. 312. Authorization of appropriations.

On page 2, redesignate the item relating to title III as the item relating to title IV.

On page 2, redesignate the item relating to section 301 as the item relating to section 401.

On page 56, between lines 21 and 22, insert the following:

TITLE III—NEW AMERICAN SCHOOLS

SEC. 301. FINDINGS.

The Congress finds that—

(1) many American elementary and secondary schools—

(A) are structured according to models that are outmoded and ineffective;

(B) rely on notions about pedagogy, management, technology, staffing, and other resources that may be outdated or insufficient for the challenges of the next century; and

(C) are unsuccessful at equipping many students with the knowledge and skills needed to succeed as citizens and in the workplace;

(2) new approaches to elementary and secondary education are needed, and without major reforms in elementary and secondary schools, the United States may lose its ability to compete fully and successfully in the world economy;

(3) comprehensive and long-term efforts, drawing on all members of the community, will be needed if the school-by-school educational reform necessary to achieve the National Education Goals is to be accomplished;

(4) there is an appropriate Federal role in providing seed money for the establishment of new types of schools in communities across the country; and

(5) the Nation is embarking on a major effort to support the invention of radically better forms of schooling and to establish a network of communities whose citizens are dedicated to the improvement of education.

SEC. 302. PURPOSE.

The purpose of this title is to support the creation of new schools across the United States that reflect the best thinking about teaching and learning, employ the highest-quality instructional materials and technologies, and are designed to meet the National Education Goals, as well as the particular needs of students and communities.

SEC. 303. PROGRAM AUTHORIZED.

(a) IN GENERAL.—The Secretary is authorized to award grants to eligible recipients on behalf of communities to enable such eligible recipients to develop innovative elementary and secondary schools (hereafter in this title referred to as "New American Schools") in the communities served by such recipients.

(b) NOMINATIONS.—The Secretary shall award grants under this title on the basis of nominations received and approved under section 306.

(c) SECRETARY'S SELECTION AND APPROVAL OF GRANT RECIPIENTS.—The Secretary, with advice of the panel of experts established under section 308, shall approve applications from some or all of the eligible recipients nominated by Governors under section 306 to receive grants in accordance with this title.

(d) DISTRIBUTION OF FUNDS.—

(1) AWARD RULES.—(A) To the extent feasible, the Secretary shall, from the first $54,000,000 appropriated to carry out this title, make at least one grant within each State.

(B) The Secretary shall award any funds in excess of the funds described in paragraph (2) in such a manner that, to the extent feasible and over the period for which the program assisted under this title is authorized, the total amount of funds appropriated under this title over such period is distributed among the States on the basis of their relative populations.

(C) To the extent feasible, the Secretary shall award a grant to an eligible recipient serving a community in each congressional district by September 30, 1994.

(D) For the purpose of this section, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the Republic of Palau shall be treated, collectively, as a single State and as encompassing a single congressional district.

(2) PRIORITY.—In awarding grants under this title, the Secretary shall give priority to eligible recipients serving communities with high concentrations of educationally disadvantaged children and children from low-income families.

(3) ENCOURAGEMENT.—The Secretary is encouraged to award grants to eligible recipients that will establish schools enrolling students of diverse abilities.

SEC. 304. LOCAL APPLICATIONS.

Each eligible recipient desiring to receive a grant under this title shall submit an application to the Governor at such time, in such manner, and containing such information as the Governor and the Secretary may reasonably require. Such application shall include—

(1) evidence that the community to be served by such eligible recipient has—

(A) adopted the National Education Goals;

(B) established and implemented a community-wide strategy for achieving those goals;

(C) developed a "report-card" for measuring and reporting to the public, at least once each year, the community's progress toward achievement of the goals; and

(D) demonstrated a willingness and commitment to make substantial improvements in the education of children in the community through establishment of a New American School;

(2) the community's plan for a New American School, including, as necessary, a description of the steps to be taken to obtain recognition or accreditation from the State and be fully operating by the start of school year 1996–1997; and

(3) evidence of community support for the plan, including, as appropriate, financial support to be provided from private-sector sources.

SEC. 305. STATE APPLICATIONS.

In order for an eligible recipient in a State to receive a grant under this title, the Governor of such State shall submit an application to the Secretary at such time and in such manner as the Secretary may reasonably require. Such application shall include—

(1) a description of the process the Governor has used, in accordance with section 306, to nominate eligible recipients to create New American Schools;

(2) a list of the eligible recipients nominated by the Governor to receive a New American School grant on behalf of a community;

(3) copies of the plans, prepared by each eligible recipient nominated by the Governor for a grant under this title, for establishing and operating a New American School;

(4) an identification of non-Federal resources, which may include private-sector contributions, that will be available to establish and operate each New American School in the State; and

(5) such other information as the Secretary may require.

SEC. 306. SELECTION OF ELIGIBLE RECIPIENTS TO CREATE NEW AMERICAN SCHOOLS.

(a) NOMINATIONS.—The Governor of each State, in consultation with the chief State school officer, shall nominate eligible recipients within the State to receive a grant under this title to create a New American School.

(b) NUMBER.—In making nominations under subsection (a), each Governor, in consultation with the chief State school officer, shall, by September 30, 1994, nominate at least one eligible recipient serving a community in each congressional district in the State.

(c) NOMINATION CRITERIA.—

(1) IN GENERAL.—Each Governor, in consultation with the chief State school officer, shall nominate eligible recipients on the basis of criteria established by the Secretary, based on the advice of the panel of experts established under section 308.

(2) CRITERIA.—The criteria described in paragraph (1) shall include, at a minimum—

(A) the level of commitment and activity displayed by the community to be served by an eligible recipient through such community's participation in the President's AMERICA 2000 Communities initiative;

(B) the need for new and innovative educational programs in the schools of the community to be served by an eligible recipient; and

(C) the quality of the application submitted by the eligible recipient to the Governor.

(d) APPROVAL.—Beginning no earlier than January 1, 1993, the Secretary, with the advice of the panel of experts established under section 308, shall approve some or all of the eligible recipients nominated by Governors to receive New American Schools grants on behalf of communities, based on the Secretary's determination that such approval would be fully consistent with the purpose and requirements of this title.

(e) ADDITIONAL NOMINEES.—A Governor, in consultation with the chief State school officer, may nominate other eligible recipients if—

(1) the Secretary does not approve one or more of the Governor's nominees;

(2) an approved eligible recipient or community withdraws from the program; or

(3) the Secretary determines that the eligible recipient or community is unable to carry out its project successfully or is not making adequate progress in carrying out such project.

SEC. 307. AMOUNT OF GRANTS, OPERATION OF SCHOOLS, AND USES OF FUNDS.

(a) AMOUNT OF GRANTS.—The Secretary, after consultation with the Governor, shall determine the total amount of each grant under this title, except that—

(1) no such grant shall exceed $1,000,000; and

(2) the Secretary shall consider the expected student enrollment in the New American School in determining the amount of such grant.

(b) ESTABLISHMENT OF SCHOOLS.—In establishing a New American School, a grant recipient is urged to work cooperatively with, and make use of information available from, the design teams funded by the New American Schools Development Corporation and to provide to those teams such information on the operation of New American Schools as will benefit the teams in completing their work.

(c) USE OF FUNDS.—

(1) IN GENERAL.—Grant funds made available under this title may be used only to meet the special start-up costs associated with the creation and establishment of a New American School, including—

(A) planning, curriculum development, and curriculum adaptation;

(B) training of teachers, administrators, and other staff, as well as parents and members of the community who are involved with the New American School;

(C) purchase of equipment and materials;

(D) minor renovation and remodeling of facilities; and

(E) obtaining the assistance of outside experts, including one or more of the teams described in subsection (b), to assist the eligible recipient in establishing its New American School.

(2) PROHIBITION.—Grant funds made available under this title shall not be used for construction or for the grant recipient's general administrative expenses.

(3) LIMITATION REGARDING SECTARIAN PURPOSES.—Grant funds made available under this title shall not be used for sectarian schools.

(d) SPECIAL RULE.—Each New American School established under this title shall have obtained State recognition or accreditation, as necessary, and be fully operating by the start of the 1996-1997 school year.

SEC. 308. SECRETARY'S PANEL OF EXPERTS.

Within 90 days of enactment of this Act, the Secretary shall convene a panel of experts consisting of educators, representatives of private business, and representatives of the public to advise the Secretary on the administration of the program authorized by this title, including—

(1) the criteria to be used to nominate eligible recipients to establish and operate New American Schools; and

(2) the approval of eligible recipients nominated by Governors to establish and operate New American Schools.

SEC. 309. NATIONAL EVALUATION AND DISSEMINATION.

(a) EVALUATION.—The Secretary shall use the funds reserved under section 312(b) to conduct a national evaluation of the impact of the New American Schools program on schools and communities, and on education generally.

(b) REPORTS.—The Secretary shall submit such interim evaluation reports to the President and the Congress as may be appropriate, and shall submit a final evaluation report by September 30, 1998.

(c) DISSEMINATION.—The Secretary shall take appropriate steps to disseminate the findings of the national evaluation and to disseminate information on successful educational programs developed under this program.

SEC. 310. INSULAR AREAS.

The provisions of Public Law 95-134, permitting the consolidation of grants to the Insular Areas, shall not apply to funds received by such areas under this title.

SEC. 311. DEFINITIONS.

For the purpose of this title—

(1) the term "community" means—

(A) a unit of general purpose local government, such as a city, township, or village;

(B) a geographically distinct area, such as a school district, school attendance area, ward, precinct, neighborhood; or

(C) an identifiable group of individuals, such as the members of a service organization, who generally reside in a particular geographic area;

(2) the term "eligible recipient" means the agency, organization or institution that will receive a grant under this title on behalf of a community to establish a New American School;

(3) the term "Governor" means the chief executive of each State; and

(4) the term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Republic of Palau (until effective date of the Compact of Free Association with the Government of Palau).

SEC. 312. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated $100,000,000 for fiscal year 1992, $200,000,000 for fiscal year 1993, $300,000,000 for fiscal year 1994, and such sums as may be necessary for fiscal years 1995 and 1996 to carry out this title.

(b) RESERVATION.—From the amount of funds appropriated under subsection (a) for fiscal years 1992 through 1996, the Secretary shall reserve a total of not more than $3,000,000 for the national evaluation described in section 309.

(c) AVAILABILITY.—Funds appropriated pursuant to the authority of subsection (a) shall remain available for obligation by the Secretary for two fiscal years beyond the fiscal year for which such funds are appropriated.

On page 56, line 22, strike "III" and insert "IV".

On page 56, line 23, strike "301" and insert "401".

On page 58, line 1, insert ", unless otherwise specified," before "means".

Mr. COCHRAN. Mr. President, this is the amendment described in the order entered yesterday to the bill as reported by the committee that is described as the New American Schools amendment.

Let me say first of all that we have had a great deal of discussion today already, and last night as well, trying to resolve the issue that is reflected by this amendment. It creates authority for the Secretary of Education to award grants to applicants from communities around the country which would like to establish a new break-the-mold American school. This is one of the centerpiece programs of the America 2000 strategy to implement the goals announced by the President and the Nations' Governors some 28 months ago.

The discussions that we have had about the language that would be acceptable to the bill managers, and most Senators have produced some amount of progress. I would say to the Senate, the managers of the bill, the chairman of the committee, Senator KENNEDY, and members of his staff have been working very hard to try to reach an accommodation on this issue. But I must say that at this point there has been no final successful negotiation of differences that still exist on how this program should be administered.

I am hoping that there is still a possibility for us to reach an agreement so the amendment could be accepted in a modified form. But I do not know that is going to be the case. So I will just briefly point out some of the reasons why having a provision added to this bill on the subject of New American Schools and an opportunity provided to use previously appropriated funds for the America 2000 Program by communities around the country which are interested in participating in the program and excited about the prospects that they will be able to get some Federal financial support for local initiatives that are developed in response to the challenge that has been issued nationwide by the President and the Nation's Governors to reach our education goals.

Communities in America are excited about this. I think it is clear from the calls and letters that have been coming into the Department of Education, to the President, and to Senators and Congressmen around Capitol Hill on this subject there is a genuine interest in the opportunity to participate in this New American School Program.

We are trying to encourage, at the local level, teachers, parents, and business sector people who are interested in education, to get together and come up with suggestions for new ways of schooling, new techniques for teaching, new schools. These would be schools that would lead to the highest levels of performance possible by students in schools that would use the capital—social, human, financial—in the community and using it to bear on the single critical question. And that is: How can we create the best schools in the world right here in America, right here in our community, to have schools that help all of the children, all of the students reach world-class levels of performance? And that is what is at stake in this amendment.

For the first time, we would reach out beyond those who are already engaged in education, already engaged in managing the education system, and try to get new ideas, a fresh approach. Let us start from scratch, see what they can come up with that would be innovative and would work.

This amendment that I am offering, therefore, would authorize $100 million for the New American Schools Program. It would give directly to the communities who would apply for these funds the resources to break the mold, to capitalize on their own creative genius, to create a unique approach tailored to fit the strengths and the weaknesses of the community.

If we combine all of that with the best of what is known about education, learning, and technologies that exist, we can offer students at the local level a world-class education.

This $100 million that is authorized in this amendment is in addition to and added to the other provisions and authorizations of the Kennedy bill. S. 2, as reported by the committee, is not changed by this amendment. There is no provision of the Kennedy bill that is stricken by the amendment that is pending before the Senate. This is an additional authorization. It leaves in place the funds that would be authorized to go to neighborhood schools under the committee's bill.

The purpose of this amendment is to authorize the implementation and describe the way that the New American Schools Program will be administered by the Secretary of Education and the Nation's Governors.

The amendment guarantees communities will have a new challenge, a challenge put before them by this incentive program. It is an incentive to come up with a new idea. Any institution, agency, or organization could develop an education plan on behalf of its community. The plan would be submitted to the Governor of the State who, in consultation with the chief State school officer, would make recommendations for approving applications directly to the Secretary of Education.

In awarding the grants, the Secretary of Education and a panel of education experts that he could assemble would consider the level of commitment to the plan by the community to be served, the need for new and innovative educational programs in that community, and the quality of the application. It is contemplated that priority will be given to those applicants serving communities with high concentrations of educationally disadvantaged children and children from low-income families.

Applicants are encouraged to serve students with diverse academic abilities and where feasible utilize non-Federal resources of cash and in-kind services.

The amendment authorizes grants to be made, up to $1 million each, depending upon the number of students to be served and the overall cost projection for the plan. Grant funds will be used only to meet the special startup costs associated with the creation and establishment of a New American School.

Therefore, this amendment is not a long-range subsidy for any school district or organization that decides to apply for and have a grant approved. It is only to start up, to plan and develop curriculum, to train teachers or other staff, as well as to involve parents and members of the community who are interested in it and interested in being involved with the school.

The funds could be used to purchase equipment and materials. Even minor renovation and remodeling of existing facilities would be permitted under this amendment. If outside experts or consultants have to be brought in, including design teams that may be selected by the New American Schools Corporation, that is permissible under this amendment.

So each new American school established with a Federal grant has to, first of all, get over the hurdle of satisfying the State school official who consults with and advises the Governor, the Governor of the State, and then the application has to be approved by the Secretary of Education, who consults with and utilizes the advice of a panel of experts who will review all the applications.

One additional requirement for eligibility is that this new school that would be established by using some of the Federal funds would be required to obtain accreditation from the existing State government authorities, and to be fully operational by the start of the 1996–97 school year.

We have seen in our State of Mississippi some people who are already looking into the possibilities of putting together applications and proposals for this New American Schools Program. Some are parents, others are local colleges, business, and education professionals as well.

It seems to be that one of the most attractive aspects of this program is the incentive it gives to State and community leaders to use technologies that are just coming into being, and to translate them into use for educational purposes or educational research and new practices.

The goal of the American 2000 strategy is make America's schools as good as they can be so they can better prepare the Nation's schoolchildren to meet the challenges of the next century. It is a policy that is based on the notion that innovation and creative genius can—and it should—be harnessed and directed toward redefining education as we know it.

It challenges the best and the brightest in every local community to take ownership of America's future by investing in their neighborhood schools.

There have been a lot of examples discussed in our committee and here on the floor of the Senate of ideas that are being utilized in education today.

In our own State, we have seen a new school created for math and science students. This was done in 1987, for the purpose of offering a new educational opportunity to the most academically talented students in our State who wanted to participate in this program.

It is a public, residential school program for 11th and 12th graders that provides room, board, and tuition at no cost to the students. They are all on scholarship. The mission of the school is to provide an environment where the students are given extra opportunities for excellence in learning and personal growth, and it prepares students for a technological future by giving them opportunities for a better foundation in mathematics, science, research, writing, and computer science.

Another example of a local initiative that is being developed in our State is Mississippi 2000, a public-private partnership which has created a two-way interactive video educational network to bring educational opportunities to rural communities and small towns that would not otherwise have them. Hard-to-teach subjects, or subjects where teachers are hard to find, can be make available to students through this distance learning technique. It is a joint undertaking of four State agencies: The Mississippi Educational Television Authority, the Mississippi Institutions of Higher Learning, the State Department of Education, and the State Board for Community and Junior Colleges.

What has really made it work is the investment that private companies have made in the program through financial as well as in-kind contributions. South Central Bell, for example, provides the fiber optic delivery system. Northern Telcom is donating much of the signal switching equipment. IBM has committed $1.25 million in computer equipment. Apple is also contributing computer technology. Local school districts are coming up with some of the costs.

Currently, four rural communities are involved and are participating in this program, and it demonstrates how barriers to a superior education and to the old ways of doing things can be broken down. Limited resources is a problem that everybody has. In our State especially, but in every State of the Union, there are communities which would like to experiment with these new technologies, would like to be able to create a new school whether for specially talented students in math and science or whether to try to educate a broad base of the student population, which is what our amendment encourages, but who do not, in fact, have the resources to do it. They have the desire, the interest; they are excited about the prospects, but they do not have any money.

That is what this amendment provides, some money to those communities who obviously have the best ideas, the most innovative suggestions for change and reform that will be rewarded by grants from the Federal Government to support their local initiative.

How can you be against that? Mr. President, I do not know of a single Senator who really would want to be opposed to this new program. The money has already been appropriated. Last year when the Appropriations Committee was winding up its work for the year, the subcommittee on Labor-HHS appropriations put in $100 million for programs, initiatives under the umbrella of America 2000, the President's and the Governors' suggested education reform program.

There is not one initiative of that kind in the bill as reported by the committee, and unless we pass the legal authority, unless we authorize the Department of Education to administer a program described as an America 2000 initiative, that money is not going to be spent. Previously appropriated money will not be spent on any America 2000 program. That is another reason why it is very important for us to take affirmative action on this amendment. As a matter of fact, I think that the appropriations language said that if legal authority is not approved by the Congress by April 1, 1992, then that appropriation is no longer available for America 2000 initiatives.

It is important that we act now. It is important that we approve this amendment and let the local communities who are interested in participating begin the process of developing their applications, presenting them to their chief education officer and their Governor to see if it is the kind of program that merits financial support from the Federal Government. And if they think it is, then it can be sent to the Secretary of Education, who, in consultation with a panel of experts, can then approve some number of those applications and provide up to $1 million for each eligible applicant as long as this appropriation will last.

As you can see, if all of the funds in the appropriation, $100 million, are used in fiscal 1992 for just this initiative, only 100, no more than 100, schools could be created if $1 million for each applicant were used.

One other provision of the bill I want to mention is that the Secretary does not have to approve up to the full amount of $1 million for each application. It could be that some applications are more modest in terms of the Federal funds needed or required, so the Secretary can reduce the amount an applicant gets below that $1 million figure.

I have cited a few examples of how the program would work, the kinds of education initiatives that would be rewarded, the incentives that we are trying to create. Senators already have been discussing some new programs—Senator KENNEDY discussed new programs in his State. Other Senators have talked about programs in their States that they know about, and that is the kind of new initiative that we are talking about providing some incentive for funding and for development.

To give you an idea of the extent of interest throughout the country, there was recently a conference sponsored by the New American Schools Development Corporation for the purpose of discussing the national design and research effort that the corporation is undertaking. Senators may remember that this corporation was created for the purpose of bringing together high-level experts to come up with design plans that could be replicated in a nationwide program to redesign our schools. The difference between that initiative, incidentally, and the amendment that is being offered now is that this amendment funds, right now, community-based efforts that are already underway or that can be developed in order that the program can be approved and the projects funded by January of next year. This corporation's work is going to take 4 to 5 years to complete. And so we want to start now with a program of encouraging ideas from the local level.

But let me show you the attendance list, Mr. President, of the people who came to this conference to find out about how you apply and what is going on in the design and development of new techniques in education. This is a book that contains the list of attendees. This is not the report of the conference. This is the list of everybody who came. Think about that. Over 5,000 people came to the conference to find out about the New American Schools initiative and how they could participate, how their communities could become involved, what was going on. The excitement is there. People are ready to respond to this challenge, Mr. President, and the Congress ought to do its part by providing some Federal funds to encourage and support the development of these new ideas, these new ways of doing things, and it seems to me that it is certainly an idea that we ought to approve and embrace and we ought to fund the program and get it started.

We have heard the stories about American students, the fact that they are not performing at the level they should. We are going to be falling behind in this competitive world if we are not very, very careful. We need to bring our best resources and our talents to bear on that problem.

This is one way we can start moving in a positive direction.

I read a story in the newspaper in my State the other day where at an economic symposium Bell South president, John Clendenin, said he was disturbed about the basic skills that were being acquired by students graduating from high school because of the fact that of those who were high school graduates taking the entrance level employment exam at his company, only 10 percent were passing.

This is not a high-level job. He said it is a job that a person who had finished the 10th grade of high school ought to be able to perform without any additional training. But only 10 percent of those taking the test were passing it and these were all high school graduates.

We really have to do a better job of educating our student population at the elementary and secondary level. Our Federal responsibility is to contribute in a positive way to a climate for improving our schools. All of the schools cannot get $1 million from the Federal Government. We just do not have that kind of resource available. I wish we did, but we do not. But we can encourage the development of ideas which, if they work in one community, may work in another; which if they work around one State, the benefits can be enjoyed somewhere else. And so it is to demonstrate how new ideas can be put to work and improve our education system.

Mr. President, I hope Senators will approve this amendment.

Mr. DURENBERGER addressed the Chair.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Chair recognizes the Senator from Minnesota [Mr. DURENBERGER].

Mr. DURENBERGER. Mr. President, I rise in support of the amendment of my colleague form Mississippi to specifically authorize funding for New American Schools. I am pleased to be an original cosponsor, and believe it would represent a substantial improvement in the legislation we now have before us.

I intend at some other point in time to have some remarks to share with my colleague from Massachusetts, who has been so wonderfully cooperative in working out some other language in other amendments that we discussed in the committee and have discussed on the floor. The junior Senator from Connecticut, of course, has been an important part of that as well.

Mr. President, it is an important and a powerful statement about priorities in this country that our first order of business in the second session of the 102d Congress is legislation intended to improve the quality of education for every American child.

Because of the leadership provided here in this body, in particular by those of you who have been on the floor over the last 2 days, leadership by President Bush and by Secretary Alexander, leadership of the Governors all over this country and leadership from States like Minnesota, education is finally earning its rightful place in the Nation's political agenda.

I think we agree it is about time and about time we all got on board.

Mr. President, others have spoken forcefully in the debate about improvements in the quality of education in America. Let me share with you one statistic that speaks to the importance of quality education in an increasingly competitive world economy.

According to a study done several years ago by the Committee for Economic Development, a single year's class of school dropouts will cost the Nation $240 billion in lost earnings, taxes, and added social programs over the lifetime of the young men and women. Just from 1 year, a $240 billion loss. That hurts not only our taxpayers but our Nation's economy as a whole.

Mr. President, I ask at this point, too, that reference to the same subject in a recent issue of the Minneapolis Star and Tribune in a column by Dick Youngblood be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star and Tribune, Jan. 20, 1992]

U.S. EDUCATION NEEDS ABRUPT TURN FOR THE BETTER

(By Dick Youngblood)

Secure in their ivory towers, educators rail against the notion that we ought to find ways to measure their performance and hold them accountable for the quality of the education our children receive.

At the same time parents and politicians trip over each other in pursuit of new ways to carve a buck or two out of next year's school budget, making sure, of course, that varsity athletics remains unscathed.

Meanwhile, a skills crisis that can be traced right back to the classroom is engulfing the American work force, threatening the nation's ability to compete in the global marketplace.

It might not be too late to reverse the trend, some experts say, but the odds are building that America could be left behind by the end of the 1990s if action isn't taken quickly.

I come by this daunting perspective courtesy of the National Association of Manufacturers (NAM) and the management consulting firm of Towers Perrin, which collaborated last year on a survey of work force skills among NAM members.

Some of the results will appall you; others should scare the complacency right off you. Consider.

Despite demographic trends that are slowing the growth of the work force, the average manufacturer rejects five out of every six job candidates because of a lack of basic skills. A third of the companies surveyed regularly reject applicants because they cannot read or write adequately, and a fourth of them rebuff candidates because of poor math and communications skills.

In terms of the existing work force, more than half of the 360 companies responding to the survey reported major skills deficiencies in basic math, reading and problem-solving in their employee populations.

As a result of these deficiencies, 40 percent of the respondents reported serious problems upgrading technology, and 37 percent noted major difficulties increasing productivity.

Even more menacing, 30 percent of the companies said they could not reorganize work activities because their employees could not learn new jobs. And 25 percent said they couldn't upgrade product quality because their workers were unable to learn quality-enhancing skills.

The upshot: "We found that every region of the country has severe shortages of skilled craft workers and expects these shortages to get worse," said Ronald Porter, a Towers Perrin executive. The survey also found a shortage of semiskilled workers everywhere except New England.

And it's not expected to get any better as the labor force grows in the 1990s at less than 60 percent of the rate in the late 1970s and '80s. Indeed, thanks to a dropout rate that averages 25 percent—50 percent in inner cities—the skills gap is expected to widen in the 1990s.

"Sixty percent of new jobs (in the 1990s) will require more than a high school education," the survey reported. "However, 70 percent of new entrants into the work force will have less than a high school (diploma)."

It would take a congenial optimist to locate a silver lining in a storm front that dark and imposing.

Fortunately, I have uncovered just such a cheerful gent right there at NAM headquarters in Washington, D.C.

To NAM Vice President Michael Baroody, the situation is not irretrievable. But he argued that it will require fast, aggressive action by U.S. business and industry, in concert with schools and other government units, to find creative and effective ways to retrain the existing work force and to prepare new employees for the school-to-work transition.

To that end, NAM has launched a national program in partnership with the Department of Labor to help corporate America design work force education and training programs.

The idea, Baroody said, is to use NAM members that have developed successful training and retraining programs to help develop national information network and to share their ideas at regional workshops.

"There have been some dramatically successful programs," Baroody said, citing the case of Wil-Burt Inc, of Orville, Ohio, a metal fabricator with fewer than 300 employees. To help upgrade product quantity, Wil-Burt formed a partnership with the nearby University of Akron to offer courses in math and blueprint-reading tailored to the company's needs.

The result: "Before, the company was putting out a pretty good product built according to custom specifications," Baroody said. After training, however, the workers began spotting and correcting flaws in the specifications, trimming the project rejection rate to a fractional level while lofting morale "sky-high."

"There are community colleges all over the country where such a partnership would be a natural" Baroody said.

Similarly, NAM called for greater corporate participation in a variety of school-to-work transition programs ranging from on-site student training to senior-year apprenticeship programs to student mentoring by corporate executives, supervisors and employees.

That, of course, sounds a great deal like the adopt-a-school program underway in Minneapolis, where volunteers from more than 50 companies are involved as mentors, tutors and role models helping local schools prepare their students for the workplace.

Alas, NAM reported, less than 5 percent of its members are involved in these programs, although more and more of them are grasping the importance of such efforts. A few companies also are operating remedial education programs to plug the reading-writing-arithmetic holes in their employees' educational backgrounds, Baroody said.

Such solutions, however, are beyond the financial resources of most small employers, NAM said. Thus, there is a need for either government or industry groups to develop cooperative training programs that would assist the smaller companies.

Despite the problems, Baroody is hopeful. "If we can meet the skills challenge, even a slower growth in the work force would leave us with enormous opportunities in terms of adoption of new technology and productivity growth," he said. At the same time, the slowdown in laborforce growth "would leave tremendous opportunities for individual achievement and reward—for everyone in our society."

The alternative, NAM suggests, is to watch "the seeds of a new underclass . . . being sown in the school system."

Mr. DURENBERGER. As Deputy Education Secretary David Kearns said a few years ago when he was CEO of Xerox:

The simple truth is that we can't have a world-class economy without a without a

> world-class work force—from senior scientists to stockroom clerks. And, we can't have a world-class work force without world class schools.

Because of that reality, I think a lot of us got very excited last April when the President and Secretary Alexander announced the administration's America 2000 initiative.

I was especially proud that the President and Secretary Alexander chose to unveil legislation implementing that initiative 1 months later during a visit to the Saturn School in St. Paul.

But, I am disappointed, Mr. President, that the legislation we have before us today leaves out some of the important initiatives President Bush unveiled that warm May day in the courtyard of the downtown St. Paul Public Library.

I am also disappointed that this legislation pays too little attention to the important role State governments can play in initiating and guiding and institutionalizing education reform.

Mr. President, I think we all know that Minnesota has made enormous strides in improving the quality of education—all through the 1980's:

By allowing parents and students to choose any public school in the State;

By offering college level course to high school juniors and seniors;

Through dropout prevention programs; and

Now through chartered schools and the Nation's first statewide program of outcome-based education.

What has really been more than a decade of education reform in Minnesota began in the early 1980's under Gov. Al Quie, a member of my own party who contributed so much to national policy on education as a Member of Congress for more than 20 years.

But I am not at all reluctant to admit that much of the credit for achieving those strides also belongs with Minnesota Democrats.

Part of the explanation for Minnesota's leadership in education reform comes from an appreciation for the importance of creating new schools.

Part of the explanation of Minnesota's leadership in education also comes from a new understanding of the essential values in public education that has emerged in my State over the past half-dozen years.

But despite that new way of thinking, we seem still hung up in this debate, Mr. President, with fears of change and with differences over public and private school choice that really do not need to stand in the way of getting where we all know we need to go.

Public education should not be defined by who owns the buildings and who hires the teachers.

Instead, Mr. President, public education should be defined by outcomes, by the Constitution, by who must be accepted, by who cannot be excluded, and by who pays the bills.

Minnesotans have invented a new way of drawing that line. It's called the "chartered public school."

And other States—from Connecticut to California—are redrawing that line, as well.

Mr. President, Education Secretary Lamar Alexander has called Minnesota's chartered schools law one of the most important aspects of education reform to emerge in the States last year. I intend to discuss the value of chartered schools in greater detail at a more appropriate point in this debate.

But I have mentioned this new opportunity to start schools in this context because chartered schools are highly consistent with the President's America 2000 initiative. Chartered schools are highly consistent with the objectives of the New American Schools amendment offended by my colleague, Senator THAD COCHRAN which he is asking us to consider.

I mentioned earlier that President Bush and Secretary Alexander chose Minnesota as the place to unveil the legislation implementing America 2000.

Secretary Alexander has been back to Minnesota twice since. And, out of those visits, Minnesotans have launched our own version of the President's initiative—known in our State as "Minnesota 2000."

Under the leadership of Gov. Arne Carlson and Education Commissioner Gene Mammenga—and with strong support from the Minnesota Education Association and other education groups—this initiative is involving thousands of Minnesotans in dozens of communities in local efforts to improve their schools.

Minnesota 2000 is based on the concept of community. It involves all segments of Minnesota cities, towns, and rural areas in a united effort to improve education for our State's children.

Minnesota 2000 is designed to bring together not just educators, parents and children, but also businesses, different levels of government, social service agencies, hospitals and health organizations, service clubs, and retired persons.

Minnesota 2000 has the goal of making schools and communities true partners in educating our children, promoting education reform that delivers significantly better results.

As part of Minnesota 2000, Minnesotans have adopted the Nation's six education goals.

And Minnesota 2000 has also expanded on those goals with specific strategies and specific outcomes of its own.

Out of the America 2000 and Minnesota 2000 initiatives, more than two dozen Minnesota communities and organizations have already expressed interest in becoming America 2000 communities—two dozen are competing for that one, I guess, which might go to my own State—with the potential of attracting a New American School to Minnesota.

Minnesotans have also expressed a high level of interest in the competition for grants to help design New American Schools now being run by the New American Schools Development Corporation.

Minnesotans are ready and waiting for the President's New American Schools initiative to be formally authorized. I think that's true in many of the rest of our 50 States, as well.

Funding for the first year has already been appropriated. But we need the amendment that my colleague from Mississippi Senator COCHRAN, has put before us to begin delivering on all the expectations that are now out there all over America.

They are in communities in any State and communities in Massachusetts, communities in Mississippi, from the east coast to the west coast, and from the gulf to the Canadian border.

Mr. President, I will conclude by thanking the distinguished Senator from Mississippi for bringing this amendment to the floor. I urge its support by all of my colleagues.

I look forward to using this amendment to help make the bill a kind of positive statement about the value and the importance of education that the children of this Nation now need and they have long deserved.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I hope to address my remarks to the Cochran amendment entitled "To promote the achievement of national education goals; to establish a National Council on Educational Goals and an academic report card." And on and on.

Let us see who is eligible under this amendment. It says, "The Secretary shall give the money to an eligible recipient."

As I understand it, on page 4, Mr. President:

> The Secretary is authorized to award grants to eligible recipients on behalf of communities to enable such eligible recipients to develop innovative elementary and secondary schools, hereinafter entitled the New American Schools, in the communities served by such recipients.

And, then:

> The term eligible recipient means the agency, organization, or institution that receives a grant under this title on behalf of a community.

So an "eligible recipient" is the person who gets the money, and who is eligible. The Secretary decides.

And the term "community" means: "Any identifiable group of individuals such as the members of a service organization who generally reside in a particular geographical area."

I usually like to address the differences I have with a given amendment or bill item by item. But in this particular case, Mr. President, this is a bad, bad amendment in its entirety. It is nothing but politics. Both Republican and Democrat are trying to identify with the problem, but not solve the problem.

This is typical, because we have really bogged down in this National Capital into the most sordid pollster politics that I have ever seen.

I ran 20 years for office and never saw a pollster. You just did your job to the best of your abilities. I was speaker pro tem, Lieutenant Governor, and Governor. Then I come up to Washington and it is all pollsters. And so the President is told: You have to identify with the problem, and you have to not risk offending the voters. So do not say you are for or against; just say you are concerned. And better than that, come up with new ideas, new ideas, new ideas.

Horse feathers. What we need is not new ideas but old ideals in this land of ours, and particularly in this Government. I think people have the old ideals and are looking for that.

But the pollsters have never solved any problem. None of them ever served in Government. They all are mercenary, to get you by on money, message, and media. And it has gotten to be a disaster. Ergo this superficial identification with education. Ten years ago, the Reagan-Bush team came to town and said: Get rid of the Education Department. The President appointed me to a Federalism Commission to help get rid of it. I balked and I opposed it, as did several others.

And it is an old adage, the best government is the least government, the best government is closest to the people. So Reagan said abolish the Department of Education, abolish the Department of Energy. Cut the funds from Head Start. Cut funds again from Women, Infants, and Children's feeding. Deregulate, deregulate. Oh, yes, and you do not need money, so we will just cut the taxes. Do away with 25 percent of the revenue support for Government, and we will grow out of the deficits. And when we found out we were not growing out of the deficits, we started raiding all the trust funds and playing games of off budget, off budget, and other sleights of hand.

And, incidentally, that is what we are going to get next Tuesday night in the State of the Union. And when they serve it up next Tuesday night, this Senator will followup by introducing the President's budget as he submitted it, and then we'll see how many people are stupid enough to vote for it. We will get a vote on President Bush's so-called economic plan to revive this country, and we will show you all the different sleights of hand, and we will reduce it to black and white, bring it to the committee or to the floor, and see how many people want to vote for it. Then we will all know what kind of game is being played.

Of course, back in the early 1980's, President Reagan finally woke up and realized that we cannot abolish Education. We had better get with it.

Education is fundamental to the success of democracy. It was James Madison who said: "A popular government without means to popular information is but a prolog to a farce or a tragedy, or both."

So we have premised our Government on popular information, meaning public education. But what we have got here in this amendment is politics.

None said it better than former Secretary Bennett, after the education summit down there in Charlottesville, when he said that what they discussed there was "pap," or "something that rhymes with pap." And that is exactly what they got out of that conference. They set a lot of goals and no solutions. They said that people in education are fast asleep, not innovative, do not know competition, and could not care less. Absolutely false. Some of the most dynamic, competitive, innovative folks you will ever find are in public education, and we are going to present that to the Senate here this afternoon so we will understand that the issue, the need, is not innovation, but preparation.

And then when it comes to the money, I just despair. The distinguished Senator from Mississippi that heads this up, the distinguished Senator from Oregon, we all serve on the Appropriations Committee, we are money short. "A day late, a dollar short," is the old saying. Heavens above, we have more and more and more needs to be provided for.

Instead, we have seen unprecedented waste. That same crowd that came to town that was going to eliminate the waste, they have created more waste in a single decade than the history of man. How? By deficit financing, by borrowing and spending us into bankruptcy.

In 1981, 11 years ago, when President Reagan took over, the deficit was only $103 billion. Today, it has quadrupled. This was the President who was going to put the Government into the black. He said, the first year when he got to town, he said, "We'll balance the budget by 1983."

Instead, he was the President who gave us the first $100 billion deficit in the history of man, the first $200 billion deficit. And now President Bush has given us the first $300 billion deficit, the first $400 billion deficit. And listen to Robert Reischauer of the Congressional Budget Office, who is before the Budget Committee right now. He says we are headed for the first $500 billion deficit. Up, up, and away. And with all those Reagan-Bush deficits and the national debt rising to $3.8 trillion, the interest costs have jumped to $310 billion annually.

Meanwhile, I have been serving for over 20 years now on the Labor, Health and Human Resources, Education Subcommittee of Appropriations, and I am looking at valid, proven governmental programs that save money. Consider the Women, Infants, and Children feeding program. I remember when Reagan came in and tried to red-line it, wipe it out. Now we are trying to boost WIC.

We have got innovation already in the public schools; what we need is preparation for the schools—nutritional preparation. Fifty-nine percent of those eligible receive WIC feeding; 41 percent are left out. Funding is now at $2.6 billion. We need $4.5 billion to provide for all the eligible. We have a Head Start Program. Only 32 percent of those eligible are receiving Head Start; 68 percent are left out. We do not have the money.

The President is now belatedly trying to identify with Head Start, with his $600 million proposal yesterday afternoon. He wants to increase funding by $600 million. Mr. President, that still leaves us a billions shy. We are spending $2 billion and we need $7 billion. In fact, we authorized 100 percent coverage by 1994, and that is up to $7 billion. So we need $5 billion more there. Money is what we need.

Title I for the disadvantaged is serving 60 percent, so 40 percent are left out. We spend $6.4 billion. To fully fund it out we need another $3 billion. So we need some $12.5 billion for WIC and Head Start, and we are not going to do that because we do not have the money.

So we come along with this miserly authorization and call it "break the mold." The "New American Schools," as if the problem were innovation.

Gee whiz, I wish they would get out of this blooming town and go around and look at some schools. We have got innovation galore. We have got computers in public schools. We have got all kinds of innovation in the schools.

But, first things first, there is the matter of saving minds.

There is a very interesting study by a doctor named Nevin Scrimshaw from Harvard years back. Dr. Scrimshaw graduated at the top of his class in cardiology, performed a couple of heart operations a week, $10,000 apiece, made 20,000 bucks a week. He said, "Look, I am not really doing any good; I am just making a lot of money. Others can perform this. I want to explore this proposition of hunger and the development of the human brain." And he went down into Mexico with Dr. Cravioto and into Guatemala. He found siblings, one child well fed and the other undernourished, and he developed a study with respect to the development of the human brain, which has 13 billion brain cells.

Those 13 billion cells have already been developed after 5 years of life. The first 10 billion of the 13 billion are developed in the mother's womb in the first 5 months, and there is as much as 20 percent less cellular development if there is a lack of protein, a lack of synthesis of those nerve cells. And as a result, that child is what we generally call retarded. It has general organic brain damage; it cannot assimilate; it cannot concentrate. After being in first grade for 2 years, it will get a social promotion. The poor child will then be put in the second grade. It gets disoriented. It is in the ghetto, and it is into mischief. And Governor HATFIELD and Governor HOLLINGS, we learned that it is cheaper to feed the child than it is to jail the man. And so we put in the WIC Program to ensure proper nutrition.

The distinguished Senator from Minnesota, Hubert Humphrey, came from Vice President back to the Senate. I joined with him in Agriculture. We started WIC feeding. If Senators could shoot all the pollsters, if the President of the United States could get real and stop running around, if he would sit down and listen and work, he has got a Congress that will work with him. We are all in trouble. There is going to be no quick fix. We only have one President, and, heavens above, we have got to work our way out of this situation.

So the education problem is not innovation, the problem is preparation, and we begin with nutrition. Let us not start looking for innovation for the sake of innovation, starting 535 new schools in America, to allegedly break a mold. They had better get the mold off their heads and brains and start thinking and realizing that WIC works. For every dollar we spend, we save $3, because that little infant with the undeveloped brain will never be repaired. Break your arm, and, of course, the bone comes back stronger. You break that brain, it never heals those nerve cells. But for every WIC dollar we spend we save $3 because the alternative is that those low-birthweight infants are put in that incubator, and the average cost is $1,000 a day and the average stay is 30 days. So I am spending $400 or $500 for an expectant mother versus $30,000 for that low-birthweight infant. And I have got nearly the highest rate of low-birthweight babies in my State of South Carolina, and we are working on it. We do not need a new idea. Everybody agrees on this thing. We have just been saying, "For Heavens sake do not red-line or eliminate WIC, and let us flesh it out and put the money into it."

Now, with the primary campaign in New Hampshire, candidates are talking about WIC. Similarly, with Head Start. We have had studies galore. The Rochester study showed that for every dollar I spend on Head Start, I save $4.50. Look at the studies on chapter I for the disadvantaged. In chapter I for the disadvantaged, for every dollar I spend there, I save $6.50.

These are proven programs, but stultified for a lack of money. We have the proven programs. But the people who are working on them are being tackled from behind by this "innovation" nonsense.

I have letters from all over South Carolina. Here is a State that has not sat around waiting for the feds. We have been in there grabbing and scratching and building education. We have a 5-percent sales tax for education. We have excise taxes. We have a property tax. We have a gasoline tax. We have every tax you can think of to fund education.

We wanted to make sure we could make every effort that could possibly be made to boost education. Here, with that effort being made, I get a letter from, the South Carolina Center for the Advancement of Teaching and School Leadership by Dr. Barbara Gottesman.

She writes:

> Since the bill S. 2 comes up for discussion in the Senate on Tuesday, I want you to know that there are schools in South Carolina who are restructuring the school as an organization and changing teaching/learning strategies and the way we serve students. The South Carolina Center for the Advancement of Teaching and School Leadership was set up by the General Assembly in 1989 under Target 2000 legislation.
>
> The Center has one purpose: to help schools restructuring and to influence changes in teacher education. Seventy lighthouse schools work in the Center's Associate Schools program to serve as models for their geographic areas. Each has an in-school team for long range change planning which includes a college and business partner and a community person. All of our schools are linked by electronic mail with each other, the Center, and the college partners for rapid exchange of successful practices.
>
> Specific changes now underway in Associate Schools are: new scheduling patterns, alternative assessment, cooperative learning, shared governance, interdisciplinary curriculum, teaming, and lead teachers. Instead of choice or money for new models, why not support successful restructuring programs already producing results?

I am sure we have a similar effort down in Mississippi because we are hungry for education in the South. We have not been spoiled. We want jobs. We want industry. We want people to come to our States. Quoting again, Dr. Gottesman:

> Each of these schools was given a $5,000 grant through our Center, but that money does not go very far when you are revolutionizing schools for the 21st century. We do appreciate your support.

Then she gives example after example of what innovation has already been taking place in 70 schools in South Carolina for a pittance price of $600,000.

In contrast, what does this amendment propose? I have never seen such political pork barrel in my life. If a Democrat were to submit this we would be run out of the Chamber. I could not get back home, reading the editorials against me, if I said I am going to give each Congressman a school in his district, and each Senator a school in his State. This is blatant pork barrel.

And can you imagine singling out just one school for a $1 million grant, while surrounding schools go without? You let the poor people walk around and gawk inside, "Oh, they have computers. They have curtains on the windows. Isn't that a nice gym. What, a science lab in this school. We have never had science because we could not afford a lab."

So we just march them through so they can see how the rich are getting richer and the poor are getting poorer all because—why? Because we are approaching this not as an education problem, but as a political problem. We try to identify vaguely with the problem. That is what we are doing. We are identifying with the problem, not solving it, just for our own political hides here. We ought to be ashamed to put up a proposal of this kind, talking grandly about "break the mold" and "New American Schools" and all this PR malarkey that they give us.

Let me share several letters from distinguished educators. These folks have really been working in the vineyards, with doctorates of education. And let's remember that education is a nonpartisan thing. I have never heard of it as a partisan endeavor.

Mr. President, I ask unanimous consent these letters be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. GRAHAM). Without objection, it is so ordered.

(See exhibit 1.)

Mr. HOLLINGS. These letters say, "look, do not go along with this so-called New America School plan." Time and again, these various letters are dramatic in their opposition. They have heard about this scheme.

Worst of all, this amendment allows public money to be siphoned off to private schools. We are going to rob the poor again. What is it, Robin Hood in reverse? We are going to rob the poor to provide for the rich, who are looked upon as successes, and say: Look, we have broken the mold.

Nonsense. We already have innovation. There is a booklet, Mr. President, in New York. It has 134 choices for schools. Go down there in Brooklyn. It looked like a war zone, but the kids were there, they were alert, they were surprising. And what they need is not a new American school, or break the mold, what they need is financial support.

There are various articles by the distinguished head of the American Federation, Albert Shanker. He writes regularly as you know, in the New York Times, on Sunday. He speaks good common sense.

There is the issue of parochial schools and church-state relations. We started this debate back 30 years ago when I was campaigning for a Catholic President and everybody was all alarmed that we were going to merge religion with politics.

The one particular amendment that we have, and I mention this, of course, with caution because you cannot say anything because they will try to misquote you, but 90 percent of the private schools are church related. I could quote Thomas Jefferson on the wall of separation of church and state. If Senators travel and go to Ireland this afternoon, they will see there are 30,000 British troops in Northern Ireland. There is a war going on in Northern Ireland because of religion. And go over to Pakistan and India and it is religion; go to France or the Middle East, and it is religion. This shows the greatness, the foresight of the forefathers was that first amendment allowing freedom of religion. They separated church and state, and why do we want to tamper with that now? We ought to appreciate the wisdom of the forefathers in this particular regard.

We have enough divisiveness going on now. Heavens above, under this amendment David Duke down in Louisiana can start schools under this. He would break the mold all right. We would all start goosestepping again.

I never heard of such a thing being proposed here when we have successful programs that save money. The local folks need the support and not the condemnation and the derision that you hear in Japan that we are all stupid, we are all illiterate, we have become a subcontractor.

We have to stop bashing America. And if you want to start, do not bash Japan because if I were the emperor, I would do what they are doing. What you need to do is bash this Government up here. Tell us to wake up and cut out the politics. Cut out this baloney of "I broke the mold" and "new American schools."

We are past the Japanese. The most productive industrial worker in the world is in the United States, No. 1. Go down and ask Lynn Martin, Secretary of Labor, Bureau of Labor Statistics, International Economic Section, the United Nations, anywhere you look—do not worry about that American worker.

Nissan of Japan and Bausch of West Germany were searching for the highest technology production in 22 countries, and we broke ground in South Carolina not long ago with Nissan-Bausch, with automated automotive electronic engineering systems in Anderson, SC, on account of the productivity and the skill of the industrial workers. And if they want more skills, tell them to come to South Carolina. We will provide the skills. We pay for it. We are delighted to do it and open the doors of opportunity.

But do not come here when I am cutting proven programs short, and run around in a circle saying we are going to get innovative and we are going to break the mold and the problem is innovation and new ideas. That PR malarkey comes from the sorry pollsters. Take over the Government, and the first order of business is shoot all the pollsters.

Mr. President, 13 years ago, and again 8 years ago, this body rejected proposals that would divert Federal funds to private elementary and secondary schools. The issue was well ventilated and correctly decided. I would dust off my remarks from then and present them again, except that we are at a different place in history. Mr. President, the arguments against this unconstitutional subsidy have become even stronger during the past decade, while the need for a government that addresses the needs of the people rather than the whims of polls has become absolutely evident.

Mr. President, the American people are beginning to look beyond the public relations facade whipped up by a succession of photo opportunities over the past 11 years. George Bush now presides at the helm of a rudderless and rusting ship of state. This Federal decay, not coincidentally, has gone hand in hand with a growing alienation of the American people from the operations and goals of their Government. "Government is not the solution, it is the problem," President Reagan said. He then strove to make this a self-fulfilling prophesy by attacking and undermining the Federal role in education, energy, housing, banking, trade, labor relations, commerce, and health care.

Mr. President, these are precisely the areas in which we now face our most severe national crises. The deficit is now out of control, skyrocketing from $321 billion in 1991 to $425 billion in the current fiscal year. Medicaid and Medicare reimbursements have fallen so low that doctors refuse to take patients. Underpaid scientists leave NIH for private industry. The President's chief counsel casually proposes gutting time-honored civil rights regulations. We are told that the chief of staff slipped in a speech segment calling for a cap on credit card interest rates, and the President obediently mouthed the words. It strikes me, Mr. President, that this current gambit to transfer public moneys to private schools is just the latest ad hoc, half-baked policy nostrum to come out of the White House. But this is not your run-of-the-mill political mischief, Mr. President, because we are dealing here with one of government's most profound responsibilities: the education of our children. When the President's former Secretary of Education, William Bennett, says that discussion at the education summit was "pap, or something that rhymes with pap," we are well advised to sit up and take notice of the fraud that is afoot.

Mr. President, the Congress has compromised and coconspired with many of the policy disasters of the past decade. Today, we are once again invited to tag along with an administration-led demolition job on the underpinnings of our democracy. This time the target is American public education, which the White House seeks to shortchange in the name of choice reform. This innocent sounding choice reform is a wolf in sheep's clothing—and nobody on either side of the issue is fooled by this latest approach to gutting public education.

Mr. President, our cities are crumbling, child poverty is soaring, families are disintegrating, violence and disobedience are endemic—and every one of these problems are dumped on the doorstep of our public schools. As if these challenges weren't enough, public schools across the country are facing an unprecedented fiscal crisis. In Dade County, FL, veteran teachers are encouraged to retire early to cut costs; no new teachers are hired, but enrollments rise, with many students not speaking English. In New York City, 4,000 teachers are offered early retirement, though only 1,000 usually retire in a year. In Cincinnati, the average teacher spends $200 out of pocket to buy classroom supplies. In Duval County, FL, counselors who help abused children and pregnant teenagers have been let go. In Baltimore City, parents are told that their kids are substandard on 12 out of 13 State measures—and now Baltimoreans are told that their schools would close for a week in February to cut costs. In Greenville, SC, county schools have suffered a wave of layoffs to meet the reduced budget, while schools across South Carolina have been forced to accept across-the-board cuts.

Mr. President, it is not just professional educators who are frightened by the defunding and disinvestment in American public education. James Renier, the chief operating officer at Honeywell, served as acting principal at a junior high school in Robbinsdale, MN, recently. Based on his experience, he concluded:

> All across this country, schools have accepted this responsibility—largely without recognition and without support. They have acted in default of families and community agencies—and the schools aren't equipped for the extra load.

In this context, Mr. President, it is outrageous that Senators would propose robbing scarce funding from our public schools and transferring that funding to private schools. Already, these schools skim the cream by taking many of the best and more affluent students—leaving poor and problem students to the public schools. Now the private schools want to go one step further by skimming off public money to finance their private operations.

If it is educational experiments you are interested in, look to the experience of Milwaukee, WI. In Milwaukee, a private school abruptly closed in the middle of the school year because it was not making enough money. The parents sent tax money to the private school, which closed in the middle of the school year, and then the taxpayers paid again for public educators to patch up the educational damage. These children lost precious time to a failed experiment.

Other Milwaukee children were not accepted in the first place of could find acceptable placement. While the program was open to 1,000 children and 600 applied, only 7 of 21 nonsectarian private schools in the city chose to accept voucher students. Of the 600, only 350 to 390 were accepted into these 7 schools. Of those accepted, 6 percent were expelled—they proved too tough for the private schools to handle.

Mr. President, these schools reserve their right to be selective and picky, but our country does not select and exclude its citizens—all Americans are guaranteed a quality education, and it is our responsibility to provide that education to every child.

I have properly focused on the plight of individual students because public education cannot be provided only to the above-average child. It is a guarantee to each and every American child. But let us consider the average child because assumptions about the average drive the theory. Specifically, the assumption seems to be that if public schoolchildren could choose private schools, their average achievement would rise.

Testimony before the House Subcommittee on Elementary and Secondary Education refutes this assumption. Albert Shanker pointed out that the most recent math assessments done by the U.S. Department of Education show small differences between public and private school achievement—5 percent of 17 year olds at public schools and 4 percent of 17 year olds at private schools scored at an acceptable college entry level.

With regard to the socioeconomic factors which have a high correlation to educational achievement, the students in the National Assessment of Educational Progress test sample in private schools entered school with a great advantage. The mothers of the public school students were 97 percent more likely to have less than a full high school education. The fathers of the public school students were 40 percent more likely to have stopped their education after high school. The fathers of the private school students were 52 percent more likely to have graduated college.

Similar disparities exist in family income statistics for public and private school students. The percentage of students from families with incomes below $15,000 is nearly three times as high as the percentage of similarly poor students in religious and nonsectarian private schools. Public schools have only half the percentage of students from families earning more than $50,000 at religious schools, and less than one-third the percentage of such students at nonsectarian private schools.

When we add to these socioeconomic factors the fact that public schools provide a curriculum less focused on college-track courses, it is astounding that private school NAEP scores are not much higher than public school scores. And it strains credibility to think that allowing any or all public school students to enter private schools will improve achievement. Both sectors are faced with a great challenge, and both are having difficulty meeting it.

The real problems our country faces must be met with collective action. They cannot be pawned off on someone else or left to laissez-faire. The economy will not bounce back without wise public investment. Health care will not fix itself through exhortation. Substandard schools cannot be escaped through abandonment of the building or of responsibility. Yet that is the basic idea proposed here: If a school begins to fail, give its responsibilities to a less accountable authority and abandon the substandard school. Mr. President, everyone would like the choice to abandon a tough situation and waltz into a new, perfect school. I would like to choose not to have the lack of funds we face in education at every level to invest in every school. Mr. President, the American people have been offered panaceas and scapegoats before, and I think they are tired of it. We have been told "no need to pay taxes—we will provide services and trickle down will provide funds—no need to be saddled with government." Now we are told "no need to improve your neighborhood school—with no substantial new funds, and during a severe budget crunch, you can just choose to go somewhere else."

I think the more realistic option is to require accountability of public officials for the public responsibility. The guarantee of education is a public guarantee enforced at every level of government to every child. It is a public responsibility to all children—not just to the children creamed off the top by private schools competing to win a contract of voucher—not just to the children living in prosperous neighborhoods paying for prosperous schools—not just to children born into an organized religion with ample funds for fine school facilities; in what atmosphere will a child of another religion learn, even in a wealthy religious school?

Mr. President, the solution of private school choice is not the answer to the real problems facing the American people today in education. It is another of the many boondoggles that have gotten us off on the wrong track. The American people are clamoring for public accountability and responsive action. They are tired of pie-in-the-sky promises that an invisible hand will cause money to trickle down or school test scores to trickle up. The Senate has fully debated the issue before, and it is unconstitutional and irresponsible. I urge the strongest opposition to this amendment or any amendment which shifts public Federal funds to private education.

EXHIBIT 1

LEXINGTON COUNTY
SCHOOL DISTRICT ONE,
Lexington, SC, January 21, 1992.
Hon. ERNEST F. HOLLINGS,
U.S. Senate, Washington, DC.

DEAR SENATOR HOLLINGS: I am writing in opposition to the several proposed amendments to S. 2 that would allow private schools and corporations to use public education funds. As I am sure that you are aware, the level of state funding for education in South Carolina has been cut during the current fiscal year, and the revenue projections for FY93 are dismal.

Lexington School District One is a rapidly growing school district that has been very progressive in introducing new instructional programs that are aligned with the national goals for education. We have major staff development initiatives underway—most notably in the areas of science and mathematics. Our efforts to reform pedagogy in elementary mathematics instruction rest largely on the implementation of a national diffusion network program entitled the Comprehensive School Mathematics Program (CSMP). In several pilot classrooms, we have seen phenomenal gains in student achievement and very positive responses in student attitudes.

In addition, we are introducing substantial calculator use into mathematics instruction at every grade level in our system. I would note that the Dwight Eisenhower federal funds (DEMSEA) have been excellent seed money for this effort. An accelerated implementation however to achieve the national goals in science and math require more substantial funding sources.

For these reasons, I am dismayed that federal education funding could be siphoned away from the public schools at this critical juncture. Indeed, I am hopeful that the proposed funding for the "New American Schools" initiative could be re-directed to the massive staff development and technology acquisition needs in our public schools. The building of "new" schools in the face of our current needs belies our recent successes, especially in South Carolina, with the development of programs that show a tremendous impact on student achievement.

During the last five years, the proliferation of advance placement programs in our public high schools in South Carolina has more than doubled. High School teachers in this instance have received the staff development they needed in support of this effort. This is just one example of the public schools' ability to make needed improvements toward the goal of "world class" instructional programs.

I urge your support for the direction of public funds to reform public education. Public education has the knowledgeable leaders and the will to meet the national education goals. We would appreciate your confidence and leadership in providing the federal resources needed to get the job done.

Sincerely yours,

J. CHESTER FLOYD, Ed.D.,
Superintendent,
Lexington School District One.

HORRY COUNTY SCHOOL DISTRICT,
Conway, SC, January 20, 1992.

Hon. ERNEST F. HOLLINGS,
Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: I would like to ask for your help in defeating an amendment under consideration by the Senate that would allow private schools to use public funds to support their educational programs.

Public schools are being asked to provide more services to the handicapped, the learning disabled, the children born as crack babies, and children who come to school developmentally delayed because of their socioeconomic circumstances. I might add that private schools are able to "screen" out these unfortunate numbers from their clientele—and they do.

I would hope that the $535 million in "New America Schools" program could be directed toward expansion of programs like Horry County's Graduation Enhancement Program, that has been successful in keeping more than 90 percent of its most at-risk high school students from dropping out of school.

This country will be stronger when all its citizens are productive—not just the elite served in private schools.

Sincerely,

JOHN W. DAWSEY,
Superintendent.

GREENWOOD COUNTY
SCHOOL DISTRICT 52,
Ninety Six, SC, January 20, 1992.

Hon. ERNEST HOLLINGS,
U.S. Senate, Washington, DC.

DEAR SENATOR HOLLINGS: It is my understanding that some consideration is being given now through S. 2 to the concept of providing public funds to private schools and corporations. I am not in favor of this concept when it is obvious that public education does not receive adequate funding already for the many mandates thrust upon us, mandates that can be taken as "options" by private schools and corporations. For instance, public schools can not, in effect, deny admittance to even the most severely handicapped child while private schools and corporations can admit (or not admit) virtually whomever they please. Various schemes proposed to supplement funding for private schools and corporations with public money should be voted against.

Thought should be given to provide funds for public education for programs that have proven to be effective. There are many success stories in this country, but many times school districts just do not have funds to implement programs even if they are effective. The so-called New American Schools, for which some $555 million is proposed, will do nothing more than re-invent a wheel that has already been invented. Congress ought to devote money to alleviate gross shortages in funding federal mandates first before any new "experiments" are undertaken, case in point is the situation faced by school districts in dealing with students under section 504 or P.L. 94-142 (Individuals with Disabilities Education Act or IDEA).

Your attention to these matters will be appreciated.

Sincerely,

GERALD R. ROBINSON,
Superintendent.

HAMPTON
SCHOOL DISTRICT NO. TWO,
Estill, SC, January 20, 1992.

Hon. ERNEST F. HOLLINGS,
Washington, DC.

DEAR SENATOR HOLLINGS: Briefly, as you work today on S. 2, please let me urge you to consider the impact that a choice provision without restrictions will have upon public education especially in rural areas.

First, a level playing ground has never been established between public and private education. This was fine when no public monies were flowing to private schools, but it would be a disaster if they could now receive funding while still selecting students, avoid children with disabilities, and not be required to meet certification and accreditation standards imposed upon public schools.

Second, in most rural areas with which I am familiar, parents and guardians would still not have choice even if approved because of the lack of transportation both by distance and by system.

Third, equity in funding has been a problem for rural education throughout the country as noted by lawsuits recently in Kentucky and Texas. Choice will not solve this issue and may make it more significant as an obstacle to quality education for rural youngsters.

Finally, there are no current studies that indicate that choice has made a significant academic difference where it has been implemented. Why should we jump on a new bandwagon without pilot program success?

On another issue, even though I have personally been requested to serve as an advisor on the development of the New America Schools, I am not sold on the concept. I will accept the position and challenge if it comes to fruition, but I feel that the money could be used more wisely to replicate current effective programs such as the Even Start project in Hampton District Two and many others that are making a difference.

Thank you again for your continued support of education and for your efforts on this piece of legislation.

Sincerely,

ALBERT E. EADS, Jr., Ph.D.
Superintendent.

MULLINS
SCHOOL DISTRICT NUMBER 2
Mullins, SC, January 21, 1992.

Hon. ERNEST F. HOLLINGS,
U.S. Senate, Washington, DC.

DEAR SENATOR HOLLINGS: Greetings to you from Mullins. Your visits to us during the Golden Leaf Festival and other occasions are always appreciated.

I am asking that your strong voice be raised against amendments to S. 2 which will come up for a vote today. These amendments which would allow private schools and corporations to use public funds are totally inappropriate.

It is inconceivable also for Congress to consider allowing private schools of any sort to utilize public monies when they are selective in their admission of students. They can ignore the learning disabled or physically handicapped children and can employ persons to teach who have not met professional certification standards.

We have good schools in this and neighboring school districts. Across South Carolina there are schools that are exemplary and can be replicated rather than using $535 million to start "New America Schools" from scratch. Our public school students could benefit from these funds without opening opportunities for private, for profit corporations.

Thank you for your efforts on behalf of education in this nation and your consideration of these thoughts.

Sincerely,

WILLIAM C. FOIL,
Superintendent.

MOUNT PLEASANT HIGH SCHOOL,
Elliott, SC, January 21, 1992.

Hon. SENATOR HOLLINGS,
Private School Funding.

In my opinion, private schools should not be given public money because they are not regulated by public guidelines and requirements. Public schools, however, are required by law to serve all students, not simply select students. Therefore, public funds should be given to public schools only.

The subject of the "New America Schools" is one that I frankly do not favor because the proposal contains no specifications with respect to the application of federal laws and would divert badly needed funds away from the public schools.

At Mount Pleasant High School, Lee County School District, we have established an in-house/district staff development program for students and teachers. This program utilizes trained consultants who work with both teachers and students. This program provides our students with additional preparation for successfully mastering those skills on the BSAP and Exit Exam. This program can be replicated across this state and nation.

Sincerely,

JAMES GARY,
Principal.

CHEROKEE COUNTY
SCHOOL DISTRICT NO. 1,
Gaffney, SC, January 21, 1992.

Hon. ERNEST F. HOLLINGS,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR HOLLINGS: As superintendent of the Cherokee County School District, I feel strongly about the importance of public education. I believe our situation today is somewhat similar to the one our nation faced in the 1920-30's. We have a large number of new immigrants and a growing number of low-income children who desperately need to be brought into the mainstream of American economic, social, and political life. I do not believe that private schools which exclude students based on their economic, social, ethnic, or handicapping conditions will be able to accomplish this task. Furthermore, I believe the public schools need to include all levels and types of students if we are ever going to learn how to live and work together. We faced this dilemma in the early 1900's and we are facing it again in the 1990's.

We were successful in bringing large numbers of children into the middle class in the 1920's, 30's, and 40's. We can be successful again, but only if we have a strong national commitment to improve the educational and economic status of all children. I believe many of the problems we encounter today in our workforce come from our lack of cohesiveness as a nation. We recognized this situation in the earlier part of this century, but I don't think we have come to grips with this same issue today.

We have many programs that meet the needs of our students in a changing society. For example, we have an exceptional program for four year olds that provide early childhood intervention. We have fourteen elementary schools, with funds for five centers; we could use at least five more. In other words, we turn away almost as many children as we serve. I believe funds could be better spent on fully funding programs that we know will work as opposed to creating new schools. We have done follow-up studies on our students who have participated in the Four-Year-Old Kindergarten Program and have found that the positive outcomes obtained from the program have continued throughout their elementary school experience. If only we could serve all four year olds who could benefit from this program.

I have worked in three states (South Carolina, Texas, and New Mexico) with all types of children and in districts ranging from very poor to very wealthy. Adequate funding does make a difference. It is certainly not the only factor, but it is a major one. I believe that taking money from public education to fund private schools will have a negative long-term impact on this country.

Respectfully yours,

V. SUE CLEVELAND, Ed.D,
Superintendent of Schools.

SOUTH CAROLINA CENTER FOR THE ADVANCEMENT OF TEACHING AND SCHOOL LEADERSHIP,
Rock Hill, SC, January 20, 1992.

Senator ERNEST HOLLINGS,
U.S. Senate, Washington, DC.

DEAR SENATOR HOLLINGS: Since the bill S. 2 comes up for discussion in the Senate on Tuesday, I want you to know that there are schools in South Carolina who are restructuring the school as an organization and changing teaching/learning strategies and the way we serve students. The South Carolina Center for the Advancement of Teaching and School Leadership was set up by the General Assembly in 1989 under Target 2000 legislation.

The Center has one purpose: to help schools restructuring and to influence changes in teacher education. Seventy lighthouse schools work in the Center's Associate Schools program to serve as models for their geographic areas. Each has an in-school team for long range change planning which includes a college and business partner and a community person. All of our schools are linked by electronic mail with each other, the Center, and the college partners for rapid exchange of successful practices.

Specific changes now underway in Associate Schools are: new scheduling patterns, alternative assessment, cooperative learning, shared governance, interdisciplinary curriculum, teaming, and lead teachers. Instead of choice or money for new models, why not support successful restructuring programs already producing results? Each of these schools was given a $5,000 grant through our Center, but that money does not go very far when you are revolutionizing schools for the 21st century. We do appreciate your support.

Yours truly,

Dr. BARBARA GOTTESMAN,
Director.

SOUTH CAROLINA CONGRESS OF PARENTS AND TEACHERS,
Columbia, SC, January 20, 1992.

Senator ERNEST F. HOLLINGS,
Senate Office Building,
Washington, DC.

DEAR SENATOR HOLLINGS: South Carolina PTA, which represents approximately 200,000 members in our state, commends you for your support of the Neighborhood Schools Improvement Act, S. 2. We endorse the legislation which has strong parental involvement provisions, allows maximum state and local decision making and provides "seed" money to support many of PTA's educational goals.

We join you in your efforts to oppose amendments which would seriously weaken the intent of S. 2. as now drafted and would allow for vouchers for private/parochial schools to be funded with public tax dollars.

Thank you for your contained support for public education.

Sincerly,

KITTY J. WAIKART,
South Carolina PTA President.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY,
Kingstree, SC, January 21, 1992.

Senator ERNEST HOLLINGS,
U.S. Senate, Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: As a School District Superintendent from South Carolina, I am against any bills or amendments which would allow private schools and corporations to use public funds. Public schools have to educate all of the children. We cannot select or deny any child as private schools and corporations can.

We have to gear our instruction and provide resources for the academically gifted to the student who must have a full time staff member (behavior manager) assigned to him or her full time (a one to one ratio). Senator, this is something that is not generally known. You see, we need every dollar available.

On the subject of the "New America Schools" Program, I feel that we need to use successful models which are already in existence. Let's replicate what we already have available to us. There are a number of schools in South Carolina whose performance had caused them to be named "Deregulated Schools." Why can't we try to replicate the efforts of these schools? We don't need to waste more tax dollars on what we already know!

Your support for more dollars for public education would be greatly appreciated.

Sincerely yours,

JAMES A. FRANKLIN, Sr., Ed.D.,
Superintendent.

SUMTER SCHOOL DISTRICT NO. 17,
Sumter, SC, January 21, 1992.

Hon. ERNEST F. HOLLINGS,
U.S. Senator,
Washington, DC.

DEAR SENATOR HOLLINGS: Please do not vote in favor of the amendments to S.2 that would allow private schools and corporations to use public funds. This choice proposal is inherently inequitable. Private schools may select their students, may avoid serving handicapped students, and may hire teachers who do not meet state certification requirements. Public schools do not have those luxuries.

On another topic, I would urge you to support legislation which would allow us to use the $535 million proposed for the "New America Schools" project to replicate the successful programs that we currently have in place. I do not see the necessity for starting 535 new schools from scratch, many of which may be private, for profit corporations.

We appreciate your continuing support of public education and ask for your thoughtful consideration of these matters.

Sincerely,

ANDRENA E. RAY,
Acting Superintendent.

PACOLET ELEMENTARY SCHOOL,
Pacolet, SC, January 21, 1992.

Hon. ERNEST F. HOLLINGS,
U.S. Senate, Russell Senate Office Bldg., Washington, DC.

DEAR SENATOR HOLLINGS: This letter is being written on behalf of myself and many of the teachers at Pacolet Elementary School to express our deep concern over the current move of some politicians to endorse the use of public funds to support private schools and corporations.

American public schools, which started in this country less than a generation after the landing of the pilgrims at Plymouth Rock in 1620, were established to serve all the children.

I would like to quote a statement from page 9 of the Education Almanac which sums up the importance of public education in our society, "Public education has been largely responsible for the intellectual and technical training that enables Americans to enjoy the world's highest standard of living".

We go on record as opposing the use of public funds to support private schools and corporations.

Sincerely,

RICHARD B. WHEELER,
Principal.

LEXINGTON SCHOOL DISTRICT FOUR,
Swansea, SC, January 21, 1992.

Hon. ERNEST F. HOLLINGS,
Senate Russell Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: We are opposed to private schools receiving public monies to offset their educational expenses. They are allowed to select and choose the students they serve, leaving public schools the responsibility of serving students with learning disabilities and physical handicaps.

Additionally, federal regulations that have allowed the private schools to receive federal funds placed the burden of planning and administering the grants on the public schools.

We strongly urge you to defeat legislation that would allow private schools and corporations to use public funds.

Sincerely,

J. FRANKLIN VAIL, Ph.D.,
Superintendent.

DILLON SCHOOL DISTRICT NUMBER TWO,
Dillon, SC, January 21, 1992.

Hon. Senator Hollings: I urge you to vote NO and defeat the amendments to S–2 which would allow private schools and corporations to use public funds.

Public schools have always been the backbone of American Freedom. It ensures the best possible education for all people including exceptional children, as well as all races and religions. All schools should adhere to the same guidelines in hiring certified personnel and meeting specified requirements.

I feel that the public schools of our district, through the joint efforts of local, state, and federal funds, offer a well balanced and progressive education for our students. Cooperation at all levels of government is vital to public education and increased funding—for it will build a stronger education system.

Vote an emphatic No on January 21.

D. RAY ROGERS,
Superintendent.

BISHOPVILLE PRIMARY SCHOOL,
Bishopville, SC, January 21, 1992.
Senator ERNEST F. HOLLINGS,
Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: I would like to go on record stating that I am firmly opposed to several amendments to S. 2., especially those allowing private schools to use public funds. Although I do not oppose private education, I do oppose private education being given public funds without having to adhere to the same guidelines as public schools. Currently, many private schools can select their own students, avoiding the learning disabled students and the handicapped student. They can even hire teachers who do not meet state certification requirements. In some cases, private education is an attempt to segregate society, and public funds should not be used for this purpose.

Sincerely,

GORDON CORRELL,
Principal/Bishopville Primary School.

EDISTO PUBLIC SCHOOLS,
ORANGEBURG SCHOOL DISTRICT FOUR,
Cordova, SC, January 21, 1992.
Senator ERNEST F. HOLLINGS,
Senate Office Building,
Washington, DC.

DEAR SENATOR HOLLINGS: I am writing this correspondence to express my concern regarding proposed amendments to S. 2. Although I seldom express an opinion on national legislation, I believe the potential problems implicit in the proposed amendments merit the attention of all public educators.

I do not favor the inclusion of private schools in provisions of the legislation that involve "choice." While the virtue of the market place has appeal, private schools do not provide equal access to all students. Vouchers are not likely to provide the funds to cover all of the tuition for private education, and many families will not be able to afford paying for the difference. The bottom line is that private school choice plans do more to subsidize those that have previously chosen private schools than it does to enhance the opportunities of all students.

Secondly, I support allocating the $535 million in New American Schools program to existing schools to support innovation in existing schools. We know many things that we need to do to improve educational effectiveness of our schools, but we do not have the fiscal resources to implement them. For example, public schools are not utilizing technology to its fullest; it requires immense capital investment. I strongly encourage additional funding to support what we know works rather than creating 535 schools whose eventual effectiveness is unknown.

Sincerely,

DAVID L. COLEMAN,
Superintendent.

AIKEN COUNTY PUBLIC SCHOOLS,
Aiken, SC, January 21, 1992.
Hon. ERNEST F. HOLLINGS,
U.S. Senator, Washington, DC.

DEAR SENATOR HOLLINGS: Senate Bill 2 which is up for consideration January 21, 1992, is a very troublesome bill and needs your special attention to ensure that our public schools continue a viable institution of learning.

While I appreciate the role of private schools and that they are appropriate for some children, I do not appreciate the unfair advantage that Senate Bill 2 will give them while leaving the public schools disadvantaged. If they are to receive the funding for Senate Bill 2, they should be required to work under the same state and federal guidelines as do the public schools.

The "New American Schools" needs a shot in the arm to make them a reality. Currently, I cannot see any benefit beyond political ones. If dollars are available, they should be used to ensure a better educational environment for all students. American education has had too many pilots that have not outlived their special funds or grants. We need to get the practice of our good schools into all schools, not build unachievable models that will serve very few children.

Your urgent attention to blocking this will be appreciated.

Sincerely,

JOSEPH R. BROOKS,
District Superintendent.

FLORENCE PUBLIC
SCHOOL DISTRICT ONE,
Florence, SC, January 20, 1992.
Hon. ERNEST F. HOLLINGS,
U.S. Senate, Washington, DC.

DEAR SENATOR HOLLINGS: I am opposed to using public funds to supplement choice in private schools. Certainly, private schools have a place in our society, but they should not be supported with public funds. If they are going to receive public funds, then they should be subject to all the requirements that public schools are. If this were to happen, they would no longer be private schools.

I am also concerned about questions of separation of church and state when public funds go to parochial schools.

Having been told that the U.S. Senate is considering the American Schools plan, I want you to know that I am opposed to this plan. In South Carolina we are being told by state leaders that we will not solve the problems of education by throwing money at them, yet the federal government is considering spending a million dollars each on 435 schools. The natural reaction of other principals and teachers to this proposal is "Give me a million dollars, and I will improve my school." Additionally, there is little evidence that model programs in education have much influence on other schools and programs.

Thank you for considering my views on these matters.

Sincerely,

THOMAS R. TRUITT,
Superintendent.

LAURENS COUNTY SCHOOL
DISTRICT NO. 55,
Laurens, SC, January 20, 1992.
Hon. ERNEST F. HOLLINGS,
U.S. Senate, Washington, DC.

DEAR SENATOR: I urge you to use all available means at your disposal to defeat any effort to give private schools public funding. I do not mind competing with private schools if the playing field is level. I would, however, want them to take all students including those with handicaps and those who come from deprived backgrounds. I feel it is an unfair advantage for them to be selective in enrollment.

Also, I think $535,000,000 can be better used for all students than for starting 535 new schools which will reach a very limited clientele.

Your attention is greatly appreciated.

Sincerely,

W.D. HUCKS,
Superintendent.

SPARTANBURG COUNTY
SCHOOL DISTRICT FIVE,
Duncan, SC, January 20, 1992.
Hon. ERNEST F. HOLLINGS,
Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: I urge you to cast your vote against several of the amendments now pending before the Senate.

On the subject of private schools receiving public money, I believe this would be devastating to the base financial support of the public school system. The fact remains that those who choose to attend private schools, make that choice knowing that they will be responsible for paying a given amount of tuition. If they cannot agree to supporting that fee, they need to consider attending the public schools which are maintained and supported by and for the entire population.

Regarding the "New America Schools" amendment, I believe that the $535 million required to operate this system could be better used by sharing it with existing schools rather than beginning new schools, many of which could possibly be private and operate for profit.

If I may be of assistance in supplying information which would support the above stands, I would be glad to assist you.

Sincerely,

MARVIN WOODSON, Jr.,
Superintendent.

ANDERSON SCHOOL DISTRICT ONE,
Williamston, SC, January 20, 1992.
Hon. ERNEST F. HOLLINGS,
Russell Senate Office Bldg., Washington, DC.

DEAR SENATOR HOLLINGS: I urge you to take a strong stand against any amendment to S. 2 that deals with letting private schools and/or corporations use public funds. In my opinion, this will lead to elitism and resegregation of schools. Private schools do not have to play by the same rules as public schools. They can select their students avoiding the learning disabled or physically handicapped, and hire teachers who do not meet state certification requirements.

The "New America Schools" is another project that deserves your attention. There is no sense in spending 535 million dollars on new initiatives when there are very successful programs in schools across this country that can be replicated. I will use as an example a program that we have in place here in Anderson School District One. We have an excellent drop-out prevention program that was originally started under a three-year federal grant. We have maintained that program without federal assistance because it made such a positive impact on children. This program has been shared with other districts throughout South Carolina, the nation and Canada.

We are doing a lot of things right in education, and we certainly do not need new initiatives that will take money away from what we're trying to do.

Another issue that I strongly urge you to take a firm stance against is school choice. This again will encourage elitism and cause many problems on the local level. I think we should make every school as good as it can be. Choice is not the answer to our problems in education. This is one of those decisions that needs to be left up to the local public schools within a district.

Thank you for your commitment to education of all children.

Sincerely,

W.R. CHRISTOPHER,
Superintendent.

SPARTANBURG COUNTY
SCHOOL DISTRICT THREE,
Glendale, SC, January 20, 1992.

Hon. ERNEST F. HOLLINGS,
U.S. Senate,
Russell Senate Office Bldg., Washington, DC.

DEAR SENATOR HOLLINGS: Along with many public school administrators and teachers, I am deeply concerned with the current move on the part of some politicians to allow the use of public funds in private schools and corporations.

Public schools make a heroic effort to serve all the children, whether whole and healthy or handicapped—mentally, physically or by the low socio-economic or educational levels of their parents. We try to provide the best possible education for our children while abiding by all the laws and regulations governing public institutions such as state teacher certification requirements, equal opportunity and access regulations, and many other requirements from which private organizations are often exempted.

Our public schools across the nation have many innovative and successful programs funded by grants. Many of these programs, which are applicable to other schools, could be duplicated with equal success across the nation if funds were available. Broome High School in Spartanburg School District 3 has a Supported Employment Training (S.E.T.) program which could become a national model for helping handicapped youth find gainful employment and becoming productive citizens.

Please consider these issues when you make decisions about diverting public funds to private organizations and when you consider setting aside 535 million dollars to start new experimental schools. Thank you for your interest in public education and for your help in these difficult times.

Sincerely,

EVALYN W. JERKINS,
Superintendent.

FLORENCE COUNTY
SCHOOL DISTRICT FIVE,
Johnsonville, SC, January 21, 1992.

Hon. ERNEST F. HOLLINGS,
Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: It has been brought to my attention that the Senate will be voting today on several amendments to S. 2 that will allow private schools and corporations to use public funds. This deeply concerns me since such private sectors are allowed to select their students, avoiding the learning disabled or physically handicapped, and to hire teachers who do not meet state certification requirements.

Furthermore, the five hundred and thirty five million dollars ($535 million) in funds targeted for the "New America Schools" could be better spent in the local districts across the state and nation where exemplary schools or programs have already been established, rather than starting five hundred and thirty five (535) new schools from scratch, many of which may be private—for profit. Within our own district, we are proud to say that examples of such exemplary schools exist. Johnsonville Elementary School has been acclaimed as a school incentive award winner seven out of the last eight years and Johnsonville High School was recently recognized by the Charleston Post and Courier as one of the top ten (10) high schools in the state.

Please consider the above comments as you vote on the amendments to S. 2.

Respectfully yours,

R. JERRY LEVINER,
Assistant Superintendent of Instruction and Federal Programs.

HORRY COUNTY SCHOOL DISTRICT,
Conway, SC, January 20, 1992.

Senator ERNEST F. HOLLINGS,
Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: I would like to ask for your help in defeating an amendment under consideration by the Senate that would allow private schools to use public funds to support their educational programs.

Public schools are being asked to provide more services to the handicapped, the learning disabled, the children born as crack babies, and children who come to school developmentally delayed because of their socioeconomic circumstances. I might add that private schools are able to "screen" out these unfortunate numbers from their clientele—and they do.

I hope that the $676 million in the "Now America Schools" program could be directed toward expansion of programs like Horry County's Graduation Enhancement Program, that has been successful in keeping more than 90 percent of its most at-risk high school students from dropping out of school.

This country will be stronger when all its citizens are productive—not just the elite served in private schools.

Sincerely,

JOHN W. DAWSEY,
Superintendent.

RICHLAND SCHOOL DISTRICT TWO,
Columbia, SC, January 21, 1992.

Hon. ERNEST F. HOLLINGS,
U.S. Senate, Washington, DC.

DEAR SENATOR HOLLINGS: The comments in this letter are from John Hudgens, individual, and do not necessarily reflect the feeling of the Board of Trustees of Richland School District Two.

We are in the process of allowing limited choice in our school district, and the plan seems to be working well. I believe that choice within a school district, or between school districts when approved by the local school boards, has merit. I also believe that allowing private schools to serve public school students by choice would be acceptable to me under certain conditions. Those conditions are as follows:

1. that the private school take all youngsters who wish to attend and accept from them the amount of dollars that the public spends to educate those youngsters in a public school, not charging any additional fee to the parent;

2. that the private school accept any and all youngsters who wish to attend regardless of race or handicapping condition;

3. that the private school meet all conditions and requirements as outlined by the federal government and state authorities in relationship to the education of the student.

I believe that if private schools, under the conditions outlined above, can better provide for the education of our young people than the public schools can, we should turn it over to the private schools to do so. I, however, do not believe that this is the case.

Sincerely yours,

JOHN H. HUDGENS, Ed.D.,
Superintendent.

THE SCHOOL DISTRICT
OF GREENVILLE COUNTY,
Piedmont, SC, January 21, 1992.

Senator ERNEST HOLLINGS,
Senate Office Building,
Washington, DC.

DEAR SENATOR HOLLINGS: I am writing as a middle school principal and as a past President of the South Carolina Association of Middle Level Principals to ask that you oppose funding for the New American Schools bill. I understand that this involves $535 million dollars to be divided among different groups in all states to experiment with new schools. This money could be more wisely spent by helping our public schools to improve the programs which we now have and to develop exemplary models.

Your consideration of this request will be appreciated.

Sincerely,

DAVID B. LEDBETTER, Ed.D.,
Principal.

DENMARK-OLAR
SCHOOL DISTRICT TWO,
Denmark, SC, January 21, 1992.

Hon. ERNEST HOLLINGS,
U.S. Senate, Senate Office Building,
Washington, DC.

DEAR SENATOR HOLLINGS: I am opposed to allowing private schools and corporations to use public funds. This would be a blatant political move to use public funds to advance private schools. All public funds should be used to advance and improve public schools.

I truly appreciate your efforts and leadership in defeating any amendment that would permit the use of public funds for private schools.

Sincerely,

ROY HOLLOWAY,
Superintendent.

AIKEN COUNTY PUBLIC SCHOOLS,
Aiken, SC, January 21, 1992.

Hon. STROM THURMOND,
U.S. Senator, Russell Senate Office Bldg.,
Washington, DC.

DEAR SENATOR THURMOND: Senate Bill 2 which is up for consideration January 21, 1992, is a very troublesome bill and needs your special attention to ensure that our public schools continue a viable institution of learning.

While I appreciate the role of private schools and that they are appropriate for some children, I do not appreciate the unfair advantage that Senate Bill 2 will give them while leaving the public schools disadvantaged. If they are to receive the funding for Senate Bill 2, they should be required to work under the same state and federal guidelines as do the public schools.

The "New American Schools" needs a shot in the arm to make them a reality. Currently, I cannot see any benefit beyond political ones. If dollars are available, they should be used to ensure a better educational environment for all students. American education has had too many pilots that have not outlived their special funds or grants. We need to get the practice of our good schools into all schools, not build unachievable models that will serve very few children.

Your urgent attention to blocking this will be appreciated.

Sincerely,

JOSEPH R. BROOKS,
District Superintendent.

ROCK HILL SCHOOL DISTRICT 3,
Rock Hill, SC, January 21, 1992.
Hon. ERNEST F. HOLLINGS,
U.S. Senate,
Russell Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: It disturbs me greatly to hear that amendments to Senate Bill 2 have been made which will allow private schools and cooperations to utilize public educational funds. It is true that American public education needs some significant reform. While I agree that we must use current fiscal resources in a better way, the system as it now exists is underfunded. In my opinion, additional funds should be provided to give our public schools the opportunity to restructure in order to meet in a better way the needs of young people.

In our public schools we are struggling to provide the programs we know are needed for preschool children and to enhance early childhood programs. Additionally, community efforts to provide greater educational opportunities for students at risk through combining community resources with the public schools are beginning to make a difference. In Rock Hill the public schools are combining with business interest in a Cities-in-Schools Program to provide special academic opportunities, counselling, parenting skills, and health care to pregnant teenagers. Programs such as this have more potential for breaking the "at-risk cycle" and increasing opportunities for some very bright young people than do starting 535 "new" schools.

I urge you to oppose vigorously amendments which would allow public funds to be used for educational efforts in the private sector. Thank you very much. Contact me if I can supply additional information.

Sincerely,

JOE E. GENTRY,
Superintendent.

RAVENEL ELEMENTARY,
Seneca, SC, January 20, 1992.
To: Senator ERNEST HOLLINGS.
From: Cathy Watson, Principal.
Re: Issue of Choice.

I felt the need to contact you concerning our restructuring process and its relationship to the Choice plan. Ravenel has been involved as one of the first ten Associate Schools with the S.C. Center for Leadership and has received funds from that organization to implement most of our restructuring components.

It is my strong belief that federal monies could be much more wisely spent in areas more directly related to quality and equality in education than free choice. I hope you will find time to read my reasons which follow. Our restructuring has brought about the full implementation of Cooperative Learning throughout our school both for students and faculty. Our faculty is heavily involved in shared governance through a cooperative learning model of management. Increased community, parent, and business involvement has been accomplished through a special program called "Challenge." "Challenge" gives all students an opportunity to develop creativity, higher level thinking skills, and cooperative social skills. It gives teachers a team planning time each week in order to develop units, offer colleagial support, and provide time to pull together as a group. It provides parents with the opportunity to work with students in a classroom setting and to become an integral part of our school. Another major program area is the Arts. Placing a major emphasis on the Arts demonstrates our desire to teach to the total child. We attempt to integrate the Arts into all curriculum areas.

These programs are working effectively in our school on a shoestring budget. There are other major programs in the works for our school including the use of Whole Language in lieu of or along with the basal and bringing technology into our school. We could use federal monies to make these programs even more effective.

The reason I have given this lengthy explanation of our programs is to emphasize that the restructuring process is working well in South Carolina in those schools which are committed to positive change. The issue of Choice could be devastating to some districts and schools. Rather than place federal dollars in a Choice system, these funds could be channeled into schools to assist them with their restructuring efforts. Choice could cripple some schools which are in poorer areas of towns and could overcrowd and hinder the development of programs in schools in the more affluent sections. I am speaking as the principal of a school which is in a more affluent area of a rural setting. We are establishing a reputation of implementing effective programs so I am not coming from the point of view that if Choice were a federally funded project in S.C. we would not be on the receiving end of funds. I approach you as an educator who is concerned that federal dollars will not be spent in the most effective and beneficial manner for all students by being funneled into a Choice System.

I solicit your support in channeling monies into programs that are already showing results in the restructuring of South Carolina schools. The Center for Leadership has been a leading force in providing training and funds thereby allowing schools to implement new programs. All schools need more financial support—use federal monies in this manner, not for involving them in a Choice System.

(From: Dillon School Dist. 3)

NEW AMERICAN SCHOOLS

A key feature of America 2000 is the proposal for "new American schools" (NAS) unencumbered by all traditional assumptions about schooling and the constraints that conventional schools work under. The NAS amendment would authorize 535 grants (one for each congressional district) of one million dollars to create model schools.

A private operating foundation, organized at the request of the President, the New American School Development Corporation, is committed to raising between $150 million to $200 million in private contributions to award contracts to research-and-development teams that will advise in the creation and design of the new American schools.;

Initially described as a foundation to support educational research and development, the New American Schools Corporation will control the private research and development teams. Therefore, the NASDC will yield enormous power in shaping our nation's schools in the long-term future.

There will be no public accountability over the New American Schools Development Corporation because it does not come under the control of Congress. In effect, this proposal creates a coalition of business interests to fashion long-term education policy.

In its current iteration, the federal grant funds would be given, at the discretion of the Secretary of Education to any entity, public or private, including religious and profit-making organizations, that would work with local communities to design innovative schools.

The inclusion of religiously-sponsored schools violates the separation of church and state as required by the Constitution. And, there is every reason to assume that religious sponsors will be among the recipients of the grants to establish these schools.

The New American Schools proposal contains no specifications with respect to the application of federal laws such as those pertaining to civil rights.

The New American Schools proposal to focuses on school-by-school reform. Each school is an isolated project with no connection to other local or state efforts for systemic reform.

Under the New American School proposal no funds are available to state and local education agencies for technical assistance, replication of successful projects, staff development, or evaluation.

New American Schools would divert badly-needed education dollars away from the public schools and channel funds to untested programs that have limited public accountability.

SCHOOL DISTRICT OF
OCONEE COUNTY,
Whihalla, SC, January 21, 1992.
Hon. ERNEST F. HOLLINGS,
Senate Office Building,
Washington, DC.

DEAR SENATOR HOLLINGS: You've supported many of our educational requests in the past. Please help us now!

We are very much opposed to using public funds to finance "experimental" private and parochial schools. Private and parochial schools select and reject as they choose—it's not fair to spend taxpayers money in this manner. Comparisons cannot be made.

Rather than spend on untried practices, let's spend "New American Schools" funds on practices that have been tried and found to be very successful in public schools. There are many such programs and we're struggling to find funds to continue our very successful alternative school serving our district.

Sincerely,

JAMES M. BROWN,
Superintendent of Education.

SOUTH CAROLINA CONGRESS
OF PARENTS AND TEACHERS,
Columbia, SC, January 20, 1992.
Senator ERNEST F. HOLLINGS,
Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: Of the many problems that plague our nation today "Public Education" must be one of the most pressing issues of our time. So much is wrong in our educational system that needs fixing. We need to attract the right people into the teaching profession, we need to give teachers a chance to try new and exciting teaching methods, and we must take the "educational fight" into the living rooms of the American Home where T.V. takes priority over homework. Yes, we have much to do to improve our standing among other industrialized nations.

Even though we have so very much to do we also have so very much to be thankful for. America's Public Education System is second to none in the free world! Every child who wants to learn is afforded the opportunity. For this we must be thankful. There are some who in recent years threatened our public education system under the guise of "educational vouchers". Our Public education systems are poor enough without the threat of funneling public monies into private schools. I believe in the right of private schools to exist, however, I oppose the use of public funds to subsidize these schools. I believe that not one penny of money destined for public schools should be funneled into private hands.

I have been told of your support for public education and how you are leading the fight against a voucher system which will draw funds away from our public schools. Thank you for leading this valiant fight and keep up the good work!.

WILLIAM L. AUSTIN,
District XIII PTA President, Lee, Sumter, Clarendon Counties.

SOUTH CAROLINA
SCHOOL BOARDS ASSOCIATION,
Columbia, SC, January 21, 1992.
Senator ERNEST HOLLINGS,
Senate Russell Office Building,
Washington, DC.

DEAR SENATOR HOLLINGS: The South Carolina School Boards Association is concerned about any legislation which would allow Federal dollars for education to be used for private or parochial schools. We have limited funds for education and the challenges which the public schools face have never been greater.

At our annual meeting, our association went on record as opposing any type of Federally or State mandated choice program. This is a decision that should be made at the local school district level by the Board of Trustees with input from their constituents. Many of our districts have some form of choice programs. However, we strongly oppose any federal or state dollars for parents to use at private or parochial schools.

In a free-market choice of vouchers and competition there is no safety net for those with the fewest market resources—those whose families have not fared well in the housing or the job markets. The students with the least involved parents—the students who need the most support from schools will be the biggest losers in this so called competitive system.

We are talking about children, we are talking about our future. We are not talking about used cars or small appliances. The free market analogy is not perfect and is not applicable to every aspect of democratic life, especially education.

Keep up the fight so the children of South Carolina will have the opportunities they need to be our leaders for tomorrow.

Sincerely,

EVELYN BLACKWELDER BERRY, Ph.D.,
Deputy Executive Director, South Carolina School Boards Association.

SOUTH CAROLINA
CONGRESS OF PARENTS AND TEACHERS,
Columbia, SC, January 20, 1992.
Senator ERNEST F. HOLLINGS,
Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: Of the many problems that plague our nation today "Public Education" must be one of the most pressing issues of our time. So much is wrong in our educational system that needs fixing. We need to attract the right people into the teaching profession, we need to give teachers a chance to try new and exciting teaching methods, and we must take the "educational fight" into the living rooms of the American Home where T.V. takes priority over homework. Yes, we have much to do to improve our standing among other industrialized nations.

Even though we have so very much to do we also have so very much to be thankful for. America's Public Education System is second to none in the free world! Every child who wants to learn is afforded the opportunity. For this we must be thankful. There are some who in recent years threatened our public education system under the guise of "educational vouchers". Our Public education systems are poor enough without the threat of funneling public monies into private schools. I believe in the right of private schools to exist, however; I oppose the use of public funds to subsidize these schools. I believe that not one penny of money destined for public schools should be funneled into private hands.

I have been told of your support for public education and how you are leading the fight against a voucher system which will draw funds away from our public schools. Thank you for leading this valiant fight and keep up the good work!

WILLIAM L. AUSTIN,
District XIII PTA President,
Lee, Sumter, Clarendon Counties.

SOUTH CAROLINA
CONGRESS OF PARENTS AND TEACHERS,
Columbia, SC, January 20, 1992.
Senator ERNEST F. HOLLINGS,
Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: In the February–March, 1991 issue of National PTA's What's Happening In Washington, the National PTA clearly stated its opposition to the federal government issuing voucher programs to private and religious schools, in PTA's belief that this would create an exclusionary school system subsidized through public money.

Those of us who have children in public schools and who support public education constantly see the need for more funding to improve our public schools. Yet public education is usually the last to receive additional dollars at the state or federal level. Our lawmakers are given the task of improving education but rarely do they want to commit additional funds for these improvements.

By issuing vouchers to private schools the federal government will be taking scarce public education funds from the very schools that need them. Private schools are a choice that not every family will make or can afford to make. PTA supports programs that will improve education for all children.

South Carolina PTA, along with the 69 PTAs in Charleston County schools, join you in your fight against vouchers for private and religious schools.

On behalf of South Carolina PTA and Charleston County PTAs, I want to thank you for your support of public education for all children not only in South Carolina but throughout the nation.

Sincerely,

PAT GEHLKEN,
President District 9 PTA,
Charleston County Schools.

FLORENCE COUNTY SCHOOL
DISTRICT TWO,
Pamplico, SC.
Senator ERNEST HOLLINGS,
Washington, DC.

DEAR SENATOR HOLLINGS: The public school system has been the backbone of America. Over the last two decades the American school system has had to increasingly take on the problems of society. As the roles of schools have increased, funds for schools have gone down.

The public school system cannot select their students as private schools can. We take in all who come to our doors. Private schools should not be assisted at the expense of our public school system.

Sincerely,

ROBERT R. SMILEY,
Staff Development Coordinator.

CHESTERFIELD COUNTY SCHOOL
DISTRICT,
Chesterfield, SC, January 20, 1992.
Hon. ERNEST F. HOLLINGS,
Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: I wish to address two amendments to S. 2 that will be considered by the Senate on Tuesday, January 21, 1992. The two amendments have to do with private schools and corporations having access to public funds.

First, private schools, especially some of the desegregation academies that arose in the South, do not serve the general public. They exclude some due to race, but also exclude due to inability to learn as other students, or due to physical disabilities. Many of the private schools choose not to employ teachers with high professional attainment.

Secondly, I am concerned that the "New America Schools" program may exclude existing schools and will be available to new schools. Chesterfield County School District has a high school, Central High in Pageland, that has been working diligently for over a year to do those things that would make them eligible to receive a "New America School" grant. The staff, pupils, and the community have and are working hard. Some staff and community folks will be visiting Tennessee and Kentucky in January to better plan their school's future. It would be devastating to not be eligible for this grant money.

Thank you for your able representation of South Carolina in Washington.

Sincerely,

JOE T. BRADHAM,
Superintendent.

SUMTER SCHOOL DISTRICT 17,
Sumter, SC, January 21, 1992.
To: Senator HOLLINGS.
From: Andrena E. Ray.

Please do not vote in favor of the amendments to S.2 that would allow private schools and corporations to use public funds. This choice proposal is inherently inequitable. Private schools may select their students, may avoid serving handicapped students, and may hire teachers who do not meet state certification requirements. Public schools do not have those luxuries.

On another topic, I would urge you to support legislation which would allow us to use the $535 million proposed for the "New America Schools" project to replicate the successful programs that we currently have in place. I do not see the necessity for starting 535 new schools from scratch, many of which may be private, for profit corporations.

We appreciate your continuing support of public deduction and ask for your thoughtful consideration of these matters.

Sincerely,

ANDRENA E. RAY,
Acting Superintendent.

SOUTH CAROLINA
CONGRESS OF PARENTS AND TEACHERS,
Columbia, SC, January 20, 1992.
Senator ERNEST F. HOLLINGS,
Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: I applaud your many efforts to fight education vouchers and urge you to oppose amendments that would weaken the intent of the Neighborhood Schools Improvement Act, S.2.

These amendments would allow, for the first time in the history of federal aid to education, scarce school reform dollars to flow to private/parochial schools with little public accountability. Approximately 6.3% of school funding comes from the federal government. A voucher program would radically alter this system. We do not want to drain resources away from public schools in South Carolina in this time of fiscal stress. Too many of our schools are already suffering enormous cut-backs. Regardless of whether this public school is in an affluent suburb, an isolated and poor rural hamlet, or in a working class urban area, *all of our children lose when private school choices are paid for with public tax dollars.*

Economic factors, made worse by the current recession, have caused policy makers to cut spending. A continued slump in retail sales will affect sales tax collection, a large part of our state's education revenue. Layoffs in the private sector will depress state income tax collection. If the national recovery is slowed for much longer, next year will prove even more difficult for our state to properly fund education.

The public education system was founded on certain fundamental beliefs: That all children should have equal educational opportunities, that an educated public is everyone's interest, and that a tuition free system of education should be available to all children.

Public schooling is the only educational enterprise dedicated, by design to offering a program that respects the myriad outlook and values held by all the children of all the people.

Thank you for your continued support of public education and it's funding.

Sincerely,
CHERYL SLOAN SMITH,
South Carolina PTA Past President,
South Carolina PTA V.P. of Legislation.

ANDERSON SCHOOL DISTRICT FIVE,
Anderson, SC, January 21, 1992.
The Hon. ERNEST F. HOLLINGS,
Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: There are several issues regarding Senate Bill 2 that I wish to raise:

1. It is my understanding that Senate Bill 2 with amendments includes federal dollars going to private schools and corporations.

We oppose such use of funds. It is inequitable for private schools to receive funds but not be required to serve all children under the same requirement of public schools. Private schools can select their students, avoid disabled, handicapped or disruptive students. They can hire teachers who do not meet state certification requirements. There is the additional involvement of separation of church and state for private church/religious schools.

2. The use of $535 million for new innovative schools, which may be private-for-profit corporations, is also included in the bill. We support change and innovation. There are already many successful schools and programs in our district and throughout our state and nation. For example, in our district we have an innovative dropout prevention program that has cut in half the number of dropouts over the last three years. The funding for this program is through a state grant which ends this year. It would seem a more appropriate use of the $535 million to continue this program and replicate it elsewhere rather than start from scratch.

Thank you for your efforts on behalf of our children. If I can be of any assistance, please contact me.

Sincerely,
KAREN CALLISON WOODWARD, Ed.D.,
Superintendent.

SCHOOL DISTRICT NO. 4,
January 21, 1992.
Senator ERNEST HOLLINGS,
Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: I understand the full Senate is expected to take up Senate Bill 2, the "Neighborhood Schools Improvement Act." I hope you will strongly oppose any amendment, whether it is directed toward a demonstration project or a nationwide project, that would result in the expenditure of public funds in private or parochial schools. Public schools exist to serve all the children, regardless of race or income or disability or attitude. Private schools operate under no such requirement and may exclude whomever they wish.

In Fort Mill we have three schools that have been identified as exemplary in their efforts to reform programs, curricula and services to better serve children. There are outstanding model schools within each Congressional District in the United States that could be replicated by others. We do not need to create "New American Schools." We need these funds to help others replicate the existing high performing schools.

I appreciate your vigilance in blocking any of the amendments to Senate Bill 2 that have been mentioned herein.

Respectfully,
C. JOSEPH BONDS,
Superintendent.

Mr. HATFIELD. Mr. President, I ask unanimous consent that I may yield to the Senator from Pennsylvania [Mr. SPECTER] for a few moments before I proceed with my presentation.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank my distinguished colleague from Oregon for allowing me to speak very briefly at this time.

I compliment the distinguished Senator from Mississippi [Mr. COCHRAN] for offering this important amendment, and I urge its adoption.

This is a relatively small sum of money to be allocated for a bold, new program on the America 2000 strategy. We are dealing with a Federal budget in education of $27,800,000,000. In working out the mathematics of this $100 million allocation, it turns out to be .000004 of the Federal education budget, and I suggest to my colleagues that this is more of a political contest than it is an education contest.

The President and the Secretary of Education have advanced what is a unique idea to try to improve the quality of education in America. There is no doubt that there are glaring deficiencies in our educational system and, without detailing them to any extent, this is an effort to correct those deficiencies by establishing a break-the-mold school in 535 school districts, 1 for each Member of the House and each Member of the Senate. An innovative approach is vitally necessary if the United States is to move ahead into the 21st century.

Mr. President, the future of this Nation belongs to our youth.

Our goal must be to establish a new standard of excellence in education and to make that educational standard available to anyone who is willing and able to pursue it.

The President's America 2000 legislation calls for a reinvention of American education by designing new schools for our future generation. The amendment which I am cosponsoring today would authorize $100 million in fiscal year 1992 as a first step in the creation of these so-called break the mold or New American Schools.

In Public Law 102–170, the fiscal year 1992 Labor, Health and Human Services and Education Appropriations bill, I took the lead, with the support of Senators HATFIELD and COCHRAN, in obtaining a $100 million appropriation for the America 2000 programs. These funds are contingent upon enactment of authorizing legislation by April 1, 1992. So the appropriation is already in place.

If the America 2000 initiatives are not enacted, these funds would be used for existing national programs in which allocations are distributed by statutory formula which provide direct assistance to local school districts in reaching the America 2000 education goals.

None of the $100 million designated for America 2000 activities would be available for the New Neighborhood Schools Block Grant Program included in S. 2.

Mr. President, in Pennsylvania 48 communities have become, or are in the process of becoming, America 2000 communities. Many local chambers of commerce are playing leadership roles in this process. Of particular noteworthiness is the support of the Lehigh Valley education and business community for America 2000, and the New American Schools initiative.

Across the country, the America 2000 strategy is successfully galvanizing communities, honing their competitive spirit, and challenging our communities to work toward creating an educational environment that will ensure preparedness to meet the demands of a new century. The New American Schools initiative is the catalyst for all of this activity. As of December 19, 1991, 30 States had announced and kicked off their participation in the America 2000 strategy.

Mr. President, these States and communities want the America 2000 initiative—they want the New American Schools competition. Congress has already provided the funds—now we need to provide the authority. I urge my colleagues to support this important amendment.

Mr. President, again, I thank my distinguished colleague from Oregon for yielding to me briefly to speak before he makes his more extensive remarks.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, first of all, I would like to say I have listened to my colleague from South Carolina, Mr. HOLLINGS, in his opposition to this amendment by the Senator from Mississippi, Mr. COCHRAN.

There is so much of what the Senator has stated today that I would agree with, and having a friendship that has traversed many years back when we were fellow Governors representing our respective States, and at that period of time—and this goes back to the fifties—his State, as well as my own State, was emerging out of the World War II period into a new State, so to speak. We were looking for a diversified economy. We were looking for the kind of economic growth that was to strengthen our often known as monocultural economy States.

I remember the Senator from South Carolina was seen as one of the new breed of the southern Governors. He was a new breed in the sense that he was bringing great change in his State and together we shared many of those ambitions and those objectives.

Therefore, I understand the thesis the Senator speaks from in terms of the Appropriations Committee, the great competition for money of which we all are aware, whether we are on that committee or not. We are especially cognizant, as Members of the Appropriations Committee, about the competition for good programs that are undernourished, for new programs that we should have adopted long ago, or those programs that we have authorized but not funded. I also appreciate the concern the Senator expresses about our fiscal capacity to move to new programs when there are existing programs that are yet to be fully funded.

Mr. President, I recently read a report that was issued by former Secretary of Labor under President Carter, Mr. Marshall, and former Secretary of Labor under President Reagan, Mr. Brok and a bipartisan committee that was set up to study the work force in this country to make an analysis on the kind of education necessary to move our young people out of their secondary education, and into the workplace.

The Commission was made up of not just the two men who were Secretaries of Labor but many chief executives, distinguished economists and academicians, and people from labor and agriculture. It was a very broad-based commission.

Mr. President, one of the major conclusions, of which there were many, was that if we were to maintain a leadership role in the global market, we were going to have to require economic growth directly related to and more intimately involved with our educational system.

This was not to say that our educational system is a total failure. No. As one who has defended public education over the many years I have served in public office, and continue to feel such commitment, we have to understand that, first of all, institutions, as they get larger, find it more difficult to streamline, to modernize, to change, to innovate, and to create.

I speak as a former educator when I say some of the most difficult times of my life have been to try to help bring change within an individual institution of education as it relates to educational policy.

I can remember, as a professor of political science, faculty meetings with professors of economics, professors of sociology, and other professors; we could solve all the world's problems. There was not a problem in the world that we could not solve from our academic perspective. But you let some question be raised about reassigning professors to new classrooms, other than the ones they had taught in for 15 years, and this became a major catastrophe striking the institution of education. I will not say this is true in every case. I am just saying I find that often we in the institutions we represent, leading educators find it most difficult to move change when change is called for within our own institution. We all enjoy the predictability of the status quo, so to speak, in our work procedures and our work policies.

Mr. President, we must understand that we have undertaken ways to try to invest in our educational infrastructure. I have given support on the Appropriations Committee and elsewhere to address the deficiencies of our infrastructure. This includes profitability in our economy and our institutions of enterprise. In addition, we are making possible incentives for investment in plant and equipment and other such modernization, but we must also be willing to invest in human minds as well. We must continue to provide our children with the educational opportunities and technologies to help them meet world-class standards.

In my own State, where we have depended so much on the wood industry for our economy, I can cite many examples. We have one-fifth of the Nation's standing virgin timber. We produce more wood products—up until recently when, as all of you have heard, the northern spotted owl shut down our forests—more than any other State in the Union. The wood industry kept telling me we were prohibited from entering the Japanese timber market.

So I had many discussions with timber industry leaders, people involved in trade policies, and the answer was always the same—an impenetrable Japanese market. One of our timber operators in Oregon decided to go to Japan and measure their building material products. They do not have 2 by 4's in Japan in their building trades. With the idea of looking at technology as a possible answer to what had been called an impossible political issue of trade incumbrances, this company adjusted its blades, its saws, and the other instrumentation in its mill and started producing those sizes of building materials in the Japanese home building-construction industry, and they soon had to put on three shifts to keep up with the market demand.

This is only one illustration, and I am going to use a second, to indicate the tie between education and our concepts of education and the products of our educational system and the technologically changing world market.

General Suharto, President of Indonesia, once told me that the people in America, in our industries, our companies, our great enterprises that want to do business, oftentimes fail to understand the uniqueness of your local conditions and local needs. General Motors, he said, came out and wanted to sell us a lot of trucks, and we needed trucks, but they wanted to sell us the trucks they manufacture in Detroit. He said the Japanese came out here and measured the width of our roadbeds and built a truck to fit our roadbeds and we bought the Japanese trucks.

Mr. President, we have to gear our educational system to the world markets in an effort to create an understanding of the world factors and the world impact and the world influences on our domestic economies and how we maintain competition in the world markets. That is precisely what the Marshall-Brock study proved again, which we have now introduced into authorization, Senator KENNEDY and I on the Senate, bipartisan, Representative GEPHARDT and Representative REGULA on the House. But it also comes into play in this particular bill with this amendment the Senator from Mississippi is offering.

We have to not only provide our students with the ability to compete, but we have to improve standards, and that will require new and innovative approaches for reform of our Nation's schools.

I have not visited any community in my State in my period of public life where I have not dealt with the problem of education. And whether I am talking to school superintendents or to schoolroom teachers, whether I am talking to board of education members or to the local companies and businesses and enterprises in those communities, I have had, without exception, the issue raised that our schools are not producing the students necessary to fit the job requirements of this community, or why do they not teach our children how to read and write.

We ought to be willing to at least set into motion a vehicle by which we can bring about reform and change. The

President, President Bush, as part of his America 2000 legislation has asked Congress to provide seed money for the creation of a new generation of American schools. At least one school, we understand this amendment to be, would be located in each congressional district by 1994 and would receive up to $1 million to help implement the plan and help bring together a community to establish a new school.

Let us not get lost in the verbage and the nomenclature of this particular legislative proposal. Let us face it in this way. What is being proposed here is the creation of demonstration schools, experimental schools. That is all. I cannot understand anybody who would not want to gather information and a new body of knowledge and a data base to prove or disprove an educational theory or an educational point or an educational policy, through a "break-the-mold" school.

We authorize demonstration projects in many areas with great frequency. If there is any one thing that I have been critical of the Democratic Party for in facing our problems in health coverage today and the rising cost of Medicaid and Medicare, it was the fact we did not give the curve mills approach a long enough time to gather a data base. We wanted a King-Anderson legislation, which was to be universal coverage, now, when we did not even know what the need was.

The curve mills that were in place, with the Senator from South Carolina, and I as Governors, were two States that had launched the process under curve mills to bring together all the health delivery services and all the professional medical people, gather up a data base and know what the medical need was—remember, this was new legislation, the genesis of this kind of legislation. There were those who said: We need to rush in and establish a national program, and it will never cost more than $10 billion, $3 to $10 billion.

My point is simply we should have heeded that old federalism advantage that we have in this Nation of experimenting with something, trying it out, taking a pilot project. Remember Social Security, unemployment compensation, workmen's compensation, child labor legislation, all started at the State level within an innovative, creative framework of experiment, trial, or demonstration. Today, we have another opportunity.

I agree with the Senator from South Carolina, I am troubled by $530 plus million. We do not have it. We are not going to get it this year. But it seems to me that we have a chance to launch the program with the $100 million that we have already appropriated for fiscal year 1992 in the Appropriations Committee, contingent upon authorization—and this is the authorization. We have a chance to launch a proposal of trial, experiment, demonstration, and break-the-mold schools.

There will be limited resources. Since I consider myself a very good friend of the Senator from South Carolina, I do not want to put him in that position of having to select one school in South Carolina. So we will take that $1 million in South Carolina and put it in Oregon. We have enough other States that would probably take advantage of this program.

Mr. President, I represent a State that has demonstrated an openness to educational innovation and change, and I am proud of that tradition. Twenty-two of the communities today in my State of Oregon are in various stages of adopting the America 2000 strategy, and I am very proud of that, too. These communities are organizing steering committees to adopt the educational goals and formulate the strategies for educational reform, which indicates to me the people are bubbling up, from the very base of our whole democratic system and are concerned about innovation and creation of new and better school programs.

I want to commend my colleague from Mississippi for giving leadership to this amendment. And I also want to say that I have had an opportunity to work with a number of Cabinet officials since I have been in the Senate. You know, you can almost count on one hand, I suppose, or two hands, probably, those who have been the real partners in innovative legislation who have not come up here with a dogma or a doctrine or a document saying this is locked in concrete, but rather who have set forth the principles and the goals and the objectives clearly, and said: Now, let us come and reason together; sit down and work this out.

My experience with Lamar Alexander puts him in that very unique category and rather exclusive club of those Cabinet officials that I have had the privilege of working with who have been open and who have been most anxious to meet any of the congressional objectives and goals that I have had or others have had. He is in that very process now.

I want to say that I have an amendment that I will be introducing following the Cochran amendment. I am very hopeful as I see this amendment coming together on the educational flexibility waiver proposal, Senator KENNEDY's office and Senator PELL's office, from the Democratic side, and Senator KASSEBAUM from the Republican side, and others that I have had a chance to visit with on that particular amendment. It gives me great encouragement that what this Senate is about to do is to enact important legislation affecting the most important—one of the most, if not the most important—institution in our country, the education program, in a bipartisan way.

And I say that because it is very obvious, unless we do approach it from that standpoint, that our political releases and our political challenges and counterchallenges emerge out of this debate.

The educational system will lose, if we do not, and America's competitiveness in the world will lose.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Mr. WIRTH). The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I wish to ask either Senator KENNEDY or Senator COCHRAN, or both, is there a concern about being able to vote rather quickly here on the floor? Because the Senator from New Mexico wants to speak, but clearly I want to accommodate, if there is some accommodating necessary.

Mr. KENNEDY. I thank the Senator from New Mexico. We would like to have a yea and nay vote by 5 o'clock to accommodate different Members here. I am, frankly, prepared to stay as long as necessary, but there seems to be at least some desire to do it at that particular time. I hoped to speak very briefly on the amendment and try to accommodate Members.

Mr. DOMENICI. Did the Senator say 5 o'clock?

Mr. KENNEDY. Yes.

Mr. DOMENICI. Even though I wanted to speak longer, I will try to do it in 5 or 6 minutes.

Mr. KENNEDY. All right.

Mr. DOMENICI. I yield myself 6 minutes.

Mr. President, I have a lot to say about this measure, which has been introduced by the senior Senator from Mississippi, but I am going to try to limit it to two things.

First, the President of the United States should not be denied the simple request that he has made regarding New American Schools. Point No. 1.

Second, we ought to try something new and different, because the status quo is not enough, and I believe the American people will understand that.

Mr. President, on the first point—and before I do it—let me say to Senator HOLLINGS that I heard his remarks. Let me suggest to him that I agree on the WIC Program, the Head Start Program, and on the implications of the deficit for America's future. Frankly, I believe the latter has once again taken a back seat to many other concerns up here, and it is absolutely imperative that we not do anything to make the deficit significantly worse in the name of curing the recession. It will not cure it. It will have nothing to do with making it any better. It will only make the deficit worse. In due course, we can speak to that, and I thank him for his remarks regarding the deficit. The albatross around America's neck of productivity and investment for the future is that mammoth deficit and debt.

Having said that, on point number one the President of the United States has over and over again told the American people that the Congress of the United States does not want to cooperate, does not want to be helpful, and some have said that this is just not true.

Well, today, if he does not talk about the Congress and education, we on this side of the aisle should, because this President has demonstrated leadership in education with the introduction of his AMERICA 2000 strategy. As a part of the program the President included six goals and the New American Schools initiative. And what happened to that strategy? First of all, 30 Governors of the United States—they certainly are not all Republicans—have said to him, "We are with you." Their numbers are growing all the time. Literally, 2,000 communities have joined the President in his approach. Almost every State has submitted one or more schools as a possible New American School.

Frankly, Mr. President, I do not understand the objections I am hearing here today. The President is only asking for a small portion for the New American Schools—not billions of dollars, but rather 2 hundred million for the first year, then increasing the amount each year as the schools prove themselves and the program falls into place. There is already $100 million appropriated for the President's America 2000 strategy, so the appropriators must think that this is a pretty good program.

Now what are we going to do, after having told Governors, teachers, and communities all over America that we are going to try this? Are we going to say we want to do more of the old-fashioned, more of the same, more of the status quo, and deny the President an opportunity to even try this program?

I have not asked the President but I suggest that he ought to veto a bill, on pure, absolute principle if it does not include this program. The President deserves this small program, which is very attractive to the people of this country, because they know that American schools are not all bad. Many American students are doing magnificently. Many are exemplary graduates and will succeed in any kind of studies.

But, taken as a whole, we need to improve American schools for more of the young people going to them. This is one approach and to deny the President this is an insult. Without the Cochran amendment, we are saying to the President that we believe that more of the same is better than your new approach, even though Governors, principals, and business people support it.

When we do not want to do this for him, he will be justified when he points to us and says, "There they go again. They do not want to cooperate. They do not want to have anything to do with anything I suggest, even when it is a sound idea."

Point No. 2: It is time that we try to do something creative, new, and different, that is big enough in vision for America. We can all walk around in the muck of the past and try the same thing over again, or we can say here is a vision, "New American Schools." You have to start small, as the President has requested, but, indeed, try something new. That is what this is. It is a new concept, visionary in scope.

With this amendment, the Senator from Mississippi is saying that the President is right. But the bill before us does not even give the President the time of day. There is nothing in the bill regarding the President's approach to a new educational system, which is a break-the-mold, let-us-try-something-new strategy. And even if there are critics who say it is not enough, they say it is an exciting idea with the potential to catch on. This is the kind of innovation we are looking for. It is the kind of thing we ought to try.

The PRESIDING OFFICER. The Senator's 6 minutes has expired.

Who seeks recognition? Is there further debate on the amendment?

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, as I understand it, we are ready for a vote. They say they are ready—I just want to comment that the people of America, the mayors of America, and Governors of America, as enunciated by my colleague from New Mexico, are not for this bill. They are for money. They have learned that any time you can get anything out of Washington, you better get in line fast and not ask questions. They are broke. They have thought up every tax in the Lord's world, and they are still closing down classrooms, cutting off hours, not buying the books.

So to say that they want this amendment is not the case. The fact of the matter is everybody in education knows this is a diversion and not a solution. I think that point ought to be made. I have filled the record already. I could read off all the innovative things done in all the different school districts. In my own State, there are some five magnet schools that we started in Congress 10 years ago. I need five more if you get me the money. I can talk about Southside High School in Greenville, SC. I can pick the areas and excite your interest because we have innovation galore out in the hinterlands.

If I am the Governor, and if the President invites me to a Charlottesville summit, I am going to attend. When you set goals, that has not hurt anybody. We are all for good, fine outstanding goals. My goal was a coast-to-coast system of child care centers to give every kid a head start and a professional classroom teacher to give them a quality finish. And we continue to work on goals, and you can see how we want it in the Appropriations Committee.

Yes. We put $100 million there to mollify some people, to identify with the problem. That is my point. Pollsterwise, we hit and miss. Hit and run driving is the political order of the day up here in this place. You cannot get by with it in a city council; you have to produce and pay your bills. You cannot hit and miss at the State level; you have to administer the program. But at this focal point of the mammoth government and country, you can highlight a problem, you can get a headline but you are not going to make headway.

In fact, this particular amendment goes backward, and starts off on another primrose path of telling the local people not to innovate. The Federal Government now is going to take care of innovation and call the shots.

I see the troops gathering. That study committee, the Commission that the distinguished Senator from Oregon mentioned, I am going to study that study because I am finding I am dancing to the Japanese tune.

So when the distinguished President goes abroad or when we travel or meet with our foreign counterparts we are being told we are lazy, we are illiterate, you are a subcontractor, and Japan knows if they can get us like a dog chasing its tail on education they will take over the markets of the world while we still are out here debating. And, as Jack Kennedy said years ago, the time has come not to debate but to move forward.

We are not moving forward with this particular amendment at all. We are moving backward, mollifying both political sides so we can claim, "I voted to break the mold; I voted for the new American school." It is a bad, bad mistake. We better sober up and go to work in this town and really get together and flesh out the proven programs, and we see them.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I would be happy to yield to the Senator from South Carolina—I think he has been waiting to speak—if he would like to speak, and I will speak following him.

I yield to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, over and over again, we hear and read how our current education system fails to reach the mark. We read about lower test scores, ineffective writing skills, an inability to comprehend lengthy written passages, and many other shortcomings. While these shortcomings are attributable to a whole host of factors, one factor which we as policymakers can impact is the existing framework for schools.

Too often, we get comfortable with an existing way of doing things and fail to take a hard look at whether that particular way of doing things continues to be the best way. The amendment offered by the distinguished senior Senator from Mississippi [Mr. COCHRAN] sets up a new way of looking at how schools are structured. His amendment would permit the establishment of at least one New American School in each State which break-the-mold of existing schools. These new schools would start from scratch, and reflect the best of what is known about teaching, learning, and education technologies. Communities would be involved in designing and implementing a plan for the schools. No questions would be off limits and no answers assumed. Technologies, community resources, rules, regulations, curriculum, and other matters would be open for consideration.

New American Schools represents a proposal put forth last year in America 2000—the President's education reform strategy. Last year, the Congress included $100 million in the fiscal year 1992 appropriations bill specifically for America 2000 initiatives. As mentioned, this amendment is an America 2000 initiative and would represent a sound investment in education.

I wish to also reiterate that in the first round of the competition, at least one grant would be made to all States submitting an application. The final selection of grant recipients would be made by the Secretary of Education, together with a panel of experts from education, private business, and the public.

Mr. President, this amendment just makes good sense, and accordingly, I am pleased to offer my strong support.

Mr. President, I yield the floor and wish to thank the able Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I have been involved, as a number of others have, in negotiations here seeing if there could be some agreement worked out. But until that is the case, I would just like to express my strong support for the Cochran amendment which calls for the establishment of new American schools.

There has been some interesting debate regarding this amendment, but I think that we must not lose sight of what this does.

It is important to emphasize that it entails far more than filling out an application for Federal funds, that the America 2000 education initiative makes a strong commitment at the community level to undertake intensive review of what is needed to assure educational excellence and improvement.

In order to apply, a community must adopt the national education goals; establish and implement a communitywide strategy for achieving the goals; develop a means for measuring and reporting progress toward achievement of the goals; and demonstrate a commitment to make substantial improvements in the education of children in the community.

I do not think anyone would disagree with those goals.

Obviously, the notion that up to $1 million may be available to improve one's school is a powerful incentive for examination and innovation. It is perhaps not surprising then that so many have decided to reach for the brass ring. This is obviously a great incentive to many to look at break-the-mold schools.

Across the Nation, hundreds of communities have begun the process by committing themselves to being America 2000 communities. Likewise, 31 States have embraced the goals of America 2000.

Opponents of this amendment have made the argument that only 535 schools at most will benefit from this program. In fact, I believe the effect will be far greater, far greater. And we debated this yesterday because it is actually on and above the schools that would benefit from the neighborhood improvement program. But far more communities and schools will be engaged in a process of self-examination and will be actively seeking innovative ways to improve their schools. Whether or not they receive a Federal grant, many will undoubtedly implement these ideas on their own, and that is the part of the creativity and the vitality of this process that I think is important and that President Bush envisioned when he announced this effort.

Moreover, schools which do receive New American Schools grants will offer ideas and examples to others which wish to improve their programs.

Basically, the Cochran amendment is calling upon communities across the Nation to undertake a concerted examination of what they want from their schools. In a country as diverse as our own, a variety of innovative and thoughtful responses are sure to emerge. We should give them a chance by adopting this amendment.

I think that we should give them a chance by adopting this amendment and see that there are initiatives on both sides of the aisle to work together to achieve agreement that will move this forward.

I yield the floor, Mr. President.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, for the benefit of Members—they have been extremely tolerant and patient in terms of the scheduling and the progress on this legislation during the afternoon and into the early evening—we had indicated on the floor yesterday and during the course of the debate that we would have a certain percentage of resources of this bill that would be utilized in terms of the authorization for the administrative aspects of the legislation, given the fact that the requests are going to come in terms of the proposal that came out of our committee and that there would be some 10 percent that would be reserved for administrative costs. Then we had an additional kind of a 10 percent in terms of teacher training, other statewide kinds of activities where the State educational agency and the Governor could make a request for a waiver for purposes outlined in the legislation that would benefit a wide variety of different kinds of schools. We were in agreement on that. And that also included the New American Schools.

It is very clear from the amendment of Senator COCHRAN that there is a desire to have a more expanded effort with that undertaking. We have been in the process of negotiations and exchanges during the course of the afternoon. We have attempted to keep interested Members informed about that matter.

I am going to speak, after I make these very brief remarks, about my own concerns about that approach. But I do not want to undermine what I think has been a very constructive and positive and good faith effort by Senator COCHRAN, Senator KASSEBAUM, Senator HATCH, and others to see if we could not find some common ground. I think important progress has been made.

What I would like to do, in the fairly near future, after consulting with the majority leader, which I have done informally, is to try to get his input to see if we could not continue those negotiations. If we are unable to do that, to vote at a time certain, with very brief, continued debate on the amendment of the Senator from Mississippi, with the commitment that we will continue to try during the latter part of this afternoon and early evening and through the evening to see if we cannot work that out in a way that is going to accommodate the different interests.

If we are unable to do so, then I would urge the leader to set a time tomorrow, after brief debate, and fix a time that we would vote on the amendment of the Senator. It would be my hope that we would vote up or down. It would also be my hope, after talking to the Senator from Utah, that in the early morning we could start off the debate on the choice issue, which is something the Members feel is of enormous importance and there is very considerable desire for Members to be able to express themselves on that and to begin that debate.

I understand there will not be an agreement in terms of time, which we can understand. But I believe we will be able to, after the Members express themselves, reach a time where we will be able to vote on that measure and perhaps other measures relating thereto.

On the amendment that is being offered by the Senator from Oregon [Mr. HATFIELD] we believed that that particular measure had been worked out. The Senator wants some time to be able to speak to that amendment. I am glad to accept it. If the Senator wants to speak to it and desires a vote on it, we will certainly accommodate that particular measure.

That, basically, is where we are. It would be my hope, in working with the Senator from Utah and the other interested Senators, to try and work that out into an agreement which is going to preserve different people's rights and interests and accommodate the different interests so we will have a time certain for the Senator from Mississippi, we will have a time certain for the Senator from Oregon, and we will begin the debate with no time definite with regard to the choice amendment. That is basically where we are.

If we are able to accommodate the amendment of the Senators from Mississippi and Kansas, we would try and lay that out this evening and put it in the RECORD so that Members would be able to understand where we are going and be able to study that during the evening. If we are able to accommodate that measure, then we would have a brief opportunity to express our own views about whatever kind of agreement that we have been able to make.

I am not making that request. I have outlined this briefly to both the majority and minority leaders. They wish that we had been able to make more progress during the course of the day because of the calendar and because of the concern that we are reaching toward the end of the week. And I certainly understand that.

But we have been operating on good faith. I believe that all of those who have been involved have, too.

I have been around here long enough to know that we are able to make progress. I think if there has been continuing progress you ought to try and continue it. And there has been no suggestion of any desire of delay or dilatory effort that I have been able to see.

So it seems to me that is a way to proceed. I hope that maybe we could perhaps debate the amendment of the Senator from Oregon tonight and use that time so we could shorten that time tomorrow. I will be glad to do so this evening, but I will have to wait and find out what the desire of the Senator from Oregon is.

That, basically, is where we are on the legislation. It is my hope that we will be able to conclude before the end of the week. I know it is the desire of the leader to do so. These are extremely important measures. The issues that we are going to be debating in terms of choice are extraordinarily important. We have to ensure that all Members who have views on this are going to be able to speak and that we have a full opportunity for debate. I certainly expect that. I hope we will be able to do that within a reasonable period of time.

I would like to just make a brief comment with regard to the amendment, but I see the Senator from Utah is on his feet. I will withhold and then make a brief comment about my reaction to the amendment of the Senator from Mississippi as it is posed and my very deep reservations about that particular approach which has been included in the amendment.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I want to compliment the distinguished Senator from Mississippi who has brought this amendment to the floor for the New American Schools. I want to just say how much I appreciate the innovation that really is contained within that amendment and the creativity that is very likely to come from it. At the same time, I would also like to compliment the distinguished Secretary of Education for fighting so hard for this concept, and still to pay tribute to our ranking minority member on the Education Subcommittee, Senator KASSEBAUM, for her leadership on this bill.

I think what is important in the New American Schools is that we do not want to conduct business as usual. Changes need to be made in schools to meet the changes in our society. The way to do this is to create break-the-mold schools and get us out of the rut that we have been in in education.

New ideas need to be incorporated into our school system. Many schools today vary very little from the ones we attended as children in allowing for flexibility. Schools need to have the funds necessary to implement their new ideas, some of which may require startup costs which can be funded through this one-time money to really meet the needs of kids. That is what is involved here. We want to meet the needs of our children in our society.

Traditional schools are not appropriate for all kids, which is why there are high dropout rates in certain areas, and low achievement rates as well. So let us meet the needs of the children, of our young people. This amendment allows for that type of innovation and creativity that will be required to do a better job than we are doing now.

New American Schools need community involvement. Schools have operated in isolation for far too long. The America 2000 strategy is a strategy which involves communities in schools. According to the Secretary of Education, the distinguished Senator from Mississippi, and the distinguished Senator from Kansas, New American Schools are an integral part of that overall America 2000 strategy.

It also means involving business in each area. Business continues to be concerned about the quality of the work force that our schools are providing and business is anxious to become more involved in education.

How does this effort to create a new generation of American schools differ from previous reform efforts?

No. 1, it relies on clear, world-class standards of performance. The central mission of each NAS will be to help all students reach world-class standards in five core subjects, as measured by American achievement tests.

No. 2, it depends on community-wide efforts. It brings a wide range of intellectual and social resources to bear on the challenge of helping students reach those world-class standards.

No. 3, it aims to integrate all dimensions of a school's life to promote the achievement of world-class standards. This means using time, space, staff, and community resources in more powerful ways.

No. 4, it brings visionary designers together with communities dedicated to creating schools that are best in the world, schools that draw on state-of-the-art technology, the latest education research, the best education practices, and the community resources to put them in place.

No. 5, it calls for leadership from all levels. The President introduced America 2000 and sought to put education first and keep it there. We owe him a debt of gratitude for doing that, for bringing it to the elevated state it is in today.

No. 6, Governors: 30 are now leading State 2000 efforts.

No. 7, local leaders: Thousands of civic, business, education, and religious leaders are organizing Community 2000 efforts to transform learning in their schools and communities.

No. 8, and finally, Congress: The President has asked Congress to provide seed money for a new generation of American schools.

If we want to break the mold, if we want to get away from business as usual, if we want innovation and creativity for a relatively low cost, the New American Schools concept is an idea whose time has come.

Frankly, I think that it is important that we vote for the amendment of the distinguished Senator from Mississippi. I hope we can put together an agreement that all of us will agree to. If we cannot, I think it is important we vote for this amendment up or down.

I would like to add at this time eight promising projects that are helping to point the way with regard to a new generation of American schools.

A NEW GENERATION OF AMERICAN SCHOOLS

1. RJR NABISCO'S NEXT CENTURY SCHOOLS

The RJR Nabisco Foundation is supporting fundamental school reform projects across the country. Over 5 years, 1990 through 1994, 45 schools will share in $30 million in grants. To date, 30 schools have received 3-year grants of up to $250,000 per school per year to help them increase the time students spend learning, alter the structure of the school day and year, group students according to mastery level, and measure success based on student performance. This year's 15 winning schools were chosen from 1,600 applicants.

2. TED SIZER'S COALITION OF ESSENTIAL SCHOOLS

Less is more, student as worker, personalized learning—these are among the nine essential principles that schools must commit to in order to become an essential school. Ninety-eight schools in twenty-three States have made commitment, in an effort to transform the roles of their students and teachers, to recast students as active learners and teachers as coaches. Such transformations the coalition recognizes, can come about only through comprehensive, concentrated efforts at the individual school site. As Ted Sizer puts it, "Schools cannot be redesigned piecemeal: everything important within a school affects everything else important there. Substantial redesign by and of an existing school while it is operating is often every bit as difficult as rebuilding an entire care while it speeds along an interstate."

3. WASHINGTON STATE'S SCHOOLS FOR THE 21ST CENTURY

Created by the legislature in 1987, Washington's schools for the 21st century competition has resulted in awards for 33 innovative educational projects. Schools are connected by an electronic network, which enables teachers to discuss ideas and share lesson plans. The program supports a 10-day supplemental contract which, in effect, sets aside 2 weeks for school-level planning, staff development, and instructional improvement. Common themes among projects include outcomes-based education, integrated curricula, crossage grouping of students, parents' involvements, and technology.

4. SATURN SCHOOL OF TOMORROW

In 1986, in his weekly New York Times column, Al Shanker wrote that "Perhaps the most important step in revitalizing the [automobile] industry is the Saturn project. It is designed to make believe that no one has ever made a car before and to start the whole process from scratch, to reopen not just what the car should look like and how it should run but every question of production, supplies, labor, relations, the role of management." That, Shanker argued, is what's needed in education, an educational Saturn project. Taken by this idea, Tom King and David Bennett set out to make it happen. The result is the Saturn School of Tomorrow which opened in St. Paul, MN, in the fall of 1989. The Saturn school of tomorrow uses innovative approaches in staffing, use of computers, and creation of individual lesson plans for students. It groups students by interest and ability rather than by grade level. And students go to museums, libraries, and elsewhere in the community for lessons. Saturn enjoys enthusiastic support from parents.

5. LIGHTHOUSE PROJECT

In 1989 in Casper, WY, Lamar Alexander called for the creation of Brand New American Schools. The Casper business community responded to that challenge by sponsoring a competition, open to anyone, to create innovative schools. The competition triggered a flurry of creative thinking, drawing 37 proposals, from which 5 winning lighthouse School proposals were selected. Four of those proposed schools are scheduled to open in the fall of 1991, with seed money from the business community.

6. JAMES COMER'S SCHOOL IMPROVEMENT PROGRAM

Yale child psychologist James Comer's innovative school improvement process has been adopted by a total of 165 elementary, middle and high schools including schools in Prince Georges County, MD, and by all elementary schools in New Haven, CT. The Comer process, which was first implemented in 1968, emphasizes team building with parents, comprehensive planning, staff development, and continuous assessment of student progress. All Comer schools use a governance structure that includes three components: A school planning and management team, a mental health, and a parent group.

7. HENRY LEVIN'S ACCELERATED SCHOOLS PROGRAM

Unlike most approaches to compensatory education, where instruction is slowed down, Henry Levin's idea is to accelerate instruction. The purpose of his accelerated schools program is simple: To bring every low-performing child up to grade level by the end of elementary school. Approximately 50 schools, including Statewide networks in Missouri and Illinois, are testing the three principles of Levin's program. First, parents and educators have set goals for their schools and their children and identified ways to achieve those goals. Second, parents and educators at the school site are empowered to make the decisions necessary to make learning happen. Third, teachers, parents, and students build on students' strengths.

8. PROJECT GENESIS

A unique proposal in North Carolina would allow teams of educators to bid on and the winning teams run the new schools before their doors are opened. Proposed requirements would be minimal; they would include a statement of principles, information on funding, and an accountability plan. Also, up to half the slots in each school would be reserved for students living outside the attendance area. A key provision in Project Genesis is training. Winning teams would receive training and assistance in reconceptualizing schooling. They would then hire and train their own staff, who may not need to meet teacher certification requirements. The idea ultimately is to extend Project Genesis beyond new schools to include existing schools as well.

Mr. President, I did not want to keep my colleagues tonight. I yield the floor to my distinguished colleagues and friends.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I will not take a great deal of time in terms of addressing what is the central thrust of the amendment of the Senator from Mississippi, but I do want to make some remarks, brief remarks, on why I have strong reservations and would oppose the amendment as it is basically proposed.

As I mentioned, I am very hopeful that we will work something out. But I do want to mention why I believe that this approach is a faulty approach. And it is for the very same reasons that the basic administration approach is a faulty approach.

This approach will give the Secretary the authority to make judgments and decisions about what the Secretary believes is a New American School rather than supporting and encouraging the innovativeness, and the creativeness that is taking place in schools all over our Nation. These innovations are not necessarily taking place in every school all over our Nation, but they are occurring in many, many schools and these efforts ought to be enhanced. I mentioned very briefly in the course of the debate yesterday some examples of innovative school reform and Senator KASSEBAUM mentioned a series of examples as well. We do not believe any Secretary of Education, no matter how gifted, no matter how talented, can encourage this type of reform.

So I believe very strongly that the approach of the Senator from Mississippi is flawed on the basis of its policy matters. If we are going to add an additional $100 million, $200 million, $300 million in the following years, it seems to me it ought to be targeted to those schools that are really attempting to strengthen the academic achievement and accomplishment of their students, and do it in a way which is going to have certainty and predictability for a period of time. In our particular proposal we award grants for a period of 5 years, with very strict accountability. After the second year, if the school district does not meet very strict accountability requirements and demonstrate improved academic achievement, those grants halt. If they do show improvement the grants continue. If they are making progress, they can continue, and they can get follow-up grants.

But the amendment proposed by the Senator from Mississippi does not have accountability requirements. I just read the provisions very briefly, to indicate where the initiative will be if we accept the amendment of the Senator from Mississippi. I read on page 4.

"The Secretary is authorized to award grants to eligible recipients."

"The Secretary shall award grants under this title on the basis of nominations." Secretary Alexander will award the grants; not the communities being asked to develop these programs. The Secretary will make the selections.

The title, on line 11, reads, "The Secretary's selection and approval of grant recipients."

On the distribution of funds. "To the extent feasible, the Secretary shall * * * make at least one grant within each State." Once again we are making it explicit in the amendment that the Secretary is the one to make these judgments.

Sure, there is other language referring to advisory committees. Sure, there is other language to ask other communities in these various States. But the Secretary is the one who is going to make the ultimate judgment, the ultimate decision. It is not going to be done on the competitive basis which we have supported, with decisions being made on the basis of competition at the State level with strict accountability provisions.

There is nothing in here about accountability once they get those grants; no, sir. It is the Secretary it talks about.

It continues, "* * * make at least one grant within each State." What is that all about? I thought we were talking about merit around here. But evidently it is going to be the Secretary making the grant, at least one in each State. That is the amendment. The bill had 535. One for each congressional district and two for each State. That is interesting, with 435 Members of Congress and two Senators. Now we are trying to get one for each State.

Mr. President, it seems to me this amendment is flawed in exactly the same way that the administration's previous proposal was flawed.

Going to page 9 on the approval methods. "Beginning no earlier than January 1, 1993, the Secretary"—again with the advice of a panel—"shall approve some or all based on the Secretary's determination that such approval will be fully consistent with the purposes of the title of the act."

We have an opportunity, Mr. President, to make a judgment on the very fundamental and basic question whether we are going to try and encourage the kind of creative development that is taking place in schools around this country in every State of this Nation or whether we are just going to add another $100 million, another $300 million for all new schools without any accountability. New schools is what the administration is talking about.

If you accept this amendment, you are giving a very clear message to 80,000 schools across this country: No matter what you are doing out there, you are not going to get a nickel.

The proponents will say they are not restricting it just to new schools. I asked them to find any reference in the amendment—any reference—to older schools that are attempting to implement school reform plans. The amendment refers only to new schools. If we accept the Cochran amendment, then what we are saying to the 80,000 schools that are out across this country, is: You are out; you are not going to benefit; we prefer to try and get some new schools in each State, decided by the Secretary of Education.

So, Mr. President, I appreciate the sincere desire of those who support this approach to try and find some new ways of breaking the static kinds of conditions that exist in many of our elementary and secondary schools across this country. But the fundamental educational issue and question is: Are we going to try and superimpose the Secretary of Education's judgment, or are we going to encourage competition with strict accountability from innovative and creative programs? We have very strict accountability measures to provide seed resources only to those schools which have demonstrated effectiveness in school-based management, in class size reform, in the employment of new kinds of technologies, in implementing various mentoring programs, and in various other types of school reform. For example, it does not cost a lot of resources to develop mentoring programs for targeting individual students that are in danger of dropping out of particular schools, but it works. We have seen that in a number of different communities.

And so it seems to me, Mr. President, that the approach that has been accepted in this amendment is really identical to the approach that was in the New American Schools proposal, the administration's proposal. They are not prepared to offer their proposal as a substitute; what they want to do is sort of add their proposal to ours.

It seems to me if we are going to have additional resources, and I am strongly for gaining additional resources, whatever additional resources that we have ought to be distributed on the basis of education requirements rather than on the basis of a decision made by the Secretary of Education.

Certainly, the kind of programs that we are attempting to encourage are the kind of programs that Ted Sizer, Comer, Ernie Boyer, and others have talked about, and testified to, and are the kinds of programs that in a few, but important areas, are taking hold in our elementary and secondary schools across the country.

So, Mr. President, I am hopeful that we are able to try and find some common ground. I am sincerely interested in attempting to do so. We have not been able to do so. I believe we have a strong meeting of the minds with Senator COCHRAN and Senator KASSEBAUM in doing so, but I did not want the RECORD, at least for today, to go on by without having a response to the particular amendment.

Hopefully, either later this evening or overnight, we will be able to go through and find some way to adjust these kinds of differences. The common theme is that all of us want to give encouragement to creative and innovative ideas that really hold a sense of hope and promise for strengthening academic achievement and accomplishment.

The very basic and fundamental difference of the administration is that they would use scarce public resources for private schools. But I wonder whether we ought to be using taxpayers' money for private schools, as well as church-related schools. Instead we ought to be targeting our scarce resources on those schools, that on the basis of competition and strict accountability are providing some real improvement in terms of academic achievement and accomplishment. It is a very important basic and fundamental difference.

Maybe we will be able to work that out, but we have not been able to do so at this time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the following Senators be shown as cosponsors of the Cochran amendment: Senators DOMENICI, COHEN, and SIMPSON.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, this would add to those who had already indicated an interest in cosponsoring and who were listed as cosponsors of the amendment when the amendment was sent to the desk. That included Senator HATFIELD, Senator DURENBERGER, Senator SEYMOUR, Senator SPECTER, and Senator STEVENS.

So with this addition of three other Senators as cosponsors, I think the

Senate can see a very strong degree of support for the amendment. We appreciate very much, too, the comments of the chairman of the committee about the effort made to try to resolve the disagreements that have come up with respect to this amendment.

We hope that we can negotiate an agreement, but if we are unable to do that later this evening, then we are prepared to submit this issue to the Senate for a vote tomorrow, and we look forward to working with the chairman on an agreement that will bring that issue to the Senators tomorrow.

UNANIMOUS-CONSENT AGREEMENT

Mr. KENNEDY. Mr. President, I understand that this has been cleared with the Republican leader.

I ask unanimous consent that when the Senate resumes consideration of S. 2 at 11:30 a.m., Thursday, January 23, that there be 30 minutes remaining for debate on the Cochran amendment, No. 1471, with the time equally divided and controlled in the usual form, with no amendment to the amendment in order; that when the time is used or yielded back, the Senate, without any intervening action or debate, proceed to vote on or in relation to the Cochran amendment; that upon disposition of the Cochran amendment, Senator DOMENICI be recognized to address the Senate for up to 15 minutes; that immediately thereafter, Senator HATFIELD be recognized to offer an amendment relating to education flexibility, on which there be 1 hour for debate, equally divided and controlled in the usual form; that relevant second-degree amendments be in order to the Hatfield amendment with the same time limitation; that upon disposition of the Hatfield amendment, Senator HATCH then be recognized to offer an amendment relating to "choice."

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. COCHRAN. Mr. President, this is an agreement that is now being discussed, as I understand it, by the Republican leader, with at least one Republican Senator. So before we can approve and announce that this is an agreement that we can enter into, I am constrained to advise the Senator and ask that he withhold asking unanimous consent for a few more minutes.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I reiterate my request, Mr. President.

The PRESIDING OFFICER. Is there objection to the pending unanimous-consent request. The Chair hears none, and it is so ordered.

The text of the agreement follows:

Ordered, That when the Senate resumes consideration of S. 2 at 11:30 a.m. on Thursday, January 23, 1992, there be 30 minutes remaining for debate on the Cochran amendment, No. 1471, with the time to be equally divided and controlled in the usual form, and with no amendment to the amendment to be in order.

Ordered further, That when the time is used or yielded back, the Senate, without intervening action or debate, proceed to vote on, or in relation to, the Cochran amendment.

Ordered further, That upon the disposition of the Cochran amendment, the Senator from new Mexico (Mr. Domenici) be recognized to address the Senate for up to 15 minutes.

Ordered further, That immediately thereafter the Senator from Oregon (Mr. Hatfield) be recognized to offer an amendment relating to education flexibility, on which there shall be 1 hour for debate, to be equally divided and controlled in the usual form, and that relevant second degree amendments be in order to the Hatfield amendment with the same time limitation.

Ordered further, That upon disposition of the Hatfield amendment, the Senator from Utah (Mr. Hatch) then be recognized to offer an amendment relating to "choice".

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. KENNEDY. Mr. President, I ask unanimous consent for a brief period of morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY

Mr. KENNEDY. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Treaty with Spain on Mutual Legal Assistance in Criminal Matters, Treaty Document No. 102–21, transmitted to the Senate today by the President; and ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty on Mutual Legal Assistance in Criminal Matters between the United States of America and the Kingdom of Spain, signed at Washington on November 20, 1990. I transmit also, for the information of the Senate, the Report of the Department of State with respect to the Treaty.

The Treaty is one of a series of modern mutual legal assistance treaties being negotiated by the United States in order to counter criminal activities more effectively. The Treaty should be an effective tool to assist in the prosecution of a wide variety of modern criminals, including members of drug cartels, "white collar criminals," and terrorists. The Treaty is self-executing.

The Treaty provides for a broad range of cooperation in criminal matters. Mutual assistance available under the Treaty includes: (1) the taking of testimony or statements of witnesses; (2) the provision of documents, records, and evidence; (3) the execution of requests for searches and seizures; (4) the serving of documents; and (5) the provision of assistance in proceedings relating to the forfeiture of the proceeds of crime and restitution to the victims of crime.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

GEORGE BUSH.

THE WHITE HOUSE, *January 22, 1992.*

MEASURES INDEFINITELY POSTPONED

Mr. KENNEDY. Mr. President, I ask unanimous consent Calendars Nos. 371, 372, and 377 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I ask unanimous consent that House Concurrent Resolution 261 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPORT ADMINISTRATION ACT OF 1979 REAUTHORIZATION

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 302, H.R. 3489, a bill to reauthorize the Export Administration Act.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3489) to reauthorize the Export Administration Act of 1979, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 1472

Mr. KENNEDY. Mr. President, on behalf of Senator RIEGLE, I send to the desk a substitute amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] for Mr. RIEGLE, proposes an amendment numbered 1472.

Mr. KENNEDY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(The text of the amendment is printed in today's RECORD under "Amendments Submitted".)

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1472) was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

So the bill (H.R. 3489), as amended, was passed.

Mr. KENNEDY. I move to reconsider the vote.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I move that the Senate insist upon its amendment, request a conference with the House on the disagreeing votes of the two Houses, and the Chair be authorized to appoint conferees.

The motion was agreed to, and the Presiding Officer (Mr. WIRTH) appointed Mr. RIEGLE, Mr. CRANSTON, Mr. SARBANES, Mr. GARN, and Mr. MACK conferees on the part of the Senate.

Mr. KENNEDY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a treaty which were referred to the appropriate committees.

(The nominations and treaty received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2390. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a report on horse protection enforcement; to the Committee on Agriculture, Nutrition and Forestry.

EC-2391. A communication from the Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on United States Costs in the Persian Gulf conflict and foreign contributions to offset such costs; to the Committee on Armed Services.

EC-2392. A communication from the Secretary of the Army, transmitting, pursuant to law, a report on major defense acquisition programs; to the Committee on Armed Services.

EC-2393. A communication from the Secretary of the Army, transmitting, pursuant to law, a report on major defense acquisition programs; to the Committee on Armed Services.

EC-2394. A communication from the Secretary of the Department of Housing and Urban Development, transmitting, pursuant to law, a report on the Congregate Housing Services Program for Calendar Year 1990; to the Committee on Banking, Housing and Urban Affairs.

EC-2395. A communication from the President of the United States, transmitting, pursuant to law, a report on the developments concerning the national emergency with respect to Libya; to the Committee on Banking, Housing and Urban Affairs.

EC-2396. A communication from the Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation; to the Committee on the Budget.

EC-2397. A communication from the Acting Administrator, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, a report of progress on developing and certifying the traffic alert and collision avoidance system; to the Committee on Commerce, Science and Transportation.

EC-2398. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, a report on the extension for issuing a final decision in Ex Parte No. 346; to the Committee on Commerce, Science and Transportation.

EC-2399. A communication from the Secretary of the Federal Trade Commission, transmitting, pursuant to law, a report on the final version of the Commission's report for 1989; to the Committee on Commerce, Science and Transportation.

EC-2400. A communication from the Secretary of the Federal Trade Commission, transmitting, pusuant to law, a report with 1989 sales and advertising expenditure information and information concerning the current practices and methods of cigarette advertising and promotion; to the Committee on Commerce, Science and Transportation.

EC-2401. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a report on abnormal occurrences at licensed nuclear facilities for the third calendar quarter of 1991, to the Committee on Environment and Public Works.

EC-2402. A communication from the Administrator of National Aeronautics and Space Administration, transmitting, pursuant to law, a report on the progress on superfund implementation in fiscal year 1991; to the Committee on Environment and Public Works.

EC-2403. A communication from the Secretary of the Interior and Chairman, Migratory Bird Conservation Commission, transmitting, pursuant to law, a report of the Migratory Bird Conservation Commission for the fiscal year ended September 30, 1991; to the Committee on Environment and Public Works.

EC-2404. A communication from the Fiscal Assistant Secretary, Department of the Treasury, transmitting, pursuant to law, a report on the final monthly Treasury statement of receipts and outlays of the United States Government for fiscal year 1991; to the Committee on Finance.

EC-2405. A communication from the Executive Director, Japan-United States Friendship Commission, transmitting, pursuant to law, the annual report of the Commission for fiscal year 1991; to the Committee on Foreign Relations.

EC-2406. A communication from the Director, Defense Security Assistance Agency, transmitting, pursuant to law, a report on the operation of the Special Defense Acquisition Fund; to the Committee on Foreign Relations.

EC-2407. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on the statement to extend the protocol on the provisional application of certain provisions of the Treaty on Conventional Armed Forces in Europe; to the Committee on Foreign Relations.

EC-2408. A communication from the President of the United States, transmitting, pursuant to law, a report on the status of efforts to obtain compliance by Iraq with the resolutions adopted by the United Nations Security Council; to the Committee on Foreign Relations.

EC-2409. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements other than treaties entered into by the United States in the sixty day period prior to January 2, 1992; to the Committee on Foreign Relations.

EC-2410. A communication from the General Counsel, National Labor Relations Board, transmitting, pursuant to law, a report on internal controls and financial systems for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2411. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on the Department's management controls in effect during the year ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2412. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on the Department of Defense audit, inspection and investigative activities for the six month period ending September 30, 1991; to the Committee on Governmental Affairs.

EC-2413. A communication from the President of the National Endowment for Democracy, transmitting, pursuant to law, a report on internal control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2414. A communication from the Secretary of Labor, transmitting, pursuant to law, the semiannual report of the Pension Benefit Guaranty Corporation Office of Inspector General; to the Committee on Governmental Affairs.

EC-2415. A communication from the Chairman, U.S. Merit Systems Protection Board, transmitting, pursuant to law, a report on the Board's internal control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2416. A communication from the Chairman of the National Mediation Board, transmitting, pursuant to law, the annual report of the National Mediation Board for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2417. A communication from the Director of the United States Trade and Development Program, transmitting, pursuant to law, a report on the Trade and Development Program; to the Committee on Governmental Affairs.

EC-2418. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, a report on evaluations performed of the Federal Trade Commission's System of internal accounting and administrative control in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2419. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report on the Department's internal accounting and administrative controls in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2420. A communication from the Executive Director of the District of Columbia Retirement Board, transmitting, pursuant to law, a report on personal financial disclosure statements for calendar year 1991; to the Committee on Governmental Affairs.

EC-2421. A communication from the Director of the United States Trade and Development Program, transmitting, pursuant to law, a report of the Program's internal controls in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2422. A communication from the United States Commissioner of the Delaware River Basin Commission, transmitting, pursuant to law, a report on internal control in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2423. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-125 adopted by the Council on December 3, 1991; to the Committee on Governmental Affairs.

EC-2424. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-120 adopted by the Council on December 3, 1991; to the Committee on Governmental Affairs.

EC-2425. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-119 adopted by the Council on December 3, 1991; to the Committee on Governmental Affairs.

EC-2426. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-118 adopted by the Council on December 3, 1991; to the Committee on Governmental Affairs.

EC-2427. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-126 adopted by the Council on December 3, 1991; to the Committee on Governmental Affairs.

EC-2428. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-124 adopted by the Council on December 3, 1991; to the Committee on Governmental Affairs.

EC-2429. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-123 adopted by the Council on December 3, 1991; to the Committee on Governmental Affairs.

EC-2430. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-122 adopted by the Council on December 3, 1991; to the Committee on Governmental Affairs.

EC-2431. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-121 adopted by the Council on December 3, 1991; to the Committee on Governmental Affairs.

EC-2432. A communication from the Administrator of the Small Business Administration, transmitting, pursuant to law, a report on the Administration's internal controls and financial systems for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2433. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-127 adopted by the Council on December 3, 1991; to the Committee on Governmental Affairs.

EC-2434. A communication from the Attorney General of the United States, transmitting, pursuant to law, a report on the Department of Justice's internal control and financial systems during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2435. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-117 adopted by the Council on December 3, 1991; to the Committee on Governmental Affairs.

EC-2436. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-116 adopted by the Council on December 3, 1991; to the Committee on Governmental Affairs.

EC-2437. A communication from the President of the United States Institute of Peace, transmitting, pursuant to law, a report on the Institute's internal control and financial management in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2438. A communication from the President of the United States Institute of Peace, transmitting, pursuant to law, a report on the Institute's annual audit of its accounts for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2439. A communication from the Administrator, General Services Administration, transmitting, pursuant to law, a report covering the disposal of surplus of Federal real property for historic monument, correctional facility, and airport purposes; to the Committee on Governmental Affairs.

EC-2440. A communication from the Clerk of the Supreme Court of the United States, transmitting, pursuant to law, notice that certain amendments to the Federal Rules of Civil Procedure previously submitted to the Congress are now under further consideration by the Judicial Conference; to the Committee on the Judiciary.

EC-2441. A communication from the Staff Director of the United States Sentencing Commission, transmitting, pursuant to law, a report entitled "The Federal Sentencing Guidelines: A Report on the Operation of the Guidelines System and Short-Term Impacts on Disparity in Sentencing, Use of Incarceration, and Prosecutorial Discretion and Plea Bargaining"; to the Committee on the Judiciary.

EC-2442. A communication from the Secretary of Education, transmitting, pursuant to law, a report on dropout prevention services secondary students receive; to the Committee on Labor and Human Resources.

EC-2443. A communication from the Secretary of Education, transmitting, pursuant to law, a report on a study of Federal funds distribution; to the Committee on Labor and Human Resources.

EC-2444. A communication from the Acting Director of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting, pursuant to law, a report on the operations of the Office of Federal Counsel of the U.S. Equal Employment Opportunity Commission for Fiscal Year 1990; to the Committee on Labor and Human Resources.

EC-2445. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the States Legalization Impact Assistance Grant program for Fiscal Year 1989; to the Committee on Labor and Human Resources.

EC-2446. A communication from the Deputy Assistant Secretary of Defense (Personnel Support, Families and Education), transmitting, pursuant to law, a report on an audit of the American Red Cross; to the Committee on Labor and Human Resources.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Kenny Jackson Williams, of North Carolina, to be a member of the National Council on the Humanities for a term expiring January 26, 1996.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

Mr. FORD:

S. 2142. A bill for the relief of Ljubica Warren; to the Committee on the Judiciary.

Mr. RIEGLE:

S. 2143. A bill to extend the Emergency Unemployment Compensation Act of 1991; to the Committee on Finance.

Mr. BREAUX:

S. 2144. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for contributions to individual investment accounts, and for other purposes; to the Committee on Finance.

Mr. RIEGLE (for himself, Mr. HOLLINGS, Mr. ROCKEFELLER, Mr. LEVIN and Mr. DIXON):

S. 2145. A bill to assure mutually advantageous international trade in motor vehicles and motor vehicle parts, an enhanced market for the interstate sale and export of domestically produced motor vehicles and motor vehicle parts, and the retention and enhancement of United States jobs; to the Committee on Finance.

Mr. DURENBERGER (for himself and Mr. JEFFORDS):

S. 2146. A bill to amend the Solid Waste Disposal Act to require that certain solid wastes be managed as hazardous wastes; to the Committee on Environment and Public Works.

Mr. DECONCINI (for himself and Mr. MCCAIN):

S. 2147. A bill to expand the boundaries of the Saguaro National Monument, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. ROTH:

S. 2148. A bill to extend to the refinancing of mortgage loans certain protections of the Real Estate Settlement Procedures Act and the Truth in Lending Act; to the Committee on Banking, Housing, and Urban Affairs.

Mr. MOYNIHAN:

S. 2149. A bill to amend the Internal Revenue Code of 1986 to clarify the tax treatment of certain cooperative housing corporations, and for other purposes; to the Committee on Finance.

Mr. LEVIN (for himself and Mr. RIEGLE):

S. 2150. A bill to extend the time for payment of additional FUTA taxes by taxpayers in certain credit reduction States; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. RIEGLE:

S. 2143. A bill to extend the Emergency Unemployment Compensation Act of 1991; to the Committee on Finance.

EXTENSION OF EMERGENCY UNEMPLOYMENT COMPENSATION ACT

• Mr. RIEGLE. Mr. President, last session we laid the foundation for assisting our Nation's unemployed workers. With much effort, we passed, and the President finally signed into law, the Emergency Unemployment Compensation Program. Although this was an important effort to help American workers weather the recession and the trade problems our economy is experiencing, it was not enough. We need to go further and continue to push for wide ranging reforms of this program.

As a continuation of my efforts to work toward this goal, today I am introducing legislation to extend the Emergency Unemployment Compensation Act of 1991, which will expire in June 1992. My bill extends funding for the program until March 21, 1993.

In addition to this legislation, I plan to work with my colleagues on the Finance Committee to follow through on S. 1296, a more encompassing bill I introduced last year to correct the problems connected with the Extended Benefit Program trigger, administrative financing, and eligibility criteria that plague our current Unemployment Insurance Program. It is also essential that we improve the manner in which we calculate and include discouraged unemployed workers or those who would like to work full time but are only able to find part-time work in the monthly and annual Labor Department statistics.

We need to pass comprehensive legislation in this area to ensure that we have a better unemployment compensation system in place to help American workers ride our economic downturns in the future.

Last week we were informed that we have reached a national unemployment figure of 16 million unemployed Americans. In my State of Michigan, unemployment is over 9 percent, and more than 1.3 million Michigan citizens filed unemployment claims over the past year.

If nothing else, these disturbing and increasing figures are a strong indication of the economic suffering that is going on in America. As the pain of this recession continues, it is only logical that we work to further assist American workers who are experiencing hard times and have contributed to our country's standard of living through their daily efforts in the workplace. I believe that legislation like the extension bill I am introducing today and S. 1296 will help us achieve this end.•

By Mr. BREAUX:

S. 2144. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for contributions to individual investment accounts, and for other purposes; to the Committee on Finance.

INDIVIDUAL INVESTMENT ACCOUNT ACT

• Mr. BREAUX. Mr. President, private savings and investments are the backbone of our economy. From bank deposits to the purchase of stocks, bonds, and mutual funds—all of these add to the formation of capital used by individuals, entrepreneurs, and established industry alike. However, the United States is facing a growing crisis in the failure of individuals to save.

An inadequate supply of capital can cause interest rates to rise and the rate of new business ventures to shrink. As a result, wages and the supply of jobs suffer, investment in new machinery and equipment are cut back, and planning for future retirement and long-term health care needs become even more unreliable. Last but not least are the troublesome implications associated with financing our debt with ever increasing amounts of foreign capital.

The United States has a problem with savings. We simply do not save enough. A strong habit of national savings is essential to successful and long-term economic growth. As people save, the amount of money that is available for investment increases. This is a simple concept. But the Federal Government has done less than it could to promote savings among the American people. In fact, we have set a bad example; the Federal budget deficit is by far the largest source of dissavings, or debt, in our economy.

The legislation that I am introducing today, the Individual Investment Account Act of 1992, is intended to be a vehicle for discussion and a starting point for action. This bill is identical to H.R. 3363, as introduced by Representative ED JENKINS. The bill improves upon the existing Individual Retirement Account Program, and includes the following elements:

Allows for a $2,500 per year tax deductible contribution to IRA's, indexed each year for inflation;

Authorizes unlimited nondeductible contributions;

Eliminates penalties for early withdrawals or for other withdrawals;

Does not require forced distribution at any age;

Require that all of the nondeducted contributions are withdrawn first; and

Allows for a tax-free withdrawal of up to $15,000 for first time home purchase;

Mr. President, as we proceed this year to enact legislation to address long-term economic growth, I urge my colleagues to give this legislation careful consideration.•

By Mr. RIEGLE (for himself, Mr. HOLLINGS, Mr. ROCKEFELLER, Mr. LEVIN, and Mr. DIXON):

S. 2145. A bill to assure mutually advantageous international trade in motor vehicles and motor vehicle parts, an enhanced market for the interstate sale and export of domestically produced motor vehicles and motor vehicle parts, and the retention and enhancement of United States jobs; to the Committee on Finance.

TRADE ENHANCEMENT ACT OF 1992

Mr. RIEGLE. Mr. President, I rise today to introduce a bill, S. 2145, for myself, Senator HOLLINGS, Senator ROCKEFELLER, Senator LEVIN, and Senator DIXON, and I anticipate further cosponsors.

This bill deals with our very serious trading problem with the nation of Japan, and it directly deals with the issue of establishing a means to get to a fair trade relationship with Japan. We do not have that today, and we have not had it for some years. Japan is a predatory trading nation as it relates to the United States and most of the rest of the world, and that circumstance has done great damage to our country. It has helped build great strength in Japan, but, by the same token, it has done great damage to this country. Entire industries have been wiped out and other industries are under assault today. It is one of the reasons in America today that the unemployment level now is at a record high during this recession, 7.1 percent. We have in our Nation today at least 10 million people that we know by name who are unemployed seeking work and cannot find work. We have another 6 million people at a minimum who are only able to find part-time work. They want to work full time. They cannot find full-time work, and, therefore, find it necessary to only work a limited number of hours a week. That is all that is available for them. In fact in our statistics, the way the Government collects the statistics, if a part-time worker is working as little as 1 hour a week, that worker is shown as being employed rather than unemployed. So we know we have a serious problem out in that category as well.

And with respect to people who lose their jobs and the jobs disappear and they have to go out and find an entirely new and different job, about 50 percent of the people today who manage to find a replacement job are finding a replacement job at a lower skill level than what they were working in before and at a lower income level. So you are finding, for example, people with engineering degrees driving taxicabs, and you are finding people with education degrees working in fast food restaurants, instances like that, where people cannot find jobs at the level of the skill and preparation that they bring to the workplace.

So the problem of widespread unemployment in America is very severe, and, in fact, the numbers are rising. Some people may recall having seen the other night on national television the scene of a young MBA graduate from a very fine university in America standing out in the parking lot of a company holding up a sign indicating his desire to work and would people at least take his resume and look at it and think about giving him an interview. We are increasingly finding that people, regardless of their training and preparation, with the shrinkage of the number of jobs in America, well-trained people, just are not able to find work. We also find that there is a vast number of people who do not have advanced training who are also in a desperate situation, the rise in the number of people who are homeless. We have scenes from my home State, people, say, in the city of Detroit, who are out on street corners that I have seen myself holding up signs saying, "We will work for food," because their situation is so desperate, there are no jobs available for them, and they are literally in danger of starving to death unless they can find some way to try to get some modest amount of either food or income just to hold their lives together at a bare minimum.

So the bill that we are introducing today targets that part of the problem that relates to this chronic trade deficit with Japan. In terms of seriousness of this problem, since 1980, the United States has had a cumulative deficit with Japan of $460 billion. That means $460 billion in favor of Japan and on the loss side for the United States. It means that amount of money has left our country and, of course, the jobs connected to that money have also disappeared and have in fact gone over to Japan. As you might expect, that has made Japan very strong; it has left us very weak.

Just this last year Japan had a trade surplus with us; we had a deficit of another $42 billion. That means that every 30 days Japan is taking some $3.5 to $4 billion out of the United States economy and taking it to Japan. And we just cannot allow that to continue, particularly when it is the product of unfair trading practices. One of the most obvious and clear cut examples is where they will not allow American products to come in and be sold in their market. That is not a new condition; that has been going on for a vast number of years. And, also, because they unload their surplus production in the United States market, often below cost, often below cost, much less than those same products sell for in Japan because they want market penetration and because they can use the extra profits from their home market monopoly to balance off their cost structure so that, overall, they grow in economic strength.

So that pattern as of now has gone on for such a number of years that the targeting by Japan of key industries in America has seen entire industries disappear. I mention consumer electronics. We lost that industry. I mention the semiconductor, computer chip industry. We lost that industry to this same pattern of trade cheating. We are in the process of losing the automobile and truck industry that it is one of the most important we have.

I must say you do not have to love Lee Iacocca to save the auto industry in America. Why is it important? It is important because it is 4.5 percent of our gross national product. We have 2.5 million workers who work in that area to provide for themselves and their families and pay taxes that will help sustain the economic strength of our country. If we lose that industry, we do not have any other replacement industry on the horizon to take its place.

Or aviation. We now see Japan and other Pacific rim countries and companies targeting the aviation industry, which has been one of the greatest strengths in the United States; and, because it has been, they want that industry. So they are applying pressure, and they intend to carry out trading practices and other business practices that will step-by-step shut that industry down in America and export it to where they live because they want the jobs, they want the good jobs for their people, they want the economic strength for their country. And we should want it for ourselves for precisely the same reasons because strong nations can only maintain their strength if they have a state-of-the-art high technology economic base.

In that respect, there was a very depressing article today in the Washington Post—and I bring it to the attention of my colleagues—on the front of the business section. The headline on the story, "United Technologies Corporation to Eliminate 13,900 Jobs." Here go another batch of important, high-value-added jobs, good jobs, well-paying jobs that have health insurance and pension benefits associated with them, the kinds of jobs where workers have been able to make a decent enough living to be able to put enough money aside to buy a house and plan for their children's advanced education and things of that kind. Think for a minute about the name of the company, United Technologies. United Technologies. This is not a chain of hamburger stands going down or something in the more low-valued-added category, not to minimize those areas, but this is one of our most sophisticated industries and where we see the jobs disappearing day by day, week by week.

Two weeks ago it was General Motors announcing they were eliminating 74,000 jobs in this country. It is a tremendous loss to us. AT&T has made similar announcements of the elimination of several thousands of the same kinds of good and valuable jobs, jobs of a type that we need in the future.

We have seen other companies make similar announcements. It is virtually uniform across the board, even major blue chip companies like IBM having to take the same steps. Increasingly, not just in manufacturing, we are seeing in the service areas, we are seeing massive announcements of permanent layoffs in financial institutions and many others.

The problem is where do the unemployed people go and what do they do in the future for work. What work do we have for our people? And the fact of the matter is that we are on an economic track into the future that is so weak and is on the downgrade in such a way that we do not have enough good jobs for our people in the future. And I mean by the future, tomorrow morning, first of all, for the 16 million people who want to work full time in this country and cannot find a job, but also for the sons and daughters of everybody else in this country that are coming down the time track and who also need to have good, solid job opportunities in the future where they can have a decent living standard and provide for their families.

We have a news item in the paper today that comes out of the Japanese Ministry of Finance, talking about their trade numbers for the month of December. They have already calculated the numbers. They have made them public. The U.S. numbers will not be available yet for a period of time.

But according to the Japanese, as the measure they trade deficit, the situation with the United States for the month of December, the month just finished, was the worst month it has been for the United States over the last 2 years; a deficit between our two countries, as the Japanese calculated it, of about $4½ billion. That means in that 31-day period in the month of December $4½ billion left the United States in this trade deficit and moved over to the advantage of the Japanese.

It is a tremendous loss to us. We cannot afford the capital nor can we afford the permanent reduction in jobs in this country that we are seeing in industry after industry.

Now the President, of course, just made this much publicized and ballyhooed trip to Japan. We essentially got nothing out of the Japanese trip. One of the great frustrations—most people do not know this; I have not seen this, by the way, in most of the news stories that have run—when the President arranged to go on that trip he did not even take his trade Ambassador with him. Carla Hills, the person who is our top trade official in our Government, was not there on this much publicized trade trip, did not go along.

In fact, the person who was the top person from the administration was the man who has just become the President's campaign chairman for the reelection effort this year, Mr. Mosbacher, the former Commerce Secretary. He was the one who headed the trip. So I think that tells you something about the seriousness of the administration focus.

But I must say, I think every American has a right to be deeply distressed and troubled by both the lack of results from that trip and the statements that have been made by key Japanese officials just in the last 2 or 3 days. We have had the Speaker of the House over in Japan ridiculing and belittling American workers and, in fact, the productive capability of our country. We have had Mr. Toyota say that the so-called understandings in the area of trade—opening up their market, allowing some American cars to be sold in Japan—were not fixed agreements, were not firm understandings; there is no obligation on their part to carry through on it. Very distressing in light of the way that so-called set of understandings was represented by our own Government.

But the arrogance of these economic warlords that we are hearing from in Japan is not only, I think, dangerous for the future, but it is reminiscent of the things that we have seen in the past. It is very vivid in my mind from news films that I have seen that, on the very day the Japanese bombers were on their way toward Pearl Harbor, the Ambassador from that country was here in Washington saying to our Government that they wanted to work things out, that they wanted to avoid any kind of a direct conflict. Within a matter of a few hours, we found out that that was untrue and we paid for it in flesh and bone.

And if you look at the years that followed, in terms of the tremendous effort this country had to make and the losses we sustained, by the time 1945 rolled around, the arrogance was gone on the other side because they finally then understood that the capabilities of this country really were, but at great cost, at great cost. And there is a vast number of headstones right now out in Arlington Cemetery representing the lives of young men that were lost because of that miscalculation.

Now economic warfare can be every bit as devastating as military warfare. Destroying a factory or an industry is not that much different than destroying a battleship or a military base. And we are seeing plants, we are seeing industries being targeted and devastated over a period of years, part of it being a targeting process by Japan through the use of a closed market at home and predatory trading practices here to move on those industries and take those industries over.

Now there are some in the administration that say, well, it does not really matter in a free market system. But, of course, we do not have a free market system. But they assert that we do. They say it does not really matter whether the United States is producing computer chips or producing potato chips or producing wood chips.

Well, that is absolute nonsense. Any nation that wants to be a leading nation and have a high standard of living for its people and have a good economic future wants to be producing more sophisticated things, more valuable things that the rest of the world wants to buy. So we ought to be targeting our sights on computer chips and other valuable, high value-added kinds of items. We ought to be driving our technology ahead faster.

We do not want to be pushed into a position where we become a nation that is providing the raw materials to other nations that are excelling in high-technology manufacturing. We do not just want to be a nation that is producing wood chips or potato chips or, in fact, even serving as a subcontractor for some other nation that has a far more aggressive economic strategy for itself.

But that is what is happening in America and it is happening systematically across the board, and the American people understand that. That is why the polling data coming in each week from a nationally respected organization, the New York Times-CBS, said just 2 weeks ago that 81 percent of the American people say that the economy is in serious trouble and we are off on the wrong economic track.

Unfair trade with Japan is a part of the problem. This is a part of the problem especially because it has been allowed to go on now for well over a decade. You have to ask yourself where has the administration been on this issue. For 8 years it was Reagan and Bush, and that was followed by 3 more years of Bush and Quayle. This group has been in power now 11 years in the executive branch and no strategy to cope with this problem, either to stop the predatory trade practices by Japan, which are damaging us, and insisting on fair relationships, or coming up also with a plan here in America so we can strengthen our own performance where business and Government and labor can be gathered around a table and we can work out a new economic strategy for this country, where we work together as a team, a "Team America" strategy. That is what is needed.

So we need both those things. We need to stop the trade cheating by Japan and others—our legislation is designed to do that—but at the same time we need an aggressive strategy here at home to rebuild the economic strength of this country.

Now I know the administration has an economic plan for every country in the world but this one. They have one for Kuwait, one for Mexico, promoting the free trade arrangement with Mexico, a jobs program for Mexico. No jobs program for America. There is a plan down there to help every other country around the world but no plan for America.

What we need is an American plan designed, put together, carried out here in this country that builds living standards for the people that live in this country. We have got to have it. And we are losing the economic future by our failure to understand the need for that plan and how late in the game it is and how seriously we have to get moving.

I have asked myself the question, Why is it the administration cannot see it? What is wrong with the economic policymakers around the President that they keep saying there is no problem or, if there is a problem, just be patient it will solve itself? There is a huge problem, and it will not solve itself. It is not solving itself.

I think one of the problems is that you have got around in that group of advisers some individuals who live on family trust fund income, who have financial assets that have carried forward from generation to generation, managed out there by some financial analyst somewhere who deploys the assets. Maybe they are buying German marks today and Mexican stocks tomorrow or whatever it is. But every 30 days the trust fund income rolls in to these individuals. And you ask them, talk to them about the problem, and they say to you, What problem? That is because they do not have a problem because the problem is not affecting them. And it is not affecting their sons and daughters either.

The unemployment offices around this country today are jammed by people who are out of work and who desperately need to work.

The administration is out of touch with this problem. It has an elitist view as to what the situation is. It does not understand what is happening at the grassroots, and therefore it does not understand the damage that this trade cheating by Japan—now lasting over a decade—has done to this country.

It does make a difference as to whether we are trying to make potato chips and wood chips on the one hand, in America—which is what Japan would like us to do so they can make the computer chips—or whether, instead, the United States says, "Look, we are going to make the computer chips. We are going to make the advanced aircraft. We are going to make the state-of-the-art transportation vehicles. We are going to concentrate on investing in America. We are going to invest in our plants, in our technology, in our tools, in the education of our workforce, the education of our children coming into the workforce. We are going to put our emphasis on building this country and making this country as strong as it can be in terms of its economic strength and power."

Why? Because our people need that for their living standards, and our Nation needs it to have the strength to be able to a leading Nation in the world. There is no other way to get there but to have that kind of basic strength at the grassroot level. And to have all these unused resources around the country, people out of work, the suicide rate at record levels among farmers in America, plants operating below 80 percent of capacity, and the administration basically saying either there is no problem, or if there is a problem, be patient, the problem will solve itself—it is no wonder the Japanese are laughing at us. It is no wonder we are being ridiculed by these economic warlords who have accumulated all this power in Japan. And it is nothing new. We have seen it before and we will see it again. But that does not mean we have to tolerate the pattern of trade cheating by Japan against the United States.

It is interesting, the Europeans have said no to it. The Europeans in the area of automobile imports have said to the Japanese: "Look, we are not going to let you do to us what you have done to the United States. We are not going to let you close your home market and keep it closed and yet come into our area and sell 33 percent of the cars in our home market." The Europeans are too smart for that. They know the value of these industries and they want that work for their people in the future and they want that national and regional income.

So, what they have said to the Japanese is, "Look, we are going to limit you to a 16 percent market share in car sales in Europe, and we are going to do it not for a year or 2 but for the next 10 years."

And, you know what? The Japanese agreed to that. The Japanese agreed to that. So the Europeans have had the good sense in behalf of their people to stand up to the Japanese and to stand up to the trade cheating and to the close market in Japan.

We do not find that here. In fact, our Trade Representative, Ms. Hills, has said, and I am paraphasing: "Well, in the auto parts area, if the Japanese will buy a few more auto parts from the United States and if they come from Japanese companies in America that are tied into the keiretsu arrangement, where the Japanese exclude American competition and keep most of the valuable work over in Japan, that if Japan is buying auto parts in America built by Japanese companies, that will be satisfactory."

That will not be satisfactory. That may be satisfactory to her. But if that is her view, she is in the wrong job, and we need somebody else in the trade job for America, to look after the economic interests and the workplace interests and the job prospects of people in America. Because not everybody in America is in the same favored situation as the people in the top tier of this administration.

Most people do not even understand what that kind of a situation is like, and that is why you have all this detachment and why you have this elitist philosophy at work here. It has to be changed.

A few table crumbs from Japan that we got on this last trip—now they are backing away even from that—that is not enough for this country. In fact, that is a surefire recipe for America to end up as an underdeveloped nation. We are heading in that direction. You see it in the massive unemployment.

How can we tolerate that nation that every single day in the financial page of the newspaper it is another major company that is having to lay off, permanently, tens of thousands of workers? What does it take to wake this country up and to wake up this administration? If this problem were hitting them, they would do something about it. Unfortunately, they are disconnected from the problem.

The American prople are not disconnected from it and that is why there is so much apprehension and anxiety out across the country. That is why we have to do something in the trade area—we have to stand up for our own country.

Some people say, "Well, wait a minute. Is that not protectionist?" The great irony of that question is this is precisely what Japan does. Japan, which is being held out as a model for efficiency and for growth and for what have you, that is precisely the tactics they follow. They are the No. 1 protectionists in the world. They protect their home markets and they have protected them for years and they have used their monopoly power to target industries in this country, and that is why industries in this country are disappearing one after the other.

Why can we not see that: Why is it that people who are observers—and some of the editorial writers in the country—cannot see what has happened over the last decade, the last two decades?

We are losing our civil order in our cities today, whether it is carjackings, whether it is crime derived from the drug epidemic that is loose, whether it is school class sizes that are so large that children cannot learn, or kids coming to school hungry because they are in households where there is not enough income for them to eat properly. We are seeing more and more of the manifestations of a "Clockwork Orange" society right here in our own country in communities across virtually all the 50 States.

There is a story in the paper about a young staff aide for Senator SHELBY, shot on the street the other night. Just a random victim of crime. Every single day there are stories like this.

When you have a persistent and deep economic sickness in your country and you do not recognize it and you do not do something about it, then your country slides into other kinds of problems and you get an unraveling of the social order. You get more difficulty within your communities. That is why I said a minute ago the suicide rate among farmers is at a very high level in America. These are some of the hardest working people in our country who have, you know, a wonderful value system. Why are they killing themselves? Because the economic pressures are so severe for many of them that they do not see any other way.

Is that the best we can do? Is that the best America can do in the 1990's in this new world order with the global changes that are under way? No. It is not the best we can do. But we need a plan for America. And everybody in America who cares about it has to be part of making sure that we put a plan together, a "Team America" plan where we rebuild the economic strength and the economic future of this country. So there will be enough good jobs to go around. So we do not have workers fighting each other for a handful of jobs when they become vacant.

The other day there was a story on the national news, a hotel opening up in Chicago. On that particular day there was a driving snowstorm, the temperatures were down near zero.

There were thousands of people standing out in that bitter cold just to put an application in for a job, a handful of jobs, at that particular hotel.

A goal for this Government and for this President and for this Senate ought to be to say we want every single person standing in that line to have a job. The fact that they care enough to be out there, standing in the bitter cold to put in a résumé and try to get a job to me is reason enough to say they ought to have a job. And that they are part of this country. And they are just as important as any Cabinet officer or Trade Representative or anybody else in this Government who is doing fine these days. They ought to be given some consideration.

In fact, we have a law on the books that is supposed to see to it that we have full employment in America. We passed it a few years ago. It is called the Humphrey-Hawkins bill, where we actually set as a law in America that we were going to see that there were enough jobs to go around. That law is not being enforced. It is not being carried out. It is being ignored. It is as if it was not there. No wonder people are disillusioned across the country. It is no wonder that more than half now do not even vote in Presidential elections, because they do not see our Nation responding to their needs.

When people cannot provide for their children and have some prospect that their kids are going to have an opportunity for a life in the future at least as good as their own, then disillusionment sets in and the sun starts setting on a nation that is willing to settle for that.

I am not willing to settle for that and we ought not to settle for that. We cannot afford leadership in this country that is willing to settle for it. I do not care how detached they are, how elitist they are. We cannot accept that kind of a situation. It is dangerous to this country and I think, in fact, it is dangerous even to the stability of the world. We are moving to a situation where we are going to have a head-on confrontation down the road with Japan over this problem of economic strength, because these issues have been let go too long and too much damage has been done at home. It is in the interest of both countries to avoid that. But today, with the statements that we are hearing coming from Japan, looking down their nose as they are at the United States, at our work force, at our capacities, it is the same miscalculation—the same miscalculation—that set off World War II. And this country is not going to stand around and see its economic future disappear, either the part of it that is taken away by other nations that cheat in trade, or the part that disappears because we are not pulling ourselves together and organizing ourselves around a strong American economic plan that requires sacrifice and increased effort by everybody in our society. So we need both things.

But we are not going to be able to put a plan together and get ourselves back to full economic strength if another nation is holding our head under the water, particularly in key industries. Within the last 2 weeks, in the automobile industry, we have had General Motors and Chrysler both undergo financial rating downgrades. That is a very serious problem. It is on the financial pages now. If that does not get corrected, it is going to be on the front pages because they cannot continue in that situation with the serious recession going on and this ongoing trade invasion coming in from Japan. They just cannot handle it; too big a problem, too strategic in its nature, just as other industries in this country have also seen in the past, and that is why those industries have disappeared.

So with respect to our legislation, what we are saying to Japan is, look, you have taken $460 billion out of the United States since 1980, $460 billion out, and you took $42 billion out of here last year, and, according to your own number, you took $4.5 billion out in the month of December. We cannot afford that any longer because it is hurting America and it is weakening America and it is destroying jobs in America and it is diminishing our economic future.

So we have to put a stop to it. And, at the same time, we have to pull ourselves together and develop this team America strategy at home. It means recognizing the problem and being honest about it, not pretending there is no problem. There is a massive problem. There is a massive problem in our economic system and it will not self-correct.

We may get a little piddling recovery along the way here—it may last for a few months—but that does not deal with these underlying long-term problems. That takes an aggressive set of actions and a strategy and it takes leadership from the top of our Government. If it is not forthcoming, things are going to get worse, not better, and that is not a sufficient answer for America. We cannot say that to our young people coming down the track.

Imagine if someone had said that to us when we were in high school, those of us who now serve in the U.S. Senate. Suppose what the country was saying at that time was, "Look, sorry, you know, things are tough; you know, we cannot put together a plan here to see to it that there are enough good jobs in the future." What would that mean to the young people in high school back then, or what does it mean to them today? They deserve better than that. They deserve better leadership than that.

If that is the best we can do, we ought to just shut this place right on down starting with all of the institutions in the Federal Government. If the best we can say to the American people is, "Sorry, big problems, but we cannot fix them," then I do not think we have a right to govern, and I would think that the American people will put some new people into Government if we cannot show a recognition of this problem and a response to it.

So I hope that people will take a look at the legislation that we have drafted. The fact that Senator HOLLINGS and Senator ROCKEFELLER and Senator LEVIN and Senator DIXON are original cosponsors I think says something about the importance and the substantive content of this legislation. We solicit other cosponsors, and we solicit the support of the American people.

It is time that we are honest with ourselves in America and stop this backward slide, the pressure on our families and on the middle class, and see to it that we put in place an economic growth plan that starts to regain American strength and gets us back on a path into the future that is good for our people.

Our founding documents, when one reads them from beginning to end, have to do effectively with the quality of the lives of our people and how everybody in this country is equally important, not just those with huge family trust funds or who are well situated. This whole country started on a different premise. We did it in order to get away from kings and queens and royalists and to say that the common man was the most important person in the country.

That is where our great strength has come from for over 200 years, and we have to get back to that principle. When the everyday citizen in this country has a chance to have a decent life and a decent job and a way to provide for their family and build their communities, then America soars. When those things are impaired, then we slide into great difficulty and the rest of the world is not going to show a bit of mercy for the United States if we are not managing these problems properly.

Mr. President, today I am introducing legislation to take action to reduce our trade deficit with Japan. Joining me as original cosponsors of this important measure are Senators HOLLINGS, ROCKEFELLER, LEVIN, and DIXON, and it is being introduced by Congressman GEPHARDT, Congressman LEVIN, and others in the House today as well.

The time has come to do something about Japan's persistent trade cheating and its impenetrable keiretsu system. Keiretsu is the system of cross-shareholding links between manufacturers and their suppliers, distributors and bankers. It is this system that keeps Japan's home market for cars and auto parts closed and blocks the sale of American auto parts to the Japanese car factories in the United States.

The Europeans have seen what the Japanese closed markets and their keiretsu system is doing to our auto and auto parts industries. They have responded by negotiating a 16-percent limit on sales of Japanese imports and of Japanese cars made in Europe until the next century. Japan's share of the United States car market is already double this level. By contrast, all foreign car makers combined represent less than 3 percent of Japan's market.

The European limits on Japanese cars makes it official: the United States has become the last dumping ground for the world's excess automobile production. I use the term "dumping" literally: Japanese cars and parts typically sell for less in the United States than in Japan. According to U.S. law, that's dumping.

Most people thought our auto trade deficit with Japan would fall when they started building car factories in the United States. It was expected that cars produced in these factories would replace imports and use American parts and labor. But the auto trade deficit with Japan has not decreased. Cars produced by the transplants have not replaced imports; they've added to them. And these transplant cars are not built primarily with American parts, but with Japanese parts. For this reason, our auto trade deficit with Japan is projected to grow considerably in the next few years according to a study done for the Department of Commerce's private sector industry advisory committee.

Why were the experts wrong? They overlooked keiretsu. They wrongly assumed that Japanese companies in America would act like American companies. Instead, these companies have transplanted their keiretsu system. They remain essentially closed Japanese economic islands in the middle of the United States. And these islands are growing.

The Japanese transplants buy only 15 percent of their parts from non-Japanese affiliated companies. The other 85 percent is split between imports from Japan and purchases from Japanese-affiliated parts firms in the United States. In order to do business with a Japanese car company, you usually have to be a Japanese company or you have to affiliate with one. It doesn't matter that you might have the best product at the lowest price. You've got to give them a piece of the action if you want their business.

In a few years, these transplant companies will account for over 25 percent of total auto production in the United States. Most of this production is replacing declining Big 3 production. That means that if the transplants continue to buy only 15 percent of their parts from non-Japanese-affiliated auto parts companies, our parts industry—the largest industry in the United States—will shrink by about 20 percent. It's happening already.

It would be one thing if our industry was not competitive. But it is competitive. We have a sizable trade surplus in auto parts with the rest of the world. And a recent pricing study of auto parts in the United States and Japan performed by the Department of Commerce and MITI found that United States parts were priced far cheaper, in many cases one-third or one-fourth of the Japanese price.

Europe has acted to protect its economic interests. What is our Government doing? Studying the problem. After 5 years of negotiations, we're still studying the problem.

The time for talk has passed. The survival of an essential industry is in question. The welfare of millions of Americans is at stake, many of them in Michigan. The auto industry accounts for over 4 percent of GNP. One auto job in an American auto company supports six others.

Our bill will give this Nation a policy for restoring equity and fairness in the automotive industry overseas and here at home. It is fair, balanced and direct.

It gives Japan a clear choice between reasonably reducing its trade surplus and ending its closed markets and the restrictive business practices of its keiretsu system or seeing its overall market share in the United States frozen at first and reduced by 250,000 units per year thereafter.

Like the agreement Europe obtained with Japan, the bill places a limit on the overall Japanese share of the United States market—imports and transplants. However, unlike Europe's arrangement, Japan can exceed the limit by doing either one or a combination of the following:

First, it can end the discriminatory parts procurement practices of its transplants; specifically, the transplants must buy at least 60 percent of their parts from non-Japanese-affiliated companies; or

Second, it can import more American cars into Japan.

The limit starts at the current level of imports and transplant production and then declines steadily through 1996. The result will be to require the Japanese transplant fleet to source at least 60 percent of its parts from non-Japanese-affiliated parts firms by 1997. The only way around this will be for Japan to import more American cars or to reduce its exports of vehicles to the United States.

The bill calls for both bilateral negotiations with Japan and multilateral negotiations with major auto producing nations to restore equity in world auto trade. If the talks are successful, then the administration can recommend to the Congress that the limits be modified or terminated.

Furthermore, the bill implements the recommendations of the administration's own auto parts advisory committee by mandating a section 301 and an antidumping case against unfair trade practices which block United States exports of auto parts to Japan and result in dumping of Japanese auto parts in the United States, respectively.

Finally, the legislation will monitor the U.S. auto industry in order to assure that it does do its share. We will be watching to see if this industry reinvests substantially all of the cash flow of its North American automotive operations back into such operations and to take other steps to maintain competitiveness.

Mr. President, it is just not acceptable for our auto parts industry to be replaced with a Japanese-owned auto parts industry for reasons that have nothing to do with competitiveness.

It is not acceptable for Japan to have 10 times as much access to our car market as we have to theirs.

It is not acceptable for us to be the market of last resort for the world's excess production.

It is not acceptable for the Japanese car companies in the United States to say they are American companies when they don't provide anywhere near the same benefits to the U.S. economy as an American company.

The bill merely requires good corporate citizenship. It says: If you're going to build cars here, then don't just use our labor primarily to assemble your parts. Don't restrict your purchases of auto parts primarily to Japanese-owned and affiliated companies. And don't expect unimpeded access to our market if you block our access to yours by engaging in anticompetitive business practices that violate antitrust principles.

The bill sends a clear message that press releases and promises are insufficient. In anticipation of this legislation, each of the Japanese car companies issued a press release in recent weeks stating its intention to buy more American parts. For its part, the Japanese Government issued a press release directing Japanese car dealers in Japan to begin to sell foreign makes on their lots. If the past is prologue, these promises will not solve the problem.

Too much is at stake to wait for promises to be kept. It is time to act to defend our interests.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

I thank my colleagues for their patience, and I thank the Chair. I yield the floor.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2145

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SHORT TITLE, FINDINGS, AND DEFINITIONS

SEC. 101. SHORT TITLE.

This Act may be cited as the "Trade Enhancement Act of 1992".

SEC. 102. FINDINGS, PURPOSE, AND DISCLAIMERS.

(a) FINDINGS.—The Congress makes the following findings:

(1) The traditional domestic auto and auto parts sector directly employs more than 1 million workers and indirectly employs several million more. These workers are skilled, hard working, productive, capable, and proud of their work. They and their employers have achieved great improvements in quality, performance, fuel economy, safety, and design of domestic motor vehicles.

(2) The auto and auto parts sector directly and indirectly accounts for about 12 percent of our gross national product and generates more than $200 billion a year in revenue.

(3) The domestic auto and autos parts sector is a major consumer of steel, glass, textiles, rubber, aluminum, machine tools, chemicals, electronics, and other important products.

(4) Recognizing the competitive pressures facing the automotive industry, Japan has operated under a voluntary export restraint arrangement since 1981 that has not been recognized or enforced by the United States Government.

(5) The United States Government since 1986 has engaged, with little result, in a negotiating process with the Government of Japan to obtain fair access to the markets of that nation for United States producers of motor vehicle parts and manufacturers of motor vehicles.

(6) Despite these unsuccessful efforts, in 1990 the United States posted a $41.1 billion trade deficit with Japan of which $31.1 billion was accounted for by the automotive sector deficit ($10.5 billion of which was attributable to auto parts), and there is little evidence that the Japanese Government is seriously trying to eliminate such deficits which are detrimental to the United States economy and jobs.

(7) In addition to transplant assembly facilities in the United States that are owned or controlled by Japanese persons, motor vehicles and motor vehicle parts are being imported from that country into the United States in such increased quantities and under such conditions as to cause, or threaten to cause, serious injury to the domestic manufacturers of like or directly competitive products and to the domestic workers producing such products.

(8) In the last 5 years, transplant assembly facilities in the United States that are owned or controlled by persons from that country have not shifted significantly their procurement to traditional United States producers of motor vehicle parts and components, as illustrated by the fact that—

(A) the United States automotive parts trade deficit with that country grew between 1985 and 1990 at an annual average rate of 17 percent and totaled $10.5 billion in 1990; and

(B) only 12.5 percent of the customs value of vehicles manufactured in such transplant facilities in the United States is based on parts produced by traditional United States motor vehicle parts producers, while 35.1 percent of such value is based on imports from Japan and 32.4 percent of such value is based on purchases from Japanese-affiliated parts producers located in the United States.

(9) The pattern of procurement described in paragraph (8) poses an increasingly serious risk to the United States motor vehicle parts industry (and workers of that industry) and to the United States industrial base because production of vehicles by such transplant facilities is projected to increase from 1.5 million in 1990 to 2.5 million in 1994.

(10) The continuation of current procurement practices by automobile companies owned or controlled by persons from Japan and the increased production of vehicles by such transplant facilities in the United States is projected to result in a 110 percent (or $21.99 billion) increase in the United States motor vehicle parts trade deficit by 1994.

(11) Aftermarket parts are likely to account for 50 percent of the motor vehicle parts trade deficit with Japan by 1994 because such transplant facilities are not purchasing sufficient quantities of original equipment from United States suppliers.

(12) Traditional United States parts manufacturers are particularly underrepresented in the production of motor vehicles produced by such transplant facilities in the United States in the following 3 major, high value-added vehicle systems:

(A) Engines.

(B) Transmissions.

(C) Body structures.

(13) In the 1991 National Trade Estimates Report, the United States Trade Representative listed "close and durable relationships" between Japanese auto makers and suppliers as a barrier to United States auto parts sales in Japan.

(14) The market share of Japanese motor vehicle manufacturers in the European Community is currently 10 percent while their market share in the United States is about 35 percent.

(15) The European Community has negotiated an understanding with the Government of Japan limiting the market share of motor vehicles produced by Japanese motor vehicle manufacturing companies both in Japan and in the European Community to less than 16 percent until the year 2000.

(16) The home market for motor vehicles and motor vehicle parts in Japan remains largely closed to all foreign manufacturers whose combined market share equals no more than 3 percent.

(17) Japan's nontariff market barriers include onerous inspection and certification systems that discriminate against foreign-made motor vehicles and motor vehicle parts, a tax system that discriminates against foreign-made products, closed distribution systems and dealer networks, and government-tolerated "Keiretsu" relationships involving motor vehicle and motor vehicle parts manufacturers and dealers. At the same time, Japanese firms enjoy open markets in the United States with no limitations or discrimination.

(18) The United States Government should take early, concerted, and concrete action to obtain fair market opportunities for the sale of products of traditional United States producers of motor vehicles and motor vehicle parts to Japanese motor vehicle companies and consumers.

(b) PURPOSES.—The purposes of this Act are the prevention or remedy of the serious injury described in subsection (a) (7) and (9) to domestic manufacturers and workers engaged in the production and interstate sale and export of motor vehicles and motor vehicle parts until such time as bilateral or multilateral agreements providing for mutually advantageous, fair, and open international trade in motor vehicles and motor vehicle parts can be negotiated and enter into effect.

(c) CONGRESSIONAL DISCLAIMERS.—It is the intent of Congress that this Act shall not be deemed to modify or amend the terms or conditions of any international treaty, convention, or agreement that may be applicable to motor vehicles and motor vehicle parts and to which the United States, on the date of the enactment of this Act, is a party, including, but not limited to, the terms or conditions of any such treaty, convention, or agreement which provide for the resolution of conflicts between the parties thereto. Nothing in this Act shall be construed (1) to confer jurisdiction upon any court of the United States to consider and resolve such conflicts, or (2) to alter or amend any law existing on the date of the enactment of this Act which may confer such jurisdiction in such courts.

SEC. 103. DEFINITIONS.

For purposes of this Act:

(1) MOTOR VEHICLES AND MOTOR VEHICLE PARTS.—

(A) The term "motor vehicle" means any article of a kind described in heading 8703 or 8704 of the Harmonized Tariff Schedule of the United States.

(B) The term "motor vehicle parts" means articles of a kind described in the following provisions of the Harmonized Tariff Schedule of the United States if suitable for use in the manufacture or repair of motor vehicles:

(i) Subheadings 8407.31.00 through 8407.34.20 (relating to spark-ignition reciprocating or rotary internal combustion piston engines).

(ii) Subheading 8408.20 (relating to the compression-ignition internal combustion engines).

(iii) Subheading 8409 (relating to parts suitable for use solely or principally with engines described in subparagraphs (A) and (B)).

(iv) Subheading 8483 (relating to transmission shafts and related parts).

(v) Subheadings 8706.00.10 and 8706.00.15 (relating to chassis fitted with engines).

(vi) Heading 8707 (relating to motor vehicle bodies).

(vii) Heading 8708 (relating to bumpers, brakes and servo brakes, gear boxes, drive axles, nondriving axles, road wheels, suspension shock absorbers, radiators, mufflers and exhaust pipes, clutches, steering wheels, steering columns, steering boxes, and other parts and accessories of motor vehicles).

The Secretary shall by regulation include as motor vehicle parts such other articles (described by classification under such Harmonized Tariff Schedule) that the Secretary considers appropriate for the purposes of this Act.

(C)(i) The term "foreign motor vehicle" means—

(I) a motor vehicle that is a product of Japan; and

(II) a motor vehicle treated as a product of Japan under clause (ii).

(ii) The Secretary of the Treasury shall also treat as motor vehicles that are products of Japan those motor vehicles manufactured in a foreign country (other than Japan or Canada) with respect to which the Secretary finds that—

(I) the vehicles were manufactured in such foreign country by a related source, and

(II) motor vehicle parts that were produced by, or purchased or otherwise obtained (directly or indirectly) from, related sources constitute 50 percent or more of the export value of the vehicles.

(D) The term "United States motor vehicle" means a motor vehicle that is produced by a domestic vehicle manufacturer.

(2) VEHICLE AND PARTS MANUFACTURERS.—

(A) DOMESTIC PARTS MANUFACTURER.—The term "domestic parts manufacturer" means a manufacturer of motor vehicle parts that—

(i) has one or more motor vehicle parts manufacturing facilities located within the United States; and

(ii) either—

(I) is not a related source,

(II) is not affiliated with a related source, or

(III) is affiliated with a related source, but with respect to its production of motor vehicle parts in the facilities referred to in clause (i) during the most recent full calendar year, utilized materials and components produced by, or purchased or otherwise obtained (directly or indirectly) from, related sources to an extent not exceeding 25 percent of the total value of such production.

(B) DOMESTIC VEHICLE MANUFACTURER.—The term "domestic vehicle manufacturer" means a manufacturer (whether or not a related source) of motor vehicles that—

(i) has one or more motor vehicle manufacturing facilities located within the United States that produce motor vehicles for interstate sale or export, or both, and

(ii) with respect to its production of motor vehicles in the facilities referred to in clause (i) during the calendar year immediately preceding any calendar year referred to in section 302(a), utilized motor vehicle parts produced by domestic parts manufacturers that constituted 60 percent or more of the total value of all motor vehicle parts used in such production.

(C) TRANSPLANTED VEHICLE MANUFACTURER.—The term "transplanted vehicle manufacturer" means a manufacturer of motor vehicles that is a related source and—

(i) has one or more motor vehicle manufacturing facilities located within the United States that produce motor vehicles for interstate sale or export, or both; and

(ii) with respect to its production of motor vehicles in the facilities referred to in clause (i) during the calendar year immediately preceding any calendar year referred to in section 302(a), either—

(I) did not utilize motor vehicle parts produced by domestic parts manufacturers; or

(II) utilized motor vehicle parts produced by domestic parts manufacturers that constituted less than 60 percent of the value of all motor vehicle parts used in such production.

(D) TREATMENT OF CANADIAN MOTOR VEHICLE PARTS.—The Secretary may, in applying clause (ii) of subparagraphs (B) and (C), treat motor vehicle parts that are articles of Canadian origin under the United States-Canada Free-Trade Agreement and are used in the motor vehicle production referred to in each such clause (ii) as being motor vehicle parts produced by domestic parts manufacturers, if such treatment is consistent with the purposes of this Act.

(3) RELATED SOURCES, OWNERSHIP, AND AFFILIATION.—

(A) RELATED SOURCE.—The term "related source" means—

(i) a natural person who is a citizen of Japan; and

(ii) a corporation or other legal entity, wherever located, if owned or controlled by—

(I) natural persons who are citizens of Japan, or

(II) another corporation or other legal entity that is owned or controlled by natural persons who are citizens of Japan.

(B) OWN OR CONTROL.—For purposes of this section, the term "own or control" means—

(i) in the case of a corporation, the holding of at least 50 percent (by vote or value) of the capital structure of the corporation; and

(ii) in the case of any other kind of legal entity, the holding of interests representing at least 50 percent of the capital structure of the entity.

(C) AFFILIATED.—For purposes of this section, a domestic parts manufacturer shall be considered to be affiliated with a related source if—

(i) in the case of a domestic parts manufacturer that is a corporation, a related source holds at least 2.5 percent but less than 50 percent (by vote or value) of the capital structure of the corporation; and

(ii) in the case of a domestic parts manufacturer that is any other kind of legal entity, a related source holds interests representing at least 2.5 percent, but less than 50 percent, of the capital structure of the entity.

(4) ENTERED.—The term "entered" means entered, or withdrawn from warehouse for consumption, in the customs territory of the United States.

(5) IMPORT AND PRODUCTION RESTRICTION IMPLEMENTATION PERIOD.—The term "import and production restriction implementation period" means all calendar years occurring—

(A) after the first year listed in section 201(b)(1) with respect to which the Secretary finds, under section 201(b)(2), that the trade deficit reduction target for that year was not met; and

(B) before calendar year 2000.

(6) INTERSTATE SALE.—The term "interstate sale" means sale or distribution in the interstate commerce of the United States.

(7) SECRETARY.—The term "Secretary" means the Secretary of Commerce.

(8) TRADE REPRESENTATIVE.—The term "Trade Representative" means the United States Trade Representative.

(9) VALUE.—The term "value" when applied to—

(A) materials and components used in production of motor vehicles parts; or

(B) motor vehicle parts used in the production of motor vehicles;

refers to the cost of such materials, components, or parts to the manufacturer of such parts or vehicles as determined for purposes of applying the Federal income tax laws (including, in the case of purchases of materials, components, and parts involving related sources, entities owned or controlled by related sources, or entities affiliated with related sources, determinations based on the application of the transfer price rules).

TITLE II—MERCHANDISE TRADE DEFICIT REDUCTION

SEC. 201. STAGED TRADE DEFICIT REDUCTION.

(a) DEFINITIONS.—For purposes of this section:

(1) The term "baseline deficit" means the average monthly merchandise trade deficit, as computed by the Secretary, of the United States with Japan during calendar year 1991.

(2) In computing merchandise trade deficits under this section, the value of bilateral trade between the United States and Japan in—

(A) crude petroleum; and

(B) nonmonetary gold;

shall not be included.

(b) TRADE DEFICIT REDUCTION TARGETS.—

(1) IN GENERAL.—The trade deficit reduction target for each of the calendar years listed below is an average monthly merchandise trade deficit of the United States with Japan during such year that does not exceed an amount that equals the applicable percentage of the baseline deficit that appears opposite such year:

"Calendar year	Applicable percentage of baseline deficit
1992	80 percent
1993	60 percent
1994	40 percent
1995	20 percent
1996	0 percent

For calendar year 1996, the 0 percent trade deficit reduction target shall be treated as having been met if the merchandise trade deficit of the United States with Japan during such year does not exceed—

(A) an amount equal to 5 percent of the value of the aggregate bilateral merchandise trade between the United States and Japan during such year; or

(B) $5,000,000,000.

(2) COMPUTATIONS.—Not later than March 1 following each calendar year listed in paragraph (1) (if such year is not within the import and production restriction implementation period), the Secretary shall compute whether the trade deficit reduction target for such year was met.

(3) ANNOUNCEMENT OF IMPORT AND PRODUCTION RESTRICTION IMPLEMENTATION PERIOD.—If the Secretary finds under paragraph (2) that the trade deficit reduction target specified under paragraph (1) for a calendar year was not met, the Secretary shall announce, by publication in the Federal Register, that the import and production restriction implementation period is in effect beginning on January 1 of the year after the year to which the finding applies.

(4) ADMINISTRATION.—If necessary for the prevention of import surging or otherwise ensuring the efficient administration of this Act, the Secretary may impose temporary quantitative import restrictions on foreign motor vehicles entered during the first 3 months of the calendar year following the year for which a computation is made under paragraph (2).

SEC. 202. REPORTS.

Within 30 days after a computation is made under section 201(b)(2) with respect to a calendar year, the Secretary shall submit to the Congress a report setting forth the bases of the computation.

SEC. 203. SENSE OF CONGRESS REGARDING ACHIEVEMENT OF MERCHANDISE TRADE DEFICIT REDUCTION TARGETS.

It is the sense of the Congress that representatives of the United States and Japanese Governments should undertake continuing discussions regarding the means and measures, to be selected by the Japanese Government, to achieve the merchandise trade deficit reduction targets required under section 201(b). During the discussions, the Trade Representative should particularly address market access priorities for United States exports to Japan.

TITLE III—IMPORT AND PRODUCTION RESTRICTIONS TO BE IMPLEMENTED IF TRADE DEFICIT REDUCTION TARGET NOT MET

SEC. 301. COMPUTATION AND IMPLEMENTATION OF IMPORT AND PRODUCTION RESTRICTIONS.

(a) COMPUTATION.—The Secretary shall, in accordance with the provisions of this title, compute the quantitative import restrictions provided for under section 302(a), and the production restrictions provided for under section 302(b), for each of calendar years 1993 through 1999, regardless of whether such year is within the import and production restriction implementation period; except that such computations are not required for calendar years 1997, 1998, and 1999 if all trade deficit reduction targets under section 201(b) for calendar years 1992 through

1996 are met. If the taking effect of the import and production restriction implementation period is announced under section 201(b)(3), the cumulative results of the computations of such restrictions for the calendar year or years preceding such taking effect shall apply for purposes of computing such restrictions for the first year within such period.

(b) IMPLEMENTATION.—The quantitative import restrictions and production restrictions computed under subsection (a) for a calendar year shall be implemented under this title with respect to that year only if that year is within the import and production restriction implementation period.

SEC. 302. RESTRICTIONS ON THE IMPORTATION INTO, AND THE PRODUCTION WITHIN, THE UNITED STATES OF CERTAIN MOTOR VEHICLES.

(a) QUANTITATIVE IMPORT RESTRICTIONS.—

(1) IN GENERAL.—The aggregate quantity of foreign motor vehicles that may be entered during each of calendar years 1993 through 1999 may not exceed—

(A) 2,300,000 (hereinafter in this section referred to as the "import share"); or

(B) such import share as it may be adjusted under paragraph (2) for that year.

(2) ADJUSTMENT OF QUANTITATIVE IMPORT RESTRICTIONS.—

(A) DEFINITION OF COMPUTATION AMOUNT.—For purposes of this paragraph and subsection (b)(2), the term "computation amount" means—

(i) with respect to calendar year 1993, 3,800,000; and

(ii) with respect to each calendar year after 1993 and before 2000, the computation amount for the immediately preceding calendar year reduced by 250,000.

(B) REDUCTION IN AGGREGATE QUANTITY OF VEHICLES PERMITTED ENTRY.—The Secretary shall reduce the import share under paragraph (1)(A) for any calendar year after 1993 by the amount, if any, by which—

(i) the total number of foreign motor vehicles entered during the immediately preceding calendar year; plus

(ii) the total number of motor vehicles that were produced in the United States by transplanted vehicle manufacturers during such immediately preceding year;

exceeds the computation amount for such immediately preceding year.

(C) INCREASE IN AGGREGATE QUANTITY OF VEHICLES PERMITTED ENTRY.—The Secretary shall increase the import share under paragraph (1)(A) (after adjustment, if any, under subparagraph (B)) for any calendar year after 1993 by the amount equal to the increase, if any, in—

(i) the aggregate quantity of United States motor vehicles that were imported into Japan during the immediately preceding calendar year; over

(ii) the aggregate quantity of United States motor vehicles that were imported into Japan during the calendar year immediately preceding the calendar year referred to in clause (i).

(D) NOTIFICATION BY SECRETARY OF ADJUSTMENTS FOR CUSTOMS PURPOSES.—The Secretary shall promptly determine and notify the Secretary of the Treasury of any adjustment under subparagraph (B) or (C), or both, for any calendar year (if such year is within the import and production restriction period) to the import share under paragraph (1)(A).

(3) CONTINGENCY ACTIONS.—With respect to any calendar year within the import and production restriction period, the Secretary may take any of the following actions after public notice if the Secretary considers that such action is necessary or appropriate to prevent, reduce, or eliminate disruption in the distribution of foreign motor vehicles entered under paragraph (1) and includes in the notice the basis for such action:

(A) The application of the quantitative limitation in effect under paragraph (1) for the calendar year on a calendar quarter or other intra-annual basis.

(B) The allocation of the quantity of foreign motor vehicles permitted to be entered during the calendar year or intra-annual period on such basis as the Secretary considers equitable, including allocation by auction or allocation among national or regional distributorships for foreign motor vehicles on the basis of the representative retail market shares in the United States of the make or makes of foreign motor vehicles handled by the respective distributorships.

(b) RESTRICTIONS AFFECTING PRODUCTION BY TRANSPLANTED VEHICLE MANUFACTURERS.—

(1) DETERMINATION THAT ANNUAL BENCHMARK IMPORT AND PRODUCTION AMOUNT REACHED.—The Secretary shall determine promptly in each calendar year after 1992 that week in such year in which—

(A) the total number of motor vehicles that are produced in the United States by all transplanted vehicle manufacturers to date during such year; plus

(B) the total number of foreign motor vehicles that are entered to date during such year;

equals the annual benchmark import and production amount for that year computed under paragraph (2). The Secretary shall require such periodic reporting by transplanted vehicle manufacturers, and shall arrange for such reporting of entry statistics by the Secretary of the Treasury, as may be necessary to carry out this paragraph.

(2) ANNUAL BENCHMARK IMPORT AND PRODUCTION AMOUNT.—The annual benchmark import and production amount applicable for purposes of paragraph (1) for each of calendar years 1993 through 1999 is the sum of—

(A) the quantitative limitation in effect under subsection (a)(1) for such calendar year; and

(B) the computation amount computed under subsection (a)(2)(A) for such year.

(3) NOTIFICATION THAT AUTHORIZED ANNUAL IMPORT AND PRODUCTION AMOUNT REACHED.—The Secretary shall immediately notify each transplanted vehicle manufacturer of the date (hereinafter in this subsection referred to as the "benchmark date") of the last day of the week in which the applicable annual benchmark import and production amount was reached.

(4) PENALTY FOR MOTOR VEHICLE PRODUCTION AFTER BENCHMARK AMOUNT REACHED.—Except as provided in paragraph (5), any transplanted vehicle manufacturer that produces, within any calendar year within the import and production restriction period, motor vehicles in manufacturing facilities within the United States in such calendar year on or after the 14th day after the benchmark date for that year shall be liable, after notice and opportunity for a hearing under section 554 of title 5, United States Code, and subject to subsection (c), to the United States for a civil penalty of not more than $25,000. Each day of a continuing violation under this paragraph constitutes a separate offense.

(5) AVOIDANCE OR MITIGATION OF PENALTY.—

(A) AVOIDANCE.—Paragraph (4) shall not apply to a transplanted vehicle manufacturer if the manufacturer can show to the satisfaction of the Secretary that the manufacturer meets the qualification under section 103(2)(B)(ii) as a domestic vehicle manufacturer with respect to its production of motor vehicles in manufacturing facilities within the United States during the calendar year concerned before the benchmark date.

(B) MITIGATION.—The Secretary may mitigate any penalty imposed under paragraph (4) with respect to a transplanted vehicle manufacturer that is not eligible for avoidance under subparagraph (A) if the manufacturer can show to the satisfaction of the Secretary that the value of motor vehicle parts produced by domestic parts manufacturers used in its production of vehicles manufactured in facilities within the United States during the calendar year concerned before the benchmark date was significantly greater than the value of such kind of parts used in its production of motor vehicles manufactured in such facilities during the preceding calendar year.

SEC. 303. ADMINISTRATION.

(a) CERTIFICATIONS BY MOTOR VEHICLE AND MOTOR VEHICLE PARTS MANUFACTURERS.—

(1) INITIAL CERTIFICATION.—

(A) IN GENERAL.—Within 180 days after the date of the enactment of this Act, each person that—

(i) has 1 or more motor vehicle manufacturing facilities within the United States shall submit to the Secretary an initial certification that such person is, for purposes of this title, either a domestic vehicle manufacturer or a transplanted vehicle manufacturer; or

(ii) has 1 or more motor vehicle parts manufacturing facilities within the United States, and considers that it qualifies as a domestic parts manufacturer under section 103(2)(A), shall submit to the Secretary an initial certification that such person is such a manufacturer.

(B) DOCUMENTATION.—Certifications submitted under subparagraph (A) shall be accompanied by such information and documentation as the Secretary may by regulation require.

(C) TREATMENT OF INITIAL CERTIFICATIONS.—The Secretary shall treat an initial certification submitted under subparagraph (A) as being valid until such time as the certification may be revoked or amended under paragraph (3).

(2) TREATMENT OF MOTOR VEHICLE MANUFACTURERS IF INITIAL CERTIFICATIONS NOT SUBMITTED.—The Secretary shall treat any person that is required to submit an initial certification under paragraph (1)(A)(i) but fails to do so as a transplanted vehicle manufacturer.

(3) REVOCATION OR AMENDMENT OF CERTIFICATIONS.—If the Secretary finds, after notice and opportunity for a hearing in accordance with section 554 of title 5, United States Code, that, on the basis of evidence provided by a manufacturer that is certified as a manufacturer under section 103(a)(2)(A), (B), or (C) (or evidence otherwise available to the Secretary) that the manufacturer—

(A) no longer qualifies for such certification; or

(B) qualifies for a different certification;

the Secretary shall either revoke or amend the certification, as appropriate.

(b) AUTHORITY TO OBTAIN INFORMATION.—

(1) IN GENERAL.—The authority granted to the Secretary under subsection (b)(1) of section 505 of the Motor Vehicle Information and Cost Saving Act (as in effect on the date of the enactment of this Act) to obtain information and data, and access thereto, that is considered advisable by the Secretary for

purposes of carrying out part V of that Act may be used by the Secretary for purposes of obtaining the information and data, and access thereto, that is necessary or appropriate to carry out this title.

(2) ENFORCEMENT.—The authority granted to the district courts of the United States under subsection (b)(2) of such section 505 to enforce compliance with action taken by the Secretary under subsection (b)(1) of such section may be used by such courts to enforce actions taken by the Secretary under paragraph (1) for purposes of carrying out this title.

(c) REGULATIONS.—

(1) IN GENERAL.—The Secretary shall prescribe such regulations that are necessary or appropriate to carry out this title, including such regulations as may be necessary or appropriate regarding—

(A) procedures and methodologies regarding—

(i) the submission, amendment, and revocation of certifications under subsection (a),

(ii) determinations regarding the value of motor vehicle and motor vehicle part production; and

(iii) the making of findings regarding motor vehicles that should be treated as products of Japan under section 103(1)(C)(ii);

(B) the taking of contingency actions under section 302(a)(3); and

(C) constructive ownership for purposes of preventing the evasion of the provisions of this subtitle by related sources through such devices as the establishment of tiered entities, the holding of assets through multiple entities, or the holding of assets through family members.

(2) INTERIM REGULATIONS.—The Secretary shall promulgate interim regulations regarding the procedures and methodologies referred to in paragraph (1)(A) no later than 180 days after the date of the enactment of this Act.

(d) CIVIL PENALTIES.—Any person who knowingly violates any provision of this title (other than section 302(b)(4)), or any rule or regulation issued under this title, shall be liable, after notice and opportunity for a hearing in accordance with section 554, of title 5, United States Code, and subject to subsection (e), to the United States for a civil penalty of not more than $10,000. Each day of a continuing violation under this subsection shall constitute a separate offense. The Secretary may compromise, modify, or remit, with or without conditions, any penalty that is subject to imposition or that has been imposed for a violation of this subsection.

(e) PROCEDURES FOR ASSESSING, AND REVIEW OF, CIVIL PENALTIES.—

(1) NOTICE.—Before issuing an order assessing a civil penalty against any person for a violation under subsection (d) or section 302(b)(4), the Secretary shall provide to such person written notice of the proposed penalty.

(2) ASSESSMENT.—The Secretary shall promptly assess such penalty, by order, after the day of the receipt of the notice under paragraph (1) of the proposed penalty.

(3) ENFORCEMENT OF ASSESSMENT.—If the penalty has not been paid within 90 calendar days after the assessment order has been made under paragraph (2), the Secretary shall institute an action in the appropriate district court of the United States for an order affirming the assessment of the civil penalty. The court shall have authority to review de novo the law and the facts involved, and shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified or setting aside in whole or in part, such assessment.

(4) RECOVERY IF ASSESSMENT NOT PAID.—If any person fails to pay an assessment of a civil penalty after the appropriate district court has entered final judgment in favor of the Secretary under paragraph (3), the Secretary shall institute an action to recover the amount of such penalty in any appropriate district court of the United States. In such action, the validity and appropriateness of such final assessment order or judgment shall not be subject to review.

SEC. 304. ANNUAL REPORTS ON IMPLEMENTATION OF TITLE.

(a) IN GENERAL.—Not later than 90 days after the close of each calendar year referred to in section 302(a), the Secretary, after coordination with the Trade Representative, shall submit to the House of Representatives and the Senate a report that addresses the following issues with respect to that year:

(1) The operation of the quantitative import restrictions and production restrictions established under section 302(a) and (b), if such year is within the import and production restriction implementation period.

(2) The results of the negotiations carried out pursuant to section 401(b) and any recommendation for modification of section 302 that the Secretary and the Trade Representative considers appropriate—

(A) in view of the results of such negotiations; or

(B) as an incentive to achieve further progress in such negotiations.

(3) The extent to which motor vehicle manufacturers that are located in the United States and Canada and that annually produce motor vehicles with domestic content value of 75 percent or more—

(A) committed the net cash flow from their motor vehicle production operations in the United States to reinvestment in, and modernization and improvement of, plant and equipment and production capability and quality, research and development, and other appropriate projects and activities aimed at improving their annual share of interstate sales and achieving excellence in manufacturing motor vehicles, such as—

(i) the use of working capital for motor vehicle operations and programs for the retraining of workers, and

(ii) actions to produce price-competitive and quality-competitive products, to control costs of production (including employment costs) and to improve productivity; and

(B) took effective actions to maintain and improve their international competitiveness. The report may not, with respect to this paragraph, reveal trade secrets or financial, competitive, or business information that could adversely affect such manufacturers.

(4) The extent to which Japan and other nations, including the European Community, subsidize motor vehicle and motor vehicle parts manufacturing firms that export to the United States, or otherwise assist such firms to be more competitive in the United States.

(b) NET CASH FLOW.—For purposes of subsection (a)(3)(A)—

(1) the term "net cash flow" means annual net (after-tax) income plus depreciation, depletion allowances, amortization, changes in reserves minus dividends and payments on short-term and long-term debts and liabilities, and such other relevant factors that are normal to the business activities of motor vehicle manufacturers; and

(2) the Secretary shall take into account, as a part of such report, the cash (generated from other than motor vehicle manufacturing operations) in excess of net cash flow that domestic vehicle manufacturers committed to their motor vehicle production operations in the United States and other economic, regulatory trade, and competitive factors that may adversely affect or limit their operations and the sale of their products in the United States and internationally.

TITLE IV—NEGOTIATIONS AND OTHER ACTIONS

SEC. 401. NEGOTIATIONS OF AGREEMENTS PROVIDING FOR MUTUALLY ADVANTAGEOUS INTERNATIONAL TRADE IN MOTOR VEHICLE PARTS AND MOTOR VEHICLES.

(a) BILATERAL NEGOTIATIONS WITH JAPAN.—Not later than 45 days after the date of the enactment of this Act, the Trade Representative shall enter into negotiations with the Government of Japan for the purpose of entering into a bilateral agreement that facilitates—

(1) a phased-in increase in the utilization by motor vehicle manufacturers that are transplanted vehicle manufacturers of motor vehicle parts produced by domestic parts manufacturers so that such parts constitute 60 percent or more of the total value of all motor vehicle parts used in the production in the United States of motor vehicles by each transplanted vehicle manufacturer; and

(2) the elimination of those aspects of the Japanese automotive distribution system that affects the access of motor vehicle parts made by domestic parts manufacturers to the Japanese market.

(b) MULTILATERAL NEGOTIATIONS.—Not later than 180 days after the date of the enactment of this Act, the Trade Representative shall enter into negotiations with representatives of the European Community, the Government of Japan, and the governments of other major motor vehicle producing countries for the purpose of entering into a multilateral agreement that rationalizes world-wide market access and production of motor vehicles and motor vehicle parts.

SEC. 402. ACTIONS UNDER UNITED STATES TRADE REMEDY LAWS WITH RESPECT TO CERTAIN UNFAIR ACTS, POLICIES, AND PRACTICES.

(a) "301" ACTION WITH RESPECT TO BARRIERS TO THE MARKET ACCESS OF UNITED STATES-PRODUCED MOTOR VEHICLE PARTS.—

(1) IN GENERAL.—On the 45th day after the date of the enactment of this Act, all acts, practices, and policies of Japan that affect the access to the Japanese market of motor vehicle parts produced by domestic parts manufacturer (including, but not limited to, the acts, policies, and practices utilized in the Japanese automotive distribution system and the relationships commonly known as "Keiretsu") shall, for purposes of title III of the Trade Act of 1974, be considered as being acts, practices, and policies of a foreign country that are unjustifiable and burden or restrict United States commerce. The Trade Representative shall immediately proceed to determine, in accordance with section 304(a)(1)(B) of such Act, what action to take under section 301(a) of such Act to obtain the elimination of such acts, practices, and policies.

(2) ADDITIONAL RESPONSE AUTHORITY.—The scope of authority for action that may be taken under section 301(a) of the Trade Act of 1974 with respect to any act, policy, or practice referred to in paragraph (1) includes an increase in the percentage set forth in section 103(2)(B)(ii) of this Act for the purposes of the qualification of Japanese sources as domestic vehicle manufacturers.

(3) NEGOTIATION AGENDA.—If the Trade Representative decides to take action referred to in section 301(c)(1)(C) with respect to an act, practice, or policy referred to in paragraph (1), the agenda for negotiations shall include, but is not limited to—

(A) guarantees for sales in the Japanese market of motor vehicle parts produced by domestic parts manufacturers in an aggregate amount equal to the percentage of such market that would be held by motor vehicle parts produced by such manufacturers in the absence of unfair Japanese acts, practices, and policies;

(B) the elimination or modification of those aspects of the Japanese automotive distribution system and Keiretsu relationships that act as barriers to the access to the Japanese market of motor vehicle parts produced by domestic parts manufacturers; and

(C) the establishment of procedures for the exchange of information between the appropriate agencies of the United States and Japanese governments that will permit the accurate assessment of the bilateral trade in motor vehicle parts, particularly with respect to the extent of the purchase of motor vehicle parts produced by domestic parts manufacturers for use by Japanese sources in the Japanese market.

(4) ADDITIONAL ESTIMATES AND CONSEQUENTIAL EFFECT.—The Trade Representative shall promptly estimate, on the basis of the best information available—

(A) the percentage share of the Japanese market for motor vehicle parts that is currently accounted for by motor vehicle parts produced by domestic parts manufacturers;

(B) the percentage share of the Japanese market for motor vehicle parts which would be accounted for by motor vehicle parts but for acts, practices, or policies of the kind referred to in subsection (a); and

(C) the dollar value of the difference between the percentage shares estimated under subparagraphs (A) and (B).

If the negotiations referred to in paragraph (3) are unsuccessful, any action subsequently taken under section 301 of the Trade Act of 1974 in response to the Japanese acts, practices, or policies involved shall be substantially equivalent in effect to the dollar value estimated under subparagraph (C).

(5) DEFINITION OF JAPANESE MARKET.—For purposes of this subsection, the term "Japanese market" means the market for motor vehicle parts (whether for original equipment or aftermarket purposes) to be used in the production or repair of motor vehicles manufactured by Japanese sources, whether in Japan or in the United States.

(b) ANTIDUMPING INVESTIGATION REGARDING JAPANESE MOTOR VEHICLE PARTS.—The Secretary shall commence an investigation under section 732(a) of the Tariff Act of 1930 to determine whether imports of motor vehicle parts that are products of Japan into the United States, or sales (or the likelihood of sales) of such parts for importation into the United States, constitute the elements for the imposition of antidumping duties under section 731 of such Act.

SEC. 403. STUDY REGARDING APPLICATION OF INTERNAL REVENUE LAWS.

Notwithstanding any other provision of law, the Secretary of the Treasury shall submit a report to the Congress by January 1, 1994, regarding the extent to which—

(1) "Keiretsu" operations within the United States by related sources are in compliance with the internal revenue laws, particularly those relating to transfer pricing; and

(2) the Internal Revenue Service is auditing such operations.

SEC. 404. CLASSIFICATION OF MOTOR VEHICLES FOR THE TRANSPORT OF GOODS.

(a) IN GENERAL.—The Additional United States Notes to chapter 87 of the Harmonized Tariff Schedule of the United States are amended by adding at the end thereof the following new note:

"3. Any motor vehicle that is—

"(a) a light truck within the meaning of section 523.5 of title 49 of the Code of Federal Regulations (as in effect on October 1, 1990); or

"(b) a light-duty truck within the meaning of such term as defined in section 86.082-2 of title 40 of the Code of Federal Regulations (as in effect July 1, 1990);

shall be classified under heading 8704.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the effective date of this Act.

Mr. DIXON. Mr. President, I am pleased today to join my colleagues in introducing the Trade Enhancement Act of 1992.

We have seen the terrible toll Japan's unfair trade policies have taken on our domestic industries. General Motors, one of America's largest companies, recently announced its plan to close over 20 plants and lay off approximately 43,000 blue-collar workers and 25,000 white-collar workers. This is directly related to Japanese trade policies. In my own State of Illinois, I have auto, auto parts, steel, and machine tool companies that have been devastated by Japanese imports.

We need to act before any more of our industries are ravaged by Japan's unfair trade practices. This bill would require Japan to reduce its trade deficit with us by 20 percent annually over 5 years until it is eliminated. If Japan does not act, imports of Japanese autos and auto parts would be restricted. Seventy-five percent—over $30 billion—of our trade deficit with Japan comes from autos and auto parts.

In addition, two unfair trade cases would be initiated against Japan on auto parts, and the administration would be required to begin multilateral negotiations with the European Community, Japan, and other major auto producing countries to rationalize worldwide market access and production.

Since 1963, the entire world has had a trade deficit with Japan. For 29 years, the United States, Germany, China, Australia, everyone has had a trade deficit with Japan. Japan's trade surplus jumped 84 percent in December from a year earlier. Clearly, it is not only America that has problems selling its products to Japan.

As a result of Japan's unfair trade policies, our 1991 estimated trade deficit with Japan will be $42 billion. That is $42 billion less that we could be spending in this country—supporting our industries—supporting our workers.

If we could eliminate all of Japan's structural barriers: restrictive distribution system, exclusionary business practices, Keiretsu relationships, regulatory disincentives, land policies, and predatory pricing practices—we would not need this bill.

If we could eliminate Japan's restrictions on foreign agricultural products, Japan's restrictions on foreign direct investment in certain industries, Japan's continued restrictions on our services industry—we would not need this bill.

Unfortunately, the numerous years we have spent in talks, including the President's recent trade mission, have not proven to be effective. Japan's commitment to purchase 20,000 United States cars and $19 billion in auto parts was small to begin with; now we hear even that small promise had disappeared. Prime Minister Kiichi Miyazawa and Toyota Chairman Eiji Toyota have stated that Japan's plan to purchase United States autos and auto parts is only a target. Their statements demonstrate that efforts to address Japanese trade barriers go nowhere and commitments mean nothing.

Worse, Japanese officials have now attempted to place the blame for our trade deficit on American workers and the quality of American products. Our industries and our workers are some of the best in the world.

The domestic auto industry, for example, has made great strides in streamlining its system, improving productivity, reducing costs, and manufacturing a reliable and energy efficient product. In addition, American workers are ranked No. 1 in productivity compared to workers in Japan, Germany, Britain, Korea, Canada, and other industrialized countries. Trying to lay the blame on American workers is not going to work.

Clearly, given the comments made by Japanese officials and executives and any lack of real results from the President's recent trip, something concrete must be done. A healthy American manufacturing base is vital to the continued strength of our economy. Given Japan's longstanding intransigence on this issue and the ruinous effect trade barriers has had on United States industry, I believe this is our best solution.

I want to add that this bill is not an excuse for American car makers to increase prices. Increasing prices would harm our consumers and ultimately harm our auto industry. This bill is intended to address Japan's unfair trade practices. This bill would give our industries the chance to compete, to produce, and to survive. I urge my colleagues to support this bill.

By Mr. DURENBERGER (for himself and Mr. JEFFORDS):

S. 2146. A bill to amend the Solid Waste Disposal Act to require that certain solid wastes be managed as hazardous wastes; to the Committee on Environment and Public Works.

SOLID WASTE DISPOSAL ACT AMENDMENTS

Mr. DURENBERGER. Mr. President, I am introducing a bill today that will solve a serious problem in the Nation's hazardous waste law that was created by a court decision delivered during the recent congressional recess.

On December 6, 1991, the Court of Appeals for the District of Columbia decided Shell Oil Company versus EPA, a case challenging various aspects of a 1980 EPA rulemaking implementing hazardous waste management requirements under the Resource Conservation and Recovery Act [RCRA].

The court in Shell Oil held that EPA improperly issued two rules, the mixture and derived-from rules, in violation of the rulemaking requirements of the Administrative Procedure Act [APA]. The APA requires that interested parties be given notice and an adequate opportunity to comment on rules promulgated by administrative agencies.

The court ordered the two rules vacated as of January 21, 1992, because it found that inclusion of the rules in EPA's 1980 final rule, was not foreshadowed by the Agency's earlier proposed rule. Therefore, because Shell Oil had not been given notice of the rules prior to their becoming final, the court held that Shell was illegally denied its opportunity to comment on the rules.

The court made it clear that it was vacating the rules on entirely procedural grounds and did not have a quarrel with their content. In fact, the court suggested that EPA immediately repromulgate the rules on an interim final basis which is allowed under the APA under extraordinary circumstances.

The mixture and derived-from rules are critically important underpinnings of EPA's hazardous waste program. Without these rules it is possible that hundreds of thousands of tons of hazardous waste could become automatically deregulated. It it the kind of extraordinary circumstance that would, even in view of the Court, justify an interim-final rule.

The mixture rule provides that if a generator mixes a hazardous and a nonhazardous waste together, the entire mixture becomes hazardous. This rule was developed to prevent hazardous waste generators from simply diluting hazardous waste to a level no longer legally hazardous under RCRA but which nevertheless remains a threat to human health and the environment.

The derived-from rule provides that residues from the treatment storage, or disposal of hazardous waste remain hazardous. For example, as a residue from the burning of hazardous waste, incinerator ash from hazardous waste incinerators is itself considered a hazardous waste because of the derived-from rule.

Since their inception, these rules have been assailed as overly inclusive. In some cases, wastes that aren't really hazardous must be managed as if they are. While, at times the rules have resulted in the regulation of nonhazardous waste as hazardous, EPA has provided a mechanism to solve that problem. Individual facility operators can apply to have their wastes delisted.

The delisting process has been criticized as too time consuming by the regulated community and unprotective by the environmental community. These criticisms have resulted in calls for changes in the delisting process as well as calls for more general relief from the allegedly overly inclusive scope of the derived from the mixture rules.

Because of this criticism, some see the Shell Oil case as an opportunity to fix the mixture and derived from rules. But most agree that during some interim period, the mixture and derived from rules should be restored to assure that hazardous waste generators don't simply dilute their waste to avoid regulation.

The court's order vacating the rules was scheduled to become effective yesterday, January 21, 1992. In its decision, the court advised EPA to repromulgate the rules on an interim emergency basis to avoid the dangers that may be posed by the automatic deregulation of many hazardous waste if the rules were to lapse.

Several Members of the Senate, the attorneys general of 25 States, the environmental community, the hazardous waste treatment industry, and many in the regulated community, most notably, the American Petroleum Institute, have also written to EPA in support of reissuance of the rules on an interim basis while new rules are reworked.

We were all hoping that EPA would announce that the rules were being repromulgated. However, on yesterday afternoon we were surprised to learn by way of a press release from the Agency that the rules would not be reissued. Instead EPA asked the court to rehear the case. There is not much likelihood that the court will reverse it previous procedural finding. In reality, EPA's request for a rehearing was simply a move to buy more time.

Apparently, there is controversy within the administration on how to proceed. It is not clear who has prevented EPA from reissuing the rules. But they were not published. When the court refuses EPA's request for a rehearing, as it surely will, the decision vacating this rule will become effective and the RCRA hazardous waste management program will be undermined to a significant degree. That would be most unfortunate.

Congress may well need to take action on an emergency basis, if the executive is unable to respond to the court's decision in a timely way. To that end I am introducing legislation that would place the mixture and derived from rules in the RCRA statute. This is not a perfect bill. It does not answer the complaint that the rules as they stand are over inclusive. It also does not resolve the question of retroactivity. What happens to the enforcement cases that were brought based on the mixture and derived from rules between 1980 and 1992.

But the bill does send a message to the administration. We in the Congress will not allow these fundamental underpinnings of the RCRA hazardous waste program be jettisoned through any failure to act.

Mr. President, I would ask that the text of the bill and several letters be printed in the RECORD along with my comments today.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2146

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SEC. 1. Section 1004(5) of the Solid Waste Disposal Act is amended by:

(1) inserting "(A)" after "(5)";

(2) striking "(A)" and inserting in lieu thereof "(i)";

(3) striking "(B)" and inserting in lieu thereof "(ii)"; and

(4) adding at the end thereof the following new paragraphs:

"(B) The term "hazardous waste" includes any solid waste, not specifically excluded by the Administrator pursuant to paragraph (D), that—

"(i) is a mixture of a solid waste and a hazardous waste that has been listed under 40 CFR 261 subpart D; or

"(ii) is a mixture of a solid waste and a hazardous waste that exhibits one or more of the characteristics identified under 40 CFR 261 subpart C, unless the resultant mixture no longer exhibits any such characteristic.

"(C) The term "hazardous waste" includes any solid waste, not specifically excluded by the Administrator pursuant to paragraph (D), that is a solid waste generated from the treatment, storage or disposal of a hazardous waste.

"(D) The Administrator may by rule exclude from the definition of hazardous waste specific solid wastes or categories of solid wastes that would otherwise be deemed hazardous wastes under this Act solely as the result of paragraph (C) or (D).".

COMMITTEE ON ENVIRONMENT AND
PUBLIC WORKS,
Washington, DC, January 9, 1992.

Hon. WILLIAM K. REILLY,
Administrator, U.S. Environmental Protection Agency, Washington, DC.

DEAR MR. REILLY: It has come to our attention that the U.S. Court of Appeals, in the case of Shell Oil Co. v. EPA, No. 80-1532 (D.C. Cir. Dec. 6, 1991), has recently vacated the Agency's "mixture" and "derived-from" rules on the procedural grounds that the Agency failed to issue the rules in compliance with the requirements of the Administrative Procedure Act (APA).

As you know, these rules are critical to the continued operation of the Agency's hazardous waste program in a comprehensive and protective manner. As the program is currently structured, the loss of these rules could result in hundreds of thousands of tons of hazardous waste falling outside of RCRA's hazardous waste regulations.

We urge you to follow the Court's suggestion to repromulgate the rules on an interim basis pursuant to the "good cause" exemption of the APA. Use of the "good cause" exemption would avoid, in the Court's own words, "the dangers that may be posed by a discontinuity in the regulation of hazardous wastes * * *."

Finally, in repromulgating the rules, we are aware that the Agency has been under some pressure to include a "sunset" provision in the interim rule. Given the complexity and seriousness of the issues involved in this case, we are concerned that inclusion of such a provision may prematurely force the Agency to make critical decisions about the future of RCRA's hazardous waste program without having had sufficient time to seriousness of the issues involved in this case, we are concerned that inclusion of such a provision may prematurely force the Agency to make critical decisions about the future of RCRA's hazardous waste program without having had sufficient time to consider the impacts of these decisions.

Thank you for your consideration of our views.

Sincerely,

QUENTIN N. BURDICK.
MAX BAUCUS.
JOHN H. CHAFEE.
DAVE DURENBERGER.
JAMES M. JEFFORDS.

THE STATE OF COLORADO, DEPARTMENT OF LAW, OFFICE OF THE ATTORNEY GENERAL,
Denver, CO, December 20, 1991.

Re *Shell Oil Co.* v. *EPA*, No. 80-1532 (D.C. Cir. Dec. 6, 1991).

Hon. WILLIAM K. REILLY,
Administrator, U.S. Environmental Protection Agency, Washington, DC.

DEAR MR. REILLY: As the chief law enforcers of our respective states, we write to urge the Agency to repromulgate the mixture and derived-from rules* on an emergency basis effective immediately. If the decision of the D.C. Circuit in Shell Oil v. EPA to vacate these Resource Conservation and Recovery Act (RCRA) regulations were to become final with no alternative rule in place, we believe the resulting chaos in the national hazardous waste regulatory system will be severe.

We urge the Agency to follow the court's suggestion to repromulgate the derived-from and mixture rules on an emergency basis under the "good cause" exception of the Administrative Procedure Act, to avoid, in the court's own words, "the dangers that may be posed by a discontinuity in the regulation of hazardous wastes * * *" Slip op. at 20. It must be remembered that the court stuck down these rules on procedural grounds, and expressed no disapproval of the rules on their merits. Whatever one's views of the mixture and derived-from rules, it is clear that they have major significance in the regulatory structure that has developed over the past eleven years for the regulation of hazardous waste. We believe that it would be a major mistake simply to let these rules lapse and throw the regulatory structure into chaos rather than maintain the status quo and reserve possible adjustments to these complex rules for a later, orderly rulemaking.

Thank you for your consideration of our views.

Very truly yours,

Gale A. Norton, Attorney General of Colorado; Grant Woods, Attorney General of Arizona; Daniel E. Lungren, Attorney General of California; Richard Blumenthal, Attorney General of Connecticut; Roland W. Burris, Attorney General of Illinois; Robert T. Stephan, Attorney General of Kansas; Fred Cowan, Attorney General of Kentucky; Michael E. Carpenter, Attorney General of Maine; Scott Harshbarger, Attorney General of Massachusetts; Frank J. Kelley, Attorney General of Michigan; Hubert H. Humphrey III, Attorney General of Minnesota.

William L. Webster, Attorney General of Missouri; Frankie Sue Del Papa, Attorney General of Nevada; John P. Arnold, Attorney General of New Hampshire; Robert J. Del Tufo, Attorney General of New Jersey; Tom Udall, Attorney General of New Mexico; Lacy H. Thornburg, Attorney General of North Carolina; Lee Fisher, Attorney General of Ohio; Dave Frohnmayer, Attorney General of Oregon; Ernest D. Preate, Jr., Attorney General of Pennsylvania; Mark Barnett, Attorney General of South Dakota; Charles W. Burson, Attorney General of Tennessee; Ken Eikenberry, Attorney General of Washington; James E. Doyle, Attorney General of Wisconsin; Mary Sue Terry, Attorney General of Virginia.

DECEMBER 18, 1991.

WILLIAM K. REILLY,
Administrator, Environmental Protection Agency, Washington, DC.

DEAR MR. REILLY: We are writing to urge, in the strongest possible terms, that the Environmental Protection Agency take immediate steps to ensure that the recent decision in Shell Oil v. EPA not be allowed to disrupt the orderly implementation of the nation's hazardous waste regulatory program under the Resource Conservation and Recovery Act (RCRA). As you know, the Shell Oil court on December 6 vacated EPA's "mixture" and "derived from" rules for lack of notice and comment. Since their promulgation in 1980, those rules have played an integral role in the RCRA program by providing that wastes mixed with or derived from hazardous waste must be managed as hazardous (unless otherwise excluded). Numerous RCRA regulatory requirements and enforcement policies build upon these two provisions.

The Shell Oil court recognized that its decision could well disrupt RCRA implementation and enforcement. The court expressly noted EPA's option of re-promulgating the mixture and derived-from rules on an interim final basis, effective immediately, under the "good cause" exception to normal notice-and-comment procedures.

It is critical that the Agency avoid the chaos that would result from a failure to adopt this approach, or some analogous mechanism for preserving the status quo, while the Agency reviews this matter in an orderly fashion and promulgates final regulations as appropriate. The Agency's 1980 rationale for adopting the mixture and derived-from rules—namely concerns about enforceability and the potential for fraud by waste generators, as well as the significant hazard of mixed and derived-from wastes themselves—remains entirely valid. Even if the Agency eventually decides to develop alternate regulations addressing these concerns, and thus to replace the mixture and derived-from rules, that result must be accomplished through an orderly rule making process that allows full consideration of numerous technical and legal complexities, along with a host of thorny implementation issues. Full-fledged public participation in this process will be crucial.

Finally, it must be noted that the Shell Oil petitioners—and the rest of the regulated community—have been living with the mixture and derived-from rules for over a decade. Indeed, after filing the case in 1980, the petitioners allowed it to languish with no action for many years. There is clearly no equitable basis for abandoning the rules precipitously at this juncture, particularly given that the rules have been fully integrated into the RCRA program as a whole during this interval.

In sum, we believe that it would verge on the irresponsible for the Agency to fail to preserve long-established regulations that are central to one of the nation's most significant environmental programs, at least while an orderly rule making process goes forward. Recognizing the potential disruption to the RCRA program, the Shell Oil court essentially invited the Agency to preserve the status quo during that process. In the interest of both environmental protection and good government, the Agency should act now to ensure that these rules remain in effect pending further rule making.

Very truly yours,

FREDERIC D. KRUPP,
Executive Director, Environmental Defense Fund.
MICHAEL FISCHER,
Executive Director, Sierra Club.
JOHN H. ADAMS,
Executive Director, Natural Resources Defense Council.

By Mr. DECONCINI (for himself and Mr. MCCAIN):

S. 2147. A bill to expand the boundaries of the Saguaro National Monument, and for other purposes; to the Committee on Energy and Natural Resources.

SAGUARO NATIONAL MONUMENT PROTECTION ACT

• Mr. DECONCINI. Mr. President, today I am introducing along with my colleague, Senator MCCAIN, the Saguaro National Monument Protection Act of 1992. We are joined in this endeavor by the newest member of the Arizona delegation, Congressman ED PASTOR, who will also be introducing identical legislation in the House of Representatives. These bills will give the Park Service the capabilities and resources to protect the Tucson Mountain unit of the Saguaro National Monument by authorizing the expansion of the boundaries to include an adjacent 160-acre parcel of land administered by the Bureau of Land Management.

Mr. President, the Saguaro National Monument is situated in Pima County, AZ. It is comprised of two management units, the Tucson Mountain District and the Rincon Mountain District. These units are separated by the city of Tucson. The Saguaro National Monument uniquely offers a wilderness experience in an urban setting.

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*The mixture rule requires a waste to be regulated as hazardous if it is a mixture of a listed hazardous waste and other material. 40 CFR §261.3(a)(2) (iii) and (iv). The derived-from rule requires a waste to be regulated as a hazardous waste if it was "generated from the treatment, storage, or disposal of a hazardous waste, including any sludge, spill residue, ash, emission control dust, or leachate." 40 CFR §261.3(c)(2)(i).

In order to fully appreciate the values that will be protected by this legislation, one can look to what President Kennedy said as he established the Tucson Mountain unit in 1961:

> It is in the public interest to add to the Saguaro National Monument the Tucson Mountain Park which contains a remarkable display of relatively undisturbed lower Sonoran desert vegetation, including a saguaro stand which equals or surpasses saguaro stands elsewhere in the world.

Those that have seen this area can understand and appreciate what President Kennedy was talking about and can be thankful for his foresight.

However, development pressures on the boundary of the west unit are adversely impacting the natural resource values mentioned by President Kennedy. The Tucson Mountain unit is located in a fragile, and biologically sensitive ecosystem which is being threatened by encroaching development pressures from the neighboring Tucson metropolitan area as well as other activities on land immediately adjacent to the park boundaries.

Mr. President, in response to these threats facing the Tucson Mountain unit, I was successful in having $100,000 included in the fiscal year 1992 Interior appropriations bill. This funding will enable the Park Service to undertake a comprehensive boundary study to identify which lands will be appropriate for possible inclusion into the monument. The inclusion of these parcels within the monument boundary will provide a buffer to protect the aforementioned resources of the Tucson Mountain unit. It is estimated that this study is expected to take 18 months to complete.

The question may be asked, "why introduce a bill that will expand the boundaries to include only the 160-acre parcel of land administered by the Bureau of Land Management? Also, why do it prior to the completion of the boundary expansion study?" The answer lies in the fact that a proposal was recently submitted to the BLM to reopen a gold mine on this parcel before the Park Service had an opportunity to consider it as part of the boundary expansion study. If the BLM would have approved this proposal, there would have been an operating mine on the boundary of the Saguaro National Monument. Also, the possibility of this parcel ever being included in the monument could have been precluded. I think that it is safe to say that either of these situations are less than desirable for the protection of the monument.

Responding to the urgency of this situation, Congressman PASTOR and I wrote to the BLM on December 23 expressing our concerns about the adverse consequences that would result if the BLM would approve the proposal to reopen Old Yuma mine. Also, we stated our intentions to introduce the Saguaro National Monument Protection Act of 1992, which will expand the boundaries of the Monument to include the parcel of BLM land containing the Old Yuma mine site. Fortunately, in a demonstration of real leadership, the BLM denied the proposal to reopen Old Yuma mine.

Notwithstanding the BLM's recent actions to reject the proposal to open Old Yuma mine, I still feel compelled to move forward with this legislation. The introduction of this legislation combined with the action taken in the fiscal year 1992 Interior appropriations bill, will demonstrate a real commitment on the part of Congress to protect the Tucson Mountain unit of the Saguaro National Monument.

In closing, I want to say that I look forward to working with the Park Service as they proceed with the boundary expansion study so that when it is completed, we can incorporate their results into the Saguaro National Monument Protection Act of 1992. By doing this, we will ensure that future generations will continue to enjoy and appreciate the resources of this truly outstanding Park Service unit.

Mr. President, I ask that an article written by Keith Bagwell which appeared in the Arizona Daily Star on December 15 and the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2147

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Saguaro National Monument Protection Act of 1992".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the Tucson Mountain Unit of the Saguaro National Monument continues to be exposed to threats to the integrity of the natural resources, scenic beauty, and natural processes upon which its establishment was based in 1961;

(2) these threats also impede opportunities for public enjoyment, education, and safety within the monument in general, as well as opportunities for natural solitude within the wilderness area of the monument as designated by Congress in 1976;

(3) these threats are, in large part, due to land use and development practices on private, State, local, and other Federal lands immediately adjacent to the monument boundaries; and

(4) the monument boundaries in effect on the day before the date of enactment of this Act are no longer appropriate within the context of the continuing residential and commercial growth of the greater metropolitan area of Tucson, Arizona.

(b) PURPOSE.—The purpose of this Act is to authorize the addition of approximately 160 acres to the Tucson Mountain Unit of the Saguaro National Monument in order to protect, preserve, and interpret the monument's resources, and to provide for the education and benefit of the public.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) EXPANSION AREA.—The term "expansion area" means the approximately 160 acres added to the monument by this Act.

(2) MONUMENT.—The term "monument" means the Saguaro National Monument.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

SEC. 4. EXPANSION OF MONUMENT BOUNDARIES.

(a) IN GENERAL.—The monument boundaries are revised to include the approximately 160 acres of lands and interests in lands as generally contained within Township 13 South, Range 12 East, Southeast ¼ of Section 9 of the Gila and Salt Rivers Meridian.

(b) ACQUISITION OF LANDS.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may acquire lands and interests in lands within the monument boundaries by donation, purchase with donated or appropriated funds, exchange, or transfer from another Federal agency.

(2) EXCEPTION.—Lands and interests in lands owned by the State of Arizona or any political subdivision of the State may be acquired only by donation or exchange.

(c) ADMINISTRATION.—Lands and interests in lands acquired pursuant to this Act shall be administered as part of the monument and shall be subject to laws applicable to the monument.

(d) WITHDRAWAL.—Subject to valid existing rights, all Federal lands within the expansion area are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws; from location, entry, and patent under the United States mining laws; and from disposition under all laws pertaining to mineral and geothermal leasing, and all amendments thereto.

(e) AMENDMENT TO THE GENERAL MANAGEMENT PLAN.—Not later than 1 year after the date of enactment of this Act, the Secretary shall review, and if necessary amend, the monument's general plan with respect to the use and management of the expansion area.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

[From the Arizona Daily Star, Dec. 15, 1991]

BLASTING, TRESPASSING COMPLAINTS MADE

(By Keith Bagwell)

A local man's effort to reopen the old Yuma Mine in the Tucson Mountains is angering neighbors and worrying the National Park Service.

Irate neighbors include a Roman Catholic-operated religious retreat, the president of the country's largest gold-mining company, horseback enthusiasts, a homebuilder and members of the area neighborhood association.

Hundreds of people either live near the mine, stay at the Picture Rocks Retreat, or hike and ride horses through the area each year.

The gold mine is on a 160-acre Bureau of Land Management parcel that abuts Saguaro National Monument's Tucson Mountains Unit. The mine's shafts are a few yards from the monument boundary.

No one knows how much recoverable gold and other valuable minerals are locked beneath the surface of the mine, which officials say dates to the late 1800s. It hasn't been mined for decades.

Neighbors complain that Richard Bideaux's Arizona Exploring and Mining Co. is using explosives illegally in the Yuma Mine and trespassing on private land to reach it.

Bideaux cut an attempted telephone interview short. "I really have no comment to make on the matter," he said.

Neighbors say the Federal Bureau of Land Management should not allow mining at all in a residential area so near the monument.

And the monument's superintendent, Bill Palek, has a list of concerns about the company's mining plan.

The BLM parcel is among other public and private lands adjacent to the monument that the Park Service is about to study for possible expansion, he said.

"Congress approved $100,000 this year for a boundary study of the Tucson Mountain District," Palek said. His office hopes to get the one-year to 18-month study under way by February, he said.

"This is one of three BLM parcels that abut the monument, and we've asked the agency to hold them for our study," he said.

But BLM officials said Congress' 1872 Mining Law ties their hands.

"The mining claimant has filed a mining plan of operations," said Ray Brady, BLM's Safford District manager, "We have to take it through the regulatory procedures . . . and approve it."

He added: "People always are arguing about the 1872 Mining Law, but we have to operate under it."

Neighbors say someone has been setting off dynamite charges at the mine, which federal law does not allow unless a mine claimant has a BLM-approved plan of operations.

The Rev. Bill Kohler, director of the Picture Rocks Retreat a mile north of the mine site, said Thursday, "Last weekend was really bad. All day Saturday and into Sunday night, there was blasting at the mine.

"The doors were shaking and the windows were rattling—it reminded me of the 1987 Los Angeles earthquake. I was there at the time."

Kohler said the retreat was established 27 years ago to offer "hospitality and peace" to people of any denomination. "Last weekend wasn't peaceful," he said.

Helen Wilson, president of the Tucson Mountains Association, said, "We've been hearing the blasting periodically for more than a year. For the last month, we've been hearing blasts almost every day."

Diane Gullette, co-owner of Desert High Country Stables Inc., 6501 W. Ina Road, said, "The blasting could spook a horse, and the rider could be hurt."

Gullette said the stable boards 16 horses and rents its own to customers for rides in the area, including Cactus Canyon in the southern part of the BLM parcel.

"And there are several other guest ranches and stables out here," she said.

Mark Schwab, a geologist in BLM's Phoenix office who is handling the pending plan of operations for the Yuma Mine, said any blasting at the site is illegal.

"To go beyond casual use of the site, a claimant must have an approved plan of operations or acknowledged notice from us," he said. "Explosions are not casual use."

Schwab said the BLM has not given Arizona Exploring and Mining permission to use explosives and will not approve the Yuma Mine plan of operations until Jan. 13.

Brady said the 1872 Mining Law does not allow the BLM, or any other agency, to deny a plan of operations. "Claimants have a right to extract minerals," he said. "We only can ensure that they are complying with environmental regulations."

Don Ducote, the BLM's Tucson Field Office supervisor, said last week: "We've heard that blasting is going on. If we know who and where they are, we can catch them. But we have a lot of land to manage and we can't be everywhere."

Ducote said officials will inspect the mine area and meet with the mining claimant "to determine, if necessary, if he is responsible for any blasting."

Privately owned land is on three sides of the BLM mine parcel, and the monument is on the other.

Several area landowners complained that men regularly trespass across their land and their neighbors' land to work at the mine.

One of the landowners is T. Peter Philip, a Denver resident who owns 20 acres next to the BLM land, where he plans to have a home built. Philip is president of Newmont Mining Corp., the nation's largest gold-mining company.

"My property is most affected," he said in a telephone interview Wednesday. "They have been cutting my locks, removing my signposts and trampling vegetation.

"I'm certainly not against mining, but it should not be in such a sensitive area, right next to Saguaro National Monument, and not be done irresponsibly," he said. "That gives the industry a bad name."

Arizona Exploring and Mining's plan of operations calls for grading a road across the south side of the BLM parcel to private land on the west.

Wolfswinkel Group, a homebuilding company, owns the private land.

Jay Ellingson, president of the Chandler-based company, said, "Someone's been taking down our gate for several months. They have no permission to do so."

Ellingson said he has sent several letters to Arizona Exploring and Mining without getting results.

"We're not interested in a mine operating in the area," he said. "We want, at some point, to develop our property."

Brady said the BLM has no authority to consider issues involving access to mining claims.

"We only ensure that activities do not cause undue or unnecessary damage (to the environment)," he said.

Law enforcement agencies deal with trespassers, he said.

Sgt. Rick Kastigar, the Pima County Sheriff's department spokesman, said, "We've responded to numerous complaints of trespassing around the Yuma Mine."

He said that in response to a Nov. 25 complaint from someone in the area, a deputy arrested David P. Tribble, 47, of the 2500 block of West Curtis Road, on a misdemeanor criminal trespass charge.

Tribble, who was in a vehicle at the time, was cited and released, Kastigar said. Tribble could not be reached for comment.

Yuma Mine neighbors, in interviews and at a meeting with BLM officials Wednesday night, said their concern goes beyond the short-term.

Juanita Simpson asked if blasting would be a permanent part of an ongoing mining operation at the site. Brady said it would.

"This is a residential area and we don't want blasting in our back yards," Simpson said. "I'm astonished you would even consider allowing this."

Tanya Chliwnyj (pronounced "Klevnay"), who lives one-half mile from the mine, said, "It's well known that mining operations produce more than twice the hazardous waste than the average industry produces. We don't want that.

"And the 1872 Mining Law allows people to snatch land for free (mine claimants can buy patents giving them land ownership for a few dollars an acre) and then they can build anything on it," she said.

The BLM's Schwab said, "If a claimant can get certification that he has found any type of valuable mineral, he can apply for a patent, which makes the land private property.

"Whole towns, like Payson, have been founded on patented mining claims," he said.

Palek listed technical concerns about the plan of operations in a Nov. 7 letter to Brady. He said the plan is "not specific . . . confusing and contradictory."

Palek's letter asked for "a complete reclamation plan and bonding schedule," and for the plan to address the use of water.

Brady said the agency will require Arizona Exploring and Mining to post a $40,000 bond, submit a reclamation plan that meets BLM minimum standards and answer Palek's questions about water use.

He said the BLM will require other information from the company, some in response to citizen comments that the agency must receive by Jan. 9.

Ducote said public comments should be sent to the BLM office at 675 N. Freeman Road, Tucson, Ariz. 85748.•

By Mr. ROTH:

S. 2148. A bill to extend to the refinancing of mortgage loans certain protections of the Real Estate Settlement Procedures Act and the Truth in Lending Act; to the Committee on Banking, Housing, and Urban Affairs.

APPLICATION OF CERTAIN PROTECTIONS TO REFINANCING OF MORTGAGES

• Mr. ROTH. Mr. President, the action of the Federal Reserve to lower interest rates in the past year is a welcome respite to weary consumers and will hopefully lead us shortly to improved economic growth.

The actions of the Federal Reserve have led to a reduction in home mortgage interest rates to levels which have not been seen in 18 years. This is good news for potential homebuyers and sellers. The dramatic decline in interest rates also has the potential to benefit existing homeowners who choose to refinance their homes. A 1-percent decline in the interest rate on a $100,000 loan can mean savings of $100 a month to the homeowner. Recent reports are that existing homeowners are beginning to seek the benefit of lowered interest rates in droves, by refinancing their homes.

I therefore read the article which appeared in the Saturday, January 18, Washington Post by Mr. Kenneth Harney entitled "Step Gently Into the Crowded Waters of Mortgage Refinancing," with great interest.

I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 18, 1992]

STEP GENTLY INTO THE CROWDED WATERS OF MORTGAGE REFINANCING

(By Kenneth R. Harney)

Homeowners rushing to refinance their mortgages should be on guard against little known but dangerous loopholes in the two key federal consumer protection laws that govern home loan transactions nationwide. Both the truth in lending and anti-kickback loan settlement statutes treat refinancers very differently from applicants seeking mortgages on new purchases.

The anti-kickback law doesn't even cover homeowners refinancing their loans. The net effect is to allow lenders to pay otherwise illegal referral fees to real estate agents, lawyers and others who steer clients their way.

The loophole forced federal investigators to tell consumers complaining about lender violations of the settlement law that "it simply doesn't cover you as a refinancer," said David Williamson, head of the federal enforcement unit for the statute.

The truth in lending statute loophole allows lenders to delay mandatory disclosures to refinancers until just before settlement of the loan. Under the law, mortgage lenders must provide borrowers purchasing a new home detailed "good faith estimates" about the loan terms no later than three business days after receiving a mortgage application.

The disclosures cover such important features as "points," annual percentage rate, credit fees and total finance charges over the term of the loan. Points are interest charges in advance; one point equals 1 percent of the loan amount.

But for refinancers, the truth in lending disclosures need only be provided to borrowers "prior to consummation" of the loan transaction—that is, as late as the settlement day itself.

The practical effect of this, according to consumer experts and some mortgage industry executives, is to allow unscrupulous lenders or brokers to lure refinancers to their application windows with low rate quotes and verbal estimates of credit fees at application, only to disclose higher fees in the truth-in-lending form at the settlement table.

One executive at a major national mortgage firm, who requested anonymity, said he had seen the harm the refinancing loophole can cause consumers firsthand.

In one case this month, he said, a mortgage broker had made a verbal estimate to a borrower that loan fees would total "about $1,500." The broker did not provide a written truth-in-lending disclosure estimate at application, according to the executive, "because he knew he didn't have to under federal law."

At settlement, the loan fees, including previously undisclosed items such as processing, warehousing, underwriting, tax service and flood checks, turned out to be $2,800.

Banking and consumer protection regulators at the federal level say they are uncertain how widespread such abuses currently may be.

"Refinancing really hasn't been much of an issue at all until this boom got under way [late in 1991]," said Leonard Chanin, senior attorney for the Federal Reserve Board's consumer affairs division. But the starkly different treatment afforded refinancers compared with new borrowers "certainly allows a potential for problems," according to Chanin.

The truth-in-lending act's looser coverage for refinancers underscores the need for borrowers "to ask about all fees and charges as early in the [loan] process as possible," said Carolyn Reynolds, senior attorney with the Federal Trade Commission's credit practices division.

Reynolds noted two significant provisions in the federal truth-in-lending rules that provide protections to refinancers as well as to new borrowers:

Most adjustable rate mortgage (ARM) borrowers, whether for new purchases or refinancings, must be given disclosures of the rate-change features of the loan at time of application or before paying any nonrefundable fees to the lender. These include "teaser" rate disclosures plus information about the loan's index, margin and rate ceilings.

Refinancers who are obtaining a loan from a new lender—a different company from the one providing their current mortgage—are allowed the same three-day "right of rescission" after settlement the law provides to borrowers purchasing a home. That means you can opt out of a bad deal if you do it in writing within three days—that is, assuming you knew you had such a federal legal right in the first place.

The unequal treatment of refinancers under truth-in-lending is a surprise to some borrowers, consumer advocates and mortgage companies. But the total exemption of refinancers from coverage under the anti-kickback law, the Real Estate Settlement Procedures Act, is often a shock.

Williamson, head of the procedures enforcement unit at the Department of Housing and Urban Development, said: "We cannot do a thing" to help consumers victimized by lender-kickback schemes on home refinancings.

"I'm not sure why Congress hasn't dealt" with the loophole, Williamson said. "But that's the way it is."

Under current law, said another federal official familiar with the situation, "a lender refinancing a loan can take or give money under the table, can withhold settlement cost estimates, and can even dispense with the [standard federal] settlement sheet. It makes no sense."

Mr. ROTH. Mr. President, the point of Mr. Harney's article is that two critically important Federal consumer protection laws governing real estate transactions and loan terms do not apply to refinancings.

The Real Estate Settlement Procedures Act [RESPA] was enacted by Congress in 1974, and requires lenders to furnish borrowers with concrete information on settlement costs and prohibits the payment of referral fees or other types of kickbacks in the making of a settlement service.

The Truth in Lending Act was enacted by Congress in 1968, to help consumers make informed decisions when they obtain credit and to provide consumers with full, honest, and comparable information about the cost of the loan.

Mr. President, the bill I am introducing today is meant to address this problem. It simply requires that the provisions of the Real Estate Settlement Procedures Act and the Truth in Lending Act apply to refinancings. As Mr. Harney notes, the lack of coverage of these two laws to refinancings has the potential to blindside consumers with hidden fees which can be extremely costly and detrimental to the consumer.

I know my colleagues share my concern with this oversight in these laws and hope that we can enact corrective legislation quickly to prevent abuses in the current spate of refinancings.●

By Mr. MOYNIHAN:

S. 2149. A bill to amend the Internal Revenue Code of 1986 to clarify the tax treatment of certain cooperative housing corporations, and for other purposes; to the Committee on Finance.

TAX TREATMENT OF COOPERATIVE HOUSING CORPORATIONS

● Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation designed to resolve the confusion surrounding the proper tax treatment of cooperative housing corporations. The bill I introduce today is the same bill that I inserted in the CONGRESSIONAL RECORD on November 27 of last year for discussion purposes. Congressman GREEN will introduce a companion version of the bill in the House of Representatives.

Mr. President, the IRS has with mounting frequency been challenging the tax returns of housing cooperatives, particularly low- to moderate-income cooperatives, which are a principal source of affordable housing in New York and many other areas of the country. The controversy concerns the cooperatives' treatment for tax purposes of various types of income, including interest earned on reserve funds maintained to provide for major repairs, net proceeds for laundry and parking facilities in the building and the like. The question is a bit arcane, but comes down to whether section 277 of the Internal Revenue Code applies to housing cooperatives, or not. If section 277 applies, then items like interest income from reserves may be fully taxable, rather than being eligible to be offset by the cooperative's expenses, such as operating costs and depreciation. The IRS has increasingly been taking the position that section 277 applies, and the result can be substantially increased tax liabilities for cooperatives.

Section 277 was enacted in 1969 and was designed to address the problem of membership organizations such as country clubs using the gains from transactions with nonmembers to defray part of the cost of providing goods and services to members, so that members receive them below cost. If a membership organization is allowed to consolidate its operations in this way, then the taxes due on the profits from transactions with nonmembers are avoided, and the members receive goods and services below cost that they would otherwise have to purchase with after-tax dollars.

Section 277 attempts to prevent this tax abuse by requiring that transactions with members and nonmembers be accounted for separately. Any deductions attributable to the furnishing of goods or services to members can only be taken against income from members; such deductions cannot be used against income from transactions with nonmembers.

Whether section 277 applies to a corporation operated on a cooperative basis has been a matter of some uncertainty and dispute, because there are other provisions of the Internal Revenue Code, grouped in subchapter T, which are specifically directed at cooperatives and also seek to deal with the problem of segregating member and nonmember transactions so that the latter do not cross-subsidize the former.

Which should apply to housing cooperatives, section 277 or subchapter T? How does one deal with the overlapping aspects of each? Should both apply? Even the IRS seemed to have trouble sorting this out—at least initially. The first set of proposed IRS regulations interpreting section 277, published in May 1972, included a section specifically addressed to the effect of section 277 on cooperatives subject to subchapter T, as follows: "Section 1.277-3 Interrelationship with cooperatives subject to the rules contained in subchapter T, chapter 1 of the code. [Reserved]." By citing the issue in a section heading, and then "reserving" discussion on it, the IRS suggested that there was indeed an interpretative problem to be resolved, but postponed any resolution or guidance until some future date. That resolution never came, because the proposed regulations were later withdrawn in their entirety.

The issue has been litigated and a few court decisions have held that section 277 does apply to housing cooperatives (though in one case the taxpayer had conceded the issue). Some observers have also found persuasive the fact that committee report language accompanying a Senate Finance Committee-passed bill in 1976 asserted the drafters' understanding that section 277 applied to housing cooperatives. It was not until 1990, however, that the Internal Revenue Service published an official position on the matter, holding in Revenue Ruling 90-36 that section 277 applies to housing cooperatives.

Whether Revenue Ruling 90-36 is a correct statement of existing law could of course be left to the courts to resolve. (I would note, in this regard, that in the Landmark decision less than two weeks ago, the U.S. Court of Claims held that section 277 does not apply to a cooperative subject to the provisions of subchapter T.) In my view, however, we should not await the protracted and piecemeal results of litigation. Congress should step in with affirmative legislation and settle the matter. Congress could do so more expeditiously, and with the latitude to set sound policy here. My reasons for advocating a legislative solution are twofold.

First, I believe the result of applying section 277 to housing cooperatives is bad policy. To cite one result: If section 277 applies to housing cooperatives, then any interest earned on reserves for major repairs—whether set aside in compliance with law, or required by the lender, or merely as prudent management—would be fully taxable at the top corporate rate. This result would not comport with the general Congressional policy with respect to housing cooperatives, which has been to put co-op unit owners in as near as possible the same tax position as homeowners who own their dwelling outright. For example, section 216 of the Internal Revenue Code allows co-op unit owners to deduct on their individual tax returns their proportionate share of the building's mortgage interest and real estate taxes.

It should not be surprising that section 277 produces odd results when applied to housing cooperatives because such cooperatives were not, I think it is fair to say, the principal focus of Congress when section 277 was enacted—if indeed housing co-ops were considered at all. Nor, for that matter, were housing cooperatives the principal focus when Congress enacted the provisions of subchapter T governing the taxation of cooperative organizations generally. I believe we need Tax Code provisions tailored to the particular circumstances of housing cooperatives, so that the policies applied are deliberate, not inadvertent.

The second reason I believe legislation is necessary concerns fairness to taxpayers. The language of section 277 and its legislative history are far from clear concerning housing cooperatives. As suggested earlier, the IRS's implementation of section 277 with respect to housing cooperatives has itself been a cause of uncertainty about the law. More recently, the IRS has stepped up auditing of housing cooperatives and, despite the uncertainty surrounding section 277 and the lack of official guidance until 1990, is asserting substantial liabilities for back taxes, interest and penalties. The cooperatives are resisting. Many of the cooperatives being challenged by the IRS provide low- and moderate-income housing, and are a significant contributor to the region's stock of affordable housing. I do not believe that it is in the best interests of the Government or the housing cooperatives to settle the section 277 question through protracted and expensive litigation. Nor is it fair to subject co-op residents, who must bear the cost of any adverse judgment, to the uncertainty and financial risk of this course of action. Moreover, due to turnover, co-op residents who are required to pay off a judgment may not have owned units in the cooperative during the periods when the taxes were incurred. There is also a risk that many of the low- and moderate-income cooperatives—which maintain their affordability by organizing as "limited equity" cooperatives whose tenants agree to substantial restrictions on the resale prices of their units—will be forced to convert to "market rate" cooperatives in order to garner the funds to pay off an adverse tax judgment.

For all of these reasons, I am today introducing legislation designed to settle the matter once and for all—by setting aside section 277, and establishing a set of rules for housing cooperative taxation—under subchapter T of the Internal Revenue Code—that are clear, certain, and fair. These clarifications of the general subchapter T rules for cooperatives are crafted specifically for housing cooperatives, both to insure clarity and to prevent abuses.

The bill that I introduce today would first clarify that section 277 is not intended to apply to a cooperative housing corporation—as defined in section 216 of the Internal Revenue Code. Instead, the provisions of subchapter T of the Internal Revenue Code will provide the rules for determining the appropriate taxation of certain types of income not directly received from tenant-shareholders. The legislation also clarifies and tightens the subchapter T rules, insofar as they apply to housing cooperatives, to make clear that there can be no set-off of losses related to the provision of housing against unrelated income.

The bill provides new rules under subchapter T, applicable to housing cooperatives, that deem the following to be patronage income—and therefore eligible for offset by losses related to the provision of housing: (1) Interest on reasonable reserves, and (2) income from laundry and parking facilities to the extent attributable to use of the facilities by tenant-stockholders and their guests.

In addition, there is a special rule for "limited equity" housing cooperatives, which, generally speaking, are housing cooperatives which restrict the price at which a tenant-stockholder can resell his or her unit, in order to maintain the co-op unit prices at levels affordable to low- and moderate-income purchasers. The special rule for limited equity housing cooperatives permits rents received from commercial and professional tenants of the co-op building to be treated as patronage income.

Finally, the bill is not intended to affect in any way the tax treatment of any corporation operating on a cooperative basis which is not a housing cooperative. If modifications are necessary to make sure this intent is effectuated, such modifications will be made.

Mr. President, I ask unanimous consent that the text of the legislation appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2149

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SECTION 277 NOT TO APPLY TO COOPERATIVE HOUSING CORPORATIONS.

Section 277(b) of the Internal Revenue Code of 1986 (relating to exceptions) is amended by striking "or" at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting a comma and "or", and by adding at the end thereof the following new paragraph:

"(5) which for the taxable year is a cooperative housing corporation described in section 216(b)(1) (determined without regard to section 143(k)(9)(E)).

SEC. 2. APPLICATION OF RULES RELATING TO TAX TREATMENT OF COOPERATIVES TO COOPERATIVE HOUSING CORPORATIONS.

(a) Nonpatronage Earnings of Cooperative Housing Corporations May Not Be Offset By Patronage Losses.—Section 1388(j) of the Internal Revenue Code of 1986 is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

"(4) Patronage losses may not offset nonpatronage earnings.—In no event shall any patronage losses of an organization described in section 277(b)(5) be used to offset earnings which are not patronage earnings."

(b) Patronage Earnings and Losses of Cooperative Housing Corporations.—Section 1388(j)(5) of such Code (as redesignated by subsection (a)) is amended to read as follows:

"(5) Patronage earnings or losses defined.—For purposes of this subsection—

"(A) In General.—The terms 'patronage earnings' and 'patronage losses' mean earnings and losses, respectively, which are derived from business done with or for patrons of the organization.

"(B) Special rules for cooperative housing corporation.—In the case of a cooperative housing corporation, the following earnings shall be treated as patronage earnings:

"(i) Interest on reasonable reserves established in connection with the corporation, including reserves required by a governmental agency or lender.

"(ii) Income from laundry and parking facilities to the extent attributable to use of the facilities by tenant-stockholders and their guests.

"(iii) In the case of a limited equity cooperative housing corporation, rental income from other than tenant-stockholders to the extent attributable to any housing project operated by the corporation.

"(C) Definitions.—For purposes of subparagraph (B)—

"(i) Cooperative housing corporation.—The term 'cooperative housing corporation' has the meaning given such term by section 216(b)(1) (without regard to section 143(k)(9)(E)).

"(ii) Limited equity cooperative housing corporation.—The term 'limited equity cooperative housing corporation' means a cooperative housing corporation with respect to which the requirements of clause (i) of section 143(k)(9)(D) are met at all times during the taxable year.

"(iii) Tenant-stockholder.—The term 'tenant-stockholder' has the meaning given such term by section 216(b)(2)."

SEC. 3. EFFECTIVE DATE.

(a) In general.—Except as provided in subsection (b), the amendments made by this Act shall apply to taxable years beginning after the date of the enactment of this Act.

(b) Election To Have Amendments Apply Retroactively.—Any corporation may elect to have the amendments made by this Act apply to any taxable year, whether beginning before, on, or after the date of the enactment of this Act, to which such amendments do not otherwise apply if the corporation was a cooperative housing corporation during such taxable year.

(c) No Inference.—Nothing in the provisions of this Act shall be construed as a change in the treatment of income derived by any cooperative housing corporation or any corporation operating on a cooperative basis under section 1381 of the Internal Revenue Code of 1986, and the treatment of such income for any year to which the amendments made by this act does not apply shall be made as if this Act has not been enacted.●

By Mr. LEVIN (for himself and Mr. Riegle):

S. 2150. A bill to extend the time for payment of additional FUTA taxes by taxpayers in certain credit reduction States; to the Committee on Finance.

EXTENSION OF TIME FOR PAYMENT OF FUTA TAXES

● Mr. LEVIN. Mr. President, in the past couple of weeks, employers in Michigan received an unwelcomed New Year's message from the Internal Revenue Service. They were told that they owed an additional $56 in Federal unemployment—FUTA taxes per employee. For an employer with 100 employees, for example, this would be an additional payment of almost $6,000. But even more burdensome than the amount is the requirement that the employer pay this additional tax by January 31, 1992. So, employers in Michigan, where the unemployment rate is already 9.3 percent, were given one more economic pressure and little time to deal with it. Clearly, this is not the way to start off a happy new year.

Today, I am introducing legislation to extend the deadline for payment of this additional tax until June 30, 1992, for any employers who received notice on or after December 1, 1991 either from their State unemployment agency or the Internal Revenue Service that they owe additional FUTA taxes for 1991. Although this legislation would prevent employers from being assessed penalties for missing the January 31 deadline, they would still be required to pay interest on the amount of the delayed payment.

The late notice of taxes due came about because the State of Michigan had planned to pay back the 1991 installment of its outstanding loan from the Federal unemployment account out of a surplus in the Michigan Unemployment Trust Fund. However, because the recession has been longer and deeper than originally assumed, an adequate surplus in the Michigan Unemployment Trust Fund did not materialize. Therefore, under the law, it is up to the employers in Michigan to pay back the 1991 installment of the loan to the Federal unemployment account. The result is the $56 per employee FUTA surcharge for 1991.

The legislation I am introducing will not reduce the amount of the payback to the Federal unemployment account in fiscal year 1992. The money would be paid back within the same fiscal year and with interest. But, it recognizes the reality that for many employers the payment of this tax with only about 1 month's notice is an untimely or unreasonable burden. The last thing that the economy of Michigan needs right now is for employers to lay people off in order to come up with the money necessary to pay the IRS.

The parliamentary situation presents a practical problem for this legislative initiative. It is probably not possible to have it enacted prior to the time that the additional FUTA taxes are due. My goal is to work for the enactment of this legislation on an urgent basis so that if it passes it will be a safety net for those employers for whom the payment of the tax by that time is impossible.

I ask unanimous consent that a copy of this legislation be printed in the Record following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2150

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF TIME FOR PAYMENT OF ADDITIONAL FUTA TAXES.

(a) In General.—Notwithstanding any other provision of law, if a qualified taxpayer is required to pay additional taxes for taxable years beginning in 1991 with respect to any employment in any State by reason of such State being declared a credit reduction State, such taxpayer may elect to defer the filing and payment of such additional taxes to a date no later than June 30, 1992.

(b) Interest.—Notwithstanding subsection (a), for purposes of section 6601(a) of the Internal Revenue Code of 1986, the last date prescribed for payment of any additional taxes for which an election is made under subsection (a) shall be January 31, 1992.

(c) Definitions.—For purposes of this section—

(1) Qualified taxpayer.—The term "qualified taxpayer" means a taxpayer—

(A) in a State which has been declared a credit reduction State for taxable years beginning in 1991, and

(B) who did not receive notice of such credit reduction before December 1, 1991 from either the State unemployment agency or the Internal Revenue Service.

(2) Credit reduction state.—The term "credit reduction State" means a State which has been declared a credit reduction State for taxable years beginning in 1991 by the Internal Revenue Service pursuant to the provisions of section 3302 of the Internal Revenue Code of 1986.

(d) Time and Manner for Making Election.—An election under this section shall be made at such time and in such manner as the Secretary of the Treasury shall prescribe.●

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. Biden, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 15, a bill to combat violence and crimes against women on the streets and in homes.

S. 55

At the request of Mr. METZENBAUM, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 55, a bill to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes.

S. 140

At the request of Mr. WIRTH, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 140, a bill to increase Federal payments in lieu of taxes to units of general local government, and for other purposes.

S. 846

At the request of Mr. PRYOR, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 846, a bill to amend title XIX of the Social Security Act to establish Federal standards for long-term care insurance policies.

S. 1261

At the request of Mr. DOLE, the names of the Senator from Wyoming [Mr. SIMPSON], the Senator from Nevada [Mr. REID], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of S. 1261, a bill to amend the Internal Revenue Code of 1986 to repeal the luxury excise tax.

S. 1294

At the request of Mr. FOWLER, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1294, a bill to protect individuals engaged in a lawful hunt within a national forest, to establish an administrative civil penalty for persons who intentionally obstruct, impede, or interfere with the conduct of a lawful hunt, and for other purposes.

S. 1381

At the request of Mr. GRAHAM, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 1381, a bill to amend chapter 71 of title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive military retired pay concurrently with disability compensation.

S. 1627

At the request of Mr. FORD, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 1627, a bill to amend section 615 of title 38, United States Code, to require the Secretary of Veterans Affairs to permit persons who receive care at medical facilities of the Department of Veterans Affairs to have access to and to consume tobacco products.

S. 1687

At the request of Mr. MCCAIN, the names of the Senator from Illinois [Mr. SIMON] and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of S. 1687, a bill to increase the capacity of Indian tribal governments for waste management on Indian lands, and for other purposes.

S. 1736

At the request of Mr. SASSER, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 1736, a bill to amend title XVIII of the Social Security Act to provide for improved quality and cost control mechanisms to ensure the proper and prudent purchasing of durable medical equipment and supplies for which payment is made under the medicare program, and for other purposes.

S. 1755

At the request of Mr. BUMPERS, the names of the Senator from Iowa [Mr. HARKIN] and the Senator from Missouri [Mr. BOND] were added as cosponsors of S. 1755, a bill to reform the concessions policies of the National Park Service, and for other purposes.

S. 1817

At the request of Mr. GRASSLEY, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 1817, a bill to amend the Trade Act of 1974 to require the National Trade Estimate include information regarding the impact of Arab boycotts on certain U.S. businesses.

S. 1830

At the request of Mr. WOFFORD, the names of the Senator from Illinois [Mr. DIXON], the Senator from California [Mr. SEYMOUR], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 1830, a bill to require Senators and Members of the House of Representatives to pay for medical services provided by the Office of the Attending Physician, and for other purposes.

At the request of Mr. SPECTER, his name was added as a cosponsor of S. 1830, supra.

S. 1851

At the request of Mr. ROCKEFELLER, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 1851, A bill to provide for a Management Corps that would provide the expertise of United States businesses to the Republics of the Soviet Union and the Baltic States.

S. 1930

At the request of Mr. GORTON, the names of the Senator from Mississippi [Mr. LOTT] and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 1930, a bill to amend title 10, United States Code, to revise certain time limitations for the awarding of medals and other decorations, to revise the time limitation applicable to requests for corrections of military records, and for other purposes.

S. 1932

At the request of Mr. BUMPERS, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 1932, a bill to amend the Internal Revenue Code of 1986 to provide a capital gains tax differential for individual and corporate taxpayers who make high-risk, long-term, growth-oriented venture and seed capital investments in startup and other small enterprises.

S. 1950

At the request of Mr. DANFORTH, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 1950, a bill to amend the Internal Revenue Code of 1986 to extend for 1 year certain expiring tax provisions.

S. 2009

At the request of Mr. PACKWOOD, the names of the Senator from South Carolina [Mr. THURMOND], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 2009, a bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities.

S. 2018

At the request of Mr. BOND, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 2018, a bill to amend the Food, Agriculture, Conservation, and Trade Act of 1990 to provide that a single Federal agency shall be responsible for making technical determinations with respect to wetland or converted wetland on agricultural lands.

S. 2041

At the request of Mr. GRASSLEY, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 2041, a bill to amend the Petroleum Marketing Practices Act to enhance competition, and for other purposes.

SENATE JOINT RESOLUTION 35

At the request of Mr. HOLLINGS, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of Senate Joint Resolution 35, a joint resolution proposing an amendment to the Constitution of the United States relative to contributions and expenditures intended to affect congressional and Presidential elections.

SENATE JOINT RESOLUTION 37

At the request of Mr. GARN, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of Senate Joint Resolution 37, a joint resolution proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons.

SENATE CONCURRENT RESOLUTION 70

At the request of Mr. SANFORD, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of Senate Concurrent Resolution 70, a concurrent resolution to express the sense of the Congress with respect to the support of the United States for the protection of the African elephant.

SENATE RESOLUTION 224

At the request of Mr. DECONCINI, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of Senate Resolution 224, a resolution relative to recognition of the Yugoslav republics.

AMENDMENTS SUBMITTED

NATIONAL LITERACY ACT

BINGAMAN AMENDMENT NO. 1468

Mr. BINGAMAN proposed an amendment to the bill (S. 2) to promote the achievement of national education goals, to establish a National Council on Education Goals and an Academic Report Card, to measure progress on the goals, and to promote literacy in the United States, and for other purposes, as follows:

On page 2, in the table of contents, redesignate the item relating to section 113, as the item relating to the National Education Goals Panel.

On page 2, in the table of contents, strike the item relating to section 115.

On page 2, in the table of contents, redesignate the items relating to sections 116 through 120 as the items relating to sections 115 through 119.

On page 2, in the table of contents, before the item relating to title II, insert the following:

PART C—NATIONAL EDUCATION STANDARDS AND ASSESSMENTS COUNCIL

Sec. 131. National Education Standards and Assessments Council.
Sec. 132. Annual reports.
Sec. 133. Powers of the Council.
Sec. 134. Administrative provisions.
Sec. 135. Director and staff; experts and consultants.
Sec. 136. Authorization of appropriations.

On page 13, beginning with line 13, strike all through page 20, line 14, and strike page 21 lines 7-20, and insert the following:

(a) FINDINGS.—The Congress finds that—

(1) the social well-being, economic stability, and national security of the United States depend on a strong educational system that provides all citizens with the skills necessary to become active members of a productive work force;

(2) despite the many reforms of the educational system that have been implemented since the National Council on Excellence in Education declared our Nation "at risk" in 1983, the United States remains at risk for educational underachievement;

(3) United States students currently rank far below students of many other countries in educational achievement, particularly in mathematics and the sciences;

(4) although State and local governments bear the primary responsibility for elementary and secondary education, rapidly increasing international competitiveness requires that the United States increase efforts to make education a national priority;

(5) the Federal Government has played a vital, leading role in funding important educational programs and research activities and should continue to play that role;

(6) accurate and reliable mechanisms must be available to assess and monitor educational progress;

(7) the mechanisms to assess and monitor educational progress, and the national information infrastructure needed to support the mechanisms, do not exist or must be strengthened;

(8) there should be established an independent, bipartisan panel, building on existing efforts to measure progress toward achievement of the National Education Goals;

(9) the Nation should also move forward to set national education standards and develop a voluntary system of assessments to help students and schools meet those standards;

(10) the primary purpose of developing standards and a system of assessments related to those standards is to inform instruction and improve learning;

(11) establishing voluntary national standards and assessments is an important, complex, and sensitive task and any coordinating structure for this purpose must be bipartisan, engage government at all levels, and involve the many constituencies that have an established interest in improving education;

(12) much work in the area of developing standards and assessments linked to those standards has already begun and the national effort should benefit from and not attempt to duplicate any good work being done by existing Federal and non-Federal entities;

(13) in accordance with the recommendations of the National Council on Education Standards and Testing, a coordinating structure needs to be put into place to ensure that this work is being done;

(14) this coordinating structure should maintain the Nation's tradition of State and local authority over education and therefore be a part of a cooperative national effort; and

(15) there should be established a national coordinating body to ensure the establishment of national education standards and a voluntary system of assessments.

(b) PURPOSE.—It is the purpose of this part to establish the National Education Goals Panel, to establish the National Education Standards and Assessments Council, to provide resources to develop means to measure and report on progress toward the achievement of the National Education Goals, and to advance the establishment of world class education standards and the development of a voluntary system of assessments as a catalyst for comprehensive educational reforms.

SEC. 113. NATIONAL EDUCATION GOALS PANEL.

(a) ESTABLISHMENT.—There is established within the Department of Education a National Education Goals Panel (hereafter in this part referred to as the "Panel").

(b) COMPOSITION.—

(1) IN GENERAL.—The Panel shall be composed of 14 members (hereafter in this part referred to as "members"), including—

(A) two members appointed by the President;

(B) eight Governors, three of whom shall be from the same political party as the President and five of whom shall be of the opposite political party of the President, appointed by the Chairman or Vice Chairman of the National Governors' Association, with each appointing those of his respective political party, in consultation with each other and in accordance with paragraph (2); and

(C) four Members of Congress appointed as follows:

(i) The Majority Leader of the Senate shall appoint 1 individual from among the Members of the Senate.

(ii) The Minority Leader of the Senate shall appoint 1 individual from among the Members of the Senate.

(iii) The Majority Leader of the House of Representatives shall appoint 1 individual from among the Members of the House of Representatives.

(iv) The Minority Leader of the House of Representatives shall appoint 1 individual from among the Members of the House of Representatives.

(2) SPECIAL APPOINTMENT RULES.—(A) The members appointed pursuant to paragraph (1)(B) shall be appointed as follows:

(i) If the Chairperson of the National Governors' Association is from the same political party as the President, then the Chairperson shall appoint 3 persons pursuant to such paragraph and the Vice Chairperson shall appoint 5 persons pursuant to such paragraph.

(ii) If the Chairperson of the National Governors' Association is from the opposite political party as the President, then the Chairperson shall appoint 5 persons pursuant to such paragraph and the Vice Chairperson shall appoint 3 persons pursuant to such paragraph.

(B) If the National Governors' Association has appointed a panel that meets the requirements of this subsection prior to the date of enactment of this Act, then the members serving on such panel shall be deemed to be in compliance with the provisions of this subsection and shall not be required to be reappointed pursuant to this subsection.

(c) TERMS.—The terms of service of members shall be as follows:

(1) EXECUTIVE BRANCH.—Members appointed under paragraph (1)(A) shall serve at the pleasure of the President.

(2) GOVERNORS.—Members appointed under paragraph (1)(B) shall serve a two-year term, except that the initial appointments under such paragraph shall be made to ensure staggered terms with one-half of the such member's terms concluding every two years.

(3) MEMBERS OF CONGRESS.—Members appointed under paragraph (1)(C) shall serve a term of four years.

(d) INITIATION.—The Panel may begin to carry out the duties of the Panel under this part when seven members of the Panel have been appointed.

(e) DATE OF APPOINTMENT.—The initial members shall be appointed not later than 60 days after the date of enactment of this Act.

(f) RETENTION.—In order to retain an appointment to the Panel, a member must attend at least two-thirds of the scheduled meetings of the Panel in any given year.

(g) VACANCIES.—A vacancy on the Panel shall not affect the powers of the Panel, but shall be filled in the same manner as the original appointment.

(h) TRAVEL.—Each member shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the panel $2,000,000 for each of the fiscal years 1992, 1993 and 1994, and such sums as may be necessary for each succeeding fiscal year thereafter.

On page 21, line 22, strike "Council" and insert "Panel".

On page 21, beginning with line 22, strike all through page 24, line 19, and insert the following:

(a) FUNCTIONS.—

(1) IN GENERAL.—The Panel shall—

(A) propose the indicators to be used to measure the National Education Goals and reporting progress toward their achievement, the baselines and benchmarks against which progress may be evaluated, and the format for an annual report to the Nation;

(B) select interim and final measures and appropriate measurement tools to be developed as necessary in each goal area;

(C) report on the Federal actions to fulfill its responsibilities to education, including funding the Federal financial role, providing more flexibility and controlling mandates that limit the States' ability to fund education;

(D) issue a report to the President, the Congress, the Governors, and the Nation annually on progress toward the National Education Goals;

(E) assure, through requirements for State reports, that student performance is reported in the context of other relevant information about student, school and system performance;

(F) identify gaps in existing educational data, make recommendations for improvements in the methods and procedures for assessments that would be appropriate to assessing progress toward the National Education Goals, propose changes in national and international measurement systems as appropriate and make recommendations to the President, the Congress, and the Governors for needed improvements;

(G) appoint members to the National Education Standards and Assessments Council; and

(H) in accordance with paragraph (2), issue certification of content and student performance standards and the criteria for assessments as world-class following submission of such certification by the National Education Standards and Assessments Council.

(2) SPECIAL RULE.—In the event the Panel denies certification to all or part of a certification of the National Education Standards and Assessments Council, all or part of a certification shall be returned to such Council with detailed written explanations for the denial.

(b) PERFORMANCE OF FUNCTIONS.—In carrying out its responsibilities, the Panel shall operate on the principle of consensus.

On page 24, line 20, strike "Council" and insert "Panel".

On page 25, strike lines 1 through 11.

On page 25, line 12, strike "116" and insert "115".

On page 25, line 13, strike all beginning with "Not" through "the Council" on line 15, and insert "The Panel".

On page 25, lines 21 and 22, strike "Council" each place such term appears and insert "Panel".

On page 25, strike lines 25 and 26.

On page 26, line 1, strike "(B)" and insert "(A)".

On page 26, line 2, strike "(C)" and insert "(B)".

On page 26, line 11, strike "Council" and insert "Panel".

On page 26, line 13, strike "Council" and insert "Panel".

On page 26, line 17, strike "117" and insert "116".

On page 26, line 17, strike "Council" and insert "Panel".

On page 26, line 19, strike "Council" and insert "Panel".

On page 26, line 22, strike "Council" and insert "Panel".

On page 26, line 25, strike "Council" and insert "Panel".

On page 27, line 3, strike "public on—" and insert "public regarding the Panel's functions described in section 114(a).".

On page 27, strike lines 4 through 13.

On page 27, line 14, strike "Council" and insert "Panel".

On page 27, line 16, strike "Council" and insert "Panel".

On page 27, line 17, strike "Council" and insert "Panel".

On page 27, line 19, strike "Council" and insert "Panel".

On page 27, beginning with line 21, strike all through page 28, line 9, and insert the following:

(c) GIFTS.—The Panel may accept, use, and dispose of gifts or donations of services or property.

On page 28, line 10, strike "Council" and insert "Panel".

On page 28, line 15, strike "Council" and insert "Panel".

On page 28, line 17, strike "Council" and insert "Panel".

On page 28, line 18, strike "118" and insert "117".

On page 28, line 19, strike "Council" and insert "Panel".

On page 28, line 21, strike "Council" and insert "Panel".

On page 28, line 22, strike "Eleven" and insert "A majority of the".

On page 28, line 24, strike all beginning with "The Council" through "Council." on page 29, line 1.

On page 29, strike lines 4 through 9.

On page 29, line 10, strike "119" and insert "118".

On page 29, line 12, strike "Council" and insert "Panel".

On page 29, line 20, insert "of the Panel" before "may".

On page 29, line 23, strike "Council" and insert "Panel".

On page 30, line 2, strike "Council" and insert "Panel".

On page 30, line 5, strike "Council" and insert "Panel".

On page 30, line 9, strike "Council" and insert "Panel".

On page 30, line 12, strike "Council" each place such term appears and insert "Panel".

On page 30, line 13, strike "120" and insert "119".

On page 30, between lines 17 and 18, insert the following:

PART C—NATIONAL EDUCATION STANDARDS AND ASSESSMENTS COUNCIL

SEC. 131. NATIONAL EDUCATION STANDARDS AND ASSESSMENTS COUNCIL.

(a) ESTABLISHMENT.—There is established within the Department of Education a National Education Standards and Assessments Council (referred to in this part as the "Council").

(b) APPOINTMENT AND COMPOSITION.—

(1) APPOINTMENT.—The Council shall be composed of 21 members (hereafter in this part referred to as "members") appointed by the National Education Goals Panel described in section 113 (hereafter in this part referred to as the "Panel").

(2) COMPOSITION.—The Council shall be composed of—

(A) seven public officials;

(B) seven educators; and

(C) seven members of the general public.

(3) TIME.—The members of the Council described in paragraph (2) shall be appointed within 120 days after the date of enactment of this Act.

(c) QUALIFICATIONS.—

(1) IN GENERAL.—Members shall be appointed to the Council on the basis of widely recognized experience in, knowledge of, commitment to, and a demonstrated record of service to education and to achieving education excellence at the Federal, State or local level.

(2) NOMINATIONS.—Members under this subsection shall be appointed from among qualified individuals nominated by the public.

(d) TERMS.—

(1) IN GENERAL.—The members shall be appointed for three-year terms, with no member serving more than 2 consecutive terms.

(2) INITIAL SELECTION.—The Panel shall establish initial terms for individuals of two, three, or four years in order to establish a rotation in which one-third of the members are selected each year.

(A) PUBLIC OFFICIALS.—From among the members appointed under subsection (b)(2)(A), the Panel shall designate 2 appointees to serve 2-year terms, 3 appointees to serve 3-year terms and 2 appointees to serve 4-year terms.

(B) EDUCATORS.—From among the members appointed under subsection (b)(2)(B), the Panel shall designate 2 appointees to serve 2-year terms, 3 appointees to serve 3-year terms and 2 appointees to serve 4-year terms.

(C) GENERAL PUBLIC.—From among the members appointed under subsection (b)(2)(C), the Panel shall designate 2 appointees to serve 2-year terms, 3 appointees to serve 3-year terms and 2 appointees to serve 4-year terms.

(3) SPECIAL PROVISION.—No member of the Panel may concurrently serve as a member of the Council.

(4) DATE OF APPOINTMENT.—The initial members shall be appointed, by the Panel, not later than 120 days after the date of enactment of this Act.

(5) RETENTION.—In order to retain an appointment to the Council, a member must attend at least two-thirds of the scheduled meetings of the Council in any given year.

(6) OFFICER SELECTION.—The members appointed under subsection (b)(2) shall select officers of the Council from among the members of the Council. The officers of the Council shall serve for 1-year terms.

(7) VACANCIES.—A vacancy on the Council shall not affect the powers of the Council, but shall be filled in the same manner as the original appointment.

(8) TRAVEL.—Each member of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(9) INITIATION.—The Council may begin to carry out the duties of the Council under this part when—

(A) all 21 members have been appointed; or

(B) 11 members have been appointed pursuant to the provisions of subsection (b).

(e) FUNCTIONS OF THE COUNCIL.—The Council shall—

(1) be a coordinating body to ensure the establishment of national education standards;

(2) serve as a coordinating body to encourage a voluntary system of assessments for individual students consistent with the national standards;

(3) develop criteria for world-class content and student performance standards and establish guidelines for standard setting and assessment development;

(4) establish guidelines for assessments which ensure technical merit through determining that assessments are specifically valid, reliable, fair and cost effective for any purpose for which the assessments may be used;

(5) establish procedures and criteria for ensuring that, to the extent possible and with-

out sacrificing the validity, reliability, directors and fairness of the assessments, assessments are comparable to each other; and

(6) issue certification of content and student performance standards and criteria for assessments as world-class, and transmit such certification to the Panel for the Panel's certification.

(f) Performance of Functions.—In carrying out its responsibilities, the Council shall work with Federal and non-Federal agencies and organizations which are conducting research, studies or demonstration projects to determine world-class education standards and assessments based on such standards.

(g) Data Collection.—The Council shall make arrangements with any appropriate entity to generate or collect such data as may be necessary to carry out its functions.

SEC. 132. ANNUAL REPORTS.

Not later than 1 year after the date the Council concludes its first meeting of members and in each succeeding year, the Council shall prepare and submit to the President, the appropriate committees of Congress, and the Governor of each State a report on its work.

SEC. 133. POWERS OF THE COUNCIL.

(a) Hearings.—

(1) In general.—The Council shall, for the purpose of carrying out this part, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Council considers appropriate.

(2) Conduct.—In carrying out this part, the Council shall conduct public hearings in different geographic areas of the country, both urban and rural, to receive the reports, views, and analyses of a broad spectrum of experts and the public on the establishment of national education standards and assessments.

(b) Information.—The Council may secure directly from any department or agency of the United States information necessary to enable the Council to carry out this part. Upon request of the Chairperson of the Council, the head of a department or agency shall furnish such information to the Council to the extent permitted by law.

(c) Gifts.—The Council may accept, use, and dispose of gifts or donations of services or property.

(d) Postal Services.—The Council may use the United States mail in the same manner and under the same conditions as other departments and agencies of the United States.

(e) Administrative and Supportive Services.—The Secretary shall provide to the Council, on a reimbursable basis, administrative support services as the Council may request.

SEC. 134. ADMINISTRATIVE PROVISIONS.

(a) Meetings.—The Council shall meet on a regular basis, as necessary, at the call of the Chairperson of the Council or a majority of its members.

(b) Quorum.—A majority of the members shall constitute a quorum for the transaction of business.

(c) Voting.—The Council shall take all action of the Council by a ⅔ majority vote of the total membership of the council, assuring the right of the minority to issue written views. No individual may vote or exercise any of the powers of a member by proxy.

SEC. 135. DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.

(a) Director.—The Chairperson of the Council shall, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, appoint a Director to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(b) Appointment and Pay of Staff.—The Chairperson may appoint personnel as the Chairperson considers appropriate without regard to the provisions of title 5, United States Code, governing appointments to the competitive service. The staff of the Council may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates. The rate of pay of the staff of the Council shall not exceed the rate of basic pay payable for GS–15 of the General Schedule.

(c) Experts and Consultants.—The Council may procure temporary and intermittent services under section 3019(b) of title 5, United States Code.

(d) Staff of Federal Agencies.—Upon the request of the Council, the head of any department or agency of the United States is authorized to detail, on a reimbursable basis, any of the personnel of that department or agency to the Council to assist the Council in its duties under this title.

SEC. 136. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Council $2,000,000 for each of the fiscal years 1992, 1993 and 1994 and such sums as may be necessary for each succeeding fiscal year thereafter.

On page 58, in the matter following line 7, insert ", to develop national education standards and voluntary assessments in accordance with such standards" after "toward such goals".

KENNEDY AMENDMENT NO. 1469

Mr. BINGAMAN (for Mr. Kennedy) proposed an amendment to the bill S. 2, supra, as follows:

On page 34, line 11, strike "and" the second place such term appears.

On page 34, between lines 11 and 12, insert the following:

(iii) the establishment of new public schools, such as Essential Schools, Accelerated Schools, New American Schools, charter schools, ComerSchools, and Schools of the 21st Century in accordance with subparagraph (C); and

On page 34, line 12, strike "(iii)" and insert "(iv)".

On page 34, between lines 15 and 16, insert the following:

(C) Special requirement.—A new public school established under subparagraph (B)(iii) shall be nonsectarian in its programs, admission policies, employment practices, and all other operations and shall not be affiliated with a nonpublic sectarian school or a religious institution.

On page 57, between lines 7 and 8, insert the following:

(4) the term "new public school" means a public school that—

(A) reflects the best available knowledge regarding teaching and learning for all students;

(B) uses the highest quality instructional materials and technologies;

(C) is designed to meet National Education Goals as well as the particular needs of the students and community served by such school; and

(D) is under the authority of a state educational agency or a local educational agency.

On page 57, line 8, strike "(4)" and insert "(5)".

On page 57, line 13, strike "(5)" and insert "(6)".

On page 57, line 17, strike "(6)" and insert "(7)".

On page 57, line 21, strike "(7)" and insert "(8)".

On page 57, line 23, strike "(8)" and insert "(9)".

On page 58, line 1, strike "(9)" and insert "(10)".

On page 58, line 4, strike "(10)" and insert "(11)".

FORD (AND McCONNELL) AMENDMENT NO. 1470

Mr. BINGAMAN (for Mr. Ford, for himself and Mr. McConnell) proposed an amendment to the bill S. 2, supra, as follows:

On page 42, between lines 10 and 11, insert the following:

(e) Special Rule for States Which Already Have Enacted a Comprehensive, Statewide Education Improvement Plan.—

(1) Waiver.—In the case of a State which has enacted a comprehensive, statewide education improvement plan, the Secretary may, in accordance with the provisions of section 206, grant such State a waiver from the requirements of section 204 and subsections (a) and (b) of section 205, and such State may use an allotment under this section in the initial and succeeding years in accordance with the provisions of section 202(c)(3).

(2) Application.—Each State desiring a waiver under this subsection shall include a request for such waiver in application submitted under section 203. Such application shall include a plan which meets the requirements of section 205(c).

COCHRAN (AND OTHERS) AMENDMENT NO. 1471

Mr. COCHRAN (for himself, Mr. Specter, Mr. Hatfield, Mr. Seymour, Mr. Durenberger, Mr. Stevens Mr. Domenici, and Mr. Cohen) proposed an amendment to the bill S. 2, supra, as follows:

On page 2, immediately after the item relating to section 212, insert the following:

TITLE III—NEW AMERICAN SCHOOLS

Sec. 301. Findings.
Sec. 302. Purpose.
Sec. 303. Program authorized.
Sec. 304. Local applications.
Sec. 305. State applications.
Sec. 306. Selection of eligible recipients to create New American Schools.
Sec. 307. Amount of grants, operation of schools, and uses of funds.
Sec. 308. Secretary's panel of experts.
Sec. 309. National evaluation and dissemination.
Sec. 310. Insular areas.
Sec. 311. Definitions.
Sec. 312. Authorization of appropriations.

On page 2, redesignate the item relating to title III as the item relating to title IV.

On page 2, redesignate the item relating to section 301 as the item relating to section 401.

On page 56, between lines 21 and 22, insert the following:

TITLE III—NEW AMERICAN SCHOOLS

SEC. 301. FINDINGS.

The Congress finds that—

(1) many American elementary and secondary schools—

(A) are structured according to models that are outmoded and ineffective;

(B) rely on notions about pedagogy, management, technology, staffing, and other resources that may be outdated or insufficient for the challenges of the next century; and

(C) are unsuccessful at equipping many students with the knowledge and skills needed to succeed as citizens and in the workplace;

(2) new approaches to elementary and secondary education are needed, and without major reforms in elementary and secondary schools, the United States may lose its ability to compete fully and successfully in the world economy;

(3) comprehensive and long-term efforts, drawing on all members of the community, will be needed if the school-by-school educational reform necessary to achieve the National Education Goals is to be accomplished;

(4) there is an appropriate Federal role in providing seed money for the establishment of new types of schools in communities across the country; and

(5) the Nation is embarking on a major effort to support the invention of radically better forms of schooling and to establish a network of communities whose citizens are dedicated to the improvement of education.

SEC. 302. PURPOSE.

The purpose of this title is to support the creation of new schools across the United States that reflect the best thinking about teaching and learning, employ the highest-quality instructional materials and technologies, and are designed to meet the National Education Goals, as well as the particular needs of students and communities.

SEC. 303. PROGRAM AUTHORIZED.

(a) IN GENERAL.—The Secretary is authorized to award grants to eligible recipients on behalf of communities to enable such eligible recipients to develop innovative elementary and secondary schools (hereafter in this title referred to as "New American Schools") in the communities served by such recipients.

(b) NOMINATIONS.—The Secretary shall award grants under this title on the basis of nominations received and approved under section 306.

(c) SECRETARY'S SELECTION AND APPROVAL OF GRANT RECIPIENTS.—The Secretary, with advice of the panel of experts established under section 308, shall approve applications from some or all of the eligible recipients nominated by Governors under section 306 to receive grants in accordance with this title.

(d) DISTRIBUTION OF FUNDS.—

(1) AWARD RULES.—(A) To the extent feasible, the Secretary shall, from the first $54,000,000 appropriated to carry out this title, make at least one grant within each State.

(B) The Secretary shall award any funds in excess of the funds described in paragraph (2) in such a manner that, to the extent feasible and over the period for which the program assisted under this title is authorized, the total amount of funds appropriated under this title over such period is distributed among the States on the basis of their relative populations.

(C) To the extent feasible, the Secretary shall award a grant to an eligible recipient serving a community in each congressional district by September 30, 1994.

(D) For the purpose of this section, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the Republic of Palau shall be treated, collectively, as a single State and as encompassing a single congressional district.

(2) PRIORITY.—In awarding grants under this title, the Secretary shall give priority to eligible recipients serving communities with high concentrations of educationally disadvantaged children and children from low-income families.

(3) ENCOURAGEMENT.—The Secretary is encouraged to award grants to eligible recipients that will establish schools enrolling students of diverse abilities.

SEC. 304. LOCAL APPLICATIONS.

Each eligible recipient desiring to receive a grant under this title shall submit an application to the Governor at such time, in such manner, and containing such information as the Governor and the Secretary may reasonably require. Such application shall include—

(1) evidence that the community to be served by such eligible recipient has—

(A) adopted the National Education Goals;

(B) established and implemented a community-wide strategy for achieving those goals;

(C) developed a "report-card" for measuring and reporting to the public, at least once each year, the community's progress toward achievement of the goals; and

(D) demonstrated a willingness and commitment to make substantial improvements in the education of children in the community through establishment of a New American School;

(2) the community's plan for a New American School, including, as necessary, a description of the steps to be taken to obtain recognition or accreditation from the State and be fully operating by the start of school year 1996–1997; and

(3) evidence of community support for the plan, including, as appropriate, financial support to be provided from private-sector sources.

SEC. 305. STATE APPLICATIONS.

In order for an eligible recipient in a State to receive a grant under this title, the Governor of such State shall submit an application to the Secretary at such time and in such manner as the Secretary may reasonably require. Such application shall include—

(1) a description of the process the Governor has used, in accordance with section 306, to nominate eligible recipients to create New American Schools;

(2) a list of the eligible recipients nominated by the Governor to receive a New American School grant on behalf of a community;

(3) copies of the plans, prepared by each eligible recipient nominated by the Governor for a grant under this title, for establishing and operating a New American School;

(4) an identification of non-Federal resources, which may include private-sector contributions, that will be available to establish and operate each New American School in the State; and

(5) such other information as the Secretary may require.

SEC. 306. SELECTION OF ELIGIBLE RECIPIENTS TO CREATE NEW AMERICAN SCHOOLS.

(a) NOMINATIONS.—The Governor of each State, in consultation with the chief State school officer, shall nominate eligible recipients within the State to receive a grant under this title to create a New American School.

(b) NUMBER.—In making nominations under subsection (a), each Governor, in consultation with the chief State school officer, shall, by September 30, 1994, nominate at least one eligible recipient serving a community in each congressional district in the State.

(c) NOMINATION CRITERIA.—

(1) IN GENERAL.—Each Governor, in consultation with the chief State school officer, shall nominate eligible recipients on the basis of criteria established by the Secretary, based on the advice of the panel of experts established under section 308.

(2) CRITERIA.—The criteria described in paragraph (1) shall include, at a minimum—

(A) the level of commitment and activity displayed by the community to be served by an eligible recipient through such community's participation in the President's AMERICA 2000 Communities initiative;

(B) the need for new and innovative educational programs in the schools of the community to be served by an eligible recipient; and

(C) the quality of the application submitted by the eligible recipient to the Governor.

(d) APPROVAL.—Beginning no earlier than January 1, 1993, the Secretary, with the advice of the panel of experts established under section 308, shall approve some or all of the eligible recipients nominated by Governors to receive New American Schools grants on behalf of communities, based on the Secretary's determination that such approval would be fully consistent with the purpose and requirements of this title.

(e) ADDITIONAL NOMINEES.—A Governor, in consultation with the chief State school officer, may nominate other eligible recipients if—

(1) the Secretary does not approve one or more of the Governor's nominees;

(2) an approved eligible recipient or community withdraws from the program; or

(3) the Secretary determines that the eligible recipient or community is unable to carry out its project successfully or is not making adequate progress in carrying out such project.

SEC. 307. AMOUNT OF GRANTS, OPERATION OF SCHOOLS, AND USES OF FUNDS.

(a) AMOUNT OF GRANTS.—The Secretary, after consultation with the Governor, shall determine the total amount of each grant under this title, except that—

(1) no such grant shall exceed $1,000,000; and

(2) the Secretary shall consider the expected student enrollment in the New American School in determining the amount of such grant.

(b) ESTABLISHMENT OF SCHOOLS.—In establishing a New American School, a grant recipient is urged to work cooperatively with, and make use of information available from, the design teams funded by the New American Schools Development Corporation and to provide to those teams such information on the operation of New American Schools as will benefit the teams in completing their work.

(c) USE OF FUNDS.—

(1) IN GENERAL.—Grant funds made available under this title may be used only to meet the special start-up costs associated with the creation and establishment of a New American School, including—

(A) planning, curriculum development, and curriculum adaptation;

(B) training of teachers, administrators, and other staff, as well as parents and members of the community who are involved with the New American School;

(C) purchase of equipment and materials;

(D) minor renovation and remodeling of facilities; and

(E) obtaining the assistance of outside experts, including one or more of the teams described in subsection (b), to assist the eligible recipient in establishing its New American School.

(2) PROHIBITION.—Grant funds made available under this title shall not be used for construction or for the grant recipient's general administrative expenses.

(3) LIMITATION REGARDING SECTARIAN PURPOSES.—Grant funds made available under this title shall not be used for sectarian schools.

(d) SPECIAL RULE.—Each New American School established under this title shall have obtained State recognition or accreditation, as necessary, and be fully operating by the start of the 1996–1997 school year.

SEC. 308. SECRETARY'S PANEL OF EXPERTS.

Within 90 days of enactment of this Act, the Secretary shall convene a panel of experts consisting of educators, representatives of private business, and representatives of the public to advise the Secretary on the administration of the program authorized by this title, including—

(1) the criteria to be used to nominate eligible recipients to establish and operate New American Schools; and

(2) the approval of eligible recipients nominated by Governors to establish and operate New American Schools.

SEC. 309. NATIONAL EVALUATION AND DISSEMINATION.

(a) EVALUATION.—The Secretary shall use the funds reserved under section 312(b) to conduct a national evaluation of the impact of the New American Schools program on schools and communities, and on education generally.

(b) REPORTS.—The Secretary shall submit such interim evaluation reports to the President and the Congress as may be appropriate, and shall submit a final evaluation report by September 30, 1998.

(c) DISSEMINATION.—The Secretary shall take appropriate steps to disseminate the findings of the national evaluation and to disseminate information on successful educational programs developed under this program.

SEC. 310. INSULAR AREAS.

The provisions of Public Law 95–134, permitting the consolidation of grants to the Insular Areas, shall not apply to funds received by such areas under this title.

SEC. 311. DEFINITIONS.

For the purpose of this title—

(1) the term "community" means—

(A) a unit of general purpose local government, such as a city, township, or village;

(B) a geographically distinct area, such as a school district, school attendance area, ward, precinct, neighborhood; or

(C) an identifiable group of individuals, such as the members of a service organization, who generally reside in a particular geographic area;

(2) the term "eligible recipient" means the agency, organization or institution that will receive a grant under this title on behalf of a community to establish a New American School;

(3) the term "Governor" means the chief executive of each State; and

(4) the term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Republic of Palau (until effective date of the Compact of Free Association with the Government of Palau).

SEC. 312. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated $100,000,000 for fiscal year 1992, $200,000,000 for fiscal year 1993, $300,000,000 for fiscal year 1994, and such sums as may be necessary for fiscal years 1995 and 1996 to carry out this title.

(b) RESERVATION.—From the amount of funds appropriated under subsection (a) for fiscal years 1992 through 1996, the Secretary shall reserve a total of not more than $3,000,000 for the national evaluation described in section 309.

(c) AVAILABILITY.—Funds appropriated pursuant to the authority of subsection (a) shall remain available for obligation by the Secretary for two fiscal years beyond the fiscal year for which such funds are appropriated.

On page 56, line 22, strike "III" and insert "IV".

On page 56, line 23, strike "301" and insert "401".

On page 58, line 1, insert ", unless otherwise specified," before "means".

OMNIBUS EXPORT AMENDMENTS ACT

RIEGLE AMENDMENT NO. 1472

Mr. KENNEDY (for Mr. RIEGLE) proposed an amendment to the bill (H.R. 3489) to reauthorize the Export Administration Act of 1979, and for other purposes, as follows:

Strike out all after the enacting clause and insert in lieu the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Omnibus Export Amendments Act of 1991".

(b) TABLE OF CONTENTS.—

TITLE I—EXPORT ADMINISTRATION ACT AMENDMENTS

Sec. 101. Short title; reference.
Sec. 102. Types of licenses; control list.
Sec. 103. Exports to COCOM.
Sec. 104. Reexports and supercomputer exports.
Sec. 105. Standard of measurement for computers.
Sec. 106. Statement of policy toward countries representing a lesser strategic threat.
Sec. 107. East-West decontrol.
Sec. 108. Commodity jurisdiction.
Sec. 109. Controls on telecommunications.
Sec. 110. Exports subject to national discretion and favorable consideration.
Sec. 111. Statement of policy for general exception cases.
Sec. 112. Control list review.
Sec. 113. Unilateral controls.
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TITLE I—EXPORT ADMINISTRATION ACT AMENDMENTS

SEC. 101. SHORT TITLE; REFERENCE.

(a) SHORT TITLE.—This title may be cited as the "Export Administration Act Amendments of 1991".

(b) REFERENCE TO THE EXPORT ADMINISTRATION ACT OF 1979.—Except as otherwise specifically provided, whenever in this title a section or other provision is amended or repealed, such amendment or repeal shall be considered to be made to that section or other provision of the Export Administration Act of 1979 (50 U.S.C. App. 2401 and following).

SEC. 102. TYPES OF LICENSES; CONTROL LIST.

(a) TYPES OF LICENSES.—Section 4(a)(2) (50 U.S.C. App. 2403(a)(2)) is amended—

(1) in subparagraph (A)—

(A) in the first sentence by striking "in countries" and all that follows through "China"; and

(B) in the second sentence by striking "controlled countries" and inserting "an unauthorized use or consignee"; and

(2) in subparagraph (B) in the first sentence by striking "are located in countries other than controlled countries (except the People's Republic of China),".

(b) CONTROL LIST.—Section 4(b) (50 U.S.C. App. 2403(b)) is amended by adding at the end the following: "Not later than 6 months after the date of the enactment of the Export Administration Act Amendments of 1991, the Secretary shall modify each item on the control list as necessary to specify with particularity the performance and other identifying characteristics of any technical data that is subject to export controls under section 5, export controls under section 6, or export controls pursuant to section 309(c) of the Nuclear Non-Proliferation Act of 1978. Technical data that is subject to licensing requirements shall be included on the control list concurrent with implementation of the 'Core List' agreed to by the group known as the Coordinating Committee.".

SEC. 103. EXPORTS TO COCOM.

Section 5(a)(4) (50 U.S.C. App. 2404(a)(4)) is amended—

(1) in subparagraph (A) by striking "No" and inserting "Subject to subparagraphs (C) and (D), no"; and

(2) by adding at the end the following:

"(C) Effective not later than December 31, 1991, no authority or permission may be required under this section for the export or reexport of goods or technology to or from a country which maintains export controls on such goods or technology cooperatively with the United States pursuant to the agreement with the Coordinating Committee or pursuant to an agreement described in subsection (k)(1).

"(D)(i) Notwithstanding subparagraph (C), the Secretary, in consultation with the Secretary of Defense, the Secretary of State, and the Secretary of Energy, may require authority or permission to export or reexport goods or technology, which are otherwise eligible for export or reexport under subparagraph (C), in the case of—

"(I) exports to such unreliable end users as the Secretary may specify by regulation; or

"(II) any reexport to a country other than a country described in subparagraph (A) of goods or technology identified under subparagraph (B).

"(ii) Notwithstanding subparagraph (C), the Secretary may require authority or permission to export or reexport goods or technology pursuant to special multilateral control arrangements agreed to unanimously by the Coordinating Committee, if all countries in which the goods or technology are produced agree to equivalent measurement parameters, performance capabilities, and licensing and other requirements. The Secretary shall notify the Congress at least 30 days before the United States proposes such control arrangements to the Coordinating Committee, and not more than 30 days after such control arrangements are agreed to by the Coordinating Committee.

"(iii) If the Secretary, in consultation with the Secretary of State, determines that a country referred to in subparagraph (A) is engaging in a pattern and practice of noncompliance with the agreement of the Coordinating Committee or other applicable agreement, the Secretary shall, during the period in which that determination is in effect, and to the extent determined by the Secretary, require authority or permission to export or reexport goods or technology to that country, and to reexport goods or technology from that country. Any such determination shall not take effect until 30 days after the Secretary of State notifies the Coordinating Committee of the determination and requests the cooperation of the Coordinating Committee in imposing comparable export controls. The Secretary shall review each determination made under this clause at least once in each 1-year period for the purpose of determining whether the country involved continues to engage in a pattern and practice of noncompliance with the applicable agreement. In making a determination under this clause, the Secretary shall consider whether the country involved has adopted the following measures:

"(I) national laws providing appropriate civil and criminal penalties and statutes of limitations sufficient to deter potential violations;

"(II) a program to evaluate export license applications that includes sufficient technical expertise to assess the licensing status of exports and ensure the reliability of end-users;

"(III) an enforcement mechanism that provides authority for trained enforcement officers to investigate and prevent illegal exports;

"(IV) a system of export control documentation to verify the movement of goods and technology; and

"(V) procedures for the coordination and exchange of information concerning violations of the agreement of the Coordinating Committee.

The provisions of section 10(o) apply to exports for which licenses are required under this section.".

SEC. 104. REEXPORTS AND SUPERCOMPUTER EXPORTS.

(a) REEXPORTS OF TECHNOLOGY.—Section 5(a)(5) is amended—

(1) in subparagraph (A) by striking "(B)" and inserting "(C)";

(2) in subparagraph (B)—

(A) by redesignating such subparagraph as subparagraph (C); and

(B) by striking "subparagraph (A)" and inserting "subparagraphs (A) and (B)"; and

(3) by inserting after subparagraph (A) the following:

"(B) Except as provided in subparagraph (C), no authority or permission may be required under this section to reexport technology subject to the jurisdiction of the United States from any country when the technology to be reexported is incorporated in other technology and—

"(i) the value of the technology subject to the jurisdiction of the United States that is incorporated in that other technology and, at the time of the reexport, would, if exported from the United States, require a validated license, is 25 percent or less of the total value of that other technology; or

"(ii) the export to a controlled country of the technology subject to the jurisdiction of the United States would require only notification of the participating governments of the Coordinating Committee.".

(b) SUPERCOMPUTER EXPORTS AND REEXPORTS.—Section 5(a) (50 U.S.C. 2404(a)) is amended by adding at the end the following:

"(7)(A) With respect to the definition of 'supercomputer' under paragraph (6)(A), the Secretary shall, not later than 6 months after the date of the enactment of the Export Administration Act Amendments of 1991, publish in the Federal Register a performance-based indexing system in order to ensure that such definition and all controls and security safeguard procedures on supercomputer exports and reexports are commensurate with technological advances in the supercomputer industry. Such indexing system shall be based upon a provision that for destinations in any country (other than a controlled country) that is a party to and, as determined by the President, is adhering to, the Treaty on the Non-Proliferation of Nuclear Weapons (done at Washington, London, and Moscow on July 1, 1968) or the Treaty for the Prohibition of Nuclear Weapons in Latin America (done at Mexico on February 14, 1967), no security safeguard procedures may be required in connection with any export or reexport of a supercomputer with a theoretical peak performance at or below approximately 25 percent of the theoretical peak performance of the average of the two most powerful supercomputers currently available commercially in the United States or elsewhere.

"(B) Before publishing the performance-based indexing system under subparagraph (A), the Secretary shall seek the views of the appropriate technical advisory committees appointed under subsection (h), and other interested parties. Not later than 2 weeks after publication of such system in the Federal Register, the Secretary shall submit a written report to the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, that includes—

"(i) the text of the Federal Register notice,

"(ii) a summary of the views expressed by the technical advisory committees and other interested parties with respect to the performance-based indexing system, and

"(iii) a description of how the performance-based indexing system addresses the views of the technical advisory committees and other interested parties.

"(C) For purposes of this paragraph, the term 'security safeguard procedures' means procedures that are required by the Department of Commerce, as a condition of an authorization to export or reexport a supercomputer, primarily to restrict access to and resale of such supercomputer.".

SEC. 105. STANDARD OF MEASUREMENT FOR COMPUTERS.

Section 5(a)(6) (50 U.S.C. App. 2404(a)(6)) is amended—

(1) by inserting "(A)" after "(6)", and

(2) by adding at the end the following:

"(B) In response to recommendations received from technical advisory committees appointed under subsection (h), the Secretary shall, after appropriate consultation with the Coordinating Committee, propose regulations which update and, where appropriate, revise or replace the measurement known as the 'Processing Data Rate', which is used in part to determine licensing requirements for computers other than supercomputers. Such regulations shall reflect the performance capabilities of computers and rely, to the maximum extent possible, upon measurements of those capabilities which are objective and commonly understood by the computer industry.".

SEC. 106. STATEMENT OF POLICY TOWARD COUNTRIES REPRESENTING A LESSER STRATEGIC THREAT.

Section 5(b)(2) (50 U.S.C. App. 2404(b)(2)) is amended to read as follows:

"(2)(A) It is the policy of the United States that licensing treatment of a country on the list of controlled countries maintained by the President pursuant to paragraph (1) should be revised in any case in which that country—

"(i) represents a lesser strategic threat; and

"(ii) accomplishes the following:

"(I) implements an effective export control system, including enactment of legislation controlling shipment of goods and technology subject to controls under agreement of the group known as the Coordinating Committee to controlled countries and imposing effective penalties to deter violation of its export controls;

"(II) adopts technology security arrangements, including end-use assurances and onsite inspection and verification; and

"(III) terminates governmental policies and intelligence cooperation with other controlled countries relating to illegal acquisition and diversion of controlled technology.

"(B) The revision of controls necessary to implement the policy set forth in subparagraph (A) shall include the following:

"(i) When the Secretary, in consultation with the Secretary of State and the Secretary of Defense, determines that necessary steps have been taken to implement the criteria set forth in subparagraph (A), the Secretary of State should propose the adoption by the Coordinating Committee of the special procedure for favorable consideration of exports to such countries agreed to in the Coordinating Committee High Level Meeting of June 6 and 7, 1990, or other countries the Coordinating Committee may designate.

"(ii) The Secretary, in consultation with the Secretary of State and the Secretary of Defense, shall annually review the performance of such country in implementing the criteria set forth in subparagraph (A) and, to the extent that such performance indicates appropriate use and protection from diversion of controlled technology, the Secretary of State should propose the adoption by the Coordinating Committee of more favorable licensing treatment or, if security concerns increase, more restrictive controls on technology exports to such country.

"(iii) When, in addition to progress on the criteria set forth in subparagraph (A), a country takes steps to reduce its offensive military capabilities and phase out its participation in the Warsaw Pact, including withdrawal of Soviet military forces, the President should seek agreement in the Coordinating Committee to remove the country from the list of controlled countries and propose licensing treatment by the Committee as a free world or cooperating country destination.

"(C) The Secretary should provide the greatest possible technical assistance to countries undertaking the measures described in subparagraph (A).".

SEC. 107. EAST-WEST DECONTROL.

Section 5(c)(5) (50 U.S.C. App. 2401(c)(5)) is amended—

(1) in subparagraph (A)—

(A) by striking "Not later than 6 months after the date of the enactment of this paragraph" and inserting "Not later than 6 months after the date of the enactment of the Export Administration Act Amendments of 1991"; and

(B) in clause (i) by striking all that follows "technology" and inserting "the licensing of which under this section has been eliminated by regulations promulgated to implement the agreement reached in the Coordinating Committee High Level Meeting of June 6 and 7, 1990."; and

(2) by striking subparagraph (B) and inserting the following:

"(B) The Secretary shall issue regulations implementing fully the agreement reached in the Coordinating Committee High Level Meeting of June 6 and 7, 1990, relating to removal of controls, national discretion, and favorable consideration of export licenses, and shall provide the licensing treatment prescribed in that agreement for goods and technology in accordance with the levels of technology specified therein.

"(C) Not later than 90 days after the date of the enactment of this subparagraph, the Secretary of State shall seek the approval of the Coordinating Committee for the following: that no authority or permission may be required to export to any country computers at a level of technology the export of which to the People's Republic of China on the date which is 60 days after the date of the enactment of the Export Enhancement Act of 1988 would require only notification of the participating governments of the Coordinating Committee, or at a higher level of technology.

"(D) Not later than April 1, 1991, the Secretary, in consultation with the Secretary of Defense and the Secretary of State, shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives describing the implementation of the agreement reached in the Coordinating Committee High Level Meeting of June 6 and 7, 1990. Not later than May 1, 1991, the Under Secretary of Commerce for Export Administration, the Under Secretary of State for International Security Affairs, and the Under Secretary of Defense for Policy shall appear before both such committees to present testimony on the report. Such report shall include descriptions of—

"(i) the status of implementing the 'Core List' provided for in the agreement and a description of the criteria used in developing the Core List,

"(ii) the status of implementing the special procedure for countries representing a lesser strategic threat provided for in the agreement,

"(iii) the status of implementing the national discretion and favorable consideration procedures contained in the agreement,

"(iv) the status of implementing a license-free zone among the governments participating in the Coordinating Committee, including a common standard of enforcement, and

"(v) the strategic justification for and impact of the agreement as they relate to the military capabilities and technology acquisition efforts of controlled countries.

"(E) In the case of goods and technology from which export controls have been removed under subparagraph (A), export controls under this section may thereafter be imposed on such goods or technology only if such controls are agreed to by the participating governments of the Coordinating Committee.".

SEC. 108. COMMODITY JURISDICTION.

(a) IN GENERAL.—Section 17 (50 U.S.C. App. 2416) is amended by adding at the end the following new subsection:

"(g) COMMODITY JURISDICTION.—(1) Notwithstanding any other provision of law, no item may be included on both the control list and the United States Munitions List, after the publication of the lists required under paragraph (6) and the resolution of any dispute with respect to such lists under paragraph (7).

"(2) Notwithstanding any other provision of law—

"(A) an item agreed for control on the International Munitions List of the group known as the Coordinating Committee shall be subject to control under the Arms Export Control Act and not under this Act; and

"(B) except as provided in paragraphs (3) and (4), an item not agreed for control on the International Munitions List of the Coordinating Committee shall be subject to control under this Act and not under the Arms Export Control Act.

"(3) An item described in paragraph (5) that is not on the International Munitions List may be subject to control under the Arms Export Control Act—

"(A)(i) for a period of 9 months after the date on which the United States proposes to the Coordinating Committee that the item be added to the International Munitions List, and

"(ii) for an additional 9-month period, but only if negotiations in the Coordinating Committee to add the item to the International Munitions List are continuing; or

"(B) if the Secretary of State, in consultation with the Secretary, so determines, except that if the Secretary disagrees with the Secretary of State with respect to such item, the item may be subject to control under the Arms Export Control Act only if the disagreement is resolved by the 2 Secretaries or by the President pursuant to the procedures set forth in subparagraphs (B) and (C) of paragraph (7).

"(4) An item that is not on the International Munitions List may be subject to control under the Arms Export Control Act if the President—

"(A) determines that extraordinary circumstances exist affecting the national security of the United States, which require that the item be controlled under the Arms Export Control Act;

"(B) proposes to the Coordinating Committee that the item be added to the International Munitions List, and

"(C) within 10 days after making the determination under subparagraph (A), submits a report to the Speaker of the House of Representatives and the President pro tempore of the Senate, describing in detail the reasons for the determination, in appropriate classified form, as necessary.

"(5) An item referred to in paragraph (3) is an item that—

"(A) is specially designed, developed, configured, adapted, or modified for military or intelligence application;

"(B) does not have significant civil applications; and

"(C) is not a component the performance capacity and function of which are essentially equivalent to those used for civil applications.

"(6)(A)(i) Within 3 months after the date of the enactment of this subsection, the Secretary shall publish the control list and the Secretary of State shall publish the United States Munitions List, with all revisions that have been made in accordance with this subsection.

"(ii) Within 3 months after the date of the enactment of this subsection, the Secretary of State shall publish in a separate list those items remaining subject to control under the Arms Export Control Act under paragraph (3).

"(B) If either the Secretary or the Secretary of State fails to publish a revised list in accordance with subparagraph (A)(i), there shall be excluded from the list of the Secretary that did not so publish a revised list, any item included on the list of the Secretary that did so publish a revised list.

"(7)(A) Whenever—

"(i) the Secretary or the Secretary of State receives a request to determine whether an item is subject to control under this Act or the Arms Export Control Act,

"(ii) either Secretary finds that an item is included on both the control list and the United States Munitions List,

"(iii) an item appearing on the list of one Secretary under paragraph (6)(A)(i) is considered by the other Secretary to be under the jurisdiction of that other Secretary, or

"(iv) the Secretary disagrees with the inclusion of an item on the list published under paragraph (6)(A)(ii),

the Secretary or the Secretary of State (as the case may be) shall refer the matter and any relevant information to the other Secretary.

"(B) The 2 Secretaries shall have a period of 15 days following the referral of a matter under subparagraph (A) to resolve any differences with respect to the matter involved.

"(C) If the 2 Secretaries fail to resolve such differences within that 15-day period, either Secretary may refer the matter to the President who, within 15 days after receiving the referral, shall notify the Secretaries of his determination on the matter in dispute.

"(D) In the event that either the Secretary or the Secretary of State does not respond to a referral under subparagraph (A) by the other Secretary, the Secretary that did not so respond shall be deemed to concur with the other Secretary on the matter involved.".

(b) TREATMENT OF MUNITIONS LIST FOR PURPOSES OF CERTAIN STATUTES.—

(1) In General.—Notwithstanding the amendment made by subsection (a), references in the following provisions of law to the United States Munitions List or items on the United States Munitions List, or to the Arms Export Control Act shall, after the enactment of this Act, be deemed to refer to the United States Munitions List, or the Arms Export Control Act, as in effect on May 1, 1990:

(A) Section 40 of the Arms Export Control Act (22 U.S.C. 2780).

(B) Section 902(a) of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991.

(C) Section 317 of the Comprehensive Anti-Apartheid Act of 1986.

(2) Sunset Provision.—The provisions of this subsection shall terminate on June 30, 1992.

SEC. 109. CONTROLS ON TELECOMMUNICATIONS.

(a) In General.—Section 5(c) (50 U.S.C. App. 2404(c)) is amended by adding at the end the following:

"(8)(A) The Secretary of State shall, within 30 days after the date of the enactment of this paragraph, propose to the Coordinating Committee as part of the United States 'Core List' proposal that countries of a lesser strategic threat qualifying for the special procedure agreed to in the Coordinating Committee High Level Meeting of June 6 and 7, 1990, should, in the case of exports of telecommunications equipment and associated operations technical data as described in subsection (e)(8), be accorded the Coordinating Committee's least restrictive control procedures.

"(B) As used in this paragraph, the term 'telecommunications equipment' means all equipment used in the transmission or receipt of either voice or data information. Such term includes equipment used in the transmission of analog or digital information.

"(C)(i) In the case of countries that qualify as a lesser strategic threat under the agreement reached at the Coordinating Committee High Level Meeting of June 6 and 7, 1990, the United States should propose to the Coordinating Committee that exports of computer network software and related equipment for civilian end use shall be accorded the same licensing treatment as that permitted for computer systems exported for interconnection to such networks and shall be treated in accordance with telecommunications controls established by the Coordinating Committee.

"(ii) For purposes of this subparagraph, the term 'computer network software and related equipment' includes computer software that provides services and management for local area, intracity, intercity, and international data communications networks, and computer equipment specifically dedicated to the support of such networks.".

(b) Report.—The President shall study the national security implications of the transfer of telecommunications equipment and technology to controlled countries under the Export Administration Act of 1979 and, not later than 1 year after the date of the enactment of this Act, shall submit to the Speaker of the House and the Committee on Banking, Housing, and Urban Affairs of the Senate, a report on the study, in classified form, as appropriate.

SEC. 110. EXPORTS SUBJECT TO NATIONAL DISCRETION AND FAVORABLE CONSIDERATION.

(a) Licensing.—Section 5(e) (50 U.S.C. App. 2404(e)) is amended by adding at the end the following:

"(7) In implementing the national discretion and favorable consideration procedures agreed to by the Coordinating Committee, the Secretary shall consider the actions of other participating governments in the Coordinating Committee in approving or denying export licenses that are subject to such procedures and shall seek to ensure that United States exports are not placed at a competitive disadvantage.".

(b) In General.—Section 10 (50 U.S.C. App. 2409) is amended by adding at the end the following:

"(p) Exports Subject to National Discretion.—In each instance in which an export license application is submitted to the Secretary for the export of goods or technology subject to the national discretion procedures of the Coordinating Committee, the Secretary shall formally issue or deny a license within 15 days after a properly completed application has been submitted under this section.

"(q) Exports Subject to Favorable Consideration.—In each instance in which an export license application is submitted to the Secretary for the export of goods or technology subject to the favorable consideration procedures of the Coordinating Committee or subject to special national discretion procedures requiring 30 days advance notification to the Coordinating Committee, the Secretary shall formally deny the license or it shall be forwarded for review to the Coordinating Committee within 15 days after a properly completed application has been submitted under this section, unless the Secretary notifies the applicant that additional time will be required to conduct a prelicense investigation, but in any case the Secretary shall deny the license or forward the application to the Coordinating Committee within 45 days after a properly completed application has been submitted.".

(c) Conforming Amendment.—Section 10(e)(2)(A) (50 U.S.C. App. 2409(e)(2)(A)) is amended by striking "Except" and inserting the following: "For general exception cases controlled under section 5 of this Act and except".

SEC. 111. STATEMENT OF POLICY FOR GENERAL EXCEPTION CASES.

Section 3 (50 U.S.C. App. 2402) is amended by striking paragraph (15) and inserting the following:

"(15) It is the policy of the United States—

"(A) in considering the submission of cases to the group known as the Coordinating Committee on behalf of United States exporters, including general exception cases, to ensure consistency in the treatment of exporters from the United States and from other countries participating in the Coordinating Committee, and to support democracy, free enterprise, and economic development in Eastern Europe and the Soviet Union; and

"(B) to provide specific guidelines to United States exporters, through the publication of regulations, public notices, and advisory opinions, with respect to goods, sectors, and end users eligible for general exceptions referred to in subparagraph (A), and to fully and promptly notify United States exporters of all agreements and decisions adopted by the Coordinating Committee with respect to such exceptions.".

SEC. 112. CONTROL LIST REVIEW.

(a) In General.—Section 5(c) (50 U.S.C. App. 2404(c)) is amended—

(1) in paragraph (1), by inserting before the period at the end of the second sentence the following: "and shall reflect multilateral control agreements reached by the group known as the Coordinating Committee"; and

(2) by striking paragraph (3) and inserting the following:

"(3) The Secretary shall review all goods and technology on the control list at least once each year in order to carry out the policy set forth in section 3(2)(A) of this Act and the provisions of this section. This review shall consider proposals for removing controls on exports and other changes in policy arising from applying the indexing procedures set forth in subsection (g), and shall serve as a basis for United States proposals for revision of the International Industrial List maintained by the Coordinating Committee. To this end, the United States shall seek to ensure that the Coordinating Committee reviews each item on its list at least once every 2 years and the Secretary shall conduct a periodic review of each item on the control list for national security reasons so as to achieve the same 2-year review cycle. In any case in which the Coordinating Committee has failed to review an entry on the International Industrial List within 2 years, the Secretary of State shall, based upon United States review of its comparable entry, propose a review by the Coordinating Committee of that entry. Before beginning each periodic review, which may not exceed 180 days in length, the Secretary shall publish notice of that review in the Federal Register. The Secretary shall provide a 30-day period during each review for comment and the submission of data, with or without oral presentation, by interested Government agencies and other affected parties. The Secretary shall further assess, as part of each review, the availability from sources outside the United States, of goods and technology comparable to those subject to export controls imposed under this section. After consultation with appropriate Government agencies, the Secretary shall make a determination of any revisions in the list within 30 days after the end of the review period. The concurrence or approval of any other department or agency is not required before any such revision is made. The Secretary shall publish in the Federal Register any revisions in the list, with an explanation of the reasons for the revisions. In the case of national security controls implemented in cooperation with the Coordinating Committee, such revisions in the list shall be made consistent with the scope of controls agreed to in the Coordinating Committee and shall be made effective no later than the effective date agreed to by the Coordinating Committee. The provisions of this paragraph apply to revisions in the list which consist of removing items from the list or making changes in categories of, or other specifications in, items on the list.".

(b) Sunset of Control List.—Section 5(c) (50 U.S.C. App. 2404(c)) is amended by adding at the end the following new paragraph:

"(9)(A) Notwithstanding any other provision of this section, as of September 30, 1992, and as of the end of each 2-year period occurring thereafter—

"(i) all controls on the export of goods and technology to any country other than a controlled country shall terminate, after consultation with the Coordinating Committee, as appropriate, and

"(ii) there shall be included in a United States proposal to the Coordinating Committee the termination of all controls on the export of goods and technology to any controlled country,

unless a determination is made with respect to such controls under subparagraph (B).

"(B) Clause (i) or (ii) of subparagraph (A) shall not apply to a good or technology only if the Secretary determines that the good or technology shall be subject to export controls under this section on the basis of the policy set forth in section 3(2)(A). In determining whether a good or technology would make a significant contribution to the military potential of any other country or combination of countries which would prove detrimental to the national security of the United States, the Secretary shall consult with the Secretary of Defense.

"(C) The form of a determination by the Secretary under subparagraph (B) with respect to goods or technology may be either—

"(i) a separate determination with respect to a particular good or technology, or

"(ii) a determination with respect to the technological parameters descriptive of categories of goods or technology.

The Secretary shall publish each such determination in the Federal Register.

"(D) Not later than November 1, 1992, and not later than the end of each 2-year period occurring thereafter, the Secretary of State shall complete the consultations referred to in subparagraph (A)(i) and shall submit a proposal to the Coordinating Committee to terminate controls applicable to the export of all goods or technology to which subparagraph (A)(ii) applies.

"(E) Not later than 30 days after the date on which the Coordinating Committee makes a decision concerning a proposal made by the United States under subparagraph (D), the Secretary shall publish in the Federal Register those changes in export controls resulting from such decision.

"(F) Before the effective date established by the Coordinating Committee for implementing a decision described in subparagraph (E), the Secretary shall publish those changes in the regulations issued under this Act that are necessary to implement such decision.

"(G) Not later than the effective date established by the Coordinating Committee for implementing a decision described in subparagraph (E), the Secretary shall cease to require authority or permission to export any goods or technology for which the Coordinating Committee has ceased to require authority or permission to export under such decision, and shall implement any other changes in export controls that are necessary to carry out such decision.".

SEC. 113. UNILATERAL CONTROLS.

Section 5(c)(6) (50 U.S.C. App. 2404(e)(6)) is amended by adding at the end the following:

"(C) For purposes of this paragraph, an export control shall be considered to be unilaterally maintained by the United States if it is a restriction, condition, or interpretation imposed by the Secretary upon any goods or technology, or upon any license application for the export of such goods or technology, that is not imposed or implemented in similar circumstances by other participating governments of the Coordinating Committee, or that is not otherwise specifically permitted by this Act.

"(D) The Secretary shall seek to ensure that no new unilateral controls are created.".

SEC. 114. TRADE SHOWS.

Section 5(e)(6) (50 U.S.C. App. 2404(e)) is amended to read as follows:

"(6) Consistent with multilateral control arrangements, an application for a license for the export to a controlled country of any good on which export controls are in effect under this section, without regard to the technical specifications of the good, for the purpose of demonstration or exhibition at a trade show, shall carry a presumption of approval if—

"(A) the United States exporter retains title to the good and complies with any safeguard requirement imposed by the Secretary during the entire period in which the good is in the controlled country; and

"(B) the exporter removes the good from the controlled country within a reasonable period of time after the conclusion of the trade show or demonstration, as defined in regulations issued by the Secretary.".

SEC. 115. EXPORTS OF RELATED TECHNICAL DATA.

Section 5(e) (50 U.S.C. App. 2404(e)) is amended by adding at the end the following new paragraph:

"(8) Any general or validated license authorizing the export of any goods or technology shall also authorize the export of operation technical data related to such goods or technology, whether or not such data is specifically referenced in the license or license application, if the technical level of the data does not exceed the minimum level necessary to install, repair, maintain, inspect, operate, or use the goods or technology.".

SEC. 116. INDEXING PROCEDURES.

Section 5(g) (50 U.S.C. App. 2404(g)) is amended to read as follows:

"(g) INDEXING.—(1) In order to ensure that requirements for validated licenses and other licenses authorizing multiple exports are periodically removed as goods or technology subject to such requirements become obsolete with respect to the national security of the United States, the Secretary shall, not later than 6 months after the date of the enactment of the Export Administration Amendments Act of 1991, establish, in response to recommendations of technical advisory committees under paragraph (2), indexing procedures which provide for increases in the performance levels of goods or technology described in paragraph (2)(A) that are subject to any such licensing requirements. Such indexing procedures shall emphasize the technical specifications of goods or technology below which no authority or permission to export is required as compared to the most technologically advanced commercially available version of the same or equivalent goods or technology. With respect to goods or technology referred to in the preceding sentence which no longer meet the performance levels increased pursuant to such procedures—

"(A) the removal of controls on exports of such goods or technology to controlled countries shall be incorporated into United States proposals to the Coordinating Committee, and

"(B) controls under this section on exports of such goods or technology to countries other than controlled countries shall be removed, after consultations with the Coordinating Committee, as appropriate,

unless—

"(i) the Secretary, after consultation with the Secretary of Defense and the heads of other appropriate executive departments (as defined in section 101 of title 5, United States Code), issues a determination that removal of controls on the goods or technology will permit exports that will be detrimental to the national security of the United States; and

"(ii) the Secretary reports that determination in writing, together with a description of the specific anticipated impact on the national security of the United States, to the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

The Secretary shall also consider, where appropriate, eliminating site visitation requirements for goods and technology from which export controls have been removed under this subsection.

"(2)(A) In carrying out this subsection, the Secretary shall direct the technical advisory committees appointed under subsection (h) to recommend indexing procedures for goods or technology—

"(i) which are eligible for export under a distribution license,

"(ii) which are eligible for favorable consideration under the rules of the Coordinating Committee,

"(iii) below which exports require only notification of the governments participating in the Coordinating Committee, and

"(iv) below which no authority or permission to export may be required under this section.

The technical advisory committees shall submit their recommendations for indexing procedures, as they are made, to the Secretary, who shall determine, within 30 days after each submission, or within 45 days after a submission in the event of an objection by the head of any other executive department, whether to accept the procedures or to refer the procedures back to the appropriate technical advisory committee for further consideration.

"(B) The proposals referred to in paragraph (1)(A) shall be made at the next meeting of the Coordinating Committee, at which list review is conducted, that is held after the procedures under this subsection are applied to the goods or technology involved.".

SEC. 117. NEGOTIATIONS WITH OTHER COUNTRIES; DEPARTMENT OF COMMERCE REPRESENTATIVE.

Section 5(k) (50 U.S.C. App. 2404(k)) is amended—

(1) by inserting "(1)" after "(k)";

(2) in the last sentence by striking "(b)(2)" and inserting "(a)(4)"; and

(3) by adding at the end the following:

"(2) The Secretary shall undertake a review of, and report to the Congress not later than 6 months after the date of the enactment of this paragraph on, the goods and technology available from newly industrialized countries to determine if such goods and technology are of such sophistication that they warrant multilateral export controls. If the Secretary determines that such multilateral controls are warranted, the Secretary of State shall propose to the Coordinating Committee to initiate negotiations with such newly industrialized countries to reach agreements with them under paragraph (1) or to obtain their participation in the Coordinating Committee.

"(3) Whenever—

"(A) the Secretary is authorized to make a decision or determination under this Act that affects exports from the United States to controlled countries,

"(B) the Secretary makes such a determination, and

"(C) such determination is final except that the approval of the Coordinating Committee is required,

the Secretary of State shall, within 7 days after receiving that determination from the Secretary, submit to the Coordinating Committee a United States proposal that would have the effect of applying that determination to exports to controlled countries.

"(4) The Secretary, or an officer or employee of the Department of Commerce designated by the Secretary, shall be a member of the permanent United States delegation to the Coordinating Committee.".

SEC. 118. REMOVAL OF SECTION 5(k) DESIGNATION.

Section 5(k)(1) (as amended by section 117) is amended by adding at the end the following: "If any country accorded the treatment authorized by the preceding sentence fails to maintain export restrictions comparable in practice to those maintained by the Coordinating Committee, as determined by the Secretary, in consultation with the Secretary of State and the Secretary of Defense, the Secretary shall restrict or terminate such treatment of that country.".

SEC. 119. NOTIFICATION OF COCOM ACTIONS.

Section 5 (50 U.S.C. App. 2404) is amended by adding at the end the following new subsection:

"(r) PUBLICATION OF COCOM ACTIONS.—(1) Within 90 days after the date of the enactment of this subsection, the Secretary shall publish the full text of the 3 International Lists of the group known as the Coordinating Committee, together with all notes and understandings concerning such lists that are agreed to by the Coordinating Committee. The Secretary shall update the publication under the preceding sentence at least once in each 1-year period occurring thereafter.

"(2) The Secretary shall publish—

"(A) the full text of any agreements of the Coordinating Committee affecting the International Lists, together with all notes, understandings, and other aspects of such agreements, all revisions to such texts, and the proposals of the United States to revise the International Lists that are submitted to the Coordinating Committee before negotiations on these proposals begin (except for classified information contained in the justification for such proposals),

"(B) subject to the limitations set forth in section 12(c), decisions on requests for general exceptions to the Industrial List portion of the International Lists of the Coordinating Committee, and

"(C) other decisions made by the Coordinating Committee, to the maximum extent possible.

Such publication shall be made within 30 days after the agreements are reached, negotiations on the proposals begin, or the decisions are made, as the case may be. The publication of a particular matter need not be made under subparagraph (A) or (C) to the extent that the Secretary makes a written finding to the Congress that to publish that matter would be contrary to national or international security, would abridge the confidentiality of the decision-making processes of the Coordinating Committee, or would otherwise be inconsistent with the obligations of the United States to the Coordinating Committee.".

SEC. 120. REVIEW OF LICENSES.

Section 10 (50 U.S.C. App. 2409) is amended by adding at the end the following:

"(r) COUNTRIES OF CONCERN REGARDING PROLIFERATION AND REGIONAL STABILITY.—(1) A determination of the Secretary to approve the export license applications described in paragraph (2) may be made only after consultation with the Secretary of Defense and the Secretary of State for a period of 20 days.

"(2) The license applications to which paragraph (1) applies are those for—

"(A) the export of goods or technology under the authority of section 6(l) to a country of concern regarding missile proliferation;

"(B) the export of goods or technology under the authority of section 6(m) to a country of concern regarding chemical and biological weapons proliferation; and

"(C) the export of goods or technology to Iran, Iraq, Libya, Syria, or any other country whose government is determined for purposes of section 6(j) to be a government that has repeatedly provided support for acts of international terrorism.

"(3) The countries of concern referred to in paragraph (2) shall be maintained on a classified list established by the Secretary of State, in consultation with the Secretary and the Secretary of Defense.

"(4) If the Secretary of Defense disagrees with the determination of the Secretary to approve an export license to which paragraph (2)(A) or (C) applies, or if the Secretary of State disagrees with the determination of the Secretary to approve an export license to which paragraph (2)(B) applies, the Secretary of Defense or State (as the case may be) shall so notify the Secretary within the 20 days provided for consultation on the determination. The Secretary of Defense or State (as the case may be) shall at the same time submit the matter to the President for resolution of the dispute. The Secretary shall also submit the Secretary's recommendation to the President on the license application.

"(5) The President shall approve or disapprove the export license application within 20 days after receiving the submission of the Secretary of Defense or State under paragraph (4).

"(6) If the Secretary of Defense or State (as the case may be) fails to notify the Secretary within the time period prescribed in paragraph (4), the Secretary may approve the license application without awaiting the notification by the Secretary of Defense or State (as the case may be). If the President fails to notify the Secretary of the President's decision on the export license application within the time period prescribed in paragraph (5), the Secretary may approve the license application without awaiting the President's decision on the license application.

"(7) Within 10 days after an export license is issued to which this subsection applies, the Secretary shall provide to the Secretary of Defense and the Secretary of State the license application and accompanying documents issued to the applicant, to the extent that the relevant Secretary indicates the need to receive such application and documents.".

SEC. 121. CRIMINAL PENALTIES.

Section 11(b) (50 U.S.C. App. 2410(b)) is amended in paragraphs (1) and (2)—

(1) by striking "five times" each place it appears and inserting "10 times";

(2) by striking "$1,000,000" each place it appears and inserting "$2,000,000";

(3) by striking "$250,000" each place it appears and inserting "$500,000"; and

(4) by striking "5 years" and inserting "10 years".

SEC. 122. POLICY TOWARD COUNTRIES RECEIVING LICENSING BENEFITS.

Section 11A (50 U.S.C. App. 2410a) is amended—

(1) in subsection (a)(1), by inserting after "Committee," the following: "pursuant to an agreement to restrict exports negotiated in accordance with section 5(k)(1), or pursuant to an export control system maintained by a controlled country that is receiving expanded licensing benefits from the Coordinating Committee because of its recognition as a lesser strategic threat as described in section 5(b)(2),"; and

(2) in subsection (b)—

(A) in paragraph (1), by striking "and" after the comma at the end;

(B) in paragraph (2), by striking the period and inserting ", and"; and

(C) by adding after paragraph (2) the following new paragraph:

"(3) the revocation by the Secretary of any validated export license previously issued for export by or to that foreign person, notwithstanding any other provision of law, and entry by the Secretary of an order denying all export privileges to that foreign person.

The Secretary shall publish any order under paragraph (3) in the Federal Register.".

SEC. 123. ENFORCEMENT AUTHORITY.

(a) FORFEITURE OF SEIZED ITEMS.—Section 12(a)(3) (50 U.S.C. App. 2411(a)(3)) is amended by adding at the end the following:

"(C) All goods or technology lawfully seized under this paragraph by authorized officers or employees of the Department of Commerce shall be forfeited to the United States. Those provisions of law relating to—

"(i) the seizure, summary and judicial forfeiture, and condemnation of property for violations of the customs laws,

"(ii) the disposition of such property or the proceeds from the sale thereof,

"(iii) the remission or mitigation of such forfeitures, and

"(iv) the compromise of claims,

shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this subparagraph, insofar as applicable and not inconsistent with this Act; except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this subparagraph by the Secretary or such officers and employees of the Department of Commerce as may be authorized or designated for that purpose by the Secretary, or, upon the request of the Secretary, by any other agency that has authority to manage and dispose of seized property.".

(b) INVESTIGATIVE OPERATIONS.—Section 12(a) is amended—

(1) by redesignating paragraph (8) as paragraph (9); and

(2) by inserting after paragraph (7) the following:

"(8)(A) With respect to any undercover investigative operation conducted by the Office of Export Enforcement of the Department of Commerce (hereinafter in this paragraph referred to as 'OEE') necessary for the detection and prosecution of violations of this Act—

"(i) funds made available for export enforcement under this Act may be used to purchase property, buildings, and other facilities, and to lease space within the United States, without regard to sections 1341 and 3324 of title 31, United States Code, the third undesignated paragraph under the heading 'MISCELLANEOUS' of the Act of March 3, 1877 (19 Stat. 370; 40 U.S.C. 34), sections 3732(a) and 3741 of the Revised Statutes of the United States (41 U.S.C. 11(a) and 22), and subsections (a) and (c) of section 304, and section 305, of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254 (a) and (c) and 255);

"(ii) funds made available for export enforcement under this Act may be used to establish or to acquire proprietary corporations or business entities as part of an OEE undercover operation, and to operate such corporations or business entities on a commercial basis, without regard to section 9102 of title 31, United States Code;

"(iii) funds made available for export enforcement under this Act and the proceeds from OEE undercover operations may be deposited in banks or other financial institutions without regard to the provisions of section 648 of title 18, United States Code, and section 3302 of title 31, United States Code; and

"(iv) the proceeds from OEE undercover operations may be used to offset necessary and reasonable expenses incurred in such operations without regard to the provisions of section 3302 of title 31, United States Code;

if the Director of OEE (or an officer or employee designated by the Director) certifies, in writing, that any action authorized by clause (i), (ii), (iii), or (iv) is necessary for the conduct of the undercover operation.

"(B) If a corporation or business entity established or acquired as part of an OEE undercover operation with a net value of more than $50,000 is to be liquidated, sold, or otherwise disposed of, OEE shall report the circumstances to the Secretary and the Comptroller General, as much in advance of such disposition as the Director of OEE or his or her designee determines is practicable. The proceeds of the liquidation, sale, or other disposition, after obligations incurred by the corporation or business enterprise are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

"(C) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under this paragraph are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited into the Treasury of the United States as miscellaneous receipts.

"(D)(i) The Director of OEE shall conduct a detailed financial audit of each undercover investigative operation which is closed and shall submit the results of the audit in writing to the Secretary. Not later than 180 days after an OEE undercover operation is closed, the Director of OEE shall submit to the Congress a report on the results of the audit.

"(ii) The Director of OEE shall also submit as part of the annual report submitted by the Secretary under section 14 a report to the Congress specifying—

"(I) the number of OEE undercover investigative operations pending as of the end of the period for which such report is submitted;

"(II) the number of OEE undercover investigative operations commenced in the 1-year period preceding the period for which such report is submitted; and

"(III) the number of OEE undercover investigative operations closed in the 1-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operation, the results obtained and any civil claims made with respect thereto.

"(E) For purposes of subparagraph (D)—

"(i) the term 'closed' refers to the earliest point in time at which all criminal proceedings (other than appeals) are concluded, or covert activities are concluded, whichever occurs later;

"(ii) the terms 'undercover investigative operation' and 'undercover operation' mean any undercover investigative operation conducted by OEE—

"(I) in which the gross receipts (excluding interest earned) exceed $50,000, or expenditures (other than expenditures for salaries of employees) exceed $150,000, and

"(II) which is exempt from section 3302 or 9102 of title 31, United States Code,

except that subclauses (I) and (II) shall not apply with respect to the report to the Congress required by clause (ii) of subparagraph (D); and

"(iii) the term 'employees' means employees, as defined in section 2105 of title 5, United States Code, of the Department of Commerce.".

SEC. 124. JUDICIAL REVIEW.

Section 13(a) (50 U.S.C. App. 2412(a)) is amended to read as follows:

"SEC. 13. (a) APPLICABILITY.—

"(1) EXEMPTIONS FROM ADMINISTRATIVE PROCEDURE.—Except as expressly provided in this Act, sections 551, 553 through 559, and 701 through 706 of title 5, United States Code, do not apply to the functions exercised under this Act.

"(2) JUDICIAL REVIEW.—A final agency action under this Act may be reviewed by appeal to the United States Court of Appeals for the District of Columbia Circuit, to the extent provided in this paragraph. The court's review in any such appeal shall be limited to determining whether—

"(A) a regulation—

"(i) fails to take an action compelled by this Act,

"(ii) takes an action prohibited by this Act, or

"(iii) otherwise violates the express terms of this Act;

"(B) an agency action violates the express terms of this Act;

"(C) an agency action violates the express terms of an agency regulation establishing time requirements or other procedural requirements of a non-discretionary nature;

"(D) the issuance of regulations compelled by this Act complies with time restrictions imposed by this Act;

"(E) license decisions are made and appeals thereof are concluded in compliance with time restrictions imposed by this Act;

"(F) classifications and advisory opinions are issued in compliance with time restrictions imposed by this Act;

"(G) foreign availability determinations are in compliance with time restrictions imposed by this Act; or

"(H) the United States has complied with the requirements of section 5(f) after a foreign availability determination has been rendered.".

SEC. 125. POLICY TOWARD THE PEOPLE'S REPUBLIC OF CHINA.

(a) FINDINGS AND POLICY.—The Congress finds that—

(1) the United States and the group known as the Coordinating Committee have granted special licensing preferences in favor of exports to the People's Republic of China compared to other controlled countries under the Export Administration Act of 1979, based upon a consensus that the People's Republic of China posed a reduced national security threat;

(2) the United States policy of differentiating the People's Republic of China from other controlled countries was also intended to encourage emerging democratization and economic reform in that country; and

(3) the assumptions underlying past policy must be reevaluated in light of massive abuses of human rights by the Government of the People's Republic of China and evidence that the Chinese Government has assisted in the proliferation of missiles and nuclear technology to politically volatile areas of the world.

It is therefore the policy of the United States that export licensing preferences for the People's Republic of China should be eliminated, applications for distribution licenses and comprehensive operations licenses under section 4(a)(2) of the Export Administration Act of 1979 should be denied, and access to dual-use goods and technology representing proliferation concerns should be restricted.

(b) NO PREFERENTIAL TREATMENT.—Section 5(b) (50 U.S.C. App. 2404(b)) is amended by adding at the end the following:

"(4)(A) In the context of the 'Core List' exercise undertaken pursuant to the agreement reached at the Coordinating Committee High Level Meeting of June 6 and 7, 1990, the United States representative to the Coordinating Committee should oppose preferential treatment for the People's Republic of China compared to the treatment of other controlled countries.

"(B) If the President determines that licensing treatment for the People's Republic of China should be liberalized compared to other controlled countries, no action to so liberalize such treatment should be taken until 30 days after the President reports such determination to the Congress stating the justification for the change in policy.".

(c) PROLIFERATION CONCERNS REGARDING THE PEOPLE'S REPUBLIC OF CHINA.—Section 6 (50 U.S.C. App. 2405), is amended by adding at the end the following:

"(q) PROLIFERATION CONCERNS REGARDING THE PEOPLE'S REPUBLIC OF CHINA.—(1) Requests for authority or permission to export goods or technology to the People's Republic of China which are controlled under this section, pursuant to multilateral arrangements to control proliferation of chemical weapons and missile technology, should be denied in the absence of adequate assurances regarding appropriate end-use and nontransfer of goods or technology to a country or project of concern.

"(2) In order to discourage proliferation by the People's Republic of China, the Secretary of State should seek the cooperation of other governments involved in multilateral control arrangements to restrict exports of such goods and technology in harmonizing treatment of exports to the People's Republic of China with control efforts of the United States.

"(3) The policy set forth in paragraph (1) shall remain in effect unless the President determines and reports to the Congress that the People's Republic of China has ceased to act in a manner inconsistent with multilateral nonproliferation efforts.".

SEC. 126. EXPORT OF SATELLITES FOR LAUNCH BY PEOPLE'S REPUBLIC OF CHINA.

(a) PROHIBITION.—Notwithstanding any other provision of law, no satellite of United States origin that is intended for launch from a launch vehicle owned by the People's Republic of China may be exported from the United States.

(b) WAIVER.—The prohibition contained in subsection (a) may be waived by the President on a case-by-case basis upon certification by the United States Trade Representative that the People's Republic of China is, with regard to the respective satellite, components, or technology related thereto for which the export license request is pending, in full compliance with the Memorandum of Agreement Between the Government of the United States of America and the Government of the People's Republic of China Regarding International Trade in Commercial Launch Services.

SEC. 127. EXPORTS TO THE SOVIET UNION.

(a) LITHUANIA.—It is the sense of the Congress that no exports to the Soviet Union otherwise permitted by virtue of the amendments made by this title may be licensed until the President certifies to the Congress that the Soviet Union has entered into serious negotiations with the elected Government of Lithuania for the purpose of allowing the self-determination of Lithuania and is conducting such negotiations without economic coercion.

(b) EMIGRATION RESTRICTIONS ON SOVIET JEWRY.—It is the sense of the Congress that no exports to the Soviet Union otherwise permitted by virtue of the amendments made by this title should be made if the Soviet Union takes action to restrict the emigration of Jews from the Soviet Union.

SEC. 128. PROHIBITION OF CERTAIN TRANSACTIONS BETWEEN CERTAIN UNITED STATES FIRMS AND CUBA.

Notwithstanding any other provision of law, no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989.

SEC. 129. AUTHORIZATION OF APPROPRIATIONS.

Section 18(b) (50 U.S.C. App. 2417(b)) is amended to read as follows:

"(b) AUTHORIZATION.—There are authorized to be appropriated to the Department of Commerce to carry out the purposes of this Act—

"(1) $46,707,000 for the fiscal year 1991, of which $150,000 shall be available only for the representation of the Secretary or the Secretary's designee at the Coordinating Committee under section 5(k)(4); and

"(2) such additional amounts for the fiscal year 1991 as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs.".

SEC. 130. EXTENSION OF THE ACT.

Section 20 (50 U.S.C. App. 2419) is amended by striking "September 30, 1990" and inserting "June 30, 1992".

SEC. 131. TECHNICAL AMENDMENTS.

(a) SECTION 5.—Section 5(f) (50 U.S.C. App. 2404(f)) is amended—

(1) in paragraph (2)(A) by striking "(k)" and inserting "(k)(1)"; and

(2) in paragraph (10) by striking "subsections (f) and" and inserting "subsection".

(b) SECTION 11A.—Section 11A(k)(3) (50 U.S.C. App. 2410A(k)(3)) is amended—

(1) by striking "(3)" and inserting "(2)"; and

(2) by striking "paragraph (2)" and inserting "paragraph (1)".

(c) SECTION 16.—Section 16 (50 U.S.C. App. 2415) is amended by striking "As used" and inserting "Except as otherwise provided, as used".

TITLE II—EXPORT PROMOTION

SEC. 201. UNITED STATES AND FOREIGN COMMERCIAL SERVICE.

(a) MINISTER-COUNSELORS.—Section 2301(d)(1) of the Export Enhancement Act of 1988 (15 U.S.C. 4721(d)(1)) is amended in the first sentence by striking "8" and inserting "12".

(b) REPORT ON TRAINING.—The Secretary of Commerce shall, not later than 6 months after the date of the enactment of this Act, submit to the Congress a report on the adequacy of the training of officers and employees of the United States and Foreign Commercial Service in the following areas: writing of commercial reports, language skills, cultural awareness, and public speaking.

(c) COMMERCIAL SERVICE OFFICERS AND MULTILATERAL DEVELOPMENT BANKS.—Section 2302 of the Export Enhancement Act of 1988 (15 U.S.C. 4722) is amended—

(1) in subsection (b)(3)—

(A) by striking "and to permit" and inserting "to permit"; and

(B) by inserting before the period the following: ", and to provide them with assistance in completing such documents"; and

(2) in subsection (c) by striking "and the African Development Fund" and inserting "the African Development Fund, and the European Bank for Reconstruction and Development (subject to the enactment of legislation authorizing participation by the United States in that bank)".

(d) INCREASE IN COMMERCIAL SERVICE OFFICERS IN CERTAIN COUNTRIES.—The Secretary of Commerce shall increase the number of Commercial Service Officers, in each of the 5 countries with which the United States had the greatest trade deficit in calendar year 1990 (as reflected in the merchandise trade figures reported by the Department of Commerce), by 2 over the number of such officers assigned to each of such countries in fiscal year 1990.

SEC. 202. QUALIFICATIONS FOR MARKET DEVELOPMENT COOPERATIVE PROGRAM.

Section 2303(c)(2) of the Export Enhancement Act of 1988 (15 U.S.C. 4723(c)(2)) is amended by striking "and computer data bases" and inserting "computer data bases, and methods of distribution of goods and services".

SEC. 203. COUNTRY REPORTS ON TRADE PRACTICES.

Section 2202 of the Export Enhancement Act of 1988 (15 U.S.C. 4711) is amended in the first sentence by striking "January" and inserting "May".

SEC. 204. REPORT ON EXPORT POLICY.

(a) IN GENERAL.—The Secretary of Commerce shall submit to the Congress, not later than May 31 of each year, a report on the international economic position of the United States and shall, not later than June 30 of each year, appear before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives to testify on issues addressed in such report.

(b) CONTENTS.—(1) Each report under subsection (a) shall address the following:

(A) The state of United States international economic competitiveness, focusing, in particular, on Department of Commerce efforts to—

(i) encourage research and development of technologies and products deemed critical for industrial leadership;

(ii) promote investment in and improved manufacturing processes for such technologies and products; and

(iii) increase United States industrial exports of products using the technologies described in clause (i) to those markets where the United States Government has sought to reduce barriers to exports.

(B) The current Department of Commerce export development strategy, including the implementation of the United States and Foreign Commerce Service Strategic Review and the activities of the Trade Promotion Coordinating Committee.

(C) Other specific Department of Commerce recommendations to improve the United States balance of trade.

(2) The first report provided under this section shall also address Government export financing programs and actions planned or underway to improve them.

(3) Portions of each report under this section may be based upon relevant reports and testimony produced by the Department of Commerce or other agencies, but the policy views shall be those of the Secretary of Commerce.

SEC. 205. REPORT ON EXPORT PROMOTION.

The Comptroller General shall, not later than June 30, 1991, prepare and transmit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, a report that—

(1) analyzes ways to promote United States exports; and

(2) addresses—

(A) progress made in strengthening coordination of Federal export promotion efforts,

(B) efforts made to improve coordination of Federal export promotion activities with the States,

(C) efforts made to improve export promotion coordination and cooperation with private industry groups, and

(D) the adequacy of Federal, State, and private sector export finance programs.

SEC. 206. EXPORT PROMOTION AUTHORIZATION.

Section 202 of the Export Administration Amendments Act of 1985 (15 U.S.C. 4052) is amended to read as follows:

"There are authorized to be appropriated to the Department of Commerce—

"(1) to carry out export promotion programs, $167,600,000 for the fiscal year 1991; and

"(2) to carry out section 2303 of the Omnibus Trade and Competitiveness Act of 1988, $6,000,000 for fiscal year 1991.".

SEC. 207. INTEREST SUBSIDY PROGRAM.

(a) REQUIREMENT TO EXPEND AMOUNTS APPROPRIATED.—Section 2(f)(1) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(f)(1)) is amended by striking "may enter" and inserting "shall use all amounts appropriated to carry out this subsection to enter".

(b) EXTENSION OF PROGRAM THROUGH THE END OF FISCAL YEAR 1992.—Section 2(f)(4) of such Act (12 U.S.C. 635(f)(4)) is amended by striking "1991" and inserting "1992".

(c) LIMITATION ON AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1992.—Section 2(f)(3) of such Act (12 U.S.C. 635(f)(3)) is amended—

(1) in subparagraph (A), by striking "and";

(2) in subparagraph (B), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(C) $35,000,000, for fiscal year 1992.".

SEC. 208. HUMAN RIGHTS IN YUGOSLAVIA.

(a) FINDINGS.—The Congress finds that the Department of State's Country Report on Human Rights Practices for 1989 cites many human rights practices in Yugoslavia that violate internationally accepted human rights standards, including infringement upon and abrogation of the rights of assembly and fair trial, freedom of speech, and freedom of the press.

(b) REPORT.—The President shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance, and Urban Affairs of the House of Representatives, not later than 3 months after the date of the enactment of this Act, explaining why Export-Import Bank funding for exports to Yugoslavia has not been restricted or denied pursuant to section 2(b)(1)(B) of the Export-Import Bank Act of 1945.

SEC. 209. INCREASE OF MEMBERSHIP OF ADVISORY COMMITTEE.

Section 3(d)(1)(A) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(d)(1)(A)) is amended by striking "twelve" and inserting "15".

SEC. 210. TECHNICAL CORRECTIONS RELATING TO THE INTERNATIONAL DEVELOPMENT AND FINANCE ACT OF 1989.

(a) ELIMINATION OF LANGUAGE MADE OBSOLETE BY ETHICS REFORM ACT OF 1989.—Subsection (c) of section 101 of the International Development and Finance Act of 1989 (103 Stat. 2494; Public Law 101-240), and the amendments made by such subsection, are hereby repealed, and section 2(a)(1) of the

Export-Import Bank Act of 1945 shall be applied and administered as if such subsection (c) had never been enacted.

(b) Repeal of Inadvertently Inserted Paragraph.—Paragraph (7) of section 101(b) of the International Development and Finance Act of 1989 (103 Stat. 2494; Public Law 101–240) is hereby repealed, and section 15 of the Export-Import Bank Act of 1945 shall be applied and administered as if such paragraph had not been enacted.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. SOVIET MILITARY ASSISTANCE TO CUBA.

It is the sense of the Congress that—

(1) continuing Soviet military assistance provided to Cuba remains a serious problem in United States-Soviet relations; and

(2) the Soviet Union, in reexamining its relationship with Cuba, should cease military assistance to the Castro regime and take all other possible steps to further the policies of Glasnost and Perestroika by adopting policies supporting the political, economic, and human rights of the Cuban people.

SEC. 302. ATTACKS AGAINST ISRAELIS AND ILLEGAL ACTIVITIES IN THE UNITED STATES.

(a) Report on Impact of Attacks Against Israelis on Peace Efforts.—Not later than 60 days after the date of the enactment of this Act, the President shall submit to the Congress an analysis of the impact on efforts to achieve peace in the Middle East of the following recent attacks against Israelis:

(1) On May 28, 1989, an attack by the Popular Front for the Liberation of Palestine and the Palestine Liberation Front, both PLO-affiliated organizations, in which a one-year-old Israeli was injured by a Katyusha rocket.

(2) On August 7, 1989, a rocket attack on the settlement of Maoz Haim by members of the PLOaffiliated Popular Front for the Liberation of Palestine.

(3) On September 6, 1989, a rocket attack by the PLO-affiliated Popular Front for the Liberation of Palestine aimed at Kibbutz Tel-Katzir that fell on Kibbutz Sha'ar Hagolan.

(4) On October 7, 1989, an attempted raid on Kibbutz Misgav-Am by a squad of terrorists armed with machine guns and anti-tank missiles from the PLO-aligned Palestine Liberation Front.

(5) On January 26, 1990, an attack on an Israeli Army patrol by at least three terrorists of the PLO-affiliated Democratic Front for the Liberation of Palestine headed for Kibbutz Misgav-Am.

(6) On February 4, 1990, an unprovoked ambush by the Popular Front for the Liberation of Palestine-General Command on an Israeli tour bus in Egypt that killed 9 and wounded 15 Israelis.

(7) On April 13, 1990, an attempted infiltration into northern Israel by boat by four terrorists of Yasser Arafat's Al-Fatah, equipped with machine guns and grenades.

(b) Report on Illegal Activities in the United States.—Not later than 60 days after the date of the enactment of this Act, the Secretary of the Treasury shall submit to the Congress a report—

(1) outlining illegal activities being undertaken in the United States by the Palestine Liberation Organization or on behalf of the Palestine Liberation Organization, including such activities as illegal drug trafficking, money laundering, weapons purchases, and arms shipments;

(2) estimating the amount of funds associated with such activities; and

(3) describing the extent to which members of the Executive Committee of the Palestine Liberation Organization, the Central Council of the Palestine Liberation Organization, and the Palestine National Council are aware of or are involved in such illegal activities.

SEC. 303. FAMILY NEEDS OF MEMBERS OF THE ARMED FORCES.

It is the sense of the Senate that—

(1) the Department of Defense is to be commended for the efforts it has made to be sensitive to the family needs of members of the Armed Forces consistent with military requirements;

(2) the morale (and therefore the military effectiveness) of members of the Armed Forces with dependents who are deployed or otherwise assigned to areas where dependents cannot accompany them is increased when those members can be assured that appropriate steps have been taken to ensure that their dependents are being well cared for;

(3) the Department of Defense has an interest in and responsibility for protecting the best interests of dependents of members of the Armed Forces;

(4) military readiness and the interests of national security require that the Department of Defense have maximum flexibility in the assignment and deployment of military personnel; and

(5) the Secretary of Defense should promptly prescribe regulations governing the assignment of members of the Armed Forces who are parents of minor children, which should provide that—

(A) policies and procedures are uniform, insofar as practicable, among the military departments;

(B) members of the Armed Forces who are parents are required to establish adequate child care arrangements in the event of deployment;

(C) appropriate consideration is given to the unique needs of—

(i) single parents;

(ii) families in which both parents are members of the Armed Forces;

(iii) newborn children;

(D) standards and procedures are prescribed to provide for the consideration of requests for reassignment, leave, or deferment from deployment based upon unforeseen family circumstances; and

(E) appropriate consideration is given to the requirements of military readiness.

SEC. 304. SANCTIONS AGAINST FOREIGN VIOLATORS.

(a) No foreign person may violate any Executive order or other regulation implementing the United Nations Security Council's economic embargo against Iraq.

(b) Whenever the President determines that a foreign person has violated subsection (a), he may issue an order requiring such person to cease and desist from such violation and prohibiting such person from acquiring any real property or other asset in the United States for a period of time deemed appropriate by the President.

(c) For the purposes of this section, the term "foreign person" means any foreign government (including any instrumentality thereof), any foreign national, or any corporation, a majority whose beneficial ownership is controlled by nationals of a foreign country, or any subsidiary of that corporation.

(d) The President may issue regulations within 30 days of the date of enactment of this section which create appropriate procedures to establish a violation of subsection (a) and to implement subsection (b) of this section.

SEC. 305. TERRORIST DEATH PENALTY ACT OF 1991.

(1) Short Title.—This section may be cited as the "Terrorist Death Penalty Act of 1991".

(2) Death Penalty for Terrorist Acts.—

(a) Offense.—Subsection 2332(a) of title 18 of the United States Code is amended to read as follows:

"(a) Homicide.—

"(A) Whoever kills a person, with the intent to commit an act of terrorism, which is any act which appears to be intended to intimidate, retaliate against or coerce a civilian population; to influence the policy of a government by intimidation, retaliation or coercion; or to affect the conduct of a government by assassination, kidnapping, hostage-taking or other violent act, while such victim is inside the United States; or

"(B) Whoever kills a national of the United States, while such national is outside the United States; shall—

"(1)(A) if the killing is a first degree murder as defined in section 1111(a) of this title, be punished by death or imprisonment for any term of years or for life, or be fined under this title, or both; and

"(B) if the killing is a murder other than a first degree murder as defined in section 1111(a) of this title, be fined under this title or imprisoned for any term of years or for life, or both so fined and so imprisoned;

"(2) if the killing is a voluntary manslaughter as defined in section 1112(a) of this title, be fined under this title or imprisoned not more than ten years, or both; and

"(3) if the killing is an involuntary manslaughter as defined in section 1112(a) of this title, be fined under this title or imprisoned not more than three years, or both.".

(b) Death Penalty.—Section 2332 of title 18, United States Code, is amended by adding at the end thereof the following:

"(f) Death Penalty.—

"(1) Sentence of death.—A defendant who has been found guilty of an offense under subsection (a)(1)(A), if the defendant, as determined beyond a reasonable doubt at a hearing under paragraph (3) either—

"(A) intentionally killed the victim;

"(B) intentionally participated in an act, contemplating that the life of a person would be taken or intending that lethal force would be used in connection with a person, other than one of the participants in the offense, and the victim died as a direct result of the act; or

"(C) acting with reckless disregard for human life, engaged or substantially participated in conduct which the defendant knew would create a grave risk of death to another person or persons and death resulted from such conduct,

shall be sentenced to death if, after consideration of the factors set forth in paragraph (2) in the course of a hearing held under paragraph (3), it is determined that imposition of a sentence of death is justified, except that no person may be sentenced to death who was less than 18 years of age at the time of the offense.

"(2) Factors to be considered in determining whether a sentence of death is justified.—

"(A) Mitigating factors.—In determining whether a sentence of death is justified for any offense, the jury, or if there is no jury, the court, shall consider each of the following mitigating factors and determine which, if any, exist:

"(i) Mental capacity.—The defendant's mental capacity to appreciate the wrongfulness of the defendant's conduct or to conform the defendant's conduct to the requirements of law was significantly impaired, regardless of whether the capacity was so impaired as to constitute a defense to the charge.

"(ii) DURESS.—The defendant was under unusual and substantial duress, regardless of whether the duress was of such a degree as to constitute a defense to the charge.

"(iii) PARTICIPATION IN OFFENSE MINOR.—The defendant is punishable as a principal (as defined in section 2 of title 18 of the United States Code) in the offense, which was committed by another, but the defendant's participation was relatively minor, regardless of whether the participation was so minor as to constitute a defense to the charge.

The jury, or if there is no jury, the court, shall consider whether any other aspect of the defendant's character or record or any other circumstances of the offense that the defendant may proffer as a mitigating factor exists.

"(B) AGGRAVATING FACTORS FOR HOMICIDE.—In determining whether a sentence of death is justified for an offense described in paragraph (1), the jury, or if there is no jury, the court, shall consider each of the following aggravating factors and determine which, if any, exist:

"(i) DEATH OCCURRED DURING COMMISSION OF ANOTHER CRIME.—The death occurred during the commission or attempted commission of, or during the immediate flight from the commission of, an offense under section 751 (prisoners in custody of institution or officer), section 794 (gathering or delivering defense information to aid foreign government), section 844(d) (transportation of explosives in interstate commerce for certain purposes), section 844(f) (destruction of Government property by explosives), section 1201 (kidnapping), or section 2381 (treason) of this title, section 1826 of title 28 (persons in custody as recalcitrant witnesses or hospitalized following a finding of not guilty only by reason of insanity), or section 902 (i) or (n) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1472 (i) or (n) (aircraft piracy)).

"(ii) INVOLVEMENT OF FIREARM OR PREVIOUS CONVICTION OF VIOLENT FELONY INVOLVING FIREARM.—The defendant—

"(I) during and in relation to the commission of the offense or in escaping apprehension used or possessed a firearm as defined in section 921 of this title; or

"(II) has previously been convicted of a Federal or State offense punishable by a term of imprisonment of more than one year, involving the use or attempted or threatened use of a firearm, as defined in section 921 of this title, against another person.

"(iii) PREVIOUS CONVICTION OF OFFENSE FOR WHICH A SENTENCE OF DEATH OR LIFE IMPRISONMENT WAS AUTHORIZED.—The defendant has previously been convicted of another Federal or State offense resulting in the death of a person, for which a sentence of life imprisonment or death was authorized by statute.

"(iv) PREVIOUS CONVICTION OF OTHER SERIOUS OFFENSES.—The defendant has previously been convicted of 2 or more Federal or State offenses, each punishable by a term of imprisonment of more than one year, committed on different occasions, involving the importation, manufacture, or distribution of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)) or the infliction of, or attempted infliction of, serious bodily injury or death upon another person.

"(v) GRAVE RISK OF DEATH TO ADDITIONAL PERSONS.—The defendant, in the commission of the offense or in escaping apprehension, knowingly created a grave risk of death to one or more persons in addition to the victim of the offense.

"(vi) HEINOUS, CRUEL, OR DEPRAVED MANNER OF COMMISSION.—The defendant committed the offense in an especially heinous, cruel, or depraved manner in that it involved torture or serious physical abuse to the victim.

"(vii) PROCUREMENT OF OFFENSE BY PAYMENT.—The defendant procured the commission of the offense by payment, or promise of payment, of anything of pecuniary value.

"(viii) COMMISSION OF THE OFFENSE FOR PECUNIARY GAIN.—The defendant committed the offense as consideration for the receipt, or in the expectation of the receipt, of anything of pecuniary value.

"(ix) SUBSTANTIAL PLANNING AND PREMEDITATION.—The defendant committed the offense after substantial planning and premeditation.

"(x) VULNERABILITY OF VICTIM.—The victim was particularly vulnerable due to old age, youth, or infirmity.

"(xi) TYPE OF VICTIM.—The defendant committed the offense against—

"(I) the President of the United States, the President-elect, the Vice President, the Vice President-elect, the Vice President-designate, or, if there is no Vice President, the officer next in order of succession to the office of the President of the United States, or any person who is acting as President under the Constitution and laws of the United States;

"(II) a chief of state, head of government, or the political equivalent, of a foreign nation;

"(III) a foreign official listed in section 1116(b)(3)(A) of this title, if that official is in the United States on official business; or

"(IV) a public servant who is a Federal judge, a Federal law enforcement officer, an employee (including a volunteer or contract employee) of a Federal prison, or an official of the Federal Bureau of Prisons—

"(aa) while such public servant is engaged in the performance of the public servant's official duties;

"(bb) because of the performance of such public servant's official duties; or

"(cc) because of such public servant's status as a public servant.

For purposes of this clause, the terms 'President-elect' and 'Vice President-elect' mean such persons as are the apparent successful candidates for the offices of President and Vice President, respectively, as ascertained from the results of the general elections held to determine the electors of President and Vice President in accordance with title 3, United States Code, sections 1 and 2; a 'Federal law enforcement officer' is a public servant authorized by law or by a government agency or Congress to conduct or engage in the prevention, investigation, or prosecution of an offense; 'Federal prison' means a Federal correctional, detention, or penal facility, Federal community treatment center, or Federal halfway house, or any such prison operated under contract with the Federal Government; and 'Federal judge' means any judicial officer of the United States, and includes a justice of the Supreme Court and a magistrate.

The jury, or if there is no jury, the court, may consider whether any other aggravating factor exists.

"(3) SPECIAL HEARING TO DETERMINE WHETHER A SENTENCE OF DEATH IS JUSTIFIED.—

"(A) NOTICE BY THE GOVERNMENT.—Whenever the Government intends to seek the death penalty for an offense described in paragraph (1), the attorney for the Government, a reasonable time before the trial, or before acceptance by the court of a plea of guilty, or at such time thereafter as the court may permit upon a showing of good cause, shall sign and file with the court, and serve on the defendant, a notice—

"(i) that the Government in the event of conviction will seek the sentence of death; and

"(ii) setting forth the aggravating factor or factors enumerated in paragraph (2) and any other aggravating factor not specifically enumerated in paragraph (2), that the Government, if the defendant is convicted, will seek to prove as the basis for the death penalty.

The court may permit the attorney for the Government to amend the notice upon a showing of good cause.

"(B) HEARING BEFORE A COURT OR JURY.—When the attorney for the Government has filed a notice as required under subparagraph (A) and the defendant is found guilty of an offense described in paragraph (1), the judge who presided at the trial or before whom the guilty plea was entered, or another judge if that judge is unavailable, shall conduct a separate sentencing hearing to determine the punishment to be imposed. Before such a hearing, no presentence report shall be prepared by the United States Probation Service, notwithstanding the Federal Rules of Criminal Procedure. The hearing shall be conducted—

"(i) before the jury that determined the defendant's guilt;

"(ii) before a jury impaneled for the purpose of the hearing if—

"(I) the defendant was convicted upon a plea of guilty;

"(II) the defendant was convicted after a trial before the court sitting without a jury;

"(III) the jury that determined the defendant's guilt was discharged for good cause; or

"(IV) after initial imposition of a sentence under this paragraph, reconsideration of the sentence under the section is necessary; or

"(iii) before the court alone, upon motion of the defendant and with the approval of the attorney for the Government.

A jury impaneled pursuant to clause (ii) shall consist of 12 members, unless, at any time before the conclusion of the hearing, the parties stipulate, with the approval of the court, that it shall consist of a lesser number.

"(C) PROOF OF MITIGATING AND AGGRAVATING FACTORS.—At the hearing, information may be presented as to—

"(i) any matter relating to any mitigating factor listed in paragraph (2) and any other mitigating factor; and

"(ii) any matter relating to any aggravating factor listed in paragraph (2) for which notice has been provided under subparagraph (A)(ii) and (if information is presented relating to such a listed factor) any other aggravating factor for which notice has been so provided.

Information presented may include the trial transcript and exhibits. Any other information relevant to such mitigating or aggravating factors may be presented by either the government or the defendant, regardless of its admissibility under the rules governing admission of evidence at criminal trials, except that information may be excluded if its probative value is outweighed by the danger of creating unfair prejudice, confusing the issues, or misleading the jury. The attorney for the Government and for the defendant shall be permitted to rebut any information received at the hearing, and shall be given fair opportunity to present argument as to the adequacy of the information to establish the existence of any aggravating or mitigating factor, and as to the appropriateness in that case of imposing a sentence of death. The attorney for the Government shall open the argument. The defendant shall be permitted to reply. The Government shall then be permitted to reply in rebuttal. The burden of establishing the existence of an aggravating factor is on the Government, and is not satisfied unless the existence of such a factor is established beyond a reasonable doubt. The burden of establishing the existence of any mitigating factor is on the defendant, and is not satisfied unless the existence of such a factor is established by a preponderance of the evidence.

"(D) RETURN OF SPECIAL FINDINGS.—The jury, or if there is no jury, the court, shall consider all the information received during the hearing. It shall return special findings identifying any aggravating factor or factors set forth in paragraph (2) of this title found to exist and any other aggravating factor for which notice has been provided under subparagraph (A) found to exist. A finding with respect to a mitigating factor may be made by one or more members of the jury, and any member of the jury who finds the existence of a mitigating factor may consider such factor established for purposes of this section regardless of the number of jurors who concur that the factor has been established. A finding with respect to any aggravating factor must be unanimous. If no aggravating factor set forth in paragraph (2) is found to exist, the court shall impose a sentence other than death authorized by law.

"(E) RETURN OF A FINDING CONCERNING A SENTENCE OF DEATH.—If an aggravating factor required to be considered under paragraph (2)(C) is found to exist the jury, or if there is no jury, the court, shall then consider whether the aggravating factor or factors found to exist outweigh any mitigating factor or factors. The jury, or if there is no jury, the court, shall recommend a sentence of death if it unanimously finds at least one aggravating factor and no mitigating factor or if it finds one or more aggravating factors which outweigh any mitigating factors. In any other case, it shall not recommend a sentence of death. The jury shall be instructed that it must avoid any influence of sympathy, sentiment, passion, prejudice, or other arbitrary factors in its decision, and should make such a recommendation as the information warrants.

"(F) SPECIAL PRECAUTION TO ASSURE AGAINST DISCRIMINATION.—In a hearing held before a jury, the court, before the return of a finding under subparagraph (E), shall instruct the jury that, in considering whether a sentence of death is justified, it shall not consider the race, color, religious beliefs, national origin, or sex of the defendant or of any victim and that the jury is not to recommend a sentence of death unless it has concluded that it would recommend a sentence of death for the crime in question no matter what the race, color, religious beliefs, national origin, or sex of the defendant or of any victim may be. The jury, upon return of a finding under subparagraph (E), shall also return to the court a certificate, signed by each juror, that consideration of the race, color, religious beliefs, national origin, or sex of the defendant or any victim was not involved in reaching the juror's individual decision and that the individual juror would have made the same recommendation regarding a sentence for the crime in question no matter what the race, color, religious beliefs, national origin, or sex of the defendant or any victim may be.

"(4) IMPOSITION OF A SENTENCE OF DEATH.—Upon the recommendation under paragraph (3)(E) that a sentence of death be imposed, the court shall sentence the defendant to death. Otherwise the court shall impose a sentence, other than death, authorized by law. Notwithstanding any other provision of law, if the maximum term of imprisonment for the offense is life imprisonment, the court may impose a sentence of life imprisonment without the possibility of release or furlough.

"(5) REVIEW OF A SENTENCE OF DEATH.—

"(A) APPEAL.—In a case in which a sentence of death is imposed, the sentence shall be subject to review by the court of appeals upon appeal by the defendant. Notice of appeal of the sentence must be filed within the time specified for the filing of a notice of appeal of the judgment of conviction. An appeal of the sentence under this paragraph may be consolidated with an appeal of the judgment of conviction and shall have priority over all other cases.

"(B) REVIEW.—The court of appeals shall review the entire record in the case, including—

"(i) the evidence submitted during the trial;

"(ii) the information submitted during the sentencing hearing;

"(iii) the procedures employed in the sentencing hearing; and

"(iv) the special findings returned under paragraph (3)(D).

"(C) DECISION AND DISPOSITION.—

"(i) If the court of appeals determines that—

"(I) the sentence of death was not imposed under the influence of passion, prejudice, or any other arbitrary factor; and

"(II) the evidence and information support the special findings of the existence of an aggravating factor or factors;

it shall affirm the sentence.

"(ii) In any other case, the court of appeals shall remand the case for reconsideration under paragraph (3) of this title or for imposition of another authorized sentence as appropriate.

"(iii) The court of appeals shall state in writing the reasons for its disposition of an appeal of sentence of death under this paragraph.

"(6) IMPLEMENTATION OF A SENTENCE OF DEATH.—

"(A) IN GENERAL.—A person who has been sentenced to death pursuant to this subsection shall be committed to the custody of the Attorney General until exhaustion of the procedures for appeal of the judgment of conviction and for review of the sentence. When the sentence is to be implemented, the Attorney General shall release the person sentenced to death to the custody of a United States marshal, who shall supervise implementation of the sentence in the manner prescribed by the law of the State in which the sentence is imposed. If the law of such State does not provide for implementation of a sentence of death, the court shall designate another State, the law of which does provide, and the sentence shall be implemented in the manner prescribed by such law.

"(B) IMPAIRED MENTAL CAPACITY, AGE, OR PREGNANCY.—A sentence of death shall not be carried out upon a person who is under 18 years of age at the time the crime was committed.

A sentence of death shall not be carried out upon a woman while she is pregnant.

"(C) EMPLOYEES MAY DECLINE TO PARTICIPATE.—No employee of any State department of corrections or the Federal Bureau of Prisons and no employee providing services to that department or bureau under contract shall be required, as a condition of that employment or contractual obligation, to be in attendance at or to participate in any execution carried out under this paragraph, if such participation is contrary to the moral or religious convictions of the employee. For purposes of this subparagraph, the term 'participate in any execution' includes personal preparation of the condemned individual and the apparatus used for the execution, and supervision of the activities of other personnel in carrying out such activities.

"(7) USE OF STATE FACILITIES.—A United States marshal charged with supervising the implementation of a sentence of death may use appropriate State or local facilities for the purpose, may use the services of an appropriate State or local official or of a person such as an official employed for the purpose, and shall pay the costs thereof in an amount approved by the Attorney General.".

SEC. 306. CRIMINAL AND CIVIL PENALTIES FOR PRODUCTION, TRANSPORT, OR USE OF BIOLOGICAL OR CHEMICAL WEAPONS WHICH KILL, MAIM OR INJURE UNITED STATES NATIONALS ABROAD.

(1) Section 2331 of title 18, United States Code, is amended as follows:

(a) Delete the "and" at the end of subparagraph (3) and replace the period at the end of subparagraph (4)(C) with "; and";

(b) Add the following at the end of the section:

"(5) An act which knowingly and materially contributes to the production, transport, or use of biological or chemical weapons, or a component thereof, which kill, maim or injure a national of the United States shall be considered an act of 'international terrorism' and shall not constitute an 'act of war.'"; and

(2) Section 2332 of title 18, United States Code, is amended as follows: Delete the period at the end of subparagraph (e) and add instead the phrase "or constituted an act as defined in section 2331(5).".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Wednesday, January 22, 1992, at 9 a.m., for an executive session on pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate, Wednesday, January 22, 1992, at 10 a.m. to conduct a hearing on the nomination of Albert V. Casey, of Texas to be Chief Executive Officer of the Resolution Trust Corporation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON POW/MIA AFFAIRS

Mr. KENNEDY. Mr. President, I ask unanimous consent for the Senate Select Committee on POW/MIA Affairs to meet Wednesday, January 22, 1992, at 11:30 a.m. in 106 of the Senate Dirksen Office Building to examine the claim of former NSA analysts Jerry Mooney and Terry Minarcin regarding possible American POW's kept in captivity after 1973 and/or moved from Southeast Asia.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet in open/closed session on Wednesday, January 22, 1992, at 9:30 a.m., to receive testimony regarding the international security environment over the next decade.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

A TRIBUTE TO THE U.S. FOREST SERVICE AND THE COLE NEIGHBORHOOD PROJECT

• Mr. WIRTH. Mr. President, last year I had occasion to visit the Cole Neighborhood in Denver, CO, and was pleased to participate in a tree-planting community revitalization project.

I wanted to take a moment to acknowledge a few of the public spirited individuals who made this project possible, and I particularly wanted to thank the U.S. Forest Service for their support and leadership.

In August 1991, the Forest Service and the Colorado State Forest Service joined the Cole Neighborhood Coalition in a grassroots effort to beautify the neighborhood by planting trees. The Forest Service committed $10,000 for this project, which includes a documentary video showing how neighborhoods across the country can do the same thing.

Mr. President, as elected officials we often have to be very public in our criticisms of Federal agencies, and the Forest Service has been no exception. We do not always take time to commend Federal agencies or Federal employees for the outstanding work they do, and that is precisely why I wanted to take a moment to thank the Forest Service for their participation in this project.

I particularly want to commend Phil Hoefer of the Colorado State Forest Service, Bob Conrad of the U.S. Forest Service, and Susan Bartell, Linda Hecker, and Dennis Bschor of the Rocky Mountain Regional Office of the U.S. Forest Service.

Thanks in part to their good work, the resources and expertise of Government agencies committed to our public lands and natural resources has been directly beneficial to an urban community seeking revitalization. That is a real and tangible benefit to working families in our inner-city neighborhoods, and we should commend these Government employees for their efforts.•

BRIG. GEN. WALLACE P. CARSON TO RECEIVE "MINUTEMAN" AWARD

• Mr. PACKWOOD. Mr. President, I rise to honor Brig. Gen. Wallace P. Carson, Jr., who has been chosen by the enlisted members of Oregon Air National Guard as the recipient of Oregon's "Order of the Minuteman."

General Carson achieved his high rank through long and dedicated service in both the U.S. Air Force and the Oregon Air National Guard. His outstanding professionalism and exemplary leadership skills resulted in the increased effectiveness of the Guard in Oregon. He contributed greatly to the success of the Guard in Oregon and earned the deep respect of his men.

While guiding the Guard forward, General Carson pursued his civilian career in the Oregon judiciary, eventually becoming chief justice of the Oregon Supreme Court. In these endeavors, General Carson epitomizes the concept of the Minuteman—an individual who is always ready to respond to the needs of our great Nation.

The "Order of the Minuteman" was established to recognize and honor military volunteers and civilians for their significant contributions to both the welfare and prestige of the enlisted forces of the Oregon Air National Guard. General Carson's enviable record has earned him this honor, and I am pleased to be able to acknowledge his achievement.•

ESTONIAN HOMELAND

•Mr. SIMON. Mr. President, I spent two of my college years at a fine, small, liberal arts college in Blair, NE, Dana College. I owe a great deal to that splendid college.

Recently I received its alumni publication, the Dana Review, with an article by Juri Taht, who fled Estonia in 1952 and attended Dana College. He has comments about visiting Estonia after all these years that, I think, merit the attention of my colleagues in the Senate.

I ask to insert his comments in the RECORD at this point.

The comments follow:

ALUMNUS VISITS ESTONIAN HOMELAND

Fifty years ago Juri Taht '52 fled Estonia when the Soviet Union occupied that country. He and other members of his family spent the years of World War II in Germany. A professional cellist for much of his life, in 1983 Taht became an international radio broadcaster for Radio Free Europe; his broadcasts from Washington, D.C., are directed to Estonia. This summer, after an absence of half a century, Taht returned to his native land. He wrote this account of his trip for the Review:

"My trip back to Estonia was undertaken for strictly personal reasons. During the past few years of Glasnost in the Soviet Union a number of relatives had visited us here in the U.S. and urged me to come and visit now that conditions had changed. My two cousins visited Washington two years ago and assured us that it was safe again to visit, and so my brother (who lives in Germany) and I decided to return to Estonia, especially to see relatives we had never met before and our aunt who is in her eighties. We received visas from our respective Soviet consulates and were ready to set foot on Estonian soil the last day of August.

"Yet the coup d'etat attempt in Moscow on August 19 almost derailed our plans. Things looked better a few days later as the Estonian government had declared the country independent again. Thus we, my brother and I, decided to take the trip even if the situation was still unstable and the State Department warned travelers away from the Baltics.

"We arrived in Tallinn by ship from Stockholm on September 1 on a beautiful sunny and unusually warm day after an absence of a little more than half a century. It is hard to describe the basketful of mixed emotions when we arrived after half a century at the very spot where we left at the ages of ten and eight. We felt great tension, joy, and also sadness, for we were fully aware, we thought, of the conditions there after 50 years of communist tyranny, persecution and deprivation that the people have had to endure.

"It is, however, one thing to get a description from other people and to see for oneself. And thus, I must admit, I was not prepared for what I saw with my own eyes. I had returned to what could be described as a Third World country—a country that before the Soviet invasion over 50 years ago was economically more advanced and prosperous than Finland. The dilapidated condition of buildings in the cities but also on farms is a depressing sight. There is not much left of my mother's farm where she grew up and where my parents had, just before leaving Estonia, built a brand new house.

"But man lives not by bread alone and thus the bread lines we observed especially in the cities were not even the most depressing sight. What was much more disheartening was what Stalin and his successors had done to the people—people who were deprived of the freedoms we so much take for granted in this country, especially religious liberty and freedom of speech and assembly.

"Just as a wound leaves a scar after healing, it is possible to see these scars on the faces of the people and witness it in their behavior—that is the most awful legacy of the communist system. People who have been forced to use their elbows, and to cheat, steal and lie in order just to survive, don't change overnight.

"Add to this the ethnic problems that has haunted the Estonians for the last 50 years. Tens of thousands of Estonians were deported to Siberia never to return, and at the same time hundreds of thousands of migrant Russians were brought into the country. According to some sources there are now about 600,000 Russians in Estonia among not even 1 million Estonians, who have watched for almost two generations how the immigrants received preferential treatment—be it in housing, jobs or having telephones installed.

"Thus I observed cultural differences between the Russians and Estonians but also differences between me and especially people younger than I. I noticed the absence of manners in everyday dealings, the kind I am used to in this country. Saying 'thank you' does not come easy any more to people who are day in and day out forced to spend inordinate amounts of time to get hold of the bare necessities of life. Older people, who remembers the days before the occupation, tell me that honesty and integrity are a scarce commodity these days.

"Gone is also the work ethic, which was such a characteristic attitude in the life of Estonians before the communists came.

"So what about the future? I have great hopes for the Baltic states but it will take quite a while, maybe a generation, to start healing the physical, mental and spiritual scars caused by the brutality that was imposed on the Estonian people for so long.

"God willing, maybe I shall retire some day on the farm of my forefathers if conditions improve. We have already put in a claim as the rightful heirs of the property. As I stood at the gate of my mother's birthplace, I had a feeling that I have not experienced anywhere in the world—not in Germany and not even here, the country that I love so much—I felt that here was HOME.

"Somehow, however, I am left with deep anger against those who did this to my country, which I was forced to leave behind for half a century to roam the world. I know I will be able to forgive but not ever forget."•

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

• Mr. SANFORD. Mr. President, it is required by paragraph 4 of rule 35 that I place in the Congressional Record notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee received a request for a determination under rule 35 for Sarah Sewall, a member of the staff of Senator Mitchell, to participate in a program in Europe, sponsored by NATO Office of Information and Press, from January 11–19, 1992.

The committee determined that participation by Ms. Sewall in this program, at the expense of NATO Office of Information and Press, was in the interest of the Senate and the United States.•

GAMBLING COSTS

• Mr. SIMON. Mr. President, recently, Prof. Earl L. Grinois, professor of economics at the University of Illinois, and former senior economist for the Council of Economic Advisors for the President, had an article in the St. Louis Post-Dispatch titled "Gambling Doesn't Pay; It Costs."

There is a tendency now to look for easy cures to our revenue dilemmas.

His article suggests to me on a more solid base what my instinct tells me: Communities and States and the Nation should be careful when they look for easy revenue cures that may do more damage than they realize.

An example is the State lotteries. If you go into the poorest section of Chicago or East St. Louis, you will see people lined up to buy lottery tickets. I am not on a crusade to do away with State lotteries, and if you were to take a vote in those very communities, I think they would want to keep them, because those lotteries represent hope for people.

We have to learn to give people more substantial reasons for hope.

And we have to find way of raising revenue that do not impose on the weakest and poorest in our society.

I ask to insert the article by Professor Grinois into the Record at this point.

The article follows:

Gambling Doesn't Pay; It Costs—Betting Parlors Siphon Off More Money From Communities Than They Generate

(By Earl L. Grinois)

Legalized gambling is spreading across the Midwest like a prairie fire. From Missouri to Minnesota, Indiana to Kansas, promoters are barraging state officials with proposals for horse racing, off-track betting parlors, slot machines, card rooms and more elaborate state lottery games.

In the name of adding jobs and boosting tax revenue in the St. Louis area, plans are afloat for riverboat casinos in recession-ravaged East St. Louis and Sauget, off-track betting parlors across Southern Illinois and, if Missouri voters approve it next year, there may be black-jack and dice under the Gateway Arch.

But wait a minute. Forget the well-established disorder of compulsive gambling, which psychologists say afflicts 2 to 4 percent of the population and devastates individuals and families. Forget, too, the evidence that teen-age gambling is on the rise. As a way to spark economic development, gambling is a bust.

Gaming executives and their political backers like to suggest that a floating casino or off-track betting parlor is like any other business in its ability to generate jobs end revitalize a community.

But a gambling operation is not like a factory or a retail store. There are givers in the world of commerce, and there are takers. Gambling is a taker.

To determine how much a host community loses when organized gambling comes to town, I completed an economic analysis of a proposed (now approved) off-track betting parlor in Champaign, Ill., one of 14 sites allowed under recent legislation. I found that in return for $436,000 in projected annual taxes, the Champaign-area economy would sustain a direct loss of $4.8 million a year and an additional loss of $8.6 million to $12 million in reduced economic activity.

But that's not all. When wages go for gambling instead of local goods and services, hoped-for economic spinoffs often fail to materialize. There are fewer restaurants in Atlantic City today, for example, than before the casinos opened. The truth is that gambling mostly attracts gamblers, not tourists.

What's more, because of reduced purchases, revenues from sales taxes goes down. In Champaign that means the city's shares of sales taxes would drop by $200,000 to $250,000 a year. That's enough to wipe out about half of the supposed tax gain from gambling.

The big winner would be the consortium of four Illinois racetracks that will run the parlor. Consider the vigorish; The parlors are required by state law to return to bettors only 77 cents of every dollar bet. Of the 23 cents not returned, 1 cent goes to the host city as tax, and 3 cents to the county and state. The rest goes to the promoters.

Gambling is not the only kind of business that can remove dollars from a local economy, but very few remove proportionally as much money for so marginal an increase in public revenue.

As Missouri residents have discovered, state lotteries have not been very successful at raising money. Nationwide, lotteries account for only 3.3 percent of the total revenue raised by lottery states—for below the amount raised by sales and income taxes.

Customers of New York City's off-track parlor wagered $959 million last year, but after paying all its bills, the corporation had only $33 million left over for the city. This year the figure will be millions lower, according to *Fortune* magazine. Within a decade, some experts believe that the New York operation will be in the red—meaning the city would have to support it. That's an ominous sign for Midwest taxpayers.

Given the widespread evidence that gambling hurts a community, what rationale is there for government to act as a conduit for the profits of private promoters?

The answer is none. But naive public officials, like addicted railbirds, remained convinced that some day they'll hit the jackpot. It's a delusion as old as gambling itself.•

HONORING BROOMFIELD HIGH MARCHING BAND

• Mr. WIRTH. Mr. President, I am delighted to acknowledge a fine group of young people from my State—all of whom are members of the Broomfield High School marching band.

The Broomfield High band was one of a very elite group of American high school bands selected to march in the Thanksgiving Day parade last year. They worked hard for this honor, and I wanted to acknowledge their efforts by commending them in a very public way—and in a way that commands national attention.

Mr. President, I want to applaud these young band members and their outstanding director, Mr. Christopher Waterbury, by listing each band member in the Record. It may well be that one or several of these young Americans get to Congress on their own accord, but it gives me great honor to mention each one by name and to express Colorado's pride in the job they have done:

Luke Akers, Michelle Barker, Kelly Barthule, Laura Barthule, Matt Bean, Julie Becker, Mike Becker, Nicole Beer, Eric Bergstrom, Erin Bigger, Missy Bloomquist, Melissa Borrego, Michael Caneva, Matt Castle, Jennifer Champlain.

Amy Coles, Caryn Coles, Debbie Cook, Pat Cornell, Cristy Dechant, Renae Degasperis, Nikki Deines, Matt Dhieux, Daniel Diekhoff, Matt Douville, Megan Feltes, Bill Fickbohm, Chad Foster, Jim Frei, Scott Geertgens.

Larry Hargreaves, Kelly Hausmann, Gina Heffington, Jenna Helwig, Eric Henry, Susanne Holloway, Jennifer Hughes, Cathy Ingram, Lisa Ivey, Angela Kegerreis, Jennifer Kennedy, Laura Kindler, Kristen Kultala.

Darren Laging, Nathan Leake, Megan Ludwig, Amy Lueb, Kim Macdonald, Deborah Maggert, Sara Maranowicz, Dan Marcucci, Cindy Northrop, Mike Palmrose, Tiffany Peterson, Patricia Prentice, Jeremy Quist, Paul Quist.

Robert Ramey-Vigil, Mike Riter, Aaron Ritter, Janelle Root, Mark Russell, Matt Russell, Melissa Rutter, Jason Sarno, Erin Schissler, Anna Segurson, Kim Seibel, Jennifer Sesker.

Faith Shook, Cary Smith, Scott States, Amber Switzer, Lonell Thode, Mauricio Torrico, Michelle Trosper, Michelle Urry, Greg Vigo-Torres, Chad Voth, Amy Wegner, Joshua Wilsey, Nicole Workman.•

ENLIGHTENED BUSINESS LEADER

• Mr. SIMON. Mr. President, recently, my wife and I visited in Chicago with old friends, Newt and Jo Minow.

Among other responsibilities Newt Minow has is that he's on the board of Sara Lee.

Sare Lee is headed by someone who, I believe, is one of the most enlightened business leaders, not only in our Nation but in the world, John Bryan.

Newt Minow gave me a copy of a talk John Bryan gave to the Securities Industry Association recently in Boca Raton, FL.

I have not seen it reproduced elsewhere, and it contains so much that is simply common sense, as well as one other factor that I think is important.

That other factor is taking a long-term look at things.

In the public sector and in the private sector in our country, we have too much short-term thinking. John Bryan, here, clearly demonstrates the kind of long-term thinking that is essential for all of us in this country if we are to succeed as we can and should.

There are one or two things in his speech that I might question, but on the whole, it seems to me what he provides in the way of vision and understanding is something we need.

I ask to insert his remarks in the RECORD at this point.

The remarks follow:

REMARKS BY JOHN BRYAN TO THE SECURITIES INDUSTRY ASSOCIATION

Thank you. I am delighted to be here. This Boca Raton is quite a relief from the snow and bitter cold we've had in Chicago this week. So it's nice to be in the Sunny South.

As the program suggests, may assignment today is to discuss the global advance of business in our world today. I do, in fact, have a few thoughts on that subject.

Specifically, I should like to talk about what is driving today's global business, a little about what Sara Lee is doing in various markets around the world, and how we're working to globalize the company. And then I'll close with a few points of view about what all of this might mean, especially to economies and industries around the world.

Now my thoughts, of course, are based largely on our experience at Sara Lee Corporation, a company that has been rather intensely globalizing itself over the past few years. So before I get into my subject, I think you really ought to know a bit more about Sara Lee.

We have several rather important dimensions. First, and some of you may not know, there really is a Sara Lee. She is a bit younger than I am. She lives in New York City with her husband and four children. In fact, her husband, Axel Schupf, is a prominent investment advisor in New York, so he has a very important connection with your industry. Sara's destiny was fixed at age eight when her father, who owned a couple of bakery shops in Chicago, needed a name for his cheese cake. As a result of that decision, our company is today by far the largest in the world named for a woman. And I can tell you, it is a distinction of which we are proud.

Of course, Sara Lee is also a product, the best cheesecakes, pound cakes and coffee cakes in the world. But, as you may not know, frozen baked goods is not the major product of Sara Lee. In fact, it's our smallest product category and accounts for only about 6% of our sales. Our largest single product is, in fact, ladies' hosiery. We make about half of all ladies' hosiery sold in the United States and 30% of European hosiery. And when one adds up all the clothing items sold by Hanes, L'egg's, Playtex, Champion, Coach, Aris gloves and our other brands, Sara Lee is the largest such manufacturer in the world.

Further, we are one of America's largest packaged meats companies. We are a major coffee company, especially in Europe. Also, we have strong household and personal care positions in many parts of the world.

Sara Lee's mission is to sell branded, nondurable consumer packaged goods. And it's a good business. And while I'm not sure we deserve it, the company has been doing very well.

Last year, when Fortune magazine produced its annual report on the largest 500 companies in the United States, it showed their returns to shareholders for the past 10 years. Of the top 100 companies in America, Sara Lee was #1 in the decade of the 80s. We had a 31.7% annual return to our shareholders over that decade. Well, despite that record, two years ago at Sara Lee, we made some very radical changes of direction.

There was ample evidence that the business world was undergoing a moment of major change. It was clear that America in the 90s was to be a very different place. All that loose money, speculation and debt accumulation of the 80s had fueled a spending binge and our economic growth. The time came to sober up from that binge. I know of no one who predicts a return to 80s—style growth for the U.S. economy anytime soon.

As we began to face slower growth at home, however, an astonishing confluence of mega-events began to literally open up the rest of the world for business.

These events can be divided into three parts. The first we can call the rise of democracy. Twenty nations have turned to freedom in the past five years. None has moved in the other direction. This is really good news for business. Democracy is not an absolute requirement for building economies, for there have been some very notable successes by automatic regimes. But democracies do provide the political stability necessary to safely do business. Remember, democracies do not start wars, it is dictators who start them.

The second mega-event affecting worldwide business is a dramatic surge in appreciation for free trade. It's happening everywhere. There is the economic unification of Europe. And there is the economic unification of North America, which will soon be accomplished with the free trade agreement between the U.S. and Mexico. Also, the ripple effect is being felt further south. Such that one could imagine all of the Americas trading freely in the reasonably near future. Then there is the Uruguay round of GATT talks—the eighth such round since the end of World War II. Let me remind you that the first seven rounds cut tariffs worldwide approximately 75 percent. And as a result, over the past 40 years the U.S. and world economies have grown faster than at any period in history. As for the current round of GATT, there is optimism in the air. We see cracks in the European intransigence on agriculture. Mr. Delors has become personally committed to an agreement. I, for one, believe he and the talks, will succeed.

The third trend making this an extraordinary time for business is the massive adoption of liberal economic policies throughout the world. Capitalism has become a contagion. Countries once wedded to socialism are discovering that laissez faire economics works. Even India, one of the most over-regulated, bureaucratic economies in the world, is today lowering its barriers, throwing aside restrictions and inviting businesses in. Free enterprise is flowering everywhere with the prospect of bringing into the world marketplace as many as four billion added people. We know these people have the desire and if they can gain the means to become enthusiastic consumers, it can produce a worldwide boom of staggering and historic proportions.

Now, there are pessimists who will tell you these trends cannot last. Autocracies will reemerge. Diversity and pluralism will prove too difficult to manage. Nationalism and parochialism will override common interests. There are problems and worries. but any objective analysis of these mega-events has to be positive. And that, I believe, makes it absolutely imperative for a company such as ours to move aggressively in the international arena.

So that's what we at Sara Lee have done. In terms of markets, our first priority is surely the EEC. It's impossible to overstate the opportunities there. Historically, European product categories, especially in consumer goods, have been highly fragmented, even on a country basis. Thus, they have very high cost operations. I'll give you an example. You can go to any Wal-Mart in America and buy Hanes men's cotton underwear for $1.50 a pair. The price in most European countries is at least three times higher. The difference is that in America, the market is dominated by two major, highly efficient competitors. Europe, on the other hand, is served by small scale manufacturers, often many in each country.

In our business, there are two relevant skills necessary to build large, consolidated market positions and achieve the resulting economies of scale. They are packaged goods marketing skills, and large-scale manufacturing expertise. Sara Lee has both. With that in mind, we began working in 1989 to replicate some of our U.S. positions in packaged apparel in Europe. We opened an office in Paris. And we've built a business of more than $1 billion there in just two years.

As for Eastern Europe, about a year ago, we took a very productive 10-day trip to Hungary, Czechoslovakia, and Poland. These countries, by the way, do not like to be referred to as Eastern Europe. They are Central Europe. Sara Lee devised a strategy for these three countries—one that focused on two products—coffee and hosiery.

Hungary, with its more liberal traditions, was by far the easiest market. We made an acquisition that will lead to 98% ownership of Hungary's largest coffee company. It will cost about $50 million. Of course, in Central Europe you don't really buy a company. You buy a factory. Our coffee company in Hungary had 1,500 employees of which 350 were administrators. And there were no salesmen. We have installed five western executives as shadow managers. We've redesigned the packaging, put 25 salesmen on the road, TV commercials on the air, and billboards on the street. Today we have about a 60% share of the market in coffee—and profitability as good as in the West. We are pleased—and the Hungarians are certainly proud of their fast track move to free enterprise. They want to be members of the European Common Market as soon as possible.

In Czechoslovakia, we have approved many investments and hope to conclude negotiations for a major coffee business there very soon. And we have had a team in Poland all summer studying the acquisition of the major hosiery business in that country.

At a recent Sara Lee board meeting where we approved that venture, I was particularly struck by the management group chosen to carry out this extraordinary assignment. It is to be led by a 29-year-old who has spent three years in U.S. and French knitting factories since getting his MBA at Harvard. He is learning Polish. The chief financial officer will be a young Chicago native Polish-American woman from our corporate finance office. She speaks Polish fluently. And a 68-year-old who helped to build the L'eggs hosiery distribution system. He also is of Eastern European heritage and wants to spend a few years of his retirement in Poland. And there are others. It's an excited group. Wouldn't that be a challenging assignment?

Now let me turn for just a moment to South Africa. In December of 1986, Sara Lee withdrew from that market exclusively because of shareholder protest. Personally, I favored sanctions—and think they were appropriate and effective. But now the time is coming when it will be appropriate to re-invest in South Africa. Sara Lee is looking forward to doing so. And South Africa needs investment.

The fact is—with its entrepreneurial infrastructure—South Africa is the only country that can serve as a catalyst for economic development throughout the sub-Sahara region. Elsewhere around the world, in East Asia, where Sara Lee does $600 to $700 million in business, we find about half the world's population and the world's fastest-growing marketplace. Some economies in East Asia are growing 8 to 10% a year.

Sara Lee has major initiatives in this region. The catalyst for growth in East Asia has been one thing—Japanese capital. They've invested billions in countries like Thailand and it is creating tremendous consumer markets.

Last year, as I was riding in an old motorboat down one of those waterways they call klongs in Bangkok, I couldn't help noticing the television antennas sprouting from every shanty in sight. All that Japanese money and all those TV sets make a great team for creating consumer markets in that part of the world.

And then there is China. Practicing perestroika without glasnost. The combination of Confucianism, their inherent entrepreneurial ethic—combined with a little laissez faire—will produce an economic explosion someday. Hong Kong and Taiwan—China's two enormously successful satellites—are already stoking the fires. Sara Lee has a few joint ventures in China. We are moving aggressively to establish others. Finally, closer to home, as you know, the boom has already begun in Mexico. Sara Lee is there. We are negotiating several acquisitions at the present time. And we have plans underway to place quite a few sizeable factories in Mexico very soon.

So that's a glimpse at some of the global markets that are getting our attention at Sara Lee. I assure you, we are just getting started.

Let me now offer a few thoughts on how are we going about the business of globalizing Sara Lee from a strategic, rather than a geographic, perspective. For one thing, we are not very excited about joint ventures. They add an extra dimension of complication that we would like to avoid. So far, we have only done joint ventures and partial ownership for a short-term period, to make the businesses we've acquired feel more comfortable.

Another principle we've followed in globalizing Sara Lee is to really place a premium on flexibility. The dynamics of change are so great today. Think of the variability we'll see in labor costs, trade regulations, economic growth. Sara Lee plans on being very careful and very flexible as we locate facilities and enter markets around the world. We also have to remain flexible in our brand strategies. There has been great debate about local brands, versus Pan-European brands, versus global brands. There is no right answer to this one. It depends on the product and the market, even as it does in the United States today. After all, the largest corporation in Chicago is a regional company.

When it comes to management styles, we have established a simple principle. It is for us to internationalize Sara Lee—not try to Americanize the world. At Sara Lee, we simply don't have battalions of expatriate managers to dispatch around the world. And we think it would be a major mistake to try to promulgate a singular corporate culture.

At least 25% of our managers, executives, and our board of directors are foreign nationals. And we plan at least one of our 8 board meetings a year outside the U.S. I think it is for certain that the nationality of the successful global company of the future will become increasingly blurred. And that is appropriate.

When I'm in France, I often tell people that Sara Lee is a French company. We have all the required constituencies. We're on the Paris Bourse. We have French shareholders and employees and managers. We build factories and pay taxes and make charitable contributions. The only thing wrong is my accent.

Another issue often encountered in globalizing a business is the decision whether to build—or to acquire—international positions. Again, there are no absolute answers. At Sara Lee, we have made many acquisitions—and found them a good means of getting established quickly in a market. We have also found that making acquisitions overseas isn't much different than here in the U.S. Sara Lee does not do unfriendly deals, and rarely participates in auctions. We carefully identify businesses in which we are interested—and then we work to build a relationship.

I can tell you that in Europe, that approach works very well. Relationships are very important there. Businesses are very concerned about to whom they sell—and they are less comfortable turning the acquisition process over to an intermediary.

As to operating and restructuring businesses once they're acquired, American companies have historically feared co-determination governance policies abroad, particularly in Europe. I can tell you that the problems associated with worker participation in management decisions are much less common today than they were 20 years ago. While it might take a little more patience and process, we have found it's possible to close factories in all the countries of Europe. This is certainly a major change in the pattern of doing business there, compared to earlier in my experience.

So that's look at how we've gone about the business of globalizing Sara Lee. What we've learned is that in order to succeed in the global arena, you have to get your passport and your visas and your sleeping pills. And I think you have to throw out most of your preconceptions about countries and cultures in the rest of the world. Then you have to get on the plane and go. I am frankly amazed that so many American companies still choose not to do so.

Finally today—lest my perspective seem too parochial—let me conclude by offering a few comments on how the "changing patterns of doing a global business" might be affecting economies and industries in the world.

In the United States, as I said before, it will likely take some time to recover from the legacy of leverage in the 80s. But in my judgment, it is the economic unification of the United States and Mexico that will be the most powerful impetus to regenerate the U.S. economy in the decade of the 90s. It may well become George Bush's greatest domestic legacy.

You see, in most matters of politics and economics, one deals with competing interests. But free trade is the exception. It is about the only example of a policy where everyone wins. Most economists accept the notion that growth can result only from increasing productivity, or having more people in the economy. With the U.S. and Mexico joined together, we have a massively larger market to serve and such greater productivity from the economies of scale and shifts of production to the most efficient points of manufacture. The U.S. Mexican economies will both grow as a result. Let me remind you that Spain only joined the Common Market five years ago in 1986. Its growth since then has been explosive. And its neighbors to the north have also done well as a result.

Meanwhile, across the Atlantic, it's a truly extraordinary moment. Unifying Europe has been a dream of despots for centuries. But what Napoleon and Hitler could only envision, Jean Manet and Jacques Delors—with maybe a little help from Lord Cockfield and his white paper, just may accomplish this unity without a shot being fired. There will be a second Renaissance in Europe, with tremendous wealth creation.

I was speaking to a group of art museum trustees recently. I couldn't resist making the point that for more than a century, the great collectors of European art have been Americans—because that's where the money was. The tide is turning. With their new wealth, their dynastic mentalities, their penchant for tax havens, and their love of art, Europeans will reverse the flow. In any case, the "Age of Europe" is upon us, and it will be interesting to see how it unfolds.

What about Asia? Well, 50 years ago this morning, Japan was making one of the great miscalculations of history. History and irony often go hand in hand. Japan has recovered from its mistake rather well and now is economically colonizing most of Asia and parts of America. With its enormous wealth, its educated workforce and discipline, and its proximity to the world's largest population, Japan will continue to challenge the West for economic dominance.

That's good. Countries, just like companies, need a challenge to stay sharp. But Japan will inevitably face the downside of success the arrogance, inflexibility and complacency that comes from winning too much, too often. I spent a long session negotiating with some Japanese executives this past week. They were sneering at the notion that other Asians might, within the next 30 years, be able to make a certain product as well and as cheaply as the Japanese. They are wrong. As the Japanese continue to invest and expand in Asia, they are teaching that part of the world how to do business in the modern era. Inevitably, that means they will have to share not just their knowledge, but their economic power, with others in the region.

So that's a look at some major economies. How will global patterns of business affect the industries of tomorrow? One hundred years ago, industries like steel and railroads dominated the U.S. economy. In my time, it's been energy and transportation. More than half of the top 10 and top 20 corporations on Fortune magazine's list are oil and auto companies.

That might well change over the next generation. I know it sounds self-serving, but if you accept the notion that there are four to five billion more people in the world eager to consume and they are governed in ways that can create the purchasing power to consumers. Then the consumer products industry really is tomorrow's industry.

My observation is that people in developing countries get attuned very quickly to products that make them look better and feel better about themselves. These little personal necessities that we in the West take for granted are among the first items that people in a free society want to consume in greater quantity and quality. Yes, consumer goods particularly, including the health care segment, will fare extremely well. That's my prediction for the industries of tomorrow.

Finally, a question often raised about globalization of business concerns its impact on capital markets. Those who see the glass half empty say all that growth will create the need to build infrastructure in developing countries. And that, in turn, will lead to a capital shortage and high interest rates worldwide. On the other hand, those who see the glass half full believe growth can, and will, generate more than enough wealth and savings to finance itself. Taiwan is an important mode for this. It probably won't surprise you to know that I am in the latter camp. And I believe most investors are, too.

In the United States, despite a serious recession, despite the fact that U.S. corporate profits are down 17% over the past three years, the Dow Jones is up 50%. I suspect this has a lot to do with the long-term opportunities that investors see for American companies in the international market. They believe, as I do, that what we're witnessing is not a transition, but a transformation, of the world economy. They believe these "changing patterns of global business" will lead to worldwide wealth creation on an unprecedented scale. That would certainly be a fitting conclusion to a century that has seen so many setbacks. Two barbaric world wars. A monstrous Depression. And a 70-year socialist experiment that stifled half the world.

But you know, in Chicago we like to say Mrs. O'Leary's cow made our city what it is today. The Great Fire of 1871 destroyed almost everything in its path. Yet that event ignited a boom that made Chicago a truly great city.

In somewhat the same way, militarism, fascism, communism, socialism, and protectionism, really destroyed so much of the world's potential to prosper in this century. But from the ashes of those experiences in the last decade of this millennium we have discovered impetus and the chance to build an age of prosperity in all parts of the world.

What a stimulating prospect that is for those of us doing business in our time.

Thank you.●

FIDEL CASTRO, CUBA'S OWN WORST ENEMY

● Mr. SIMON. Mr. President, on December 21, the New York Times ran portions of a letter that became public, written by Maria Elena Cruz Varela, a Cuban poet who is one of the leaders of a human rights group in Cuba.

She simply asks for human rights for all the people of Cuba.

I would like to see a better relationship with Cuba. There are many who feel as I do.

But Fidel Castro has to understand that unless and until he improves the human rights opportunity in Cuba, that simply will not happen.

Mr. Castro would do well to follow the example of Mr. Kenneth Kaunda of Zambia, who recently permitted a free election for the first time. His party was overwhelmingly defeated, and then he generously stepped aside and spoke highly of the person who defeated him in his party.

Mr. Kaunda is likely to be viewed favorably by those who write the history of Africa and Zambia particularly.

As of this time, Fidel Castro's role is much less clear, and the longer he permits the abuses of human rights, the less likely it is that history is going to view him favorably.

I ask that the Maria Elena Cruz Varela article from the New York Times be inserted in the RECORD as this point.

The article follows:

[From the New York Times, Dec. 21, 1991]

FIDEL CASTRO, CUBA'S OWN WORST ENEMY

(By Maria Elena Cruz Varela)

(This letter was written on Sept. 27, 1991 by Maria Elena Cruz Varela, a Cuban poet and the leader of Criterio Alternativo, a human rights group. On Nov. 19, Ms. Cruz was attacked in her apartment by Government henchmen and forced, in the presence of her daughter, to eat some of her political writings. She was dragged into the street, where she was beaten and arrested on charges of anti-Government activities. She is serving a two-year term in prison. Excerpts from her letter, translated from the Spanish by Toby Talbot, follow.)

HAVANA.—What a pity, Señor Fidel Castro, that you mistake where your opponents are; what a shame that you try to place the opposition so far from Cuba.

No, Señor Fidel Castro, the Cuban opposition isn't from or in the United States of America, regardless of that country's questionable positions. Your opposition is yourself and your own contradictions. Your opposition is the proven economic, political and social failure of 32 years of experiments.

We are your opposition, we 10 million Cubans who look around us in terror, searching for something that allows us to believe in the possible salvation of our lives and those of our families, the salvation of our dignity and survival as a civilized nation.

It is not an easy opposition: I regret not having the time or means at my disposal to bring together, one by one, all the elements that would make the signatures to this letter endless. It is I who am speaking now. I, with full responsibility, assume the voice of hundreds of thousands of political prisoners rotting in my country's jails; the voice of those who are now voiceless, having died in prison, or in trying to save themselves by desperately crossing the Straight of Florida; the voice of those who are beginning to take their first steps, overcoming fear.

A fearful creature. How terrible is the mirror-image of a man looking himself in the face and discovering his fear. Dramatic plastic surgery is needed on the Cuban nationality to restore its looks!

Years will go by before many realize the quality of the byproduct they've become.

But me, I exist. I speak up. I write. I oppose. I shall not stop shouting: I oppose the system you represent; I oppose the barbarism being imposed on us; I oppose you because your irresponsible leadership may give excuses to others to intervene and to be the ones to "resolve" our problems. I am not the C.I.A. I don't represent their interests; I'm not interested in them, or interested in the insecurity of the State and the psychological terror you've patiently inflicted on us for 32 years like a brutal, deadly inoculation.

My duty is to make it clear to you, to national and international public opinion, that opposition does exist in Cuba. It only does not exist among those who turn away for three reasons: fear, fear and fear. Not only do I exist; we are many, so many, that our existence is imperiously denied; we are opponents and we are not exactly in the U.S. We are here, a few steps away from you, and you know it.

The circuses and gastronomical festivals organized to distract your visitors don't matter. That kind of irresponsible, political neo-tourism bestowed on figures from other countries doesn't matter, the fact that they depart "satisfied" by our sad spectacle doesn't matter.

Beneath all that scaffolding live the people, and we are among those people: those who oppose, repressed to be sure, but as undeniable as a birthmark in the middle of one's forehead. To those who survive our approaching catastrophe I want to say something: it is good, it's healthy, to remember: history can absolve, but it can also condemn.●

ORDERS FOR TOMORROW

Mr. KENNEDY. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 10 a.m. Thursday, January 23; that following the prayer, the Journal of the proceedings be deemed approved to date; that following the time reserved for the two leaders there be a period for morning business not to extend beyond 11:30 a.m. with Senators permitted to seek therein; with the first hour of morning business under the control of the majority leader or his designee, with the remaining 30 minutes equally divided and controlled between Senators LEVIN and DOLE.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. KENNEDY. If there is no further business today, and I see no other Senator seeking recognition, I now ask unanimous consent that the Senate stand in recess as previously ordered until 10 a.m. on Thursday, January 23.

There being no objection, the Senate, at 5:52 p.m., recessed until tomorrow, Thursday, January 23, 1992, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate January 22, 1992:

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

THE FOLLOWING NAMED PERSONS TO BE ASSOCIATE JUDGES OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF 15 YEARS:

STEPHANIE DUNCAN-PETERS, OF THE DISTRICT OF COLUMBIA, VICE WARREN ROGER KING, ELEVATED.

ANN O'REGAN KEARY, OF THE DISTRICT OF COLUMBIA, VICE GEORGE H. GOODRICH, RETIRED.

JUDITH E. RETCHIN, OF THE DISTRICT OF COLUMBIA, VICE BRUCE S. MENCHER, RETIRED.

WILLIAM M. JACKSON, OF THE DISTRICT OF COLUMBIA, VICE WILLIAM COURTLEIGH GARDNER, RETIRED.

PEACE CORPS NATIONAL ADVISORY COUNCIL

THE FOLLOWING NAMED PERSONS TO BE MEMBERS OF THE PEACE CORPS NATIONAL ADVISORY COUNCIL FOR THE TERMS INDICATED:

EUGENE C. JOHNSON, OF MARYLAND, FOR A TERM EXPIRING OCTOBER 6, 1992, VICE GARY DALE ROBINSON.

TAHLMAN KRUMM, JR., OF OHIO, FOR A TERM EXPIRING OCTOBER 6, 1993. (REAPPOINTMENT)

ADVISORY BOARD FOR CUBA BROADCASTING

SALVADOR LEW, OF FLORIDA, TO BE A MEMBER OF THE ADVISORY BOARD FOR CUBA BROADCASTING FOR A TERM OF 2 YEARS. (NEW POSITION)

FORIEGN SERVICE

THE FOLLOWING-NAMED CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE U.S. INFORMATION AGENCY FOR PROMOTION IN THE SENIOR FOREIGN SERVICE TO THE CLASSES INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF CAREER MINISTER:

SALLY M. GROOMS-COWAL, OF ILLINOIS
CHRISTOPHER W.S. ROSS, OF CALIFORNIA

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR:

WILLIAM J. DIETERICH, OF VIRGINIA
CYNTHIA JANE MILLER, OF TEXAS
MICHAEL F. O'BRIEN, OF CALIFORNIA
DELL F. PENDERGRAST, OF VIRGINIA
ROBERT A. POWERS, OF VIRGINIA

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE OF THE U.S. INFORMATION AGENCY FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE AS INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

DAVID L. ARNETT, OF LOUISIANA
WILLIAM DARREL CAVNESS, JR., OF GEORGIA
JOHN P. DWYER, OF CONNECTICUT
HARRIET LEE ELAM, OF MASSACHUSETTS
ARTHUR ELLIOTT GREEN, OF MARYLAND
NICHOLAS MELE, OF CALIFORNIA
BARBARA C. MOORE, OF OREGON
JONATHAN P. OWEN, OF MARYLAND
JAMES CAMPBELL POLLOCK, OF FLORIDA
RALPH HERMAN RUEDY, OF IOWA
JACK A. SEARS, OF SOUTH DAKOTA
PAUL RICHARD SMITH, OF MARYLAND
LEONARDO M. WILLIAMS, OF VIRGINIA

THE FOLLOWING-NAMED PERSONS OF THE AGENCIES INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF THE CLASSES STATED, AND ALSO FOR THE OTHER APPOINTMENTS INDICATED HEREWITH:

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS 4, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF STATE

SANDRA ANN CRUMPTON, OF CALIFORNIA
SARA A. ROSENBERRY, OF VIRGINIA
PAUL ALLEN WEDDERIEN, OF CALIFORNIA
THOMAS E. WILLIAMS, JR., OF TEXAS

THE FOLLOWING-NAMED MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENTS OF STATE AND COMMERCE AND THE U.S. INFORMATION AGENCY TO BE CONSULAR OFFICERS AND/OR SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, AS INDICATED:

CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DAVID B. ADLER, OF TEXAS
WILLIAM J. ALVAREZ, OF VIRGINIA
JASON R. ANNITO, OF CONNECTICUT
THOMAS J. BACHNER, OF THE DISTRICT OF COLUMBIA
BRENT GUENTER BAHL, OF WASHINGTON
CAROLYN R. BARGERON, OF MARYLAND
ERICA J. BARKS, OF VIRGINIA
JANET CARROLL BLAGG, OF VIRGINIA
DARRELL MAURICE BLOCKER, OF VIRGINIA
LINNEA G. BOHN, OF VIRGINIA
DAVID KERRY BROWN, OF WASHINGTON
MELISSA LEA BUCHANAN, OF TEXAS
JOHN G. BURGIN, M.D., OF VIRGINIA
MARK D. BYSFIELD, OF KANSAS
LAURENCE C. CHANG, OF VIRGINIA
MARTA COSTANZO, OF NEW JERSEY
THEODORE J. CRAIG, OF VIRGINIA
JEFFREY RONALD DAFLER, OF OHIO
SUZANNE L. DEMEERLEER, OF ARIZONA
GRANT CHRISTIAN DEYOE, OF MARYLAND
SURESH KUMAR DHIR, OF VIRGINIA
JAMES E. DONEGAN, OF NEW YORK
MICHAEL PATRICK DRISCOLL, OF VIRGINIA
JOHN CLAYBORNE EPPS, OF NEW JERSEY
JOHN FINBARR FLEMING, OF VIRGINIA
JOSEPH J. FORCIER, III, OF MICHIGAN
NANCY B. FORTSON, OF VIRGINIA
JOHN ANTHONY FRANCHI, JR., OF VIRGINIA
REBECCA L. GAGHEN, OF MONTANA
ROSEMARY D. GALLANT, OF VIRGINIA
BETH SHARLEEN GERTZ, OF VIRGINIA
CHARLES A. GILBERT, OF VIRGINIA
RUTH W. GODFREY, OF FLORIDA
STEPHANIE CAROLINE GOODNIGHT, OF VIRGINIA
STEVEN ARTHUR GOODWIN, OF ARIZONA
COLIN LEE GREEN, OF VIRGINIA
ROBERT P. GREVE, OF VIRGINIA
MARGARET ARMSTRONG HAMM, OF MARYLAND
MOLLY H. HARDY, OF VIRGINIA
MATTHEW T. HARRINGTON, OF THE DISTRICT OF COLUMBIA
HUGH MICHAEL HIGGINS, OF VIRGINIA
PAMELA E. HOLMES, OF VIRGINIA
JULIE POWELL HOLT, OF THE DISTRICT OF COLUMBIA
FREDERICK M. HOTCHNER, OF VIRGINIA
JOAN MARIE HUDSON, OF VIRGINIA
PETER HUMPHREY, OF HAWAII
PEYTON K. HUMPHRIES, OF VIRGINIA
ANNE B. HURLEY, OF VIRGINIA
CHRISTOPHER BLANEY JACKMAN, OF VIRGINIA
MARION LOUISE JOHNSTON, OF CALIFORNIA
ROGER D. KING, OF FLORIDA
ROBERT W. KINKEAD, OF VIRGINIA
JOHN HORTON KLAS, OF VIRGINIA
SAMUEL KOTIS, OF NEW YORK
ERIC MATTHEW KYANKO, OF WEST VIRGINIA
HAL V. LACKEY, III, OF VIRGINIA
MICHAEL J. LACOMBE, OF VIRGINIA
CHRISTOPHER JOHN LAMORA, OF RHODE ISLAND
DAVID MARC LARSEN, OF VIRGINIA
DEBRA GAIL LENKIEWICZ, OF VIRGINIA
ANDREA LEVIN, OF VIRGINIA
JOHN M. LIPINSKI, OF PENNSYLVANIA
DAVID RICHARDS LLOYD, OF VIRGINIA
GAYLE WAGGONER LOPES, OF NEBRASKA
WENDY P. LYLE, OF VIRGINIA
THOMAS M. LYNCH, OF TEXAS
MELANI M. MACDONALD, OF VIRGINIA
WILLIAMS SWIFT MARTIN, IV, OF THE DISTRICT OF COLUMBIA
CYNTHIA MARVIN, OF MARYLAND
JOSEPH L. MASSINGILL, OF TEXAS
JOHN J. MEAKAM, III, OF NEW YORK
ELI J. MENDOZA, OF FLORIDA
MARIO ERNESTO MERIDA, OF COLORADO
RICHARD WESTBROOK MIDDLETON, JR., OF WASHINGTON
PATRICIA I. MOYNIHAN, OF THE DISTRICT OF COLUMBIA
IVETTE R. MULET, OF VIRGINIA
JOYCE WINCHEL NAMDE, OF WISCONSIN
JOHN CALVIN NATION, JR., OF VIRGINIA
WILLIAM C. NELSON, OF MARYLAND
NEDRA A. OVERALL, OF CALIFORNIA
KRISTIN LYN PALM, OF VIRGINIA
RICHARD CARLTON PASCHALL, III, OF NORTH CAROLINA
FRANCIS PIERRE PECK, OF VIRGINIA
MARY ELLEN PEEBLES, OF VIRGINIA
CHRISTOPHER JOHN POCKETTE, OF VIRGINIA
NEIL SANFORD QUARTERMAN, OF GEORGIA
JOHN M. RACOOSIN, OF VIRGINIA
JEFFREY DEAN RATHKE, OF PENNSYLVANIA
DAN F. SHANOWER, OF VIRGINIA
DOROTHY CAMILLE SHEA, OF VIRGINIA
APAR SINGH SIDHU, OF CALIFORNIA
LAMONT LEONARD SILVES, OF VIRGINIA
ALEXIS E. SKOTZKO, OF VIRGINIA
THOMAS BERNARD SLATTERY, OF VIRGINIA
STEPHANIE J. SLAYMAKER, OF VIRGINIA
DAVID MICHAEL STANDERFER, OF VIRGINIA
MICHAEL WADE STEPHENS, OF VIRGINIA
PAUL J. SWINKO, OF VIRGINIA
DAVID H. STRUVE, OF VIRGINIA
LANDON R.L. TAYLOR, OF VIRGINIA
BARRY STEPHEN THEIN, OF VIRGINIA
GREGORY DEAN THOME, OF WISCONSIN
SUSAN A. THORNTON, OF MASSACHUSETTS
GERALD J. TILK, OF VIRGINIA
DIRK WILLEM VAN DER VAART, OF VIRGINIA
LINDA A. VAUGHN, OF VIRGINIA
CHEVER XENA VOLTMER, OF TEXAS
KARL T. WAGNER, OF VIRGINIA
ADAM L. WAIS, OF VIRGINIA
L. DEAN WALTON, OF VIRGINIA
EVA A. WEIGOLD, OF MINNESOTA
MATTHEW ALAN WEILLER, OF NEW YORK
COLWELL CULLUM WHITNEY, OF THE DISTRICT OF COLUMBIA
JAMES WILLIAMS, OF VIRGINIA
K. MALAIKA WILLIAMS, OF THE DISTRICT OF COLUMBIA
DAVID CHARLESON WOLFE, OF TEXAS
JOHN CHRISTOPHER WOOD, OF VIRGINIA
ANTHONY C. WOODS, OF TEXAS
THOMAS K. YAZDGERDI, OF VIRGINIA
MICHAEL S. YORK, OF NORTH CAROLINA

SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

MICHAEL J. LAWRENCE, OF COLORADO

THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE, PREVIOUSLY PROMOTED WITHIN THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED OCTOBER 3, 1991, EFFECTIVE OCTOBER 6, 1991, NOW TO BE EFFECTIVE APRIL 7, 1991:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR:

TERRENCE J. SHEA, OF FLORIDA

IN THE COAST GUARD

PURSUANT TO THE PROVISIONS OF 14 U.S.C., 729, THE FOLLOWING NAMED LIEUTENANT COMMANDERS OF THE COAST GUARD RESERVE TO BE PERMANENT COMMISSIONED OFFICERS IN THE COAST GUARD RESERVE IN THE GRADE OF COMMANDER.

JAMES M. LEITNER
JOHN K. SYNOVEC, JR.
WILLIAM H. BOURLAND
ALLEN W. PENN
WILLIAM A. SCHNURR
EUGENE K. O'CONNOR
WILLIAM M. AMERMAN
JOHN M. RICHMOND
JAMES C. ULLIAN
JOSEPH R. MCFAUL
CATHERINE M. KELLY
MICHAEL E. THOMPSON
JAMES C. HELFRICH
THOMAS J. TRACY
JUDY L. WILKINSON
SUSAN T. COMERFORD
SHARON J. ARMSTRONG
CHARLES M. MCDONNELL
PATRICK J. DANAHER
JANE R. DITTO
MAUREEN T. WHITEHURST
DENISE E. WIKE
DANIEL R. FLOOD
FRANKLIN L. BRADHAM
ROBERT B. WILSON, JR.
WILLIAM J. VAN ORDEN
ROBERT C. BUCKLES
MORRIS L. STEPHENS
PETER C. OLSEN
GARRETT J. TIRPAK
BRIAN P. COST
ARTHUR S. OLSEN
RICHARD K. MILLER
JOHN C. ACTON, III
MILTON H. ENNIS
ROBERT W. KELLY
LOUIS M. FARRELL
GROVER M. LIPE, JR.
EVERETTE W. HOLLINGSWORTH
RAYMOND W. BLOWITSKI

THE FOLLOWING RESERVE OFFICERS OF THE U.S. COAST GUARD RESERVE FOR PROMOTION TO THE GRADE OF CAPTAIN:

DANIEL N. WOOD
TIMOTHY J. JAMISON
GEORGE W. ISELE

THE FOLLOWING RESERVE OFFICERS OF THE U.S. COAST GUARD RESERVE FOR PROMOTION TO THE GRADE OF COMMANDER:

FRANCIS C. BUCKLEY
STEPHEN W. ROCHON
VINCENT P. KILMARTIN

THE FOLLOWING CADETS OF THE U.S. COAST GUARD ACADEMY FOR APPOINTMENT TO THE GRADE OF ENSIGN:

MICHAEL J. ALLINGTON
ANGELA F. ANTHONY
WAYNE R. ARGUIN, JR.
JASON Q. ASHBURN
CHAD A. ASPLUND
DANIEL P. BARAVIK
AMY L. BARIBEAU
JERRY R. BARNES
DALE K. BATEMAN
VIRGINIA A. BAUER
EDWARD K. BEALE
MATTHEW T. BECK
ROBERT J. BEIGHAU
DAVID M. BICKEL, JR.
EDWARD L. BOCK, III
ERIC BOKINA
COREY BONHEIM
GEORGE L. BOONE, III
MICHAEL S. BUTSCH
JOSEPH R. BUZZELLA, JR.
CHRISTOPHER R. CIEPLIK
JANIE S. CLARK
MICHAEL A. CLYBURN
MICHAEL R. COCKLIN
JASON C. COLLINS
BRIAN P. CORRIGAN
SHANNON CROTHERS
JOHN P. DAILEY
RONALD T. DAVIES
BENJAMIN L. DAVIS
JOHN W. DAVIS
MARY JO DAVIS
DAVID L. DAWDY
GEOFFREY S. DEAS
KEVIN M. DEWALT
NICHOLAS DELAURA
PATRICK J. DESHON
WILLIAM DITTY
JOHN R. DUSCH
MICHAEL T. EFFLEY
SAMUEL K. EISENBEISER
LISA M. EWEN
TERESA L. FERGUSON
BRIAN E. FIEDLER
MARNI J. FLETCHER
CHRISTOPHER W. FORANDO
CHARLES E. FOSSE
GEOFFREY P. GAGNIER
JOHN L. GALLO
PETER D. GASSAN
THOMAS J. GASSER, III
EDWARD J. GAYNOR, JR.
GREGORY S. GESELE
THOMAS W. GESELE
MICHAEL R. GIBELEY
ERIC S. GLEASON
DAVID J. GODFREY
DANIEL J. GOETTLE
JAMES J. GORDON
KENNETH HALDORSEN
LAURA J. HARTLINE
BENJAMIN J. HAWKINS
ALAN J. HEDDINGS
KARL B. HELLBERG
JEFF D. HENNING
GABRIEL J. HERNAEZ
GREGORY F. HEROLD
SUSAN J. HORSEY
TODD S. HUGHES
KAREN A. HUSS
JOHN S. IMAHORI
WILLIAM S.W. IRWIN
CHAD L. JACOBY
DANIEL E. JOHNSON
MATT N. JONES
SAMUEL R. JORDAN
EDWARD L. JOYNER
COLLEEN M. KEER
BRENDAN D. KELLY
PETER S. KIM
THOMAS H. KING
ALEC S. KNIGHT
CURT M. KNUDSEN
AMY C. KOEPP
CHRISTINE KOWACK
TAMARA I. KRAMLICH
RICHARD T. KULAS
JEFFREY A. LEE
CURTIS J. LENIO
THOMAS L. LEVIN
KEVIN J. LOPES
JOHN S. LUCE
SEAN C. MACKENZIE
QUENTON A. MADDUX
JOSEPH MALINAUSKAS
CHRISTOPHER K. MARCY
PETER R. MARGATE
JEFFREY A. MARSICK
MICHAEL T. MCBRADY
LESLIE L. MCCOY
KATHERINE A. MCCREARY
MATTHEW R. MCGLYNN
MICHAEL E. MCGURKIN
MICHAEL T. MCKINNEY
MALCOM R. MCLELLAN, III
MATT T. MEILSTRUP
JAMES B. MILLICAN
LINDA J. MIOSI
TIMOTHY L. MONTAGUE
NATHAN A. MOORE
JAMES H. MORAN
MICHAEL A. MULLEN
ROBERTO J. MUNIZ
MARK M. MURAKAMI
JOHN M. MURPHY
MICHAEL B. MURPHY
LEE B. MYNATT
JASON D. NEUBAUER
CALVIN J. NEWBILL, JR.
WILLIAM T. NEWMAN
KEVIN D. ODITT
BRANDON D. OOTS
TIMOTHY J. OPSTROP
KARIN E. O'BRIEN
SEAN K. O'BRIEN
KRISTINA E. O'DELL
DAVID J. PALEZZETTI
MICHAEL L. PALINSKI
WILLIAM J. PARRY
JAMES A. PAZZARELLI
CARYN D. PETTIT
DAVID L. PETTY
MATHEW W. PHILIPP
JEROME A. POPIEL
JASON K. PRINCE
GREGORY M. PURDY
DAVID W. RAMASSINI
JERRY D. RAY, II
WILFORD R. REAMS
JOHN D. REEVES
RANDALL S. RICHARDSON
KEVIN W. RIDDLE
GREGORY S. ROBERTSON
KARL E. ROBINSON
CYNTHIA S. RODRIGUES
COREY B. RUNNELS
SEAN M. RYAN
DANIEL G. SAUTER
SEAN R. SCHENK
RONALD K. SCHUSTER
LARAE M. SEBASTIAN
DAWN S. SHERMAN
PATRICK T. SMITH
KEVIN J. SMYTH
HEATHERANN M. SOLANKA
JAMES P. SPOTTS
JOSEPH E. STAIER, III
GARRETT X. STARASINIC
JEFFREY D. STEWART
ROSS A. STROEBEL
MATTHEW B. STUCK
GUYTON P. SWINDELL
CLIFFORD D. TAYLOR
ROBERT F. TAYLOR, III
BRUCE T. TETREAULT
TRI L. THOMSON
TUAN L. THOMSON
MICHAEL T. TRIMPERT
JEFFREY D. TURNER
JOHN C. VANN
GERALD T. VERZOSA
ALDANTE VINCIGUERRA
HEATHER J. WADDINGTON
SCOTT K. WAGNER
ROBERT WALDMAN
ROBERT W. WARREN
SCOTT WASHBURN
SCOTT A. WEEMS
THOMAS L. WEISE, JR.
MICHAEL C. WESSEL
HEATHER D. WIGHT
BYRON D. WILLEFORD
MICHAEL G. WILLMON
ANDREW J. WILSON
KEVIN E. WIRTH
STEVEN P. WITTROCK
SUSAN M. WIXTED
MATTHEW L. YOUNG

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. THOMAS S. MOORMAN, [redacted] U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE TO THE GRADE INDICATED, UNDER THE PROVISIONS OF SECTIONS 593, 8218, 8373, AND 8374, TITLE 10, UNITED STATES CODE:

To be brigadier general

COL. DONALD E. MCAULIFFE, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.

IN THE ARMY

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. WILLIAM H. RENO, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. THOMAS P. CARNEY, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. ALFRED J. MALLETTE, [redacted] U.S. ARMY.

IN THE ARMY

THE U.S. ARMY NATIONAL GUARD OFFICERS NAMED HEREIN FOR APPOINTMENT IN THE RESERVE OF THE ARMY OF THE UNITED STATES IN THE GRADES INDICATED BELOW, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 593(A), 3371 AND 3384:

To be major general

BRIG. GEN. ALLEN E. CHANDLER, [redacted]
BRIG. GEN. DANIEL J. HERNANDEZ, [redacted]
BRIG. GEN. CHARLES H. PERENICK, [redacted]
BRIG. GEN. JAMES F. RUEGER, [redacted]
BRIG. GEN. NATHANIEL JAMES, [redacted]
BRIG. GEN. LARRY E. LEE, [redacted]

To be brigadier general

COL. BOBERT J. BRANDT, [redacted]
COL. JAMES D. DAVIS, [redacted]
COL. EDWARD H. GERHARDT, [redacted]
COL. TONY G. IDOL, [redacted]
COL. JOHN F. KANE, [redacted]
COL. ALLEN F. MCGILBRA, [redacted]
COL. FELIX E. OCASIO-BELEN, [redacted]
COL. BRUCE W. VANDER KOLK, [redacted]
COL. JAMES E. WALKER, [redacted]
COL. BERNARD M. WATSON, [redacted]
COL. JERRY R. WYATT, [redacted]
COL. EUGENE S. IMAI, [redacted]
COL. NOAH D. DANIEL, [redacted]
COL. ERNEST T. EDWARDS, [redacted]
COL. JERRY W. FIELDS, [redacted]
COL. EDWARD L. GOETT, [redacted]
COL. HAROLD M. GOLDSTEIN, [redacted]
COL. ROGER H. GREENWOOD, [redacted]
COL. GARY R. TRUEX, [redacted]
COL. RONALD P. WOODSON, [redacted]

IN THE MARINE CORPS

THE FOLLOWING NAMED BRIGADIER GENERALS OF THE U.S. MARINE CORPS FOR PROMOTION TO THE PERMANENT GRADE OF MAJOR GENERAL, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 624:

BRIG. GEN. JEFFERSON D. HOWELL, JR. [redacted]
BRIG. GEN. JAMES A. BRADHAM, JR. [redacted]
BRIG. GEN. MICHAEL J. BYRON, [redacted]
BRIG. GEN. CHARLES E. WILHELM, [redacted]
BRIG. GEN. CHARLES C. KRULAK, [redacted]
BRIG. GEN. ARTHUR C. BLADES, [redacted]
BRIG. GEN. PETER D. WILLIAMS, [redacted]

IN THE MARINE CORPS

THE FOLLOWING NAMED COLONELS OF THE U.S. MARINE CORPS FOR PROMOTION TO THE PERMANENT GRADE OF BRIGADIER GENERAL, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 624:

COL. LARRY T. GARRETT, [redacted]
COL. FRANK LIBUTTI, [redacted]
COL. TERRENCE R. DAKE, [redacted]
COL. LESLIE M. PALM, [redacted]
COL. JAMES L. JONES, JR. [redacted]
COL. JOHN E. RHODES, [redacted]
COL. MICHAEL J. WILLIAMS, [redacted]
COL. THOMAS L. WILKERSON, [redacted]
COL. PETER PACE, [redacted]
COL. RAY L. SMITH, [redacted]
COL. LAWRENCE H. LIVINGSTON, [redacted]

THE FOLLOWING NAMED COLONEL OF THE U.S. MARINE CORPS RESERVE FOR PROMOTION TO THE PERMANENT GRADE OF BRIGADIER GENERAL, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5912:

BOBBY G. HOLLINGSWORTH

IN THE NAVY

THE FOLLOWING NAMED CAPTAINS IN THE LINE OF THE U.S. NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL (LOWER HALF), PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW:

UNRESTRICTED LINE OFFICER

To be rear admiral (lower half)

CAPT. CHARLES STEVENSON ABBOT [redacted]
CAPT. MICHAEL LEE BOWMAN, [redacted]
CAPT. RICHARD ALAN BUCHANAN, [redacted]
CAPT. ERNEST EDWARD CHRISTENSEN, JR. [redacted]
CAPT. KEVIN FRANCIS DELANEY [redacted]
CAPT. FRANK MATTHEW DIRREN, JR. [redacted]
CAPT. ROBERT LEE ELLIS, JR. [redacted]
CAPT. MARSHA JOHNSON EVANS [redacted]
CAPT. HENRY COLLINS GIFFIN III [redacted]
CAPT. LEE FREDRIC GUNN [redacted]
CAPT. MICHAEL DONALD HASKINS [redacted]
CAPT. HENRY FRANCIS HERRERA [redacted]
CAPT. EDWARD KRISTIAN KRISTENSEN [redacted]
CAPT. FRANCIS WILLIAM LACROIX [redacted]
CAPT. THOMAS FLETCHER MARFIAK [redacted]
CAPT. RICHARD WILLARD MIES [redacted]
CAPT. ROBERT JOSEPH NATTER [redacted]
CAPT. ROBERT MICHAEL NUTWELL [redacted]
CAPT. MARC YVE EUGENIO PELAEZ [redacted]
CAPT. JAMES GREGORY PROUT III, [redacted]
CAPT. RAYMOND CHARLES SMITH, JR. [redacted]
CAPT. JAY WOODROW SPRAGUE, [redacted]
CAPT. JAMES REYNOLDS STARK [redacted]
CAPT. RICHARD DAVID WILLIAMS III, [redacted]
CAPT. JAY BRADFORD YAKELEY III, [redacted]

ENGINEERING DUTY OFFICER

To be rear admiral (lower half)

CAPT. LEWIS ALLEN FELTON [redacted]
CAPT. PAUL MATTHEW ROBINSON [redacted]

AEROSPACE ENGINEERING DUTY OFFICER

To be rear admiral (lower half)

CAPT. GLENN PATRICK PHILLIPS, [redacted]
CAPT. BARTON DALE STRONG [redacted]

SPECIAL DUTY OFFICER (PUBLIC AFFAIRS)

To be rear admiral (lower half)

CAPT. KENDELL MILFORD PEASE, JR. [redacted]

IN THE NAVY

THE FOLLOWING NAMED CAPTAINS IN THE STAFF CORPS OF THE U.S. NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL (LOWER HALF), PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW:

MEDICAL CORPS

To be rear admiral (lower half)

CAPT. DAVID SIDNEY FROST, [redacted]
CAPT. DENNIS IRWIN WRIGHT, [redacted]

SUPPLY CORPS

To be rear admiral (lower half)

CAPT. ERNEST ALEXANDER ELLIOT, [redacted]
CAPT. RALPH MELVIN MITCHELL, JR., [redacted]

CIVIL ENGINEER CORPS

To be rear admiral (lower half)

CAPT. THOMAS ALLAN DAMES, [redacted]
CAPT. ROBERT MICHAEL GALLEN, [redacted]

MEDICAL SERVICE CORPS

To be rear admiral (lower half)

CAPT. STEPHEN TODD FISHER, [redacted]

THE FOLLOWING NAMED CAPTAINS OF THE RESERVE OF THE U.S. NAVY FOR PERMANENT PROMOTION TO THE GRADE OF REAR ADMIRAL (LOWER HALF) IN THE LINE AND STAFF CORPS, AS INDICATED, PURSUANT TO THE PROVISION OF TITLE 10, UNITED STATES CODE, SECTION 5912:

UNRESTRICTED LINE OFFICER

To be rear admiral (lower half)

CAPT. KENNETH LEROY FISHER, [redacted] U.S. NAVAL RESERVE
CAPT. JOHN FRANCIS PADDOCK, JR., [redacted] U.S. NAVAL RESERVE
CAPT. TOM ALLEN TRAUTWEIN, [redacted] U.S. NAVAL RESERVE
CAPT. GEORGE DENNIS VAUGHAN, JR., [redacted] U.S. NAVAL RESERVE

UNRESTRICTED LINE (TAR) OFFICER

CAPT. FRANCIS WILLIAM HARNESS, [redacted] U.S. NAVAL RESERVE

ENGINEERING DUTY OFFICER

CAPT. ROGER GEORGE GILBERTSON, [redacted] U.S. NAVAL RESERVE

MEDICAL CORPS OFFICER

CAPT. EMMETT LEE TAYLOR, JR. [redacted] U.S. NAVAL RESERVE

DENTAL CORPS OFFICER

CAPT. JAMES CONLEY YEARGIN, [redacted] U.S. NAVAL RESERVE

JUDGE ADVOCATE GENERAL'S CORPS OFFICER

CAPT. FRED STEPHEN GLASS, [redacted] U.S. NAVAL RESERVE

SUPPLY CORPS OFFICER

CAPT. ROBERT CAMERON CRATES, [redacted] U.S. NAVAL RESERVE

CAPT. ROBERT COLE STACK, [redacted] U.S. NAVAL RESERVE

CIVIL ENGINEER CORPS OFFICER

CAPT. NOAH HALBROOK LONG, JR., [redacted] U.S. NAVAL RESERVE

IN THE AIR FORCE

THE FOLLOWING AIR NATIONAL GUARD OF THE U.S. OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 593 AND 8379, TITLE 10 OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 593 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE.

To be lieutenant colonel

LINE OF THE AIR FORCE

MAJ. JANET S. DREW [redacted], 23 SEP 91
MAJ. ROLLAN E. HARDY [redacted] 23 SEP 91
MAJ. WALTER L. JONES, II [redacted], 11 AUG 91
MAJ. THOMAS C. MCGINLEY [redacted], 27 AUG 91
MAJ. CHARLENE K. RIPKE [redacted] 18 SEP 91
MAJ. GARY SHICK [redacted], 10 AUG 91
MAJ. JERRY L. YOUNGBLOOD [redacted] 27 SEP 91

BIOMEDICAL SCIENCES CORPS

MAJ. JAMES R. HATHAWAY [redacted], 18 AUG 91

MEDICAL CORPS

MAJ. ROGER E. KAISER, JR. [redacted], 10 JUL 91
MAJ. THOMAS P. MOORE [redacted] 22 SEP 91
MAJ. JUAN M. ROSA-CARDONA [redacted], 10 AUG 91

NURSE CORPS

MAJ. LUCINDA A. SLAGLE, [redacted] 7 SEP 91
MAJ. ROBERT A. SNORTUM [redacted] 7 SEP 91

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE. THE OFFICERS IDENTIFIED WITH AN ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE.

JUDGE ADVOCATE GENERAL'S CORPS

To be colonel

JAMES M. NORTON [redacted]

ARMY

To be lieutenant colonel

DANIEL M. CAUGHEY, JR. [redacted]

To be major

RICHARD K. MAJOR, [redacted]
ROBERT D. STOVALL [redacted]

JUDGE ADVOCATE GENERAL'S CORPS

To be major

*JACQUELINE SCOTT [redacted]

MEDICAL SERVICE CORPS

To be major

*BYRON W. BRACEY, [redacted]
*JEFFERY A DELL'OMO [redacted]

VETERINARY CORPS

To be major

*ROBERT G. WEBB [redacted]

THE FOLLOWING NAMED OFFICER, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTION 1552, TITLE 10, UNITED STATES CODE. HE IS ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE.

MEDICAL SERVICE CORPS

To be major

LEWIS R. MACKEY [redacted]

IN THE ARMY

THE FOLLOWING NAMED OFFICERS ON THE ACTIVE DUTY LIST FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10 UNITED STATES CODE:

CHAPLAIN

To be colonel

BLACK, JERRY W. [redacted]
COOPER, JOHN H. [redacted]
DODD, PAUL W. [redacted]
LONERGAN, JAMES [redacted]
OCONNELL, DAVID [redacted]
PINGEL, GILBERT [redacted]
PLUMMER, ROY G. [redacted]
RICHTER, ROBERT [redacted]
SCHMID, WAYNE L. [redacted]
VICKERS, ROBERT [redacted]

IN THE ARMY

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE U.S. OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C. SECTIONS 593(A); AND 3385:

ARMY PROMOTION LIST

To be colonel

BROWN, JAMES E. [redacted]
FUSILIER, RONALD L. [redacted]
KLINE, JERRY L. [redacted]
NISHIMOTO, DELBERT M. [redacted]
TINKHAM, JOSEPH E. II [redacted]
WASSON, SHIRLEY D. [redacted]

ARMY NURSE CORPS

To be colonel

RUDDER, WILLIAM R. JR. [redacted]

CHAPLAIN CORPS

To be colonel

JOHNSON, DEAN E. [redacted]

MEDICAL CORPS

To be colonel

MCKEE, WILLIS P. JR. [redacted]

MEDICAL SERVICE CORPS

To be colonel

GIDLEY, JEFFREY L. [redacted]

ARMY PROMOTION LIST

To be lieutenant colonel

CAMPBELL, CHARLES A. [redacted]
CALHOUN, CARVIN, [redacted]
DAVIS, MILTON P. [redacted]
DECKER, RICHARD J. [redacted]
GREER, DAVID E. [redacted]
HISLOP, KENNETH D. [redacted]
ILLARMO, JOHN A. [redacted]
JACOBS, ROY L. [redacted]
JOHNSEN, MICHAEL C. [redacted]
KLAPPHOLZ, MICHAEL F. [redacted]
KLEINE, KENNETH C. [redacted]
MALONE, FELIX, JR. [redacted]
MANN, KENNETH R. [redacted]
MEILICKE, ARTHUR W. [redacted]
MILLER, STEVEN M. [redacted]
NISHIJIMA, WAYNE T. [redacted]
NUSZ, JEROME R. [redacted]
PIERCE, STEPHEN H. [redacted]
PORTER, LARRY A. [redacted]
ROBINSON, CHARLES W. [redacted]
RUSSELL, JOHN T. [redacted]
TOLER, EDWARD M. [redacted]
UJIIYE, RONALD M. [redacted]
VOICHOSKI, MARK A. [redacted]

CHAPLAIN CORPS

To be lieutenant colonel

GRANT, PAUL L. [redacted]
HARRELSON, LARRY E. [redacted]
PACINI, MARIO, [redacted]

DENTAL CORPS

To be lieutenant colonel

BURTON, STEPHEN M. [redacted]

JUDGE ADVOCATE GENERAL CORPS

To be lieutenant colonel

BEVIS, JAMES A. [redacted]
REISDORFF, STEVEN J. [redacted]
SINGLETON, CHARLES R. [redacted]

MEDICAL CORPS

To be lieutenant colonel

MARKUSFELD, JACK M. [redacted]
NEWELL, JOHN D. [redacted]
NORDYKE, BILLY R. [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

CHOATE, DONALD M., [redacted]
DEENER, ANNETTE M. [redacted]
WEST, ANNA R. [redacted]

IN THE ARMY

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE U.S. OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C. SECTIONS 593(A); AND 3385:

ARMY PROMOTION LIST

To be colonel

ATKINSON, THURMAN C. JR. [redacted]
BAKER, JOHN P. [redacted]
BRENCHLEY, RALPH R. [redacted]
GLICK, ROBERT C., [redacted]
LAMOTHE, NORMAN R., [redacted]
MCGINNIS, DAVID L., [redacted]
MOEN, ROSS, [redacted]

MEDICAL CORPS

To be colonel

BAUER, ULRICH, [redacted]

ARMY PROMOTION LIST

To be lieutenant colonel

AGER, EDWARD D. JR., [redacted]
BEAVER, PAUL M., [redacted]
BENSON, TERRY W., [redacted]
BITSCHE, EDWARD J. [redacted]
BRAMLITT, CARL W., [redacted]
CARLINI, FRANK R., [redacted]
CHILDERS, CLIFFORD L. [redacted]
CROSSE, ROY W. JR. [redacted]
CUTLER, GILES H. JR. [redacted]
DEENER, HERMAN M., [redacted]
GRUENBAUM, DAVID G., [redacted]
HARMON, JAMES H., [redacted]
HIGH, GREGORY E. [redacted]
HOOVER, RONALD E., [redacted]
HOWELL, ROBERT D., [redacted]
JOHNSON, CLYDE H., [redacted]
KANZLER, LARRY R., [redacted]
KILDUFF, RODNEY E. [redacted]
KLEIN, ROBERT L. [redacted]
LAUER, EARL E. [redacted]
LESCAK, ALLEN JR. [redacted]
LINDBERG, GARY N., [redacted]
LOBDELL, MICHAEL W., [redacted]
MATOS, ANGEL L., [redacted]
MEYERS, BERRI K. [redacted]
MORGAN, JAMES T. [redacted]
MYERS, FRANK W. [redacted]
NEDER, JOSEPH F. [redacted]
NOWINSKI, THOMAS A. [redacted]
OTTERBERG, RICHARD E. [redacted]
PETERS, MARK R. [redacted]
SAYLORS, DAVID L., [redacted]
SCHILLER, JAMES A. [redacted]
SHELDON, ROBERT C. JR. [redacted]
SHERIDAN, ANDREW M. JR. [redacted]
TAWES, ROBERT M., [redacted]
VASSILAKOS, LOUIS G. [redacted]
WEYRICK, LEROY III, [redacted]

MEDICAL CORPS

To be lieutenant colonel

PIPES, GEORGE A. [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

NUSS, PHILIP W. [redacted]

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTION 593(A) AND 3370:

CHAPLAIN CORPS

To be colonel

ADE, EMMETT M. [redacted]
BECKER, DONALD W., [redacted]
COLCLOUGH, FRANKLIN, [redacted]
DAY, MICHAEL H., [redacted]
ELSEY, THOMAS W., [redacted]
FROST, DONALD C., [redacted]
GAMBLIN, DOUGLAS T., [redacted]
GIBBONS, LAWRENCE, [redacted]
KENNEDY, DAVID B., [redacted]
LEONARD, STEPHEN W. [redacted]
MACK, ARTHUR R., [redacted]
MCCABE, EDWARD D., [redacted]
MCDANIEL, EDGAR A., [redacted]
MIZZELL, JOE B. [redacted]
MURRAY, ROBIN G., [redacted]
POE, JACK O. [redacted]
SANTIAGO, MANUEL A., [redacted]
STAEHLING, GERALD, [redacted]
WESTENSKOW, GORDON, [redacted]

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE:

JUDGE ADVOCATE GENERAL'S CORPS

To be colonel

ADAMS, WILLIAM V., [redacted]
ANDERSON, PAUL B., [redacted]
BOONSTOPPEL, ROBERT [redacted]
BROOKS, WALDO W., [redacted]
BURTON, JOHN T., [redacted]

BUSH, BRIAN X., [redacted]
DECORT, DONALD P., [redacted]
ESTEY, RUSSELL S. [redacted]
FROTHINGHAM, EDWARD, [redacted]
GALLIGAN, JOHN P., [redacted]
HAGAN, WILLIAM R., [redacted]
HEFFELFINGER, HARLA [redacted]
KELLER, THOMAS R., [redacted]
LEDERER, VALVIN M., [redacted]
NEUGRAUTER, JOSEPH A., [redacted]
SCHNEIDER, MICHAEL, [redacted]
SMITH, GREGORY E., [redacted]
WOODRUFF, WILLIAM A., [redacted]

IN THE ARMY

THE FOLLOWING NAMED OFFICERS ON THE ACTIVE DUTY LIST FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10 UNITED STATES CODE:

JUDGE ADVOCATE GENERAL'S CORPS

To be lieutenant colonel

ACKLEY, ROBERT L., [redacted]
BLACK, OWEN H., [redacted]
BLACK, SCOTT C., [redacted]
BUCHHOLZ, RONALD J., [redacted]
BURSELL, RICHARD A., [redacted]
BUTLER, ROBERT M., [redacted]
BUTTERS, ROGER A., [redacted]
CARROLL, RITA R., [redacted]
CARTER, KEVIN W., [redacted]
CASHIOLA, LOUIS C., [redacted]
CURRIE, JAMES S., [redacted]
DORSEY, HARRY L., [redacted]
DUBIA, DONALD H., [redacted]
FLETCHER, DOUGLAS K., [redacted]
HORTON, VICTOR L., [redacted]
KRUMP, JOHN A., [redacted]
LEWIS, CALVIN L., [redacted]
MCFETRIDGE, ROBERT, [redacted]
MCSHANE, THOMAS W., [redacted]
MEYER, JACK L., [redacted]
MEYER, KENT R., [redacted]
MILLER, JAMES M., [redacted]
MINOR, ROBERT L., [redacted]
PARRISH, PATRICK J., [redacted]
PERKOWSKI, DANIEL A., [redacted]
PHILLIPS, DENNIS L., [redacted]
PLOTKIN, JOHN L., [redacted]
QUINN, JAMES F., [redacted]
REINOLD, CRAIG L., [redacted]
RICE, JACKIE L., [redacted]
SAUNDERS, RAYMOND M., [redacted]
SAVOIE, PHILIP A., [redacted]
SCHMIDLI, JAMES D., [redacted]
STEWART, ANDREW D., [redacted]
STEWART, JOHN R., [redacted]
SWANN, ROBERT L., [redacted]
TAYLOR, GREGORY, [redacted]
VICK, LARRY D., [redacted]
VOWELL, DENISE K., [redacted]
WARNER, KARL K., [redacted]
WHITE, RONALD W., [redacted]
WILLIAMS, HARRY L., [redacted]
WITTMAN, CRAIG P., [redacted]

IN THE ARMY

THE FOLLOWING-NAMED INDIVIDUALS FOR APPOINTMENT IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 593(A), 594 AND 3353:

MEDICAL CORPS

To be lieutenant colonel

BRAUNOHLER, WALTER M., [redacted]
CONWAY, RICHARD E., [redacted]
DAVIS, NELSON P., II, [redacted]
FITCHETT, ROSE (NMI), [redacted]
HESS, DAVID M., [redacted]
POLEY, GERALD E., JR., [redacted]
POTTER, GEORGE P., [redacted]
RINEHART, HARRY H., [redacted]
SHEPPARD, FRANK J., [redacted]
WILSON, WILLIAM R., [redacted]
WRIGHT, JOHN C, [redacted]

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE. THE OFFICERS ARE ALSO BEING NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE.

MEDICAL CORPS

To be major

BRAD A. CASE, [redacted]
UNA D. MCCANN, [redacted]
DAVID C. TELLER, [redacted]
HAROLD D. YOUNG, [redacted]

IN THE NAVY

THE FOLLOWING-NAMED LIEUTENANTS IN THE LINE AND STAFF CORPS OF THE U.S. NAVY FOR PROMOTION TO THE PERMANENT GRADE OF LIEUTENANT COMMANDER, PURSUANT TO TITLE 10, UNITED STATES CODE SECTION 628, SUBJECT TO QUALIFICATIONS THEREFORE AS PROVIDED BY LAW:

LIMITED DUTY OFFICER (LINE)

To be lieutenant commander

SPIRES, EDWARD L.

MEDICAL CORPS

To be lieutenant commander

FRICK, ROBERT A.,
KUHLMAN JEFFREY C.,
TORBERT, CHARLES E.,
WOODS, DAVID A.

MEDICAL SERVICE CORPS

To be lieutenant commander

HILDERBRAND, LISA C.

IN THE NAVY

THE FOLLOWING NAMED U.S. NAVY OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE JUDGE ADVOCATE GENERAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

HANNINK, JOHN G.
HUNT, JEFFREY L.
JACKONIS,
MICHAEL J., JR. JENKINS,
JOHN S., JR.
O'BRIEN, WILLIAM F.
SMART, STEPHANIE M.

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE JUDGE ADVOCATE GENERAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

MILLER, ELIZABETH A.
MOBERG, BRETT A.

THE FOLLOWING NAMED DISTINGUISHED NAVAL GRADUATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

ATKINS, NIEGL S.
BERG, HENRY G.
BURKETTE, JERRY W.
CARPENTER, BRIAN A.
GEIS, SUSAN R.
HARTWIG, HANS
HELTON, DOUGLAS D.
HESTERMAN, GREGG J.
HOPKINS, ROBERT B.
JONES, STANLEY C.
MCNEILL, KENNETH R.
MITCHELL, GREGORY D.
MOORE, MARC H.
MOSTYN, JON T.
WHITTEN, SCOTT C.

HAROLD S. CAVANAH, FORMER U.S. NAVAL RESERVE OFFICER TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593.

MICHAEL J. KRENTZ, MEDICAL COLLEGE GRADUATE, TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593.

THE FOLLOWING NAMED U.S. NAVY OFFICERS TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593:

FAGAN, STEVEN J.
MEYERS, STEPHEN A.
WAMSLEY, BRIAN W.

ANTHONY H. CARPENTER, U.S. NAVY OFFICER, TO BE APPOINTED PERMANENT COMMANDER IN THE CHAPLAIN CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR PROMOTION TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE, UNDER THE PROVISIONS OF SECTION 307, TITLE 32, UNITED STATES CODE, AND SECTIONS 8363 AND 593, TITLE 10, UNITED STATES CODE.

LINE OF THE AIR FORCE

To be colonel

DOUGLAS K. ACHESON, [redacted]
MARK ALLEN, [redacted]
JOHN F. AMMERALL, [redacted]
WALTER A. ARTHUR, JR, [redacted]
GARRY S. BAHLING, [redacted]
MILTON B. BAXTER, [redacted]
ARCHIE J. BERBERIAN, II, [redacted]
JESSE L. BLAIR [redacted]
FREDERICK L. BONNEY, [redacted]
RICHARD R. BROWNING, III, [redacted]
JAMES BULISZAK, [redacted]
HOWARD M. BURDICK, [redacted]
CHARLES E. BURNHAM, [redacted]
JAMES R. BUXTON, [redacted]
JERRY M. DURDEN, [redacted]
GEORGE J. ELLEDGE, [redacted]
ALBERT J. GARDNER, [redacted]
NORMAN J. GOLDSTEIN, [redacted]
HAROLD A. HALVORSON, [redacted]
JOHN W. HAYNES, [redacted]
JOHN E. IFFLAND, [redacted]
PAUL S. KIMMEL, [redacted]
KENNETH G. KING, [redacted]
EDWARD P. KUNKEL, [redacted]
EDWARD P. LEVIN, [redacted]
KENNETH W. MAHON, [redacted]
STEVEN R. MCCAMY, [redacted]
WILLIAM C. MILLER, [redacted]
CLIFFORD N. MONTGOMERY, [redacted]
CALVIN L. MORELAND, [redacted]
GEORGE R. NIEMANN, [redacted]
FISK OUTWATER, [redacted]
JAMES C. OVERMIER, [redacted]
CHRISTOPHER PANTOS, [redacted]
GARY L. PEDERSEN, [redacted]
ANGELO PERFETTI, [redacted]
STEVEN L. PETTERSEN, [redacted]
RAYMOND P. PIGNITOR, [redacted]
CURTIS N. PINTLER, [redacted]
GEORGE S. RALSTON, [redacted]
TIMOTHY V. I. RATNER, [redacted]
LUTHER R. REED, [redacted]
EMMETT J. REESE, [redacted]
DONALD C. ROEMHILDT, [redacted]
MILES B. SCRIBNER, [redacted]
THOMAS M. SELLERS, [redacted]
FREDERICK D. SMITH, [redacted]
ROY G. STUCKEY, [redacted]
ROBERT W. SULLIVAN, [redacted]
RICHARD B. THOBE, [redacted]
JOHN M. THOMAS, [redacted]
STEVEN WESTGATE, [redacted]
ROWLAND R. WILSON, [redacted]

JUDGE ADVOCATE

To be colonel

HAYWOOD R. STARLING, JR., [redacted]

MEDICAL CORPS

To be colonel

RUSSELL G. DOYLE, [redacted]
ROBERT L. JANCO, [redacted]
DANILO V. LUCILA, [redacted]
RICHARD O. REINHART, [redacted]
MARK A. WENTWORTH, [redacted]

NURSE CORPS

To be colonel

MARIE D. FISHER, [redacted]

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR PROMOTION IN THE AIR FORCE RESERVE, UNDER THE PROVISIONS OF SECTIONS 593, 8362 AND 8371, TITLE 10, UNITED STATES CODE.

LINE OF THE AIR FORCE

To be colonel

ROBERT O. AMAON, [redacted]
JOHN W. ANDERSON, [redacted]
RALPH A. ANTHENIEN, [redacted]
DONALD G. ATKINSON, [redacted]
LARRY N. BAKER, [redacted]
JOHN F. BANKS, [redacted]
MARVIN J. BARRY, [redacted]
GLORIA K. BEARD, [redacted]
LAWRENCE F. BENJAMIN [redacted]
BARRY J. BODILY, [redacted]
THOMAS R. BROWN, [redacted]
DENNIS V. BUNCH, [redacted]
LEWIS C. BURWELL, III, [redacted]
EVERT K. BYINGTON, [redacted]
WILHELMINA D. CAMP, [redacted]
ORAL W. CARPER, [redacted]
HAROLD F. CASEY, JR, [redacted]
WILLIAM H. CHESTER, [redacted]
ROBERT R. CLEMONS, [redacted]
THOMAS G. CLINE, [redacted]
ALAN B. CLUNE, [redacted]
HOWELL D. COBB, III, [redacted]
ROBERT M. COCKEY, [redacted]
JAMES C. COLE, [redacted]
THOMAS O. COLEMAN, JR, [redacted]
DAVID H. COMSTOCK, [redacted]
JOHN K. CORNEY, [redacted]
DAVID B. COVEY, [redacted]
GREGG L. CUNNINGHAM, [redacted]
PAUL A. CURS, [redacted]
KEITH E. DAMMANN, [redacted]
GARY E. DAVIS, [redacted]
JOHNNY S. DAVIS, [redacted]
PAUL R. DAVIS, [redacted]
JAMES M. DEAVER, [redacted]
CRAWFORD A. DEEMS, II, [redacted]
FREDERIC M. DENNY, [redacted]
ROGER G. DISRUD, [redacted]
KARL H. DOLL, [redacted]
SAMUEL W. DRESSLER, [redacted]
DAVID E. DUNGAN, [redacted]
SALLY ANN EAVES, [redacted]
RONALD E. EDINGER, [redacted]
JAMES B. EUSTIS, [redacted]
RICHARD F. FERGUSON, [redacted]
JOHN J. FITZPATRICK, JR [redacted]
GENE H. FONG, [redacted]
WAYNE C. FOSTER, [redacted]
PAUL S. FRANK, JR [redacted]
ROBERT C. GARRETT, [redacted]
JOSEPH T. GATES, [redacted]
WILLIAM F. GORDON, [redacted]
GORDON E. HADLOW, [redacted]
HARRY A. HAFLER, [redacted]
STEPHEN J. HALE, [redacted]
RICHARD L. HALL, [redacted]
DANNY W. HAMILTON, [redacted]
CHARLES K. HAMMOND, JR., [redacted]
LYNN M. HARRIS, [redacted]
GORDON L. HART, JR., [redacted]
WILLARD S. HARTMAN, [redacted]
EUGENE HAVERLAK, [redacted]
JOSEPH E. HEARN, III, [redacted]
CHARLES D. HELTON, [redacted]

CHARLES F. HEWINS, JR [redacted]
MARK R. HOLLOBAUGH, [redacted]
ARTHUR H. HOWARD, [redacted]
JOHN C. HUNTER, [redacted]
JACK C. IHLE [redacted]
PAUL R. ISAACS, [redacted]
JAN M. JOBANEK [redacted]
JAMES M. JOHNSON [redacted]
RUSSELL C. JONES [redacted]
RICHARD S. KAWANA, [redacted]
CHARLES V. KENDRICK, [redacted]
GERALD J. KETTLER [redacted]
ANTHONY F. KIJEK [redacted]
GREGORY F. KLINE [redacted]
WILLIAM M. KNIGHTON, [redacted]
RICHARD R. KOEPP [redacted]
FRED D. KOHLER, [redacted]
DUANE A. LANDA, [redacted]
KENNETH E. LANIER [redacted]
PAUL M. LAVIN, [redacted]
MICHAEL W. LEHR, [redacted]
HENRY J. LIEBECK [redacted]
STEVEN E. LOWE, [redacted]
JOHN L. MACK, JR [redacted]
JAMES K. MAGUIRE [redacted]
GEORGE R. MALICK, [redacted]
ROBERT M. MARSHALL, [redacted]
MARVIN L. MARTIN, [redacted]
WILLIAM E. MARTIN [redacted]
SCOTT V. MATTHEWS, [redacted]
RONALD L. MAUNDER, [redacted]
MARTIN M. MAZICK [redacted]
ARTHUR C. MCCALL, JR, [redacted]
CHERYLL S. MCLEAN [redacted]
EDWARD J. MECHENBIER, [redacted]
JOHN R. MERCER, [redacted]
JAMES I. METCALF [redacted]
BRUCE L. MILLER, [redacted]
JOHN E. MILLER [redacted]
KAREN L. MILLER [redacted]
ROY P. MILLER [redacted]
TED D. MILLER [redacted]
CHARLES M. MINERMAN, [redacted]
EILEEN F. MISEK [redacted]
ALAN M. MITCHELL, [redacted]
THOMAS L. MOCKEL, [redacted]
BARRY F. MONAHAN, [redacted]
JOHN P. MOORE, [redacted]
JOHN W. MORGAN, [redacted]
KENNETH L. MORRISON, [redacted]
WARREN A. MULLER, [redacted]
RUSSELL K. N. MUN [redacted]
THOMAS J. MUNDT [redacted]
RICHARD A. MURNOCK, [redacted]
GARY L. NEWHOUSE, [redacted]
ESAU NICHOLS, [redacted]
DERMOD F. NORTON, [redacted]
JOHN M. NUMOTO, [redacted]
ROBERT A. NUTTELMAN [redacted]
WILLIAM G. NUTTING, [redacted]
IAN A. OCONNOR, [redacted]
ROBERT A. OSULLIVAN, [redacted]
RALPH F. PALASEK [redacted]
ALFRED T. VI PARMELE, [redacted]
ROBERT M. PENN [redacted]
DONALD R. PERRIN [redacted]
GARY L. PIKE [redacted]
WILLIAM T. PONDER, JR [redacted]
JOSE M. PORTELA [redacted]
NELSON D. POWELL, JR, [redacted]
RICHARD H. PRITCHARD, [redacted]
KERMIT E. QUICK, JR, [redacted]
PAUL A. RAY [redacted]
RONALD I. REAGAN, [redacted]
SAMUEL R. REAM [redacted]
FRED P. REINERO, JR [redacted]
PAUL R. REINOWSKI [redacted]
RONALD J. REYNOLDS, [redacted]
DAVID T. RICHARDS, [redacted]
JOHN V. ROBERTSON [redacted]
PAUL W. ROTH, JR [redacted]
JOHN K. ROWLAND, [redacted]
DAVID A. RUBINSTEIN, [redacted]
GERALD B. SABO, [redacted]
MELVIN J. SALLY, II [redacted]
WILLIAM C. SCHILLIG, [redacted]
ALLEN J. SCHNEIDER [redacted]
RUDOLPH J. SCHWEIZER, [redacted]
MICHAEL M. SELF [redacted]
DONALD F. SHEPARD [redacted]
THEODORE D. SIEPMANN, [redacted]
RICHARD L. SIPP [redacted]
WILLIAM J. SMITH [redacted]
RICHARD E. SOULAM, [redacted]
THOMAS W. SPENCER, [redacted]
GLENWARD L. SPIVEY [redacted]
DAVID G. STANDISH, [redacted]
CLAUDE J. STAYLOR, III [redacted]
PHILIP P. STEPTOE [redacted]
MILES H. STRALY [redacted]
ROBERT L. SWANSON, JR [redacted]
WILLIAM R. TEFTELLER [redacted]
JAMES A. TEILBORG [redacted]
DELBERT R. TERRILL, JR [redacted]
WILLIAM E. THOMLINSON [redacted]
GERALD V. THOMPSON, [redacted]
JOHN S. THORNBURG [redacted]
DAVID J. TOWERS, [redacted]
ALBERT L. TWELTRIDGE, III [redacted]
MICHAEL L. TYLER, [redacted]
VERNON V. VANDIVER, JR, [redacted]
THOMAS W. VINSON, [redacted]
LAWRENCE M. WAGER, [redacted]
GARY A. WAGONER, [redacted]
FRANK W. WAID, [redacted]
DAVID B. WALKER, [redacted]
SAMUEL L. WARD, [redacted]
HAROLD V. WEED, JR [redacted]
WILLIAM H. WEISS, [redacted]
ROBERT D. WELSH, [redacted]
KAREN J. WETZEL, [redacted]
EDWARD C. WHALEN, JR, [redacted]
JOHN L. WHALEN, [redacted]
KENNETH C. WICHMAN, [redacted]
RICHARD M. WILLIAMS, [redacted]
WADE H. WILLIFORD, [redacted]
ALEX V. WOLFE, [redacted]
DAVID E. WRIGHT, [redacted]
ROBERT A. YOUNG, [redacted]

CHAPLAIN CORPS

To be colonel

JAMES T. OLDHAM [redacted]
JOHN R. POSTON, [redacted]
LOWRIE J. WELTON, [redacted]

DENTAL CORPS

To be colonel

RONALD V. DORST, [redacted]
JOHN T. DOYLE, [redacted]
JOSEPH H. EMMERT, JR [redacted]
ROBERT M. LAMB, [redacted]
JOHN F. OKEEFE [redacted]

JUDGE ADVOCATE CORPS

To be Colonel

ROBERT E. DIAZ, [redacted]
MICHAEL B. JENNISON, [redacted]
WILLIAM A. E. LANDSBERG, [redacted]
KENETH B. MARVEL, [redacted]
MARTIN F. MCALWEE, [redacted]
CURTIS W. MCBRIDE, [redacted]
DENNIS G. MILLE [redacted]
ROBERT W. PETERS [redacted]
HERBERT R. SCHULZE [redacted]
MORRIS E. SHELKOFSKY, JR [redacted]
KEVAN F. SMITH [redacted]
MICHAEL SOFOCLEOUS, [redacted]
GERALD A. STIMMEL, [redacted]
JAMES R. WALTI [redacted]
ROGER E. WILLMETH, [redacted]

MEDICAL CORPS

To be colonel

IRVIN S. BENOWITZ, [redacted]
CARL R. BOYD, [redacted]
CARL W. CARLSON, [redacted]
ROBERT L. COOPER, JR, [redacted]
DONALD W. DATLOW, [redacted]
THEODORE L. DERN, [redacted]
ROBERT W. FELDTMAN, [redacted]
RONALD A. GRIFFIN, [redacted]
LINDA M. HEDLUND, [redacted]
RICHARD F. MCCONNELL, JR, [redacted]
JOHN G. NORRIS, JR [redacted]
JAMES C. PAPPAS [redacted]
JOHN M. RAUENHORST, [redacted]
ROBERT L. SAVORY, [redacted]
DAVID SOPA, [redacted]
ISADORE S. TARANTINO, [redacted]
BRIAN R. YOUNGE, [redacted]

NURSE CORPS

To be colonel

CAROL A. BOMAR, [redacted]
CHARLENE A. CARPENTER, [redacted]
JUDY C. CARROLL, [redacted]
KAY L. CARTER [redacted]
NICA V. CASON, [redacted]
JEANETTE E. COOK, [redacted]
MARILYN A. CREHAN, [redacted]
JULIA E. ESZLINGER [redacted]
ARTHUR D. JOHNSON, [redacted]
LOIS E. KILLOUGH, [redacted]
RUNE B. LILLQUIST [redacted]
SHARON K. S. MAILEY, [redacted]
LINDA L. MCDONALD, [redacted]
BONNIE J. MCLAREN, [redacted]
LOIS A. MOCK, [redacted]
BETTY L. PAPS [redacted]
GLEN C. RAMSBORG, [redacted]
JOAN D. SCHAEFER [redacted]

MEDICAL SERVICE CORPS

To be colonel

REES M. DONNESON, [redacted]
NOELANI N. HAAS, [redacted]
HOWARD F. HOLMES, [redacted]
LAMBERT W. RAKOWITZ, [redacted]
NORMAN S. RAY, [redacted]

BIOMEDICAL SCIENCES CORPS

To be colonel

TERENCE C. BLACK, [redacted]
JAMES W. COBB, JR [redacted]
JACQUELYN D. REID, [redacted]
ALLAN J. REITER [redacted]
THOMAS G. RUNDLE, [redacted]

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A) AND 3383:

ARMY PROMOTION LIST

To be colonel

THOMAS C. ADA, [redacted]
ROBERT C. BARKLEY, [redacted]
GUY D. COLADO, [redacted]
CLIFFORD DUNGEY, [redacted]
CARL J. FIORE [redacted]
FREDERICK HAERTER, [redacted]
HAROLD S. HASHIZUME, [redacted]
RICHARD S. HESS, [redacted]
WILLIAM S. JENKS, [redacted]
ROBERT S. KANESHIRO, [redacted]
STEPHEN J. KOVACS, [redacted]
RICHARD E. MATLAK, [redacted]
MARK M. MATTHEWS, [redacted]
JOHN E. MCKEMIE, [redacted]
RICHARD A. MCMAHON, [redacted]
MICHAEL H. PHILLIPS, [redacted]
STEPHEN D. TOM, [redacted]
GUY T. WATANABE, [redacted]
SHERMAN E. WATSON, [redacted]
THOMAS A. WESSELS, [redacted]

CHAPLAIN CORPS

To be colonel

PAUL E. STANEK, JR [redacted]

MEDICAL CORPS

To be colonel

JOHN S. KASPER, [redacted]

ARMY PROMOTION LIST

To be lieutenant colonel

NORMAN H. ANDERSSON, [redacted]
RODGER E. BENROTH, [redacted]
THOMAS W. BROWN, [redacted]
WILLIAM K. BURNS, [redacted]
GORDON D. BUSH, [redacted]
JOSEPH DANIEL [redacted]
RALPH E. DOMAS, [redacted]
JIMMY E. DOUGLAS, [redacted]
JOHN T. DOWNS, [redacted]
CHESTER W. DUGGER, [redacted]
JAY C. DUQUETTE, [redacted]
HARRY M. EDWARDS, [redacted]
JAMIE K. FLOWERS, [redacted]
BOBBIE J. FORREST [redacted]
JAMES G. JENKE, [redacted]
JAMES C. JONES, [redacted]
WILLIAM V. KANE, [redacted]
JAMES W. KESLER, [redacted]
LARRY A. KIVIOJA, [redacted]
WALTER L. LEWIS, JR [redacted]
TIMOTHY V. MAHAR, [redacted]
ROBIN D. MCCALL, [redacted]
JAMES D. MCNAMARA, [redacted]
RICHARD MCREYNOLDS, [redacted]
GARY L. MORRISON, [redacted]
ALAN T. NAKAI, [redacted]
RICHARD J. NESKE [redacted]
JAMES M. O'KIEF [redacted]
RAY L. ROBINSON, [redacted]
HENRY A. RUEDEN, [redacted]
MICH SANTARCANGELO, [redacted]
REX C. SCHOTT, [redacted]
STEVEN R. SHANKS, [redacted]
JERRY J. SHOEMAKER [redacted]
THOMAS S. SPERBER, [redacted]
RONALD STEENSLAND, [redacted]
WILLIAM G. STOREY, [redacted]
JOSEPH TRIMBERGER [redacted]
STEPHEN G. WHITLEY, [redacted]

CHAPLAIN CORPS

To be lieutenant colonel

TRACY D. FLOYD, JR [redacted]
GARY N. JOHNSTON, [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

WALTER S. BANE, [redacted]
WILLIAM P. CAHILL, [redacted]

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A) AND 3370:

ARMY PROMOTION LIST

To be colonel

ROGER E. BURDEN, [redacted]
GEORGE H. CAMPBELL, [redacted]

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A) AND 3366:

ARMY PROMOTION LIST

To be lieutenant colonel

LESLIE L. DAVENPORT [redacted]
EDWARD W. FLEUREN, [redacted]
JOHN H. FOARD, JR. [redacted]
ALFREDO R. REYNOSO, [redacted]

THE FOLLOWING-NAMED INDIVIDUALS FOR APPOINTMENT IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTION 593(A), 594(A) AND 3359:

DENTAL CORPS

To be lieutenant colonel

THOMAS K. CHUBB, [redacted]
MIGUEL E. PALOU [redacted]
JAMES M. PUTNAM [redacted]

ARMY MEDICAL SPECIALIST CORPS

To be lieutenant colonel

MOLLY S. MAGUIRE, [redacted]

IN THE ARMY

THE FOLLOWING–NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTION 3366:

ARMY PROMOTION LIST

To be lieutenant colonel

HECTOR L. ACEVEDO, [redacted]
MICHAEL J. ACKERMAN, [redacted]
PEDRO J. ACOSTA [redacted]
STEPHEN A. ADAM, [redacted]
JAMES L. ADAMS [redacted]
JAMES R. ADAMS [redacted]
MICHAEL K. ADAMS, [redacted]
CLARENCE H. ADKISON, [redacted]
WALTER A. AHRENS, [redacted]
OAKLEY M. AKERS, [redacted]
DAVID W. ALLEN, [redacted]
KENNETH J. ALLEN [redacted]
JOHNNY M. ALLEY, [redacted]
JOHN B. ALLYN, [redacted]
THOMAS H. ALPHIN, [redacted]
DALE L. ALTER [redacted]
ANGEL H. ALVAREZ, [redacted]
JOHN R. AMBROSINI, [redacted]
JANET S. AMOR [redacted]
AARON E. ANDERSON [redacted]
CHRISTIAN ANDERSON, [redacted]
JAMES ANDERSON, [redacted]
MARK C. ANDERSON, [redacted]
KENYON L. ANDREASEN, [redacted]
EDUARDO V. ANDREYEV, [redacted]
DANIEL L. ANGELL, [redacted]
ROBERT K. ANTOZZI, [redacted]
JOHN E. ANWYL, [redacted]
JOHN J. ANZIDEI [redacted]
JOHN P. APEL [redacted]
RENE AQUERON, [redacted]
MERRILL W. ARBUCKLE, [redacted]
JAMES E. ARCHER, [redacted]
CLARA J. ARDOIN, [redacted]
TIMOTHY H. ARENDT, [redacted]
HAROLD L. ARISON, [redacted]
JAMES F. ARMSTRONG [redacted]
JIMMY D. ARMSTRONG, [redacted]
JEFFERY L. ARNOLD [redacted]
CHESTER A. ARTER, [redacted]
MICHAEL K. ASHAR, [redacted]
ROBERT L. ASHWORTH, [redacted]
LOUIS C. ASKEW, [redacted]
LUIS A. AVELLANET, [redacted]
SAMUEL W. AXTELL, [redacted]
GERALD D. BACH, [redacted]
DANNY G. BAILEY, [redacted]
DAVID P. BAILEY, [redacted]
FRANK M. BAJEK, [redacted]
RONALD F. BAKER, [redacted]
THOMAS E. BAKER, [redacted]
MICHAEL J. BAMBER, [redacted]
WILLIAM K. BAMLER, [redacted]
WAYNE A. BANISTER, [redacted]
BILLIE K. BANKS [redacted]
DENNIS E. BANOWETZ, [redacted]
SHEENA A. BARFIELD, [redacted]
ALBERT H. BARKEY, [redacted]
ALLEN A. BARNA, [redacted]
PETER BARNA, [redacted]
JOHN W. BARNES, [redacted]
BRUCE M. BARRY, [redacted]
JOHN D. BARRY, [redacted]
THOMAS H. BARRY, [redacted]
WILLIAM B. BASKIN, [redacted]
JOSE E. BASORA, [redacted]
GARY D. BASS, [redacted]
DAVID M. BASSETT, [redacted]
ROBERT E. BATOR, [redacted]
DAVID G. BATTAGLIA, [redacted]
GARY D. BATTLES, [redacted]
JINI L. BAUSCH [redacted]
STANLEY R. BAYLEY, [redacted]
JOHN F. BAYNES, [redacted]
EVERETT T. BEADLE [redacted]
ROBERT L. BEAMER, [redacted]
ANTHONY BEARDSLEY, [redacted]
PATRICIA L. BECK, [redacted]
THOMAS D. BECKMAN, [redacted]
THOMAS N. BEDIENT, [redacted]
GEORGE M. BEDINGER [redacted]
KEITH G. BEEBE, [redacted]
JOHN J. BELKEWITCH, [redacted]
WESLEY A. BELL, [redacted]
PAUL D. BELZ, [redacted]
JAMES H. BENDER, [redacted]
ROBERT J. BENNETT, [redacted]
JAMES M. BENNINGTON, [redacted]
BENJAMIN L. BENOIT, [redacted]
JAMES R. BERRY [redacted]
ROLAND M. BERRY, [redacted]
ROBERT D. BETZ, [redacted]
DONALD R. BETZOLD, [redacted]
JAMES W. BIAS, [redacted]
TERRY D. BIRCHFIELD, [redacted]
ELSA J. BIRCHWOOD, [redacted]
MITCHELL T. BISANAR, [redacted]
CARLTON E. BISHOP, [redacted]
EDWARD J. BITSCHE, [redacted]
OTIS W. BLACKWOOD, [redacted]
ROBERT J. BLUM, [redacted]
RICHARD M. BLUNT, [redacted]
LARRY D. BOGGS, [redacted]
THOMAS A. BOLAND, [redacted]
JEFFREY M. BOLTON, [redacted]
LOUIS J. BONAIUTO, [redacted]
FRANK T. BONELLI, [redacted]
THOMAS H. BONORDEN, [redacted]
THOMAS E. BOOTH, [redacted]
JOHN M. BOREK, [redacted]
RICHARD B. BORER, [redacted]
LOUIS G. BORNMAN, [redacted]
JOSEPH S. BOWEN, [redacted]
HENRY R. BOWER, [redacted]
CHARLES A. BOWLER, [redacted]
GLADWYN G. BOWLIN, [redacted]
CLARENCE P. BOYD, [redacted]
LLOYD L. BOYER, [redacted]
RICHARD C. BOYNTON [redacted]
GARRY W. BRADFORD, [redacted]
JACQUELYN A. BRADY, [redacted]
JAMES C. BRADY, JR. [redacted]
CARL W. BRAMLITT, [redacted]
EDWIN J. BRAND, [redacted]
THOMAS A. BRANDTNER, [redacted]
JOHN R. BRAULT, [redacted]
JAMES H. BRAY, [redacted]
GLENN C. BREITLING, [redacted]
JUDITH E. BRENDEL [redacted]
SAMUEL L. BRENTNALL, [redacted]
DUANE M. BRENTZEL, [redacted]
MICHAEL D. BREWER, [redacted]
TERRY B. BREWER, [redacted]
DANIEL F. BRIDGERS, [redacted]
JAMES K. BRINKLEY, [redacted]
WILLARD BROADWATER, [redacted]
JAMES E. BROOS, [redacted]
EDWARD H. BROTHERS, [redacted]
JOHN E. BROUGHTON, [redacted]
DAVID B. BROWN, [redacted]
DAVID C. BROWN, [redacted]
JESSE B. BROWN, [redacted]
LLOYD T. BROWN, [redacted]
REX A. BROWN, [redacted]
RICHARD E. BROWN, [redacted]
ROBERT J. BROWN, [redacted]
VAUGHN H. BROWN, [redacted]
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CHRISTOPHER BROWNE, [redacted]
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LESLIE E. BRYAN, [redacted]
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PHILIP DIDOMENICO, [redacted]

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HERBERT S. ENTER [redacted]
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SUSAN K. EURE, [redacted]
JOSE G. EVANS [redacted]
RONALD E. EVERHART [redacted]
JAMES R. EXNICIOS [redacted]
TITUS H. EXUM, [redacted]
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REED B. FANNING [redacted]
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THOMAS FITZSIMMONS [redacted]
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LI FLEETWOODKINCER [redacted]
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JOHN L. LAW, JR [redacted]
CLYDE M. LEAVELLE [redacted]
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MAX J. NEPPEL [redacted]
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REED C. OLSON, [redacted]
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MAUREEN PRYOR, [redacted]
DUANE M. PUFPAFF [redacted]
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JOHN REDELSPERGER [redacted]
JAMES F. REECE [redacted]
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JOSEPH P. REGAN [redacted]
JOHN R. REID, [redacted]
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KEN J. VAHLE, [redacted]
DENN VANDENBLOOMEN, [redacted]
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LOUIS G. VASSILAKOS, [redacted]
CHARLOTTE E. VAUGHN, [redacted]
EZEQUIEL VAZQUEZ, [redacted]
WILLIAM A. VEITCH, [redacted]
BRUNO R. VELASQUEZ, [redacted]
ERIC B. VERMILLION, [redacted]
HANS A. VERSDAHL, [redacted]
LARRY G. VEZINA, [redacted]
SHELDEN M. VIE, [redacted]
BERT F. VIETA [redacted]
BARBARA G. VISE, [redacted]
CHARLES G. VOELKER, [redacted]
DOUGLAS J. VOGEL, [redacted]
ROGER C. VOGEL, [redacted]
PIERRE A. VOISARD [redacted]
THOMAS E. VOLKMANN, [redacted]
CHARLES K. WAGENER, [redacted]
MICHAEL S. WAITE, [redacted]
G. S. WAKEFIELD [redacted]
MARTIN H. WALKER, [redacted]
MATILDA L. WALKER, [redacted]
NORMAN G. WALKER, [redacted]
WESLEY F. WALKER, [redacted]
RICHARD A. WALTER, [redacted]
ELYSE G. WANDER, [redacted]
LOUIS P. WARCHOT, II, [redacted]
GARY C. WARD, [redacted]
RICHARD E. WARD, [redacted]
ROGER L. WARD, [redacted]
HOWARD L. WARDELL, [redacted]
JANET N. WATFORD, [redacted]
GEORGE R. WATKINS, [redacted]
GERALD L. WATNE, [redacted]
DAVID M. WATSON, [redacted]
JIMMY L. WATSON, [redacted]
RICHARD K. WATTS, [redacted]
STEPHEN C. WAXMAN, [redacted]
CHARLE WEATHERFORD [redacted]
RANDAL WEATHERHEAD, [redacted]
LONNIE J. WEAVER, [redacted]
DANIEL A. WEBB, [redacted]

EDWARD S. WEEKS, JR [redacted]
JIM P. WEEMS [redacted]
EDWARD N. WEIGHTON, [redacted]
FRANCIS E. WEISS [redacted]
JAMES L. WELCH [redacted]
JAMES P. WELCH [redacted]
LOWELL E. WENGER [redacted]
JIMMY H. WEST [redacted]
RICHARD D. WEST, [redacted]
RODGER E. WEST [redacted]
MARK A. WESTROM, [redacted]
STEPHEN A. WHATLEY [redacted]
COURTNEY B. WHEELER [redacted]
DAVID W. WHITE, [redacted]
DENNIS A. WHITE [redacted]
HENRY L. WHITE, [redacted]
FLOYD R. WHITHAM, [redacted]
BRYANT A. WHITMIRE [redacted]
EDWIN B. WHITMORE, [redacted]
WILLIA WHITTINGTON, [redacted]
JOSEPH W. WIDDEN [redacted]
CHARLES WIDDICOMBE [redacted]
JOHN M. WILLARD, [redacted]
DENNIS M. WILLIAMS [redacted]
LOSSIE J. WILLIAMS [redacted]
MICHAEL J. WILLIAMS [redacted]
NATHANIEL WILLIAMS [redacted]
NORMAN K. WILLIAMS, [redacted]
RICARDO J. WILLIAMS [redacted]
RODGER A. WILLIAMS [redacted]
RICHARD WILLIAMSON [redacted]
CHARLES B. WILSON [redacted]
JOHN R. WIRTH, [redacted]
MARY K. WISEMAN, [redacted]
WILLIAM L. WITHAM, [redacted]
VINCENT J. WLOCH, [redacted]
HENRY L. WOHLE, [redacted]
JOHN H. WOHNER, [redacted]
WILLIAM J. WOLSKE [redacted]
JEFFREY L. WONDER [redacted]
DENNIS WOOD, [redacted]
RANDALL M. WOOD, [redacted]
WILLIAM K. WOODS, [redacted]
WILLIAM H. WOODWARD, [redacted]
JUNE WOOLVERTON, [redacted]
JOSEPH E. WORLEY [redacted]
FRANK H. WRIGHT, [redacted]
FRANK W. WRIGHT, [redacted]
RONALD W. WRIGHT, [redacted]
WALTER E. WRIGHT [redacted]
RICHARD M. WYKA, [redacted]
ANTHONY J. YATES [redacted]
KERRY K. YEN, [redacted]
DONALD L. YOUNG, [redacted]
LAWRENCE W. YOUNG, I [redacted]
RAY N. YOUNG, [redacted]
GORDON J. YUSKA, [redacted]
RAYMOND A. ZAGGER, [redacted]
MARK E. ZANIN, [redacted]
MICHAEL A. ZAVOSKY [redacted]
MYRON J. ZAYDEL, [redacted]
JOHN D. ZECHMAN, [redacted]
LEWIS F. ZERFOSS [redacted]

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

MEDICAL SERVICE CORPS

To be major

WILLIAM R. *. ADDISON [redacted]
JAMES R. ALARCON [redacted]
WANDA ALLENHUBERT [redacted]
DAVID W. *. ANDERSEN, [redacted]
BRIAN E. *. ANSELMAN [redacted]
JORGE L. *. APONTE [redacted]
SHARON A. BARNES, [redacted]
REGINA R. BASS, [redacted]
TIMOTHY E. BATEMAN [redacted]
STEPHEN *. BEARDSLEY [redacted]
CHARLES H. BENNETT [redacted]
STEVEN M. BERKOWITZ [redacted]
EDWARD B. *. BERNARD, [redacted]
JILL M. *. BERRY [redacted]
JAMES M. *. BOBBITT [redacted]
MANUEL R. *. BORRELL [redacted]
RICHARD H. BORSCHEL, [redacted]
MARK R. BRUINS, [redacted]
GARY H. *. BUCK, [redacted]
ROBERT L. *. BULLARD [redacted]
EDITH M. *. CHAMBERLIN [redacted]
MARK A. CHIN, [redacted]
ERIC D. CIPRIANO, [redacted]
WAYNE W. CLARK, [redacted]
JOANNE L. DAUGIRDA [redacted]
MARK K. *. DAVIS, [redacted]
PATRICK O. *. DEAN [redacted]
JEFFREY A. *. DELLOMO [redacted]
BRIAN J. *. DICIANCIA [redacted]
HAROLD C. *. DICKENS, [redacted]
DENNIS D. *. DOYLE [redacted]
JAMES B. *. DURAND, [redacted]
JERRY ERVIN, [redacted]
DANIEL D. EVANS, [redacted]
DUANE C. *. FLEMMING, [redacted]
JOHN B. FOLEY, [redacted]
DAVID E. FULBRIGHT, [redacted]
JOHN A. *. GIDDENS, [redacted]
DEBBIE M. GILL, [redacted]
STEVEN R. GILREATH [redacted]
PATRICIA L. *. GOGGINS, [redacted]
DONALD L. *. GOODE, [redacted]
LISANNE G. *. GROSS, [redacted]
RICHARD *. GULLICKSON, [redacted]
ROBERT D. *. HANDS, [redacted]
JILLEEN T. HANLON, [redacted]
CHRISTO HARRINGTON, [redacted]
STEVEN M. HARTMANN, [redacted]
TIMOTHY C. *. HARTNETT, [redacted]
MARK W. HEGERLE, [redacted]
KAYLENE M. HENSON, [redacted]
ELIZABETH *. HIGGINS, [redacted]
SHEILA A. *. HOBBS, [redacted]
ROBERT A. HOLDEN, [redacted]
RAY E. HORN, JR [redacted]
LEONARDO HUGHES, [redacted]
WILLARD L. *. KIEFNER [redacted]
FRANCIS W. *. KLOTZ, [redacted]
RODNEY A. *. KNUDSON, [redacted]
TIMOTHY E. *. LAMB, [redacted]
VERGEL C. *. LAYAO, [redacted]
RAYNER B. LOTTON, [redacted]
ANGEL L. LUGO, [redacted]
SHIRLEY M. MABRY, [redacted]
GEORGE J. MAGNON, [redacted]
ROGER B. *. MARCIL, [redacted]
LARRY A. MARLIN, [redacted]
PAMELA J. *. MARTIN [redacted]
WENDY L. *. MARTINSON, [redacted]
BEVERLYAN *. MAULTSBY, [redacted]
JOANNE E. *. MCGOVERN, [redacted]
GREGORY A. MCKEE, [redacted]
MARK R. MCLARTY, [redacted]
MARK A. MCPHERSON, [redacted]
WALTER G. *. MECZYWOR, [redacted]
WILLIAM J. *. MIKLOSEY [redacted]
KENNETH A. *. MILES, [redacted]
KENNETH N. MISSLER [redacted]
ALBERT W. MORAN, [redacted]
LAWRENCE E. *. MULLEN, [redacted]
GORDON D. MURRAY, [redacted]
RAYMOND B. MURRAY, [redacted]
JOSEPH A. MUSISCA [redacted]
ULMONT C. *. NANTON, [redacted]
ROBERT K. NEWHOUSE, [redacted]
RICHARD A. NICHOLS, [redacted]
EDSEL R. *. NICKELL [redacted]
CHARLES P. OHARA, [redacted]
JEREMY L. OLSON [redacted]
PATTI L. *. PALMER [redacted]
JAMES C. PARKER [redacted]
MARY R. PARKER, [redacted]
THERESA S. *. PATTON [redacted]
ANGELA *. PEREIRA [redacted]
HERMAN F. PETERSON [redacted]
SUSA PETERSONJONES [redacted]
HARVEY J. *. PURTZ [redacted]
MARILOU D. PUTMAN, [redacted]
CHERYL A. REED, [redacted]
ANTONIO F. *. REYES [redacted]
JAMES S. *. RICE [redacted]
RODGER J. RUDOLPH [redacted]
MICHAEL L. *. RUSSELL [redacted]
EDWARD *. SCHOWALTER, [redacted]
PATRICK G. *. SESTO, [redacted]
LAWRENCE E. *. SHAW, [redacted]
DAVID A. *. SHEETS, [redacted]
ALAN C. *. SHERO, [redacted]
ANDREW W. *. SHOOK, [redacted]
MARK L. *. SILKWOOD, [redacted]
JOHN C. SLATTERY, [redacted]
DAVID J. *. SMITH, [redacted]
MICHAEL L. *. SMITH, [redacted]
TIMOTHY G. *. SPROLES, [redacted]
DELFINA A. *. TOMAINI, [redacted]
HELGA *. VENUS, [redacted]
VICK *. VESTALMULFORD, [redacted]
TODD W. *. WALKER, [redacted]
ROBERT V. WARD, [redacted]
MARY A. *. WARREN, [redacted]
ANDREW C. WHELEN, [redacted]
JOHN E. *. WILLIAMS, [redacted]
PATRICK O. *. WILSON [redacted]
WAYNE R. *. WILSON, [redacted]
CURTIS L. *. YEAGER, [redacted]

ARMY MEDICAL SPECIALIST CORPS

To be major

GASTON P. *. BATHALON, [redacted]
LYNN L. *. BRAINARD, [redacted]
STEVEN D. HUNTE [redacted]
JEREMY P. *. HUTTON [redacted]
SUSAN *. KRUPENEVICH, [redacted]
SARAH J. *. PIERRE [redacted]
FRANCIS POTTENGER [redacted]
BRUCE R. *. REED, [redacted]
ROBBIN V. *. ROWELL, [redacted]
PAULA J. *. RUTAN [redacted]
RONALD W. *. SCOTT, [redacted]
VICKY L. *. THOMAS, [redacted]

VETERINARY CORPS

To be major

KAREN L. *. ANDREWS, [redacted]
EDWARD J. DICK, JR [redacted]
CAROL L. *. EISENHAUER [redacted]
JEFFREY H. *. ENGLISH [redacted]
JAMES M. *. FUDGE, [redacted]
BONNIE J. *. MARTIN, [redacted]
MARK G. MENSE, [redacted]
JAMES T. *. MILLER, [redacted]
WILLIAM R. *. PARLETT, [redacted]
PAUL W. *. SCHMIDT, [redacted]
PETER *. SCHULTHEISS, [redacted]
STEVEN W. *. TOBIAS, [redacted]
LORNA *. VANDERZANDEN, [redacted]
DEBBIE J. *. VASUT, [redacted]
JOHN R. *. WARDLAW, [redacted]
ROBERT G. *. WEBB, [redacted]

ARMY NURSE CORPS

To be major

EUGENE N. *. ACOSTA, [redacted]
JULIA A. *. ADAMS, [redacted]
DONALD T. *. ALBEE, [redacted]
CYNTHIA B. *. ALOOT, [redacted]
MATTHEW J. *. ANDERSON, [redacted]
DEBRA C. *. APARICIO, [redacted]
MARK E. *. ARRINGTON, [redacted]
PAUL S. *. ASTPHAN, [redacted]
SHARON M. *. AVERY, [redacted]
JANET L. BABB, [redacted]
TONETO G. *. BARRY, [redacted]
MICHAEL K. *. BAYLES, [redacted]
LINDA M. *. BOWDEN, [redacted]
DEBORAH E. *. BRAY, [redacted]
LYNN A. *. BRIGGS, [redacted]
CYNTHIA F. *. BROWN, [redacted]
PEGGY A. *. BRYANT, [redacted]
JOYCE W. *. BURNS, [redacted]
JANET G. *. BURNSIDE, [redacted]
CAROL J. *. BUTORAC, [redacted]
FRANZ K. *. BYARS, [redacted]
JANICE E. *. CARVER, [redacted]
VINCENT L. *. CASSANI, [redacted]
PATRICE E. *. CHANDLER, [redacted]
ALFREDO O. CHAVEZ, [redacted]
CATHY J. *. CHESS, [redacted]
DEREK L. *. COLE, [redacted]
JEANNETTE *. COMPTON, [redacted]
THERESE A. *. CONNER, [redacted]
BRENDA C. *. CONWAY, [redacted]
DAVID W. *. COOPER, [redacted]
PORTIA *. CORNELIOUS, [redacted]
DAVID A. *. DAVIS, [redacted]
RICHARD P. DIAZ, [redacted]
RICHARD *. DICKERSON, [redacted]
ROBERT *. DOMINGUEZ, [redacted]
BEVERLY J. *. DREYER [redacted]
EDWARD W. *. DROST, [redacted]
THEODORE *. ECKERT, II, [redacted]
JENNIFER M. *. ECTOR, [redacted]
CAROLYN A. *. EDDINGS, [redacted]
MARYANN *. EDMONDSON, [redacted]
PEGGY R. *. EMORY, [redacted]
PAUL J. *. FANUCCHI, [redacted]
MELBA E. *. FAULK, [redacted]
ELEANOR M. *. FENNELL, [redacted]
HUBERT M. *. FISCHER, [redacted]
ELLEN E. *. FORSTER, [redacted]
ANDREA J. *. FULLER, [redacted]
EDWIN S. *. FULLER, [redacted]
MARTIN D. *. GODWIN, [redacted]
MARY E. *. GRAHAM, [redacted]
SHERIE *. HAGAHOGSTON, [redacted]
JAMES *. HALLIBURTON, [redacted]
JANIE D. *. HAMILTON, [redacted]
PATRICI *. HARRINGTON, [redacted]
CORINNE M. *. HASLAM, [redacted]
MARGARET *. HAWTHORNE, [redacted]
JAMES R. *. HICKEY [redacted]
KATHERIN HIGHTOWER, [redacted]
MARK D. *. HINES, [redacted]
ANN K. *. HOCHHAUSEN, [redacted]
ANNIE J. HOFFMAN, [redacted]
DAVID R. HOFLAND, [redacted]
JOYCE A. *. HOHNER, [redacted]
RUFUS S. *. HOWE, [redacted]
ZORINA S. *. INNOCENT, [redacted]
ANNA R. *. IUNGERICH, [redacted]
PEGGY J. *. IVERSON, [redacted]
LILLIAN L. JENNINGS, [redacted]
CAROLYN J. *. JOHNSON, [redacted]
ELIZABETH *. JOHNSON, [redacted]
TEMPSIE L. *. JONES [redacted]
HYACINTH J. *. JOSEPH, [redacted]
ALICE S. *. KAPPNER, [redacted]
RONALD S. *. KEEN, [redacted]
JUDY D. KIDWELL, [redacted]
FAITH D. *. KLINE, [redacted]
PAUL M. KONDRAT, [redacted]
CAROL A. *. KORODY, [redacted]
FRANCES E. *. KRAMER, [redacted]
EDGAR A. *. LABRADOR, [redacted]
HERBERT J. *. LAING [redacted]
MARY I. *. LAMBERT, [redacted]
FRANCINE M. *. LEDOUX, [redacted]
STEPHEN W. *. LOMAX, [redacted]
PATRICIA A. *. MALLEY, [redacted]
LAWRENCE A. *. MARQUEZ, [redacted]
ANGELA *. MARTINELLI, [redacted]
JENNIFER D. *. MAZZONE, [redacted]
FUJIO *. MCPHERSON, [redacted]
AWILDA MEEKS, [redacted]
LYNNE C. *. MEYER, [redacted]
AMELIA C. *. MINTON, [redacted]
CONSTANCE J. MOORE, [redacted]

DONNA J. *. MOORE, [redacted]
MICHAEL L. MOORE, [redacted]
ROBIN M. *. MOORE, [redacted]
LOUISE B. *. MOREY [redacted]
JOHN H. *. MORSE [redacted]
RUBY D. *. MURPHY, [redacted]
TIMOTHY A. *. NEWCOMER, [redacted]
CAROL A. *. NEWMAN, [redacted]
DEBORAH M. *. NEWSOME, [redacted]
MARILYN E. *. OSBORNE [redacted]
REBECCA J. *. OSKEY [redacted]
FRANKIE L. *. PARKS [redacted]
RANDY A. *. PATE [redacted]
WILLIAM PAWLYSHYN, [redacted]
ANA T. *. PEREZSORZANO [redacted]
TANYA D. *. PERRY [redacted]
ROBERT A. PLAWECKI, [redacted]
BRUCE A. *. PLUMMER, [redacted]
CARLEEN *. POELLINGER [redacted]
PEARL R. *. POPE [redacted]
JERRY L. *. PRICE, JR [redacted]
GERALD W. *. PRIEST [redacted]
MARSHA A. *. PRINCE [redacted]
PRISCI QUACKENBUSH, [redacted]
RICHARD W. *. REDGATE, [redacted]
THOMAS G. *. REED, [redacted]
TIMOTHY D. *. REESE [redacted]
LAURA J. *. RICE [redacted]
CYNTHIA *. RICHARDSON, [redacted]
MARIA D. *. RIVERA [redacted]
SALLY *. ROBERTSON, [redacted]
EVE *. RODRIGUEZWHITE, [redacted]
HAROLD D. *. RUTAN, [redacted]
DIANA L. *. RUZICKA, [redacted]
CYNTHIA D. *. SANCHEZ, [redacted]
MICHAEL L. *. SANCHEZ, [redacted]
LAURIE J. *. SANDSTROM [redacted]
GREGORY D. *. SCHOLES, [redacted]
JOE *. SCHRETENTHALER [redacted]
SUS *. SCHRETENTHALER [redacted]
SHERI H. *. SEMARGE [redacted]
PA *. SHEELYADOLPHSON, [redacted]
FRIDA G. *. SHERMAN, [redacted]
MICHAEL *. SHOEMAKER, [redacted]
KEITH E. *. SICKAFOOSE, [redacted]
ARLENE *. SIMMONS, [redacted]
JANE B. *. SOBIESKI [redacted]
SHARON L. *. STEELE [redacted]
FATEME STRITMATTER [redacted]
SUSAN R. *. SUGHROUE [redacted]
STEPHANIE M. *. SWEENY [redacted]
NENNA *. THOMPSON, [redacted]
SHERYL A. *. TOYER, [redacted]
NANETTE *. TRACY, [redacted]
CHRISTOPHE *. ULLMANN [redacted]
DEBORAH S. *. VANLAAR, [redacted]
LINDA M. *. WALTON, [redacted]
JANET I. *. WARBER [redacted]
WILLIAM N. *. WATSON, [redacted]
DAVID T. *. WEAVER, [redacted]
HEIDI E. *. WEGMANN, [redacted]
DIANE M. *. WEINBAUM, [redacted]
CHARLENE D. *. WENGER, [redacted]
RICKE L. *. WHALEY [redacted]
TEREASA *. WILLIAMSON, [redacted]
ANNE B. *. WOODS, [redacted]
MARY E. *. WYGANT, [redacted]
JAMES E. *. YAFFE [redacted]
MICHAEL W. *. YATES, [redacted]
ROBERT J. *. YATES, [redacted]

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

DENTAL CORPS

To be colonel

JAMES E. ALBRITTON [redacted]
FRANCIS W. ALLEN, [redacted]
DWIGHT E. BAGLEY [redacted]
MICHAEL A. BILLMAN, [redacted]
JAMES E. BOWERS [redacted]
JOSEPH A. BRITTON [redacted]
CAROLYN M. BROWN, [redacted]
ARTHUR W. BRYANT, [redacted]
JERRY C. CAMPBELL [redacted]
GLENN R. CASEY [redacted]
CHARLES J. COLVIN [redacted]
JEROME C. DONNELLY [redacted]
CARL F. DRISCOLL [redacted]
ROSEMARY E. ENGLE [redacted]
JOHN R. EVANS [redacted]
ERNEST C. FARABEE [redacted]
MAX L. GASTON, [redacted]
SAMUEL N. GOTTLIEB [redacted]
THOMAS D. GROOM, [redacted]
ALVIN H. HINGER [redacted]
EMANUEL J. HNARAKIS [redacted]
MICHAEL M. HOEN, [redacted]
WILLIAM R. HOGANS, [redacted]
CHARLOTTE K. JONES [redacted]
MICHAEL W. JUDAH [redacted]
ROBERT C. LEEDS [redacted]
MICHAEL MACPHERSON, [redacted]
GREGORY P. MATHIEU, [redacted]
MICHAEL MCDOUGLE, [redacted]
WILLIAM P. MILLS [redacted]
JOSEPH C. MULREAN [redacted]
THEODORE NEDDERMAN, [redacted]
JAMES J. PILGRIM [redacted]
PATRICE D. PRIMACK, [redacted]
RICHARD J. *. PUGH, [redacted]
LESLIE A. RAULIN, [redacted]
DAVID E. REID [redacted]
JIMMIE G. RUDD [redacted]
JOSEPH L. SHURTLEFF [redacted]
BARBARA SIAS, [redacted]
JAMES M. STARTZELL [redacted]
GEORGE D. SUCHKO, [redacted]
GARY P. SWISTAK [redacted]
FRED L. SYKES [redacted]
MELVIN N. THALER, [redacted]
JAMES M. THOREN [redacted]
JAMES M. THREADGILL [redacted]
JAMES E. TUPA [redacted]
THOMAS WOODARD, [redacted]

MEDICAL CORPS

To be colonel

THEODORE L. *. ALLEN, [redacted]
JAMES L. *. ATKINS, [redacted]
WADE D. *. BALDWIN, [redacted]
ERIC W. BANTZ, [redacted]
KEVIN J. CHISMIRE [redacted]
SHARON P. COOPER, [redacted]
RANDOLPH COPELAND, [redacted]
WILLIAM H. CRAGUN, [redacted]
RICARDO DAVILA, [redacted]
GLENN B. DEMPSEY, [redacted]
THIERNO A. DIALLO, [redacted]
RAFAEL R. DIAZ [redacted]
DAVID J. ECKBERG [redacted]
WILLIAM *. EGGEBROTEN, [redacted]
ERIC T. EVENSON, [redacted]
ROBERT J. FALBEY, [redacted]
CLIFFORD *. FERGUSON [redacted]
FREDERICK G. FLYNN, [redacted]
CLOYD B. GATRELL, [redacted]
MARY J. GELNETT [redacted]
DAVID P. *. GEORGE, [redacted]
WILLIAM *. GEORGITIS [redacted]
DAVID L. GOODMAN, [redacted]
JAMES C. *. GRIFFITH [redacted]
MICHAEL G. HARPER, [redacted]
SHANNON M. HARRISON, [redacted]
ROBERT C. *. HAYS, [redacted]
CLIFFORD C. HAYSLIP [redacted]
ANTHONY R. HENRY, [redacted]
SAMUEL R. *. HETH, [redacted]
HARRIS W. HOLLIS [redacted]
DONALD A. HOLLSTEN, [redacted]
ROBIN E. HOSTETTER, [redacted]
NADIA M. IBRAHIM, [redacted]
DAVID G. *. JARRETT [redacted]
TERRY R. *. JENKINS [redacted]
ROBERT M. JOHNSON, [redacted]
JAMES C. *. JONES [redacted]
STEPHEN L. *. JONES [redacted]
ALFRED J. KIRKWOOD, [redacted]
FRANCISCO *. MACASAET, [redacted]
LEST MARTINEZLOPEZ, [redacted]
JOHN P. MCGUINNESS, [redacted]
STRATHMORE MCMURDO, [redacted]
RODNEY A. *. MICHAEL, [redacted]
DENNIS P. *. MONG, [redacted]
JOE M. MOODY [redacted]
JOHN J. MOORE [redacted]
DENNIS M. MORITZ, [redacted]
THOMAS J. *. MORK, [redacted]
BERRY E. MORTON, [redacted]
EDWARD J. MUELLER, [redacted]
ALAN G. MUENCH, [redacted]
DUONG NGUYEN, [redacted]
TIMOTHY J. OROURKE, [redacted]
JAMES W. PARKER [redacted]
HARLAN S. PATTERSON [redacted]
JOHN H. PATTERSON [redacted]
DENVER E. *. PERKINS [redacted]
MUHAMMAD S. RAHMAN, [redacted]
KRISHNAN *. RAJAGOPAL [redacted]
MANUEL F. RAMIREZ [redacted]
ROBERT D. RANLETT [redacted]
TROY M. REYNA, [redacted]
CESAR ROSAVAZQUEZ, [redacted]
LEONARD R. SANDERS, [redacted]
ERIC B. SCHOOMAKER, [redacted]
EDWIN D. SCHOONOVER, [redacted]
DENNIS F. SHANAHAN, [redacted]
MUHAMMAD *. SHAUKAT, I, [redacted]
RAJ *. SHEKAR [redacted]
KARABI SINHA, [redacted]
MARIA H. *. SJOGREN, [redacted]
STEVEN J. SKOOG [redacted]
KATHLEEN J. SMITH [redacted]
WILLIAM D. STRAMPEL [redacted]
RICHARD O. *. SUTTON [redacted]
ROBER TABACHNIKOFF, [redacted]
DAVID N. *. TAYLOR, [redacted]
THOM S. THOMASSEN, [redacted]
EDWARD S. URBAN, [redacted]
BRUCE E. VANDAM, [redacted]
MARINA N. *. VERNALIS [redacted]
IDELLE M. *. WEISMAN, [redacted]
LEWIS *. WESTMORELAND, [redacted]
STEPHEN WILKERSON, [redacted]
STEVEN G. *. WYNDER, [redacted]
ARLENE J. ZALOZNIK, [redacted]
JAMES ZARINCZUK, [redacted]

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A) AND 3366:

CHAPLAIN CORPS

To be lieutenant colonel

JOHN A. ATWOOD, [redacted]
ROBERT D. BRANSON, [redacted]
EUGENE P. BRENNAN, [redacted]
JAMES N. BROWN, [redacted]
MICHAEL C. CLIFTON, [redacted]
RONALD L. COBB, [redacted]
ARTHUR W. COFFEY, [redacted]
DAVID H. CROMER, [redacted]
JOHN L. DAUERNHEIM, [redacted]
WILMER D. DELK, [redacted]
BRIAN C. DONLEY, [redacted]
JOHN E. DORAN, [redacted]
DAVID W. FEEDER, [redacted]
TRACY D. FLOYD, [redacted]
THOMAS A. GREY, [redacted]
HARRY C. GRUBBS, [redacted]
PETER J. HAAS [redacted]
BILLY E. HEATON, [redacted]
ROBERT HERSHBERGER, [redacted]
PATRICK L. HOLDER, [redacted]
CARL T. HOLT, [redacted]
LYNN E. HUMPHREYS, [redacted]
MELVIN R. JACOB, [redacted]
MARTIN L. JOHNSON, [redacted]
EVAN J. JONES [redacted]
DAVID W. KAESER, [redacted]
JOHN W. KLEIN, [redacted]
MARTIN L. KROEKER, [redacted]
JAMES D. LAYMAN, [redacted]
SIDNEY L. LEAK [redacted]
DONALD P. LOESCHEN, [redacted]
RUSSELL M. LONG, [redacted]
WILLIAM G. LOVER, [redacted]
JEROME G. MALAK, [redacted]
DENIS E. MEIER [redacted]
HARLAND C. MERRIAM, [redacted]
RICHARD W. MEYERS, [redacted]
EDWARD R. MOORE, [redacted]
DWIGHT U. NELSON, [redacted]
PAUL D. PFEFFER [redacted]
RONALD C. POWELL, [redacted]
FRANK J. POWERS, [redacted]
GERALD L. PRIEST [redacted]
LARRY W. RACSTER, [redacted]
JOHN R. RICHARDSON, [redacted]
DWIGHT D. RIGGS, [redacted]
HENRY P. ROBERSON [redacted]
STEPH SCHAITBERGER [redacted]
ALBERT E. SELLERS [redacted]
ALAN R. SHERMAN, [redacted]
JOHN W. STEINER [redacted]
NELSON C. STONE, [redacted]
ROGER L. TATE, [redacted]
ARTHUR F. TAYLOR, [redacted]
DENIS J. TEJADA [redacted]
LLOYD T. TOBIASSEN, [redacted]
GREGORY D. VACCA, [redacted]
JOSEPH B. WEBB, [redacted]
AVI S. WEISS [redacted]
LYNN H. WITTERS, [redacted]
FRANK ZIEMKIEWICZ, [redacted]

IN THE ARMY

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES, IN THE GRADE OF CAPTAIN, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 531, 532, AND 533:

JOHN G. ANGELO, [redacted]
KRISTEN C. BARNER [redacted]
ROSS BARNER, [redacted]
MARY J. BORSES, [redacted]
ROBERT S. BRIDWELL, [redacted]
CHESTER C. BUCKENMAIER, [redacted]
CARL L. BUISING, [redacted]
NICOLE M. BUSSIAN, [redacted]
ARTHUR B. CHASEN, [redacted]
CYNTHIA L. CLAGETT, [redacted]
WILLIAM C. CONNER, [redacted]
PATRICK J. CONTINO, [redacted]
MARK H. CROLEY, [redacted]
ROBIN J. DELEON [redacted]
THEODORE S. DERSE, [redacted]
KEVIN D. DEWEBER, [redacted]
MARIE A. DOMINGUEZ, [redacted]
MICHAEL E. DOYLE, [redacted]
ERIN P. EDGAR [redacted]
JENNIFER M. EDGAR [redacted]
ETHAN E. EMMONS, [redacted]
JAMES J. ENGLAND [redacted]
MICHAEL S. FRIEDMAN, [redacted]
ANGELA L. GIBBS [redacted]
JOHN F. GILLMAN [redacted]
DONNA C. GIRVIN, [redacted]
JOSH L. GORDON, [redacted]
BLAKE D. GRAHAM, [redacted]
NELSON A. HAGER, [redacted]
CHEUK Y. HONG, [redacted]
MATTHEW B. JENNINGS [redacted]
NIEL A. JOHNSON [redacted]
JAMIE L. KENDRICK [redacted]

MICHELLE B. KRAVITZ, [redacted]
ROBERT K. LATHER [redacted]
GREGORY Y. LEE, [redacted]
DAVID B. LONGENECKER, [redacted]
CHRISTIAN R. MACEDONIA, [redacted]
MICHAEL S. MACHEN, [redacted]
JEFFREY S. MACINTIRE [redacted]
TIMOTHY A. MAREAN, [redacted]
ROBERT A. MAZUR, [redacted]
GARY W. MENEFEE [redacted]
MICHAEL A. MILLER [redacted]
KELLY A. MURRAY, [redacted]
ANNE L. NACLERIO, [redacted]
FRANK J. NEWTON [redacted]
JOHN J. OBRIEN [redacted]
SARAH L. OKADA, [redacted]
JOHN M. PALMER [redacted]
DANIEL E. PARKS [redacted]
DAVID C. PETERS [redacted]
MARY E. PORISCH, [redacted]
JUSTIN D. ROBY, [redacted]
MARYJO K. ROHRER [redacted]
DAVID A. SIEGEL [redacted]
BRYAN L. SMITH, [redacted]
MICHAEL H. SMYTH [redacted]
GEOFFREY D. SNYDER [redacted]
DOUGLAS M. SORENSEN, [redacted]
MALCOLM A. WHITAKER, [redacted]
DAVID J. WILKIE, [redacted]
FRANKLIN H. WOOD, [redacted]
NORI P. YOUNG, [redacted]

THE FOLLOWING NAMED RESERVE OFFICERS' TRAINING CORPS CADETS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES, IN THE GRADE OF SECOND LIEUTENANT, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 531, 532, AND 533:

MARIA L. FELGER-CARLTON, [redacted]
JAMES P. FITZGERALD [redacted]
IAN T. FORBES, [redacted]
GEORGE W. HOWARD, [redacted]
DAVINIA A. JOHNSON, [redacted]
JASON I. KUROIWA, [redacted]
RICHARD B. LOWE, [redacted]
CARL J. PACKER [redacted]
JORGE L. PINARGOTTE [redacted]
TIMOTHY J. PURDUE [redacted]

IN THE MARINE CORPS

THE FOLLOWING NAMED U.S. NAVAL ACADEMY GRADUATES FOR PERMANENT APPOINTMENT TO THE GRADE OF SECOND LIEUTENANT IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, U.S. CODE, SECTION 531:

UNITED STATES MARINE CORPS CONFIRMATION LIST

To be second lieutenant

ARNOUX ABRAHAM, [redacted]
ARMANDO ACOSTA, [redacted]
KENNETH Q. AGUILAR, [redacted]
JOHN C. ALLEE, [redacted]
GARY V. ALLISON, [redacted]
WAYNE W. ANDERSON, [redacted]
JOHN A. ATKINSON, [redacted]
STEPHEN C. AUGUSTIN, [redacted]
TERRY L. BAGGETT, [redacted]
DAVID E. BAKER, [redacted]
JOHN O. BARKER, [redacted]
CRAIG P. BARNETT, [redacted]
TIMOTHY E. BARRICK, [redacted]
MICHAEL B. BARRY, [redacted]
JEFFREY S. BELL, [redacted]
MICHAEL W. BERRY, [redacted]
PARRISH M. BOULWARE, [redacted]
CHAD S. BREESE, [redacted]
DOUGLAS E. BROPHY, [redacted]
ANDREW S. BURCHFIELD, [redacted]
SHAWN P. CALLAHAN, [redacted]
PERRY CAMERON, [redacted]
BRIAN E. CARBAUH, [redacted]
JOHN P. CASEY, [redacted]
CLINTON J. CHLEBOWSKI, [redacted]
JEFFREY M. COCHRAN, [redacted]
JEFFREY G. CONWAY, [redacted]
SAMUEL COOK, [redacted]
ROBERT D. COOPER, [redacted]
JUSTIN C. CREVIER, [redacted]
MARK W. DAVISON, [redacted]
DAVID C. DAYS, [redacted]
MELANIE C. DOBAY, [redacted]
HOLLY M. DOBSLAW, [redacted]
ROBIN K. DREEKE, [redacted]
MARCY M. DUPRE, [redacted]
MATTHEW C. EDIC, [redacted]
PETER S. EGELI, [redacted]
MARK T. EVANS, [redacted]
ANTHONY C. FABIANO, [redacted]
KELLY A. FAGAN, [redacted]
ROBERT W. FALKENBACH, [redacted]
TODD W. FERRY, [redacted]
TIMOTHY J. FETSCH, [redacted]
CHRISTOPHER J. FLAHERTY, [redacted]
PATRICK J. FLOOD, [redacted]
ROBERT C. FULFORD, [redacted]
TODD W. GARCIA, [redacted]
ROBERT R. GIBBS, [redacted]
DOUGLAS V. GLASGOW, [redacted]
STEVEN G. GODINHO, [redacted]
HENRY L. GONZALES, [redacted]
ISSAC A. GONZALEZ, [redacted]
DANIEL T. GOODWIN, [redacted]
MICHAEL E. GREENE, [redacted]
DANIEL Q. GREENWOOD, [redacted]
CHRISTOPHER D. GUIDRY, [redacted]
TIMOTHY I. GUTIERREZ, [redacted]
WILLIAMS HAGEROTT, [redacted]
KIMBERLY R. HALL, [redacted]
EARL D. HAMILTON, [redacted]
JOHN W. HATALA, [redacted]
DAVID S. HELON, [redacted]
JOHN G. HOLBROOK, [redacted]
ERIC E. HOUNCHELL, [redacted]
BRIAN G. HUGHES, [redacted]
PEYTON B. HUTTON, [redacted]
DAVID E. JONES, [redacted]
HERBERT G. JONES, [redacted]
JAMES B. JOYCE, [redacted]
THOMAS M. KARN, [redacted]
KEVIN J. KENNEDY, [redacted]
ANDREW E. KETTERING, [redacted]
FRANKLIN P. KOLBE, [redacted]
STEVEN T. KONKOLY, [redacted]
EDWIN J. LANDHERR, [redacted]
BEAU LASKEY, [redacted]
RAUL LIANEZ, [redacted]
CHRISTOPER J. LOPEZ, [redacted]
ANDREW C. LYNCH, [redacted]
CHRISTINE A. MACDONALD, [redacted]
SHAWN E. MANSFIELD, [redacted]
JAMES E. MARKS, [redacted]
JAMES P. MARQUET, [redacted]
ANTHONY J. MARUCCI, [redacted]
ROBERT W. MCCORMACK, [redacted]
KRISTA A. MCKINLEY, [redacted]
MARIA S. MCMILLEN, [redacted]
JAMES A. MCPHERSON, [redacted]
CHRISTOPHER A. MIDDLETON, [redacted]
WILLIAM J. MILITELLO, [redacted]
MICHAEL J. MOES, [redacted]
TODD H. MOHRMAN, [redacted]
JOHN V. MOLOKO, [redacted]
MICHAEL J. MOONEY, [redacted]
DAVID A. MORALES, [redacted]
LANCE D. MUNIZ, [redacted]
FREDERICK E. NAUCK, [redacted]
SEAN E. NAYLOR, [redacted]
JAMES D. NEAL, [redacted]
NATHAN G. NEBLETT, [redacted]
ANTHONY P. NELIPOVICH, [redacted]
JEFFREY K. NORDSTROM, [redacted]
CHRIS A. OBALLE, [redacted]
DAVID M. OCONNELL, [redacted]
JOHN F. ODONNELL, [redacted]
BRYAN P. OLEARY, [redacted]
ANDREW J. PAIGE, [redacted]
LOUIS J. PALAZZO, [redacted]
MALCOLM K. PALMORE, [redacted]
HWAN PARK, [redacted]
JAMES W. PEACO, [redacted]
ERIC A. PECK, [redacted]
ROBERT S. PETERSON, [redacted]
KENT C. PFLUGER, [redacted]
MICHAEL A. PIERCE, [redacted]
CLAYTON D. PIERSE, [redacted]
JAMES R. PIETILA, [redacted]
RONALD D. POE, [redacted]
THOMAS M. POINDEXTER, [redacted]
MATTHEW P. PORTONI, [redacted]
SCOTT A. PRITCHARD, [redacted]
JAMES T. QUANN, [redacted]
PHILLIP L. REED, [redacted]
GAVINO RIVAS, [redacted]
CRAIG D. ROGERSON, [redacted]
GEORGE B. ROWELL, [redacted]
FREDERICK G. SCHENK, [redacted]
JASON C. SCHUETTE, [redacted]
MACK W. SEDWICK, [redacted]
MARK A. SEXTON, [redacted]
JACOB C. SKALA, [redacted]
DAVID W. SMITH, [redacted]
JASON A. SMITH, [redacted]
DANIEL E. STIMPSON, [redacted]
CHRIS J. STODDARD, [redacted]
GLEN TAKABAYASHI, [redacted]
MARK W. TANKERSLEY, [redacted]
EDWARD R. TAYLOR, [redacted]
IVAN G. THOMAS, [redacted]
PETER C. TWINING, [redacted]
JOSEPH A. VACCARELLA, [redacted]
VINCENT C. VERTIN, [redacted]
JEFFREY M. VORCE, [redacted]
MARK C. WELCH, [redacted]
JIM B. WELLONS, [redacted]
DEREK S. WESSMAN, [redacted]
EDWARD J. WHITE, [redacted]
JEROMY B. WILLIAMS, [redacted]
JONATHAN R. WILLIAMS, [redacted]
KENT J. WILLIAMSON, [redacted]
WILLIAM J. WISEMAN, [redacted]
TOM A. YORK, [redacted]
DAVID W. ZIMMERMANN, [redacted]

THE FOLLOWING NAMED NAVAL RESERVE OFFICERS TRAINING CORPS GRADUATES FOR PERMANENT APPOINTMENT TO THE GRADE OF SECOND LIEUTENANT IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, U.S. CODE, SECTIONS 531 AND 2107:

UNITED STATES MARINE CORPS CONFIRMATION LIST

To be second lieutenant

KEVIN D. ABBEY, [redacted]
GINA L. ABBOTT, [redacted]
ERIK ABJORNSON, [redacted]
CHRISTOPHER C. ABRAMS, [redacted]
PAUL J. ACKERMAN, JR, [redacted]
ROBERTO AGUILAR, [redacted]
FREDRICK D. ALDRIDGE, [redacted]
BRYAN C. ANDERSEN, [redacted]
LEONARD ANDERSON, [redacted]
MATTHEW C. ANDERSON, [redacted]
WALTON I. ANDERSON, [redacted]
SHERRI M. ANNAN, [redacted]
RYAN M. ANTHONY, [redacted]
BRUCE M. APPLIN, [redacted]
THOMAS ARCHER, [redacted]
WILLIAM E. ARICK, III, [redacted]
MICHAEL S. ARNAND, [redacted]
PETER C. ARNOLD, [redacted]
MITCHELL K. ARNZEN, [redacted]
BARTLEY E. ARRINGTON, [redacted]
HUGH L. ATKINSON, [redacted]
MARK H. BACHARACH, [redacted]
RICHARD M. BACHMANN, [redacted]
PRAVEEN P. BAHETHI, [redacted]
EDWARD H. BAIN, [redacted]
CHARLES A. BAIRD, [redacted]
SCOTT A. BALDWIN, [redacted]
BRYAN C. BANDEKO, [redacted]
JEFFREY A. BANDINI, [redacted]
SCOTT C. BARBER, [redacted]
CHRISTIAN D. BAREFORD, [redacted]
JASON W. BAREFORD, [redacted]
STEVEN F. BARKER, [redacted]
JOHN W. BARTOL, [redacted]
DAVID B. BATTHAUER, [redacted]
TIMOTHY S. BAUGHMAN, [redacted]
JANET M. BEAL, [redacted]
LUCAS A. BEEBE, [redacted]
DANIEL M. BELLIG, [redacted]
GARY H. BENNETT, JR, [redacted]
PAUL E. BENNETT, II, [redacted]
GEORGE S. BENSON, [redacted]
SEAN D. BERG, [redacted]
CHARLES K. BERGMAN, [redacted]
HASSAN E. BERMISS, [redacted]
GUY G. BERRY, [redacted]
ERIC P. BERTAUD, [redacted]
KEVIN M. BIGGIE, [redacted]
ROBERT W. BILLINGSLEY, [redacted]
JOHN R. BINDER, [redacted]
HEATHER S. BLACK, [redacted]
TODD M. BLACKMAR, [redacted]
DANIEL P. BLAKE, [redacted]
PETER BLAKE, [redacted]
DEVIN T. BLEA, [redacted]
ANDREW D. BLENKLE, [redacted]
ERIC BONARDI, JR, [redacted]
MARK C. BOONE, [redacted]
ALLAN BORDIOUS, [redacted]
DAVID C. BORKOWSKI, [redacted]
JOSEPH S. BORNSCHEIN, [redacted]
ERIC A. BORSONI, [redacted]
ERIK J. BOURGERIE, [redacted]
BRIAN B. BOYCE, [redacted]
KATHERINE E. BOYCE, [redacted]
ROBERT G. BRACKNELL, [redacted]
CAMERON T. BRADFORD, [redacted]
CHRISTOPHER M. BRADLEY, [redacted]
BRIAN P. BRESNAHAN, [redacted]
ROLLIN D. BREWSTER, III, [redacted]
JAMES M. BRIGADIER, [redacted]
KENNETH L. BRIGGS, [redacted]
VAN P. BRINSON, III, [redacted]
SCOTT E. BROBERG, [redacted]
PETER J. BRODING, [redacted]
MATTHEW G. BRONIEC, [redacted]
GEOFFREY E. BROOKS, [redacted]
KARL F. BROWER, [redacted]
BILLY W. BROWN, [redacted]
MICHAEL J. BROWN, [redacted]
DOUGLAS R. BROWNE, [redacted]
CHARLES W. BROWNFIELD, [redacted]
DEAN M. BRUBAKER, [redacted]
TIMOTHY R. BRYANT, [redacted]
VICTOR J. BUNCH, [redacted]
JOEL A. BURDETTE, [redacted]
VANIA S. BURGEAT, [redacted]
WILLIAM S. BURGER, [redacted]
KEVIN M. BURKE, [redacted]
SEAN D. BURKE, [redacted]
AUDREY A. BURNEY, [redacted]
KEVIN R. BUSKE, [redacted]
JOSEPH BUTKUS, [redacted]
FRED BUTLER, [redacted]
BRUCE A. CADY, [redacted]
TOM M. CALHOON, [redacted]
TODD CALHOUN, [redacted]
MICHAEL J. CALLANAN, [redacted]
GABRIEL CALVETTI, JR, [redacted]
JOHN CAMPBELL, [redacted]
GUIDO CAMPELLONE, [redacted]
JOHN R. CAPUTO, [redacted]
JASON L. CARLSON, [redacted]
MICHAEL T. CARSON, [redacted]
DAVID F. CARTER, [redacted]
MELVIN G. CARTER, [redacted]
ERIC R. CASEY, [redacted]
PATRICK J. CASHMAN, [redacted]
MICHAEL J. CASTAGNA, [redacted]
MATTHEW CASTRO, [redacted]
THOMAS K. CATALANO, [redacted]
GLEN B. CAULEY, [redacted]
JOHN P. CAVANAUGH, [redacted]

KRISTINA M. CHALTRY, [redacted]
GLEN H. CHANCY, [redacted]
CHRISTOPHER E. CHAPMAN, [redacted]
DAVID L. CHARLTON, [redacted]
GREGORY J. CHIASSON, [redacted]
FREDDY S. CHUCK, [redacted]
MICHAEL A. CHURCH, [redacted]
JOHN CLARK, [redacted]
RICHARD T. CLARK, [redacted]
WILLIAM A. CLARK, [redacted]
SEAN P. CLEMENTS, [redacted]
CHRISTIAN J. CLOYDE, [redacted]
CHRISTIN M. COADY, [redacted]
ERIN D. COADY, [redacted]
MICHAEL C. COCHRAN, [redacted]
DOUGLAS L. CODY, [redacted]
JEFFREY L. COKER, [redacted]
RYAN M. COLLINS, [redacted]
TONY CONNOT, [redacted]
RIAN E. COOK, [redacted]
BRYAN C. CORCORAN, [redacted]
OWEN M. COULMAN, [redacted]
KENNETH L. CRABTREE, [redacted]
SCOTT A. CRAIG, [redacted]
QUINTON J. CRENSHAW, [redacted]
KEVIN L. CROOMS, [redacted]
JEFFREY G. CROSS, [redacted]
GARY W. CROWE, [redacted]
PAUL D. CUCINOTTA, [redacted]
DREW E. CUKOR, [redacted]
CORY M. CUNNINGHAM, [redacted]
RUSSELL J. CURTIS, [redacted]
MATTHEW T. DALKIEWICZ, [redacted]
CHAD W. DANDO, [redacted]
DAWN E. DANIEL, [redacted]
WILLIAM A. DAVIDSON, IV, [redacted]
BRANDON A. DAVIS, [redacted]
CHRISTOPHER A. DAVIS, [redacted]
STEPHEN M. DECKMAN, [redacted]
MICHAEL E. DEHNER, [redacted]
JOHN J. DEIS, [redacted]
PAUL T. DEUTSCH, [redacted]
FRANK D. DIAZ, [redacted]
CHRISTOPHER S. DICARLO, [redacted]
ALLAN J. DIETSCH, [redacted]
DAVID E. DINGES, [redacted]
ANNE M. DIPONIO, [redacted]
JOHN J. DONAHOE, [redacted]
JONATHAN M. DONIGAN, [redacted]
CHRISTOPHER B. DOODY, [redacted]
MATTHEW J. DORMAN, [redacted]
FRANCISCO J. DUARTE, [redacted]
BRIAN D. DYSON, [redacted]
KURT G. EBAUGH, [redacted]
DON R. EDENS, II, [redacted]
BEN T. EDWARDS, JR, [redacted]
DAVID S. EDWARDS, [redacted]
DEREK W. EDWARDS, [redacted]
KYLE B. ELLISON, [redacted]
WILLIAM P. EMOND, [redacted]
JERVASE A. EPPS, [redacted]
JEFFREY R. ERTWINE, [redacted]
YURI A. ESCANDON, [redacted]
JOSEPH R. FANDREY, [redacted]
JONATHAN E. FARLEY, [redacted]
JOHN D. FERNANDEZ, [redacted]
ALIKA K. FERREIRA, [redacted]
CHRISTOPHER A. FEYEDELEM, [redacted]
STEPHEN C. FIACCO, [redacted]
CASEY J. FISHER, [redacted]
THOMAS J. FLANNERY, [redacted]
JASON FLEMING, [redacted]
TODD A. FLEMING, [redacted]
DAVID M. FOELLINGER, [redacted]
DOM D. FORD, [redacted]
SCOTT E. FORREY, [redacted]
MATTHEW J. FOWLER, [redacted]
ROBERT D. FRANSON, [redacted]
KEITH B. FRANTZ, [redacted]
JOHN W. FRAZIER, [redacted]
ROBERT A. FREELAND, [redacted]
RICKY L. FREEMAN, [redacted]
JACOB D. FREIVALD, [redacted]
JAMES W. FREY, [redacted]
JOSEPH M. FRIEDERICHS, [redacted]
LISA E. FRITZ, [redacted]
SAMUEL FROESE, [redacted]
JAMES R. FULLWOOD, JR, [redacted]
MAURICE S. GALLAGHER, [redacted]
SEAN B. GALLAGHER, [redacted]
TODD G. GALLATI, [redacted]
SCOTT R. GANT, [redacted]
ADOLFO GARCIA, JR, [redacted]
CHRISTOPHER C. GAYDOS, [redacted]
PAUL J. GEARY, [redacted]
NICHOLAS O. GETER, [redacted]
CHRISTOPHER T. GIBSON, [redacted]
JASON G. GILBERT, [redacted]
SEAN J. GILECE, [redacted]
GEORGE K. GILL, JR, [redacted]
ERIC M. GILLARD, [redacted]
ALLYN M. GIRLING, [redacted]
RYAN J. GIVENS, [redacted]
BRIAN M. GOEBEL, [redacted]
MARTIN W. GOGUEN, [redacted]
ROBERT J. GORDON, [redacted]
WILLIAM A. GORDON, [redacted]
DARREN C. GOULD, [redacted]
KEVIN F. GRANEY, [redacted]
WILLIAM C. GRAY, [redacted]
STUART J. GREENBAUM, [redacted]
DAVID W. GREENLESS, [redacted]
SEAN M. GRENIER, [redacted]
SCOTT H. GRIMES, [redacted]
JAMES M. GROHMAN, [redacted]
JAMES W. GROOMS, II, [redacted]
MATTHEW S. GROSZ, [redacted]
CHRISTOPHER P. GROTON, [redacted]
KARL R. GUMTOW, [redacted]
JOSHUA P. HALLETT, [redacted]
EARL L. HALQUIST, [redacted]
MICHAEL A. HARKIN, [redacted]
JOHN P. HARLOW, [redacted]
MICHAEL J. HARMON, [redacted]
ANDRE T. HARRELL, [redacted]
JOHN D. HARRILL, [redacted]
JOHN N. HART, IV, [redacted]
DANNY B. HASKELL, [redacted]
MARK D. HAWKINS, [redacted]
GLENN E. HEATH, [redacted]
MICHAEL J. HEFFERNAN, [redacted]
DAVID E. HENDERSON, [redacted]
WALTER H. HENDERSON, III, [redacted]
JOSEPH P. HENNIGAN, [redacted]
JOHN M. HENRY, [redacted]
DAVID L. HERLONG, [redacted]
DAVID HERR, [redacted]
BEN L. HEWLETT, [redacted]
DERRICK R. HEYL, [redacted]
CRAIG A. HILL, [redacted]
JOHN M. HIMES, [redacted]
JOHN G. HINSON, [redacted]
MICHAEL O. HIXSON, [redacted]
MARK A. HODORY, [redacted]
JASON T. HOLDEN, [redacted]
COURTNEY J. HOLLAR, [redacted]
DAVID J. HOLZWEISS, [redacted]
CHRISTOPHER C. HOMEWOOD, [redacted]
RAMON L. HOPKINS, [redacted]
MARK D. HOROWITZ, [redacted]
ARTHUR C. HOUGHTY, II, [redacted]
LESTER R. HOUSTON, [redacted]
JAMES E. HOWARD, [redacted]
BRIAN M. HOWLETT, [redacted]
DAVID E. HOY, [redacted]
MARK A. HOYLE, [redacted]
JASON A. HULETT, [redacted]
DAVID H. HULL, [redacted]
CHARLES A. HULMES, [redacted]
THOMAS P. HUMANN, [redacted]
DAVID T. HUME, [redacted]
MATTHEW K. HURD, [redacted]
WENDY J. HYING, [redacted]
PHILIP E. HYNES, [redacted]
JAMES W. INNES, [redacted]
CHAD E. JACKSON, [redacted]
JASON K. JACKSON, [redacted]
ROLLIN F. JACKSON, [redacted]
TERRANCE P. JAILLET, [redacted]
MARTIN A. JAROSICK, JR, [redacted]
THOMAS M. JENSEN, [redacted]
MICHAEL J. JERNIGAN, [redacted]
JOHN P. JERNOVICHS, [redacted]
STUART M. JESSOP, [redacted]
ERRIN P. JEWELL, [redacted]
CHAD W. JOHNSON, [redacted]
DANNY L. JOHNSON, [redacted]
ERIC S. JOHNSON, [redacted]
ALLAN B. JONES, [redacted]
BRIAN E. JONES, [redacted]
ROBERT O. KALOUSTIAN, JR, [redacted]
AMY R. KARAM, [redacted]
THEMISTOCLE W. KARAVITES, [redacted]
PATRICK J. KEANE, [redacted]
ROGER J. KELLER, II, [redacted]
JAMES E. KELLY, [redacted]
THOMAS E. KERLEY, [redacted]
MILLER J. KERR, [redacted]
SAMANTHA K. KERRY, [redacted]
JOHN G. KERWOOD, [redacted]
CARL N. KIEWERT, [redacted]
MICHAEL T. KINDT, [redacted]
JOSEPH D. KLOPPEL, [redacted]
ERICH S. KNOX, [redacted]
ERIK D. KOBS, [redacted]
THOMAS S. KOGLMAN, [redacted]
PAUL A. KONOPKA, [redacted]
KEITH C. KORENEK, [redacted]
TIMOTHY D. KORNACKI, [redacted]
JOHN J. KOWATCH, [redacted]
LUKE W. KRATKY, [redacted]
EDWARD J. KREPPEIN, [redacted]
ADAM R. KUBICKI, [redacted]
PETER E. KUNKEL, [redacted]
MELISSA D. KUO, [redacted]
HERBERT A. KUPEC, [redacted]
STEPHEN C. LABASH, [redacted]
STEPHEN C. LABRECHE, [redacted]
SCOTT S. LACY, [redacted]
CHRISTOPHER J. LAMBERT, [redacted]
TIMOTHY B. LAMPARD, [redacted]
CHRISTOPHER T. LAMPE, [redacted]
MARC C. LANGEVIN, [redacted]
ERIC R. LARSON, [redacted]
FRANK N. LATT, [redacted]
CHRISTOPHER J. LAUER, [redacted]
ERIK E. LAUFER, I, [redacted]
JOHN T. LAW, II, [redacted]
WILLIAM C. LAWS, [redacted]
GARY P. LEE, [redacted]
MICHAEL T. LEGENS, JR, [redacted]
METIN T. LEGGETT, [redacted]
CORY J. LEONARDI, [redacted]
MICHAEL D. LEPSON, [redacted]
MICHAEL W. LERSBAK, [redacted]
DARIN L. LETZRING, [redacted]
JAMES J. LIEBERTZ, [redacted]
MARK D. LIGHT, [redacted]
JOHN T. LINCOLN, [redacted]
MARK A. LIST, [redacted]
ROBERT S. LIST, [redacted]
MARK A. LISTER, [redacted]
DANIEL C. LOGAN, [redacted]
THEODORE J. LONG, [redacted]
MATTHEW J. LOVELL, [redacted]
ANDERS F. LOWENFISH, [redacted]
EDWIN H. LOWSMA, [redacted]
PHILLIP J. LOZADA, [redacted]
DAVID W. LUCAS, [redacted]
HENRY W. LUTZ, [redacted]
RAQUEL L. LYLES, [redacted]
JOSEPH F. LYONS, [redacted]
ALLISON J. MACBAIN, [redacted]
GARY W. MACLEOD, JR, [redacted]
MICHAEL S. MAGEE, [redacted]
MATT C. MAHAFFY, [redacted]
KEVIN S. MALLOY, [redacted]
ARTHUR C. MALPERE, [redacted]
DENNIS A. MANACO, [redacted]
ROBERT E. MANCINI, [redacted]
BRYAN T. MANGAN, [redacted]
BART A. MANGUNO, [redacted]
MORGAN G. MANN, [redacted]
RUSSELL W. MANTZEL, [redacted]
JOHN W. MARCHETTI, [redacted]
JENNIFER L. MARKS, [redacted]
LEONARD F. MARTIN, [redacted]
MATTHEW D. MARTIN, [redacted]
BRET W. MASSEY, [redacted]
YUKA R. MASTERSON, [redacted]
THOMAS J. MATALAVASE, [redacted]
DAVID H. MAYHAN, [redacted]
WILLIAM H. MCAFEE, [redacted]
RONALD W. MCBAY, [redacted]
DAVID L. MCCAFFREE, JR, [redacted]
CAMERON A. MCCAMPBELL, [redacted]
MATTHEW J. MCCORMACK, [redacted]
JON C. MCDANIEL, [redacted]
KEITH O. MCDONNELL, [redacted]
MICHAEL J. MCGANN, [redacted]
MATTHEW A. MCGARVEY, [redacted]
DANIEL E. MCGEE, [redacted]
PATRICK M. MCGEE, [redacted]
PATRICK F. MCGUIRE, [redacted]
JOHN MCKEEHAN, [redacted]
EDWARD T. MCKENNA, [redacted]
PATRICK D. MCKENNA, [redacted]
MICHAEL T. MCKINNEY, [redacted]
JEFFREY A. MCNEICE, [redacted]
JEFFREY J. MCNEIL, [redacted]
RUSSELL D. MEADE, [redacted]
SCOTT A. MEEHAN, [redacted]
FRANCIS M. MESS, [redacted]
KRISTIAN H. MEYERS, [redacted]
SAMUEL L. MIDDLETON, [redacted]
CHARLES J. MILES, [redacted]
JOHN J. MILES, [redacted]
DUNCAN W. MILLER, [redacted]
ROBIN E. MILLER, [redacted]
JAMES T. MIMS, [redacted]
STEPHEN D. MINOR, [redacted]
SCOTT M. MONGILLO, [redacted]
RODRICK M. MONTGOMERY, [redacted]
GARY G. MOON, [redacted]
KEITH MOORE, [redacted]
PHILIP M. MOORE, [redacted]
JEFFERY M. MORGAN, [redacted]
MATTHEW W. MORGAN, [redacted]
ERIC T. MORHENN, [redacted]
DAVE J. MORRIS, [redacted]
DAVID C. MORRIS, [redacted]
HAROLD M. MOSLEY, [redacted]
SEAN A. MUELLER, [redacted]
MICHAEL L. MULLER, [redacted]
WESLEY W. MULLER, [redacted]
JEFFREY T. MURPHY, [redacted]
MAUREEN B. MURPHY, [redacted]
CHRISTOPHER J. MYERS, [redacted]
JEFFREY A. MYERS, [redacted]
JONATHAN P. MYERS, [redacted]
MICHAEL D. MYERS, [redacted]
JEFFREY P. NADEAU, [redacted]
MICHAEL J. NADOLSKY, [redacted]
GREGG W. NELSON, [redacted]
THOMAS M. NELSON, [redacted]
LAWRENCE J. NEVEL, [redacted]
EVERETT G. NEWBRY, [redacted]
TIMOTHY A. NEWLAND, [redacted]
BENJAMIN J. NEWPORT, [redacted]
SHANE D. NICKLAUS, [redacted]
MICHAEL T. NIPPER, [redacted]
CHRISTOPHER J. NODURFT, [redacted]
JEAN E. NOGGLE, [redacted]
JOSHUA P. NORTON, [redacted]
DONALD A. NOSCHESE, [redacted]
TIMOTHY M. OBOYLE, [redacted]
JASON OPPERMANN, [redacted]
GEORGE R. OPRIA, [redacted]
JOHN J. OTOOLE, [redacted]
ALEXANDER H. OTTE, [redacted]
DAVID S. OWEN, [redacted]
WILLIAM S. OYSTER, [redacted]
JAY F. PALMOS, [redacted]
MARIO A. PALOMINO, [redacted]
CHRISTOPHER J. PALUMBO, [redacted]
ALBERTO J. PARACCHINI, [redacted]

ERIC PARKER, [redacted]
SEAN D. PARKER, [redacted]
ROBERT J. PATRICK, [redacted]
KELLY L. PATTERSON, [redacted]
GEORGE L. PAVEY, [redacted]
JOHN J. PEDERSEN, [redacted]
MICHAEL J. PELAK, [redacted]
JOHN D. PERCIVAL, [redacted]
RONALD J. PETERSON, [redacted]
JOHN L. PETRICOLA, [redacted]
ANDREW J. PETRUCCI, [redacted]
ADIN M. PFEUFFER, [redacted]
CHRISTOPHER L. PHELPS, [redacted]
CARL A. PHILLIP, [redacted]
MICHAEL A. PHILLIPS, [redacted]
LEONARD E. PHILO, [redacted]
SCOTT E. PIERCE, [redacted]
STEPHEN S. PIERSON, [redacted]
BENJAMIN A. PIPER, [redacted]
THEODORE E. PITT, JR, [redacted]
STEPHANIE M. POLVINO, [redacted]
TERRY L. POTTER, [redacted]
HEATHER L. POUNCEY, [redacted]
ALEXANDER W. POWELL, [redacted]
MICHAEL J. PRATT, [redacted]
CHARLES P. PRESTON, [redacted]
CRAIG I. PRICE, [redacted]
RICHARDSON G. PRICE, [redacted]
EDWARD S. PROCTOR, [redacted]
GARY PROVENZANO, [redacted]
ROMAN T. PRZEPIORKA, [redacted]
ANDREW J. RAINS, [redacted]
WILLIAM L. RANEY, III, [redacted]
CARLOS G. RASCON, [redacted]
GEORGE A. RAY, II, [redacted]
CHARLES A. REDDEN, [redacted]
KENNETH A. REESE, [redacted]
GREGORY L. REICHERT, [redacted]
MATTHEW S. REID, [redacted]
KEVIN P. REILLY, [redacted]
ROBERT C. RICE, [redacted]
JAMES M. RICH, [redacted]
CHRISTIAN RICHARDSON, [redacted]
RORY D. RICHARDSON, [redacted]
SAMUEL RICHARDSON, III, [redacted]
CHRISTOPHER S. RICHIE, [redacted]
ALAN L. RICKETTS, II, [redacted]
TIMOTHY M. RIORDAN, [redacted]
THOMAS H. RIPLEY, [redacted]
GLEN E. RITTA, [redacted]
BRET H. RITTERBY, [redacted]
CHARLES R. RIVENBARK, JR, [redacted]
ALAN S. ROBERTS, [redacted]
KEVIN ROBERTS, [redacted]
BRIAN P. ROBINS, [redacted]
CRAIG R. ROBINSON, [redacted]
GEORGE M. ROBINSON, [redacted]
DENNIS D. RODGERS, [redacted]
MICHAEL E. RODGERS, [redacted]
MICHAEL R. ROGERS, [redacted]
KARL C. ROHR, [redacted]
JOHN F. ROLLINS, [redacted]
MARY M. ROMANS, [redacted]
DAVID H. ROSENBERG, JR, [redacted]
KEITH A. RUDY, [redacted]
ANDREW F. RUF, [redacted]
JEFFREY N. RULE, [redacted]
REB J. RUSSELL, II, [redacted]
ANDREW T. RYAN, [redacted]
JOSEPH M. RYAN, [redacted]
ROBERT S. RYSER, II, [redacted]
CRAIG J. SALOMONSON, [redacted]
MICHAEL V. SAMAROV, [redacted]
ELEAZAR O. SANCHEZ, [redacted]
DAVID B. SANDVOLD, [redacted]
LAWRENCE B. SAVARESE, [redacted]
MICHAEL SAYLOR, [redacted]
JEFFREY C. SCALZO, [redacted]
RALPH E. SCHACKART, III, [redacted]
JOHN P. SCHAEFER, [redacted]
BYRON L. SCHLATHER, [redacted]
ALVIN SCHMIDT, IV, [redacted]
ARTHUR J. SCHNEIDER, [redacted]
GEORGE A. SCHUTTER, [redacted]
JOHN P. SCHWARZ, [redacted]
EDWIN L. SCOGGIN, [redacted]
MICHAEL P. SCOTT, [redacted]
OLIN J. SEAGO, [redacted]
JOSEPH W. SEARS, [redacted]
VICKIE M. SELF, [redacted]
ARTHUR J. SEMENTELLI, [redacted]
MATTHEW D. SEMONIK, [redacted]
WILLIAM J. SENENKO, [redacted]
WADE A. SHAW, [redacted]
BRANDON W. SHEARER, [redacted]
JAMES D. SHEEHAN, [redacted]
MICHAEL S. SHEWFELT, [redacted]
ROBERT J. SHOVLIN, [redacted]
PATRICK H. SILVIA, [redacted]
MICHAEL S. SIMS, [redacted]
JOHN B. SKINNER, [redacted]
JOSEPH B. SMITH, [redacted]
MARCUS C. SMITH, [redacted]
ROBERT P. SMITH, [redacted]
THOMAS C. SMITH, [redacted]
JEFFREY A. SNELLING, [redacted]
ALAN W. SOLTER, [redacted]
WALTER C. SOPP, [redacted]
RANDY J. SORIANO, [redacted]
DAX C. SOULE, [redacted]
JOSEPH M. SPAMPINATO, [redacted]
TROY D. SPENCER, [redacted]
SEAN R. STALLARD, [redacted]
JAMES C. STANLEY, [redacted]
PHILIP K. STAUFFACHER, [redacted]
ARNIE M. STEPHENS, III, [redacted]
JEFFREY A. STERNBERG, [redacted]
JEFFERY S. STEWART, [redacted]
BENJAMIN P. STINSON, [redacted]
JEFFREY A. STIVERS, [redacted]
MARK R. STROBL, [redacted]
MATTHEW R. STUCKEY, [redacted]
JOHN P. SULLIVAN, JR, [redacted]
ARVIND B. SUTHAR, [redacted]
CHRIS SUTTON, [redacted]
TRAVIS L. SUTTON, [redacted]
MATTHEW SWEETLAND, [redacted]
SHAWN M. SWIER, [redacted]
HANS A. SYLVESTER, [redacted]
KEITH K. TAKABAYASHI, [redacted]
JAMES S. TARVER, [redacted]
ANDREW J. TATE, [redacted]
PETER Z. TAYLOR, [redacted]
SCOTT A. TAYLOR, [redacted]
STACEY TAYLOR, [redacted]
THOMAS T. TAYLOR, [redacted]
MICHAEL J. TEATES, [redacted]
ROBERT E. THIEN, [redacted]
COREY E. THOMAS, [redacted]
TIMOTHY W. THOMASSON, [redacted]
MARC C. THOMPSON, [redacted]
DARIS TILLMAN, [redacted]
AARON C. TOBUL, [redacted]
PATRICK A. TORREY, [redacted]
BRIAN P. TOSH, [redacted]
SCOTT M. TOUNEY, [redacted]
MARK C. TRENTALANGE, [redacted]
JOHN C. TREPKA, [redacted]
WENDY TRUDEAU, [redacted]
ROBERT E. TSCHAN, II, [redacted]
SCOTT W. TSCHETTER, [redacted]
PATRICK M. TUCKER, [redacted]
THOMAS A. TUCKER, [redacted]
DAVID W. TURNER, [redacted]
CRAIG C. ULLMAN, [redacted]
KELLY J. UNDERWOOD, [redacted]
TONY UZZLE, [redacted]
HENRY E. VANDERBORGHT, [redacted]
STEPHEN K. VANRIPER, [redacted]
TIMOTHY VANTASSEL, [redacted]
JAMES P. VAUGHN, [redacted]
LUIS E. VELAZQUEZ, [redacted]
NICOLE T. VERICH, [redacted]
DONALD A. WADSWORTH, [redacted]
DANIEL H. WAKINS, [redacted]
CHRISTOPHER K. WALES, [redacted]
BEN L. WALLACE, [redacted]
HOWARD B. WALLACE, III, [redacted]
IAN S. WALLACE, [redacted]
CHRISTOPHER B. WALTERS, [redacted]
DAVID D. WALTERS, [redacted]
BRENT G. WAS, [redacted]
PAUL R. WEAVER, [redacted]
AARON D. WEISS, [redacted]
JASON C. WEJNERT, [redacted]
DONALD D. WELCH, [redacted]
CHARLES B. WEST, III, [redacted]
MARK T. WETHERILL, [redacted]
JEROME S. WHALEN, [redacted]
ROBERT F. WHALEN, [redacted]
STEVEN J. WHITE, [redacted]
CURT J. WHITEFIELD, [redacted]
KEITH E. WHITEHOUSE, [redacted]
NICOLE WHITING, [redacted]
JONATHAN D. WHITTLES, [redacted]
GUNNAR R. WIEBOLT, [redacted]
BYRON T. WIEDEMAN, [redacted]
SAMUEL E. WIGGINS, [redacted]
ERIK J. WIGNES, [redacted]
JAMES WILKINSON, [redacted]
ADAM N. WILLIAMS, [redacted]
ROCKY W. WILLIAMS, [redacted]
TIMOTHY T. WILLIAMS, [redacted]
ZOE G. WILLIAMS, [redacted]
EDWARD S. WILSON, III, [redacted]
GEORGE H. WILSON, [redacted]
KENNETH N. WILSON, [redacted]
PETER C. WILSON, [redacted]
BRIAN E. WOLFE, [redacted]
FRANCIS R. WOLSKY, [redacted]
WILLIAM G. WOMACK, [redacted]
MARCUS H. WOOLLARD, [redacted]
GARY D. WRIGHT, [redacted]
JAMES C. WRIGHT, [redacted]
JEFFERY B. WRIGHT, [redacted]
TROY V. WRIGHT, [redacted]
DANIEL L. YAROSLASKI, [redacted]
MICHAEL E. YATES, [redacted]
JASON D. YORK, [redacted]
DARREL S. YOUNG, [redacted]
DEREK P. YOUNG, [redacted]
DEVIN C. YOUNG, [redacted]
VINCE E. YURICK, [redacted]
PHILLIP ZEMAN, [redacted]
MICHAEL S. ZUMMER, [redacted]

THE FOLLOWING NAMED MARINE CORPS ENLISTED COMMISSIONING EDUCATION PROGRAM GRADUATES FOR PERMANENT APPOINTMENT TO THE GRADE OF SECOND LIEUTENANT IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, U. S. CODE, SECTION 531:

MADELEINE D. ALLEN, [redacted]
JOHN F. AMERICA, [redacted]
PHILIP G. ANTEKEIER, [redacted]
KELLY A. AUSTIN, [redacted]
WILLIAM G. BALESTRERI, [redacted]
CRYSTAL T. BAXLEY, [redacted]
WENDELL BAZEMORE, [redacted]
CHRISTOPHER C. BEAVERS, [redacted]
GABRIEL BELTRAN, [redacted]
STEFAN J. BOOTH, [redacted]
PETER J. BROWN, [redacted]
ALBERT J. BUSENBARK, [redacted]
JOHN D. CANNON, [redacted]
JOSE M. CASADO, [redacted]
LORNIA M. CHANCE, [redacted]
KEITH A. COLEMAN, [redacted]
WAYNE E. COLLINS, [redacted]
DAVID S. COOK, [redacted]
SAMUEL A. CRISLER, [redacted]
GARY M. DECKARD, [redacted]
DAVID I. DIERSON, [redacted]
MICHAEL K. DOTY, [redacted]
ANDREW J. DRAKE, [redacted]
STEVEN E. DUKE, [redacted]
GEORGES T. EGLI, [redacted]
RANDAL S. ENGBERG, [redacted]
WESLEY L. FEIGHT, [redacted]
ERIC C. FLEMING, [redacted]
ERNESTO L. FLORES, JR, [redacted]
DOUGLAS K. FORDHAM, [redacted]
THOMAS M. GAINOR, [redacted]
BRIAN E. GARD, [redacted]
JEFFREY M. GRAHAM, [redacted]
THOMAS J. HAIL, [redacted]
MARK P. HANEY, [redacted]
BYRON R. HARPER, [redacted]
DANIEL P. HEALEY, [redacted]
RONALD E. HEATH, [redacted]
CLEMENT W. HEY, [redacted]
JEFFERY J. JACKSON, [redacted]
JEFFREY R. JOHNSON, [redacted]
CHARLES E. JONES, JR, [redacted]
DANIEL R. KAZMIER, [redacted]
GARY A. KING, [redacted]
PATRICK S. KIRCHNER, [redacted]
DOUGLAS V. KUHN, [redacted]
WALTER W. KULAKOWSKI, [redacted]
DARYL J. LANINGA, [redacted]
PATRICK T. LAVIGNE, [redacted]
JAMES O. LESPERANCE, [redacted]
DAVID A. LEWIS, [redacted]
DIANE L. LIEN, [redacted]
ERIC E. LUCAS, [redacted]
STEVEN G. LUHRSEN, [redacted]
JOHN A. MANNING, [redacted]
HENIBERTO A. MARTINEZ, [redacted]
WILLIAM P. MCCLANE, [redacted]
WILLIAM J. MCCUTCHEON, [redacted]
WILLIAM J. MCWATERS, [redacted]
JEFFREY W. MEGARGEL, [redacted]
CHRISTIAN C. MILLER, [redacted]
BRIAN P. MONTOYA, [redacted]
CURTIS E. MOORE, [redacted]
DAVID A. MOORE, [redacted]
PAUL R. MOORE, [redacted]
ALBERTO MORALES, [redacted]
JOE H. MORRIS, [redacted]
CHRISTIAN A. NELSON, [redacted]
GEORGE J. NEMES, JR, [redacted]
STEWART R. NICKLESS, [redacted]
CLINT J. NUSSBERGER, [redacted]
PLACIDO ORDONA, JR, [redacted]
SOUTSANA OUNKHAM, [redacted]
RONALD S. PAHL, [redacted]
ERIC J. PALM, [redacted]
WALTER K. PARKER, [redacted]
DAVID L. PARKS, JR, [redacted]
JACQUES T. PELLETIER, [redacted]
SCOTT W. PIERCE, [redacted]
KENNETH A. QUINER, [redacted]
SCOTT C. RAINVILLE, [redacted]
EUGENE E. REDDING, [redacted]
CHARLES T. REITZ, [redacted]
CASEY T. RENFREW, [redacted]
STEVEN D. RICHARDSON, [redacted]
MILDRED A. RIDDELL, [redacted]
SEAN R. RIGGS, [redacted]
GARY D. ROTSCH, [redacted]
DOMENIC J. SCARCIA, [redacted]
NEIL C. SCHUEHLE, [redacted]
JEFFREY SCHULMAN, [redacted]
MICHAEL B. SEGER, [redacted]
JONATHAN W. SELBY, [redacted]
MARK D. SEWELL, [redacted]
KEITH E. SHAFFER, [redacted]
PETER J. SHELBY, [redacted]
DAVID S. SIEGER, [redacted]
TY A. SIMMONS, [redacted]
PATRICK S. SIPE, [redacted]
CYNTHIA A. SMIGIEL, [redacted]
PHILLIP E. STACKHOUSE, [redacted]
PATRICK E. SULLIVAN, [redacted]
LELAND W. SUTTEE, [redacted]
DAVID J. SWICEGOOD, [redacted]
JOHN E. TAYLOR, [redacted]
MICHAEL A. THOMAS, [redacted]
TODD S. TOMKO, [redacted]
LARRY M. TREMAGLIO, [redacted]
LISA L. VIGNEAU, [redacted]
ROBERT A. VOJTIK, [redacted]
CHARLES D. WALKER, [redacted]
MCCLENDON N. WATERS, III, [redacted]
ROBERT H. WILLIS, JR, [redacted]

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS OF THE MARINE CORPS FOR PERMANENT APPOINTMENT TO THE GRADE OF COLONEL UNDER TITLE 10, UNITED STATES CODE, SECTION 624:

RICHARD D. ALLEN, [redacted]
GARY W. ANDERSON, [redacted]
RAYFEL M. BACHILLER, [redacted]
JAMES R. BATTAGLINI, [redacted]
ROBERT A. BEAUDOIN, [redacted]
CHARLES D. BENNETT, [redacted]
GEORGE H. III BENSKIN, [redacted]
THOMAS L. BLICKENSDERFER, [redacted]
DAVID R. BLOOMER, [redacted]
ROBERT B. JR BLOSE, [redacted]
JAMES L. SR BOOKER, [redacted]
JOHN F. BOULDRY, [redacted]
WILLIAM G. III BOWDON, [redacted]
WILLIAM L. BOWLING, [redacted]
MICHAEL H. BOYCE, [redacted]
ROBERT E. BRAITHWAITE, [redacted]
DARRELL A. BROWNING, [redacted]
BRUCE E. BRUNN, [redacted]
JAMES E. CARTWRIGHT, [redacted]
THOMAS A. CAUGHLAN, [redacted]
STEPHEN A. CHENEY, [redacted]
JAMES P. CHESSUM, [redacted]
RICHARD W. CHRISTIANSEN, [redacted]
JOHN S. CIPPARONE, [redacted]
ELIGAH D. JR CLARK, [redacted]
WAYNE A. CLEMMER, [redacted]
JAMES K. COBB, [redacted]
ROBERT S. COHEN, [redacted]
JOHN R. COHN, [redacted]
LARRY P. COLE, [redacted]
RAYMOND COLE, [redacted]
GARY W. COLLENBORNE, [redacted]
JAMES M. II COLLINS, [redacted]
JOSEPH COMPOSTO, [redacted]
LARKIN E. CONATSER, [redacted]
KEVIN A. CONRY, [redacted]
MICHAEL A. COULMAN, [redacted]
WALDO B. JR CUMMINGS, [redacted]
WILLIAM C. DARNER, [redacted]
DONALD L. DAVIS, [redacted]
RONALD V. DELONEY, [redacted]
MELVIN W. JR DEMARS, [redacted]
HENRY M. DENTON, [redacted]
CHARLES L. DOCKERY, [redacted]
ROBERT C. JR DODT, [redacted]
CHARLES W. DORMAN, [redacted]
PETER A. DOTTO, [redacted]
GERALD J. DUDA, [redacted]
THOMAS E. DUNKELBERGER, [redacted]
JAMES M. DURHAM, [redacted]
JAN M. DURHAM, [redacted]
JAMES B. EGAN, [redacted]
JAMES M. II EICHER, [redacted]
ROBERT M. FLANAGAN, [redacted]
TIMOTHY M. GAHAN, [redacted]
JON A. GALLINETTI, [redacted]
JOHN R. GARVIN, 7726
JOHN M. GAUTREAUX, [redacted]
WILLIAM M. III GIVEN, [redacted]
RYAN P. GOODELL, [redacted]
JOHN F. GOODMAN, [redacted]
JOSEPH P. JR GORDON, [redacted]
VINCENT J. JR GOULDING, [redacted]
BARRY P. GRIFFIN, [redacted]
WILLIAM C. JR GRUBB, [redacted]
RANDALL B. HAGLUND, [redacted]
WILLIAM L. HAMMERLE, [redacted]
JAMES C. HARDEE, [redacted]
MARK K. HAYDEN, [redacted]
JEFFREY F. HEMLER, [redacted]
CARL M. HERDERING, [redacted]
JOHN M. HIMES, [redacted]
TIMOTHY J. HIMES, [redacted]
RICHARD P. JR HOBBS, [redacted]
JOHN D. HOLDSTEIN, [redacted]
RICHARD A. HUCK, [redacted]
JEFFREY L. HULL, [redacted]
HAROLD L. INABINET, [redacted]
RICHARD B. INGHRAM, [redacted]
ALVIN W. JR KELLER, [redacted]
RICHARD L. KELLY, [redacted]
MICHAEL M. KEPHART, [redacted]
PIERCE R. KING, [redacted]
STEVEN J. KING, [redacted]
THOMAS R. KING, [redacted]
STEPHEN J. JR LABADIE, [redacted]
JOHN II LANGDON, [redacted]
LEE F. II LANGE, [redacted]
JAMES A. LASSWELL, [redacted]
ROBERT N. LEAVITT, [redacted]
JAMES D. LENARD, [redacted]
DAVID C. LITCHFIELD, [redacted]
LAWRENCE A. MACHABEE, [redacted]
HAROLD J. MAHER, [redacted]
RICHARD A. MALONEY, [redacted]
DENNIS C. MCBRIDE, [redacted]
KEVIN J. MCHALE, [redacted]
JOHN B. MEAGHER, [redacted]
ROBERT G. MELLON, [redacted]
OTTAVIO J. MILANO, [redacted]
JOHN R. MILLS, [redacted]
JAMES R. MORRIS, [redacted]
JOHN J. MOYER, [redacted]
STEPHEN F. MUGG, [redacted]
CLIFFORD O. III MYERS, [redacted]
MICHAEL R. NANCE, [redacted]
DENNIS K. OBERHELMAN, [redacted]
JAMES P. ODONNELL, [redacted]
MICHAEL L. OLSON, [redacted]
JOHN C. OSBORNE, [redacted]
RICHARD L. OWEN, [redacted]
RICHARD L. JR OWEN, [redacted]
CRUZ PARDO, [redacted]
RALPH E. JR PARKER, [redacted]
WILLIAM H. PARRISH, [redacted]
JOHN F. PETTINE, [redacted]
MARK B. PIZZO, [redacted]
RAYMOND L. POLAK, [redacted]
JOSEPH J. RIGGIO, [redacted]
PAUL F. JR ROQUES, [redacted]
JAMES L. SACHTLEBEN, [redacted]
JOHN F. SATTLER, [redacted]
RICHARD Y. SHINTANI, [redacted]
LAURENCE E. SIMPSON, [redacted]
CHARLES O. SKIPPER, [redacted]
CLYDE H. SLICK, [redacted]
BYRON E. SMITH, [redacted]
MICHAEL H. SMITH, [redacted]
WILLIE T. SNOW, [redacted]
JOHN B. SOLLIS, [redacted]
CURTIS B. SOUTHWICK, [redacted]
WILLIAM R. SPAIN, [redacted]
GRANT M. SPARKS, [redacted]
LINDEN L. SPARROW, [redacted]
CHRISTOPHE B. STOOPS, [redacted]
JAMES N. STROCK, [redacted]
LYNN A. STUART, [redacted]
JONATHAN W. STULL, [redacted]
LEONARD M. SUPKO, [redacted]
BONNI L. SUTHERLAND, [redacted]
DAVID J. TURNER, [redacted]
GUY M. VANDERLINDEN, [redacted]
GERALD J. VARELA, [redacted]
JAMES E. VESELY, [redacted]
JOHN H. WAGNER, [redacted]
WILLIAM J. WESLEY, [redacted]
WILLIAM A. WHITLOW, [redacted]
JIMMY L. WHITSON, [redacted]
FRANCES C. WILSON, [redacted]
JOHN D. WINCHESTER, [redacted]

IN THE NAVY

THE FOLLOWING NAMED NAVAL ACADEMY MIDSHIPMEN TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

NAVAL ACADEMY MIDSHIPMEN

To be ensign; permanent

MICHAEL NARCISO ABREU
ARMANDO ACOSTA, JR
JOHN HOWARD ADAIR, II
JEFFERSON WADE ADAMS
THOMAS PATRICK ADISSI
KENNETH QUITUGUA AGUILAR
JOHN BOWMAN AHRENS
CHRISTOPHER DEANE ALEXANDER
SCOTT WILLIAM ALEXANDER
JOHN CODY ALLEE
TIMOTHY LON ALLEN
GARY VOS ALLISON
CARMINA AMEZCUA
CHRISTOPHER BRIAN Q. ANDERSON
DAVID RICHARD ANDERSON
SHANNON DELONG ANDERSON
WAYNE WALTER ANDERSON, JR
EDAN BARRETT ANTOINE
JON JAY ANTONELLI
FERNANDO JOSE ARGELES
CREIGHTON JOHN ARMSTRONG
GEORGE RICHARD ARNOLD, II
JAMES MATTHEW ARRISON, IV
BENJAMIN ANDREW ATKINS
JOHN ALVIN ATKINSON, JR
STEPHEN CHARLES AUGUSTIN
MICHAEL CHRISTOPHER AVERNA
MICHAEL DONALD BACHMEIER
MARK BENNETT BAEHR
KENNETH BRADLEY BAELL
TERRY LYNN BAGGETT
DAVID EUGENE BAKER
KYLE WILLIAM BAKER
JOSEPH RONALD BALDWIN
THOMAS CHARLES BALDWIN
MARC CHRISTOPHER BALIOTTI
DARREN JENS BANKS
DOUGLAS PAUL BARBER, JR
JOHN OLLIE BARKER
CRAIG PHILIP BARNETT
JONATHAN WILLIAM BARNEY
JOHN FOSTER BARON
RICHARD FERSON BARRETT, JR
RONALD ANTHONY BARRETT, JR
TIMOTHY EDWARD BARRICK
JOHN JOSEPH BARRY, III
MICHAEL BYRON BARRY
RICHARD PHILLIP BASSI
SHAUNA MARIE BATTY
TROY DEAN BAUDER
JUDITH MARIE BRUCE BAUMGARTNER
WESLEY ELI BEADLE, IV
EILEEN BEAZLEY
KEITH MACAULAY BECK
KEITH ANTHONY BEITER
JEFFREY SCOTT BELL
CHRISTINA MARIE BENACCI
JEFFREY ALBYN BENNETT, II
WILLIAM DEARL BENSCH
FERDINAND BASCO BEREDO
MATTHEW BREEDEN BERG
DAVID ERICK BERGSTROM
JERRY LLOYD BERMAN
PETER RAYMOND BERNING
MAX WAYNE BERRY
PAUL NOLIN BERTHELOTTE
MARK DOUGLAS BEST
ERIK PAUL BETHEL
KEVIN WAYNE BILLINGS
MICHAEL BERNARD BILZOR
RICHARD WHITNEY BISHOP
SHANE WILLIAM BISHOP
DAVID THOMAS BITLER
WILLIAM ACKEN BLOSZINSKY
BRADLEY ALLEN BLOYE
SCOTT FRANCIS BLUNDO
RAFAEL EDUARDO BOBENRIETH
TODD WILLIAM BOEHM
ROBERT ERIK BOEHNING
MATTHEW DOUGLAS BOGDAN
JENNIFER ANNE BOLIN
ANTHONY RICHARD BONATO
DUANE W. BOREN
NEAL DAVID BORKERT
GEORGE PETER BOTOULAS
PARRISH MUSCOE BOULWARE
CHARLES THOMAS BOUTIN
BARTH H. BOYER
SEAN WESLEY BOYER
CHRISTOPHER JOHN BOYLE
PETER CHRISTOPHER BOZZO
MARK ARNOLD BRAGG
DEVIN ROY BRAKOB
CARL FRANK BRASEK
CHAD STUART BREESE
DAVID MICHAEL BRETT MAJOR
WILLIAM DAVID BREWSTER, JR
JENKS DAVID BRITT
PATRICK TYLER BRITT
BRIAN DAVID BROCK
GEOFFREY DAVID BRODERICK
CHARLES ALEC BROOMFIELD
DOUGLAS EDMOND BROPHY
KENNETH WALTER BROWN
ROBERT WILLIAM BRUCE
RUSSELL ANTHONY BRUNE
MICHAEL SCOTT BUCHANAN
THOMAS ROBERT BUCHANAN
ANDREW STEWART BURCHFIELD
MANUEL MARTIN BURGA
WILLIAM ERNEST BURGESS, III
TIMIKA LYNN BURNETT
MICHAEL OWEN BURNS
PATRICK ROBERT BYRNE
ALEX DANIEL CABRERA
PATRICK EDGAR CALDWELL
SHAWN PATRICK CALLAHAN
MARCUS CHRISTOPHER CAMACHO
PERRY CAMERON
ALYCE AILEEN CAMPBELL
MARK CHRISTOPHER CANADY
BRIAN EDWARD CARBAUH
STEVEN HAROLD CARGILL
THOMAS JEFFREY CARLSON
LARRY JOSEPH CARPENTER
STEVEN HENRY CARRINGTON
CURTIS CONRAD CARROLL
JOHN PATRICK CASEY
JAMES ALFRED CAVINESS, JR
MATTHEW BRANTLEY CERVARICH
ALEXANDER TAGGART CHALMERS
HEATHER LEE CHAUNDY
RINA SUSAN CHELGREN
DON ELIOT CHERAMIE
SCOTT VINCENT CHESBROUGH
ROBERT WAYNE CHESSON
CLAY STEPHEN CHILSON
CLINTON JAMES CHLEBOWSKI
KATHRYN SAIMA CHRISTENSEN
MICHAEL CHRISTOPHER CHRISTIAN
LAURA LYNN CHRISTMAN
DAMIEN ROBERT CHRISTOPHER
PATRICK JOHN CHRZANOWSKI
THOMAS SEON O. CHUNG
CARL DAVID CIRILLO
DANIEL JOHN CLABBERS
DONALD ALMOND CLACK
MAXIMILIAN CLARK
JULIANA LASSITER CLELAND
DARIN SCOTT CLINE
TONY SHUO WEN CLINTON
LEA ADOLPH CLOWER, JR
JEFFREY MICHAEL COCHRAN
RONALD ANTHONY COCHRAN
BRETT WILLIAM COFFEY
WILLIAM PAUL COFFIN
BRAD JAY COLLINS
RICHARD COLLYER
JEFFREY GALLAGHER CONWAY
CHARLES ALLEN COOK, III
SAMUEL CHAPMAN COOK
JOHN ANDREW COOLEY
AARON KEITH COOPER
APRIL SERENE COOPER
ROBERT DIRK COOPER
BRUCE CORCORAN
JEFFERY LEE CORDER
CHRISTOPHER ADAMS CORDERO
TIMOTHY JOSEPH CORNELL
DOUGLAS WEDDELL COSLEY
RICKY COTTRELL
SCOTT ROBERT COUGHLIN
THAI ERIC COUGHLIN
MARILEE ALICE COWAN
RODERICK LONGWORTH COWARD
ANTHONY WARNER COX
WILLARD JEFFERSON COX, III
GLENN MICHAEL CRABBE
JEFFREY ANDREW CRAIG
MICHAEL ALEXANDER CRARY
JUDITH PAGE CREED
PAUL GENE CREIGHTON
CLINTON CHARLES CRESAP
THOMAS CHARLES CRIMMINS
KENNETH JOSEPH CROWLEY
BRETT ELLIOTT CROZIER
DAVID CANNON CULPEPPER
DONALD SCOTT CUNNINGHAM
KEITH ADAM CUSTER
DAVID LYNDELL CUTE, JR
JEFFREY CHAUCER D. ALATRI
JAMES SCOTT D. ALESSANDRO
MARK JEFFREY D. AMBRA
THOMAS PATRICK DAILY
SAMUEL ALLAN DAVEY, JR
MICHAEL ANGELO DAVIS
RICHARD STEVEN DAVIS
STEVEN ROGER DAVIS
MARK WILLIAM DAVISON
TIMOTHY PRESCOTT DAY
DAVID CHARLES DAYS
GERALD PAUL DEARIE
JEFFREY DALE DEBRINE
AMY GAYLE DELAVAN
THOMAS MORGAN DELL
DANIEL FRANCIS DEMASO
FLOYD CALHOUN DENT, III
JEROME CHRISTOPHER DEREN
DAVID GREGORY DETWILER
RUSSELL DEVRIES, JR
MICHAEL CRAIG DEWALT
ROBERT LEE DEWITT, JR
WILLIAM JOSEPH DEY
DENNIS PAUL DIAS
CURTIS DESMOND DIAZ
STANLEY PHILLIP DILLARD, II
SHAWN MICHAEL DISARUFINO
STEPHANIE ANN DIXON
CHUONG TRONG DO
THAISON DUY DO
MELANIE CELESTE DOBAY
ANGELA MARIE DOBBS
HOLLY MICHELLE DOBSLAW
MICHAEL DUFFY DOHERTY
TIMOTHY WAYNE DOLLAR, II
JEFFREY JOHN DOLVEN
DONALD JOSEPH DONEGAN
GEORGE DANIEL DONEY
SEAN DENNIS DONNELLY
MICHAEL JAMES DOWLING
RICHARD ERIK DOYLE
BRIAN CHRISTOPHER DOZIER
PAUL DRAKE, IV
ROBIN KENNETH DREEKE
JOHN DAVID DROSNER
KRISTIN MARILYN DRYFUSE
CHRISTOPHER PATRICK DUFFY
JOHN DANIEL DUNAWAY, JR
BRADLEY DEAN DUNHAM
FRANKLIN CHRISTOPHER DUNN
MARTHA SUZANNE DUNNE
NGAN HUU DUONG
MARCY MATHIAS DUPRE, V
WENDELL SCOTT EARGLE
JARED VAUGHN EAST
CARL HARVEY EBERSOLE
MARC CHRISTOPHER ECKARDT
CHRISTOPHER ALLEN ECKERLE
DAVID VINTON EDGARTON
MATTHEW CHRISTOPHER EDIC
PETER STUART EGELI
PETER DAVID EISENHAUER
ALEXANDER WILLIAM ELLERMANN
JOHN KEVIN ELLZEY
CHRISTIAN BLAKE ELSTER
BRIAN POTTER ENDERSBE
STEPHEN SCOTT ERB
SHIRLEY ANN EUBANKS
BRIAN KEITH EVANS
GEORGE WADE EVANS
MARK TAYLOR EVANS
MICHAEL ANTHONY EVARISTO
PAUL KENNETH EWING
JOHN DAVID EYDENBERG
ANTHONY CHRISTOPHER FABIANO
JASON BANCROFT FAUNCE
TODD WARNER FERRY
TIMOTHY JAMES FETSCH
TODD BENNETT FINKLER
BRIAN JAMES FINMAN
RHETT FALK FISHER
JOHN PATRICK FITZGERALD
CHRISTOPH JACKSON FLAHERTY
TIMOTHY EDWARD FLECKER
BRIAN MATTHEW FLEISHER
PATRICK JOSEPH FLOOD
CARLOS DANIEL FLORES
FRANCIS THOMAS FLORES, III
ROBERT JOSEPH FLYNN
PATRICK VINCENT FOEGE
MARK DOUGLAS FOLDY
VINCENT HENRY FONTENOT, JR
DAVID ALAN FORD
JOSEPH K. FORD, JR
CALVIN MORGAN FOSTER
JASON FOURNIER
JOHNNY SAMUEL FOX, III
PETER JOHN FRANKENFIELD
JOSEPH ANTHONY FRATANGELO
GREGORY EUGENE FRENCH
WARREN KEITH FRIDLEY
THOMAS ANTONY FROSCH
PETER FROST
ROBERT CARLTON FULFORD
THOMAS FRIEDRICH FULTON
MARK LOUIS FUSCO
ARNOLD EDGAR GALIT
MICHAEL JOSEPH GALLAGHER
JULIANE JEAN GALLINA
JON ROBERT GALLOWAY
BRADLEY ROYCE GARBER
MONIQUE MARIE GARCIA
TODD WILLIAM GARCIA
DANIEL LEE GARDNER
JAMES PHILIP GARDNER
JOHN BRIAN GARRY
GREGORY KENT GASKEY
STEPHEN DOUGLAS GASTON
STEVEN JOHN GAUERKE
BRAD ANDERSON GAZAWAY
MICHAEL PAUL GEBHARDT
SCOTT ALLEN GENARD
DEMETRIOS MICHAEL GEOKEZAS
JAMES JOSEPH GEORGE, II
MICHAEL JOSEPH GIANNETTI
ROBERT ROYCE GIBBS, II
MICHAEL PATRICK GIGGIE
GREGORY WORTH GILLAND
SEAN CAMPBELL GILLESPIE
HILARY BUCKLEY GILLIGAN
TED DAVID GIRDNER
DOUGLAS VAIL GLASGOW
STEVEN GLENN GODINHO
DANIEL STEVEN GOLDENBERG
PAUL RICHARD GOMEZ
HENRY LUCIO GONZALES
LAWRENCE EDWARD GONZALES
JOHN FRANCIS GOODPASTER, III
DANIEL FRANCIS GOODWIN
BRYAN JOSEPH GORDON
KEITH HUNTLY GORDON
STEPHEN JOSEPH GORDON
GEOFFREY CHRISTOPHER GRAHAM
MATTHEW LEE GRAHL
WILLIAM BOARDMAN GRAVES
ANTHONY MAURICE GRAY
MICHAEL EARL GREENE
MICHAEL SCOTT GREENE
DANIEL QUENTIN GREENWOOD
MARK ALLEN GREGORY
CRAIG DENTON GRUBB
BRIAN DEAN GRUBBS
MICHELLE MARIE GRULKOWSKI
JOSEPH KEARNEY GUIDO
CHRISTOPHER DEAN GUIDRY
KENNETH MARK GUSTAVSEN
TIMOTHY ISAAC GUTIERREZ
WILLIAM TODD HAGEROTT
CHRISTOPHER JEREMIAH HAINES
SEAN PATRICK HALEY
VINCENT FLOYDEL HALEY
KIMBERLY RAQUEL HALL
JOHN MICHAEL HALLER
EARL DAVID HAMILTON
TODD ALEXANDER HAMILTON

WILLIAM BLAINE HAMMACK, JR
CHRISTOPHER MICHAEL HAMRE
UN KYONG HAND
MICHAEL WAYNE HANEY
DALE ALAN HANSON
DAVID JAMES HANSON
MICHAEL WILLIAM HARKS
TODD ANTHONY HARMAN
MARSHAL FRANCIS HARPE
JEFFREY STEVEN HARRIS
MATTHEW JORDAN HARRISON
JOHN WILLIAM HATALA
LAURA ROSE HATCHER
CHRISTOPHER DAVID HAYES
JONATHAN FRANKLIN HAYES
JONATHAN BRITTON HAYNES
STACEY LYNN HAYTHORN
WILLIAM HENRY HEANEY
WILLIAM ANDREW HEARTHER
PHILLIP WAYNE HEBERER
MATTHEW THANE HEISLER
SCOTT RICHARD HEISLER
STEVEN TODD HEJMANOWSKI
TIMOTHY KENNETH HELD
DAVID MARTIN HELMREICH, JR
DAVID STEPHEN HELON
VANESSA BABETTE HENDERSON
JEB STUART HENDRICKS
JOHN CHARLES HENSEL, II
SEAN ROBERT HERITAGE
CHERYL ESTHER HERRICK
ANDREW MICHAEL HESS
RALITA SUE HILDEBRAND
TIMOTHY MICHAEL HILL
KEVIN LEE HINKAMPER
KERRY PHILLIP HINTON
JACOB CHRISTOPHER HINZ
MYUNG SIN HOBSON
MICHAEL MARTIN HOCKER
DOYLE KENDALL HODGES
CHRISTOPHER GRANT HOFFMANN
JOHN GRANT HOLBROOK, JR
CHRISTA HOLMGAARD
DANIEL BRIAN HOLSBERG
PAULINE ANNE HOLZHAUER
DAVID ROBERT HOPKINS
JOSEPH BELVIN HORNBUCKLE, III
CLAYTON LEE HORNER
SEAN WILLIAM HORTON
SCOTT CHRISTOPHER HOTTENSTEIN
ERIC ELBERT HOUNCHELL
DONNA LYNNE HUBER
DEANNA MARIE HUBERT
JEFFREY THOMAS HUBERT
MICHAEL LANDON HUDSON
THOMAS RYAN HUERTER
RAYMOND JOSEPH HUFNAGEL, III
BRIAN GEOFFREY HUGHES
CHARLENE ELAINE HUGHES
RICHARD BRYANT HUGHES
MICHAEL EDWARD HUTCHENS
PEYTON BRADFORD HUTTON
ADOLFO HERNALDO IBARRA
SHAWN BRIAN INMAN
DARCY KAY IRWIN
KATHY ANN L. ITALIEN
NATHAN ADAM IVES
DAVID MARK IVEZIC
JOHN EDENS JACKSON
RONALD GREG JACOBSON
RACHEL ELIZABETH JACOMET
TRACEY NICOLE JAMES
WAYNE ANTHONY JANG
DAVID GILBERT JASSO
CHRISTIAN THOMAS JENNINGS
DAVID MATTHEW JENSEN
MATTHEW PEARSON JENSEN
ROBERT JOHN JEZEK, JR
BRAD CUNNINGHAM JOHNSON
BRYON KEITH JOHNSON
CHRISTOPHER LAWRENCE JOHNSON
JAMES THOMAS JOHNSON, JR
JOEL RUSSELL JOHNSON
JOEY JON JOHNSON
JUDSON ELLIOTT JOHNSON
LOUIE WILLIAM JOHNSON
ROBERT GREGORY JOHNSON
STACIA NILES JOHNSON
DWIGHT DENNIS JOHNSTON
DAVID EDMUND JONES
HERBERT GEORGE JONES
MALACHI BROWN JONES, JR
RICHARD WALKER JONES, III
THOMAS PRESTON JOY, JR
JAMES BARRETT JOYCE, III
CHRISTOPHER ERICSON KAISER
JOSEPH GABRIEL KALUS, IV
MARK EDWARD KANE
SCOTT WILLIAM KAPUS
PHILIP EDWARD KAPUSTA
NOEL HEATHER KATCHARIAN
KARL ANTOINE KAZARIAN
KRISTINE MARIE KEFFER
SCOTT JOSEPH KEIFER
TIMOTHY OCONNOR KELLEY
CLAYTON BOWERS KENDRICK HOLMES
DONALD EDWARD KENNEDY
JOHN WILLIAM KENNEDY
KEVIN JAMES KENNEDY
LAWRENCE HENRY KENNEDY
ROBERT KENNEDY, JR
DAVID LAWRENCE KERN
KATHLEEN ANN KERRIGAN
DAVID SHANNON KERSEY
ANDREW EUGENE KETTERING
HARLAN JOHN KICKHOEFER
PAUL WILLIAM KIECKHEFER
KURT KANE KILGORE
WALKER EUGENE KIMBELL, IV
REGINALD TIPPER KING
SCOTT JAYSON KISH
LAWRENCE JOSEPH KISTLER
KEITH MAMORU KITAGAWA
JEFFREY WAYNE KITCHEN
ROLAND JOSEPH KLEIN
MARK STEVEN KLEINPETER
LEIGH SUZANNE KLINE
MARK KENNETH KOCHALKA
FRANK JOSEPH KOCHENASH
FRANKLIN PIERCE KOLBE, III
KENNETH GERALD KOPP
GLENN OSCAR KORHORN
JUAN ANDRES KRALJEVIC, JR
WILLIAM VINCENT KRUG, JR
SCOTT DOUGLAS KUYKENDALL
EUGENE DOUGLAS LACOSTE
SHANNON LACY
DANIEL JOHN LADRECH
LANCE JONATHAN LAFOND
PAULA KRISTINE LAIR
DOUGLAS ROGERS LAMB
EDWARD WILLIAM LAMBERT, III
KRISTA LEIGH LAMOREAUX
EDWIN JOHN LANDHERR, III
EDWARD JAMES LANDRITH
DONALD JERRY LANE
MICHAEL KENNEY LANE
BEAU DANIEL LASKEY
JENNIFER LYNNE LASSWELL
JONATHAN BRONSON LAUBACH
JAMES ARTHUR LAVENDER
PAUL PETER LAWLER
AMY LAWLESS
DAN EDWARD LAWRENCE
WILLIAM EDWARD LAWRENCE
HUNG BA LE
ROBERT TIMOTHY LEAKE
JEAN MARCEL LEBLANC
LANCE PHILLIP LEE
BRIAN JAY LEEP
IGNACIO LEPE
LANCE LEON LESHER
MARY ANN LESLIE
JOHN JOSEPH LEWIN
JAMES AYERS LEWIS
ROBERT MICHAEL LEWIS, JR
TODD MICHAEL LEWIS
TIMOTHY CARL LIBERATORE
JOSEPH JOHN LIENERT
DAVID BRIAN LILLEFLOREN
ALVARO LEE LIMA
JOHN SHYONG LIN
ANTHONY JOHN LINARDI, III
KRISTIN RENEE LINDLEY
CHRISTOPHER JOHN LINNANE
JODY KIMBERLY LLOYD
ANDREW SCOTT LOMAX
CHRISTOPHER STEPHEN LONG
PATRICK JOSEPH LONG
MATTHEW ROBERT LOOMAN
CHRISTOPHER JAMES LOPEZ
GREG ANTHONY LOPEZ
DAVID PARK LOWER
EDWIN JOHN LUCIO
BRIAN LEE LUKE
DAVID LUM
PETER MARTEN LUNDBLAD
ANDREW CLARK LYNCH
AMY LYNN LYONS
CHRISTINE ANN MACDONALD
WILLIAM GREGORY MAIER
ANTHONY MAISONET
MICHAEL DAVID MAKEE
MICHAEL ANDREW MANGAN
AMANDA ANN MANGES
KEVIN GEORGE MANLEY
VALERIE ELAINE MANSFIELD
ERIC MARCEL MANTION
RAMON ORTEGA MARIN
JAMES ERIC MARKS
JAMES PATRICK MARQUET
EVERETT SPAULDING MARSHALL, III
MATTHEW REES MARSHALL
PETER THOMAS MARTENSON
JAMES CABELL MARTIN
DONOVAN ALBERT MARTINEZ
NICK ALEXANDER MARUSICH
CHRISTOPHER JAMES MASLOWSKI
WILLIAM JOSEPH MASON
ROBERT LOUIS MASSON, II
ADAM WAYNE MASTEN
TODD ALAN MASTERS
KYLE TERENCE MATHEWS
ROBERT WILLIAM MATHEWSON, JR
MICHAEL DAVID MATSON
MARK MUIR MATTHEWS
MARK WILLIAM MATTHYS
DEMETRIUS FRENCHIE MAXEY
RYAN JAMES MCBRAYER
JAMES BRENDAN MCCALL
RICHARD KEITH MCCARTHY
CHARLES ANDREW MCCARTNEY
KURT MAXWELL MCCLUNG
ROBERT WAYNE MCCORMACK
JEFFREY DEEREN MCCREARY
MARK WILLIAM MCCULLOCH
JEFFREY ALAN MCDANIEL
MATTHEW JOHN MCDIVITT
EDWARD JOSEPH MCDONALD
JOHN DARREN MCFADDEN
PETER CHARLES MCGOWAN
MARVIN HURT MCGUIRE, IV
JOHN EDWARD MCGUNNIGLE, JR
KENTON DALE MCHENRY, III
RICHARD KEVIN MCHUGH, JR
KIMBERLY ANNE MCINTOSH
TALLEY ELIZABETH MCINTYRE
KRISTA ANN MCKINLEY
MATTHEW FREDERICK MCLAUGHLIN
REID HANLEY MCLAUGHLIN
MATTHEW SCOTT MCLAURIN
JOHN JOSEPH MCLOONE, III
MARTIN LUTHER MCMAHON
JOSEPH RICHARD MCMULLIN, JR
GERALD RICHARD MCMURRAY, JR
MARK ANDREW MCMURRAY
ANTHONY EUGENE MCNEASE
MICHAEL EDWARD MCNULTY
DARREN GRAHAM MCPHERSON
JAMES ANDREW MCPHERSON
SAMUEL JAMES MECKEY
MICHAEL DAVID MEHLS
KEVIN ANDREW MELODY
CARLOS MENDEZ
KYLE ALDEN MENZEL
MELISSA ANN MICELI
JAMES CONWAY MICHAEL
CHRISTOPHER ALMOND MIDDLETON
BRETT WILLIAM MIETUS
KENNETH EUGENE MILANO
WILLIAM JAMES MILITELLO
ERNEST DANIEL MILLER, JR
KENNETH MATTHEW MILLER
PAUL MENDEZ MILLER
PERRIN LEE MILLER
SCOTT MORNINGTON MILLER
SUSAN STRINGHAM MINTON
MICHAEL VANNAK MISIEWICZ
MICHAEL JUDE MOES
TODD HARRY MOHRMAN
JOHN CHRISTOPHER MOHS
LEIF ERIC MOLLO
JOHN VINCENT MOLOKO, JR
KURT ALON MONDLAK
JON AARON MONTANARO
ADRIAN QUENTIN MONTGOMERY
STEPHEN HIRO MOODY
MICHAEL JOSEPH MOONEY
ALAN GERARD MOORE
GEOFFREY COMAN MOORE
PATRICK JOSEPH MOORE
GEORGE REYNOLD MORAITIS, JR
DAVID ALEXANDER MORALES
GARY LEE MORRIS
JASON LEA MORRIS
JEROD LEE MORRIS
JOHN ANTHONY MOSES
RUSSELL BENFIELD MOSIER, III
MARA ANNE MOTHERWAY
JOHN BARRON MOULTON
SHELBY ANDREW MOUNTS
CHRISTOPHER GEORGE MOYER
XUAN DUYET MUCK
THOMAS CHARLES MULDOON
MARGARET MARY MULLEN
NIKOLAI FRANCIS MULLIGAN
PAUL SEAN MULLIGAN
DAVID TROY MUNDY
LANCE DAVID MUNIZ
DEAN ANTHONY MURIANO
BRENDAN JAMES MURPHY
SEAN JAMES MURPHY
ROBERT CHADWICK MUSE
NICOLE MYSLINSKI
JAMES TAUBERT NADALINI
TAKESHI NAKAZAWA
BRUCE ANDREW NALEY
FREDERIC EDWARD NAUCK
SEAN ERIK NAYLOR
JAMES DALLAS NEAL, JR
CARL RONALD NEASE, JR
NATHAN GRANT NEBLETT
RICHARD LEE NEEDHAM, JR
ANTHONY PETER NELIPOVICH, JR
DANA ANDREW NELSON
DAVID NORMAN NEWCOMB
STEPHEN LEE NEWLUND
CHRISTOPHER CUSHNIE NEWMAN
LONG KIM NGUYEN
DUDLEY STEPHEN NICHOLS, III
LUIS ALBERTO NICOLAO
CHRISTINE STEPHANIE NIEBUHR
DANIEL JOSEPH NOLAN
JAMES CHARLES NOLLER
JEFFREY KENDALL NORDSTROM
JEFFREY ALLAN NOWAK
CHRISTOPHER ANTHONY O'BALLE
DAVID MICHAEL O'CONNELL
JOHN FREDERICK O'DONNELL, III
SCOTT MICHAEL O'DONNELL
GAVIN DENIS O'HARE
TERRY LYNN OBERMEYER
JASON GERARD OCKWOOD
CHRISTOPHER PAUL ODDO
BRETT GARRETT ODOM
FRANK BYRON OGDEN, II
JOHN BALLENTINE OGLESBY
ANDREW JOSEPH OLEK
ROBERT NICHOLAS OLIVIER
ERIC GILBERT OLSON
MARK ALAN OLSON
CORY RUDOLPH ONDREJKA
ANTHONY RICHARD OREFICE
CONRAD FREDERICK ORLOFF
DAVID ELIAS ORNSTEIN
ERIC JAMES OSTLER
ROBERT LOUIS OSVOLD
STUART DEAN OVERLIN
ROBERT DAVID OWEN
SEAN GEORGE OWENS
DANIEL LEROY PACKER, JR
WADE MICHAEL PAGE
ANDREW JUNG PAIGE
LOUIS JAMES PALAZZO
WILLIAM JOSEPH PALERMO
MALCOLM KENYATTA PALMORE
VIRGIL AUGUST PALUMBO
GEORGE WILLIAM PAPICH
HWAN KYU PARK
JAMES ELLISON PARKER, III
SEAN EDMOND PARKER
JORGE H. PARRA BETANCOURT
ANTHONY LOUIS PARTON
KATIE JEANETTE PATRICK
ROBERT WILLIAM PATRICK, JR
ROBERT DAVID PATTON
JAMES WESLEY PEACO, III
SCOTT BRUCE WILLIAM PEARSON
WILLIAM DAVID PELTZER
HAL THOMAS PERDEW
KRISTOPHER EVERETT PERRY
BRUCE EDWARD PETERSON
DALE ARON PETERSON
ERIC CARL PETERSON
CHRISTOPHER TODD PETROCK
ALEXIS LEIGH PETROSKY
KENT CHARLES PFLUGER
DUNG TAN PHAM
JOHN SCOTT PHILLIPS, III
STEPHEN PATRICK PHILLIPS
GEORGE YANNACOS PHILOPOULOS
STEPHEN GEOFFREY PICHASKE
CLAYTON DOUGLASS PIERSE
JAMES ROBERT PIETILA
JOHN DAVID PLATEK
PAMELA LYNN PLYLER
ROBERT SCOTT PLYLER
RONALD DALE POE
THOMAS MATTHEW POINDEXTER
DAVID PIERCE POLATTY, IV
ROBERT JASON POLVINO
STEVEN DONALD PON
KENNETH EARL POORMAN
ROBERT JOHN PORATH
JOSE LUIS PORRATA, III
GLENN HOWARD PORTERFIELD
MATTHEW PAUL PORTONI
ROBERT BERNARD POTHIER, JR
CHRISTOPHER BYRON POWELL
CAROL ANN PRATHER
DANIEL WADE PRATHER
RICHARD WARREN PREST
JEFFREY LEWIS PRICHARD
SCOTT ADAMS PRITCHARD
KARL JOSEPH PUGH
RODNEY RAPHELL PURIFOY
SHAWN CHRISTOPHER PURVIS
GREGORY WILLIAM PUSCHNIGG
STEVEN AMOS RALPH
DAVID THOMAS RAMSEY, JR
SEAN LEE RANDO
EDWARD FILER RAPP
KARL WEAVER RAUCH
ROBERT CARL REARDANZ
JOSEPH HARRY REED, JR
MARVIN REED
PHILLIP LOYD REED, JR
ERIC JAMES REESE
JOHN MARK REIMANN
CRAIG CALLAS REINER
DIRK HAMPTON RENICK
JOSEPH ORESTE REOSTI
BENJAMIN GLENN REYNOLDS
LAWRENCE NAVA RICAFORT
JOHN STEVEN RICE
MICHAEL KENNETH RICE
JEFFREY DAVID RICKENBACH
KARL WALTER RIEBS
CHRISTOPHER GORDON RILEY
JONATHAN DAVID RIOS
GAVINO RIVAS
CHRISTOPHER RICHARD RIVERA
DENNIS JAMES RIVET, II
GLENN FORBES ROBBINS
RANDY JOE ROBERGE
BONNIE RENEE ROBERTS
DAVID CHRISTOPHER ROBINSON
DOUGLAS RONALD ROGERS
CRAIG DONALD ROGERSON
JOHN MARK ROPPOLO
THOMAS LEE ROSARIO
MATTHEW ARMAND ROSS
JEFF PAUL ROTENBERGER
MICHAEL JAY ROTH
JOHN HOWARD ROUSSEAU
GEORGE BALL ROWELL, IV
JAMES HERMON ROWLAND, III
JAMIL JON RUDKIN
DAVID DEMETRIO RUDKO
JERALD MATTHEW RUSHING
MARTIN STEPHEN RUSNAK
ABRAHAM SACHS
ERIC ALLEN SADDLER
GAVAN MASAAKI SAGARA
ANTHONY JAMES SALGADO
MICHELE ELIZABETH SALKELD
ANDREW TY SALUNGA
DAVID GERALD SAMTMANN, JR
DANIEL JAMES SANDER
MILTON JAMES SANDS, III
ELIZABETH TORRES SANTILLAN
THOMAS CHARLES SAREERAM
FREDERICK GEORGE SCHENK
BRADY SCOTT SCHILDKNECHT
CHRISTOPHER MICHAEL SCHIMENTI
JOHN RUDOLPH SCHMIDT
STEPHEN FREDERICK SCHMIDT
WILLIAM JOSEPH SCHNEIDER, III
GERHARD SIEGBERT SCHOENTHAL
MICHAEL BRIAN SCHOFFMAN
EDWARD ALAN SCHRADER
DAVID THOMAS SCHRODER
JASON CHRISTOPHER SCHUETTE
ROBERT LEE SCHULT
THOMAS EMIL SCHUTTE
CHRISTOPHER ALAN SCOTT
DAVID MEREDITH SCOTT
JENNIFER MARIE SCOTT
KEITH ALLEN SCOTT
RICHARD EDWARD SEIF, JR
ANDREW SEKELA
OLIN MICHAEL SELL
AMY LYNN SEMERARO
AMY MARIE SEURYNCK
TODD JOSEPH SEVERANCE
WILLIAM SMITH SEWELL, JR
MARK ALAN SEXTON
JENNIFER ELLEN SHAAR
WILLIAM THOMAS SHAFFER
THOMAS PATRICK SHANLEY
GLEN FOSTER SHARLUN
RONALD RAYMOND SHAW, JR
SEAN KEVIN SHINGLER
HANS ERIC SHOLLEY
LEE ROY SHORT
MICHAEL CARL SIEPERT
DANIEL ALFRED SILBERMANN
MICHAEL JONATHAN SIPE
JACOB CHARLES SKALA
DAVID GORDON SKARIN
THOMAS STEVEN SKIDMORE
RODNEY MICHAEL SKIRPAN
ELENA ADELE SKUCAS
CRAIG LELAND SLACK
ACIE THOMAS SLADE, III

CHRISTOPHER WEB SLAWSON
CHRISTOPHER LOYD SLEDGE
JAMES BLAKE SMELLEY
AARON JAY SMITH
DAVID WARREN SMITH
DERRICK JAMES SMITH
GARDNER THOMAS SMITH
GEORGE PATRICK SMITH
JASON ALAN SMITH
MARK ALLEN SMITH
MARK DELMAR SMITH
RACHELLE MARIE SMITH
ROBERT PARKER SMYLES
SAMUEL DOUGLAS SNOW
BYRON BRADLEY SNYDER
ROBERT JAMES SORENSEN
JORGE ALBERTO SOTELO
RONALD WILLIAM SOULE
JOHN MICHAEL SOUMA
VICKY ANN SPARROW
JOSEPH CONRAD SPENCER
RODERICK EDWARD SPIEGEL
SCOTT GUSTAV SPRINGER
MARY ELIZABETH SPRUNGLE
TODD DAVID ST LAURENT
JOHN SIDNEY STAMMREICH
JENNIFER ANN STANIA
BRIAN CHRISTOPHER STANTON
COREY MARK STAPLETON
NORMAN RANDALL STAPLETON
LONNY MICHAEL STARE
MICHAEL ALFRED STEEN
JAY MICHAEL STEINGOLD
STEPHEN JEROME STERLITZ
WILLIAM BRETT STEVENS
WILLIAM RICHARD STEVENS, JR
CHRISTOPHER ROBERT STEWART
MARK WILLIAM STEWART
SUSIE LOUISE STEWART
JEFFREY EDWARD STIM
DANIEL EDWARD STIMPSON
CHRISTOPHER JOHN STODDARD
ERIK JOHN STOHLMANN
MICHAEL NICHOLAS HENR STOLL
VANCE EDWARD STONE
CHRISTOPHER MICHAEL STOPYRA
RICHARD WARREN STOWE, III
TIMOTHY SCOTT STROBLE
BERNARD JOSEPH STROUTH
NICHOL KARLA STURDEVANT
DAVID JOHN SUCHYTA
DAVID DEWAYNE SULLINS
ANDREW FRANCIS SULLIVAN
EDWARD LI LUN SUNG
DANIEL DEAN SUNVOLD
ROBERT WARREN SUTHERLAND, III
BOE ADOLPH PAUL SVATEK
CYNTHIA CHERIE SWAIN
WILLIAM SCOTT SWITZER
ROBERT BURTON SZEMBORSKI
GLENN KEALOHA TAKABAYASHI
TIMOTHY RICHARD TALBOTT
JOSEPH MATTHEW TALIAFERRO
JOHN THOMAS TARZON
MICHAEL BRENDAN TATSCH
CHARLES LACKLAND TAYLOR
EDWARD RUSSELL TAYLOR
KYLE WILLIAM MAAS TAYLOR
WALTER TODD TAYLOR
HARRY P. TEICHMAN
ANDREW STARK THAELER
MICHAEL BARBER THAXTON
JON ISAAC THIESSEN, JR
ERIC MATTHEW THOMAS
IVAN GRAY THOMAS, II
CHRISTOPHER DAMIAN THOMPSON
JAMES LEE THOMPSON, III
THOMAS ULYSSES THORNTON
TAYLOR NATHAN THORSON
TERESA ANN TIERNEY
MICHAEL ALAN TINSTON
RONALD WILLIAM TOLAND, JR
MICHAEL JAMES TOLENO
MATTHEW EMORY TOMLIN
RAMBERTO ANTONIO TORRUELLA, JR
MICHAEL JOHN TRAINOR
JENNIFER MARIE TRAUM
DEREK ANDREW TRINQUE
JEFFERSON LEE TRIPLETT
DANIEL ROBERT TRUCKENBROD
MICHAEL HIDETO TSUTAGAWA
JOSEPH MARTIN TUITE
CHARLES ARTHUR PHILIP TURNER
PETER CAPLES TWINING
TREVOR NEGAL TYLER
MARK DOUGLAS UHLER
JOSEPH ANTHONY VACCARELLA
PATRICK WILLIAM VALENT
VINCENT MARCELL VANOSS
LORI LYNNE VANSCOY
DAVID AARON VARNER
JAVIER ANTONIO VEGA
DENNIS VELEZ
MARK JAY VELTRI, JR
GREGORY JOSEPH VERGAMINI
VINCENT CALLAHAN VERTIN
GLEN ASUNCION VIADO
HAROLD ASUNCION VIADO
ERIK CHARLES VIAFORE
RAYMUNDO VILLARREAL, JR
JANET ELIZABETH VINCENT
JOSEPH DAVID VINSO
JEFFREY MICHAEL VORCE
CARL CHRISTIAN VOSS
SAMUEL HOPKINS WAGENER
THOMAS ROBERT WAGENER
HANS CHRISTIAN WALDRAFF
ALPHONSO ANDRE WALKER
ANTONIO LEVONNE WALKER
SAMUEL EUGENE WALKER, JR
KIMBERLY ANN WALZ
JAMES HUNTER WARE, III
IAN RUSSELL WARNBERG
CHARLES FLETCHER WARNER, III
CURT ALLEN WATERMAN
MICHAEL DAVID WATERS
DEAN PATRICK WATKINS
KRISTIN LEE WATT
KYLE CORDELL WEAVER
JOHN DAVID WEBER
ARTHUR ERIC WEISS
DAVID BAXTER WELLER
JAMES BENJAMIN WELLONS
STEVEN MICHAEL WERVE
LANCE CHRISTOPHER WEST
STEVEN WAYNE WEST
JAMES FRANKLIN WEYANT, II
MARCINE MANNING WHEATFALL
RICHARD LEE WHIPPLE, JR
EDWARD JAMES WHITE, JR
JOSEPH KEVIN WHITE
TROY TADEMY WHITE
LANCE EDWARD WHITEWOLF
ERIC SCOTT WHITMAN
DAVID ROBERT WHITTAKER
ADAM RANDAL WICHMAN
DAVID JAMES WICKERSHAM
BRYAN DUDLEY WILLIAMS
CHRISTOPHER KIMBER WILLIAMS
COLIN PATRICK WILLIAMS
DAVID CHARLES WILLIAMS
JONATHAN ROBERT WILLIAMS
KEVIN GEORGE WILLIAMS
KENT JAMES WILLIAMSON
MICHAEL TIMOTHY WILSON
WILLIAM JOSEPH WISEMAN, IV
ROBERT WILLIAM WITZLEB
STEVEN DALE WODZINSKI
TROY THOMAS WOELFEL
MICHAEL SHANNON WOHLFORD
DAVID ALLAN WOJTKOWSKI
ANDREW DONALD WOLFF
JULIE LYNN WOLFGRAM
STEVEN LESLIE WOOD
TIMOTHY SHEA WOOD
WILLIAM HENRY WOODS, JR
SCOTT WILLIAM WRIGHT
WILLIAM MANNING YANCEY
LYN MARIE YATKO
THOMAS AMBROSE YORK
DAVID WAYNE ZIMMERMANN
MARK BRADLEY ZINSER
STEVEN MARTIN ZIP
JOSEPH SALVATORE ZURZOLO

EXTENSIONS OF REMARKS

CASEY WONDERGEM: STAND-IN, AND STAND-OUT, IN PUBLIC AFFAIRS

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. VANDER JAGT. Mr. Speaker, he has always been a stand-out in his chosen field of public affairs. And when Casey Wondergem was recognized recently, after a lifetime of service to community organizations, State and local political efforts, and, of course, his employer, the tributes were genuine—and enthusiastic. But let the story in the Grand Rapids Business Journal tell the tale:

STREET TALK: ONWARD

(By Carole Valade Smith)

The good news this year belonged to Amway (and very nearly Amway alone). The Tribute luncheon last week, however, belonged to Casey Wondergem, Amway's senior public affairs counsel. But it was not an event related to Amway. Baxter Community Center Executive Director Gene Proctor thought Wondergem deserved a spotlight all his own, having served and benefacted Proctor's board for more than 10 years and generally for working behind the scenes on most every community fund-raising effort, including the largest in the city's history, the new Grand Rapids Public Museum campaign. The luncheon itself, however, was strictly a tribute and not a fund-raiser (i.e. no luncheon ticket proceeds were donated to Baxter Community Center).

Twas a star-filled afternoon, with comments more akin to roasts than tributes from Amway's leading men. Amway COO William Nicholson played "The Candy Man" song for Wondergem, after complaining that he can't get to his parking space for all the school buses and social service agency vans parked in wait for Casey. But co-founders Rich DeVos and Jay Van Andel had already told the best one-liners regarding Wondergem's giving program fueled by Amway money. Van Andel honored him for "my generosity with which he is so spirited." DeVos suggested Wondergem talk with Fred Meijer, who "is jacking up his numbers again" (in regard to recent profit and wealth stories) and suggested a "Get Fred First" community fund-raising campaign. (Meijer served on the Tribute steering committee but never had the microphone to retort.) Sincerity and thanks were saved for emcee Robert Hooker, Proctor and Grand Rapids Foundation Executive Director Diana Seiger. (Hooker, by the way, is said to be negotiating for a June appearance by D. Storm's Norman Schwarzkopf. Hooker is president of the Grand Rapids Economic Club.)

Proctor said several local agencies had requested to be part of the Tribute, a measure of Wondergem's community commitment and scope of influence. Those groups included Pine Rest Christian Hospital; Butterworth Hospital Foundation; Helen DeVos Women's/Children's Hospital; Grand Rapids Performing Arts Center; Grand Valley State University Foundation; Celebration on the Grand; Gerald R. Ford Museum; Grand Rapids Symphony Society; Economic Club of Grand Rapids; West Michigan Special Olympics; Downtown Development Authority; Grand Rapids Area Chamber of Commerce; The Right Place Program; and United Way.

As the article notes, Casey has always been willing to go the distance for his employers—and his friends. Why he even was willing to play "wife for a dinner"—and he'll still go a long way for a free meal. Here's that story from the Grand Rapids Press more than 20 years ago:

PR MAN PLAYS A CONGRESSMAN'S WIFE BEFORE NATION'S NOTABLES

(By David Nicolette)

Actors may recall strange and exciting roles in their careers, but none will ever top Casey Wondergem and the night he played the wife of 9th District Rep. Guy Vander Jagt.

"It was fabulous, unbelievable," says Wondergem, who operates a public relations company here. It was also a nerve-straining experience as he braved the carefully-planned security measures for the President Nixon state dinner honoring Apollo 11 astronauts.

"Guy said, 'Stick close to me,' worked his way through this big crowd on the steps leading to the ballroom and waved his invitation at the people checking credentials," says Wondergem. "I don't know how we did it. I just followed close and we were in. One of the security men called, 'Hey, is that for two,' and Guy waved and nodded and we went right in."

The trip to Los Angeles and the celebrity-jammed dinner last Aug. 13 started with a telephone call from Vander Jagt in Washington to Wondergem here the day before.

"His wife Carol was expecting a baby and she couldn't go to the dinner," says Wondergem. "So, Guy says, 'Why don't you meet me out there and go with me.'"

Wondergem refused at first, appalled at the idea of "standing-in" for his good friend's wife at such a historic event. Besides, arranging for an airline flight, getting a tuxedo and all the other arrangements seemed insurmountable.

"Then I mentioned it to my wife Violet and my son Tim, who is a real space nut, and they said, 'Well, you're going to go aren't you?'"

Maybe it was the excited, wide-eyed look of Tim that decided him. Anyway, Wondergem hustled around and made the trip.

A month later he still shakes his head in disbelief and says, "I'm amazed that it came off."

Incidentally, Mrs. Vander Jagt gave birth to a girl, Virginia Marie, at Fairfax Hospital in Great Falls, Va., on Sept. 7.

Her stand-in never felt a thing.

Frankly, I think Carol would have traded places in a heartbeat, but as proud parents, then of a new born and today of a summa cum laude college graduate, we were delighted to have had a chance to let a stand-out friend be a stand-in companion. Casey is not only a stand-out as a friend, as a political sounding board, and as a public affairs executive, he is an asset to his community. He and his wife Vi are truly an example to all of us of a dedicated and loving family, and of folks who believe that they have an obligation to share their life and joy with others. It is a pleasure to relive some old, and great, times in recognizing Casey. I offer a brief biography of Casey for the edification of my colleagues:

CASEY WONDERGEM

Active in public relations all his adult life, Casey Wondergem brought with him to Amway an established reputation as an expert in his field.

Upon graduation from Calvin College in 1951, he served four years in the Air Force. Wondergem worked in the Public Information Office of the Alaskan Air Command as feature and speech writer for Major General Acheson. Returning to Grand Rapids, he became manager of the Christian Reformed Church Centennial Celebration, directing activities throughout the U.S. and Canada.

During the next 22 years, Wondergem was a freelance public relations counselor, gaining broad experience in all phases of P.R. His major accounts included leaders in the architectural, engineering, and building fields, in locations ranging from California to Jamaica. His responsibilities included bond issue campaigns and promotions for schools and hospitals, open house events, and government relations.

At the same time, he was active in numerous political activities involving both candidates and bond-issue referendums. He also took prime responsibility for several Congressional election campaigns.

Wondergem became best-known locally for his successful fund-raising campaigns on behalf of such non-profit organizations as Pine Rest Christian Hospital (the nation's second largest mental hospital), Butterworth Hospital, the Grand Rapids Performing Arts Center, and Grand Valley State Colleges.

Joining Amway in May, 1979 as Corporate Public Relations Office and "spokesman for Amway" to news reporters, he quickly organized a smooth operating team of skilled professionals. Presently Director of Public Relations, he is responsible for a wide variety of public information services, including media contacts, corporate publicity and special events, community relations, advocacy programs, and speeches and schedules for Rich DeVos and Jay Van Andel.

His current membership in a broad spectrum of organizational boards and committees reflects both Amway's interests and his own. Among others, Wondergem is a member of the Public Relations Society of America, the International Public Relations Association, the Celebration on the Grand Committee, the Public Museum Campaign Committee, the Grand Rapids Symphony Society, SAS Children's Village (Jamaica), the Grand Rapids Economic Clubs, the New Grand Rapids Committee, the West Michigan Special Olympics, the Direct Selling Association

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Public Relations Committee, and formerly, the Netherlands-American Bicentennial Commission.

His personal interests and those of Violet, his wife, include sailing, swimming, skiing and tennis. They have one married son, Timothy.

WHY WE NEED TO IMPROVE CONGRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, December 18, 1991 into the CONGRESSIONAL RECORD:

WHY WE NEED TO IMPROVE CONGRESS

Earlier this year I introduced legislation to set up a temporary House-Senate committee on congressional reorganization. The idea is to have a comprehensive, systematic review of the structures and procedures of Congress to see how they could be improved. Here are some reasons why such an effort is needed:

PROCEDURAL INEFFICIENCIES:

Members of Congress must deal with 200-member conference committees trying to reconcile different House and Senate versions of a bill, allnight session to deal with the pileup of important bills at year's end, and 2000-page omnibus bills that must be digested and voted on within hours. The same time-consuming issues can be taken up repeatedly, and filibusters and other delaying tactics are becoming more frequent, even on minor issues. Many congressional procedures, such as the budget process, are so complex that not even those who drafted them agree on what they mean.

OVERLAPPING COMMITTEES:

The number of congressional committees and subcommittees has grown sharply in recent years, from 38 in 1947 to more than 300 today. At least 40 committees in the House and Senate, for example, would be involved in crafting a national energy policy. Issues are considered by three layers of committees— the budget, authorization, and appropriations committees. Multiple committee referrals of bills have jumped sharply in recent years, tieing up legislation. Congress increasingly has had to resort to task forces or ad hoc groups outside the normal committee channels to get things done.

NEW ISSUES:

The division of committee responsibility has not kept up with the changing domestic and international agenda. And increasing array of issues before Congress—such as global warming, terrorism, and drug trafficking—are both international and domestic and no longer cut neatly across organizational lines. The end of the Cold War and growing economic interdependencies mean Congress will face a new set of challenges and priorities.

SCIENTIFIC, TECHNICAL COMPLEXITY:

Congress faces an explosion of scientific and technical information, on everything from arms control verification to telecommunications policy. In an era of tight budgets, Members are being called upon to choose between major scientific projects that few fully understand. It is not clear that Congress is ready to handle an increasingly complex agenda.

DISPERSED POWER

With the reforms of the 1970s, congressional power has become too fragmented and too dispersed. Today, for example, all Senate Democrats and almost half the House Democrats chair subcommittees, and similar share of Republicans are ranking minority members. When everyone is part of the leadership, the act of leading becomes more difficult. In addition, the declining importance of political parties in campaigns has increased the independence of Members. That means that coalitions in the modern Congress must be reassembled for every significant piece of legislation.

MANAGEMENT DEFICIENCIES

Congressional offices are frequently cramped and overcrowded, and many are not utilizing the latest information technology to ease workloads. Mail coming into congressional offices has increased twenty-fold over the past two decades. Some weeks mail simply overwhelms offices, and keeps staff and Members away from legislative work. Congress itself, with its extensive buildings, land, and workers, in many ways resembles a small city. Check bouncing and unpaid food bills are symptons of management deficiencies.

STAFF

House and Senate staff have doubled since the late 1960s to some 12,000 today, with most of the growth in the 1970s in response to the growing federal agenda. Staff is frequently misallocated, with too many in some areas and too few in others.

HOUSE-SENATE RELATIONS

Cooperation between the two chambers is frequently hampered by problems including different legislative agendas, different procedures, and even different workweeks. The jurisdictions of related House and Senate committees often differ, complicating the legislative process and resulting in House-Senate conferences in which a committee from one chamber meets with two, three, or four committees from the other.

OVERSIGHT

Congress has gotten so bogged down that it frequently gives insufficient attention to executive branch oversight. For example, there was clearly inadequate oversight of the savings-and-loan regulators before the industry collapsed. Moreover, when oversight does occur it is often prosecutorial rather than policy-oriented.

LEGISLATIVE-EXECUTIVE RELATIONS

A lack of trust between the branches produces too many conflicts and inefficiencies. When Congress thinks its wishes are being ignored, it somtimes micromanages programs, adds earmarks for funding, and sets up extensive requirements for reports. One cabinet official told me that 40% of his time in Washington is taken up by testifying before various congressional committees, typically repeating the same testimony over and over.

SHORT-TERM THINKING

Congress too often is simply reactive, unable to think long-term. The national debt has quadrupled since 1981 to more than $4 trillion, mortgaging America's future. Federal programs that involve long-term investments—for infrastructure, research and development, and education—are dwarfed by federal spending for current consumption, and are more likely to be cut in tough times. The congressional planning horizon for budgets and program authorizations is typically only one year.

PUBLIC UNDERSTANDING OF POLICY

Despite the extensive coverage of Congress, even basic facts about federal policy are poorly understood. When most Americans don't know, for example, whether the largest federal spending category is foreign aid or defense or older Americans (the answer is older Americans); whether tax policy is tilted toward consumption or investment; or whether a greater share of GNP goes for welfare or education, it is little wonder that Congress has difficulty moving to address the major issues of the day. Congress took an important step when it opened its proceedings to television. Yet viewers do not understand the process and are more likely to see scripted speeches, empty seats, and bickering than major debates on key national issues.

Certainly not everything is wrong with the organization of Congress. But improvements can be made, as they often have been in the past. Organizational reform is no panacea; political will is also needed to tackle the issues Americans care about the most. Yet reforms that remove institutional roadblocks and inefficiencies could improve the ability of Congress to respond effectively to its increasingly complex agenda.

SHAZZON BRADLEY OFFERS THANKS

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. DUNCAN. Mr. Speaker, those of us who are fans of the University of Tennessee football team have closely followed a young man named Shazzon Bradley for the past 4 years.

He has been an outstanding player and has been a very valuable member of the team.

Shazzon is from Athens, TN, which is in my congressional district. I first met Shazzon at his church one day, and it was obvious to me that I was meeting a high-quality individual.

Since that time, I have heard many good things about Shazzon Bradley. I am especially impressed with his kindness toward children.

Some of our athletes are looked up to but should not be. Shazzon Bradley is truly an athlete who deserves respect and admiration from young and old alike.

On November 29, 1991, the Knoxville News-Sentinel published a column written by Shazzon. I was so impressed by it that I wanted to share it with my colleagues and other readers of the CONGRESSIONAL RECORD.

We too often read about athletes who get in trouble. We do not often read about the good personal qualities that most college athletes have and which really come through in this article by Shazzon Bradley.

BRADLEY REFLECTS ON HIS YEARS AS VOL, OFFERS THANKS

(By Shazzon Bradley)

(Editor: You might not recognize Shazzon Bradley's byline, but I think you know the name. In his four years at the University of Tennessee, he has been the quintessential team player, shifting from one defensive position to another for the team's benefit and sometimes his own detriment.

(But that's not the main reason for giving him a forum in the sports section on the eve of his final game at Neyland Stadium. For four years, he has been enlivening our stories with sparkling quotes and anecdotes.

(We owed him one.—Editor)

I've had a very good—no, an outstanding career at Tennessee. There have been many ups and downs, but I've grown from it all.

As I reflect on my career here, I'm grateful for many things; I'll try to mention a few.

I'm grateful for the opportunity to get a college degree. That was a dream I thought would never happen, but it will soon be a reality. I'm very happy and proud of that.

The coaches, administrators and teachers have been very helpful and positive about graduation being my primary reason for being at the University. I'd like to thank the many folks who have helped, especially those who have studied with me.

Thanks to the many fans who have been kind and supportive. It has really been a thrill to have so many people want me to succeed; to hear 96,000 people cheer when my name is called, I just can't describe it.

One of the great traditions at Tennessee is in your senior year, when you run through the "T" as you tell everyone goodbye. I'd rather stand outside the stadium and shake each fan's hand and look them in the eye and thank them for what they've done for me.

I'd like to hug all the children who made me their hero. Their innocence and love is overwhelming. Only eight short years ago, my abilities in the classroom were seriously questioned, and now kids stand in line to get my autograph.

I wish everyone could have that feeling. Thanks to all of you, I have been able to experience that.

My teammates have been great. My freshman year we lost our first six games, and it was pretty scary when that was your first taste of college football. But since then, we've only lost five games. I've been associated with some real winners, people who know how to pay the price, to recover, regroup and go forward.

I've learned a lot from all of them and I've grown from these relationships.

Last, but absolutely not least, are my coaches. So much has been said since I've been here, but not enough has been said about the coaches. I've gotten upset with them, and they have gotten upset with me. But overall, I'm very grateful for my coaches.

I want to thank Phil Fulmer for recruiting me, taking a chance on me when other schools weren't so sure; Ken Donahue for working me hard so I could start as a freshman; Dick Bumpas for believing in me; Jim Bates for making me believe in myself (I think often of you, Coach Bates); Rex Norris for teaching me techniques and knowledge of the game (If God answers my prayers and I play in the NFL, it will be because of you.); I appreciate Larry Lacewell for having confidence in me.

And now, I want to thank "The Coach," Johnny Majors.

People never realize how much he helps the players in ways other than football. I thank him for his open door, for always hearing me out, for giving me a fair shake when my mouth had written checks my butt couldn't cash.

His football knowledge is second to none, and his friendship is worth more than I could express. Coach Majors IS "Big Orange," and I always want to be a part of it.

You can see how grateful I am for my four years here. There have been some tough times, but I have learned to overcome them and win.

Some might say I was moved around too much and not allowed to showcase my talents. I say, I've started for UT at more positions than any player in the history of UT.

I've never had my picture on the front of a game program, but I've been listed as a starter in most of them since I've been here. I've never singlehandedly won a game, but I've had a hand in every game UT has played for four years.

No post-season bowls (Senior, East-West Shrine, Hula or Japan Bowl) have contacted me. I do not know what my future in football will be, but I can tell you that my future is bright because of my four years here at UT. I've learned to win, to give 120 percent on every play, at every practice, in the weight room and most importantly in the classroom.

I want to say goodbye to all the folks that made my career here possible and fulfilling. But before I say too many goodbyes, I still have a semester to go, and I don't won't those professors to forget old Shazzon too quickly.

I still need their help.

SALUTE TO MACK POWELL

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. MATSUI. Mr. Speaker, I rise today to salute the many achievements of a good friend and an outstanding American, Mack Powell. Mack was president of the 124,000 member California Association of Realtors [CAR] in 1991, and was the first president to come from the Sacramento association since the 1940's.

Under Mack's leadership, the realtors focused on encouraging the membership to get back to the basics of marketing and selling homes. In a year which could have been divisive for the industry, Mack kept the CAR productive by incorporating the concerns and needs of its members into effective policy actions.

Mack's dedication to his staff, his colleagues and the entire real estate industry made him an outstanding president. His sensitivity to human need and his fine sense of humor makes him truly beloved. Indicative of Mack's wit was a comment he made last year for which he became well known. He said, "We are not in a recession. We may be having the smallest boom we ever had, but we are not in the midst of a recession."

Mack never stopped talking about affordability. He continually stressed to the media and the membership that it was time to get back to selling people homes as a principle means of shelter and not necessarily the principle means of wealth. He worked with low income housing advocates as well as the building industry to look for areas of common ground to help promote affordable housing. In an effort to help the membership cope with the changing real estate market, Mack developed and held six educational "Spring Conferences" around California. Although he has left his post, Mack left the California Association of Realtors strong and dynamic and in a position to effectively address the many issues facing the real estate industry.

Mr. Speaker, it is truly an honor to speak on behalf of Mack Powell. I know the Sacramento community and the real estate industry will continue to look to Mack for the same kind of inspiration and leadership he has always shown. I ask my colleagues to join me in congratulating Mack and in wishing him many years of continued success.

JIM TOWEY: MIAMI'S NEW HRS CHIEF

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Jim Towey, who recently was featured in the Miami Herald, after he became the new chief of the Florida Department of Health and Rehabilitative Services [HRS] in Dade and Monroe counties. The article "New HRS Chief Here To Serve Poor," by Adres Viglucci tells how his varied background as a congressional aide and worker for Mother Teresa in a Mexican village have helped prepare him for his new position:

The plainest clue that Jim Towey is not your typical bureaucrat sits on his desk in the governor's office in Tallahassee: a picture of him and Mother Teresa.

The portrait was one of the first things to come out of the moving boxes Thursday, when he took over his new office at the state Department of Health and Rehabilitative Services district headquarters in Miami.

Towey, the governor's unconventional choice as new HRS chief for Dade and Monroe counties, steps into one of the most important—and thorniest—jobs in local government with a reformist's zeal and a missionary's devotion.

Towey—pronounced *Too-ee*—shuns bureaucratic euphemisms about "clients." His language, tinged with deep religious conviction, is blunt.

"We're here to serve the poor," he said.

Towey set the tone on his first day, speaking to his top deputies during a morning meeting about their obligations to taxpayers and the people HRS serves. Later, Towey mixed easily with the residents of HRS' Landmark Learning Center, an institution for severely retarded people in North Dade.

Gov. Lawton Chiles named Towey to the job last month, after HRS district administrator John Farie resigned amid criticism of his work.

Towey's path to HRS followed an unusual route: from law school at Florida State and a seven-year stint as a congressional aide to a detour in Calcutta, India, where a fateful meeting with Mother Teresa, the Nobel Prize-winning Catholic missionary, transformed his life.

Burned out on politics, he got rid of everything he owned, and went to work for Mother Teresa in a Mexican village with no running water or electricity.

The experience, he says, only partly in jest, should prepare him well for public service with HRS.

Three years later, at 35, he's taking over a huge, troubled bureaucracy with a $1 billion budget and nearly 5,000 employees, despite little experience in social work administration.

Unfazed, Towey quotes Mother Teresa: "God doesn't call me to be successful. He calls me to be faithful."

"I can be faithful to certain principles," Towey said, "I can be faithful to the dignity of the people we serve, to the public who pays for our services, and to HRS employees who are giving their lives to a thankless job."

Towey got a taste of just how thankless on his first day. He was greeted by a newspaper article describing how HRS investigators dismissed complaints that a Northwest Dade man was beating his children.

The man, Wayne Oats, is now charged with beating his baby boy to death last week. A police detective said HRS investigators might have prevented the baby's death.

"This is what I knew I was getting into," Towey said.

Citing the baby's death, Towey pleaded for more funding for the district's abuse investigators during a meeting Wednesday with the Dade legislative delegation in Tallahassee.

Towey is taking over the job at an especially troubled time for HRS. The Legislature is expected to approve $140 million worth of cuts to its budget.

Towey said he intends to use his new job to persuade Tallahassee that Dade and Monroe must have more money for social services.

"Tallahassee is going to hear loud and clear that we're going to have a lot of poor people who don't get served," Towey said.

If anyone can get the word through, it's Towey, said Dade State Attorney Janet Reno.

"He comes across as a deeply religious person, but I think he can be very tough when he needs to be," Reno said. "His intensity may help convey the message to those who don't hear it.

"His caring is very eloquent, but he also has a very realistic sense of politics. He's no babe in the woods. I think he's going to be marvelous."

But Towey still must prove himself, some Dade legislators said Thursday.

"I think he's a fine person, but I don't know about his managerial skills," said Senate President Gwen Margolis, D-North Miami Beach. "Not that I question them. That remains to be seen.

"He certainly is a very good-spirited person. He thinks good thoughts. What can I tell you? He walks with Mother Teresa."

I am happy to pay tribute to Mr. Towey by reprinting this article. He brings many unique and valuable qualities to his important job as the administrator of State services for those in need in south Florida.

A TRIBUTE TO GLENN BRENNER

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mrs. MORELLA. Mr. Speaker, today, I would like to pay tribute to a constituent, Glenn Brenner, who died tragically last week at the age of 44 after being diagnosed with a malignant brain tumor. Mr. Brenner was a Washington broadcaster and a Bethesda resident whose sudden and untimely death was a tremendous loss for the community. Rarely has a television sportscaster touched the lives of so many sports fans and non-fans alike.

Glenn Brenner distinguished himself with his charm, honesty, and extraordinary sense of humor. Watching one of his newscasts was a treat, for Glenn talked about the "big game" without getting technical or too wrapped up in scores and statistics. He delivered a broadcast that non-sports fans could not only follow, but truly enjoy. He always kept sports in perspective.

Glenn began his career as an athlete, a baseball player with the Philadelphia Phillies' organization before moving into broadcasting. After stops in his hometown of Philadelphia, Huntington, WV, and Millville, NJ, Glenn came to Washington's WUSA-TV—channel 9—in 1977. For the next 14 years, Glenn laughed and cried with athletes of all shapes, sizes, and abilities. Sportscasters enjoy interviewing a famous athlete, but interviews with little leaguers and fans on the street were always done in a professional, yet sympathetic manner.

Some say Glenn Brenner was a comedian in a broadcaster's body. That was partly true. However, no one can ever say that Glenn treated a story too lightly or did not treat it with sensitivity.

Glenn was a devoted husband and father to his wife and three children, making his family life his first priority amid a busy broadcasting schedule.

I offer my condolences to Glenn's family. As evidenced by the hundreds upon hundreds who braved bitter temperatures to pay their last respects, Glenn's passing has left a void not only for his family and friends, but also for hundreds of thousands of his fans in the Washington area who may never have met him. But thanks to his magnetism and good humor, we came to consider him a close friend. To paraphrase his colleague Gordon Peterson, Glenn was a real "pal" to all of us.

A TRIBUTE TO JOSEPH "TURK" KANE

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. BLACKWELL. Mr. Speaker, I rise today to pay tribute to a man who has dedicated his life to the International Longshoreman's Association, and the well-being of the Port of Philadelphia. As Joseph "Turk" Kane retires from nearly 60 years of service on the Philadelphia waterfront, I would like to take this opportunity to reflect on Turk's remarkable career.

Joseph "Turk" Kane was born in Philadelphia on August 17, 1918, the fifth son of Teresa and John Kane's 13 children. Since his birth, Turk has never been far from the waterfront. In 1933 at the young age of 15, Turk was obliged to leave school and begin work on the waterfront, due to financial hardships.

Over the years, Turk worked with various gangs on the waterfront. During World War II, at the request of the Army, Turk volunteered together with other Philadelphia longshoremen, to go to Greenland to instruct soldiers in the loading and unloading procedures of cargo ships. A few years after the war in 1951, Turk served on the committee which negotiated upcoming labor assignments. He has participated on each and every negotiation committee ever since. In December 1953, he was elected Secretary of International Longshoreman's Local No. 1291. Turk served in this capacity until 1971. Turk has also served as a trustee of the sugar royalty and pension funds, secretary-treasurer of the Philadelphia District Council I.L.A., and chairman of the board of trustees of the pension fund. In 1971, Turk was elected administrator of both the pension and welfare funds.

All of these tremendous accomplishments aside, I would like to talk about Turk the adviser and friend. Throughout the course of his years of service, Turk has gained the respect and admiration of every person associated with the Port of Philadelphia. As an aggressive, yet sympathetic administrator, Turk has always been there for any fellow member who came to him.

During all these years of dedicated service, Turk has always been supported by his wonderful wife of 50 years, Mary, his four children, and his six grandchildren. Despite his overwhelmingly busy schedule, Turk always had time for his family, and their well-being.

The Port of Philadelphia is extremely fortunate to have had Turk Kane on its side. As a man who knows the waterfront well, I have watched Turk Kane constantly striving for the continued success of the Port of Philadelphia, and the well-being of his fellow workers. He is a credit to the city of Philadelphia and the United States of America. The world needs more men like Turk. I ask my colleagues to join me in wishing Joseph "Turk" Kane much happiness and good health in his retirement.

SUPPORT INDEPENDENCE FOR KOSOVA

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. BONIOR. Mr. Speaker, recently, there has been progress toward a cease-fire to end 6 months of Serbian-led aggression against Croatia. I sincerely hope this cease-fire, unlike the many previous ones, will hold, bringing peace to Croatia.

While Serbian aggression against Croatia has dominated press coverage, there is another terrible situation of long standing—Serbian repression of over 3 million ethnic Albanians in Kosova and throughout the region. We must not forget the continuing repression in Kosova especially as the fighting in Croatia subsides. In fact, with the end of violence in Croatia, there is a real possibility of escalating aggression and repression against Albanians in Kosova.

The Communist regime of Slobadan Milosevic has committed a litany of brutal human rights abuses against ethnic Albanians. This past year, scores of Albanians have been killed and tens of thousands have been fired from their jobs on the basis of ethnicity. A state of emergency is still imposed on Kosova, and many political activists have been imprisoned.

A more recent example of violence against ethnic Albanians is the brutal beating at the hands of police and the subsequent death of Mikel Marku, a lawyer and former district judge. Early last month, I wrote the President to urge that the United States adopt a policy toward Yugoslavia that stresses human rights and self-determination for all peoples.

It is with great pleasure, therefore, that I am happy to cosponsor the resolution which has been introduced expressing the sense of the Congress that the President should recognize the independence of the Republic of Kosova and extend full diplomatic recognition.

Recognizing Kosova and extending full United States diplomatic recognition would indicate our firm commitment to see that ethnic Albanians achieve their wish for independence and self-determination.

I urge my colleagues to support this important resolution.

TREATING ISRAEL UNFAIRLY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. FRANK of Massachusetts. Mr. Speaker, one need not be in agreement with all of the policies that Israel has been following in its administration of the territories it holds as a result of the war it fought in its own self-defense in 1967 to be unhappy with the administration's recent support for a U.N. resolution strongly condemning Israel and calling into question Israel's right to consider a unified Jerusalem as its capital.

The case against this dangerous resolution, which can only encourage some of the most irresponsible element in the Arab world who remain unreconciled to Israel's existence was made very cogently by William Safire in his article in the New York Times on January 9.

Because it is important that our Government play a more reasonable role in its relationship with Israel if we are to succeed in helping bring about a true peace in the Middle East, I ask that the article by Mr. Safire be printed here.

STRONGLY CONDEMN

(William Safire)

WASHINGTON.—At 11:30 A.M. on Friday, Jan. 3, in the State Department office of Assistant Secretary Edward Djerejian, at the instigation of Director of Policy Planning Dennis Ross and with the concurrence of Richard Haass, a national security aide, the decision was made to unload on Israel as never before.

P.L.O. hit men had murdered four Israeli settlers in the past 10 weeks, provoking Israeli to expel a dozen Palestinian inciters to violence—a measured and bloodless retaliation to deter further killing. Now Yasir Arafat was sending word that Arabs would boycott the peace talks unless the U.S. voted in the U.N. to "strongly deplore" the deportations.

The U.S. had in May 1991 voted to "deplore" (up from a previous "regret") such action by Israel, after deportations helped suppress an outbreak of knifings of Israeli civilians. Now the P.L.O. wanted to offset the U.N.'s recent rescission of the "Zionism is racism" resolution by ratcheting up the disapproval one notch: to "strongly deplore."

Mr. Ross acquiesced in this blackmail and raised the ante: the U.S. would not only grant the P.L.O.'s wish to add adverbial strength to our disapproval, but the trio at State changed the wording to "strongly condemn" Israel.

Words have weight in diplomacy. When Saddam Hussein invaded Kuwait, the U.N. resolved to "condemn" Iraq, its most severe denunciation. By proposing to strongly condemn Israel, the trio at State was even more severe.

The escalating anger of Secretary Baker's trio was based on a false reading of international law. The Geneva Convention of 1949 was directed against Nazi-style mass deportations of whole populations; it has been twisted by Arab dictators to cover the deportation of individual riot-inciters by Israel in territories whose sovereignty is in dispute.

When Saudi Arabia runs 600,000 longtime Yemeni residents out of the Kingdom, as it did last year, the U.N. and U.S. stand mute. When Kuwait ejects over 200,000 peaceful Palestinians, many lifelong residents, from the land we saved from Iraq—many of whom entered the West Bank—that's mass deportation of a population. The U.N. and U.S. look shyly away.

But when Israel arrests 12 known troublemakers and releases them at the border to discourage the murder of more Israelis, an outraged trio at State, with Bush-Baker approval, escalates the U.N.'s hypocritical "deplore" to "strongly condemn."

Moreover, we sign on to words in those one-sided resolutions that specifically undermine the Camp David accords, which carefully refrained from defining who owned what territory.

Twice in this week's appeasing condemnation we see the phrase "occupied Palestinian territories," once even adding "including Jerusalem." If that issue has already been decided by the U.N.—if the disputed lands are Palestinian by definition—then what's left to negotiate?

Not to worry, says our strongly condemnatory trio: we plead guilty with an explanation. In an "EOV"—"Explanation of Vote"—our Perm-rep mumbles that our acceptance of this conclusion is "merely demographically and geographically descriptive and not indicative of sovereignty." If we have to explain that the words do not mean what they clearly say, why do we sign?

"This resolution gives aid and comfort to terrorists who want to derail the peace process," says Defense Minister Moshe Arens in Tel Aviv. "Expulsions are effective in stopping incitement to murder. You can't always use conventional judicial means, as the U.S. showed in Panama and Libya."

I also called Gov. Bill Clinton, campaigning in Tulsa. He was on top of the issue:

"We should have had a resolution, but a more balanced and less extreme one. To use that language, stronger than the condemnation of Iraq's invasion of Kuwait, with not word one about what seems like systematic terrorist attacks—and when the U.N. has said nothing about the deportation of Palestinians from Kuwait—I think it was a mistake.

"The U.N. has to be seen by all sides as a trustworthy guarantor of the peace," said the Democratic front-runner, "and this resolution does not further that."

REDUCE CAPITAL GAINS TAX AND ENCOURAGE INVESTMENT

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. HUBBARD. Mr. Speaker, I have received and would like to share with my colleagues an excellent letter from my friend and constituent Darrell L. Gustafson, president of First City Bank and Trust Co. of Hopkinsville, KY.

In his letter, Mr. Gustafson makes some very cogent arguments in favor of an investment tax credit and a reduction in the capital gains tax. By combining these two reforms, he argues, Congress could stimulate long-term investment without any undue loss of tax revenue. The letter follows in its entirety:

FIRST CITY BANK AND TRUST CO.,
Hopkinsville, KY, January 3, 1992.

Congressman CARROLL HUBBARD,
Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN HUBBARD: In my position as a banker in Western Kentucky, I am seeing an increasing amount of procrastination on the part of borrowers to consummate investment plans due to two very important issues, investment tax credit and capital gain taxation. We simply must have legislation addressing these issues if our local economy is to continue to prosper.

Please consider the following example as it applies to capital gains taxation.

1. Leave the rate at the current level of 28 percent for short-term gains.

2. Offer the following credits for assets held for a specific period.

[In percent]

	Credit	Effective tax rate
Assets held 3 to 5 years	10	25.20
Assets held 5 to 7 years	20	22.40
Assets held 7 to 10 years	30	19.60
Assets held over 10 years	40	16.80

We feel that this approach would do much to get us back on the road to economic recovery. I have personal knowledge of one multi-million dollar transaction that hinges on the issue of capital gain taxation. Your affirmative vote on this issue would be appreciated.

Similarly, we have several loans for capital items pending with the determining factor being investment tax credit.

Investment tax credit, coupled with a reduction in capital gains taxation is the medication needed for our economy.

Would you please have this letter made a part of the congressional record and urge your constituents to support these very important issues.

Sincerely,

DARRELL L. GUSTAFSON.

STRATEGIC DEFENSE INITIATIVE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, December 4, 1991 into the CONGRESSIONAL RECORD:

STRATEGIC DEFENSE INITIATIVE

The Congress recently approved a defense bill that makes important changes in the scope and direction of the Strategic Defense Initiative (SDI), the Pentagon's main program for antimissile defenses. The defense bill, which the President is expected to sign, would move the program toward a limited deployment of ground-based defenses later this decade, and would place new emphasis on defenses against short-range missiles like those used in the Gulf War.

BACKGROUND

SDI has been embroiled in controversy since President Reagan unveiled in 1983 his proposal to establish a nationwide defense against potential missile attacks. The Pentagon has spent $25 billion on research of such defenses over the last eight years, but has had to scale back considerably President Reagan's vision of a leakproof nuclear umbrella. Concerns have been raised about the cost of deploying such defenses, in an era of declining defense budgets; about the need for such defenses, at a time when the Soviet threat has almost vanished; about the effectiveness of missile defenses, when none of the SDI technologies has been proven as an effective defense; and about the consequences of arms control, as deployment of an extensive defense system would require the U.S. to abandon the Antiballistic Missile (ABM) Treaty.

President Bush attempted to address some of these concerns by proposing earlier this year a more limited SDI program called GPALS, which stands for global protection against limited strikes. GPALS would combine space-based interceptor missiles known as Brilliant Pebbles and ground-based missiles. Its aim would be to protect U.S. territory, allies or overseas forces against relatively small attacks by developing countries like Iraq; unauthorized attacks by renegade military units in the Soviet Union or elsewhere; or accidental launches. Cost estimates to build, test and deploy the GPALS system range from $40–60 billion. GPALS would also require the U.S. to abandon the ABM Treaty.

DEFENSE BILL

The defense bill would spend a total of $4.15 billion this fiscal year on SDI programs, the first increase in the SDI budget in three years. It would allocate $1.2 billion for ground-based defense systems, $848 million for more sophisticated defenses against short-range missiles, and $465 million for research into space-based interceptors, including Brilliant Pebbles.

Several factors contributed to the compromise on missile defenses in this year's defense bill. First, the Patriot missile, used in the Gulf War, dramatically illustrated the importance of antimissile defenses, particularly defenses against short-range missiles. Second, the breakup of the Soviet Union has raised new concerns about the potential transfer of ballistic missiles to the Soviet republics, and about command and control of Soviet nuclear forces during a period of political turmoil. Third, a declining defense budget has forced the President and the Congress to compromise on expensive new weapons systems, like SDI and the B2 "Stealth" Bomber.

Most significantly, the bill calls for deployment of a ground-based missile defense system by 1996 that complies with the ABM Treaty. The treaty allows for the deployment of a single ground-based ABM site with no more than 100 fixed launchers. The Soviets operate an ABM base outside Moscow. The U.S. has a facility near Grand Forks, North Dakota, which has been inactive since 1975. The Pentagon will likely reactivate the North Dakota site, at an estimated total cost of $10 billion.

The bill also includes a provision urging the President to discuss with the Soviets the feasibility of amending the ABM Treaty to allow for additional ABM sites and space-based systems. The treaty has long been a cornerstone of U.S. arms control policy. It is based on the assumption that, so long as each superpower is vulnerable to the other's nuclear armed missiles and bombers, neither would attack for fear of retaliation. Hence, the treaty bars nationwide ABM systems, which might destabilize this balance of terror and spur a new arms race. The Congress has in the past rejected Reagan and Bush Administration proposals to significantly relax ABM Treaty restrictions. The Soviets have traditionally opposed amending the treaty, although in recent months, President Gorbachev promised to "consider" U.S. proposals on SDI.

ASSESSMENT

Arms control advocates contend that an ABM deployment is premature, as hostile nations like Libya, North Korea, and Iraq are unlikely to develop a long-range missile capability, this century. They also note that the proposed ABM site would only provide limited protection to the central U.S., not to the coastal areas where most Americans live, and would offer no protection against terrorist nuclear attacks near or inside our borders. They further argue that modifying the ABM Treaty is the wrong approach to guarding against further proliferation of missile technologies. The U.S. should be working more actively to curb missile sales and strengthen existing nonproliferation agreements.

Some SDI supporters respond that the defense bill does not go far enough in embracing the program. They call for U.S. withdrawal from the ABM Treaty, increased spending on SDI programs, additional ground-based ABM sites, and near-term deployment of space-based interceptors. They argue that the U.S. must prepare now for future threats from terrorists, dictators, and rogue military commanders.

I am generally supportive of the approach taken in the defense bill. The threat of a Third World attack or accidental or unapproved Soviet firing has become more plausible. The defense bill authorizes a limited ground-based defense permitted by the ABM Treaty, and improved defenses against short-range missiles like those used in the Gulf War. I also support its funding of continued research into sophisticated space-based and ground-based defenses, rather than deployment of the President's Brilliant Pebbles program. Space-based defenses, like Brilliant Pebbles, are unproven and very expensive, and would violate the ABM Treaty. The treaty has been an effective deterrent over the last 20 years and should not be abandoned. The U.S. can better respond to emerging threat by reinvigorating efforts to stop the spread of ballistic missiles and weapons of mass destruction and by negotiating with the Soviets new protections against accidental or unapproved launches.

TRIBUTE TO GRETCHEN HOUSEHOLDER POSTON

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mrs. MORELLA. Mr. Speaker, I rise to pay tribute, in memoriam, to Gretchen Householder Poston, who died of breast cancer on January 6. Ms. Poston was an incredible woman who celebrated life, even in ill health.

She was the White House social secretary during the Carter administration and a founder and co-owner of Washington Inc., an events-planning company. She also helped establish the Washington Race for the Cure, a 5 kilometer run to raise awareness about breast cancer prevention and to promote funding for research to find a cure.

When Ms. Poston's illness was first diagnosed in 1988, she scheduled chemotherapy on Fridays so she could be back at work on Mondays. Realizing the need for increased support for funding research and education, she continued her long history of helping others. She worked on the Lombardi Cancer Ball and, with Marilyn Quayle, organized the Washington Race for the Cure.

As she had with so many other functions, including the Corporation Against Drug Abuse luncheon and the Arts for the Aging fundraiser, she managed the organization and mechanics of the race, from its inception 2 years ago. She brought professionalism, creativity and an enthusiasm to this event. She devoted most of her volunteer time for the last 3 years to the race. Her major interest was in enlisting volunteers, who had had breast cancer or had relatives who were survivors. This past year, the race raised more than $500,000 for breast cancer research and education as 20,000 people turned out for what has become one of the world's largest 5K races.

Prior to her death Washingtonian magazine selected Gretchen Poston as one of its "Washingtonians of the Year," although the award was presented posthumously. To commemorate her enormous contribution in support of cancer research, this year's Washington Race for the Cure on June 20 will be dedicated to Gretchen Poston. A Gretchen Poston Celebrity Tennis Tournament is planned for May 11, and the Ladies Professional Golf Association Mazda Tournament will donate proceeds to the Race for the Cure.

Ms. Poston is one of the more than 44,500 women that the National Cancer Institute estimate will die of breast cancer this year. Another 175,000 will be diagnosed with the disease. For women, breast cancer is the second leading cause of cancer mortality; one of every nine women will contract breast cancer at some time in her life. We, in Congress, have been responsible for some advancement in the area of women's health last year, but we have a long road to travel. As an original cosponsor of the Women's Health Equity Act, a comprehensive package of bills to address the deficiencies in the treatment of women's health in the areas of research, services and prevention, I look forward to additional progress in the upcoming year. Thousands of lives depend upon our actions.

TRIBUTE TO DR. FRED HURST

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. DUNCAN. Mr. Speaker, one of my closest personal friends is Dr. Fred Hurst, a popular and well-respected physician who lives in my hometown of Knoxville, TN.

A few years ago, I had the honor of being in the wedding of Dr. Hurst and his wonderful wife, Dena.

For many years, Dr. Hurst has not only been my friend, but he has been my personal physician as well.

Fred is a caring, compassionate man whose deep concern for his patients is obvious to all. His patients have a deep love for and great faith in this amazing man.

A few months ago, Dr. Hurst began writing a weekly column for the Knoxville News-Sentinel.

Many of these columns have been outstanding, but I thought the piece that Dr. Hurst wrote for Christmas Day 1991, was especially good.

I would like to call the attention of my colleagues and others to this great column by Dr. Fred Hurst.

This country would be a much better place if Dr. Hurst's wish list could come true.

CHRISTMAS WISH LIST INCLUDES PEACE, GOOD HEALTH AND COMMON SENSE

Today I want to share my 1991 Christmas wish list with you. While you are reading this today, Christmas Day 1991, whether I have received any of the "items" on my list is by now perhaps a matter of history.

I assure you the list is sincerely mine because I have "checked it twice" (at least).

I want, first and foremost, an epidemic of peace and renewed brotherhood around the world, of which we have seen significant outbreaks in the past several months.

I want for everybody's stockings a cure for the ailing economy, Mr. President. And I want a good treatment plan for our state's (and the nation's) educational plans, Mr. Governor.

I want relief for those who are suffering—physically, mentally or emotionally—from disease or pangs of hunger or malnutrition, or from exposure to the extremes of nature's elements because they have no shelter. I want comfort for those who grieve over losing friends or loved ones. I want improvement for dysfunctional families and broken relationships and a renewed hope that those lives may be happy, contented, fulfilled and honestly share in love again.

I want us to stop doing things to ourselves that we know are detrimental and harmful to our bodies and minds. I want persons to stop using illegal, illicit and unprescribed drugs recreationally. I want people to stop abusing prescribed drugs intended to be medicinal and therapeutic.

I want us to use temperance and good sense and restraint if we choose to use alcohol. I never want us to combine consuming alcohol with operating a motorized vehicle of any sort.

I want us to wear our seat belts at all times when driving and riding in order to prevent the tragedies which await those of us who either ignore or forget this practice.

I want people to be tolerant and respectful of one another, to turn the other cheek, and to forgive and forget "70 times seven."

I want medical services, treatment and care to be available to everybody, including those millions who now have no insurance for this purpose. I want all of us who are able to busy ourselves, through employment and ambition and productivity, with the provisions of goods, products, and services for the benefit of one another's needs.

I want us to realize that we are indeed all equal in the important ways and that we need one another and must depend on each other's talents and abilities for life's ultimate fulfillment.

I want children and the elderly to be protected from abuse in every shape, form or fashion. I want those who abuse children or the elderly to be punished forthrightly and severely. I want husbands and wives to stop abusing one another.

I want us to love, revere and honor our freedom, our country and democracy. I want us to reward right and accentuate the positive and never lose faith in ourselves as individuals, as a collective people and as a nation. I want us to have ultimate faith in God. I want us to maintain faith in our abilities to resolve our problems.

I want the spirit of Christmas and the holiday season to last long into the New Year and be a reference point for us each day of our lives. I want prejudice in any form to be erased from our minds and thoughts. I want cures for the dread diseases which pillage our people resources.

I want to thank you for allowing me to share my "Healthy Thoughts" with you each week and I want to continue to have this privilege and opportunity for a long time to come. I want to borrow a line from Dickens' Tiny Tim and say, "God bless us each and every one." Merry Christmas and Happy Holidays!

LOKKER-RUTGERS: A CENTENNIAL OF GROWTH AND COMMITMENT

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. VANDER JAGT. Mr. Speaker, Lokker-Rutgers, now a broad-based merchandiser of mens and womens clothing in downtown Holland, MI, celebrates its centennial year in 1992. I bring this event to the attention of my colleagues because it is a story of persistence, of hope, of success, and of commitment to the future.

The urban center as a wasteland is the paradigm of our times—major cities across the country suffer from urban flight, of residents and of businesses. In these economic times those who remain committed to the vitality of downtown, and to serving their communities, deserve the highest praise and support. To have done so for 100 years merits our recognition and best wishes for the future.

I want, especially, to congratulate and commend the Kobes family for their 60 years of association and leadership. Beginning with the family's stake in the company in 1932, they have maintained a commitment not only to the viability of the business, but to its presence in downtown Holland.

The current president, Jerome J. Kobes, and the entire family deserve to be recognized and commended for their contributions to the maintenance of a vital and growing downtown Holland. Let us hope that their children, and their children's children, will celebrate a bicentennial in just as growing, and vital, a Holland in 2192 as they have helped create today. I offer, for my colleagues' review, a brief history of the first 100 years:

In 1892 J. Lokker and J. Rutgers started the company bearing their names. Among items sold were mens and boys clothing, bicycle parts, blankets and many other items.

Early in the 1900's Mr. Rutgers sold his interest in the business to Mr. Lokker. Mr. Lokker operated the store until 1932, when his interest in the business was mainly purchased by John Sturing and John Kobes.

During the Depression the store relied upon help from its vendors, and a greatly modified work schedule to remain in business. Merchandise schemes were also changed to reflect the changing markets. Lokker Rutgers relied upon mens and boys clothing as the foundation of the business.

By 1954 the second generation of Kobes' entered the firm. Mr. Ronald Kobes started his long association with the firm. By 1959 major changes were made to the interior and exterior of the business through renovations, marking one of the first major improvements to downtown Holland. Under the direction of Ronald Kobes, design and merchandising were changed dramatically to keep step with major market changes.

In the early 1970's the Kobes family purchased the major stake in the company. In 1975 Jerome Kobes joined the firm and in 1977 Lynn Kobes joined the firm. Also in early 1972 womens wear was added to complement the mens inventories.

In 1984 Lokker Rutgers added another location in Holland at 21 West 8th Street specializing in Tall and Big mens clothing. This business grew tremendously and by 1986 Lokker Rutgers consolidated the entire operation by expanding into two adjacent buildings offering its customers over 15,000 square feet of retailing space. Mr. Ronald Lugten also was appointed the Tall and Big manager to guide that operation.

In 1989 with the closing of the DuMez Ladies Clothing Company, Lokker Rutgers again expanded by doubling its size again to 30,000 square feet, and the addition of fourteen more people to its staff.

While 1992 brings many worries, Lokker Rutgers is planning its busiest year in its century of business. With promotions and giveaways and the rebirth of a revitalized downtown, it remains even more committed to serving Holland, the surrounding communities. Today the business is headed by Jerome Kobes as President, Lynn Kobes as Vice-President, and is guided by Ron Lugten as General Manager. Today the store retails mens and womens clothing and accessories, Tall and Big Mens clothing, Work Clothing, Mens shoes, and Womens Petite Clothing.

LINDA STITH: OVERCOMING RECESSION'S IMPACT ON MIAMI'S HOTEL INDUSTRY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Linda Stith, who was featured in the Miami Herald after being appointed the director of sales and marketing at the Miami Sheraton River House at Miami

International Airport. The article "In search of new hotel guests, sales chief plies local market" tells how she has been successful in filling hotel rooms despite the recession:

> Many companies that traditionally travel to warm-weather sites to hold annual conventions have opted to stay close to home in 1991 to cut down on expenses.
>
> It's a problem that Linda Stith must overcome.
>
> As the newly appointed director of sales and marketing at the Sheraton River House at Miami International Airport, Stith must find alternate methods of filling the hotel's 408 rooms.
>
> "We're stepping into the local market, the corporations here, and we're also dealing with smaller companies," Stith said. "We're going out and knocking on doors. It doesn't matter what size."
>
> It seems to be working. Despite the dropoff in tourism and the fragile economy, Stith said that from September through December, the hotel's occupancy level has been above 1991 projections.
>
> Another area of concern for Stith has been the black convention boycott led by prominent Miami attorney H.T. Smith. Stith estimates the hotel has lost sales of between 800 and 900 rooms this year because of the boycott.
>
> "We're having to cut the rates a bit to be competitive," said Stith, who sits on the Corporate Advisory Board of the Greater Miami Convention and Visitors Bureau. "We're beefing up our service and giving more personal service. All the hotels are doing it."
>
> Stith joined the hotel in January as senior sales manager, but was prepared "to move anywhere the Continental Cos. sent me to become director of sales." The Continental Cos. is the parent company of the Sheraton River House. It manages about 60 hotels throughout the United States and abroad.
>
> "She has more than 10 years in the hospitality industry, with many years of experience in sales," said the River House's general manager, Tim Brennan. "She has excelled as senior sales manager here, and we are excited to see her move into the director of sales and marketing position."
>
> The previous director resigned in October. By the middle of November, the position was hers.
>
> "I wanted to stay in Miami. It's an exciting city," she said. "Quite a change from the Midwest."
>
> In 1979, Stith, who was married with a 2-year-old daughter and an 8-year-old son, thought she'd be a housewife forever. Suddenly divorced, she was left to find a career and she had no college education.
>
> Her career began with a front desk job at the Lodge of the Four Seasons, a resort hotel at the Lake of the Ozarks in Missouri. In 1984, with her career on the rise, she moved to Miami as national sales manager for the Key Biscayne Hotel and Villas.
>
> By 1988, she was director of sales for the Palm Beach Airport Hilton. A year later, she joined Miami's Hotel Sofitel as director of sales and marketing. She remained there until joining her present employer in January.

I am happy to pay tribute to Linda Stith by reprinting this article. She has overcome many obstacles to achieve her goal, and is an inspiration to those who are still climbing the ladder to their dream.

TRIBUTE TO PAULA COLOMBO

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. MATSUI. Mr. Speaker, I rise today to salute Paula Colombo who is retiring as president of the Sacramento Association of Realtors.

Paula Colombo has served the Sacramento Association of Realtors [SAR] with great distinction. She has been an active member since 1979 and has spent 6 years on the SAR Board of Directors. In 1983, she was named the president of the Sacramento chapter of the Women's Council of Realtors and by 1987 was the Women's Council of Realtors' statewide president. For the last year, Paula Colombo has served as president of the Sacramento Association of Realtors, and has worked effectively to bridge differences between often conflicting segments of the industry.

Although Paula is retiring as president, she has pledged to continue serving SAR and the real estate industry. She will continue her work through her membership on the SAR Board of Directors, as a member of the California Association of Realtors Board of Directors, and as chair of the SAR 1992 Government Relations Committee.

In addition to her efforts on behalf of the real estate industry, Paula Colombo has been quite active in other areas of community service. Among her many contributions are her years of service on the Cerebral Palsy Guild and her current membership on Sacramento's Child Care Task Force.

Mr. Speaker, Paula Colombo's achievements are truly worthy of praise. On behalf of myself, the Sacramento real estate industry and the Sacramento community, I extend my most sincere congratulations on a job well done and wish her many years of continued success.

U.S. DEBT FORGIVENESS DURING FISCAL YEAR 1991

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. HAMILTON. Mr. Speaker, I initiated correspondence on November 18, 1991 with the Office of Management and Budget concerning the total value in fiscal year 1991 of loans forgiven or reduced beyond standard Paris Club rescheduling terms. In replying to my letter, the Office of Management and Budget provided the attached table in early January 1992.

This table indicates that some 26 countries received debt forgiveness from the United States during fiscal year 1991 totaling $12.09 billion. Egypt received over half the debt forgiveness and Poland was the second largest recipient, receiving $2.4. billion in debt forgiveness.

The table provided by the Office of Management and Budget follows:

U.S. DEBT FORGIVENESS IN FY 1991

[In millions of dollars]

Region and country	Egypt and Poland Secs. 259/592[1]	Sec. 572[1]	Sec. 411[2]	Sec. 604[2]	Total
Egypt	6,998.1				
Poland	2,444.1				
Africa:					
Benin		20.8	0	0	20.8
Burkina Faso		2.4	0	0	2.4
Cameroon		42.2	0	0	42.2
Cote d'Ivoire		13.0	0	0	13.0
Ghana		55.9	95.8	0	151.7
Kenya		57.7	102	0	159.7
Madagascar		0	53.4	0	53.4
Malawi		19.7	2.2	0	21.9
Mozambique		0	52.9	0	52.9
Niger		4.0	0	0	4.0
Nigeria		40.3	0	0	40.3
Sengegal		0	34.5	0	34.5
Tanzania		55.0	59.1	0	114.1
Togo		7.4	0	0	7.4
Uganda		0	16.3	0	16.3
Zambia		91.0	0	0	91.0
Subtotal		409.4	416.2	0	835.6
Asia: Bangladesh		291.6	0	0	291.6
Latin America and Caribbean:					
Bolivia		314.3	0	30.3	344.6
Chile		0	0	16.0	16.0
Guyana		76.4	37.1	0	113.5

U.S. DEBT FORGIVENESS IN FY 1991—Continued

[In millions of dollars]

Region and country	Egypt and Poland Secs. 259/592[1]	Sec. 572[1]	Sec. 411[2]	Sec. 604[2]	Total
Haiti		0	98.8	0	98.8
Honduras		324.6	108.9	0	433.5
Jamaica		0	0	216.8	216.8
Nicaragua		262.4	24.8	0	287.2
Subtotal		1,004.7	269.6	263.1	1,537.4
Total	9,442.2	1,705.7	685.8	263.1	12,096.8

[1] Foreign Appropriations Act.

[2] Agricultural Trade, Development and Assistance Act.

A CHILD'S PROSPECTIVE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. RANGEL. Mr. Speaker, it is with great pride that I share with you and my fellow colleagues some of the winners of the 1991 School District No. 6 Anti-Drug Writing Competition which took place in the Highbridge Park section of New York City.

The competition involved some 300 students from the district who presented their anti-drug poems and essays to a packed auditorium. Competitions like this are an important step in getting our children to think about drug abuse as well as a useful tool in educating future generations on the harsh realities of drug use.

Mr. Speaker, these children know first hand the repercussions of drug use. They are surrounded by it. Their honest portrayals of growing up in a world infested with drugs makes their messages extremely compelling.

It is with great pleasure that I share with you today three selected pieces of writing that I found especially touching and well written. I invite my colleagues to read the attached poems and essays and to reflect on the haunting message that their words send forth.

ESSAYS AND POSTERS

The Drug Free World

BY ADRIANA-HERNANDEZ, CLASS 2–102, PS 128

Once upon a time I lived in Santo Domingo and there were no drugs. I'll be happy if there are no drugs anywhere so the whole city will be just like we want it to be. There will be no smoking, no littering, and no drugs. I like to see only flowers, grass and the sunshine, beautiful clouds in the air and the world clean. I do not want to see the world messy, and no paper around the corner.

Proud To Be Drug Free

BY HOLLI GOODWIN, CLASS 5–305, P.S. 28

In a world where drugs run free
Where pushers and peddlers stop and bother me
I look around and all I see
Is too many people who are not drug free.
I go to school every day
And see strange things on my way.
I look down on the ground and what do I see
But small plastic bottles smiling up at me.
With pretty color tops that dance before my eyes
And say, "Pick me up, check out what's inside."
But with good common sense that my mother taught me
I walk on proudly and pretend not to see.
As I walk a little faster to keep time
A woman approaches me begging for a dime.
Now once I'm in school, the picture does not change
The pushers get younger and they even know my name.
And I say to myself,
"What a shame, what a shame."
As I sit in school doing my work
I say to myself,
"I'm glad to be
young, bright and proud to be drug free."

How To Be Drug Free

BY MAROL MARMOLEJO, CLASS 6–315, P.S. 252

It is very important that we keep away from drugs.

Most people do drugs when they are under pressure, family problems or depression. You can solve these problems by talking to a family member, a school counselor, a doctor, or someone you trust that can give you good advice. You cannot throw your life away just because you have problems. You only have one life and if you throw it away by smoking or taking drugs it is not anybody else's problem, it's your problem. If everybody killed themselves by using drugs just because they had problems there would be no life on this planet. You have to try to solve your problems. You have a lifetime to live, do not throw it away just because somebody else asks you to go on. You have to take charge of your own life and enjoy the things that a child likes to do, like reading, going to the park, visiting museums, talking or playing with your friends because as you grow older you have to keep adding more knowledge to enrich your mind and when you are grown up you will have your education backing you up so you can get a good job and have children so they can be proud of you.

ARTHUR BENSHOFF TURNS 100

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. MURTHA. Mr. Speaker, I'd like to take a moment to recognize a distinguished citizen of Windber, PA, who will be celebrating his 100th birthday tomorrow. Dr. Arthur Benshoff has been a pillar of the Windber community for most of the 20th century, and the celebration of his 100th birthday is certainly a notable event.

Dr. Benshoff served the citizens of Windber as a general practitioner for 60 years. He took care of the medical needs for generations of Windber families, and many young adults in the Windber area had their parents, grandparents, and even great-grandparents taken care of by Dr. Benshoff.

The changes that have taken place in the last century are overwhelming to think about. As a practicing physician in Windber until his retirement in 1985, Dr. Benshoff not only observed these changes, he participated in the many innovations in the health care field.

As he celebrates his 100th birthday, I hope Dr. Benshoff looks back proudly on his contributions to the Windber community. I join with many residents of Windber and the surrounding area in sending him congratulations and all best wishes.

A TRIBUTE TO KALAMAZOO COLLEGE ON ITS 30TH ANNIVERSARY OF AN OUTSTANDING FOREIGN STUDY PROGRAM

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. VANDER JAGT. Mr. Speaker, on January 23, 1992, a special reception will be held at La Maison Francaise de Washington, Embassy of France, to commemorate the 30th anniversary of educational exchange in France by Kalamazoo College students under the framework of the Kalamazoo plan.

Founded in Kalamazoo, MI, in 1833, Kalamazoo College is a small liberal arts college but was a pioneer in the development of program-integrated foreign study for its students.

Kalamazoo College was the first liberal arts college in the United States to be designated as a "Center for Western European Studies" by the U.S. Department of Education; over the past 30 years, has recorded the highest percentage—nearly 90 percent—of its graduates having studied in foreign universities among all colleges and universities in the United States; and has the oldest, most diversified and longest continuing foreign studies programs integrated with African universities.

Mr. Speaker, it is most appropriate that the special reception be held at the Embassy of France for it was the universities of France which were the first and principal hosts to Kalamazoo College students. It was in Caen, along with centers in Bonn, Germany and Madrid, Spain, that Kalamazoo College initiated its pilot program in 1958, which program a few years later became fully integrated into a student's curriculum at the college.

The foreign study program, an integral part of the Kalamazoo plan, makes Kalamazoo

College a unique liberal arts institution. Encouraged by the success of its experimental summer foreign study program, the college arranged its present calendar, implemented in 1961, to provide a period of foreign study for virtually all students. The curriculum was organized so students could easily meet all requirements and still study abroad. Clearly, foreign study is seen as an essential part of the educational development of the students.

The foreign study program is the backbone of the international focus at Kalamazoo college and has provided students with a one-, two- or three-quarter foreign study experience. The goals for foreign study are: First, to become acquainted in some depth with a culture—usually including language—a people, and an educational system different from one's own, and second, to participate in an academic experience which is both comparable in quality to work on the home campus and is significantly enriched by the environment in which it takes place. Participants not only benefit academically, but also return home with an increased understanding of themselves and their own country, as well as the country visited.

Proficiency in a second language, required for most foreign study programs, provides strong support for the on-campus language offerings—eight languages are currently taught—and the language graduation requirement. The college's foreign study programs, including some fully integrated into foreign universities, have been designed to make different kinds of linguistic demands upon the participants. In a typical year Kalamazoo students will study in 25 to 30 individual locations the world over.

Strong ties with a number of universities in Anglo- and Francophone sub-Saharan Africa is a unique feature of the program. Since 1962, Kalamazoo has led the way in placing undergraduates in these universities. A number of regular Africa-oriented courses are supplemented by an extensive summer cocurricular program of lectures, and cultural and social events.

Enhanced by an endowment unique in higher education, the foreign study program provides continued financial aid for all scholarship recipients while studying abroad. Costs to students are thus equivalent to on-campus costs. Students apply for individual programs in accordance with their language facility and academic ability and interest, though final determination of placement is made by the foreign study office. Whenever possible, students are fully integrated into foreign universities. Course work is usually in language, literature, fine arts and social studies, although qualified students may enroll in other disciplines. The quarter prior to foreign study, students attend weekly orientation sessions aimed at preparing them to study, live, and travel in foreign settings.

In short, from a very limited, noncredit, uncertain beginning, the foreign study program has grown and matured into a highly regarded, regular aspect of a student's academic program at Kalamazoo College and in more than a dozen countries worldwide.

Mr. Speaker, some may wonder why I have been pleased to take this opportunity to join in the commemoration of this Kalamazoo College program since I am a graduate of a competing institution of the Michigan Intercollegiate Athletic Association to which Kalamazoo College belongs, namely, Hope College of Holland, MI.

My answer is relatively simple. Both colleges are fine, privately endowed, institutions of higher education and each has areas in which it excels and for which it should be recognized. In addition, probably the greatest experience of my life was a year spent as a Rotary Foundation Fellowship student at the University of Bonn in 1955–56 during which time I greatly enjoyed visits to France, Notre Dame, and the American Church in Paris. I can readily agree with Kalamazoo College that nothing can substitute for on-site study and living if one truly desires to understand to the fullest not just the language, but the culture, the mores, the historical perspective, yes, even the political outlook and appreciation of the people of another country.

Although Kalamazoo College is probably little known by most of my colleagues in the Congress, some are very familiar with it and its fine academic reputation. To my knowledge, no sitting member of either body is a graduate of Kalamazoo, however, several are recipients of honorary degrees including two members of the other body, the gentleman from Oregon [Mr. HATFIELD] and the gentleman from Illinois [Mr. SIMON]. Others so honored by Kalamazoo include my colleague from Michigan, Mr. WOLPE, former Supreme Court Justice Thurgood Marshall and respected columnists David Broder and William Raspberry.

In conclusion, Mr. Speaker, I wish to express my personal congratulations to Kalamazoo College for initiating and continuing for the past 30 years, its most successful foreign study program and I extend to it and its program my very best wishes for the years to come.

PRECISION RESPONSE: ONE OF MIAMI'S FASTEST GROWING COMPANIES

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Precision Response, a Miami-based telemarketing firm which was recently featured in the Miami Herald. The article "On Call: Pharmaceutical Link is the Key to Precision Response Success" by Alina Matas tells how this company grew from a small operation with 12 employees in 1984 to a major telemarketing business with 500 employees today:

Two million people concerned about hair loss have called Opa-locka.

The calls were answered by operators at Precision Response, a telemarketing firm that handles 800 numbers for a wide range of national companies, responds to the inquiries and follows up with a mailing campaign.

By fielding those toll-free calls, Precision Response has grown into a major player in a growing industry. The privately owned company said its 1991 revenues will be $18 million, compared with $250,000 in 1984. The number of employees have grown from 12 to 500 in the same seven years.

"They're a fine, fine company," said Nadji Tehrani, publisher and editor of Telemarketing Magazine. "If I had money, I'd buy them myself."

Telemarketing Magazine recently ranked Precision Response 17th among the country's 50 largest companies handling 800 calls and doing the follow-ups. And for the third year in a row, Inc. Magazine's December issue named Precision Response among the 500 fastest-growing private companies.

The company employs about 300 phone operators at hourly rates ranging from $6 to $8. They answer calls reading a script they call up in a personal computer, respond to questions and enter callers' information in a computer database. Each call is followed with a mailing of information, designed to get the customer to take a step toward buying the product or using the service.

Another 200 people work on the follow-ups and in the executive ranks.

Many of the calls coming these days to the Opa-locka headquarters—open 24 hours a day—come from callers answering an advertisement for a hair-loss product, Rogaine, by the Upjohn Co.

The advertising campaign has run since 1989. From the calls, operators have compiled a data base of two million people who are losing hair and are interested in doing something about it.

"It helps us identify potential consumers and helps us evaluate the different elements of our campaign," said Laura Harwin, an Upjohn spokeswoman.

It is not an inexpensive service, said Mark Gordon, the company's chief executive. For a full-fledged program—setting up the operators, preparing the script, compiling information from callers in a computer, mailing information and handling the response to the mailing—start-up costs are about $250,000.

The company has carved a niche among large, national pharmaceutical companies; they make up 60 percent of its business. The Food and Drug Administration forbids pharmaceutical companies from advertising the name of a prescription product and its applications without including other detailed pharmaceutical information. Because television ads are time-constrained, companies frequently omit the name of the product or the application and simply offer an 800 number for the viewer to get more information.

In 1985, the company obtained an FDA license to store and mail pharmaceutical products. A relationship with an early client, Key Pharmaceuticals, provided a springboard for Precision Response to develop more business in that industry. When the company merged with Schering Plough, based in New Jersey, Precision Response kept doing business with both companies.

"That really was a pivotal point and led us to pursue more national business," said David Epstein, the company's president.

The growth of the telemarketing industry also helped.

"Customer service has become much more important, and using the telephone is a big part of customer service," said Maggie Yost of the American Telemarketing Association.

When the association was formed in 1983, it had 23 members. Now it has more than 1,000. In 1984, it estimated that the industry employed one million people. Now, telemarketing operations are estimated to employ 3.5 million people and to generate $500 billion in revenues, Yost said.

Precision Response just moved with the trend, Gordon and Epstein said.

The company, which until earlier this year was called Florida Fulfillment, began in 1981 as a storer, handler and mailer of promotional material. It only had two phones. Epstein, 28, was finishing college and helping two now-gone founders run the three-man operation.

Gordon, 44, a marketer who moved from Chicago in 1984, took an interest in the company and bought the two founders out. He redefined the focus of the company and started offering expanded services to clients.

"He brought the emphasis on target marketing," said Epstein, who now owns 10 percent of the company. "Together, he and I shared that vision."

Rather than just mail brochures, they wanted a definite target: Information compiled from incoming calls becomes a list of prospective clients to target in future promotions.

Where they used to mail and forget, now they would create incentives for prospective clients to do something after receiving the mail. In the Upjohn program, callers get a rebate certificate for visiting a physician and asking about products to treat hair loss. Since customers have to mail back a signed certificate in order to get the rebate, the company can keep track of who is responding to the campaign.

The leap into uncharted territory paid off. Gordon said 1991 has been the company's best year. The company has turned a profit in the last four years.

It has come a long way, he said.

"We were a struggling company that almost didn't make it at one time," Gordon said, "Whatever the future was, in wasn't in warehousing brochures."

I am happy to pay tribute to the company's chief executive, Mark Gordon, and president, David Epstein, by reprinting this article. They have proven that the enterprising spirit that made America great is still alive and well today.

LESS TAXING WAYS TO RUN THE COUNTRY

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. DUNCAN. Mr. Speaker, over the years, I have enjoyed many columns by Lewis Grizzard. However, I especially liked a recent column he ran which one paper headlined as "Less Taxing Ways to Run The Country."

LESS TAXING WAYS TO RUN THE COUNTRY

(By Lewis Grizzard)

An economist was testifying before a House Ways and Means Committee studying tax policy and economic growth. I was watching him on C-Span.

The economist was asked, "Should the American people be paying more taxes?"

"Yes, he replied, "if they are to expect the same level of governmental services they are now getting."

The thought hit me. OK, so what if we decided we don't need the current level of governmental services?

What if the individual states got together and said, "Let's start handling things on our own?"

Missouri, the Show Me State, might ask, "You mean dissolve the central government like what happened in the Soviet Union?"

"Something like that," might be the reply to Missouri. "We tell the federal government just to make sure we've got a good military in case Canada decides to attack North Dakota, and we'll take it from there."

"But what would the president do?" pesky Missouri would continue.

"Be commander-in-chief and play a lot of golf," would be a terrific answer.

Isn't that what the Founding Fathers had in mind in the first place, a weak central government?

Under my plan, the states could even handle maintaining their own domestic tranquility. That's what state patrols are for. If they needed any help, they could ask for volunteers from Rotary Clubs.

Cut out about 99 percent of what Washington does, and wouldn't that drastically affect taxes, spur economic growth and help reduce the federal budget? Of course it would. Couldn't we do without the following:

The Park Service: Give the parks back to the bears. They were there first anyway.

Welfare and foreign aid: The golden goose is dead. Only the brain-damaged think otherwise.

Federal grants: Want $50,000 to find out why kudzu grows so fast? Forget it. It just does.

The post office: Who writes letters anymore? Air freight it, fax it or simply pick up the phone and call.

Health care: States could order any doctor owning more than one Mercedes to dispense aspirin for free. That, alone, would knock health-care costs for a loop.

The space program: We spent billions going to the moon. What did that get us? A few lousy rocks.

Highways: If Nebraska wants one, let Nebraskans pay for it.

Endowments for the arts: Wanna put on a show? Sell tickets.

Other governmental agencies: Will the last person leaving the office please turn out the lights?

Of course, there remains the question of what to do with all those federal employees who, under my plan, suddenly would be out of work.

Congress could open a law firm handling accident claims. Everybody else could join the circus. They will already have had a great deal of experience.

SACRAMENTO GALLERY HOSTING EXHIBITION BY ASIAN-AMERICAN WOMEN ARTISTS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. MATSUI. Mr. Speaker, I rise today to honor the Lite Rail Gallery on the occasion of their latest event. From February 3 through March 6, 1992, the Lite Rail Gallery in Sacramento will be hosting "Gathering: an Asian-American Women Artist's Association," a juried exhibition.

The AAWAA was founded in 1989 by two women from the San Francisco Bay area, Florence Wong of Sunnyvale and Betty Kano of Berkeley. The group has grown to include 75 members whose purpose is "to come together to share, to encourage, and to support one another." AAWAA, while united in purpose, is a diverse group of artists, with a great range of backgrounds, ages, experiences, and styles of expression. Members are involved in visual and performance arts, music, design, video, and literature.

Mr. Speaker, I appreciate the opportunity to commend the Lite Rail Gallery for their exhibit honoring the talents of the women of the AAWAA. The organization contributes a rich array of perspectives to American art, and I ask my colleagues to join me in extending to the Light Rail Gallery best wishes as it hosts this important exhibition.

IN HONOR OF DR. MARTIN LUTHER KING, JR.

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. BLACKWELL. Mr. Speaker, it is with the greatest honor and respect that I submit a speech I made on Monday, January 20, 1992, Martin Luther King, Jr. Day. It is my sincere hope that my colleagues will take these words to heart, and continue to work toward making the dream of Dr. King a reality.

SPEECH BY HON. LUCIEN E. BLACKWELL AT OPERATION PUSH ANNUAL ALL FAITHS SERVICE IN HONOR OF DR. MARTIN LUTHER KING, JR. MONDAY, JANUARY 20, 1992

Good morning. I am honored to have been invited by Operation Push to share in this annual All Faiths service commemorating the life of Dr. Martin Luther King, Jr.

I join you here today not just to remember the dreamer or just to keep the dream alive. I join you here today to express my total commitment in making Dr. King's dream a reality.

In his last speech, "I See The Promised Land," Dr. King spoke of the need to redistribute the economic pain forced on a large segment of the American community—mainly African Americans, the unemployed, the underemployed, poor and working class families.

Not only is the pain Dr. King spoke of with us today, but we are witnessing the expansion of an even greater economic pain suffered by American workers, American families and American businesses all across urban America. Not only is this pain unjust, and undeserved, it has grown to agonizing levels.

Americans are losing their jobs in greater numbers than any time since the Great Depression. That is why my colleagues and I in the Congress must act now to make fair trade legislation a reality. We must not only save American jobs, we must also lead the way to sound economic recovery for all of the people of this country.

Americans are feeling the pain of a lack of health care insurance. It is a national scandal that over 37 million Americans are denied medical attention because they cannot afford heath care insurance. We are going to make health care insurance a reality, as Dr. King would expect us to do.

Last Tuesday, I held the first of three town hall meetings, seeking the input of residents of the Second Congressional District for a national consensus on a national health care insurance plan. It is ironic that, as I prepared for last week's town meeting, members of my staff gave me a speech that compared the death rate of black babies to white babies. I gave it back to them and told them to take the words black and white out. Any baby that dies because of a lack of adequate health insurance is one too many. No baby, regardless of color, should die in this great country of ours because of a lack of health insurance.

Americans are feeling the pain from racial and sexual discrimination in the workplace—the kind of pain Dr. King fought so hard against in his quest for equality and fairness. After lengthy debate, the Congress last November made a new commitment to equal rights by passing into law the Civil Rights Act of 1991. I am proud to say that I strongly supported this act that restores the original intent of the civil rights statutes Dr. King and other martyrs of the civil rights movement fought and died for.

The civil rights movement may have lost a drum major with the assassination of Dr. King, but today, among you, I see a new determination focused on critical human issues—issues that require a relentless commitment, the kind that Dr. King offered to us, and to those filled with desperation and pain.

To make Dr. King's dream a reality, we all must make a pledge to rededicate ourselves—today and every single day of our lives—to easing the pain Americans are feeling in these difficult times of economic recession and moral decline in just about every segment of our society.

As your Congressman, I am prepared to do my part. And with your help, we, as elected officials, can make that pledge to work, to fight and to achieve the goal of making Dr. King's dream a living truth.

Thank you, and God bless all of you.

IN MEMORY OF ISABEL CABLE MANES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. RANGEL. Mr. Speaker, it is with great sadness that I rise today to recognize the passing of an extraordinary woman and leader, Isabel Cable Manes.

Mrs. Manes was the granddaughter of the late George W. Cable, the New Orleans novelist and long time friend of Mark Twain. After fighting in the Confederate army, Mr. Cable went on to be a champion in the struggle for civil rights for former slaves and freemen alike.

Following in her grandfather's footsteps, Mrs. Manes devoted much of her life to the civil rights movement. Mrs. Manes, intrigued by her grandfather's views on racial equality, studied and later edited a selection of Mr. Cable's political writings entitled "A Southerner Looks at Negro Discrimination", which was published in 1946. Throughout her life Mrs. Manes remained politically active, serving on the executive committee of the Bronx CORE as well as the executive committee on Vietnam. More recently, Mrs. Manes completed a manuscript on Mr. Cable's attitudes toward racial discrimination entitled "Reconstructed Rebel" which is currently being edited for publication.

Mrs. Manes' diverse interests brought her to New York in the 1920's where she became involved in the arts and later acted with the Children's Theater. Mrs. Manes became a member of Actor's Equity and later, in the 1930's, became involved with the Federal Theater Project.

In addition to her work on civil rights and her involvement in the arts, Mrs. Manes was concerned with issues effecting the elderly. In 1971, Mrs. Manes and her husband Max founded the Seniors for Adequate Social Security [SASS], a volunteer organization for the elderly. As a spokesperson for the elderly, Mrs. Manes fought long and hard for improvements in Social Security benefits and pensions.

She served as a corresponding secretary of the SASS and coedited the organization's newsletter until the mid-1980's, when she became ill.

Mrs. Manes, who passed away on November 2 at the age of 83, had been suffering from Alzheimer's disease. She is survived by her husband Max, her two children, Michael and Joan, and her grandson, Sean.

Mr. Speaker, I ask all my colleagues to join me in honoring Mrs. Manes for her dedication and her commitment to racial equality over the years. Mrs. Manes' selfless service surely makes her a role model for us all.

THE 1ST SESSION OF THE 102D CONGRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, December 11, 1991 into the CONGRESSIONAL RECORD:

THE 1ST SESSION OF THE 102D CONGRESS

With a final spurt of chaotic activity Congress concluded the first session of the 102nd Congress. The session began with the debate on going to war with Iraq and ended with the House enduring a 33-hour marathon that left Members exhausted. As Congress pushed toward adjournment what stuck me most was that it at last was beginning to deal with domestic issues from taxes to health care to the recession. It wasn't necessarily solving them but it was at least addressing them. The first session saw a modest, even respectable record of accomplishment, but a lot was put off to the second session.

ACCOMPLISHMENTS

Congress approved a transportation bill which refocuses national transportation policy for the first time since the interstate highway system was begun 35 years ago. It provides $151 billion over six years, promotes mass transit, and gives greater discretion to states and localities on how to use the funds. In addition to the job-creating highway bill, victims of the recession got help through an extension of unemployment insurance providing up to 20 weeks of aid to jobless workers who have exhausted their benefits. Because unemployment benefits have repeatedly been extended in past recessions, I could never understand the great difficulty Congress and the President had in agreeing to extend them now.

Congress voted to extend for six months a dozen tax breaks due to expire at the end of this year, including a deduction for self-employed people's health insurance and credits for corporate research and low-income housing construction. It approved $95 billion to cover costs of failed banks and savings-and-loan institutions, provided disaster and drought assistance to farmers, and approved the President's request for fast-track negotiating procedures for a free trade agreement with Mexico. Congress also approved a compromise reached by the President and the nation's governors that resolved a dispute over state financing of the Medicaid health program for the poor. New civil rights protections make it easier for workers to win antidiscrimination suits and give victims of sex discrimination the right to sue for damages.

On national security matters, Congress began the year by authorizing going to war with Iraq. The manner in which that decision was made drew widespread praise as Congress reasserted a constitutional sense of responsibility. The Senate approved the 1990 Conventional Forces in Europe Treaty to reduce the number of U.S. and Soviet tanks, combat aircraft, and other non-nuclear weapons in Europe. A new defense law puts more emphasis on lighter, more mobile forces to respond to post-Cold War threats, and cuts strategic programs like the B-2 Stealth Bomber. Congress also authorized the President to divert up to $500 million from the defense budget to Soviet aid.

One of the more important achievements was that Congress abided by last year's budget agreement, which I believe in time will work to reduce the deficit. The blunt truth is that until we pay the bills from the past decade or so of extravagance, no Congress is going to be able to distinguish itself by solving the nation's problems.

UNFINISHED BUSINESS

Much was left unfinished, including health care reform, tax relief for the middle class, campaign finance reform, an expansion of aid to higher education and Head Start, and what to do about the overall level of defense spending as the threat from the Soviet Union diminishes if not disappears. Congress failed to overhaul the banking laws to expand banks' investment opportunities and to permit interstate operations. One of the greater failures was the inability to pass a comprehensive energy bill.

A proposal to nullify a ban on abortion counseling in federally funded family planning clinics was approved by both houses but vetoed by the President. Vetoes are expected next year on congressional measures to place restrictions on trade with China and to require employers to guarantee unpaid leave so workers can tend to newborn children or family emergencies.

Next year Congress will probably try to complete work on a crime bill. Everyone wants to look tough on crime but I think people are beginning to realize that it is a political myth that the federal government has much of a role in fighting street crime. An overhaul of the nation's health care system will also be a lively election year topic, but the problems of the system are so huge and so diverse that proposals are unlikely to be approved until after the election.

The opening salvos in the second session are expected to be on economic growth. Both the President and the Democratic leadership will almost certainly produce proposals to stimulate economic growth. My own view is that a ⅓-trillion-dollar deficit already provides substantial stimulus for the economy. I still think that Congress should not breach the spirit of the deficit reduction agreement and that any tax bill should focus more on redistribution than stimulus. That means higher effective tax rates for those in the highest tax bracket to increase progressivity and some tax cuts for middle- and lower-income groups to give them extra purchasing power.

ASSESSMENT

One constituent said to me the other day that Congress is irrelevant—that it is not dealing with the issues that concern Americans the most, such as economic growth, improved health care, and better schools. In the political process, symbolism often prevails over substance. Congress, for example, fights crime by voting for the death penalty or addresses job insecurity by debating racial quotas. With huge budget deficits, substantive accomplishments are becoming more difficult to achieve and that encourages politicians to exploit the use of symbols. Part of the problem is also that Congress had to scramble this year just to stay even with fast-breaking events like the collapse of financial institutions at home and the demise of communism abroad. All year long I had the feeling we were trying to catch up.

Overall, I do not think Congress enhanced its reputation much by its performance in the first session of the 102nd Congress. Even though some good legislation was passed, there was much to be embarrassed about—the hearings on the nomination of Justice Thomas, the unimpressive performance on banking reform, the dominance of symbols over substance, the snarling partisanship that erupts from time to time. Although the record of the first session is probably better than is given credit, there isn't any doubt that the people do not hold Congress in very high esteem. They think that it takes too long to get anything done and is too far removed from the hopes and desires of the American citizens.

LOWELL KINNEY: HE DID IT THE WAY IT SHOULD BE DONE

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. VANDER JAGT. Mr. Speaker, the Greek philosopher Diogenes is reported to have once been found walking along holding a lamp before him and, having been asked what he was doing, said that he "was seeking an honest man."

In 1963, GTE of Michigan was seeking staff for their public relations effort, and they hired Lowell Kinney. They had found their honest man. This is a man whose operating philosophy, in a corporate setting, is that it's not his job to make his bosses look good—just understood; that the task of a public relations office is to be open and honest at all times.

These are remarkable goals—guidelines—for a public relations officer at time when, especially in this town, Washington, DC, flackery is an art form. And, in Lowell Kinney's case, his corporate employer has been the beneficiary of a unique integrity, as has the public which relies on that honesty.

When was the last time, in this town of professional public relations efforts, you heard that a news organization commended a corporate pr officer for his openness during a labor dispute? After a particularly difficult negotiation, and strike, in 1978, the Associated Press office in Michigan did exactly that in appreciation for Lowell Kinney's professionalism and integrity. He truly has been the epitome of a public relations professional: Speaking the truth, warts and all, and knowing that the truth will set you free.

After nearly 30 years of speaking the truth Lowell Kinney is free. At 55, an age when many are slowing down, Lowell Kinney is taking early retirement and seeking new challenges—opportunities to put his skills to yet other uses.

And his challenges and opportunities are many. I'm sure he will find any number of opportunities to freelance his skills—he's even thinking of a book. I'll look forward to that.

But there's a special challenge that drives Lowell Kinney and his lovely wife Roxanne: The cause of fire safety, and the tragic loss of their son Stephen in a fire in 1989. Since that tragic event, Lowell and Roxanne have worked tirelessly to strengthen fire safety laws, and to prevent the circumstances which led to their great loss. With the integrity and commitment which have characterized his professional life, his special advocacy has resulted in a whole new awareness of the need for, and improvements in regulations governing, fire safety in our State of Michigan. We wish him continued success.

Lowell Kinney, and Roxanne, embark on a well-deserved rest from the work-a-day world at GTE. But as Roxanne pursues her duties as a council member and mayor pro-tem of their home town of Norton Shores, and they share in the joys of their daughters Kathy Suffel and Rebecca Kinney, also in Norton Shores, I am confident that Lowell will find even greater opportunities to be the honest man who embarked so many years ago on the path to "see that GTE is understood." They were, and for that we thank Lowell Kinney.

I offer, for my colleagues' review and consideration, a profile of Lowell on the occasion of his retirement, which appeared in the Muskegon Chronicle.

[From the Sunday Chronicle, Dec. 29, 1991]

GTE'S VOICE BIDS GOODBYE

(By Susan E. Harrison)

The saying on his work table is from the Bible.

"Where there is no vision, the people perish." Proverbs 29:18.

There are other sayings, rules and philosophies, courtesy of the man attached to the work table and corporate office.

Rule No. 1: Be open and honest at all times.

Rule No. 2: Never violate Rule No. 1.

"Follow those, and you can hardly fail," says the man who has triumphed in the often turbulent field of corporate public relations.

In what is often an adversarial role with the news media, Lowell Kinney stands alone. He has been in corporate public affairs and community relations since 1965. Kinney not only has succeeded in terms of longevity, but also has been recognized and honored by members of the press.

Unheard of in most public relations-news media circles.

The occasion was 1978, the year of the first statewide strike at GTE, although one would follow exactly 10 years later.

"The first time, it was real rewarding to do what I had to do," he says. "The second time, it was pure pain."

Nonetheless, every day, Kinney faced television crews and newspaper reporters, updating them on what Kinney candidly describes as "about as distasteful a work situation as possible."

When the first strike was over and workers were back on the job, the Associated Press sent Kinney a letter of commendation for handling news of the strike in a "factual, open manner" and "doing things the way they should be done."

"That's the only way," says the man with rules No. 1 and 2, guided by the verse from Proverbs. "There is no other way."

HANGING UP ON A CAREER

For nearly 30 years, since he graduated with a degree in journalism from Michigan State University, Lowell Kinney has occupied the public-relations office at GTE.

But last week, the office door swung shut.

And the man who has met with the news media and public since 1963 left for good, taking advantage of an early retirement program to reduce management employment levels nationally.

"One thing I never wanted to do is lose my effectiveness . . . or the ability to be creative and innovative," Kinney says. "It seemed the right time to go."

His list of accomplishments before retirement at 55 is a full one. His job description since 1982, when he was named regional director of public affairs, has included responsibility for internal communication, public information, news media relations and community relations—including the company's cultural arts and other sponsorships, contributions and membership programs.

Highlights?

Organizing the first Seaway Festival (renamed The Great Lumbertown Music Festival) parade in 1964 and chairing it for 10 years.

Accompanying former President Gerald R. Ford in 1985 at GTE's sponsorship of Michigan's 19th-century artists. During a 2½-hour airplane flight, Ford and he talked non-stop, something Kinney calls "a thrill."

Introducing management conferences when GTE was reorganizing its corporate structure and needed some "internal healing."

Working closely with the internship program through the West Michigan chapter of the Public Relations Society of America, of which he has been president three times.

And, of course, the Associated Press commendation.

He tells of the time an intern applicant made a flippant remark to him like "I know your job is to make GTE look good." The comment still makes Kinney's blood boil.

"That is not what the public-relations professional's job is all about," he says. "My job is to see that GTE is understood . . . If you spend all your time trying to make something just look good, you'll have a miserable life."

Saying a public-relations professional's purpose is "not to shield or disguise management," Kinney describes the job as a "conduit that puts diverse audiences in contact with one another."

He points to the disastrous manner in which Exxon handled the publicity of the Exxon Valdez oil tanker spill in Alaska, compared to the successful public-relations campaign run by Johnson and Johnson after one of its products, Tylenol, was tampered with in 1982.

Successful vs. disaster.

There's a lesson in this, he says.

"I've always counseled management to be open and honest, Rule No. 1, and to be sure the message they give is what they want to say," Kinney says.

NEW JOB CLOSE TO HEART

What comes next?

What does a man who's spent his entire professional life in the public eye do after retirement?

On this, his first official weekend of retirement, he and his wife, Roxanne, are in the Upper Peninsula to celebrate his aunt and uncle's 50th wedding anniversary.

Although there's no set time or program, he is seriously contemplating working as a consultant, passing along the wisdom he has accumulated all these years.

But there is a personal agenda to follow first, a matter that could mean the difference between life and death.

As many in Muskegon know, the Kinneys' son, Stephen, was one of two summer workers killed Sept. 9, 1989, in a rooming-house fire on Mackinac Island. The fire triggered a state investigation that resulted in hundreds of state fire-marshal citations for code violations and in criminal charges being filed by Attorney General Frank Kelley.

The Kinneys have worked tirelessly to strengthen fire-safety laws in Michigan. Retirement gives Kinney more time to devote to the campaign.

"It is something I have to do," he says quietly.

His base of operation will continue to be his home in Norton Shores, where he and Roxanne Kinney are active in the community. She is a Norton Shores council member and mayor pro tem. Both of their daughters, Kathy Suffel and Rebecca Kinney, live in Muskegon.

FORREST McGINLEY LEAVES MIAMI-DADE COMMUNITY COLLEGE AFTER 25 YEARS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, Miami-Dade Community College will miss Forrest McGinley. For 25 years he has brought his flair for music education to hundreds and hundreds of students. The Miami Herald recently printed an article honoring Mr. McGinley by staff writer Jon O'Neill. That article follows:

When Forrest McGinley looks back at his 25 years of teaching music and humanities at Miami-Dade Community College's South Campus, one word comes to mind:

"Glorious."

McGinley, 58, put away his grade book for the last time as the fall term ended at the college last week. He is heading for a secluded home in North Carolina, leaving behind hundreds of memories and dozens of tearful students.

"The way the funding situation is now, it's a good time to get out," said McGinley, who directed the Caravan Singers, the South Campus chorus made up of selected students. "I will miss the kids, though. When they get going, it's so great to see it and know that you're the catalyst for it."

McGinley has a way with students, especially those he coaches in music. Some call him eccentric, and he is. Last week, he sported a tie with a blinking Christmas light attached to it.

He is also funny. His humor is dry and pointed, and only those who are paying attention get the jokes. Students who let their minds wander risk becoming the focus of McGinley's playful comments.

"He brightens up practice because he fools around a lot," said singer Shaye Johnson, 19. "But he knows his stuff, and he's a great teacher. His office door is always open, and he's willing to talk about anything. I'd just wish I'd gotten to know him sooner."

Jessica Bass, 20, said: "He is very funny, but he's also very kind, and he really cares. He has helped me tremendously, especially when it comes to interpreting music."

No matter what he was teaching, McGinley tried to keep his students interested and alert. He was honest "because they can tell when you fib," and he pushed his charges to do their best.

"They're there to work, and I was very demanding," he said. "But they knew I cared about them, and they didn't want to let me or themselves down. It gets to the point where they start motivating each other."

McGinley also had a special knack for spotting talent and drawing it out, even when students were reluctant or shy.

"I was very shy, but he saw something in me," said singer Charlie Toomer, 19. "He helped me express myself by singing and built up my confidence. I'm going to miss him a lot."

Dennis Mulrooney, 19, said McGinley helped get him into the music program at Miami-Dade.

"He's a wonderful guy," he said. "He's meant a lot to the program here and to me."

McGinley's bosses thought so, too. His final evaluation was stellar. Supervisor Gus Perry wrote that McGinley was "highly respected," "a team player" and "always sensitive to student needs."

McGinley was born in Memphis and his bachelor's and master's degrees in music education from Florida State. He studied at a conservatory in Salzburg, Austria, and started teaching at a junior high in Fort Pierce 30 years ago.

He came to Dade-South in 1966 and has been there ever since. He has taken the Caravan Singers into Mexico and South America, served on countless music committees and advisory boards, and helped several local artists have their music published and performed.

"For me, the challenge was to make learning fun," he said. "I wanted to give every student I taught a few triumphs that they could build on."

Mr. Speaker, it is always exciting to recognize a talented educator whose highest aspiration is to see his students excel, and excel they have. As Miami-Dade Community says goodbye to this gifted music teacher, we all wish him a wonderful retirement, a reward he most profoundly deserves.

ROE VERSUS WADE ANNIVERSARY

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mrs. MORELLA. Mr. Speaker, today marks the 19th anniversary of Roe versus Wade, the Supreme Court ruling which has protected a woman's right of reproductive choice. However, in the wake of the Court's decision to hear the Pennsylvania case, Planned Parenthood of Southeastern Pennsylvania versus Casey, this fundamental right is seriously threatened. If the Court further erodes or overturns the Roe decision, the consequences will be devastating. It will mark the first time in the 200 years of the Court's history that a fundamental right will be lost.

Mr. Speaker, it is vital that a woman's reproductive choice be preserved, and I urge my colleagues to join in efforts to protect this vital freedom. We must also immediately address the social conditions that result in so many unintended pregnancies each year.

CLEM WHITAKER WILL BE HONORED BY THE CALIFORNIA CONGRESS OF SENIORS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to longtime political consultant Clem Whitaker. Next Wednesday, January 29, 1992, his friends and colleagues at the California Congress of Seniors will be honoring him for his outstanding contributions in the field of politics.

Clem is currently the CEO of Whitaker & Baxter, a public relations/public affairs counseling firm founded in the 1920's by his late father, Clem Whitaker, Sr. Shortly after serving as a pilot in World War II, Clem joined his father's firm. Already an accomplished writer, having worked as a reporter for both the Sacramento Bee and the Sacramento Union, Clem utilized his writing, speaking, and organizational skills in developing an impeccable reputation in politics. Among his career highlights, Clem boasts of having directed and managed over 50 political campaigns throughout the United States. Though he specialized in initiative campaigns, a list of his former candidates includes: Ronald Reagan, Richard Nixon, Everett Dirksen, Goodwin Knight, and George Christopher. In addition, Clem wrote speeches for the likes of Dwight Eisenhower, Barry Goldwater, and Senator Dirksen.

Clem has been the CEO of Whitaker & Baxter since 1958 spearheading the firm's direction and personally acting as principal account manager for all energy and utility clients. His work on behalf of his clients has led him into a number of political frays with Congress, various State legislatures as well as Federal and State regulatory agencies. Throughout these battles, Clem displays both a high level of integrity and a unique ability to forge consensus among divisive parties.

His involvement in a number of senior, environmental, union and business organizations allow Clem to maintain a high level of contact within the community as well as with his peers throughout the Nation. Furthermore, he currently serves on the board of directors for the San Francisco Opera Association Foundation and the Asian Art Museum.

It is my distinct honor and pleasure to ask my colleagues to join me in saluting Clem Whitaker, Jr., an invaluable member of my community.

TRIBUTE TO PETER L. SIMPSON

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. CLAY. Mr. Speaker, I mourn the loss of a great American, Peter L. Simpson, and I want to enter into the CONGRESSIONAL RECORD observations on the loss of this very dear friend, colleague and fellow civil rights fighter. Together we pursued liberal causes and fought for equal rights and racial justice. We served together on the St. Louis Board of Aldermen in the 1960's.

Peter was a writer of note, having published poetry and prose as well as many articles including those in the minority press. He was personable and knew how to win friends and influence people. He was a man of giant intellect with common interests. He will be missed.

[From the Riverfront Times, Jan. 15–21, 1992]

PETER L. SIMPSON, 1932–92

(By Martin Quigley)

Pete Simpson and I had a lot in common—a love for baseball, poetry and a good bunch of pals.

The last time I saw Pete was on a dreary 35-degree afternoon between Christmas and New Year's. It was only a week or so before he fell into his big sleep. He had just come out of the Big Sleep, the bookstore he owned and ran with Chris King, another old buddy from way back.

Pete and I met by chance, which is the only way we ever met, going back to the Gaslight Bar on Boyle in the 60s. He used to come in to find surcease from the talk of City Hall, where he served the old 28th (West End) Ward as a two-term alderman; I, to escape the PR jargon and establishmentarian machinations of my colleagues at Fleishman-Hillard, then but a fledgling Satan, of which I was a senior partner. With other escapees from the mundane under the baton of the late Jack O'Neill, the magisterial barkeep, we talked of many things but not of what we did to make our livings. What did that have to do with our true loves for The Game and a book of verses underneath the bough?

I was a traditionalist whose verse rhymed in iambics. "But only in iambic tetrameter," Pete would say of it. "You're a foot short."

I teased him about his loose and limber free verse and its private insights into the Pete none but he knew.

When I saw him on the corner that last time, I knew that he was about out of time, and he knew that I knew.

A line of one of his poems came to me: "Listen," he had written, "let's try to keep some hearts from sinking any further."

"Tell you what we're gonna do," I told him.

"What are we going to do, con man?" he asked.

"We're going to watch the home opener together from the press box if I'm still welcome there."

"Be my guest," he said.

We embraced and each went his way.

In the last five years, unless I was on the road somewhere, I always got a copy of the Sentinel to read his weekly column. So did a lot of other people. Many he wrote for this appropriately minority-owned and -edited newspaper were reprinted in far- and near-flung newspapers, including The Riverfront Times.

A lot of his pals and those who knew him only by what he wrote in poetry and prose will be saying so long to Pete at his memorial mass in St. Francis Xavier (College) Church at 1 p.m. Saturday.

I plan to watch the home opener next April from the press box as his guest.

NUCLEAR WASTE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, January 22, 1992, into the CONGRESSIONAL RECORD:

NUCLEAR WASTE

The nuclear power industry has the potential to significantly reduce our dependence on foreign oil. But before this technology can become a more important part of the nation's long-term energy mix, we must find a permanent method for disposing of the growing mountain of highly radioactive nuclear waste.

Background. Although nuclear energy was first put to military use four decades ago, the vast majority of nuclear waste is now produced by the commercial nuclear power industry. High doses of nuclear waste can kill human beings in a matter of weeks; moderate levels of exposure cause cancer and other health problems. Used nuclear fuel is responsible for 95 percent of the radioactivity in nuclear waste. Thousands of years are necessary for used fuel and other high-level radioactive waste products to reach safe levels. Nuclear reactors also produce low-level waste materials, often called "miscellaneous radioactive junk." Lower in radioactivity than used nuclear fuel, low-level waste ranges from the discarded clothing of operators to valves from reactor cooling systems.

Most used fuel and high-level nuclear waste is now sitting in pools of water next to the nuclear reactors where it was created. Some of the worst examples of nuclear waste mismanagement have occurred at reactors operated by the Department of Energy, which runs the nuclear weapons production program. For instance, at the Hanford nuclear weapons reservation in Washington State, over 400 million gallons of liquid radioactive waste have been dumped directly into the ground, along with massive quantities of solid waste. And of the 177 underground storage tanks located there, at least 66 have leaked hazardous materials into the environment. An optimistic forecast is that 30 years and $30 billion will be required to clean up the poisoned ground of Hanford. I think there is a determination in Congress and the executive branch to reverse the poor environmental record in the nuclear weapons production program.

Disposal. Although Congress has wrestled with the management of radioactive waste since the beginning of the nuclear power industry in the 1960s, federal waste management policies have grown steadily more stringent in recent years. The current plan is to dispose of used fuel and high-level waste in deep geological deposits that are unlikely to be disturbed for at least ten thousand years. The costs for this program are to be covered by a fee on nuclear-generated electricity. At this point, the Yucca Mountain site in Nevada is the only one under consideration. Many questions have been raised about the security of that site, including the likelihood of earthquakes, volcanoes, groundwater contamination, and human intrusion—for example, exploratory drilling. Congress has directed the Department of Energy to test the reliability of the Nevada site, but even if scientists conclude that it is suitable and Nevada's bitter opposition can be overcome, the repository at Yucca Mountain is not expected to be ready before the year 2010.

Unlike used fuel and high-level radioactive waste, which is a federal responsibility, commercial low-level waste is handled by the states. Experts believe that low-level waste can be safely stored in shallow trenches. Currently, there are three disposal sites available for commercial low-level waste—in Nevada, South Carolina, and Washington State. However, after 1992 these sites can refuse to accept waste from outside their regions. Other states and regions are supposed to open their own low-level waste facilities. Because of public opposition and a lengthy licensing process, most states will not meet the 1992 deadline. As a result, a large quantity of low-level waste also will remain onsite at nuclear facilities, causing considerable difficulties for medical and other research institutions that lack the necessary storage capacity.

Options. The American people are very fearful of nuclear waste. They want iron-clad assurances that the waste will never escape from its containers. However, scientists simply cannot give that kind of total assurance. The government is now evaluating a number of different approaches to the disposal problem. One approach is to continue efforts to bury high-level waste in a place that is dry, stable and desolate, but finding the spot has proven difficult. A second approach is to chemically treat radioactive waste so that the plutonium is removed, but this process is costly and the plutonium produced might promote the spread of nuclear weapons. Still a third approach is to store the waste above ground in strong steel or concrete containers thick enough to block the radiation, or in thinner containers housed in solid, earthquake-resistant buildings. The containers will not last forever, but the hope is that they will keep well into the next century, by which time scientists will have found a solution to the problem of nuclear waste. Other approaches to nuclear waste management have been mentioned, such as disposal under the sea or in outer space, but these are not currently under consideration by the United States. I am impressed with the array of scientific and technical questions that must be addressed before a national nuclear waste management system can be implemented. Expanded research efforts are needed.

Certain organizational reforms may also aid the development of a coherent nuclear waste disposal policy. Many executive branch departments and agencies are involved in various aspects of nuclear waste disposal, which may complicate efforts to develop a comprehensive policy. Some people have proposed the creation of a single government agency to supervise the management of nuclear waste. Similar problems occur in Congress, where many different committees have jurisdiction over these issues. Organizational changes to improve coordination are necessary.

Nuclear waste problems transcend international boundaries. Many other nations have disposal problems more daunting than our own. And some—Russia and Ukraine, for example—may be entering periods of great political and economic unrest. When it enters the air and water supply, nuclear contamination does not respect borders. International cooperation is essential.

The record of the United States in handling nuclear waste is deplorable. Unfortunately, it is not at all clear at this point that the nuclear waste problem can be fixed. Yet, we must continue to address it in a variety of ways, including more research, public dialogue, and international cooperation. In the meantime, we must closely monitor the current accumulation of nuclear waste, and take every step necessary to ensure its safe storage.

BLACK CONSERVATIVES ENJOY INCREASING RANKS

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. GINGRICH. Mr. Speaker, Mr. Lyle Harris and Robert Vickers wrote these articles for the Atlanta Journal/Constitution last December 29. I urge all of my colleagues to read them and gain a better understanding why a growing number of black Americans who identify themselves with conservative values and the Republican Party.

This was refreshing and enlightening series, and I recommend it to all those who follow American political trends.

Attached are "Black Conservatives Wage Less Lonely Fight," "Black Campuses Are a Training Ground for Conservatives," and "Could 11th be Proving Ground?" from the December 29, 1991 Atlanta Journal/Constitution:

BLACK CONSERVATIVES WAGE LESS LONELY FIGHT

(By Lyle V. Harris and Robert J. Vickers)

Since the 1960s, black conservatives have topped a list of endangered political species.

But earlier this month an invitation-only who's who of black conservatives packed an upscale Georgetown house in honor of the new Supreme Court justice, Clarence Thomas. Around him and the tight network swarmed civil rights leaders, GOP heavyweights and Hollywood's elite.

For some, the party was more than a social affair, it was the start of a crusade. "We are saving souls," said Armstrong Williams, 32, a friend of Justice Thomas's who hosted the party.

The year 1991 was a watershed for black conservatives, from Gen. Colin Powell, who oversaw Operation Desert Storm, to Justice Thomas's appointment. Even Anita Hill, whose testimony threatened Justice Thomas's Senate confirmation, was a Ronald Reagan Republican.

Like no time before, the year provided an unprecedented showcase for a cadre of blacks who dominated the national stage while turning political stereotypes upside down.

Though still dismissed as Uncle Toms by many blacks and political oddities by many whites, African-Americans declaring themselves conservative, Republican or both are no longer a laughing matter.

At the grand old age of 22, Kevin Pritchett is riding high on the lecture circuit, largely because of his politics and his race. "I just want to show people that black conservatives, or whatever you want to call them, are not strange, are not aliens," said Mr. Pritchett, a rookie reporter for The Wall Street Journal.

He recently graduated from Dartmouth College, where black peers essentially accused him of being a yuppie in blackface and branded him "incog-Negro."

NOT YET A MASS MOVEMENT

It would be premature to describe the growth of political conservatism among blacks as a mass movement. In the 1988 presidential election, 10 percent of black voters were registered Republicans, a figure not expected to change much in 1992. And of the 162 members of the Republican National Committee, two are black. No blacks sit in the U.S. Senate; Rep. Gary Franks of Connecticut is the only black Republican in Congress.

But consider this:

Once unheard of and unwelcome, Republican student groups are cropping up at black colleges nationwide.

The number of African-Americans voting for Republicans in congressional campaigns has risen from 8 percent in 1984 to 22 percent in 1990. Younger blacks lead the trend.

Tony Brown, perhaps the nation's best-known syndicated black TV broadcaster, recently cast off his strong ties to the Democratic Party and switched to the GOP. He urges his viewers to re-evaluate their own voting habits.

As the nation's economy worsens, affirmative action and welfare reform have become issues in the presidential campaigns of mainstream candidates—not to mention that of ex-Klansman David Duke. Black politicians are among those entering the debate.

"I'm not praising David Duke, and I'm not a Republican or a conservative. I'm a realist, and what I'm saying is that if black leaders are afraid to talk about these things, David Duke wins," said Julius Sloss, a black councilman in Nashville.

ECONOMISTS OFTEN IN VANGUARD

Black conservative thought springs from a seedbed tended by a long—and often lonely—line of thinkers, many professors with economic backgrounds.

Among the vanguard: Robert Woodson, director of the Washington, D.C.-based National Center for Neighborhood Enterprise; Shelby Steele, a San Jose State University professor; Thomas Sowell, a Stanford University economist; Walter Williams, a George Mason University economist; and Glen Loury, a political economist at Boston University.

Many are bitterly critical of Democrats and civil rights groups that have shaped the debate over race and politics.

"The old order is dead," said Mr. Woodson. "Just standing up and decrying what white folks are doing and demanding expansion of the welfare state is going to be laughed off the political agenda."

Although Mr. Woodson bridles at the conservative label, his indictment is especially stinging: He is past president of an Urban League chapter in Pennsylvania.

To traditional civil rights leaders, black conservatives threaten the solidarity that has made black voters a potent force.

"If they don't like the NAACP and the Urban League, why don't they start the National Association of Black Conservatives?" asked Benjamin Hooks, executive director of the NAACP. "If they can do that, fine, I'll join. But they need to stop taking potshots while we are out here getting muddy in the struggle."

BOOKER WASHINGTON VS. DUBOIS

If black conservatives emphasize economic independence over direct political power, then 1991 served as the revival of a debate that has waxed and waned since Booker T. Washington urged newly freed slaves to "pull yourselves up by your bootstraps," while W.E.B. DuBois advocated government leadership toward a desegregated society.

Particularly in the South, blacks were first loyal to the party of Lincoln—a matter of philosophy, but also because they were banned from the Democratic Party. But the Depression and the end of white-only primaries began a shift toward Democrats that was cemented by the Kennedy and Johnson administrations with civil rights legislation.

The current debate is steeped in that history, and black Republicans admit they are likely to remain a minority for a long time.

"I don't think anything short of an act of God is going to overcome the bad taste most black people have about the Republican Party," admitted Mr. Brown, who now calls himself a moderate Republican. His public affairs program, "Tony Brown's Journal," reaches an estimated 5 million viewers.

Nonetheless, while organizations such as the NAACP and the National Urban League focus on the role of government in the treatment of minorities, black conservatives contend that most barriers of discrimination have fallen.

They offer as proof Justice Thomas and General Powell—both of humble backgrounds. (As chairman of the Joint Chiefs of Staff, General Powell has avoided declaring his party affiliation.)

They denounce some affirmative action programs, saying they reinforce a myth of black inferiority.

Leaders in black America's political establishment dismiss that theory as coming from those who have benefited from plenty of help themselves.

"How can somebody say he is pulling himself by his own bootstraps while somebody else is tying his shoes?" asked Virginia Gov. L. Douglas Wilder, the nation's first black governor and a 1992 Democratic presidential candidate. "That's not a conservative view. It's a cynical view."

But even Mr. Wilder is trying to break the stereotype linking black politicians and social progams. He is running as a fiscal conservative who has cut $2.2 billion from his state's budget.

While ideology is one reason for the rise of black conservatives, pragmatism is another. Save for four years of Jimmy Carter, the last generation of power in Washington has been purely Republican.

GOP THE ONLY GAME IN TOWN

If the Nixon administration provided a toehold, then Mr. Reagan and President Bush greased the track for a select corps of ambitious blacks.

"Anita Hill is a perfect example of a young, upwardly mobile law school graduate who wanted to work in government, and decided to take a lot of bull to get what she wanted," said Ronald Walters of Howard University.

Her former boss followed the same track—although when he was nominated to the high court, Clarence Thomas sat atop an informal network of high-ranking black federal bureaucrats, serving as mentor and counselor despite his young age, 43.

Armstrong Williams, who hosted this month's party for the new justice, was a top Thomas aide when the future justice headed the Equal Employment Opportunity Commission. He and others speak of Justice Thomas with a reverence rarely heard inside the Beltway. "Justice Thomas ignited a flame; it's burning. We have to feed the flame, rekindle it and pass it on," said Mr. Williams, who galvanized support for his former boss when Ms. Hill accused him of sexual harassment.

Despite Mr. Bush's making an issue of rapist Willie Horton in his 1988 campaign, and his initial opposition to the 1991 Civil Rights Act, some Republicans hope the image of Mr. Thomas fighting off white inquisitors will beckon African-American voters back to the GOP.

Among them are Alan Keys, who is running a long-shot campaign for a Senate seat in Maryland now held by incumbent Democrat Barbara Mikulski. Mr. Keyes served in the Reagan administration and hopes to lure black voters with his message of economic self-help and "family values."

WINNING VOTES FROM WHITES

But like other black conservatives, he needs support from whites living in what he calls "redneck country," and thus walks a tighrope. Outside Mr. Keyes's kickoff celebration in November, an unemployed white trucker distributed fliers from the John Birch Society, the ultra-conservative, anticommunist organization seen as racially intolerant by most blacks.

"Why should it bother me if people are handing out literature from the John Birch Society?" asked Mr. Keyes. "I don't belong to the John Birch Society, to a large degree I don't subscribe to their views, but they vote."

Rather than the furor over Mr. Thomas, most analysts recognize that larger issues such as deeping economic woes and a middle-class tax revolt are more likely to touch off a battle of philosophies within the black community.

But it is the link between hard times and intolerance that poses the greatest handicap for black conservatives seeking converts. And their fate could be just as firmly connected to the economy as Mr. Bush's.

"Look at the linkage between our economic problems and all our social problems. David Duke is the result of a poor economy," said Mr. Brown, the broadcaster. "We must be able to see affirmative action and other social programs from the point of view of a white family who doesn't have any money, and for whom the American dream is fading right in front of their eyes."

"These days, such empathy may be in short supply. And so Milton Bins, president of the Council of 100, a group of black former GOP administration appointees, says any progress will likely be marginal.

"After '92 comes '96," he said. "We have some representatives who will be out there who will fire up and excite black folks, but it's going to be inch by inch."

ISSUES FACING BLACK CONSERVATIVES

Although black conservative viewpoints vary widely, there are several core issues that have drawn the most attention:

WELFARE

No single issue seems to inspire more flamboyant rhetoric among black conservatives, some describing it as "modern-day slavery." They advocate either "workfare," which would require recipients to work for their benefits, or reforms that would encourage recipients to seek employment.

BUSING

Seen as a perversion of the goal of desegregation, busing, claim black conservatives, has hastened white flight from the public school system but accomplished little else. Instead, they advocate a voucher system that would allow parents to pick the school their child attends

ECONOMIC INDEPENDENCE

If black conservatives had a formal agenda, this would be the cornerstone. Advocates such as Tony Brown have proposed programs that would recirculate money spent in the black community more effectively than is done now. For example, Mr. Brown is starting a "900" line that would advertise black goods and services and use the proceeds to help entrepreneurs start new businesses.

TENANT OWNERSHIP

Under a program touted by HUD Secretary Jack Kemp and Robert Woodson of the National Center for Neighborhood Enterprise, the management of public housing would be "privatized" and put in the hands of residents.

BLACK CAMPUSES A TRAINING GROUND FOR CONSERVATIVES

(By Robert J. Vickers)

Said Sewell III spent two years laying ground work for a Republican club at Morehouse College. Even so, classmates still tear down his fliers, confront him in the cafeteria and accuse him of selling out.

"We're selling in," retorts Mr. Sewell, chairman of the 5-month-old group. "There are many guys who are closet Republicans. We're just opening the door for them to come out."

Though no one has counted them all, fledging GOP groups appear to be springing up within black America's traditional strongholds of liberal thought: its universities. Already Republican clubs have formed on the cream of black campuses—not just Morehouse in Atlanta, but Howard University in Washington, Florida A&M University in Tallahassee and Hampton University in Virginia.

In each case, its members struggle to balance their wish to be cut in on the political process with a desire not to be ostracized by classmates and faculty.

"You've got two things happening on campus at the same time," said Ed Wiley, assistant managing editor of Black Issues in Higher Education magazine. "You've got people talking Afrocentricity, but you've also got the buppie who's interested in economic security."

The Morehouse group is guided by some faculty and administrators, holds forums and works in state campaigns. "It's us taking hold of our future," said Mr. Sewell, 20, a senior. "As a result, we are beginning to speak for ourselves."

In Washington, the GOP heard thousands of voices in 1989 when students stormed Howard University's administration building and forced Republican National Committee Chairman Lee Atwater off the school's board of trustees.

Within that climate, Howard's Republican Club has survived.

"I'm a Republican, but I'm black first," said Stuart DeVeaux, 21, president of the small group. "But I see the problems in our community as being economic, and the Republicans are more in line with that."

Like Mr. DeVeaux, many black students link conservatism and black nationalism, which also stresses self-help. The presence of conservative thought among black leadership that kicked off the civil rights movement in the 1960s.

"I'm bringing my own revolution," Mr. DeVeaux said. "I'm tired of the same ol' same ol'."

Black students are also flexing conservative muscle at some mostly white Ivy League schools.

The conservative coming-out for Kevin Pritchett came as a freshman at Dartmouth College when he denounced an embattled black instructor while most black students supported him.

It was blacker, he argued, to remove an ineffectual black than show sentimental solidarity. "That's when I started getting into trouble," recalled the 23-year-old former editor of the Dartmouth Review. "I got threats on the phone, articles against me and people coming up and threatening to kick my ass."

Coming to Florida A&M in 1986, Kevin Ford dismissed campus Republicans as "lost." Now the 23-year-old financial analyst boasts of being a Republican longer than commentator Tony Brown, who declared his switch this past fall. "Being a black Democrat at this point in time seems to serve no one," he said.

That attitude can shock parents who have benefited from years of Democratic attention.

"My parents thought me becoming a Republican was a youthful indiscretion," Mr. DeVeaux said. "My mom laughs it off, but they see I'm serious and they kind of respect me."

COULD 11TH BE PROVING GROUND?

BLACK MODERATE MAY LURE ALIENATED WHITES

(By Robert J. Vickers)

If conservativism is a yellow-brick road for black politicians in Georgia, an up-in-the-air congressional district uniting urban blacks with rural whites may be the first step.

The new 11th District stretches from south DeKalb County east to Augusta and south to Macon. Now under review by the U.S. Justice Department, the new district's 60 percent black population would be drawn from the urban areas at its far reaches. Rural whites would make up most of the rest.

"The candidates that are successful are those who appeal to a cross section of people," said Scotty Greenwood, executive director of the state Democratic Party. "Would a black moderate do well? I think so."

By spanning such varied demography, the district will test the strategy of any politician in the race—black or white.

Augusta Mayor Charles DeVaney, a white Democrat who rejected a race in the 11th, suggests that a strategy aimed at the black middle class would also appeal to white residents. "No party can write off an entire segment of the vote," he said.

Conservatism has long been suggested to Georgia's black politicians as a means of leaping across the racial barrier into high state office, but only recently has the theory been tested.

In 1990, Andrew Young played down his civil rights background, conceded that capital punishment is appropriate in some cases, and emphasized jobs and economic growth, all to lure whites in a governor's race. It didn't work.

In 1992, Labor Commissioner Al Scott, a former state senator, will attempt to become the first black to win a statewide partisan race in Georgia. Gov. Zell Miller appointed him to the office last year, but to keep the seat he must win a special election.

"A moderate black would be acceptable to the working-class white community," insists Phylis Mack, who like Mr. Scott is from Savannah. "They have, for the most part, been left out too."

Ms. Mack, a Democrat, has already experimented with the opposite side of the coin. It was she who led the support in Savannah's community for Mayor-elect Susan Weiner in October. Although white and Republican, Ms. Weiner focused on crime and won 38 percent of the black vote against a 21-year Democratic white incumbent, John Rousakis.

But if more blacks are willing to vote more conservatively, few black candidates are tempted to go so far as to run as Republicans.

Marshall Bailey, a decorated Navy veteran, this summer cofounded the Black Republican Council of Dougherty County. He didn't make it past the GOP primary in Albany's mayoral race this year getting little support from black or white voters.

OUR CURRENT HEALTH CARE SYSTEM COULD ONLY HAVE BEEN DESIGNED IN A DRUNKEN STUPOR

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. STARK. Mr. Speaker, I would like to include in the RECORD at this point a very perceptive article by Princeton Professor Uwe Reinhardt describing the problems of our current health care system—and suggesting some ways to improve it.

As Professor Reinhardt suggests, would anyone, even in a drunken stupor, ever hit upon the idea to construct a health care system as goofy as our current system?

CAN BUSINESS HELP BRING ABOUT A BETTER HEALTH-INSURANCE SYSTEM?[1]

(Uwe E. Reinhardt, Ph.D., James Madison Professor of Political Economy, Princeton University

Imagine the following scenario: You and a group of equally well educated and well meaning colleagues are invited to a dinner at which the spirits—Bourbon, Gin and Chardonnay—flow like water. Eventually all of you are too impaired to drive home. Instead, you play a game called "Building America's health-insurance system."

Would you, even in the most drunken stupor, ever hit upon the idea to construct for our land a health-insurance system that:

Ties the health-insurance coverage of an entire American family to one particular job in one particular company in a way that causes the family to lose that coverage should the family's breadwinner lose that job;

Grants high-income families a higher tax-subsidy toward the purchase of health insurance than it grants low-income families;[2]

Leads Americans to hold on to jobs they loathe, merely to have health insurance;

Tells families without employer-provided health insurance that their premiums will be sky-high, should one or several members of the family be stricken with chronic illness;

Sometimes simply denies families or small business firms with chronically ill members any health-insurance coverage, period;

Leaves some 35 million Americans completely without any health insurance, among them many hard-working women with children, and among them some 10 million American children;

Tells a family, stricken with illness and without health insurance, first of all to pamperize itself thoroughly before society will stretch out a helping hand in the for of Medicaid;[3]

Has members of uninsured families die at a much higher rate from given illnesses than do similarly situated families that do have insurance coverage;

Allows the private insurance carriers that cover individuals or small business firms to eat up over one third of the premiums they collect in the form of commissions, administrative overhead and profits;

Saddles doctors, hospitals, patients and business firms with a claims process whose sheer waste of paper and time is unmatched anywhere in the world; and that, for all this,

Costs some 40 percent more per capita than does Canada's health system, the second most expensive health system in the world, and thus

Has the executives of even American business firms now humble themselves in testimony before the U.S. Congress with their lament that they simply cannot control the cost of providing their employees with health insurance that they therefore cannot compete effectively anymore in the international market place?

If you were a misanthrope with a truly wicked streak, you might dream up such a scheme, drunk or sober. If you are, then, Mazeltov! You've got your wish, for I have just described to you the main outlines of our nation's health-insurance system.

Who, you may ask, put this wicked Rube Goldberg contraption in place to begin with? It is difficult to answer that question tactfully, for the honest answer is this: it was America's business executives and their allies, the leaders of our labor unions. They did so, however, not because they were wicked; they actually meant well. They did so without ever thinking very deeply about the long-run consequences of their policies. Alas, the proverbial eggs they laid in the past now have become the proverbial chickens that are coming home to roost. The system is crumbling all around us.

Suppose you were possessed of both a keen mind and a humanitarian heart. What would be the design specs you would posit for a sensible American health insurance system worthy of the name insurance. Would you not, as a minimum, require that the basic health-insurance policy available to all Americans be:

Portable from job to job and from employment into unemployment;

Based on premiums that are community-rated rather than actuarially fair (i.e., based on the ethical premise "God bless me, and to hell with you!");

Administratively simple and efficient?

If premiums are to be based on actuarially fair principles, then government should at the least grant families tax credits high enough so that no family spends more than X% of its budget on health care, where X should be low for low-income families and then rise with income.

Would these design specs really be too much to ask for a nation that seeks the label "civilized" and that finds itself embedded in a highly dynamic, fiercely competitive, global economy that holds every American job hostage to managerial decisions made on distant shores? In fact, aren't these pretty much the design specs that characterized the old Blue Cross and Blue Shield plans—private socialism at its best?

If your mind and your soul do lead you to embrace these design specs, what sort of system might incorporate them? It turns out that there are a great many such systems, ranging all the way from a single-payer, government-financed system such as Canada's to the pay-or-play proposals now before the Congress or to the "managed-care" scheme proposed by Professor Alain Enthoven of Stanford University (if his scheme were accompanied by the many government regulations he calls for). Each of these alternative systems could be coupled with portable, community-rated and administratively simple insurance products.

What could American business do to move our system in the direction of these design specs? Most importantly, it might get off its ideological horse that has bucked every time the word "government" or "taxes" or "regulation" has been mentioned in the past. Let us face it: if health-care is to be subject to the social ethic that wealthy and/or healthy people subsidize poor and/or sick fellow Americans, then the redistributive or at least regulatory hand of some public collectivity—the state or federal government—will necessarily be part of the required social contract.

Unfortunately, so far America's business executives have been content merely to naysay whatever constructive proposal for better health insurance has been put before the nation. They have never put on the table a constructive idea of their own. Instead they now do something quite illogical: they proclaim, out of one side of their mouths, that they can discipline the health-care market better than could government, all the while whining, out of the other side of their mouths, that they are the hapless victims of a cost-shift from government (Medicare and Medicaid) to business. How can both propositions hold at once? Either Ameircan business does have the moxy to just say "No!" when the cost-shift comes its way in the form of higher physician fees or hospital prices, or it does not. If it does not, then would this not be a propitious time to professes structural impotence in the health-care market and ask the government to keep that market in check? In any event, America's business executvies really can't have it both ways much longer without losing the respect of health-policy analysts.

Will America's executives soon get their act together and support a workable health-insurance plan for the nation? That remains the $64,000 question. In the meantime, be prepared for more unpredictable and uncontrollable increases in your company's health insurance premiums, and for more strife in the labor market, as your company seeks to deflect these cost increases onto its employees (yourself included). I'll be here to chronical your agony and, frankly, I won't shed many tears for you. You, my friends—or at least your bosses, past and present—had it all coming. Won't you agree?

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[1] Written for CFO Magazine, a trade journal for chief financial officers.

[2] Health insurance coverage provided by employers is a tax-deductible business expense, as is any form of compensation paid employees. Yet, unlike cash income, this fringe benefit is not taxable income to the recipient. Persons who face high marginal tax rates thus pay fewer cents per dollar of health insurance than do persons in lower brackets.

[3] On average, the income threshold above which families lose Medicaid eligibility is below 50% of the federal poverty line. In Alabama, that income-threshold in 1991 was $1,488 per year for a family of three. In Arizona it was $2,448 and in Florida $3,528.

A TRIBUTE TO ROLANDO BARRAL

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, it is indeed an honor to have the opportunity to recognize Mr. Rolando Barral, the host of "Barral Hoy," a talk show which will be aired for the first time this month on Telemundo, south Florida's channel 51.

"Barral Hoy" will set the stage for performances and interviews with some of our worlds artistic, social, political and religious personalities who may have an interesting or informative message for the different Hispanic communities throughout our Nation. The first program of "Barral Hoy" will feature international artist Iris Chacon and the outspoken Geraldo Rivera among others. The objective of "Barral Hoy" is to communicate, inform and entertain its audience.

Mr. Barral began his professional career at the age of nine in Cuba and has now achieved 42 years of artistic endeavor. Throughout his career, Rolando Barral has starred in a number of leading roles, performing in 68 television serial productions. He has also worked in 11 feature films, 34 theater productions and over 1,500 hours of serial radio drama. He has been the host of several TV game shows in Miami, Puerto Rico and the Dominican Republic. His work and love for the arts has taken him to Spain, Venezuela, Dominican Republic, Peru, Argentina, Ecuador, Brazil, Chile, El Salvador, Mexico, and Canada.

In addition, Mr. Barral has earned awards and recognition as "Mr. Television" in Panama, Puerto Rico, and Miami; and was named into the Hall of Fame of the Association of Critics and Commentators of Art in Miami.

I would like to congratulate Mr. Barral for his outstanding work in the field of entertainment. Mr. Barral is a dedicated professional, and his perseverance and love of the arts is evident in his terrific success and his many accomplishments in the field. I congratulate Mr. Barral for his latest victory—"Barral Hoy."

UNITED STATES-JAPANESE TRADE RELATIONS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. BEREUTER. Mr. Speaker, in the few weeks since we last met as a body, the subject of international trade has received a considerable amount of attention in a variety of forums. In Geneva, the Uruguay round of the General Agreement on Tariffs and Trade, after 5 years of negotiations, appears to be heading toward some conclusion. In Japan, the subject of United States-Japanese trade relations occupied center stage in the President's trip there, and currently, in New Hampshire, Republican and Democratic candidates for President are debating their relative positions on U.S. trade relations.

Nevertheless, in all forums, the level of debate over this subject often involves a significant amount of rhetoric and half-truths. Consequently, at a time when political buzzwords such as protectionist, Japan bashing, and fair trade are used indiscriminately, I would like to commend a recent article in the Omaha World-Herald to my colleagues.

Mr. Speaker, this article concisely and accurately stresses that both Detroit's lack of vision as well as Japan's nontariff barriers have contributed to 75 percent of Japan's $42 billion trade surplus with the United States.

DETROIT HAS A FORMULA FOR SALES

President Bush did what he could for U.S. automakers during his trip to Japan. But some of Detroit's problems must be solved in Detroit.

Executives of Ford and Chrysler maintained that Japan didn't make enough concessions when it agreed to import 20,000 more U.S. cars each year, to double the volume of auto parts purchased from U.S. manufacturers, relax inspection standards and boost sales of other U.S. goods.

Certainly Japanese protectionism hasn't helped the American auto industry sell its cars in Japan. But Detroit's main problem isn't a lack of sales in Japan. It's the fact that the Big Three got out of step with the demand for smaller, more fuel-efficient cars in the 1960s and 1970s, which allowed imports to command an increasing share of the domestic market.

There also was a perceived quality gap. But American cars have closed that gap in recent years. And in some cases there has been a price problem. Years of expensive union contracts—auto workers, among other things, even collect a salary and benefits during temporary layoffs—have made it harder for U.S. cars to hold their own in Japan.

Furthermore, exports haven't been helped by the fact that Detroit still hasn't moved the steering wheels of its Japanese-bound cars to the right side of the passenger compartment, as is customary in Japan.

Certainly doing business in Japan can be difficult. Japanese manufacturers tend to buy only from Japanese suppliers even when foreign products of equal quality can be bought at competitive prices. Price fixing is not uncommon. Interlocking ownerships of distribution systems and retail outlets can freeze out foreign products.

Three-quarters of Japan's trade surplus with the United States, approaching $42 billion, involves cars. Japanese companies sell about 1.75 million vehicles in the United States each year, while Japan imports 35,000. About 20,000 of the Japanese cars are built at Japanese-owned factories in the United States. Even if Detroit sold 20,000 more cars in Japan this year under the new agreement, it wouldn't have much effect on the trade imbalance.

But Detroit shouldn't have to sell cars by negotiation. It should sell cars the way Henry Ford sold them—Ford's basic formula for success was to build a good product and keep it affordable. The more closely the automakers and their unions follow that philosophy, the less they will need the president of the United States to go to bat for them.

TESTIMONY BEFORE THE WAYS AND MEANS COMMITTEE

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. PEASE. Mr. Speaker, on December 17, my distinguished colleague from North Dakota, BYRON DORGAN, testified before the Ways and Means Committee on the state of the economy. He described the futility of looking for a quick fix for our country's economic problems, explaining that long-term problems necessitate long-term solutions.

Representative DORGAN accurately identifies many of the causes of our current problems, and I think overall he identifies many of the challenges confronting us today. His testimony is worthy of consideration by all of us, and I urge my colleagues to do so.

TESTIMONY OF BYRON L. DORGAN

It could only have been with a healthy sense of humor that the American people viewed the news of 1991 sandwiched by a story early in the year that the U.S. Government had assumed ownership of the failed junk bonds of the Taj Mahal Casino, and by the news at the end of the year that Donald Trump, the mogul who built the Taj Mahal Casino, was invited to testify before Congress to offer advice on how to straighten out a failing U.S. economy.

It probably didn't surprise anybody that when Mr. Trump testified before Congress, he joined those apostles of change serving here in Congress who tell us that if we will just make a few adjustments to our economy things will turn out just fine.

In this land of instant credit, instant coffee, Jiffy Lube and fast food, it's not surprising that there are those among us who promise a quick fix for everything—even our national economic problems. But the truth is, there isn't a magic potion that will quickly and effectively solve America's serious economic troubles.

Our country is suffering an economic decline from an unprecedented decade of public sector neglect and private sector greed, and it requires a whole lot more than a "quick fix."

In the public sector, the staggering federal deficits, an incompetent trade policy, and negligent regulators who allowed the financial institutions and airlines and other key industries to trek to the edge of ruin—all have created serious, long-term problems for our country.

In the private sector, an orgy of greed, symbolized by hostile takeovers, leverage buyouts, and junk bonds, cannibalized America's enterprises at the very time our competitors were building better products and capturing our markets.

Now we suffer a national economic hangover. And those who helped create the brew are telling us the solution is to pass the jug. Well, the sad truth is it's time to sober up and start taking care of business.

The American economy rides on a cushion of confidence. People confident about the future, their jobs, and opportunities for their families make decisions to buy, save, borrow, and invest. They do the things that help our economy grow.

But people who lose confidence in the future do just the opposite. They worry about jobs, security, and they delay decisions to buy, to invest, to borrow, and the economy slows down, resulting in layoffs, deficits, and economic decline. And confidence is further eroded. The key is confidence.

Almost no one disagrees that today the American people now lack confidence in the future. They believe our country is off track and moving in the wrong direction. They worry that the U.S. is losing its edge. They see staggering public and private debt, collapse of financial institutions, a miserable trade policy, and a President and Congress unwilling to provide bold leadership. The question today is what *can* we do about that, and what *will* we do about that?

Who has the keys to the kingdom of economic growth? Are they in some menu of taxing and spending gimmicks that will unleash America's productivity once again? I don't think so. I think the keys that open America's future to new opportunity and growth are the same keys that created America's economic strength in the first place. They are timeless truths, such as paying our bills, making the best products, insisting on fair trade. These are the principles that will guide us to a better future.

Our country has to deal with its fundamental problems. First and foremost is a crushing debt that erodes people's confidence in the future. The federal debt is out of control. And private debt levels are also dangerous. For a decade we have been through a denial process—denying there is a problem when the entire world has seen our country develop an addiction to debt. It is time to look that problem square in the eye and give the American people some confidence that we are going to do something about it.

I recognize that it's a whole lot more popular for people to be talking about reducing taxes than it is to be reducing the debt and deficits. But the only way we are going to restore confidence in the American economy is to demonstrate to people that the President can lead and the Congress will follow in a direction that will offer real progress in reducing the federal deficit.

Second, it is important for us to be encouraging policies in the private sector that promote long-term investment rather than short-term investment. Our vision must extend beyond the next quarterly P&L statement. Our ability to compete in international markets requires U.S. companies to plan and invest for the long term.

Third, it's time to stop the leveraged buyouts, hostile takeovers, and junk bond fever. It is a binge of speculation that is debt driven and that weakens our country's production enterprises.

Fourth, Uncle Sam ought to stop paying everybody else's defense bills. It's time to tell our allies to pay for their own defense, and we can use the billions we now spend to reduce our deficit instead.

Fifth, we should stop talking about free trade and start insisting in fair trade. We can't win when the rules are stacked against us.

Sixth, we should develop a joint public sector/private sector initiative to make "Made in America" a symbol of value and quality again. We will succeed when we make the best products in the world.

Seventh, we must commit to building and maintaining the finest education system in the world.

These steps require a long, patient commitment to doing the right things to make America grow again and make America great again. They require leadership and discipline and they require making a long-term commitment to this country's future.

These hearings have been called to discuss the general subject of economic growth. But, the testimony has included much more than that. There has been a fair amount of discussion about the need to do something to respond to the conditions that were created in the 1980s in which the rich got richer and paid less in taxes while the middle class got squeezed with a higher tax rate. I don't disagree that there is a need for some middle income tax relief paid for by the modest tax increase in those very upper income earners.

While the debate over the capital gains tax break has focused on the proposal offered by President Bush which truly would provide the bulk of its benefits to the very, very wealthy, I have written and others have proposed a capital gains tax cut that will focus its benefits on middle income taxpayers. We should seriously consider that approach. Those who own a family farm or a small business, or who save for their kid's college education should not be paying a tax on the increased inflation value of their asset. My proposal for a $200,000 lifetime bank of capital gains income at a lower tax rate is one that targets help to the middle income families.

Also, the Chairman's proposal which I have co-sponsored to provide a credit against Social Security taxes paid to try to provide some middle income tax relief makes sense to me. These are the types of policies we can and should discuss to make improve things easier for the working families who are the backbone of this country's economic strength.

But, notwithstanding those policies which I think we should pursue, the long patient work necessary to put our country back on track requires a devotion to dealing with the fundamental problems which I have outlined earlier in this statement. Our country has to make some tough decisions if it wants to retain its economic strength, and remain an economic power. In our history, whenever times have been tough, its leaders have been willing to lead, and the American people have risen to the challenge. I am convinced that we will see that same spirit once again as we rededicate ourselves to the future of this country.

USX SPEAKS OUT ON TRADE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. DINGELL. Mr. Speaker, as our $41 billion trade deficit with Japan gains greater public attention, more and more major American corporate executives are urging the United States to toughen its trade policy with that country. Charles A. Corry, chairman, board of directors and chief executive officer of USX Corp., is one of those individuals who has had the courage to speak out on the issue. Mr. Corry correctly observes that our $41 billion deficit with Japan, $31 billion of which is in the automotive sector, is devastating our economy. In a recent letter to President Bush, Corry says, "Mr. President, simply refuse to permit the Japanese to import that $30 billion of automotive business in 1992 and let the U.S. industry satisfy that market." He concludes, "We desperately need an element of self-interest and common sense injected in our trade policies. What we have been doing in trade has been self-destructive, and the evidence is all around us—your leadership can change it."

I insert the text of this letter for the benefit of my colleagues.

USX CORPORATION,
Pittsburgh, PA, December 13, 1991.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: The country has suffered an economic malaise for some time now, and much has been written about what needs to be done to invigorate the economy. It is clear that low interest rates alone will not do the job, nor, in my opinion, will the tax tinkering now being discussed in Washington. The tax proposals also pose budgetary and other risks, and their impacts would take time to percolate through the economy and not provide the "quick fix" which would be far more worthwhile.

The "quick fix" to our current economic problems lies in our trade deficit with Japan. The Japanese this year expect to extract $41 billion in wealth from the United States via our trade deficit about three quarters of that is automotive related. That $30 billion of deficit is so focused and concentrated makes the problem easier to address and manage. Mr. President, simply refuse to permit the Japanese to import that $30 billion of automotive business in 1992 and let U.S. industry satisfy that market. If legislative support is needed, I am certain that Congress would be no problem.

Consider the terrific impact that $30 billion of additional automotive manufacturing would have on the economy. Automobiles are an extremely high value-added product that cuts across the U.S. industrial economy like no other product. Large quantities of plastics, electronics, steel, aluminum, rubber, glass, and fabric are involved in its manufacture. Such an injection of business would have a quick and dramatic impact on our industrial activity. For their part, the Japanese would have to content themselves with a $10 billion trade surplus in 1992 instead of the $40 billion to which they have become accustomed. The transfer of this enormous industrial activity from the Japanese economy to our own would have no domestic political downside, and your resolute trade leadership would be uniformly applauded.

A vigorous economy requires healthy consumers. Our trade practices over the past decade have devastated the U.S. manufacturing sector, and we have, therefore, lost a large portion of the best jobs in our economy. These were the jobs that made the American factory worker the envy of his peers around the world. These were the jobs that enabled a person to own a home and a car, educate his children, take vacations, and in short, be a good consumer. Yes, we have created many new jobs—in health care, in shopping centers, and in hotels and restaurants, but these are not the jobs that a family can build a life around. Walk through a shopping mall and see all the "help wanted" signs and on the same day read the press report of another major corporation eliminating good jobs. What has happened seems obvious everywhere but in Washington. Now, two jobs are required in a family to provide the standard of living that one job provided years ago. We are speaking today about the next generation not living as well as their parents. You can be sure, Mr. President, that is not being said today in Japan or Korea where our trade policies have created tremendous wealth and prosperity.

The cumulative trade deficit over the past decade totals $1 trillion; about half, $480 billion, has gone to Japan. Isn't ten years of experience and $1 trillion in damage sufficient and convincing evidence that our trade policies have not worked well for Americans. With that record, why not try something different. Your leadership is urgently needed, and a nation's standard of living is at stake.

I am a businessman with over thirty years of domestic and international business experience, I know of what I speak, and I would not presume to offer you advice on a nonbusiness matter. We desperately need an element of self-interest and common sense injected in our trade policies. What we have been doing in trade has been self-destructive, and the evidence is all around us—your leadership can change it.

Thank you for your patience. If you believe a further discussion of the point of my letter would be constructive, I would be pleased to make myself available to you or your staff.

Yours very truly,

C.A. CORRY.

ONE SMALL CAPITAL GAIN—ONE BIG TAX

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. ARCHER. Mr. Speaker, the following article recently published in the Wall Street Journal speaks for itself. I hope my colleagues who may try to paint the false picture that a reduction in the capital gains rate will only benefit the "rich" will first consider those, similar to Mr. Walker and his family, who would otherwise take economic risks but choose not to because of counterproductive tax policies.

ONE SMALL CAPITAL GAIN—ONE BIG TAX

(By George W. Walker III)

I had heard the arguments in favor of a reduction in America's capital-gains tax. But why should people like me, who work in education; or people like my neighbor the plumber; or the electrician I know; or the guy who runs the local carpet store; or that nice young kid who works as a clerk at the home improvement center—why should any of us be in favor of a "trickle down" tax reform to benefit "the rich"?

I, for one, couldn't make up my mind. Then my wife and I bought a house, a weathered and abandoned old domicile in a nice neighborhood. We didn't want to live there; we just saw an opportunity to refurbish a run-down home and sell it for a modest profit. Theoretically, we took one of the greatest risks of all. We secured a home-equity loan on our family residence and used the money to purchase a "handy-man's special."

I was convinced that it would be a great lesson for our four children. Even the 10-year old worked right alongside us: washing, cleaning, scraping wallpaper, priming, sanding, painting, sawing wood, knocking out walls, climbing ladders, installing siding, tacking down carpets. And more.

We didn't do our own plumbing or electrical work. We hired that neighbor who's a plumber, and that fine man who had done some electrical work around our own home a couple of years ago. We were on a first-name basis with all the folks at the lumber store and the home improvement center. We were there two or three times a week for month after month, spending money to turn this neglected old structure into a gracious, inviting home.

We frequented the fabric store (my wife sewed all the curtains) and the building store (vinyl siding). We spent more money at the pizza shop (no time to cook), and they even began to recognize us at the drug store (bandages and liniment).

"But," I said confidently to my wife, "it will all be worth it after the house is sold, when we take the kids into one of those private rooms at the bank and I count out our profit for them to see in real cash, before we deposit it. 'This,' I will tell them, 'is what America's economic system is all about. If you're willing to take a reasonable risk and work hard, you may reap a financial reward that makes the whole adventure worthwhile!' "

A funny thing happened on the way to the bank. I stopped in to see our accountant. "Congratulations on your profit," he said. "But remember that today's capital-gains tax is the same as your 28% personal income tax. And as a resident of New York state, you'll need to add on 7% in state taxes. So whatever your gross profit, be sure to set aside 35% for taxes."

We'd found a buyer willing to pay $60,000. We'd thought that would let us reach our goal of making about $6,000 on this venture. But deducting 35% of that would leave us with a net profit of $3,900. Our very conservative estimate is that the combined labor of all the family members who worked on this project totaled 1,200 hours. That means that after the capital-gains tax is paid, we netted about $3.25 per hour. We would have earned more standing at a cash register repeating the words "Paper or plastic?"

Will we try a venture like this again? I doubt it. And if the capital-gains tax bite discourages us from trying it again, that means we won't be hiring the plumber and the electrician; we won't be visiting the fabric and carpet stores; we won't be making home equity loan payments to our hungry local bank; we won't be writing checks that help pay the salary of the nice young man at the home improvement center.

I'm not rich. But what if I were? Then, instead of fixing up one old relic, maybe I'd be building an entire housing development. Maybe I'd be buying tens of thousands of yards of carpet. Maybe I'd be hiring scores of skilled laborers. Maybe I'd be pumping more money into more corners of my community and the economy than I can even imagine.

A tax break for the rich? So what? Scrooge McDuck, my children tell me, puts his money in a bin and swims in it. But there's evidence that most rich people don't do that. They spend their money. They invest it, risk it, try to get it to work for them so that it will grow. But that's hard to do without hiring people, buying materials and supplies, and spending in a multitude of other ways and places.

There's talk that a cut in the capital-gains tax just might make it through Congress before long. That'll be too late for us. We're tired and a little discouraged right now. But maybe a few people who aren't "rich" will read this article and then tell their legislators they want that capital-gains tax cut.

It's not that we care about "the rich." We promise that we'll continue to envy them and resent them. Still, let that tax cut go through. America could use the jobs * * * and the prosperity.

(Mr. Walker is dean of students at Genesee Community College, Batavia, New York.)

A SPECIAL THANKS TO OUR DEPARTING PAGES

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. MAZZOLI. Mr. Speaker, I would like to take this opportunity to express my personal appreciation and gratitude to all the departing Pages who have served in the House of Representatives during the fall of 1991. I am sure my sentiments echo those of all Members of the House. There is little doubt that the effort and dedication of these young people from all over the country contribute to the efficient and effective operation of the House of Representatives.

In particular, Mr. Speaker, I would like to congratulate April Patterson, from my home district of Louisville, KY. I had the privilege of sponsoring April this term, and I commend her not only for her academic prowess, but for her cheerful demeanor which always brightened the day for me and my staff.

Mr. Speaker, we all know that the job of a congressional Page requires long hours, as well as the ability to balance educational and work responsibilities. But these young people were selected for the Page program on the basis of their academic ability and their personal maturity. It is not surprising then, that they should do such an outstanding job for the House. They represent some of the finest young people that our Nation has to offer.

The Pages arrived in September 1991 and will complete their service on January 24, 1992. Over the course of these few months they have had the unique opportunity to learn about their Government, different people, a different city, and themselves. As these Pages leave Washington, I am confident that they will take with them an experience which will enhance their academic and personal development in the years ahead. The departing Pages are:

DEPARTING PAGES FOR FALL 1991–92

Abbott, Lucy; Abdul-Hadi, Roni; Biltekoff, Leslie; Campbell, Lindsay; Clester, Alisha; Connors, Michael; Creeden, Kelly; Demetriou, Michael; Desai, Sonal; Dinusson, John; Dooley, Sean; Eckstrom, Kevin; Eichhorn, Heidi; Flahive, Julie; Floyd, Bryn; Froehlich, Michael; Goldwasser, Emily; Hauselt, Margaret; Hinze, Jonathan; Hoff, Christopher; Hooks, Stacy; Humphreys, Desiree; Iacomino, Thea; Just, Nathan.

Kelley, Paul; Margolis, Michael; McCoy, Robyn; Musser, Fritz; Paige, Mark; Patterson, April; Pfaff, Kelly; Reed, Christopher; Riley, Jade; Romansky, Michael; Rothman, Meg; Shamblin, Claire; Smith, Keysha; Sontag, Rachel; Steele, Dax; Taylor, Tyson; Thompson, Matthew; Tompkins, Samantha; Turnbull, Amy; van der Walde, Lambert; Vasquez, Brandon; Ward, Laura.

Mr. Speaker, I ask my colleagues to join me in extending a warm "thank you" to this distinguished group of young people for their dedication and great work.

TRIBUTE TO COMMEMORATE UKRAINIAN INDEPENDENCE DAY

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. BONIOR. Mr. Speaker, Wednesday, January 22, 1992 is a day that signals for Ukrainians around the world, and certainly in Michigan's 12th Congressional District, the end of a long, painful struggle for an independent Ukraine. The hearts and souls of Ukrainians everywhere now overflow with the glorious realization of freedom and democracy.

For almost the entire 20th century, the Ukrainian people have struggled to shed themselves of a government brutally imposed from above. Russian invaders relentlessly assailed Ukrainian heritage and continuously sought to crush Ukrainian identity and wipe the existence of Ukrainian culture off the face of the Earth.

Yet try as they might, the Soviets could not crush the religious, social, and cultural identity of the Ukrainian people nor their yearning to be free and independent once again. And is August 1991, the Ukrainian people cast away the chains of repression and demonstrated to the world that the spirit of freedom is a far more powerful and compelling force than is the philosophy of fear and intimidation.

Today, the future of Ukraine rests firmly in the hands of the Ukrainian people. Yet at the same time, we must remember that the sacrifices of the past cannot be bartered for the promises of the future. As Ukraine stands ready to assume its rightful place among the free nations of the world there is a great deal of work to be done and a great many challenges to overcome.

Mr. Speaker, as a Ukrainian American, I am deeply proud of my heritage and my people. For all of us, January 22 will always signify a very special day. On this day we pause to think of the valiant struggle for independence that has now won a future of promise and possibility for the people of Ukraine.

SALVUCCI'S VISION

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. FRANK of Massachusetts. Mr. Speaker, one of the most talented, dedicated and successful public servants that I have known is Fred Salvucci, who I met when we first worked for Mayor Kevin White in 1968. Fred Salvucci has been a pioneer in making urban transportation policy more civilized. Fred Salvucci brought together his professional expertise in the field of transportation with a full understanding of the rich texture of urban life and a first-rate set of values. He has more than any other individual transformed transportation policy in Massachusetts in the direction of both efficiency and humanity, and we are deeply in his debt. I was delighted that the Boston Globe recently chose to call attention to a great debt we in the greater Boston area owe to Fred Salvucci and I ask that that editorial be printed here.

SALVUCCI'S VISION

The hands at the control levers are those of someone else, but the start of visible construction activity on the Central Artery/third harbor tunnel project is a tribute to the vision and perseverance of former state Transportation Secretary Fred Salvucci.

Now at Massachusetts Institute of Technology—an academic semi-retirement for a person of his aggressive work habits—Salvucci brought the project from a figment of a planner's imagination to the concrete reality of construction before leaving office with the change of administrations a year ago.

It may have been Salvucci's major achievement, shortly after former Gov. Dukakis was returned to office in November 1982, to blend together what until then had been seen as separate projects that were competing with each other for political and funding support.

Salvucci realized that the two projects—depression of the Central Artery and construction of a third harbor Tunnel—made more sense together than either one did by itself. As the combined project appears now in scale models and on maps, its benefits seem so obvious as to make it difficult to imagine either one existing without the other.

But that was Salvucci's doing—even if it took a half-dozen years to convince State House politicians, East Boston community activists and downtown business leaders. He was fortunate that an early convert to the sense of that vision was former House Speaker Thomas P. O'Neill, who had to bear partisan gibes at "Tip's tunnel" but came through with the necessary federal funding.

Salvucci's name is unlikely to emblazon any roadway overpass or tunnel abutment along the path of the Central Artery and the third harbor tunnel, but without him there probably would be no overpass or tunnels to put someone else's name on.

FRIENDS AND FAMILY HONOR THE REV. MARTIN N. AÑORGA

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, it is a pleasure to recognize the Reverend Martin N. Añorga for his commitment and dedication to the members of our community during his tenure as pastor of the First Hispanic Presbyterian Church of Miami and director of La Progresiva Presbyterian School.

The Reverend Añorga has earned the respect of his congregation and his school as well as that of all throughout the community through his devotion and patience, as well as his decision to stand for the high moral values of the young people of our community.

For 30 years the Reverend Añorga's presence in our community has been an inspiration to us all. He has worked as the head of the First Hispanic Presbyterian Church and La Progresiva Presbyterian School for 28 consecutive years. His work has reached many and he has gone above and beyond the call of duty in his attempt to realize his aspirations. He has set no limits or boundaries in what he strives to accomplish daily.

A group of the reverend's friends and family joined to honor his work of nearly 30 years. On January 11, 1992, Reverend Añorga was honored at the Coconut Grove Convention Center in Miami.

I would like to take this opportunity to congratulate Rev. Martin N. Añorga for his never-ending dedication and service to the many individuals he has reached. His sense of dedication to the spiritual values which are the core of our existence is hard to match. The Lord has guided Rev. Añorga throughout the many turns of his life and this strong devotion to God has inspired Rev. Añorga to lead his delegation to perform good work for the entire community.

May the Lord continue to bless Rev. Añorga and his family.

NATION CELEBRATES THE BILL OF RIGHTS

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. DARDEN. Mr. Speaker, on December 15, 1991, our Nation celebrated the bicentennial anniversary of the implementation of the Bill of Rights to the Constitution of the United States.

Described by former Supreme Court Justice Warren E. Burger as the horse power and the harness respectively, the Constitution and the Bill of Rights serve as the backbone of our national identity. With these documents, one can chart the Great American Story—our 200-year-old quest for the ideals of liberty, justice, and equality.

We were the first people to found our Nation on the basis of individual rights. Accordingly, our Bill of Rights is not a rigid blueprint of rules, but serves to represent fundamental values.

In honor of the bicentennial celebration of the ratification of the Bill of Rights, Dr. Floyd Roebuck, pastor of First Baptist Church of Rome, GA, wrote a most interesting editorial for the Rome News-Tribune and addressed the subject of first amendment rights. Mr. Speaker, I would like to take this opportunity to share Dr. Roebuck's article with my distinguished colleagues at this time.

VITAL FREEDOMS ARE IN IT—AND OTHER THINGS AREN'T IN IT

(By Rev. Floyd Roebuck)

Imagine the scene if you can. It is a relatively small room, crowded with overdressed, perspiring, at times rowdy men. They are a diverse group, having come from all over this new country.

They are rich and poor, learned and unlettered, lawyers, merchants, farmers and much more. By nature they are fiercely independent and have only recently broken their long-standing emotional and political ties with the countries of their roots.

Now they are making an honest effort to give shape to shadows and bring into being a satisfactory government. Vigorously shaking their wigged heads, and dramatically pointing accusing fingers at one another, they hammer out a political compromise which will hopefully make the already written Constitution palatable to the former colonies.

What comes into being is a dozen amendments (only 10 of which will be later ratified by the states), the product of hard-fought world battles. It is an amazing and a fortuitously durable document which specifically identifies fundamental rights and freedoms possessed by every citizen, while limiting the coercive powers of the Congress.

It is a treasured and prized piece of legislation, based in part on biblical foundations, as well as being drawn from the finest of ancient civilizations, and reflecting at times the firmly held views of some of the nation's early "patriarchs."

It is also a document seldom actually read and often misquoted, either because of unfamiliarity with it, or from a deliberate attempt to discredit or bend it. We emphasize the lines we like and conveniently overlook those which do not support our personal prejudices.

Most law-abiding citizens are hardly aware of most of the provisions, for a majority of them deal primarily with criminal-justice issues. On the other hand, at least a couple of these amendments are an integral part of all our lives every day.

I certainly will make no claim that in a few sentences I can settle all the arguments about these amendments, often debated in and out of judicial chambers, but I will express some opinions.

The "right" which concerns me most is the first one, and that particular part of it which speaks to freedom of religion and freedom of speech. Certainly this is of primary importance and absolutely essential in a free society like ours.

Problems arise when persons (including courts and administrators) misinterpret the intended meaning. What the First Amendment needs is to be understood in the context of persons fleeing the despicable tyranny of state churches in Europe. They had personally witnessed the negative consequences of the merging of civil and religious authority. They had seen the abuses of power and felt the painful sting of being taxed to support churches, institutions and clergy of which they did not approve. So now they have insisted that the government shall be neutral in matters of religion.

The famous "establishment" clause clearly states that there shall be no favored state church (or denomination). Or to say it differently, there is to be no "official religion" in this country.

Actually, this ran contrary to practice, for at one time or another, 12 of the original 13 colonies had a "state church." In 1639, Roger Williams, an early crusader on this subject, having been run out of existing cities, fled to the wilderness area in Rhode Island, established a city (Providence), and laid the groundwork for a denomination (Baptist). The separation views he espoused were not acceptable to those currently in charge of the government.

Authors of the First Amendment, 150 years later, strongly supported Williams' clearly articulated position and wrote in the guarantee that, in this new nation, the state and the church would be forever separate. They intended that no religious group or denomination would have undue influence on the government, nor the government on any religious group or denomination. There would be no favored religious party or denomination. Religious groups would not be usable for political purposes.

The other part of that first section says that these citizens will "not be prohibited in the free exercise" of their religious beliefs. The government is neutral, not atheistic. "In God We Trust" would become our motto and would find its way onto our currency. "Under God" would be deliberately added to the Pledge of Allegiance. It isn't that God is to be "gonged," or religious values eliminated. Rather, those who live in this country will be free to worship when, where and how they choose, without any interference from the government. While the state shall not favor any denomination or religious body, it shall never make any effort to prevent the free practice of one's religious convictions.

The freedom of speech and the press provision, while precious of the people, has also been distorted, perverted and used as an excuse for all kinds of filth, pornography and other obscenities. Our forefathers would blush in their graves if they were able to see what despicable caricatures certain persons have made of their serious attempts at protecting citizens from those who would limit or restrict the free flow of truthful information. In no way does the Bill of Rights permit me to say anything I wish, write or publish anything I may want to.

In my opinion, it was an attempt to determine that the government would not control or manage information distributed to the citizenry. The people have a right to know the truth, for the truth can make them free. The prelude to all tyrannical governments is the gaining control of communications in those affected nations. That is plainly prohibited here.

So, on this 200th anniversary of the ratification of the Bill of Rights, it is time to call attention to the significance of the document, and to warn against taking it for granted and the abuse and perversion of such magnificent rights.

Happy anniversary!

FROM THE CONGRESS OF THE UNITED STATES TO IRVING DEAN, SR.: HAPPY BIRTHDAY!

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. SOLOMON. Mr. Speaker, I call them quiet American heroes. They don't ask a thing of their government. They hardly ever get their names in the papers.

But they are the salt of the earth.

All they do is work hard, pay taxes, obey the laws, and raise families. And that's plenty. But in the process they always leave something behind. They always leave their communities a little better than they found it. I'd like to talk to you about one of those quiet American heroes today.

His name is Irving Dean, Sr. of Queensbury, NY. He's going to be 80 years young on February 6.

Mr. Speaker, I can remember when I first ran for town councilman over 25 years ago. I campaigned heavily in the West Glens Falls area of Queensbury. One of the landmarks there was the grocery store Mr. Dean ran until a few years ago with his late, beloved wife Mary on a full-time basis after finishing 20 years with Sandy Hill Corp. I'll always have warm memories of that grocery store, because it will always be connected in my mind with the beginning of my public life.

And there's another reason I'll always have a warm regard for Irv Dean, Sr. He's a World War II veteran, and you all know how special that makes him in my eyes. Mr. Dean earned a Purple Heart while serving with the U.S. Army in North Africa and Italy, and rose to the rank of sergeant.

A native of the Saratoga County town of Corinth, Mr. Dean spent the 45 years in West Glens Falls. He and Mary raised six children, one of whom, Irv, Jr., has been a highly respected newsman in the area as long as I've been in public life. The Dean children have produced 28 grandchildren at last count, and a growing number of great grandchildren.

Mr. Speaker, that large family will be honoring Mr. Dean with a special birthday party on Saturday, February 1. Let us rise and pay our own special tribute to Mr. Irving Dean, Sr., one of my quiet American heroes.

REQUEST ACTION TO CORRECT OVERPAYMENT OF CUSTOMS DUTY

HON. JOHN J. LAFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. LAFALCE. Mr. Speaker, today I am reintroducing legislation to provide relief for my constituent, Noco Energy Corp. of Tonawanda, NY, who overpaid a customs duty by $18,687.61 in December 1985. At that time, Noco Energy Corp. imported 1.6 million gallons of fuel oil from Gulf Canada Limited. However, a mathematical error occurred when the customs duty was calculated. Instead of multiplying the quantity of oil in gallons by $.00125, which was the appropriate customs duty, the quantity was multiplied by $.0125. The misplacement of this crucial decimal point resulted in Noco Energy Corp. being overcharged in excess of $18,000.

Unfortunately, the error was not discovered until the statute of limitations for seeking relief from the Customs Service had already expired. Therefore, the only recourse now available to Noco Energy Corp. is to reliquidate the appropriate customs entry and, if appropriate, to refund the duty. I am reintroducing such legislation today and ask for the support of Members to correct this error, which for the past several years has been an unnecessary expense for Noco Energy Corp. This action is only just since the U.S. Treasury Department, as a result of an error, received this overpayment which it is not entitled to by law.

TRIBUTE TO STEVE SMITH

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. DYMALLY. Mr. Speaker, it is with great pleasure that I rise today to commend Steve Smith, a corporate vice president and general manager of Northrop's Aircraft Division who has just retired after serving the Northrop Corp. and his country since 1955.

Prior to his current position, Mr. Smith was program manager of the YF-23 Advanced Tactical Fighter Program, a program he managed since 1986 when Northrop was awarded an Air Force contract for two prototype aircraft.

As a good friend I have had the opportunity to see first hand how Steve had advanced through the corporate ladder, attaining positions of responsibility within Northrop. He has held a wide range of technical and program management positions at Northrop since he joined the company in 1955, including vice president of the F–20 Tigershark program and vice president of engineering and advanced development. Mr. Smith's commitment and success led to spanning the range of major aircraft programs and included his involvement in the development of advanced concepts focusing on very low observables, what is commonly known as stealth technologies.

Mr. Smith's academic and accomplishment record is truly commendable. It exemplifies how American education and technical expertise together can lead to the world's most advanced technology in any single field. Mr. Smith holds bachelor's and master's of science in mechanical engineering from Stanford University. He also attended the management program at UCLA as well as Harvard's Advanced Management Program. In 1983, his contribution to avionics and our Nation's defense were recognized by Secretary of Defense Casper Weinberger when he presented him with the Defense Medal for Distinguished Public Service.

Added to his intense commitment to his career and the Northrop Corp. which put him on the cutting edge of technology, Mr. Smith found the time to serve as a board member of the Los Angeles Council, Boy Scouts of America. I sincerely hope, together with many of the Northrop employees, and community members, that Mr. Smith will now have more time to share his tremendous knowledge and experience with young professionals to whom he is a perfect role model, a living testament to the virtues of hard work and devotion to duty.

GLENN BRENNER

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. ANDERSON. Mr. Speaker, watching Glenn Brenner on channel 9 was, from the beginning of his Washington career, a must for both the informed and the uninformed sports fan in the greater National Capitol area. Before long his sports segment became a must for anyone who enjoyed life, humor, and good television reporting. The man dominated the tube during his segments and attracted to himself a legion of admirers. I count myself amongst that group.

Glenn Brenner's passing has been duly noted and reported by all of the media. The void that his demise leaves in our community has been obvious since the first announcement of his condition. Our television programming will never quite be the same.

All of the preceding is self-evident. What lies behind the story of Glenn Brenner is the immense humanity of the man. Loving husband and devoted father, he was also an affectionate son to his parents. He held the respect and admiration of his professional peers. He maintained a good working relationship with staff personnel, not always an easy accomplishment. In retrospect, we now realize that everyone adored the man. How are we to countenance his loss?

Gordon Peterson, the consummate wordsman, put it best, as he always does. "We will miss you, pal." And that says it for all of us. Glenn Brenner was our pal. A pal to his wife, a pal to his children, a pal to his parents. He was a pal to all of his audience. A pal to the worker, a pal to the housebound, a pal to the professionals, a pal to everyman.

So, it's goodbye, pal. We will miss you. Everytime we turn on the television we will think of you. We will think of you with love, with reflection, and with sorrow. But, we will also remember you with tremendous joy. You brightened our lives, pal, and for that we will be forever grateful.

My wife Lee and my Washington-based staff particularly, join me in expressing sorrow to Glenn's wife, Suzi, and to his three children, Amy, Ashley, and Matthew. Their legacy is a rich one. Their legacy is eternal.

GERALD STERN AND HIS EXEMPLARY SERVICE TO BET TZEDEK AND THE COMMUNITY

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. LEVINE of California. Mr. Speaker, I rise today to bring the outstanding leadership and service of my friend, Mr. Gerald Stern, to my colleague's attention.

Through our involvement with Bet Tzedek, a free legal services provider to low income and senior citizens of Los Angeles County, my wife and I have had the privilege to work with Jerry and see first hand his commitment to serving Bet Tzedek and the community.

Joining the all-volunteer Bet Tzedek board of directors in 1984, Jerry currently serves as its president and has helped bring "The House of Justice" to its stature as one of the finest poverty law centers in the country. Bet Tzedek provides 12,000 poor, elderly and disabled clients with free legal assistance each year. The Los Angeles Times has featured Bet Tzedek for the outstanding work it has done for the community.

Jerry's legal career underscores his commitment to public service. Starting as a civil rights attorney for the U.S. Department of Justice in the Kennedy administration, Jerry handled cases that helped blacks in the South obtain the right to vote. He then joined a prominent Washington, D.C. law firm where he served as the lead attorney for the survivors of a coal mining disaster that killed 125 people in West Virginia. His book about this case is required reading in law schools around the country.

Shortly after the resolution of this case, Jerry and two friends established a small firm of public interest lawyers, representing clients like Common Cause and the Amalgamated Clothing Workers of America. Of his experience at the firm, Jerry commented "Cases were not all that lucrative, but * * * we really felt we were making a difference." Jerry is now senior general counsel and executive vice president at Occidental Petroleum Corp., where he has served for the past 10 years, using his public service skills to make the large corporation more sensitive to community concerns.

Jerry's service to Bet Tzedek is an inspiration to all who know him and have the opportunity to work with him. The support of his wife Linda, who is also a dear friend of mine, has greatly contributed to the tremendous impact Jerry has had on the community.

We can all be proud of Jerry's impressive achievements and generous service to Bet Tzedek and the community. His extraordinary work and dedication brings the meaning of public service to life.

NATION COMMEMORATES THE BIRTH OF DR. MARTIN LUTHER KING, JR.

HON. JON KYL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. KYL. Mr. Speaker, on January 20 our Nation commemorated the birth of Dr. Martin Luther King, Jr.

January 20 was a day not only to honor one extraordinary man and his message, but also a day for the Nation to recommit itself, and redouble its efforts, to fulfill Dr. King's dream of a better America for all Americans. For as important as it is to remember Dr. King, it is more important that the Nation continue to strive to fulfill his dream of liberty and justice for all.

I am pleased to tell my colleagues that a group of students from Saguaro High School in Scottsdale, AZ, has been working since the spring of 1989 on a special project to help keep the Nation's attention focused in that regard.

It was during the students' visit to Washington with the Close Up Foundation's Washington program in 1989 that they stood on the steps of the Lincoln Memorial and recounted with their teacher, John Calvin, the historic "I Have a Dream" speech which Dr. King delivered there on August 28, 1963. They noted that the memorial was also stage to an Easter Sunday concert 24 years earlier, when Marian Anderson sang to a crowd of 75,000 after being banned from a nearby auditorium because of her race.

The Saguaro High students conceived of the idea of an exhibit at the Lincoln Memorial which would continue to celebrate the dream of liberty and justice for all, and an exhibit which would also feature Dr. King. They went home and began planning what has since become a national fundraising effort, known as Pennies Make a Monumental Difference. The goal, according to John Calvin, their teacher, is to honor those Americans who, like Dr. King and Marian Anderson, exercised their first amendment rights by demonstrating their wishes and concerns for a better America at the Lincoln Memorial.

The students chose the penny as a symbol because they wanted other young Americans to realize that their rights, if left on the ground like an ignored penny, are worthless. But, if they use their rights, like a penny picked up from the ground, and combine them with others, they can accomplish great things.

Their goal is to raise a penny from every student in the country, and in so doing inspire America's youth to truly try to make a difference. The funds raised from the effort will be used to develop exhibits for the new Lincoln Memorial Museum which will open in 1993, including exhibits commemorating Dr. King's speech.

I encourage my colleagues to help support the students' efforts and to let youngsters in their congressional districts know how they can participate as well. By joining together, young men and women across the country of all races and creeds can help keep Dr. King's message alive.

As the Saguaro students have said:

> What Lincoln started, and King advanced, let all Americans finish.

Let's join them to complete the job of making this a better America for all Americans.

HONORING FORMER REPRESENTATIVE ROBERT T. SECREST OF OHIO

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. APPLEGATE. Mr. Speaker, I would like to take this opportunity to join with my colleagues in the House and Senate in honoring a former Member of this Chamber, a Representative who served a total of nearly 20 years and who is celebrating his 88th birthday today, Robert T. Secrest of Cambridge, OH, a long-time and close personal friend.

Bob Secrest was born on January 22, 1904, on a farm near Senecaville, OH, in Noble County. He graduated from Muskingum College, New Concord, OH, in 1926. His marriage to Virginia Bowden on November 28, 1929, started what was to be just over 60 years of tremendous happiness together. Today, Bob carries on with warm memories of his late wife "Dutch" and with the support of their three children, Robert, Jr., Nancy, and Mary Jane.

Bob entered the House of Representatives on March 4, 1933, the same day that one of America's true giants of history was sworn in as President, Franklin Delano Roosevelt. Bob served in each succeeding Congress until resigning on August 3, 1942, in order to join the United States Navy during World War II, serving in England, Africa, Italy, and the Pacific, and eventually assuming the rank of Commander.

Bob returned to Congress on January 3, 1949, serving until September 26, 1954, when he assumed a position as a member of the Federal Trade Commission, appointed by President Dwight D. Eisenhower. He held on to this post throughout the balance of the Eisenhower administration and later returned to Ohio as the Director of Commerce. Bob then assumed his third and final stint in Congress from January 3, 1963, until January 3, 1967. He was elected to two terms in the Ohio State Senate, where I had the pleasure of serving with him in Columbus.

Anyone who knows Bob, and there are so many who do, knows that he is probably the most essential person to invite to any kind of gathering, from a convention of Legionnaires to a meeting of the Chamber of Commerce. Most assuredly, Bob will probably be the last one standing at any party and he can keep on going well beyond the point where others give up and drop.

Bob is one of the most outstanding public speakers I know, and he can easily outtalk someone half his age and supposedly twice as smart. Bob can take on just about anyone. Mr. Speaker, Robert T. Secrest was a highly influential and conscientious Member of this Chamber, and I wish to join with his friends and with his family in wishing him the very best during these very special golden years.

COMPREHENSIVE PREVENTIVE HEALTH CARE ACT OF 1992—H.R. 4094

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. GILMAN. Mr. Speaker, an estimated 34.7 million Americans lack health insurance, the largest number of uninsured in 25 years. Currently, 21.1 percent of the residents in my home State of New York are uninsured. The time has come for Congress to take the necessary steps to give adequate health care to our Nation's citizens.

Therefore, I rise today to introduce legislation which will cover individuals for periodic health exams, as well as counseling and immunizations, H.R. 4094.

The Comprehensive Preventive Health Care Act of 1992 will cover individuals for periodic comprehensive health exams under the Medicare Program, the Federal Employees Health Insurance Benefits Program, the Department of Veterans Affairs health care system, and our Nation's health clinics.

More specifically, my legislation will direct the Department of Health and Human Services [HHS] to cover individuals for periodic comprehensive health exams under the Medicare Program. The Secretary, along with major health organizations, will join together in analyzing the list of exams included in this bill to determine their effectiveness, the frequency of such exams, and the assessment of which tests or procedures should remain and those that are no longer warranted.

Furthermore, this measure directs the Office of Personnel Management and the Department of Veterans Affairs to utilize the information coordinated by HHS and include a comprehensive periodic health exam in the Federal Employees Health Insurance Benefits Program, and in the Department of Veterans Affairs health care system.

Moreover, my legislation directs HHS to set up a demonstration project which will go to 50 counties over a 5-year period to provide preventive health care services at health clinics. This program will cover preventive health care services for all children, adults under a certain income level—if above the determined income level, fees will be based on a sliding scale. Additionally, the project will entail both urban and rural areas in different regions of our Nation to educate the public on the benefits of practicing preventive health care, the need for periodic health exams, and the need for establishing a medical history, as well as providing services.

Finally, this legislation directs HHS to study each of the 50 States' requirements regarding preventive health care.

Mr. Speaker, currently there are many proposals on how to heal our Nation's health care system, but there has not been any proposal which has received wide acceptance. Experts have concluded that practicing preventive health care does work, and will produce a healthier nation. Although there is a consensus on the benefits of practicing preventive health care, only approximately 20 percent of health insurance companies offer coverage for periodic health exams.

The Comprehensive Preventive Health Care Act of 1992 will not solve our Nation's health crisis, but will take the necessary steps to heal it. This measure has all the necessary ingredients that will be needed in a national health care plan, and will be applicable to that plan.

Therefore, to all my colleagues who share my concern regarding the importance of producing a healthier nation, I invite and urge you to cosponsor this measure, sending a clear message to our Nation's citizens that Congress is taking steps to improve our Nation's health care system.

At this point in the RECORD I request that the full text of my bill be inserted for review by my colleagues:

H.R. 4094

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Comprehensive Preventive Health Care Act of 1992".

SEC. 2. ESTABLISHMENT OF SCHEDULE OF PREVENTIVE HEALTH CARE SERVICES.

(a) IN GENERAL—The Secretary of Health and Human Services shall establish a schedule of recommended preventive health care services, broken down by age and gender, consistent with the requirements of section 3.

(b) ADJUSTMENTS PERMITTED.—In consultation with representatives of providers of health care services and in accordance with section 553 of title 5, United States Code, the Secretary may issue regulations modifying the schedule of preventive health care services established under this Act.

SEC. 3. SERVICES DESCRIBED.

(a) CHILDREN FROM BIRTH TO 18 MONTHS.—

(1) IN GENERAL.—In the case of a child under 19 months of age, services under the schedule established under this Act shall consist of a monthly examination in which the following tests and services are provided:

(A) The taking of a family medical history.

(B) Measurements, including measurements of height, weight, and the circumference of the head.

(C) Hereditary and metabolic screening—how is this different from the family medical history.

(D) Counseling the child's parents on diet, injury prevention, and dental health for the child.

(E) Tuberculin skin test (except that such test is required to be provided only during 12th, 13th, 14th, or 15th monthly examination during this period).

(F) Diphtheria-tetanus-pertussis vaccine (except that such vaccine is required to be provided only during one of the final 4 monthly examinations during this period).

(G) Oral poliovirus vaccine (except that such vaccine is required to be provided only during one of the final 4 monthly examinations during this period).

(H) Conjugate haemophilus influenzae type b vaccine (except that such vaccine is required to be provided only during the 15th monthly examination during this period).

(I) Measles-mumps-rubella vaccine (except that such vaccine is required to be provided only during the 15th monthly examination during this period).

(J) Complete blood count (unless a complete blood count was already performed on the child).

(K) Urinalysis (unless a urinalysis was already performed on the child).

(2) HIGH-RISK CHILDREN.—In addition to the tests and services required under paragraph (1), the examination described in such paragraph shall include any of the following tests or services in the case of a child who is considered to be at an unusually high risk for any of the conditions the tests or service is intended to detect or prevent:

(A) Developmental and behavioral assessment.

(B) A tuberculin skin test performed at the 12th monthly examination.

(C) Vision testing.

(D) Hearing testing.

(E) Measurement for erythrocyte protoporphyrin.

(F) Fluoride supplements.

(b) CHILDREN AGES 2 THROUGH 6.—

(1) IN GENERAL.—In the case of a child over 23 months of age but under 7 years of age, services under the schedule established under this Act shall consist of a monthly examination in which the following tests and services are provided:

(A) The taking of a family medical history.

(B) Measurements, including measurements of height, weight, and the circumference of the head.

(C) Urinalysis.

(D) Counseling the child and the child's parents on diet, injury prevention, and dental health for the child.

(E) Diptheria-tetanus-pertussis vaccine (except that such vaccine is not required to be provided during the 2nd or 4th annual examination during this period).

(F) Conjugate haemophilus influenzae type b vaccine (except that such vaccine is not required to be provided during the 2nd or 4th annual examination during this period).

(G) Oral poliovirus vaccine (except that such vaccine is not required to be provided during the 2nd, 4th, or 5th annual examination during this period).

(H) Blood pressure measurement (except that such measurement is not required to be provided during the 1st annual examination during this period).

(I) Measles-mumps-rubella vaccine (except that such vaccine is not required to be provided during the 1st, 2nd, or 4th annual examination during this period).

(J) Testing for amblyopia and strabismus (except that such test is only required during the 2nd or 3rd annual examination during this period).

(K) Tuberculin skin test (unless such test was already performed during one of the annual examinations during this period).

(L) Complete blood count (unless a complete blood count was already performed during one of the annual examinations during this period).

(M) A referral to a dentist for dental care (unless a referral was already made during one of the annual examinations during this period).

(2) HIGH-RISK CHILDREN.—In addition to the tests and services required under paragraph (1), the examination described in such paragraph shall include any of the following tests or services in the case of a child who is considered to be at an unusually high risk for any of the conditions the test or service is intended to detect or prevent:

(A) A tuberculin skin test.

(B) Vision testing.

(C) Hearing testing.

(D) Measurement for erythrocyte protoporphyrin.

(E) Fluoride supplements.

(c) CHILDREN AGES 7 THROUGH 12.—

(1) IN GENERAL.—In the case of a child over 6 years of age but under 13 years of age, services under the schedule established under this Act shall consist of an annual examination in which the following tests and services are provided:

(A) The taking of a family medical history.

(B) Measurements, including measurements of height, weight, and the circumference of the head.

(C) Counseling the child and the child's parents on diet, injury prevention, and dental health for the child.

(D) Blood pressure measurement.

(E) Complete blood count (unless a complete blood count was already performed during one of the annual examinations during this period).

(F) Urinalysis (unless a urinalysis was already performed during one of the annual examinations during this period).

(2) HIGH-RISK CHILDREN.—In addition to the tests and services required under paragraph (1), the examination described in such paragraph shall include any of the following tests or services in the case of a child who is considered to be at an unusually high risk for any of the conditions the test or service is intended to detect or prevent:

(A) A tuberculin skin test.

(B) Vision testing.

(C) Hearing testing.

(D) Fluoride supplements.

(d) CHILDREN AGES 13 THROUGH 18.—

(1) IN GENERAL.—In the case of a child over 12 years of age but under 19 years of age, services under the schedule established under this Act shall consist of an annual examination in which the following tests and services are provided:

(A) The taking of a family medical history.

(B) Measurements, including measurements of height, weight, and the circumference of the head.

(C) Blood pressure measurement.

(D) Counseling relating to diet, exercise, injury prevention, tobacco cessation, substance abuse, and sexual practices.

(E) Complete blood count (unless a complete blood count was already performed during one of the annual examinations during this period).

(F) Urinalysis (unless a urinalysis was already performed during one of the annual examinations during this period).

(G) Tetanus-diptheria booster (except that such booster is only required to be provided during 2nd, 3rd, or 4th annual examination during this period).

(H) Measles-mumps-rubella vaccine (unless such a vaccine was already provided during any of the annual examinations provided to the child after age 3).

(2) HIGH-RISK CHILDREN.—In addition to the tests and services required under paragraph (1), the examination described in such paragraph shall include any of the following tests or services in the case of a child who is considered to be at an unusually high risk for any of the conditions the test or service is intended to detect or prevent:

(A) Vision testing.

(B) Hearing testing.

(C) Complete skin examination.

(D) Testing for rubella antibodies.

(E) Screening for chlamydial infection.

(F) Screening for gonorrhea.

(G) Testing for, and counseling relating to preventing exposure to, human immunodeficiency virus.

(H) VDRL screening test for syphilis.

(I) Tuberculin skin test.

(J) Examination of the testicles.

(K) Clinical breast examination (for females).

(L) Pap smear.

(e) WOMEN AGES 19 THROUGH 39.—

(1) IN GENERAL.—In the case of a woman over 18 years of age but under 40 years of age, services under the schedule established under this Act shall consist of an annual pap smear together with an examination (performed not earlier than 35 months after the most recent examination) in which the following tests and services are provided:

(A) Nonfasting total blood cholesterol test, including testing for high density and low density lipoprotein subparts.

(B) Counseling relating to diet, exercise, injury prevention, tobacco cessation, substance abuse, and sexual practices.

(C) The taking of a family medical history.

(D) Blood pressure measurement.

(E) Clinical breast exam.

(F) Mammography in the case of a woman over 34 years of age (unless a mammography was already provided during an examination during this period).

(G) Tetanus-diphtheria booster (unless a tetanus-diphtheria booster was provided to the woman during the 10-year period ending on the date of the examination).

(2) INFLUENZA VACCINE FOR HIGH-RISK WOMEN.—In addition to the services required under paragraph (1), in the case of a woman who is considered to be at an unusually high risk for influenza, services under the schedule established under this Act shall include an annual influenza vaccine.

(3) EXPANDED EXAMINATION FOR HIGH-RISK WOMEN.—In addition to the tests and services required under paragraph (1), the examination described in such paragraph shall include any of the following tests or services in the case of a woman who is considered to be at an unusually high risk for any of the conditions the test or service is intended to detect or prevent:

(A) Fasting plasma glucose measurement.

(B) Testing for rubella antibodies.

(C) VDRL screening test for syphilis.

(D) Urinalysis.

(E) Screening for chlamydial infection.

(F) Screening for gonorrhea.

(G) Testing for, and counseling relating to preventing exposure to, human immunodeficiency virus.

(H) Hearing testing.

(I) Tuberculin skin test.

(J) Electrocardiogram.

(K) Colonoscopy.

(L) Hepatitis B vaccine.

(M) Pneumococcal vaccine.

(N) Complete oral cavity examination.

(O) Palpation to detect thyroid nodules.

(P) Complete skin examination.

(f) Women Ages 40 Through 64.—

(1) In general.—In the case of a woman over 39 years of age but under 65 years of age, services under the schedule established under this Act shall consist of an annual examination in which the following tests and services are provided:

(A) Nonfasting total blood cholesterol test, including testing for high density and low density lipoprotein subparts.

(B) Counseling relating to diet, exercise, injury prevention, tobacco cessation, substance abuse, and sexual practices.

(C) The taking of a family medical history.

(D) Blood pressure measurement.

(E) Clinical breast eaxm.

(F) Mammography.

(G) Tetanus-diptheria booster (unless a tetanus-diptheria booster was provided to the woman during the 10-year period ending on the date of the examination).

(H) Pap smear.

(2) High-risk women.—In addition to the tests and services required under paragraph (1), the examination described in such paragraph shall include any of the following tests or services in the case of a woman who is considered to be at an unusually high risk for any of the conditions the test or service is intended to detect or prevent:

(A) Fasting plasma glucose measurement.

(B) VDRL screening test for syphilis.

(C) Urinalysis

(D) Screening for chlamydial infection.

(E) Screening for gonorrhea.

(F) Testing for, and counseling relating to preventing exposure to, human immunodeficiency virus.

(G) Hearing testing.

(H) Tuberculin skin test.

(I) Electrocardiogram.

(J) Fecal occult blood test or flexible sigmoidoscopy.

(K) Fecal occult blood test or colonoscopy.

(L) Screening for low bone mineral content.

(M) Hepatitis B vaccine.

(N) Pneumococcal-pneumonia vaccine (unless such a vaccine was provided during the 5-year period ending on the date of the examination).

(O) Influenza vaccine.

(P) Complete oral cavity examination.

(Q) Palpation to detect thyroid nodules.

(R) Complete skin examination.

(S) Ausculation for carotid bruits.

(g) Women 65 or Older.—

(1) In general.—In the case of a woman 65 years of age or older, services under the schedule established under this Act shall consist of an annual examination in which the following tests and services are provided:

(A) Nonfasting total blood cholesterol test, including testing for high density and low density lipoprotein subparts.

(B) Counseling relating to diet, exercise, injury prevention, tobacco cessation, and substance abuse.

(C) The taking of a family medical history.

(D) Blood pressure measurement.

(E) Clinical breast exam.

(F) Mammography.

(G) Tetanus-diptheria booster (unless a tetanus-diptheria booster was provided to the woman during the 10-year period ending on the date of the examination).

(H) Pap smear (unless a pap smear was provided to the woman during the 3-year period ending on the date of the examination).

(I) Urinalysis.

(J) Thyroid function test.

(K) Influenza vaccine.

(L) Pneumococcal-pneumonia vaccine (unless such a vaccine was provided to the woman during the 5-year period ending on the date of the examination).

(M) Screening for glaucoma (performed by a physician specializing in diseases of the eyes).

(N) Blood urea nitrogen test.

(2) High-risk women.—In addition to the tests and services required under paragraph (1), the examination described in such paragraph shall include any of the following tests or services in the case of a woman who is considered to be at an unusually high risk for any of the conditions the test or service is intended to detect or prevent:

(A) Fasting plasma glucose measurement.

(B) Tuberculin skin test.

(C) Electrocardiogram.

(D) Fecal occult blood test or flexible sigmoidoscopy.

(E) Fecal occult blood test or colonoscopy.

(F) Hepatitis B vaccine.

(G) Complete oral cavity examination.

(H) Palpation to detect thyroid nodules.

(I) Complete skin examination.

(J) Ausculation for carotid bruits.

(h) Men Ages 19 Through 39.—

(1) In general.—In the case of a man over 18 years of age but under 40 years of age, services under the schedule established under this Act shall consist of an examination (performed not earlier than 35 months after the most recent examination) in which the following tests and services are provided:

(A) Nonfasting total blood cholesterol test, including testing for high density and low density lipoprotein subparts.

(B) Counseling relating to diet, exercise, injury prevention, tobacco cessation, substance abuse, and sexual practices.

(C) The taking of a family medical history.

(D) Blood pressure measurement.

(E) Tetanus-diptheria booster (unless a tetanus-diptheria booster was provided to the man during the 10-year period ending on the date of the examination).

(2) Influenza vaccine for high-risk men.—In addition to the examination required under paragraph (1), in the case of a man who is considered to be at an unusually high risk for influenza, services under the schedule established under this Act shall include an annual influenza vaccine.

(3) Expanded examination for high-risk men.—In addition to the tests and services required under paragraph (1), the examination described in such paragraph shall include any of the following tests or services in the case of a man who is considered to be at an unusually high risk for any of the conditions the test or service is intended to detect or prevent:

(A) Fasting plasma glucose measurement.

(B) Testing for rubella antibodies.

(C) VDRL screening test for syphilis.

(D) Urinalysis.

(E) Screening for chlamydial infection.

(F) Screening for gonorrhea.

(G) Testing for, and counseling relating to preventing exposure to, human immunodeficiency virus.

(H) Hearing testing.

(I) Tuberculin skin test.

(J) Electrocardiogram.

(K) Colonoscopy.

(L) Hepatitis B vaccine.

(M) Pneumococcal-pneumonia vaccine (unless such a vaccine was provided during the 5-year period ending on the date of the examination).

(N) Complete oral cavity examination.

(O) Clinical testicle examination.

(P) Palpation to detect thyroid nodules.

(Q) Complete skin examination.

(i) Men Ages 40 Through 64.—

(1) In general.—In the case of a man over 39 years of age but under 65 years of age, services under the schedule established under this Act shall consist of an examination (performed not earlier than 35 months after the most recent examination) in which the following tests and services are provided:

(A) Nonfasting total blood cholesterol test, including testing for high density and low density lipoprotein subparts.

(B) Counseling relating to diet, exercise, injury prevention, tobacco cessation, substance abuse, and sexual practices.

(C) The taking of a family medical history.

(D) Blood pressure measurement.

(E) Tetanus-diptheria booster (unless a tetanus-diptheria booster was provided to the man during the 10-year period ending on the date of the examination).

(F) Prostate-specific antigen test in the case of a man over 49 years of age (unless such a test was provided to the man during the 5-year period ending on the date of the examination).

(2) Influenza vaccine for high-risk men.—In addition to the examination required under paragraph (1), in the case of a man who is considered to be at an unusually high risk for influenza, services under the schedule established under this Act shall include an annual influenza vaccine.

(3) Expanded examination for high-risk men.—In addition to the tests and services required under paragraph (1), the examination described in such paragraph shall include any of the following tests or services in the case of a man who is considered to be at an unusually high risk for any of the conditions the test or service is intended to detect or prevent:

(A) Fasting plasma glucose measurement.

(B) VDRL screening test for syphilis.

(C) Urinalysis.

(D) Screening for chlamydial infection.

(E) Screening for gonorrhea.

(F) Testing for, and counseling relating to preventing exposure to, human immunodeficiency virus.

(G) Hearing testing.

(H) Tuberculin skin test.

(I) Electrocardiogram.

(J) Fecal occult blood test or colonoscopy.

(K) Fecal occult blood test or sigmoidoscopy.

(L) Screening for low bone mineral content.

(M) Hepatitis B vaccine.

(N) Pneumococcal-pneumonia vaccine (unless such a vaccine was provided during the 5-year period ending on the date of the examination).

(O) Palpation to detect thyroid nodules.

(P) Complete skin examination.

(Q) Ausculation for carotid bruits.

(j) Men Ages 65 and Over.—

(1) In general.—In the case of a man 65 years of age or older, services under the schedule established under this Act shall consist of an annual influenza vaccine and prostate-specific antigen test, together with an examination (performed not earlier than 35 months after the most recent examination) in which the following tests and services are provided:

(A) Nonfasting total blood cholesterol test, including testing for high density and low density lipoprotein subparts.

(B) Counseling relating to diet, exercise, injury prevention, tobacco cessation, and substance abuse.

(C) The taking of a family medical history.

(D) Blood pressure measurement.

(E) Tetanus-diphtheria booster (unless a tetanus-diphtheria booster was provided to the man during the 10-year period ending on the date of the examination).

(F) Urinalysis.

(G) Thyroid function test.

(H) Pneumococcal-pneumonia vaccine (unless such a vaccine was provided to the man during the 5-year period ending on the date of the examination).

(I) Screening for glaucoma (performed by a physician specializing in diseases of the eyes).

(J) Blood urea nitrogen test.

(2) High-risk men.—In addition to the tests and services required under paragraph (1), the examination described in such paragraph shall include any of the following tests or services in the case of a man who is considered to be at an unusually high risk for any of the conditions the test or service is intended to detect or prevent:

(A) Fasting plasma glucose measurement.

(B) Tuberculin skin test.

(C) Electrocardiogram.

(D) Fecal occult blood test or flexible sigmoidoscopy.

(E) Fecal occult blood test or colonoscopy.

(F) Hepatitis B vaccine.

(G) Complete oral cavity examination.

(H) Palpation to detect thyroid nodules.

(I) Complete skin examination.

(J) Ausculation for carotid bruits.

SEC. 4. COVERAGE OF PREVENTIVE HEALTH CARE SERVICES UNDER MEDICARE.

(a) In General.—Section 1861(s)(2) of the Social Security Act (42 U.S.C. 1395x(s)(2)) is amended—

(1) by striking "and" at the end of subparagraph (O);

(2) by striking the semicolon at the end of subparagraph (P) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(Q) in the case of an individual, services applicable to the individual under the schedule of preventive health care services established under the Comprehensive Preventive Health Care Act of 1992 (to the extent such services are not otherwise covered with respect to the individual under this title);".

(b) Conforming Amendments.—Section 1862(a) of such Act (42 U.S.C. 1395y(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (E), by striking "and" at the end,

(B) in subparagraph (F), by striking the semicolon at the end and inserting ", and", and

(C) by adding at the end the following new subparagraph:

"(G) in the case of items or services described in section 1861(s)(2)(Q), which are not provided in accordance with the schedule of preventive health care services established under the Comprehensive Preventive Health Care Act of 1992;"; and

"(2) in paragraph (7), by striking "paragraph (1)(B) or under paragraph (1)(F)" and inserting "subparagraphs (B), (F), or (G) of paragraph (1)".

(c) Effective Date.—The amendments made by this section shall apply to services furnished on or after January 1, 1993.

SEC. 5. COVERAGE OF PREVENTIVE HEALTH CARE SERVICES FOR VETERANS.

(a) In General.—Section 1701(6) of title 38, United States Code is amended—

(1) by striking "and" at the end of subparagraph (A);

(2) by striking the period at the end of subparagraph (B) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(C) with respect to any veteran, any preventive care services applicable under the schedule of preventive health care services established under the Comprehensive Preventive Health Care Act of 1992, to the extent such services are not otherwise treated as medical services under this paragraph.".

(b) Providing Services in Outpatient Setting.—Section 1712(a)(5)(A) of such title is amended—

(1) in the first sentence, by striking the period at the end and inserting the following: ", or any other medical services applicable to the veteran under the schedule of preventive health care services established under the Comprehensive Preventive Health Care Act of 1992."; and

(2) in the second sentence, by inserting after "admission" the following: "or any services applicable to the veteran under the schedule of preventive health care services established under the Comprehensive Preventive Health Care Act of 1992 (other than services applicable under such schedule that are reasonably necessary in preparation for hospital admission)".

(c) Effective Date.—The amendments made by this section shall apply to services furnished on or after January 1, 1993.

SEC. 6. COVERAGE OF PREVENTIVE HEALTH CARE SERVICES UNDER FEDERAL EMPLOYEES HEALTH BENEFIT PLANS.

(a) In General.—Paragraphs (1) and (2) of section 8904(a) of title 5, United States Code, are each amended by adding at the end the following new subparagraph:

"(G) With respect to an individual, any preventive health care services applicable to the individual under the schedule of preventive health care services established under the Comprehensive Preventive Health Care Act of 1992.".

(b) Effective Date.—The amendments made by subsection (a) shall apply with respect to services furnished on or after January 1, 1993.

SEC. 7. PREVENTIVE HEALTH CARE DEMONSTRATION PROJECT.

(a) Establishment.—There is hereby established a demonstration project to demonstrate the effectiveness in providing preventive health care services in improving the health of individuals and reducing the aggregate costs of providing health care, under which the Secretary of Health and Human Services shall—

(1) make grants over a 5-year period to 50 eligible counties to assist the counties in providing preventive health care services (in accordance with sub section (b)) to individuals who would otherwise be unable to pay (or have payment made on their behalf) for such services;

(2) conduct the study described in subsection (c); and

(3) carry out the educational program described in subsection (d).

(b) Grants to Counties.—

(1) Services described.—A county receiving a grant under subsection (a)(1) shall provide preventive health care services to individuals at clinics in accordance with the schedule of preventive health care services established under the Comprehensive Preventive Health Care Act of 1992, except that—

(A) the county may furnish services to individuals residing in rural areas at locations other than clinics if no clinics that are able to provide such services are located in the area; and

(B) the Secretary may revise the schedule of services otherwise required to be provided to take into account the special needs of a participating county.

(2) Eligibility of counties.—A county is eligible to receive a grant under subsection (a)(1) if it submits to the Secretary, at such time and in such form as the Secretary may require, an application containing such information and assurances as the Secretary may require.

(3) Geographic balance among counties selected.—In selecting counties to receive grants under subsection (a)(1), the Secretary shall consider the need to select counties representing urban, rural, and suburban areas and counties representing various geographic regions of the United States.

(c) Study of State Preventive Care Requirements.—

(1) Study.—The Secretary shall conduct a study of the requirements regarding preventive health care services that are imposed by each State on health benefit plans offered to individuals residing in the State.

(2) Report.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report to Congress on the study conducted under paragraph (1).

(d) Dissemination of Information on Preventive Health Care.—Not later than 2 years after the date of the enactment of this Act, the Secretary, in consultation with experts in preventive medicine and representatives of providers of health care services, shall publish and disseminate information on the benefits of practicing preventive health care, the importance of undergoing periodic health examinations, and the need to establish and maintain a family medical history.

(e) State Defined.—In this section, the term "State" means each of the 50 States and the District of Columbia.

TRIBUTE TO WILLIAM C. FORREY

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. GOODLING. Mr. Speaker, on December 31, 1991, William C. Forrey of Camp Hill, PA, retired as director of the Pennsylvania Bureau of State Parks after more than 30 years of service with the Commonwealth of Pennsylvania.

Bill Forrey is to be commended for his many years of hard work and dedication to Pennsylvania, promoting its parks and recreation. Bill Forrey began his career with the Pennsylvania Department of Forests and Water as a landscape architect in 1960 after receiving a degree in landscape architecture from Pennsylvania State University and serving in the U.S. Navy for 4 years. Bill received a masters degree in regional planning from Pennsylvania State University in 1971 when he also became assistant director of the Pennsylvania Bureau of State Parks.

Since 1973, Bill Forrey served as director of the Pennsylvania Bureau of State Parks where his responsibilities included the overall planning, management and administration of Pennsylvania's State park system. He has also represented the Commonwealth of Pennsylvania very ably and professionally in its dealings with the Federal Government. I certainly appreciate the assistance Bill and his office have given me and my staff throughout the years.

Throughout his career, Bill has been honored for his work by the Pennsylvania Recreation and Park Society, American Youth Hostels, the National Association of State Park Directors, the Pennsylvania House of Representatives, the National Park Service, and the American Society of Landscape Architects.

Although he is retiring from his position with the Bureau of State Parks, I do not expect Bill to slow down in the least. He is currently an adjunct professor at Pennsylvania State University's Capital campus and has been an active leader of the Penn State Alumni Association.

Mr. Speaker, I would ask that my colleagues join me in expressing our gratitude to Bill for his many years of dedicated service to the State parks of Pennsylvania and every other State in this country.

I would also like to wish Bill and his wife Dot the very best of luck in all of their retirement plans. I am sure they will enjoy even more time spent with their family and at their cabin near Pine Grove Furnace State Park.

Again, Mr. Speaker, I believe we all owe Bill a great deal of thanks for his dedicated service to Pennsylvania and its State parks. Every person who has visited any of Pennsylvania's State parks is indebted to Bill for the work he has done through the years. He will surely be missed and we wish him and his family the very best of luck in the future.

A TRIBUTE TO PI SIGMA EPSILON FOR ITS OUTSTANDING CONTRIBUTIONS TO THE STATE OF LOUISIANA

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. BAKER. Mr. Speaker, I feel it is important to recognize individuals who give that extra service and who do so in a manner that suggests a genuine concern for others.

Pi Sigma Epsilon, a national professional organization in marketing sales management and selling, prides itself in serving the Greater Louisiana State University community. The chapter was founded at LSU in 1971, and competes nationally with approximately 75 other chapters located around the United States. For the past decade, Beta Xi–LSU has consistently been rated as one of the top 10 percent nationwide.

Their major achievements and contributions to LSU in the past 2 years include: girls of LSU calendars, top 10 reasons why I went to LSU, tiger tales T-shirts, kid-vid, Baton Rouge big buddy, business basics, junior achievement, blood donation, golf tournaments, alcohol policy, adopt-a-highway, marketing research projects for LaRoche Chemical Co., Cellular One and others, professional speakers series, executive-for-a-day, mock interview programs, and hosted PSE regional convention.

However, the chapter's most outstanding contribution to LSU and the State of Louisiana last year involved producing "The Jimmy Buffet Save the Wetland Concert." This concert raised over $65,000 which was contributed to the LSU Coastal Studies Institute. Plans are currently underway for another benefit concert.

To Pi Sigma whose mission is to serve others, we wholeheartedly support you in your endeavors and fully support your goals. The full impact of your efforts will never be adequately measured but there are hundreds of people who are leading better lives because of your willingness to get involved. To Pi Sigma, we thank you.

IN HONOR OF JOHN M. LANGSTON BAR ASSOCIATION PRESIDENT GEORGE L. MALLORY, JR.

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. DIXON. Mr. Speaker, I rise today to congratulate Los Angeles attorney George L. Mallory, Jr. on a successful term as president of the John M. Langston Bar Association and on a distinguished record of service to his profession and the community at large. George became active in the Langston Bar Association in 1976 and has since served on numerous committees. Prior to being elected president last year, George served as sergeant at arms and vice president of the association.

Born and raised in Los Angeles, George attended Los Angeles public schools, including Los Angeles High School, where he was involved with student government and earned all-city honors in football. He then matriculated at Occidental College, graduating in 1974, with a degree in Political Science.

In 1977, he received his Juris Doctor degree from Western State University, having earned honors for his participation in moot court competition and served as president of the Black American Law Students. While attending law school, George served as a law clerk for the Los Angeles law firm formerly known as Cochran, Atkins & Evans.

From 1979 to 1986, George served as a deputy city attorney, first as a prosecutor and later defending and prosecuting civil claims in superior and municipal court on behalf of the Department of Water and Power of the city of Los Angeles. During his tenure in the city attorney's office, George tried numerous personal injury, products liability and environmental cases as well as other liability matters, on the city's behalf.

Mallory left the city attorney's office in 1986 to become a founding partner in the law firm of Mallory, Brown-Curtis & Mallory which specializes in civil litigation matters.

In addition to compiling an impressive record of professional achievement, George has been highly active in community and civic affairs, indulging his long-held interest in politics and demonstrating a genuine commitment to justice, equality and civil rights. Once a member of the 49th assembly district committee, George has served as a delegate to the State Democratic convention for 3 years. George was recently appointed to the county Democratic central committee and the citizens watchdog committee to implement the Christopher Commission Report concerning last year's Rodney King police brutality incident.

George has served on the board of directors of the NAACP since 1983 and held the office of first vice president of the NAACP's Los Angeles branch. George has negotiated fair share agreements with the Southern California Gas Co. and currently serves on the committee to monitor the national fair share agreement between the NAACP, PUSH and Coors Brewery.

Mr. Speaker, although still young, George Mallory's career is already marked by numerous noteworthy accomplishments. I believe it is safe to expect that he will achieve even bigger things in the future. George offers a shining example to his community, and I look forward to watching his career progress.

It gives me great pleasure, then, to join with the John M. Langston Bar Association today in honoring its outgoing president, George M. Mallory, Jr., for his commendable record of professional achievement and community service. Please join me in wishing for George, his wife and law partner, Bobbi Tillmon-Mallory, and their two sons, Morgan and Ryan, continued good health and success.

A TRIBUTE TO CALIFORNIA'S DISTINGUISHED JUSTICE, EDWARD GROGAN

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. MILLER of California. Mr. Speaker, I wish to bring to the attention of the House the accomplishments of a distinguished Californian, Edward Grogan.

Judge Grogan, born in 1925 in San Francisco, graduated from the University of California in 1947 and from Hastings School of Law in 1950. He then worked in private practice, specializing in medical malpractice, labor, workers' compensation, and domestic relations law as a partner in the law firms of Edises & Treuhaft and Howell & Elson.

After being appointed a workers' compensation judge for the State of California in 1978, Judge Grogan became a staff judge for the worker's compensation appeals board in 1981. From 1982 to 1985 he assumed the position of assistant chief of workers' compensation judges for the State of California, after which he returned to the position of workers' compensation judge in Oakland, CA until his retirement in 1991. Judge Grogan completed many difficult and complex judicial assignments within the workers' compensation appeals system, for which he received the high honor of being named "Judge of the Year" by the bar in 1988.

His family includes his wife, Ruth, and two children, Tracy and Gail. Having many diverse interests, his hobbies range from cultivating roses to archeology and travel, and he is an active contributor to the United Negro College Fund, Appalachian causes, and American Indian organizations. He was the president of the El Cerrito Democratic Club, and is a member of the California State Bar Association, the Conference of California Workers' Compensation Judges, the National Lawyers Guild, Amnesty International, Sierra Club, Audubon Society, and the Defenders of Wildlife.

Mr. Speaker, I would like you and my colleagues to join me celebrating this respected jurist whose dedication as a public employee has bettered the lives of the citizens of California and of the Nation as a whole.

FOUR FALLEN FIREMEN HONORED BY COMMUNITY

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. GAYDOS. Mr. Speaker, I respectfully request my colleagues in the Congress of the United States join me today in a silent tribute to four young volunteer firemen who died in the line of duty on December 20, 1991.

Trapped on the first floor of a burning building, the men lost their lives when a portion of the floor collapsed beneath them, opening up an air passage through which roared a fireball that created an inferno and raised the temperature to higher than 3,000 degrees.

The fallen firemen, all members of Hilltop Hose Company in Harrison Township, southwest Pennsylvania, included:

David Emanuelson, age 23, who leaves his wife, Kathy, and a 2-year-old daughter, Cara. A second child is expected in the spring.

Frank Veri, Jr., age 31, who leaves his wife, Sheri, and son, Jason, age 11.

Michael J. Cielicki Burns, age 28, who was engaged and scheduled to be married August 8, 1992.

Second Lieutenant Rick Frantz, age 23, a third generation member of Hilltop Hose Co., his brother, Don, Jr., father, Don, Sr., and grandfather, Frank, belong to the company. A cousin, Matt, currently serves as chief.

Mr. Speaker, the death of these gallant men was mourned by more than just family, friends and neighbors. More than 4,000 people attended a memorial service for them in the auditorium of Highlands High School. Gov. Robert P. Casey, who met privately with the families of the deceased, led a host of elected and fire officials from all levels of government to the proceedings.

Many of those in attendance were brother firefighters, some of them coming from as far as California, Connecticut, Michigan, New Jersey, and New York to honor their fallen comrades. Their presence demonstrated how strong the common bond is that exists among those who risk their lives protecting others.

In unison, the mourners intoned the "Fireman's Prayer," which says, in part:

> When I am called to duty, God, wherever flames may rage, give me the strength to save some life, whatever be its age—I want to fill my calling and give the best in me; to guard my every neighbor and protect his property. And if, according to your will, I have to lose my life, please bless with your protecting hand my children and my wife.

Mr. Speaker, their community will not forget these men nor will their fellow firemen. As the elected Representative from the Harrison Township, area to this Congress, I ask the Members of the House to remember them in our prayers today.

TRIBUTE TO MRS. RUTH HARRIS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. BROWN. Mr. Speaker, next month in my congressional district will be a celebration to honor Mrs. Ruth Harris, who is retiring after completing 38 consecutive years on the Bloomington and Colton Boards of Education. In addition to her board experience in Bloomington and Colton, Mrs. Harris was also a member of the San Bernardino County Board of Education for 18 years. The Colton Joint Unified School District will honor Mrs. Harris on February 11.

Throughout the years, Mrs. Harris has worked tirelessly and with great effectiveness to improve the education system for many children. Her extensive service to students and the community have been immeasurable. The Colton Joint Unified School District Board of Education voted 2 years ago to name their newest junior high school for Mrs. Harris. The school will serve seventh and eighth graders from Bloomington and Fontana and is expected to be completed in 1993.

Mrs. Harris has also been active in the PTA during her 46 years in Bloomington. She became involved in the Bloomington PTA groups shortly after moving there and served as president of a local school unit. In 1950, the Bloomington PTA Council was formed with Mrs. Harris as its first president. Since then, she has held five directorships and served as president, vice president, and parliamentarian of the fifth district PTA.

In addition to her tremendous work as a member of the board of education she has donated countless hours to community agencies. Throughout the years, she has served on the board of directors for the American Red Cross, Arrowhead United Fund, and Colton Unified Methodist Church. She has also served as the community association chairman of the San Gorgonio Council Girl Scouts; as president of American Field Services; as president of the San Bernardino County Museum and parliamentarian for the California Association of Neurologically Handicapped Children.

Mrs. Harris will be sorely missed by her colleagues and her students. I would like to take this opportunity to point out my admiration for Mrs. Harris and commend her for her many contributions that have benefited our community.

TAX FAIRNESS FOR CO-OP OWNERS

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. GREEN. Mr. Speaker, today I am pleased to introduce legislation to clarify that section 277 of the Internal Revenue Code does not apply to housing cooperatives. The legislation, which has been introduced in the Senate by Senator MOYNIHAN, would also clarify how certain income of a housing cooperative would be taxed under subchapter T of the Code. These provisions seek to promote tax fairness as well as eliminate a serious threat to the viability of much of our country's stock of affordable, cooperatively owned housing.

In cities large and small across this Nation, cooperatives provide affordable housing to their resident owners through efficient, cost-based operation. As many of my colleagues know, the Federal Government has fostered this affordable housing through FHA-insured mortgages and through assistance under a wide variety of housing programs designed to aid low- and moderate-income families. State and local governments have added their own support through a variety of funding strategies.

Some of these cooperatives, known as limited equity co-ops, go beyond providing affordable housing to their current resident owners by controlling resale prices and thus retaining affordability to a target population of low- and moderate-income potential purchasers.

All of these cooperatives are threatened by a recent practice of the IRS which seeks to break apart the cooperative enterprise, and separately tax sources of income which, though functionally tied to the provision of housing, would, when set apart, have few or no offsetting deductions.

Here is just one example: When cooperatives accumulate reserves to replace worn-out roofs, furnaces, and water heaters, as they are required to do when they are financed by FHA-insured mortgages, and prudently invest those reserves in federally insured CD's or savings accounts, as they are required to do under FHA regulation, that interest income would be set apart and subject—without deductions—to taxation at the highest corporate rate.

This punitive result is based on a IRS position with dubious legislative foundation. Section 277 of the Code was adopted in 1969 to deal with social clubs and other member organizations that operate primarily to furnish services or goods to their members. There is nothing in the history of section 277 which indicates that Congress intended to apply section 277 to housing cooperatives, and the effort of the IRS subsequently to apply that section seems to be most inappropriate.

Housing cooperatives are doing their best to battle the IRS in the courts, where resolution may take 10 to 15 years. In the meantime, the IRS has proposed deficiencies and added penalties which are forcing numerous individual cooperatives to choose between substantial and unfair overpayments or expensive litigation. Either option is costly, and thus a threat to the precious stock of affordable housing which Congress has fought so hard to defend.

My bill eliminates the threat by making it clear that a cooperative housing corporation is not subject to section 277, and goes on to eliminate the need for further costly litigation by specifying appropriate tax treatment under subchapter T of the Code, which comprehensively deals with the taxation of cooperative entities.

While my bill eliminates the threat of overtaxation, it does not create any loopholes or inappropriate tax advantages for housing cooperatives. In fact, it supplements the Tax

Code's existing deterrents to tax shelters with a specific restriction of its own.

In closing, this legislation strives to achieve tax fairness as well as protect affordable housing. I know that both of these objectives are of great concern to my colleagues and encourage your support.

THE ANNIVERSARY OF ROE V. WADE

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. WYDEN. Mr. Speaker, on the anniversary of the landmark Roe versus Wade decision protecting the privacy of women, this country is also facing a tremendous threat to one of our most cherished liberties—the freedom of speech.

The U.S. Department of Justice has found a powerfully destructive weapon in the Rust versus Sullivan gag rule decision.

The President's lawyers are not only working to restrict information for women in title X family planning clinics, but also in the area of medical and scientific research.

Just this summer, in a case filed in the U.S. District Court of the District of Columbia, the Justice Department attempted to use the Supreme Court's gag rule decision as a bludgeon against Stanford University scientists who had won a National Institutes of Health contract to research an artificial heart device.

In this case, the Federal Government tried to restrict the Stanford scientists from discussing the results of their research with their colleagues.

Putting a gag order on scientists kills the most critical element of scientific discovery—the free exchange of information.

Unless Congress takes decisive action to overturn the gag rule, we can expect more and more efforts to impose dangerous gag orders on scientists and doctors involved in all areas of medicine.

HONORING BAILEY L. REECE FOR 30 YEARS SERVICE TO THE NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

HON. BILL SARPALIUS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. SARPALIUS. Mr. Speaker, today I wish to honor a man who has devoted his life to preserving the spirit and heritage of rural America. Mr. Bailey Reece is retiring after 30 years of service to the National Rural Electric Cooperative Association [NRECA].

Bailey is no stranger to rural America. Having attended high school in Adrian, TX and completing his bachelor's degree in business management and agriculture from West Texas State University in Canyon, TX, Bailey embarked on a landmark career with the rural electric cooperative associations.

From the Swisher Electric Coop as power use advisor, he quickly became a leader and sound manager. In just 5 years, Bailey became the manager of the Swisher facility before bringing his talents to the Dickens Electric Coop in Spur, TX.

Bailey's service to community is not just vested in rural electric cooperatives. From 1952 to 1956, he served in the U.S. Navy. Bailey has been chairman, president, board member, and friend to such organizations as the Democratic Party, Lions Club, Chamber of Commerce, and currently is an active member of the Caprock Cutting Horse Association. Mr. Reece has been a businessman and friend to every community where he has resided.

More important than all his awards and honors is Bailey's commitment to family. His most prominent role has been that of father. Bailey and Houstene Reece are the proud parents of daughters, Janet Freeman and Kay Acton, and son, Richard Reece. Also, Bailey and Houstene have been blessed with four grandchildren: Kristin Freeman, Lauren Freeman, Ashley Acton, and Kelsie Reece.

Mr. Speaker, I ask my fellow colleagues to join me in congratulating Bailey Reece for a job well done and commending him for his sincere desire to preserve the heritage of rural America.

DARK DAY AT THE UNITED NATIONS

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. SCHUMER. Mr. Speaker, during the recess, our Government took a most unfortunate step at the United Nations by supporting a resolution condemning Israel's deportation of 12 Palestinian terrorists. The peaceful deportation of these terrorists is a response to a situation in which Israel had hard evidence that these men were involved in plans to incite violence and murder. But regardless of whether my colleagues agree with this response, it is difficult to find any justification for the United Nations' response, and America's vote in support of it.

When Iraq invaded Kuwait, killing thousands, the U.N. resolved to condemn Iraq, but when Israel deports 12 terrorists, the U.N. resolves to strongly condemn Israel. And yet the U.N. and the United States remained silent when Kuwait forced out 200,000 law-abiding Palestinians from the their country shortly after we liberated it.

It is unfortunate that, so soon after the U.N. took the important step of rescinding the heinous Zionism is racism resolution, the U.N. would then adopt a resolution like this one. It does serious damage to the credibility of the U.N. as a impartial arbiter of peace. Finally, I am ashamed that our Government made the mistake of supporting the resolution.

BILL GRAHAM

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Ms. PELOSI. Mr. Speaker, born Wolfgang Grajonca to Russian Jewish parents in Berlin, Bill Graham was the mega concert promoter of the last three decades. His life ended in a terrible helicopter crash in California on October 25, 1991.

Bill Graham was one of six children. When Bill's father died only 2 days after Bill's birth, his mother placed Bill and his sister, Tolla, in an orphanage.

Bill Graham, his sister, and 62 other children were forced to flee with a Red Cross worker, on foot, from the occupying Nazi forces. Bill Graham was 1 of only 11 children who survived that journey through Europe, northern Africa, Cuba, and finally to the United States.

Settling in San Francisco after service in the Korean war, Bill Graham began his career as a rock promoter. In an effort to raise money for the San Francisco Mime Troupe, of which he was a member, Bill Graham created the first of his many music fundraisers.

By turning an old San Francisco skating rink into the Fillmore Auditorium, Bill Graham created a rich outlet for the unique talents of the new musicians of the 1960's—Bob Dylan, the Grateful Dead, the Rolling Stones and many other now famous performers. This was the beginning of a new career for Bill Graham and the opening of careers for many young struggling artists whose accomplishments would be multiplied by their association with Bill Graham.

While his flight from the Nazis and his success as a rock promoter are inspiring for all of us, Bill Graham's greatest achievements can be found in the wonderful work he did for others. In 1985 he promoted the "Live Aid" fundraising concert for African relief. This event raised desperately needed money to fight African famine, and raised the consciousness of the world to the needs and struggles of starving people in other countries.

As a champion of human rights he produced the Conspiracy of Hope concerts for Amnesty International. Following his speaking out against antisemitism, his offices were destroyed by fire. However, his courage and fervor were not deterred.

Bill Graham was concerned about people and their problems throughout the world; he was concerned about the drug scourge in America; and he was concerned about his community. One of Bill Graham's most recent concert events was "Crackdown on Crack," held in New York City. By focusing attention on the troubled youth of America, Bill Graham demonstrated his compassion for others and his ability to bring a new level of understanding to a very real problem.

Bill's generosity was local as well as global. He was a great supporter of the Haight-Ashbury Free Clinic in San Francisco. He was also planning yet another event, in response to the recent Oakland fire, to benefit the victims of the bay area.

Bill will be missed for his abundant talent, his generous spirit and his compassion for all of humanity. As we approach the Thanksgiving season, I want to call to the attention of my colleagues Bill Graham's generosity. I also want to offer thanks to Bill Graham's family and his great legacy.

WHITE HOUSE CONFERENCE ON INDIAN EDUCATION

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, throughout the course of this year I want to share with my colleagues on a regular basis the problems and significant events in the American Indian community. I would like to start this series by bringing to the attention of my colleagues the White House Conference on Indian Education which begins today and runs through the 24th.

As 1 of the 78 delegates appointed to the conference by Speaker FOLEY, among only 234 delegates selected nationwide, I consider it an honor to be a part of the process that seriously addresses the critical issues impacting on the education of American Indians and Alaska Natives at both the community and national levels.

The conference is planned around 11 topic areas based on preconference reports written by the 24-person task force on the White House Conference on Indian Education. These reports are the result of meetings and discussions that have been taking place since 1990 involving thousands of education representatives from throughout the country. These reports include information from and make use of recommendations for the U.S. Department of Education's "Indian Nations At Risk: An Educational Strategy for Action," October 1991 and the National Advisory Council on Indian Education's "Toward the Year 2000: Listening to the Voice of Native America." The reports are thoughtful and focused, and were done at the expense and selfless sacrifices of many individuals. I hope the delegates to the conference will give these reports their greatest possible attention.

The 11 topic areas are: the governance of Indian education/independent board of education; the well-being of Indian communities/delivery of services; literacy/student academic achievement/high school graduation; safe, alcohol/drug-free schools; exceptional education; readiness for school; native languages and culture; structure for schools; higher education; native and nonnative school personnel; and adult education and lifelong learning/parental, community, and tribal relationships.

Mr. Speaker, thank you for this opportunity to share with my colleagues an outline of this important conference. I look forward to discussing other topics important to the American Indian community during the course of this year.

THE RETIREMENT OF MR. B.J. "BILL" BUNNELL

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

Mr. THOMAS of California. Mr. Speaker, I want to recognize Mr. Bill Bunnell on his retirement from public service after over 40 years of dedicated employment with the State of California—over 30 of which was with the State department of corrections.

Bill Bunnell began his long and successful career as an institution cook at Stockton State Hospital. After 6 years of experience, and being promoted to supervising cook II at the correctional training facility at Soledad, Mr. Bunnell became an instructor in cooking, allowing others to benefit from his knowledge.

Through hard work and proficiency, Mr. Bunnell continued to advance, becoming food manager at the Deuel Vocational Institution and then business manager at the California Conservation Center in Susanville and at San Quentin. But these, too, proved to be just temporary stops on Mr. Bunnell's career path as he was promoted to correctional administrator, then to superintendent and finally to warden of the California Correctional Institution at Tehachapi, here in the 20th Congressional District.

Throughout his career with the California State Department of Corrections, Bill Bunnell has exemplified the dedication and expertise we all hope to find in our public servants. Mr. Bunnell is highly respected by both his colleagues and employees at the correctional institution at Tehachapi, as well as by those who have worked with and for him in the past. While we are all pleased that Bill Bunnell will finally have a well-deserved opportunity to relax, you can be sure that he and his many talents will be missed.

Mr. Speaker, I thank my colleagues for allowing me this opportunity to honor Bill Bunnell on his over 40 years of service to the State of California.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, January 23, 1992, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JANUARY 28

2:30 p.m.
Judiciary
Courts and Administrative Practice Subcommittee
To hold hearings on H.R. 2450, to revise Title 28, United States Code, to grant Federal district courts jurisdiction over certain multiparty, multiforum civil actions.
SD-226

JANUARY 30

3:30 p.m.
Armed Services
Conventional Forces and Alliance Defense Subcommittee
To hold hearings in conjunction with North Atlantic Assembly's Subcommittee on Defense Cooperation on European security issues.
SR-222

JANUARY 31

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings on stealth compensation of corporate executives, focusing on Federal treatment of stock options.
SD-342

10:00 a.m.
Armed Services
To hold hearings on proposed legislation authorizing funds for fiscal year 1993 for the Department of Defense and to review the fiscal years 1993-1997 future year defense plan.
SH-216

FEBRUARY 4

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Legislative Branch.
SD-116

FEBRUARY 5

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1993 for the Legislative Branch.
SD-116

FEBRUARY 6

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings on the Hawaiian Homes Commission Act.
SD-366

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1993 for the Legislative Branch.
SD-116

FEBRUARY 25

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to re-

view the legislative recommendations of the Disabled American Veterans.
345 Cannon Building

MARCH 3

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Veterans of Foreign Wars.
345 Cannon Building

MARCH 5

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, the Blinded Veterans of America, and WWI Veterans.
345 Cannon Building

APRIL 8

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the AMVETs, American Ex-POWs, Jewish War Veterans, and Non-Commissioned Officers Association.
SD–106

SENATE—*Thursday, January 23, 1992*

(Legislative day of Friday, January 3, 1992)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. Leading the Senate in our supplications and praises to the King of Kings and Lord of Lords will be the Senate Chaplain, the Reverend Dr. Richard C. Halverson. Dr. Halverson, please.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

I will sing of the mercies of the Lord for ever: with my mouth will I make known thy faithfulness to all generations. For I have said, Mercy shall be built up for ever: thy faithfulness shalt thou establish in the very heavens.—Psalm 89:1, 2.

Faithful, Father God, help the Senators to hear the criticism of people and press, justified or not. If justified, help them to change in ways that will quiet the critic and the cynic. If not justified, help them to prove the criticism wrong. In these critical days for the Nation and the world, may the Senate be part of the solution and not part of the problem.

Dear God, deliver the Senate from everything that prevents its efficient and productive operation. Strengthen integrity, selflessness, servanthood, honesty. Help each Senator to remember his mandate and be true to the responsibility and honor implicit in trustworthy leadership.

In the name of Jesus who, though tempted as we, was without sin. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the standing order, the majority leader is normally recognized. But under the previous order, the time for the majority leader is reserved.

Under the previous order, the time for the minority leader is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11:30 a.m.

Under the order entered, the first hour will be under the control of the majority leader or his designee, and the remaining 30 minutes will be equally divided and controlled by the Senator from Michigan [Mr. LEVIN] and the Senator from Kansas [Mr. DOLE].

There will now be a period for the transaction of morning business.

Mr. PRESSLER addressed the Chair.

The PRESIDENT pro tempore. Without objection, the Senator from South Dakota [Mr. PRESSLER] will be now recognized.

Mr. PRESSLER. Mr. President, I ask unanimous consent to speak for 10 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

TRIP TO CUBA

Mr. PRESSLER. Mr. President, in December, I made a trip to Cuba. The purpose of the trip was in connection with my duties on the Foreign Relations Committee. I took along a staff member from the Foreign Relations Committee. We visited various parts of Cuba. We toured some of the agricultural areas. We looked at some of the new hotels being put up by Spanish industrialists. We looked at some of the medical facilities, including their biotechnological facilities.

We saw first hand the impact of the shortage of fuel that that country is experiencing. Indeed, on the streets of Havana there are, for the most part, bicycles and very few cars. It is a situation similar to what I saw in Ho Chi Minh City a few years ago when I went back to visit Vietnam, having served in the Army in Vietnam.

It is a country that has severe problems. While there, I stayed with the American Interest Section. The United States does not have an embassy there, but about 30 or 40 Americans who work in the Interest Section, in the same building that used to be the American Embassy. I met with a variety of governmental officials, including a 5½-hour meeting with Fidel Castro, discussing where that country is going and discussing what the future of its people might be.

I hope there is not a bloody revolution in Cuba, but I fear there might be at some point. I hope—and I expressed the hope—that free and fair elections will be held in that country. I made the expression that I hope that human rights will be observed in that country.

During my 5½-hour meeting or dialog with Mr. Castro, I learned that he is very much committed to continuing his course of action. He is the last true believer, so to speak, in socialism, of the order as he sees it, a particular kind of socialism. It is not really Marxism or Leninism, but he sees it as something between Cuban socialism and Swedish socialism. Now he is going into more joint ventures to get foreign capital.

I told him of our concern that there be fair and free elections. I told him of our concern regarding human rights, and the stories and concerns of particular cases and individuals, that we had heard their rights were being violated. I also met with the head of their new so-called parliament, and I hope it evolves as a parliament.

But the fact of the matter is that it appears that there is very little competition for elections in this parliament. I asked, "How are the campaigns financed?" The chairman said, "It does not cost anything to run for office, because there really are not any campaigns. You just get elected." That meant that they are appointed by the party apparatus, and those really are not elections.

Cuba is a beautiful country, and as I looked at some of the beaches and sugarcane fields and agricultural lands, the cities and towns, I hoped and prayed that this would not become another Romania in the near future.

What can the United States do? Well, first of all, the United States cannot solve all of the problems in the world. Some of these things have to work their way out, as they have done throughout the world. It is my strongest feeling that we should keep the pressure on for fair and free elections, supervised by an international group. We should keep the pressure on for human rights.

Also, some of our planners might consider giving Castro a safe haven in Mexico or a safe haven in Spain. If a safe haven were provided to him perhaps he would leave Cuba. He is in a situation that he almost cannot leave for fear of being killed, and that is the dilemma that a dictator gets himself into after that many years in power. A safe haven would hasten the loosening of Castro's socialist revolutionary shackles on the Cuban people. This might be a way to avoid a bloody destructive final chapter in the Castro era.

I might say that Fidel Castro is a charming host when he has a visiting Senator. I suppose he is not nearly as charming a host if you were in one of his jails. Our talks covered a whole range of things. I found him to be a Cable News Network junkie, as I am.

I found him well read in some of the political philosophy classics. He is also very much interested in what is going on in the United States in our elections, and so forth. I do fear, however, that he is out of step, that he has lost touch with the times. I do fear a bloody revolution occurring in Cuba at some point. I hope that he takes heed and holds a fair and free election. I hope that he takes heed and begins to observe human rights.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an account of my visit with Mr. Castro that appeared in the New York Times and other newspaper reports.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 5, 1991]

CASTRO, IN TALK WITH U.S. SENATOR, CALLS FUEL CRISIS "THE BIGGEST TEST"

(By Barbara Crossette)

WASHINGTON, December 4.—President Fidel Castro told a visiting United States Senator this week that Cuba was struggling with a fuel and energy crisis that he regarded as "the biggest test of the survival of our revolution."

The Senator, Larry Pressler, a South Dakota Republican and member of the Senate Foreign Relations Committee, said Mr. Castro and his aides told him in a meeting that began Sunday night and stretched over more than five hours into Monday morning that Cuba would receive less than a third of the oil it was expecting from Soviet Union this year. Work on a Soviet-built nuclear power plant, which Cuba planned to open in 1992, has been stalled because the Russian republic is not sending equipment, Mr. Pressler was told.

In Havana, bicycles appear to have replaced most cars on the streets and only about a third of the public buses are operating, Senator Pressler said. Commenting on his four days of travel in the Cuban countryside before he met with Mr. Castro, he said Soviet tractors were in disrepair or broken down for lack of spare parts.

"Havana looked like Ho Chi Minh City, with bicycles all over," the Senator said in an interview by telephone Monday from the Dominican Republic after leaving Cuba. "Castro tried to give it a positive side, saying he thinks this is good for the environment. But the Cubans are running out of fuel."

FROM TRACTORS TO OXEN

The Cuban President also said that Havana would replace farm machinery with oxen, a plan Mr. Pressler, a farmer as well as a lawyer, described as impractical, because there are not enough animals available for agriculture on the Cuban scale.

"I said, you're going to be the first country in the world to go from tractors back to oxen," the Senator said. "He said, if we have to do it, we're going to do it."

Mr. Pressler said Mr. Castro added that if Cuba could not overcome the crisis caused by the breakup of the Soviet Union and the loss of Soviet aid and commodities at concessionary prices, "no one in Washington would take us seriously."

In the meeting, which included a late-night dinner, President Castro spoke for the first time to a visiting American about what went on behind closed doors at a Cuban Communist Party congress in October. At that session, the Cuban President made one of his characteristically long speeches in which he called Western democracy "garbage."

The Senator, who had not previously been to Cuba, said President Castro told him that the Communist Party congress had been devoted overwhelmingly to a discussion of "where Marxism-Leninism goes from here." Moves toward democratization were apparently not considered seriously, Mr. Pressler said.

The Cuban leader, speaking in Spanish through an interpreter, argued that his brand of socialism was never imitative of any other model and that it would go on being unique. He called his new philosophy "socialism with joint ventures," Senator Pressler said. President Castro ruled out elections, saying they could not be held when there was no fuel and the country's economy was on a "war" footing.

The joint ventures Cuban officials are seeking are primarily in the tourist industry, Havana's biggest hope for earning hard currency.

SHORTAGES ARE EVERYWHERE

Everywhere there are consumer shortages, Mr. Pressler said, and some seem likely to have an effect on the health of Cubans, especially children. The country is unable to find enough dairy products, he said, because a barter agreement with the former East Germany that brought in milk and other goods in return for Cuban orange juice was lost in the collapse of the regime.

The shortages appear to have affected the Cuban President's life, too, Mr. Pressler said, noting that Mr. Castro seemed to travel with a portable generator to provide light for his late-night sessions.

A doctor was also in attendance at the meeting, in which President Castro talked at length about health and fitness. He told Senator Pressler that he did 30 minutes of exercise a day on a stationary bicycle.

Senator Pressler and his aides steered the discussion toward Cuban relations with the Soviet Union several times. The Senator said that the Cubans seemed most bitter about the Russian republic, which has cut its aid most drastically. Soviet military support is also being reduced, Mr. Castro said, telling the Americans that "a whole era of Russian soldiers and arms in Cuba is probably over."

Asked who Cuba's closest friends were now, Mr. Castro said "no one."

Mr. PRESSLER. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been noted.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DASCHLE. It is my understanding that, under the order of the day, a certain amount of time has been allocated. I would like to designate myself as that person in control of the time.

I recognize the distinguished Senator from Louisiana.

The PRESIDENT pro tempore. Without objection, the Senator from South Dakota [Mr. DASCHLE] will be the designee of the majority leader in control of time, and the Senator from Louisiana [Mr. BREAUX] is recognized.

Mr. BREAUX. Mr. President, if I could be notified when 7 minutes are up, I think I can conclude in that timeframe. I thank the Senator from South Dakota for yielding.

ECONOMIC GROWTH

Mr. BREAUX. Mr. President, the subject of this morning's topic is economic growth. I dare say that is going to be the subject not only of the hours we have set aside today and the remainder of this week, but probably the entire remainder of this session is going to be devoted to what can this Congress do for economic growth in this country as this country faces a very, very serious recession.

There are many people outside the beltway who are calling on Congress to do something in very desperate pleas, coming to this Congress for us to do something about the economy. It is coming from poor people. It is coming from middle-income people. It is coming from businesses who are in the throes of bankruptcy who are not able to keep their employees. They want us to desperately do something almost to the point of saying "do something even if it is wrong, just please do something." That is the real danger that we in this Congress face, an inclination to try to do something regardless of what it is.

There are a number of provisions which are pending in the Congress, many of which are very good, to try to provide incentives for economic growth for businesses. I will mention investment tax credits, accelerated depreciation, and the capital gains tax cut, of which I am an author, which provides a safety net to protect middle-income and working Americans at the same time. We are talking about doing something on passive losses for real estate. All of these, I suggest, are well-intentioned, and I think many have a great deal of merit. But there is one thing that carries through with the philosophy of those proposals and that is it is based on a trickle-down type of theory. In other words, if you make businesses strong because of passive loss or capital gains or investment tax credits, somehow it is going to trickle down to the people in the middle class, and they are going to find a job and be doing better.

There is some truth to that and some falsehoods to that. We are looking, in addition, to some other proposals dealing with giving increased tax reductions or tax credits for middle-income people with children—$300 per child, $400 per child. I am supportive of that concept and that theory.

The problem with those tax credits, however, again, is based on trickle down. If a person does not have a job, he does not have a tax credit, he does not need a tax credit, he is not paying taxes because he does not have a job. He is not paying his bills. He is not paying his health care. He is not paying his housing. This person is in destitute circumstances and any kind of a trickle-down theory is not going to work.

I think we ought to spend a little bit of our time talking about a bubble up theory, if you will, and not just trickle down, something we can do to help the most precious commodity and greatest natural resource this country has, and that is the people of this country.

I think, Mr. President, that there is a problem there. It is a problem with the way we treat the young people of this country who are seeking an education.

There was an article in the paper recently about the Japanese basically calling Americans lazy, unskilled, unmotivated, untrained, and uneducated, saying that was our problem. Mr. President, the American people are not lazy; they work every day. They do their jobs to the best of their ability. They work on assembly lines, they work in plants, they work on farms, and they work very hard; they are not lazy.

But there is some truth to the point about them being unskilled and untrained to the degree that they should be. We, I think, in this country are really failing in a very serious way those young men and women who are not going to college. We have all kinds of programs for those who are, in fact, going to college. We have student loans, we have scholarships, we have high schools that have tremendous relationships with every college in their States to be able to tell those youngsters exactly how to get into a particular school, whether it is Harvard, Stanford, or LSU, or the University of West Virginia, or Yale, perhaps in Senator LIEBERMAN'S area. But we do not, I think, Mr. President, have the type of connect between the high schools and the millions of youngsters in this country who are not going to college.

Mr. President, I think it is high time that we start investing in that capital, in that natural resource, so that we can have the best trained, the best skilled workers to increase our productivity and generate economic growth.

One of the things that I think we are really missing the boat on is to give hope to those youngsters who are not going to college. Every Member of this body knows stories in their States of inner-city schools as well as rural schools where literally thousands of youngsters are flunking out or getting kicked out or dropping out of high school because they are not doing well in physics or calculus or chemistry or the sciences. These kids become frustrated, they become the problem child in the school, and then they say, "There is nothing in it for me, I am not going to college. Why should I be spending my time taking chemistry; I do not like it? I do not have an interest in it and do not understand."

They just get flunked or are thrown out or quit. They hit the streets with no skill and no training and no ability to go to anyone and say, "Hey, employ me because I am not skilled." What do they do? They turn to drugs and they turn to crime and they create an incredible problem for this country.

I would say, Mr. President, it is now time for us to start doing something for that vast number of youngsters who are not college bound. We have an education bill on the floor right now.

We have an obligation to design some programs to help those kids. Senator SAM NUNN, from Georgia, and I, and Senator LIEBERMAN is a participant in this, have introduced and will be introducing again a youth apprenticeship program to say to those kids, "Let's try to set up a system that we take the kids in the 8th and 9th grades and expose them to businesses in the areas, take them on field trips and see what is available; then in the 10th and 11th grades have a program where they go to school in the morning, take the basic English, reading, writing, arithmetic, and then in the afternoon they go to the business they have seen and think they have an interest in, and they do an apprenticeship there in the senior year; they divide their time equally between the job training and remainder of their high school so when they graduate as a 12th grader, they get two things: They get a high school diploma and certificate of apprenticeship saying they are skilled in a particular craft and skill. They can be electricians, carpenters, plumbers, or pipefitters, one of the many, many skills we need to run this country. We need to start investing in the future of this country and not just those who are going on to college.

So the youth apprenticeship program is something that Senator NUNN and I will be talking about more as the education bill progresses. I think it is high time we start paying attention to the skilled workers. The future of this country is not going to be on how many computers we can build, but how many young people we can educate. And education is not just college; education is in the skills and the training to do the jobs that are so desperately needed in America. It increases productivity, increases economic growth, and it represents the bubble-up theory and let Government help those who need help the most in this society.

Thank you, Mr. President.

Mr. DASCHLE. I thank the distinguished Senator from Louisiana for his remarks and associate myself with the points that he raises. He makes a very telling case for the position that he has articulated. I appreciate his remarks this morning.

Mr. President, I yield 10 minutes to the Senator from Connecticut [Mr. LIEBERMAN].

The PRESIDENT pro tempore. The Senator from Connecticut [Mr. LIEBERMAN] is recognized for 10 minutes.

AN ECONOMIC GROWTH STRATEGY FOR THE NINETIES

Mr. LIEBERMAN. I thank the Chair and I thank my distinguished colleague from South Dakota for yielding the time and also for organizing this Democratic response to the desperate problem our Nation faces in the economy.

Mr. President, in January 1989, when President Bush took office, the unemployment rate was 5.4 percent. Today, it is over 7.1 percent. Real gross national product during that period of 3 years has grown at a rate of only one-half of 1 percent. And that is the worst rate of any administration since the end of the Second World War. Per capita income has fallen at an annual rate of 0.6 percent, also the worst rate of any administration since the end of the war.

Those are numbers, but those numbers turn into the loss of real jobs by real people. Just 2 days ago, United Technologies, which is clearly one of our State's largest employers, announced that they would be laying off nearly 14,000 workers nationally, 6,400 of them in Connecticut.

Mr. President, this is bad news and it calls for action. And I can tell you, for one, that I do not intend to stand by and have Connecticut become a subcontractor to Japan, Inc.

Mr. President, for those who believe that their own States may be immune from the suffering that is occurring in Connecticut now, I have a warning. Just a few short years ago we were the envy of the Nation. One of the biggest complaints that our business leaders would give me is that they just could not find enough people to fill the jobs that they had. Today, people are literally begging for work.

Economic disaster can happen and, in fact, is happening throughout the United States. Mr. President, the first responsibility of this Congress clearly is to deal with our economic problems. There are many ideas around about how to do that. Some are deep and long term. Others, I think, look more like quick fixes. But we need a lot more than that. Our economy desperately needs a massive, aggressive and long-term Government-business partnership for economic growth.

Awhile ago I heard President Bush say that he did not understand why people were so gloomy, since unemployment during this recession is actually less than it was during the early 1980's. Well, I would suggest to the President, while those numbers may be technically correct, that people are worried across this country that this recession is not just another cyclical slide in which we are going to bounce back to where we were or better. They fear, correctly I am afraid, that unless we take bold, fundamental, governmental action, we are never going to get our standard of living rising again. We are just going to keep slipping because of our structural and our human weaknesses.

That is why it is urgent, I think, to go beyond some of the short-term answers being given and deal with some of those weaknesses—our low rate of investment, our slowness in bringing new products to market, our limited nondefense research and development, the decline in our manufacturing sector, our inadequate education system, our declining work ethic and our lack of coordinated public and private planning and investment.

Now targeted tax incentives are absolutely necessary, in my opinion, to unleash the capital and creativity of the private sector to respond to our economic needs. That has to be a part of a new look at our tax system to promote long-term, patient, low-cost capital for the economic sectors we must have to grow in this country.

But we in Government need to match the targeted tax incentives with a national program of joint planning and action with American businesses which we have for too long left alone to compete with foreign businesses that are much more fully supported by their governments.

To do this, we are going to have to break through some irrelevant ideological barriers so we can do, as a nation, what works. The truth is we never had a pure laissez-faire economy in America. Since our founding more than 200 years ago, when Hamilton established the national bank, we have had a mixed economy that relies on market forces as much as possible, but also uses the Government where necessary for economic growth and job creation.

Look at our aerospace and agriculture sectors as the best evidence of this, each the strongest in the world, and both systematically supported over the years by our Government. We urgently need to provide similar support for American companies in the technological manufacturing sectors—sectors that will dominate the world's economy in the decades ahead.

Some of this is happening in hidden corners of our Government—most successfully, and I suppose ironically, in the Department of Defense—but it needs now to be brought out of the shadows and into the center of our national consciousness and purpose.

First, Mr. President, we have to raise a flag for the American people to follow. We have to recognize that some of the Federal agencies charged with stimulating growth need greater visibility and focus. Perhaps we need a national economic growth adviser to the President as we have a national security adviser, or maybe we ought to bring a lot of these economic growth programs under a reorganized and reoriented Department of Commerce, whose name ought to be changed to become what we hope it truly will be, which is a Department of Economic Growth. And the goal of that department would be to transform America's current economics anxieties into behavior that will improve every American's economic future.

We could begin by focusing on the 22 technologies that the White House designated 4 months ago as critical to future economic growth and then walked away from them doing nothing. Investment tax credits will help some businesses and entrepreneurs to exploit these new manufacturing possibilities, but others are going to need low-interest loans or direct Government investment and grants to assure that foreign companies, which are aggressively assisted by their governments, do not make us uncompetitive in these job-creating industries of tomorrow.

Second, Mr. President, I think we have to focus as much a possible on the $22.5 billion we spend every year at our Federal laboratories toward commercial and industrial product and technology development.

Third, we have to recognize the importance of trade to our economic growth and give our businesses the same kind of aggressive support when they try to export that Asian and European governments give their businesses. That means more and better financing authority for the Export-Import Bank, much tougher market-opening, export-oriented trade negotiations and an expanded foreign commercial service at our embassies around the world armed with a trade promotion agenda.

If it is true that we have gone from the cold war to the trade wars or the economic wars, then we better send some trade and economic soldiers out to represent America more aggressively around the world.

We have to dramatically expand our format for scientific, technical and engineering education and training to assure us of future leadership in this area and create new business-education partnerships.

Finally, we have to go back to the good old American credo and preach it, reminding everybody in this country that this is indeed still a land of unparalleled opportunity and remains so, but it is only there and will only be truly realized by those Americans who are educated, who are trained and, yes, who are prepared to go out there and work hard.

If the White House continues to disparage such practical actions as heretical "industrial policy" and dismiss them as Government improperly "picking winners and losers," then the only true losers are going to be those millions of our fellow Americans who will find their jobs going to countries where governments understand their responsibility to work with and protect domestic business in a modern, competitive, global economy.

I thank the Chair. I thank the Senator from South Dakota and I yield the floor.

Mr. DASCHLE. I thank the distinguished Senator from Connecticut, who is becoming an increasingly forceful spokesman on many of these economic issues. Many of the points he raised this morning are ones that I hope will be considered carefully as we look at the options we, as Senators, have in dealing with the issues before us, economically. I thank him for his participation this morning.

I yield 10 minutes to the distinguished Senator from Illinois.

The PRESIDENT pro tempore. The Senator from Illinois [Mr. DIXON] is recognized for 10 minutes.

WE NEED A TWO-PART PLAN TO DEAL WITH U.S. ECONOMIC PROBLEMS

Mr. DIXON. Mr. President, people are hurting. Without strong governmental action, the American people will continue to feel real economic pain.

The American people are feeling pain about not being able to make a house payment; pain about not being able to send a kid back to college; pain about not being able to afford a doctor.

The so-called experts should have listened better to the people of this country, and they should have started listening a long time before now.

Government, business, and American families are all facing crushing debts. Family income for many Americans—even two-income families—has stagnated or not kept up with inflation. More and more Americans worry about their future—and their children's future.

What do we get from the administration now? A President that just does not understand the depth of our economic problems, and what to do about them.

I reject the idea that a see-nothing, do-nothing policy toward this recession will bring back prosperity.

Well, I have listened to the people of Illinois and the United States.

The people need relief now and jobs now.

Mr. President, two kinds of actions are needed. First, we must respond strongly and quickly with a short-term program to get the economy moving again.

I support a middle-class tax cut. It will stimulate the economy while also redressing the unfair tax burden put on the middle class.

We must increase Government spending to rebuild America and create desperately needed jobs. We need to create more programs like the Transportation bill that rebuilds America while creating hundreds of thousands of jobs.

We must provide assistance for first-time homebuyers who have been priced out of the American dream of owning their own home.

Second, we must act on a package of initiatives to deal with our long-term needs. Such a package must be designed to meet our basic economic and trade problems. It must give American workers a level playing field in trade.

I have fought and I will continue to fight for our products and the rights of our workers to be treated fairly in international trade. We must force Japan and other countries to open their markets to our products.

That is why I will support legislation that forces Japan to reduce its trade deficit with the United States by 20 percent a year for the next 5 years.

That is why I introduced a resolution on Tuesday condemning the Japanese Government for their slandering of the American worker and backsliding on their trade promises.

The package should also emphasize proposals that make us more internationally competitive. It should also give us the kind of strong industrial policy here at home that will better ensure our future economic growth and competitiveness.

This package needs to include education assistance so that the American work force can meet the demands of an increasingly technical and rapidly changing world economy.

It must include universal health care because in a country like ours health care should be a right, and not a privilege.

We need tax policies that stimulate savings and investment in manufacturing, and that promote greater U.S. exports.

We need Government research and development and procurement policies that will help the United States retain and reestablish the technological leadership that has been such an essential feature of the U.S. economy in this century.

These initiatives should not be used as an excuse not to come to grips with the Federal deficit and national debt problems, Mr. President. We cannot afford to continue to let Federal deficits use up American savings that should be used for investments that help create economic growth and enhance our international competitiveness.

There are three approaches that make it possible to do what needs to be done to attack the recession, and begin to come to grips with our underlying trade and economic policies, without putting greater burdens on ordinary working Americans or making our deficit problems worse:

Slashing our defense budget in light of the end of the cold war;

Greater tax fairness, by ensuring that upper income Americans pay their fair share; and

Cost control in low priority domestic programs such as programs providing subsidized water in 11 Western States.

I remain committed to a balanced budget constitutional amendment and the line item veto to help bring more discipline to the spending process.

Mr. President, Americans expect us to deal with the problems they see so clearly. They do not want us to let some economic theory—some ideology—prevent us from acting.

The dreams of Americans who are hurting is much simpler. They want action that works. They want to be more secure about their long-term future.

They want to know that their jobs will not disappear, and that their children will be able to find a job. They want jobs they can live on, buy a home on, raise a family on, and educate their children on. They want freedom from the fear that they will be bankrupted by a major illness.

Those are their dreams, and those are the dreams we must set for ourselves. The American people expect Congress to act—and to act now. My colleagues, we must not continue to drag our feet while people are hurting. We must act: not next year, not next session, now.

In the Senate I have fought—and I will continue to fight—for the working people and families of Illinois. This is not a battle that began yesterday. It is a cause that has been at the center of my concern throughout my public life. It is a cause critical to the families and future of my State and our country. They are who I am fighting for in the Senate.

Mr. DASCHLE. I thank the distinguished Senator from Illinois for his splendid statement and his contribution this morning. He has spoken about economic issues on many occasions and each and every time I am impressed with his message and the conviction with which he speaks. Certainly this was no exception this morning.

Mr. President, if he is ready, I yield such time as he may require to the distinguished Senator from Minnesota.

The PRESIDENT pro tempore. The Senator from Minnesota [Mr. WELLSTONE] is recognized for such time as he may consume.

REAL SOLUTIONS FOR OUR ECONOMY

Mr. WELLSTONE. Mr. President, I thank the Senator from South Dakota for arranging this opportunity for many of us who are concerned about the economy to speak today.

Mr. President, I think that politics in our country has become very concrete. What we call the bread and butter issues have kind of walked into people's living rooms now and are staring them in face, and the economic pain in our country cuts across a very broad section of the population.

What we have in the United States today is a submerged middle class. I look up and see some younger people in the gallery today. We also have on our present course, maybe, as we look at our younger people, a downwardly mobile generation. That would be a historic trauma for the United States, because all of us believe that our children will do better than we have done economically, that they will have more opportunity.

Therefore, Mr. President, I think that anyone—Republican, Democrat, it makes no difference—who engages in any kind of symbolic politics about these issues which are so important to people and their loved ones is making a huge mistake.

People in our country really are expecting us in the U.S. Senate to come through for them in a very concrete and very real way. And I would like to add my voice to those in the U.S. Senate who have emphasized the importance of an investment-led recovery. I think that is so important.

I do not oppose tax cuts for middle-income or working people from the point of view of equity, from the point of view of people who feel the squeeze and deserve some relief. But I do not think it is a very rigorous analysis to suggest that these tax cuts as a matter of fact will be enough, or are the answer, in order to give a short-run stimulus to our economy—much less lead us down the path of long-term productivity.

So I emphasize the importance of an investment-led recovery with investment in two decisive areas—really, in no particular order of importance. They are both equally important.

Investment in physical infrastructure. Let me emphasize today on the floor of the Senate that when we are talking about roads or bridges or repairing water systems or repairing sewer systems or cleaning up the environment, we are not only talking about investment for the sake of "jump-starting the economy." I do not much like that metaphor. We are talking about investment that is important for our country at all times, and clearly has an economic multiplier effect, and absolutely is crucial if we are going to see the economy move forward with some decent jobs for people.

What do I mean by decent jobs? I mean jobs that people can rely on; namely, jobs that pay a decent wage with some decent fringe benefits.

The second kind of investment I want to talk about today is human capital investment. That is kind of a high-faluting way of saying that we will not be strong as a nation until we invest in the people who live in our Nation. Let us get that down to the level of individual men and women and, oh, what a price we have paid for well over a decade of neglect. We have not invested in our young people, and I want to argue that if we are going to have citizens in the United States of America who can compete in an international economy, then we have to talk about women and men who have the skills. We have to talk about a literate, skillful, productive work force. And I think that the vast majority of people in our country know—sometimes I think better than we know—that the new definition of "national security" is going to be whether or not the United States of America can compete economically in the 1990's and in the next century.

So I want to put a lot of emphasis on investment in education and job training and all of the rest as being so terribly important.

Mr. President, I joined with Senator KENNEDY in introducing a piece of legislation that talked about a $40 billion short-term stimulus in the remaining months of fiscal year 1992 divided equally between physical infrastructure and human capital investment. I think it is a must.

We can talk about $170 billion over the next 7 years and that altogether would come from $210 billion transferred from the military budget.

Let me be clear. Where the money comes from is a question we have to answer. People do not want to see us try and dance at two weddings at the same time and call for investments in physical infrastructure and investment in our people and then when asked, where does the revenue come from, silence. That really is the voodoo economics practiced both by Presidents Reagan and Bush.

We can get the money from one of two ways: Either we can go into more debt—and we should not—or we can raise taxes. If there are going to be taxes for middle and working people, we have to add them to those with high income. The main place we can do it is through a transfer and that is why it is so compelling that an important item of business for all of us is to essentially eliminate that budget agreement, not spend more, but bring down that firewall and transfer some money from the military budget to these domestic needs in a new world.

By the way, $210 billion over 7 years is really a rather modest cut in the military budget, certainly less than 15 percent.

Mr. President, let me conclude my remarks this way this morning. I want to give a perfect example of why I feel so strongly that we take this action and back our rhetoric with action.

We have an education bill that we have been dealing with, and I think the work of Senator KENNEDY has been very important. But all of us know that it is really barely adequate. We are still not funding nutrition programs for women expecting children. That is what we call human capital investment. We are still not fully funding Head Start. We are not bringing the class sizes down in elementary school, and our younger people still cannot afford higher education.

So later on today I am going to introduce a sense-of-the-Congress resolution to that education bill which says this is fine. But we know that if we are going to back our rhetoric, we are going to have to transfer resources, and the first item of business is going to begin to get at that budget agreement and bring down that firewall.

Mr. President, I thank you for this opportunity to speak. I thank the Senator from South Dakota.

I feel so strongly about these issues. I believe in public service, and I think people in the country are waiting for us to do something good for them. I believe we can do that if we focus on these economic issues.

I yield the remainder of my time.

Mr. DASCHLE. I thank the distinguished Senator from Minnesota for his compelling, very forceful statement. His participation this morning in this colloquy is very much appreciated.

At this time I yield 10 minutes to the distinguished Senator from Arizona.

The PRESIDENT pro tempore. The Senator from Arizona [Mr. DECONCINI] is recognized for 10 minutes.

THE ECONOMY AND UNEMPLOYMENT

Mr. DECONCINI. I thank the Chair and I thank my friend from South Dakota and my distinguished colleague from Minnesota for his remarks. I happened to be following them from my office and came over and heard the last of his remarks. I thank him. I also want to compliment the Senator from South Dakota for bringing this before the American public in a very constructive manner.

The intent of this debate is to point out specifically what is wrong in this country. It is easy to point fingers, and it is easy to find scapegoats, but the fact is we have to find a solution. That is not going to be so easy. And if politics plays the dominant role in an attempted solution, we will not do the American public any good. That means that we all must take some blame. I think Congress has to take its share of blame, but I think also in fairness, the President and the Bush administration have turned their backs on the American public and the American economy.

The proposition we heard from the White House sometime ago was that the economy was healthy, and if we waited patiently, full recovery was only around the corner. When the President first vetoed the unemployment compensation bill, he said it was not needed. The recovery was on its way, things were turning around and we were going to do just fine and this country did not need extended benefits.

The second time he said, well, we cannot afford extended unemployment benefits, and he vetoed that one. The first one he failed to enact that he had the right to do through Executive order through declaring it an emergency, he said we did not need it. The second time he said we cannot afford it. We can afford several billion dollars to the then Soviet Union, because it was an emergency, but we cannot afford to help workers in America.

Finally, President Bush did get the message and the Congress stood tall and consistently pushed unemployment benefits and finally the President admitted that the country does need it. I do not look back at that with great criticism. I say congratulations, Mr. President. Sometimes it has taken me one or two times around the corner to come to the conclusion that I made a mistake and I need to change.

I would like to know what has been going on at the White House, however. Is the President getting bad advice? He was dead wrong, and I doubt whether he really thought it through himself. He relied on staff people, which is only normal, to come up with data and suggestions and they said the recovery is over, we cannot afford it. And then they made the right judgment and changed that position.

Maybe if the President and the White House staff spent a little less time on Air Force 1 and more time with their feet on the ground, they would have a better understanding of what is going on in this country and could really appreciate the hurt that so many people are feeling.

Arizona's latest unemployment figures have just been reported. They are very bleak. They are worse than bleak, in my opinion. They are a disaster for my State. The September jobless rate in Arizona was 5.4 percent. In October it rose to 6.2 percent, and escalated to 7.3 percent in November. We have had all kinds of economic problems in addition to unemployment.

Yesterday the new figures were released showing a December unemployment rate of 8.6 percent. This is the highest and largest increase in a single month since 1975. But now we are really hurting. I know other States are hurting just as bad or even worse.

While Arizona's overall unemployment rate is shocking for this Senator, one county in Arizona has been hit at a rate reminiscent of a Third World country, and that is Yuma County.

Yuma County is on the border of California, along the Colorado River, and the border of Mexico. It is a very lucrative county in the sense that it has great capability through agriculture, through tourism. There are two different military bases there. There are training and experiments going on for private industry, there is a strong community in Yuma and throughout the county and it has prospered over the years. It is a great citrus area that contributes immensely. And if you buy grapefruit in a local store, they are likely to come from Sunkist, which is part of the Yuma Valley that supplies those oranges, grapefruits, and other citrus. Yuma has reported an unemployment rate for December 1991 of 30.9 percent. Nearly one-third of the adult population who want to work cannot find a job in Yuma, AZ.

These statistics do not count those who are underemployed or who have given up hope because they cannot find anything and are no longer registered on the roll.

These are Americans, Mr. President. These are working people. They are not looking for a handout. They are looking for an economic policy from the leadership of this country.

Unemployment is not just numbers, Mr. President. It is people. The human tragedy is widespread throughout Yuma. I am going there in February. I have talked to Councilwoman Young, a new first-term member, and I asked her what kind of input she is getting from the people who are unemployed.

Let me give you a couple examples. These are real people, not make believe cases as some might attempt to give. She related these to us, two typical cases in Yuma, AZ, if I could indulge this body to listen to a human tragedy, of how the recession has affected these average Americans. In one case, a man was a well-paid financial adviser with a savings and loan which was taken over by the RTC. His branch was closed and he lost his job and retirement benefits, not last week—18 months ago. After 18 months of unsuccessful job searching, he finally found a job as a receptionist.

In another instance, a young couple, both airline pilots, lost their jobs. She lost hers while she was on maternity leave, has not found work, and is prepared to go back to work. And he finally found a job as a used car salesman.

President Bush, do me a favor: Do not turn this country into a Third World country. Guatemala has an unemployment rate of 13 percent. Yuma County, AZ, has an unemployment rate of 30 percent. Uruguay has an unemployment rate of 8.8 percent. Arizona has 8.6 percent. We need some leadership, and we need it now, not just for Yuma but for this entire Nation.

We cannot continue down the road without leadership, and only the White House can bring that leadership.

I believe the Democrats and Republicans in both bodies are willing to work on an economic package that will bring about some real change in this country.

I have reservations, as the Presiding Officer does, about a quick fix, about a tax cut for everybody, making them feel good, and which is politically popular. We need more than that. That may be nice in a whole package, but we need much more than that. We need targeted programs that are going to put people to work. That is what we are talking about.

There are a lot of problems in the country. The gross national product, the real GNP has grown at an annual rate of 0.5 percent during the Bush administration, the worst real growth since the Hoover administration. Per capita GNP has fallen at a rate of 0.6 percent, the worst since the Great Depression. Current unemployment is 7.1 percent; 8.9 million Americans are looking for jobs. And in July 1991, 332,000 out-of-work Americans had exhausted their unemployment benefits. This is the worst record since 1951.

During the Bush administration, real disposable income has increased at an annual rate of 0.4 percent. That is the worst rate for any administration since World War II.

In 1990, real household median income declined an estimated 1.7 percent. We went down in 1990—the first decrease in this figure since 1982. And in 1990, the average weekly earnings were $345.69. This is the lowest real weekly earnings in over 20 years, something of which we cannot be very proud.

Housing starts in 1990 fell to 1.193 million, the lowest since 1983, and a 13-percent drop since 1989. During the Bush administration, real residential construction has fallen at an annual rate of nearly 8.6 percent. This is the worst since this statistic began to be kept in 1961.

I could go on, Mr. President. Many Members have. But let me say that it is time we do something about the economy. And if the President will not do it and if he is going to play politics, we in this body, hopefully with the Republicans by our side, will enact an economic policy which will put America back to work.

Again I want to thank the distinguished Senator from South Dakota for his leadership in this effort and yielding me time this morning.

Mr. DASCHLE. I thank the distinguished Senator from Arizona. He speaks in a passionate and extraordinarily articulate manner for his State and certainly for all of us concerned about the state of the economy today. He is absolutely right; the Nation cries out for leadership. They want that bipartisan leadership that he spoke so eloquently about this morning. I appreciate his cooperation and his participation this morning.

Mr. President, how much time remains?

The PRESIDENT pro tempore. In response to the question, the Chair will state that the Senator from South Dakota [Mr. PRESSLER] earlier today took 10 minutes. That should not have been charged against the leader time. Consequently, the Chair will take the liberty of saying that with that 10 minutes, the Senator from South Dakota has 13 minutes remaining.

Mr. DASCHLE. I thank the Chair for that information.

Mr. President, I yield myself such time as may be required.

The PRESIDENT pro tempore. The Senator is recognized for such time as he may require.

EMERGENCY ECONOMIC AID

Mr. DASCHLE. Mr. President, if there is one thing politicians, pollsters, pundits, and people all over this country agree on today, it is that our economy is in serious trouble. My colleagues this morning have addressed various aspects of our economy and the seriousness with which we see the state of our economy today very eloquently and very persuasively. The economy is in long-term trouble, and it is in short-term trouble.

The economy needs emergency help to stop the bleeding. It needs mid-term medication to ease the suffering. And it needs long-term therapy to halt the systemic decline.

There have been a number of Senators far more knowledgeable than I who have offered their insight this morning, and I thank them for their participation. They have offered prescriptions which, if they had been followed over the past decade and a half, would have prevented a lot of pain that Americans are experiencing—for example, the unemployment in Yuma County, AZ, that the Senator so eloquently described.

Today, before we yield the floor, I would like to emphasize what I believe are the two fundamental principles upon which America's free economy has rested in the past, from which it has strayed, and to which it now must return. They are not complex. But a decade of have your cake and eat it too frivolity in Washington and on Wall Street seems to have driven them from our minds.

The first of these principles, frankly, is simple fairness. It is what underpins and legitimizes all else that we do. It is the principle that gave us a progressive tax system, that used to tax the wealthy to do their fair share, and that used to assure the middle class that it would not be asked to do more than its fair share. But that was then. Now, after 10 years of tax reductions for the rich and undeniable greed on the part of some, most Americans consider fairness and the American economy to be contradiction in terms.

There are numerous ways to restore progressivity and justice to the American Tax Code and the economy. If we are serious about curing our economic malady, we had better pick some of our best options and get on with it now because no system that violates the basic middle-class American commitment to fair play can succeed.

The second basic principle that must be incorporated in the plan we craft to rescue ourselves from the spell of voodoo economics is planning and investment for the future.

In days past, we used to run our country and our lives in the belief that hard work and savings were the blueprint for a successful future. Then came the 1980's. A new administration told us that we could party until dawn, spend like crazy, forget the sacrifice of investing in things like our kids, and everything would turn out magically; it would come out just fine.

It sounded too good to be true. Unfortunately, it was.

Our deficits soared. Our growth slowed. The Japanese saved, invested, and planned like we used to, and they blew right by us.

Again, there are numerous ways to restore saving and a longer range view to our economic policy. But we had best pick some soon, even if they cause short-term political pain, because quick fixes or painless panaceas will not do the job. Investment for the future, both public and private, is the only thing that stands between us and second-class world status in the 21st century.

Simple fairness and investing for the longer term are the guiding principles for an effective antirecession program, and form the basis for policies that can lead our country out of our current economic doldrums—policies like a top tax rate that recovers just a tiny fraction of the unbelievable incomes that have been bestowed upon corporate favorites; like a bit of a break for middle-class families with children; like incentives to the public to save for the future and the foresight of Government to invest in it.

Those are not complex ideas. When viewed closely, I suspect you will find that they are what really lies beneath the policies that have been articulated this morning in a myriad of different ways—policies in which my Democratic colleagues believe, policies that we now propose, policies we hope before the year is up will lie behind the economic policies of this Nation, as well.

Mr. President, I note the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been noted. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The time under the control of the majority leader has expired. Under the order previously entered, the remaining time from now until the hour of 11:30 a.m. is to be under the control of Mr. DOLE and Mr. LEVIN.

Mr. LEVIN is recognized for how much time?

Mr. LEVIN. I need about 10 minutes.

The PRESIDENT pro tempore. The Senator from Michigan [Mr. LEVIN] is recognized for 10 minutes.

RUNAWAY EXECUTIVE PAY

Mr. LEVIN. Mr. President, there has been a flood of articles in the press in the past few weeks about runaway executive pay in corporate America. While there may be deep divisions along the political spectrum as to how to solve our economic and our health care and our education crises, there appears to be an unusual consensus on the issue of CEO pay.

Most of us agree that there has been unacceptable excess and that the brakes should be applied. Measured against corporate profits, cost-of-living, worker salaries, and the salaries of CEO's in other countries, the pay of American CEO's is exorbitant.

Not only has CEO pay become an issue in and of itself, but it has become a symbol of the deepening discomfort that we are feeling about the values of our society, the fear that many of us have that the social disruption that we are experiencing is due in part because the rich are indeed getting richer and the rest of us are getting nowhere.

Mr. President, I introduced legislation last June on this issue. The bill number is S. 1198. My bill would permit stockholders of America's corporations to be the watchdogs of executive pay practices. You heard me right. Stockholders right now have no right to have their proposals on executive pay, the pay of executives of their own corporations, heard at annual meetings.

That may be hard to believe, and I am going to go into it in more detail in a moment.

I find it incredible, in a system which is based on capitalist principles, that shareholders of a company do not have a right to at least have a proposal on the pay of their own executives considered by other shareholders.

My bill was the result of a hearing which I held in the Subcommittee on Oversight of Government Management, which I chair, in which we looked at the policies of the Securities and Exchange Commission with regard to executive pay in publicly held corporations. We learned at that hearing that the policies of the SEC place a major roadblock in the way of stockholders having a say in how CEO pay is set within their own corporation. When a stockholder seeks to circulate and present a proposal on CEO pay to other stockholders in his own corporation for consideration at the annual meeting, the SEC routinely advises the corporation that it is not required to permit such a proposal to be considered.

Other proposals would be considered. All you have to do is have signatures of stockholders to get proposals considered at an annual meeting. The rules are laid out for what proposals can get on the proxy statement and what cannot. But if your proposal relates to how the pay of your own executives is set, you cannot get that proposal on the proxy statement for consideration by shareholders.

In every case presented to the SEC in 1990 in which a corporation did not want to circulate such a proposal, the proposals on CEO pay were not allowed to be considered. It is hard to believe in a system that is based on these principles, that the owners of a corporation cannot have a say in how much is going to be paid of their money to the executives of that corporation.

My bill would reverse that SEC policy and allow stockholders at least an advisory say as to how executive pay is going to be set in their own corporation. SEC has refused to budge on this issue, and that is why I introduced this legislation. The SEC should do it themselves. It should not take legislation for the SEC to say: We are going to allow the owners of a corporation to at least voice an advisory opinion on how their own money is going to be spent. But apparently it does. That is why I have introduced the legislation.

On a related issue, there is a little breakthrough. I was pleased to read a few days ago that the SEC Chairman, Richard Breeden, may actually be realizing the significance of the CEO pay issue by addressing the problem of the inadequate reporting of stock options received by corporate executives. More than 90 percent of America's publicly held corporations pay their top executives, in part, with stock options. Stock options are an opportunity to buy company stock at a set price some time in the future. The person who owns the stock options will actually execute them—in other words, buy the stock—only if the value of the stock in the future exceeds the price of the option, therefore being able to pay for the stock out of the profits of the sale and reaping an immediate sizable gain.

Few companies, by the way, outside of the United States use stock options as a form of executive compensation. But in America, these big payoffs in stock options often mean huge money for corporate executives. In some cases, CEO's have received what have been called "megagrants" of stock options, millions of shares in the form of stock options given to corporate executives. The profits can be tremendous for the executives. Yet it is hidden, for the most part, from the view of the stockholders, often, and from public view, because it is difficult to assign a current value to an option to buy stock in the future at a certain price.

Again, these profits can be tremendous. If, for instance, there is a 50-cent increase in the price of a share, a stock option grant of 4 million shares means a $2 million gain for that executive.

These stock options are coming under increasing criticism, and they will be the subject of a hearing by my oversight subcommittee a week from tomorrow, on January 31. They are particularly controversial because a company can issue them without taking any charge against company earnings. So companies can issue an option to buy 2 million shares of that company's stock, but there is no charge against the company's earnings. They do not appear on the balance sheet as a liability. They are a freebie in this regard, even though they dilute the value of the shares held by other stockholders and often result in huge profits for the recipients. As a matter of fact, they are more than a freebie, because at the same time that the company does not have to show them as an expense on the balance sheet, it is allowed to report them as an expense on their tax return and to take a tax deduction. And, moreover, as I said, their true cost is hidden often from the stockholders. So it is easy to see why stock options are a mushrooming form of compensation for corporate executives.

My bill, S. 1198, would require the SEC to require publicly held corporations to deduct the value of stock options from company earnings. I am heartened that the Financial Accounting Standards Board, which is scheduled to testify at that hearing we are going to hold a week from Friday, has recently announced a renewed interest in reviewing how to value and treat stock options on a company's financial statement. This renewed interest is not only welcome, it is overdue, since stock options are currently treated as having no value at the time they are granted, which is a fiction that nobody believes. Stock options, when they are sold in the marketplace, have tremendous value. We are aware that if you go to buy a stock option in a company on the New York Stock Exchange, you are going to pay money for that stock option. But when a corporate executive is given a stock option—frequently for millions of shares of that company's stock—it is assigned no value at that time, and that is why this whole process is so misleading and deceptive.

Mr. President, there are a number of other troubling issues involving stock options which we will be discussing at that hearing, including whether they are really pay for performance, as they are touted to be. But the momentum is gathering for action in the area of CEO pay, because while our economy is in trouble—American companies are generally unprofitable, and we have seen a decline in profitability in the 1980's—CEO's are often increasing their pay. That is what we saw in the 1980's. We saw the decline in company profitability and the increase in American CEO pay.

Finally, Mr. President, the effect of this on our competitiveness is obvious. It sours labor-management relations and also creates resentment in the workplace and affects corporate productivity.

Mr. President, I thank the Chair.

COMMENDING THE PRESIDENT PRO TEMPORE

Mr. LEVIN. Mr. President, I commend the President pro tempore on his speech given earlier this week, which I thought was extraordinarily perceptive on much of what this economy needs and does not need.

And the speech was a courageous speech that I thought hit the target relative to whether we should be focusing on a middle-income tax cut to get out of our economic doldrums.

We should not be focusing on a tax cut the size they are proposing as a way of getting out of our economic doldrums because they will not do it. The public knows it, and I believe that the President pro tempore's remarks in this regard were highly perceptive and were welcome as just a breath of fresh air across this land. I commend the President pro tempore for that.

As I close I want to also just say hello to our good friend, the Republican leader. He looks in absolutely top health and we are delighted to see him back in such great health.

I yield the floor.

The PRESIDENT pro tempore. The Republican leader, Mr. DOLE.

Mr. DOLE. Under a previous agreement, I think we have 15 minutes.

The PRESIDENT pro tempore. The Republican leader, under the previous agreement, has 10 minutes. He also has his leader time reserved. The Republican leader is recognized for 20 minutes if he wishes.

Mr. DOLE. I thank my friend.

I also thank my friend from Michigan for his kind remarks.

(The remarks of Mr. DOLE pertaining to the submission of Senate Resolution 246 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

Mr. DOLE. I yield the floor.

The PRESIDENT pro tempore. Does the Republican leader wish to retain leader time which has been reserved by unanimous consent?

Mr. DOLE. I retain the leader time. My understanding is the Senator from Colorado wishes to speak and also the Senator from California, and if I may, I will yield part of that to those Senators.

The PRESIDENT pro tempore. How much time is yielded to each?

Mr. DOLE. Five minutes.

Mr. BROWN. More than enough.

The PRESIDENT pro tempore. Very well. The Senator from Colorado [Mr. BROWN] is recognized for 5 minutes.

Mr. BROWN. I thank the Chair.

(The remarks of Mr. BROWN pertaining to the submission of Senate Resolution 246 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

Mr. BROWN. I yield back the time.

Mr. DOLE. Mr. President, I reserve the remainder of my time and suggest the absence of a quorum. I know Senator SEYMOUR is on his way to the floor.

The PRESIDENT pro tempore. Without objection, the remaining time under the previous order is reserved for the Republican leader. The absence of a quorum has been noted and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SEYMOUR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SEYMOUR. Mr. President, I request that I be permitted 5 minutes to proceed under the minority leader's time.

The PRESIDENT pro tempore. The minority leader has yielded time to the Senator.

(The remarks of Mr. SEYMOUR pertaining to the submission of Senate Resolution 246 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

IN TRIBUTE TO JAMES GROTE

Mr. DODD. Mr. President, I rise today to pay tribute to a man respected and loved throughout Connecticut for his enduring commitment to his community and his truly noble character. James Grote's life ended 100 years after it began in Chester, CT, on January 11, 1992. A good friend to me and to my family, Jim was the son of Italian immigrants and the progenitor of 50 American offspring. At the time of his death, Jim had achieved unparalleled stature in his community. His life was uniquely an American tale, sounding in patriotism and activism, colored by devotion and joy, rich in crusty anecdotes that only a centinarian, who loved life the way Jim did, could harvest. He died celebrated for these enduring qualities and for the countless ways he touched all of our lives.

Jim was the kind of man we all wish lived in our hometown. Though he witnessed a century of American history, saw two world wars, Korea, Vietnam, the Great Depression, Jim never lost his enthusiasm for the promise this country held. Indeed, he believed so much in this promise that a dawn did not break in Chester without Jim, silhouette against the eastern sky, silently raising the Stars and Stripes near his home. Jim learned early the responsibility of living and toiling in an evolving society where a committed citizen could influence change for the good. He was known to have said of his fellows, "Their lives are my business," and thus plainly spoke what became, from his childhood, the guiding philosophy of his life.

The lore in Chester, CT, of which Jim is frequently a central figure, attributes Jim's life-long dedication to fire prevention to an incident that occurred at the turn of the century. Transfixed by the sight of a raging fire, young Jim led a bucket brigade assault on the inferno until it was extinguished. From that moment on, Jim understood his life's work: to introduce a fire department to the town of Chester. Since its inception in 1912, founding father Jim Grote was at the helm of the Chester Fire Department as chief for 46 years and marshall for 69. He held a leadership position in every fire association in Connecticut to which he belonged and rarely missed a meeting. To the very end of his life, Jim stayed on top of his profession, making a habit of brushing up on the latest information relating to fire prevention by enrolling in courses periodically. Ever the pioneer, Jim was quick to recall his prophetic storming of the State capital 50 years ago, pleading the wisdom of installing water sprinkler systems in public buildings and schools.

So integrally connected to the history of Chester is Jim Grote that rarely did anything newsworthy happen in the town without Jim in the thick of it. He was postmaster from 1935 until he retired at the age of 70 at which time he decided he should learn to drive a car. There had been little need for such convenience before, as he had easily managed to walk everywhere. As a leader of the Agricultural-Mechanical Society, Jim ran the Chester fair for 46 years. In his eighties and nineties he acted as town selectman and refused to step down at the request of the Democratic Party, which thought he was too old. "Age is something you shouldn't gamble on," Jim had answered the naysayers, "* * * a man of 25 or 30 might not live out a term any more than a man of 92."

Friend to my family, friend to Chester, friend to Connecticut and as much a hero as any this Nation has produced, Jim Grote's indelible devotion to his hometown and its people died only when he did. We who knew him, learned from him and are grateful for his uncompromising faith in the human spirit. We will not soon forget the man who took no moment for granted and was thus blessed with so many.

IN TRIBUTE TO EDWARD A. SUISMAN

Mr. DODD. Mr. President, I rise today to pay tribute to Ed Suisman, a man who was not only one of Connecticut's top business leaders, but a dear friend of mine and my family's for many decades. Throughout his adult life, Ed Suisman showed himself to possess a unique combination of keen business sense and compassion. I am honored to join Ed's family and friends in remembering some of his greatest contributions to both business and Connecticut.

Born to Russian immigrants, Ed carried over much of the Old World values to the new. He was an outstanding member of the Jewish community, serving at various times as president of the Greater Hartford Jewish Federation and the Greater Hartford Jewish Community Center. His deep religious faith and sense of obligation to his fellow man directly influenced many of the generous acts which characterized his life.

Ed and his brother, Samuel, turned their father's business into a very successful scrap metal enterprise known today as Aerospace Metals, Inc. Ed's business expertise and subsequent financial success allowed Ed to follow his charitable instincts. Much of the financial support he bestowed upon the community was channeled through the Suisman Foundation which he established in 1943. Beneficiaries of Ed's good work include Mount Sinai, St. Francis, and Hartford Hospitals, the Hartford Jewish Community Center, Trinity College, Yale University, and many diverse social service agencies.

Ed's strong commitment to education played an important role in his adult life. A founder of the University of Hartford, Ed sat on the board of trustees under three Connecticut Governors for the University of Connecticut and dedicated himself to improving the quality of our institutions.

A star player on the Yale Basketball team in the early 1920's, Ed pursued his interest in athletics and in his later years was an avid golfer. His pursuit of golf led him to win 16 championships for tournaments at the Tumblebrook Country Club. His name is now included in the greater Hartford hall of fame for Jewish athletes and sports figures, not the least of many accolades honoring his superior gifts, ingenuity, and magnanimous spirit during his lifetime.

The confidante of world leaders and celebrities like Golda Meir and Danny Kaye, Ed set an example to his generation and those to follow. The loss of such a great man is always a sad occasion. It is all the more sad for me and my family because this great man was a close and trusted friend for many years. Mr. President, Ed will be remembered in his community and in our State of Connecticut as a man of great humanity, generosity, and talent. And it is in our memories of him that he will live on.

TRIBUTE TO ROSEMARIE NAHRGANG

Mr. COHEN. Mr. President, it is with deep regret that I rise today to mourn the passing of a valued, loyal and longtime Senate employee, Rosemarie Nahrgang.

Rose was taken from us at a very early age. She was just 37 when she died from pneumococcal meningitis January 6 at Howard County Community Hospital in Columbia, MD.

I got to know Rose well while serving as vice chairman of the Senate Select Committee on Intelligence from 1987 to 1991. She worked with minority staff director Jim Dykstra and committee counsel Britt Snyder as part of an efficient, close-knit and very talented team.

Rose was the backbone of the committee support staff—tireless, efficient, and dedicated. She was always reliable, always hard-working and always put everything she had into each task.

If there were reports to be typed or other work that had to get out, Rose was always willing to put in the extra effort needed to get the job done on time and get it done right. She'd been known to grab a few hours sleep on a Hart building couch rather than drive back and forth to her home in Columbia if a deadline was pressing. And even on regular days, Rose was often the first one in and the last one out, even though she had farther to come than most.

No job was too big or too onerous or too demanding for Rose to complete with skill and precision. I remember one particularly difficult time when, in the earliest stages of the Iran-Contra investigation, the Intelligence Committee was producing a report under heavy deadline pressure. Rose got it out virtually single-handedly. It was done professionally, accurately and quickly, hallmarks of the kind of effort that she always put in.

But Rose was much more than just an exceptionally good staffer. More important, she was a kind and generous person with a quick wit and a ready smile. She clearly loved her work, even on the days when there seemed to be too much of it.

At a gathering of Rose's friends after her funeral, her mother recounted how as a high school student in Rhode Island she had dreamed of going to Washington to work for her Senator, JOHN CHAFEE. Unlike many people who never realize their dreams, Rose was one of the fortunate ones who did succeed in hers. Her mother said that was a memory her family could cherish, and it is one that we will all remember as we grapple with the void Rose left behind.

One of Rose's most distinguishing characteristics was her laugh. The silence now is deafening and will weigh heavily upon us all. To her family, I offer the deepest sympathy from myself and my entire staff.

TRIBUTE TO MELVIN CREW PITTS

Mr. HEFLIN. Mr. President, I rise today to pay tribute to the brilliant career of my friend Melvin Crew Pitts upon the occasion of his retirement from Sammons Communications, a cable company operating in Lanett and Valley, AL, and in West Point, GA. Crew, who was a true pioneer in the cable television industry, served as general manager of Sammons for 35 years, during which he witnessed firsthand many remarkable advances in the medium.

Crew Pitts' love of the picture show prompted him to offer local residents movies in their own homes in 1957, when he teamed with L.J. Duncan to form Sammons Communications. When he went door-to-door those many years ago to sell local residents on subscribing to the new concept of cable TV, he had never dreamed of the worldwide, instantaneous communication now available. At that time, the idea behind the experimental cable system was, "If people quit going to the movies, bring the movies into their homes by wire."

Although a tough sell in the beginning, Crew stuck by the task until the cable television system known as Sammons Communications became the third such system in Alabama and the first to serve Georgia. Since its opening, Sammons' expansion has consistently been ahead of its time. Not only was it among the first in Alabama and ahead of Georgia, it was one of the first to include five channels. By the early 1970's, the system brought in 12 channels, while most other early systems had only three. Crew has credited the medium of television for capturing the imagination of the American people more so than any other invention except for the automobile, and has said the public has only begun to see what cable can do.

Crew said that the future of cable holds the promises of instantaneous communication throughout the world that can be printed from a screen; instant access to information stored on video in libraries, and meter-reading.

In addition to having served as general manager of Sammons Communications, Crew was president of the Alabama Cable Association; held two terms on the Southern Cable Association's board of directors; and currently sits on the executive board of the Boy Scouts of America. The Alabama Broadcasters and Chamber of Commerce each named him its Citizen of the Year.

Mr. President, I congratulate and commend Crew Pitts for his pioneering and visionary work in the cable industry. In a year when Time magazine honored media mogul Ted Turner and his numerous communications enterprises as having had a greater impact on the world in 1991 than any other person or event, Crew Pitts can be proud that he contributed so much to the industry that we know and depend upon today. I wish Crew and his wife Helen all the best for a long, happy, and healthy retirement.

TRIBUTE TO DOROTHY VREDENBURGH BUSH

Mr. HEFLIN. Mr. President, we were saddened late last year by the death of Dorothy Bush, long-time secretary of the Democratic National Committee and legend in Democratic Party politics. She was well-known in political circles across the country for calling the roll of States and keeping the vote count that led to the nomination of every Democratic Presidential ticket from Roosevelt-Truman in 1944 to Dukakis-Bentsen in 1988. She served under 17 national party chairmen, 9 national convention chairs, and through the administrations of 10 U.S. Presidents.

Originally from the State of Mississippi, Dorothy Bush moved to Birmingham, AL, in 1937 to take a job as secretary to the director of insurance for Tennessee Coal, Iron, and Railroad/U.S. Steel. She later married Peter Vredenburgh III, namesake of the small Monroe County, AL, town where they lived for a time. Six years after his death in 1956, she wed the Honorable John W. Bush, a former Chairman of the Interstate Commerce Commission, and relocated to Florida.

In Alabama, Dorothy was active with the Young Democratic Clubs of America, which she served for 9 years as national committeewoman. At the Young Democrats National Convention in Louisville, KY, Dorothy served as assistant secretary. She went on to complete 5 years as the national organization's vice president and was the only woman to hold the office of acting president.

Appointed national party secretary in 1944, she was the first woman and, at 27, the youngest individual in either party to ever hold the office. She continued to call the roll of the States as the permanent secretary at each of the succeeding national conventions.

As current Democratic Party Chairman Ron Brown said after her death, "Mrs. Bush * * * showed an unending commitment to the party and Democrats across the country." Indeed, her work took her all over the Nation for meetings, speeches, fundraising events, and campaigns. She traveled with Lyndon Johnson on his vice presidential train in 1960; was a White House coordinator for the "Lady Bird Special" train trip through Southern States in 1964; and campaigned in 1976 aboard the Carter-Mondale "Democratic Whistlestop" train. As cochair of the National Party Advisory Committee on Senior Issues, Secretary Bush joined Senator Claude Pepper in 1983 and 1984 at rallies to promote the interests of senior citizens.

As her former assistant for many years has said, Dorothy Bush became an American institution, and was the unchanging sensibility and continuity in a party that has, over the decades she served, witnessed enormous change. Fans of Democratic Party conventions always looked forward to the rollcall of the States, for they knew the caller would be Dorothy Vredenburgh Bush, with her unmistakable Mississippi accent and natural poise. When the party convenes in New York this summer to nominate the next President of the United States, these fans will, regrettably and sadly, witness one more change, one that we never wanted to see: For the first time in 48 years, Dorothy Bush will not be there at the podium to call the roll of States.

Mr. President, I am proud that the Young Democrats of Alabama saw fit to share Dorothy's extraordinary talents and uncommon commitment to our party's principles with the rest of the Nation. I extend my sincerest condolences to Mrs. Bush's family, and ask unanimous consent that an article from the Washington Post on her life and career be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE LAST ROLL CALL: DOROTHY BUSH, DEMOCRATS' DEN MOTHER

(By Sandra P. Perlmutter)

Even when the outcome was wholly predictable, fans of Democratic Party conventions looked forward to the roll call of the states. Who could resist? From the first syllable of "Al-a-BAM-a," you knew the caller of the roll was Dorothy Vredenburgh Bush. She had been around American politics for as long as most Americans can remember American politics. She had been around politics longer than Richard Nixon.

The comparison with Nixon ends right there, though. Dorothy Bush, who died just before Christmas at age 75, was loved by the party she served; she represented (and now I'm speaking as a loyal Democrat) all its best traditions. At the risk of seeming overly sentimental, she also represented a time when politics was a lot more fun.

During the past 20 years or so, the major party conventions have not been great prime-time entertainment (though they have had to endure such distractions as, in 1972, whether or not the states should be called alphabetically). Dorothy Bush, who first stepped onto a convention podium at age 27, remembered when it was. As secretary of the Democratic National Committee from 1944 until 1989, she counted convention delegate votes for Franklin D. Roosevelt, Harry Truman, Adlai Stevenson, John Kennedy, Lyndon Johnson, Hubert Humphrey, George McGovern, Jimmy Carter, Walter Mondale and Michael Dukakis. More than that, she watched the TV cameras descend for the first time on our national leaders and saw what that did to the politics we once had. Baby boomers grew up watching the image of conventions change from spontaneity to choreography; Dorothy Bush watched it all from the podium.

With her Mississippi accent, her unflinching poise, she became an American institution—the unchanging sensibility in a party that has witnessed enormous change, someone who could link Dukakis to Roosevelt, demure chats in an "anchor booth" to angry floor fights.

We often talked about what an extraordinary experience it was. She'd become active in a world where women were just beginning to stake their claim, a system where political decisions were usually made behind closed doors. As the party's record-keeper, she often found herself fighting a process that was jealous of its male prerogatives and reluctant to cede a larger role to a mere woman. Even her appearance was once a source of conversation. "Republicans accuse Democrats of pin-up tactics," one long ago newspaper account read. "Blue-eyed, leggy Dorothy Vredenburgh has been appointed secretary of the Democratic National Committee."

I came to work as her assistant in late 1976. Before the interview, I gave myself a cram course—trying to learn, for starters, the names of 350 DNC members. I even tried to teach myself the nuances of the party charter and bylaws. In our first conversation, I dropped the names of some obscure committee members and referred to some party rules. That did not seem to impress her; it was taken for granted that I would know such stuff. Somehow, though, this elegant woman and I hit it off.

The DNC office on Massachusetts Avenue was awfully quiet then. Robert Strauss, who'd been the party chairman, was about to take a job with the Carter White House—the Democrats had elected a president of their own. But the stillness did not bother me. I felt that I was working for a legend. In the years since, I was never able to call her anything but Mrs. Bush.

Sometimes we talked about the changes that she'd seen—"They keep me on my toes," was how she put it in her prim way. She remembered in particular the excitement in 1952, "when we were told the convention would be televised. I wonder if those TV executives really knew what they are getting into."

Dorothy Bush probably never imagined that we would look upon those conventions with a kind of nostalgia. That was a time when it seemed that anything could happen, even if it rarely did. A convention floor in the 1950s was filled with odd caucuses and shouting matches and florid oratory in behalf of any number of favorite sons. When some of this got out of hand, we were especially glad to have Dorothy Bush on the podium. She was at such moments the Democrats' den mother. She became the Democrats' institutional memory.

She was impressed by our state-of-the-art voting system, which we tried for the first time in San Francisco. "When I took office years back, it used to take forever to count those votes," she told me. "Sometimes we would be up all night. I sat on the podium watching delegates falling asleep in their seats."

Now and then, I saw how difficult it could be for her—in 1980, for example. It was no picnic being the keeper of party archives and records when a sitting president was being challenged for the party's nomination by an influential member of the U.S. Senate. Numerous challenges were being filled on procedural matters and the interpretation of delegate selection rules seemed to be changing daily by representatives of the Jimmy Carter and Edward Kennedy campaigns.

Dorothy Bush, though, stood firm in her commitment to keep the doors of our office open and the exchange of information available to both camps. Sometimes, the pressure became intense. "My office is here to serve all Democrats," she used to say. "There are no special constituencies, there are no special candidates and there are no special favors." Such words sound almost banal in the 1990s, but she meant them.

By the time of the Atlanta convention in 1988, many observers believed it was to be her last one as party secretary; and, indeed, in the summer of 1989, she decided to retire. Her legendary neutrality failed her then, as she urged the party—unsuccessfully, as it turned out—to elect me as the next DNC secretary.

We were a team in Atlanta—as we had been for the previous two conventions; she was always generous to me, and never more so than in allowing me to share her moment in the national spotlight. She called the names of the states and I repeated the responses. ("Pennsylvania casts 19 votes for Walter Mondale . . .")

When I think of her—and the party that knew her—I think of the Atlanta convention. For her, it was the end of a journey that had begun in Chicago, when FDR was nominated for a fourth time. In Atlanta, the hall was filled with women, blacks and other minorities—a different America. Dorothy Bush, of course, had helped that change; she was an historic part of it.

It was a convention like other present-day conventions: no mystery, few disputes, forgotten intrigues—discussions might center on matters no more consequential than whether Dukakis would be able to emote. Still, space was tight, credentials were scarce and tempers flared. And Dorothy Bush never faltered.

After a film in her honor was shown, she stepped to the podium to say a few words, concluding this way: "And now I'm just going to take a moment to throw a great big kiss and a hug to all my friends who couldn't get to Atlanta for the convention, and if they got here, they probably couldn't get in . . . . So, hello, friends wherever you are."

Goodbye, Mrs. Bush.

MIKE ADRAY LEGACY LIVES ON

Mr. LEVIN. Mr. President, I rise to note the passing of Mike Adray, a man whose considerable success in business was exceeded only by his success as a friend to thousands of children over his very productive life.

From across the region the good deeds of this man have been remembered: The hundreds of baseball and softball teams that Mike sponsored, providing uniforms and other support, each year since the early 1960's, the hockey team sponsorships that began in the 1970's, and the scholarship programs. Among the big-leaguers who got their start on Adray-sponsored summer teams were Jim Abbott, Orel Hershiser, Bob Welch, Barry Larkin, and Chris Sabo.

But perhaps we will never know the extent of Mike's generosity. Even now, as reporters informed us in stories about his death, "Dearborn abounds with stories of Adray quietly helping pay for a young person's education, or lending a hand to those down on their luck."

From humble beginnings to owning one of the region's leading appliance retail operations, Mike Adray believed it was a journey other young people could make, especially if inspired by the discipline and teamwork of athletics.

The scientist Albert Einstein once warned, "Try not to become a man of success, but rather try to become a man of value." In Mike Adray, we had both, and we will miss him.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, morning business is closed.

STRENGTHENING EDUCATION FOR AMERICAN FAMILIES ACT

The PRESIDENT pro tempore. The Senate will resume consideration of S. 2, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 2) to provide the achievement of national education goals, to establish a National Council on Education Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Cochran amendment No. 1471, to provide grants to eligible recipients on behalf of communities to develop innovative elementary and secondary schools ("New American Schools").

AMENDMENT NO. 1471

The PRESIDENT pro tempore. The pending question is on the amendment by Mr. COCHRAN of Mississippi, amendment No. 1471, on which there is to be 30 minutes of debate.

Who yields time?

Mr. COCHRAN addressed the Chair.

The PRESIDENT pro tempore. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, may I inquire of the Chair the pending business before the Senate.

The PRESIDENT pro tempore. The pending business is S. 2. The pending question is the amendment by the Senator from Mississippi [Mr. COCHRAN] on which there is a 30-minute time limit.

Mr. COCHRAN. Mr. President, I yield myself such time as I may consume under the order.

Mr. President, while Senator KENNEDY is coming to the floor, I might just say that we have tentatively reached an agreement that is now being discussed with interested Senators to be sure no one has any problem with it. The agreement resolves disagreement on the amendment referred to as the Cochran amendment on New American Schools. I am hoping that within the next few minutes we will be able to make an announcement to the Senate on the disposition of the agreement, and I make this statement for the information of all Senators.

I now suggest the absence of a quorum and ask that the time be charged evenly to both sides.

I suggest the absence of a quorum.

The PRESIDENT pro tempore. Is there objection to the request with respect to the charging of time?

The Chair hears no objection. The time will be charged against both sides.

The absence of a quorum has been noted, the clerk will call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Arkansas [Mr. BUMPERS].

Mr. BUMPERS. Mr. President, what is the present parliamentary situation?

The PRESIDENT pro tempore. The Senate is presently considering S. 2, and the pending question is amendment No. 1471 by Mr. COCHRAN of Mississippi on which there is a 30-minute time limit.

Mr. BUMPERS. Who controls the time on this side of the aisle, Mr. President?

The PRESIDENT pro tempore. Mr. KENNEDY.

Mr. BUMPERS. Mr. President, I ask unanimous consent that I be allowed to speak for 3 minutes. Perhaps the Senator from Minnesota is filling in for Senator KENNEDY?

Mr. WELLSTONE. Mr. President, we would grant to the Senator from Arkansas as much time as he wishes—3 minutes.

The PRESIDENT pro tempore. The Senator from Arkansas [Mr. BUMPERS] is recognized for such time as he may require under the limitation of time.

Mr. BUMPERS. I thank the Chair and the Senator from Minnesota for his generosity.

I came over here to speak in opposition to the Cochran amendment. I had studied it carefully and visited with the Secretary of Education last week about it. He made a very compelling argument in favor of it.

At the time I discussed it with the Secretary, I was not nearly as knowledgeable about the concept as I later became. But the point I want to make is I came over here with the intention of voting against the Cochran amendment, not because I did not think it had some merit but because I think it went too far and cost too much money for the goal, a very laudable goal, I might add, that was intended.

The $535 million for so-called break-the-mold schools, in my opinion, would have been excessive. We simply do not need 535 experiments in this country, at that cost, to find out what we have been doing wrong and what we need to do right.

I am told by Senator COCHRAN, as I came on the floor, that there is now in the works a compromise proposal which I think most of the Members would be much more comfortable with. And the idea is that we will tap into 25 percent.

Incidentally, I sit on the HHS Subcommittee on Appropriations and last year we appropriated $100 million for this whole new school concept, subject to authorization. Senator COCHRAN tells me it is the intention of the compromise to do precisely that and tap into 25 percent of that $100 million to accomplish this purpose.

I am ready to conclude my remarks, Mr. President, by simply saying I am gratified that the managers of the bill on both sides have reached this understanding or are about to reach this understanding because I think both the taxpayers and the children of the country are going to be huge beneficiaries of the compromise.

I might take this opportunity to say to my distinguished colleague from Massachusetts that he has done a magnificent job of presenting this bill both in the Senate and certainly in the caucus. I think S. 2 has some initiative in it that we have all been looking forward to.

We all know that education is right at the top of the agenda for all Americans and that does not exclude Congress. People here know that one of the problems we are having in this country is jobs require skills and those skills are going to be in greater demand in the future. If this country does not do a better job of producing a better work force—that is, a more enlightened and educated work force—we are not going to catch up to Japan and Germany in the technological fields. We are not going to become more competitive. What we are going to do, Mr. President, is create a huge pool of unemployables in this country.

Obviously, there will always be those service jobs, minimum wage jobs for people who have no other skills. But that is not the kind of Nation we want to be. The whole thrust of S. 2 is to move this country out of the doldrums and our own, what shall I say, our own low esteem of what we have been doing into a brighter future, and one that will give the American people hope that we are going to educate our children for the jobs around the turn of the century which require college education, technological skills; that we are going to educate the children of this country so they will be prepared to take those jobs and, as I say, not create this tremendous or allow this tremendous pool of unemployed.

Even the service industry is not going to grow anything like the rate of the technological jobs in this country.

So I think this is a good beginning. I applaud the Senator from Massachusetts and his committee for the work they have done on this. I applaud the Senator from Mississippi and the Secretary of Education for their initiative and their creativeness.

As I say, my primary objection was to cost. We do not need 535 experiments. I think this compromise, as I understand it, is a very healthy one.

Mr. President, I yield to the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDENT pro tempore. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the pending amendment be withdrawn and that I be permitted to send another amendment in its place to the desk for immediate consideration.

The PRESIDENT pro tempore. Is there objection? Hearing no objection, the request is granted.

The amendment (No. 1471) was withdrawn.

AMENDMENT NO. 1473

(Purpose: To establish new waiver authority for New American Schools within the Neighborhood Schools Improvement Act, and for other purposes)

The PRESIDENT pro tempore. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for himself and Mr. KENNEDY, proposes an amendment numbered 1473.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, further reading will be dispensed with.

The amendment is as follows:

On page 32, line 17, strike "205, to" and insert "205.".

On page 32, strike lines 18 through 23.

On page 33, line 23, strike "State" and insert "chief State school officer, in consultation with the Governor.".

On page 34, beginning with line 14, strike all through line 16 and insert the following: are designed to improve student achievement in the public schools.

(C) ADDITIONAL WAIVER AUTHORITY FOR NEW AMERICAN SCHOOLS.—A chief State school officer, in consultation with the Governor, may submit an application to the Secretary for an additional waiver of the requirements of subparagraph (A). Under such waiver, the Secretary may permit such State educational agency to expend not to exceed an additional 15 percent of the funds received under this title for the establishment of New American Schools in accordance with subparagraph (D).

(D) SPECIAL REQUIREMENTS.—An application for a waiver under subparagraph (C), shall—

(i) include procedures for the consideration of applications for schools which have—

(I) adopted the National Education Goals;

(II) established and implemented a community-wide strategy for achieving those goals;

(III) developed a "report-card" for measuring and reporting to the public, at least once each year, the progress toward achievement of the goals; and

(IV) demonstrated a willingness and commitment to make substantial improvements in the education of children in the community; and

(ii) give priority in awarding grants to eligible recipients serving communities with high concentrations of educationally disadvantaged children and children from low-income families.

(E) SPECIAL RULE.—Any new public school established under this title shall be nonsectarian in its programs, admissions policies, employment practices, and all other operations and shall not be affiliated with a nonpublic sectarian school or religious institution.

SEC. 203. STATE APPLICATION.

On page 57, between lines 7 and 8, insert the following:

(5) the term "New American School" means an elementary or secondary public school that—

(A) is under the authority of a State educational agency or a local educational agency;

(B) reflects the best available knowledge regarding teaching and learning for all students;

(C) uses the highest quality instructional materials and technologies; and

(D) is designed to meet the National Education Goals as well as the particular needs of the students and community served by such school.

On page 57, line 8, strike "(4)" and insert "(6)".

On page 57, line 13, strike "(5)" and insert "(7)".

On page 57, line 17, strike "(6)" and insert "(8)".

On page 57, line 21, strike "(7)" and insert "(9)".

On page 57, line 23, strike "(8)" and insert "(10)".

On page 58, line 1, strike "(9)" and insert "(11)".

On page 58, line 4, strike "(10)" and insert "(12)".

Mr. COCHRAN. Mr. President, I yield myself such time under the order as I may consume.

The PRESIDENT pro tempore. The Senator may use as much time as he may consume.

Mr. COCHRAN. Mr. President, very briefly, let me say this substitute amendment is the amendment that has now been agreed upon by the managers of the bill. The Secretary of Education has indicated his approval of this modified amendment, and we are prepared to recommend to the Senate that Senators support the amendment.

We think the differences that existed regarding the administrative procedures and the way in which this new program would be administered, have been resolved.

A compromise has been developed which I think will give parents, students, and communities a voice in education.

The compromise allows up to 25 percent of the Neighborhood Schools Improvement Act block grant in S. 2 to be used for New American Schools, if the Governor and chief State school officer decide to apply for a waiver for this purpose.

In the first year after enactment, funds will be used to plan a statewide strategy for reform, which may include planning for a New American Schools grant competition within the State.

In the second year, States may opt to apply for a waiver to spend 10 percent of their block grant funds for activities such as teacher training and professional development of teachers and school leaders, public school choice programs, activities developed in conjunction with local education agencies designed to improve student achievement, or the establishment of new public schools, which may include New American Schools.

States choosing to offer communities a chance to compete for a New American School may apply for a waiver of an additional 15 percent for this purpose. Applicants for a New American School must adopt the National Education Goals, establish and implement a community wide strategy for achievement of the goals, and assess and report progress toward meeting the goals. Priority is given to those applicants serving educationally disadvantaged and low-income students.

In granting the waiver, the Secretary may prescribe other elements of the New American Schools.

Mr. President, I ask unanimous consent that a summary of the agreement on the New American Schools be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF AGREEMENT ON NEW AMERICAN SCHOOLS

1. Specific changes within the S. 2 block grant which relate to this agreement are:

A. With specified exceptions, a State's use of initial year funding will be focused on statewide planning activities. These planning activities will include planning for comprehensive statewide education reform, including any activities for which a State intends to seek waiver authority.

B. In the second and subsequent fiscal years, the Chief State School Officer, in consultation with the Governor, may apply to the Secretary of Education for a waiver that would allow a portion of a State's grant to be used for specified activities as follows:

(1) A waiver of up to 10 percent of the allotment to be used for activities such as the establishment of new public schools (i.e. Essential Schools, Accelerated Schools, New American Schools, charter schools, Comer Schools, and Schools of the 21st Century), teacher training and professional development for teachers and school leaders, public school choice programs, and activities developed in conjunction with local education agencies designed to improve student achievement.

(2) A waiver of up to 15 percent of the allotment to be used only for the establishment of New American Schools. New American Schools are defined in the bill as schools under the authority of a state education agency or a local education agency that adopt the National Education Goals, establish and implement a community-wide strategy for achievement of the goals, and assess and report progress toward the goals. A State in reviewing applications for New American Schools must afford a priority to applicants serving educationally disadvantaged and low-income students.

C. The Chief State School Officer, in consultation with the Governor, may apply for either or both of these waivers. In the case of New American Schools, a combined waiver authority of 25 percent of the State allotment is permitted. The Secretary in reviewing requests for waivers has the authority to establish criteria to ensure that the designs solicited for New American Schools are truly innovative ("break the mold") and hold promise for dramatic improvement and educational achievement.

Mr. COCHRAN. Mr. President, let me very briefly say that, instead of a separate title to the bill that the committee reported, we have now folded the New American Schools Program into the committee bill and permitted the Governors of each State to obtain up to 25 percent of the funds that would otherwise be available under this block grant for New American Schools programs. That is the essence of the amendment.

We appreciate very much the efforts that the chairman of the committee, Senator KENNEDY, made to help get this agreement put together so that we could have a program for New American Schools in this bill.

Mr. President, I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, I think the Senator from Mississippi requests a rollcall vote. I am glad to do it either on voice vote or rollcall vote.

Mr. COCHRAN. Mr. President, if the Senator has yielded, there has been a request that we proceed to a rollcall vote as prescribed. I ask for the yeas and nays.

Mr. KENNEDY. Mr. President, I ask if it is in order to ask for the yeas and nays at this time.

The PRESIDENT pro tempore. It is in order. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, I yield myself 4 minutes.

The PRESIDENT pro tempore. The Senator from Massachusetts is recognized for 4 minutes.

Mr. KENNEDY. Mr. President, a number of us Senators COCHRAN, HATCH, and KASSEBAUM, have been engaged in discussions with the Secretary of Education—about this particular amendment.

From the start, there has been great concern about several aspects of the New American Schools proposal. We have expressed concern about the political pork barrel nature of the proposal. We have expressed concern about the inclusion of private sectarian schools and we have expressed reservations about the fact that the Secretary of Education would make the decisions. Many of us feel that these decisions are best left to State and local officials.

We have addressed these concerns with the Secretary and have come to the following agreement involving the provision on the New American Schools:

Under the New American Schools Improvement Act, a State may apply for a waiver to the Secretary to use the funds to establish New American Schools. If the Secretary approves the waiver, the State will use the funds to establish the New American Schools in the State and the State will make the decision about what school or schools will get the award.

In addition, awards are confined to public schools under the authority of the State education agency. Private schools may not get funds under this act.

I believe this proposal addresses the concerns that this side had with the New American Schools concept. It will be a State decision whether to have these schools and to integrate them into the reform structure. The State will decide which schools will get the awards, not the Federal Government. And decisions will not be made in a way that will benefit the administration that happens to control the White House.

In this form, I support the amendment, and I urge my colleagues to do so.

Mr. WELLSTONE. Will the Senator from Massachusetts yield for a question?

Mr. KENNEDY. I will be glad to yield.

Mr. WELLSTONE. First of all, let me just say I appreciate the tireless work of the Senator. I have just a couple of questions, because I have not had a chance to actually look at the amendment. These schools will not be private sectarian schools, as I understand it.

Mr. KENNEDY. The Senator is correct.

Mr. WELLSTONE. Could they be private schools?

Mr. KENNEDY. Public only.

Mr. WELLSTONE. Only public schools.

Are there any safeguards in regard to these schools not being able to, for example, use admission tests as to what students will get in? Let me start with that one.

Mr. KENNEDY. I refer to page three of the amendment, line 18, "any new public schools." The public schools as referred to in the amendment must apply whatever State standards have been established by the State.

Mr. WELLSTONE. I thank the Senator. I have not had a chance to look at the amendment.

Mr. KENNEDY. On page 4, the term "New American Schools" means an elementary or secondary public school that is: under the authority of a State educational agency or local agency; reflects the best available knowledge regarding teaching and learning of all students; uses the highest quality instructional materials; and has a curriculum designed to meet the national educational goals, which I think all of us basically embraces. In addition, the school should meet the particular needs of the students and community served by such school.

Mr. WELLSTONE. I want to say to the Senator from Massachusetts, I had some concerns. I think this compromise is very reasonable. I am glad it is in the public school system. I thank both the Senator from Mississippi and the Senator from Massachusetts.

• Mr. GORTON. Mr. President, as an essential component of the President's bold education agenda, America 2000, I fully support the Cochran amendment for New American Schools. New American Schools would break the mold of traditional learning by creating model schools of world-class excellence.

The Cochran amendment envisions at least one school per congressional district created by 1994. Each school would receive up to $1.0 million to design and implement a plan. Additional funding would be provided through fiscal year 1994 to communities for planning, staff training, purchasing equipment, and instructional materials. New American Schools are critical to achieving real reform for all schools. Without models and experiments, the decline of American education will continue. We can no longer tolerate "business as usual." This amendment reverses that trend by rewarding innovation, encouraging creativity, and challenging communities.

This differs from past educational reform efforts by drawing on state-of-the-art technology, the latest education research, the best education practices, and the community resources to put them in place. This support will assist innovative programs already underway in Washington State.

Washington State's Schools for the 21st century exemplifies a new generation of American schools. Created by the legislature in 1987, this competition has awarded 33 educational projects for their innovative methods. Schools are connected by an electronic network, which enables teachers to communicate ideas and share lesson plans. Common themes among projects within this program include outcomes-based education, integrated curricula, cross-age grouping of students, parents involvement, and technology. The Ocosta School District is another example of communities committed to challenging traditional methods. Last September, Ocosta School District in Westport received a large grant from the Department of Education for a 1991 restructuring project.

Mr. President, since the New American Schools concept was announced last April, 31 States, hundreds of communities, and over 650 chambers of commerce have announced or will soon announce their communities' support for America 2000 and the National Education Goals. From Wenatchee to Federal Way, and Grays Harbor to Pasco, Washington State communities are investing in their futures by becoming America 2000 communities. This amendment will tell them that the U.S. Senate shares their dreams for a better education for their children. I urge my colleagues to support the Cochran amendment.•

• Mr. HARKIN. Mr. President, I am pleased that the Cochran amendment to S. 2 requires the New American Schools to serve all students and this most certainly includes students with disabilities. The goal of federal legislation is for comprehensive schools which foster full inclusion of students from diverse backgrounds, including students with disabilities; including lesser known and newly emerging disabilities, and students with severe and multiple disabilities. These new schools should utilize approaches to provide for the maximum participation of students with disabilities in the least restrictive environment.

The Cochran amendment requires that the new schools would reflect the "best available knowledge regarding teaching and learning for all students." The extensive knowledge base of special education researchers should prove exceedingly valuable in this endeavor and should be utilized. Special education researchers have studied effective instructional methods that improve the performance of students with disabilities and this extensive knowledge base has much to offer the school reform movement.•

Mr. DURENBERGER. Mr. President, the majority of funding authorized by this legislation will go to existing schools that need improvement. And, I am sure there are hundreds of schools in my own State of Minnesota that could benefit from those grants.

And I stated earlier, I preferred that more of the funding would go to help start new schools. And, I am pleased that the Cochran New American Schools amendment—as well as the language Senator KENNEDY has added at my request to allow funding to go to new charter schools—will help address that concern.

Due to many hours of good faith discussions among a number of Senators interested in helping achieve the President's goal of starting new break the mold schools, Senator COCHRAN'S amendment will now allow States to spend at least 15 percent of the money they receive under S. 2 to help start New American Schools.

And, under the language that Senator KENNEDY previously added at my request, an additional 10 percent of the funds may be used for State-level initiatives including New American Schools, charter schools, teacher training, and public school choice initiatives.

Because of these important improvements, I strongly support the Cochran amendment, as now agreed to by the majority and by the administration. And, I urge my colleagues to affirm their support, as well.

THE NEED FOR INFORMED SCHOOL CHOICES

Although it is not a part of the Cochran amendment, Mr. President, I would also like to point out one additional improvement in this legislation—added by the distinguished Senator from Massachusetts at my urging—that will help States help parents and students make better informed school choices.

This provision in section 202 specifically authorizes States to use a portion of their block grant for "student assessment and parent information and referral programs."

Mr. President, Minnesota has the well-deserved reputation of doing more than any other State to give parents the right to choose the public school that their children attend.

Minnesota was the first State to allow high school juniors and seniors to take college courses at State expenses.

Minnesota was the first State to offer interdistrict school choices to every student under Minnesota's open enrollment program.

And, with chartered schools, alternative learning centers, and contract programs with private, nonsectarian schools, Minnesota has made it possible to better tailor learning environments to the diverse learning needs of today's students.

At the present time, Mr. President, parents in Minnesota have the option of choosing virtually any public school in the State under one of seven different school choice programs. And, last year, more than 28,000 students attended school under one of those seven programs.

With this much choice and diversity in place, it is only natural that attention is now focusing on how to assist parents and students make wise choices. Without good consumer information, any program designed to use the marketplace to achieve desired objectives cannot fully succeed. And, the important investment we are making in the educational future of this Nation's young people makes doing choice right an absolutely necessity.

MINNESOTA'S "SCHOOL CHOICE ADVISOR" PROGRAM

That is why one important part of Minnesota's ongoing school choice strategy is to begin establishing a statewide system of student assessment and parent information and referral networks that will help parents and educators match students and schools.

As Minnesota Education Commissioner Gene Mammenga has said:

> Although we were first to enact and implement statewide parent choice in selecting schools, we must now empower parents further by ensuring that the essential information is available for making informed choices.

Minnesota's answer to that challenge—called School Choice Advisor—is actually a public/private venture being developed by the Minnesota Department of Education, School House magazine and PEAKSolutions, a computer software and data base development company.

School Choice Advisor is being designed to be an educational tool for both parents and schools. Like information and referral programs for other public services, it involves collecting and processing information on characteristics and programs in each of the State's schools.

But, it also will interview both parents and students to determine their interests and needs and the kind of programs they want and will benefit from.

Parents and students will benefit from a program like this by being able to make better informed school choices. And, Minnesota Department of Education officials are making special efforts to involve low-income parents in this program by making it easily accessible and free of charge.

Schools will also be able to use the parent/student assessment information being gathered to help assess what they have available and to adapt and add programs that parents and students want and need. The information will also be useful to the State department of education and State policymakers in planning and evaluating the needs of capabilities of the State's schools.

Finally, Mr. President, development of School Choice Advisor in Minnesota—with assistance from funding authorized by the legislation now before us—could produce a program that could be replicated all across the Nation as more and more States adopt school choice programs.

Specifically allowing States like Minnesota to use their block grant for purposes like School Choice Advisor is one important improvement in this legislation, Mr. President, and it gives States an important tool to help reap the multiple benefits that school choice programs make possible.

Mr. SIMPSON. Mr. President, I rise in support of the Cochran-Kennedy compromise amendment on the New American Schools initiative. I am so very pleased to see that an accord has been reached. Those fine legislators, Senator KENNEDY, Senator COCHRAN, and Senator KASSEBAUM should be richly commended for forging this compromise.

Although this compromise does not exactly adopt the President's America 2000 blueprint for New American Schools, it does give State educators the opportunity to finally use portions of their Federal education block grants to work toward establishing the President's proposal for these break-the-mold schools. It is a good start. When it goes to conference, however, it should not be weakened.

Last night, the two sides were at absolute loggerheads on this issue. It was all very close to becoming a strictly political issue—both sides stood solidly by their alternatives. However, for America's future we need bipartisanship and leadership—not partisanship. That is exactly what our outstanding President wished for when he initiated the New American Schools proposal.

Once again, I do commend my five colleagues for forging this compromise that will lead us to the establishment of truly creative and innovative New American Schools.

Mr. KENNEDY. I want to express my appreciation to the Senator from Mississippi, Senator KASSEBAUM, and Secretary Alexander.

We have a number of difficult remaining issues. It does seem to me we tried to work with our colleagues and friends and members of the committee and hopefully this compromise reflects the best of what we have attempted to do on this particular provision. I thank the Senators very much for all of their cooperation.

Mr. COCHRAN. Mr. President, I thank Senator KENNEDY for his kind comments, his generous comments. I yield back whatever time remains on this side.

Mr. KENNEDY. I yield back my time.

The PRESIDENT pro tempore. All time has been yielded back. The question is on agreeing to the amendment. The yeas and nays have been ordered. The Clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND] and the Senator from Washington [Mr. GORTON] are necessarily absent.

I further announce that, if present and voting, the Senator from Washington [Mr. GORTON] would vote "yea."

The PRESIDING OFFICER (Mr. WOFFORD). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 2 Leg.]

YEAS—96

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—0

NOT VOTING—4

Bond
Gorton
Harkin
Kerrey

So the amendment (No. 1473) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico is recognized for up to 15 minutes.

Mr. KENNEDY. Will the Senator yield?

Mr. DOMENICI. I am pleased to yield.

Mr. KENNEDY. Just for the membership, Mr. President, I welcome the fact that we were able to work out a successful compromise on the last amendment, which was one of the principal issues that was before the Senate on this question. Senator DOMENICI will speak, and we will come back to the Hatfield amendment.

We have been working with Senator HATFIELD. As far as we are concerned, we are prepared to urge the Senate to accept the Hatfield amendment. I know there are some of those that are looking at that, in addition, but I am hopeful that we can work that out.

Then we will go to the Hatch amendments. I expect that we will have a very considerable discussion and debate on those, which ought to be in the early afternoon. We are beginning to make some good progress now. Senator WELLSTONE has spoken to me about an amendment he has to offer, as has Senator METZENBAUM.

We are hopeful of moving the legislation along in a timely way. I think one of the major issues in question has now been put behind us, and I hope we can do the same with others. If there are other amendments, I hope they will come forward.

The PRESIDING OFFICER. Will the Senate come to order.

Mr. SARBANES. Mr. President, is it the intention to finish this bill this evening?

Mr. KENNEDY. I certainly hope so, Mr. President. I know the issue that Senator HATCH has is a matter of great importance and consequence, and there are Members who want to speak on it. But I understand from the majority leader that we will work into the evening tonight, and I hope that Members will be prepared to do so. After that measure, I know of perhaps one or two other items. And there is no reason to believe that, if we have the kind of cooperation we have had today, we cannot conclude.

Mr. SARBANES. I see the majority leader is on the floor.

Mr. DOMENICI. Mr. President, this time is not being charged to me, is it?

Mr. KENNEDY. Mr. President, I ask unanimous consent this time not be charged to the Senator from New Mexico.

The PRESIDING OFFICER. Without objection, it is so ordered

Mr. SARBANES. I ask the majority leader, is it the intention to complete the legislation this evening, or if not this evening, then on tomorrow, I take it; is that correct?

Mr. MITCHELL. Mr. President, that is correct. I hope that we can complete action on this legislation as soon as possible. I hope today, if we can do it. I have discussed it with the distinguished chairman and manager of the bill. I believe one of the major points of controversy has now been resolved. There remain, it is my understanding, a couple of others.

I hope we can complete action on it today. If we can complete action this evening, then the Senate will not have any votes tomorrow. Of course, there already are no votes scheduled for Monday. We are going to take up the cable TV bill on Monday, but there will be no votes at that time. I hope we can complete action as soon as possible. If possible, today.

Mr. SARBANES. If we were not to finish today, then we would be on the bill tomorrow?

Mr. MITCHELL. Yes; we will stay in tomorrow to finish the bill.

Mr. DOMENICI. May I say to the Senator from Massachusetts, since he was enumerating the amendments pending, that I might have an amendment on alternate certification. I will talk to the Senator about it first.

The PRESIDING OFFICER. The Senator from New Mexico is recognized up to 15 minutes.

Mr. DOMENICI. Mr. President, I rise today to tell the Senate that the Senator from New Mexico does not believe that we need an across-the-board tax cut for middle-income Americans. I am delighted that that view is supported by an overwhelming number of American citizens. They are not without good sense.

I am also pleased to inform the Senate that almost every American economist, from John Kenneth Galbraith of old, who is still teaching, and who advised Senator Kennedy when he became President, and others, to OMB directors of late, such as Roy Ash; Rudy Penner, who was Congressional Budget Office director; Alan Greenspan who runs the Federal Reserve Board; and Charles Shultz who was the economic adviser to President Carter. There are other prominent names, as Alice Rivlin, Herbert Stein, Barry Bosworth, and Isabel Sawhill. The list goes on, such that I can say, unequivocally, that the overwhelming majority of economists who advise large organizations, who advise Presidents and who write for a large group of listeners, indicate that we do not need an across-the-board tax cut for middle Americans.

Then look at the polls. The American people are crying out for leadership. They want us to do something, and we are going to act. We are going to set about to see if we can minimize this recession, and to the extent possible, set new policies that will keep America growing, to guarantee future prosperity and jobs.

I could list more economists, but I will stop with those and merely say that I believe the across-the-board tax cut, as a stimulus, is better characterized as a political stimulus than economic stimulus. And before we are finished, I believe it will not even be a political stimulus, because a political stimulus without support goes nowhere. I do not believe the American people are going to support it, because they are too smart. They know we have a huge deficit and economic problems because of it. They do not want us to add to future problems, which is what really worries them.

The future of the American economy for their children and for them is what is really worrying them. It is not tomorrow morning and 2 weeks from now, although they are expressing it in that sense, because we have a lot of difficulties in the economic environment now.

So let me repeat. We must do a number of things and what we ought to do is provide new policies that will add to the sustained growth potential for the United States.

Having said that, I think it would be appropriate to talk about the current recession very quickly to put it in perspective. No one sympathizes more than I for an American man or woman who wants to work and is out of work because of this economic slump or because businesses have to reduce their overhead to exist in a new competitive economic life.

But I just hope the Senate understands that cyclical recessions have been recurring for as long as we have had a capitalist economy in the United States. Frankly, this recession is not as bad in many respects as the 1981–82 recession. I will not bore the Senate with facts about that.

Suffice it to say that the current economist who heads the Congressional Budget Office, a totally neutral economist administrator, yesterday in testimony said unequivocally this recession is far less severe on all scores than the 1981–82 one. You remember that recession. Interest rates were 21 percent, inflation was 14 percent. Unemployment was not 7 percent, but rather 11 percent at one point.

What we are hearing today are a lot of future plans, and they seem to be coming out so regularly that we think this must be the worst of economic times. Frankly, plant closings and layoffs are being announced now because we have a law saying they must be announced. This law was not in effect in 1981–82.

But I would like to put in the RECORD a summary of magazine headlines during that era. American companies that were in trouble then and were having to ratchet down and announce plans for a reduced job force. I will put that in the RECORD. Anyone who is interested can see it was happening then, too.

Mr. President, I ask unanimous consent to print that material in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The headlines below represent a very small sample of periodical articles over the period 1980–1983. They were garnered from a search of the Readers' Guide to Periodical Literature and do not include articles that appeared in newspapers, only magazines and journals. Four subjects were searched: unemployed, layoffs, inflation and business conditions.

MAGAZINE HEADLINES 1980–83

Headline	Publication	Date
UNEMPLOYMENT		
Idle army of unemployed	Time	Aug. 11, 1980.

MAGAZINE HEADLINES 1980–83—Continued

Headline	Publication	Date
Job slump takes a $50,000,000,000 toll.	U.S. News	June 16, 1980.
New fear: unemployment nearing 12 percent.	Business Week	May 19, 1980.
Unemployment: the worst is yet to come.	Fortune	Jan. 26, 1981.
11 million jobless, and the worst is yet to come.	U.S. News	Oct. 18, 1982.
High unemployment won't go away.	Fortune	Aug. 9, 1982.
The labor market is likely to get worse.	Business Week	Sept. 13, 1982.
Twelve million out of work	Newsweek	Dec. 13, 1982.
Unemployment: the worst in 41 years.	U.S. News	May 17, 1982.
Recession's harsh hangover	Newsweek	May 16, 1983.
Where workers ask: what recovery?	U.S. News	Nov. 21, 1983.
LAYOFFS		
Auto workers head for the welfare rolls.	Business Week	July 14, 1980.
Economic slump fosters pilot layoffs.	Aviation Week	Nov. 3, 1980.
General aviation firms expand layoffs.	Aviation Week	June 9, 1980.
Layoffs ripple out to more industries.	Business Week	May 5, 1980.
Big layoffs begin as the economy stalls.	Business Week	Oct. 12, 1981.
Decline in orders forces Boeing workforce drop.	Business Week	Nov. 23, 1981.
Layoffs signal a slump that will not end soon.	Aviation Week	Nov. 30, 1981.
Potlatch lumbers to a standstill (closing of a sawmill).	Newsweek	Sept. 14, 1981.
Wave of layoffs in semiconductors.	Business Week	June 29, 1981.
Where job layoffs will strike next	U.S. News	Nov. 16, 1981.
Continued depressed sales force new round of layoffs (general aviation).	Aviation Week	Sept. 6, 1982.
Gates to lay off 25 percent at two plants.	Aviation Week	May 31, 1982.
Misery in the minefields	Newsweek	Dec. 6, 1982.
Even the AFL–CIO is laying workers off.	Business Week	May 2, 1983.
INFLATION		
Carter's Hoover syndrome	New Leader	Mar. 24, 1980.
Citizens find inflation worse than reported.	Nation Business	May, 1980
Credit crunch is on	Newsweek	Mar. 31, 1980.
Economy: scary	Time	Mar. 7, 1980.
If you're not scared, maybe you should be.	Forbes	Mar. 17, 1980.
Inflation: a doomsday scenario	Newsweek	Mar. 24, 1980.
Squeeze on the middle class	New York Times magazine.	July 13, 1980.
U.S. economy in crisis	Newsweek	Jan. 19, 1981.
Why the prime is so high	Forbes	Dec. 22, 1980.
Inflation cutting U.S. farm values.	U.S. News	Apr. 20, 1981.
Inflation threatens Head Start quality.	Phi Delta Kappa	January, 1981.
Inflation's vicious bite (impact on the elderly).	U.S. News	Feb. 23, 1981.
Middle class looks for letup in the squeeze.	U.S. News	July 20, 1981.
Ways business copes with high prices.	U.S. News	Apr. 6, 1981.
BUSINESS CONDITIONS		
Corporate shift to pessimism	Business Week	May 19, 1980.
High interest rates portend a serious slump.	Business Week	Mar. 24, 1980.
It will be a rough one	Forbes	Aug. 4, 1980.
Recession's bite on borrowers	Newsweek	July 21, 1980.
Those cautious consumers	Time	Aug. 25, 1980.
Gathering gloom for workers	Time	Dec. 14, 1981.
Time-bomb economy	Macleans	Nov. 2, 1981.
Are we headed for another Great Depression?.	Readers Digest	August 1982.
Recession wracks the merchants	Business Week	Feb. 15, 1982.
Another biotechnology company bites the dust.	Science	Sept. 10, 1982.
Bankruptcy at Braniff	Time	May 24, 1982.

Mr. DOMENICI. Mr. President, having said that, let me move on to where we are and what the Senator from New Mexico thinks we ought to do. First, almost every economist, again, who is looking at the American economy today, recognizes that we are currently stimulating this economy to a very high degree. I will tell the Senator why and how in just a moment.

Other things are happening to stimulate the American economy at a very high level right now. In fact, the Director of the Congressional Budget Office said yesterday that without any new stimulus, without Congress doing anything, the prediction is that in the third quarter of this year we will recover and we will be growing at 3.5 percent and by the last quarter we will be growing at 4 percent.

I call to my friend Senator HATFIELD's attention that that is the projection if we do nothing. I think that is right. I think that the other economists who are looking at it are all saying we are going to get out of this recession and start a recovery in the second or third quarter at the latest without doing anything.

Is that not interesting? Let me tell the American people and the Senators how we are already stimulating the economy in ways that are very healthy and what the effects are. Since the interest rates came tumbling down homeowners have been refinancing their homes and when they do that, I say to the Presiding Officer, they save money because their mortgage payments are reduced. On average they are saving $2,000. Some are saving $4,000, some are saving $1,000. But add them all up and nearly $40 billion a year is going into the economy because of that.

I submit some have been talking about a tax cut, I say to Senator HATFIELD, of $30 billion for middle-income people. There is already a stimulus going on that is bigger than that that costs the deficit nothing and will be just as effective.

Then there is another giant whopper that is stimulating the economy and it will turn it on soon, and that is the dramatic reduction in oil prices. Gasoline prices are 30 cents less than expected for this date as far as the calculations go in our fiscal policy. That equals $3.5 billion a year in the pockets of Americans to spend.

And one might say, is that really so? Are they going to do anything with it? Let me tell you they are going to do as much with that as they will do with the $20 or $30 or $40 a month that some want to give them in a tax rebate for so-called middle-income Americans. Those same Americans, when polled, are saying do some things positive for the economy, do not do things for us, we know that America has a big deficit and we ought to start taking care of it.

So it seems to me that quick fixes and political stimulus should be avoided here. The American people ought to know that there is a difference between that which we should do to help our economy and the political stimulus that the politics of our day would suggest. And we all know it is occurring. I do not speak of it with any kind of anger; rather it is reality. Let us just call it what it is and be sure we are not stimulating the economy with political stimulus instead of real ones.

I think the American people also, in asking us to help them with jobs, know full well that the U.S. Government cannot go out into their neighborhoods and streets and byways and give every unemployed American a job. I do not think that is what they are saying when they say, do something about the economy.

But let me suggest, even if there are people out there that think the United States Government acting on orders from the Congress and the President should put people to work, I just ran a couple of numbers. If you want to use the old Comprehensive Employment Training Program and put people into jobs then it will cost $17,000 to $19,000 for each person. For 2 percentage points of unemployment, or 2 million people, you will spend $35 billion in that program, and you could not get it geared up for 6 to 8 months.

Mr. President, I ask unanimous consent to print in the RECORD a summary, where some very excellent economists have looked back at the last two big recessions and found out what Congress did and then they have analyzed it to see if it was effective.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Fiscal Policy Usually Comes Too Late To Be Effective

How has fiscal policy worked in the past to end recessions? The answer is fiscal policy generally does not provide a "quick fix" that ends recessions.

Let's look at the record:

The 1981–1982 recession ended in November of 1982. Policy actions:

January 6, 1983; Surface Transportation Assistance Act of 1982, P.L. 97-424.

March 24, 1983: Emergency Jobs Appropriations Act of 1983, P.L. 98-8.

The 1973–1975 recession ended March of 1975. Policy actions:

March 29, 1975: Tax Reduction Act of 1975, P.L. 94-12.

July 22, 1976: Public Works Employment Act of 1976, P.L. 94-369.

May 13, 1977: Local Public Works Capital Development and Investment Act of 1976, P.L. 95-28.

Generally, fiscal stimulus packages such as these provide stimulus equal to 1 percent to GNP on average during the 1st year of recoveries.

But during the recession fiscal stimulus averages a negligible 0.2 percent of GDP. Not enough to have much impact.

Mr. DOMENICI. Mr. President, the voters and the American people should know that almost every time that we put a stimulus in the American economy, be it makeshift jobs, be it reinvented public works programs, whatever it is, they almost all came into fruition when the recession was over. In fact, one of the programs came into fruition 3 years after the recession was gone when the economy was booming, and it was heralded in certain places as an antirecessionary program. It even had that as part of its name. So we are not going to hopefully let ourselves get caught in that kind of trap. So what should we do?

In this Senator's opinion the largest and most significant problem we are facing in America is the enormous drag on this economy by the cumulative deficit, called the debt, and the current annual deficit which is skyrocketing. Our net American savings is so low that it does not even compare with our trading partners, and we are the leading capitalist country.

If you are a capitalist country you have to have capital to spend and that is measured by your net savings. We only have a net saving rate of about 4 percent and we are gobbling it up with deficits almost faster than anyone can count it.

So it seems to me that we ought to commit ourselves to a program that does not increase the deficit and continue that into many years beyond the 3 that are left in the agreement on the budget, caps and limitations on expenditures, so we will reasonably control the expenditures of this Government so that we will indeed get that deficit under control.

For those who wonder whether we could get rid of the deficit by taxes let me suggest from what I know now if we did everything else except the health care, and we will talk about it in a minute, it will take a 20-percent tax increase on everything and everyone to get a handle on this deficit in just tax increases. Nobody thinks we can do that. It will not work. It will spoil the very goose that is laying the golden egg.

So as far as I am concerned we ought to do things that build capital, enhance savings as best we can. I mean policies like the investment tax credit, capital gains differential, tax credits that are directed at buying homes, the passive loss rule that has made realtors second-class citizens because they do not get losses that other people do because we made a mistake and included them in the abolition of passive tax losses. We ought to adjust IRA's so amounts can be withdrawn without penalty for new housing and other things during this interval and then add to the amount we can deposit in an IRA in the future. We ought to do something about the real estate market so we can stop the free fall in that market as best we can, and there are some things we can do.

So I close, knowing full well that the 1981–82 recession was caused by Paul Volcker and the Federal Reserve cutting down on money supply and raising interest rates. I know that happened.

Now I know in this recession the Federal Reserve has dramatically reduced interest rates. And I remind everyone that Mr. Volcker, and I will put his statement in the RECORD, reminded us when he finally loosened up on money that we better get the deficit under control or we will be right back in the soup again. I think we are going to be there regularly until we do something about it.

Mr. President, I ask unanimous consent to print the Volcker statement in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

On February 29, 1984, Paul Volcker, then Chairman of the Federal Reserve, made the following observation in testimony before the Senate Budget Committee:

"We can, in concept visualize an economic expansion that continues despite financial strains—an expansion characterized by relatively high interest rates and by high consumption supported by large deficits, but markedly sluggish investment and a widening trade deficit. That, in itself, is hardly desirable in terms of the staying power of the expansion and future growth and productivity. But we also have to be conscious of the added risks such as financial pressures would pose—to thrift and other financial institutions, to less developed countries with heavy debt burdens, and their creditors in the U.S. and elsewhere, and to the fabric of international trade. At some unknown point the sustainability of the expansion itself would be jeopardized."

Chairman Volcker went on to conclude that the only solution to the economy's long term growth prospects was:

"What must be done is to deal with the source of the problem—the excessive deficits. . .

In a sense, dealing with the deficit seems to be everyone's second priority—the first is particular spending programs or measures of tax relief that, viewed in isolation, have strong justification. I can only urge that [these decisions about deficit reduction] be faced sooner rather than later before we are enveloped with an atmosphere of crisis, in financial markets and elsewhere."

This is a lesson we did not learn in 1984 that we should learn now.

The PRESIDING OFFICER. Under the previous order, the Senator from Oregon, [Mr. HATFIELD] is recognized to offer an amendment on which there will be 1 hour of debate.

Mr. HATFIELD. Thank you, Mr. President.

AMENDMENT NO. 1474

(Purpose: To establish the Education Flexibility Demonstration Act)

Mr. HATFIELD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for himself, Mrs. KASSEBAUM, Mr. PELL, Mr. HATCH, Mr. KENNEDY, Mr. SEYMOUR, Mr. GRAHAM, and Mr. PACKWOOD, proposes an amendment numbered 1474.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, in the table of contents, after the item relating to section 212 insert the following:

TITLE III—EDUCATIONAL REFORM AND FLEXIBILITY

Sec. 301. Statement of findings and purpose.
Sec. 302. Flexibility and accountability in education and related services.

On page 2, in the table of contents, redesignate the item relating to title III as the item relating to title IV.

On page 2, in the table of contents, redesignate the item relating to section 301 as the item relating to section 401.

On page 56, between lines 19 and 20, insert the following:

TITLE III—EDUCATIONAL REFORM AND FLEXIBILITY

SEC. 301. STATEMENT OF FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) historically, Federal education programs have addressed the Nation's most pressing educational problems by providing categorical assistance with detailed requirements relating to the use of funds;

(2) while the approach described in paragraph (1) has proven generally successful, some program requirements may inadvertently impede educational achievement;

(3) the Nation's schools are being asked to deal effectively with increasingly diverse educational needs that current program structures may not be flexible enough to address; and

(4) in an era when educational change and reform must prevail, it is more important than ever to provide programs that—

(A) result in improved educational outcomes for all students;

(B) promote the coordination of education and related services that benefit children and their families;

(C) respond flexibly to the needs of a diverse student population;

(D) stop the proliferation of unnecessary Federal, State, and local regulation; and

(E) place less emphasis on measuring resources and reviewing procedures and more emphasis on achieving program results.

(b) PURPOSE.—It is the purpose of this title to establish a national demonstration program which—

(1) promotes educational reform that leads to improved educational outcomes for participants in affected programs;

(2) holds accountable the schools and other recipients of Federal funds for achieving specific educational improvement goals in exchange for increased flexibility in the use of their resources; and

(3) enables school and program administrators, teachers, parents, local agencies, and community groups to work together to develop effective education programs that lead to improved achievement and meet the needs of all participants, particularly those who are disadvantaged.

SEC. 302. FLEXIBILITY AND ACCOUNTABILITY IN EDUCATION AND RELATED SERVICES.

(a) IN GENERAL.—Subpart 1 of Part C of the General Education Provisions Act (20 U.S.C. 1221 et seq.) is amended by adding after section 421A a new section 421B to read as follows:

"SEC. 421B. FLEXIBILITY AND ACCOUNTABILITY IN EDUCATION AND RELATED SERVICES.

"(a) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—(A) The Secretary shall, in accordance with this section, assist elementary and secondary schools and other service providers to improve the achievement of all students and other participants, but particularly disadvantaged individuals, by authorizing waivers to not more than 100 local educational agencies by which the States can improve the performance of schools and programs by increasing their flexibility in the use of their resources while holding them accountable for achieving educational gains.

"(B)(i) In support of these projects, the Secretary is authorized to waive any statutory or regulatory requirement (except as provided in subsection (e)) applicable to a program described in clause (ii) that the Secretary determines may impede the ability of a school or other service provider to meet the special needs of such students and other individuals in the most effective manner possible. The head of any other Federal agency in accordance with the programs described in clause (ii) is similarly authorized to waive such requirements applicable to an elementary, secondary, or youth vocational training program administered by such agency if the agency head and the Secretary agree that such a waiver would promote the purpose of this section.

"(ii) The Secretary shall only waive a statutory or regulatory requirement applicable to a program under—

"(I) chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

"(II) chapter 2 of the Elementary and Secondary Education Act of 1965;

"(III) the Dwight D. Eisenhower Mathematics and Science Education Act;

"(IV) the Follow Through Act;

"(V) subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act; and

"(VI) the Carl D. Perkins Vocational and Applied Technology Education Act, except part H of title III and funds allocated by States under section 232 of such Act.

"(2) PROJECT DURATION.—Projects conducted under this section, and any waivers associated with such projects, shall last no longer than three years, except that the Secretary may extend a project and any associated waivers for an additional 2 years if the Secretary determines that the project is making substantial progress in meeting its goals.

"(3) TERMINATION.—The Secretary shall terminate a project and its associated waivers if the Secretary, at any time, determines it is not making acceptable progress toward meeting its goals. The head of any other Federal agency who has granted waivers under this section shall determine whether to extend or terminate those waivers, but the Secretary shall have exclusive authority to extend or terminate the project.

"(b) ELIGIBILITY.—

"(1) IN GENERAL.—Each project that involves elementary or secondary schools shall include the participation of a local educational agency and at least 2 schools.

"(2) GRADE AND PROGRAM REQUIREMENT.—To the extent possible, each grade and academic program in a participating school shall participate in the project.

"(c) APPLICATIONS.—A local educational agency, wishing to conduct a project under this section, shall submit an application to the State educational agency for approval. The State educational agency shall then transmit approved applications to the Secretary. Each application shall be submitted within 2 years of enactment of the Neighborhood Schools Improvement Act and shall include a plan that—

"(1) describes the purposes and overall expected outcomes of the project;

"(2) identifies, for each school or site participating in the project, those impediments to improved educational outcomes that would be removed by the proposed waivers;

"(3) identifies the Federal programs to be included in the project, the Federal statutory or regulatory requirements to waived, and the purpose and duration of the requested waivers;

"(4) describes the State and local requirements that will be waived, the purpose of such waivers, and, if such requirements will not have been waived before the project begins, when those waivers will be obtained and take effect;

"(5) demonstrates the State has made an effort to waive substantial requirements pertaining to the local educational agency;

"(6) describes specific, measurable, educational improvement goals for each school or other site in the project and for each school year of the project, including—

"(A) goals for improving the achievement of all participants, including disadvantaged individuals, with respect to achievement in basic and advanced skills;

"(B) goals that reflect the broad purposes of each program for which a waiver is sought; and

"(C) an explanation of how the applicant will measure progress in meeting the goals set for each school or site in the project and for disadvantaged individuals participating in the project;

"(7) incorporates the comments of the Governor or the chief State school officer; and

"(8) for projects involving elementary or secondary schools—

"(A) identifies the schools to be included in the project and describes the student population at each school, including—

"(i) current data regarding the achievement of the disadvantaged students as well as other students; and

"(ii) the number of students who—

"(I) are of limited English proficiency, as defined in section 7003(a)(1) of the Bilingual Education Act;

"(II) are children with disabilities, as defined in section 602(a)(1) of the Individuals with Disabilities Education Act;

"(III) are currently or formerly migratory;

"(IV) are educationally deprived, for the purposes of chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(V) are eligible for a free or reduced price school lunch;

"(B) describes specific goals for enhancing coordination between the regular education program available to all students and programs serving disadvantaged students;

"(C) if fewer than all the schools in a local educational agency will participate in a project, describes the expected educational outcomes for disadvantaged students in schools that do not participate, and how those outcomes will be assessed;

"(D) describes how school administrators, teachers, staff, and parents (including parents of educationally disadvantaged children) have been, or will be, involved in the planning, development, and implementation of the goals and program for each participating school; and

"(E) contains goals for students targeted by the programs described in clause (ii) of section 421B(a)(1)(B) which are comparable to, or exceed existing goals under such programs.

"(d) APPROVAL OF PROJECTS.—

"(1) IN GENERAL.—The Secretary shall approve applications from not more than 100 local educational agencies for projects under this section that the Secretary determines show substantial promise of achieving the purposes of this section, after considering—

"(A) the comprehensiveness of the project, including the types of students, schools, programs, and activities to be included;

"(B) the extent to which the provisions for which waivers are sought impede educational improvement;

"(C) the State and local requirements that will be waived for the project;

"(D) the significance and feasibility of the proposed project's goals for each participating school or site;

"(E) the quality of the plan for ensuring accountability for the proposed plan's activities and goals; and

"(F) the comments of the Governors or the chief State school officers.

"(2) CONSULTATION.—The Secretary shall consult with the heads of other appropriate Federal agencies, if any, in determining whether to approve a project. Each such agency head shall notify the Secretary of any waivers granted by such agency head as part of such project.

"(3) DISTRIBUTION OF PROJECTS.—The Secretary shall ensure that, to the extent feasible, projects assisted under this section are geographically distributed, and equitably distributed among urban, suburban, and rural areas, as well as large and small schools.

"(e) ALLOCATION OF FEDERAL FUNDS; RESTRICTION ON WAIVERS.—

"(1) ALLOCATION OF FEDERAL FUNDS.—Federal funds under any program that are used to support a project under this section shall be allocated to local educational agencies and other recipients within the local educational agency in accordance with the statutory and regulatory requirements that govern the operation of that program, except that, for the purpose of such a project, the Secretary (or the head of any other Federal agency) may extend the duration of, and provide continuation funding to, a project chosen on a competitive basis that a participating agency is conducting.

"(2) RESTRICTION ON WAIVERS.—Neither the Secretary nor the head of any other Federal agency shall waive under this section any statutory or regulatory requirement in awarding a grant after the date of enactment of the Neighborhood Schools Improvement Act to a service provider within the local educational agency or other applicant participating in a project under this section.

"(3) SPECIAL RULE.—Neither the Secretary nor, where applicable, the head of any other Federal agency shall waive under this section any statutory or regulatory requirement—

"(A) under section 438 and 439 of the General Education Provisions Act;

"(B) under title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, title IX of the Education Amendments of 1972, or title II of the Americans with Disabilities Act;

"(C) under the Individuals with Disabilities Education Act; or

"(D) relating to—

"(i) maintenance of effort;

"(ii) comparability; or

"(iii) the equitable participation of students attending private schools.

"(f) REPORTS AND EVALUATIONS.—

"(1) PROJECT REPORTS.—Each project shall submit, not later than 90 days after the end of each year of the project, an annual report to the Secretary that—

"(A) summarizes the principal activities of the project;

"(B) contains school-by-school and other data, as described in the project plan, that show the extent to which the project is meeting its overall goals, including its goals for improving the achievement of all participants, particularly disadvantaged individuals, with respect to achievement in basic and advanced skills, and is meeting the goals for each school or other site;

"(C) describes the impact of the project on disadvantaged children in schools, if any, that are not participating in the demonstration;

"(D) describes the effectiveness of efforts to coordinate programs and services for children and their families as appropriate; and

"(E) provides information on or comparable data regarding the programs described in clause (ii) of section 428B(a)(1)(B) of achievement levels of students served pursuant to such programs previously demonstrated over the preceding 3 years compared with children or students served under this title.

"(2) SECRETARY'S REPORT.—The Secretary shall submit a report to the Congress every two years that summarizes and analyzes the project reports required by paragraph (1).

"(3) EVALUATION REPORTS.—At the end of the 6-year period described in this section, and at such interim points as the Secretary deems appropriate, the Secretary shall provide to Congress an independent evaluation of the projects assisted under this title, as well as an evaluation of the program assisted under this section by the Department of Education and other affected Federal agencies. Such reports may include recommendations for amendments to program statutes that are based on the experience of projects that successfully raise educational achievement by eliminating or modifying statutory or regulatory provisions that impede educational improvement.

"(g) DEFINITION.—For the purpose of this section, the term 'disadvantaged students' includes students of limited English proficiency, children with disabilities, students who are currently or formerly migratory, and students who are educationally deprived.

"(h) BUDGET NEUTRALITY.—The authority provided by this section shall not be exercised in a manner that, for any fiscal year, increases total obligations or outlays of discretionary appropriations for programs subject to such authority, or that increases total obligations or outlays of funding for all direct-spending programs subject to such authority over those that would have occurred absent such authority.".

(b) SUNSET PROVISION.—The amendment made by subsection (a) shall be effective during the 6-year period beginning on the date of enactment of this Act.

On page 56, line 20, strike "III" and insert "IV".

On page 56, line 21, strike "301" and insert "401".

Mr. HATFIELD. Mr. President, a letter appeared on my desk yesterday which inspired me and offered me guidance as I prepared to advance my amendment today. It was a simple quote from former President James Monroe. The quote is: "The question to be asked at the end of an educational step is not what has the student learned but what has the student become."

Mr. President, I want to begin today by sharing this thought with my colleagues as we consider an amendment which I believe holds great promise for improving the quality of education and the process of learning. In my opinion, as a former educator and former Governor, there is no greater objective in political life today.

I rise today to offer the Education Flexibility Demonstration Act to 2. My amendment would simply allow the Secretary of Education to waive the statutory or regulatory educational requirements of certain Federal programs in exchange for holding grantees accountable for achieving educational goals, and those goals must represent gains.

My amendment is a national demonstration project limited to 100 waivers to local educational agencies across the country. While many of my colleagues will acknowledge that this is but a small start, I believe it is a significant one that will allow the Secretary of Education to demonstrate how effective a hands-off approach at the Federal level can be in inspiring innovation and creativity at the local level.

I would like to take this early opportunity to thank my colleagues on the Senate Labor Committee who have committed themselves in a bipartisan fashion to achieving consensus on this issue. I am especially grateful to Senator KENNEDY, Senator PELL, Senator KASSEBAUM, and Senator HATCH. I would also like to acknowledge the cosponsors of the amendment at this time which include Senator GRAHAM of Florida; my colleague from Oregon, Senator PACKWOOD; and Senator SEYMOUR.

My amendment supports the America 2000 strategy by making the individual school the site of radical reform. By laying aside many of the regulatory requirements of Federal education programs, this amendment will grant teachers, principals, and parents the authority and the responsibility to make the important decisions about how to run their schools and to educate their children.

Currently, Federal regulations can be both overwhelming and intimidating and can have a chilling effect on innovation in the schools across our country. In addition, many of the regulations that we impose upon our educators fly in the face of common sense, basic economy, and the real life ways that people have devised to meet the pressing educational needs of different kinds of students.

My goal—the goal of this amendment—is to give States and local districts the freedom to use Federal funds in the most effective ways they can. It will encourage local communities to experiment and to implement serious reforms using existing resources and equipment.

My amendment permits the granting of waivers in the following education programs: Chapter 1, Chapter 2, the Eisenhower Math-Science Program, and the Follow-Through Act, and the youth programs under the McKinney Act, and the Carl Perkins Vocational Education Act. It will not allow the civil rights of students, invasions of privacy, and regulations applicable to children with disabilities to be waived.

Mr. President, the education community has identified the need for greater flexibility to use Federal funds as major educational reform instruments. Since real educational reforms happen school by school, educators must be given the flexibility to use resources in new and creative ways to help the children.

Let me give you a few examples of regulations that are particularly egregious though sadly far from unique. It is ironic and sad that some of the most constraining regulations occur in programs for disadvantaged children. The pullout programs for Chapter 1 students offer a challenge by requiring programs, and sometimes facilities for students, which entail pulling them out of normal classroom reading instruction, for instance, to send them to receive separate, potentially stigmatized, reading instruction. Chapter 1 is the largest Federal program for educating disadvantaged children. Therefore, many children and teachers would be affected by allowing flexibility to provide special services integrated into regular educational programs.

Right now, Mr. President, believe it or not, it is illegal to use equipment such as computers that have been purchased for Chapter 1 programs for any non-Chapter 1 after school activity. That means that an adult literacy night school class held in the same classroom cannot use the computers in that classroom or the reading of the program. Certainly, flexibility at the Federal level can eliminate this regulatory straitjacket which local schools find themselves in.

A final example under Chapter 1 involves teacher's aides. Federal regulations require that Chapter 1 aides may perform noninstructional duties such as supervising recess if the regular teacher's aides do so. However, in small schools with no regular educational aides, Chapter 1 aides are not permitted to perform such duties. Thus, Chapter 1 teachers are used instead.

Ed-Flex, as we call our amendment, would enable Chapter 1 aides to free up the time of Chapter 1 teachers so that their time in school could be focused on teaching.

I have mentioned just a few examples. There are literally thousands more. And while there is a great deal of regulation at the State level, the Federal Government sponsors 70 educational programs each of which has its own set of regulations. Many of these are in place to ensure specific goals, and they were established for good reason and need to remain in place for the same reason others can and should be reexamined by opening the door to the States. I suspect they will show us where we need to focus our attention. I know my own State has some ideas in this direction. In fact, the States are way ahead of us on this issue.

Across the country today, Governors, State school officials, legislators, and educators have recognized that in order to reach the ambitious America 2000 goals to encourage innovation and to reward success, regulatory flexibility is absolutely necessary. And they have begun to implement it. At least 18 States have passed legislation allowing for waivers for education programs at the State level. There are examples all over the Nation.

The Maryland Board of Education now holds schools accountable for what their students have learned and will waive selected State regulations that stand in the way of improvement.

The Texas legislature passed a bill to exempt districts from numerous State regulations in return for, and linked to, the improvement of student achievement.

Mississippi, New Mexico, and Tennessee have done the same.

Minnesota has developed the Nation's first charter schools which are exempt from most State regulation and district oversight. These schools allow certified teachers to create educational programs and operate innovative public schools which accept all eligible students and the schools are held accountable by monitoring student achievement.

The South Carolina Board of Education has rewarded schools with a history of superior academic achievement by freeing them from State governmental regulations governing administration and organizational arrangements.

Of course I cannot let this opportunity pass without mentioning my own State of Oregon. This year my State enacted the 21st-century school program, which is designed to restructure Oregon's schools. Any school in my State, with the approval of its district school board, may apply to become a 21st-century school and receive a waiver of State regulations. The State board of education has authority to waive all State statutes, rules, local policies, and agreements relating to educational practices with the exception of those that affect health, safety, or constitutional rights under our State or Federal law.

For example, school districts in Oregon can submit plans to limit or modify restrictions on the length and structure of the school day or the school year, the certification of teachers, the graduation or curriculum requirements.

This new program and its predecessor, the 20/20 Program, have been in effect for more than 4 years. Each year, additional schools apply to begin the restructuring process. Currently, 15 percent of the schools in my State are enjoying some sort of deregulation for their participation in this program. Oregon knows this concept works and wants help at the Federal level. The amendment I am offering today offers the beginning stages of the Federal relief it seeks.

These are just a few examples of the States taking the lead in regulatory reform and regulation. Today I hope that we here in the U.S. Senate, on a bipartisan basis, can rise to the occasion and support the thousands of good citizens of all political parties and convictions across the country who seek regulatory relief in order to proceed with the very serious business of improving our Nation's educational system.

I urge the full support of my colleagues for this worthy amendment and I am very grateful for the strong support on the bipartisan basis that we have achieved.

Mr. President, I yield 5 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California [Mr. SEYMOUR].

Mr. SEYMOUR. Mr. President, I commend my distinguished colleague from Oregon for his leadership in proposing this regulatory flexibility amendment.

Mr. President, I think we all agree that our education system is not working. I think we will agree that our kids are getting cheated and that, as a result of a lack of quality education, we can for the first time in our history look forward to a generation that does not do as well as the last generation.

I know that is the way I was raised. Mom and dad worked hard and they wanted to see their kids do better than they had done. I think that spirit is still alive in America but we are asking our kids to achieve that with one arm tied behind their back.

What has happened over the years to education in one particular area that, in my opinion, has caused the diminishing quality of education is that we in Washington, DC, well meaning at times, have said: We know how to best educate those kids. Many times in the statehouses throughout this country Governors and legislatures have said: We know how to educate those kids.

Mr. President, I think we should all be aware that, although we have some ideas, we should look to those on the firing line, the teachers in the classrooms, the parents of the children, the principal in the local schoolhouse. They know what is best to ensure a quality education for kids.

I have my own version of the golden rule. My golden rule version goes this way: He or she who has the gold, rules. Therefore, in Washington, DC, and in Congress, as we make a financial commitment to local schools across America, we have, in great detail over the years, put in mandate after mandate after mandate, regulation after regulation, and the same thing has occurred in each and every one of the statehouses and State legislatures in our country.

Talking to a local school board member during our break, I was told that of their entire budget they had control over about 8 percent of their budget to determine how those kids, their kids, would be educated. That is wrong. We have to clear out the bureaucracy and break the chains and realize that here in Congress we have to place some trust at the local level. At the same time we must hold them accountable for results, but do not tell them how to dot every "i" and cross every "t" and spend every minute of the school hour with our kids. Let them be innovative. Let them have a chance. Let them be creative.

Senator HATFIELD, from Oregon, has given many examples I will not add to, other than to underscore the need to take this one step in this measure, in this very important bill, to loosen the bonds, remove the chains, remove the restrictions. Let us trust that those teachers in the classroom, the principal of the local school, the local school board, and above all the parents, know what is best for their kids.

Mr. President, I yield.

The PRESIDING OFFICER. Who yields time? The Senator from Florida [Mr. GRAHAM].

Mr. GRAHAM. Mr. President, I am strongly supportive of the amendment offered by the Senator from Oregon. My concern is that it is too timid, as currently drafted. The current proposal would provide for waivers, but would limit those waivers to 100 school districts in America. There are 16,000 school districts in America which vary geographically, demographically, economically, in their composition of students. In the specific programs that they are currently providing they are in the best tradition of American education which is decentralized, locally based.

We are saying we are prepared to give 100 out of 16,000, under very limited circumstances, the opportunity to apply for waivers of Federal requirements under specified Federal formula-allocated education programs.

I believe that timidity is inappropriate in the context of the reality of American education in 1992. There are three aspects of that reality. First, that a certain arrogance towards State and local educational leadership and administrative capability which in the past has emanated from Washington is no longer appropriate. And in large part, Washington can take credit for that. Over a number of years the Federal Government has had as one of its goals to enhance the competence of State and local educational agencies. Millions of dollars have been poured into programs that had that as its objective.

Today, Mr. President, I think we can declare victory. We have substantially enhanced the human quality as well as the administrative structure of most State and local school agencies in America. We have every right, therefore, to take both pride in what has been accomplished in this national effort at improvement, and to take the next step of having the Federal Government utilize this increased competence in a way that will provide for more effective learning by our young people by allowing greater sensitivity at the school district and individual school and classroom level as to how Federal funds can most appropriately be expended.

A second reality of American education in 1992 is that there has been a significant shift in what we define as regulation. Regulation in the past has been very process and procedure oriented. The regional accrediting agencies, which have played a very significant role in standard setting in American education, have in the past largely focused on things.

They would go into a high school and measure the number of square feet in the gymnasium. They would go into an elementary school and count the number of books in the library. Not to say that square feet in the gymnasium or books in the library are unimportant, but those are not the objectives. The purposes of schools is not to build gymnasiums or maintain libraries, but to educate children.

The regional accrediting agencies have come to understand and implement in new policies a changed form of regulation. This is not deregulation. It is different regulation. And what has been substituted has been a focus on what it is we are trying to accomplish. That requires regional agencies and State and local agencies to ask some questions that, frankly, have not been asked typically in the past. And that is, What is it we want to accomplish in this enterprise called education? And by what standards are we going to evaluate whether we have achieved those goals?

That movement, from process and procedure and things toward performance and learning and change in children, has not been a movement that has said we are unconcerned and will abandon any efforts to understand what is happening. Rather, Mr. President, it is a statement that we are now going to be concerned and focus on what is really important.

I suggest that the amendment offered by the Senator from Oregon represents at the national level that same transition. This is not a proposal that would remove all regulations. Rather, it would say we are going to regulate by different standards, by asking those States and school districts which participate in this for a clear statement of educational goals and accomplishments, and we will at the national level evaluate whether you merit this continuation of this special treatment based on whether you are able to accomplish educational performance goals.

A third reality of education in America in 1992 is that it is in trouble. There is hardly a State or school district in America today that is not struggling with very severe resource limitations.

If I could be personal for a moment, Mr. President, I have two daughters who have been public school teachers. One of those daughters has just temporarily retired because she has made me a grandfather for the second time with the birth of our granddaughter Caroline McCullough at 3:17 on Sunday afternoon.

Her sister continues to teach kindergarten in a school in Dade County, Miami, FL. In that kindergarten, Mr. President, she has the responsibility for a varying number of students, but it has averaged over her year and a half of teaching in the mid-thirties, a very challenging responsibility for a young teacher to have 35 5-year-olds who are beginning their education career.

That number of 35, Mr. President, is a very distressing thing for me, beyond the challenge that it poses on my daughter, because it is the same challenge that thousands of other teachers in Florida and other States are facing. It is, because I know and our State has understood in the past, by adopting policies to limit the size of the primary grade classroom, that it is difficult to impossible to achieve the potential of that solid foundation of learning which the primary grades represent with 35 5-year-olds in the classroom.

Why are there 35 children? Money, an inadequate among thereof. School districts all over America are facing very severe economic restraints, and as legislators meet this spring, they will be dealing with even further budget reductions in education. Therefore, Mr. President, the third reality of education in 1992 is it needs our help. It needs to have some of the constraints that were imposed in the past in terms of procedure and process and things lifted so that resources can be used more effectively to accomplish the result that we all want, which is enhanced learning for children.

Again, we are not asking that all of the Federal concerns about how Federal money is spent be discarded, just that there be a different type of Federal control, a control on how well those children in my daughter's classroom and classrooms across the country are learning, and that that can be the standard by which the Federal Government determines whether it is appropriate to continue to provide Federal funds for these stipulated programs.

So, Mr. President, I strongly support the concept and the structure of the amendment offered by the Senator from Oregon, but I suggest that in light of the three realities that I have just cited—the decreased confidence of educational leadership at the State and local level, the shift in focus from process to performance that is occurring across education, and the severe economic constraints in which most State and local educational agencies find themselves as we begin 1992—that it would be appropriate to go far beyond the very timid 100 out of 16,000 school districts that are proposed in this amendment.

So I hope that before we complete action on this amendment that there will be some serious, focused debate on what should be the extent of our willingness to make this shift from things to student learning as the basis of determining whether Federal funds are being appropriately expended. I am confident that at the conclusion of that debate, there will be a consensus among our Members that the number needs to be substantially higher than 100 out of 16,000 school districts in America who have the opportunity to participate in this new direction of Federal control over Federal expenditures in America's public schools.

Thank you, Mr. President.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER (Mr. KOHL). The Senator from Florida.

Mr. MACK. Mr. President, I rise in support of the amendment also, and I am motivated to do so because I am a father of two and have two grandchildren of whose future I am deeply concerned.

I think most Americans, most Floridians, recognize that the future of our children is going to be based on the education that they receive. In a time where most of us also recognize that the resources available to assist our public schools from the Federal level are quite limited, we ought to be asking ourselves the questions, How can we make those limited resources more effective and more efficient? Clearly the amendment that has been offered by the Senator from Oregon allows for a more effective and efficient use of those funds.

I, too, believe that the limit of 100 schools is way too small. I believe that is the case, because I remember a visit that I had just recently to a school in Dade County called South Pointe School—a truly innovative idea—a privately run public school. I do not believe there are many in the country. But what concerns me is suppose the ideas coming out of South Pointe School were the 101st or the 102d innovative idea that was offered in America in the sense of reforming our school system, and because of the limit of 100, those ideas, those innovations would not be allowed.

I am proud of what my State has been doing in trying to come up with innovative ideas. And those ideas are coming from teachers, they are coming from administrators, school boards, the State school system. And the thought that those ideas of innovation and change would be stifled because of this limit of 100—and my colleague from Florida mentioned 16,000 school districts. Saying it another way, there are

84,000 schools around our country, and I believe each individual school, each individual teacher should be encouraged to come up with ideas that can make education better and give our children a greater opportunity for the future.

So I rise in support of this amendment. But I, too, ask that we find a way to expand the number of schools eligible for this relief from regulation.

The last point that I will make, it is not just our children and those involved in the school systems that are concerned about this particular idea. It is, in fact, all segments of American society. All segments of American society recognize the importance of education, whether that be business or other ways for America to compete around the world. So everyone is concerned. I hear from people around my State who have told me. If you are not going to give us the resources to carry out the responsibilities and the mandates that you have given us, then you should release us from those mandates.

This is an interim step. This is saying, if you have ideas that require a waiver from regulations at the Federal level, it can be granted.

I know that the folks at South Pointe School in Dade County had indicated they could use further relief. They have been able to get relief from State regulations because of our State's ability to make those adjustments. We need to make those similar arrangements at the Federal level.

So, again, I rise in support of this amendment, and I hope we will have an opportunity to expand the number of schools that will have the opportunity to take advantage of this relief from regulation.

I thank the Chair.

The PRESIDING OFFICER. Without objection the time used by the Senator from Florida will be charged against the time controlled by the Senator from Kansas.

Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, we have had the opportunity to both listen to and work with our good friend from Oregon and others on this issue of Federal and State regulation. A very important case has been made that we need to constantly review how regulations actually affect the substance and the outcome of what we are attempting to achieve in terms of strengthening the academic achievement of the young people in this country.

I think we have heard some of the examples of the egregious kind of situations that have taken place in realizing the potential of some investment under particular programs. When we had the Chapter 1 Program that was focused toward helping the disadvantaged children, we found some school districts were using those funds for swimming pools and shoulder pads for the varsity football team and a variety of other uses which were not in fact helping and assisting the disadvantaged. The relationship between those uses and strengthening the academic achievement of those students was tenuous at best.

So these are the matters we want to attempt to balance. I think a very important case has been made not only about the limitations in terms of Federal regulations but also State regulations. My own sense about it is that there are more restrictions, more burdens, and more illogical conclusions resulting from State regulations than from Federal regulations.

Basically, what we are attempting to do is to work with the States or school boards or schools that are, in States which are prepared to change their regulations so as to facilitate the flow of resources from the State level as well as from the Federal level. To achieve the purpose of the legislation, we need to make sure that the Federal regulations targeted on those particular programs we are trying to help are not going to hinder that outcome.

It seems to me to be eminently good sense to attempt to do that in a fair way, to try to see if we as a Nation cannot benefit from those initiatives which are taking place in a number of different States—22 or 23 States. There are a few States that have made very significant and important advancements. And, certainly, it is our hope we can work out some language which will build upon that kind of initiative in the States and give a real opportunity to do an evaluation of this program.

So at the present time we are trying to work with the interested parties to see if we cannot achieve that outcome. Ultimately, whatever we decide here today will be further reviewed as we go into the conference. We want to give assurance to the Members on that particular score. But I have agreed—and I know other members of our Committee on Education, Senator PELL and others have agreed—that we ought to have a solid, representative experiment in this area, and we are in complete and wholehearted support of that.

I think now we are just trying to find the best and most effective way of doing that, whether it is just on particular schools or whether this might be, for example, with States that have made a statewide commitment in those areas. So I hope that we can come back to the Senate in the next few moments and be able to at least share some of the thoughts we have been able to develop. But I give the membership, those who are interested, the assurance we are making good progress and we are very hopeful we can continue to meet the general timeframe that has been outlined by the majority leader for the conclusion on this amendment or amendments related thereto and begin to move on in the not-too-distant future to the hatch amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Oregon has 7½ minutes.

Mr. HATFIELD. Mr. President, I ask unanimous consent that Senator THURMOND of South Carolina may be added as a cosponsor to the underlying amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. I yield back the remaining part of my time on the amendment.

Mr. KENNEDY. I yield back my remaining time, Mr. President.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

Mr. HATFIELD. Mr. President, I am going to submit an amendment in the second degree. I believe we have a 1-hour time agreement on any amendments in the second degree.

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 1475 TO AMENDMENT NO. 1474

Mr. HATFIELD. On behalf of myself, Senator KENNEDY, Senator PELL, Senator GRAHAM, Senator MACK, Senator KASSEBAUM, and Senator THURMOND, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for himself, Mr. KENNEDY, Mr. PELL, Mr. GRAHAM, Mr. MACK, Mrs. KASSEBAUM, and Mr. THURMOND, proposes an amendment numbered 1475 to amendment 1474.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 4, line 21, strike "not more than 100" and insert in lieu: "not more than 6 States, which have implemented comprehensive regulatory reform plans, and no more than 50 local educational agencies in each State.".

On page 11, line 2, strike "not more than 100" and insert in lieu: "no more than 6 States which have implemented comprehensive regulatory reform, and no more than 50 local educational agencies in each State.".

Mr. HATFIELD. Mr. President, I ask unanimous consent to add Senator THURMOND as a cosponsor of the amendment in the second degree.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, as we strive to find a consensus and understanding and agreement on the formula to be applied to this deregulation amendment, or this educational flexibility amendment, the amendment indicates that not more than 100 agreements or agencies may be entered into across this country by the Secretary of Education.

Through discussions and proposals that have been made that that should be a larger number, there has been a consensus developed now in this amendment, bipartisan, with Senators KENNEDY, GRAHAM, and PELL on the Democratic side, and myself, and Senator KASSEBAUM, Senator THURMOND, and Senator MACK on our side of the aisle, that we have come up with what we think is a preferable amendment formula. That is, that the Secretary of Education would be authorized to select six States on a national basis to be representative of the Nation, six States that have already entered upon this deregulation experience at the State level. There are 21 total out of the 50 that have done this. But there is a varying degree about how comprehensive they have gone ahead with that proposal at the State level. So the Secretary would select from that group of 21 a representative number of States—6 total, across this country—in which there could be entered into an agreement with 50 per State, 50 such agreements per State, through the regular process as described in the rest of the amendment. The secretaries of education, or whatever their title is at the State level, and, of course, with the Governor being a consultant to the process as well.

This, we feel, frankly, is an improvement over the amendment as originally offered, for it will give an opportunity to have a greater concentration within a State, and develop a data base there far more comprehensive than to spread 100 agreements out all over the country. In effect, we have 300 agreements under this formula, but with a restrictive number of States participating.

I know the question would be normally raised: Well, what if there were States more than six that the Secretary is authorized to select? Let us bear in mind that next year we will have elementary school legislation for reauthorization. We have a vehicle coming down the track, and the Secretary has committed himself. And, by the way, he has signed off on this new arrangement. The Secretary would be expected to have a base of data that he has gathered during this period of time so that we can readdress, revisit this formula if it is the political will of the Senate to revisit this formula in the coming year.

So, consequently, I think what we have here is that first step is far better crafted than my original amendment from my perspective and a consensus by both Democrat and Republican participants with the idea that this is not locked into concrete and that this amendment in future legislatures or legislation and future Congresses can be readdressed.

Mr. President, I believe that describes the amendment in the second degree.

I again thank not only my colleagues, the Senators who have participated in this, but these marvelous staff people who surround us with such wisdom, judgment, knowledge, and data. I do not want to miss the opportunity to thank the staff who have helped us in this, in a very significant improvement on my original amendment.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I hope the Senate will support the proposal of the Senator from Oregon. I believe that it achieves the objectives of his earlier amendment and in a way which will give those in the Congress and the Senate a better opportunity to understand the full implications of regulatory imposition both at the Federal level and the State level on our schools.

I congratulate him for his leadership and, as always, have enjoyed working with him.

I think it ought to be noted at this point in the RECORD that the State of Florida has been really a pioneer in terms of examining the impact of State regulations on education and to a great extent that is the result of the leadership of our friend and colleague, the Senator from Florida, Senator GRAHAM. I know that this has been an issue that he has spoken to on a number of different occasions and he has made some very important and I think powerful cases in support of his position.

So, we want to have a full opportunity to examine this concept. There have been a number of States, as I mentioned earlier, that have moved in this direction. There are a handful of States that have really moved I believe much farther than others in an attempt to examine their own State regulations, and obviously with the Federal Government making a judgment to attempt to pilot this program, it makes sense for us to work in tandem with what the States have done. We believe that this amendment will do so.

We are hopeful as a result of this review and this ability for the Secretary to make these judgments in terms of waiving the regulations along the lines of chapters 1 and 2 and others that Senator HATFIELD has mentioned and to gain the experience from that at the earliest possible time so that we can use that judgment in terms of future education programs.

One thing, I would just say in caution, is that we want to make sure that we are not reacting as a sort of pendulum—at one time bringing all the regulations on and at another time taking them all off. We have seen at times where there have been abuses, and we have seen at times where the regulations have been such an encumbrance on the schools that they have been enormously counterproductive and destructive of what the objective of the program would be. It does seem to me this is a very constructive and positive attempt to really balance those interests.

I commend Senator HATFIELD, Senator GRAHAM, Senator MACK, and my other colleagues who have been working with us in this particular undertaking. I hope that we would be able to accept this at an early time.

The PRESIDING OFFICER. The Chair recognizes the Senator from Florida.

Mr. GRAHAM. Mr. President, I, first, thank the Senator.

The PRESIDING OFFICER. Who yields time to the Senator from Florida?

Mr. HATFIELD. I will. I yield 5 minutes to the Senator from Florida.

Mr. GRAHAM. Thank you, Mr. President.

I, first, wish to thank my colleague, the senior Senator from Massachusetts, for his very kind remarks and to congratulate him and our colleagues from Oregon, Senator HATFIELD, for their thoughtful consideration and presentation of this second-degree amendment.

I share their opinion that this enhances the ability of this extremely important proposal to accomplish its objective. By focusing on those States that have already moved the furthest in terms of their own internal shift, in terms of the forms of regulation, and then allowing Federal waivers to follow previous State action, we are most likely to reach the position that we will both stimulate other States to a similar consideration of returning power and empowerment to the classrooms and the schools and to give to this Congress the best data on how to proceed further in this movement from this regulation to performance of children in the classroom form of regulation.

I would make two observations and hopes at this time. One, Mr. President, is that the numbers that are in this amendment, 6 States, and up to 50 school districts in those 6 States, are frankly quite arbitrary. I have had some conversations with those persons in State organizations that might be in a position to evaluate the appropriateness of those numbers. And within the time constraints available today, they thought they were reasonable but were not prepared to give a stamp of certification that they were precisely right.

I would hope first that, as this legislation moves through the process, those numbers would be looked upon as reasonable but not divine; that if we learn that eight States would be better than six States, that we would be flexible enough to adopt that type of modification.

Second, next year we are going to consider the Elementary and Secondary Education Act for reauthorization. This issue is likely to resurface again during that debate. I would hope that the responsible agencies at the local, State, and national level for implementation of this waiver of Federal process regulations will move with a sense of expedition so that come 1993 when we have that next debate we will have as much information as possible in order to make that an informed debate.

We might also consider asking agencies such as the U.S. Department of Education and the General Accounting Office to give an ongoing review to this process so we will have the benefit of their evaluation of how well this process has worked in order to enhance our ability to make good decisions in 1993.

Mr. President, I thank you very much, and again I commend the Senators from Oregon and Massachusetts and other States who have participated in shaping this second-degree amendment.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oregon.

Mr. HATFIELD. Mr. President, I thank again the two Senators from Florida, Senator GRAHAM and Senator MACK, for having raised this question in the first instance. It was their concern because Florida was a progressive State, was far ahead of the game, that the base of that which could be derived from experience should be a little broader, and it was their efforts that led in great part to this modification.

Mr. President, I am ready to yield back the remaining part of the time on the amendment in the second degree at this time to the Senator from Massachusetts.

Mr. KENNEDY. I am prepared to yield back.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the second-degree amendment of the Senator from Oregon.

The amendment (No. 1475) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

• Mr. GORTON. Mr. President, I would like to express my full support for the efforts of the Senator from Oregon to ease the burden of Federal regulations. The Hatfield amendment addresses a problem that is endemic in Federal bureaucracies; overregulation. Unnecessary redtape is the least of problems when the negative impact of overregulation occurs in our childrens' classroom.

The American public school system is overburdened by Federal regulations. For example, separate regulations and reporting requirements often result in Chapter 1 students being removed from a regular reading period, moved across the room, and placed in a Chapter 1 reading activity. This senseless interruption is dictated by regulations that harm, not help Chapter 1 students.

This amendment would allow the Secretary of Education to waive most statutory or regulatory requirements. In exchange for that flexibility, Federal grantees would be held accountable for achieving educational gains. Regulations that inhibit education could be waived in order to allow easier compliance with worthy, less burdensome regulations. Those laws and regulations which protect the civil rights and privacy of students and the rights of disabled students would not be waived.

People who dedicate their lives to teaching should not be required to spend half of their time as administrative lawyers. The goal of this amendment is to allow school personnel to focus their efforts on the education of children, rather than the interpretation of Federal regulations.

Mr. President, real education reform does not happen at the Federal level; it happens school by school. Teachers, principals, and parents must be empowered to make their school's operating decisions. When I meet with teachers and school officials, the message I hear over and over again is "let us do our jobs." This amendment provides schools the necessary flexibility to attain true reform and needed improvement. I urge my colleagues to vote for the Hatfield amendment.•

Mr. HATFIELD. Mr. President, I ask for the yeas and nays on the underlying amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon, as amended.

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arizona [Mr. DECONCINI], the Senator from Iowa [Mr. HARKIN], and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND] and the Senator from Washington [Mr. GORTON] are necessarily absent.

The result was announced—yeas 95, nays 0, as follows:

[Rollcall Vote No. 3 Leg.]

YEAS—95

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—0

NOT VOTING—5

Bond
DeConcini
Gorton
Harkin
Kerrey

So the amendment (No. 1474), as amended, was agreed to.

[Disturbance in the Visitors' Galleries]

Mr. BYRD. Mr. President, may we have order in the gallery?

The PRESIDING OFFICER. The Sergeant at Arms will restore order in the gallery.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment, as amended, was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, I ask unanimous consent that the distinguished Senator from South Dakota be given a few minutes or as many seconds as he needs to make a unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Reserving the right to object, and I will not object, I was unable to hear exactly what the situation was. I wonder if the distinguished Senator from Utah can tell me again. He has an amendment which has how much time on it?

Mr. HATCH. There is no time agreement on my amendment at this particular point. We are working to see if we can get a time agreement on our side.

Mr. LEAHY. Am I correct, Mr. President, in saying it is on another subject that the Senator from South Dakota will speak?

Mr. HATCH. I have no idea.

Mr. KENNEDY. The answer is yes.

Mr. LEAHY. Mr. President, I have no objection.

Mr. HELMS. I am in the same fix, Mr. President. I was talking to the distinguished President pro tempore. Would the Senator state the unanimous-consent request again?

Mr. HATCH. I just asked unanimous consent to give some time to the Senator from South Dakota.

Mr. HELMS. Very well. Sure.

Mr. HATCH. As I understand it, we have a unanimous-consent request or an agreed-upon amendment.

The PRESIDING OFFICER. Does the Senator from Utah make the request without losing his right to the floor?

Mr. HATCH. I do not care.

AMENDMENT NO. 1477

(Purpose: To provide for studies regarding distance learning)

Mr. PRESSLER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. DODD). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. PRESSLER] proposes an amendment numbered 1477.

Mr. PRESSLER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 56, between lines 19 and 20, insert the following:

TITLE III—DISTANCE LEARNING

SEC. 301. DISTANCE LEARNING FINDINGS.

Congress finds that—

(1) distance learning technology can provide rural schools with interactive video capacity;

(2) distance learning can provide instruction in required or advanced, specialized courses in schools where teachers are not available or too costly to provide for a limited number of students;

(3) the rapid development of telecommunications technology has resulted in distance learning systems that are powerful, flexible and increasingly affordable;

(4) distance learning can offer an alternative to school closing or consolidation and help rural and urban schools satisfy their educational mandate;

(5) distance learning can help urban school districts overcome shortages in qualified teachers in subjects such as mathematics, advanced sciences, and languages;

(6) the key to success in distance learning is teachers and the use of distance learning is meant to be an enhanced educational tool for them;

(7) teachers must have training, preparation, and institutional support to teach successfully using distance learning technology;

(8) teacher accreditation associations need to encourage the use of distance learning technologies;

(9) Federal and State governments can promote distance learning projects by helping reduce the costs of necessary telecommunications services;

(10) because many educational needs parallel the needs of business, Government, and health care providers, there should be ample opportunity to share the costs associated with research and development used in delivering this new method of teaching;

(11) distance learning technology can increase contributions to the goals of "America 2000", as established by the President;

(12) the Federal Government can encourage states to resolve contentious issues that are barriers to the use of distance learning, such as teacher certification and evaluation, and curriculum and textbook standardization;

(13) Federal funds now devoted to delivering educational services should include distance learning where it is cost effective;

(14) The Department of Education and the National Science Foundation should consider establishing demonstration sites for distance learning;

(15) distance learning is a growing force in private and public education; and States, localities, the Federal Government, and the private sector, all have a role in developing and implementing this education delivery system.

SEC. 302. DISTANCE LEARNING POLICY STUDY.

(a) STUDY.—The Secretary of Education in consultation with the Secretary of Commerce shall conduct a study of the issues involved in implementing distance learning. The study shall, among other issues, address—

(1) the incentives necessary for telecommunications common carriers to develop special pricing for distance learning projects;

(2) the desirability of Federal Communication Commission allocation of spectrum in order to encourage the development of distance learning technologies;

(3) the need to amend copyrights laws to encourage development of distance learning technologies.

(b) COMPLETION DATE AND REPORT.—

(1) COMPLETION DATE.—The study described in subsection (a) shall be completed no later than 210 days after enactment of this Act.

(2) REPORT.—No later than 30 days after the completion of the study described in subsection (a), the study and an executive summary shall be transmitted to the Committee on Education and Labor, the Committee on Energy and Commerce, and the Committee on the Judiciary, of the United States House of Representatives; and the Committee on Commerce, Science, and Transportation, Committee on the Judiciary, and the Committee on Labor and Human Resources, of the United States Senate.

SEC. 303. DEFINITION.

The term "distance learning" means the transmission of educational or instructional information to geographically dispersed individuals and groups via telecommunications.

On page 56, line 20, strike "TITLE III" and insert "TITLE IV".

On page 56, line 21, strike "301" and insert "401".

On page 2, after item relating to section 212, insert the following:

TITLE III—DISTANCE LEARNING

Sec. 301. Distance learning study.
Sec. 302. Distance learning policy study.
Sec. 303. Definition.

On page 2, redesignate the item relating to "TITLE III" as the item relating to "TITLE IV".

On page 2, redesignate the item relating to section "301" as the item relating to section "401".

Mr. PRESSLER. Mr. President, I shall give a very brief explanation of this amendment, which I believe has been agreed to on both sides. This amendment directs the administration to conduct a comprehensive study of the benefits of distance learning to bring to both private and public education.

As you know, Mr. President, distance learning is the use of the communications infrastructure to give educators and students access to information from any location. I believe distance learning will soon revolutionize the way we educate our children. Through the mix of Government regulation and free market incentives, our homes and businesses have been connected by the most advanced communications network ever built. Advances in communications technology soon will allow educators to fully utilize this network to access a new and exciting world of educational resources. Satellites, telephone lines, computer and data bases are among the tools educators will soon use to instruct their students. My amendment is designed to facilitate this education revolution.

The amendment does three things. First, the amendment outlines congressional findings regarding distance learning. It recognizes that the key to success in distance learning is teachers. We recognize that distance learning will not replace the teacher, rather it will be an enhanced tool for them.

Second, this amendment directs the Secretary of Education, in consultation with the Secretary of Commerce, to conduct a study of three issues involved in implementing distance learning. First, it would examine the incentives necessary for telecommunications common carriers to develop special pricing for distance learning projects. Second, it will address the desirability of Federal Communications Commission allocation of spectrum in order to encourage development of distance learning technologies. Finally, the study would address the need to amend copyright laws to encourage development of distance learning technologies.

At the forefront of the distance learning movement is the U.S. Distance Learning Association [USDLA]. I have worked closely with this group of educators and communications leaders in crafting this amendment. Many provisions of this amendment come from the USDLA's policy recommendations recently adopted at its National Policy Forum. This study will assist educational and telecommunications policymakers in making the proper choices.

In my lifetime, I have witnessed the development of a single tool that has brought America into the information age—the computer. When I was 20 and attending school at the University of South Dakota, a computer used to process basic algorithmic functions was roughly as large as this Chamber and cost millions of dollars. It required an army of engineers to maintain the maze of refrigerated tubes and wires and a team of computer experts to operate the computer long enough for any work to be done. Much has changed.

Today, I can carry in one hand a computer with 100 times more power than those older machines. It costs less than $2,000, and even I can run it. This trend toward faster, smaller, more powerful computers will continue into the 21st century. In fact, some predict that at the current rate of advances in microchip and transistor technology, within a decade a portable computer will equal the output of a Cray supercomputer and cost less than $100. This explosion in computing technology soon will make the computer as affordable and ubiquitous as the telephone or television.

In fact, today we are beginning to see the technology that one day will allow the telephone, computer, and television to be merged into one telecomputer. Telecomputers will enable students to receive, store, and transmit voice, data, and high-definition video products. Using a telecomputer, an educator will be able to talk face to face with a pupil far across the country.

A calculus teacher living in Sioux Falls, SD, will be able to telecommute over a lightwave network to his classroom in Chicago, where he could talk face to face with his students and have immediate access to documents over a high-definition telecomputer screen.

Interactive video will allow many small rural schools to share the same teacher. Students in Draper, SD, could attend a physics course in Yankton with the professor lecturing, writing on the chalkboard, and answering questions over a high-definition flat screen TV.

Distance learning will also transform continuing education for adults. No longer will adult students be forced to shift working schedules, find a babysitter, and drive to a classroom miles from home. Students would choose what they wanted to learn when they wanted to learn it. Whether it is a lecture on English history in the 1880's or a demonstration on how to overhaul a diesel engine, students could receive the video package on their telecomputers in a burst of light, store it digitally, and replay it at their convenience.

Computer technology is proceeding at a pace that will soon make this vision of the future a reality. Yet, all the computing power in the world is useless if the information it produces cannot be shared with others. While microchip and transistor technology will soon make telecomputers a reality, some policymakers are fighting the idea of distance learning.

Mr. President, at the dawn of the Industrial Age, a band of English workmen called the Luddites destroyed industrial machinery. The Luddites believed this labor-saving machinery would eliminate their jobs and cause them great economic pain. What actually happened was an economic explosion that reshaped the entire economic and societal landscape. The fears that technology would limit opportunity proved to be unfounded as technology created new wealth and opportunity.

Today, at the dawn of the Information Age, there are many who fear the development of fiber optic networks. The technological Luddites of today say educators do not want or need the services that could be provided by distance learning.

Currently, this may be true. However, once distance learning begins to become a reality, educators will realize the potential of this new tool and will begin to develop many new educational services. The demand for these new services will further encourage the growth of distance learning tools.

Mr. President, we need to coordinate telecommunications and educational policy. The way we formulate policy today will have tremendous impact on the United States' ability to educate future generations of American students. Visionary thinking is needed to help unleash distance learning technology. This study will begin this process. I urge adoption of this amendment.

I believe the amendment has been agreed to and I urge its adoption.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. Is there further debate? The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, we are delighted to accept the amendment of the Senator from South Dakota. There is a very interesting study that has been done on this by the Office of Technology Assessment about a year ago, in which I think the Senator might be very interested.

As the Secretary addresses some of his concerns, the Senator might review that particular document.

Also, as the Senator well knows, there is a very successful distance learning program called Star Schools on which we spend about $25 million a year. That has been in effect the last 3 years.

The Senator from Mississippi [Mr. COCHRAN] has been very much involved in that program. He and I have worked very closely. I think many of the young people in museums and libraries across this country, some 4 weeks ago, had the opportunity to see Mr. Ballard, who is, along with Cousteau, probably the greatest oceanographer, who did the surveys at the Galapagos Islands, and from 150 feet used a satellite that beamed the communications back to schoolchildren all over the length and breadth of this country.

It was really an extraordinary experience. The Museum of Science in my own city of Boston was absolutely flooded with young students from the greater Boston school systems, all interested in science, in the whole range of different learning experiences from that area.

So we are delighted to accept the amendment.

Mr. PRESSLER. If I could add in response, I thank my friend from Massachusetts. The U.S. Distance Learning Association has looked closely at the study from OTA and has looked at the other items and suggested these additional things to fill in the gaps. I think that this would be a very useful addition.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HATCH. Mr. President, we accept the amendment and commend the distinguished Senator from South Dakota for his efforts. We are happy to urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? The Senator from North Carolina.

Mr. HELMS. This is a first-degree amendment that the Senator has, is that correct?

The PRESIDING OFFICER. This is a freestanding amendment.

Mr. HELMS. Yes, I understand that. But this——

The PRESIDING OFFICER. First degree amendment.

AMENDMENT NO. 1478 TO AMENDMENT NO. 1477

Mr. HELMS. I send a second-degree amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1478 to the Pressler amendment 1477:

At the appropriate place add the following:

It is the sense of the Senate that when the Supreme Court considers the case of Weisman v. Lee [908 F.2d 1090 (1st Cir. 1990)] it should use that opportunity to reverse the Supreme Court's earlier holdings in the Engel v. Vitale [370 U.S. 421 (1962)] and the Abington School District v. Schempp [374 U.S. 203 (1963)] cases so that voluntary prayer, Bible reading, or religious meeting will be permitted in public schools or public buildings to the extent that student participation in such activities is not required by school authorities.

Mr. LEAHY. I ask for the yeas and nays.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I ask for the yeas and nays on the Pressler amendment.

Mr. LEAHY. I had already asked for the yeas and nays on the underlying amendment.

The PRESIDING OFFICER. The Pressler amendment is not now the pending business.

Mr. HELMS. I beg your pardon.

The PRESIDING OFFICER. The Pressler amendment—the matter before the Senate is the second-degree amendment offered by the Senator from North Carolina.

Mr. LEAHY. I ask for the yeas and nays on that.

The PRESIDING OFFICER. Is there a sufficient second? At the moment there is not a sufficient second.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

ECONOMIC RECOVERY

Mr. LEAHY. Mr. President, we are now in the 17th month of a punishing national recession. In Vermont, things are worse. The number of jobs in our State has been falling since 1989. People are out of work in Barre, Bennington, and Springfield, and the State budget crisis is the worst since the Depression. Nationally, more than 20 percent of our work force has been unemployed at some time in the past year. If the current recession lasts into the summer, as many expect, it will be the longest downturn since the 1930's. People are hurting, people are worried, and people are looking to Washington for help.

Yet for the last year and a half, the President's only plan has been to wait and hope and blame someone else. He has blamed Saddam Hussein, blamed Congress, blamed the Federal Reserve and blamed credit card rates. Meanwhile, the economy has been losing jobs, losing markets, and losing muscle. The American people are still waiting for answers.

The fact is that the chickens have come home to roost after a roaring decade of junk bonds, S&L fraud, and spending on a national credit card. Ronald Reagan claimed he could slash taxes, boost defense spending, and balance the budget at the same time. George Bush called this voodoo economics and he was right. But when the Reagan economic plan was put to a vote in 1981, I was 1 of only 11 Senators who said "no." Now we are paying the price.

We have the slowest growth since the Depression; our working wages are lower than a decade ago; our deficits are the highest in history; we have built up the world's largest trade debt; and our national savings has plummeted. These problems cannot be fixed by a $300 handout or a day of shopping at J.C. Penney.

The American people understand this. They know our economy is on the wrong track. They are worried about their jobs, worried about their families, worried that the dream of a better future is in doubt. Our faith in that American dream is what has held this country together, given it its pulse, made it a magnet for the world.

So when we see our President go hat in hand to Japan to plead for trade concessions, we are distressed. When we hear a Japanese leader describe the United States as "Japan's subcontractor," we know something is deeply wrong. This is not the America we grew up in. This is not the America we grew proud of. Eleven years with no economic leadership, no strategy for competitive growth, no plan for the future has taken its toll. It is time to start turning this around.

We need not and should not accept America's competitive decline. American initiative, America drive, and American know-how are alive and well. No one can match our creative talent.

Our challenge is to put this country back on the road to long-term prosperity and growth—not to imitate the Japanese, but to compete globally while preserving our American values—our small towns and small businesses; our commitment to clean air and clean water; our faith in the independent spirit that we Vermonters and all Americans cherish.

THE SHORT-TERM PLAN

Our first order of business must be to get the economy moving and put people back to work now in ways that will enhance our prospects for long-term growth. I have no illusion that Congress or the President can wave a magic wand to end the recession. But we can help. We should launch an immediate program of increased public investment targeted on long-term needs like our crumbling infrastructure, with new spending offset by defense cuts, this year or next, so that we do not increase our crippling national debt.

The administration should cut through the redtape, and spend the funds that are already in the pipeline as quickly as our States can absorb them. I get the impression that some of the programs that we have already approved, and for which we have already appropriated money, are being held up to wait until we get a little closer to the election.

The people who are out of work are out of work today. They need jobs today, not a few weeks before an election. Let us put them back to work today.

I am pleased that, in December, President Bush announced his initiative to accelerate the spending of nearly $10 billion in Federal programs, including many of the rural programs I mentioned. For Vermont, nearly $15 million in rural housing applications sit on the desks of Federal bureaucrats. The administration could create 450 new jobs in our State by releasing those funds.

Second, to put America back to work, we should immediately make investments in rebuilding our infrastructure—the investments that make it possible for American business to compete efficiently in the world economy. There are thousands of bridges that need to be repaired, rural water and waste facilities that need to be built, and rural electric systems that need to be upgraded. These projects can create hundreds of thousands of jobs in the short run and make our economy more competitive in the long run. We should use a major portion of the peace dividend to put Americans back to work and make our economy more competitive.

Third, we should extend unemployment insurance benefits for an additional 13 weeks. Corporate America may call it "downsizing", but the rest of us call it getting fired and it is likely to continue this year with a vengeance. Vermont's unemployment rate rose more than a point between October and November, the largest rise in the Northeast. As of this month, nearly 19,000 Vermont workers were collecting unemployment. We are not talking here about deadbeats who would rather take a handout. We are talking about hard-working Americans who deserve protection.

A MIDDLE-CLASS TAX CUT

Let me say a word about taxes. A tax cut to pump up consumer spending, like the rebate proposed by the White House, is the dead wrong approach, since it would increase the deficit solely for consumption. But I would favor a tax cut for the middle class paid for by raising rates on the rich. Such a cut would not be designed to jump-start the economy or even to generate long-term growth. It would be a fairness cut plain and simple. The time has come to cast aside the Robin-Hood-in-reverse policies of the eighties and give hard-pressed Americans some relief.

THE LONG-TERM PLAN

Our main economic focus, however, must be on the long-term. In the past, recessions have often been brief interludes in periods of robust growth, which resume as soon as the recession ends. Unfortunately, no one expects that to happen this time. The jobs lost at General Motors, IBM, and scores of other companies are not coming back soon.

To put America's economy back on top, raise our stagnant living standard, and create jobs for our children, we need to reverse the spend-and-borrow, future-be-damned policies of the last decade and commit ourselves to an agenda of investment and growth. That means investment in our people, investment in the arteries that carry our products and ideas, and investment in the new technologies that will create tomorrow's jobs.

These investments should be financed by cuts in defense spending of more than $100 billion over the next 5 years. The cold war is over, the Soviet Union is dead, and the military threat to our Nation has been radically reduced. It is time to knock down the firewalls in last year's budget agreement and allow military funds to be spent for domestic needs.

We should not, however, knock down the walls of our environmental or safety regulations, as the White House is now suggesting. Just as we should reject an economic quick-fix that would hurt us down the road, we should reject an environmental sellout now that leaves us poorer in the end. As Vermonters have long understood, a healthy economy cannot be sustained without a healthy environment.

INCREASED SAVINGS

The starting point for a long-term economic program is increased savings. Without savings we cannot invest and without investment we cannot grow. It is that simple. And the biggest obstacle to national savings are the deficits run up by Presidents Reagan and Bush. These huge budget shortfalls have soaked up our savings and crowded out productive investment.

Fifteen percent of our national budget is now consumed by interest payments on the Reagan-Bush debt. Those payments do not feed or educate one child. They do not help a new family buy a home. They do not put more police on the street. They do not retrain a single laid-off worker.

To replenish our savings we should use part of our defense cuts to reduce the budget deficit.

In addition, I would expand IRA's, as Senator BENTSEN proposed last March, allowing withdrawals for first-time home purchases, college tuition, or major medical expenses. I would also support a proposal to give a tax break to people who invest in new enterprises and hold their investment for at least 5 years. Entrepreneurs create new businesses and new jobs. We should encourage those bold enough to take a risk and skilled enough to make it work.

INVESTMENT IN INFRASTRUCTURE

Our investment program must begin at the foundation. After two decades of neglect, our bridges and roads are falling apart, our highways and airports are on overload. In Vermont, some 500 bridges—many built after the flood of 1927—are substandard, closed, narrowed to one lane, or limited in capacity. No matter how effective workers may be at the Vermont Castings Co., they cannot deliver the goods efficiently over broken roads and battered bridges.

Last year, 33 American airports were tied up in over 20,000 hours of delays. A quarter million American bridges are structurally deficient or obsolete. And Americans spent over 2 billion hours in traffic jams.

For the U.S. economy, that means lost productivity, lower wages, reduced competitiveness, and fewer jobs.

As I have mentioned, we should start our infrastructure spending now, to give the economy an immediate jolt, and then continue it forward in the years ahead. The new highway bill is a major step in the right direction. It will pump over $150 million into Vermont in the next 2 years, creating thousands of jobs.

But still more can be done.

We need to target additional infrastructure spending to rural America, a part of America that does not have a majority of votes but unfortunately seems to have the majority of needs.

One in four rural children live in poverty and this recession darkens their future even more. Affordable housing, downtown revitalization, and other needs are pressing in towns like Richford, Waterbury, and Bellows Falls in Vermont and in rural communities throughout America. Public investments like these create jobs now that strengthen our communities through safer highways, more efficient airports, better schools, and cleaner water. These improvements promote business growth and attract vital private investment.

INVESTMENT IN OUR PEOPLE

Our most important investment is in our people—in their health, education, and training.

HEALTH CARE

First, we have to bring our health care system under control. That system has become a financial nightmare, bankrupting our families.

Last month, I held town meetings all over Vermont—in Bennington, Brattleboro, Waterbury. I heard hard-working Vermonters say they are afraid one illness will strip them of what matters most—being able to provide for their families. We are paying too much for health care—Americans pay $2,600 per person—and getting too little.

Older people who have paid their bills, paid their taxes, educated their children, and saved some money for their retirement, are now afraid that after decades of sacrifice one illness could wipe out everything they have sacrificed for.

Our health care crisis also subverts our economy. Every year, Medicare and Medicaid swallow a larger share of the Federal budget, crippling our ability to cut the deficit. And health costs sap our competitive strength. Those costs add over $500 to the pricetags of American cars compared to Japanese competitors—all because Japan has a national health plan and we do not.

We need to change all this and we can. It is time for the President to be bold, to stop tinkering around the margins and to work with Congress on comprehensive health legislation—including my State Care proposal that would cut the redtape and free innovative States like Vermont to tailor health care plans to local needs.

EDUCATION AND TRAINING

On the education and training front, we are falling further and further behind our competitors even as newly created jobs require a more highly skilled work force. We cannot allow this trend to continue.

To begin with, we should spend more for Head Start, a proven program that helps kids get off on the right foot. The President has proposed an increase, but we can do more. Today, Head Start reaches less than one in three eligible children. I have cosponsored legislation that would put every eligible child in Head Start within 5 years.

Second, we should concentrate on developing business/government programs to provide noncollege bound young people with the vocational and technical training they need to compete for high-skill, well paid jobs.

Third, we need to do more to ensure training and retraining for those already in the work force.

I hope we never see the day when America has to compete as a low-wage economy. Our strength lies in the productivity of our workers. We have to give them the tools to compete.

INVESTMENT IN KEY TECHNOLOGIES

We must also invest in innovation. High technology is the key to our future industrial strength. I have been working for years in the Judiciary Committee to make sure that our laws do not inhibit the ability of our high-tech companies to work together, and to ensure that our hi-tech products get maximum protection against all forms of piracy.

These measures are important, but they do not take the place of national policy and our national policy on civilian hi-tech has been a head-in-the-sand disaster. We may invent cutting edge products like VCR's, memory chips, industrial robots and liquid crystal displays, but the Japanese are taking the jobs, taking the profits, and laughing all the way to the bank.

It is high time that the White House stopped denouncing support for key industries as "industrial policy" and recognized that we have been taken to the cleaners in the past decade because we refused to plan and declined to fight.

We should make the temporary tax credit for research and development permanent; lift the legal barriers on joint manufacturing ventures, as I have urged in pending legislation; foster strategic cooperation between government and industry in the development of key technologies; and expand our manufacturing extension program, so tens of thousands of small businesses, in Vermont and around the country, can get the benefit of new advancements in high-technology manufacturing.

Instead of wasting billions on white elephants like the B-2 bomber or the superconducting super collider, we should use those funds to produce more competitive bang for the buck.

TRADE

In promoting our products abroad, we have to demand open markets. Free trade is the ideal, but we cannot open our lucrative market to competitors who shut us out. When countries raise barriers to our goods, try to capture our market by dumping their products below cost, or wink at pirates who rip off our high-technology inventions—we can and should strike back.

We should also make better use of our foreign aid to enhance exports, an effort I have pressed since becoming chairman of the Foreign Operations Subcommittee. The Japanese and Europeans aggressively use foreign aid to expand their export markets. We need not imitate their tactics, but we should treat foreign aid as an investment in new trading partners that can pay economic as well as political dividends. Every $1 billion in additional U.S. exports generates 19,000 American jobs.

CONCLUSION

We can reclaim our American dream of prosperity and progress in Vermont and across America, but not overnight and not without work. We need to face up to our problems and take action. Economic strength, in this new post-Communist world, will become the currency of global leadership. If we hope to keep America on top, to raise our living standard and to give our children a better world than the one we found, we are going to have to invest in our businesses, invest in our people and invest in our future. Now is the time to begin.

Mr. President, like so many others, I grew up at a time when my parents told me that each generation has a responsibility to make a better world for the next generation.

How many people can look a generation of 20-year-olds in the eye today and say, "Of course, it is going to be better for your generation than it was for ours"?

Can anybody here say that a generation from now we will be better off if we are unable to compete with the European Community or with Japan?

We have to be able to retain our economic strength and retain the health and prosperity of our own people, if we are going to be able to hold out the shining light of democracy to the rest of the world. We are at a very crucial time now. We ought to ask ourselves, what can we do to better compete? What sacrifices are necessary? What bold, innovative thinking is necessary? It's time to begin answering these questions.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida is recognized.

Mr. GRAHAM. I thank the Chair.

(The remarks of Mr. GRAHAM pertaining to the introduction of S. 2151, S. 2152, and S. 2153 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

(Mr. LIEBERMAN assumed the chair.)

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

STRENGTHENING EDUCATION FOR AMERICAN FAMILIES ACT

The Senate continued with the consideration of the bill.

Mr. DODD. Mr. President, I want to begin briefly here by expressing my appreciation to the managers of this bill. I am pleased, as I think all of us are, that the manager of the legislation has been able to reach a compromise on several of the thorny issues confronting us. My hope would be, as we move forward in considering this legislation that we will seek what has been historically a bipartisan consensus on our commitment to do as much as possible to invest in education, one of the most critical areas of this Nation's future.

This year, I am sure will have debate about whether or not you want to have the middle-income tax cut, or whether or not you are for capital gains, or a research and development tax cut, or investment tax credits. There will be extensive debate over the remainder of the year about whether or not those various elements will contribute to economic growth in this country.

But I believe that there is a consensus on one absolutely essential element to economic growth—a population that is educated and trained well enough to meet the challenges of the 21st century.

Mr. President, in the next decade less than 1 percent of all new jobs in this country—less than 1 percent—will be available to people with less than a high school diploma.

And as the years go by, even that number will shrink dramatically. So obviously, what we do in these next few days, what we do in the coming year and years ahead in terms of improving the quality of education will in no small measure really determine whether or not this Nation is going to be prepared to face the economic challenges of the 21st century.

If we do not pass a capital gains tax program this year, it may not be great news, but we will survive. If we do not provide a middle-income tax break this year, it is bad news for a lot of people, but we will survive. And I could go on down the list, Mr. President. But if we fail to commit ourselves to educational excellence in this country and to commit ourselves to improving the quality of our schools, then all the other things we want to do, in my view, will be almost for naught.

Mr. President, I am hopeful that we will go forward, that the kind of consensus and bipartisanship that we have witnessed already will carry us forward with the rest of this legislation, and that we will get a bill to the President's desk as soon as possible.

Mr. President, let me just share some statistics. I do not need to share them with the Presiding Officer today because my colleague from Connecticut is fully aware of the conditions in our own State of Connecticut. Yet as I cite these statistics about Connecticut, they could easily be applied to other jurisdictions as well.

Connecticut is a relatively affluent State. I say "relatively." We have historically, over the last decade or so, had the highest per capita earnings of any State in the country.

But I must point out to my colleagues that New Haven, Bridgeport, and Hartford rank in the top 10 of the poorest cities in America with populations over 100,000 people. So, while you have, on the one hand, tremendous affluence statewide, you have the 4th and 7th, and 10th poorest cities in the United States on the other.

In the State of Connecticut only one in four eligible children receive Head Start. Of children in school nationwide, 24 percent drop out. In inner cities, this figure approaches 60 percent. With that statistic alone, I should not have to say anything more. Twenty-four percent of our students in high school are dropping out on the average; 60 percent in our inner cities. If you look at our major competitors in the Pacific rim and in Europe, the dropout rates are on average about 1 percent.

If this trend continues for the next 10 years, you do not have to be a brain surgeon to figure out that this Nation is just not going to be in a position to compete. We cannot expect to produce the technology to sell in the international marketplace with a dropout rate of 24 percent.

Not only are we failing to secure a future for our children, but, also, the future of our own economy. It has been said we must raise our standards of performance or lower our standard of living.

Reform in our educational system is absolutely overdue, and certainly educational reform has moved to the forefront across this country, and that is the good news. What used to be a subject of esoteric debate at academic conferences is now a subject at chamber of commerce round tables, candidate debates, and, I am glad to report, even at the White House.

Parents and educators across the Nation are not just contemplating change. In many communities they have already moved to implement important reforms. In my State of Connecticut, a State mastery test to measure the State's academic progress has been in use for 5 years. In New Haven, all public elementary schools have adopted the Comer Schools Improvement Program with a renewed commitment by parents and educators to help their children achieve. Connecticut universities and businesses recognize that they can make a difference and have joined with public schools to develop collaborative programs. In Danbury, CT, schools and businesses have developed a program which brings business employees into schools to tutor students and to provide teacher training. Yale University, the University of Hartford, and Connecticut College are three examples of universities that are working with our public schools on a daily basis.

It seems to me that the creativity which needs to be brought to the reform effort is always out there in our local communities, in our local schools. Our aim at this level should be to facilitate this movement. With State budgets straining to meet the basic needs of citizens, now Federal resources targeted to assist in school reform would go a great way to helping States and communities move ahead to strengthen their schools and enhance student achievement.

Polls have pushed education to the top of the political agenda in 1992, and perhaps now we can make some headway in identifying a meaningful way for the Federal Government to participate in that reform movement.

In this regard, I am pleased to be an original cosponsor of the legislation before us, the Neighborhood Schools Improvement Act. It is highly appropriate that educational reform is the Senate's focus of attention this week, the first week we return for the last session of this Congress.

This bill now before us outlines the Federal Government's commitment to the reform of our public schools. This measure does not create new Federal mandates or regulations. It is not a handout, and it is not a new entitlement program.

This act codifies six national education goals and targets the year 2000 for the attainment of these goals. These goals identify targets for school readiness, student achievement, school completion, family literacy, lifelong learning, and for safe, disciplined, drug-free schools.

The national education goals are not meaningless promises. They are central to the design of this bill. We have 8 short years in front of us to reach the national education goals, and this bill sets a flexible system of Federal support for communities across the Nation, working to meet these ends.

This bill will provide each State education agency with funds to award competitive grants to schools across the State. To apply for these funds, our local schools, in conjunction with parents and community leaders, must design school restructuring plans and identify how these reforms will benefit student performance. Accountability is ensured as continued funding of each program will be contingent on progress toward those goals. Additionally, to provide States with added flexibility, this bill gives States the option of applying for waivers for funding to pursue other broader reform initiatives such as public school choice, teacher training, or the establishment of New American Schools.

Essentially, each community is being given the resources to formulate its own reform plan. The approaches will obviously be different, and they should be different, to meet the needs of each individual community. Through this bill, I believe that we can tap into the work that is already being done in neighborhoods around the Nation as well as provide incentives for other communities to undertake reform in their own schools. With this measure we can assist Comer schools in New Haven, CT, Sizer schools in 23 States, and even New American Schools in those jurisdictions where they will be located.

In effect, this bill is an invitation to communities around the Nation to develop their own solutions.

I want to emphasize this approach. Nothing incorporated in this legislation that I know of was an idea that originated in this town. Historically, we think of Washington as a sort of brain trust with ideas which we somehow foist, in some instances, on the people of this country. This legislation is exactly the reverse of that process. What is incorporated in this bill is the creativity, the imagination, the ingenuity, the tested ideas of the local communities of America.

That is a revolutionary idea, something that is long overdue. In my view over the last 10 years, we have seen very little happen in a creative way in this city, the Nation's capital, in the area of education. But across the country, local folks, local school boards, teachers, and parents, have been involved in trying to come up with creative ideas. And this legislation is basically an embodiment of that effort. We endeavor to provide communities with what we hope will be sufficient resources to make it possible for these ideas to be tried and used effectively.

This legislation sends the right message, I believe, to public schools around the Nation. It affirms our commitment to public education. Eighty-eight percent of all the students in America attend public schools and our goal and our job is to see to it that public education is enhanced and improved. That is our responsibility.

We have not lost our faith in public schools nor, I hope, have we surrendered because in certain areas public schools are not working well. Nearly every week for the last 10 years, I have visited one public high school in my State. Last week I was at Newington High School and Ansonia High School. I also attended Weaver High in Hartford to celebrate Martin Luther King, Jr. Day with some 2,000 students.

Many of our schools and many of our communities are doing remarkable things. Unfortunately, in some of our cities, the school performance is not at the level it ought to be. The question has to be what do we do? Do we walk away? Do we say I am sorry, we give up, we no longer are going to try to do anything to improve what is happening or not happening in these places? Or, do we decide we can do better and take some of the ideas that have been tried across the country and encourage that kind of involvement and that kind of participation?

I hope, as tempting as it may be, that we will not walk away from public education. I have a sister, Mr. President, who teaches in the largest elementary inner-city school in the State of Connecticut, the Fox Elementary School. I have a brother who teaches at Georgetown University, and three of my father's sisters taught for 45 years apiece in the public school system of Connecticut. They believe in public education.

My sister, who teaches in early childhood development programs, deals with children who come to a classroom deprived of what good parenting ought to provide. Her job has expanded. She is no longer just a teacher. She is a social worker, a religious leader, she is a cop, she is a drug-enforcement officer, she is a parent guidance counselor. Her job as a teacher has expanded since the days in the 1960's when she chose education as a career.

Today we ought to try to make it possible to let her get back to what she was doing before, that is being a good teacher. Unfortunately, that is not the condition out there. Our choice has to be made. Do we address the problem? Do we aggressively take it on? Do we believe we can do better? Or, do we walk away?

I think it is a critical question, and I am hopeful that my colleagues will remain committed to trying to improve our public educational system in this country. It is essential that be the case.

Mr. President, I commend those who have been involved in this effort over these many months, particularly Senator PELL of Rhode Island, who chairs the Education Subcommittee of the Labor and Human Resources Committee, Senator KASSEBAUM, Senator COCHRAN, Senator MITCHELL, and obviously Senator KENNEDY who has chaired the full committee and has been involved in these issues for the past 3 decades.

S. 2 is only part of the solution, although I think most of us would agree a very important part. The national education goals are quite broad and to meet them our efforts in the education arena must continue. Certainly all of us want to be a part of the effort for full funding of the Head Start Program. We must also move ahead in the reauthorization of the Higher Education Act as well as the reauthorization of the Office of Educational Research and Improvement.

Mr. President, S. 2 puts in place a flexible, innovative system of potential significant benefit to every school, every community and every student in our great country. As I said at the outset, Mr. President, it is not the silver bullet to economic expansion and growth, but I would argue strenuously that every other idea, as well-founded as it may be, that excludes a commitment to elementary and secondary education is an idea that will only have a very minimal positive impact. Education is the essential element.

Thomas Jefferson, almost 200 years ago, said any nation that ever expects to be ignorant and free expects never to be what it was and ever what it can possibly be. Certainly that was true in the early part of the 19th century, and as we stand here today, 8 years before entering the 21st century, that idea must once again be embraced by all of us. So I urge the adoption of this legislation, Mr. President. I yield the floor.

• Mr. HARKIN. Mr. President, as we consider S. 2, the Neighborhood School Improvement Act I would like to offer a few comments on the importance of education.

Education is vital to the long-term economic growth of our Nation and the well-being of our children—our future. With the end of the cold war, our ability to compete effectively in the international marketplace is just as important to our national security as prowess on the battlefield.

Our future economic growth requires investments in our human resources, like those recommended in this legislation, to make our people the smartest, healthiest, and most productive workers in the world. This means making investments in education a top priority and demands a sustained commitment from the Federal Government to improve our Nation's educational system. The Neighborhood School Improvement Act authorizes additional Federal resources for public schools to improve student achievement and help us reach the education goals we have set for our Nation.

Throughout the past decade, the Federal share of school funding has declined. In 1980, the Federal Government contributed 10 percent of elementary and secondary school revenue but today the Federal share is 5.5 percent. I think we are moving in the wrong direction and it is time for a change.

We hear from the nay-sayers that we do not have the money for education. I say that is wrong. The United States is the wealthiest nation on this Earth and if we have the will, we can find a way. It's just a question of priorities.

The 1990 budget agreement is a major impediment to making this necessary investment in the human resources of this country. That's why I offered an amendment last September to transfer $3.1 billion of unobligated funds from the Department of Defense to vital domestic programs, including Chapter 1, Pell grants, and Head Start. Since I offered this amendment, my resolve about breaking the budget deal has only grown stronger.

The world has changed dramatically, but we continue with business as usual. We continue to spend billions to defend Europe from a nonexistent Soviet threat but cannot devote the resources to our immediate educational needs. Chapter 1 serves about half of the students who need help, just one-third of eligible children attend Head Start and middle income families cannot get Pell grants. We know these programs work, we know they are sound investments, but we cannot fund them because we waste money on star wars. I say, enough is enough.

We need to go back to the budget drawing board and recognize that the real threats to our national security are not half way around the world, but just down the street.

But improving our schools is not just a matter of resources. The Federal Government must work with our local school districts to make our schools better. S. 2, the Neighborhood School Improvement Act moves to strengthen the Federal partnership with elementary and secondary education. The bill provides much needed financial assistance to States, local school districts and neighborhood public schools to implement education reform activities for all students, including students with disabilities. This grant program will help thousands of public schools to implement reform activities while requiring improvement in student achievement.

Neighborhood school improvement grants can be used in a variety of ways and I would like to note just a few. Schools can purchase textbooks, computers or lab equipment; schools can provide additional teacher training, hire teacher aides or implement site-based management programs; and most importantly, schools can implement comprehensive and continuous early childhood education programs.

The No. 1 national education goal states that by the year 2000 all children will start school ready to learn. I believe this goal is the foundation for achieving the other five and we need to focus attention in this area. Quality prekindergarten education programs are cost effective and I am pleased that Neighborhood School Improvement Act funds can be used for this purpose.

We know that a Head Start participant is more likely to graduate from high school and is less likely to end up in jail or on welfare, but not all eligible children participate. The Children's Defense Fund estimates that every dollar invested in high quality preschool education programs like Head Start saves $4.75 in future costs.

Head Start is a wise investment in the future of our children and as chairman of the Labor, Health and Human Services Appropriations Subcommittee I have demonstrated my commitment to making these investments. Since 1989, Head Start funding has increased $966 million. I rejected the budget recommendations made by President Bush that would not mean full funding of the program until 2050. Our kids cannot wait that long.

This week we found that George Bush made another election year discovery—Head Start. President Bush announced that his budget will include an additional $600 million for fiscal year 1993 for Head Start, six times more than requested last year. While I commend him for this discovery, I find it somewhat ironic that just last year his administration threatened to veto our fiscal year 1992 Labor, Health and Human Services appropriations bill if it contained my transfer amendment which would have, among other things, increased Head Start by an additional $900 million.

Achieving all of the national education goals is important, but the first goal, making sure all children start school ready to learn must be a priority. Head Start and WIC should be fully funded. We must also expand our investments in cost-effective programs for childhood immunizations and the maternal and child health care block grant to ensure that children are healthy and ready to learn when they begin school.

As chairman of the Subcommittee on Disability Policy I would also like to comment on the implications this legislation has for students with disabilities. The Neighborhood Schools Improvement Act seeks to improve the quality of education for all students and this most certainly includes individuals with disabilities.

On July 26, 1991, we celebrated the first anniversary of the Americans with Disabilities Act, historic civil rights legislation which for the first time granted Americans with disabilities equal access to the American dream.

ADA is important because it includes fundamental principals for the development of a national education policy. ADA is about breaking down attitudinal and artificial barriers that prevent people with disabilities from participating in the mainstream of American life. ADA means that persons must be judged based upon abilities and qualifications, not on the basis of fear, ignorance, or prejudice.

Under the ADA, persons with disabilities will live in their own homes, work in their own communities, play, study, and learn in regular schools in their own neighborhoods like other citizens. ADA empowers people to make choices and creates a framework for inclusion, independence and self-determination.

Section 504 of the Rehabilitation Act of 1973 requires equal opportunities for all individuals and public school choice programs implemented under this legislation, must be available to students with disabilities, including lesser known and newly emerging disabilities, and students with severe and multiple disabilities.

The National Education Goals seek to improve educational achievement for all students. The ADA will, inevitably, lead to heightened expectations for persons with disabilities and their families. If our educational systems are not staffed appropriately, or otherwise prepared to meet these new expectations and demands at all levels, serious problems and conflicts will result. And more importantly, our national education goals will not be achieved.

The needs of students with disabilities, including lesser known and newly emerging disabilities, and students with severe and multiple disabilities, must be addressed as an integral part of all aspects of educational reform proposals. Regular school teachers, administrators and other school leaders need to incorporate effective methods and strategies for teaching children with disabilities in regular programs with supplemental aids and services. In addition, better communication between special education teachers and regular classroom teachers as well as other school personnel is essential if the promise of ADA, that individuals with disabilities are provided the opportunity to lead proud, productive lives in the mainstream of our society is to be realized.

I expect that issues related to teacher preparation and development in reference to students with disabilities will be addressed during the reauthorization of the Higher Education Act.

ADA mandates the acceptance of diversity. We are not all alike, and should be treated as individuals. Society must come to understand that persons with disabilities have abilities as well as interests and preferences, just like their nondisabled peers.

In sum, under ADA "independence" and "inclusion" are now recognized as basic civil rights.

In conclusion, Mr. President, a well-educated citizenry is vital to a strong democracy and economy. This bill moves to strengthen U.S. public education which in turn will strengthen our international competitiveness. The Neighborhood School Improvement Act has my support and I urge its passage.•

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, before I get into my remarks, let me just commend my colleague from Connecticut who has taken a real interest in this field of education and providing opportunity for everyone. Not simply education in terms of quantity but education in terms of quality and seeing that we have foreign language opportunities for students and other things. I deeply appreciate the leadership he has provided, not simply for the State of Connecticut, but for the people of the Nation.

Mr. President, my understanding is that the pending business is the Helms second-degree amendment; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. SIMON. Mr. President, I understand the sincerity of those who offer this amendment and I respect that, and the Senator from North Carolina is my friend. We differ on a great many things, but let me just say as a personal digression here, there is no Member of the U.S. Senate who is friendlier to people, and I am not just talking about people from North Carolina, but also my constituents from Illinois and elsewhere. He goes out of his way to be a gentleman to these people, and I appreciate it.

I understand the motivation for the offering of this amendment, but I have serious concerns about it. When I say I understand the motivation, my father was a Lutheran minister and my brother is a Lutheran minister, but I think we have to be very, very careful about having our public schools do what our homes and our churches and our synagogues ought to be doing.

Since 1971, we have had the Lemon standards growing out of a case, Lemon versus Kurtzman in the U.S. Supreme Court. The Lemon standards have served this Nation well. The Lemon standards are: First, does any particular action have a secular purpose? Second, is its effect to advance or inhibit religion, either way? And third, does it excessively entangle government and religion?

Those standards have worked well and under those standards, we have been able to do limited things. A school lunch program, for example, does not advance a secular purpose, does not entangle government and religion. It serves a secular purpose. And so we have school lunch money that is available to nonpublic schools. But I think we have to be very, very careful, particularly as you move into elementary and secondary schools. At the university level, it is a different thing because you are dealing with more mature people, and so we will have Federal aid to students who go to Notre Dame or Southern Methodist or Brandeis, and they are at a level of maturity where they can make decisions on their own. But for a fourth grader or a second grader, that is a very, very different thing.

I am in no way denigrating the important contributions that many of our nonpublic schools make.

I would like in some way, at some point, to be able to assist particularly schools that need help in the inner-city of Chicago or East St. Louis in that kind of a situation, but I think we have to approach it with great care and it has to be worked out very carefully.

Let me give you an illustration, Mr. President, that perhaps you can understand more than most. I had a conversation when this issue came up in the House, and I was serving in the House, and I talked to my colleague, Congressman DAN GLICKMAN.

He told me that when he was in the fourth grade, they had voluntary prayer, and every morning little DANNY GLICKMAN was excused from the room while they had prayer and then he would be brought back. Every morning little DANNY GLICKMAN was being told: You are different, and all the other fourth graders were being told he was different.

That should not happen in a democracy. We have to be very careful. The separation of church and state—that is not the Constitution—is a phrase that Jefferson used. That separation of church and state has served this Nation well, and I think we have to be very careful before we take steps to nibble away at that separation.

I see my friend from North Carolina has come on the floor. I was just talking about the Senator before, a minute or two ago, I say to my colleague from North Carolina.

Mr. HELMS. If my friend will yield, I thank him for the kind comments that he made. I understand that he does not agree with me on the prayer amendment.

I am tempted to ask him some questions about the statements he has just made. Will the Senator permit me?

Mr. SIMON. I am pleased to yield to my colleague.

Mr. HELMS. It was in 1962, I say to the Senator, that the Supreme Court made a fatal error and it was done at the behest of a woman who was then named Madalyn Murray. She later married and became Madalyn Murray O'Hair. Madalyn Murray had a son. His name is Bill Murray and he was the young man used as the pawn in a calculated chess game to get the U.S. Supreme Court to ban school prayer.

Bill Murray is now a good friend of mine, and we must remember that Bill was a little boy in 1962. Bill Murray loves his mother, but he has spent the last 10 or 15 years going around this country apologizing for what his mother did. His mother was, and is, a declared atheist. Bill Murray will tell you, as he has said in many parts of this country, that the people who persuaded his mother to take the action using him as a pawn were Communist Party functionaries—and he has identified the people who came to his mother's home and consulted and advised her as to how to proceed with her school prayer case.

Now, the allegation has been made that great damage would be done if the

Supreme Court restores constitutional permission for school prayer—the situation that existed when I was in school, and I imagine when the Senator from Illinois was in school. I must say I find it hard to reconcile such assertions with reality. To the contrary—and I say to my dear friend and next-door neighbor in the Dirksen Building of the Senate—that the discipline situation in the schools of America began to deteriorate with the Supreme Court's school prayer decisions in the early 1960's.

School officials all over the country have been intimidated by those Supreme Court edicts for almost three decades. Some school officials have gone overboard in their enforcement of those decisions. I speak as the father of a school principal. I wish the Senator from Illinois could sit down with her sometime and hear her tell of the difficulties plaguing the schools.

I will simply say to the Senator from Illinois, who is my friend, and who is one of the nicest guys I have ever known—and I say that most sincerely—the overwhelming majority of the people of the United States agree with what the pending amendment proposes.

Mr. President, all I am asking for is a vote. If I am voted down, fine. If I win, so much the better. But I find it rather remarkable that the action of the Senate on this education bill has been brought to a screeching halt simply because a little old second-degree sense-of-the-Senate amendment was offered by the Senator from North Carolina.

I thank the Senator for yielding to me, and I will answer, if I can, any question he wants to pose.

Mr. SIMON. Yes. If I could respond and then ask one question to my colleague from North Carolina.

Mr. HELMS. Surely.

Mr. SIMON. First, in response, let me say that the 1962 decision was prior to the 1971 decision where the Court has established the Lemon standards which generally I think most people find are acceptable standards.

In terms of what the Communists may have been trying to do, Thomas Jefferson was not a Communist, James Madison was not a Communist. They saw that it was desirable to keep a certain distance and not have the church too much dependent on the State, nor the State too much dependent on the church, or the two intertwined.

But I mentioned—I think this may have been before the Senator came on the floor—my colleague who still serves in the House, Congressman DAN GLICKMAN. The Senator talks about voluntary prayer. They had voluntary prayer in Wichita, KS, when he was in the fourth grade. He happens to be Jewish in a community that is overwhelmingly non-Jewish. Every morning in the fourth grade he was excused while they had that voluntary prayer, and then when the prayer was over he was brought back. Every morning he was told you are different from the other students.

Mr. HELMS. Did they use those words, really? Did they tell that little boy, "DAN GLICKMAN, son, you are different"? Does the Senator really believe anybody in the school system said that?

Mr. SIMON. I do not know that anyone said it, but that was clearly the implication.

Mr. HELMS. He can deal with that implication.

Mr. SIMON. In any case that is not the direction we ought to be going.

Now, when the Senator says that this amendment has brought things to a screeching halt, I just heard about the amendment and came over to the floor. I do not know anything about a screeching halt. I am willing to vote on it right now.

Mr. HELMS. Good.

Mr. SIMON. But I also have to say to my friend from North Carolina I think the national interests will be served by the defeat of his amendment rather than the passage of his amendment. And I also believe the cause of religion in this country is served by the defeat of this amendment rather than the passage of this amendment, because we have learned historically that separation of church and state—and it is not completely separate. When the Methodist church is on fire, you call the fire department. So there is not an absolute separation of church and state. And Jefferson went a little too far when he called it a wall of separation. But that we not have too much entanglement between religion and the government I think is a healthy thing for this Nation. I respect my colleague from North Carolina, but I differ with him.

Mr. HELMS. If the Senator will yield further, I respect my colleague from Illinois, but I differ with him. The Senator's problem is not with me, but with the 70 percent of the American people who disagree with the Senator from Illinois.

I will say further that perhaps it would be useful to read some of Jefferson's comments later in life. In the first place, he was not talking about prayer in school when——

Mr. SIMON. That is correct. We did not have public schools in that form at that point.

Mr. HELMS. That is correct.

How is it, I would ask the Senator, that all of a sudden in 1962, it became such an abomination?

I think a lot of strawmen were constructed and the Court made a wrong decision. And the schools of America have paid for it. The schoolchildren of America, if the Senator will permit me, have paid for it through an erosion of moral values and discipline, and the almost endless litany of plagues now afflicting the schools. I feel sincerely that way, but I will accept the outcome of the Senate vote.

However, I do find it rather remarkable, as I said earlier, that we heard expectations earlier this afternoon that we were going to finish this bill tonight from the distinguished majority leader, who also is your friend and my friend. But as soon as I offered this amendment, a nonbinding sense-of-the-Senate resolution, everything stopped because those opposed to the pending amendment are trying to figure out a way to avoid having to vote on it.

I say the way the Senate ought to operate is to go on and vote on the amendment up or down. I will accept it either way. I believe I am right. Others think they are right. Let us see what a majority of the Senate says.

I thank the Senator very much for yielding to me. He is, I repeat, a fine man and a good friend.

Mr. SIMON. I thank my colleague for his comments.

I will just say again I think we ought to keep in mind the principles upon which this Nation was founded, where we kept church and state somewhat separate, where we did not have excessive entanglement. I think it is unwise for us to move in this direction. I have great respect for my colleague from North Carolina, but I think his amendment moves in a direction that is not healthy for the future of this country.

Mr. President, no one else seeks the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, inasmuch as no other Senator is on the floor who wishes to be recognized, perhaps it would be useful if I explain the purpose of my amendment and the background.

I believe I am correct that the Helms amendment is the pending business. Is that correct?

The PRESIDING OFFICER. The Senator from North Carolina is correct.

Mr. HELMS. I thank the Chair.

Mr. President, the pending sense of the Senate amendment urges the U.S. Supreme Court to use the upcoming *Weisman* v. *Lee* [908 F.2d 1090 (1st Cir. 1990)] school prayer case to restore to America's children the right of voluntary prayer and/or Bible reading in the public schools. The first blow toward destroying that right was struck by the U.S. Supreme Court nearly three decades ago in the *Engel* v. *Vitale* [370 U.S. 421 (1962)] and the *Abington School District* v. *Schempp* [374 U.S. 203 (1963)] cases.

This amendment, if adopted, will enable Members of the U.S. Senate to take a stand—pro or con, for or against—with me or against me—on the question of whether the wishes of the vast majority of Americans will be respected by the Senate of the United States, the question of restoring a right that was taken for granted until 1962. If the Senate adopts this amendment, it will be the first important step in restoring voluntary prayer in the schools across America.

Mr. President, repeated statistics, as I indicated in my colloquy with the distinguished Senator from Illinois, show that the public schools have been going downhill morally and academically since the Supreme Court outlawed school prayer.

I have an entire book of statistics and graphs from the Federal Government and others that detail the precise figures which clearly demonstrate the importance of restoring the right of voluntary prayer and Bible reading to the public schools.

In light of that, how can Congress consider approving $850 million in new spending to improve education—in S. 2, legislation entitled the "Neighborhood Schools Improvement Act"—without first restoring a child's right to pray voluntarily and publicly for God's guidance and protection during the school day? This $850 million will be just another vast sum down the education rathole unless we reverse the inexorable breakdown in morality and discipline so prevalent in the public schools of this country. The deterioration began the day the Supreme Court banned school prayer.

Hence, the reason for my offering this amendment today.

The distinguished Presiding Officer will not be able to make much of these graphs from this distance. However, it may be of interest to those watching the proceedings of the Senate on television.

This graph shows Scholastic Aptitude Test [SAT] scores before and after the Supreme Court's school prayer decisions. The line running from top to bottom in the middle represents the year that school prayer was banned.

The SAT scores are used to determine a student's preparation for, and potential for success on the college level. The data for this chart comes from the College Entrance Exam Board which administers the SAT test.

The graph shows that prior to the school prayer decisions in 1962 and 1963, the average combined score for both the math and verbal sections on the SAT was approximately 970 out of a possible 1600. However, as Senators can see from the graph, the very next year after prayer was kicked out of the schools, the average SAT scores began to decline until they bottomed out in 1980 at 870 points—an 80 point drop.

Since 1980, the average scores have risen slightly—as more and more parents take their children out of the public schools—to almost 910. But that is still more than 60 points below what it was before prayer was taken out of the public schools.

The large area labeled number 2—and filled in with black—represents the volume of academic achievement America's children have lost since prayer was removed.

You say, "Well, how do you know?" I do not know. I am just saying that the relationships that one statistic after another shows is unique. Is it not interesting that all of the statistics show a deterioration in the performance and moral behavior of children in the nation's schools?

I think the inferences from these statistics is unmistakable. However, I am sure others will disagree. But they cannot deny the statistics themselves.

The next chart measures teenage sexual activity from 1954 through 1980, specifically, the "Percentage of U.S. Teenage Women Who Have Had Pre-Marital Intercourse". This graph—as you can see—is based on information from the Alan Guttmacher Institute, a very liberal organization.

As Senators will notice, from 1954 until 1962—the year prayer was removed from our public schools—teenage sexual activity remained at the same levels: About 4 percent of 15-year-old girls had had intercourse; 7 percent of 16-year-olds had lost their virginity; 14 percent of 17-year-olds; and then 23 percent of 18-year-olds had had sex. For nearly 8 years there was no increase in sexual activity on the part of teenage girls.

But then, prayer was stricken. Senators can see what happened—a dramatic increase in sexual activity on the part of teenage girls. By 1980, about 12 percent of 15-year-olds; 24 percent of 16-year-olds; 35 percent of 17-year-olds, and 52 percent of 18-year-olds had lost their virginity.

Mr. President, these are the facts. Senators are welcome to look at this graph which shows just how dramatic the increase in sexual activity has been on the part of teenage girls since prayer was banned in the schools.

This next chart documents the increase in pregnancies to unwed teenagers, 15 to 19-years-of-age. It uses data from the Department of Health and Human Services, the Statistical Abstracts of the United States, and the Centers for Disease Control. When school prayer was outlawed in 1962, there were just about 100,000 unwed teenage pregnancies consummating in live births. By 1970, this figure had nearly doubled to just under 200,000 unwed teenage pregnancies.

Then, in 1972, abortion was legalized, and the holocaust of the urban commenced. But in any case, in order to calculate the total number of pregnancies among unwed teenagers, it was necessary to calculate both total live births and abortions.

By 1980, the total number of live births and abortions to unwed teenagers had climbed to 550,000 only 250,000 of which were live births. Compare that, Mr. President to the 100,000 live births in 1962.

It's just so obvious, Mr. President, that something has been terribly amiss with the morals of our Nation's young people since prayer was kicked out of school.

Mr. President, with the increase in sexual activity among school children, you would expect an increase in the number of cases of sexual diseases, and that is precisely what the next chart shows. It is based on data from the Centers for Disease Control and the Department of Health and Human Resources.

Prior to 1962, the chart shows that there were approximately 400,000 cases of gonorrhea, syphilis and various other sex-related diseases each year. After 1962, the number of cases began a steep increase to peak in 1975 at almost 1,100,000 per year. Then it leveled off and fell to about 1,000,000 cases a year in 1985—still almost 600,000 more cases each year than in the years preceding 1962.

The next chart is a bar graph showing the rate of violent crime in the Nation from 1957 to 1986. It is based on data taken from the Statistical Abstracts of the United States.

Again, prior to 1962 when prayer in schools was removed, the rate of violent crime was very low at about 135 cases per 100,000 inhabitants each year. In 1963 it jumped to 177 cases per 100,000 in population and continued to increase sharply until it peaked in 1982 at a whopping 583 instances of violent crime per 100,000 inhabitants. In 1986, the violent crime rate was still over 555 cases a year per 100,000 people. In light of the crack cocaine epidemic that overtook the country after 1986, I am sure the rate is much higher than that now.

Finally, Mr. President, the last chart—and I have 34 more if any Senator is interested—shows the rate of suicide among youth 15- to 24-years-old from 1947 to 1985. The statistics come from the National Center for Health Statistics and the Division of Vital Statistics in the Department of Health and Human Services. Taking just the middle line, the chart shows that the number of suicides per 100,000 15- to 24-year-olds increased from just slightly under 6 per 100,000 before 1962 to over 18 per 100,000 at the charts peak in 1977. In 1985 the rate was still over 15 suicides per 100,000.

Mr. President, it is important to note the visual message these charts convey. Not only were there increases in the incidences of all these problems, but the increases were dramatic jumps, not even and steady. And it is unmistakable that these dramatic jumps all began immediately after the Supreme Court outlawed school prayer in 1963.

Again you can say, "Well, how do you know there is any relationship whatsoever?" I do not know. But as I said, it is remarkable that all of the bad things that are happening in our schools have been increasing since 1962.

Violent crime—look at that. Here is the year. You can say other factors were involved. Of course, they were. And so forth.

But we have done a pretty fair study to show that there must be some correlation.

Mr. President, 71-percent of the American people agree on this issue. A New York Times poll as long ago as July 1988 showed that 71 percent of Americans support voluntary prayer in public schools. A poll conducted last month in North Carolina likewise revealed that 71 percent believe voluntary prayer in the public schools should be restored.

Mr. President, Americans overwhelmingly support school prayer, whether rich or poor, old or young, religious or nonreligious, Democrats or Republicans, and people of all races. So what is the timidity of the U.S. Senate about saying to the U.S. Supreme Court: Look, you ought to reverse that 1962 decision and that 1963 decision.

Let me quote Mr. Justice Potter Stewart. I remember talking with him about it at then-Senator Buckley's home one night. Potter Stewart was a great American. Dissenting in one of those early school prayer cases he said:

> A compulsory State educational system so structures a child's life that if religious exercises are held to be an impermissible activity in schools, religion is placed at an artificial and State-created disadvantage.

This is not JESSE HELMS. This is Mr. Justice Potter Stewart, Mr. President. He said:

> Viewed in this light, permission of such exercises for those who want them is necessary if the schools are truly to be neutral in the matter of religion.

Mr. President, schools are not neutral now. They say, "Get out of here." The people across America who have said God has been kicked out of schools are pretty much correct. I say that as a father of a school principal.

Let me return to what Potter Stewart said in his dissent. He said:

> And a refusal to permit religious exercises thus is seen, not as the realization of State neutrality, but rather as the establishment of a religion of secularism.

That turns the tables on those who declare a position such as Senator SIMON did just now.

Mr. Justice Stewart accurately predicted—and this was years ago—that governmental intolerance of religion would be the natural and precise effect of the Court's decision banning school prayer. In effect he said: Look here, this is what is going to happen. And you know; it did happen. Look at our schools today. That is the reason we have S. 2 before us.

The effect of those decisions has been to outlaw, for all practical purposes, any manifestation of religious faith on public school property. And consider the havoc wrought by implications far beyond the schools themselves, such as the rising crime rate, increased illegitimate births, abortion, incest, poverty, teenage suicide, AIDS, pornography masquerading as art, and a tragic erosion of the American citizen's love and concern for his fellow man into a cold indifference. We are seeing more and more of that today.

Like it or not, believe it or not, there is a common thread between these societal problems and what happened in 1962 and 1963. There has, undeniably and unquestionably, been a massive collapse of morals in America.

Mr. President, the vast majority of the American people intuitively, and properly, understand that that moral collapse is a result of the Supreme Court's discarding moral principles that deserve to survive. They must survive if this Nation is to survive.

I do not know how much longer we can go down this slippery slope that we are on right now. Instead of engendering an official attitude of neutrality toward religion in the schools, as the Supreme Court assured the public back in 1962 and 1963 that they would, the school prayer decisions have in fact fueled Government's intolerance of, and assaults on, any vestige of Christianity in the public schools.

Let us get specific, Mr. President. In North Carolina alone during just the past few months, this Court-ordered intolerance for any vestige of religion has produced several remarkable results. For example, a teacher in Lexington, NC, named Ronald Chapman—and I have talked with him—resigned his job because he refused to end his 32-year tradition of reading the Bible and praying with his special education students. He had been doing this all these years. And the interesting thing is that his efforts throughout these 32 years had the enthusiastic approval of every student and every one of their parents, without exception.

Just a few miles down the road in the same county, in Thomasville, NC, the school superintendent banned the decades-old tradition of permitting a public prayer for the safety and protection of football players before high school football games. I know we have developed into such a callous society that people may hoot about this, saying: What does prayer mean in a football game? Well, it might mean a lot to high school students. I notice that the Redskins do it.

Third, the Federal courts prohibited a State judge in Charlotte, NC, from opening his court sessions with a prayer for wisdom and guidance from God.

Finally, a schoolteacher in Charlotte was prohibited by the local school board from reading her Bible during her lunch hour.

Is that neutrality, Mr. President?

These are just some examples. I have scores of them. But I will simply say that similar governmental restraints on religious freedom in public have occurred over the last few years not only in North Carolina, but in every other State as well.

In the State of Florida, a school principal felt personally compelled by the Supreme Court's decisions to collect all of the copies of the high school annual that had just been printed and snip out with his scissors all the pictures of the Bible Club. Is that neutrality?

In various States, students have been prohibited from praying in their cars in the school parking lot, or even bringing their personal Bibles onto school property.

In Denver, CO, a school—I imagine it was the principal—tried to have all copies of the Bible removed from the school library on the grounds that their mere presence on the shelves was an infringement of the Supreme Court's decisions on school prayer.

(Mr. LAUTENBERG assumed the chair.)

Mr. HELMS. In Decatur, IL, a primary schoolteacher discovered the word "God" in a phonics textbook and ordered her class of 7-year-olds to strike it out, saying that it is against the law to mention God in a public school.

In Oak Park, IL, the town blocked a private Catholic hospital from erecting a cross on its own smokestack because the city councilmen said some residents would be offended.

In Schuylerville, NY, a Federal Judge ordered the removal of a former student's painting of the crucifixion of Christ that had hung on the wall for 25 years. He said: "Take it down; the Supreme Court does not allow that." The judge stated that the painting conveyed a message of "Government endorsement of Christianity."

Yet, the Federal Courts have been strangely silent on the message of "government intolerance of Christianity" conveyed by the use of Federal funds by the National Endowment for the Arts to subsidize, for example, an artist who put a crucifix in a glass container of urine, took a picture of it, and submitted it with a blasphemous title claiming that it was art. I have stood right here on the floor and protested that particular use of the public funds, and the insult it conveyed to the Christian community.

And yet the very Senators who are opposing me on this amendment on the grounds the Government might send a proreligious message saw no problem with the Government sending antireligious messages through the NEA.

Three separate studies, Mr. President, have noted that textbooks in the public schools as a result of the Supreme Court decisions have systematically ignored the role of religion in molding this Nation and motivating our leaders, because publishers believe the Supreme Court decisions require—require—such censorship.

The lawyers have an expression, "reductio ad absurdum," and I guess this approaches it. The American Civil Liberties Union in California insists that, and I quote, "teaching that monogamous, heterosexual, sexual intercourse within marriage is a traditional American value is an unconstitutional establishment of a religious doctrine in the public schools."

I thought the ACLU was silly a long time ago, Mr. President. Now I know they are.

Mr. President, can the situation get further out of hand? Such ludicrous episodes clearly demonstrate the fallacy of the Supreme Court's assurances in 1962, in the case Abington School District verses Schemp, that:

> * * * the state may not establish a "religion of secularism" in the sense of affirmatively opposing or showing hostility to a religion, thus preferring those who believe in no religion over those who do.

But that is exactly what has happened. Time magazine, back in December, in the December 9 edition, noted how Miss Angela Davis can walk into any public school in the country and sing the praises of dogmatic Marxist atheism, and that is OK. But students themselves cannot so much as read the Ten Commandments in the classroom.

Mr. President, freedom of religion, guaranteed to us by the Founding Fathers in the first amendment to the Constitution, seems to me to be fundamental. I acknowledge that there are two separate views about what is freedom of religion.

Senator SIMON, bless his heart—he is a good friend of mine—says it has something to do with the establishment of a State church for children to be allowed to pray or to read the Bible on school property. I do not believe that. With all due respect to my friend from Illinois, I just do not believe that. I cannot believe it.

This business of freedom of religion should mean what it says. It should go both ways. This has been recognized as a fact from the very inception of our Republic. Religious liberty and recognition of the part played by Almighty God in the creation of our country have been foundation stones of our national existence.

As a matter of fact, this was acknowledged in one of the earliest official acts undertaken by a leader of the new Nation in 1798. That was, of course, George Washington. In his first inaugural address, delivered in New York City on April 30, 1789, President George Washington declared, and I quote:

> * * * it would be peculiarly improper (for me) to omit, in this first official act, my fervent supplications to that Almighty Being who rules over the universe, who presides in the councils of nations, and whose providential aids can supply every human defect, that his benediction may consecrate to the liberties and happiness of the people of the United States a government instituted by themselves * * *. In tendering this homage to the great Author of every public and private good, I assure myself that it expresses your sentiments not less than my own; and those of my fellow-citizens at large * * *.

I say Amen.

And the Senate, the U.S. Senate, following George Washington's example to this very day, this very morning continues the tradition of holding a morning prayer. The Chaplain stood right up there and he opened this session of the Senate with a prayer.

Mr. President, we invoke God's blessings in our daily decisions in the Senate. And if we can do it in the Senate, then why are the Federal Courts prohibiting a State judge in North Carolina from doing it in his courtroom every morning? Just as important, why do the Federal courts prevent our children from having voluntary prayer in the school?

I often try to imagine, as I am sure others do, what our Founding Fathers would say if they could come back here and see what is being done—and has been done—to this country and its principles. Could George Washington have imagined that the day would ever come when the Supreme Court would act to bar the exercise of religion anywhere in the United States of America? I do not think so. I cannot imagine that he would have, or could have.

Could any of those great men who led us from colonial status to that of a proud new nation, with the world's first guarantee of liberty to its people, could any of them have suspected that 180 years into the future, the Court would have contravened the very intent of the first amendment?

Pretty interesting question, Mr. President, and Senators would differ. And I am sure, as soon as I finish these remarks, Senators will be up like a bunch of roosters on a June bug. They will have their say. They will say: Oh, you cannot do it. This one child over here was embarrassed; or one over there. To heck with the fights of the millions of children who are being denied a fundamental right to pray.

We know that some of the Founding Fathers harbored reservations about the role of the Supreme Court in the new Government. But surely those Founding Fathers could not possibly have envisioned that the Court would cancel a child's right to offer voluntary prayers in the company of those of like belief in his or her school. There were no public schools back then, I acknowledge, so the question did not and could not have come up.

Mr. President, those of us who believe that the Supreme Court ought to take a look at the 1962 and 1963 decisions are not alone. I was struck by the remarks of a distinguished student of the law and the Constitution, Charlie Rice of Notre Dame Law School, who said that:

> It has been incorrectly asserted, by the Supreme Court and others, that the establishment clause ordained a government abstention from all matters of religion, a neutrality between those who believe in God and those who do not. An examination of the history of the Clause, however, will not sustain that analysis. Its end was neutrallity, but only of a sort. It commanded impartiality on the part of government as among the various sects of theistic religions, that is, religions that profess a belief in God. But as between theistic religions that is, religions that profess to believe in God and those non-theistic creeds that do not acknowledge God, the precept of neutrality under the establishment did not obtain. Government, under the establishment clause, could generate an affirmative atmosphere of hospitality toward theistic religion, so long as no substantial partiality was shown toward any particular theistic sect or combination of sects.

I shall conclude momentarily, Mr. President, but I am obliged to observe that our Founding Fathers' sole intent in the Constitution's establishment clause was to prohibit the establishment of a national church. That is all the first amendment says. And it says it clearly. All remaining issues concerning church-and-state relations were left strictly to the States. And my second-degree amendment now pending simply calls on the Supreme Court to restore the original intent of the Framers in this regard.

Now, I am stating my views of the Constitution, admittedly. Other Senators will state theirs, no doubt, in contradiction of what I have just said. But the point is neither of us—JESSE HELMS nor JOHN DANFORTH nor anyone else—is a member of the Supreme Court. It should be left to them to make the judgment one way or another, but they ought to make the judgment. And that is what I am asking for, for them to make a judgment.

Mr. President, restoring balance and freedom to the public schools regarding the role of religion in our public as well as our private affairs is imperative if we really want to see an improvement in our schools, in both the discipline and academics. If we are truly interested in the welfare of our Nation's children, as so many of us espouse, we will restore to them what I consider to be an indispensable right—the right to seek guidance and help from the Almighty each and every day at school if and when they want to do so. That is all I am saying.

Earlier, Mr. President, I quoted George Washington's first address to the Nation as a President. So, I will close with his final counsel—and warning—to the Nation. We will fail to heed it at our own peril.

He said:

> Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain

would that man claim the tribute of patriotism who should labor to subvert these great pillars of human happiness.

Mr. President, I ask unanimous consent that an excerpt from an address by M. Stanton Evans on the history of the first amendment and the religion clauses be printed in the RECORD. Mr. Evans addressed an audience assembled at the Heritage Foundation and, more recently, a meeting of the Founders Society of the American Studies Center.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

My topic is the 1st Amendment and the reading of it given to us by the Supreme Court and indeed by almost all supposed authorities on this subject. That reading is essentially that the 1st Amendment was intended to create a wall of separation between the practices of civil government and the affirmations of religion.

The leading misconception involved in this kind of discussion, which is applied not only to 1st Amendment topics but to almost all topics where religion is concerned, is the idea that there is such a thing as a civil order that is *not* based on religious belief.

The fact of the matter is that every society, every culture, is based upon religious assumptions of one sort or another. Religious affirmations are answers to ultimate questions—such as, where did the world come from, why are we in the world, what does it mean to be a human being, how should human beings treat each other? The answers to all such questions are essentially religious in character.

If you remove one set of assumptions received from a particular religious tradition, you do not, therefore, have a social order that is not based on religious belief. You simply substitute one set of axioms for another.

The notion that it can be otherwise—that there is such a thing as a purely rationally deduced set of rules about human behavior or government—is chiefly an artifact of modernity. It is a notion that has arisen since the Renaissance, and more specifically since the Enlightment: that the way to liberty, justice, democracy, progress, and other good things is to get rid of religious belief and to substitute a rationally constructed social order for the superstitions of religion.

For want of a better term, I call this way of viewing things the "liberal history lesson."

The treatment of American political history that is now conventional wisdom, embodied in the rulings of the Supreme Court on the 1st Amendment, and in most history books dealing with these topics, is a subdivision of this liberal history lesson. It is an effort to apply to the experience of the United States the assumptions that became conventional in the West at the time of the Enlightenment, and to rewrite that experience in the categories of liberal ideology. The basic idea is to treat the American Revolution as a cognate for the French Revolution—an explosion of anti-clerical sentiment aimed at secularizing every aspect of public life.

As it concerns the United States, all of this is totally ahistorical. In fact, the American continent was settled primarily by people who were concerned about religious matters, who came here for religious reasons, and who brought with them religious assumptions about government that were products of centuries of Judeo-Christian experience and medieval practice, crystallized in early 17th Century England.

The period during which the early settlers came to these shores was when many of these issues were being fought out in England, culminating in the Parliament of 1628, and the people who came here brought with them very specific notions of churches and civil government derived from that experience. The principal notion that is relevant here was their covenant theology—the idea of the covenantal character of church government.

Essentially, it was the notion that authority in the church rose from the congregation and should not be imposed from the top down by the episcopacy. They left England primarily over that issue to come here and set up church and civil government based on these notions derived from Biblical teaching, mainly the Old Testament.

The idea of social contract, for instance, is usually portrayed in the liberal history lesson as something invented by John Locke in his *Treatise of Civil Government* in the latter part of the 17th Century.

In fact, social contract existed in the Western experience almost 70 years before this—in the Mayflower Compact of 1620.

When the Pilgrims arrived off the shores of this continent, they drew up a contract among themselves in which they stated that we do hereby "combine and covenant ourselves together into a civil body politic." So right there, based not upon secular theoretical considerations but on religious experience, you have the notion of social contract, articulated in the Mayflower Compact.

Ten years later, in October 1630, the Massachusetts Bay Company, which was a commercial corporation, held the first meeting of what became its General Court. The Massachusetts Bay Company was similar to corporations today in that it was governed by its directors, eight in number, who were the people entitled to vote on the affairs of the company. Nonetheless, when the first meeting of the General Court was held, 116 people were invited to vote, which is a source of great confusion to many liberal historians.

Why did the autocrats of Massachusetts Bay decide to do this? The answer was their covenantal theology. These were the members of the congregation; they were part of the covenant and entitled to vote in matters of church government, and matters of civil government as well.

Many other products of that early experience show the imprint of the religious beliefs of the original settlers. One of the earliest was the Massachusetts Body of Liberties in 1641, an embryonic version of the Bill of Rights, once again based upon religious principles. Likewise, in 1647, the first public schools were created on this continent by the authorities of Massachusetts Bay. This system was set up for the purpose of teaching young people—how to read the Bible.

This early experience continued in attenuated from up through the end of the 18th Century, attenuated primarily because of the proliferation of religious groups, not because of a loss of religious belief. Quite the contrary.

In the middle of the 18th Century, there occurred the so-called Great Awakening, an evangelistic phenomenon that brought many people into the fold of Christianity and re-energized others for whom Christian belief had been primarily a formal exercise. The result was that new religious sects and groups were formed and some that had been small increased in size. There was the tremendous growth of the Baptists and of the Methodist church. And as religious diversity increased, there was pressure upon the "established" character of religious practice in several of the states.

Contrary to the liberal history lesson, the world of the Founding Fathers was totally suffused with Biblical belief, expressed in innumerable ways in the civil practice of the time.

For example, in 1775, when the Revolutionary War was starting, nine of the 13 colonies had officially established churches, supported by tax revenues. As the proliferation of church groups continued through the latter part of the 18th Century, pressure mounted to disestablish a number of these churches.

Nonetheless, at the time of the Constitutional Convention, three states still had established churches—Massachusetts, New Hampshire and Connecticut. Even in the states that had disestablished—the Anglican Church in some parts of the South or the Congregational Church in other areas—there remained a system of official sanction and support for religious belief, principally the requirement that one profess a certain kind of doctrine in order to hold public office.

These practices persisted well after adoption of the 1st Amendment. The established church in Massachusetts was not abolished until 1833. In New Hampshire, a requirement that one had to be not simply a Christian, but a Protestant to be a member of the legislature persisted until 1877. In New Jersey, Roman Catholics were not permitted to hold office until 1844. In Maryland, one had to be a Christian to hold public office, a stipulation that lasted until 1826. In North Carolina, the stipulation until 1835 was that one had to be Protestant, and until 1868 to be a Christian, to hold office.

The state of Vermont, which broke away from New Hampshire in 1791, was considered theologically one of the most liberal of the states. Nonetheless, this was the oath you had to take in Vermont in order to assume office:

"I do believe in one God, the Creator and Governor of the universe, the Rewarder of the good and the Punisher of the wicked. And I do acknowledge the Scriptures of the Old and New Testaments to be given by divine inspiration and own and profess the Protestant religion."

That was the oath that had to be taken in one of the more *liberal* states at the time the 1st Amendment was being put on the books.

The case of Virginia is one most frequently cited in such discussions. By the standards of the day, Virginia was also a very liberal state. This was a result of the fact that the Anglican Church had been the established church in Virginia.

When the Presbyterians and then the Baptists grew in strength, it created a three-way tug of war for political influence, pushing the state toward disestablishment of the Anglicans, which came about in the 1780s. The bill for disestablishment that finally passed was presented by James Madison in the Virginia legislature on Oct. 31, 1785. This bill and the associated commentary by Madison are frequently mentioned in the literature as showing the secularizing impulse behind the 1st Amendment.

The Supreme Court and the others involved in this discussion never mention, however, that on the same day Madison presented his bill for religious freedom, which was to disestablish a specific sect, he also presented a bill to *punish those who broke the Sabbath*. This bill spelled out the penalties that would be imposed upon those who broke the Sabbath by conducting other than household duties. It was put forward on the very same day that the bill for disestablishment was offered. This is not referred to because it doesn't fit the secularizing model of the liberal history lesson.

Many practices that existed at the state level also existed at the federal level, first in the Continental Congress and thereafter in the new Congress under the Constitution.

The Continental Congress had chaplains, and it had prayers. In 1780 it authorized the printing of a Bible, after first ensuring that the text was orthodox. It provided money for the Christian education of Indians. It passed the Northwest Ordinance for governing the territory north and west of the Ohio River, stating that it was doing this, among other reasons, for purposes of promoting "religion and morality." It stipulated that in the sale of lands in the Northwest Territory, Lot N29 in each parcel of land "be given perpetually for the purposes of religion."

In the new Congress under the Constitution, most of this was re-enacted. The chaplains were re-established. Prayers were conducted. Days of thanksgiving were voted. Money was appropriated for the Christian education of the Indians. All were practices totally contrary to anything you would guess from reading Supreme Court decisions or the conventional liberal history on this subject.

How is all of this—religious affirmation by the several states, established churches, religious requirements for public office, prayers, chaplains, religious education of the Indians—to be reconciled with the reading of the 1st Amendment given to us by the Supreme Court, which says in essence that no tax money may be used for any authentic religious purpose? How can you reconcile the history just recited with the adoption of such an amendment? The answer, of course, is that you just cannot; and the reason for this is that the real history of the 1st Amendment is very different from what the liberal history lesson would have us believe.

There were specific reasons for the adoption of the 1st Amendment, fully available in the records for anybody who cares to look at them. This has a lot to do with the politics and the concerns at the time about the impact of the new Constitution.

There was a great deal of agitation by Patrick Henry and others to the effect that this new government would swallow up the rights of the states. Henry, Richard Henry Lee, and others therefore said there needed to be a Bill of Rights, which would guarantee the freedom of the citizens and the states. In large measure, this was a stratagem to prevent adoption of the Constitution, and it became a very effective weapon in the ratification struggle.

Madison, who was promoting adoption of the Constitution, had originally said a Bill of Rights was unnecessary, and he had some good arguments. He said in essence that this was a government of enumerated powers. It had authority to do only those things granted to it, and no authority to do the things not granted to it, and therefore a Bill of Rights would not be needed.

However, Henry succeeded in generating so much opposition that Madison changed his position and said, in effect, "All right, I'll concede your point. Let's compromise on a formula whereby we go ahead and ratify the Constitution, and then adopt a Bill of Rights as soon as the new Congress convenes." That was his campaign pledge when he ran for Congress in Virginia. When Madison switched in favor of a Bill of Rights, he took away the principal issue against him, and got elected to the House of Representatives.

There he presented his proposals for a Bill of Rights in fulfillment of his campaign pledge. It is very interesting to go back and read the reasons given by Madison for presenting the Bill of Rights and his interpretation of what became the 1st Amendment.

For example, he was challenged by Roger Sherman and others about the very argument he himself had made—that this was a government of enumerated powers, so why was this Bill of Rights necessary? Madison said: "Whether the words are necessary or not [referring to what became the 1st Amendment] he did not mean to say, but they had been required by some of the state conventions who seemed to entertain an opinion . . . that . . . [Congress might] make laws of such a nature as might infringe the rights of conscience and establish a national religion." And therefore, he was presenting them for the consideration of the Congress.

He added that "If the word 'national' were introduced it would point the amendment directly toward the object it was intended to prevent," which was the prospect of federal interference with the religious (and other) practices of the states.

As it happened, the actual language of the Amendment voted by the House was not proposed by Madison, but by Fisher Ames of Massachusetts, a state with an established church. It is interesting to note that the language that finally emerged from Congress was adopted by a conference committee, including on the House side Roger Sherman, and Oliver Ellsworth from the Senate.

The important thing about Sherman and Ellsworth was that both were from Connecticut, another state with an established church. In fact, in Connecticut at the time a law existed that you could be fined 50 shillings if you didn't go to church on Sunday.

Sherman and Ellsworth, who not only represented Connecticut but were believing Calvinists, would hardly have gone into a conference committee and voted for an amendment nullifying Connecticut law about religion.

In the light of all this, the language of the 1st Amendment as it came out of that conference committee should be fairly clear: "Congress shall make no law respecting an establishment of religion." Now what does that mean? It means that the national legislature shall make no law having anything to do with, concerning the subject of, respecting an, establishment of religion. That is: Congress cannot pass a law creating a national established religion; and Congress cannot pass a law interfering with the established churches or other religious practices in the states.

That language, which had been debated through the late summer of 1789, was passed by the House of Representatives on Sept. 24, 1789. On the very next day (this must be considered in the context of what the Supreme Court now says this language means), the very same House of Representatives passed by about a 2-to-1 margin a resolution calling for *a national day of prayer and thanksgiving*. The day after it passed the 1st Amendment, here is the language the House adopted:

"We acknowledge with grateful hearts the many signal favors of Almighty God, especially by affording them an opportunity peacefully to establish a constitutional government for their safety and happiness."

They therefore called upon President Washington to issue a proclamation designating a national day of prayer and thanksgiving. This was Washington's response:

"It is the duty of all nations to acknowledge the providence of Almighty God, to obey His will, to be grateful for His benefits and humbly to implore His protection and favor. . . . That great and glorious Being who is the beneficent author of all the good that was, that is, or that ever will be, that we may then unite in rendering unto Him our sincere and humble thanks for His kind care and protection of the people. . ."

Such was language officially adopted, first by the Congress and then in a proclamation by George Washington, contemporaneous with adoption of the 1st Amendment.

It seems to be reasonably clear that two things were encompassed by the 1st Amendment. The first was to protect the existing religious practices of the states, including established churches, religious requirements for public office, and so forth, from federal interference. The second was to permit even the federal government to give general support to religion, which continued without stint in all the various ways described a century and more after adoption of the 1st Amendment.

Let me read by way of conclusion the sentiments of Thomas Jefferson, the person most cited on this subject next to Madison by the Court and by the liberal historians (though Jefferson was not a member of either the Constitutional Convention or the first Congress). Here is what Jefferson said in his second inaugural address:

"In matters of religion, I have considered that its free exercise is placed by the Constitution independent of the powers of the general government. I have therefore undertaken on no occasion to prescribe the religious exercises suited to it. But have left them as the Constitution found them, under the direction or discipline of state or church authorities acknowledged by the several religious societies."

Jefferson also wrote a few years later to a Presbyterian clergyman who asked why he had not issued thanksgiving proclamations (of the early Presidents, Jefferson was the only one who did not). Here is what Jefferson answered:

"I consider the government of the United States as interdicted from intermeddling with religious institutions, their doctrines, discipline, or exercises.

"This results from the provision that no law shall be made respecting the establishment or free exercise of religion, but from that also which reserves to the states the power not delegated to the United States. Certainly no power to prescribe any religious exercise or to assume authority and religious discipline has been delegated to the general government. It must thus rest with the states as far as it can be in any human authority."

The inexorable conclusion is that there was no wall of separation between religious affirmation and civil government in the several states, nor could the 1st Amendment conceivably have been intended to create one.

Mr. NICKLES. Will the Senator yield for a question?

Mr. HELMS. Yes.

Mr. NICKLES. I have looked at the amendment of the Senator from North Carolina, and I want to compliment the Senator from North Carolina for his statement. But the Senator's sense-of-the-Senate resolution is not to mandate prayer in school; am I correct?

Mr. HELMS. The Senator is absolutely correct.

Mr. NICKLES. The Senator is not trying to mandate prayer in school. The Senator is trying to make it legal for individuals, if they choose, to have a prayer in school, not written by any State, not written by the school board, not mandated, but if individuals wish to have voluntary prayer in school, nonscripted or mandated, that it would be allowed for that to happen.

Mr. HELMS. This is the first step thereto. The Senator is absolutely correct, and I appreciate his asking the question.

Mr. NICKLES. I appreciate the Senator's remarks. I appreciate the Senator's leadership in trying to restore voluntary prayer in school. And I think it is important to underline the word "voluntary." I think that was our Founders' intention, and I compliment the Senator from North Carolina for his work.

Mr. HELMS. I thank the Senator.

Mr. NICKLES. addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I compliment again my colleague from North Carolina. I will just enter this debate very briefly and leave. I happen to be one of the people who sat in on the Supreme Court case of Weisman versus Lee that was heard last November. I will tell you that I was bothered by the fact that that case even went to the Supreme Court. I was bothered by the fact that a rabbi gave a prayer at a commencement exercise and somebody took it all the way to the Supreme Court and said, "Well, wait a minute, this is a violation. This is against the Constitution. You shouldn't be able to say a prayer at commencement exercise. Isn't this coercing individuals into religion."

And I think that is totally contradictory of our forefathers' intention; unbelievable. I looked at the prayer that Rabbi Gutterman had given, and I will enter it into the RECORD, but if people are offended by this prayer—I will just read it very quickly. It is not very long.

Rabbi Gutterman's prayer said:

> God of the free, hope of the brave: For the legacy of America, where diversity is celebrated and the rights of minorities are protected, we thank you. May these young men and women grow up to enrich it.
>
> For the liberty of America, we thank you. May these new graduates grow up to guard it.
>
> For the political process of America in which all citizens may participate, for its court system, where all can seek justice, we thank you.
>
> May those we honor this morning always turn to it in trust.
>
> For the destiny of America, we thank you. May the graduates of Nathan Bishop Middle School so live that they might help to share it.
>
> May our aspirations for our country and for these young people, who are our hope of the future, be richly fulfilled. Amen.

Mr. President, the fact that this prayer would be so offensive to somebody that they would take it to the Supreme Court and say, "We want to prohibit this type of prayer being presented to our young people," as if this would injure their mind or their health or their philosophy, is unbelievable to me. If this prayer offends somebody, then evidently they think that no prayer whatsoever should be ever mentioned in any public institution anywhere. I might mention in this prayer God is mentioned only once, and that is all, "God of the free."

If that is so offensive, then evidently we better take "In God We Trust" off of our coins. We better take "In God We Trust" off the Senate wall, because this happens to be a public institution.

I think that is a gross misinterpretation of the Constitution. The first amendment of the Constitution does not say we are going to have separation of church and State. That is not in the Constitution. The first amendment says, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof." It says Congress shall not do it. It did not say the Supreme Court, because article I says the Congress shall pass all laws, not the Supreme Court. They said Congress is going to be the only body that would pass laws. Congress shall make no laws prohibiting the free exercise thereof. Yet we have people taking to the Supreme Court, a case, because they do not want somebody to say at a graduation ceremony: God bless these children. God guide these children. This is a ridiculous misinterpretation of the first amendment.

That Supreme Court case, the Weisman case, regarding which Senator HELMS has introduced this resolution—I hope that the Supreme Court does take another look at some of their previous mistakes, because they, whether it be the Engel case or whether be the Lemon case or the Lemon test, have definitely prohibited the free exercise of religion.

By the Weisman case, people are trying to say wait a minute, we do not want to have God mentioned in our schools. I think that is a serious mistake.

If you look at our schools today, it is somewhat appalling to think that now we see in the largest school district—probably in the world, but at least the largest in America—in New York City, they are handing out condoms. In many areas they give out or exchange needles for drug use, condoms for sexual affairs and so on. What in the world is going on in our schools?

This is ridiculous. Yet at the same time some people are saying wait a minute, we do not want to allow people to say prayer in school. This is not an amendment that says we are going to mandate prayer in school. This is an amendment that is encouraging voluntary prayer in school.

I happen to be the youngest Member in this body. We happened to have prayer in public schools when I was growing up. I guess that happened for almost everybody that went to public schools when they were growing up throughout this country. Again, I do not want to have any governmental entity writing prayers. I do not want any governmental entity mandating prayers. But I, likewise, do not want the Government to prohibit the free exercise of religion.

The Constitution says Congress shall pass no law prohibiting the free exercise of religion. I hope the Supreme Court will interpret the first amendment as it is written.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I think we ought to go back to what is before us. Nobody has actually talked about what the amendment provides. The amendment provides:

> It is the sense of the Senate that when the Supreme Court considers the case of *Weisman* v. *Lee* * * * it should use that opportunity to reverse the Supreme Court's earlier holdings in the *Engel* v. *Vitale* * * * and the *Abington School District* v. *Schempp* * * * cases so that voluntary prayer, Bible reading, or religious meetings will be permitted in public schools or public buildings to the extent that student participation in such activities is not required by school authorities.

That is what the amendment is.

Mr. President, I am prepared to speak at some further length. It is my understanding the Senator from Missouri may want to be recognized for the purpose of obtaining an agreement on a time limit?

Mr. KENNEDY. If the Senator will yield, I understand Senator HELMS has agreed to a 2-hour time limit. I was going to make that request, if we could establish that in terms of the convenience of the Members of the Senate. I would like to be able to do that, if it is agreeable to the Senator from Ohio.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Senator from Massachusetts be recognized for the purpose indicated and immediately thereafter the Senator from Ohio be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I ask unanimous consent there be a time limitation on the pending Helms amendment, No. 1478, of 2 hours equally divided in the usual form; that at the conclusion or yielding back of the time the Senate, without intervening action or debate, vote on the Helms amendment; that immediately upon the disposition of the Helms amendment the Senate, without any intervening action or debate, vote on Senator PRESSLER's amendment, as amended, if amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Since there is an agreement as to time limit, we have to find out, who yields time?

Mr. KENNEDY. I yield 12 minutes to the Senator from Ohio.

Mr. METZENBAUM. Mr. President, I rise to oppose this amendment. We are here today to do one of the most important jobs that the Congress is called upon to do, particularly at this time. There is a crying need in our country to pass an education bill. We hear every day about the problems in our school systems. Yet now we find a diversionary tactic, talking about prayer in the schools.

As long as this country has been in existence, we have recognized that prayer in the school is not an acceptable concept. But this amendment talks about Bible reading in the school, this amendment talks about voluntary prayer, it talks about religious meetings.

There are meetings permitted under the free speech amendment that has been offered by Senator HATFIELD several years ago, for certain religious groups after school to meet. But that is not what we are talking about here. We are just talking about opening the door wide. I believe it is as wrong as it could possibly be.

When the Senator from North Carolina was speaking, he alluded to Marxism, atheism, communism, all of those. That has nothing at all to do with this amendment—nothing. What this amendment is intended to do is to influence the conclusion of the Supreme Court in a pending case. This body should not be telling the Supreme Court what to do in connection with this matter.

The Senator from North Carolina is injecting into this debate an issue that divides the country at a time we are trying to find common ground for improving our schools. That is the direction we should be going.

This amendment intrudes upon the Supreme Court and hopefully will have no impact. But I am not sure whether it will or it will not. I grew up thinking that the Supreme Court did its job, the executive branch did its job, and we in Congress do our job.

Now this amendment would tell the Supreme Court how to decide a pending case. We would put the Senate on record as favoring the reversal of two establishment clause cases. The separation of church and State is a cornerstone of our Constitution.

All of us had forefathers who came to the country from countries where there was an intertwining of the government and the church. And when the Founding Fathers came here, in the establishment clause they made it clear they wanted to separate them, to provide for that separation of church and State. But apparently now some would have us overturn the impact of that establishment clause.

The establishment clause is rooted in the Founding Fathers' memory of the persecution and social divisiveness that prevailed in European countries that had established governmentally ordained and supported churches.

We separate church from State to ensure that the religious beliefs of our citizens are dictated solely by their consciences, and not by their Government.

Justice Black, in his majority opinion in *Engel* v. *Vitale* 370 U.S. 421 (1962), noted that the "first and most immediate purpose of [the establishment clause] rested on the belief that a union of Government and religion tends to destroy government and to degrade religion." Writing for an 8-1 Court majority, he went on to say that:

> The history of governmentally established religion, both in England and in this country, showed that whenever government had allied itself with one particular form of religion, the inevitable result had been that it had incurred the hatred, disrespect and even contempt of those who held contrary beliefs. That same history showed that many people had lost their respect for any religion that had relied upon the support of government to spread its faith. The establishment clause thus stands as an expression of principle on the part of the founders * * * that religion is too personal, too sacred, too holy, to permit its "unhallowed perversion" by a civil magistrate.

There is no secret about it. This amendment is a slap in the face to religious minorities. Imagine how a member of a religious minority would feel if he or she were forced to recite an official school prayer that was at odds with his or her beliefs? That is not what this country stands for, but that is what this amendment stands for.

Mr. President, the Supreme Court has never forbidden students from engaging in quiet, personal, voluntary prayer. But if students are forced to recite prayers against their beliefs, or forced to stand in silence while their classmates recite a prayer at odds with their beliefs, we would harm individual freedom and we would take a step toward establishing an official religion.

The Supreme Court in Engel versus Vitale made a simple but timeless statement about the importance of separating church from State. The Court stated:

> When the power, prestige, and financial support of Government is placed behind a particular religious belief, the indirect coercive pressure upon religious minorities to conform to the prevailing officially approved religion is plain.

Religion, religion, yours, mine, everyone else's in the Senate, everyone else's in this country, is a matter of individual conscience and not Government edict. Let us keep it that way. Let us stand up in favor of freedom of conscience and freedom of religion. Let us defeat this amendment. It serves no useful purpose. It could be most hurtful.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield 7 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Missouri is allocated 7 minutes.

Mr. DANFORTH. Mr. President, I would like to address my remarks to conservative Members of the Senate, members of my own party in particular, who have frequently stated their concern about the Supreme Court of the United States and about judges who tend to obscure the difference between the legislative branch of Government and the judicial branch of Government.

Conservatives have very often said that the role of a judge is not to legislate from the bench; the role of a judge is to decide the law. The role of the judge is to take the text of the Constitution of the United States, to take the text of a statute, to decide what the Constitution or what the statute says and to apply precedent. The role of a judge, conservatives say, is not to pursue some political agenda, not to pursue some philosophical agenda, not to pursue some religious agenda, but to apply the law. That is the role of a judge.

That was my understanding of what the Reagan administration and the Bush administration has meant when they sent nominees to the Senate for confirmation: We do not want legislators. We want judges. We do not want people on the Supreme Court of the United States who are going to be waiting for the phone to rind to find out what is the latest political message.

President Bush said that he never asked Justice Thomas to prejudge a case. I am sure that that is correct. The judiciary has to be independent. That is what judicial restraint means.

Those who are not elected have a different role from those who are elected. And yet what we are about to vote on is an amendment which says it is the sense-of-the-Senate that the U.S. Supreme Court should decide a case in a certain way. We say we, in the Senate, what to take it upon ourselves to send a political message to the Supreme Court of the United States hoping that the Supreme Court is going to decide the case on the basis of what we pontificate from the floor of the Senate.

That is not conservatism. That is not the concept of judicial restraint. That is a weird blending of the legislative and the judicial branches of Government.

We are saying that the Supreme Court should decide a particular case, the case of Weisman versus Lee, in a particular manner. How many of the 100 Members of the Senate have read the case of Weisman versus Lee? How many of us have read the briefs? How many of us were there to listen to the argument? This case has been argued before the Supreme Court, and we on the basis of no knowledge of the facts or the law that was before the Court say here is our political message, please hear this political message, Supreme Court. This is meddling on the part of the Congress, meddling in the role of the judiciary, a breaking down of the separation of powers. It is exactly the opposite of what conservativism should mean with respect to the role of the judiciary.

Mr. President, we would say, if we adopted this amendment, we believe the Supreme Court should reverse two cases that were decided in the early 1960's. Imagine that—two cases that are almost 30 years old, and we say without benefit of having read the cases we think the Supreme Court should overrule those cases.

I might say, Mr. President, both of the cases we would vote on that the Supreme Court should overrule concerned required prayer—not voluntary prayer, required school prayer. That is what the cases held, and we say overrule that. But we are only talking about voluntary prayer.

In the case of Engel versus Vitale, the prayer was written by the board of education, and we are saying that the Supreme Court should overrule a case which say that a prayer written by the board of education was required to be read in the school. That does not sound like voluntary prayer to me. It sounds like official prayer.

Finally, Mr. President, I would only say this: From the standpoint of many religious people, the idea of school prayer, public school prayer, is a very questionable idea and one that should be resisted. The reason is this: Prayer in a public setting is going to be one of two forms. It is either going to be prayer with real content, in which case it is likely to be very divisive—for example, if you took a prayer out of the Book of Common Prayer, the Episcopal Church's prayer book, and tried to find something that was suitable in a general setting, in a nondenominational setting, it would be very difficult to do. So you either have a prayer that would be divisive because it would have real content from the standpoint of a particular denomination or, on the other hand and more likely, it would be a prayer that was so bland, so innocuous, such thin rule, that it would be offensive so far as it purported to be prayer but actually stood for nothing at all.

For those reasons, Mr. President, I hope we defeat this amendment.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield 5 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Rhode Island has 5 minutes.

Mr. CHAFEE. Mr. President, we have a pretty full menu before this Congress and especially before the Senate of the United States as we look down the road. We have to make up our mind what to do about reforming health care, we have to make up our mind, and it is going to take a lot of careful attention, on what we can do to improve the economy of this Nation. We have scores, hundreds, millions of Americans unemployed that we want to do something about. Is it going to be through tax cuts or is it going to be through public expenditures? How are we going to do it? And we have to examine our defense budget carefully to decide how to proceed.

That is enough to keep any Senate of the United States busy. But it is suggested that now we start offering some free advice to the Supreme Court of the United States, and this offers great possibilities. They have some big cases coming up that we can devote our attention to.

For example, they have cases coming up on what is known as taking. In other words, when is an action by the Federal Government, whether it is some form of environmental restriction, whether it is a case involving zoning, a "taking" under the Constitution? When do we have to reimburse the individual or the entity that is affected?

That is something the Supreme Court is taking up. They have several cases on that. I suppose that with 100 Senators, we could find a good number in this body who would choose to devote several days on advising the Supreme Court on how to proceed.

And what about the cases that deal with Roe versus Wade? We ought to be able to devote a couple of weeks to that in the U.S. Senate, give them our views. And that, of course, would be before they argued it. This case even goes further and is even, in my judgment, more ridiculous. We are saying to the Supreme Court that has heard arguments already in a case, well, you heard the arguments, we have not heard them, two of our Senators went over and heard them, we do not know what they are, but we are going to tell you how to decide this case.

I might say, Mr. President, I have more than a personal interest in this. This is a case that arose in Nathan Bishop Middle School in Providence, RI.

Mr. President, I might say I attended Nathan Bishop Middle School. I went there. I know something about the school. But to say I am an expert in this case, of course, is ridiculous.

If there is any area that could be more complicated and more intricate, with more controversy, it is the area of the question of when prayer is correct in a public school. We get into the question of the school ceremony, it involves children, it involves the meaning of the understanding of the terms coercion, involuntary participation.

Let me just give one of the arguments in this case. This was a graduation. This was not a class. This was a graduation. Then the question comes up, is it voluntary? In other words, the people came to the graduation; they did not have to come. You have to attend school. So that is quite different from when there is a prayer in a class.

Indeed, I suppose where you teach a pupil in a class, whether it is mandatory prayer or not, that pupil really does not have the voluntary capability of getting up and leaving. Somebody in the fourth grade is not expected to walk out of a class. Here the arguments involve if the participants did not like the prayer, they could get up and leave.

So these are the kind of intricate elements that were involved in this particular case. And here we are in the U.S. Senate with a menu that is chockfull, that is going to take us right up to October when we quit, we have suddenly decided that we are going to embark on advising the Supreme Court how to decide cases.

I just do not think it makes any sense at all. The distinguished Senator from Missouri has talked about how conservatives believe in judicial restraint. They do not believe that the Supreme Court or a court should be an area for activism, and yet they are suggesting in this particular case, that after hearing the sober and distinguished words of the U.S. Senate, they mean to reverse cause or direct their cause in a certain way.

I think it is unhealthy for the future of our country. I do not think it is the way the U.S. Senate should be spending its time. I certainly hope that the amendment will be defeated.

Mr. KENNEDY. Mr. President, how much time does Senator HELMS have?

The PRESIDING OFFICER. He has a full 60 minutes remaining.

Mr. KENNEDY. How much do I have?

The PRESIDING OFFICER. Forty and a half minutes are still allocated to the Senator from Massachusetts.

Mr. KENNEDY. I yield 5 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, everybody remembers the first part of the 1980's and how volatile the school prayer issue was. We debated it endlessly. People were frightened of their next election because they thought they were going to be misunderstood. I was no exception.

The only thing I did was to go home and tell my people that I had a great reverence for the Constitution and I thought we should tinker with it sparingly and cautiously and I voted against the school prayer constitutional amendment submitted by the President.

Everybody knows that was a very unpopular vote in almost every State. I opposed it not because that constitutional amendment would have tinkered with the most precious right we have guaranteed by the Constitution; namely, religious freedom. I voted against it because it clearly would not have provided voluntary prayer in school, which nobody objects to. It would have allowed the school boards of this Nation to tell our children when and what to pray.

And I must say, when I ran for reelection in 1986, I said in every community in my State what I just got through saying, and I promise you I did not have one single person disagree with the proposition that we do not want mandatory, prescribed prayers in the schools of this Nation.

And so I joined my good friend, Senator HATFIELD, from Oregon in crafting the so-called equal access law. I spoke fervently in favor of it because it did, indeed, provide for voluntary prayer in the country. In all of the schools where the children actually wanted devotional Bible study, theological discussion or prayer groups, the equal access law protected those activities as long as they were not teacher-led or preacher-led. It has worked extremely well.

Although I can't tell you exactly what percentage, I can tell you most of the schools in our State have Bible study groups and they meet in accordance with that act that we passed in this body in 1984 by a vote of 88 to 11. That vote says that this body believes in voluntary prayer when children want it and they should be given equal access to the facilities of their school district if the school district allows other groups to use district facilities.

So many, many school districts across the country are providing exactly what the Senator from North Carolina said he wanted: Voluntary prayer in school.

I went to the Supreme Court, Mr. President. It was the first time I ever heard an argument before the Supreme Court in my life. Because I was so interested in the equal access issue, I wanted to hear the oral arguments before the Court. I went over there, and I sat through it. It was one of the most interesting, engaging, edifying experiences I ever had. As you know, the Court voted 8 to 1 to uphold the constitutionality of that law in a very well-reasoned opinion giving the children of this country the right to pray voluntarily.

If you want to cop out on this, you can vote for it. It is a sense-of-the-Senate resolution. It has no impact, no meaning; it is not enforceable. But when you do that, you should bear in mind that you are also interfering in a sense with a third branch of Government. When Madison and all the others set up three branches of Government they did not intend for the Congress to tell the Supreme Court how to rule. That is what the Court is there for, to be an independent monitor on the laws of this Nation and the interpretation of our Constitution.

This amendment is not about a single issue, not just religion, but the Constitution itself, for which I have a strong feeling.

So I can only conclude, Mr. President, that since the Senator from North Carolina got his way in 1984 when this body adopted a law that provided for voluntary prayer, the fact that he comes back to this body 7 years later saying I want this decision reversed, that decision reversed, I can only conclude that he is not happy with voluntary prayer in school. What he wants is mandatory prayer in school. And even though this is an unenforceable sense-of-the-Senate resolution, I urge my colleagues to vote no.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. Thirty-five minutes.

Mr. KENNEDY. Mr. President, I yield myself 5 minutes.

Mr. President, I know of at least one other Senator who wishes to speak on this measure. I hope that perhaps those who are supporting the amendment might make some comment on it.

I rise in opposition to the amendment.

It would tell the Supreme Court to use the Weisman case, which was already argued on November 6 of last year, as a vehicle to overrule two-decades-old Supreme Court decisions that bar public schools from engaging in organized prayer in the classroom.

The Weisman case does not present this issue to the Supreme Court. It raises only the question of the constitutionality of opening a public school graduation ceremony with a prayer. It does not address prayer in the classroom; and no party asked the Supreme Court to reconsider the school prayer decisions—Engle versus Vitale and Abington versus Schemp—indeed, the Solicitor General explicitly told the Court the United States was not seeking their reconsideration.

So if the Senate were to adopt this amendment, it would be urging the Supreme Court to engage in the kind of judicial activism that Members of the Senate so often criticize.

And let us be clear on what this amendment does.

It urges the Court to reverse Engel versus Vitale, in which the Court struck down a mandatory official school prayer, which the State required to be read in the classroom. The Helms amendment urges that the Court should reverse its holding in Engel—which would mean that States would be free to write official prayers and require them to be read in the classroom.

The Helms amendment would also urge the Court to reverse Abington versus Schemp, which prohibits local school districts from conducting prayers in the classroom as part of the school day. Reversing Schemp means that school districts could require prayer in the classroom.

Officially mandated school prayer demeans religion and sends a message to religious minorities that they are outsiders—not part of the American family.

It is ironic that so-called conservatives who oppose Government regulations actually want Government to engage in religion.

Nothing in the law today prohibits a student from praying quietly to himself or herself at any time during the school day, and no doubt many students do, particularly at graduation time.

As has been pointed out by the Senator from Arkansas, the Federal law, the Equal Access Act, protects the rights of religious groups to equal access to meeting rooms in public schools for voluntary prayer.

So the Helms amendment is unwise, unnecessary, and an inappropriate attempt to cause the Senate to interfere with the resolution of a case now under consideration by the Supreme Court. I hope it will be rejected.

Mr. President, I suggest the absence of a quorum, and ask that the time be evenly counted.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I yield 5 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. EXON. Mr. President, I thank the floor manager of the bill. I thank the Chair.

Mr. President, this Senator for a long time has felt—and personally feels—that we should be a little more lenient than we have been in the past with the Court decisions with regard to voluntary prayers in school. I have voted on numerous occasions for such measures in the U.S. Senate.

I have been listening to the debate, however, and I hope that the sense-of-the-Senate resolution that is proposed is overwhelmingly defeated on the floor of the U.S. Senate. It goes back to what several Senators have spoken on; that is, the separation of powers, which is very fundamental to our form of government.

To be passing sense-of-the-Senate resolutions, which could rightly be interpreted as trying to dictate indirectly to the Supreme Court, is fundamentally wrong. The more conservative a person is in their political views should automatically dictate that they follow the basic dictates of the separation of power ordained no other place in the Constitution.

So I think that these types of mischievous amendments and sense-of-the-Senate resolutions we are very likely to be plagued with in this election year.

You make a point here, make a point there, to pick up a vote here, or pick up a vote there without recognizing what the actions might do to the basic form of our Government.

I hope, Mr. President, that this body will overwhelmingly vote down this amendment, and maybe, just maybe begin to set a precedent or send a signal that the majority on both sides of the aisle are not going to tolerate time and time again the use of this body for other than what it was intended; that is, to pass laws as we see fit by majority vote, and then allow the courts—the third branch of Government—to make a determination, as is their responsibility and not ours, as to what is proper under the Constitution.

Mr. President, when I heard this debate and when I recognize and realize that we have so many very, very challenging things to deal with, I think it does not bode well for this body if we start out taking the amount of time that we have on this totally meaningless sense-of-the-Senate resolution that will not resolve or dissolve anything except allow the exchange of rhetoric on this body that from time to time has been designated as the most deliberative debating society in America.

What I am saying is I hope that in these very, very trying and difficult times when there are many important vital matters before us in all areas that we can defeat this sense-to-the-Senate resolution by an overwhelming vote regardless of our individual feelings on the issue that is being raised. This is not the time. This is not the place. This would not be, in my opinion, the proper action. A big vote to vote down this amendment, rather than voting along philosophical lines, would send a signal I believe that would stand us even better as we march on down the road in 1992 to very important, and I hope deliberative, decisions that we as Members of the Senate are going to face.

I thank my friend for yielding the time. I yield the floor and yield back any time remaining.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield such time as the Senator from Vermont may desire.

The PRESIDING OFFICER (Mr. ROCKEFELLER). The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I rise to oppose the Helms amendment. I have listened to the debate and, in particular, my good friend from Missouri, and he made so many good points that I am not going to reiterate them.

But I think it is important that we know what this amendment may or may not be doing. It may be doing a lot. It may be doing nothing. But I cannot believe that the Senator from North Carolina would propose something here that was not meant to do much of anything. That is why I would not be misled by the reading of the amendment, which makes it appear that many—as would be true—of the items, if interpreted according to that language, really are allowed anyway. That is, access to schools or meetings, et cetera.

But, as Senator DANFORTH pointed out, the holdings of those cases that are going to be reversed, do much more. For those who are specific, official prayers; meaning if they are overruled, as this would request, that would really take a whole new view of this amendment, because it would then put us in a position where official prayers by school boards would be allowed.

Well, let me talk a little bit about my good State of Vermont, and why this is of particular interest to us. Vermont was an early State. The people that settled in Vermont, however, escaped from those people that were in Connecticut and Rhode Island and other places, because they felt that they were being persecuted with religious situations. You have to remember that the people in Connecticut and Rhode Island had escaped, thinking that the tyrannies of Europe, the King of England, et cetera, prevented them from freedom of religion.

Keeping that in mind, and recognizing that at that time, also, these two gentleman, Joseph Smith, and the other, Brigham Young, felt they had to leave Vermont to go to a freer place, to Utah, to form the Mormon religion. Thus, in my State, the concept of ensuring that there is freedom of religion and no persecution is a very, very important issue. I want to bring that out so you will know a little bit more of what I am talking about.

I also want to refer to the discussion of the Senator from Missouri about conservatism. I will not reiterate that. I am not a conservative; I am a moderate. I point out that eight out of the nine Supreme Court Justices at this time are conservatives. To me, if you are a conservative here, I think you might wonder if it would not be insulting, if not backfire, to tell eight conservatives what you believe the conservative policy ought to be after they were sent there. I think this might backfire.

It is insulting to think that we have the right now, having nominated eight conservatives, to expect that now we are going to tell you what to do now that we have you.

Also, I think we all have our own vision of facts when we worry about freedom of prayer and the ability of prayer in the schools. I am sure that certainly in those areas where religion is so dominant, they picture the schoolroom with perhaps 30 Protestants, and 1 atheist, and somehow that child in that family will dictate what their young people can and cannot do in the school.

Suppose you reverse that situation, as it can well happen in areas of this country, whether it be in areas like San Francisco, CA, where you may have 30 Buddhists or 30 Hindus, or 30 other religions very different from our Protestant religion, which I happen to have, and to say that your child is going to be at least pressured, or whatever, to listen to a religion which is very alien to yours. Would you have the same view of the freedom-of-religion concept? I do not believe you would.

More likely, it might be a Jewish child in a Protestant area, or a Protestant in a Jewish area. There are good, sound reasons to keep this out of the schoolroom.

I think that the reversal of these decisions, in particular, would really do real damage to what is understood to be a fundamental constitutional belief. I hope that we will not in any way meddle with it today and, really, set a precedent of instructing the Court what to do.

I also think there is a feeling which a lot of us have—and most Members feel the same way—that not enough people are going to church. Our children are just not getting the religious education. But is that the responsibility of the Government? No, it is not. That is the responsibility of the families. Maybe we have not done as good a job as we should do. But we cannot change our constitutional beliefs because we, as parents, have failed.

So I hope that we will keep in mind that in voting on this amendment, it really is doing something which is insulting to the Court and indicates that we are going to start dictating to the Court. I think it might well be a counterproductive effort if you are in favor of the concepts.

Mr. President, I urge the Members to really think carefully before they vote in favor of this amendment.

I yield the floor.

Mr. KENNEDY. Mr. President, I yield 5 minutes to the Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I will not be long. I could not let this discussion take place without voicing my opinion.

I was sitting in the chair now held by the distinguished Senator from West Virginia, and listening to the debate.

I listened to the proponents of this amendment and, frankly, was not only dismayed, I was amazed by what I sensed was the tenor of their argument.

The proponents of the amendment were talking about the Supreme Court's action to be, and how the Senate ought to send this message to them. This suggests something about how independent they think the Supreme Court shall be. First, they say let's send a message over to the Supreme Court saying, "Hey, guys and gals—this is how we would like to see you vote."

Mr. President, I am sure that all Senators agree that religion has a significant role in family life and individual life in America today. But I also feel—especially coming from the State of New Jersey—that we should respect people with different religious beliefs. New Jersey has perhaps the largest number of different ethnicities of any State in the country, over 100, including several different religions such as Islam, Judaism, Christianity, Russian Eastern Orthodoxy; you name it.

Can you imagine what kind of a measures we would have to make to make sure no one was uncomfortable?

I do not understand why, if prayer is so important to that family—and I understand the value of prayer—why a family can not gather together at breakfast time before school, and pray together? Why does it have to be in the face of others, children, as well as teachers, who might be made uncomfortable by having to listen to one person's prayer or another?

What would happen if religious artifacts are included in a school prayer? Some religions require a hat or require a wrapping of the arm. Should everybody be made to stand aside if that religion's practice is dominating the schoolroom?

Mr. President, one of the things that threaded through the discussion that was taking place was an intolerance, or a bias against those who do not agree with the majority. To say to a child, "You do not have to participate; all you have to do is stand in the corner like a dunce when 29 out of 30 kids hold a prayer." This is not fair to a child's beliefs.

Our Constitution protects the rights of the individual. That is what it is supposed to do, protect the minority, the one who is unique, the one who is different so that he or she can conduct himself or herself as they see fit. But this is not what the proponents want. They want to violate their rights, their privileges, and tell people to surrender their constitutional rights in the interest of voluntarism.

Mr. President, I think this is an unfortunate debate that is taking place on the floor of the U.S. Senate. This country hangs in the precipice of a declining standard of living, 9 million people out of work and the threats of many more are following. This becoming routine, people are anxious and frightened. They do not know what their futures hold. The Senate is trying to proceed to invest in our future, but now we are interrupted to discuss taking away constitutional rights. That is what we are discussing, not extending rights, but taking away the rights of those perhaps atheists who are entitled to live in this country in disbelief. We disagree with them, but we respect their privileges. That is the greatness of America. But, while we debate education policy we have to stop to discuss something that is divisive.

Mr. President, the last thing that we need at this moment in American history is to be talking about things that might deprive one person or another of their rights.

That is the last thing that ought to be taking place, and the very nature of this sense-of-the-Senate resolution is to divert attention away from something that is meaningful and productive, a bill that provides education funding to improve schools to make this country competitive. Let us deal with our economy. Let us deal with our economic crisis. Let us deal with the fire that is burning across America. But no. This is the time for mischief. Since they have the floor, they have the TV, they get a little attention. This is not the time to stand up and say everybody has to pray and everybody has to listen to another person's bible, another person's prayers which may not be their own. And they want to record how the Senate votes and make sure that those who disagree with them are recorded so the record reflects back home that they are either without commitment, without value, without family, without a belief in God. Nothing could be further from the truth.

No, Mr. President. This resolution is mischief at its best, and I hope that we will overwhelmingly reject it.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

Mr. HELMS. I hope the Senator will withhold that.

Mr. KENNEDY. I withhold it.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I yield myself, Mr. President, such time as I may require.

First of all, several Senators are calling in wanting to be cosponsors, Senator SYMMS, Senator CRAIG, and Senator ROTH for the time being. Others are coming. I ask unanimous consent that they be added.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I do not know what amendment the Senators who have just spoken are talking about. They certainly are not talking about the pending amendment. I have never heard so many inaccuracies in describing an amendment before this body.

In a moment, I am going to read, as the clerk has already done, the full text of the amendment. In the meantime, I am going to have placed on the desk of each Senator, a reprint from the December 9, 1991, issued Time magazine. The reprint includes the results of a poll taken on religion in America by Time and CNN. It was a telephone poll of 500 American adults taken on October 10 by Yankelovich Clancy & Shulman. The sampling error is plus or minus 4.5 percent, "not sures" omitted.

The first question asked and the percentage of affirmative answers was as follows:

"In American schools, which of these activities should be allowed on school grounds?" Voluntary Bible classes, 78 percent in favor; voluntary Christian fellowship groups, 78 percent in favor; prayers before athletic games, 73 percent in favor; and even church choir practice received an affirmative vote of 56 percent.

Second question: "Do you favor or oppose allowing children to say prayers in public schools?" Eighteen percent opposed, 78 percent in favor.

"Do you favor allowing children to spend a moment in silent meditation in the public schools?" Nine percent opposed, 89 percent in favor.

Next question: "In American life, how much religious influence is there?" The answers were "too much, 11 percent; too little, 55 percent; right amount, 30 percent."

Next question: "Is religious influence increasing?"

Twenty-seven percent said yes. Is religious influence decreasing? Sixty-five percent said yes.

Next question: "Do you favor or oppose displaying symbols like a Nativity scene or a menorah on government property?" Twenty-six percent opposed; 67 percent in favor.

"Do you favor or oppose removing reference to God from all oaths of public office? "Seventy-four percent opposed; 20 percent in favor.

And the last question: "Would you vote for a Presidential candidate who did not believe in God?" Sixty-three percent said no; 29 percent said yes.

Now, Mr. President, following my previous remarks, I left the floor and went to the cloakroom. I did that so as not to intimidate or otherwise affect any Senator speaking in opposition to my amendment, which I, of course, expected. I also expected the very Senators to oppose it would be the ones who did in fact oppose it.

We have a television monitor in the cloakroom, and I listened attentively to what each of the Senators said, and I say, with all respect, that I found myself astonished at some of the assertions.

It occurred to me that it is small wonder that Congress is held in such low esteem by the American people, where we rank down in the neighborhood of used car salesmen.

We have just heard something like 45 minutes of arguments against an amendment that insofar as I know has not been offered.

The arguments were certainly not made against my amendment, because I suspect the Senators have not even read it. Anybody who reads the text of the pending Helms amendment will, I believe, tell you that my colleagues were not talking about the amendment on which we shall soon vote.

It may be voted down, and that will be no novelty for me. Around this place, you win some and you lose some. But I feel that I will have done my duty by offering the amendment: One, on behalf of what I think is right, what I believe in my heart is right; and two, on behalf of what I believe the American people expect the Congress to do.

But let me read the amendment in its entirety so these arguments about mandating prayer can be put to rest—to the extent that is possible.

The amendment states:

> It is the sense of the Senate that when the Supreme Court considers the case of *Weisman* v. *Lee* [908 F.2d 1090 (1st Cir. 1990)] it should use that opportunity to reverse the Supreme Court's earlier holdings in the *Engel* v. *Vitale* [370 U.S. 421 (1962)] and the *Abington School District* v. *Schempp* [374 U.S. 203 (1963)] cases so that voluntary prayer, Bible reading, or religious meetings will be permitted in public schools or public buildings to the extent that student participation in such activities is not required by school authorities.

We heard repeatedly—I am tempted to use the word "nonsense" but I will not use it because I do not want to insult Senators—that the Helms amendment calls for mandatory prayer. Three Senators made that outright declaration. They are bound to know that that is not the case.

The amendment states that the Court should reverse two earlier holdings so as to permit "voluntary prayer * * * to the extent that student participation * * * is not required by school authorities."

Let me say parenthetically that I know the members of the Supreme Court, many of them personally. It is absurd to suggest that they will be insulted by this amendment.

And it is not a breakdown of the tripartite system of checks and balances in the powers of Government by any means. The Senate of the United States, indeed every Member of Congress, House, and Senate, takes an oath to represent to the best of his ability and to the best of his judgment the Constitution of the United States and implicitly the will of the people.

However, if Senators want to ride roughshod over the will of the people, be my guest, vote against the amendment. But do not try to pretend that this amendment will be an insult to the Supreme Court of the United States, because it will not.

As a matter of fact, it was just a few months ago, that a nominee for the Supreme Court was before the Senate Judiciary Committee and, as the saying goes, before God and everybody there was an effort to press him into a position of having to pass a litmus test. There were acknowledgments, implicit and otherwise, that certain Senators were not going to vote for this nominee unless he conformed to what they wanted in terms of a vote on a specific issue likely to come before the Supreme Court.

Now these same Senators are saying that a sense-of-the-Senate amendment is too intrusive on the Court's prerogatives?

Not true. And I think those who say it know it is not true.

Furthermore, all day long Senators have talked about the deterioration of the quality of education in the United States of America. Well, Mr. President, our oldest daughter is a principal of a school and she has dealt firsthand with problems of all sorts plaguing the schools. I wish she could stand beside me here today and tell of some of the frustrations she has faced trying to abide by those two Supreme Court decisions, which outlawed prayer in the schools.

School administrators, fearing that they will violate the Court's edicts overreact. Often they are too heavy-handed. As a result, it is not inaccurate to say that God has in fact been kicked out the classroom.

I admit I have been on this Earth awhile. But, every day that I was in school there was some degree of emphasis on the belief that there is a creator, which should be no novelty since there is a document dear to us written by our Founding Fathers, which speaks of our Creator.

And, as I said earlier, here we have Senators complaining about a suggestion that we permit school children to do exactly what we do every day when we go into session—we say a prayer. The chaplain walks into that door, walks up there, he is presented by the acting President pro tempore and he delivers an eloquent prayer. But we deny that, we deny that to the school children of America.

The Helms amendment was characterized as "judicial activism" by some of the Senators who preceded me. The fact is, as I said earlier, it is precisely the opposite. It was the Supreme Court's decisions of 1962 and 1963 outlawing nearly 190 years of voluntary school prayer that constituted judicial activism.

I have told my colleagues on other occasions about Madalyn Murray, who forced these Court decisions. I described her advisers in that lawsuit, and her son, Bill Murray—whom she used as a pawn in those Court cases. In fact, her son Bill Murray, now travels around the country almost full-time apologizing for what his mother used him to accomplish.

Mr. President, we also heard Senators claim concern about the pressure would be put on children by the voluntary prayers of their peers. But are these same Senators also concerned about the peer pressure put on young people who choose to leave mandatory sex education classes? I think not. They are the ones who wrote such mandatory classes into law.

We never hear a mumbling word about the harmful effects of peer pressure in that situation. Yet, the very same principle these Senators find so onerous, in the school prayer context, is perfectly proper and constitutional in their opinion as long as it is used to prejudice children against maintaining their sexual modesty and purity, as evidenced by the practices of handing out condoms in the schools as the distinguished Senator from Oklahoma described so vividly earlier today.

Mr. President, I make no apologies for this amendment. I have responded to the suggestions of literally hundreds of people, many of them here in town just yesterday, who said "Please do something to restore voluntary prayer in schools."

While I am at it, Mr. President, let me pay my respects to a gallant lady who, I think, is well known to most Senators and many, many Americans. Her name is Martha Rountree.

Martha Rountree, and a gentleman named Lawrence Spivak, founded the television program "Meet The Press", many, many years ago. I first met Martha Rountree when I went out to the Wardman Park Hotel, as it was known then, from which the "Meet the Press" program originated every Sunday. I admired her and Larry Spivak then, and I admire them today. But Martha Rountree is one of the prime leaders of those in this country who want voluntary prayer restored to the schools of America.

She heads an organization known as the Leadership Conference. She has many, many thousands of members of her organization, and she is dedicated to the proposition that whatever she can do to help encourage the restoration of voluntary prayer in the schools, she is going to do.

Mr. President, I would also like to take a moment to read a story that appeared in the North Carolina papers last October. Perhaps it ran in other newspapers around the country as well because it was reported by the Associated Press, from Lexington, NC.

Let me tell you how this one individual, who was the subject of the report, feels about this issue. Perhaps if he were here on the Senate floor and said to us today what he has said earlier, and what is reported in this news story, some Senators would ridicule him. They would say that he is destroying the Constitution, but I do not think so. Let me read the story.

It was published on October 26, 1991, in the Charlotte Observer:

Ronald Chapman will teach his last class Monday rather than stop leading his mentally disabled students in prayer.

Now the ordained Baptist minister hopes to find a church where he can serve as pastor. He said he's not bitter about the series of events that led him to quit.

"It's disappointing, but I understand the principal and the superintendent and the board of education's viewpoint, because they are trying to obey the law * * *, I happen to disagree with the law," Chapman told the Winston-Salem Journal.

Chapman said he has led his students in prayer and read Bible stories for all of his 32 years as a teacher.

School officials have asked him to stop the practice, although he has had no complaints from students or their families, he said.

The U.S. Supreme Court has ruled that prayer in public schools is a violation of the constitutional separation of church and state.

"I don't feel like what I was doing was wrong," Chapman said Thursday, "I've had parents to write letters, notes, telephone calls, to say that they appreciated what I was doing.

Chapman, 55, included information about his in-class religious activities in an article he wrote for the school's newsletter. Chapman is a vocational-education teacher at the Children's Center, which serves mentally disabled students from the county's three school systems.

Chapman said he started each school day by leading his class in "a prayer from the heart."

"It's more or less a thank-you type prayer," he said.

Chapman said he respects the rights of others and would not have forced students to participate if they did not want to pray.

Clifton Pickett, who became the school's superintendent this year, learned of the prayers and Bible readings, asked Chapman to halt the practice. Pickett declined to discuss the case, saying it was a personnel matter.

The school system offered Chapman another job testing students and developing individual vocational programs for them, he said. Chapman said he did not feel he was qualified for the job.

Mr. President, I have read this into the RECORD because obviously this was an action taken to remove this good man who for 32 years had loved and cared for mentally disabled students, and his crime was that he dared to pray with them. He dared to tell them Bible stories. Oh, what a sin that was.

Mr. President, the bottom line is that S. 2, the underlying bill, calls for more than $800 million in additional education funding. That, I say to the Senate, will be throwing good money after bad unless we address the fundamental problems afflicting our schools. Throwing $800 million extra at today's educational system is a waste of both time and money.

The root problem in our schools, in our society, I submit, is the breakdown in morality at home and in public. This is a breakdown which, as I indicated earlier this afternoon, can be statistically traced to its beginning immediately following the two Supreme Court decisions in 1962 and 1963.

I cannot prove that this was the sole cause, but I can declare with all of the sincerity I possess, that it was a major cause.

Every school boy and girl knows the story of Benjamin Franklin at Philadelphia, when the Founding Fathers were gathered there to create this Nation. He stood before those who labored to bring fourth our Nation, and he said something to the effect: Sirs, I have lived a long time. And then he said he was certain of one thing; that a God who lets no sparrow fall without his notice is highly unlikely to allow a great Nation to be born, if not in his name and with his grace.

That is not an exact quote, but that is the meaning of it. Some say Benjamin Franklin was an agnostic. I have heard various descriptions of him, but on that occasion he spoke from the heart. He enjoined his colleagues to close the windows and the doors and get down on their knees and pray for guidance in the creation of this country.

We, individually and as a nation, have forgotten how to pray, and I am convinced, I am absolutely persuaded, that that is the major problem—in our schools and elsewhere.

So I say to Senators, ridicule the amendment, scoff at it, if you will, but it is an amendment offered in sincerity and with great conviction. The American people will be attentive to how each Senator votes on this amendment. Senators should be given an opportunity to vote up or down on this issue. I have done my duty in that regard as best I know how.

Mr. President, I ask for the yeas and nays on the Pressler amendment.

The PRESIDING OFFICER. The Chair points out the matter is not the pending question and, therefore, the request of the——

Mr. HELMS. Mr. President, I ask unanimous consent that it be in order, notwithstanding the fact that the Helms amendment is pending to ask for the yeas and nays to be ordered on the Pressler amendment, to which the Helms amendment would be a second degree.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that the yeas and nays be ordered on the Pressler amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. HELMS. Meaning there is not a sufficient number of Senators on the floor, meaning that there are three, counting the distinguished Senator from West Virginia who is presiding and the distinguished Senator from Nebraska.

Mr. President, I am going to suggest the absence of a quorum so that we can get Senators here to get the yeas and nays and that the time be charged to neither side.

The PRESIDING OFFICER. The Senator makes that request. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, parliamentary inquiry: Would the Chair examine the unanimous-consent request and advise the Senator from North Carolina whether he is assured of an up or down rollcall vote on his amendment as the unanimous-consent request granted reads?

The PRESIDING OFFICER. The request was for a vote on the Senator's amendment.

Mr. HELMS. I understand that. I see the manager of the bill, Mr. KENNEDY, on the floor. I would advise him that I am prepared to yield back the remainder of my time, one, if he yields back the remainder of his time and, two, if I may be assured of an up or down rollcall vote.

Mr. KENNEDY. Will the Senator yield?

Mr. HELMS. Yes.

Mr. KENNEDY. It would be my intention, as indicated in the consent agreement, that the Senator would get an up-or-down vote.

Mr. HELMS. Mr. President, that was the question I just posed with the Parliamentarian. With that assured, Mr. President——

Mr. KENNEDY. If the Senator will yield further, it would be my intention to yield back, to indicate now to the Members that we will be voting earlier than announced. Instead of 6:20, we will be voting earlier. But I would like to have about a 5-minute quorum call and then ask for the yeas and nays and then move toward a vote. That is what would be our intention.

So I indicate now to the Members we do expect to start a vote in 5 or 7 minutes, and that we will have a short quorum call. I will advise the Senators of that question, and the issue will be on the amendment of Senator HELMS. It will be an up-or-down vote.

Mr. HELMS. But the yeas and nays still must be obtained.

Mr. KENNEDY. The Senator is correct. I join the Senator from North Carolina in having the sufficient second.

The PRESIDING OFFICER. Does the Senator make the request?

Mr. HELMS. I do.

The PRESIDING OFFICER. Is there sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. DURENBERGER. Mr. President, I rise in opposition to the amendment offered by the distinguished Senator from North Carolina.

Mr. President, the issue this amendment presents to the Senate today is not whether there should be prayer in the public schools of this country. The issue before us goes to the heart of the separation of powers between the three branches of Government.

This amendment expresses the sense of the Senate that the Supreme Court should decide the case of Weisman versus Lee, a case that has already been argued before the Court, in a way that will overturn two Supreme Court precedents, Engel versus Vitale and Abington School District versus Schempp, established more than 30 years ago.

One of the issues before the Court in Weisman appears to be whether a prayer can be offered at a public school graduation ceremony. I say it appears to this Senator that that is one of the issues because that is what I have read in the newspapers about this case. I have not read the briefs in this case. I did not read the underlying precedents on both sides of this case.

With this paucity of knowledge, how can I be expected to tell the nine sitting Justices of the Court how to decide the constitutional merits of the case before the Court. How many of the Members of this body have read the briefs in this case or listened to the arguments? I would venture to say that few, if any, of my colleagues have done so. We are just not equipped to make such a constitutional determination.

Moreover, even if every Member of this body had read the briefs and attended oral argument, it would still be inappropriate for the Senate to tell the members of the Court how they should rule on the constitutionality of the issue presented to them. It clearly violates the spirit of the separation of powers embodied in our Constitution when the legislative branch sends a political message to the Court about how it should decide a case.

Mr. President, the Supreme Court often renders decisions that a large majority of the public and a large majority of the Congress may disagree with. But the Court does not render decisions based on public opinion polls. It renders decisions based on an independent assessment of the constitutionality of the practice in the case before it.

Political pressure from the legislative or executive branch should never serve as the basis upon which the Supreme Court reaches its decisions. The Justices are sworn to uphold the Constitution of the United States. They should reach decisions based on the merits of the arguments presented, historical precedent, and their own reasoned analysis of the Constitution. Political messages should play no role in their decisions.

I therefore urge my colleagues to oppose this blatant effort to politicize the decisions of the third branch of Government.

Mr. GRASSLEY. Mr. President, I join some of my colleagues who have concerns regarding the pending amendment.

I am fully in support of voluntary school prayer; anyone who has been around this Chamber for long knows that.

But I am concerned, Mr. President, that this amendment is not actually dealing with voluntary school prayer.

The two cases that are cited, Engle versus Vitale and Abington School District versus Schempp, are not voluntary school prayer cases. Both of these cases involved mandatory prayers in the public schools using the authority of the State to impose pressure on young children.

I have supported voluntary school prayer in the past and would gladly support it again in the future;

Thus my vote today is not a vote for compulsory school prayer, but a message to the Court to take the opportunity to affirm voluntary prayer in school absent the authority of the State to compel.

Mr. WOFFORD. Mr. President, I oppose the amendment offered by the Senator from North Carolina [Mr. HELMS].

Under our plan of government it is not the province of the legislative branch to advise the Supreme Court about a pending case, any more than it would be the province of the Supreme Court to advise the Senate about pending legislation. So I believe a sense-of-the-Senate resolution on a pending case is constitutionally inappropriate.

Moreover, the Supreme Court cases this resolution calls for the Court to reverse deal with the recitation of State-scripted prayers which would clearly violate the separation of church and state that is one of the first principles of our plan of government. I do support students' right to pray or read the Bible on their own time and to exercise their first amendment right to freedom of religion, and I would not prohibit such activities in school facilities so long as other students are not required to participate. I would also support the use of school facilities for voluntary out-of-class activities by religious groups.

Mr. HELMS. I yield the remainder of my time.

Mr. KENNEDY. Mr. President, I yield back the remainder of my time and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WELLSTONE). Without objection, it is so ordered.

The PRESIDING OFFICER. The Chair advises the Senator that we are in a nondebatable posture right now. The regular order would be a vote on the Helms amendment.

Mr. THURMOND. I ask unanimous consent that I be allowed to make this statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, while I support voluntary prayer in public schools and have done so for many years, I cannot support this sense-of-the-Senate provision. This amendment, in my view, would improperly interfere with the independence of the judicial branch of Government.

Mr. President, let me reiterate that I strongly support voluntary prayer in schools, but it is not the role of the legislative branch of Government to direct the judicial branch as to its course of action.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The regular order is the vote, then, on the Helms amendment.

The question is on agreeing to the amendment of the Senator from North Carolina. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arizona [Mr. DECONCINI], the Senator from Iowa [Mr. HARKIN], and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND], the Senator from New York [Mr. D'AMATO], the Senator from Utah [Mr. GARN], and the Senator from Washington [Mr. GORTON] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 38, nays 55, as follows:

[Rollcall Vote No. 4 Leg.]

YEAS—38

Bentsen
Boren
Breaux
Brown
Burns
Byrd
Coats
Cochran
Craig
Dole
Domenici
Ford
Gramm
Grassley
Hatch
Heflin
Helms
Hollings
Johnston
Kasten
Lott
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Rockefeller
Roth
Sasser
Seymour
Shelby
Simpson
Smith
Stevens
Symms
Wallop

NAYS—55

Adams
Akaka
Baucus
Biden
Bingaman
Bradley
Bryan
Bumpers
Burdick
Chafee
Cohen
Conrad
Cranston
Danforth
Daschle
Dixon
Dodd
Durenberger
Exon
Fowler
Glenn
Gore
Graham
Hatfield
Inouye
Jeffords
Kassebaum
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Pryor
Reid
Riegle
Robb
Rudman
Sanford
Sarbanes
Simon

Specter Warner Wirth
Thurmond Wellstone Wofford

NOT VOTING—7

Bond Garn Kerrey
D'Amato Gorton
DeConcini Harkin

So the amendment (No. 1478) was rejected.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1477

The PRESIDING OFFICER. The question now occurs on amendment No. 1477 offered by the Senator from South Dakota [Mr. PRESSLER].

The amendment (No. 1477) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PRESIDING OFFICER. The majority leader is recognized.

TIME LIMITATION AGREEMENT

Mr. MITCHELL. Mr. President, for the information of Senators, I am about to propound a request to obtain consent to proceed to the next amendment.

Accordingly, Mr. President, I ask unanimous consent that there be 1 hour equally divided and controlled in the usual form on the Hatch amendment with respect to choice, that no amendments to the amendment be in order, and that at the conclusion or yielding back of time the Senate without any intervening action or debate proceed to vote on or in relation to the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Mr. President, reserving the right to object, and I will not object, I wonder if the leader might tell us what he has in mind following that? Is that it or is there more to the unanimous consent for this evening? Is there another one that does something else regarding other amendments that the Senator is going to propose?

Mr. KENNEDY. If the majority leader will yield so that I may be able to respond, I think probably the Senator from Utah is best able to answer whether there are going to be follow-on amendments on that particular issue. There had been some suggestion there might be—I do not know whether there will be or not—probably two or three other amendments that have been raised on our side that hopefully can be disposed of in a very short period of time, or that we will probably get some agreement on. And I would hope that during the time of this debate we would be able to inform all the Members what the other amendments, that at least have been brought to our attention or to the ranking minority's attention, might be so that all Members would know.

Mr. DOMENICI. I thank the chairman, and I have no objection.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I thank my colleagues.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Will the Senator yield for a moment? There will be order in the Chamber.

The Senator from Utah is recognized.

AMENDMENT NO. 1476

(Purpose: To establish a Low-Income School Choice demonstration project)

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] for himself, Mr. LIEBERMAN, Mr. SMITH, Mr. COATS, and Mr. BRADLEY, proposes an amendment numbered 1476.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the committee amendment, on page 56, between lines 19 and 20, insert the following:

TITLE III—LOW-INCOME SCHOOL CHOICE DEMONSTRATION

SEC. 301. SHORT TITLE.

This title may be cited as the "Low-Income School Choice Demonstration Act of 1991".

SEC. 302. PURPOSE.

The purpose of this title is to determine the effects on students and schools of providing financial assistance to low-income parents to enable such parents to select the public or private schools in which their children will be enrolled.

SEC. 303. DEFINITIONS.

As used in this title—

(1) the term "choice school" means any public or private school, including a private sectarian school, that is involved in a demonstration project assisted under this title;

(2) the term "eligible child" means a child in grades 1 through 12 who is eligible for free or reduced price meals under the National School Lunch Act;

(3) the term "eligible entity" means a public agency, institution, or organization, such as a State, a State or local educational agency, a consortium of public agencies, or a consortium of public and private nonprofit entities, that can demonstrate, to the satisfaction of the Secretary, its ability to—

(A) receive, disburse, and account for Federal funds; and

(B) carry out the activities described in its application under this title;

(4) the term "parent" includes a legal guardian or other individual acting in loco parentis;

(5) the term "school" means a school that provides elementary education or secondary education (through grade 12), as determined under State law; and

(6) the term "Secretary" means the Secretary of Education.

SEC. 304. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this title, there are authorized to be appropriated $30,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 and 1994.

SEC. 305. PROGRAM AUTHORIZED.

(a) RESERVATION.—From the amount appropriated pursuant to the authority of section 304 in any fiscal year, the Secretary may reserve not more than 5 percent for evaluation of programs assisted under this title, in accordance with section 311.

(b) GRANTS.—From the remainder of the amount not reserved under subsection (a), the Secretary shall make grants, in amounts not to exceed $5,000,000 in the first year of the demonstration project, to eligible entities to carry out not more than 6 demonstration projects under which low-income parents receive certificates for the costs of enrolling their eligible children in a choice school.

(c) USE OF GRANTS.—Grants awarded under subsection (b) shall be used to pay the costs of—

(1) providing education certificates to low-income parents to enable such parents to pay the tuition, fees, the allowable costs of transportation, if any, and the costs of complying with section 309(a)(1), if any, for their eligible children to attend a choice school; and

(2) administration of the demonstration project, which shall not exceed 15 percent of the amount received in the first fiscal year for which the grant recipient provides certificates or 10 percent in any subsequent year, including—

(A) seeking the involvement of choice schools in the demonstration project;

(B) providing information about the project, and the schools involved in the project, to parents of eligible children;

(C) determining the eligibility of children to participate in the demonstration project;

(D) selecting students to participate in the demonstration project;

(E) determining the value of, and issuing, certificates;

(F) compiling and maintaining such financial and programmatic records as the Secretary may prescribe; and

(G) collecting and making available to the Secretary such information about the effects of the demonstration as the Secretary may need to conduct the evaluation described in section 311.

(d) SPECIAL RULE.—Any school participating in the demonstration provided for under this title shall comply with title VI of the Civil Rights Act of 1964 and not discriminate on the basis of race, color or national origin.

SEC. 306. AUTHORIZED PROJECTS; PRIORITY.

(a) AUTHORIZED PROJECTS.—The Secretary may provide assistance under this title only to a demonstration project that—

(1) involves at least one local educational agency that—

(A) receives funds under section 1006 of the Elementary and Secondary Education Act of 1965; and

(B) is among the 20 percent of local educational agencies receiving funds under section 1006 of such Act in the State and having the highest number of children described in section 1005(c) of such Act; and

(2) includes the involvement of a sufficient number of public and private choice schools, in the judgment of the Secretary, to allow for a valid demonstration project.

(b) PRIORITY.—In selecting grant recipients under this title, the Secretary shall give priority to—

(1) projects in which choice schools offer an enrollment opportunity to the broadest range of eligible children;

(2) projects that involve diverse types of choice schools; and

(3) projects that will contribute to geographic diversity, including States that are primarily rural and States that are primarily urban.

SEC. 307. APPLICATIONS.

(a) IN GENERAL.—Any eligible entity that wishes to receive a grant under this title shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

(b) CONTENTS.—Each application described in subsection (a) shall contain—

(1) information demonstrating the eligibility of the applicant and its demonstration project;

(2) with respect to choice schools—

(A) a description of the standards used by the applicant to determine which public and private schools are within a reasonable commuting distance of eligible children and present a reasonable commuting cost for such children;

(B) a description of the types of potential choice schools that will be involved in the project;

(C)(i) a description of the procedures used to encourage public and private schools to be involved in the demonstration project; and

(ii) a description of how the applicant will annually determine the number of spaces available for eligible children in each choice school;

(D) an assurance that each choice school will not impose higher standards for admission or participation in its programs and activities for eligible children with certificates provided under this title than the school does for other children;

(E) an assurance that each choice school will have been operating an educational program of the same type as the program for which it will accept certificates, for at least one year before accepting such certificate;

(F) an assurance that the applicant will terminate the involvement of any choice school that fails to comply with the conditions of its involvement in the demonstration project; and

(G) a description of the extent to which choice schools will accept certificates as full payment for tuition and fees.

(3) with respect to the participation of eligible children—

(A) a description of the procedures to be used to determine the eligibility of children under this title, which shall include—

(i) the procedures used to determine eligibility for free and reduced price meals under the National School Lunch Act of 1947; or

(ii) any other procedure, subject to the Secretary's approval, that accurately establishes a child's eligibility within the meaning of section 303(2);

(B) a description of the procedures to be used to ensure that, in selecting eligible children to participate in the demonstration project, the applicant will—

(i) apply the same criteria to both public and private school children; and

(ii) give priority to children from the lowest income families;

(C) a description of the procedures to be used to ensure maximum choice of schools for participating children, including procedures to be used when—

(i) the number of parents with certificates who desire to enroll their children in a particular school exceeds the number of such children that the school has agreed to accept; and

(ii) grant funds are insufficient to support the total cost of choices made by parents with certificates;

(D) a description of the procedures to be used to ensure compliance with section 309(a)(1), which may include—

(i) the direct provision of services by a local educational agency;

(ii) arrangements made by a local educational agency with other service providers; and

(iii) an increase in the value of the education certificate in accordance with section 308(a)(2)(A);

(4) with respect to the operation of the demonstration—

(A) a description of the geographic area to be served;

(B) a timetable for carrying out the demonstration;

(C) a description of the procedures to be used for the issuance and redemption of certificates;

(D) a description of the procedures by which a choice school will make a pro rata refund of the certificate for any participating child who withdraws from the school for any reason, before completing 75 percent of the school attendance period for which the certificate was used;

(E) a description of the procedures to be used to provide the parental notification described in section 310;

(F) an assurance that the applicant will place all funds received under this title into a separate account, and that no other funds will be placed in such account;

(G) an assurance that the applicant will provide the Secretary periodic reports on the status of such funds;

(H) an assurance that the applicant will cooperate with the Secretary in carrying out the evaluation described in section 311; and

(I) an assurance that the applicant will maintain such records as the Secretary may require, and comply with reasonable requests from the Secretary for information; and

(5) such other assurances and information as the Secretary may require.

SEC. 308. EDUCATION CERTIFICATES.

(a) EDUCATION CERTIFICATES.—

(1) BASIC VALUE.—The basic value of an eligible child's education certificate under this title shall be the cost of tuition and fees normally charged by the public or private school chosen by the child's parents.

(2) INCREASES AND ISSUANCES.—Subject to such regulations as the Secretary shall prescribe—

(A) the value of the certificate may be increased to cover the additional reasonable costs of transportation directly attributable to the child's participation in the demonstration project or the cost of complying with section 309(a)(1); and

(B) education certificates may be issued to parents of children who choose to attend schools that do not charge tuition or fees, to cover the additional reasonable costs of transportation directly attributable to the child's participation in the demonstration or the cost of complying with section 309(a)(1).

(b) ADJUSTMENT.—The value of the education certificate may be adjusted in the second and third years of an eligible child's participation to reflect any increases or decreases in the tuition, fees, or transportation costs directly attributable to that child's continued attendance at a choice school, but shall not be increased for this purpose by more than 10 percent over the value for the preceding year. The value of the education certificate may also be adjusted in any fiscal year to comply with section 309(a)(1).

(c) SPECIAL RULE.—If a participating eligible child was attending a public or private school that charged tuition in the year before the first year of a grant recipient's participation under this title, the basic value of the certificate for such child shall be the tuition charged by such school for such child in such preceding year, adjusted in accordance with subsection (b).

(d) MAXIMUM AMOUNT.—Notwithstanding any other provision of this section, the basic value of an eligible child's certificate shall not exceed the per pupil expenditure for elementary and secondary education, as appropriate, for the preceding year by the local educational agency in which the public school to which the child would normally be assigned is located.

(e) INCOME.—Certificates, and funds provided under certificates, shall not be deemed income of the parents for Federal income tax purposes or for determining eligibility for any other Federal program.

SEC. 309. EFFECT ON OTHER PROGRAMS; USE OF SCHOOL LUNCH DATA.

(a) EFFECT ON OTHER PROGRAMS.—

(1) IN GENERAL.—Eligible children participating in a demonstration under this title, who, in the absence of such a demonstration, would have received services under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 shall be provided such services.

(2) PART B OF THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Nothing in this Act shall be construed to affect the requirements of part B of the Individuals with Disabilities Education Act.

(b) COUNTING OF CHILDREN.—Notwithstanding any other provision of law, any local educational agency participating in a demonstration under this title may count eligible children who, in the absence of such a demonstration, would attend the schools of such agency, for purposes of receiving funds under any program administered by the Secretary.

(c) SPECIAL RULE.—Notwithstanding section 9 of the National School Lunch Act, a grant recipient under this title may use information collected for the purpose of determining eligibility for free or reduced price meals to determine a child's eligibility to participate in a demonstration under this title and, if needed, to rank families by income, in accordance with section 307(b)(3)(B)(ii). All such information must otherwise remain confidential, and information pertaining to income may be disclosed only to persons who need that information for the purposes of a demonstration project under this title.

(d) CONSTRUCTION.—

(1) SECTARIAN INSTITUTIONS.—Nothing in this title shall be construed to supersede or modify any provision of a State constitution or State law that prohibits the expenditure of public funds in or by sectarian institutions, except that no provision of a State constitution or State law shall be construed to prohibit the expenditure in or by sectarian institutions of any Federal funds provided under this title.

(2) DESEGREGATION PLANS.—Nothing in this title shall be construed to interfere with any desegregation plans that involve school attendance areas affected by this title.

SEC. 310. PARENTAL NOTIFICATION.

Each grant recipient under this title shall provide timely notice of the demonstration project to parents of eligible children residing in the area to be served. At a minimum, such notice shall—

(1) describe the demonstration;

(2) describe the eligibility requirements for participation;

(3) describe the information needed to establish a child's eligibility;

(4) describe the selection procedures to be used if the number of eligible children seeking to participate exceeds the number that can be accommodated;

(5) provide information about each choice school, including information about any admission requirements or criteria; and

(6) include the schedule for parents to apply for their children to participate.

SEC. 311. EVALUATION.

The Secretary shall conduct a rigorous evaluation of the demonstration program authorized by this title. Such evaluation shall—

(1) describe the implementation of each demonstration project and its effects on all participants, schools, and communities in the project area; and

(2) compare the educational achievement of all students in the project area, including—

(A) students receiving certificates; and

(B) students not receiving certificates.

SEC. 312. REPORTS.

(a) REPORT BY GRANT RECIPIENT.—Each grant recipient under this title shall submit an annual report to the Secretary, at such time, in such manner, and containing such information as the Secretary may require.

(b) REPORT BY SECRETARY.—

(1) IN GENERAL.—The Secretary shall report annually to the President and the President shall report annually to the Congress on the progress of the local demonstrations, including information submitted by each grant recipient and from other sources.

(2) SUBMISSION.—The Secretary shall submit a report to the President and the President shall submit a report to the Congress on the national evaluation described in section 311 within 9 months after the conclusion of the demonstration projects assisted under this title.

On page 56, line 20, strike "**TITLE III**" and insert "**TITLE IV**".

On page 56, line 21, strike "**301**" and insert "**401**".

On page 2, after the item relating to section 212, insert the following:

TITLE III—LOW-INCOME SCHOOL CHOICE DEMONSTRATION

Sec. 301. Short title.
Sec. 302. Purpose.
Sec. 303. Definitions.
Sec. 304. Authorization of appropriations.
Sec. 305. Program authorized.
Sec. 306. Authorized projects; priority.
Sec. 307. Applications.
Sec. 308. Education certificates.
Sec. 309. Effect on other programs; use of school lunch data.
Sec. 310. Parental notification.
Sec. 311. Evaluation.
Sec. 312. Reports.

On page 2, redesignate the item relating to Title III as the item relating to Title IV.

On page 2, redesignate the item relating to section 301 as the item relating to section 401.

Mr. HATCH. Mr. President, as I understand it, the pending business is my low-income school choice demonstration amendment; is that correct?

The PRESIDING OFFICER. The Senator is correct. It is amendment No. 1476.

Mr. HATCH. I thank the Chair.

I would just like to say a few things about this, and I hope my colleagues are listening.

Mr. President, the choices we make shape our destiny. Education is certainly one of those choices, and one that should not be available just to the wealthy. Today, I have offered an amendment that will enable low-income parents to make educational choices regarding their children.

I recently read an article in the New York Times about parents who actually lie about where they live in order to get their children into better schools. A particularly touching story was the account of a young second grader who panicked when his teacher started to put the boy's listed return address on his letter to Santa Claus. The small boy burst into tears, explaining that he wanted Santa to come to his "real house."

The article, not surprisingly, confirms that some parents are more than tacitly interested in obtaining a better education for their children than is currently being provided at their own troubled city schools.

Mr. President, I do not condone this type of deception, but it demonstrates the lengths to which some parents will go to get their children out of a bad school situation. If we in policymaking positions will not provide these parents with educational options, they may create their own by breaking the law. It is time for us to provide these alternatives, therefore, this amendment. It is time for us to realize that low income is not synonymous with low talent or low ambition. It is time we wake up and realize that economically disadvantaged citizens want to make their own choices; they do not need us to tell them what is good for them or their children.

WHAT DOES THIS AMENDMENT DO?

This country values freedom of choice and equal opportunity. The intent of an educational choice program is to provide parents with more options. Choice programs themselves can vary in many ways, and I would ask my colleagues to reserve judgment on my amendment until they understand exactly what it does and does not do.

The picture that has been painted by many is that choice programs are mandated, no other guidelines or regulations apply, and that segregation, discrimination, and educational chaos will result. But, Mr. President, let me ask my colleagues if they believe it is unreasonable to look at a choice proposal that includes private schools if it could be drafted so that:

Government dollars were targeted to low-income families who typically have no alternatives in our current system?

Provisions were within constitutional parameters?

Desegregation plans were observed and integration may actually improve?

Parents were guaranteed pertinent and relevant information?

The cost of sending students to participating private schools would be equivalent to or less than the cost of public schools?

Reasonable transportation costs were covered?

More parents could be involved in the education of their children?

All schools in a neighborhood could improve?

Answers to the many questions that are being raised about choice programs can be found?

Participation by both school systems and by parents in the program was strictly voluntary?

I believe, Mr. President, that a choice proposal that incorporates these elements is not only reasonable but is also a major step forward in educational reform. My amendment includes all of these elements, every one of them.

Mr. President, as everyone knows, President Bush originally proposed more expansive legislation for school choice. The President believes strongly that the increase in parental involvement and the concomitant increase in school accountability will bring very positive results. But, the President has worked very closely with us on the Labor and Human Resources Committee to fashion a proposal that more explicitly addresses the concerns we have all heard expressed here in the Senate when the matter of school choice comes up. The President has endorsed this choice amendment, which clearly meets these concerns, and he has a desire to start changing this educational system.

President Bush has joined us in this amendment not because it is his idea of a perfect choice proposal, but because it represents a significant change from business as usual. I agree with President Bush: We have to try some new things in educational policy. The old fixes have not worked as well as we would have liked.

My amendment authorizes funds for six demonstration projects that would increase alternatives for low-income families through school choice, public and private. My amendment targets students from low-income families. Families will be given certificates to cover the cost of the education of their children at participating schools, public or private. Parents will be provided with pertinent information to aid in their decisionmaking about which school will be best for their children. The value of the certificates cannot exceed the cost of the per pupil expenditure of the district in which the student resides. Parents will also receive stipends to cover reasonable transportation costs.

I believe my amendment answers many of the concerns initially raised by those who have opposed school choice. First, my amendment targets low-income families—those who do not have the luxury of educational choice in this country. This amendment will provide the disadvantaged with some alternatives. Priority will be given to schools that provide the most opportunity for the greatest number of disadvantaged students.

Second, the bill has been carefully drafted to satisfy constitutional requirements. Aid will be given to parents who will then decide where their children will be enrolled. Parents will not be forced to send their children to private or to public schools; the decision will rest solely with them. The Government clearly remains neutral toward religion under this amendment, as it should be.

Additionally, under my amendment, choice plans must be written so that they will not interfere with any desegregation plans that are in place. Let me repeat that: Choice programs must not interfere with any desegregation plans that are in place. And, let me also point out that since segregation is largely based on housing patterns that coincide with district divisions, choice can go a long way in eliminating these barriers voluntarily. A well-drafted choice program may help achieve integration more quickly than any forced busing policy could. Many magnet schools already established have demonstrated success in achieving integration using an open enrollment.

One of the most important components of my amendment is the evaluation provision. My amendment charges the Secretary of Education to conduct a rigorous study of the demonstrations.

There are only six of them in this whole country. We are not blanketing the country with demonstrations. The bill provides for six relevant demonstrations to really find out all we can, about the effects of choice. The Secretary has to conduct a rigorous study of each of the demonstrations.

This study will provide us with much needed answers to many questions that have been raised about the longterm across-the-board implications of educational choice.

WHY SHOULD WE INCLUDE PRIVATE SCHOOLS?

Witnesses in congressional hearings on choice agreed that the role of the Federal Government in the area of school choice is in determining what works and in making this information available to communities and school districts who may wish to implement such a program. It is well within the purview of the Federal Government's responsibility to provide some information and assistance to those school districts.

However, we do not have data about the effects of school choice on students, schools, and communities. Excluding private schools as part of a choice demonstration program would be a serious error of omission. The value of a Federal study that does not include all the viable components of an educational system would have to be questionable. Moreover, a choice program that arbitrarily eliminates a major alternative for parental selection is not really a choice program at all. Allowing parents to choose only public schools, as good as some of them are, is like having only one political party on the ballot. An evaluation of election results when a candidate runs unopposed yields little in the way of voter preference or satisfaction. It is hardly an electoral mandate.

Mr. President, a choice system already exists in this country, but only for those who have the means to move to another school district or to attend a private school. It is time to provide more choices in education. Why? First, education is a key factor in lifting individuals from poverty, and low-income parents know that. They want their children to have the best possible education; and second, precollege education is compulsory in every State in this country. The very foundation of our public schools is to provide an education for every child. But, the choice of only public schools to fulfill the requirement for school attendance is like consigning low-income people to buy from only one store. Finally, I believe that including private schools in a choice system may well result in better schools in both the public and private sector. Our goal in offering this amendment is not to hurt public schools. My personal vision of a choice system is one in which every school within a district or area of choice is a viable educational alternative. If every school in a district provides students a solid education, the choice becomes one of choosing a school that fits individual needs and preferences and not one of escaping a bad situation.

The unfortunate reality is that, in some areas of this country, there are some schools that are in a dismal state. This is confirmed by the desperate measures of parents like the families cited in the New York Times story. Let us give low-income parents at least one additional weapon to use for school improvement. Let us give them the ability to walk out. Power is often in our feet: We walk out of bad restaurants, bad movies, or bad retail stores. When we are taken for granted by a for-profit enterprise, we take our business to the competition. It is time to enfranchise low-income parents in education.

Rhetoric has not improved our education system. Schools must be given the will and freedom to change. Making all schools more accountable to parents while allowing them to be more innovative may be the answer in many districts.

WHY DO WE NEED THIS AMENDMENT?

These six demonstration projects will provide alternatives to those who currently have none. It encourages greater parental involvement in their children's education; it allows us to look at new alternatives and study them; it may speed integration of schools; it will inspire schools, both public and private to review their own strengths and weaknesses. Such self-assessment and particularly the self-motivated changes that come from it are a solid subsidiary benefit of this choice proposal. No single school in America, no matter how successful, should sit through 1992 and not consider the needs of its students and the ongoing ability of the school to meet them. I believe choice may do more for helping the poor in this country than any other initiative we might consider under the circumstances.

Let me reiterate for my colleagues: There are no mandates on schools to participate; desegregation plans will not be negated; it is constitutional; and this is an opportunity to answer some key questions about the overall effects of choice. The fact is public and private school choice is an idea whose time has come. We in Congress should not stonewall it any longer.

I urge my colleagues to support this demonstration project so that we can get answers regarding the value of public and private school choice as a feasible and practical reform effort.

Mr. President, this is a serious amendment. It is not as comprehensive as the President would like, but it is an amendment that the President would like to support. It is only six demonstrations. It gives us a chance to look at choice from all aspects. The Secretary has to make a study and evaluate the results. He has to report to us. Then we will find out once and for all whether this idea is an idea that is as good and important as I am articulating tonight.

There is only one way to know. That is to open our minds and allow choice to occur. I hope my colleagues will consider doing that here this evening. I think it is the right thing to do.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Kansas is recognized.

Who yields time to the Senator?

Mrs. KASSEBAUM. I ask the Senator from Utah for 5 minutes.

Mr. HATCH. I yield 5 minutes to the distinguished Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mrs. KASSEBAUM. Mr. President, I would like to speak for just a few minutes in support of the amendment offered by the Senator from Utah.

As a former school board member and someone who is deeply committed to public education, I have always held serious reservations about school choice from the Federal standpoint. I think if a school district wants to try choice in schools, or if a State, such as the State of Minnesota, wishes to adopt such a program, that is fine. That is where the decision should lie.

At the same time, I am supporting this amendment. It is not a large amendment, as Senator HATCH pointed out. There are just six demonstration projects, with a total authorization of $30 million.

The reason I believe the Hatch amendment is useful stems from the fact that many today feel a great sense of frustration with the school system. The Hatch amendment offers us an opportunity to analyze, in a thoughtful way, the weaknesses and strengths of a choice program.

In many respects, individuals with the means to do so already exercise choice—not only by paying tuition to private schools but also by choosing a home in a neighborhood on the basis of the quality of the public schools.

I do not think there is anything more important that we can do for elementary education than to make sure that each one of our neighborhood elementary schools are the very best schools that can be offered. But until that is so, we have to look at other means of analyzing the situation, other opportunities that might exist, and other initiatives that might be undertaken.

Although I do not believe a widescale school choice program is appropriate and would not support one, I fail to see the harm in putting together a well-designed choice demonstration program which would allow us to see its effects. I think that is the Hatch amendment. I think the Senator from Utah has presented a demonstration proposal that is small in scope, certainly, and well designed.

Such a demonstration program would help provide some definitive answers to the many questions that have been raised. Without testing the concept, we will never get beyond an endless series of arguments about the presumed benefits or liabilities of choice.

Among the issues this demonstration program could help clarify are questions such as:

If given the financial means to do so, will low-income parents choose to send their children to other public or private schools or will they prefer that their children remain in their neighborhood public schools?

Will the fear of losing students cause public schools to become more responsive to the concerns of parents and to make needed improvements or will such improvements become virtually impossible as more talented students leave those with the greatest problems and needs behind?

Will private schools participate in choice programs or will they opt out—fearing they will have to assume more of the requirements under which public schools operate?

At this point, Mr. President, we have anecdotal evidence about the effects of choice, based on the various plans that have been implemented by some States and localities. To reach sound public policy judgments on the question, we need more than that.

I believe that the Hatch amendment offers us the means to put some of these questions to rest. I urge its adoption. I am urging that, Mr. President, from the standpoint of someone who has serious reservations about Federal financial involvement in the implementation of school choice programs. But I think there are important questions that have been raised that need to be answered in the minds of all of us. For that reason, I believe this amendment offers us an opportunity that should not be rejected.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. I yield 5 minutes to the distinguished Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. LIEBERMAN. I thank the Chair. Mr. President, I am pleased to rise this evening to support the amendment proposed by the Senator from Utah which would establish a low-income choice demonstration project.

Mr. President, this is obviously a controversial issue. But as I look at our system of education around this country, it seems to me that it is hard to disagree with the notion that it is failing a large number of our children, and particularly those who are low income and minority. That is why I think we cannot be defensive about what exists but have to reach out and open the doors to take a look at all alternatives to what happens now, some of which are working.

As I look particularly at the religiously based school systems of our country, they are working and they are working most especially for poor and minority children.

I think we have to ask ourselves why should not low-income students, who are the only ones given a choice by this amendment, have the same right as wealthier students to choose the school they attend? Why do wealthier students get to speak with their feet when a public school is not meeting their needs, but low-income students have no choice but to remain in a school that is not meeting their needs?

Mr. President, under this proposal we are going to allow low-income kids to have some of the same choices. They will take with them at most the amount of money allocated per pupil by their public school system and maybe they will leave behind an increased incentive for some of the public schools to look at some of the things that make these private and parochial schools more successful in educating some of our low-income students.

A demonstration project that would provide low-income students, those who qualify for free or reduced-priced school lunches, the opportunity to attend a public or private school of their choice seems to me to be eminently worth trying. This low-income choice demonstration project will not only provide these students with the ability to choose, but it will also provide them and us with some important insight as to the ways in which nonpublic schools can help low-income students improve their educational performances.

Mr. President, I certainly do not believe that we should abandon our public school system, and the overwhelming majority of focus and funds in this bill, S. 2, concentrates on improving the public schools of America. But we also have to view this choice demonstration project as a tool for all of us, including the public schools, to learn more about what works for our kids.

A while back there was a study done by the Rand Corporation, and its results are revealing. It shows that the performance of a comparable group of black and Hispanic children at Catholic parochial schools was much better than a similar group at the public schools and that the gap of performance between minority children and all other children dropped significantly in the parochial school system.

That study also asked why those parochial schools were more successful at educating low-income and minority kids, and they came up with the conclusion that some of the things that differentiate the two school systems are the teachers in the parochial schools are able to provide students with more personal attention; they have a more rigorous academic curriculum, even for the poor performers. They are independent from a central bureaucracy.

I personally suspect that it has something to do with the sense of mission in some of the parochial schools, the sense of purpose, and the sense of values that energizes the teachers, and that is conveyed to the students.

Mr. President, there was a time when these kinds of programs were criticized as unconstitutional. We may hear that in this debate. I just want to say there have been a line of court decisions which, in my opinion, undercut any claim that this amendment would be unconstitutional. I cite particularly *Mueller* v. *Allen*, a 1983 decision in which the Supreme Court upheld a Minnesota law conferring tax benefits on parents who incur expenses for their children's elementary and secondary education at private schools, including religious-based schools.

The basis of this decision is that it is the parents, without any governmental influence, who choose where to spend that subsidy. I suggest to my colleagues in the Senate that there is not a relevant distinction between the aid found constitutional in the *Allen* case and that contained in the choice amendment offered by our colleague from Utah.

Mr. President, this is a good idea worth trying. It is a constitutional idea. It is an idea that is practical and it is an idea that will offer not only hope to a whole new group of low-income kids in our country, but I think some lessons to the public schools and those of us who care about them.

I urge adoption of the amendment, and I thank the Chair.

Mr. KENNEDY. Mr. President, I yield to the chairman of the Education Committee, the Senator from Rhode Island, 4 minutes.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PELL. Mr. President, I thank the Senator from Massachusetts very much.

Mr. President, as we all know, the Federal Government is not the major player in education. That is a role left to the State and local government. The Federal role is a highly targeted one, providing assistance primarily in areas of clearly defined needs. In that regard, I believe that our emphasis should be upon those schools that serve the vast number of students in our Nation, namely, the public schools.

Basically, I am of the mind that the way to achieve educational excellence nationwide is to have the schools that are open to all students second to none in the world.

The investment we place in education will unquestionably determine our future strength as a nation. Our public schools, though, as we all know, are in trouble; they need our help. Teachers are overburdened with large classes and need opportunities for upgrading their skills.

Our public schools often lack adequate science labs, computers, and other high technology tools of instruction.

Students need updated textbooks and a safe learning environment.

Our scarce Federal resources should be directed to meeting those needs, which are particularly acute in our public schools. We must make those schools truly the best in the world.

Unfortunately, public and private schools do not compete on an even playing field. Public schools must accept all students. Private schools may turn down or expel students with behavior problems, disabilities, or academic problems. The demonstration program proposed by the Senator from Utah will not change that situation, and will not, therefore, be a true test of choice.

Private schools we all know, make valuable contributions to American education. They give a quality of excellence that is truly needed and useful to our Nation. There is no doubt about that. We provide limited assistance in private school instruction, but we seek to do that in ways that do not harm the public schools. The public schools should be our first concern, and to make them schools of excellence must be our first responsibility.

I urge my colleagues to join me in opposing the Hatch amendment.

I thank the Chair.

The PRESIDING OFFICER (Mr. BRYAN). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield 10 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio [Mr. METZENBAUM] is recognized.

Mr. METZENBAUM. Mr. President, I rise in strong opposition to this amendment, which would provide vouchers for students to attend private schools. Let us not kid ourselves about what this amendment is. This is the nose-under-the-tent amendment. Once we pass this, the door is open to go further and further in funding private and parochial schools and at the same time undermining the public school system.

I fear that this is the first step toward the abandonment of our system of free, universal public education. And our public schools are facing enough problems as it is. We do not need to compound their problems. To say, well, it is just a little bit, it is not going to hurt that much, is to deny the reality of the situation. Once we go down this road toward funding private and parochial schools then the amount of money will increase and increase over the years.

Programs that subsidize private and religious schools are bad public policy. They undermine our public schools. They violate the concept of separation of church and state and weaken the Federal commitment to provide equal educational opportunities for all this Nation's children.

The use of public funds to support sectarian education constitutes an unwise violation of the principle of separation of church and state. And I predict that religious schools, which have rightly cherished their independence from Government control, would in the end regret this step. They would eventually find that Government funding inevitably leads to Government regulation and Government control.

But most important, Mr. President, this amendment will do nothing to help our Nation's public schools.

Choice is not the quick fix, the easy answer, which will somehow magically transform our public schools. In fact, by diverting attention and resources from our public schools just when help is most needed, choice is more likely to undermine public education than to strengthen it.

Mr. President, 12 years ago, I stood on this floor and supported an amendment regarding funding for private schools. At that time, I spoke in favor of the idea of using public funds for private and parochial schools. I was wrong then, and I do not intend to compound that error now.

I am now convinced that the adoption of this amendment would do inestimable harm to the public schools of this country. Never before in our Nation's history has our public school system been so challenged. Public schools must educate our children to cope with an increasingly technological society. And if we are to remain competitive in the global economy, our schools must keep pace with the educational systems of other industrialized countries so that our graduates can meet the sophisticated needs of the workplace in the 21st century.

And, at the same time, we are asking our public schools to deal with some of the most difficult problems of our society—drugs, alcohol, violence, teenage pregnancy—and to provide education and support for increasing numbers of children who are disadvantaged due to poverty, neglect, or abuse.

Yet in school district after school district throughout the country, budget cutbacks have forced schools to reduce important support services to these at-risk students, to lay off teachers and increase class sizes, to eliminate sports and extracurricular activities, and to defer needed building repairs.

And throughout the country, needy children are waiting in line for effective Federal programs like Head Start and Chapter I—programs that are unable to serve all the eligible children due to lack of adequate funding.

In 1980, the Federal Government provided 10 percent of the total dollars spent on elementary and secondary education. Today, after a decade of attacks on education funding by the administration, the Federal Government provides only 6 percent of the funding.

At a time when we are asking our schools to do more and more with less and less, I do not understand how we can even contemplate sending scarce Federal funds to private and religious schools.

Supporters of choice argue that so-called competition will lead to school improvement—a kind of educational Darwinism, survival of the fittest. Yet by definition, competition results in winners and losers. And in this competition, the losers will be the public schools.

Why? Because private schools don't have to play by the same rules. Public schools are accountable to the local community, must abide by Federal, State, and local regulations, and must accept all students, regardless of race, sex, religion, disability, or level of motivation or academic achievement.

Private schools are able to select their student body based on virtually any criteria they wish. Inevitably, under a Choice Program they will cream the best students—the most disciplined and the highest achieving, leaving public schools to meet the needs of the children with the greatest problems: The child who cannot concentrate because he or she is hungry; the child with behavior problems because he or she comes from a dysfunctional family or lives in a neighborhood where gunshots are an everyday occurrence; or the child with severe learning problems or physical disabilities.

What is going to happen to these children—these children who are the most difficult and expensive to educate? They will be left for the public schools to deal with, public schools which will now have greater problems and fewer resources, because limited Federal funds have been shifted to private schools.

Supporters of a Private School Choice Demonstration Program involving low-income families argue that it would increase educational opportunities for poor children, but this is simply not the case. Why? Because it would do nothing to improve the public schools which the vast majority of children attend.

If we are serious about education reform, we need to ensure that all American children have access to a high quality education, not just a select few.

The danger is, of course, that rather than providing disadvantaged children and their families with real choice and greater opportunities, in the long run so-called choice programs will actually contribute to the further segregation of our society along racial, economic, and religious lines.

And in fact, we have no compelling evidence that private schools actually do a better job of educating students than public schools do, despite their selective admissions policies and other advantages.

The results of math testing in the 1990 national assessment of educational progress provide a good illustration.

According to NAEP, 5 percent of 12th grade students in public schools tested at the highest level—showing the ability to do college level math, while only 4 percent of private school students achieved this level. It is true that private school children at other grade levels did somewhat better than public school students. However, Al Shanker has provided a compelling analysis that this advantage disappears when differences among students in both types of schools are taken into account.

Mr. President, our system of universal, free public education is a vital and integral part of our American way of life and has served us well throughout our history.

Public schools are the glue of our democracy. They bring us together in all our diversity and teach us about each other and about our common heritage, history, and values.

I believe in our public schools.

Certainly, some of our schools are in trouble, particularly in our poorest urban and rural areas, and are not doing as well as they should by our children. But the solution is not to abandon them. The solution is to find constructive strategies to ensure that all our public schools can improve and excel, so that all our schools are schools of choice, and all our children have an equal opportunity for an excellent education.

That is the policy which the Neighborhood Schools Improvement Act embodies. This amendment represents a policy of abandonment. I urge my colleagues to oppose the amendment.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, could I yield 4 minutes to the Senator from Wisconsin?

The PRESIDING OFFICER. The Senator from Wisconsin [Mr. KOHL] has 4 minutes.

Mr. KOHL. I thank the Chair. I rise briefly to speak on the amendment before us, offered by our friend and colleague from Utah, Senator HATCH.

There has been a lot of talk this week about Milwaukee and School Choice. I have heard it referred to as anything from "highly successful" to "disastrous." In fact, it is neither. In the first year, 340 children signed up for the semester. During the course of the year, one school with 70 to 80 Choice students closed for reasons totally unrelated to the program. At the end of that school year, 260 students remained in the program. For 1991–92, 155 of those 260 are continuing in Choice, with an additional 350 students joining the program. So, in its second year, Milwaukee Choice enrollment is up, but not all of the slots are filled. We are looking forward to the results and learning something from this experiment. But that will take a while.

Milwaukee, through the leadership of State Representative Polly Williams, began this demonstration in response to a real sense of frustration on the part of some parents of children in the public school system. Those parents wanted a good education for their children. The schools need help. The teachers need help. The communities need help. We all know that. The problem in these parents' eyes is that there is not enough help coming soon enough to save their children. And they want the best for their children.

So do I. And I support the Milwaukee Choice Program. It is a creative, short-term response to a chronic problem. I think we will learn something from it that will help us solve longer term problems. In the meantime, we are offering some intervention for these parents and their children.

However, none of those public funds in Milwaukee are going to religious schools. That is a fundamental difference between the Milwaukee School Choice plan, and the amendment before us. The school choice amendment before us, while limited, would allow public taxpayer funds to support religious schools. That is a significant step in a dangerous direction. It raises significant first amendment questions.

Because of my support for the Milwaukee program, and because I would like to see Milwaukee benefit from the Federal support included in the Hatch amendment, I spoke to the Secretary of Education in an effort to remove the language on religious schools.

For various reasons, that was not done.

Therefore, I must oppose the Hatch amendment on the grounds that it publicly funds religious schools. I think the Milwaukee Choice Program deserves a chance. And I hope that we can find an opportunity to support it. Unfortunately, this amendment does not afford us that opportunity.

I know that there are those who believe strongly that School Choice will lead to the erosion of support for the public school system. Were we somehow allowing all public school dollars to be used in this fashion, I might agree. But we are not.

And I must say, I have a bit more confidence in our public school system than that. My sense is that while the private schools may do a better job at some things for some students, I think the same is true of the public school system.

I'd like to see an experiment in which private schools would be required to comply with all of the statutes and regulations that our public schools do. I would like to see how well they would do if they had to provide services under Public Law 94–142, ESL, the Perkins Vocational Education Act and other Federal laws. I would like to see an experiment in which we could truly measure the value of an education in a diverse environment, compared to an education in a more uniform environment.

I believe that the result would be a renewed confidence in our public schools—for the incredible job that many of them do for the vast majority of students, under very difficult circumstances.

Throughout this debate of who best educates, we compare apples and oranges, Mr. President. It is time to reinvigorate our public schools, give them the resources they need to do the job. Experiments like School Choice can enable us to take what strengths we can from the private, nonsectarian schools and put them to work in the public schools.

If that means fewer students per teacher, then let's do it. If that means a higher level of parental involvement, then let's do it. If that means giving the public schools the Federal support they need to comply with our regulations, then let us do it.

What we cannot do is to continue to allow the erosion of public and financial support of the public school system.

I thank the Chair.

Mr. KENNEDY. Mr. President, I yield 4 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 4 minutes.

THE HATCH AMENDMENT NO. 1476 TO S. 2, THE NEIGHBORHOOD SCHOOLS IMPROVEMENT ACT

Mr. CHAFEE. Mr. President, what do we seek to learn from this demonstration? Clearly, we are not trying to learn whether the Government should provide support for Federal schools, because the Federal Government already does that. Private schools and students in private schools benefit from programs, including chapter 1 and chapter 2. Private schools are eligible for Federal funding through the Drug-Free Schools Program, the Asbestos Detection Program, the Math and Science Education, and the School Lunch Program. Already they have received hundreds of millions of dollars under these programs in fiscal year 1991.

The problem is, that, first of all, we are taking $90 million over the next 3 years from public schools and sending it to private schools. At the same time, all across the Nation public schools are being severely hit in this financial crisis that so many States and cities are facing. In my State, superintendents have been told to expect a total cut of 19 percent this year of State aid on top of the 11 percent that was taken last year.

Now it is suggested that private school choice will foster competition between private and public schools. But are we talking about a level playing field? We always like to talk about level playing fields around here. Is this a level playing field? Let us see what are the demands and requirements we have imposed on the public schools. The public schools must take any child at any time of the year. The public schools must create an environment in which every student has an equal opportunity to learn, regardless of the student's disadvantages. Private schools can refuse to accept the child with disabilities and can refuse to accept the child who poses disciplinary problems. They do not have to take a child whose native language is not English. In the Providence school system, students come from homes where over 82 different languages are spoken.

So Mr. President, I know what is going to be the result of this study. We do not even have to have the study. I will tell you what it will show. It will show that the public school children sent to the private schools will do better than the average public school child. Why would it show that? Because the children selected from the public schools will be the high achievers, they will be the youngsters that come from homes where the native language is English. They will be children from motivated families. That is why they will apply in the first place, because their families are behind them 100 percent.

You will not find that the children selected will be those who represent the real challenges in our public school system because the private school will not take them. What will go on is a skimming process. The private schools will take the ones who will do well in the public schools anyway.

Mr. President, some private schools have reached out to the community and enrolled disadvantaged students, and these schools should be commended. But as I mentioned before, this amendment would send $90 million in Federal funds to private schools over the next 3 years, and I think we should direct these resources to our Nation's public schools that so badly need them. I want to thank the managers.

Mr. KENNEDY. Mr. President, 4 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 4 minutes.

Mr. WELLSTONE. "We have a school in East St. Louis named for Dr. King," she says. "The school is full of sewer water and the doors are locked with chains. Every student in that school is black. It is like a terrible joke on history."

A 14-year-old girl from East St. Louis, and I quote from Jonathan Kozel's fine book, "Savage Inequalities: Children in America's Schools."

We just honored Dr. Martin Luther King's birthday on Monday. I feel like I have gotten to know the Senator from Utah pretty well, and I only have 4 minutes. I do not even know if I am going to say this well. I think he really cares about this student, and I think he makes his proposal for this reason I have no doubt about that.

But I think the problem is that there are so many of these students all over the country on such a wide-scale basis consigned to schools right now that they would not go to if they had a real choice. That is just a much bigger problem, first, in public education.

I guess my feeling is that until we do what we must do for children in education in our country, make sure that women expecting children have a diet rich in vitamins, minerals, and protein so their child will be able to have a chance, make sure the children have the support during their young years, fully fund Head Start, have smaller elementary school classes—we know that works—and provide real support to public schools so we do not have such a huge disparity between what can be spent for schools in Anacostia versus what can be spent for schools in Bethesda. I really feel that this proposal, this amendment by the Senator from Utah, is not a step forward. I think it is a step backward for public education.

I would be interested in this proposal and this amendment, after we first have made this commitment to public education, but at this point in the time I think it is the wrong step to take. I say this regretfully.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Two minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. JEFFORDS. Mr. President, I rise in opposition to the amendment being offered by my colleague from Utah, Senator HATCH.

The amendment provides $30 million for six State demonstration programs to allow low income students to attend private schools. Let me outline a few of the reasons why I believe this amendment should be defeated.

First, and foremost, the amendment creates a new $30 million program to essentially help private schools while our financially strapped public schools continue to fight looming deficits. In the past decade this Nation has seen a declining share of funds committed to education. The percent of the Federal budget devoted to education today accounts for only 1.7 percent of total spending compared to 2.5 percent in 1980.

Along with the decline in Federal funds has come an increase ineligible students. Over 4 million eligible, disadvantaged children are currently denied chapter 1 reading and math instruction. The Federal share for education our disability community is 9 percent compared to the 40 percent we promised our States and or children.

The tragic state of federal funding for education has led towns in my State of Vermont to increase already high property taxes to help fund federally mandated education programs. It has also meant that essential programs for our students are being cut and that essential transportation funds are being redirected to schools.

Public schools deserve as much Federal commitment as possible we cannot afford to do otherwise.

Second, the Hatch amendment assumes that private schools can do a better job than public schools. But, do in fact private schools better educate their students? The result from the recent National Assessment of Educational Progress [NAEP] math examinations demonstrate that the answer is no.

Specifically, the NAEP math test results indicate that seniors in both private and public schools are testing at an abysmally low rate. There is only a six or seven point difference in average scores among seniors in public or private school education. Only 5 percent of public school seniors tested ready to do college-level math whereas only 4 percent of private school seniors tested college-level ready. Neither of these results should make us proud.

These past NAEP test results were not that different from the 1986 test results which led former Assistant Secretary of Education Chester E. Finn, Jr., to say to a group of independent school leaders, "the gravest threat you face is a reformed public-school system." Citing results from the 1986 NAEP assessments, Mr. Finn indicated that the gap in performance between public and private schools was slight.

The danger, Mr. Finn said, is "the probability that a vast, publicly financed enterprise is going to come to resemble your private enterprise in all respects save one: It will be free."

It is not only an incorrect assumption that private schools are better than public schools—it is also an expensive assumption.

Third, under this amendment private schools may still use the same entrance exam on "choice" recipients as they do for their other students. Currently, 71 percent of Catholic high schools require an entrance exam, as do 43 percent of other religious schools and 66 percent of independent schools.

Of concern to me are our disabled children. What choice are we giving them? If they, or their public school counterparts, do not pass the entrance exam they will not have the same opportunity as their more fortunate peers. What, too, will happen to the neighborhood schools after their "choice students have left?

Finally, I have concerns regarding the possible violation of the first amendment's establishment clause. The Hatch amendment itself is artfully drafted to navigate constitutional questions. I am not certain, however, that it is wise public policy to funnel Federal funds to private organizations. Disparities already exist between educational resources in public versus private schools. Rather than exacerbate such differences, we should ameliorate them.

I cannot speak for my colleagues but in my mind the risk is not worth the cost. The risk of destroying our neighborhood schools. The risk of violating the separation between church and state and the risk of public funds following students to any private school including nonaccredited schools. Certainly, it is not a wise expenditure of already scarce education funds. I cannot go back to my statehouse, in good conscience, and justify support for this amendment.

Mr. President, it is with considerable regret that I find that I must oppose this amendment. I wish that we had enough money to be able to help here. I know there are dangers of putting the nose under the tent sort of thing, but I oppose it primarily because we do not do enough for public education when you consider that Japan, for instance, spends 12 percent of gross national product on education, and we spend 6 percent in this Nation. Less than 1 percent of the GNP each year goes toward education.

We committed ourselves some time ago, and I was one of those that originated the bill, to help the disadvantaged, the disabled. We promised them 40 percent. We said we will take care of 40 percent of your expenses if you will do what needs to be done for the disabled in this Nation. We give them 9 percent. We are underfunded with respect to Chapter 1 of such an important program for economically disadvantaged. We do not spend anywhere near—we only cover about half of the cases that should be getting assistance in that regard.

I think it is important that we do the best we can for education but there is no indication that by this experimental program we are going to find out that the private schools are doing any better.

The evidence is that they are not. So what we are doing is spending money without the expectation really of learning that we are going to do things better, but really to help another part of the education system that I am certain needs help. We can do it. We do so little for public education right now. That is why I reluctantly must oppose this amendment, and I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. I yield 2 minutes to the distinguished Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 2 minutes.

Mr. COATS. Mr. President, I thank the Senator for yielding the time.

Mr. President, as a representative of the people of Indiana, I am proud to serve a State with a strong tradition of innovation and an unwavering commitment to education. It was Indiana, after all, that had the first public school teacher in the United States, paid for by a congressional appropriation asked for by George Washington in 1795—the first time public money was used for education in American history.

In Indiana, we recognized early that a solid education is critical to shaping the lives of our children, to giving them a solid foundation to lead our Nation in the challenges of the future. My home State was the first in the Nation to set the high standard of compulsory education for all our children.

Yet if we have been taught any lesson over the last few decades, it has been that as critical as the State role is, the separation of parents from vital and daily involvement in the education process is a formula for disaster. It is in families that children learn those lessons that translate directly into educational excellence—self-discipline, diligence, responsibility. The values cultivated and reinforced around the dinner table are the values brought into the classroom. Every educational program, no matter how innovative or well-planned, is likely to fail without parents willing to take time to instruct their children in the tools of learning. Education is not something that takes place between school bells. It is something that takes place every hour of a child's waking day.

This was a lesson reinforced for me as Republican leader of the House Select Committee on Children, Youth and Families when we issued our report entitled "Cost-Effective Programs for Children." Whether it is Head Start or WIC, the common thread of success in these programs was parental involvement.

This experience, the opportunity to talk to parents and educators across my State, as well as my own experiences as a parent of three children—have gone into setting a firm set of personal priorities when it comes to education policy—priorities I know that many share. Parental involvement—parental choice—and an emphasis on the essentials of learning and character.

No government, no bureaucracy, no elected official cares more for the education and welfare of a child than his or her parent. And parents across this country are increasingly alarmed at the trends now all too familiar—declining test scores—high illiteracy and dropout rates—graduates ill prepared for the challenges of the work force.

We have an opportunity today to encourage fundamental educational reform. And I am convinced that there is compelling evidence that holding schools accountable to parents is a powerful incentive for reform.

For this reason, I am pleased to support Senator HATCH's amendment creating school choice demonstration programs, a program very similar to legislation I have offered. The amendment authorizes a low-income demonstration program to provide moderate and low-income families with the same opportunities that others enjoy—the opportunity to select a school for their children.

This amendment would not mandate that communities adopt choice in education programs; it simply would provide funding for several demonstration programs so that we can try new models and test what works.

A recent Gallup poll suggests that over 64 percent of all Americans and 72 percent of minorities support educational choice. A great deal of innovation and reform is already underway at the State and local levels.

Mr. President, I have been listening to this debate with almost bewilderment because I do not doubt if we asked anybody in this room, all hundred Senators would say there is something fundamentally wrong with the U.S. education system. It is simply not achieving the results that any of us would desire. And when you find something that is this fundamentally wrong, we ought to look at innovative ways to bring about some constructive changes.

I could understand the opposition to the amendment of the Senator from Utah if we were proposing a sweeping change of the system without at least trying some of these options to see whether or not they work and to work out the bugs, and perhaps it will not work, and we will discard it. But the amendment that is before us simply provides six demonstration programs, only six—I do not know how many school systems there must be in this entire country, but only six of those will operate under a demonstration program to give us some input and some feedback to see whether or not there is a better way to provide education for our young people.

I do not know what people are afraid of. If it is as bad as everybody who opposes this amendment says, then obviously we will be back here in 2 years or 3 years saying look we tried it, it was a flop, it failed, this is all that is wrong with it, everything we predicted came true.

If it does show some promise or some innovation, then we would be back later debating as to whether we ought to change it beyond the six, how we can change it, how we can move it around.

Why do we not at least try to make the system a little bit better trying an innovative program? It is an innovative program. A number of us have sponsored this idea. A number of States are trying this. Let us give it a shot. What do we have to lose?

Mr. HATCH. I yield 2 minutes to the distinguished Senator from New Mexico.

Mr. DOMENICI. I wonder if I might have a minute yielded to me by the distinguished chairman?

Mr. KENNEDY. Yes.

Mr. DOMENICI. Mr. President, I intended to talk about Desmond Howard tonight—a young black man who just got the highest award that we can give to football—the Heisman Trophy winner. I expected to speak about him tonight and about this issue as it pertains to his life. I will not.

I merely say that if we were in one of the typical schools in the black slums of America he would not have been a trophy winner in football. I could bet he would not.

He went to a parochial school. He went to Catholic school because his parents said he cannot get educated where we live. The truth of the matter is that the Senator from Connecticut said it right. This is an amendment that would help the poor black and minority students in this country and we tonight are going to say, "We won't help you."

I was almost going to say, as I heard my friend, Senator CHAFEE, that I give up. He made such a persuasive argument. It sounded as if the parochial and private schools did not take any young people who had problems.

I have great respect for Senator CHAFEE, but the next time he is in Albuquerque I will introduce him to my sister who has been a nun for 40 years, who runs a grade school with 600 students in it, and he can ask her if she has no delinquent children, no children with disability. She will tell him, no, she wishes this was such a school, and those parents of poor children decide to put them in these schools because they cannot get an education where they are.

Plain and simple: What are we afraid of? Why should we let the poor children of this country who are almost of necessity, for some reason or another, in the poorest public schools around, why should we not let them move to a better school either public—and might I say this amendment is not all for parochial—or private. They can move from public to public. They can walk, as has been suggested and walk right out of the bad school. What do we have to lose? Six trial areas in America, $30 million. And somebody is saying it is affecting what we can give to public education when public education costs $315 million a year. I cannot hardly figure the percent that $30 million spread among six trial areas is of that total.

The PRESIDING OFFICER. The Chair informs the Senator the 3 minutes allocated has expired.

Mr. DOMENICI. I will yield the floor.

Mr. KENNEDY. How much time do I have remaining?

The PRESIDING OFFICER. Five minutes and fifty seconds.

Mr. KENNEDY. I yield myself 4 minutes.

Mr. President, I certainly reject the idea that those of us who are opposed to the Hatch amendment do not recognize the value of private schools and parochial schools in our community. That is not the issue here.

The issue is you have 83,000 schools in this country educating 40 million Americans. The issue is that the Federal contribution to education over the last 10 years has been slashed 33 percent all over this country. We are dealing with nickels and dimes here. The price of the B-2 bomber, $840 million.

What we have heard on the floor of the U.S. Senate for the last 3 days, is that we need new schools, new schools, new schools. And what we are hearing tonight is private schools, private schools, private schools.

What we are talking about is public schools. Those that are in the Newarks, those that are in the Harlems, those that are in the Roxburys, and those that are all across this country providing decent education. We are not prepared to abandon them as some think this body might. We are not going to privatize every school district in this country as some would.

I was here in the U.S. Senate at the time of the Vietnam war when some said that the best way to handle the situation in Southeast Asia is to destroy Vietnam.

The issue that is on the floor of the U.S. Senate now is public taxpayers' money. Public taxpayers' money. Do we have a sufficient amount of public taxpayers' money to start utilizing it in private schools?

That is not the issue. It is public taxpayers' money. Are we going to use scarce resources to try and encourage the kind of efforts that are taking place not in every community but in enough communities in this country to give new hope to children and new hope to parents and new hope to teachers? That is what it is about. But Senator HATCH argues that it really does not make much difference because we are adding only $30 million.

Title II of our Education Act, Chapter 2 is authorized at $450 million, and 20 percent of that $90 million is retained by the States. Any State, any State could use that money to develop a voucher system and if it met the various constitutional requirements could support it under the present system.

Why, Mr. President, are they not doing it? Why do you not ask the States why they are not doing it? Why are the Governors not doing it? Why are the legislators not doing it? Why are they asking the Members of the U.S. Senate tonight, with limited resources, to do it? Why?

You and I know the answer. All you have to do is look at the administration proposal last May. The administration wanted to take all of Chapter I, the most effective program we have in education, authorized at $6 billion, and make it all vouchers.

When Secretary Alexander was asked the other day, why are you only asking for six, he said, "I would like to ask for all of them." That is what he said in his press conference. Why are we saying this is a little test run? We know there are efforts to make Chapter I a voucher program and there is no doubt about it.

Mr. President, it is a very simple issue. How are we going to use scarce resources? Are we going to have a Preparatory School Relief Act? That is what it is. The Senator has not told you that you are not going to qualify if you are from Andover, Exeter, St. Marks, or some other private school. They could be included in this if the Secretary of Education wanted that.

The PRESIDING OFFICER. The chair informs the Senator his time has expired.

Mr. KENNEDY. I yield myself the remaining time.

I ask that at this particular time, with these kinds of pressures that we have, with the efforts that have been made to try and work with the administration to take their ideas about new American schools, and the basic thrust of the legislation to give the State the responsibility to make the judgments in terms of creative and imaginative school reform that we give them a chance. We have seen new kinds of efforts, new seedlings of hope and opportunities for the schools in this country.

Let us not close the door on our public schools. Let us not abandon them. Let us try to improve them.

I hope the amendment of the Senator from Utah is rejected.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. I yield the remainder of my time to myself.

Mr. President, what we have just heard, what we have just witnessed, is a terrific argument for business as usual. That is what we have heard. Let us just keep our schools the way they are. Let us just throw more money at the same problems that we have been unable to solve. Forget about choice. Forget about these low-income kids.

We are talking about kids, whose family income is at 185 percent of poverty or less. Give them a chance to break out of that inner-city ghetto, and go to a private school and, yes, a parochial school or another public school, if their own school is failing them. Then like Desmond Howard, they will have a chance.

They do not have to do it. It is their choice.

Business as usual. That is what we're hearing today. Why change this system, if it is doing so well for our kids all over this country? Mr. President, I, for one, believe there is room for improvement.

I want to thank the distinguished Senator from Connecticut. He said it pretty well right here today. It takes guts to stand up on his side of the aisle and stand up for the right of kids, with family incomes at 185 percent of poverty or less, to go to any school they want to.

And I can tell you right now that these inner city private schools do a lot better job of integration than some of the public schools.

We are talking about $30 million out of a $26 billion budget; 6 programs, to see if it works. We know it will work. Six programs in this country, and an evaluation thereafter to tell us why and how it works.

Mr. President, I want to tell you these are kids that qualify for school lunch. Yet you will not even give them a $30 million chance out of $26 billion budget.

Mr. President, if we do not do this, if we cannot even do this small demonstration, what chance would there be for a real school choice program, even if we prove it is the best thing for American schools? It breaks us out of this mold of inadequate schools and gives us a chance to have an innovative and creative concept for those who are the poorest of the poor.

The PRESIDING OFFICER. The Chair informs the Senator that the time has expired.

Mr. HATCH. I am happy to go to a vote at this time. I hope my colleagues will consider what we are doing here. I ask them to support this amendment.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is their a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BRADLEY. Mr. President, I rise in support of the low-income school choice demonstration amendment. Choice may not be the panacea for all our Nation's education ills, but we cannot afford not to take an honest look at whether more options would help kids who today are trapped in the worst schools in our poorest areas.

In considering this amendment, I thought about the schools and the families in the most desperate and impoverished areas of New Jersey, such as the cities of Paterson, Jersey City, and Camden. I asked people, are those school systems better or worse than they were 13 years ago, when I came to the U.S. Senate? Worse, I was told, and my own eyes confirm that sad fact. There are schools where crime, disorder, and drugs so dominate the daily lesson plan that there is hardly time to begin dealing with real learning.

For 13 years, while we have stood here debating what to do with the public schools, we have lost a generation. To save the next generation, we need to try anything that might work. We need to try anything that gives families that want their kids to learn and grow an immediate option, a way out. We need to be imaginative about using resources for education that are already there and can make an immediate difference. I strongly support everything in S. 2 that would spur systemic reform in our public schools. I support full funding for every public program that works for kids, Head Start and Chapter 1. I have my own proposals for using Federal dollars as a more powerful lever for change in public schools. But real change may take time. Kids do not have time. If there is something out there that might work, we cannot wait to find out.

There is a resource in our cities that gives families a way to see that their kids get a basic, disciplined education in this sort of environment. I think of schools like St. Benedict's in Newark or St. Bartholomew in Camden. They happen to be private; these two happen to be operated by Catholic dioceses. But they have been serving the public at modest cost. Most of the students are non-Catholic; most are black or Hispanic.

That option is rapidly disappearing for many families. More than 25 urban Catholic schools closed their doors in New Jersey, not because they did not want to educate poor kids, but because they could no longer afford to. Across the Nation, there are 300 fewer urban parochial schools than there were 10 years ago. Enrollment in the 10 largest cities declined by 200,000 kids in the last 10 years; in Newark, 20,000 fewer students are served, largely because the schools are in trouble.

When a school that works shuts its doors, especially in an area where most schools do not work, it is a tragedy whether that school is public or private. An opportunity is lost to thousands of families and their kids. Nothing we do here with $850 million can make up for the loss of hundreds of schools that work. If there is a way to keep good schools that serve the broadest public purposes alive, we should try it. If there is a way to encourage new schools to emerge to serve public purposes, we should try it. This amendment will help us find out if we can open schools to students who deserve better options.

If this amendment were much different than it is, I would not be able to support it. I am very pleased that the demonstration program will be appropriately targeted to the families that most need help—those eligible for subsidized school lunches—in the most troubled areas. I am pleased that the certificates will pay for the full cost of attendance at any participating school, so that they will create realistic options. I am pleased that the certificates will cover transportation costs, again making the option more realistic than in other voucher proposals. I am pleased that the funding will be new money and will not cut into our other investments in education. And I am pleased that my colleague from Utah accepted my request to incorporate language in the amendment that will absolutely guarantee that none of the funds provided through this program go to schools that discriminate on the basis of race.

I view this amendment as a real demonstration: It might work, it might not. Advocates of choice have put a lot on the line with this proposal. If it does not work, we will know it, and we will never again hear choice described as the sure cure for American education. If it does work, we will learn more about how to improve all schools. We will learn whether empowering parents with good choices gets them constructively involved with their kids' educations. We will learn whether schools that now succeed at educating students whose families can pay for their education can remain successful serving more students from poorer backgrounds and with troubled home lives. Above all, we will find out whether a school choice demonstration project improves results across the board, for all students in all the public and private schools participating.

I do not know whether these choice demonstrations will improve results, whether students will do better at math and science, come out better prepared for college or the work force. I do know that at a time of crisis, we have to take risks. We have to find out what might work, before we lose another generation. I support the amendment.

Mr. THURMOND. Mr. President, I rise today in support of the amendment offered by the distinguished Senator from Utah, Senator HATCH.

As has previously been mentioned, this amendment would authorize $30 million to create up to six school choice demonstration projects nationwide. It would enable moderate- and low-income parents to select the schools—public or private—to which they wish to send their children. Under the amendment, grants would be awarded to pay the costs of providing education certificates to low-income parents to pay the tuition and fees for the school that is chosen by the parents. In addition, the certificate may also cover the reasonable costs of transportation.

Mr. President, according to recent polls, a majority of Americans support the concept of choice in schools. A May 1991 Gallup poll found that 51 percent of Americans 18 years and older support a "program which would allow parents to send their children to the public, parochial, or private school of their choice and use State and local tax dollars to pay for all or part of it." This represented an increase of 7 percent from a similar poll conducted in 1987. The Wall Street Journal and NBC News also conducted a poll on this matter last year. In that poll, 56 percent of registered voters favored giving parents tax credits or vouchers for tuition at the public or private school of their choice.

In closing, the Hatch amendment puts decisionmaking in the hands of parents—where it should be. This amendment is narrowly tailored and would provide this country with a clear measure of the workability of school choice programs.

Accordingly, I am pleased to offer my strong support.

Ms. MIKULSKI. Mr. President, our school system is in big trouble. And I could not agree more with the basic premise of this bill—that the best solutions to the problems schools are facing come from the local level, not the Federal Government.

That is why I support S. 2. It encourages innovative flexible ideas to improve our educational system. And it creates expectations that schools must be willing to meet in educating our children. It holds schools accountable for reaching goals that will keep this country competitive in today's world. And it provides more support for programs we know are working, like Head Start and Chapter 1.

My own State of Maryland has an innovative education reform plan called Schools for Success. The support that Maryland will get from S. 2 will allow them to implement this plan, aimed at comprehensive school improvement and reform.

If S. 2 is fully funded, Maryland will receive $13.8 million. This will allow the State to set up more regional staff development centers, award challenge grants to schools to develop annual improvement plans, and strengthen the Maryland School Performance Program. My State needs this help.

Mr. President, I know that there has been a lot of discussion about the role of parochial schools in this bill. I am pleased that there are a number of ways in which private schools and the Federal Government have formed a partnership to improve the services they provide. These are programs where the church-State relationship has been established by court decision and by policy.

Parochial school students can get help through some of the best education programs in this country—the ones we know work. These include Head Start, Chapter 1, Chapter 2, Follow-Through, Math and Science Education, and a number of others, including the School Lunch Program.

We also provide help for parochial schools to clean up their asbestos problems so the air their students breathe at school will be safe. I am proud to say that as chair of the Appropriations Subcommittee that funds EPA, I have provided $160 million for this program in the last 3 years, though the President always cuts this program out of his budget proposal. Many Catholic and other nonpublic schools have been helped by this program.

Mr. President, I would like to say a few words about religious day schools, and the absolutely crucial role they play in our educational system, particularly our inner city neighborhoods.

Mr. President, I am a very proud product of Catholic schools. From elementary school to college I went to Catholic schools. And so I will speak from the heart.

I would not have traded my experience for anything. Everything I am today, I owe in some measure to the Catholic schools I attended and the sisters who taught me.

These sisters were terrific role models. They encouraged me to take chances, to think, to analyze, and to form my own opinions. I learned to speak up and to speak out, and I built confidence in myself as a person and as a leader.

And the values I learned in these schools have stayed with me all my life.

What are the secrets to the success of these schools? They treated all students the same. They assumed all students could learn. They expected all students, rich or poor, to try their best, to work their hardest, and to succeed.

Mr. President, I know this is true of many religious day schools. I have talked about Catholic schools specifically because that is my own experience, but I know of many fine religious day schools in my own State that create the same excellent environment that my schools did for me.

I would like to enter into the RECORD at the conclusion of my remarks a fine article from the Evening Sun in Baltimore. Although this article mainly addresses what Catholic schools offer to disadvantaged students, I believe it captures the best of what Catholic schools have to offer all their students.

As much as I support the tremendous contribution that religious day schools have made to our educational system, I am greatly concerned about the increasing public disinvestment in our public schools. For this reason, Mr. President, I cannot support any amendment that will take money away from our public schools.

In closing, Mr. President, I am pleased to support the bill we are considering today, and I commend the Senator from Massachusetts for all his hard work. I hope we can pass this bill soon, and add some fuel to the fire we must light under the educational system in this country.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Evening Sun, Oct. 17, 1991]

THE ASCENDANCY OF BLACK CATHOLICS

(By Seymour P. Lachman and Barry A. Kosmin)

Clarence Thomas says the nuns who taught in his parochial school in Savannah, Ga., gave him advantages that many of his white and black peers did not have—a sense of self-respect, discipline and learning that gave him a chance of success denied to many others.

Thomas' rise to the Supreme Court illustrates the remarkable educational achievements of the 2.4 million black Catholics, a minority within a minority.

The City University of New York's national survey of religious identification substantiates this phenomenon.

These achievements—graduating from high school and college—are greater than those of other blacks, equal to those of other Catholics and higher than the overall American average regardless of race.

The 1990 survey, in which 113,000 Americans were interviewed, shows black Catholics are more likely than all Americans to complete high school and college.

Among the respondents, only 18 percent of black Catholics dropped out of high school compared with 31 percent for the total black population and 21 percent for the overall white population.

Nine percent of black Americans are Catholic. The majority of blacks identify with Baptist churches and other Protestant denominations.

Two percent are Moslem and 6 percent say they have no religious affiliation.

Scholarly literature and the survey's data show that in the last 50 years the graduation rate from high school and college of white Catholics has surpassed that of all whites.

The survey showed that the graduation rate of black Catholics now parallels that of white Catholics.

Our date show that black Catholics are 40 percent more likely to graduate from college than other black Americans.

In the 40-to-59-year-old age group 26 percent of black Catholics, 25 percent of white Catholics, 24 percent of all whites and 15 percent of all blacks are college graduates.

Variations in employment and income appears to reflect these educational differences.

Black Catholics are more likely to be employed full time than blacks as a whole (66 percent to 55 percent).

And black Catholics have 50 percent more households earnings more than $50,000 a year than the rest of the black population.

Black Catholics' annual median income is $21,800 and white Catholics' median income is $29,100, so parallel education achievements are not yet reflected in comparable income.

What accounts for this extraordinary difference in the black community?

Thomas recalls that the nuns in his "strict" school were "adamant that I make something of myself." His experience is not unique.

Regardless of their religion, many families who want to overcome the problems of poverty and to integrate themselves into mainstream America enroll their children in Catholic schools.

Thus, about 70 percent of the students enrolled in Harlem's parochial schools are Protestant.

In 1980 and 1981, researchers at the National Opinion Research Center at the University of Chicago found that Catholic-school students from disadvantaged backgrounds, including minorities and parents with limited education, fared better than public-school students of similar background.

One reason why Catholic schools often enable their students to overcome class and racial handicaps is that they expect and reward academic diligence and personal development. Many people believe that the traditional values they teach help in the struggle against many social ills affecting inner-city youth.

Catholic schools do something not usually found in most public and private schools. They teach the rich, the middle class and the poor the same way with the same curriculum and thus provide a framework for uniform accomplishment.

Not all students succeed in Catholic schools, but the successes are numerous and noteworthy.

The big question is, what can the public schools, which enroll most American blacks, including the desperately poor, learn from all this?

(Seymour P. Lachman is university dean of the City University of New York. Barry A. Kosmin directs the CUNY graduate school's national survey of religious identification.)

• **Mr. GORTON.** Mr. President, one of the most radical provisions of America 2000, the President's education reform bill, is the concept of school choice. This idea is not radical at all, but fundamental to achieving the accountability and competition necessary to improve American education. It is feared only by those who have something to lose: Prehistoric bureaucracies and professional special interests stifled by years of dependence on taxpayer dollars. It is desired by those with everything to gain: Innovative schools, teachers, parents, and communities who want the best for today's students.

The same special interests who opposed intradistrict public school choice in my State of Washington 2 years ago, now vigorously oppose this small demonstration program. The same charges of school closures, discrimination, and elitism were heard then as they are today. However, in Washington State, intradistrict choice has been a success. It was a move in the right direction. This demonstration program goes farther by allowing private school vouchers as well.

The Hatch amendment allows middle- and low-income families the same choices that wealthy families have. The amendment would provide a 3-year demonstration of programs to provide financial assistance to low-income parents so they can choose a public or private school for their children.

This amendment calls for a demonstration project at up to six sites, at $30 million per year. Grantees shall place a priority for the demonstration on the 20 percent of school districts in their State with the highest number of children from low-income families. Children participating in the demonstration would continue their eligibility for chapter 1 services.

The Hatch amendment would put the decision of where funds go in the hands of parents, not churches or State authority. They would be constitutionally neutral as to religious-affiliated schools, neither favoring them, nor discriminating against them.

Mr. President, the next time we hear from the Democrats that the GOP is the party of the rich, and I am sure we will this election year, let us remember who is opposing this amendment to empower low-income families. Let us remember that it is a Republican President who is advocating this progressive concept to improve the opportunities for poorer Americans. Let's remember that it is the Democrats, and their special interests, who want to maintain the status quo. Let us remember who wants business as usual as our children are at risk. The Democrats so-called education reform is just another reminder to the American taxpayer that the Democrats do not trust them to make their own decisions.

This amendment is critical to the ultimate success of America 2000. I urge my colleagues to support the Hatch School Choice Demonstration Project Amendment.

NO PUBLIC FUNDS FOR NONPUBLIC SCHOOLS

Mr. HOLLINGS. Mr. President, 30 years ago I was an education Governor and now I am an education Senator. Today I am deeply concerned that the administration and some of our colleagues will offer amendments to begin to spend public money to fund the operation of nonpublic schools. The people want school improvement—there is a deep concern and worry out there; it does not take a poll to tell us that. But I just cannot believe they want to use funds for the public school system, which has given so many of us opportunities in life, and begin to spread them out in an open-ended funding responsibility to private and religious schools as well.

Mr. President, the worry over education out in the land does have to do with choice. I think people are worried about the choices their public representatives have been making. We have chosen for 10 years not to provide for the public, but instead to provide for the purveyors of junk bonds and wearers of golden parachutes. Federal funds for elementary and secondary schools children have declined 15 percent, when adjusted for inflation. Head Start is funded for only 32 percent of the eligible children. These are the choices we have made.

Now there is a proposal to offer a phoney choice to America's parents: If your public school is inadequate, or your child is one of the 68 percent who needed Head Start, but didn't get it, you may give that child a voucher to compete with all others in the marketplace. If a school refuses to take your child's voucher because he or she doesn't fit their profile, then maybe you did not exercise your choice vigorously enough. If your child has a learning disability—in the year after we passed the Americans With Disabilities Act—and the school will not take your voucher, then just exercise your choice to hunt for someone who will take him or her in. It is not our fault—it is your choice. Thus the choice is artfully shifted from the representatives elected to work for the public good to the parents trying to make ends meet.

Mr. President, I am not making idle talk on this subject; public and private schools have quite a different mission and mode of operation. A 1985 survey found that 12 percent of Catholic high schools always require a recommendation from the student's pastor to be admitted. Seventy-one percent require an entrance test. Eighty percent require successful completion of the previous year of school. Mr. President, what public school requires a recommendation from a pastor? What will we do with the children held back 1 year? It is neither the public duty nor the public's interest turn them away and give up.

Mr. President, we have a duty to the public to provide good public schools.

Likewise, we have a duty to the private schools, and that is to leave them alone. But in this debate, the administration and our colleagues are arguing that we have a duty to fund private schools. Wrong. Government has one duty, and that duty is the public schools. That is where Federal dollars should go. I sit on the Appropriations Committee, and I can assure now also begin funding the private schools.

In case anyone has not noticed, the States, which have the responsibility for providing public education, also are in desperate budgetary straits. As of December 19, 1991, here was the situation in several of our States:

Alaska projects a $326 million deficit.

Arkansas cut spending $25 million to meet a shortfall.

California reports the largest deficit ever: $1.34 billion—and this after huge cuts and tax increases.

Colorado reports a $180 million shortfall.

Connecticut reports a "specter of chaos."

Delaware is seeking $40 million in cuts.

Florida reports a $622 million shortfall.

Georgia projects a $100 million shortfall.

Illinois reports a $520 million "budget bombshell" shortfall.

Kentucky Governor Wilkinson already cut $155 million.

Louisiana's new Governor Edwin Edwards faces a $962 million deficit.

Maryland reports an $800 million deficit.

Minnesota must dip into its reserve because of a $291 million deficit.

Nebraska reports a "property tax crisis."

Nevada faces a $50 million shortfall.

New Jersey reported a $700 million deficit and possible tax repeal.

New York: is expecting $3.6 billion deficit next year.

North Carolina reports a $1.25 billion two-year deficit.

Ohio reports a $440 million shortfall.

Oregon reports a $1 billion shortfall by 1993.

Rhode Island faces a $51 million shortfall now and a $203 million shortfall next year.

Washington Governor Gardner proposed raising taxes $40 million and cutting spending $560 million.

Wyoming Governor Sullivan recommended $34 million in new taxes and $9 million in education cuts.

Mr. President, these snapshots of overall State budgets do not tell the whole story. Within each State, there are pockets of distress that would break your heart. Twenty years ago I toured the low country of South Carolina and found houses without plumbing and families without food. I wrote a book called The Case Against Hunger. Today Jonathan Kozol has gone into the destitute public schools of this country and come out with a book, Savage Inequalities. It tells a similiar tale about the great resources of this country and how we have placed terrible limits on America's future by failing to provide the most basic necessities—especially in the field of education. The contrasts Kozol draws between public schools in wealthy districts and in poor districts show clearly what can be done and what is lacking.

With respect to choice, Mr. Kozol says the following:

> * * * choice plans of the kind the White House has proposed threaten to compound the present fact of racial segregation with the added injury of caste discrimination, further isolating those who, like the kids at Hillard Homes [a public housing project in Chicago], have been forever, as it seems, consigned to places nobody would choose if he had any choice at all.

The fact is that this voucher amendment will add one more fight for the parents of the inner city, the rural areas, and the less wealthy neighborhoods. They will compete with the newly-subsidized private school parent for Federal funds. We will be asked to increase the voucher. We will be counting votes on the floor and making compromises in appropriations. We will know that the voucher parents have the full support of their private schools—active parents, with funds, asking for higher vouchers: Has anyone in this body ever heard a doctor ask for higher Medicare reimbursements?

This increasing pressure will then compete with scarce funds against programs for which we have never done justice. Now we serve 32 percent of eligible Head Start children. We serve 59 percent of eligible WIC children and pregnant women. School readiness is the President's No. 1 education goal, but we are asked to fund the private schools which may not even admit these children instead of proven school readiness programs that will give them the best chance in life. Our States are in desperate shape—like our Federal Government—and are making cuts in some cases, and now we are asked to add the new burden and solemn responsibility of private school funding.

Furthermore, we do not want the same religious lobby that is concerning some Senators here today to be on the doorstep of the Appropriations Committee every year asking for school funding in their own interest. Every year I hear from religious groups on behalf of the needy, the homeless, and that is fine. I trust their words and thank them for it. But today we hear that a private school voucher program will be held constitutional by the current Supreme Court. I would only point out that the lobbying of religious groups for their own funding today—when no funds are yet available—is a hushed whisper next to what will follow with millions of new taxpayer dollars available. We will find ourselves considering each Senator, and what the various religious populations are in his or her State as we struggle to allocate funds fairly. And it is exactly that kind of pressure, and the sectarian fighting among Americans of different religions for dollars, that the Constitution tries to prevent. We are told that someone has worked out a way to jump through the legal hoops that protect our first amendment and our public schools; let us not miss the constitutional forest for a few legal trees. I say we must open our eyes to the clear and present danger we must guard against.

With my focus on the choices made in this body, someone will tell me that I just do not have faith in the poor parent to provide. But I know the hard-working parent and the child are quite capable. Innocence, inteligence, and ambition are meeted equally to the children. It is the resources that are not equal. In short, with education, markets and laissez faire do not fulfill the common responsibility.

I know I will also hear that I am afraid of innovation. Mr. President, I do not know how choice can be considered innovation. We tried it in Alum Rock, CA, with vouchers from 1972 to 1976. The major finding was that parents made little change in where they sent their children, and there is little evidence of any education improvement.

We tried choice in Minnesota through open enrollment. Less than 1 percent of parents participated.

We are trying choice in Milwaukee. Sixty thousand children were eligible, but only 341 enrolled and 249 made it through the year. One hundred fifty-five of these returned to begin this year. Sixty-three of these were dumped in the middle of the school year. The school—the Juanita Virgil Academy—had been a religious school, but applied for public money with the intention of providing nonreligious schooling. Then the parents who had chosen religious education were upset. Finally, the public school children were sent back to the public schools—minus their $2500 voucher—and the school closed with financial troubles. When have you ever heard such a tale about a public school? And all of the Milwaukee private schools participating received a waiver from the Individuals with Disabilities Education Act. We just finished passing the Americans With Disabilities Act, but we will abandon the young ones in education.

Mr. President, if this is innovation, I don't want it.

I much prefer the real innovation going on in South Carolina today. In South Carolina, we have a Center for the Advancement of Teaching and School Leadership. Ms. Barbara Gottesman oversees the use of $600,000, and is charged with giving technical assistance, assessing, and disseminating the results of 70 school restructuring projects across the State. Here are just a few examples:

At Conway Middle School, Principal Gil Stefanides has cooperated with teachers to institute whole language learning and writing across the curriculum. For instance, students study "Charlotte's Web" in English and study a related lesson in every other subject, such as spider webs in science. Students write essays in each subject drawing all classes together. Also, in a radical restructuring move, teachers help design teacher-evaluations, help conduct the evaluation, and help hire new teachers. These teachers are treated somewhat like college faculty, and the students are challenged with higher order, creative learning.

At Fort Mill Middle School, Principal Julia Gregory has set up meetings of teachers three times a week to plan curricula and handle discipline. Teachers work together to handle discipline problems, and children are referred to a designated discipline specialist rather than the principal. This leaves the principal with more time for effective administration. Teachers also have flexibility to schedule planning times.

At McCants Middle in Anderson, Principal Melvin Poore has established a lead teacher program which gives one teacher responsibility for problem solving and discipline. As teachers rotate in this spot, others have more time to plan lessons. And all teachers get broader experience in the schools, and the schools benefit from all of their talents.

At Mid-Carolina Middle School in Newberry County, each teacher acts as advisor for 10 to 15 kids. this means that, rather than having guidance counselors alone struggle to put out fires among hundreds of children, each child has someone responsible for keeping track of them from week to week. These teachers do not take the place of guidance counselors, but they do place responsibility for each child.

At Morningside Middle in N. Charleston, one of the poorest areas, South Carolina Teacher of the Year Jeanne Sink has made an incredible impact. With her assistance, every student has an electronic mail computer link to a student in England. Students talk to English children daily, and write essays on the differences between their lives and those of English students. Grades for many of these children have risen from solid D's last year to B's and C's this year. One child said "this is the first time in my life I feel like I can make it."

At Swansea High in Swansea, Principal Valerie Truesdale lets teams of teachers help design the curriculum. Swansea High includes a new tech prep program which ensures that both college bound and noncollege bound students graduate up-to-date on the use of technology.

At J.L. Mann High, a large high school in Greenville, Principal Fred Crawford has established a college-style course schedule. Most classes meet for 2 hours, several times a week, though the time is adjusted as appropriate for the subject.

At Marshall Elementary in Orangeburg, Principal Dr. Gerald Runager paid for travel and coursework so that one teacher could become an expert in cooperative learning and philosophy for third grade students. Instead of bringing in a trainer, he now has his own expert who can train other teachers, thus saving money in the long run.

At Keels Elementary in Richland, Principal Shirley Henderson has established interactive video disc as the key element in the science curriculum. State regulations were changed to allow this medium instead of a textbook.

All of these schools are connected through an electronic mail system at Clemson University. Teachers were reluctant at first to use the system, but after teachers in nine groups have been cycled through training, many are amazed at the ease with which they can communicate around the State. This allows teachers to share information about successful projects and problem solving, and it has turned many teachers on to computers for the first time.

Mr. President, my State is strapped for funds. But in this program it is experimenting with real reform and getting its money's worth. We have had choice repeatedly fail to produce academic improvement, and States are free to try again. And private school choice will invite religious entanglement and remove any oversight and direction over taxpayer dollars. Let us agree to fully fund working programs, and step the nonsense about eroding the public school system or pretending that no sensible reform is occurring.

Mr. President, free public education has been an essential American government policy commitment. Let us not find an excuse in choice for the state of the public schools that are not delivering what American children deserve. Instead, let us do what is right and fully fund working programs that give children a better life.

Mr. ADAMS. Mr. President, I have received letters from people in Spokane, Tacoma, Yakima, Vancouver, and other cities and towns in Washington State asking me to oppose any amendment that diverts Federal funds to private schools.

I will oppose this amendment because it would undermine public schools. I oppose it because it would eliminate equal education in this Nation. I also oppose it because, as a member of the Appropriations Committee, I know just how few Federal dollars there are for education.

We simply do not have enough Federal money to begin supporting privately controlled, owned, and operated schools. We do not even know if Senator HATCH's proposal will improve the education of the few students who will be selected by private schools. We do know that private schools do not have the same public accountability under all of the civil rights laws, health and safety laws, and under teacher quality guidelines.

In Washington State, many education programs have lost money because of State budget shortfalls. This $30 million amendment will do nothing to help public schools who will be hurt by such budget cuts.

Let me tell you some of the programs that have been hurt. Drug/alcohol abuse, highly capable students programs, professional development centers, academic vocational education, small school grants, magnet schools, low-income student tutors, and many more.

Senator HATCH's amendment will hurt children in my State. Senator HATCH's private school vouchers will not increase achievement for students who do not receive a voucher. It will not help prevent drug and alcohol abuse by public school students. It will not help public schoolteachers do a better job.

Senator HATCH'S amendment would provide Federal funds to religious schools. But by the time the Supreme Court decides a case about the separation of church and State in education, the money will already have been spent by the private, parochial schools. My State's constitution goes even further than the Federal Constitution. It prohibits any sectarian controlled or influenced schools from receiving public funds.

Let's look at a city-funded example of private school vouchers. In Milwaukee, only a few of the eligible private schools even wanted to accept voucher students. One private school that participated in the program collapsed in the middle of the school year. Sixty-five students had to be reenrolled in public schools. They lost valuable time without a school, without a teacher, without any education at all. That same school was attacked by non-voucher parents for discontinuing bible study classes.

In November 1991, Portsmouth, NH, held a referendum to provide private school vouchers and it failed by a 5-to-1 margin. Clearly, when put to the voters, Americans do not want their tax dollars used for private school vouchers.

Using Federal taxpayer dollars to pay for children to attend private schools is essentially double taxation. Each citizen will pay for public and private schools. But only public schools must take all of our children.

This amendment rushes the Federal Government headlong into an area of education where it should not be. I strongly urge my colleagues to oppose it.

The PRESIDING OFFICER. All time having expired, the question now is on agreeing to amendment No. 1476. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arizona [Mr. DECONCINI], the

Senator from Iowa [Mr. HARKIN], and the Senator from Nebraska [Mr. KERREY], are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND], the Senator from New York [Mr. D'AMATO], the Senator from Utah [Mr. GARN], and the Senator from Washington [Mr. GORTON], are necessarily absent

I further announce that, if present and voting, the Senator from New York [Mr. D'AMATO], the Senator from Utah [Mr. GARN], and the Senator from Washington [Mr. GORTON] would vote "yea."

The result was announced—yeas 36, nays 57, as follows:

[Rollcall Vote No. 5 Leg.]

YEAS—36

Bradley
Breaux
Brown
Coats
Cochran
Craig
Danforth
Dole
Domenici
Durenberger
Gramm
Grassley
Hatch
Helms
Kassebaum
Kasten
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Stevens
Symms
Thurmond
Wallop
Warner

NAYS—57

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Cohen
Conrad
Cranston
Daschle
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Pryor
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Wellstone
Wirth
Wofford

NOT VOTING—7

Bond
D'Amato
DeConcini
Garn
Gorton
Harkin
Kerrey

So the amendment (No. 1476) was rejected.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SMITH. Mr. President, I have heard much concern voiced by various Presidential primary candidates up in my home State of New Hampshire about our Nation's competitiveness. Well, competitiveness in the world market begins with competitiveness in our schools. It is no coincidence that as we fall behind the Japanese in the quality of our education, we fall behind in the quality of our automobiles and consumer electronics. If we are to maintain our position as a world leader, we must encourage change in our schools.

As a former high school teacher and school board chairman, I understand the value of local control over the schools. I also understand the frustration schools suffer at the hands of the crushing Federal bureaucracy. Educators who attempt to find innovative methods of teaching their students frequently find their hands tied by suffocating rules and regulations. I was, therefore, disappointed to see what came out of the Labor and Human Resources Committee as a so-called education overhaul bill. The bill as reported did nothing to encourage needed change; it would have merely upheld the status quo. However, we have had a few days of constructive debate on S. 2, and I am pleased that we have had bipartisan agreement on two items that I consider crucial to the future of our schools, the New American Schools initiative and the Hatfield regulatory flexibility amendment.

I supported both of these amendments because I believe they represent departures from the conventional thinking on educational improvement that has given us years of little progress. Already, several communities in my own State have started formulating plans for New American Schools that signify a sincere willingness to break the mold and form innovative schools that can prepare our students for the challenges before them. In addition, I believe that allowing the Secretary of Education to waive regulations in return for holding schools accountable to higher standards will soon give rise to several new and creative approaches to education.

Unfortunately, the Senate has missed an opportunity to foster even greater change by rejecting the Hatch amendment, which I cosponsored. I believe that we need to develop programs on a local level to allow parents to choose where to send their children to school. Today, only the well-off are allowed that choice; those that cannot afford to send their children to a private school must accept what the public education system gives them. We should extend the opportunity to choose an education to all Americans. In doing so, our public schools would be held directly accountable to their consumers, and I believe that such accountability should be an integral component of any attempt to improve our schools. I hope that the Senate will have an opportunity to revisit this issue in the future.

Mr. MURKOWSKI. Mr. President, judging from the unanimous outcome of the cloture vote on S. 2 earlier this week, there can be no question that the Senate is ready and willing to deal with the problems facing our education system. Members from both sides of the aisle, regardless of their views, voted to allow education reform to be brought up and debated on the Senate floor.

We must make this debate meaningful one. This is not about which side wins, this is about how we can put into motion initiatives that will truly allow change in a system that we all agree is not producing the quality of education we think our children deserve.

Our challenge is not to undermine our public education system but to redefine it.

PROBLEMS IN EDUCATION

Mr. President, we spent 33 percent more per pupil in 1991 than we did in 1981 but Scholastic Aptitude Test [SAT] scores have steadily dropped from a mean score of 948 in 1970 to 900 last year.

Some 15,571,000 new jobs created between 1985 and 2000 require solid reading and writing skills. But only 22 percent of the workers entering the job market today have the skills for those jobs.

Department of Education numbers show that 2,455,000 students graduated in 1989 but 943,000 students dropped out in the same year.

Thirty percent of adults polled in a recent Department of Education study think that public schools were worse in 1990 than in 1985; 69 percent of adults would give U.S. public schools a grade of C, D, or F; 92 percent of adults polled believe local school quality would be improved by more parental involvement in what is taught and the way schools are run.

BOLD SOLUTIONS

These are the kind of statistics that brought us here to put into motion programs to solve these problems. The state of our education system, the threat to our international competitiveness, the high level of interest in methods of reform on the part of all of our constituents just cries out for bold action. Not the status quo, not simply more money but better, alternative, innovative ways to spend our money. Ways to implement new ideas with more efficient use of our money. We need every tool available to us.

I cosponsored the President's Excellence in Education Act, S. 1141, for just that reason—it offers real avenues and incentives to break from the norm and try new solutions. The President offered us a national challenge: he has asked us to try some different and innovative methods of teaching to push up and out the parameters of our existing education system.

S. 2 offers us $850 million doled out to school districts to use as they see fit. I believe existing school districts have some great ideas about how to improve our education system. They have the kind of intimate knowledge about the inadequacies and successes of the system that is a necessary part of education reform. But why stop there? Why not include other ways and opportunities and incentives to try out alternative methods?

COCHRAN AMENDMENT

We have taken some steps toward improving S. 2. Unanimous acceptance of

Senator COCHRAN's amendment to offer seed money to create break the mold New American Schools was a necessary and positive addition. In conjunction with the New American Schools Development Corp., these schools can really reexamine every aspect of education from curriculum to community resources. This is the kind of bold action that justifies education reform.

HATFIELD AMENDMENT

Senator HATFIELD's regulatory flexibility amendment was also a necessary and positive addition to S. 2. If we want real education reform, we have to be prepared to allow some of the old rules to be set aside. We must reduce the layers and layers of regulation that have hampered our education system and weed out those that have outgrown their purpose.

HATCH AMENDMENT

To make S. 2 a true reform bill it must contain the President's parental choice program. Senator HATCH has offered this program as an amendment which I strongly support. This demonstration program would provide low-income families with real choices to educate their children and remove the obstacles to their taking advantage of those choices. It levels the playing field for the poorer children. Middle-class and wealthier families already enjoy full school choice. If they are not happy with their children's school they move to a district with better public schools or enroll their children in private schools.

This demonstration program won't work everywhere. The purpose of the Hatch amendment is to see what happens—see where it can make a difference. Why should we limit ourselves? This is the type of program we should be experimenting with. Let's see what happens. Let us not preclude the use of an available and potentially valuable tool. I find it curious that a program that would offer so much—an idea that should be given the opportunity to be proved or disproved—is missing from S. 2. I think it exemplifies the different messages that S. 2 and the President's legislation are sending to the American people.

CONCLUSION

The President's initiative, America 2000, has already been welcomed into 30 States. This Nation is ready to put in the work required to make our education system worthy of the challenges ahead. We have a good start on enacting the kind of education reform that will be meaningful to those States and an incentive to those States yet to join.

Thank you, Mr. President.

CHARTERED PUBLIC SCHOOLS

Mr. LIEBERMAN. Mr. President, I am very pleased that the distinguished chairman of the Labor Committee has included in the committee amendment to S. 2 a provision which will allow States to use their set-aside funds for chartered public schools. I believe this amendment is a critical addition to the bill because it provides teachers, and parents with the encouragement and flexibility to create new and innovative public school models.

There is growing frustration that our public schools are not getting better fast enough. We are doing a lot of talking about reform but not enough reforming. This bill, the Neighborhood Schools Improvement Act, is important step in the right direction because it provides a substantial amount of money for public schools to embark on reform measures. With the addition of language allowing States to fund chartered public schools, the bill will also promote the creation of new and diverse public schools developed by those who know best what our children need to succeed and how to provide it, parents and teachers.

Legislation creating chartered public schools has been enacted in Minnesota, and is currently under study by the Connecticut General Assembly and in a number of other States and cities. The charter schools concept has also been outlined in legislation which Senator DURENBERGER and I have introduced. We believe the language in this legislation will allow States the flexibility to create new public schools which will be accountable to the parents, students, and the community.

Chartered schools are public schools. They cannot discriminate on the basis of race, religion, disability, or any other factor. They cannot charge tuition. They must be open to all students with no admissions criteria other than a lottery if all students cannot be accommodated. They must be nonsectarian in their programs, employment practices, and all other operations. These schools will, however, not be part of the existing public education structure. Each school which is chartered will enter into a separate performance-based contract with the chartering agency. The school's charters will be reviewed on a regular basis to ensure that they are meeting or exceeding the outcomes agreed upon in the charter.

Charter schools introduce an important aspect of choice and creativity into our national vision of public schools. These schools can be designed to meet the particular needs of a community or a group of students. As Theodore Sizer, chairman of the Coalition for Essential Schools has said:

> Good schools have to be attentive to their roles in their immediate communities and are very much the creatures of the particular people in them. If we were to visit Central Park East in Manhattan and then University Heights in the Bronx [two alternative schools], we'd see common commitments but quite different practices. The kids are different and the teachers are different and it is in those differences that excellence emerges. What we need is not more models to copy, but more examples to provoke us all.

Charter schools will provide us those examples, schools which are tailored to their communities and the needs of their students but all with a firm commitment to excellent outcomes.

Dr. Stephen C. Tracy, the superintendent of schools in New Milford, Connecticut has been the leader of efforts to enact charter schools legislation in CT. He now chairs a State legislative task force which is reviewing the charter schools concept. Explaining his interest in charter schools Stephen Tracy has said that we need to acknowledge "that the values of public education require new rules for schooling our children. The hour is late, and the stakes are high. It is time to give choice a chance." Charter schools will give teachers, parents and students a chance to choose how to structure their schools and ensure that they obtain the best education possible by promoting the development of new chartered public schools directly responsible to the governmental entity which chartered them, the students they educate and the parents who chose to send their children there. We must be willing to look at new rules for operating our public schools, we owe it to our children.

Mr. President, I have just spoken at length on which I support charter schools. My understanding is that under the committee amendment to S. 2 new chartered public schools such as those provided for under Minnesota law and under consideration in Connecticut and a number of other States could receive startup assistance from the funds set aside for State-level initiatives in section 202 of this legislation. Chartered public school programs which would be eligible under this provision are those established by groups of teachers, parents and community groups which enter into an outcomes-based contract with the State or locality empowered to enter into a charter agreement. Those schools must, of course, comply with the language in the bill stating that new public schools must be nonsectarian in their programs, admissions policies, employment practices, and all other operations and shall not be affiliated with a nonpublic sectarian school or religious institution. I would like to ask the manager of this bill, the distinguished Senator from Massachusetts, if I am correct in my understanding that these public chartered schools would be eligible for funding under section 202?

Mr. KENNEDY. Mr. President, I want to thank the Senator from Connecticut for raising the issue of chartered public schools. I am familiar with charter schools as enacted in Minnesota and under consideration in a number of other States, including Connecticut and Massachusetts, and I want to assure my colleague from Connecticut that the language of S. 2 which would allow States to set aside money to develop new public schools, includes nonsectarian chartered public schools as you have described.

Mr. LIEBERMAN. I thank the Senator for his interest in this issue and I want to reiterate that these chartered schools will be public schools, new and innovative public schools which could be created by a group of teachers, parents, or by a local community. Under section 202 of this bill a State could use these set-aside funds to create new public schools which are not part of the current public education system. The schools must be governed by principles of public education including no discrimination on the basis of race, religion, disability or other factors, no charging tuition, no selectivity in admissions, and must be nonsectarian in programs, employment practices and all other operations. I thank the chairman of the Labor Committee for working with us to include this language in the bill and for his interest in this area.

Mr. KENNEDY. As the Senator from Connecticut is aware, S. 2 is dedicated to promoting innovation in our public schools. Charter schools are one way to promote innovation and can make an important contribution to the improvement of our public schools.

Mr. LIEBERMAN. I thank the distinguished chairman. I am very pleased that the Neighborhood Schools Improvement Act will enable States to use set-aside funds to develop chartered public schools and I congratulate the chairman on sponsoring this legislation which will play a vital role in improving education in America.

AMENDMENT NO. 1474

Mr. HATFIELD. I would like to take this opportunity to insert two letters into the RECORD regarding my amendment to S. 2 on education flexibility which was adopted by the Senate earlier today.

I am grateful for the support of the National Governor's Association and the National Conference of State Legislators in this endeavor.

There being no objection, the letters were ordered to be printed in the RECORD, as follow:

NATIONAL CONFERENCE
OF STATE LEGISLATURES,
Washington, DC, January 22, 1992.

Hon. MARK HATFIELD,
U.S. Senate, Washington, DC.

DEAR SENATOR HATFIELD: On behalf of the National Conference of State Legislatures I write in support of and appreciation for your amendment to S. 2, the Neighborhood Schools Improvement Act, which seeks regulatory relief. Such a move on the part of the Congress and the Administration would underscore the seriousness of your efforts to assist states and school districts in the work of reform and restructuring with a focus on improved educational outcomes rather than regulatory obedience.

Because of the primary responsibility states and their legislatures have for education, NCSL has long supported the concept of federal educational assistance that establishes clear parameters of programmatic expectation and the flexibility to allow states to plan and design such a program to meet diverse needs, and then to be held accountable for that plan. That is the basis of your amendment along with continuing protections for the civil and constitutional rights of students, and we gladly support it.

We are grateful for your efforts in this matter.

Sincerely,

PATRICIA SKINNER,
Chair, New Hampshire House Education Committee, Chair, NCSL Education and Job Training Committee.

NATIONAL GOVERNORS ASSOCIATION,
Washington, DC, January 21, 1992.

Hon. MARK O. HATFIELD,
U.S. Senate, Washington, DC.

DEAR SENATOR HATFIELD: I write in support of your amendment to S. 2, the Neighborhood Schools Improvement Act, relating to regulatory flexibility. This amendment changes a serious problem known for years by Governors, local officials, and educators alike; many current federal programs are made cumbersome—even ineffective—by overregulation.

By contrast, with your regulatory flexibility amendment, the Secretary of Education could have waive most statutory and regulatory requirements in exchange for holding grantees accountable for achieving educational gains. The goal is to allow school personnel to focus their efforts on helping children, not interpreting federal regulations.

There are several other ways in which the amendment promotes important reforms that have been supported by the nation's Governors. For example, this amendment gives teachers and communities more flexibility in using $9 billion in assistance to elementary and secondary education. And because schools must be given flexibility to promote educational reforms that deal effectively with the increasingly diverse educational needs of its students, the amendment will give teachers, principals, and parents more authority—school by school—to make important decisions about how their school will operate.

Additionally, the amendment provides important protections. In particular, statutes and regulations that protect the civil rights of students (including protections against invasions of privacy), and those that apply to children with disabilities, will not be waived. For all of these reasons, the amendment should be favorably considered.

The nation's Governors are grateful for your efforts on regulatory relief.

Sincerely,

GOV. JOHN ASHCROFT,
Chairman.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be 30 minutes of debate equally divided and controlled in the usual form on the Hatch Chapter 1 amendment, with no amendments to the amendment in order; that at the conclusion or yielding back of time, the Senate, without any intervening action or debate, proceed to vote on or in relation to the Hatch amendment.

The PRESIDING OFFICER. Is there objection? Without objection, the unanimous-consent request propounded by the majority leader is agreed to.

Mr. MITCHELL. Mr. President, might I ask that during this debate in the next 30 minutes that staff of both sides, with the managers, get together and attempt to determine precisely how many amendments are left which will require debate and votes and to see if we can identify a time when we can complete action on those measures that will accommodate the largest number of Senators.

We are now confronted with three different requests. One group of Senators would like to terminate proceedings right now for the remainder of the evening. Another group would like to have no session tomorrow and a third group would like to have no session on Monday. We are trying to reconcile all three of those in a way that can permit us to complete action on this bill, and that, of course, will be difficult.

Mr. DOMENICI. You did not mention Tuesday.

Mr. MITCHELL. Those requests usually do not start until Friday. If the managers—and I think they are working in good faith and closely on this—can develop a list which will permit us to identify with some reasonable accuracy what amendments will actually require time, how much time, then perhaps we can reach an agreement that will accommodate the largest number of Senators and permit us to complete action on the bill at the earliest possible time.

Mr. President, I thank my colleagues for their cooperation.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, just following up on the majority leader's request, could I request 4 minutes evenly divided between Senator HATCH and myself, not to be counted on the next amendment?

The PRESIDING OFFICER. Is there objection to the request? The Chair hearing none, the request is agreed to.

Mr. KENNEDY. Mr. President, I thank all of our colleagues for the cooperation that they have given us. We have tried to work through amendments. We have a number of amendments and we have talked to the principal sponsors of the amendments. We are trying to cooperate with the majority leader who is trying to cooperate with everyone to try and find out the best way to proceed. So I hope that we can work with my friend from Utah and at least, if it is possible, indicate what remains to be done in terms of votes and time so that after the next vote we might be able to reach at least a procedure which would be satisfactory to the general membership.

Mr. HATCH. Mr. President, I am aware of 24 amendments on our side and I have asked our side to check and see how many of those we can get rid of, either by unanimous consent or withdrawal. Hopefully within the next half hour we will have a scaled-down list. But as of right now, there are a lot of amendments.—I suppose Senators feel all of them are very serious amendments. I do not know what to do other than to do the best I can to try to accommodate our colleagues.

Mr. KENNEDY. Mr. President, just to take the remaining time, I think all of us have been around here long enough to know that if we do not continue, then we will have another 24 amendments starting on Monday. So it would be my strong desire just to continue to work through these amendments until we can at least find some procedure for bringing at least some conclusion.

Mr. HATCH. Mr. President, I am prepared to work through the evening, if we have to, to consider these amendments. However, I would prefer to work out a unanimous-consent agreement and put over remaining amendments until next Tuesday. We can debate them tomorrow and Monday. By necessity I cannot be here tomorrow, but I think those who have amendments can argue them and we can stack these votes. Hopefully, we can cut down on the number of amendments. We will make every effort to do so.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate is not in order.

The Senator from Utah.

AMENDMENT NO. 1480

(Purpose: To amend the amount of grants received under chapter 1 of title I of the Elementary and Secondary Education Act of 1965)

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. AKAKA). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] for himself, Mr. GARN, and Mr. COATS, Mr. CRAIG, Mr. SYMMS, and Mr. NICKLES, proposes an amendment numbered 1480.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, in the table of contents, after the item relating to section 212 insert the following:

TITLE III—AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

Sec. 301. Amendments to the Elementary and Secondary Education Act of 1965.

On page 2, in the table of contents, redesignate the item relating to title III as the item relating to title IV.

On page 2, in the table of contents, redesignate the item relating to section 301 as the item relating to section 401.

On page 56, between lines 19 and 20, insert the following:

TITLE III—AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

SEC. 301. AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.

(a) SHORT TITLE.—This title may be cited as the "Educational Equity Act of 1991".

(b) AMOUNT OF GRANTS.—The Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.) is amended—

(1) in subparagraph (A) of section 1005(a)(2), by striking the second sentence and inserting "The amount determined under this sentence shall be the average per pupil expenditure in the United States."; and

(2) in each of sections 1201(b), 1221(c), and 1241(b), by striking "in the State (or (A) in the case where the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, of 80 percent of the average per pupil expenditure in the United States, or (B) in the case where the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, of 120 percent of the average per pupil expenditure in the United States)" and insert "in the United States".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 1992.

On page 56, line 20, strike "III" and insert "IV".

On page 56, line 21, strike "301" and insert "401".

Mr. HATCH. Mr. President, this is a very important amendment. It affects every State in the Union. It affects the allocation formula for every State. I have to apologize to some of my colleagues who are adversely affected by this amendment, but it is a fair amendment and 28 States benefit from it.

Mr. President, Utah has a proud heritage of support for public education. Utah citizens are above the national average in years of schooling completed. Our students are first in the Nation in the percent who pass advanced placement exams. Our residents make an above-average contribution to education in their taxes. Our school administration costs are among the lowest in the Nation. Our teachers instruct classes that are the largest in the Nation and serve at salaries less than the national average, but they continue to turn out successful students who will be strong and contributing citizens.

I am proud of our students, our teachers, our administrators, and all our fellow Utahns who work together to create a quality education for all our citizens. I am proud to work together with my colleagues in the Utah congressional delegation to support our State in its efforts to educate Utah children.

Today, I am offering an amendment to S. 2 to change the distribution of Federal funds to Utah and 27 other similarly affected States. While we seek to increase the funding that Utah receives on a per-student basis, funding that is vitally needed in our State, the change we are proposing in the often-used Chapter 1 formula is fundamentally fair for all States.

I have grown increasingly concerned over the distribution of Federal funds to our States. This problem has been made especially clear in the report on "Distribution of Federal Elementary-Secondary Education Grants Among the States." As you may know, this study is the result of a request made by Representative OWENS and me during the recent reauthorization of the Elementary and Secondary Education Act.

The low per-pupil funding in Federal funds in Utah is mainly a result of the tendency of Congress to use the Chapter 1 formula as the principal means of distributing funds in education. This formula is used to distribute funds to students who are educationally disadvantaged. Since we have never been able to identify nationally which students are educationally disadvantaged, we have agreed that an economically disadvantaged child tends to be an educationally disadvantaged child. Consequently, the formula for this program is based on the number of students who are found to be in poverty based on census data.

I strongly agree with the need to serve children who are educationally disadvantaged. I firmly believe that the strength of our country is based on a quality education for all our children.

However, I do have concerns about how frequently we use a formula designed for one purpose to serve other purposes. Our educational programs should have their own formulas geared to the purpose they are intended to fulfill. The Chapter 1 formula should be used only for programs which serve children who are educationally disadvantaged. It should not be used for math-science programs, teacher training, drug abuse prevention, or any other programs that are intended to assist students generally.

I am also concerned about two primary factors of the Chapter 1 formula. First, it uses census data that is always between 2 and 12 years old; and second, it incorporates State per-pupil expenditure as a determinant of how much money a State receives.

Mr. President, I cannot hear myself talk.

The PRESIDING OFFICER. The Senate is not in order. The Senate will be in order.

Mr. HATCH. Mr. President, I apologize to my colleagues, but this is really important. It is going to affect every State here. I do not want to do anything that is harmful to any State. I want to help every State in education. But this formula is a bad formula. The result of it is that the formula provides more money to States with high per-pupil expenditures. In other words, more money is allocated to rich States that can afford to help their students, while the poor States are bereft and left without money.

I do not know why a poverty formula gives more funds to poor children in a wealthy State than it gives to poor children in a poor State. This formula provides $1.50 to every poor child in Connecticut, which has the highest per capita income in the country, for every $1 we give to a poor child in Mississippi, which has the lowest per capita income.

The change I am proposing today will help solve the problem created by this second formula factor. I have reviewed a variety of methods for handling this problem and have concluded that the fairest and easiest approach is to simply remove the State per pupil expenditure from the formula and substitute the national per pupil expenditure. This means that once we have identified poor children, we will provide the same amount of money per child regardless of where they live.

Therefore, I am proposing this amendment, along with my senior Senate colleague, Senator GARN, and Senator COATS to make a change in the current Chapter 1 formula. I hope that we can take an even closer look at the Chapter 1 formula in the future as well as other education formulas to ensure that they distribute our Federal education dollars appropriately to all 50 States, based on the specific purpose of the program.

I would like to take just a minute to read a list of those 27 States that would benefit from this modest formula change: Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Hawaii, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Mississippi, Missouri, Montana, Nebraska, New Mexico, North Carolina, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington, and West Virginia.

In some States it makes no difference: Nevada, North Dakota, Vermont, and Wyoming.

Mr. President, this amendment deserves to pass. It is fair. It is weighted on national terms rather than individual State terms, where wealthy States get more money than States that are poor. I have to tell you, my State is at the bottom of the list, and it just is not right. We have more students in that State and we spend more money than you would ever believe possible, but we still are at the bottom of this list.

That is not the only reason I am offering this amendment. The formula as currently devised is unfair. Twenty-eight States will benefit from this. Unfortunately some of the other 22 States, will lose funds.

Mr. President, I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, I yield 3 minutes to the Senator from New York.

Mr. MOYNIHAN. Mr. President, this is an amendment which will not only kill the bill before us, but would put an end to Federal aid to education. I will say it again. This is a measure that will put an end to Federal aid to education.

When I came to Washington more than 30 years ago, one of the shining ideas in American governance was the idea that the Federal Government should start helping States, cities, and townships with school costs.

For years, first under President Kennedy and then under President Johnson, we were hung up on the issue of nonpublic schools. In 1964, Mr. President, I was one of those who negotiated the agreement on the Democratic platform that led to full support for Federal aid to education, as it was called. That platform was adopted in August. The election took place in November, and the Elementary and Secondary Education Act of 1965 was on President Johnson's desk in April. That is how anxious we were to go forward, and we found a formula based on the needs of children. That formula has been in place for a quarter century now.

This would destroy that formula, that rationale, that purpose. The Federal program will not survive. To take New Jersey, Pennsylvania, Rhode Island, Massachusetts, New York, to take out a fifth of their funding in one 30-minute amendment, is to ask those regions of the country that brought Federal aid to education to the Nation—it did not come, sir, from the far West, it did not come, sir, from the deep South; it came from our part of the country—to give up on this approach. To punish those parts of the country from which it came would mean to turn us irrevocably against the whole principle of Federal involvement.

I plead with the Senate. Do not do this. You are destroying the work of a generation after World War II which brought the Federal Government into the business of aiding schools through the principle of aiding poor children. That was our purpose, for children. That is what title I did. It is now chapter 1. To do this is to turn away from our whole history; it is to salvage one of the few achievements of the postwar American politics.

Thank you, sir.

Mr. KENNEDY. I yield 2 minutes to the Senator.

Mr. DURENBERGER. Mr. President, I rise to state my strong opposition to the amendment offered by the distinguished Senator from Utah to base the formula for distributing Chapter 1 funding on national average costs and expenditures rather than on per pupil expenditures in each individual State.

My State of Minnesota is adversely affected by the funding formula, but maybe in that there is also a message. My State is penalized because it spends a lot of money on elementary and secondary education and on Chapter 1 funding.

There are a number of Federal education programs which adapt the Chapter 1 formula to distribute funding for programs for vocational education, drug-free schools, migrant education, and a lot of other important National Government initiatives, including the legislation we are considering today.

So the true cost of this amendment to the schools and the schoolchildren is potentially much more than the $325 million shift that was mentioned here today. Why do all of the States lose money under the funding shift? Because they take the initiative to spend more money out of their own pockets than do the average States in this country.

Is it that kind of message we want to send the State through this legislation? We know we are in tough economic times; we know States are facing billions of dollars in spending cuts to balance their budget; we know the Chapter 1 program is already seriously underfunded; we know Chapter 1 students need more help and not less.

Mr. President, the spirit of the Senate this week is to improve schools, to create new schools, to add value to our Nation's economic system; not to take it away. America's schools and schoolchildren need more resources and new ideas, not fewer resources for a program that is already sadly underfunded.

On a more practical concern, I believe adoption of the amendment would seriously jeopardize eventual passage of this legislation and all of the advances that are included in it.

I look forward to working closely with my friend and colleague from Utah during the reauthorization next year, and, if he wants to debate the formula, there might be a more appropriate time to do it.

But I now urge my colleagues on both sides of the aisle to put the interest of all children in America first as they vote on this important amendment.

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts has 9½ minutes.

Mr. KENNEDY. I yield 2 minutes to the Senator from Rhode Island.

Mr. PELL. Mr. President, this amendment would make a major change in the formula for the Chapter 1—formerly title I—program which is our major elementary and secondary education program at the Federal level. It is something to which we should give thoughtful, careful consideration.

This is also something that should be considered only when the Elementary and Secondary Education Act comes up for reauthorization in 1993. At that time, I understand and anticipate that there will be questions about the formula that will be a subject of our reauthorization hearings.

As we put a reauthorization bill together, we will at that time consider not only the Hatch formula proposal, but a series of other proposals as well. In that regard, I can assure my colleague from Utah that his proposal will most definitely be on the table, and I will make every effort to fashion a formula accommodating the concerns that he has.

We have been able to accomplish this in past reauthorizations, and I hope we can in the future. I am convinced that we can put a formula together that does not divide us along partisan lines or produce rancor among Senators from the different States. That goal will not be easy to reach, but the Senator from Utah has our commitment to make every effort to accomplish that objective.

It is something, however, that should not be done on this bill or on the Senate floor in the way that is proposed It is something that should be a part of the ESEA reauthorization, and it should be a part of the bill that is put together by the Education Subcommittee and considered within that context.

I hope, therefore, that the amendment will not be adopted.

Mr. HATCH. Mr. President, this is not as difficult as people are making it out to be. To say that all the educational system is going to come down. That is poppycock. If you read what the Department of Education says in its special report entitled "Distribution of Elementary and Secondary Education Grants Among the States," it says:

> There is evidence that the per pupil expenditure factor is not a good proxy for the cost of education. The comparison with two other cost-related factors, average teacher salary and the average private sector wage, suggests that the expenditure factor systematically exaggerates the cost of education in the higher-income States and underestimates it in the lower-income States.

Mr. President, that is what we are talking about here. We have lower income States that get less from this formula than higher income States that are more capable of paying for education. Mississippi is at the bottom, so is Utah. We do not have high incomes in our States. We do everything we can in Utah for education but this formula really takes us apart.

Senator MOYNIHAN'S argument seems to be that we, in the northern part of the United States, created this formula and provided funding. Now, you in the South and West are trying to take it away from us. You did not create this formula. This change is going to hurt the Northeast.

I do not want to hurt any section. I want to be equitable. I want to be fair. I want to do what is right for the children of this country. If we are going to provide Federal funds, let us not weight it in favor of the wealthy States that can afford it, while the poor States get less per child.

It does not make sense to keep this current formula. Nearly everybody who looks at it admits it is wrong. I have raised it for years. Nobody gives a darn about it.

It is important. Money should be distributed equally to poor students, not on the basis of past history. This formula change will send equal money to poor children in every State. It will not send more money to poor children in wealthy States, and less money to poor children in poor States. This is a poverty formula. It should be fair.

I do not blame anybody that has money to lose for fighting this change. I realize people feel badly about it. However, I am fighting for poor children in poor States as well as poor children in wealthy States. It is not fair.

We have allowed the formula to go on and on. It has been an inequitable and unfair plan for years. I am not willing to do it anymore.

Twenty-eight States will be helped by this. Almost all of them poorer States, and in four other States it does not make any difference. I think it is time to change the formula. We ought to face this issue, and it is the time to do it.

Mr. GRAMM. Mr. President, will the Senator yield?

Mr. HATCH. I yield 2 minutes to the distinguished Senator from Texas.

Mr. GRAMM. Let me congratulate my dear friend from Utah for an excellent amendment. Every time we try to change a formula that is unfair to the part of the country that ends up losing under every formula written, somehow we are threatening the system, or somehow some committee somewhere is going to fix the problem.

Let me make it clear exactly what the Senator from Utah has proposed. What the Senator from Utah has proposed is to base the amount of money given to each State on the number of children living in poverty. So basically, a State will get money based on the number of poor children who need the help.

The problem with the existing formula is that States like Arkansas, Georgia, Mississippi, South Carolina, Texas, and other States that do not have high per-capita incomes, but that have a lot of poor people, end up being short-changed by the existing formula.

Now, if we wanted to work out a compromise, I could easily propose a compromise. If you want to get State effort relative to State income, take the State effort and divide it by a per capita income. Then, where we have a State that is relatively poor and is spending a lot of money on education, if you want to protect them, reward them. You could give those states a higher share. Under the current formula, clearly what happens, unless we are refighting the Civil War, is that Arkansas, Georgia, Louisiana, Mississippi, New Mexico, North Carolina, South Carolina, and Texas, are the States that are the losers. I cannot see why States like Texas ought to be discriminated against by high-income States.

So I hope my colleagues will support this amendment. Or, if in the spirit of compromise, they want to adjust for per-capita income in the formula to gauge the State's effort relative to its ability, which is a fair compromise, but not a concept I am in love with, then I would propose that we do that. We might set this amendment aside and see if we could work out a compromise.

The PRESIDING OFFICER. The time has expired.

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 4 minutes. I think we just have a typical example of what happens late at night when the Senator's description of the Hatch amendment is completely wrong.

So, it is interesting what Senator HATCH has proposed. In the bill that came out, we wanted to have a chapter 1. Senator HATCH said no. He said let us do it under chapter 2 and do it by population.

We said this is for disadvantaged children primarily. We accommodated population States.

The bill that is before us now has changed. What was initially introduced by the Democrats to include population as well as disadvantaged children, we tried that. And now he wants to change. Now he wants to change the chapter 1 formula. He never asked for a hearing, never asked for a hearing of Senator PELL or the chairman of this committee, never asked for that hearing. We have not had a hearing. We have not had a request.

He is not here to represent that the administration has made such a request, and here is 1983. Let me read what the Senator from Utah said when we had another example of someone who wanted a change. This is June 15.

In this key formula "Chapter 1 * * *" competing interests and needs must be carefully balanced to give the fairest results for all, and especially for the disadvantaged children served by the program. This can only occur through deliberate and thorough consideration in committee of this and alternative changes to arrive at the best one. Occasions for the restructuring of this formula come rarely,* * *"

We could have others. They do. It has been 17 years. "* * * and we have no excuse for not taking the time to make sure the version we pass is the very best and most equitable."

He goes on. "It is ridiculous to believe that the just balancing of interests, the resolution of conflicting claims of equity and injustice, can be accomplished by a few minutes' discussion on the floor of the Senate. Instead, without on the spot being able to get to the bottom of the claims to be made for and against this and the substitute amendments, we will today, by-and-large simply vote our pocketbooks. Is this the type of reflection we owe these disadvantaged children?"

I just heard a few minutes ago on the last amendment all about disadvantaged children, and now ORRIN HATCH saying in 1993 Utah is going to benefit. We grant you that, but, I say to ORRIN HATCH, is this the type of reflection we owe these disadvantaged children?

We have had 30 minutes debate late, no notice, in terms of the nature of the change. We have been, on our side, been 5 hours with the administration trying to work out the Cochran and Kassebaum amendment, which we are able to do on the other kind of amendments here today, that we are able to try to do. And we are asked in 30 minutes to change something that has been in 17 years.

I say to the Senator we will give him the hearings, all the hearings he wants on this issue. But let us not ask the Senate of the United States tonight on something that is as important to disadvantaged children as title 1, to be changed, particularly after we aired it at his request in this bill the Chapter 2 proposal that gives the distribution of funding solely on population that was going to help Utah.

We went halfway with him and now he is asking to undermine one of the most basic and fundamental and successful programs. I hope that this amendment will be defeated.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, all the shouting in the world is not going to change the fact that poor kids are hurt by the current formula. All the shouting in the world or reminders of the need for committee hearings are not going to help those kids.

This formula change will send equal money to poor children in every State unlike the current formula. My amendment will do that. It will not send more money to poor children in wealthy States like the current formula does, and less money to poor children in poor States.

This is a poverty formula. We have brought it up many times in committee. We have brought it up behind the scenes. We have brought it up among staff and I brought it up last March, when I introduced the bill containing the same provisions. This is not the first time anyone has seen it. Everybody here has known this was going to come up today.

A lot of my colleagues are upset because it does affect their States adversely. But a lot of my colleagues are happy because they are finally seeing a change that is equitable and fair. Look, I do not blame some of the States in the Northeast. Some of them are those who inequitably benefit from the current formula. New York loses quite a bit of money on this thing. But why should the wealthy States' children have all the advantages over the poor States with poor children? It just does not make sense.

This is not something new or something that is difficult to understand. My goodness gracious, it just says that money should be distributed equally among poor students. It bothers me that some of these Senators from the wealthier States do not see this. Some of the people around here who have the greatest reputations for trying to do what is right for everybody cannot see this on this formula.

"Won't" see it is a better word.

I am not mad at anybody. I just think it is time to change it. We have raised it time and time again. Everybody knows it. It is simple. It is not difficult to understand. We are going to treat poor kids equally everywhere. The poor States are no longer going to be bereft of Federal funds. They should have their fair share.

I have to tell you, a lot of the States who benefit are represented by colleagues on the other side of the aisle. Some are represented by colleagues on this side of the aisle. And I care for all of them. Some of my colleagues will lose under this formula. I feel terrible about it, but it is fair.

It is time to face the facts: It is time to resolve these problems. My goodness, my dear friend and colleague from Connecticut, Senator LIEBERMAN, supported me on my last amendment. I feel terrible that Connecticut is one of the States that loses. But it is the wealthiest State in the Union. They can afford to help their kids in education more than any other State. I do not mean to make an example of them. I am just saying, let us be fair.

Look, if we are going to be liberal on this floor, let us be true liberals. Let us help these kids that need help. Let us be fair. Let us distribute this money in a fair manner. I think it is pretty clear, easy to understand that we should adopt this amendment.

Mr. KOHL. Mr. President, we are all concerned about the state of education in America today. Concerned that thousands of young people are graduating from high school without the resources and background needed to pursue a postsecondary education or secure gainful employment. Concerned because funding for education has been drastically cut over the past 10 years. And concerned because the amendment before us, though a sincere attempt to achieve desirable goals, will have the effect of cutting millions of dollars in Federal funds for education programs throughout the United States.

There is no denying that the educational system in our country is in crisis. I think this is something we all agree on. And I think we also agree that funding—adequate, equitable, sufficient funding—is one of the causes of that crisis. Jonathon Kozol, in his recently published book, "Savage Inequalities," documents both the inadequacy and disparity in funding that exists now. He writes about plaster falling from the ceilings of school buildings in inner-city schools in New York city. He identifies underpaid, unrecognized teachers working with half the necessary textbooks and few, if any, teaching materials in Chicago. He discusses overcrowded schools with classes being held in hallways and noisy gyms in Camden, NJ.

The children we place in those environments can't learn; the teachers can't teach; the schools can't function. And, as a result, our country can't prosper.

It isn't that the kids don't want to learn or that teachers don't want to teach or that public schools have some inherent flaw built into their structure which makes them fail. Let me share with you a story from Kozol's book which illustrates that point.

Kozol describes a meeting he had with a high school senior from an inner-city school in New York. The student wanted to go to college. He knew it was important, he wanted to be a success, he was willing to dream about a better life. But as Kozol talked to him, he discovered that the student went to English class for 2 months before the school was able to provide a textbook—and he went through the entire school year without a science text. His whole education has taken place in crowded classrooms with inadequate resources. The result, Kozol, explains, is an inadequate education. He describes the net result:

> In math, according to a practice test he has been given, he is asked to solve the following equation: "2x − 2 = 14. What is x?" He finds this baffling. In English, he is told he'll have to know the parts of speech. In the sentence "Jack walks to the store," he is unable to identify the verb.

Is that student ready to go to college? Obviously not. But is he ready to learn? I believe the answer is "yes." And I believe he can learn, he will learn, if we give him the support and resources he needs. We won't get that support and his school won't get the resources if we cut the Federal education funds that go to the existing educational system.

Clearly we have to deal with these problems. But the pending amendment, actually reduces the funds which some of our existing, already troubled schools need.

We've all heard the phrase that our children are our future a million times; we have all said that an investment in our Nation's children is an investment in our Nation's future. But I'm afraid that repetition may have dulled our senses. We may not realize just how true it is. And as a result, I fear for our future, Mr. President. I fear that someday, in the not-so-distant future, we are going to realize that our children are now adults—adults faced with the task of leading our country, building our businesses, preserving our freedom and our prosperity. And when that happens, our Nation is going to be in crisis because we didn't address the educational problems of today with sound solutions that are going to get to the root of our problems.

I know we all are frustrated by the current state of our educational system. And we all want to improve the situation as soon as possible. But we need to make a concentrated effort to make real improvements—not just apply a few Band-Aids or, even worse, walk away from the open wounds and look around for a few healthier bodies.

Rather than taking away from those who are working to improve the lives of children, we need to increase funds for programs that are proven successes. We need to fully fund Head Start and Chapter 1 Compensatory Education. We need to reduce class size, especially for disadvantaged children. We need to fully fund the Education for the Handicapped Act to screen, assess and appropriately teach children with learning disabilities, most of whom have above-average intelligence, but are at-risk in conventional classroom situations. And we need to provide early access to vocational training and job skills development for noncollege bound students, while guaranteeing access to college education for those who want a post-secondary education.

What we don't need to do is cut Federal education funding to various States. Because I believe that is the effect of this amendment, I cannot and will not support it. And I hope my colleagues will reject it.

Mr. D'AMATO. Mr. President, I rise in opposition to the amendment by the Senator from Utah.

The chapter 1 program is the largest Federal elementary and secondary program, providing more than $6 billion in aid to States and local school districts in fiscal year 1992 for the education of disadvantaged children. It would be a grave mistake to adopt an amendment to drastically change its funding formula after only 30 minutes of debate.

Any amendment to the current funding formula should be fully debated after hearings and public input that thoroughly analyzes the underlying policy reasons for a change. A study recently released by the U.S. Department of Education examines the use of State spending and tax effort as cost proxies for Federal formulas. This study and others should be thoughtfully examined before the current, carefully-crafted formula is amended.

The program is scheduled to be reauthorized beginning in 1993. Any amendment to alter the funding formula in current law would cause tremendous disruptions in the program 1 year prior to its review.

Moreover, beginning in fiscal year 1993, we will transition from the use of 1980 census data in making chapter 1 State allocations to 1990 data. Any amendment to alter the formula before the change in census data is implemented will cause wide fluctuations in State allocations for several years.

On a bill intended to improve the quality of our nation's schools, the Hatch amendment sends States the wrong message. Under the amendment, States that make a greater than national average effort in state per pupil expenditures would be penalized with reductions in their chapter 1 funding. States that choose to spend below the national average in State per pupil expenditures would be rewarded with a greater proportion of chapter 1 funds. This simply doesn't make sense.

Mr. President, we need to remember that the current Chapter 1 formula already substantially benefits low-spending States by adjusting these States up to 80 percent of the national average per pupil expenditure, for purposes of allocating Chapter 1 funds. Utah, for example, would lose 26 percent of its Chapter 1 funding if its actual State per pupil expenditure were used in the formula, rather than the 80 percent "floor."

At the same time the current formula already effectively penalizes high spending States in that these States are capped at 120 percent of the national average spending rate. New York State, for example, would receive 32-percent more aid if its actual per pupil expenditure rate were used in the formula. New York spends 163 percent of the national average, but is capped at 120 percent for the purpose of the Chapter 1 allocation.

The Hatch amendment would add insult to injury by further penalizing high spending states, while granting an added windfall to those States with low per pupil expenditures.

Mr. President, in closing let me remind my colleagues that it is not high spending States, per se, that will lose under this amendment—rather, the real losers are the very children that this bill is designed to help. In New York alone, this amendment will result in a cut in services to approximately 77,000 low-income children currently receiving Chapter 1 services in the State.

Mr. President, we simply have not had enough time to consider the full impact of this amendment. This is an issue that deserves prolonged consideration as part of the Chapter 1 reauthorization, but it does not belong on this bill. I urge my colleagues to join me in urging its defeat.

Mr. DODD addressed the Chair.

Mr. KENNEDY. Mr. President, I yield a minute-and-a-half to the Senator from Connecticut.

Mr. DODD. Mr. President, I strongly object to the amendment of the Senator from Utah, and also strongly object, with all due respect, to the allegations made by the Senator from Utah that this is somehow a simple formula, just based on the affluence of one State and the poverty of another. The formula runs on about a page-and-a-half or 2 pages. It is based on a very complicated set of statistics. And what you are doing here is you are penalizing effort.

I come from Connecticut. It is an affluent State, unless you happen to live in Bridgeport, Hartford, or New Haven, which ranks as the fourth, seventh, and ninth poorest cities in America with populations over 100,000. These formulas are designed in a way to try and reward effort and also to take care of children who are living under some of the worst conditions. But to suggest somehow that merely because the State of Connecticut is affluent, or has been, or the State of Rhode Island, or the State of New York in some ways that that is the basis upon which this formula has been designed is a total mischaracterization.

Mr. President, I would just ask my colleagues to look at Compilation of Federal Education Laws, As Amended, through December 31, 1990, section 105, on basic grants, part A. They can read. I will not take the time. I do not have the time in a minute-and-a-half to go through all of this page, all of this page and beyond, to describe the formula that has been designed. And now in 10 minutes we are going to scrap it all and redesign the rules. That is a highly irresponsible way for us in deciding what the formulas ought to be that serve children in this country.

Mr. KENNEDY. Mr. President, I yield the final 2 minutes to the majority leader.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, and Members of the Senate, the Rules of the Senate permit a Senator to offer an amendment without any notice and without any prior description of the amendment. It happens here on a daily basis, and we regularly confront a situation where we must vote on something which we have not seen or heard at all before.

That situation occurred in 1983, and Senator HATCH then stood and rightfully and righteously denounced the effort. It is rare that a circumstance will arise exactly on the same formula. But when someone else in 1983 tried to do what Senator HATCH is trying to do tonight, he stood on the Senate floor and denounced the effort. And I have not heard a better argument made in all my years in the Senate against an amendment than the argument made by the very sponsor of this amendment here tonight.

I will not read the whole quotation that Senator KENNEDY read but just the last few words are directly relevant. Senator HATCH said then:

> It is ridiculous to believe that the just balancing of interests, the resolution of conflicting claims of equity and injustice, can be accomplished by a few minutes' discussion on the floor of the Senate. Instead, without on the spot being able to get to the bottom of the claims to be made for and against this and the substitute amendments, we will today, by-and-large simply vote our pocketbooks. Is this the type of reflection we owe these disadvantaged children?

And tonight Senator HATCH stood and said his amendment helped 28 States, a direct and overt appeal to Senators to vote their pocketbooks, previously what he urged the Senate not to do in 1983.

I submit to my colleagues, Senator HATCH was right in 1983; he is wrong tonight, with all due respect. I hope the Senate will reject this amendment. This is no way to legislate on a matter of this complexity, and every single Member of the Senate knows that. This deserves thoughtful, serious consideration, which it has not received tonight.

We should reject this amendment. I urge the Members of the Senate to do so.

The PRESIDING OFFICER. All time has expired.

Mr. DURENBERGER. Mr. President, I move to table the amendment.

Mr. MITCHELL. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion of the Senator from Minnesota, Mr. DURENBERGER, to table the amendment of the Senator from Utah [Mr. HATCH]. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arizona [Mr. DECONCINI], the Senator from Iowa [Mr. HARKIN], and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND], the Senator from Utah [Mr. GARN], the Senator from Washington [Mr. GORTON], the Senator from North Carolina [Mr. HELMS], and the Senator from Oregon [Mr. PACKWOOD] are necessarily absent.

I further announce that, if present and voting, the Senator from Washington [Mr. GORTON] would vote "nay."

The result was announced—yeas 55, nays 37, as follows:

[Rollcall Vote No. 6 Leg.]

YEAS—55

Adams
Akaka
Biden
Bradley
Bryan
Burdick
Chafee
Cohen
Conrad
Cranston
D'Amato
Daschle
Dixon
Dodd
Durenberger
Ford
Fowler
Glenn
Graham
Hatfield
Heflin
Inouye
Jeffords
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nunn
Pell
Pryor
Reid
Riegle
Robb
Roth
Rudman
Sarbanes
Shelby
Simon
Smith
Specter
Stevens
Warner
Wellstone
Wirth
Wofford

NAYS—37

Baucus
Bentsen
Bingaman
Boren
Breaux
Brown
Bumpers
Burns
Byrd
Coats
Cochran
Craig
Danforth
Dole
Domenici
Exon
Gore
Gramm
Grassley
Hatch
Hollings
Johnston
Lott
Lugar
Mack
McCain
McConnell
Nickles
Pressler
Rockefeller
Sanford
Sasser
Seymour
Simpson
Symms
Thurmond
Wallop

NOT VOTING—8

Bond
DeConcini
Garn
Gorton
Harkin
Helms
Kerrey
Packwood

So the motion to lay on the table the amendment (No. 1480) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1479

(Purpose: To enhance educational opportunity, increase school attendance, and promote self-sufficiency among welfare recipients)

Mr. NICKLES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. DASCHLE). The clerk will report.

The bill clerk read as follows:

> The Senator from Oklahoma [Mr. NICKLES] for himself, Mr. KASTEN, Mr. SMITH, Mr. D'AMATO, Mr. COATS, Mr. SYMMS, Mr. THURMOND, Mr. HELMS and Mr. WALLOP, proposes an amendment numbered 1479.

Mr. NICKLES. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> At the appropriate place add the following new section:
>
> SEC. . STATE OPTION TO ESTABLISH LEARNFARE PROGRAMS.—Section 402(a) of the Social Security Act is amended—
>
> (1) by striking out "and" after paragraph (44);
>
> (2) by striking out the period at the end of paragraph (45) and inserting in lieu thereof "and;" and
>
> (3) by adding at the end thereof the following new paragraph:
>
> "(46) at the option of the State, provide that the needs of an individual will not be taken into consideration (or will be taken into consideration only in part) under paragraph (7) for any month if such individual—
>
> "(A) is over the age specified in the applicable State compulsory school attendance law at which a child must begin to attend school, but under the age of 16; and
>
> "(B) has, as determined by the State agency, failed without good cause to regularly attend an elementary, secondary, vocational school, or other appropriate school:
>
> but if the needs of an individual are not considered (or are considered only in part) by reason of this paragraph, he shall still be considered to be receiving aid under this part for purposes of determining the eligibility for such aid of any other individual to whom paragraph (7) applies, and for purposes of determining eligibility for medical assistance under the State's plan approved under title XIX.".

Mr. KENNEDY. Mr. President, I look forward to the debate on the Nickles amendment. I thought we were going to, at this time, at the conclusion of the vote, have the leaders make a unanimous-consent proposition. So I suggest the absence of a quorum.

Mr. DOLE. Will the Senator withhold for 1 minute?

Mr. KENNEDY. Sure.

Mr. DOLE. Mr. President, if I might proceed out of order for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT TO THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DOLE. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 250) to make a minority party appointment to the Committee on Banking, Housing, and Urban Affairs.

The PRESIDING OFFICER. Is the objection to the immediate consideration of the resolution.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, I am delighted to be able to recommend the appointment of the distinguished Senator from Pennsylvania, Senator SPECTER, to the Senate Banking Committee. As we all know, this is an extremely important committee which touches the lives of virtually every American.

It is also a committee that touches on issues of great importance to the citizens of Pennsylvaina—addressing such major concerns as the health of our financial institutions and our housing and transit policies.

Last session, the challenges facing the committee were great with the passage of the banking reform bill and the transit provisions contained in the 1991 highway bill. The challenges facing the committee this year are no less daunting.

As we all know, the distinguished senior Senator from Pennsylvania brings an impressive record of public service and legislative skill to the committee, where he is sure to continue in the outstanding tradition of our late colleague John Heinz, who served with great distinction on this committee.

We can be sure that as a member of the Banking Committee, the Commonwealth of Pennsylvania, the U.S. Senate, and the American people will benefit even more from the wisdom, determination, and hard work of Senator SPECTER.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (No. 250) was agreed to, as follows:

S. RES. 250

Resolved, That the following Senator shall be added to the minority party's membership on the Committee on Banking, Housing, and Urban Affairs for the One Hundred Second Congress:

Mr. Specter.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

STRENGTHENING EDUCATION FOR AMERICAN FAMILIES ACT

The Senate continued with the consideration of the bill.

Mr. MITCHELL. Mr. President, and Members of the Senate, I will momentarily propound a request for unanimous consent to identify the remaining amendments to the bill, the days on which they will be offered and debated, and then the day on which they will be voted.

The staffs on both the majority and minority side have been working at this throughout the evening and if this agreement is approved as contemplated, there will be no further roll-call votes this evening. The Senate will be in session and debating amendments to the bill tomorrow, that is Friday, and again on Monday, and the votes will occur on all of the amendments and on final passage on Tuesday.

I expect to propound the agreement shortly. So any Senator who has an interest should remain on the floor.

I thank the managers, Senator KENNEDY and Senator HATCH, for their diligence and cooperation, along with their staffs, in putting this together, and hope that we will be able to get this agreement shortly.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I know that the pending business is the amendment of Senator NICKLES. We have another amendment that will only take a few moments, and so I will ask unanimous consent that we temporarily set that aside while we consider the amendment of the Senator from Minnesota.

Mr. WELLSTONE. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the request made by the distinguished Senator from Massachusetts? Hearing none, it is so ordered. The amendment is set aside.

Mr. WELLSTONE. I thank the Chair. I thank the Senator from Massachusetts.

AMENDMENT NO. 1481

(Purpose: To state the sense of the Senate regarding the introduction of the Peace Corps into the successor republics of the former Union of Soviet Socialist Republics)

Mr. WELLSTONE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] for himself, Mr. PELL, and Mr. DODD, proposes an amendment numbered 1481.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2 of the Committee amendment, in the table of contents, strike the items relating to title III of the amendment and insert the following:

TITLE III—PEACE CORPS

Sec. 301. Findings.
Sec. 302. Sense of the Senate.

TITLE IV—DEFINITIONS

Sec. 401. Definitions.

In title III of the Committee amendment, strike the title heading and all that follows through "SEC. 301. DEFINITIONS." and insert the following:

TITLE III—PEACE CORPS

SEC. 301. FINDINGS.

The Senate finds that—

(1) the Peace Corps Act stated that the Peace Corps was established—

(A) to help the people of interested countries and areas to meet their needs for trained manpower;

(B) to help promote a better understanding of Americans on the part of the people served; and

(C) to help promote a better understanding of other peoples on the part of Americans;

(2) the former Union of Soviet Socialist Republics no longer exists, and in its place a Commonwealth of Independent States has been established, along with other newly independent republics;

(3) on December 25, 1991, President Bush indicated the United States intends to extend diplomatic recognition to Moldova, Turkmenistan, Azerbaijan, Tadzhikistan, Georgia, and Uzbekistan, when the United States reaches agreements with each republic regarding human rights, democratization, economic reform, and the establishment of responsible security policies;

(4) on December 25, 1991, the United States extended formal diplomatic recognition to Russia, Ukraine, Armenia, Kazahkstan, Byelarus, and Kyrgystan;

(5) the needs of the successor republics of the former Union of Soviet Socialist Republics for technical and humanitarian assistance are dire, and growing daily;

(6) the governments of several republics under the former Union of Soviet Socialist Republics have indicated interest in receiving public and private technical assistance from the United States in the areas of agriculture, health care, business, education, and other areas;

(7) the Peace Corps has in recent years successfully met the challenges of assisting the Eastern European states of Poland, Hungary, Czechoslovakia, Bulgaria, and Romania, and has already begun to assess the needs of the Baltic Republics and of the former Soviet republics for such assistance;

(8) Peace Corps volunteers represent tangible support on the part of the American people for the efforts of the republics to establish market economies, democratic institutions, and low-cost, effective programs of technical assistance in the areas described in paragraph (6); and

(9) the President has indicated his support for the introduction of Peace Corps volunteers into the successor republics of the former Union of Soviet Socialist Republics.

SEC. 302. SENSE OF THE SENATE.

It is the sense of the Senate that—

(1) the Peace Corps should move promptly and effectively to assess needs and establish programs in each of the republics of the former Union of Soviet Socialist Republics into which the Peace Corps has been or may be invited, in order to introduce appropriate numbers of Peace Corps volunteers into republics requesting assistance; and

(2) the President should continue to support and should accelerate the introduction of Peace Corps volunteers into the republics of the former Union of Soviet Socialist Republics.

TITLE IV—DEFINITIONS

SEC. 401. DEFINITIONS.

Mr. WELLSTONE. Mr. President, I also ask unanimous consent that the Senator from Rhode Island [Mr. PELL] and the Senator from Connecticut [Mr. DODD] be listed as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I will be very brief. It is very poignant to me that 30 years ago, Sargent Shriver said our Peace Corps would eventually be ambassadors throughout the world, even in eastern Europe and what used to be the Soviet Union. Many of them, I would also point out, are involved in education and teaching.

Mr. President, I spent 2 weeks in what used to be the Soviet Union. This was my father's country. I think this sense-of-the-Senate amendment is very important, and it calls upon the President to not only certainly make the commitment of sending the Peace Corps to the new republics but to really accelerate that process.

Mr. President, it is late at night. I speak with some sense of urgency, and I hope that our country will not sleepwalk through this history, and we will find a variety of ways of providing assistance to the people in that part of the world at what I realize is a critical point in the world's history. This is but one small step.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Is there further debate? The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I commend the Senator for the recommendation and suggestion. I think it has the support of several of our Members who served in the Peace Corps, and I think it is a very useful and important reminder of what this Nation is about.

I congratulate the Senator and hope the Senate will accept the amendment.

Mrs. KASSEBAUM. Mr. President, we certainly agree on this side of the aisle, and there is no objection to the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from Minnesota.

The amendment (No. 1481) was agreed to.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the following lists of amendments that I will send to the desk be the only remaining first-degree amendments in order to this bill; that any perfecting amendment must be relevant to the amendment to which it is offered; that no motion to recommit be in order; that no vote occur in relation to this bill or amendments thereto prior to 2:15 p.m. on Tuesday, January 28; that any amendment included in this list may only be offered if the amendment is offered during the sessions of the Senate on Friday, January 24, or from 12 noon until 3 p.m. on Monday, January 27.

The PRESIDING OFFICER. Is there any objection?

Mr. BRADLEY. Reserving the right to object.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. I have not heard the lists. Is my amendment in the list?

Mr. MITCHELL. There is a "Limits funds for State administrative purposes" on the list.

The PRESIDING OFFICER. If there is no objection, it is so ordered.

The text of the agreement follows:

Ordered, That the following listed amendments be the only remaining amendments in order to S. 2, the Education Bill.

Ordered further, That any perfecting amendment must be relevant to the amendment to which it is offered.

Ordered further, That no motion to recommit be in order.

Ordered further, That no vote occur in relation to this bill or amendments thereto prior to 2:15 p.m. on Tuesday, January 28, 1992.

Ordered further, That any amendment included in this list may only be offered if the amendment is offered during the sessions of the Senate on Friday, January 24, 1992, or between 12 noon and 3:00 p.m. on Monday, January 27, 1992.

Bradley: Limits funds for state administrative purposes.

Bond: Regarding parents as teachers.

Conrad: Academic and vocational programs.

Craig: Regarding PC speech.

Dole: Regarding choice.

Dole: Regarding waiver authority.

Domenici: Regarding alternative certification as per the President.

Domenici: Regarding choice applied across the board as per the President's request.

Durenberger: Regarding charter schools.

Glenn: Summer residential science academies.

Hatfield: Regarding Elementary Science Facilities Act.

Kennedy: Relating to America 2000 and Neighborhood Schools Improvement Act.

Managers Package—

McCain: Regarding limited English proficient children.

Metzenbaum: Regarding local tax abatement.

Nickles: Regarding learn fare.

Nunn/Breaux: Regarding youth apprenticeships.

Seymour: Regarding alternative teacher certification.

Seymour: Regarding drug education.

Seymour: Regarding expansion of follow-through programs.

Seymour: Regarding accountability on administrative costs.

Seymour: Regarding school accountability for education demonstration projects.

Seymour: Regarding mandatory parental involvement for choice programs.

Wirth/Wellstone: Regarding education and budget.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President and Members of the Senate, there will be no further rollcall votes this evening, and there will not be any rollcall votes until 2:15 p.m. on next Tuesday.

What will occur now is that the lists of amendments—and they are broken down by party—will be incorporated by reference into this agreement and printed in the RECORD tomorrow. The staffs are working with the Senators who have amendments on the list.

Senators should understand that they must be present during the session of the Senate tomorrow or between noon and 3 p.m. on Monday to offer their amendments and to debate their amendments. Any amendment not offered within that time will not be in order to be offered to this bill.

On Tuesday, at 2:15 p.m., it is my intention that the Senate will vote on those amendments on the lists which are offered between now and then, which are debated, and on which votes will be necessary. And then we will proceed promptly to final passage of the bill.

Under an unrelated prior agreement, the cable TV bill is to be laid down on Monday at 3 p.m., for purposes only of laying down the bill and opening statements. There will be no motions or amendments to that.

That agreement contemplated completion of this bill, but it is my expectation and that of our colleagues we will proceed to lay down that bill on Monday at 3 p.m.

That is the cable TV bill, although there will be no amendments or motions made at that time. We will then proceed to the cable TV bill on Tuesday. It will be open for substantive amendment then to be offered.

So to summarize and repeat, there will be no rollcall votes tonight or tomorrow or Monday. There will be rollcall votes beginning at 2:15 p.m. on Tuesday, and it is likely there will be several votes at that time. Senators should make certain to adjust their schedules to be present at that time.

The amendments which are included on the list which I have sent to the desk, which will be published in the RECORD, which are now available at the desk, must be offered either tomorrow during the session of the Senate or Monday between 12 noon and 3 p.m.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. WELLSTONE. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

START: THE IMPERATIVE OF DEEPER CUTS

Mr. BIDEN. Mr. President, yesterday the CIA Director gave testimony that perfectly embodied the cliche about good news and bad. According to Director Gates, the threat to the West of attack by Soviet forces has evaporated, but the Soviet empire's collapse has spawned a new nuclear threat.

This threat is twofold. First is the danger that warheads from this vast, widely dispersed nuclear arsenal could fall into the hands of radical groups or governments, either through seizure or sale. The second risk arises from the knowledge that lies behind that arsenal; it is that erstwhile Soviet scientists could make their expertise available on the world market to the highest rogue-state bidder.

Responding to this new threat is not beyond our wit, and certainly it is our job. Indeed, I commend the senior Senator from Georgia, the chairman of the Armed Services Committee, for valuable proposals concerning each aspect of the threat.

Last November, I supported Senator NUNN as he advanced a proposal to allocate $400 million from the Defense budget to assist in the secure and prompt dismantlement of Soviet warheads already pledged for elimination. That initiative responded to the first aspect of the new nuclear threat, and I am pleased that the Bush administration eventually accepted the Nunn proposal. We will now see whether the administration will use available funds to create an effective program of weapons destruction.

Yesterday Senator NUNN offered another timely idea, directed toward the second aspect of the new threat. He proposed that some of the $400 million be allocated to hire former Soviet scientists with nuclear expertise. This should be done, and without delay.

Given the exchange rate of the ruble, we could, as my colleague from Georgia pointed out, pay to employ a considerable number of nuclear scientists for a relatively tiny amount of money. Considering the threat of nukes-on-the-loose, this could be described as a sound way to stop a lot of big bangs for a buck.

If implemented, Senator NUNN's two concepts will help defuse the nuclear threat resulting from Soviet collapse. But still another component of our policy is absolutely necessary, and not yet in place. We must do more than dismantle Soviet weapons already pledged for removal. We must seek to disarm the maximum feasible number of Soviet weapons.

As yet, the White House has no known policy prescription geared to this objective. Even if we help to dismantle some weapons from the Soviet arsenal, and even if we succeed in supporting the employment of key Soviet scientists, where will that leave us?

Certainly the START Treaty signed last year does not provide an adequate answer. In its current form, the START Treaty may be valuable for its verification procedures, but it is numerically obsolete.

Two tasks lie ahead if we are to bring the START Treaty into line with geopolitical developments of the past 6 months. First, we must know this: Who is responsible for the treaty's obligations? Second, we must ask: How can the treaty be altered, or built-upon, to realize the full opportunity arising from the end of the cold war?

The Bush administration, having undertaken to answer the first of these questions, has requested that the Senate suspend ratification proceedings temporarily.

One potential solution lies in a set of side agreements whereby Belarus, Ukraine, and Kazakhstan would give Russia the authority to act as their agent with respect to START, so that the Treaty remains a Washington-Moscow accord supported by side agreements enabling Moscow to fulfill the obligations of all four republics. I hope this can be accomplished quickly.

But even if all legal complexities are resolved, the larger question will remain: How to make the treaty relevant to current dangers and opportunities. Assuming Russia is acting as the successor state for purposes of the START Treaty, why should we now codify Russia's right to have 8,000 nuclear warheads? We want those levels far lower, and we cannot expect to get them there simply by calling for unilateral Russian disarmament.

Although I am not surprised, I am nonetheless troubled that our defense intellectuals are now feverishly searching for new rationales for nuclear weapons. And I am here today to pledge my total opposition to any such effort, and for a compelling national security reason.

If we try to preserve a large arsenal of intercontinental missiles directed against newly inflated Third World threats for which nuclear weapons are totally irrelevant, we will in the process fail to accomplish our paramount objective, which is to achieve prompt and massive reductions in the Soviet nuclear arsenal.

We would also, I might add, give fuel to the fire of nuclear proliferation. For it the United States is intent, even after the cold war's demise, on maintaining a major nuclear arsenal, we will yield any hope of exercising leadership in the worldwide battle against proliferation.

It is thus high time for the Bush administration to focus on the most pressing question of the new nuclear age: Just how low can we safely go? The burden of proof is now on the President to explain why we cannot now reduce the American arsenal, assuming the former Soviet republics follow suit, to a level on the order of 1,000 warheads.

Assuming legal obligations are resolved, this numerical issue will soon be joined during the Senate debate on START ratification. I do not intend to hold up or jeopardize this treaty. But if the nuclear-armed republics appear willing to accept substantially lower levels, I do intend to propose two treaty amendments:

First, the first would have the effect of codifying those lower levels immediately; and

Second, the second would require what the treaty does not now require, which is the full destruction of every warhead removed from a missile eliminated by START.

Events, Mr. President, have brought us to a critical moment in which new dangers can propel us toward long-deferred goals. We must seize the opportunity, when our leverage has never been greater and may never be so strong again, to spur the former Soviet republics to accept the goal of a world in which nuclear weapons play a minimal role and present a minimal danger.

And we must preempt the tendency of our own nuclear theologians to invent new and fanciful rationales for a large American arsenal.

To approve START without amendment not only risks losing the chance to cut deeply into the Soviet arsenal. It could also afford the Pentagon a dangerous interval in which to erect a new doctrinal bulwark against the deep cuts now possible in our own arsenal.

Accordingly, I intend to use the START ratification process to apply maximum downward pressure on the arsenals of both sides. Even more crucial than the money we would save ourselves is the goal of destroying as many Russian missiles as possible as soon as possible. Now is the time to focus American national security policy squarely on that objective.

OUR NATION'S ECONOMIC HEALTH

Mr. PELL. Mr. President, it is essential in my view that the Congress act promptly and decisively in the coming months to restore our Nation's economic health.

There is little question that we do indeed have a serious economic problem. Unemployment has continued to climb nationally to 7.1 percent in December. Rhode Island is suffering from one of the highest jobless rates in the Nation—9.9 percent in November. That means that of every 10 Rhode Islanders who want a job, 1 is jobless. Every day we read of new announcements by major corporations of their plans to reduce their work forces by tens of thousands of jobs. Individual and business bankruptcy filings continue to soar.

The recession and economic stagnation also have taken a heavy toll on financial institutions and on State and local governments. Commercial banks and savings institutions are staggering under the burden of loans gone sour and lack of investment opportunities.

As government revenues slump with the economy and the demands for essential safety net services rise, our State and local governments are facing large budget deficits, forcing both tax increases and reductions in basic state and local government services.

For far too long, as these conditions developed and grew steadily worse, we have been confronted with denial and delay—denial that there is any problem and delay in agreeing to take action to restore economic health. As late as a month ago, the administration was insisting that the recession was long over and that no economic policy changes were justified.

Mr. President, the time has now passed for denial and for delay. It is time now for realism and for action.

In the coming weeks we will be hearing a variety of proposals for changes in economic policy. Indeed, the distinguished majority leader, Senator MITCHELL, outlined his proposals for an economic recovery program in an address last week and the distinguished senior Senator from Massachusetts [Mr. KENNEDY] has put forward proposals. I am encouraged by indications from the White House that President Bush in his State of the Union Address next week will recognize the facts of our economic life and offer proposals for economic revival.

I look forward to hearing the President's proposals, and I intend to give them careful consideration.

I hope the President will include several basic elements in his proposals.

First, I believe the Budget Compromise Agreement of 1990, by which we are still bound, should be discarded or drastically revised. That budget agreement was entered into before the economic recession struck, and before the collapse of the Soviet Union and the military threat that it posed to the United States. The budget agreement is badly outdated. It does not recognize the new defense and military realities of the world, nor the economic reality confronting us.

The budget agreement makes it impossible to use the savings from cuts in defense spending on urgently needed nondefense spending programs. And yet, that is precisely what we should be doing. Money that is no longer required for national defense should be made available for such high-priority programs as extended unemployment compensation payments for those who have been without jobs for many, many months; and for increased job-producing investments in our economy, to meet the transportation, water supply and public works needs of the Nation.

We should also make changes in our tax system to stimulate the economy, restore consumer confidence, and encourage investment. In my view these tax changes should include repeal of the ill-considered luxury excise taxes imposed on new boats and on expensive jewelry. The luxury tax has imposed no hardship on the wealthy, who simply stopped buying these items. Instead it has devastated the boatbuilding in Rhode Island and across the Nation, and undermined the jewelry industry, another important Rhode Island industry.

I would like to see tax relief for middle income Americans, and I think we should provide a lower tax rate on capital gains income, provided that this reduction is part of a tax package that is fair to all income levels. A capital gains tax cut in that context will restore home values for American families as well as encourage job-producing investment.

For the longer range, I believe our economic recovery program should include increased investment in the education and job training programs that provide an essential foundation for our economic future.

I look forward to debate and discussion of the new economic policy proposals. I hope that to the greatest extent possible we can avoid purely partisan wrangling on the economic program in the coming months. I hope instead that we can be guided by a willingness to compromise and to act promptly to promote economic recovery. And in that regard I particularly hope that the administration will seek a consensus among the majority of the House and the Senate. In the interests of the American people I hope we will see real efforts at conciliation, compromise and agreement, and that action on economic recovery will not become bogged down in fruitless confrontation, veto threats and brinksmanship.

The confidence of the American people in the Congress, in their Government, and in our economy can be restored by prompt, responsible action on an economic recovery program. I look forward to being a part of that effort.

COMPETITIVE IN THE GLOBAL MARKET

Mr. WOFFORD. Mr. President, in a recent speech, Yoshio Sakurauchi, Japan's Speaker of the House, characterized the American workers as "lazy" and "illiterate," concluding that because of these qualities, America is not competitive in the global market. Mr. President, every Member of this body would take issue with Mr. Sakurauchi.

As the former Secretary of Labor and Industry for the Commonwealth of Pennsylvania, I would like to give the facts to Mr. Sakurauchi. In 1990, the average gross domestic product [GDP] of the Japanese worker was only 76.3 percent of that of the average American worker. During the past 10 years, output per hour in the United States has grown at about the same rate as in Japan. Since 1985, unit labor costs in manufacturing have decreased slightly in the United States, while in Japan these costs have increased by 63 percent. And productivity in the steel industry, integral to the Pennsylvania economy, is equal to that of Japan and better than that of Germany.

Working people in Pennsylvania and across the Nation are the lifeblood of our economy—and the most productive in the world. The economic problems our Nation is experiencing cannot be laid at the feet of our labor force. No one can be productive when he or she doesn't have a job.

We all recognize that to continue to compete in the world we must expand our education and job training programs in order to prepare our work force to hold the jobs of the future. We have to make the investments that will keep growth industries in America. And, we have to make sure that American goods are traded in a global market that's fair, in which nations compete on a level playing field.

It is time for us in Congress to rise to these challenges. Many of policy choices we need to examine were discussed by my friend and colleague from Connecticut, Senator LIEBERMAN, in the New York Times yesterday and on the Senate floor this morning. I look forward to working with him and with the rest of our colleagues to chart a course for the next American century.

In a changing world, we all have to decided how best to capitalize on stunning advances in technology and an increasingly global market, but as we grapple with these issues, let's not blame our working men and women for our problems. They are our greatest asset, and they remain, as ever, eager to roll up their sleeves and get down to work.

RETIREMENT OF ADOREEN McCORMICK

Mr. PELL. Mr. President, as chairman of the Joint Committee on the Library, I take special pleasure in paying tribute to Adoreen McCormick, who retired on December 31, 1991, from her position as legislative liaison officer for the Library of Congress after 33 years of public service.

As legislative liaison officer, Miss McCormick became widely known and respected on Capitol Hill as an effective, highly competent agent to the Library who could always be relied upon to solve problems and provide information quickly. She supplied much of the information and guidance needed for the Joint Committee on the Library to perform our oversight responsibilities and to support the Library programs and services.

Miss McCormick came to Washington, DC, in 1958 from Billings, MT, to work on a master's degree in government at Georgetown University. It was the Library of Congress' good fortune, and ours, that she also came looking for employment. She began her Library of Congress career as a GS-4 information and editorial assistant in the Information and Publications Office. In 1961, Librarian of Congress Quincy Mumford awarded her the first of the many outstanding performance ratings which she would receive for her distinguished service to the Library of Congress.

Perhaps in part because of the obvious affection in which she was held and the fact that her career at the Library seemed to be on track, Miss McCormick elected to stay in Washington and not to return to Montana after receiving her M.A. from Georgetown in 1962. She advanced rapidly and was promoted to successively responsible positions as publications writer, administrative secretary and editorial specialist, and special assistant for public relations.

In 1966 she was named Library of Congress legislative liaison officer—the position which she held for the past 25 years. As the Library's first legislative liaison officer she literally defined what that position meant. She brought many special qualities to the job, not the least of which were her dedication to the Library and her knowledge not only of the Library of Congress but the wider library community. These were combined with an unfailing political acumen and a natural instinct for dealing with people and issues, all of which contributed to her success in managing the complexities of the Library's association with its parent, the Congress. She was always willing to give of her time and expertise, and often working long hours to enable the Library to meet its commitments.

Miss McCormick comes from a family of four sisters and one brother. She learned at home at an early age that Government service is an honored profession. Her father, Walter McCormick, served with the Bureau of Reclamation and on the wartime Manhattan project. The values which she learned at home and from her church clearly have contributed greatly to her success.

Miss McCormick is a graduate of Seattle and Georgetown Universities. The Jesuits trained her well. Her intellectual acuity and wit reflect the impact of the Jesuit tradition, which found particular expression in her gift at writing. Many of the words which have been spoken on behalf of the Library of Congress before congressional committees have originated with Miss McCormick's drafts.

She has always been a gracious presence at social events sponsored by the Library. Miss McCormick knows well that often the most important business in Washington is conducted at social events and her presence at a Library function always assured that those in attendance would be cordially welcomed into the spirit of the occasion.

In recognition of her extraordinary contributions to the Library of Congress, the Congress, and the American library community during over three decades of dedicated service, Miss McCormick was presented with the Distinguished Service Award, the Library of Congress' highest honor.

Miss McCormick leaves to serve the other institution that has played a major role in her life, her church. Now it has claimed her full time and we let her go with the confidence that she will always remain a part of the Library of Congress family. But we will miss her plain spoken good humor, her wisdom and above all the integrity and dedication she brought to her job. I am sure my colleagues join me in thanking Adoreen McCormick for her distinguished service to the legislative branch of Government. We wish her well in her new endeavors.

NEW INCREMENTAL INVESTMENT TAX CREDIT PROPOSAL

Mr. ROTH. Mr. President, last year, on October 15, I introduced a proposal for an incremental investment tax credit, S. 1831. My bill was closely followed in the House when H.R. 3810 was introduced on November 19 by Congressmen GUARINI and LEVIN on the Ways and Means Committee. Both of these Members are Democrats, so in a way, I feel that we already have a bipartisan effort for a new, permanent, incremental investment tax credit.

But I am interested in going further. I am in the process of developing a new, more detailed incremental investment tax credit bill, and I would like to invite my colleagues in the Senate, particularly the Finance Committee, to work with me to develop and pass this encouraging new idea that was first brought to my attention by a leading Democrat, and chief economist at the World Bank, Larry Summers. Other economists have commented on the idea, including Dr. Martin Feldstein, former chairman of President Reagan's Council of Economic Advisers, who supports the incremental approach.

Michael Boskin, the current chairman of the President's Council of Economic Advisers, has not taken a position on the idea but indicated during Senate finance hearings on December 12 that he thought the history on the investment tax credit showed that it had been effective. He also said that he thought, "It might be preferable to have it on an incremental basis rather than for all * * * investment," the way the old credit applied.

That is what I am proposing to do. I believe an incremental investment tax credit provides a strong economic incentive for business to invest in their future, while doing it at a relatively low cost to the Government. It also helps reduce the argument that the credit provides a tax benefit for something that business would have done anyway, because it requires business to increase their investment over and above what they have historically invested.

Let me remind my colleagues of the fact that in Japan, where the economy is just over one-half that of the United States, they are investing more in absolute dollar amounts than is the United States. In 1990, Japan's nonresidential fixed investment equaled $675 billion, while the comparable United States figure was only $524 billion, with a gross domestic product [GDP] equal to about twice that of Japan. If we really want to do something for competitiveness, I believe that is an important place to start.

I have asked the staff of the Joint Committee on Taxation to work with me, and have invited the staffs of the minority and majority sides of the Finance Committee to join in the discussions, and I believe that in the very near future, probably the next 3 weeks, we will have a proposal, with bipartisan support in the Finance Committee that will be affordable and most of all growth oriented.

The proposal will be for a permanent incremental investment tax credit, and it will apply to most kinds of business property, so that Government does not find itself in a position of dictating to business what kind of property they should invest in to become more competitive. In addition, the bill is likely to have a more generous and simplified method for small and medium businesses and tough antiabuse rules so that big business does not take advantage of the benefits of this proposal without real improvement in their investment in equipment.

For small businesses, the simplified method will likely allow a business to add 5 years of asset purchases together and divide by 5 to arrive at a base. For example, if a business bought 100 dollars' worth of new property every year for the last 5 years, their base would be $100 times 5, divided by 5, or $100. If they spent $150 in the next year, the credit would be $150 less the $100 base amount, or $50 times the 10 percent credit, or $5. In addition, I would suggest using a higher credit percentage in the first year to help get this economy going in the next few months.

I hope that the administration will consider similar legislation in their budget proposal for this year—I'm encouraged that they might do so. And I hope that my colleagues in the Senate will join me in the coming days in introducing this new idea to improve our country's competitive position and improve our current economic state.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Senate Resolution 400, 94th Congress, and Senate Resolution 4, 95th Congress, appoints the Senator from Nebraska [Mr. KERREY] to the Select Committee on Intelligence, in lieu of the Senator from Georgia [Mr. NUNN].

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President as if in executive session, I ask unanimous consent that the Senate proceed to consideration of Executive Calendar 483, Kenny Jackson Williams to be a member of the National Foundation on the Arts and the Humanities; that any statements be placed in the RECORD as if read; that the nominee be confirmed; that the motion to reconsider to tabled; and that the President be notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination was confirmed as follows:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Kenny Jackson Williams, of North Carolina, to be a member of the National Council on the Humanities for a term expiring January 26, 1996, vice Mary Josephine Conrad Cresimore, term expired.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

Mr. GRAHAM:

S. 2151. A bill to amend the Internal Revenue Code of 1986 to allow a credit for the purchase of a principal residence by a first-time home buyer; to the Committee on Finance.

S. 2152. A bill to amend the Internal Revenue Code of 1986 to allow distributions from retirement plans to be used without penalty for purchase of a first home; to the Committee on Finance.

S. 2153. A bill to authorize guarantees of loans to finance purchases of Resolution Trust Corporation property; to the Committee on Banking, Housing, and Urban Affairs.

Mr. MACK:

S. 2154. A bill to authorize the Secretary of Transportation to carry out a highway demonstration project for construction of a bridge to replace the Fuller Warren Bridge in Jacksonville, Florida; to the Committee on Environment and Public Works.

Mr. LUGAR:

S. 2155. A bill to suspend temporarily the duty on ioxilan; to the Committee on Finance.

Mr. GRAHAM:

S. 2156. A bill to amend the Intermodal Surface Transportation Efficiency Act of 1991; to the Committee on Environment and Public Works.

Mr. CRANSTON:

S. 2157. A bill to limit the provision of United States foreign assistance, including security assistance, to developing countries whose military expenditures do not exceed more than 3.6 percent of their gross national product; to the Committee on Foreign Relations.

Mr. GRAHAM:

S. 2158. A bill to require the Office of Management and Budget to monitor all federally funded building construction projects and report to the President and Congress quarterly on any such project that is behind its construction completion schedules; to the Committee on Governmental Affairs.

Mr. BOREN:

S. 2159. A bill to amend the Internal Revenue Code of 1986 to stimulate economic growth and long-term competitiveness in the United States by providing middle-income tax relief and by stimulating capital investment, and for other purposes; to the Committee on Finance.

Mr. SPECTER (for himself, Mr. LAUTENBERG, Mr. D'AMATO and Mr. SIMON):

S.J. Res. 240. A joint resolution designating March 25, 1992 as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

Mr. DOLE (for himself, Mr. PRESSLER, Mr. HELMS, Mr. PELL, Mr. MCCAIN, Mr. BROWN, Mr. GORTON, Mr. D'AMATO, Mr. SEYMOUR, Mr. DIXON, Mr. JOHNSTON, Mr. RIEGLE, Mr. HATCH, Mr. WALLOP, Mr. GLENN, Mr. BREAUX, Mr. GORE, Mr. GARN, Mr. LIEBERMAN, Mr. SPECTER, Mr. MACK, Mr. WOFFORD, Mr. NICKLES, Mr. THURMOND, Mr. ROTH, Mr. KASTEN, Mr. HARKIN, Mr. SYMMS, Mr. WARNER, and Mr. KOHL):

S. Res. 246. A resolution on the recognition of Croatia and Slovenia; to the Committee on Foreign Relations.

Mr. GRAHAM:

S. Res. 247. A resolution relating to capital standards for depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

Mr. DURENBERGER (for himself, Mr. DODD, Mr. LUGAR, Mr. PELL, Mr. DOLE, Mr. MITCHELL, Mr. CRANSTON, Mrs. KASSEBAUM, Mr. SANFORD, Mr. MCCAIN, Mr. ROBB, and Mr. LEAHY):

S. Res. 248. A resolution expressing the sense of the Senate regarding the signing on January 16, 1992, of the agreements for a formal cease-fire in El Salvador, and for other purposes; to the Committee on Foreign Relations.

Mr. D'AMATO (for himself, Mr. LIEBERMAN, Mr. MOYNIHAN, Mr. SPECTER, and Mr. COHEN):

S. Res. 249. A resolution expressing the sense of the Senate that the United States should seek a final and conclusive account of the whereabouts and definitive fate of Raoul Wallenberg; to the Committee on Foreign Relations.

Mr. DOLE:

S. Res. 250. A resolution to make a minority appointment to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM:

S. 2151. A bill to amend the Internal Revenue Code of 1986 to allow a credit for the purchase of a principal residence by a first-time homebuyer; to the Committee on Finance.

S. 2152. A bill to amend the Internal Revenue Code of 1986 to allow distributions from retirement plans to be used without penalty for purchase of a first home; to the Committee on Finance.

S. 2153. A bill to authorize guarantees of loans to finance purchases of Resolution Trust Corporation property; to the Committee on Banking, Housing, and Urban Affairs.

S. 2156. A bill to amend the Intermodal Surface Transportation Efficiency Act of 1991; to the Committee on Environment and Public Works.

S. 2158. A bill to require the Office of Management and Budget to monitor all federally funded building construction projects and report to the President and Congress quarterly on any such project that is behind its construction completion schedules; to the Committee on Governmental Affairs.

ECONOMIC RECOVERY

Mr. GRAHAM. Mr. President, one of the advantages of the opportunity that we have just had to return to our States for an extended period of time is the chance to engage many of our citizens in a discussion of the issues that are of greatest concern to them. I can report from my State of Florida that there is a strong consensus and that is that the issue facing our people in the winter of 1992 is the economy. In my adult life I have never seen so many Floridians who not only were hurting immediately because of the loss of employment, but also were concerned about the future of their jobs, concerned about the future of their families, their community, their State and Nation.

From all of this discussion, Mr. President, I have concluded that this Congress, this Federal Government has a responsibility. A significant part of that responsibility is going to focus on an agenda to rebuild America's economic strength, our ability to compete into the 21st century. That is an important long-term commitment of America, its people and its leadership.

But there is another more immediate challenge and that is what can be done, Mr. President, in order to assist in lifting the economy out of its current recession. What are some things that we can do which would be likely to have impact in the next 6 to 18 months?

Yesterday, in the Senate Banking Committee, we heard from the new head of the Resolution Trust Corporation, Mr. Albert Casey. Mr. Casey, when asked what did he feel were causes of the current recession and what were the prescriptions, answered as follows:

> What I see is that the economy is suffering from a lack of job creation. We bemoan and bewail the fact that we do not have consumer confidence. The reason we do not have consumer confidence, in my opinion, is the fact that the people do not feel assured of their income status. So I feel that job creation is the secret to us coming out of this situation.

I agree with that analysis. The focus of our short-term economic agenda must be on job creation, giving Americans the opportunity to get back to work and to rebuild a sense of confidence in their future.

Today, Mr. President, I am going to be introducing a series of measures which are targeted at short-term job creation and economic recovery. My goal is to avoid doing harm. The first lesson of the healing arts profession is "do no harm." In structuring these short-term economic recovery proposals, I am sensitive of the fact that we do not want to sacrifice important aspects of a longer term recovery for the immediate benefit. Therefore, for instance, I would be very leary of proposals that fractured the spending levels established in the 1990 budget agreement. It is very important to our long-term well-being that we commit ourselves and sustain that commitment to a plan that has as its objective lowering the Federal budget deficit.

So within that general cautionary note, I would propose the following initiatives. The first set of initiatives are focused on housing. Housing has traditionally been one of the areas that has led America out of recessions. It is a major job creator directly, and in terms of the products that new home then generates.

America is not building enough housing today in order to meet the combination of obsolescence of our existing housing stock and the housing demand created by new families. We are facing a serious erosion of the American dream of the opportunity for home ownership, a quality home in a good neighborhood.

The Federal Reserve Board has given some encouragement to this by its recent monetary policy, in the reduction of interest rates. I believe that we should go beyond that, however, and therefore I am proposing that we provide a $2,000 tax credit for first-time homebuyers and that we open an individual retirement accounts to allow, without penalty, funds to be spent for purposes of first time home acquisition.

The next proposal focuses on another key area of the current economy and that is the freefall of real estate values. We have had a serious deterioration of the value of real estate across America and it has been particularly severe in certain regions of the country. One of the factors that has contributed to that has been the collapse of so many of our financial institutions, resulting in large asset pools held by agencies such as the Resolution Trust Corporation which they have been under pressure to dispose of at increasingly fire sale prices.

I believe that a key to putting a foundation under real estate values which in turn puts a foundation under the most important investments that most Americans have, which is the investment in their home, and puts the foundation under an item that represents 25 percent of our gross national product and is fundamental to restoring the strength of our financial institutions, that one of the steps that we should take is to increase the liquidity available for acquisition of particularly distressed real estate.

Therefore, I am recommending an FHA type loan guarantee program of up to 85 percent of the loan amount for properties sold by the Resolution Trust Corporation. It is in my opinion essential that we create a larger and more stable market of purchasers for these properties if we are to avoid a further freefall of real estate values.

Next, infrastructure. We passed in November of last year a major transportation bill. It is for 6 years, running from 1992 through 1997. That bill provided for total expenditures in 1992 of approximately $15.5 billion running up to $21.5 billion by 1997.

I would advocate that we front-end load that transportation bill, move projects that are currently scheduled for 1995, 1996, and 1997 into the first 3 years of that cycle. The benefits of that would be, first, that we would be creating jobs now when they are most needed; and second, we would be placing State and local governments who are the principal implementers of that legislation in a position to secure the best contracts for construction that they are likely to get in the foreseeable future, and have the benefit of these transportation improvements at an earlier date.

It has been estimated that for every billion dollars of expenditure on items such as bridge rehabilitation and highway maintenance that between 50,000 and 60,000 people are put to work directly on the project and indirectly in providing the supplies and services that are necessary for that project. There are few areas of the economy, I would suggest, that have the job-creating potential and for which we have the resources available as would be in transportation.

Next, Mr. President, this Congress, as well as our counterparts at State legislatures, county and city government across America have funded substantial numbers of construction projects, projects which in many instances have not yet moved from the drawing board to actual construction.

In my own State of Florida, there is a Veterans Administration Hospital that has been authorized for the better part of 5 years, yet has not started actual construction. I believe that one of the steps that we should take is to identify and then to expedite every public project of that nature that we can, again, in order to create jobs, take the benefit of an unusually advantageous construction economy in terms of receiving good bids, and get the benefit of the facility as early as possible.

In order to assist in that spotlighted attention, I will be introducing legislation that will require the Office of Management and Budget to report quarterly on the on-time record of Federal construction projects so that members of the public and Congress can monitor how effectively we are taking advantage of this opportunity.

Finally, Mr. President, the issue of credit. Another important area for bringing America out of past recessions has been the access of consumers and businesses to credit. A small business wants to expand, to add additional employees. It goes to the local financial institution, and because it is an enterprise that has had a good track record, it is able to get that credit and make that expansion, and begin the process of lifting the community and the Nation out of the prior recession.

That is not happening in 1992. In large part, it is not happening because there has been a severe constriction of the flow of capital. I have held formal and informal hearings in various communities in our State, and the message is the same in each location: Quality loans, which a few years ago would have been competed for by financial institutions, are now being rejected.

The President will have an early opportunity to play a key role in this issue by the appointment of the next Comptroller of the Currency, the Federal Bank Regulator. I am writing to the President urging that, as he makes this important appointment, he be sensitive to the signal that that is going to send to the regulators and the regulators' community and the users of the financial service industry as to what kind of regulatory standards we are going to set.

I am not advocating that we return to the open days of the mid-1980's in the savings and loan industry. But I am advocating that we return to the prudent days of the 1960's and 1970's, prudent days that many institutions persisted in up until the late 1980's, in which reasonable loans were made, reasonable loans that had been made were continued, and a stable flow of credit was available to the American economy as the necessary fuel to an expanding job—creating base for our Nation.

Mr. President, I also will be proposing a sense-of-the-Senate resolution to Federal bank regulators particularly the Federal Reserve Board, to look again at capital standards which have been adopted in the past based on standards that are arguably no longer relevant today, particularly as they have impacted the availability of capital for home construction and home buying.

Mr. President, I believe that these initiatives will be part of the pool of ideas from which the Nation will select for purposes of how do we stimulate our economy out of this current recession.

Mr. President, there is no challenge greater to this Congress. The people are looking to their leaders for substantive help, for actual jobs that could be created by an accelerated highway program, and they are looking for a sense of hope and direction.

Next Tuesday, we will hear from the President of the United States. I look forward with great anticipation to his remarks and to the uplift of the spirit of America which those remarks, if properly directed and if part of a bipartisan effort to adopt initiatives that are seen by the American people as being serious and substantive and constructive, could mean to a restoration of confidence of our people in their economic and personal future.

By Mr. MACK:

S. 2154. A bill to authorize the Secretary of Transportation to carry out a highway demonstration project for construction of a bridge to replace the Fuller Warren Bridge in Jacksonville, FL; to the Committee on Environment and Public Works.

REPLACEMENT OF FULLER WARREN BRIDGE

• Mr. MACK. Mr. President, today I introduce S. 2154, a bill to authorize the construction of a replacement bridge for the Fuller Warren Bridge in Jacksonville, FL.

Three days ago, the Florida Department of Transportation was forced to close the bridge to truck traffic due to structural problems in the 38-year-old bridge. On the following day, Florida DOT was forced to close the bridge entirely.

With this bridge closing, Interstate 95, the main route carrying traffic north-south from Florida has been effectively shut down. If you want to drive, or have your goods shipped by road to Florida from the Northeast, the Middle Atlantic States, or the Carolinas, your route has been closed. The economic impact of this single bridge closing has already been felt from Miami to Maine.

Repairs to the bridge will take approximately 2 weeks, but the structural problems will persist. What is needed is a new bridge to carry Interstate 95 over the St. Johns River in Jacksonville.

My bill will authorize a replacement bridge to be constructed to replace the current Fuller Warren Bridge under section 1103 of the newly enacted Surface Transportation Efficiency Act of 1991 (Pub. L. 102-240). This section was created to aid in the construction of high cost bridge projects.

The current Fuller Warren Bridge, opened in 1954, is a four-lane structure with a drawbridge. A replacement bridge will have a total of eight lanes and will be elevated so a drawbridge is unnecessary. As a vital link in our interstate system, construction on this new bridge must begin soon to avoid further closures of Interstate 95 which could last longer than 2 weeks.

Before the defects were discovered, construction for the replacement bridge was scheduled to begin in 1998. However, the safety concerns warrant immediate action to fund the bridge as an emergency, with the Federal share being 80 percent of the bridge replacement costs. The Federal Government must step forward now with the funding to speed up construction of the bridge replacement.

We must not wait on the Federal bureaucracy to eventually pay for the bridge. Northeast Florida cannot wait 6 years. The safety and economic concerns are too great. The authorization for the new bridge must be granted now.

I encourage my colleagues to support the bill and hope this issue can be addressed in the near future. This issue not only affects Florida's fair share, but impacts commerce and tourism in the entire Eastern United States.•

By Mr. LUGAR:

S. 2155. A bill to suspend temporarily the duty on ioxilan; to the Committee on Finance.

DUTY SUSPENSION ON IOXILAN

• Mr. LUGAR. Mr. President, I rise today to introduce a bill to suspend temporarily the duty on ioxilan. I ask unanimous consent that the full text be printed in the RECORD, and that the bill be referred to the appropriate committee for review.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2155

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY DUTY SUSPENSION ON IOXILAN.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.31.12	1,3-Benzenadicarboxamide, 5-[acetyl(2,3-dihydroxypropyl)amino]-N-(2,3-dihydroxypropyl)-N'-(2-hydrox-yethyl)-2,4,6-trilode-(provided for in subheading 2924.29.44) ...	Free	No change	No change	On or before 12/31/94".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.•

By Mr. CRANSTON:

S. 2157. A bill to limit the provision of U.S. foreign assistance, including security assistance, to developing countries whose military expenditures do not exceed more than 3.6 percent of their gross national product; to the Committee on Foreign Relations.

DEVELOPING COUNTRIES DEMILITARIZATION ACT OF 1992

• Mr. CRANSTON. Mr. President, it has been said that the only thing more dangerous than an army of unemployed is an unemployed army or an army without a legitimate mission. Nowhere is this truism more correct than in the emerging democracies of the Third World.

The cold war is over. Yet this 40-year drain on world resources continues to frustrate the transition to a more just and humane world in the form of an uncurbed arms race and a resultant lack of cash to carry out needed social and economic development.

Throughout the developing world outsized armed forces whose mission, when they have one, does not justify their bloated budgets continue to drain huge sums from national treasuries in countries whose governments cannot meet basic human needs.

What's more, it is often the very existence of these institutions that present the greatest threat to democracy itself.

In a world where capital for development is becoming increasingly scarce, the continued allocation of such amounts of money and talent contributes to disease, ignorance, and misery.

Mr. President, I urge my colleagues to consider these facts:

The United Nations Development Program [UNDP] calculates Third World military expenditures for 1987 at $173 billion, with an historic growth rate of 7.5 percent a year.

Studies by the IMF and the World Bank have found that foreign assistance to these countries both enable and encourage their governments to spend more on their armed forces.

According to the World Bank, a global decrease in military budgets to 4.5 percent of a country's gross national product—the world's average—in countries whose military expenditures currently exceed that amount would mean the freeing up of some $140 billion for use for other purposes.

In the last two decades, several Third World countries have earmarked on an annual basis as much as 50 percent of their central government expenditures for their militaries.

One way that the United States can help these countries abandon now-destructive spending practices is to reevaluate the criteria through which U.S. assistance is provided worldwide.

For this reason, I rise today to introduce the Developing Countries Demilitarization Act of 1992.

The bill seeks to ensure that the United States assists only those nations whose military expenditures fall to or below 3.6 percent of annual gross national product.

The 3.6-percent figure represents the amount the administration says it plans to spend on our military annually after 1995.

If the United States, with its global responsibilities, can shoulder those burdens in this cost-efficient manner, there is no reason to expect other nations whose security problems today are largely problems of development rather than weaponry to do no less.

Mr. President, let me say at the outset, that given yesterday's testimony by CIA director Robert Gates and top officials from the Pentagon, this projected 3.6 percent figure for U.S. defense spending can reasonably be expected to change.

Thus the same figure in this bill—pegged as it is to the U.S. example—should be seen as a ceiling, one which is subject to change, too, as circumstances dictate.

This bill would make it U.S policy to work with our allies and multilateral lending institutions such as the International Bank for Reconstruction and Development and the International Monetary Fund to help ensure the future development of the Third World proceeds in a manner that will produce lasting economic growth and social harmony.

I believe that the bloated militaries of many developing nations present one of the few areas in which extensive budget cuts may be made without adversely affecting a nation's infrastructure and national well-being.

Recent statements from top officials of the International Monetary Fund had the World Bank reinforce my conviction that by reducing the level of military expenditures in these countries, tens of billions of dollars will be made available for use in other, more vital programs.

During the intense bipolar competition generated by the cold war, the world became militarized to a disastrous level. Today we have the opportunity, and the obligation, to reverse this dangerous trend, to help nations end years of economic stagnation.

If any clear reading of the mood of our country can be made today it is this: The American taxpayer does not want to continue to shell out money overseas unless it contributes to the betterment of all.

This bill can help the economies of the Third World grow, creating markets for American goods and jobs for American workers.

And by enhancing the stability of the Third World by helping those societies to demilitarize and grow, we can help ensure that the democratization wave now sweeping the globe leaves in its wake a changed and better world.

Mr. President, I ask unanimous consent that a copy of the bill be placed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2157

Be it enacted by the Senate and House of Representative of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Developing Countries Demilitarization Act of 1992".

SEC. 2 POLICY.

It is the policy of the United States that no developing country whose military expenditures exceed 3.6 percent of its gross national product should be eligible for United States bilateral foreign assistance and that the United States will oppose the extension of financing or assistance by any multilateral institution to such country.

SEC. 3. FINDINGS.

The Congress finds that—

(1) most countries lack capital with which to develop their people's potential and their countries' resources in a way that contributes to general well-being and security;

(2) international financial institutions face similar resource limitations at a time when needs of these countries, particularly those which are lesser-developed, are growing;

(3) superpower competition and mistrust is being replaced by cooperation and collaboration on a wide range of issues, thus rendering obsolete nearly half a century of Cold War;

(4) many of the world's militaries had as a primary mission, or ostensible justification, support for the Cold War, a task that has withered into irrelevancy in the 1990s;

(5) in many developing countries, militarism or the military threat to civilian rule, are significantly enhanced by large standing armed forces that do not face a credible external threat and that do not possess a meaningful mission;

(6) these bloated militaries represent, in many countries, one of the few institutions in which budget cuts might be made and, by doing so, enhance security and well-being; and

(7) a decrease in military budgets to 4.5 percent of a country's gross national product—the world's average—in countries whose military expenditures currently exceed that amount would mean the freeing up of some $140,000,000,000 for use in other purposes.

SEC. 4. ELIGIBILITY FOR UNITED STATES FOREIGN ASSISTANCE.

(a) IN GENERAL.—A developing country shall be considered eligible for foreign assistance, including security assistance, from the United States if its total expenditures on the military during the preceding year do not exceed 3.6 percent of its gross national product for that year.

(b) RULE FOR SECURITY ASSISTANCE.—for purposes of making he calculation under subsection (a), a country's request for United States security assistance shall be included in its calculation of expenditures on the military during the preceding year.

SEC. 5. UNITED STATES ASSISTANCE EFFORTS TO DEVELOPING COUNTRIES THROUGH MULTILATERAL ENTITIES.

The President shall—

(1) inform all United States representatives to multilateral lending and development assistance agencies and organizations, including the International Bank for Reconstruction and Development, the International Monetary Fund, and the Inter-American Development Bank, about the policy set forth in section 2;

(2) assure that no United States funds are provided as grants, loans, or collateral, directly or indirectly, through any multilateral agency or organization, to any developing country that expends more than 3.6 percent of its gross national product on military expenditures; and

(3) consult with United States allies and, in particular, with the leadership of other Group of Seven (G–7) major industrialized countries, about United States policy set forth in section 2, and shall urge them to adopt similar policies.

SEC. 6. WAIVER.

The President may waive the application of this Act if he determines and certifies to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives that to invoke the provisions section 4 or 5 would be to cause grave harm to a democratic country facing armed aggression or the threat of armed aggression from—

(1) a hostile neighboring state whose government is not democratically elected or which is guilty of a consistent pattern of gross violations of human rights; and

(2) a local insurgency whose existence presents an immediate danger to survivability of the government and which is guilty of a consistent pattern of gross violations of human rights.

SEC. 7. DEFINITIONS.

For purposes of this Act—

(1) the term "developing countries" means those countries whose per capita income is $4,300 or less;

(2) the term "Group of Seven (G–7) major industrialized countries" refers to Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States; and

(3) the term "military expenditures" means all expenditures on the provision and maintenance of, and support for, armed forces, but does not include funds destined for civilian law enforcement agencies.

SEC. 8. DATE OF ENACTMENT.

This Act shall take effect 90 days after its date of enactment.•

By Mr. BOREN:

S. 2159. A bill to amend the Internal Revenue Code of 1986 to stimulate economic growth and long-term competitiveness in the United States by providing middle-income tax relief and by stimulating capital investment, and for other purposes; to the Committee on Finance.

TAX FAIRNESS AND COMPETITIVENESS ACT OF 1992

• Mr. BOREN. Mr. President, I am introducing today a wide-ranging tax relief act, the Tax Fairness and Competitiveness Act of 1992, that includes a capital gains tax cut and an education aid plan to help middle-income Americans pay the high cost of college tuition.

Any tax plan that we adopt must meet three objectives: long-term improvement of America's competitive position, short-term stimulus to the economy, and increased fairness for middle-income taxpayers. We must avoid rushing into a short-term tax package that contradicts sound long-term strategy. While we work on a tax bill, we cannot sacrifice our long-term goals for a quick fix. Our goals must be to make us more competitive and to create secure jobs for young Americans in the future. Whatever we do to stimulate the economy in the short-run must be consistent with these objectives.

In the long term, we must lower capital costs and make the United States more competitive. The Tax Code is a powerful tool in encouraging businesses and individuals to use their resources to benefit economic growth. The cost of capital in this country is significantly higher than the cost of capital for our major international competitors. The United States cost of capital is 2½ times higher than that of Japan, and taxes are a crucial element in that cost.

MIDDLE-INCOME TAX RELIEF

PROVISIONS TO REDUCE THE BURDEN OF FINANCING HIGHER EDUCATION

As we work to give middle-income families the tax relief they deserve, we must not forget that one of the greatest struggles now faced by these families is the skyrocketing cost of providing a college education for their children. The very wealthy don't have to worry about educating their children; the very poor can qualify for generous scholarships and grants. Middle-income families, however, earn too much to qualify for financial aid and too little to afford the spiraling costs of a college education without financial help. As a result, most of these families must either take out burdensome educational loans or simply abondon the hope of providing their children with a college education.

One thing is certain: The long-term economic well-being of this Nation is dependent on a skilled and highly educated work force. If the Federal Government does not provide the economic stimulus to make higher education affordable by the largest segment of American society—the segment that includes three-fourths of the college-age population—the future holds little promise for our youth.

My proposal to lessen the tremendous weight of financing higher education for middle-income Americans has three prongs. First, we must realize that the only way most middle-income parents can meet the costs of college is to take out substantial student loans. Debt for graduating students and their parents may range from $10,000 to $120,000, depending on the type of education the student received. Such a huge debt burden discourages students from seeking higher education, as well as discouraging them from taking lower paying public service and teaching jobs after they graduate.

As you know, the so-called Tax Reform Act of 1986 phased out the interest deduction for interest on loans used to finance the costs of higher education. My proposal, also introduced today as separate legislation cosponsored by my colleague from Iowa Senator GRASSLEY, would allow a taxpayer the option of taking a deduction or a tax credit for interest paid on loans for higher education. Most taxpayers would chose the option of the itemized deduction, which would be equal to the full amount of qualified higher education loan interest. The option of a tax credit is provided for those taxpayers who do not have enough deductions to justify itemizing. The credit would be equal to 15 percent of interest, with a cap of $300 per year. Because interest payments tend to be higher in the initial years of repayment, the tax benefit is limited to interest paid or incurred during the first 48 months, whether or not consecutive, for which a payment is required to be made on such loans.

The second prong aimed at the costs of higher education is the provision establishing a family college savings account [CSA]. Even though the polls reveal that most parents feel obligated to contribute to the cost of their children's college education, only half of the families that plan to send a child to college are actually saving for that eventuality. Even among savers, the median savings level is under $600 per year. Without some incentives, families will be financially unprepared to pay for their children's college educations.

At the close of the 100th Congress, we took an important first step toward assisting families to save for college education by providing that Federal EE savings bonds, when transferred to a qualified educational institution for purposes of paying tuition, would be tax exempt. The only problem with current law is that it fails to exploit the abundant resources of the private sector and of the States in encouraging savings for college. Private sector innovators who conceive and market financial instruments designed to stimulate college savings and States, such as Oklahoma, that have implemented tuition prepayment plans are competitively disadvantaged by a tax-advantaged Federal product. To maximize savings for college, we must level the playing field for all financial instruments by providing tax incentives across the board.

Under the proposal that I am introducing today, eligible investments for a CSA include the series EE savings bond; deposits made in a college savings program sponsored by a State; and bank accounts, investment accounts, and other accounts that satisfy requirements similar to those for an IRA. As in the current EE savings program, there will be no deduction for contributions to the college savings account. Earnings on amounts deposited in a college savings account would not be taxed when earned and would be exempt from taxation when withdrawn to pay for college educational expenses. With the exception of the series EE savings bonds, contributions to CSA's must be held for 5 years to be eligible for the exclusion.

Mr. President, the final component of my education package is a change in section 117 of the Tax Code to ensure that most of the funds received by students in the form of scholarships, grants, and fellowships are tax exempt. After the 1986 Act, qualified scholarships are excluded from gross income only to the extent that a full-time student uses them for tuition, fees, and required books, supplies, and equipment. The effect of this change was to treat as taxable income any amount of scholarship used by the student for reasonable living expenses, such as room and board.

I can see no justification for such a tax policy. A student's living expenses while he or she studies at a university are real educational expenses, as necessary as the costs of tuition and fees. By inappropriately treating scholarship money used for these purposes as income to the student, and thereby taxing it if the student has income more than that protected by the personal exemption and standard deduction, we increase the costs of higher education and discourage students from attending college.

TAX INCENTIVE TO ENCOURAGE HOME PURCHASES

The recession has hit the housing industry particularly hard. Housing starts in 1991 were at the lowest level since World War II. It is estimated that the downturn in this industry has resulted in the loss of over 682,000 jobs in the construction industry in the past 2 years.

A consensus is building that one of the best solutions to this problem is a temporary, refundable tax credit for first-time home purchasers. Accordingly, I propose as part of the middle-income relief portion of my package a $2,000 tax credit for families with incomes less than $75,000. This tax credit would be effective as of today so that people will not postpone buying homes, thereby postponing economic recovery, until the Congress passes legislation to provide relief.

It has been estimated that such a tax credit could result in 260,000 housing starts and 500,000 jobs. In addition, this tax provision could transform the dream of home ownership into a reality for many young Americans who would not otherwise be able to save enough money for a downpayment.

LONG-TERM COMPETITIVENESS PROVISIONS

Although our attention is fixed on the immediate effect of the recession on middle-income Americans, we cannot let our current troubles blind us to the need for comprehensive, long-term tax reform. We must restructure the

Tax Code so that it exerts a positive influence on investment, employment, and international competitiveness. With those overriding concerns in mind, I offer the following provisions to decrease the cost of capital and to enhance our ability to compete effectively in the international marketplace.

CAPITAL GAINS TAX REDUCTION

I have long been a proponent of the idea that a reduction in the tax on capital assets is a vital component to any program to increase investment and competitiveness. I am heartened by the increasing number of my colleagues on both sides of the aisle who agree with this perspective. I offer today my own approach to reducing the tax on capital gains, an approach that owes much to the legislation recently introduced by my colleague from Louisiana, Mr. BREAUX.

Taxes, particularly the taxes on capital gains, directly influence the cost of capital. By eliminating the capital gains differential, the 1986 Act substantially increased the cost of capital for U.S. businesses. It has been estimated by an economist from the Boston Federal Reserve Bank that if Congress had not raised the capital gains tax in 1986, the cost of capital would have risen by only half as much as it did. This effect is particularly pronounced on new business endeavors, particularly venture capital projects.

My proposal would decrease the capital gains tax so as to lower the cost of long-term investment and to stimulate economic growth. It is structured so that it does not reward short-term, speculative investment that does not stimulate real economic growth. The legislation provides for a 5-percent exclusion on the capital gain from assets held for at least 2 years. This exclusion would increase each year to an exclusion of 25 percent for assets held over 10 years. The bill would be effective as of today; thus, it should not skew investment decisions or postpone investment necessary to bring us out of the recession.

Like the proposal introduced in October by Senator BREAUX, this legislation is designed to address the argument that a capital gains tax reduction will decrease revenues. I remain convinced that a capital gains cut will stimulate the economy to such an extent that the proposal will actually result in increased revenue for the Treasury. We are all familiar with the administration's estimates of a $16 billion gain over a 4-year period. We are equally familiar with the contrary estimates that predict a net loss in revenue from a capital gains tax cut.

The way to move forward with capital gains tax reform in the face of this uncertainty is to establish a fallback position. If this proposal results in a loss of money to the Treasury—a result I do not anticipate—a fourth tax rate of 36 percent will be triggered that will raise sufficient revenue to offset any loss. Hopefully, this innovation will allow us to overcome the stalemate of the opposing revenue estimates and proceed with important legislation.

ALTERNATIVE MINIMUM TAX RELIEF

In 1986, Congress enacted a corporate alternative minimum tax [AMT] to end a situation of abuse: some corporations were reporting substantial earnings to shareholders but were not paying any Federal income tax through the legal use of tax deductions and credits. Typically, these tax benefits related to capital expenditures and the development of natural resources—they could be so large in comparison to a company's income that essentially no tax liability would remain after those deductions were taken.

Regardless of Congress' good intentions when it enacted the corporate AMT, the operation of the law has had a pronounced and unexpected negative effect on corporate investment and economic growth. Recent research by Arthur Anderson and Co. shows that U.S. firms paying the AMT recover their investment costs for new equipment much more slowly than do companies located in countries that are our major competitors. For example, a United States firm manufacturing engine blocks recovers only 34 percent of its capital expenditures after 5 years if it is an AMT payer, compared to 94 percent in Korea, 87 percent in Germany, 72 percent in Canada, and 64 percent in Japan.

Of course, the AMT increases the cost of capital for all firms paying the alternative minimum tax whether they invest in robots, pollution-control equipment, or other capital equipment. The significance of this decrease in our competitiveness is alarming. It has been estimated that between 40 and 60 percent of all U.S. businesses will pay the alternative minimum tax in 1991. It is particularly ironic that the effect of the AMT is more pronounced during a recession because corporate income is low relative to the amount of tax preferences. It is not good economic policy to increase taxes on businesses seeking to invest when the economy is stagnant and unemployment is staggering.

I am offering today a proposal designed to provide relief for corporate AMT payers who have accumulated substantial AMT credits during the recession. The proposal would allow AMT payers who generate AMT credits in the prior years to use accumulated AMT credits against current year AMT liability. This proposal is consistent with the original intent of Congress when it passed the corporate AMT. We did not intend to deny AMT payers the effect of regular tax benefits, but only to limit the amount they could receive in any 1 year. In reality, however, long-term minimim taxpayers are being permanently denied these benefits; they cannot use all their credits in a meaningful time frame either because they have so many accumulated credits or because they have been AMT payers for such a long time.

The bill contains a 90-percent limitation so that a corporate taxpayer will always pay some tax when it generates income. To that extent, my proposal remains true to the objective of the AMT. Moreover, the legislation does not change the underlying structure of the AMT base; rather, it provides targeted relief to companies that need it most.

In addition to this general AMT relief for all corporations paying the alternative minimum tax, the legislation also has targeted relief to help revitalize the independent oil and natural gas industry. We are all aware that independent producers drill 85 percent of the wells in this country, and that they are responsible for 60 percent of the natural gas and 40 percent of the crude oil produced in the United States.

Since 1986, however, domestic oil production has decreased by more than 1.7 million barrels per day, and the number of domestic independent producers has dropped by more than one-third. Many experts point to the AMT as a primary cause of this decline because it treats unfavorably two ordinary and necessary business expenses for independent oil and gas producers: intangible drilling costs [IDCs] and the deduction for percentage depletion.

Because these are terms of art, we can lose sight of the fact that these expenses are necessary business expenses that are instrumental to the development of oil and gas resources. In general, IDC's are the expenditures incident to and necessary for the drilling and preparation of wells for production that are neither for the purchase of tangible property nor part of the acquisition price of the leasehold itself. These costs can amount to as much as 80 percent of the total costs incurred in developing a well; they include survey costs, amounts paid to drilling contracts, costs to prepare the drill site, costs of transporting and setting up the rigs, and costs of cementing casing in place. The deduction for percentage depletion is based on economic principles that recognize that oil and natural gas operators must discover their capital and that oil and natural gas properties are wasting assets with no residual value. In addition, the deduction acknowledges that economic profits from successful wells must compensate for the economic losses from dry holes and marginal wells that do not recover their original investment.

Thus, both types of expenditures are legitimate and necessary given the unique nature of the oil and gas industry. Moreover, they both correspond to ordinary business expenses that are deductible for every other business, whether it pays regular corporate tax or the AMT. My proposal would completely eliminate IDC's and percentage depletion as tax preference items for independent producers paying the AMT.

PASSIVE LOSS FOR REAL ESTATE ACTIVITIES

Another long-term problem for our economy has been caused by the changes in 1986 to the passive-loss rules relating to real estate activities. As a provision of this comprehensive act, I have included legislation that I introduced previously as S. 1257. This provision would modify the passive-loss rules to allow qualifying real estate professionals to offset their real estate losses against their income on the same basis as taxpayers in all nonrental business. Such a modification has widespread and bipartisan support in Congress.

As with many of the longer term proposals in the Act, this provision has positive short-term benefits. Real estate is a principal asset of banks, insurance companies, and pension funds. When the asset base is in trouble, so are these financial institutions. Without changes in the passive-loss rules, building owners have little incentive to hold on to troubled properties, rather than deeding them back to the lender. Moreover, stabilizing the real estate market would stabilize property values, thereby shoring up many financial institutions whose asset portfolios contain numerous real estate properties.

Under the current passive-loss rules, taxpayers generally may offset losses incurred in activities in which they materially participate against any income. An exception to this rule is made for taxpayers engaged in rental activities, including rental real estate. Such taxpayers are treated as passive investors regardless of the extent of their involvement in rental real estate activity.

This bill provides that the rental real property activities of an individual engaged in the real property business will be treated in the same manner as nonrental activities under the passive-loss rules. To qualify under the bill, an individual must spend at least 50 percent of his or her working time and more than 500 hours in rental property operations during a taxable year. This test ensures that the provision will alleviate the problems caused by the 1986 changes without allowing a return to tax sheltering through real estate investments.

RATIONALIZATION OF THE DEPRECIATION SYSTEM FOR AUTOMOBILES

Mr. President, during the last few months there has been a lot of talk about the need to encourage growth in the domestic automobile industry. The difficulty, of course, is to construct a viable solution that does not also construct unacceptable barriers to trade. An analysis of the market for domestic automobiles suggested an approach that I have adopted in this legislation. By encouraging businesses to purchase passenger cars, light trucks, and vans, we stimulate the domestic automobile industry that represents over 95 percent of business automobile purchases. In fact, one-third of new passenger cars are purchased by U.S. businesses at a cost of over $50 billion annually.

Surprisingly, however, our depreciation system for business autos is unfavorable in comparison with the accelerated depreciation allowed to other business equipment. The recovery life of an automobile for depreciation purposes is 5 years; yet the economic life of a business-use passenger car has been estimated by the Department of Treasury to be approximately 3.5 years. Moreover, the current law provides for an indexed luxury cap, which limits the maximum depreciation allowances that can be taken over the first 5 years of use to $12,660.

My proposal would seek to stimulate business investment in automobiles, light trucks, and vans by reducing their recovery life to 3 years, and by increasing the cap to $18,000, approximately the average price of a new car. This change in the tax law will result in the creation of at least 13,320 to 18,600 jobs among automobile manufacturers and their suppliers. Given U.S. businesses' preference for purchasing domestic automobiles, this proposal should substantially improve the financial health of the domestic auto industry.

TARGETED JOBS TAX CREDIT

The final provision of this legislation would make permanent a tax credit that has resulted in the employment of over 4½ million Americans since it was enacted into law as a temporary credit: the Targeted Jobs Tax Credit. This program has been an extraordinarily effective tool in encouraging the employment of members of target groups with severe barriers to employment, including economically disadvantaged youth, disabled person, Vietnam and Persian Gulf veterans, ex-offenders, and AFDC, SSI, and general assistance recipients.

Yet again, this program's importance is underscored by the difficult economic times that this country now faces. In a time of recession, the Targeted Jobs Tax Credit program becomes even more critical because the individuals for whom the tax credit is designed to help often suffer the most and the longest.

I include this provision in the portion of the act that deals with long-term objectives, however, because it makes the tax credit a permanent part of the tax system. As we consider any changes in tax policy, we must be aware of taxpayers' need for certainty. Temporary programs, such as this one, force Congress to reconsider them frequently and force taxpayers to make investment and employment decisions in an unsettled tax environment. Businesses and individuals simply cannot plan when we have a stop-and-start tax policy.

I urge support of this provision, which I have introduced previously as a separate bill, S. 581, because it is the kind of proven, cost-effective vehicle to combat structural unemployment that is so necessary in an era of persistent social and economic problems.

In conclusion, Mr. President, the Tax Fairness and Competitiveness Act of 1992 is designed to increase the fairness of the tax system which has lately weighed so heavily on the middle class and to stimulate an economy that has been in a recession for 1½ years. I approach both of these short-term goals with the realization that any changes in tax policy must be consistent with long-term objectives of decreasing the cost of capital and enhancing the ability of U.S. businesses to compete abroad.

In the next few months, as the various growth packages are debated and analyzed, we are likely to hear a great deal of rhetoric about the recession and a great deal less commonsense discussion of ways to end it. This issue, with both its short-term and long-term ramifications, is far too important to become a political football. Congress and the administration must work together to rebuild the economy and to restore our faith in the American system—our faith that this Nation provides everyone with the opportunity not only to make a living but also to provide a better life for their children.•

By Mr. SPECTER (for himself, Mr. LAUTENBERG, Mr. D'AMATO, and Mr. SIMON):

S.J. Res. 240. Joint resolution designating March 25, 1992 as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy"; to the Committee on the Judiciary.

GREEK INDEPENDENCE DAY

• Mr. SPECTER. Mr. President, today I introduce a joint resolution to designate March 25, 1992, as "Greek Independence Day: A Celebration of Greek and American Democracy."

One hundred and seventy-one years ago the Greeks began the revolution that would free them from the Ottoman Empire and return Greece to its democratic heritage. It was, of course, the ancient Greeks who developed the concept of democracy in which the supreme power to govern was vested in the people. Our Founding Fathers drew heavily upon the political and philosophical experience of ancient Greece in forming our representative democracy. How fitting, then, that we should recognize the anniversary of the beginning of their effort to return to that democratic tradition.

This democratic form of government is only one of the most obvious of the many benefits we gained from the Greek people. The ancient Greeks contributed a great deal to the modern world and particularly to the United States of America, including art, philosophy, science, and law. Today, Greek Americans continue to enrich our culture and to make valuable contributions to American society, business, and Government.

It is my hope that strong support for this joint resolution in Congress will serve as a clear goodwill gesture to the people of Greece with whom we have enjoyed such a close bond throughout history. Accordingly, I urge my colleagues to join us in supporting this important resolution.•

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. KENNEDY, the names of the Senator from Illinois [Mr. DIXON] and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 2, a bill to promote the achievement of national education goals, to establish a National Council on Educational Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes.

S. 798

At the request of Mr. CRANSTON, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 798, a bill to amend title 18, United States Code, to provide a criminal penalty for interfering with access to and egress from a medical facility.

S. 1381

At the request of Mr. GRAHAM, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1381, a bill to amend chapter 71 of title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive military retired pay concurrently with disability compensation.

S. 1423

At the request of Mr. DODD, the names of the Senator from Iowa [Mr. HARKIN], the Senator from Vermont [Mr. JEFFORDS], the Senator from Ohio [Mr. GLENN], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1424

At the request of Mr. CONRAD, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 1424, a bill to amend chapter 17 of title 38, United States Code, to require the Secretary of Veterans Affairs to conduct a mobile health care clinic program for furnishing health care to veterans located in rural areas of the United States.

S. 1817

At the request of Mr. LAUTENBERG, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 1817, a bill to amend the Trade Act of 1974 to require the National Trade Estimate include information regarding the impact of Arab boycotts on certain United States businesses.

S. 1845

At the request of Mr. SIMON, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 1845, a bill to ensure that all Americans have the opportunity for a higher education.

S. 1902

At the request of Mr. ADAMS, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 1902, a bill to amend title IV of the Public Health Service Act to require certain review and recommendations concerning applications for assistance to perform research and to permit certain research concerning the transplantation of human fetal tissue for therapeutic purposes, and for other purposes.

S. 1934

At the request of Mr. STEVENS, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1934, a bill to exclude deposits into a capital construction fund account under section 607(d) of the Merchant Marine Act from net earnings from self-employment.

S. 2056

At the request of Mr. BINGAMAN, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 2056, a bill to assist States in developing export programs, and for other purposes.

S. 2094

At the request of Mr. SIMON, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 2094, a bill to repeal sections 601 and 604 of the Emergency Unemployment Compensation Act of 1991, relating to certain student loan provisions.

S. 2106

At the request of Mr. CRANSTON, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 2106, a bill to grant a Federal charter to the Fleet Reserve Association.

S. 2113

At the request of Mr. SMITH, the names of the Senator from Montana [Mr. BURNS], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Alaska [Mr. STEVENS], the Senator from Utah [Mr. HATCH], and the Senator from Texas [Mr. GRAMM] were added as cosponsors of S. 2113, a bill to restore the Second Amendment rights of all Americans.

S. 2117

At the request of Mr. SASSER, the names of the Senator from Maine [Mr. MITCHELL] and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 2117, a bill to ensure proper service to the public by the Social Security Administration by providing for proper budgetary treatment of Social Security administrative expenses.

SENATE JOINT RESOLUTION 166

At the request of Mr. DOLE, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of Senate Joint Resolution 166, a joint resolution designating the week of October 6 through 12, 1992, as "National Customer Service Week."

SENATE JOINT RESOLUTION 214

At the request of Mr. CHAFEE, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Joint Resolution 214, a joint resolution to designate May 16, 1992, as "National Awareness Week for Life-Saving Techniques."

SENATE JOINT RESOLUTION 233

At the request of Mr. BIDEN, the names of the Senator from Maryland [Mr. SARBANES] and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Joint Resolution 233, a joint resolution to designate the week beginning April 12, 1992, as "National Public Safety Telecommunicators Week."

SENATE JOINT RESOLUTION 239

At the request of Mr. PACKWOOD, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Alaska [Mr. STEVENS], the Senator from Washington [Mr. ADAMS], the Senator from Montana [Mr. BAUCUS], the Senator from Delaware [Mr. BIDEN], the Senator from Missouri [Mr. BOND], the Senator from North Dakota [Mr. BURDICK], the Senator from Montana [Mr. BURNS], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Mississippi [Mr. COCHRAN], the Senator from Idaho [Mr. CRAIG], the Senator from California [Mr. CRANSTON], the Senator from New York [Mr. D'AMATO], the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. DIXON], the Senator from Connecticut [Mr. DODD], the Senator from Kansas [Mr. DOLE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Ohio [Mr. GLENN], the Senator from Utah [Mr. HATCH], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Wisconsin [Mr. KASTEN], the Senator from Michigan [Mr. LEVIN], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Arkansas [Mr. PRYOR], the Senator from Virginia [Mr. ROBB], the Senator from Tennessee [Mr. SASSER], the Senator from South Carolina [Mr. THURMOND], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of

Senate Joint Resolution 239, a joint resolution designating February 6, 1992, as "National Women and Girls in Sports Day."

SENATE CONCURRENT RESOLUTION 74

At the request of Mr. DECONCINI, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Concurrent Resolution 74, a concurrent resolution calling for acceptance and implementation by certain republics of the commitments on human rights, fundamental freedoms, and humanitarian cooperation contained in the Helsinki Final Act and other documents of the Conference on Security and Cooperation in Europe.

SENATE RESOLUTION 246—RELATIVE TO RECOGNITION OF CROATIA AND SLOVENIA

Mr. DOLE (for himself, Mr. PRESSLER, Mr. HELMS, Mr. PELL, Mr. MCCAIN, Mr. BROWN, Mr. GORTON, Mr. D'AMATO, Mr. SEYMOUR, Mr. DIXON, Mr. JOHNSTON, Mr. RIEGLE, Mr. HATCH, Mr. WALLOP, Mr. GLENN, Mr. BREAUX, Mr. GORE, Mr. GARN, Mr. LIEBERMAN, Mr. SPECTER, Mr. MACK, Mr. WOFFORD, Mr. NICKLES, Mr. THURMOND, Mr. ROTH, Mr. KASTEN, Mr. HARKIN, Mr. SYMMS, Mr. WARNER, and Mr. KOHL) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 246

Whereas, on December 23, 1990, the people of Slovenia voted overwhelmingly for freedom and independence;

Whereas, on May 19, 1991, the people of Croatia voted overwhelmingly for freedom and independence;

Whereas, on June 25, 1991, the governments of the Republics of Croatia and Slovenia declared their independence;

Whereas, the attack by the Yugoslav Army on the Republic of Slovenia resulted in over one hundred casualties before the agreement on the Yugoslav Army's withdrawal from Slovenia was reached on July 10, 1991;

Whereas, following the Croatian declaration of independence, the Yugoslav Army, in conjunction with the communist leadership of the Republic of Serbia, began waging a brutal war against the Republic of Croatia, a war which has resulted in the deaths of over 10,000 people, primarily innocent civilians, and the large scale destruction of hospitals, schools, churches and industry;

Whereas, since September 7, 1991, the governments of Croatia and Slovenia have been negotiating in good faith at the European Community sponsored peace conference and have met the criteria established by the EC regarding commitment to democracy and the protection of human rights;

Whereas, on January 15, 1992, the twelve nations of the European Community, in accordance with EC criteria and procedures, extended diplomatic recognition to Croatia and Slovenia;

Whereas, as of January 23, 1992, the following countries have extended diplomatic recognition to Croatia and Slovenia: Albania, Argentina, Australia, Austria, Belgium, Bulgaria, Canada, Chile, Czech and Slovak Federation, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lichtenstein, Lithuania, Luxembourg, Malta, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, San Marino, Spain, Sweden, Switzerland, Ukraine, Uruguay, United Kingdom, The Vatican;

Whereas, it is in the national interest of the United States to establish friendly diplomatic relations with new and democratic countries which have emerged from former communist multinational states; Now, therefore, be it

Resolved, That:

(1) The U.S. Senate congratulates the governments and people of Croatia and Slovenia on the occasion of the recognition of their independence by thirty eight countries.

(2) The U.S. Senate believes it to be consistent with the traditional American commitment to freedom and self-determination, and in the interest of stability in Europe, to support new democratic countries which have emerged from communist multinational states such as the former Yugoslavia and the former Soviet Union.

(3) The U.S. Senate urges the President to immediately extend diplomatic recognition to Croatia and Slovenia and establish mutually beneficial relations with these new countries.

Mr. DOLE. Mr. President, today I am introducing a resolution urging United States recognition of Croatia and Slovenia. I am joined by 27 of my colleagues, including the ranking Republican on the European Subcommittee of the Foreign Relations Committee, Senator PRESSLER, the ranking Republican on the Foreign Relations Committee, Senator HELMS, and the chairman of the Foreign Relations Committee, Senator PELL.

Recognizing these two nations is recognizing reality. Yugoslavia is like humpty dumpty—all the kings horses, and all the kings men are just not going to put it together again.

Recognizing these two nations is doing the right thing—consistent with America's fundamental commitment to freedom and self-determination for all people; consistent with our fundamental interest in fostering long-term stability in Central Europe.

Merely applauding the collapse of Communist states such as the Soviet Union, or passively observing the dissolution of Communist states such as Yugoslavia, does not represent an effective American policy. We have learned that in dealing with the new republics of the former Soviet Union. We must relearn it in forging a sensible, realistic policy toward Croatia and Slovenia.

Mr. President, 39 countries understand this lesson and recognize this reality. Thirty-nine have already extended diplomatic recognition to Croatia and Slovenia. The European Community, the former Warsaw Pact countries, the Baltic States, our neighbor Canada—all have recognized Croatia and Slovenia. We like to call ourselves the leader of the free world. It is high time we show that leadership by joining our fellow free world nations in this act.

This resolution urges the President to immediately extend diplomatic recognition to Slovenia and Croatia, and to begin the process of establishing and implementing mutually beneficial relations with both states.

The people of Croatia and Slovenia have committed themselves, over the last year and a half, to democracy and freedom.

The Slovenians voted for a democratic government in the spring of 1990. In December 1990, they voted overwhelmingly for independence. Only a day after the Slovenian Government declared independence, the Slovenians fought to defend their right to freedom. Tragically, dozens of Slovenians lost their lives fighting against the Yugoslaw Army. Once entrusted with the defense of Slovenians and the other people of Yugoslavia, this army had become the last bastion of communism, with total allegiance to hardline Serbian President Milosevic.

It was not easy to stomach some of the scenes we saw on CNN: Ill-equipped but brave Slovenians trying to defend their country against the heavily armed Yugoslav Army.

And, little did we know at the time, Slovenia was only an appetizer. The Yugoslav Army was really hungering for a big chunk of Croatia. The people of Croatia, like those of Slovenia, also voted for democracy in April 1990, and for independence in May 1991.

However, after the Yugoslav Army was rebuffed in Slovenia, Croatia became the target of Milosevic's plan to carve out a greater Serbia. The Yugoslav Army, together with Serbian guerrillas, launched an all-out war against Croatia—its people, its culture, and its economy.

This war has resulted in over 10,000 deaths, mostly civilians—women and children. Hospitals, churches, schools, and homes have been destroyed. Yet, the citizen of Croatia have not wavered in their determination to win freedom.

Mr. President, the people of Slovenia and Croatia have paid and are paying a high price for freedom. We can't turn away from them now.

The United States has historically supported the rights of nations to self-determination. The Reagan-Bush policies have been vindicated—the United States won the cold war. Having supported these principles unswervingly for decades, we must now support those nations which have turned these principles into reality for their people. We must embrace new democratic countries like Slovenia and Croatia. Diplomatic recognition is the first crucial step.

Mr. President, I would like to quote from a letter sent by former President Reagan to Croatian President Franjo Tudjman on January 15, the day the EC countries recognized Croatia and Slovenia. President Reagan says: "This is a proud day for freedom loving people around the world." On the same day, former British Prime Minister Margaret Thatcher also wrote to President Tudjman: "At this time, your friends also remember those who gave their lives and those who suffered grievously in this terrible war. The injured and those who have lost their homes will need practical help to rebuild their shattered lives. For them and for all Croatians today offers a new beginning and brings new hope."

Mr. President, I ask unanimous consent that these two letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JANUARY 15, 1992.

President FRANJO TUDJMAN,
Pancovcak 241, Villa Zagorje, Zagreb, Croatia.

DEAR PRESIDENT TUDJMAN: I am writing to offer my congratulations on the recognition the E.C. has given to Croatia's sovereignty and independence. This is a proud day for freedom living people around the world.

With best wishes for continued success,

Sincerely,

RONALD REAGAN.

JANUARY 15, 1992.

Dr. FRANJO TUDJMAN,
President of the Republic of Croatia.

DEAR PRESIDENT: Please accept my warmest congratulations on the international recognition of Croatia's independence. I know how passionately your people have longed for this day. We must not be surprised if there are further difficulties which will need to be overcome. But I know that you will strive to secure the peace, justice and stability which alone can make for a prosperous future.

At this time your friends also remember those who gave their lives and those who suffered grievously in this terrible war. The injured and those who have lost their homes will need practical help to rebuild their shattered lives. For them and for all Croatians today offers a new beginning and brings new hope.

Kind regards,

MARGARET THATCHER.

Mr. DOLE. Mr. President, Slovenians and Croatians have died for their freedom, as many Americans did fighting for independence over 200 years ago.

It is time for us to live up to our history, and do what is realistic and right.

I certainly would urge my colleagues to take a look at this resolution and if they feel so inclined to cosponsor it.

Mr. BROWN. Mr. President, I thank the distinguished Republican leader from Kansas for an opportunity to join him in this resolution and for an opportunity to speak on it.

What is at stake here is not simply the recognition of the two countries. What is at stake is more important. What is at stake here is a question of freedom, independence, and self-determination.

There is a clear and distinct difference between the central government of Yugoslavia and these two Republics. The facts are these: These Republics believe in political freedom, and economic freedom. The central government does not.

If this Nation stands for one thing in its 200-plus years of history, it stands for freedom, independence, and self-determination. It stands for opportunity. That is what I believe is at stake with the recognitions of these two Republics. It is not simply where we put an embassy, it is not merely where we send an ambassador. It is what this Nation and this people stand for.

If we want to hold high the torch of freedom, that has lighted the world throughout this country's existence, this is an important opportunity. It is an opportunity for us to reflect the will of the American people, to once again speak out for freedom. The leadership the United States has to offer is one that champions self-determination and independence for all people.

As you all know, tensions have simmered for many years in Yugoslavia between the many differing cultural and ethnic groups. However, the current conflict is not purely an ethnic misunderstanding as has so often been portrayed. It is the heroic struggle of a people whose desire for freedom and democracy cannot be suppressed. Today's fighting is between those who favor the freedom and liberty of self-government and those who would maintain one of the world's remaining repressive totalitarian regimes.

Croatia and Slovenia held referendums on independence last summer. Both were overwhelmingly approved by their peoples. The courageous men and women of Croatia and Slovenia made their own choice. They have chosen democracy instead of totalitarianism.

Unfortunately, the Republic's call for independence has been met with force by the federal Yugoslav Army. Since Croatia and Slovenia declared their independence last June, this Communist army, equipped with modern weapons and military technology, made ruthless and brutal attacks upon the newly independent Republics of Croatia and Slovenia. What they could not win by persuasion, they attempted to take by force.

For the brave people of Croatia, the conflict has brought tragic loss. Over 10,000 Croatian men, women, and children have been killed. Many thousands have been wounded. Furthermore, the federal army has devastated Croatia; 400,000 people have lost their homes. The property damage is estimated at more than $20 billion. Thirty percent of the Croatian economy is completely ruined and as much as a third of the new Republic's territory has been occupied by the Communist forces of Yugoslavia.

The United States must stand by those men and women around the world who are fighting for freedom. As Americans, we know what it's like to be virtually abandoned—we were during our struggle for independence. Only the French stood with us, and only after we were well into the struggle. We, the American people, have long advocated democracy and freedom and respect for the right of self-determination for the world's peoples. We have been leaders in support of independence for many other nations.

In the case of Croatia and Slovenia, we should have been first to recognize their independence. We were not, not even close. In fact, it looks now like we will be lucky to be the thirty-ninth country to recognize these newly independent nations. When we do recognize them, we will be one of the very last Western nations to do so.

It seems that our struggle for independence and the lack of outside support are only a dim memory, a very dim memory. Even worse, our delayed recognition sent a wrong signal to the Belgrade regime at a critical time, giving the appearance that this repressive Communist government could crack down on the newly independent and democratically elected Governments of Slovenia and Croatia, with little fear of retaliation once the conflict had ended.

As Americans, we must be catalysts for freedom, and for peace and stability in that region. We must continue to encourage reconciliation among different ethnic groups, and ensure that Croatia and Slovenia, as new Republics, afford their minorities the same democratic rights they are fighting to win today. They have promised to do so, and should be held to their promise.

Mr. President, several articles recently appeared in Zajednicar, a newspaper of the Croatian Fraternal Union of America. I ask that they be printed in full at the end of my remarks.

Mr. President, I am delighted to join as a cosponsor of this resolution and urge its speedy adoption.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Zajednicar, Jan. 1, 1992]

THE BIG LIE

Most news stories on the war in Croatia usually contain a paragraph that "the Serbs want to protect the 600,000 Serbs living in Croatia from the genocide that resulted in the massacre" of Serbs, anywhere from 700,000 to 1.2 million, during World War II. That grossly inflated figure was even further bloated on an ABC World News program on Dec. 23 in a segment by Bill Lawry that claimed two million Serbs were killed by Croats in World War II.

We have protested to various news media outlets that the figures are grossly exaggerated. Furthermore, we have asked why there is never any mention that more than 250,000 Croatians were massacred by the Serbs in World War II.

We would ask our members to write ABC World News, 47 West 66th St., New York, NY 10023, attention Bill Lawry, telephone 212-887-3606. Point out to ABC that the 1985 book by Serbian scholar Dr. Bogoljub Kocovic "World War II Deaths in Yugoslavia" mentions that in all of Yugoslavia during World War II, one million Yugoslavs died. There have also been a number of articles in the "Z" in recent months that show the claim of 700,000 to 1.2 million and even 2 million Serb deaths as The Big Lie.

We have refrained in the past from getting into a numbers argument over what happened 50 years ago. The Croatian Parliament has apologized for the brutality that occurred in World War II. What happened in World War II is nothing to be proud of, including the massacre of more than 250,000 Croatians by the Serbians.

Some people seem to take a particular delight in exaggerating the death numbers of World War II. We feel it is revolting and even sickening to revel in brutality and genocide.

Religion is also silently being brought into terrible war in Croatia. The ABC news program aired racist bigotry by implicating the Vatican with World War II massacres in Croatia. And we must ask why more than 300 Croatian Catholic churchs and cathedrals have been deliberately destroyed during the current conflict by the chetniks and the Yugo-Serbian communist army.

The year 1992 is on the horizon. It is our fervent hope and prayer that lasting peace will come to all people in the Old Homeland. War is such an awful waste of life. Let us not promote it nor support it by spreading lies and propaganda in the belief that we are helping a just cause. Lies beget lies. Let there be peace on earth and good will to all.

Letters To The Editor

DEAR EDITOR: President Bush's position of refusing to recognize Croatia as an independent state is scandalous and reprehensible. It is completely contrary to his position on the Baltic states, other republics of the former Soviet Union, and elsewhere.

It strangely aligns itself with the last hard-line communist regime in Europe of Serbian President Slobodan Milosevic against the democratic, free-enterprise system of Croatia.

Initially, President Bush quickly washed his hands of the issue, saying that it was a matter for the European Community to reslove.

The ministers of the European Community then made extensive onsite evaluations and allocated the principal blame for the barbaric ferocity of the killing of Croatians and the destruction of their property upon the Serbian Federal Army and their allied Chetnik gangs.

As a result, many of the countries of the European Community, with Germany and Austria leading the way, appear on the verge of granting formal recognition to Croatia.

Now, and most belatedly, President Bush incredibly re-enters and imposes roadblocks and warnings to the European Community against such imminent recognition.

His action sends a clear signal of encouragement to Milosevic that he may safely continue his program of relentless butchery of Croatians and the destruction of their property, all while his own Serbian populace and property remains immune from attack.

One almost unnoticed effect of President Bush's position is that the large Croatian community of Pennsylvania voted, in protest against it, almost 100 percent in favor of Harris Wofford against Mr. Bush's candidate, Richard Thornburg, in last month's Senate election.

The Croatian community of this country, nearly 3 million strong, together with their many supporters, will similarly and certainly vote essentially 100 percent against Mr. Bush's candidacy for re-election next year to again protest his tacit support for the slaughter of their relatives in Croatia.

HELEN M. SHAPIRA,
Lodge 29.

PITTSBURGH, PA.

DEAR BERNIE: To express our appreciation for the lovely floral arrangement sent upon the passing of mom, Louise Zvonar. We were also touched by the visits of you and the others from the CFU Home Office.

You know Mom had a very special love for our Croatian Fraternal Union.

We also thank the CFU for all efforts on behalf of our dear Croatian people. Hvala vam.

CLAIR & BILL VERGOT & FAMILY,
Lodge 541.

TRAFFORD, PA.

About Our Society That Cares

(By Bernard M. Luketich, National President)

PRESIDENT BUSH DAMPENS 1992

Happy New Year, Sisters and Brothers! This issue of the Zejednicar is dated on the first day of the New Year 1992 and we in the National Administration of the Croatian Fraternal Union wish all our members, friends and all readers of the Zajednicar a Very Happy and Prosperous New Year. May the New Year bless all with good health and good luck and may Peace reign throughout the world, especially in our old homeland Croatia.

I firmly believe that the great majority of our Society's members wish for an end to the conflict in Croatia, and for an atmosphere of understanding and goodwill to return to that area. We also wish that President Busy would reexamine his policy and listen to the members of Congress who are urging him to recognize Croatia and bring an end to the Yugoslav Army's war of destruction. Even though many members of Congress and the nation's leading newspapers—The New York Times, Wall Street Journal, Chicago Tribune, the Washington Post and others—all call for recognition of Croatia as a free and democratic nation, President Bush adamantly says "No!"

STRONG PROPONENT OF DEMOCRACY

As a strong proponent of Democracy throughout the world, President Bush, in just about every address he makes in reference to foreign policy, states how the United States will support democracy and democratic governments wherever they be in the world.

So we ask him, who is he listening to on the Yugoslav issue? Is it proper to assume that President Bush considers the Communist Yugoslav Army and the Belgrade regime democratic instruments and proponents of democracy? Or has President Bush decided—with his ill-advised consultants and State Department—that Croatians should be annihilated from the face of the Earth, while others try to convince the World that they are the victims of genocide? The only real example of genocide is what his happening to the Croatian People by the Communist Yugoslav Army which has the blessing of the foreign policy of the greatest country on earth and our esteemed President George Bush.

Why should President Bush be so eager and fast to have the United States recognize the breakway republics of the Soviet Union and, in one instance—even before the people of the Ukraine voted for democracy—state that our country would recognize the Ukraine if that Republic voted to secede from the Soviet Union?

From news reports seen on out TV sets emanating from the White House, our country will recognize six of the Soviet Republics immediately and the remaining six when they declare their positions on civil rights, free economy and democratic principles. But for Croatia, let the entire country be destroyed, an entire people annihilated and all traces of our Croatian culture, heritage, Catholic religion and the very existence of our centuries-old people be erased by the last Communist army and government in Europe.

It would be helpful to President Bush if he would talk to some of our Croatian People in Slavonija, Karlovac, Gospic and other areas and thus become aware of the suffering of those people.

On Christmas Day, if he had talked to some of the people that we did in Osijek, Gospic and Karlovac, I'm sure that his heart would have melted a bit and gone out to these suffering, unfortunate people who were celebrating Christmas Day as bombs fell on their homes while they had to celebrate Christmas Mass in underground cellars.

FOREIGN POLICY QUESTIONED

I ask my fellow Americans, is this a good foreign policy for the United States of America, the greatest democratic Country in the World? Maybe the democracy that President Bush represents and the democracy that we, his fellow Americans, understand have different meanings or maybe the democracy that he often refers to in his addresses is just window dressing to make us, his constituents, feel good. The other thing that we find hard to comprehend is why the Bush Administration brings so much pressure on other Nations who want to recognize Croatia and help bring this slaughter of innocent people to an end. Why does the Bush Administration oppose sending UN Peacekeeping forces to Yugoslavia, using the weak argument that this can not be done until all fighting ceases? How does he figure that the Yugoslav Army will cease bombing and shelling innocent people so that UN Forces can be sent to Yugoslavia?

Intilligent people view this policy as a green light for the Yugoslav Army to continue its genocide upon our Croatian People.

I certainly hope that this is not the real intent of President Bush and our US State Department.

The United Nations was formed so that Nations throughout the World would be able to solve their differences peaceably, and this organization is an instrument which should do all possible to stop wars. But here again, the Bush Administration wields its influence and the Secretary General bows to the wishes of a President who finds no compassion in his heart for our Croatian People.

Croatia is enduring the most difficult time in its glorious history, but I assure President Bush and his Administration that our people will prevail and will not be eliminated from the homeland they love and have lived on for centuries. We have faith and his foreign policy of dividing our people and thus controlling their future will not work in the 1990's.

We are also sure that over 2½ million American-Croatians will react in the coming presidential elections which I am sure will help to change the presidential foreign policy for years into the future. We will strive for democracy world wide and not support one type of democracy in one area of the world and then have some other type of democracy for another part of the World.

As we begin in this New Year 1992, we do so with heavy hearts and disappointment, watching the President of the greatest democracy on the earth sit by and let the last bastion of Communism in Europe crush a democratic people. Happy New Year, President Bush and members of the Bush Administration.

Mr. SEYMOUR. Mr. President, I am pleased and honored to rise as a cosponsor of this resolution on the formal recognition of Croatia offered by the distinguished Republican leader.

Under the postwar rule of Marshall Tito, the people of Croatia first struggled through the dark age of communism. Now, under constant assault by the Serbian-dominated federal army and Serbian Communist irregulars, they find their communities, families, national treasures, and sparkling seaports in a state of ruin.

In the face of these grim realities, Mr. President, our resolution poses the only feasible answer for the Croation people to begin their long struggle of recovery. A free and democratic Croatia, recognized formally by the United States Government, could face its adversaries with the moral and diplomatic support of the world's only remaining superpower.

A free and democratic Croatia, instead of hunkering down in bunkers, could rise in public view to negotiate a peaceful solution to the myriad of social, territorial, political, and religious problems that vex the former Yugoslavian confederation.

And a free and democratic Croatia, with the help of the United States, could emerge with its sister Republic of Slovenia as the glimmering example of what an Eastern Europe liberated from the shackles of communism can do for a people weary of war but anxious to reclaim their independence.

This resolution, Mr. President, reflects the fact that American foreign policy has leaped into a new confusing but promising era. We can now define the concept of peace as much more than the absence of armed conflict.

We can forge a new model of the single superpower using its awesome military and political might not to stare with nervous vigilance toward its enemies, but to protect the emergence of independent nations who claim membership in the world community by virtue of heritage and history rather than false ideologies.

And we can start building this new model of international relations by embracing what already exists—a democratic Republic of Croatia.

Mr. DIXON. Mr. President, I am pleased to cosponsor the resolution by the distinguished Republican leader urging the President to extend full diplomatic relations to Croatia and Slovenia.

Croatia and Slovenia, two former republics of the now defunct nation of Yugoslavia, declared their independence from the federal state months ago. The people of both countries voted overwhelmingly for democracy. Their declaration was not met with cheers from the community of democratic nations; rather, it was met with gun fire and shelling by Yugoslav Federal Army, under the control of Serbian Communist forces.

Once again, this administration hemmed and hawed on the question of Croatian and Slovenian independence. At first, the administration held to the view that Yugoslavia should remain intact, albeit democratic. Such a view had the unintended consequence of giving the green light to the Serbian Communist forces to seek a military solution to Croatian and Slovenian declarations of independence. After all, the Serbians maintained, they were acting to preserve Yugoslavia, and isn't that what Secretary of State James Baker, speaking on behalf of the administration, favored?

The President and Secretary of State found themselves once again behind the curve of world opinion on what the response of democratic nations should be towards the declarations of independence by republics of former Communist nations.

The United States leads the parade when it comes to encouraging democracy, but finds itself at the back of the pack when it comes to actually recognizing democracies.

Every President since Truman advocated Baltic independence. Yet when the Baltic States actually declared their independence, the President and Secretary of State were content to watch the parade of nations pass them by, despite the advice of their own experts on the Baltic States in the State Department. Lithuanian, Latvian, and Estonian Americans properly felt betrayed by an administration long on words, but short on action.

Croatian and Slovenian Americans feel similarly betrayed. Thirty-eight countries have recognized their homeland. Yet the United States adheres to a policy of "wait and see." Wait and see what, Mr. President?

The war in Croatia has taken the lives of over 10,000 people, and destroyed hospitals, churches, and schools. In Slovenia, there have been over 100 casualties. How much more must the Croatian and Slovenian people endure before the President recognizes their desire, expressed at the ballot box, and on the field of battle, for independence? They have endured enough, Mr. President, and their wish for diplomatic recognition should be granted now.

I am proud to cosponsor this resolution, and urge its swift adoption.

I thank my colleagues.

Mr. JOHNSTON. Mr. President, I am pleased to join my colleagues, the senior Senator from Kansas today, in submitting this important sense-of-the-Senate resolution urging the President to extend diplomatic recognition to Slovenia and to Croatia.

No one who has read the tragic accounts of the tremendous destruction and human suffering throughout Croatia since last July, when the Yugoslav Army began its unrelenting out and out attack against Croatia, and read of the determination of the peoples of Croatia to fight for their independence can fail to be moved by the courage of these brave peoples. At least 10,000 deaths have occurred since the Republic of Croatia declared its independence. Yet in the face of this mass destruction and these horrible losses, this spirit of independence has not wavered.

Some 38 countries have extended diplomatic recognition to the Governments of Croatia and Slovenia since their declarations of independence last June, with the 12 members of the European Community doing so on January 15 of this year. It is time, indeed past time, that the United States followed suit.

We, of all Nations, have had an unwavering commitment to freedom and self-determination for all peoples. Surely the December 1990 and May 1991 referenda, in which the peoples of Slovenia and Croatia freely exercised their right to self-determination and voted overwhelmingly for independence, should be respected by our Nation which, more than any other, stands for these great principles. Surely now we should join the other 38 nations around the world who have listened to the voice of the people as they exercised this most fundamental right of self-determination, and formalize our acceptance of their vote by extending diplomatic recognition to them. This resolution is a first and important step in that direction, and I hope the Senate will swiftly and unanimously approve it.

SENATE RESOLUTION 247—RELATING TO CAPITAL STANDARDS FOR DEPOSITORY INSTITUTIONS

Mr. GRAHAM submitted the following resolution; which was referred to the Committee on Banking, Housing, and Urban Affairs:

S. RES. 247

Resolved,

SECTION 1. SENSE OF THE SENATE RELATING TO STANDARDS ON RISK-BASED CAPITAL.

(a) FINDINGS.—The Senate finds the following:

(1) There were fewer housing starts in the United States in 1991 than in any of the past 40 years.

(2) It is in the interest of the United States that good quality, affordable housing be available to all Americans.

(3) Risk-based capital standards create an incentive for banks and thrifts to make lower-risk loans.

(4) Federal regulators of depository institutions have limited the favorable treatment of housing loans to loans for single-family residences.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that regulators of depository institutions should consider making changes in risk-based capital standards as the standards apply to loans for the purchase or construction of housing.

SENATE RESOLUTION 248—RELATIVE TO THE SIGNING OF A FORMAL CEASE-FIRE IN EL SALVADOR

Mr. DURENBERGER (for himself, Mr. DODD, Mr. LUGAR, Mr. PELL, Mr. DOLE, Mr. MITCHELL, Mr. CRANSTON, Mrs. KASSEBAUM, Mr. SANFORD, Mr. MCCAIN, Mr. ROBB, and Mr. LEAHY) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 248

Whereas the people of El Salvador have suffered 12 years of civil war, violence, and destruction, affecting an entire generation of Salvadorans and virtually every sector of society;

Whereas peace and reconciliation will permit the Salvadoran people to exert their productive capabilities in efforts to restructure their society, rebuild their economy, and further strengthen democracy;

Whereas El Salvador has achieved through negotiations a peaceful resolution to years of bloody and destructive armed conflict;

Whereas the government of President Alfredo Cristiani has successfully fulfilled its promise to the people of El Salvador made on its first day in office that it will bring peace to the country;

Whereas the January 16, 1992, signing of the formal cease-fire agreements represents not only the end of the armed conflict but the beginning of a process to consolidate peace and democracy in El Salvador;

Whereas the Salvadoran people have declared February 1, 1992, the date of the beginning of the formal cease-fire, to be National Peace Day;

Whereas the success of the Salvadoran negotiating process, with the active and indispensable contribution of the United Nations, can provide a model for the resolution of other conflicts around the world;

Whereas the United States has played a significant role in El Salvador during the years of crisis; and

Whereas the people of El Salvador and its neighbors in Latin America will be the primary beneficiaries of peace: Now, therefore, be it

Resolved, That (a) the Senate hereby—

(1) commends and congratulates all parties to the negotiations, the former United Nations Security General Javier Perez de Cuellar, and the Salvadoran people for their persistence, commitment, and dedication to the task of achieving peace;

(2) extends particular praise to President Cristiani for the courage and determination of his personal efforts to bring peace to El Salvador;

(3) commends and congratulates the governments of Colombia, Mexico, Spain, and Venezuela for their important contribution as "friends" of the United Nations Secretary General in support of the negotiating process; and

(4) encourages the Salvadoran people and all sectors of Salvadoran society to commit themselves to the long-term process of consolidating peace, democracy, and economic and social development.

(b) It is the sense of the Senate that—

(1) the United States should commit itself to providing appropriate assistance to the government and people of El Salvador that promotes the process of reconstruction, reconciliation, and further strengthening of democracy and democratic institutions;

(2) the United States should commit itself to seeking and encouraging other members of the international community to contribute materially to this process in El Salvador; and

(3) the United States should commit itself to cooperating with United Nations efforts to monitor compliance with the peace agreements in El Salvador and other efforts pertaining to the United Nations role in post-war El Salvador.

• Mr. DURENBERGER. Mr. President, today I am honored to introduce a resolution regarding El Salvador and the peace agreements that country has recently achieved. I am joined in this effort by the chairman and ranking Republican of the Foreign Relations Western Hemisphere subcommittee, Senators DODD and LUGAR. We are further joined by Senators PELL, DOLE, CRANSTON, KASSEBAUM, SANFORD, ROBB, MCCAIN, and LEAHY.

This resolution recognizes the difficult path to peace that the people of El Salvador have traveled. And it notes that many challenges still remain in order to implement the accords' many far-reaching provisions, consolidate the hard-won peace, and further strengthen democracy and democratic institutions.

This resolution emphasizes that the United States and the international community have an enduring interest in assisting El Salvador with this process.

Mr. President, it is nothing short of remarkable that after 12 years of bitter civil war and 20 months of intense negotiations, the Government of El Salvador and the FMLN guerrillas signed a definitive peace treaty on January 16, with the cease-fire to take effect February 1.

I believe it is important and appropriate that the Senate go formally on record to demonstrate our recognition of El Salvador's achievement. The resolution's broad bipartisan cosponsorship clearly indicates the strong support this initiative has in the Senate.

Mr. President, I will have more to say about the resolution and the situation in El Salvador when the Senate considers the resolution at the appropriate time.•

SENATE RESOLUTION 249—RELATIVE TO A FINAL ACCOUNT OF THE WHEREABOUTS AND DEFINITIVE FATE OF RAOUL WALLENBERG

Mr. D'AMATO (for himself, Mr. LIEBERMAN, Mr. MOYNIHAN, Mr. SPECTER, and Mr. COHEN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 249

Whereas Raoul Wallenberg, a Swedish citizen and diplomat, was responsible for saving the lives of 15,000 Hungarian Jews through the issuance of Swedish passports, and helping a further 100,000 Hungarian Jews escape Nazi authorities during World War II;

Whereas on January 17, 1945, Raoul Wallenberg was taken into "protective custody" by Soviet troops, in violation of all international standards of diplomatic immunity;

Whereas Raoul Wallenberg was later arrested by Soviet troops on charges of spying, and finally taken to Lubyanka Prison in Moscow, where he was reported to have died on July 17, 1947 of a heart attack;

Whereas conflicting reports and information has surfaced over the last forty-four years claiming that Raoul Wallenberg was executed by Soviet authorities or in fact is still alive in the former Soviet Union;

Whereas the Soviet Union has now ceased to exist and has been succeeded by the Commonwealth of Independent States which has pursued democratic reform while seeking to address Soviet atrocities of the past;

Whereas the time has come to finally put an end to all speculation and confusion as to the fate of Raoul Wallenberg: Now, therefore, be it

Resolved, That the Senate—

(1) gratefully acknowledges the cooperation of the Soviet and now Russian authorities in providing records and personal effects of Raoul Wallenberg to his family;

(2) requests that the President of the United States pursue, through diplomatic discussions with the government of the Russian Federation, an investigation into the whereabouts and definitive fate of Raoul Wallenberg;

(3) requests that the results of this investigation be made public.

SENATE RESOLUTION 250—MAKING A MINORITY APPOINTMENT TO THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DOLE submitted the following resolution; which was considered and agreed to:

S. RES. 250

Resolved, That the following Senator shall be added to the minority party's membership on the Committee on Banking, Housing and Urban Affairs for the One Hundred Second Congress:

Mr. Specter.

AMENDMENTS SUBMITTED

NATIONAL LITERACY ACT

COCHRAN (AND OTHERS) AMENDMENT NO. 1473

Mr. COCHRAN (for himself, Mr. KENNEDY, and Mr. KASTEN) submitted an amendment to the bill (S. 2) to promote the achievement of national education goals, to establish a National Council on Education Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes, as follows:

On page 32, line 17, strike "205, to" and insert "205.".

On page 32, strike lines 18 through 23.

On page 33, line 23, strike "State" and insert "chief State school officer, in consultation with the Governor.".

On page 34, beginning with line 14, strike all through line 16 and insert the following: are designed to improve student achievement in the public schools.

(C) ADDITIONAL WAIVER AUTHORITY FOR NEW AMERICAN SCHOOLS.—A chief State school officer, in consultation with the Governor, may submit an application to the Secretary for an additional waiver of the requirements of subparagraph (A). Under such waiver, the Secretary may permit such State educational agency to expend not to exceed an additional 15 percent of the funds received under this title for the establishment of New American Schools in accordance with subparagraph (D).

(D) SPECIAL REQUIREMENTS.—An application for a waiver under subparagraph (C), shall—

(i) include procedures for the consideration of applications for schools which have—

(I) adopted the National Education Goals;

(II) established and implemented a community-wide strategy for achieving those goals;

(III) developed a "report-card" for measuring and reporting to the public, at least once each year, the progress toward achievement of the goals; and

(IV) demonstrated a willingness and commitment to make substantial improvements in the education of children in the community; and

(ii) give priority in awarding grants to eligible recipients serving communities with high concentrations of educationally disadvantaged children and children from low-income families.

(E) SPECIAL RULE.—Any new public school established under this title shall be nonsectarian in its programs, admissions policies, employment practices, and all other operations and shall not be affiliated with a nonpublic sectarian school or religious institution.

SEC. 203. STATE APPLICATION.

On page 57, between lines 7 and 8, insert the following:

(5) the term "New American School" means an elementary or secondary public school that—

(A) is under the authority of a State educational agency or a local educational agency;

(B) reflects the best available knowledge regarding teaching and learning for all students;

(C) uses the highest quality instructional materials and technologies; and

(D) is designed to meet the National Education Goals as well as the particular needs of the students and community served by such school.

On page 57, line 8, strike "(4)" and insert "(6)"

On page 57, line 13, strike "(5)" and insert "(7)"

On page 57, line 17, strike "(6)" and insert "(8)"

On page 57, line 21, strike "(7)" and insert "(9)"

On page 57, line 23, strike "(8)" and insert "(10)"

On page 58, line 1, strike "(9)" and insert "(11)"

On page 58, line 4, strike "(10)" and insert "(12)"

HATFIELD (AND OTHERS) AMENDMENT NO. 1474

Mr. HATFIELD (for himself, Mrs. KASSEBAUM, Mr. PELL, Mr. HATCH, Mr. KENNEDY, Mr. SEYMOUR, Mr. GRAHAM, Mr. PACKWOOD, AND Mr. THURMOND) proposed an amendment to the bill S. 2, supra, as follows:

On page 2, in the table of contents, after the item relating to section 212 insert the following:

TITLE III—EDUCATIONAL REFORM AND FLEXIBILITY

Sec. 301. Statement of findings and purpose.
Sec. 302. Flexibility and accountability in education and related services.

On page 2, in the table of contents, redesignate the item relating to title III as the item relating to title IV.

On page 2, in the table of contents, redesignate the item relating to section 301 as the item relating to section 401.

On page 56, between lines 19 and 20, insert the following:

TITLE III—EDUCATIONAL REFORM AND FLEXIBILITY

SEC. 301. STATEMENT OF FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) historically, Federal education programs have addressed the Nation's most pressing educational problems by providing categorical assistance with detailed requirements relating to the use of funds;

(2) while the approach described in paragraph (1) has proven generally successful, some program requirements may inadvertently impede educational achievement;

(3) the Nation's schools are being asked to deal effectively with increasingly diverse educational needs that current program structures may not be flexible enough to address; and

(4) in an era when educational change and reform must prevail, it is more important than ever to provide programs that—

(A) result in improved educational outcomes for all students;

(B) promote the coordination of education and related services that benefit children and their families;

(C) respond flexibly to the needs of a diverse student population;

(D) stop the proliferation of unnecessary Federal, State, and local regulation; and

(E) place less emphasis on measuring resources and reviewing procedures and more emphasis on achieving program results.

(b) PURPOSE.—It is the purpose of this title to establish a national demonstration program which—

(1) promotes educational reform that leads to improved educational outcomes for participants in affected programs;

(2) holds accountable the schools and other recipients of Federal funds for achieving specific educational improvement goals in exchange for increased flexibility in the use of their resources; and

(3) enables school and program administrators, teachers, parents, local agencies, and community groups to work together to develop effective education programs that lead to improved achievement and meet the needs of all participants, particularly those who are disadvantaged.

SEC. 302. FLEXIBILITY AND ACCOUNTABILITY IN EDUCATION AND RELATED SERVICES.

(a) IN GENERAL.—Subpart 1 of Part C of the General Education Provisions Act (20 U.S.C. 1221 et seq.) is amended by adding after section 421A a new section 421B to read as follows:

"SEC. 421B. FLEXIBILITY AND ACCOUNTABILITY IN EDUCATION AND RELATED SERVICES.

"(a) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—(A) The Secretary shall, in accordance with this section, assist elementary and secondary schools and other service providers to improve the achievement of all students and other participants, but particularly disadvantaged individuals, by authorizing waivers to not more than 100 local educational agencies by which the States can improve the performance of schools and programs by increasing their flexibility in the use of their resources while holding them accountable for achieving educational gains.

"(B)(i) In support of these projects, the Secretary is authorized to waive any statutory or regulatory requirement (except as provided in subsection (e)) applicable to a program described in clause (ii) that the Secretary determines may impede the ability of a school or other service provider to meet the special needs of such students and other individuals in the most effective manner possible. The head of any other Federal agency in accordance with the programs described in clause (ii) is similarly authorized to waive such requirements applicable to an elementary, secondary, or youth vocational training program administered by such agency if the agency head and the Secretary agree that such a waiver would promote the purpose of this section.

"(ii) The Secretary shall only waive a statutory or regulatory requirement applicable to a program under—

"(I) chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

"(II) chapter 2 of the Elementary and Secondary Education Act of 1965;

"(III) the Dwight D. Eisenhower Mathematics and Science Education Act;

"(IV) the Follow Through Act;

"(V) subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act; and

"(VI) the Carl D. Perkins Vocational and Applied Technology Education Act, except part H of title III and funds allocated by States under section 232 of such Act.

"(2) PROJECT DURATION.—Projects conducted under this section, and any waivers associated with such projects, shall last no longer than three years, except that the Secretary may extend a project and any associated waivers for an additional 2 years if the Secretary determines that the project is making substantial progress in meeting its goals.

"(3) TERMINATION.—The Secretary shall terminate a project and its associated waivers if the Secretary, at any time, determines it is not making acceptable progress toward meeting its goals. The head of any other Federal agency who has granted waivers under this section shall determine whether to extend or terminate those waivers, but the Secretary shall have exclusive authority to extend or terminate the project.

"(b) ELIGIBILITY.—

"(1) IN GENERAL.—Each project that involves elementary or secondary schools shall include the participation of a local educational agency and at least 2 schools.

"(2) GRADE AND PROGRAM REQUIREMENT.—To the extent possible, each grade and academic program in a participating school shall participate in the project.

"(c) APPLICATIONS.—A local educational agency, wishing to conduct a project under this section, shall submit an application to the State educational agency for approval. The State educational agency shall then transmit approved applications to the Secretary. Each application shall be submitted within 2 years of enactment of the Neighborhood Schools Improvement Act and shall include a plan that—

"(1) describes the purposes and overall expected outcomes of the project;

"(2) identifies, for each school or site participating in the project, those impediments to improved educational outcomes that would be removed by the proposed waivers;

"(3) identifies the Federal programs to be included in the project, the Federal statutory or regulatory requirements to waived, and the purpose and duration of the requested waivers;

"(4) describes the State and local requirements that will be waived, the purpose of such waivers, and, if such requirements will not have been waived before the project begins, when those waivers will be obtained and take effect;

"(5) demonstrates the State has made an effort to waive substantial requirements pertaining to the local educational agency;

"(6) describes specific, measurable, educational improvement goals for each school or other site in the project and for each school year of the project, including—

"(A) goals for improving the achievement of all participants, including disadvantaged individuals, with respect to achievement in basic and advanced skills;

"(B) goals that reflect the broad purposes of each program for which a waiver is sought; and

"(C) an explanation of how the applicant will measure progress in meeting the goals set for each school or site in the project and for disadvantaged individuals participating in the project;

"(7) incorporates the comments of the Governor or the chief State school officer; and

"(8) for projects involving elementary or secondary schools—

"(A) identifies the schools to be included in the project and describes the student population at each school, including—

"(i) current data regarding the achievement of the disadvantaged students as well as other students; and

"(ii) the number of students who—

"(I) are of limited English proficiency, as defined in section 7003(a)(1) of the Bilingual Education Act;

"(II) are children with disabilities, as defined in section 602(a)(1) of the Individuals with Disabilities Education Act;

"(III) are currently or formerly migratory;

"(IV) are educationally deprived, for the purposes of chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(V) are eligible for a free or reduced price school lunch;

"(B) describes specific goals for enhancing coordination between the regular education program available to all students and programs serving disadvantaged students;

"(C) if fewer than all the schools in a local educational agency will participate in a project, describes the expected educational outcomes for disadvantaged students in schools that do not participate, and how those outcomes will be assessed;

"(D) describes how school administrators, teachers, staff, and parents (including parents of educationally disadvantaged children) have been, or will be, involved in the planning, development, and implementation of the goals and program for each participating school; and

"(E) contains goals for students targeted by the programs described in clause (ii) of section 421B(a)(1)(B) which are comparable to, or exceed existing goals under such programs.

"(d) APPROVAL OF PROJECTS.—

"(1) IN GENERAL.—The Secretary shall approve applications from not more than 100 local educational agencies for projects under this section that the Secretary determines show substantial promise of achieving the purposes of this section, after considering—

"(A) the comprehensiveness of the project, including the types of students, schools, programs, and activities to be included;

"(B) the extent to which the provisions for which waivers are sought impede educational improvement;

"(C) the State and local requirements that will be waived for the project;

"(D) the significance and feasibility of the proposed project's goals for each participating school or site;

"(E) the quality of the plan for ensuring accountability for the proposed plan's activities and goals; and

"(F) the comments of the Governors or the chief State school officers.

"(2) CONSULTATION.—The Secretary shall consult with the heads of other appropriate Federal agencies, if any, in determining whether to approve a project. Each such agency head shall notify the Secretary of any waivers granted by such agency head as part of such project.

"(3) DISTRIBUTION OF PROJECTS.—The Secretary shall ensure that, to the extent feasible, projects assisted under this section are geographically distributed, and equitably distributed among urban, suburban, and rural areas, as well as large and small schools.

"(e) ALLOCATION OF FEDERAL FUNDS; RESTRICTION ON WAIVERS.—

"(1) ALLOCATION OF FEDERAL FUNDS.—Federal funds under any program that are used to support a project under this section shall be allocated to local educational agencies and other recipients within the local educational agency in accordance with the statutory and regulatory requirements that govern the operation of that program, except that, for the purpose of such a project, the Secretary (or the head of any other Federal agency) may extend the duration of, and provide continuation funding to, a project chosen on a competitive basis that a participating agency is conducting.

"(2) RESTRICTION ON WAIVERS.—Neither the Secretary nor the head of any other Federal agency shall waive under this section any statutory or regulatory requirement in awarding a grant after the date of enactment of the Neighborhood Schools Improvement Act to a service provider within the local educational agency or other applicant participating in a project under this section.

"(3) SPECIAL RULE.—Neither the Secretary nor, where applicable, the head of any other Federal agency shall waive under this section any statutory or regulatory requirement—

"(A) under section 438 and 439 of the General Education Provisions Act;

"(B) under title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, title IX of the Education Amendments of 1972, or title II of the Americans with Disabilities Act;

"(C) under the Individuals with Disabilities Education Act; or

"(D) relating to—

"(i) maintenance of effort;

"(ii) comparability; or

"(iii) the equitable participation of students attending private schools.

"(f) REPORTS AND EVALUATIONS.—

"(1) PROJECT REPORTS.—Each project shall submit, not later than 90 days after the end of each year of the project, an annual report to the Secretary that—

"(A) summarizes the principal activities of the project;

"(B) contains school-by-school and other data, as described in the project plan, that show the extent to which the project is meeting its overall goals, including its goals for improving the achievement of all participants, particularly disadvantaged individuals, with respect to achievement in basic and advanced skills, and is meeting the goals for each school or other site;

"(C) describes the impact of the project on disadvantaged children in schools, if any, that are not participating in the demonstration;

"(D) describes the effectiveness of efforts to coordinate programs and services for children and their families as appropriate; and

"(E) provides information on or comparable data regarding the programs described in clause (ii) of section 428B(a)(1)(B) of achievement levels of students served pursuant to such programs previously demonstrated over the preceding 3 years compared with children or students served under this title.

"(2) SECRETARY'S REPORT.—The Secretary shall submit a report to the Congress every two years that summarizes and analyzes the project reports required by paragraph (1).

"(3) EVALUATION REPORTS.—At the end of the 6-year period described in this section, and at such interim points as the Secretary deems appropriate, the Secretary shall provide to Congress an independent evaluation of the projects assisted under this title, as well as an evaluation of the program assisted under this section by the Department of Education and other affected Federal agencies. Such reports may include recommendations for amendments to program statutes that are based on the experience of projects that successfully raise educational achievement by eliminating or modifying statutory or regulatory provisions that impede educational improvement.

"(g) DEFINITION.—For the purpose of this section, the term 'disadvantaged students' includes students of limited English proficiency, children with disabilities, students who are currently or formerly migratory, and students who are educationally deprived.

"(h) BUDGET NEUTRALITY.—The authority provided by this section shall not be exercised in a manner that, for any fiscal year, increases total obligations or outlays of discretionary appropriations for programs subject to such authority, or that increases total obligations or outlays of funding for all direct-spending programs subject to such authority over those that would have occurred absent such authority.".

(b) SUNSET PROVISION.—The amendment made by subsection (a) shall be effective during the 6-year period beginning on the date of enactment of this Act.

On page 56, line 20, strike "III" and insert "IV".

On page 56, line 21, strike "301" and insert "401".

KENNEDY (AND OTHERS) AMENDMENT NO. 1475

Mr. HATFIELD (for himself) (for Mr. KENNEDY, Mr. HATFIELD, Mr. GRAHAM, Mr. MACK, Mr. PELL, Mrs. KASSEBAUM, and Mr. THURMOND), proposed an amendment to amendment No. 1474 proposed by Mr. HATFIELD (and others) to the bill S. 2, supra, as follows:

On page 4, line 21 strike "not more than 100" and insert in lieu: "not more than 6 states, which have implemented comprehensive regulatory reform plans, and no more than 50 local educational agencies in each state.".

On page 11, line 2, strike "not more than 100" and insert in lieu: "no more than 6 states, which have implemented comprehensive regulatory reform, and no more than 50 local educational agencies in each state.".

HATCH (AND OTHERS) AMENDMENT NO. 1476

Mr. HATCH (for himself, Mr. LIEBERMAN, Mr. SMITH, Mr. COATS, and Mr. BRADLEY) proposed an amendment to the bill S. 2, supra, as follows:

In the committee amendment, on page 56, between lines 19 and 20, insert the following:

TITLE III—LOW-INCOME SCHOOL CHOICE DEMONSTRATION

SEC. 301. SHORT TITLE.

This title may be cited as the "Low-Income School Choice Demonstration Act of 1991".

SEC. 302. PURPOSE.

The purpose of this title is to determine the effects on students and schools of providing financial assistance to low-income parents to enable such parents to select the public or private schools in which their children will be enrolled.

SEC. 303. DEFINITIONS.

As used in this title—

(1) the term "choice school" means any public or private school, including a private sectarian school, that is involved in a demonstration project assisted under this title;

(2) the term "eligible child" means a child in grades 1 through 12 who is eligible for free or reduced price meals under the National School Lunch Act;

(3) the term "eligible entity" means a public agency, institution, or organization, such as a State, a State or local educational agency, a consortium of public agencies, or a consortium of public and private nonprofit entities, that can demonstrate, to the satisfaction of the Secretary, its ability to—

(A) receive, disburse, and account for Federal funds; and

(B) carry out the activities described in its application under this title;

(4) the term "parent" includes a legal guardian or other individual acting in loco parentis;

(5) the term "school" means a school that provides elementary education or secondary education (through grade 12), as determined under State law; and

(6) the term "Secretary" means the Secretary of Education.

SEC. 304. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this title, there are authorized to be appropriated $30,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 and 1994.

SEC. 305. PROGRAM AUTHORIZED.

(a) RESERVATION.—From the amount appropriated pursuant to the authority of section 304 in any fiscal year, the Secretary may reserve not more than 5 percent for evaluation of programs assisted under this title, in accordance with section 311.

(b) GRANTS.—From the remainder of the amount not reserved under subsection (a), the Secretary shall make grants, in amounts not to exceed $5,000,000 in the first year of the demonstration project, to eligible entities to carry out not more than 6 demonstration projects under which low-income parents receive certificates for the costs of enrolling their eligible children in a choice school.

(c) USE OF GRANTS.—Grants awarded under subsection (b) shall be used to pay the costs of—

(1) providing education certificates to low-income parents to enable such parents to pay the tuition, fees, the allowable costs of transportation, if any, and the costs of complying with section 309(a)(1), if any, for their eligible children to attend a choice school; and

(2) administration of the demonstration project, which shall not exceed 15 percent of the amount received in the first fiscal year for which the grant recipient provides certificates or 10 percent in any subsequent year, including—

(A) seeking the involvement of choice schools in the demonstration project;

(B) providing information about the project, and the schools involved in the project, to parents of eligible children;

(C) determining the eligibility of children to participate in the demonstration project;

(D) selecting students to participate in the demonstration project;

(E) determining the value of, and issuing, certificates;

(F) compiling and maintaining such financial and programmatic records as the Secretary may prescribe; and

(G) collecting and making available to the Secretary such information about the effects of the demonstration as the Secretary may need to conduct the evaluation described in section 311.

(d) SPECIAL RULE.—Any school participating in the demonstration provided for under this title shall comply with title VI of the Civil Rights Act of 1964 and not discriminate on the basis of race, color or national origin.

SEC. 306. AUTHORIZED PROJECTS; PRIORITY.

(a) AUTHORIZED PROJECTS.—The Secretary may provide assistance under this title only to a demonstration project that—

(1) involves at least one local educational agency that—

(A) receives funds under section 1006 of the Elementary and Secondary Education Act of 1965; and

(B) is among the 20 percent of local educational agencies receiving funds under section 1006 of such Act in the State and having the highest number of children described in section 1005(c) of such Act; and

(2) includes the involvement of a sufficient number of public and private choice schools, in the judgment of the Secretary, to allow for a valid demonstration project.

(b) PRIORITY.—In selecting grant recipients under this title, the Secretary shall give priority to—

(1) projects in which choice schools offer an enrollment opportunity to the broadest range of eligible children;

(2) projects that involve diverse types of choice schools; and

(3) projects that will contribute to geographic diversity, including States that are primarily rural and States that are primarily urban.

SEC. 307. APPLICATIONS.

(a) IN GENERAL.—Any eligible entity that wishes to receive a grant under this title shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

(b) CONTENTS.—Each application described in subsection (a) shall contain—

(1) information demonstrating the eligibility of the applicant and its demonstration project;

(2) with respect to choice schools—

(A) a description of the standards used by the applicant to determine which public and private schools are within a reasonable commuting distance of eligible children and present a reasonable commuting cost for such children;

(B) a description of the types of potential choice schools that will be involved in the project;

(C)(i) a description of the procedures used to encourage public and private schools to be involved in the demonstration project; and

(ii) a description of how the applicant will annually determine the number of spaces available for eligible children in each choice school;

(D) an assurance that each choice school will not impose higher standards for admission or participation in its programs and activities for eligible children with certificates provided under this title than the school does for other children;

(E) an assurance that each choice school will have been operating an educational program of the same type as the program for which it will accept certificates, for at least one year before accepting such certificate;

(F) an assurance that the applicant will terminate the involvement of any choice school that fails to comply with the conditions of its involvement in the demonstration project; and

(G) a description of the extent to which choice schools will accept certificates as full payment for tuition and fees.

(3) with respect to the participation of eligible children—

(A) a description of the procedures to be used to determine the eligibility of children under this title, which shall include—

(i) the procedures used to determine eligibility for free and reduced price meals under the National School Lunch Act of 1947; or

(ii) any other procedure, subject to the Secretary's approval, that accurately establishes a child's eligibility within the meaning of section 303(2);

(B) a description of the procedures to be used to ensure that, in selecting eligible children to participate in the demonstration project, the applicant will—

(i) apply the same criteria to both public and private school children; and

(ii) give priority to children from the lowest income families;

(C) a description of the procedures to be used to ensure maximum choice of schools for participating children, including procedures to be used when—

(i) the number of parents with certificates who desire to enroll their children in a particular school exceeds the number of such children that the school has agreed to accept; and

(ii) grant funds are insufficient to support the total cost of choices made by parents with certificates;

(D) a description of the procedures to be used to ensure compliance with section 309(a)(1), which may include—

(i) the direct provision of services by a local educational agency;

(ii) arrangements made by a local educational agency with other service providers; and

(iii) an increase in the value of the education certificate in accordance with section 308(a)(2)(A);

(4) with respect to the operation of the demonstration—

(A) a description of the geographic area to be served;

(B) a timetable for carrying out the demonstration;

(C) a description of the procedures to be used for the issuance and redemption of certificates;

(D) a description of the procedures by which a choice school will make a pro rata refund of the certificate for any participating child who withdraws from the school for any reason, before completing 75 percent of the school attendance period for which the certificate was used;

(E) a description of the procedures to be used to provide the parental notification described in section 310;

(F) an assurance that the applicant will place all funds received under this title into a separate account, and that no other funds will be placed in such account;

(G) an assurance that the applicant will provide the Secretary periodic reports on the status of such funds;

(H) an assurance that the applicant will cooperate with the Secretary in carrying out the evaluation described in section 311; and

(I) an assurance that the applicant will maintain such records as the Secretary may require, and comply with reasonable requests from the Secretary for information; and

(5) such other assurances and information as the Secretary may require.

SEC. 308. EDUCATION CERTIFICATES.

(a) EDUCATION CERTIFICATES.—

(1) BASIC VALUE.—The basic value of an eligible child's education certificate under this title shall be the cost of tuition and fees normally charged by the public or private school chosen by the child's parents.

(2) INCREASES AND ISSUANCES.—Subject to such regulations as the Secretary shall prescribe—

(A) the value of the certificate may be increased to cover the additional reasonable costs of transportation directly attributable to the child's participation in the demonstration project or the cost of complying with section 309(a)(1); and

(B) education certificates may be issued to parents of children who choose to attend schools that do not charge tuition or fees, to cover the additional reasonable costs of transportation directly attributable to the child's participation in the demonstration or the cost of complying with section 309(a)(1).

(b) ADJUSTMENT.—The value of the education certificate may be adjusted in the second and third years of an eligible child's participation to reflect any increases or decreases in the tuition, fees, or transportation costs directly attributable to that child's continued attendance at a choice school, but shall not be increased for this purpose by more than 10 percent over the value for the preceding year. The value of the education certificate may also be adjusted in any fiscal year to comply with section 309(a)(1).

(c) SPECIAL RULE.—If a participating eligible child was attending a public or private school that charged tuition in the year before the first year of a grant recipient's participation under this title, the basic value of the certificate for such child shall be the tuition charged by such school for such child in such preceding year, adjusted in accordance with subsection (b).

(d) MAXIMUM AMOUNT.—Notwithstanding any other provision of this section, the basic value of an eligible child's certificate shall not exceed the per pupil expenditure for elementary and secondary education, as appropriate, for the preceding year by the local educational agency in which the public school to which the child would normally be assigned is located.

(e) INCOME.—Certificates, and funds provided under certificates, shall not be deemed income of the parents for Federal income tax purposes or for determining eligibility for any other Federal program.

SEC. 309. EFFECT ON OTHER PROGRAMS; USE OF SCHOOL LUNCH DATA.

(a) EFFECT ON OTHER PROGRAMS.—

(1) IN GENERAL.—Eligible children participating in a demonstration under this title, who, in the absence of such a demonstration, would have received services under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 shall be provided such services.

(2) PART B OF THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Nothing in this Act shall be construed to affect the requirements of part B of the Individuals with Disabilities Education Act.

(b) COUNTING OF CHILDREN.—Notwithstanding any other provision of law, any local educational agency participating in a demonstration under this title may count eligible children who, in the absence of such a demonstration, would attend the schools of such agency, for purposes of receiving funds under any program administered by the Secretary.

(c) SPECIAL RULE.—Notwithstanding section 9 of the National School Lunch Act, a grant recipient under this title may use information collected for the purpose of determining eligibility for free or reduced price meals to determine a child's eligibility to participate in a demonstration under this title and, if needed, to rank families by income, in accordance with section 307(b)(3)(B)(ii). All such information must otherwise remain confidential, and information pertaining to income may be disclosed only to persons who need that information for the purposes of a demonstration project under this title.

(d) CONSTRUCTION.—

(1) SECTARIAN INSTITUTIONS.—Nothing in this title shall be construed to supersede or modify any provision of a State constitution or State law that prohibits the expenditure of public funds in or by sectarian institutions, except that no provision of a State constitution or State law shall be construed to prohibit the expenditure in or by sectarian institutions of any Federal funds provided under this title.

(2) DESEGREGATION PLANS.—Nothing in this title shall be construed to interfere with any desegregation plans that involve school attendance areas affected by this title.

SEC. 310. PARENTAL NOTIFICATION.

Each grant recipient under this title shall provide timely notice of the demonstration project to parents of eligible children residing in the area to be served. At a minimum, such notice shall—

(1) describe the demonstration;

(2) describe the eligibility requirements for participation;

(3) describe the information needed to establish a child's eligibility;

(4) describe the selection procedures to be used if the number of eligible children seeking to participate exceeds the number that can be accommodated;

(5) provide information about each choice school, including information about any admission requirements or criteria; and

(6) include the schedule for parents to apply for their children to participate.

SEC. 311. EVALUATION.

The Secretary shall conduct a rigorous evaluation of the demonstration program authorized by this title. Such evaluation shall—

(1) describe the implementation of each demonstration project and its effects on all participants, schools, and communities in the project area; and

(2) compare the educational achievement of all students in the project area, including—

(A) students receiving certificates; and

(B) students not receiving certificates.

SEC. 312. REPORTS.

(a) REPORT BY GRANT RECIPIENT.—Each grant recipient under this title shall submit an annual report to the Secretary, at such time, in such manner, and containing such information as the Secretary may require.

(b) REPORT BY SECRETARY.—

(1) IN GENERAL.—The Secretary shall report annually to the President and the President shall report annually to the Congress on the progress of the local demonstrations, including information submitted by each grant recipient and from other sources.

(2) SUBMISSION.—The Secretary shall submit a report to the President and the President shall submit a report to the Congress on the national evaluation described in section 311 within 9 months after the conclusion of the demonstration projects assisted under this title.

On page 56, line 20, strike "**TITLE III**" and insert "**TITLE IV**".

On page 56, line 21, strike "**301**" and insert "**401**".

On page 2, after the item relating to section 212, insert the following:

TITLE III—LOW-INCOME SCHOOL CHOICE DEMONSTRATION

Sec. 301. Short title.
Sec. 302. Purpose.
Sec. 303. Definitions.
Sec. 304. Authorization of appropriations.
Sec. 305. Program authorized.
Sec. 306. Authorized projects; priority.
Sec. 307. Applications.
Sec. 308. Education certificates.
Sec. 309. Effect on other programs; use of school lunch data.
Sec. 310. Parental notification.
Sec. 311. Evaluation.
Sec. 312. Reports.

On page 2, redesignate the item relating to Title III as the item relating to Title IV.

On page 2, redesignate the item relating to section 301 as the item relating to section 401.

PRESSLER AMENDMENT NO. 1477

Mr. PRESSLER proposed an amendment to the bill S. 2, supra, as follows:

On page 56, between lines 19 and 20, insert the following:

TITLE III—DISTANCE LEARNING

SEC. 301. DISTANCE LEARNING FINDINGS.

Congress finds that—

(1) distance learning technology can provide rural schools with interactive video capacity;

(2) distance learning can provide instruction in required or advanced, specialized courses in schools where teachers are not available or too costly to provide for a limited number of students;

(3) the rapid development of telecommunications technology has resulted in distance learning systems that are powerful, flexible and increasingly affordable;

(4) distance learning can offer an alternative to school closing or consolidation and help rural and urban schools satisfy their educational mandate;

(5) distance learning can help urban school districts overcome shortages in qualified teachers in subjects such as mathematics, advanced sciences, and languages;

(6) the key to success in distance learning is teachers and the use of distance learning is meant to be an enhanced educational tool for them;

(7) teachers must have training, preparation, and institutional support to teach successfully using distance learning technology;

(8) teacher accreditation associations need to encourage the use of distance learning technologies;

(9) Federal and State governments can promote distance learning projects by helping reduce the costs of necessary telecommunications services;

(10) because many educational needs parallel the needs of business, Government, and health care providers, there should be ample opportunity to share the costs associated with research and development used in delivering this new method of teaching;

(11) distance learning technology can increase contributions to the goals of "America 2000", as established by the President;

(12) the Federal Government can encourage States to resolve contentious issues that are barriers to the use of distance learning, such as teacher certification and evaluation, and curriculum and textbook standardization;

(13) Federal funds now devoted to delivering educational services should include distance learning where it is cost effective;

(14) The Department of Education and the National Science Foundation should consider establishing demonstration sites for distance learning;

(15) distance learning is a growing force in private and public education; and States, localities, the Federal Government, and the private sector, all have a role in developing and implementing this education delivery system.

SEC. 302. DISTANCE LEARNING POLICY STUDY.

(a) STUDY.—The Secretary of Education in consultation with the Secretary of Commerce shall conduct a study of the issues involved in implementing distance learning. The study shall, among other issues, address—

(1) the incentives necessary for telecommunications common carriers to develop special pricing for distance learning projects;

(2) the desirability of Federal Communication Commission allocation of spectrum in order to encourage the development of distance learning technologies;

(3) the need to amend copyrights laws to encourage development of distance learning technologies.

(b) COMPLETION DATE AND REPORT.—

(1) COMPLETION DATE.—The study described in subsection (a) shall be completed no later than 210 days after enactment of this Act.

(2) REPORT.—No later than 30 days after the completion of the study described in subsection (a), the study and an executive summary shall be transmitted to the Committee on Education and Labor, the Committee on Energy and Commerce, and the Committee on the Judiciary, of the United States House of Representatives; and the Committee on Commerce, Science, and Transportation, Committee on the Judiciary, and the Committee on Labor and Human Resources, of the United States Senate.

SEC. 303. DEFINITION.

The term "distance learning" means the transmission of educational or instructional information to geographically dispersed individuals and groups via telecommunications.

On page 56, line 20, strike "TITLE III" and insert "TITLE IV".

On page 56, line 21, strike "301" and insert "401".

On page 2, after item relating to section 212, insert the following:

TITLE III—DISTANCE LEARNING

Sec. 301. Distance learning study.

Sec. 302. Distance learning policy study.

Sec. 303. Definition.

On page 2, redesignate the item relating to "TITLE III" as the item relating to "TITLE IV".

On page 2, redesignate the item relating to section "301" as the item relating to section "401".

HELMS (AND OTHERS)

AMENDMENT NO. 1478

Mr. HELMS (for himself, Mr. HATCH, Mr. NICKLES, Mr. WALLOP, Mr. ROTH, Mr. SYMMS, and Mr. CRAIG) proposed an amendment to the bill S. 2, supra; as follows:

At the appropriate place add the following:

It is the sense of the Senate that when the Supreme Court considers the case of Weisman v. Lee [908 F.2d 1090 (1st Cir. 1990)] it should use that opportunity to reverse the Supreme Court's earlier holdings in the Engel v. Vitale [370 U.S. 421 (1962)] and the Abington School District v. Schempp [374 U.S. 203 (1963)] cases so that voluntary prayer, Bible reading, or religious meetings will be permitted in public schools or public buildings to the extent that student participation in such activities is not required by school authorities.

NICKLES (AND OTHERS)

AMENDMENT NO. 1479

(Ordered to lie on the table.)

Mr. NICKLES (for himself, Mr. KASTEN, Mr. SMITH, Mr. D'AMATO, Mr. COATS, Mr. SYMMS, Mr. THURMOND, Mr. HELMS, and Mr. WALLOP) submitted an amendment intended to be proposed by them to the bill S. 2, supra, as follows:

At the appropriate place add the following new section:

SEC. . STATE OPTION TO ESTABLISH LEARNFARE PROGRAMS.—Section 402(a) of the Social Security Act is amended—

(1) by striking out "and" after paragraph (44);

(2) by striking out the period at the end of paragraph (45) and inserting in lieu thereof "and;" and

(3) by adding at the end thereof the following new paragraph:

"(46) at the option of the State, provide that the needs of an individual will not be taken into consideration (or will be taken into consideration only in part) under paragraph (7) for any month if such individual—

"(A) is over the age specified in the applicable State compulsory school attendance law at which a child must begin to attend school, but under the age of 16, and

"(B) has, as determined by the State agency, failed without good cause to regularly attend an elementary, secondary, vocational school, or other appropriate school;

but if the needs of an individual are not considered (or are considered only in part) by reason of this paragraph, he shall still be considered to be receiving aid under this part for purposes of determining the eligibility for such aid of any other individual to whom paragraph (7) applies, and for purposes of determining eligibility for medical assistance under the State's plan approved under title XIX.".

HATCH (AND OTHERS)

AMENDMENT NO. 1480

Mr. HATCH (for himself, Mr. GARN, Mr. COATS, Mr. CRAIG, Mr. SYMMS, and Mr. NICKLES) proposed an amendment to the bill S. 2, supra, as follows:

On page 2, in the table of contents, after the item relating to section 212 insert the following:

TITLE III—AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

Sec. 301. Amendments to the Elementary and Secondary Education Act of 1965.

On page 2, in the table of contents, redesignate the item relating to title III as the item relating to title IV.

On page 2, in the table of contents, redesignate the item relating to section 301 as the item relating to section 401.

On page 56, between lines 19 and 20, insert the following:

TITLE III—AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

SEC. 301. AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

(a) SHORT TITLE.—This title may be cited as the "Educational Equity Act of 1991".

(b) AMOUNT OF GRANTS.—The Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.) is amended—

(1) in subparagraph (A) of section 1005(a)(2), by striking the second sentence and inserting "The amount determined under this sentence shall be the average per pupil expenditure in the United States."; and

(2) in each of sections 1201(b), 1221(c), and 1241(b), by striking "in the State (or (A) in the case where the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, of 80 percent of the average per pupil expenditure in the United States, or (B) in the case where the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, of 120 percent of the average per pupil expenditure in the United States)" and inserting "in the United States".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 1992.

On page 56, line 20, strike "III" and insert "IV".

On page 56, line 21, strike "301" and insert "401".

WELLSTONE (AND OTHERS)

AMENDMENT NO. 1481

Mr. WELLSTONE (for himself, Mr. PELL, and Mr. DODD) proposed an amendment to the bill S. 2, supra, as follows:

On page 2 of the Committee amendment, in the table of contents, strike the items relating to title III of the amendment and insert the following:

TITLE III—PEACE CORPS

Sec. 301. Findings.

Sec. 302. Sense of the Senate.

TITLE IV—DEFINITIONS

Sec. 401. Definitions.

In title III of the Committee amendment, strike the title heading and all that follows through "SEC. 301. DEFINITIONS." and insert the following:

TITLE III—PEACE CORPS

SEC. 301. FINDINGS.

The Senate finds that—

(1) the Peace Corps Act stated that the Peace Corps was established—

(A) to help the people of interested countries and areas to meet their needs for trained manpower;

(B) to help promote a better understanding of Americans on the part of the people served; and

(C) to help promote a better understanding of other peoples on the part of Americans;

(2) the former Union of Soviet Socialist Republics no longer exists, and in its place a Commonwealth of Independent States has been established, along with other newly independent republics;

(3) on December 25, 1991, President Bush indicated the United States intends to extend diplomatic recognition to Moldova, Turkmenistan, Azerbaijan, Tadzhikistan, Georgia, and Uzbekistan, when the United States reaches agreements with each public regarding human rights, democratization, economic reform, and the establishment of responsible security policies;

(4) on December 25, 1991, the United States extended formal diplomatic recognition to Russia, Ukraine, Armenia, Kazahkstan, Byelarus, and Kyrgyzstan;

(5) the needs of the succesor republics of the former Union of Soviet Socialist Republics for technical and humanitarian assistance are dire, and growing daily;

(6) the governments of several republics under the former Union of Soviet Socialist Republics have indicated interest in receiving public and private technical assistance from the United States in the areas of agriculture, health care, business, education, and other areas;

(7) the Peace Corps has in recent years successfully met the challenges of assisting the Eastern European states of Poland, Hungary, Czechoslovakia, Bulgaria, and Romania, and has already begun to assess the needs of the Baltic Republics and of the former Soviet republics for such assistance;

(8) Peace Corps volunteers represent tangible support on the part of the American people for the efforts of the republics to establish market economies, democratic institutions, and low-cost, effective programs of technical assistance in the areas described in paragraph (6); and

(9) the President has indicated his support for the introduction of Peace Corps volunteers into the successor republics of the former Union of Soviet Socialist Republics.

SEC. 302. SENSE OF THE SENATE.

It is the sense of the Senate that—

(1) the Peace Corps should move promptly and effectively to assess needs and establish programs in each of the republics of the former Union of Soviet Socialist Republics into which the Peace Corps has been or may be invited, in order to introduce appropriate numbers of Peace Corps volunteers into republics requesting assistance; and

(2) the President should continue to support and should accelerate the introduction of Peace Corps volunteers into the republics of the former Union of Soviet Socialist Republics.

TITLE IV—DEFINITIONS

SEC. 401. DEFINITIONS.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for my colleagues and the public that two hearings have been scheduled before the Committee on Energy and Natural Resources.

The purpose of both hearings is to receive testimony on two of the Federal Energy Regulatory Commission's pending natural gas rulemakings: First, the notice of proposed rulemaking [MOPR] regarding pipeline service obligations in docket No. RM91-11-000, the so-called Mega NOPR; and second, order No. 555 concerning revisions to regulations governing authorizations for the construction of natural gas pipeline facilities.

The first hearing is scheduled for Wednesday, January 29, 1992, at 9:30 a.m. in room 562 of the Dirksen Senate Office Building, First and C Streets, NE, Washington, DC. At this hearing the committee will receive testimony from representatives of the natural gas industry and others affected by the Federal Energy Regulatory Commission's rulemakings.

The second hearing is scheduled for Wednesday, February 5, 1992, at 9:30 a.m. in room 562 of the Dirksen Senate Office Building, First and C Streets, NE, Washington, DC. At this hearing the committee will receive testimony from representatives of the Department of Energy and the Federal Energy Regulatory Commission.

Because of the limited time available for the hearings, witnesses may testify by invitation only. Those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, Attention: Don Santa.

For further information, please contact Don Santa of the committee staff at (202) 224-4820.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON SECURITIES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Securities of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate, Thursday, January 23, 1992, at 10 a.m. to conduct a hearing on the findings and conclusions of the joint Treasury/Federal Reserve/SEC Report on Illegal and Improper Activities in the Government Securities Market and Proposals for Reform.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NUCLEAR REGULATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Nuclear Regulation, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Thursday, January 23, beginning at 9:30 a.m., to conduct a hearing on nuclear licensing provisions in S. 1220, the National Energy Security Act of 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on January 23, 1992, at 10 a.m. to hold a hearing on Japan trade concessions.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet in open session on Thursday, January 23, 1992, at 10 a.m., to receive testimony on future requirements for U.S. nuclear weapons.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

COMMENDING BREC

• Mr. JOHNSTON. Mr. President, today I would like to take a moment to recognize and commend the Recreation and Park Commission for the parish of east Baton Rouge which is located in my State of Louisiana.

BREC, as the commission is known, has been named recipient of the highly prestigious National Gold Medal Award for Excellence in Park and Recreation Administration. I am very proud of BREC and their long list of accomplishments over the years.

Always a high priority on BREC's list are Louisiana's children. Whether it's one of their countless sports clinics, organized sporting teams or summer camps, or the newly built children's zoo, BREC consistently keeps our State's children in mind when setting their goals.

Along with their concern for our children is BREC's ongoing commitment to our underprivileged youth. Through BREC's fundraising efforts, 500 disadvantaged youths are able to attend their over 40 different summer camps each year.

For the physically disabled BREC's playgrounds are not only designed to be accessible and usable for the handicapped, but are also fun and challenging. One particular innovative facility is BREC's $2.5 million equestrian complex which offers a variety of riding clinics and activities with a proven therapeutic value for the physically and mentally handicapped.

For the senior citizens BREC offers a variety of classes, self-help programs and several free health services.

The list goes on and on: BREC's sponsorship of the River City Blues Festival which brings together our area's experienced and new artists, the National

Hot Air Balloon Festival which BREC has sponsored for the last 3 years and draws over 400,000 spectators, BREC's role in hosting the Louisiana State Fair, their many environmental conservation and historic preservation projects, their arboretum which houses over 300 specimens of native plantlife, and their outstanding management of over 137 parks.

There are so many lives that have been impacted by BREC that it is practically impossible to come up with a complete list. However, a recent poll conducted in the Baton Rouge area seems to sum it up perfectly: In 93 percent of the households responding it was found that at least one member had participated in a BREC activity.

To all the fine and dedicated people that have made BREC the enormous success it is today, I would like to express my gratitude for their steadfast commitment to improving the quality of life for the citizens of Louisiana.•

EXPORTING TO THE BALTICS

• Mr. KASTEN. Mr. President, American jobs are directly linked to expanding our Nation's small business exports. The emerging markets in the Baltic States and Eastern Europe provide new export opportunities for United States small business.

I have been a strong supporter of Baltic freedom. Now that they have achieved political freedom, it is time to help them achieve economic freedom. To do this, the United States must move beyond aid to the Baltics and Eastern Europe towards a mutually beneficial trade relationship. These countries need Western technology and equipment to achieve economic success. And as these economies grow, they provide new markets for U.S. businesses which means jobs for U.S. workers.

On November 21, I cochaired a hearing held by the Senate Small Business Committee to address these issues. Ivars Zusevics, an architect from Greendale WI, has helped link Latvia with the Wisconsin Baltic-American community. His insights were a valuable contribution to our effort to expand exports to the Baltics.

Mr. President, I ask that Mr. Zusevics' testimony be printed at this point in the RECORD.

The statement follows:

STATEMENT OF IVARS ZUSEVICS, MANAGING COUNTY ARCHITECT, MILWAUKEE COUNTY PUBLIC WORKS, MILWAUKEE, WI

On behalf of the Baltic American community in Wisconsin, I would like to thank Senator Kasten for the opportunity to be here today.

My observations apply largely to Latvia, but I am sure the conditions are very similar in Estonia and Lithuania. My comment are based on personal trips to Latvia twice during the last 2 years; most recently this summer and also in the early 1980's. I have also had contacts with various lower-level government officials in Latvia and academic professions. Also, just the average man in the street, my relatives.

First of all, some personal observations, gut feelings, surely nothing scientific. People in the Baltics—the average person—is very interested in working, producing, creating a market economy, but they are not sure how to proceed.

They want to start the race. They are not sure in which way to run. The information I got from my relatives and others indicated that the average person is confused by government policies. The government may have policies in place, but it is not well known. The local governments need to have a better PR campaign. This confusion is in the minds of the average person. That is my reading of the situation.

There is a sense of "nothing to lose" for many. They are willing to take large risks because they see that they have no other way out. There is a tremendous potential energy in the Baltics that can be harnessed and harvested. Everyone seems to want business partners in the Baltics.

So, when I was there in the last 2 years, I was offered business partnerships in housing, in restaurants, in brick factories; you name it. American businesses going into the Baltics should be very prudent who they deal with and how they approach the situation.

Americans should also expect some conflicts in value systems; our value systems, Western value systems versus their value systems. They still are carrying the ball and chain of communism in their psyches. It is very easy to topple the statue of Lenin. It takes a few hours. To rid themselves of a certain mentality will take time.

Americans should be sensitive—not Americans only, but Westerners should be sensitive to Baltic concerns of new Western economic colonialism replacing the Eastern colonialism. This is also what I read from the average person. They are concerned now that they have gotten rid of one master, another master will somehow force themselves on them.

As Mr. Johnston said, there are massive opportunities in the Baltics in terms of business. They need everything that we can possibly imagine. First of all, they need to build their infrastructure. The roads in the countryside are largely gravel. It is hard to get their goods to the market.

Pollution control industries and telecommunications are potentially inviting. It is hard to make a phone call. Try and get a phone call through 50 miles away, it took me four times. It's very hard, but very important for business development.

Building construction, in general, as Mr. Johnston said, is another area. There is a massive market for temporary housing. People cannot move to where the jobs are because they have no place to move to. They have no place to live.

Energy conservation materials, insulation, windows, furnaces, kitchen and bathroom upgrading; those kinds of basic small businesses are very much in demand. I can imagine Wisconsin's substantial plumbing, fixture and window manufacturing industry going to the Baltics. They would have a field day in a country where virtually all windows need replacement and all plumbing fixtures need remodeling or need replacement.

Latvia, for example, is roughly half the size of Wisconsin. That is a very large market where everything needs replacing. Family oriented service industries are also important. Daily life is very difficult for the housewife, for the homemaker. Anything that will help them save time, including, for example, basic health services, dentistry, family planning services, laundry and cleaning facilities, children's clothing supply, auto repair, food packaging, grocery stores, one-stop shopping like we have here, movie theaters, restaurants, et cetera.

Anything that can help minimize the harsh edges of daily life that they have in their society. Also, in general, industries which take advantage of Baltic natural resources, ports, fishing, agricultural industries and lumber-related manufacturing are potential opportunities for the United States.

We have some benefits. The United States definitely has benefits for Baltic investment. First of all, if we can help stabilize to a certain level each of their economies, then we can show the rest of the former Soviet Union that something is possible, that reform is possible. If we can show that, then perhaps the transition that they are going through will be softer. It will not be as harsh.

The Baltics are small enough and Westernized enough for a United States business to test market products and procedures before they enter the larger Soviet market. The Baltics understand the Soviet mentality. In this case, it is a positive and negative. The Baltics are a prime location, a starting point, with which American business can get a foothold or a toehold into the Soviet marketplace.

The Soviet Union has vast, as we all know and have heard, has vast potential markets. Clearly, if we are interested in that, and I am sure we are for our people and our jobs in this country, the Baltics are the place to start entering that marketplace. It is the safest most conservative way to enter an environment that is very risky.

My conclusions: obviously, the United States Government has done some of the things that I have noted in my written comments. They have supplied about $14 million for the beginning of privatization funding, economic and education programs in the Baltics.

I would like to stress that the Baltics are not interested—of course, I cannot speak for the Baltic Government, I speak for myself—that they are not interested in foreign aid as we have known it. They don't just want millions and billions of dollars every year with no return.

We should look at investment in the Baltics as an investment expecting some return for our business people, our manufacturing in the future. So, it is not aid. It is investment. I think that distinction is important to be made.

In Milwaukee, I am not sure if people know how many businesses know about the opportunities in the Baltics. The United States Government could make public education a priority for businesses so that they know about the potential investment opportunities.

Also, there are many Baltic Americans in this country, largely Lithuanians, but also Latvians and Estonians who would like to become involved in this process. United States businesses can use these resources that are here in this Nation as a transition for business investment in the Baltics.

A final personal note, if I may. During January, during the violence in Lithuania and Latvia, my entire family was under the barricades in Riga. They are convinced that if the U.S. Senate and the Government would not have supported—would not have put the brakes on Gorbachev and the Red army, things would have been much more violent and much worse. Since they cannot be here to thank you, I would like to thank you.•

SANDS OF TIME WARN OF THE INEVITABLE

• Mr. SIMON. Mr. President, when I first started in the newspaper business at the age of 19, the president of the Illinois Press Association was an unusually fine gentleman, who went out of his way to be good to me. His name: Charles W. Mills, better known as Charlie Mills. He published the newspaper in Vandalia, IL, and over the years, I have come to have great respect for Charlie Mills.

In 1979, he sold the newspaper, but since that time, he has still been going into the office each day and writing his column, being very much a part of the newspaper and of the community.

He has decided that he and his wife are going to relax a little more and travel and enjoy life a little more, and he signed off on his last regular column. He still intends to write a column whenever he feels like it.

Vandalia, IL, has been fortunate to have Charlie Mills, but the State of Illinois and the Nation is fortunate to have solid, substantial citizens like Charlie Mills who have a great sense of responsibility.

At this point, I ask to insert into the RECORD his final regular column titled, "Sands of time warn of the inevitable."

The column follows:

[The Vandalia (IL) Leader-Union, Jan. 1, 1992]

SANDS OF TIME WARN OF THE INEVITABLE

(By Charles W. Mills)

Carl Sandburg said it:

"I tell you, the past is a bucket of ashes!"

That being the case, I have spent the past 12 years sifting through those ashes looking for bits of history about Vandalia. I searched those dusty remains for things that would refresh memories about how we lived, what interested us, and how our lifestyles have changed. It was from those ashes I was able to put together a number of my columns.

Until I sold the newspaper, in 1979, I never felt I had the time to write a personal column. I had too many other pressing matters . . . like meeting press deadlines and coming up with enough money to meet the weekly payroll. But when the new owners of The Leader-Union invited me to stay on, to help out wherever there might be a need and pass along a little fatherly advice, I accepted. Because I had a free rein, writing a column became one of my priorities.

Putting together a column has been a real challenge, but a very rewarding and enjoyable experience. It has been a learning experience, too. I have found out many things about our community that I had forgotten about or never knew about.

But time moves on.

Carl Sandburg didn't say what follows. I'm not sure anyone did. It is just something I made up to help explain how I solved a dilemma.

The thought occurred to me that one's life span might be compared to an hour glass . . . except for one big difference. We are not privy to seeing how many grains of sand are in that upper compartment of the glass. And, unlike shop-made hour glasses, our personal glasses have been loaded with different amounts of sand. For some people, those grains run out much too soon.

When we were born, those tiny grains of sand began trickling down, through that narrow center tube of the glass, one grain for each year. When we were young we scarcely gave a thought to the fact that we wouldn't live forever. However, one only needs to examine that "bucket of ashes" to realize that none of us is immortal.

So, when one has been lucky enough to still be around at 76 (as I soon will be), and you see that lower compartment of your hour glass almost full, you have to wonder . . . how may more grains of sand are yet to fall?

Those "sands of time" prompted me to make a decision about the rest of my life. It was a most difficult decision to make. And, as you can see, I've gone around the bush to tell you that as soon as I finish this column I'm going to put the cover on my old trusty Underwood typewriter, tuck it under my arm and head for home.

As the saying goes, it is time to get out and "smell the roses" while I still can. Besides, I owe it to Jane, my wife of 53 years, for all those years she sat at home while I was out covering basketball games, meetings or out taking pictures. There are things to do together, places to go and people to see while we are both mobile . . . at least to a degree. 1992 seemed like a good time to start.

After 55 years in the newspaper business, it isn't easy to walk away from a lifetime of blood, sweat and tears that went into running a newspaper. Actually, it has been fun, and it has had its rewards. It was something I really enjoyed doing . . . otherwise, I wouldn't have been here this long.

When I started working at The Leader in 1937 we were just beginning to pull out of the "Great Depression." Things were tough all around. Today, as I prepare to take leave, it's "here we go again." The government has finally acknowledged what we knew all along . . . that we are in a recession. I'm not sure how that differs from a depression. It's a fine line.

At any rate, I do have many concerns for the future of this country. I only wish I could do more to help with solutions.

We are running out of places to "hide" our garbage and nuclear waste. Our roads, bridges and buildings are decaying at a rate faster than they can be replaced or repaired. Our schools are battling criticism that they are not educating our children properly while claiming they cannot provide quality education without more money.

Our small towns have big problems, too. I am greatly bothered to see all of the empty store fronts in Vandalia and know that there is little hope of reviving what was once a thriving business district of mom and pop stores. Those stores were run by people interested in Vandalia and who for the most part, contributed their talents, leadership and money to improving this city.

When we remove the ribs and backbone from that which supports our community, there is bound to be decay.

Farmers, who have been the basic consumers of goods in this country almost from its inception, are struggling to stay in business after several years of drought and low market prices.

And, don't forget the old folks. That include me. Times are getting tougher for them, too. Medical costs are unreal. Savings are wiped-out for those who once thought they had enough of a nest egg to sustain them for their final years.

Crime, drugs and gambling add to our problems. People are afraid to leave their homes and, even in their homes, they are no longer safe. Some folks would rather spend their money for lottery tickets or bet a bundle at a riverboat crap table then use that money for something in their hometown.

And, last but not least, there is the greed factor. We see it everywhere. It's not only in government, but in places and institutions that were set up to help us * * * not rob us.

We have become a nation of people who expect all of the niceties of life, but we expect the other fellow to pay for them.

I know I must sound pessimistic, but let me add that I believe there is hope. It is going to take a coming-together of many people in a concerted effort, and a willingness to share some of the burden, to pull us out of this rut.

Just look what happened when a mass of Vandalia TV viewers got together. We got channels 3 and 8 back, didn't we?

I'll get off my stump now!

In closing, I offer my thanks to Larry Coffey, president of Landmark Community Newspapers, for allowing me to continue to work these past 12 years. Also a big thank you to all of the people at The Leader-Union, from Manager Dave Bell on down. They have been very supportive and helpful. Several on the staff date back with me to the days when we put out the paper the old fashioned way * * * with hot metal. I'm going to miss them all. But I feel confident the paper is in good hands, and those hands will continue to make their presence known in the community by putting out one of the best semiweekly newspapers in Illinois.

And, I am indebted to those who have let me know they enjoyed the columns I have been writing. It has been my pleasure serving you. Your comments truly made my day.

If there aren't too many "honey-do" jobs on the list when I get home, I may uncover the old typewriter and "kick-out" a column now and then.

Right now it's time to tend those roses!

Thanks for listening.•

A TRIBUTE TO ROBERT R. GLAUBER

• Mr. WIRTH. Mr. President, I want to take this opportunity to thank my friend and classmate, Bob Glauber, for the fine job he has done as Under Secretary for Finance of the Treasury. Bob leaves this month after nearly 4 years in Washington, an especially great contribution, given two small children who have scarcely seen him over this time.

Bob made a great contribution changing the laws and guidelines surrounding the thrift industry. He labored mightily on bank reform legislation and has consistently reminded us of the value and discipline of our market system. As I thank him and note that we shall miss him, I wish him well at the Kennedy School, and hope that we can continue to count on his advice and counsel in the difficult months ahead.

I ask that an article appearing in the January 15, 1992, New York Times be printed in the RECORD following my remarks.

The article follows:

A MARKETS EXPERT IS DEPARTING THE POLITICAL SCENE

(By David E. Rosenbaum)

WASHINGTON, Jan. 14.—The main thing he learned in Washington, said Robert R. Glauber, who is resigning Friday as Under Secretary of the Treasury for Finance and returning to academic life, is that there is no clean mechanism here to resolve conflicts.

On Wall Street, his academic specialty, "the markets force issues to a resolution," he said.

"They add up and weigh all the conflicting arguments," he continued. "Then, you either sell the stock or you don't sell the stock. It either goes up in price, or it goes down in price. You never have a stalemate."

But in government, he went on, summing up in a long interview his experiences here, "everything is negotiated."

"There are all these power centers, all these lobbying groups," he said. "When there are conflicting arguments, it is very difficult for anyone to add them up and weigh them, and more times than not, you get stalemates."

Mr. Glauber, who is 52 years old, is in an unusual position to make such a comparison. For more than 20 years, he was a professor at the Harvard Business School and one of the foremost academic authorities on the economics of the financial markets.

Then, in the fall of 1987, he was hired as the top staff member of Nicholas F. Brady's Presidential commission to explore the causes of that October's stock market crash. When Mr. Brady became Treasury Secretary the next year, he named Mr. Glauber to the department's No. 3 post.

It is extremely rare for someone with academic credentials like Mr. Glauber's and with no government or political background to be given such a central policy-making job in Washington. But he was thrown into some of the hottest political issues in town, and he showed no reluctance to get his fingernails dirty.

Over the last four years, he won some battles and lost some. The 1989 law that overhauled the way the Government regulates the savings and loan industry was in large part his doing. He persuaded his superiors in the Bush Administration to propose far-reaching changes and won support for them in Congress.

On the other hand, his attempt to rewrite the banking laws and rid them of restraints that were first adopted in the 1930's ended up in Congress's scrap heap last year. President Bush proclaimed it his top legislative priority. But to Mr. Glauber's disappointment, the President never really threw his weight behind the measure, and absent that, such controversial legislation never stood a chance.

At Harvard, he was used to tackling arcane issues. "In the academic world," he said, "the longer and more complicated the logical chain, the more people like it."

But in Washington, he said, he quickly realized that he could not get others to sit still for such arguments. "People down here are so busy they don't have a tolerance for great complexity," he said. "So you have got to find a simple melody. People can't hum complicated tunes. It's got to be simple enough that they can remember it."

He used that maxim when he was trying to sell Congress on changing the standards governing savings and loan associations. Some of the industry's lobbyists had persuaded friendly lawmakers that changing rules after deals had been made was unfair.

Mr. Glauber recalls that he carried the day with an analogy. If a new model of airplane crashed the first two times it flew, Mr. Glauber told the lawmakers, Federal aviation authorities would surely ground the plane even if its airworthiness had once been certified.

Another Washington idiosyncrasy he said he had not comprehended in his academic days is that top officials here are not expected to read or write. They get their information mostly through oral briefings. And they have large staffs to write their speeches, letters and other materials.

"I was used to writing everything that had my name on it," he said. "Here I got to write nothing I supposedly wrote. Here when you said you wanted to write something, people looked at you as if you were crazy. That's what you have a big staff for."

TIME WITH THE FAMILY

Someday, he said, he might enjoy being in the Government again. But not soon. He and his wife, Muffy, have a 7-year-old son and a 4-year-old daughter, and he intends to spend much more time with them.

"It isn't simply that you work longer down here," he said, "it's that you have no control over when you work. Problems arise, and you have to respond to them. But you do work harder. I came to the office at 7:15 or 7:30 in the morning, and I got home at 8 or 8:30 at night. You don't do that at Harvard."

Mr. Glauber was away from Cambridge so long he had to relinquish his tenure at the Business School. But he is going back to Harvard nonetheless, to lecture at the John F. Kennedy School of Government and to resume a lucrative side career as consultant, mostly to money center banks.

No announcement has been made about his replacement. Most likely, it will be someone already in the Government, possibly one of his top assistants—Jerome H. Powell, Assistant Secretary for Domestic Finance, or Sidney L. Jones, Assistant Secretary for Economic Policy.

As for Mr. Glauber, unlike many when they leave the Government, he has no intention of lobbying. But he does not mean to waste what he learned here. So if anybody needs a consultant with almost four years of experience at the very top of the Treasury.•

COMMENDING DEREK WISHOWSKI

• Mr. KOHL. Mr. President, I rise today to applaud the effort of a brave 17-year-old student. It has come to my attention that on November 6, 1991, Derek Wishowski of Ladysmith, WI, saved a 76-year-old woman whose car had fallen into the Flambeau River. Mrs. Anderson's car lost control when it hit an ice path, the car overturned into the river, leaving the woman helpless in the icy Flambeau. Derek and two friends were in a car behind the woman when he saw her lose control. The young man fearlessly plunged through the freezing water to the car 15 feet from shore. Meanwhile his friends, Kim Bishop and Heather Beebe, went to get help. Water was rushing into the car while Derek tried to force the door open. Derek was able to open the door wide enough to get Mrs. Anderson out and save her. Mrs. Anderson, fortunately, only had minor injuries. The Rusk County Sheriff's Department honored Derek Wishowski at a Veteran's Day ceremony at Ladysmith High School.

Derek exemplifies an American hero. If there are more students like him, the United States will be in good shape for the future. The State of Wisconsin is lucky to have Derek Wishowski.•

A WOMAN'S RIGHT TO CHOOSE

•Mr. GLENN. Mr. President, I rise today, following the 19th anniversary of the Supreme Court's Roe versus Wade decision, to reaffirm my commitment to the protection of a woman's right to choose whether to have an abortion.

Recently in Washington, DC, and across the Nation, a number of arrests were made of people blocking abortion clinics and obstructing the constitutional right of others to choose what they would do with their bodies. Both the Supreme Court and Congress are flooded with letters from people challenging the Court's Roe versus Wade decision.

But I am bolstered by the outpouring of letters from those who feel as I do; that the right to choose to have an abortion is a constitutionally guaranteed privacy right, upheld by the Supreme Court and supported by the majority of American people.

In Roe versus Wade, the Supreme Court recognized a woman's right to choose, and defined the boundaries of that choice. Nineteen years later, the Court decided the case of Webster versus Reproductive Health Services which gave individual States more leeway in deciding whether and how to restrict abortions.

Many State legislatures, recognizing the constitutionality of the Court's decision in Roe, did not tamper with the right to choose as recognized under Roe. A few States, however, Louisiana, Pennsylvania, and Utah most notably, used authority under the Webster decision to restrict abortion rights.

The Supreme Court has agreed to rule this year on Pennsylvania's restrictive abortion law. That law imposes a mandatory 24 hour waiting period before an abortion can be performed, requires parental consent before a minor can get an abortion, and requires spousal consent if the woman seeking an abortion is a married woman.

In hearing the Pennsylvania case, the Court will have to address the scope of constitutional protections for abortion rights. The Court will have to consider the key question of whether the fundamental constitutional right to privacy under Roe versus Wade will continue to embrace the right to a safe, legal abortion.

I can only speculate, along with the rest of the country, on how the Court will rule on this issue. The Court currently consists of only two Justices whose support for abortion rights is known: Justice Harry A. Blackmun, who wrote the Roe versus Wade decision, and Justice John Paul Stevens.

This country has come a long way since the pre-Roe versus Wade days of back alley abortions. I hope that the Court will, in its wisdom, rule to keep abortion safe and legal.•

A TRIBUTE TO JOHN GAW MEEM

• Mr. WIRTH. Mr. President, early in this New Year, the New York Times ran a long article on John Gaw Meem, the visionary-missionary architect of the Southwest. His wonderful design and sense of history remind us of the rich heritage of the American Southwest. I wish to share this heritage with my colleagues in the Senate and ask that an article appearing in January 9, 1992, edition of the New York Times be printed following my remarks.

The article follows:

A VISIONARY OF TODAY'S SANTA FE

(By Patricia Leigh Brown)

SANTA FE, NM.—Before the Range Rovers, the howling coyote sculptures and Santa Fe (the fragrance), there was an architect named John Gaw Meem, whose wildly romantic Spanish Pueblo revival houses, built primarily in the 1930's, set the stage for it all.

Mr. Meem arrived in this luminous landscape of piñon and juniper in 1920. From 1924 until his death in 1983, he designed houses and churches, municipal and university buildings that married the spirit of native pueblo architecture with the necessities of the modern world.

With deliberately battered corners and other atmospheric effects, he created what Chris Wilson, a cultural historian, calls "pueblo getaways from the modern world." Despite the recent preponderance of bluecorn gourmets and Anglos longing to be Navajos, Mr. Meem's imagery—exotic fantasies of life in the Southwest—endures.

His houses, which number around 150 in and around Santa Fe, were designed for wealthy, spirited clients, including East Coast sophisticates and women of opinion. In the early 1930's, Amelia Beard Hollenback, who was the first women to photograph a Hopi snake dance, instructed Mr. Meem: "I want something extremely informal that will let us amuse ourselves with old ways and old things, but may Heaven preserve it from looking Arty!"

"Daddy was fortunate in having very paternalistic clients," said Nancy Wirth, Mr. Meem's daughter, who still lives where she grew up, in a two-story stone house designed by her father in 1937. "He used to say that the best clients were the ones who sat down with him, told him what they wanted and then went to Europe for the year."

Mr. Meem's influence is found in the portals of the Plaza in Santa Fe, which were added in 1969; in a 1929 renovation of La Fonda Hotel; in the Laboratory of Anthropology, and in the main campus of the University of New Mexico in Albuquerque, which contains some 30 buildings designed by Mr. Meem.

But it extends to more than his architecture. As chairman of the city Planning Commission, he helped develop the city's first master plan in 1947, which helped protect the character of downtown Santa Fe.

As chairman of the New Mexico Society for the Restoration and Preservation of New Mexico Mission Churches, Meem the preservationist personally restored dozens of historic mission churches, including those at Acoma, Laguna and Zia pueblos.

Today, the cult of John Gaw Meem, who was an engineer by training and never completed his formal architectural training, flourishes among regional architects. Last summer, the Historic Santa Fe Foundation, a private preservation group, organized a special John Gaw Meem house tour. "He's arguably the single most important person in the way the city looks today," said Mr. Wilson, who is writing a book for the University of New Mexico Press called "The Myth of Santa Fe." His buildings, Mr. Wilson added, "still serve as the ideal image of Santa Fe style."

In other words, John Gaw Meem made Santa Fe safe for Ralph Lauren.

Mr. Meem drew inspiration from regional architecture, but his designs were very much his own. In a 12-room summer house built in 1930 for Eleanor Brownell and Alice Howland near Bishop's Lodge, it is necessary to duck one's head and step high over the raised thresholds when passing through the antique doors. To simulate the earthen floors of early New Mexican houses, which were treated with ox blood to keep them free of dust, Mr. Meem used a dark-brown mastic covering somewhat like linoleum.

A HACIENDA LOOK

The house is arranged like a traditional hacienda, with a chain of rooms gathered around a placita, or open courtyard. The late architectural historian Bainbridge Bunting, who wrote a monograph on Mr. Meem, referred to such houses as "inscapes," a poetic meeting of pueblo spirit and the material world.

Laban Wingert, a Santa Fe architect, has the delicate task of helping a couple who remodeled the house unsympathetically bring it back to Mr. Meem's original plan. "Mr. Meem had such a wonderful sense of form," he observed. "Every corner and projection was thought out."

Each Meem house is a miniature world: quiet, comforting spaces with flickering fireplaces that keep the tumult of the modern world at bay. Like the houses of the California architects Greene & Greene, they seem both aged and ageless, appearing to have magically sprouted from the soil.

These days, cutesy shops overrun the Plaza and the most authentic-feeling place downtown is Woolworth's. It is difficult to imagine that in 1920, the pueblo style, which now attracts tourists like flypaper, was on the decline.

TRADITIONAL FORMS

When Mr. Meem first came to Santa Fe, to recuperate from tuberculosis, the vogue was not flat-roof adobe dwellings but pitched-roof houses with expanses of glass imported from St. Louis and Kansas City. Along with the artist and photographer Carlos Vierra and others, Mr. Meem advocated a return to vernacular styles, the more weathered-looking and beat-up, the better.

"Some old forms are so honest, so completely logical and native to the environment," he once wrote, "that one finds—to one's delight and surprise—that modern problems can be solved and are best solved by use of forms based on tradition."

Santa Fe was hardly the typical small town, even in 1920. It was the adventurous bohemian's alternative to Paris and Greenwich Village. During his stay at the Sunmount Sanatorium, Mr. Meem hobnobbed with other wealthy patients. As there is today, there was an unusual abundance of potential commissions for the right architect.

USING PLANKS AND BEAMS

Mr. Meem's houses, photographed by Ansel Adams and Laura Gilpin, contemporaries he hired to record his work, physically embody the Santa Fe fantasy. They have mellowed beyond preciousness and are almost excruciatingly civilized. From chunky wooden chandeliers made from church beams to rustic plank flooring, they are distinctive for their understated but abundant use of ornament, much of it adapted from graphic pueblo and Spanish designs.

In one living room, for instance, Mr. Meem designed a herringbone-pattern ceiling using vigas (unmilled ceiling beams in the natural shape of a tree) and latillas (golden-colored aspen poles stripped of their bark). Lowly details like mirror frames and radiator covers were excuses for handcrafted stamped-tin motifs drawn from Indian and Spanish sources. Mr. Meem's sense of graciousness also led him to lavish attention on hallways and other forgotten household spaces.

A number of Mr. Meem's best clients were collectors who scoured the countryside for church beams and other antique architectural details. Amelia Hollenback, who spent the autumn months in Santa Fe to attend Indian ceremonial dances, was an astute and voracious collector.

"It's lots of fun," she wrote Mr. Meem of her shopping sprees while her house was being planned. "I wish we were building a village."

PRIZE DOORS

Completed in 1932, her house was the apotheosis of the genre, a "domestic cloisters for the Southwest," in Mr. Wilson's words. Like many of Mr. Meem's houses, it has intentionally wobbly silhouettes and rounded corners, giving the impression of having been eroded over time.

The size of the rooms was dictated by the dimensions of the old beams Miss Hollenback collected. Among her prizes, seamlessly incorporated into the architecture, are a large number of Spanish colonial doors, carved beams from Acoma and Gran Quivira, a historic pueblo site, and a rare carved portal beam from 1828 decorated with hex signs and archaic Spanish writing.

"Amelia was out collecting the things that everyone else was throwing away," said Mary Jean Cook, who now owns the 15-room house with her husband Dr. Edward S. Cook. "Meem listened to her ideas and thank God he did."

The Cooks purchased the house, which was hardly used after its completion, in 1971. For the last 13 years, Mrs. Cook, a musician and historian, has been working on a book on Miss Hollenback, who has become something of an alter ego. Miss Hollenback left some 6,000 photographs in a trunk, and her ballgown still hangs in the closet. Mrs. Cook carries her briefcase, the Cooks' cat is named Amelia Hollenback.

Much to Mrs. Cook's delight, Miss Hollenback kept detailed records of both the building process and her collection, noting on a tag the date and origin of each piece. Mrs. Cook is so committed to retaining the original feeling of the house that she does the mud work on the portale walls and fireplaces herself, based on Mr. Meem's own "recipe."

Many owners of Meem houses seem to share this maternal, curatorial feeling. "My philosophy is, don't monkey with it," said Dr. Orville Linck, a retired English professor, who lives in a small Meem house on Delgado Lane. "It's the livability of the place. You get into it, and it's a part of you."**•**

BUDGET SCOREKEEPING REPORT

• Mr. SASSER. Mr. President, I hereby submit to the Senate the first budget scorekeeping report for the 2d session of the 102d Congress, prepared by the Congressional Budget Office under section 308(b) of the Congressional Budget Act of 1974, as amended. This report serves as the scorekeeping report for the purposes of section 605(b) and section 311 of the Budget Act.

This report shows that current level spending exceeds the budget resolution by $3.7 billion in budget authority and by $3.2 billion in outlays. Current level is $3.0 billion above the revenue target in 1992 and $3.5 billion above the revenue target over the 5 years, 1992–96.

The current estimate of the deficit for purposes of calculating the maximum deficit amount is $351.5 billion, $0.3 billion above the maximum deficit amount for 1992 of $351.2 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, January 22, 1992.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report, my first for the 2nd session of the 102nd Congress, shows the effects of Congressional action on the budget for fiscal year 1992 and is current through January 21, 1992. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the Concurrent Resolution on the Budget (H. Con. Res. 121). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Sincerely,
ROBERT D. REISCHAUER,
Director.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG. 2D SESS., AS OF JAN. 21, 1992

[In billions of dollars]

	Budget resolution (H. Con. Res. 121)	Current level[1]	Current level +/– resolution
On-budget:			
Budget authority	1,270.6	1,274.3	+3.7
Outlays	1,201.6	1,204.8	+3.2
Revenues:			
1992	850.4	853.4	+3.0
1992–96	4,832.0	4,835.5	+3.5
Maximum deficit amount	351.2	351.5	+.3
Debt subject to limit	3,982.2	3,693.1	–289.1
Off-budget:			
Social Security outlays:			
1992	246.8	246.8	
1992–96	1,331.5	1,331.5	
Social Security revenues:			
1992	318.8	318.8	
1992–96	1,803.3	1,830.3	

[1] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG., 2D SESS., SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1992 AS OF CLOSE OF BUSINESS JAN. 21, 1992

	Budget authority	Outlays	Revenues
ENACTED PRIOR TO 102D CONGRESS			
Revenues			850,405
Permanent appropriations	784,740	723,462	
Outlays from prior year appropriations	0	234,906	
Offsetting receipts	(186,675)	(186,675)	
ENACTED 1ST SESSION			
Appropriation legislation:			
Agriculture (Public Law 102–142)	51,219	36,382	
Commerce-Justice (Public Law 102–140)	21,425	16,016	
Offsetting receipts	(119)	(119)	
Defense (Public Law 102–172)	269,911	176,492	
District of Columbia (Public Law 102–111)	700	690	
Energy and water (Public Law 102–104)	21,875	12,961	
Interior (Public Law 102–154)	12,466	8,098	
Labor, HHS, Education (Public Law 102–170)	183,044	146,857	
Offsetting receipts	(39,658)	(39,658)	
Legislative branch (Public Law 102–90)	2,309	2,063	
Military construction (Public Law 102–136)	8,563	2,931	
Transportation (Public Law 102–143)	14,302	12,217	
Treasury-Postal Service (Public Law 102–141)	19,695	17,027	
Offsetting receipts	(6,079)	(6,079)	
Veterans, HUD (Public Law 102–139)	80,941	42,469	
Emergency supplemental for humanitarian assistance (Public Law 102–55)		(1)	
Dire emergency supplemental appropriations, 1991 (Public Law 102–27)		511	
Disaster relief supplemental appropriations, 1992 (Public Law 102–229)	113	(154)	
Other spending legislation:			
Extending IRS deadline for Desert Storm troops (Public Law 102–2)			(5)
Veterans' education, employment and training amendments (Public Law 102–16)	2	2	
Higher education technical amendments (Public Law 102–26)	(56)	(56)	
Veterans' Health Care Personnel Act (Public Law 102–40)		(1)	
Veterans' housing and memorial affairs (Public Law 102–54)		5	
Veterans' Benefits Improvement Act (Public Law 102–86)	3	3	
Intelligence Authorization Act, fiscal year 1991 (Public Law 102–88)	(1)	(1)	(1)
Veterans' educational assistance amendments (Public Law 102–127)		(1)	
Extend most-favored-nation status to Bulgaria (Public Law 102–158)			(2)
Unemployment compensation (Public Law 102–164)	3,825	3,825	2,600
Provide MFN status to Czechoslovakia and Hungary (Public Law 102–182)	505	505	(17)
Intelligence Authorization Act, fiscal year 1992 (Public Law 102–183)	(1)	(1)	
Defense Authorization Act (Public Law 102–190)		(7)	
Extend MFN status to the Soviet Union (Public Law 102–197)			(22)
James Madison Memorial Act (Public Law 102–221)		(1)	
Tax Extension Act (Public Law 102–227)			405
San Carlos Indian Irrigation Project Divestiture Act (Public Law 102–231)	(2)	(2)	
RTC Refinancing Act (Public Law 102–233)	25	25	
Food, Agriculture, Conservation and Trade Act amendments (Public Law 102–237)	(2)	(2)	
Intermodal Surface Transportation Efficiency Act (Public Law 102–240)	18,514	(590)	
Coast Guard authorization (Public Law 102–241)	(1)	(1)	
Deposit Insurance Reform and Protection Act (Public Law 102–242)	3	3	
Discretionary estimating adjustment	(233)	(5,823)	
Total appropriation and other spending legislation	663,291	426,591	2,959
CONTINUING RESOLUTION AUTHORITY PUBLIC LAW 102–145			
Foreign Operations (expires March 31, 1992.	14,034	5,496	
Offsetting receipts	(41)	(41)	
Total continuing resolution authority	13,992	5,454	
MANDATORY ADJUSTMENTS			
Entitlement authority and other mandatory adjustments required to conform with current law estimates in budget resolution	(1,041)	1,105	
ENACTED 2D SESSION			
Total current level	1,274,306	1,204,844	853,364
Total budget resolution	1,270,612	1,201,600	850,400
Amount remaining:			
Over budget resolution	3,694	3,244	2,964
Under budget resolution			

[1] Less than $500.

Note.—Numbers may not add due to rounding.•

CATHOLIC SCHOOLS WEEK

• Mr. D'AMATO. Mr. President, I rise today to pay tribute to our Catholic schools. For it is during the week of January 26 through February 1, 1992 that Catholic schools throughout the United States celebrate Catholic Schools Week. A whole host of events, activities, and presentations are planned for this annual observance of the important role that Catholic elementary and secondary schools play in educating America's young people. Catholic Schools Week also observes the high standard of excellence and the quality of education available in the United States to all students, regardless of race, creed, color, or gender in our Catholic schools.

The theme for Catholic Schools Week this year is: Discover Catholic Schools. This theme was chosen to encourage parents, Catholic and non-Catholic alike, to learn more about their local Catholic schools. Catholic schools emphasize values-added education and academic excellence. Values-added education means emphasis on academic instruction and achievement, exceptionally dedicated teachers, hard-working students, and parental involvement in the whole process.

Catholic schools across the country will observe their week with special liturgies; oratory, vocal, and instrumental performances for parents and grandparents; school fairs; painting and drawing exhibits; academic games; and community service programs.

The discovery of Catholic schools challenges the community to learn more about what makes Catholic schools unique. As we focus in on

Catholic schools during Catholic Schools Week we find that there are more and more things to celebrate about Catholic schools. It is in the spirit of this wonderful celebration that I wish to recognize and pay tribute to Catholic Schools Week.•

EXPLANATION FOR ABSENCE

• Mr. DECONCINI. Mr. President, I would like to explain why I was not present for votes on the Neighborhood Schools Improvement Act, S. 2, that occurred subsequent to the Cochran amendment. A longstanding family commitment required me to leave Washington shortly after noon in order to be in Arizona for this family occasion. I regret having to miss any Senate votes. Had it not been an extremely important family event, I certainly would not have left Washington knowing I might miss one or more votes on this extremely important legislation.•

NINETEENTH ANNUAL THEODORE ROOSEVELT DINNER, NASSAU COUNTY COUNCIL, BOY SCOUTS OF AMERICA

• Mr. D'AMATO. Mr. President, it is with great pride that I rise today to recognize some outstanding individuals who are honorees at the 19th annual Theodore Roosevelt Dinner on Friday, January 24, 1992, presented by the Nassau County Council of the Boy Scouts of America.

Three individuals will be inducted into the 1991 class of Rough Riders. The Rough Riders are elected for their extensive accomplishments and commitments to public service and Long Island's youth. This year's inductees are Thomas V. Powderly, Joan Gittelson, and Morris Danon.

Thomas V. Powderly is president and chief operating officer of Fidelity New York, a major Long Island bank with 19 branches spanning Long Island and Manhattan. Mr. Powderly is widely known as a competitive athlete and marathoner and has been a strong supporter of, and champion for, Long Island's youth.

Joan Gittelson, a certified financial planner and registered investment advisor is owner of her own consulting company in Garden City, NY. Ms. Gittelson has previously been honored by the Nassau County Council of the Boy Scouts of America in 1989 when she received the Community Service Award.

Morris Danon is an executive vice president of National Westminster Bank USA. Mr. Danon is an active member of many civic and charitable organizations, including his position as a board member of the Nassau County Boy Scouts.

These three outstanding individuals are being recognized for their dedication and commitment to the youth of Nassau County. Scouting provides our youth the best possible preparation for life and it is because of the dedication of special individuals such as Thomas V. Powderly, Joan Gittelson, and Morris Danon that the great tradition of Scouting continues today.

Another individual, Thomas Dixon Lovely, is the recipient of the Scout's highest national honor. He is the recipient of the coveted Silver Beaver Award. Thomas Dixon Lovely is chairman of the board and chief executive officer of Fidelity New York, Long Island's oldest federally chartered savings institution. Mr. Lovely hones from a whole Scouting family. His father was district commissioner of Scouting in Queens and received the Silver Beaver Award also. Both of Mr. Dixon's sons have achieved Eagle Scout rank in their Garden City troop.

Also, special thanks go to Herbert J. Braucer for his years of support to the Scouts. He is recipient of the Service to Scouting Award. Mr. Brauer was a managing director, recently retired from Manufacturers Hanover. In November 1987, he was inducted into the Teddy Roosevelt Rough Riders by the Nassau County Council Boy Scouts of America. This award was established to pay tribute to those who most emulate Teddy Roosevelt.

To these five very special honorees and the many others who dedicate their time, energy, and resources to the Boy Scouts of America, I salute you. Thank you for all you have done to help our youth develop character, citizenship, and fitness. Please accept my best wishes for continued success.•

AID TO THE FORMER U.S.S.R.

• Ms. MIKULSKI. Mr. President, I believe that there is a real danger of overreacting to the crisis in the Soviet Union and wasting United States tax dollars in a well-intentioned but misguided aid program.

In view of the current discussions on the content and delivery of aid to the former Soviet Republics, I would like to suggest a few principles which the United States and other donor nations should follow.

I agree with the basic principle of United States policy—that it is in our best interest to keep Russia and the other republics on the path toward democracy and free markets. We certainly do not want a reactionary return to the bad old days when our governments competed to outspend each other on arms—sending their respective economies into a tailspin—when there was a constant threat of direct military action against one another and when the two superpowers fought proxy wars in Third World countries. If some assistance to the former U.S.S.R. brings it into the sphere of friendly, Western democracies, then that would be a good investment for our country.

We also have a humanitarian interest in avoiding mass suffering, even starvation, in a country facing a difficult and troubled transition.

That said, however, I believe we should follow these guidelines:

No cash to the new Republics. We do not have cash to spare, and it would be difficult to track that sort of aid to make sure it is used for legitimate purposes. The United States Government should invest in United States industry, not Russian.

No loans or loan guarantees. The republics do not have the ability to repay new loans and will not for a long time. The United States could find itself taking a huge loss in the event of a default. That is why I voted against agricultural credits last year.

Send surplus agricultural commodities. We are blessed with an abundance of food in this country and can use it to ease the suffering of the Soviet people without significant expense.

Send technical assistance. We are also blessed with intelligent, experienced personnel who can help the Soviets understand how our market system works and aid the transition to a Western system.

Get something in return for our aid. Require that the Soviets dismantle their nuclear weapons. Make sure republics abide by military treaties. Insist on human rights standards as a condition for aid. Use the prospect of aid to push for rapid reforms.

Either distribute the aid ourselves or monitor its distribution very, very closely. There is no dependable storage and distribution system in the new Republics, and there are already horror stories of aid disappearing into the hands of black marketeers. A shipment of food and medicine from a group in Wisconsin was recently unloaded on the docks of St. Petersburg and promptly disappeared. Aid packages arrive at their destinations a bit lighter than they started out because local officials have helped themselves to some of the contents. We should not put our aid into the hands of the same corrupt comrades that ruined the U.S.S.R.

Make sure that other countries help shoulder the burden. Some European governments have already instituted aid programs; other developed countries will stand back and wait for us to do the dirty work.

Coordinate aid with other donors. This will help get the most from any assistance and avoid duplication of effort. The administration was right to convene the current conference in Washington for this purpose.

Design our assistance program to benefit U.S. firms and create U.S. jobs. If we do send direct aid, we should require that the recipients use it to buy U.S. goods and services. Assistance should pass through U.S. ports on U.S. ships with U.S. crews. We should also establish U.S.-style institutions—stock markets, standards and measurements, administrative structures—that will make it easy for U.S. firms to do business in the new markets. This will enhance our own economy in the long run.

What I am advocating is hard-headed humanitarianism.

Now that President Bush has submitted his plan for the former Soviet republics, I urge the Congress not to jump immediately on the bandwagon but to insist on a clear plan, full accountability, and a fair return on U.S. aid and investment.●

ORDERS FOR MONDAY, JANUARY 27, 1992

Mr. MITCHELL. Mr. President, I ask unanimous consent that at 3 p.m. on Monday, January 27, the Senate proceed to the consideration of S. 12, the cable television regulatory reform bill; that it be for the sole purpose of Senators making opening remarks on the legislation and that no amendments or motions may be proposed with respect to that legislation on Monday, January 27.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, what this means is that we will proceed to the cable television regulatory reform bill at 3 o'clock on Monday for the purpose of opening statements only.

Under the agreement previously obtained with respect to the education bill, all amendments will have been offered to the education bill that will be in order. If there is further debate remaining on those amendments and the managers are agreeable, we could return to further debate on those amendments Monday, although there will be no amendments offered after 3 p.m. on Monday. That is an effort to accommodate Senators who may offer amendments on Monday and feel that they have not had sufficient time to debate them. There will be no amendments offered after that time.

So, then the votes on these amendments will occur on Tuesday under the previous order. So that, all amendments to the education bill must be offered tomorrow or by 3 p.m. on Monday. Any amendment on the list not then offered will not be in order.

At 3 p.m. we will go to the cable bill for purposes of opening statements, laying the bill down. After that is completed, if there is further debate requested on the education bill on an amendment which will have previously been offered, that will be possible at that time and the managers will work that out in an effort to accommodate any Senator's schedule and interest.

Mr. WELLSTONE. Could I ask the leader a question?

The PRESIDING OFFICER. The majority leader controls the time.

Mr. MITCHELL. I yield to the Senator for a question.

Mr. WELLSTONE. Mr. President, would the majority leader be willing to schedule 5 minutes between those votes on Tuesday so that we could have a chance just to summarize very briefly the amendment?

Mr. MITCHELL. I am not able to gain unanimous consent of that request now because it has to be cleared.

Mr. WELLSTONE. I am sorry.

Mr. MITCHELL. I will certainly take that up with the managers and the distinguished Republican leader to make every effort to achieve that.

Mr. WELLSTONE. I thank the Senator.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. WELLSTONE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m., Friday, January 24; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business not to extend beyond 10 a.m. with Senators permitted to speak therein; that Senators BENTSEN and PRESSLER be recognized for up to 10 minutes each; and that at 10 a.m., Friday, the Senate resume consideration of S. 2 with the pending amendment the Nickles amendment No. 1479.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. WELLSTONE. Mr. President, if there is no further business to come before the Senate I now, on behalf of the majority leader, ask unanimous consent that the Senate stand in recess as under the previous order until 9:30 a.m., Friday, January 24.

There being no objection, the Senate, at 9:34 p.m., recessed until Friday, January 24, 1992, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate January 23, 1992:

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

THE FOLLOWING-NAMED PERSONS TO BE MEMBERS OF THE GENERAL ADVISORY COMMITTEE OF THE U.S. ARMS CONTROL AND DISARMAMENT AGENCY:

ANNE ARMSTRONG, OF TEXAS, VICE HARRIET FAST SCOTT, RESIGNED.

JAMES ALAN ABRAHAMSON, OF CALIFORNIA, VICE ROBERT B. HOTZ, RESIGNED.

HAROLD M. AGNEW, OF CALIFORNIA, VICE JOHN P. ROCHE, RESIGNED.

JUAN A. BENITEZ, OF IDAHO, VICE JAIME OAXACA, RESIGNED.

JAMES H. BINNS, JR., OF PENNSYLVANIA, VICE FRANCIS P. HOEBER, RESIGNED.

GEORGE A. CARVER, JR., OF VIRGINIA, VICE CHARLES BURTON MARSHALL, RESIGNED.

MARJORIE S. HOLT, OF MARYLAND. (REAPPOINTMENT)

MARINE CORPS

THE FOLLOWING-NAMED BRIGADIER GENERAL OF THE U.S. MARINE CORPS RESERVE FOR PROMOTION TO THE PERMANENT GRADE OF MAJOR GENERAL, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5912:

JOHN T. COYNE

CONFIRMATION

Executive nomination confirmed by the Senate January 23, 1992:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

KENNY JACKSON WILLIAMS, OF NORTH CAROLINA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 1996.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

HOUSE OF REPRESENTATIVES—*Friday, January 24, 1992*

The House met at 11 a.m.

Rev. W. Douglas Tanner, Jr., executive director, Faith and Politics Institute, Washington, DC, offered the following prayer:

O Lord God, we open this day in the life of this Congress mindful that this is the beginning of a new season, a season in which the direction of our Nation will once again be debated and substantially determined.

We are conscious that the adversarial nature of political campaigns encourages divisiveness at the cost of unity, that the timing of an election encourages the pursuit of short-term advantage at long-term expense, that those decisions most critical to justice and mercy easily become contaminated by fear and self-service.

In this same season, our role in directing the course of this Nation requires the best that is within us.

Lead us, we pray, in this election year, to know the difference between wise policy and foolish politics, and guide our choice between the two with courage and grace. Amen.

POSTPONEMENT OF APPROVAL OF JOURNAL UNTIL TUESDAY, JANUARY 28, 1992

The SPEAKER. Pursuant to the order of the House of Wednesday, January 22, 1992, the approval of the Journal of the last day's proceedings will be postponed until Tuesday, January 28, 1992.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Mississippi [Mr. MONTGOMERY] come forward and lead the House in the Pledge of Allegiance.

Mr. MONTGOMERY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3489. An act to reauthorize the Export Administration Act of 1979, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 3489) "An act to reauthorize the Export Administration Act of 1979, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RIEGLE, Mr. CRANSTON, Mr. SARBANES, Mr. GARN, and Mr. MACK, to be the conferees on the part of the Senate.

The message also announced that pursuant to Public Law 102–138, the Chair, on behalf of the majority leader, appoints Dr. Merle Goldman, of Massachusetts, and Mr. Gene Mater, of Virginia as members of the Commission on Broadcasting to the People's Republic of China.

JAPAN CONTINUES TO FOSTER ILLEGAL TRADE PRACTICES

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, when an American buys a $15,000 car made in the United States, our Government receives more than $6,000 in tax revenue and more than $24,000 in an economic multiplier ripple effect. On the other hand, when an American buys a Japanese import for $15,000 our Government receives less than $400 in tax revenue and no multiplier effect. It is simple mathematics. When an American buys a Japanese import our economy loses over $29,000.

What bothers me, Mr. Speaker, and maybe someone should have a discussion with the Vice President, for some reason he keeps defending the illegal trade practices of Japan. I think it is time for the Speaker to ask the Vice President, maybe he should ask Nintendo why Americans cannot buy a baseball team in Japan. Maybe the Vice President should ask Japanese officials, especially those of the Sumotomo Corp., why American companies do not get contracts in Japan.

The truth of the matter is Japan is still fostering illegal trade. Our country is going bankrupt. Everybody is apologizing. So is Japan. They are bashing America on one hand and apologizing on the other with promises, promises, promises.

Maybe the administration and the White House will figure this out when U-Haul of Tokyo backs up to the White House next year and starts taking their furniture out.

RESOLUTION URGING DEDICATION OF PENTAGON FUNDS FOR ENVIRONMENTAL CLEANUP ACCOMPANYING BASE CLOSURES

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, next week I intend to introduce a sense-of-the-Congress resolution that will urge the President and commend him at the same time for proposing, and we should be supporting, the proposition that Pentagon funds, perhaps 1 billion dollars' worth, should be dedicated to the cleanup of the environment that accompanies the base closures which we all support.

In our own district, there is a serious problem in the old Olmstead Air Force Base, which is now the Harrisburg International Airport complex. A cleanup of that situation there will do two things, and this can happen at every base closure across the country. Environmentally it will bring back to a stable environment the hazardous waste and other materials that have been stored there and have been polluting the area. That is good news for the environment. Second, it will encourage and give incentive for economic development in the very same areas where base closures will be turned into private business enterprises that will create jobs and stimulate the economy.

We applaud the President for his initiative in seeking these Pentagon funds for base closures, and we urge that the Members of the Congress join in the sense-of-the-Congress resolution which we will introduce next week.

COOPERATION BETWEEN THE WHITE HOUSE AND THE CONGRESS ESSENTIAL IN SOLVING AMERICA'S PROBLEMS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, next Tuesday night just a few feet from where I am standing, the President of the United States will address a joint session of Congress, the country, and the world in the speech called the State of the Union Address.

A little historical note. For over 100 years, from the Presidency of Thomas Jefferson to that of Woodrow Wilson, the Presidents did not personally visit with Congress. They prepared an annual address and submitted it in writing to Congress.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

In any event, next Tuesday, the President will give a State of the Union speech. In this morning's Post it was suggested that in fact this will be not so much a State of the Union as a state of the Presidency speech. In a sense, will the President be able to identify the problems facing this Nation and also delineate the solutions to those problems.

One way or the other, solutions will take cooperation. I certainly hope the President can identify the problems. I certainly hope that he will receive cooperation from us and from the Nation in solving the problems, because the perils of not cooperating are just too great to contemplate.

So when we visit next Tuesday with the President, we will be visiting in a spirit of trying to solve America's problems.

□ 1110

BEST WISHES TO PAGES ON GRADUATION

The SPEAKER pro tempore (Mr. LAUGHLIN). Under a previous order of the House, the gentleman from Kentucky [Mr. MAZZOLI] is recognized for 5 minutes.

Mr. MAZZOLI. Mr. Speaker, today is a happy day and today is a sad day. It is a happy day because this evening our pages will graduate and visit with one another and with their families in a very happy sense and reminisce and talk about their experiences on the Hill during this semester that they have been our pages.

But, it is a sad day for those of us who have had the honor of commissioning pages and to work with them, as in the case of this gentleman from Kentucky, who has had that particular pleasure and honor, because they are leaving to return to their homes.

I just would mention to those who might be observing the proceedings today who may not be familiar with the page program, it is a program which is steeped in history, and yet it is as modern as tomorrow.

It is steeped in history because it began many years ago when it became quite clear that this body, this assembly, needs assistance in very special ways and in ways that only young people can fulfill.

But, it is also as modern as tomorrow in the sense that these young people, who have been with us as our friends and assistants for these many months, will go out into the world, of course first completing their schooling, but go out into the world and accomplish for the world what needs to be accomplished, which is to solve many of the problems of health care, of economic matters, of hunger, to really try to make the lot of the world better and the lot of the people in this world better.

So just as we have welcomed these young people last August and September when they came from the far-flung points of the country, we Members today in person, and certainly in absentia, take this moment to extend to them our thanks and our heartfelt appreciation for what they have done for us in making this House work.

I recall, Mr. Speaker, as does the Chair, too, just a few months ago when this Chamber, as well as the other body, worked literally all night long—all through the evening into the hours of the morning, and I think even early afternoon—before we completed the work of the first session. In attendance in various groupings through that night and the morning and the afternoon were our pages. So they have seen this place up close. They have seen the Members in very close proximity.

They take with them back home to the various towns and places in which they live our admiration for the job they did, certainly our love and affection and our very best wishes that they have success in the classrooms, and even more important than success in the classrooms—these young people are the cream of the crop and, therefore, their success in that setting is established—is success in the sense that they will use some of what they have learned on Capitol Hill in these last few months, particularly that if people do come together and put their wisdom and their talents and energies together, then collectively they do have a chance to at least nibble away at the edges of the problems of the world. We may not solve them with the silver bullet as it is said, but at least, when it is all over and at the end of the day, we have done a little something to make this place better. That is what we wish for these young people, these outstanding, fine young men and women one of whom I would name, my own page, April Patterson from Louisville, KY.

We wish for them continued good health, continued good fortune and great success in helping all of us solve the problems of the world. The departing pages are:

DEPARTING PAGES FOR FALL 1991–92

Lucy Abbott.
Roni Abdul-Hadi.
Leslie Biltekoff.
Lindsay Campbell.
Alisha Clester.
Michael Connors.
Kelly Creeden.
Michael Demetriou.
Sonal Desai.
John Dinusson.
Sean Dooley.
Kevin Eckstrom.
Heidi Eichhorn.
Julie Flahive.
Bryn Floyd.
Michael Froehlich.
Emily Goldwasser.
Margaret Hauselt.
Jonathan Hinze.
Christopher Hoff.
Stacy Hooks.
Desiree Humphreys.
Thea Iacomino.
Nathan Just.
Paul Kelley.
Michael Margolis.
Robyn McCoy.
Fritz Musser.
Mark Paige.
April Patterson.
Kelly Pfaff.
Christopher Reed.
Jade Riley.
Michael Romansky.
Meg Rothman.
Claire Shamblin.
Keysha Smith.
Rachel Sontag.
Dax Steele.
Tyson Taylor.
Matthew Thompson.
Samantha Tompkins.
Amy Turnbull.
Lambert van der Walde.
Brandon Vasquez.
Laura Ward.

GETTING AMERICA BACK ON TRACK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. SAXTON] is recognized for 60 minutes.

Mr. SAXTON. Mr. Speaker, early next week, this House will be back in session to do business. There is nothing more urgent than putting America back on the track of gaining employment, helping our gross national product to expand and generally getting America back to work.

During the Christmas recess all of us have had the opportunity to hear from our constituents. We also have heard from people who are economists in the sense that they deal with the economy either in an academic way or in a hands-on way, such as bankers, retailers, and realtors.

I do not know about the rest of you, but I have taken advantage as fully as I can of the opportunity to be outside the beltway, to find out what it is that has happened with our economy and to try to draw some conclusions, concerning the best way to address these problems once again.

I have listened intently. I have listened to other Members of this House. I have listened to those who were involved in academia, who study economic trends, and I have listened to my constituents. I have heard there are many things that many different people believe ought to be done to address the ills, to address the problems that are involved with unemployment, to address the problems that are involved with people who are afraid that they are going to become unemployed, that they are going to lose their jobs.

I read in a newspaper back in New Jersey recently that over the last year, 1 in 5 Americans has lost a job, and hopefully regained one somewhere else, but in some cases that has not happened, either.

There are a number of different ideas about what we ought to do to address this problem. I have listed a few, because I think they are important, too.

I heard someone say not long ago, a Member of this House, that we have got to do something about the deficit. That is absolutely true. We have a deficit situation today that is different than it has been in the past. When I was elected to this House in 1984, the deficit was much less than it is today. In 1980, we thought it was horrible that we had about a $60 to $70 billion deficit. At the end of this year, it is projected that our deficit is going to be somewhere in the neighborhood of $400 billion.

Yes, deficit reduction is important. Somebody else said that we cannot do business in our country because there is too much government regulation. I agree.

The bankers who we deal with and who we talk to on a daily basis today will tell you that they are afraid to do business because of the regulators. One banker told me not long ago that the regulators were like hawks sitting on their shoulders and the minute they do one thing wrong, the hawks are there to pounce on them.

So banking reform and regulation is certainly something we need to deal with, and regulation throughout our regulatory structure has become a burden. We need to do something about that.

Tort reform, the President mentioned as the No. 1 item in a news conference not long ago, that we need to address the subject of liability reform and tort reform, because throughout our society, whether it is in the area of medical care and medical malpractice insurance, products liability insurance, automobile insurance, you name it. One of the problems that our business has in being competitive with those that we compete with overseas is that we are subject to very, very high insurance rates, and something needs to be done about that. Tort reform is important, too.

Education and retraining, to retrain our work force as technology changes, to retrain our work force to be better able to compete in terms of international trade, again is important, and I agree with that.

Foreign trade, the President just got back from Japan. He did that I suspect to demonstrate that we need to do something to affect the balance of trade. We have talked about that for many years. It is important, too.

We just passed in this House and the President signed into law a public works bill known as the Transportation Act that hopefully in the months ahead will begin to put people back to work, and that is important, too.

Something else has been mentioned along with these things, and that is to reinstate a system in our Tax Code that is an incentive to put people back to work, that is an incentive to help business grow, and that is important, too.

□ 1120

When I look at this list of things that I have been able to kind of compile, at least for myself, I look at deficit reduction and Government regulation, banking reform, tort reform and education, and the just-passed transportation bill and any number of other things that this House has tried to deal with over the years.

So I think, for example, that coming back into session at the end of January, and solving the deficit problem by March is wishful thinking. I would like to think that we are going to do that in the first quarter of the year to help the economy, but I am a realist. If we think we are going to do it through Government regulation, which is something that is important, on which we all agree, but if we think we are going to come back in the first quarter of the year and solve the regulatory problems, I think it is just wishful thinking.

I think if we are going to really reform the banking system in the first quarter of the year or if we are going to do anything quickly about tort reform or any of these other things that we tried to deal with in the past, I just think it is wishful thinking, but I think there is hope, there is something that we can do, because it has been done in the past.

In the last few days, during the holidays, in the last part of December, I had some time that I could reflect on the things that I have seen and heard during the previous month or so. I began to look at what happened in other recessions.

How do we get into them and how did we deal with them and how did we fashion programs to help ourselves get out of them?

I went all the way back to the 1950's, with the help of my staff and with the help of some individuals and other organizations such as the Heritage Foundation and the Republican Study Committee—and I began to look at those recessions in order to determine what caused them.

I went all the way back to 1950 and looked at the economy. During the 1950's, we were just coming out of a wartime economy due to the Korean war and World War II. During those periods of time, in order to finance those wars, we had raised taxes.

During the Eisenhower administration, the Federal Government was trying to adjust from a wartime economy that had been a long-term thing relative to a peacetime economy, and that peacetime economy was different than it had been in the decade of the forties. But one necessary change that we were able to identify, in retrospect, that was not changed during the fifties, was the high level of taxes. So we began to look at, or Congress did, and in 1960, when the recession began to find its way out of the doldrums and into the early sixties, the economy was still very sluggish, America was not working, the rate of unemployment was on its way up.

Let me just read one quote from the 1960's which demonstrates the thinking of the leadership of our country, about what we ought to do about that recession.

This quote says:

> I am convinced that the enactment this year of tax reduction and tax reform overshadows all other domestic problems in this Congress, for we cannot lead for long the cause of peace and freedom if we ever cease to set the pace at home. I am not talking about giving the economy a mere shot in the arm to ease some temporary complaint. This tax cut will increase the purchasing power of American families and business enterprises all across our country. It will encourage initiative and risk-taking, on which our free system depends; induce more investment, production, capacity use; it will help provide 2 million jobs we need to create every year and reinforce American principle of additional reward for additional effort.

Reinforce the American principle of additional reward for additional efforts.

If that sounds like something that would have been said during the last decade, it may surprise some people that it wasn't. I might surprise some of you to say that was from the State of the Union Address in 1963, and it was John F. Kennedy suggesting to the Members of this House at that time that what we needed to put the economy back in shape, to create jobs, 2 million jobs a year was his goal, and to do it by adjusting the Tax Code to create incentives for people to go back to work, to have money in their pocket to spend on consumer goods.

Unfortunately, John Kennedy did not live to see the fulfillment or the enactment of his program. It was done by this Congress and by LBJ, Lyndon Baines Johnson, when he became President.

But that program did go into effect. As John Kennedy suggested, we reduced the maximum tax rate from 91 to 70 percent and the lower tax rate, or the lowest tax rate, from 20 to 14 percent, to give Americans a boost, to give them more money to spend.

But, in addition, and of no less importance—perhaps of more importance—the corporate tax rate was reduced from 52 to 48 percent.

Now that may sound like just a small amount, but 4 percent, if you were to tell or if I were to tell or if any one of my colleagues were to tell business entrepreneurs across our country that we were going to provide a way for them to get 4 percent more capital, 4 percent more money to spend on capital goods or to pay their employees or expand their businesses, it would be something that would be quite significant.

As part of the package back then, they also broadened the existing investment tax credit, something we are talking about doing again today.

And the results were quite dramatic. Let me recite to you a couple of numbers, that show what happened. In 1963 growth rate of the gross national product was 4 percent. The next year, the new tax program went into effect, and immediately the rate of the gross national product rose to 5.3 percent; the next year, in 1965, it rose to 5.9 percent; and the next year, 1966, it stayed at 5.9 percent, almost a 6-percent growth in gross national product.

Now, if you want to look at one other indicator which I have identified, you can look at growth in jobs as demonstrated by unemployment rates. In the 1950's following the Korean war, the average rate of unemployment was about 4.4 percent, but then it grew in 1963 to 5.7 percent. In 1964, the year after the tax changes went into effect, the rate of unemployment dropped to 5.2 percent, and in the next year 4.5 percent, and finally by 1966, 3.8 percent.

I think that that is a dramatic lesson that we can learn.

Let me talk about another recession for just a few minutes. Let me talk about the recession that came on in the late 1970's and took place during the early 1980's. It was not unlike John Kennedy's statement when he was trying to fashion a program to get us out of the prior recession; another gentleman who happened to be of the opposite political party said, in his election campaign in 1980, "I think I know what is wrong with the economy. I think taxes are too high."

This time it was not the result of a wartime economy and taxes in place to support, it, it was brought on by the increases in taxes that were necessary to support our Social Security System, and it was a result of something called bracket creep, increased taxes because inflation made taxes go up and took dollars out of Americans' pockets, sending the dollars here for bureaucrats to spend instead of letting Americans spend the dollars themselves.

But the fact of the matter is that once again we had slid into a recession that was symptomized by double-digit inflation, by unemployment rates that went through the roof, and by interests that topped out at 21 percent.

That was the misery index.

Ronald Reagan said much the same thing John F. Kennedy said during his campaign and in his State of the Union Address in 1963.

Finally, in 1981, Ronald Reagan said these tax reductions which he had proposed are essential to restoring, strengthening our growth in the economy by reducing the existing taxpayers' burden which discouraged work, discouraged savings, and discouraged investment.

Individuals, he said, are the ultimate source of all savings and investment. Lasting economic progress, which is our goal, depends on our success in encouraging people to involve themselves in productive behavior. As we went back into session, as the Congress at that time went back into session and that tax package started to take form, on a bipartisan basis—this House was controlled at the time by the Democrat Party and the other House was controlled by the Republican Party. As a result of that bipartisan effort in 1981 and 1982 and 1983, just as the 1963 package went into place, individual taxes were reduced in 1981 by 5 percent, 1982 by 10 percent, and 1983 by 10 percent.

□ 1130

The maximum tax rate on capital gains was reduced from 28 percent to 20 percent to encourage growth. Income tax brackets—remember bracket creep—income tax brackets were increased to do away with the possibility of bracket creep, and one of my favorites, a 25-percent tax credit was put into place for research and development activities that took place in the private sector. And, just as in 1964, the economy began to turn. Again in 1984 the economy began to turn.

I will point out a couple of statistics, and I will try to do it quickly because I know statistics get boring. But if one looks at the poverty level during those years leading up and through that recession, an interesting trend can be seen. The poverty level in 1988 was 11.4 percent. It grew in 1979 to 11.7 percent, to 13 percent in 1980, to 14 percent in 1981, to 15 percent in 1982, and the poverty level topped out in 1983, the year before the tax changes took effect, at 15.2 percent. In 1984 the tax changes went into effect, and the poverty level began to drop to 14.4 percent, to 14 percent the following year, to 15 percent the following year, all the way down to 12.8 percent in 1989.

And if one looks at another parameter of growth, and looks at growth and GNP, in 1980 we had a negative, two-tenths of 1 percent decrease, a negative growth, if there is such a thing in our economy. In 1981, a 1.9-percent increase in growth, but then in 1982 we were muddling along, and we lost another 2½ percent in terms of a negative growth. But in 1984, the year after the tax cuts took effect, people started to go back to work, and earn pay checks and pay taxes to this country. All those healthy things started to happen. And in 1984 the growth in the gross national product was 6.8 percent, and it continued to grow throughout the 1980's, and the 1980's have been named by most people as the period of time in which we had the longest sustained period of peacetime economy growth in the history of our country.

So, Mr. Speaker, there are lessons to be learned from history. There are lessons to be learned from what we have done, or what this House, and the other House and the administration have been able to do in the past to put us back to work. But there is another lesson to be learned as well because through the 1980's, as we prospered, we began to do other things as well.

I have heard opposition Members say, "Yeah, but look at where we are today, look at where we are today," and I agree. It is important to look at where we are today, but it is also important to look at how we got here.

Mr. Speaker, we got here, in my opinion, because we did not let well enough alone in terms of what we did in 1981, 1982, and 1983 to put ourselves in a growth mode. In 1986, we began to change that. We had something called tax reform. It was something that was talked about all across the country. It was going to simplify the Tax Code, going to make the Tax Code fairer, and we were going to reform taxes.

And we reformed taxes, and I think it would perhaps take on a different meaning and a different name today as we look back at what was passed in 1986, because during those years, during that Tax Code reform period, not only did we reform and change the Tax Code; essentially what we did was did was increase taxes. We increased the maximum rate on capital gains back to 28 percent. We eliminated the investment tax credit that has been put in place during the previous period. We cut the value of depreciation allowances by lengthening asset lives of capital assets. We restricted IRA investments. And, as a result of the 1986 changes which finally went into effect fully in 1988, the economy began to become sluggish, and GNP growth started to tail off.

Mr. Speaker, we started to find out that we were not creating the same number of jobs that we had in the previous years before those tax changes went into effect, and so we can look at those tax changes as something that at least were a significant part of leveling off the wonderful growth that we had had during the years of the eighties.

But we were not finished, because in 1990, when we passed another change in the Tax Code, which was part of something known as the Budget Reconciliation Act, we changed things again, or maybe I should say we changed them some more because we increased or extended 25 taxes. We increased individual income tax rates, we phased out personal exemptions, or began to, we limited the itemized deduction on our income tax rates, we extended the telephone excise tax so that today, when Americans open their telephone bill, another line item appears there. It is a tax that comes to Uncle Sam. We increased the Medicare wage cap so that that 1.4, almost 1½ percent, now extends on up the code, and we did something that I believe today is the best example of bad tax policy the Congress of the United States has ever passed.

Mr. Speaker, we created something called a luxury tax, to make the rich people pay more of their fair share. It seems very simple. We will just put a surtax on the things rich people buy. We will tax boats, we will tax expensive cars, we will tax furs, jewelry, and all those things.

Guess what? At least in my State it backfired. New Jersey was at one time the third biggest boat-building State in the country. A large part of our economy was based on that. People were working productively. There were skilled craftsmen building expensive boats. Guess what? People that could afford to buy those boats looked at what we had done, and they said, "Well, I didn't get so that I could afford to buy an expensive boat by doing foolish things, and I've got a $500,000 boat, and I'd like to upgrade to a $700,000, but I think Uncle Sam tells me, if I do so, I've got to pay a $70,000 tax, and I didn't get so I could buy an expensive boat," said those people, "by doing foolish things, and so I'm going to go float around the Atlantic Ocean on my $500,000 boat, and I'm not going to buy the new one."

So, Mr. Speaker, we went from being a very big boat-building State to a State just like all the others in the country who build no boats today. That is a good example of what we did to America with the tax changes that took place in 1986 and with the tax changes that took place again in 1990, and so those are three lessons that we can learn from history.

There are some things that we can do. I believe that just as we did in 1963, and just as we did in 1981, and 1982 and 1983, we can change the Tax Code again because we are back where we were then, again because of Tax Codes that do not encourage things to happen for the economic good, for the creation of jobs for Americans. We can change things. We can change the income tax rates again that we did wrong. We can reduce the capital gains tax, as we did in 1981. We can create incentives to save again with changes in the IRA Program. We can reinstate the passive loss rules. Another problem that we have, of course, is banking reform and the RTC.

□ 1140

In my opinion, before the RTC problems are going to resolve themselves, people have got to want to buy real estate again, and we can do that by changing the passive loss rules. And we can provide investment tax credits to people who want to invest, and we can do a lot of other things, including repeal of the luxury tax that has put hundreds, if not thousands, of my friends and neighbors, my constituents, out of work.

I would once again suggest that these are not just things I thought of. They are not solely Republican ideas, they are not solely Democrat ideas. John F. Kennedy recognized what could be done. At that time I am reminded that they called it Keynesian economics. Ronald Reagan had some of the same theories. At that time it became known as supply-side economics. But the theory or the principle is the same.

Today, we find ourselves as in 1983 suffering from a malaise of entrepreneurs who are not anxious to invest, as they were in 1983 and as they were in the late 1970's. So we can make those changes.

Let me just conclude by suggesting that there are those who would argue that this will not work. There are those who will argue that if we do this, somehow we are going to put our economy into worse shape. And the thing they point to is that there are deficit problems with the way we spend money in this House, and that by reducing tax rates or by putting incentives back in our Tax Code, we are going to increase our deficit dramatically.

I would just like to point out very quickly in conclusion that that is not true, in my opinion, and I think it was proven not to be true in both instances I have talked about here this morning. The Treasury said to John Kennedy: "If you put those tax cuts, those tax incentives, into place over a 6-year period, it will cost our Treasury $89 billion."

Well, Mr. Speaker, the 6 years came and went, and at the end of the 6-year period we had not lost $89 billion; we had gained $51 billion. Why? Because it put people back to work, and when people went to work, they had paychecks again. My boat workers, if they had been unemployed at the time, would have been back to work. If that terrible injustice had been created back then and had been straightened out, they would have been back to work. They would not only have been back to work bringing paychecks home and buying things, they would have been paying taxes, and as they pay taxes, good things happen in the economy and good things happen to the revenue that comes into Washington, DC, to deal with our problems.

The same thing happened in 1983, in 1982, and in 1981. There were those on this floor who had doubts. In fact, I have been reminded recently that the chairman of the Ways and Means Committee, Mr. DAN ROSTENKOWSKI, said this back when Ronald Reagan's tax plan and the Kemp-Roth tax package were being debated:

> Make no mistake about it, this is the President's bill. It outlines a bold and risky economic strategy. Only time will tell whether the risks involved were worth taking.

Mr. Speaker, the result has been the longest sustained period of economic growth in the country's history.

So as we look at this, we can see that there are good things that can happen if we follow this path. On the revenue problem again, in the 1980's it was said: "You can't do this. You are going to lose money beginning in 1984." Well, our revenue stream began to grow because once again people went back to work. After the recession of the late 1970's and early 1980's, people went back to work and began to earn money again. They began to pay income taxes again, and our revenue stream increased between 1984 and 1990 each year an average of $60 billion a year.

So, Mr. Speaker, again these ideas are not new. These ideas are things that are tested over time, that have been successful over time. Next week, when we get back to work, I hope to address the problems of our economy. These lessons from history will be something that we can look at in fashioning new economic policies that will be good to take us into the 21st century.

Mr. Speaker, I include at this point my paper entitled "A Strategy for Economic Growth," as follows:

A STRATEGY FOR ECONOMIC GROWTH

(By Congressman Jim Saxton)

Economic cycles and downturns are an unfortunate part of our system. Over the years, we've had our ups and downs. Downturns occurred during the '60s, the late '70s and early '80s, and now again in the early '90s.

A decade ago, the economy was in trouble. In some respects, it was much as it is today. Unemployment was high, as it is today, but so, too, was the rate of inflation—and interest rates reached unparalleled heights, causing a "credit crunch."

It is clear that while there are some similarities, there are also a number of differences. For example, today there is a different type of "credit crunch." While interest rates are low, loans are too seldom made because of bank regulatory structures. In addition, because of the lack of investor and consumer confidence, credit is not in demand as people feel the need to conserve.

The President speaks of a number of initiatives which will help with economic remedies. In a recent press conference he outlined a series of issues which he believes need attention in order to help the economy grow. He spoke at length about deficit reduction, government regulation (local, state and federal), banking reform, tort reform, education, foreign trade (the need to drive down trade barriers), the just-passed transportation bill (a jobs bill) and tax incentives.

Each of these issues is complex, and each is a subject which has been the topic of discussion for most of modern political history. Congress has dealt with all of them, some successfully, but most rather unsuccessfully.

We can learn much by looking at the last decade of Congressional activity. Some things have worked well, and others have not. Need anyone be convinced about our disastrous efforts in deficit reduction, reduction in regulation, banking reform, tort reform, balance of trade or progress toward a Republican Congress?

However, there is one course of action which has been proven effective. Taken in conjunction with all the factors which the President mentions, it is clear that the only item which stands out as historically successful in changing the course of the economy is tax incentives.

I don't speak just about tax cuts, I talk about tax incentives—incentives to make the economy grow—incentives intended not just to cut the economic pie differently by reducing taxes on some and raising them on others, but incentives to make the entire pie bigger.

This is not a revolutionary concept. It was used in the 1920s, then again, in the early '60s, when John F. Kennedy said in a speech to the Congress:

"I am convinced that the enactment this year of tax reduction and tax reform overshadows all other domestic problems in this Congress. For we cannot lead for long the cause of peace and freedom if we ever cease to set the pace at home. . . . I am not talking about giving the economy a mere shot in the arm to ease some temporary complaint. This [tax cut] will increase the purchasing power of American families and business enterprises. . . . It will, in addition, encourage the initiative and risk-taking on which our free system depends; induce more investment, production, and capacity use; help provide the two million jobs we need every year; and reinforce the American principle of additional reward to additional effort." (*The State of the Union Address, 1963)*

And, it worked:

Kennedy Tax Cuts (1963)—All tax bracket rates reduced:

Selected rate cuts:

Cut 91 percent bracket to 70 percent;

Cut 75 percent bracket to 62 percent;

Cut 50 percent bracket to 42 percent;

Cut 30 percent bracket to 25 percent;

Cut 20 percent bracket to 14 percent.

In addition, and of no less importance, the corporate tax rate was reduced from 52 percent to 48 percent and the existing investment tax credit was broadened.

Note: Tax cuts were passed after President Kennedy's death.

Results:

Real GNP growth: 1963, 4.0 (before tax cuts); 1964, 5.3 (after tax cuts); 1965, 5.9 (after tax cuts); 1966, 5.9 (after tax cuts).

Unemployment: 1950's 4.4 percent (average); 1963, 5.7 percent (before tax cuts); 1964, 5.2 percent (after tax cuts); 1965, 4.5 percent (after tax cuts); 1966, 3.8 percent (after tax cuts).

Note: Created 4.1 million new jobs.

Revenue Growth:

Treasury Prediction—$89 billion (loss over 6 years).

Actual Results—$54 billion (increase over 6 years).

You and I know that we have been beneficiaries of tremendous growth during the decade of the '80s. And again, we can point with certainty to tax incentives which served as the basis for the decade of growth, this time under the leadership of Ronald Reagan. Not unlike John Kennedy, President Reagan recognized that the behavior of people and businesses is influenced in economic terms by their long-range expectations. In 1981 Reagan said to Congress:

"These rate reductions are essential to restoring strength and growth to the economy by reducing the existing tax barriers that discourage work, saving, and investment. Individuals are the ultimate source of all savings and investment. Lasting economic progress, which is our goal, depends on our success in encouraging people to involve themselves in this kind of productive behavior." (*Congressional Quarterly: Almanac, 97th Congress*, Volume XXXVII, 1981, p. 19–E)

And yet, not everyone agreed. Representative Dan Rostenkowski, in debate on the Reagan tax package, said, "Make no mistake about it . . . This is the President's bill. It outlines a bold—and risky—economic strategy. Only time will tell whether the risks involved . . . were worth taking."

You and I can now be the judge. Today, a decade later, we look back on the longest period of peacetime economic growth in history. Let's consider the facts:

Fact No. 1: As a result of unwise economic policies of the '70s, the poverty rate rose from 11.4 percent in 1978 to 15.2 percent in 1983. However, after 1983 when the Reagan tax cuts took full effect, the poverty rate plummeted to 12.8 percent in 1989.

Percent of all persons below poverty level

Year:	*Poverty Rate*
1978	11.4
1979	11.7
1980	13.0
1981	14.0
1982	15.0
1983	15.2
1984	14.4
1985	14.0
1986	13.6
1987	13.4
1988	13.0
1989	12.8

Fact No. 2: As the table below shows, before the tax cuts of the early '80s took effect, every income class lost income, especially the bottom fifth of households. However, as the table illustrates, all income groups benefited after the tax cuts kicked in. Thus, as President Kennedy once said, "A rising tide lifts all boats."

PERCENTAGE CHANGE IN AVERAGE HOUSEHOLD INCOME BY INCOME CLASS

[In 1990 dollars]

Year	Bottom fifth	Second fifth	Middle fifth	Fourth fifth	Top fifth	Top 5%
1978–82	−8.2	−5.4	−5.2	−3.8	−1.1	−3.2
1982–89	+12.6	+10.7	+11.1	+13.0	+20.5	+28.8

Source: "Money Income of Households, Families and Persons in the U.S.: 1990;" Bureau of the Census, August 1991.

Fact No. 3: The rate of economic growth increased at a rapid pace after the tax cuts of the early '80s went into effect.

Growth rates expressed as percent of GNP in constant dollars

Period:	*Percentage*
1980	−0.2
1981	1.9
1982	−2.5
1983	3.6
1984	6.8
1985	3.4
1986	2.7
1987	3.4
1988	4.5
1989	2.5
1990	1.0

Fact No. 4: Many opponents of the tax cuts of the early '80s assumed that since the tax rates for wealthy taxpayers declined from a high of 70 percent, the "rich" must have paid less in tax revenues. And, since the "rich" paid less, the "poor" paid more. However, as the table below shows, the "poor's" tax burden, which is the percent of total taxes paid decreased from a high 7.5 percent in 1981 to a low of 5.7 percent in 1988. This shows that the assertions levied by opponents of tax cuts of the early '80s were incorrect.

TAX BURDEN BY PERCENTILE

Wage earner year	Top 1 percent	Top 5 percent	51–95 percentile	Bottom 50 percent
1981	17.6	35.1	57.4	7.5
1982	19.0	36.1	56.5	7.4
1983	20.3	37.3	55.5	7.2
1984	21.1	38.0	54.6	7.4
1985	21.8	38.8	54.1	7.2
1986	25.0	41.8	51.6	6.6
1987	24.6	43.1	50.8	6.1
1988	27.5	45.5	48.7	5.7

Source: A U.S. Senate staff report and the Internal Revenue Service.

If John F. Kennedy and Ronald Reagan can agree in concept with regard to economic growth tax policy, and if in the cases of both presidencies the concept worked, then why are we where we are today?

First consider the provisions of the tax cuts of the early '80s.

TAX CUTS OF THE EARLY '80S—MAJOR PROVISIONS

Reduced individual income tax rates: 1981–5 percent; 1982–10 percent and 1983–10 percent.

Reduced maximum rate on capital gains from 28 percent to 20 percent.

Indexed individual income tax brackets.

Extended the period an individual can defer taxes on proceeds from sale of primary residence.

Allowed partial exclusion of foreign earned income.

Created Accelerated Cost Recovery System for depreciation.

Allowed expensing by small businesses of new or used machinery and equipment.

Allowed 25 percent tax credit for research and development.

As previously demonstrated, the economy began to grow in '82 and '83, and continued to grow until it began to soften in '88 and '89. What caused it to soften in '88–89? One need look no further than the Tax Reform Act of 1986 which took effect in 1987–88 to understand why. The positive effects of the policies put in place in the early '80s were undone and counteracted.

1986 TAX REFORM ACT—MAJOR PROVISIONS

Increased the maximum rate of tax on capital gains.[1]

Eliminated the investment tax credit.[1]

Enacted a passive loss limitation provision.

Cut the value of depreciation allowances by lengthening asset lives.[1]

Created corporate and individual alternative minimum taxes.

Restricted IRA investments.

Enacted strict foreign tax provisions.

Then, with the economy showing signs of a downturn and under pressure to reduce the deficit, Congress in 1990 passed the largest, most far-reaching tax increase in the history of our country.

1990 TAX INCREASES—MAJOR PROVISIONS

Increase in individual income tax rates.

Phase-out of personal exemption.

Limit on itemized deductions.

Repeal of deduction for cosmetic surgery.

Increase in excise tax on motor fuels.

Increase in "gas guzzler" tax.

Increase in tobacco excise taxes.

Increase in excise taxes on alcoholic beverages.

Creation of Luxury Tax.

Expansion of excise tax on ozone-depleting chemicals.

Extension of Leaking Underground Storage Tank excise tax.

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[1] Stephen Entin, resident scholar at the Institute for Research on the Economics of Taxation (IRET), estimates that these three changes alone deprived the economy of some $300 billion in investment capital over the last 5 years.

Increase in Airport Trust Fund excise taxes.

Increase in harbor maintenance excise tax.

Extension of telephone excise tax.

Revised treatment of salvage value for insurance companies.

Amortization of acquisition costs of insurance firms.

Compliance provisions for foreign-owned firms.

Retiree health provisions.

Increase in interest rate applicable to corporate underpayment of tax.

Corporate tax provisions.

Extension of Social Security to certain State and local employees.

Extension of unemployment surtax.

Increase in Medicare wage cap.

Extension of statute of limitations for collections.

Change in the treatment of U.S. beneficiaries of foreign trusts.

The problem with the economy then, as I see it, is multi-pronged.

To facilitate long-term recovery, we must address all of the issues the President talks about: regulation, banking reform, tort reform and all the others. I want to be part of that, and I will be heard!

But, for now, we should deal with those areas which will produce immediate yet lasting results, areas such as tax incentives, with which we have had past success.

EXAMPLES OF TAX INCENTIVE PROPOSALS SUPPORTED BY MANY MEMBERS OF THE HOUSE

Cut income tax rates

Do you remember the tax cuts of the early '80s—the tax cuts that gave Americans more to spend? The increase in spending provided a much needed boost to the economy.

Senator Bill Roth, the architect of those early '80s tax reductions, has suggested reductions again, and I agree. He and I have each sponsored bills to provide for such a stimulus.

Similar legislation worked effectively in the early '60s during the John F. Kennedy Administration. It worked again when initiated by the Reagan Administration. It is needed now to give the economy a boost and put America back to work.

Reduce capital gains rate

If you were asked to make an investment—perhaps a risky one—and someone told you they were going to take almost a third of your profits when all was said and done, would you make the investment?

Probably not.

Yet that is what our capital gains tax policy does. That's why we need to change it. We need to encourage investment and expansion, not discourage it.

We are part of a large global market and must compete with foreign governments. Germany has no capital gains tax, and Japan's is a mere five percent. Ours is 31 percent. If we expect to compete on a level playing field, we should reduce the capital gains rate.

Create super IRA's

The foundation of any nation's economy is the savings from which investors can draw necessary capital. Unfortunately, Americans have been saving less and less over recent years—much less than Japanese citizens—and the results are showing in the lack of investment capital.

A Super IRA would induce Americans to save by making withdrawals for a first home or for a child's education tax exempt.

Reinstate passive loss provisions

The existing passive loss limitations create a tremendous deterrent to investment in housing. Current law limits deduction of losses and credits generated by passive activity. A passive activity generally is defined as any activity in which an investor's interest is primarily financial. This provision has contributed to a serious decline in investment in housing as the value of syndicated investment has fallen dramatically. It is argued that this contributed to the S & L crisis, as well as the lowest level of multi-family housing production on record.

Provide investment tax credits

Current law allows an investor to depreciate the value of a product over its useful life. By allowing investors the chance to take a tax credit (5%, 7%, 10% or whatever) in the first year, along with the usual depreciation over its useful life, an incentive to invest in productive equipment is created. Additionally, by targeting the tax credit toward specific industries and/or products (American companies, trucks, etc.), the tax credit can help jump-start a floundering sector of the economy, and the economy as a whole.

Repeal the tax on boats and cars

One component of last year's budget agreement which backfired was the "luxury" tax on items such as boats and automobiles. Touted as a way to make the rich "pay," the luxury tax has done nothing but put hard-working Americans out of work. Instead of paying the tax, people simply have stopped buying new luxury boats and cars.

In New Jersey, the boat building industry has been hit especially hard by the effects of the luxury tax. Once prosperous boat-building yards are closed for all practical purposes, and people are out of work.

The luxury tax must be repealed so that we can get American industry back on its feet and put Americans back to work.

CONCLUSION

It is important to conclude by addressing two issues. One issue might be called a myth. That myth is very simply a common belief that increasing taxes increases revenue to the federal government; and, therefore, that decreasing taxes decreases revenue to the federal government.

Strangely enough, just the opposite is true. When economic growth takes place, tax revenues increase. That was demonstrated in the '60s, and it was demonstrated clearly again in the '80s, after the tax cuts of '81, '82 and '83. Revenues began to grow in 1983 and continued through the end of the decade. People were back to work, they were earning more money, and they were paying more taxes, which resulted in an additional average of $60 billion in revenues each year.

The deficit issue is therefore not a result of decreased revenues, it is a result of increased federal spending or outlays. The graph which follows demonstrates vividly how expenditures outgrew even increased revenues during the decade of the '80s.

The second issue is that we recognize that one way government can quench its thirst for tax dollars is by limiting growth in government spending, and by searching out and cutting waste.

It is estimated that next year's budget deficit will be between $370 and $400 billion. This means the federal government will be spending $1 billion a day more than it takes in. This year's deficit alone is larger than the entire 1976 federal budget ($372 billion).

When I was elected to Congress in 1984, I immediately became a supporter of a constitutional amendment to require a balanced federal budget, and I continue as a strong supporter of this concept.

Additionally, during last year's budget debate, there was a proposal which I helped to advance known as the "four percent solution." In essence, it would provide for a spending plan which would have limited increases in spending to approximately the percentage of increase in the cost of living. It would have required no new taxes, and would have moved us toward a balanced budget. Unfortunately, this approach was put aside and, instead, the huge tax increases of 1990 were enacted.

Modern history has shown us that our tax code can be a useful tool in helping to formulate economic policy. With the second half of the 102nd Congressional Session ahead of us, we can, and should, adopt policy based upon hard lessons learned.

STIMULUS FOR ECONOMIC GROWTH

The SPEAKER pro tempore (Mr. LAUGHLIN). Under a previous order of the House, the gentleman from New Mexico [Mr. RICHARDSON] is recognized for 60 minutes.

Mr. RICHARDSON. Mr. Speaker, my subject today is also the economy, and I will not take the entire 1 hour.

As we return from our recess and as we await with anticipation the President's State of the Union Message, and because members of my party have been ardently working on a middle-class tax package that will provide an instant stimulus to the economy to get us out of this economic mess and this recession we are in, I would like to suggest, as a Member of this body, some alternatives, some options, and a plan which I have developed with some of my advisers that hopefully will be considered in the days ahead. Some of these ideas are not entirely new. What this represents is a compendium of what I consider to be some good ideas that have already been discussed but that I believe this body should consider.

I would divide my discussion into three parts: What we can do for an instant stimulus for the economy; second, what we should do in terms of long-term economic growth; and then, third, what we might do for middle-class tax relief, for those who earn between $20,000 and $80,000 a year, those who have been burdened with taxes and spending and to whom in reality this package is geared because they have been the forgotten ones among those who have benefited in the last few years.

As I said, Mr. Speaker, our economy is in a mess, and it needs more than just a jump start to get it going. It needs a major overhaul. What I am proposing is a 10-point plan that hopefully will be considered. My plan is broad based, with components for both immediate stimulus and long-term economic provisions. Again, it is geared toward the middle class, in the belief that sustained economic growth is only going to occur by providing tax relief and boosting purchasing power for the majority of Americans.

I will also be offering specific numbers and specific ideas on savings, on how we are going to pay for some of these programs. First, for instant stimulus it seems to me we should reduce the payroll tax for both employers and employees. That is the best anti-recessionary tool we have. A reduction will lower the cost of doing business and free up more money for expansion and job creation. It also increases the take-home pay for every worker in America. Every extra dollar that gets sent home is another dollar that will be recirculated in the economy.

This reduction would be a temporary 2-year reprieve, paid for by future military cuts to provide an instant stimulus to our sinking economy. For 2 years the cost of this program would be $26.6 billion.

Second, the Federal Reserve must push interest rates lower. The credit crunch now squeezing small and mid-sized companies is a major obstacle to economic recovery. While banks should remain wary of repeating the mistakes of the 1980's, that caution cannot come at the expense of denying credit to small business, those companies that create the bulk of new jobs in this country.

For long-term economic growth we should make the research and development tax credit permanent. Businesses that need to make long-term research commitments are being disadvantaged by the temporary nature of the pro-research tax policy. We ought to do everything we can to encourage research and development. It is the only way we are going to succeed in an increasingly competitive worldwide marketplace. This would cost for 5 years $6.2 billion.

Third, we need to make sure individual savings are encouraged. This can be achieved by allowing more people the opportunity to deduct up to $2,000 in contributions to individual retirement accounts.

Let us expand the program so that individuals making up to $50,000 or couples up to $100,000 can qualify. The cost of this program would be $10 billion over 5 years, which also, by the way, takes into account the costs associated with IRA which I will discuss later.

Our Nation's burgeoning budget deficit is one of the most damaging long-term drains on a healthy economy. It does no good to encourage individual savings only to have the Federal Government gobble them up. We have borrowed so much money over such a long period of time that long-term interest rates have no hope of coming down unless our long-term debt is reduced. As debate gets under way on an economic growth package, we have to ensure that it is budget-neutral. Furthermore, given the failure and irrelevance of the budget agreements that we have passed over the years, serious consideration needs to be given to a constitutional amendment to balance the budget, as painful as this might be and as radical a solution as it might be.

□ 1150

Government spending needs to be cut. A lot of existing programs have outlived their usefulness. Given new international realities and pressing domestic needs here at home, it is appropriate to achieve additional savings by cutting the defense budget by 5 percent annually. The close to $80 billion in savings can be achieved without jeopardizing our strong national defense.

I believe this is a modest cut. It has been suggested by the chairman of the Senate Finance Committee, an additional 5 percent over 5 years.

We have had a defense budget of $300 billion every year, with $150 billion of that $300 billion essentially going toward the defense of Europe against the Soviet Union. That threat has ended.

No, we cannot recycle these dollars immediately into the economy, but it should be done on a gradual basis so that those in defense positions are not left on the unemployment line, so that our defenses are not weakened. But clearly, we have a defense windfall saving that should be applied immediately.

Another initiative: The current trade negotiations between the United States, Mexico, and Canada have much promise for improving economic growth and our trade deficit. Let us put together a good deal for America that protects the environment, that protects American jobs, that will increase commerce among the three countries, create jobs here at home, and expand export markets for American-made products.

Every time we increase exports it is more jobs for America. With Mexico, Mexico is a good partner. They want to buy our goods. They want to be our economic friend.

As we move ahead in an era where trade blocs are forming because the GATT talks, the international economic trade talks, are collapsing, let us protect ourselves and have a hemispheric-wide free trade zone, a free trade agreement, from Canada down to South America and Argentina, to be able to compete against Europe, which is uniting this year, 1992, with monetary standards, with lowering trade barriers, and a common currency, and by the Far East-Pacific Rim trading bloc, led by Japan.

It is only natural that economic competition is going to be the wars of the future. Military conflicts will decline compared to the economic disputes that will occur among nations. This makes sense to do as we proceed in developing long-term economic growth.

For middle-class tax relief America families should be given a tax credit for each child up to 18 years of age. This is the least the Government can do to help middle-class families whose earnings have stagnated while basic costs like education, housing, and health care have increased in the 1980's.

This tax cut will offset to some degree the burden families now face in meeting these basic needs.

There have been proposals of everything from a $300 tax credit to each child up to 18 years of age, $1,000 tax credit for each child, or $2,000.

This is going to cost us. For instance, if we proceed with the $300 tax credit, that will be $73 billion over 5 years.

Another initiative that we should consider is first-time home buyers should be able to withdraw savings from their IRA's without penalty. One of the biggest obstacles in home buying is coming up with the down payment.

In addition, I believe that parents should be allowed to withdraw savings from their IRA's without penalty to help pay for their children's college tuition.

In addition, we need to make the Nation's wealthiest pay their fair share to Uncle Sam. The tax policies of the 1980's have demonstrably shifted the tax burden onto the middle class and away from our Nation's top income earners. That needs to change in the 1990's.

We should increase the top marginal tax rate from 31 to 33 percent for those individuals who make more than $200,000 a year. We would save $48 billion over 5 years.

Now, that is only fair. Yes, we are taxing those in the upper income bracket, but simply to correct a mistake that was made in the tax cut fever of the 1980's that cost this country enormously. The rich got away with paying less tax than the middle class.

What we are trying to do is just make that equitable, raising the rate from 31 to 33 percent. That is modest, and that is only fair.

Quite clearly, more tax relief is needed for America's middle class, ignored by many of us over the last decade. Making our tax system more progressive for Americans who make between $20,000 and $80,000 a year has to be an immediate priority and objective. It is only a matter of fairness. It is a matter for economic growth.

Even Henry Ford, the early 20th century titan of the auto industry, understood that if he wanted to sell more Model T's, he needed to pay a decent wage so workers could afford them. That wisdom would serve us well as America prepares for the 21st century.

Most important, the plan that I have outlined does not increase the Federal deficit, and may actually save a few dollars.

I estimate my tax cut proposal would cost approximately $116 billion over the next 5 years. However, my combination of tax savings and spending reductions would save approximately

$128 billion, which would give us a net gain of $12 billion.

While these figures represent ballpark calculations, I am confident that the overall plan that I have outlined would be budget neutral, which must be a critical component of any economic plan.

Mr. Speaker, I think, like many other Members of this body, I am willing to consider a capital gains tax cut. But it should not be just a bonanza for the wealthy, for the corporate structure. It should be targeted once again to the middle class. It should apply to new investment, new job opportunities.

I think this is something that is credible. But not the proposal the President has outlined, which I think is clearly a bonanza for the wealthy. But a capital gains tax cut closely targeted, geared to the middle class, geared to jobs and new investment and new opportunities, clearly is in order.

Mr. Speaker, some other ideas. I think that if we look ahead in the future we have to start investing in mass transit. We have to create State, Federal, and local partnerships, to build light rail lines for urban and rural areas lacking mass transit. We have to support high-speed rail for passengers and freight.

These programs would reduce pollution, gridlocks, and dependence on oil imports. These are some new investments that we look at for the future.

We should also boost research and development. Let us have more resources to support private research into new technologies, to provide special assistance and resources for research into alternative energy sources, including solar electricity, wind, biomass, and geothermal. We clearly do not have an energy policy in this country.

□ 1200

A good energy policy will make us save money and promote economic growth. Let us phase out also subsidies for borrowing. Thanks to the deduction for mortgage interest, we Americans have bought far larger and expensive houses. The result has been high household debt and low savings.

We should consider sharply lowering the cap on mortgage deductions, which currently allow full deductibility for interest payments on debt of up to $1.1 million on two homes. We need to invest in education and job training. We have to guarantee access to college and vocational training for all who qualify regardless of ability to pay. Let needy students pay for their education with public service after graduation or through small paycheck deductions in the future. And we have to once again make smart, as I said before, smart defense cuts.

Carefully planned reductions in the long haul could amount approximately to $50 billion savings a year.

Mr. Speaker, I have outlined a 10-point plan plus a few more ideas. Separately each one of my 10 points would have only minimal effects on the economy, but collectively I believe that my plan will go a long way toward improving the Nation's economic health, both in the short term and over the long haul.

Mr. Speaker, as we move ahead in these important days, I think it is important that we have an economic package quickly, that we do it in a bipartisan spirit. I think the President has to set the tone. If he comes out swinging on the 28th, blaming the Congress for all his problems, gives unrealistic deadlines, and proceeds to act in a partisan manner, I believe that the response from those in the Congress that want to have bipartisanship, that want to deal with the economy, is not going to be positive. So the President, it is in his court, what he does, and we will respond with sound economic planning of our own.

CREDIT CRUNCH RELIEF ACT OF 1992

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 60 minutes.

Mr. LAFALCE. Mr. Speaker, today I am introducing the Small Business Credit Crunch Relief Act of 1992.

Over the past few months, much talk and concern has been directed toward the effects of a widespread and deepening credit crunch. The simple fact is that lower interest rates cannot help us out of the recession, if banks and other lending institutions do not make loans. Nowhere is this a bigger problem than in the small business sector.

Much of our current unemployment can be attributed to the loss of jobs in Fortune 500 firms as we read almost daily of new layoffs in staggering numbers by these giant transnational corporations. The President has recently recognized this situation by remarking that future employment growth in the American economy must come from the small business sector.

Historically, small business has been the sector of our economy which has been the Nation's job creator. In fact, newly released data from the Bureau of the Census shows that small business' share of employment in the United States increased by 3 percentage points in the period of 1982–87. In other words, more people depend upon the small business sector for employment than they do any other segment of our economy.

In the current economic environment, the SBA 7(a) loan guarantee program is proving its worth as never before in history. Indeed, the program is now becoming so attractive to lenders that it will run out of money sometime this summer, unless emergency action is taken. The present funding level of $3.5 billion annually is wholly inadequate to meet today's needs.

Therefore, I am calling today for an immediate increase of $1 billion in guarantee authority each year for the next 3 years, starting now. This would allow SBA to guarantee $4.5 billion in 7(a) loans this year, $5.5 billion in 1993, and $6.5 billion in 1994.

According to press reports this week, the White House is now prepared to support another increase in continued unemployment benefits. I certainly want to assist the victims of prolonged unemployment. But I believe that a loan is better and cheaper that an unemployment compensation grant. We should permit the small business community to remove American workers from unemployment roles by helping small firms provide an increase in employment in the private sector.

I have written to the President urging his support for an increase in the SBA guaranteed loan programs. The time for action is now. It is time to match rhetoric with substance; it is time to go beyond lip service and actually provide some much needed resources to help small business grow and prosper. For the information of my colleagues, I am attaching a copy of my letter to President Bush.

I urge all of my colleagues to consider the expanded role which can be played by the Small Business Administration guaranteed loan programs in creating additional jobs for this country. I anticipate that the Small Business Committee will hole hearings next month on my proposal, along with the President's budget request for SBA funding.

The text of the letter and bill follows:

COMMITTEE ON SMALL BUSINESS,
Washington, DC, January 24, 1992.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We are all concerned about the deteriorating state of our Nation's economy. Many proposals have been advanced which have an initial high price tag to implement; but as we explore these proposals, I hope the Congress and the Administration can reach agreement on an affective course of action.

As part of this process, I am proposing an extremely cost-effective approach that will provide greatly needed financial assistance to the American small business sector at a time when many firms are being devastated by the ongoing credit crunch. I believe this proposal deserves your immediate attention and active support.

As you have said, it is the private sector, and particularly the small business community, which must lead us out of this recession. Small business has long been regarded as the country's job creator and, if given the opportunity, can assist us once again in economic development and job creation. In order to do, this, however, small firms need access to capital, and in today's economic climate sufficient funding is simply not available from the private sector.

I believe that the Small Business Administration (SBA), through its loan guarantee programs, can help fill this need. Unfortunately, the demand for SBA loan guarantees today exceeds available funds; thus worthwhile small businesses are not receiving the financial help they need, and our citizens and the country are suffering the consequences.

This is a tried and tested program which has proven its worth. It is available only when firms cannot get the needed financing from the private sector without the SBA guarantee.

In other words, the 7(a) program is perfectly designed to address problems associated with the current credit crunch. As a result, demand for the SBA program is running more than 20 percent above last year's levels—and unless action is taken soon, the program will run out of money this summer.

Therefore, I have today introduced legislation to increase the amount of SBA guarantee authority under the section 7(a) program in the current fiscal year to $4.5 billion this year, to $5.5 billion in 1993 and to $6.5 billion in 1994.

These increases can be provided at a minimal cost to the Federal Government—$330 million over 3 years would enable the private section to make a $100,000 loan to 60,000 small businesses. These costs will, of course, be more than compensated by the returns to our economy and to the Treasury from increased tax revenues which will result from the growth of healthy small businesses.

I believe that it is essential that we begin this process of providing more capital immediately. We cannot wait until the start of a new fiscal year as small businesses are dying daily due to lack of money. The time for action is now. This is an emergency situation. We could provide $100,000 loans to 10,000 small businesses within the next few months at a cost of $55 million. But we must act now. To delay will cause irreparable harm.

I respectfully request that you submit a supplemental request for fiscal year 1992 without any further delay and join with me in calling for larger budget increases for fiscal years 1993 and 1994 for the Small Business Administration's 7(a) program and also for the development company guarantee programs.

With best wishes,

JOHN J. LAFALCE,
Chairman.

H.R. —

This Act may be cited as the "Small Business Credit Crunch Relief Act of 1992".

SEC. 2. Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended—

(1) by striking paragraph (2) of subsection (e) and inserting in lieu thereof the following:

"(2) For the programs authorized by this Act, the Administration is authorized to make $5,303,000,000 in deferred participation loans and other financings; and of such sums, the Administration is authorized to make $3,500,000,000 in general business loans as provided in section 7(a), $53,000,000, in loans as provided in section 7(a)(12)(B), and $750,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958.",

(2) by striking paragraph (2) of subsection (g) and inserting in lieu thereof the following:

"(2) For the programs authorized by this Act, the Administration is authorized to make $6,405,000,000 in deferred participation loans and other financings; and of such sums, the Administration is authorized to make $5,500,000,000 in general business loans as provided in section 7(a), $55,000,000 in loans as provided in section 7(a)(12)(B), and $850,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958.", and

(3) by striking paragraph (2) of subsection (i) and inserting in lieu thereof the following:

"(2) For the program authorized by this Act, the Administration is authorized to make $7,508,000,000 in deferred participation loans and other financings; and of such sum, the Administration is authorized to make $6,500,000,000 in general business loans as provided in section 7(a), $58,000,000 in loans as provided in section 7(a)(12)(B), and $950,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958.",

SEC. 3. In addition to amounts otherwise authorized by law, there are hereby authorized to be appropriated to the Small Business Administration for salaries and expenses of the Administration to carry out the debenture and loan guarantee programs authorized by section 2 of the Small Business Credit Crunch Relief Act of 1992, the following amounts: for fiscal year 1992, the sum of $6,000,000, for fiscal year 1993, the sum of $12,000,000, and for fiscal year 1994, the sum of $17,000,000.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. ALLEN) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 60 minutes each day, on January 27, 29, 30, 31, and February 3, 4, 5, and 6.

Mr. DANNEMEYER, for 60 minutes each day, on January 28 and 29.

(The following Members (at the request of Mr. MONTGOMERY) to revise and extend their remarks and include extraneous material:)

Mr. MAZZOLI, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. RICHARDSON, for 60 minutes, today.

(The following Members (at the request of Mr. RICHARDSON) to revise and extend their remarks and include extraneous material:)

Mr. THORNTON, for 60 minutes each day, on January 28 and 29.

Mr. BONIOR, for 60 minutes each day, on January 29, February 4, 5, 11, 12, 18, 19, 25, and 26.

Mr. RICHARDSON, for 60 minutes each day, on January 29, February 4, 5, 11, 12, 18, 19, 25, and 26.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ALLEN) to revise and to include extraneous matter:)

Mr. MICHEL.

Mr. IRELAND.

Mr. MARTIN.

Mr. BROOMFIELD in three instances.

Mr. YOUNG of Florida in two instances.

(The following Members (at the request of Mr. MONTGOMERY) and to include extraneous matter:)

Mr. LEVIN of Michigan.

Mr. HAMILTON.

Mr. HERTEL.

Mr. FASCELL in two instances.

Mr. STARK in four instances.

Mr. YATRON.

Mr. HARRIS.

ADJOURNMENT

Mr. RICHARDSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 3 minutes p.m.), under its previous order, the House adjourned until Tuesday, January 28, 1992, at 12 noon.

SENATE—*Friday, January 24, 1992*

(Legislative day of Friday, January 3, 1992)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. Prayer will be led by the Senate Chaplain, the Reverend Dr. Richard C. Halverson. Dr. Halverson, please.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

But he that is greatest among you shall be your servant.—Matthew 23:11.

Lord, God of Heaven and Earth, these words of Jesus remind us of the greatness of servanthood in the context of eternal values. We thank You for public servants who take seriously their responsibility for and accountability to the people. And we thank You for the servants of public servants who make it possible for them to exercise their mandate.

Thank You for the untiring efforts of those who maintain buildings and grounds. Thank You for the indispensable support from those who prepare and serve meals in the food service departments. Thank You for uniformed police, plainclothesmen, doormen and floormen who walk the delicate line between security and diplomacy. Thank You for the pages, so immediately available in their response to any request made them. Thank You for those in cloakroom and office who serve with such dedication. Thank You, God, for all who labor in the Senate making it possible for the Senators to fulfill their weighty tasks.

Gracious Father in heaven, we are a large family, and not a day passes that some of us do not hurt in one way or another—sickness, discouragement, accident, family problems, personal disappointments, tragedy. We pray for all who are in need today, that they may experience Your loving care and healing and reconciling power.

In the name of Jesus, Great Physician, Prince of Peace. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The Senate will be in order. Under the standing order, the majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, the Senate will return to the education bill today. Amendments will be offered and debated. There will be no rollcall votes today.

DEB COTTER

Mr. MITCHELL. Mr. President, I want to take just a few moments of my leader time to talk about the people who do much of the work of the Senate, many of whom never appear on the Senate floor but they are people who provide the support and assistance on which all Senators rely.

These are often young people, highly idealistic, many of them living away from home for the first time, trying to succeed at their first job. We all have members of our staffs like that, people whose enthusiasm, idealism, desire to learn and contribute, is enormous and contagious.

All too often, in the rush of daily Senate business their work is not given credit; their value to Senators is not properly acknowledged.

I am reminded of that fact today because Deb Cotter of my staff, a young woman from my hometown of Waterville, ME, is one such person. She is 24 years old, and 2 weeks ago she suffered a stroke which left her partially paralyzed. She is recuperating now at George Washington University Hospital. Her family has come down from Maine to be with her and she is beginning the long and difficult work of therapy that will be part of her recovery.

A shocking event such as a sudden stroke to a vibrant young woman reminds all of us that we owe a great deal to our staffs. Perhaps the thing we owe most often, and fulfill least often, is simply to let them know how much we value their work, their loyalty, their idealism.

Deb Cotter is a graduate of Wells College who joined my staff 16 months ago. Although her college major was in Soviet studies, she cheerfully and willingly turned to working with a wide range of issues which come before the Senate. Like every member of the Senate staff she has worked very long hours, often on weekends, and has put much of her personal life aside when the needs of the office require it.

I urge each of my colleagues to look around their offices, to recognize the staff who offer us such substantial support.

Every Member of the Senate has one or more Deb Cotters in his or her office. Each of us owes those staff persons a personal word of thanks and appreciation.

This is my thank you to Deb Cotter. I look forward to her full recovery and her return to our office as soon as possible.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time and I reserve all the leader time of the distinguished Republican leader.

The PRESIDENT pro tempore. Without objection, the time of the two leaders is reserved.

THE 1991 YEAR END REPORT

The mailing and filing date of the 1991 year end report required by the Federal Election Campaign Act, as amended, is Friday, January 31, 1992. Principal campaign committees supporting Senate candidates file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510-7116.

The Public Records Office will be open from 8 a.m. to 9 p.m. on the filing date to accept these filings. In general, reports will be available to the public 24 hours after receipt. For further information, please contact the Public Records Office on (202) 224-0322.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 o'clock with Senators permitted to speak therein.

Mr. BENTSEN has 10 minutes reserved and Mr. PRESSLER has 10 minutes reserved.

Mr. MITCHELL addressed the Chair.

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. MITCHELL. Mr. President, Senator HOLLINGS is present and seeking time on the floor. Mr. President, I ask unanimous consent that to the extent necessary the time for morning business be extended and that Senator HOLLINGS be recognized for 10 minutes following Senator PRESSLER's remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Texas [Mr. BENTSEN] is recognized.

EXTENDING UNEMPLOYMENT BENEFITS

Mr. BENTSEN. Mr. President, after spending the better part of last year

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

marking time and refusing to acknowledge recession, saying recovery was just around the corner, the administration has reluctantly recognized the economic realities.

We witnessed a long overdue change in policy and attitude last year, with the White House grudgingly acceding to the obvious requirement for extended unemployment benefits for the victims of recession.

Recently we have heard comments of sympathy for workers who have lost their jobs and regional economies that have been devastated by economic hard times. There are even indications that this time the administration is not going to have to be dragged into a position of support for further extension of unemployment benefits. Perhaps this is an election year conversion. They have seen the administration's drop in the polls, insofar as responding to some of the concerns and needs of this country and its economy are concerned.

That welcome change is hardly surprising when we consider the toll that this recession has taken on American workers. We hear many people say that people just do not want to work anymore. But that's not reality, if you consider the situation in Chicago the other night when there were 9,000 people standing in line in freezing, numbing weather trying to get 1 of 500 jobs.

Economists, reading the tea leaves, are divining the first harbingers of recovery. But that is small consolation to the men and women who are out of work now. The truth is that labor market conditions today are worse than they were before Thanksgiving, when extended benefits were first provided.

The rate of unemployment has increased from 6.9 percent then to 7.1 percent now. That may not sound like much of an increase, but it has enormous tragic human consequences. That small increase means that from the time that we extended those benefits until December, almost 290,000 more Americans joined the ranks of the unemployed. That is the equivalent of wiping out every job in a pretty good-sized American town.

Every day we pick up the paper and read about jobs disappearing all across America. We are talking about good jobs, skilled jobs, high-paying jobs from some of the largest blue-chip companies in America—companies like Chevron, United Technologies, and General Motors. Since December, layoffs by blue-chip companies have averaged 2,600 per day.

People lose their health benefits when they lose their jobs. If you want hard evidence, human evidence of the toll, this recession is taking, just consider that the number of long-term unemployed Americans has doubled to 1.5 million since the recession began.

There is a cruel irony in the fact that the primary victims of the recession are the hard-working, middle-income Americans who missed the economic joy ride of the eighties. They are the folks who had their taxes go up and saw their incomes go down. They are paying the price of the party they did not attend.

Fathers and mothers have less time today to parent their children. Health insurance benefits have disappeared; housing has been priced out of sight; college education is becoming a real luxury for middle-income Americans.

And today the recession this administration tried so hard to deny has brought millions of American families to the brink of despair and economic disaster.

Perhaps we are seeing the first signs of recovery. I hope so. But all the economists tell us if we have a recovery, it will be a very weak one—nothing like what we saw coming out of previous recessions. We are going to see the gross domestic product increase by only about half of what it did coming out of other recessions.

Earlier this week the CBO issued a report that suggested there would be virtually no improvement in the labor market this year. There is a good chance unemployment is going to remain at 7 percent or go higher. Mr. President, that is bad news for the working men and women of America.

Last year's extension of unemployment benefits provided an important lifeline for the victims of unemployment. But those benefits are going to start running out for 600,000 workers after February 15, and the numbers are going to grow rapidly after that.

We cannot let that happen, and we cannot walk away from this problem. We cannot write off these hundreds of thousands of Americans with expiring benefits. I know it is a time of tight budget restraints and finite resources, but we have an obligation to extend those benefits again. We have an obligation to help sustain those who, through no fault of their own, have lost the jobs that mean hope and security for families from every State and every congressional district.

The Finance Committee will hold hearings on January the 29th, Wednesday of next week, to address this issue and the options on the extension of unemployment benefits. We will be looking at ways to enable the States to pay additional benefits beyond those we approved last year.

I hope we can avoid the kind of situation that occurred last year when the administration stonewalled the extension until the tragedy became undeniable. We are ready to work with the administration and with Senators on both sides of the aisle to find the most effective way to extend these benefits. It is very serious business for hundreds of thousands of Americans living on the cusp of despair. If we extend these benefits in a timely manner, we can offer these American workers a helping hand to help ride out the recession.

Too many of them are in the situation today where if a child gets sick, they are afraid to take that child to the doctor because they cannot pay the bill. So what happens? They wait until the child is too ill and then they rush the child to the emergency room. We have to see what we can do to turn that kind of situation around.

Mr. President, I am encouraged by the fact that we seem to have a consensus on the need to extend benefits. I want my colleagues to know the Finance Committee will be working hard to help build that consensus, and we want to work with the administration and with our colleagues in the other body to extend the benefits promptly, and in a manner that contributes to the process of recovery for our economy and for the millions of Americans who have experienced the pain of recession.

Mr. President, I believe that if we work together—and if we can get some help from the administration—that within a couple of weeks we will have an unemployment compensation bill passing this body and the other body, and being put into effect.

Mr. President, I yield back the remainder of my time.

The PRESIDENT pro tempore. Under the order previously entered, the Senator from South Dakota [Mr. PRESSLER] is recognized for 10 minutes.

TOWARD A NEW ARMS CONTROL REGIME

Mr. PRESSLER. Mr. President, I would like to report to the Senate on some of the results of a trip I made to India, Pakistan, and Sri Lanka.

Mr. President, should American taxpayers subsidize the development of nuclear or even conventional weapons in Pakistan, India or any other developing country? Absolutely not. Yet, as a result of my recent trip to India, Pakistan, and Sri Lanka, I am convinced that this is exactly what would happen should current United States policy concerning foreign assistance be changed.

Back in 1985, evidence was mounting that Pakistan was secretly developing a nuclear bomb. At that time, Pakistan was in line for some $600 million in United States foreign aid.

With the support of the Reagan administration, I offered an amendment that put conditions on future aid to Pakistan. That amendment became law in 1985. Under the terms of the so-called Pressler amendment, as it is now called, United States aid to Pakistan would be cut off unless the President could certify to Congress on a yearly basis that Pakistan did not possess a nuclear weapon. In 1990, the President was unable for the first time to make that certification.

United States foreign aid to Pakistan was halted, and it has not been resumed. This means that roughly $573 million of United States taxpayers' dollars will not go to Pakistan this year. I made this message clear to Pakistani officials with whom I met. Our taxpayers will no longer tolerate the indirect subsidization of an arms buildup in Pakistan.

I might also say that I urged Indian leaders to sign the Nuclear Nonproliferation Treaty. I also urged India to participate in a five-power meeting on nuclear proliferation. Unfortunately, they are refusing to participate in efforts to reduce nuclear weapons and conventional weapons in their theater of the world.

I strongly believe that not only must our current policy continue with regard to Pakistan, but that we also must no longer conduct business as usual with any developing nation that continues to squander resources on the development of nuclear, chemical, or conventional weapons.

Events of the past year graphically demonstrated just what such a business-as-usual approach can mean. We followed that approach with Iraq, another nuclear hopeful state, and ended up at war.

Iraq and Pakistan are not the only nations bent on building massive arsenals of nuclear, chemical, and conventional weapons at the expense of their populations and, I might add, at the expense of United States taxpayers. Libya and Algeria are recent contenders for entrance into the nuclear club. Other nations continue to arm themselves at unprecedented levels.

This year, I plan to propose a series of amendments using the Pressler amendment approach to reduce weapons worldwide throughout the 1990's. I think we can have an arms reduction era, but, to be successful, the Security Council nations, the great powers, also will have to put on the pressure.

Our own country is reducing its nuclear arms and its conventional arms. There is no reason that the countries to which we give aid and extend favorable trade treatment should be increasing their armaments, be they nuclear or conventional.

Under legislation I shall propose, the President would certify whether various nations are reducing their arsenals of nuclear, chemical, and conventional arms. If they reduce their military, as we have reduced ours and are reducing ours, then they would be rewarded with more favorable U.S. aid and trade relationships.

I hope that we also can encourage other nations of the U.N. Security Council to join in this effort. In fact, I would like to see the United Nations create a regime whereby developing countries would be rewarded for reducing armaments and for showing substantial, certifiable results in reducing armaments, especially nuclear armaments. Foreign aid and favorable trade treatment must not be extended to countries which continue to acquire arms at alarming rates. Recipients of our aid and trade should be asked to choose between military expenditures and the needs of their own people.

Mr. President, when I visited Pakistan, it was my judgment that the Pakistanis no longer make any secret about the fact that they have a nuclear bomb. This is a frightening thing. We have the five former Soviet Islamic States. We also have Afghanistan, Iran, and parts of Turkey. I believe that they will all start to look toward the deep warm water port at Karachi as the export outlet for their goods.

The Soviet Islamic States previously had relied on the Soviet European ports or Vladivostok in the east to export and import their goods. But there are good roads going through Afghanistan, built by the Russians mainly, and some in Pakistan built by us, as well as others, that could be used to move their products down through Pakistan to the warm water port at Karachi.

I foresee a possible new coalition of states there, probably eight or nine countries, that could be a new strategic force in the world. There is also a danger that such a coalition could be dominated by Islamic fundamentalism. At least one of the former Soviet Islamic republics has nuclear weapons on its soil. They are supposed to be turned over to Russia. Whether they will be or not remains to be seen. So we could have a new generation of extremist religious states with nuclear weapons.

Pakistan already has a nuclear weapon. Kozakhstan has such weapons. That could be a very destabilizing thing in that part of the world and in the world in general.

Now, the Pakistanis said to me that the termination of United States aid as a result of the Pressler amendment was imposing severe human costs. My response was that, if this is true, the solution is squarely in the hands of Pakistani leaders. They can dismantle their nuclear weapon and the Pressler amendment will not be in effect, and they will be able to receive aid.

It pains me to see the hardship inflicted upon the Pakistani people by leaders who seem to care more about weapons and mass destruction than food for their people. I made it clear to them, and I wish to make it clear to my colleagues, that I have no regrets about offering the amendment in 1985 and will fight any attempts to weaken or repeal it. Indeed, there was a vote on the amendment in the House last year and it stood up very well. So I think anyone who thinks that the amendment will be repealed is not being realistic.

Why, I asked, does Pakistan need a nuclear program. Our experts have concurred with the Indian leadership that, although India exploded a device in the 1970's, it has discontinued an active nuclear program. Pakistani leaders told me that they must do whatever is necessary to protect themselves against aggression from India. After all, they said, India has a nuclear bomb. Why do not the provisions of the Pressler amendment apply to that country as well.

Mr. President, that argument is fatally flawed. Although India is known to have exploded a nuclear device in 1974, there is no evidence that India has sought to develop a nuclear arsenal. I met with the Indian leaders, the Prime Minister, the Defense Minister, and asked them point blank if India was developing a nuclear bomb, and they said flatly no. They have said the same thing to the President of the United States, and our technical experts who check into these sorts of things agree.

So, Mr. President, is it really protection that Pakistan seeks, or is it something else?

Extremist factions have taken hold in several Islamic countries in recent years, including Iran, Libya, and Syria. Such forces are on the verge of victory in Algeria and are threatening to take over in Tunisia and Pakistan. The direction the now independent Soviet Islamic Republics will take is unclear. Should control of these countries shift to religious fanatics, these countries suddenly could find they have much in common, both ideologically and geographically.

This could well be enough for these countries to form, at the very least, a kind of loose-knit confederation. It is true that several of these countries historically have had serious disputs. However, religious fundamentalism may very well provide the tie that binds. Past differences, at least on one level, could be put aside.

The result could be a new nuclear superpower in the world. Ironically, this could occur in a world which for the first time is making meaningful progress toward nuclear disarmament. The world would be at risk like almost never before. We must be vigilant to this possibility. We must ensure that it does not happen. And we most certainly must ensure that its development is not supported with U.S. taxpayer's dollars.

Indeed, India could do much to alleviate tension in South Asia. In my meetings with Prime Minister Rao and other Indian leaders, I made clear my belief that India should agree to attend the five-nation nuclear nonproliferation meeting which has been proposed for the region. I also indicated that India could go far in easing tensions with Pakistan by signing the Nuclear Nonproliferation Treaty. As the largest nation in South Asia, I believe India could do more to reduce the threat of nuclear proliferation in the region.

The PRESIDENT pro tempore. Under the previous order, the Senator from South Carolina [Mr. HOLLINGS] will be recognized for 10 minutes.

Mr. HOLLINGS. I thank the distinguished Chair.

THE ECONOMY

Mr. HOLLINGS. Mr. President, Wednesday's Washington Post devoted half of its Federal page to listing all the tax relief programs and plans being bandied about in the Congress. Of course, it is an election year and, so everyone is in heat to pass a middle-class tax cut. But this latest bidding war has all the subtlety of a hog auction, and the same whiff of pork.

By all means, we need tax cuts as one element of a larger antirecession package. But we have to come up with smarter tax cuts than a one-shot $350 give-back aimed at goosing consumer spending and buying votes in November's election. Given our love of imports, this kind of consumption-oriented tax cut will motivate everyone to go out and buy another Sony and jump-start Japan. It is not going to jump-start America. So this idea of jump-starting the economy shows just how shallow and misbegotten the various tax schemes are. They are all aimed at stimulating short-term consumer spending, but what good is a jump-start if the battery is kaput?

It took us a long time, Mr. President, to get us into this fix and it is going to take us awhile to work out of it. We have to maturely acknowledge that there is no way we are going to jump-start our way out of an economic crisis that was 10 years in the making.

Let us sober up and agree on three points. One, we have to think in terms of a long-term cure, not a short-term fix. Two, any tax cut must be targeted top encourage both private and public investment and long-term savings. Three, any tax cut must be offset on the spending side. We must not add to a deficit that already will exceed $400 billion in the year 1993.

Mr. President, I rise today to outline just such a plan. The plan calls for spending reductions totaling $26 billion which is then redirected to finance a $26 billion package of investment-oriented expenditures and tax reductions. The aim of this plan is not to apply a jump start. The aim is to install a new battery.

To put first things first, let us look at the spending reductions in my plan. First, we scaled back the Federal bureaucracy 10 percent in the early Reagan years. The distinguished occupant of the Chair led the way. And we cut back our staffs here and the staffs of the various Departments, the White House, Interior, Agriculture, and so on. We must do the same thing now—a 10-percent cut in the Washington bureaucracy, saving $1 billion the first year and $11 billion over 3 years.

By freezing foreign aid at 1992 levels, we can save another $1 billion. Next, a freeze on domestic discretionary spending at 1992 levels—just take this year's budget for next year. Many a mayor will do that this year. Many a Governor will do that—will save $10 billion.

And to make this freeze politically viable, politically realistic, we expressly exempt Social Security, military, and other COLA recipients as well as Medicare, Medicaid, and the other means-tested programs.

I have pursued such a freeze for 10 years, as the distinguished Chair knows, trying to hold the line and head off this recession. But we have to be more realistic. In addition, we must find an additional $10 billion in defense savings below the 1993 cap.

Now, Mr. President, we can get more defense savings, and some have said $15 billion, some have said $20 or $25 billion.

You have to do this in a judicious fashion. All of this is a careful balancing act. If you lay off hundreds of thousands of soldiers, and you throw them right onto unemployment benefits given our sour economy. So we do not want to work at cross purposes.

We have to be deliberate, and in actual outlays, I do not think you can save more than $10 billion in fiscal year 1993. What's more, we can defer selected big-ticket science projects which lack direct commercial spinoffs, saving another $4 billion.

The total spending reduction in this package is $26 billion. My plan takes that $26 billion in savings and uses it to buy a new economic battery. The emphasis is on three priorities: investment in the private sector, investment in the public sector, and holding the line on the deficit.

First, for the private sector, I allocate $19 billion in tax incentives designed to stimulate investment and long-term savings: restoration of individual retirement accounts, reduced capital gains taxes on investments held longer than 3 years, investment tax credits for manufacturing equipment and research and development, and accelerated depreciation on capital equipment.

Second, for public sector investment, my plan allocates $4 billion in new revenue sharing grants to the States to help fund infrastructure modernization and repairs.

I first introduced a bill for revenue sharing on February 1, 1967, for education. Now the States and localities have an unprecedented need for this money. Yet here in Washington people only talk about how we are going to help Russia. I want to know how we are going to help America. And here it is. If you can find $650 million for the hungry in Russia; then we can find $4 billion for the hungry in America. It is not just hunger. This is a full range of critical needs in our cities, counties, States; it is a valid program and it is needed.

In addition, my plan allocates $3 billion for investment in human capital. The lion's share of this must go to Women's Infants, and Children's nutrition, Head Start, and Chapter 1 for the disadvantaged.

Yesterday we were arguing that we are $12 billion shy in fully funding those proven programs that save the Government money. We are $12 billion shy. My plan will put us on track toward full funding over a 5-year period.

No less important will be boosting funding for technical training, as well as technology development. The Administration's Joint Training Partnership Program, with its emphasis on remedial and low-technology skills, is all wrong. The President will recommend it Tuesday night. Forget it.

We need boosted funding for the existing networks of technical training colleges in the states. These technical training colleges are already up and running; they have faculty; and they have broad-based support from State and local governments as well as within the business community. All they lack is sufficient funding to meet the heightened challenge of the recession and foreign competition. Let's not get sidetracked by the failed JTP approach, with its emphasis on low-tech and remedial training. JTP will not train Americans for the jobs of the future.

In addition, let's honestly acknowledge that the Government is already in the business of developing civilian, commercially oriented technology. This is the express mandate of the Technology Administration and the National Institute of Standards and Technology within the Commerce Department. NIST is our embryonic civilian DARPA, and it is high time we gave it sufficient funding to match its counterparts in Japan and Europe. To cite one particular, we need to bolster NIST's five regional Federal manufacturing centers—modeled on the tried-and-true agriculture extension service—which work with businesses to sharpen their technical edge and boost competitiveness; we need more of these manufacturing centers, and we need to expend the scope of those already up and pruning.

Mr. President, this economic plan could not be more simple, either in its design or in its purpose. It is identified savings to the tune of $26 billion. It redirects that $26 billion to find an array of investment-oriented programs and tax incentives, a balanced program of investment in the private sector of $19 billion, and investment in the public sector of $7 billion, and holding the line on the deficit.

The purpose here is not to spend more; the purpose here is to spend wisely. The purpose is to make a downpayment on the new economic battery, to get this country moving again and to keep it moving over the long haul.

I thank the distinguished colleagues and the distinguished Chair.

Mr. GRASSLEY addressed the Chair.

The PRESIDENT pro tempore. The Senator from Iowa [Mr. GRASSLEY].

EXTENSION OF MORNING BUSINESS

Mr. GRASSLEY. Mr. President, if it would be appropriate, could I have 3 minutes for the purpose of the introduction of a bill as if in morning business?

The PRESIDENT pro tempore. Is there objection to the extension of morning business for 3 minutes? There is no objection.

The Senator from Iowa [Mr. GRASSLEY] is recognized for 3 minutes.

Mr. GRASSLEY. I thank the Chair.

(The remarks of Mr. GRASSLEY pertaining to the introduction of S. 2160 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

RUSSIAN AID: SOUTH DAKOTA STYLE

Mr. PRESSLER. Mr. President, before I walked to work Wednesday morning from my Capitol Hill house, I watched Secretary of State James Baker address a conference of nations assembled here in Washington to tackle the formidable task of developing an aid program for the new independent nations of the Commonwealth of Independent States [CIS].

The foreign ministers of 47 nations are exploring methods to bring critically needed food aid, medical relief, and other assistance to ease the rigors of another cold winter in the new countries of the CIS. No one could argue this aid is not urgently and desperately needed. No one could argue against the fact that the time to help is now. Unfortunately, that was about all the conferees did not argue about.

French President Francois Mitterrand called the meeting "a bit superfluous."

Germany asserted that the United States was not doing enough.

Even some Americans seem to feel their Government has done enough. A recent Gallop poll showed that 35 percent of Americans feel too many of their tax dollars have been spent on the former Soviet Union.

The roughly six-block walk to the Hart Building is as good for the body as it is for the mind. Along the way, I recalled a letter I received some months back, from a high school economics teacher in Clark, SD. DeLane Isaak's high school student knew exactly how to alleviate the impending food crisis in the former Soviet Union: keep the Government out of it.

Mr. Isaak's class has embarked on a person-to-person, grassroots campaign to aid families and individuals in the Republics. The Clark students sent a 20-cubic-foot box containing cereals and beans to Russia.

They have plans to encourage other individual Americans to help out. Their goal is to have American families adopt families from the new Republics, and share our uniquely American advantages with those who so desperately need it. Above all, they want to assist people, and avoid the bureaucracy and red tape that comes with any Government program.

Mr. President, I fully support the efforts of the 47 nations assembled in Washington this week. Yet it strikes me that all those great minds and nations assembled may not be able to prepare a plan which makes half as much sense as that molded in Clark, SD, by high school students. President Bush has spoken of the progress that can be accomplished by individuals—the thousand points of light. Mr. President, I believe some of those points of light are strongly illuminated in and around Clark, SD, and in many other places. The challenges for us, then, is to simply find these points of light and begin to use their innovative and effective ideas.

Mr. President, I ask unanimous consent that an article describing the Clark students' relief plan that appeared in the September 18, 1991, Clark County Courier, as well as a summary of the proposal itself, appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CLARK'S ECONOMICS STUDENTS SEND CARE PACKAGE TO RUSSIA

Instead of putting money and worry into missiles aimed at Russia, American dollars and concerns are now being invested in care packages and sent to the Soviet (dis) Union. Well, that may not be occurring throughout the United States, but the friendly gesture is being made here in Clark by DeLane Isaak's high school economics students. They're hoping the token gesture catches fire on a grass roots level.

Isaak and his 20 students just sent a cubic foot box containing cereals and beans to Russia, and they're learning a lesson about economics that probably can't be learned this thoroughly in a textbook.

"We were trying to think of a project for the economics class, and I knew the students were already doing research papers. I thought it became rather redundant, and I wanted to do something innovative . . . something that was relevant and pertinent to the times we're living," said Issak.

Due to the many predictions of an economic crisis occurring in Russia along with the many television stories showing long lines of people waiting to enter empty grocery stores, Isaak and his class are hoping this idea of Americans sending packages to the Soviet people catches on nationally.

Isaak has friends in Russia he sends food to, and said the only things the family had to eat for a full year were potatoes, cabbage and bread. He explained simple items he sends such as cereals, beans and rice are greatly appreciated.

The economics class is well aware that the small box of foods they sent will in no way feed more than a few hungry mouths—but it just might open any minds to the possibilities of Americans sending packages en masse. Isaak thinks it would be great if a family-to-family deal could be arranged between the two nations.

"We could adopt a Russian family, and Americans could correspond with them on a monthly basis with packages of foods," explained Isaak.

The class shot straight for the top with their package project. They addressed their box to Soviet Presidents Mikhail Gorbachev and Boris Yeltsin, thinking the two men might find the idea worth exploring. Isaak also mailed a letter to Vice President Dan Quayle explaining what the class was doing.

The last thing the class wants, however, is for this to become a government project. The students want the food to be delivered on a grass roots level with the endorsement and encouragement of the two governments.

If the food sharing plan comes to fruition and does catch on with the nations, Isaak pointed out it would be best if the Russians sent a plane to the States to pick up the supplies. He and his class have found that postal rates are extremely high to mail a cubic package that weighs about 20 pounds. Air mail would have cost the class $143, so the students decided to send it via surface mail for a little over $40. Still, that's an expensive cost to send about $20 in food.

To pay for this mailing, the students are holding bake sales until the cost has been covered. The food was donated by a local benefactor.

Isaak is thrilled with how his students have responded to this project. "They're very positive about this, and without exception, the students are behind the project. It shows we have a good bunch of students who think of other people. When we help others, we help ourselves," he shared.

The class has no idea to what extent this idea from Clark will be nurtured, and the teacher explained if nothing else comes from this venture, it was still an excellent experience for the class to learn about economics.

"Some people are going to laugh at this, but it's a learning experience. We are indeed our brother's keeper, and it is better to give than to receive," said Isaak.

The students in his class who are involved with this project are Chad Altfillisch, Teena Blewett, Keith Carlson, Judy Fischer, Darin Fuller, John Guest, Jacki Hartley, Jeff Hurlbert, Penny Kruthoff, Alberta Juanto Lacabe, Sheila Luke, Dawn McMillan, Melissa Neal, Chris Olson, Neil Olson, Rudy Ramon, Greg Schuricht, Travis Smith, Tonya Waterfall and Jeff Yexley.

ECONOMICS

Anyone who has gone to bed hungry can appreciate the plight the Russian people are facing as the winter of 1991–92 descends upon them. As recent as last year, many Soviet citizens survived the bitter winter on potatoes, cabbage, and bread. Imagine, potatoes and cabbage and bread three times a day, all winter long.

The economics class decided that something should be done. The class argued that, by sending a token "care" package to President Gorbachev and Yeltsin, perhaps the gesture would stimulate their thinking and they would accept our proposal of adopting Russian families on the grass roots level here in America. Our suggestions included the following:

1. That individuals in the United States personally help individuals and families in the Soviet Union. It would give willing Americans a sense of partnership with their counterparts in Russia. What better way to

experience a real sense of caring for someone less fortunate? By supplying food on a one-to-one, person-to-person, family-to-family basis, our own federal government need not become involved, saving millions or billions of tax dollars to fund the program.

2. We would urge the Soviet government to supply the transportation, thus eliminating the need for additional U.S. tax expenditures to airlift the food parcels to their country.

Class support of the project has been enthusiastic. In one bake sale, sufficient funds were raised to send a package to Moscow ($48.55) via surface mail. (The same package would have cost $143.90 to send via air mail!) Many lessons concerning economics come to mind, including lessons on supply and demand, taxation, utility, distribution of goods, infrastructure, and so on. But perhaps the best lesson of all that will sustain each of us throughout a lifetime is that it is better to give than to receive, for by doing so, we not only help others, but we also help ourselves.

DELANE W. ISAAK,
Economics Teacher.

UNITED STATES MUST RECOGNIZE CROATIAN AND SLOVENIAN INDEPENDENCE

Mr. BELL. Mr. President, I was pleased to join yesterday with the distinguished minority leader in introducing a resolution urging the administration to recognize Slovenia and Croatia as independent states. The peoples of these two countries have voted overwhelmingly for freedom, but they have paid dearly for their choice.

Regrettably, the Serbian Government and the Yugoslav Federal Army answered these countries' calls for independence with violence and bloodshed. Today's press reports offer new evidence of the horrors experienced by the people of Croatia at the hands of the Serb-led Yugoslav Army. We read that Helsinki Watch, a human rights monitor, issued a letter asserting that Serb forces have tortured and executed Croatian civilians and have wantonly looted and destroyed civilian property.

Mr. President, I believe that much of the horror could have been avoided. For more than a year, many of us in the Congress have been urging the administration to reevaluate its policy toward Yugoslavia—to give up on the notion that the country had to remain intact. Last fall, before Congress adjourned, Senator GORE and I introduced a resolution that called upon the United States to take decisive action—namely to recognize the independence of Slovenia and Croatia—if Serbia continued to construct the European Community sponsored peace talks. Adopting such a policy would have brought us in line with the European Community.

At a hearing before the Senate Foreign Relations Committee last fall, Deputy Assistant Secretary of State for European and Canadian Affairs Ralph Johnson stressed that the United States was not taking the lead on the Yugoslav issue, but that "we have been supporting and intend to continue to support the European Community's CSCE-mandated effort to bring about a genuine ceasefire and political settlement. We believe that collective efforts have the best prospects for influencing the situation.

Mr. President, the United States is miserably behind the curve with regard to collective efforts. Nearly 40 countries, including the 12 nations of the European Community, have recognized the independence of Slovenia and Croatia. The decision by these countries to recognize Slovenia and Croatia seems to have forced the Serbian Government to realize that it cannot impose its will on the rest of what was Yugoslavia. A U.N.-sponsored cease-fire has been in place for nearly 3 weeks, and I believe the European Community's push for recognition of Slovenia and Croatia has played a part in the cease-fire's holding. Regrettably, the United States can claim little responsibility for these positive developments.

Mr. President, I commend Senate Resolution 246 to my colleagues, and I hope that the administration will note its strong endorsement of diplomatic recognition of Slovenia and Croatia.

ON THE 19TH ANNIVERSARY OF ROE VERSUS WADE

Mr. WELLSTONE. Mr. President, 19 years ago this week, the American people learned of the Supreme Court's momentous ruling in Roe versus Wade—the case which established constitutional restrictions on the State's ability to regulate or restrict a woman's decision to have an abortion. In the year 1973, the Supreme Court asserted that the 14th amendment protects a woman's right to choose for herself whether to have an abortion. In the present year of 1992, I believe that our Government should continue to guarantee women this fundamental right of personal privacy.

Many women in 1973 must have viewed the Supreme Court's ruling in Roe versus Wade as an encouraging turning point in the way our courts recognize the rights of women under the Constitution. The Roe versus Wade decision at last offered a choice to many women who had been victims of rape or incest, but had been denied abortion as a legal option. Roe versus Wade offered a choice to many women whose lives would have been threatened by going through childbirth, but had been denied abortion as a legal option. And Roe versus Wade offered a choice to women who, for a variety of personal reasons, would prefer not to carry a pregnancy to term, but had earlier been denied abortion as a legal option.

In its 1973 ruling, the Supreme Court made a judgment about the risks involved with abortion. The Court concluded that the risk posed to a woman's health from undergoing an abortion during the first trimester of a pregnancy was no greater than the medical dangers of going through the full childbirth process. What protects a woman from risk from abortions is the very fact that, as a result of the Roe versus Wade decision, this procedure can be obtained legally and safely.

In 1992, however, the Court which 19 years ago so carefully analyzed the effects of abortion on women's health is now on the verge of making a decision that could profoundly endanger women's lives. Already, women in several States have found that their freedom of choice has been severely limited. In my home State of Minnesota, for example, according to a study released by the National Abortion Rights Action League Foundation this year, women face a high risk of losing their right to a legal abortion. Minnesota has been ranked as one of the 15 most likely States to outlaw or severely regulate abortion, should the Supreme Court overrule the Roe versus Wade ruling.

Also rated as a risky State in the same NARAL study was the State of Pennsylvania, one of many States which have enacted restrictive laws on abortion in recent years. It is this State's statute on abortion which the Supreme Court has agreed to review in the coming months. Whether the Court formally overrules Roe versus Wade in this case, or narrowly limits its decision to Pennsylvania's specific abortion regulations, its decision cannot help but have an effect on the right to personal privacy of women in all States. Should Pennsylvania's regulations be upheld by the High Court, what will stop lawmakers from making similar legislation in other States?

It is my belief that the Government should not be able to interfere with the most personal choice any woman might ever have to make. It is my hope that the Supreme Court will protect women against any further State erosion of a woman's individual rights. If, however, States are allowed to continue to create restrictive laws designed to make the option of abortion more difficult, then I certainly hope that policymakers will be able to unite on this divisive issue and secure women's freedom of choice in law.

If we fail to ensure that a woman's right to make her own childbearing decisions is not in any way restricted, then the lives of many Americans will be placed in great danger. The health of women who find themselves forced to seek illegal and unsafe abortions will be at risk. And our Nation's overall regard for women's rights will be at risk.

Let us not undermine the breakthrough made for women by the Supreme Court in 1973. Let us not jeopardize the right of a woman to choose whether she will bear children. Let us not place a woman's right to personal privacy at risk. Instead, let us reaffirm those rights and give consistent support not only to those who choose to have children, but also to those who do not.

REPRESENTATIVE JOHN P. MURTHA RECEIVES MINUTE MAN AWARD

Mr. BYRD. Mr. President, the Reserve Officers Association of the United States, at its 1992 National Council Mid-Winter Banquet on January 22, has presented its Minute Man of the Year Award to Representative JOHN P. MURTHA of Pennsylvania. This award is presented annually by the ROA to "the citizen who has contributed most to national security in these times."

Mr. President, previous recipients of the ROA's annual Minute Man of the Year Award include Presidents Ford and Reagan; Senators Stennis, Jackson, Russell, THURMOND, NUNN, STEVENS, and BYRD of West Virginia; and Representatives Vinson, Rivers, Sikes, Hebert, McCormack, Laird, Albert, Mahon, MONTGOMERY, and others.

Mr. President, the distinguished chairman of the House Defense Appropriations Subcommittee has an outstanding record of service to our Nation as a civilian and a member of the Armed Forces. He retired from the Marine Corps Reserve as a colonel in 1990. His active duty included service in Vietnam in 1966–67, for which he volunteered, and during which he received the Bronze Star and two Purple Hearts.

Congressman MURTHA has worked hard to assure that America has a strong defense. His emphasis on upgrading the National Guard and Reserve Forces has been an important factor in assuring that our Nation can respond quickly and effectively to crises such as the recent Desert Shield and Desert Storm military actions in the Middle East.

Mr. President, I offer my congratulations to Congressman MURTHA and I ask unanimous consent to have printed in the RECORD a list of previous recipients of ROA's Minute Man of the Year Award.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PREVIOUS RECIPIENTS OF ROA'S ANNUAL MINUTE MAN OF THE YEAR AWARD

1958—Brig. Gen. David Sarnoff.
1959—Senator Richard B. Russell.
1960—Colonel Bryce N. Harlow.
1961—The Honorable Hugh M. Milton II.
1962—The Honorable Carl Vinson.
1963—The Honorable Dennis Chavez (posthumously).
1964—The Honorable Margaret Chase Smith.
1965—The Honorable L. Mendel Rivers.
1966—The Honorable John C. Stennis.
1967—The Honorable Robert L.F. Sikes.
1968—The Honorable F. Edward Hebert.
1968—Francis Cardinal Spellman (posthumously).
1969—The Honorable John W. McCormack.
1970—The Honorable Melvin L. Laird.
1971—The Honorable Strom Thurmond.
1972—The Honorable Carl Albert.
1973—The Honorable Henry M. (Scoop) Jackson.
1974—The Honorable George H. Mahon.
1975—The Honorable Gerald R. Ford.
1976—The Honorable John L. McClellan.
1977—The Honorable Bob Wilson.
1978—The Honorable Charles E. Bennett.
1979—The Honorable Milton R. Young.
1980—The Honorable Samuel S. Stratton.
1981—The Honorable John Goodwin Tower.
1982—The Honorable G.V. (Sonny) Montgomery.
1983—President Ronald W. Reagan.
1984—The Honorable Sam Nunn.
1985—The Honorable William L. Dickinson.
1986—The Honorable Ted Stevens.
1987—The Honorable Bill Chappell, Jr.
1988—The Honorable Caspar W. Weinberger.
1989—The Honorable John W. Warner.
1990—The Honorable Robert C. Byrd.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, the time for morning business has expired.

EXTENSION OF MORNING BUSINESS

Mr. PRESSLER. Mr. President, I ask unanimous consent that morning business be extended for 3 minutes.

The PRESIDENT pro tempore. Is there objection?

The Chair hearing no objection, morning business is extended for 3 minutes.

TRAVEL AND TOURISM

Mr. PRESSLER. Mr. President, in my State of South Dakota, tourism is a major industry and a major employer. I previously served as chairman of the Tourism Subcommittee of the U.S. Senate. There are few areas that produce more hard currency for our country, and this is increasingly true as the number of visitors has increased. It is a major industry and should be recognized as such. I am proud to be a part of the tourism caucus in the U.S. Senate, and I am proud to be able to continue working to promote travel and tourism.

Mr. SPECTER addressed the Chair.

The PRESIDENT pro tempore. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank the Chair. I ask my colleague from Wisconsin if he would mind yielding to me for 2 minutes.

Mr. KASTEN. The Senator has the floor.

The PRESIDENT pro tempore. The time for morning business has expired.

EXTENSION OF MORNING BUSINESS

Mr. SPECTER. Mr. President, I ask unanimous consent to proceed for up to 2 minutes as in morning business.

The PRESIDENT pro tempore. Is there objection to the extension of morning business? The Chair hears none.

The Senator from Pennsylvania is recognized for 2 minutes.

SENATOR SPECTER'S APPOINTMENT TO THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. SPECTER. Mr. President, I was not on the floor last night when our distinguished Republican leader announced my appointment to the Committee on Banking, Housing and Urban Affairs. I wish to thank Senator DOLE for his very kind comments in announcing my appointment to that position. It is a very significant committee assignment, one which had been held by my distinguished colleague, the late Senator John Heinz. It is a position of great importance to my State, as the committee deals with housing, which is of tremendous concern in Pennsylvania, with mass transit, which is also of tremendous concern in Pennsylvania and with banking and the savings and loan matter.

On a personal note, the appointment enables me to carry forward a number of the important initiatives which had been on the agenda of Senator John Heinz.

I want especially to thank my colleague, the distinguished Senator from Oklahoma, Senator DON NICKLES, for affording me this opportunity. Seniority on the Republican caucus operates by the principle of alphabetical order. Senator NICKLES had first choice on the committee assignment and, after discussing it with me, was gracious in yielding the position to me. Again, I thank Senator DOLE for his gracious remarks, and I thank Senator KASTEN for allowing me this floor time.

STRENGTHENING EDUCATION FOR AMERICAN FAMILIES ACT

The PRESIDENT pro tempore. The Senate will resume consideration of S. 2. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2) to provide the achievement of national education goals, to establish a National Council on Education Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes.

Pending:

Nickles Amendment No. 1479, to enhance educational opportunity, increase school attendance, and promote self-sufficiency among welfare recipients.

The Senate resumed consideration of the bill.

The PRESIDENT pro tempore. The pending question before the Senate is on the Nickles amendment, amendment No. 1479.

AMENDMENT NO. 1482 TO AMENDMENT NO. 1479

(Purpose: To enhance educational opportunity, increase school attendance, and promote self-sufficiency among welfare recipients)

Mr. KASTEN. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wisconsin [Mr. KASTEN], for himself, Mr. NICKLES, Mr. SMITH, Mr. D'AMATO, Mr. COATS, Mr. THURMOND, and Mr. WALLOP, proposes an amendment numbered 1482 to amendment No. 1479.

Mr. KASTEN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the word "Sec." and insert the following:

. STATE OPTION TO ESTABLISH LEARNFARE PROGRAMS.—Section 402(a) of the Social Security Act is amended—

(1) by striking out "and" after paragraph (44);

(2) by striking out the period at the end of paragraph (45) and inserting in lieu thereof "and;" and

(3) by adding at the end thereof the following new paragraph:

"(46) at the option of the State, provide that the needs of an individual will not be taken into consideration (or will be taken into consideration only in part) under paragraph (7) for any month if such individual—

"(A) is over the age specified in the applicable State compulsory school attendance law at which a child must begin to attend school, but under the age of 16; and

"(B) has, as determined by the State agency, failed without good cause to regularly attend an elementary, secondary, vocational school, or other appropriate school;

but if the needs of an individual are not considered (or are considered only in part) by reason of this paragraph, he shall still be considered to be receiving aid under this part for purposes of determining the eligibility for such aid of any other individual to whom paragraph (7) applies, and for purposes of determining eligibility for medical assistance under the State's plan approved under title XIX.".

(4) The effective date of this section shall be June 1, 1992.

Mr. KASTEN. The amendment is simply a date change, and I say to my colleagues that this amendment is relative and consistent, therefore, with the agreement that was reached last night.

Mr. President, I am in strong support of the efforts of the Senator from Oklahoma, and this amendment is designed to improve school attendance so that more students whose families receive Aid to Families with Dependent Children [AFDC], will complete their school education and will be better able to enter the work force.

I ask my colleagues this morning basically one simple question: What is wrong with providing incentives to encourage a child to go to school?

Mr. President, attending school is not a question of "maybe I will, maybe I will not." It is not a "maybe" kind of a question. It is a "you shall" kind of a question. You shall go to school. You shall complete your education. It is a must.

Learnfare is based on the premise that parents are responsible for their children, including that the parents ensure that the children attend school regularly. Wisconsin pioneered the first Learnfare Program in 1988. It took Wisconsin more than a year, more than 12 months, to obtain a Federal waiver from the Department of Health and Human Services to implement our creative Learnfare Program.

This Learnfare amendment will eliminate the need for States to obtain a Federal waiver in order to implement a Learnfare kind of program. We cannot continue, in my view, to let the bureaucratic clearance process bring innovative ideas to a screeching halt as we are searching for ways to improve our educational system.

Parental involvement—not Government interference—is the most important step to education reform. That is why it is so alarming that many parents do not even know if their kids are in school or not. Learnfare is an innovative way for parents to participate in the educational process through total communication with school administrators.

Mr. President, I also wish to make a general comment on education reform. We have a model of education that is riding the coattails of the early 20th century. America has changed tremendously since World War II, but schools are still operating under an antiquated system.

Children living in poor homes, broken homes, homes with ineffective parents are crying out now for help. Listen for a moment to a few of these alarming statistics: 20 percent of American children live in poverty; 32 percent of children in central cities—I am not talking about total—32 percent of children in central cities live in poverty; 44 percent of black children live in poverty; 38 percent of Hispanic children live in poverty; 50 percent of poor children do not finish high school—half do not finish high school. Fifty-three percent of all poor children are single-parent households headed by women; 24 percent of adults who did not complete high school live in poverty.

Clearly, our business as usual schools are not improving the overall welfare of children who are outside of the mainstream. My State of Wisconsin is moving ahead against the odds in trying to stimulate education reform for the poor and the middle class.

Wisconsin is leading the way with its choice program in Milwaukee and the Learnfare Program, which we are addressing with this amendment and its effort, also in Wisconsin, to pull together ideas for the new American school concept.

I think it is only right that this body support efforts similar to those in Wisconsin and the Nation in our tireless efforts to break the mold in education. I believe the time is running out on America's children and time is running out on America's education as usual. We have to act now. I hope we can act in a bipartisan manner to help rescue tomorrow's generation. That is why I support education reform and that is why I support this amendment, and I hope this amendment will be adopted.

The PRESIDENT pro tempore. The Senator from Oklahoma [Mr. NICKLES] is recognized.

Mr. NICKLES. Mr. President, I wish to compliment my friend and colleague, Senator KASTEN from Wisconsin, for his statement, his leadership, and his second-degree amendment. I think the amendment that we are considering today is a very important amendment when we are talking about an education bill and trying to help those people who many times fall through the cracks. They do not get an education.

The amendment we are talking about, Learnfare, will allow States to put requirements on welfare recipients to have their children attend school.

I spent a little time this last recess traveling in the State of Oklahoma. I went through some housing projects. I went through areas of my State where we have a lot of people who are not graduating from high school. I went into some at-risk schools that are really trying to help people who are falling through the cracks. I also talked to some youngsters in some housing projects, mostly dependents of welfare parents, who were not in school and frankly, I wondered why.

I visited one welfare project; a mother of seven had all of her kids in school and she was very proud of the fact that her kids were making grades in school. I complimented her for it. I think it is fantastic that she has high aspirations for her children. She happened to be a daughter of a welfare mother, so she was second generation welfare, and her real hope was her children would not grow up in welfare. That is my hope, too.

I went through a couple of projects, and I saw children and parents and said, "You know we really have to do something different or these children are going to be basically enslaved into a welfare dependency." This is a terrible cycle. Instead of really helping these youngsters I think we are hurting them. Instead of helping the welfare families, I am afraid we are assigning them to a life of Government assistance. We need to break this mold, and the best way to break the mold, at least through this Senator's opinion, is through education.

It is not easy. The amendment that I am offering today is an amendment we call "Learnfare." The essence of it is that it would allow States to put some requirements on welfare recipients to have their children attend school. If their children do not attend school, a State can withhold a portion of their welfare payments to families with dependent children and use a little carrot and stick that says, "yes, if you don't attend school you are going to receive a reduction in welfare benefits." Therefore, a welfare percent will have a real incentive to make sure their kids are in school. Financially it will make a difference.

We do not touch Medicaid and we do not touch food stamps, but only AFDC.

Some people will question, wait a minute, is this cruel to that family? I do not think so. I think really it might be a real blessing to a family if they keep their kids in school and give them an education. Education will get people off this welfare dependency cycle. Hopefully, if they get an education and get a job, they will be very productive, taxpaying citizens.

In some of the units I looked at, I am afraid, I saw youngsters who were dropping out of school, and in some cases their parents did not really care whether or not they are in school. These youngsters are getting an education, but the education is in crime. They cannot get a job, and they are not in school. What are they going to do? They are committing petty theft, doing a little vandalism, and the next thing you know delivering drugs. You know, a 15-year-old or 16-year-old kid and the only way they can pay for that car is to get involved in drugs.

So they become addicted to money and crime because that is their notion of how to be successful. They see friends who dropped out of school who are driving the fast cars and smoking marijuana or crack, and, well, if they just deliver a little bit they can make money too.

We have to break this cycle of generational welfare dependency. I do not think it is optional. It has to be done. We have to do everything we can to break this cycle.

This amendment will give the States some flexibility to target and to attack this problem. This is an idea which now is being talked about all across the country—and I compliment again the Senator from Wisconsin and I compliment the Governor of Wisconsin for being leaders of this. We have States all across the union that want to do this, but they run into a problem.

Why in the world will we not, as a Federal Government who pays about half of the cost of AFDC, encourage this on a national scale? I am not even trying to do that. I am just saying let us let the States do it.

You say some States are doing it. But to do this, they have to get permission from the Department of Health and Human Services.

Some people say, well, it makes sense. Federal involvement makes the program operate smoother and makes sure there will not be glitches or problems. The problem is the Department of Health and Human Services takes too long. They cannot make a decision, or they put so many requirements on the petitions that it takes forever for it to happen.

The State of Wisconsin took 18 months to obtain full approval of its entire program. The petitions that came from Wisconsin are a couple of inches thick. The bureaucracy saying no, we are not really interested in you doing this until you jump through every little hoop and hurdle we can impose on you. They make it almost impossible for the States to do.

You have State legislators and Governors of both parties that think this is a very good idea. They administer these programs and they think this is a good way that they can help put real incentives to get our country's youngsters in school. It will supplement State truancy laws. It will give an incentive for some families to keep their children in school. States want to pass these measures, but must run and get the blessing of the Federal Government to do so, and it takes too many months, too much bureaucracy, too much redtape, and too much expense, and they can hardly get it done.

Let us have a little faith in our Governors. I heard the Senator from Massachusetts talking about an idea, let's give more authority to the Governors in this block-grant type of approach done on S. 2. I compliment the Senator on much of S. 2. Why do we not have the confidence in Governors being able to administer this type of program, if the Governors and legislatures wish to pass it?

I tell you in my State, Oklahoma, the House of Representatives passed a program like this 91 to 5. They said yes, let us put in some kind of requirement. We are going to have a reduction in AFDC programs if individuals receiving those payments do not keep their kids in school. If the States want to have some flexibility for the youngster who will not go to school and the parent really tries, let us allow the States to do that.

I have confidence in the States. They can handle the difficult cases. I am sure there are some difficult cases where parents are really trying to get the kids to school, they maybe grab them by the ear take them all the way to school. The youngster, as soon as the parent leaves, takes off. There are youngsters that are very difficult to control. I have four youngsters and one or two of those have been a challenge, so I can understand that.

So if the States want to put in flexibility, let us allow the States to make some decisions. They are in charge of this program. The States are the ones who are most concerned about education, as they should be. They are the ones most directly impacted by crime and by welfare and the problems that welfare dependency has brought upon them. Let us give them a little opportunity, let us waive this requirement that they have to get the blessing of HHS before they make the linkage between compulsory school attendance and welfare. I think if we do so, we will have more welfare children attending school. That will be the net result. We will have more welfare children attending school and, likewise, getting a job, breaking this cycle of welfare dependency on the Federal Government. I think that it will be a positive step.

Mr. President, I might also mention that the amendment that Senator KASTEN and I are introducing is cosponsored by Senator SMITH, Senator D'AMATO, Senator COATS, Senator SYMMS, Senator BOREN, Senator THURMOND, Senator HELMS, and Senator WALLOP.

Mr. KASTEN. Mr. President, will the Senator yield?

Mr. NICKLES. I am happy to yield.

Mr. KASTEN. First of all, I want to thank and congratulate the Senator for his amendment and also for his speech. And let me, if I can, just reemphasize one point. This does not mandate Learnfare. As a matter of fact, other States might call it something different.

What this does is simply give the States the opportunity to move forward on innovative educational programs for poor children. I know we have had hearings in Washington. I know we may have hearings in the future. The fact is that this does not affect anything we are doing except to make it possible for States to move forward once they—the Governors and the State legislatures—move forward. The Senator correctly stated that this gives the Governors and State legislatures the ability to break the mold, if you will.

I just simply want to share with you and my colleagues that in the first year in Wisconsin's program, 36 percent of the Learnfare population who were truant in the prior semesters immediately corrected their attendance problems and were never sanctioned. In other words, in the large group of people that had problems, their families simply got together and corrected the problems.

In Wisconsin, we had 27,000, roughly, teens who were subject to the Learnfare requirements the State legislature and Governor referred to; actually it was 27,061. Of those 27,061 people, only 2.8 percent of them ever found themselves subject to the sanctions which the State legislature and the Governor went forward with.

So in fact, the program and the consequences of parents giving up their responsibility for the education of their children, the consequences of that act, worked in and of itself and we never had to put the law in force except for 2.8 percent. In other words 97.2 percent of this eligible population made the choice to go to school, and the penalties were imposed only on 2.8 percent. I do not have the statistics for how many months those penalties were in fact imposed.

But the point that the Senator is making is important. We are giving the States the opportunity, and here in Wisconsin it worked. I am hopeful that our amendment will be adopted.

I thank the Senator for yielding.

Mr. NICKLES. I thank the Senator from Wisconsin for giving that excellent example.

The other part of the Wisconsin example that I am thinking of is that the Governor and the Legislature of Wisconsin petitioned for this waiver for its entire Learnfare Program and it took them over 18 months and, Mr. President, about 2 inches of paperwork between the Governor and the Secretary of HHS trying to meet the qualifications to obtain this waiver. It should not take a year-and-a-half once the Governor and legislature decide they want to implement a program and put our children in school.

I am delighted to hear 97 percent of youngsters in this category stayed in school. I think that is a great success. Even if it was not that high, I would still consider it quite a success if we are really encouraging and getting positive results of putting more people back into school who really were falling through the cracks, who were going to drop out. And, frankly, if they drop out again their likelihood of being unemployed is much greater, their likelihood of being on welfare is much, much greater, and unfortunately the likelihood of their being involved in crime increases dramatically as well. So education is a big key in solving and maybe breaking their welfare dependency cycle.

I think we ought to give the States the flexibility. Let us make this waiver automatic or eliminate the waiver requirements so they do not have to fight the bureaucracies in Washington, DC, and let them really get in, roll up their sleeves, and try and fight the welfare dependency and improve the quality of education in their States if they so choose.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, when I first looked at this amendment, I thought it was a benign amendment. I thought I liked the objective. I understand the sincerity of the Senator from Oklahoma and the Senator from Wisconsin in trying to find ways to get people off welfare, and Learnfare sounds like a good title.

But then as I began to delve beneath the surface to see what was actually being accomplished by this amendment, I became concerned. I heard my friend from Wisconsin talking about an incentive. To me it looks like we are talking about punishment. Under this amendment a 6-year-old kid who has missed school because his mother is a drug addict would be asked to go without a warm coat. What that child needs is not punishment, but someone who will go to that mother, and try to get her off drugs.

A 1990 study of the Wisconsin Learnfare Program found that 41 percent of the children who were not maintaining the attendance level that is required—41 percent of them were from families where you had abused children, you had drug addicts, you had people where you needed some support to try to address the problems that need to be resolved to make it possible for a child to go to school on a regular basis.

What you are talking about in this amendment is not an insignificant change in the welfare system. You are talking about a very major change. And it ought to be made in the committee of jurisdiction. It ought to be given careful study before we start to unravel the Welfare Reform Act of 1988.

Remember the tough time we had getting that bill passed? My friend, the senior Senator from New York [Mr. MOYNIHAN] played a major role, persuading the administration, Republicans and Democrats to all work together to bring about reform. It was a very significant achievement.

Senator MOYNIHAN is going to be having hearings on issues that are similar to those raised by this amendment. He is quite willing to include this amendment as part of those hearings and delighted to have the two Senators come and testify on it and see if we can come up with a reasoned, concerned, effective answer. We ought to have the full deliberation and consideration of the committee of jurisdiction. A change of this magnitude should not be accepted as a last-minute amendment to the legislation before us.

As chairman of the Finance Committee, about the president that passage of this amendment would set for the future. In my view it would be a mistake to open the door to amendments that would begin to undermine the national consensus that we now enjoy and that terms from the cooperative effort of Members from both sides of the aisle in passing the Family Support Act of 1988.

That does not mean that changes cannot or should not be made. But they ought to be made only after due consideration.

I have looked at some of the cosponsors of this amendment. We have some very able Members. But I have a hunch they have not really studied the consequences of what this amendment would bring about. Certainly we need more consideration than just debate today on this floor.

At the appropriate time, I will be moving to table this amendment when the vote comes up next Tuesday.

The substance of the Nickles-Kasten amendment is akin to similar proposals for changes in the welfare system that will be the subject of hearings on February 3 by the Subcommittee on Social Security and Family Policy.

I understand the appeal of a Learnfare concept, and I wholeheartedly endorse the goal of promoting educational attainment for all of our children. That is one of our biggest problems—having an educated work force in this country to maintain this Nation as a world competitor. I absolutely share the goal of a better education for children.

But let me point out that the State of Wisconsin began a Learnfare project in 1988 under a waiver granted by the Secretary of Health and Human Services. And, fortunately, when the Secretary granted that waiver, he also required an evaluation of the impact of the project so we could judge whether it set out a new policy for other States to follow.

I am told the report on the Learnfare project will be released by the Department of HHS as early as the end of this month. Let us wait for it.

Let us have it available in the committee to give it consideration. I would hope that the Senators would want to read that report before they pass an amendment as significant as this one.

The point has been made that States have to wait too long to bring about a change; it takes too long to get a waiver from the administration. I heard my friend from Oklahoma say that. I heard him say it took a year and a half for Wisconsin.

We called up the Department to try to understand how long it had taken because I agree a year and a half sounds like a long time. But, according to the Department of Health and Human Services, Wisconsin submitted its request for a waiver in May of 1987 and just 5 months later—5 months, not a year and a half—the Department approval had taken place. Wisconsin submitted a request for a waiver for a revised program in the spring of 1990. And that request was approved in June. That is a pretty quick response in the bureaucracies we have in Washington.

So the kind of program that the Senator is interested in can already be implemented without undue delay and, by all evidence, the Department of HHS has been working hard to accommodate States in this regard.

I will leave it to the junior Senator from Wisconsin to discuss some of these issues in more detail, some of the concerns that have arisen in the Learnfare Program in his State. But I urge my colleagues, this is not a throwaway amendment, this is not a throwaway vote. It can have some very serious consequences.

Let us in the Finance Committee that have the jurisdiction, let the senior Senator from New York who has made this one of the major issues in his legislative career who has a deep concern about attendance in school and education of children and making welfare work—he has been a leader in that regard—let him handle it. Let us be cautious and not open the door to major policy changes without giving them the deliberate consideration they deserve.

Mr. President, I urge my colleagues to support my motion to table.

Mr. President, I ask unanimous consent that the vote on the motion to table the Nickles and Kasten amendment occur at 2:20 p.m. on Tuesday, January 28 with the preceding 5 minutes equally divided between Senator NICKLES and Senator KASTEN and myself, as chairman of the Finance Committee.

Mr. NICKLES. Mr. President, reserving the right to object, would the Senator modify that to give each side at least 5 minutes?

Mr. KENNEDY. Mr. President, reserving the right to object, I understand the desire to be able to give an explanation. I would like to, if it is agreeable with the chairman of the Finance Committee, try to work a process out with the majority leader. I am unaware now of the total number of amendments we are going to have and there have been a number of requests to speak on a variety of different amendments at different times.

Just so we have some degree of consistency in terms of how we are going to treat all the amendments—I can understand the desire to have an explanation for those. What I would like to try at least to be able to do is to have some consistency about how we are going to treat all of the amendments. I would be glad to work this out with my friend and colleague, the Senator from Utah, with the minority leader, and I would like to talk to the majority leader and indicate to him the requests that have come and leave it up to him to be able to describe a formulation that will be fair and equitable to all.

Mr. BENTSEN. Mr. President, I defer to the manager of the bill, the distinguished Senator from Massachusetts. I understand the problem.

Mr. KENNEDY. I have no objection if the Senator wants to schedule this for the first amendment on Tuesday afternoon. If that is the desire of the Senator, I would certainly support that request.

Mr. KASTEN. I have no objection to the request.

I wonder if the Senator will yield for just one brief clarification?

Mr. BENTSEN. I yield to the distinguished Senator.

Mr. KASTEN. I thank the Senator.

Both he and the Senator from Oklahoma are correct with regard to the time agreement. There was a waiver that was granted within 5 months for one age group. It was the older age group. I will have the information on Monday if it is important. But for the younger age group we had to go through a longer process for the waivers and it was, as the Senator from Oklahoma pointed out, roughly 18 months.

So one waiver came through for older children in about 5 months but the entire Learnfare Program of the State that the State legislature and Governor passed was not okayed until 18 months later. In effect, both Senators are right. It was, in effect, a bureaucratic problem we were faced with and that is what we are trying to get through with our amendment.

Mr. NICKLES. If the Senator will yield to further clarify that? I will be happy to insert this for the RECORD, but the original Learnfare request by Wisconsin was filed in October 1987. The waiver request for the last age group, the younger age group down to age 6, was not approved until June 1990. So it was approved in different stages. But the point is that the Governor and legislature tried to move forward and we are talking about almost 3 years by the time they covered all age groups as the legislature wished to do. So it is a bureaucratic process.

Concerning the Senator's unanimous consent——

The PRESIDENT pro tempore. The Senator will withhold. There is a unanimous-consent request before the Senate. Does the Senator from Texas insist on his request, withdraw it, or revise it?

Mr. BENTSEN. The Senator from Texas will withdraw it until we can arrive at a resolution of the problem with the majority leader and the manager of the bill.

The PRESIDENT pro tempore. The Senator from Texas withdraws the request and he retains the floor.

Mr. BENTSEN. I would say to my colleagues, I question the length of time. I have a hunch when we do some further checking we will have further clarification over the difference in the interpretation as to how long it took to get the waiver from HHS.

But, Mr. President, I yield the floor. I see my distinguished friend from Wisconsin is waiting.

The PRESIDENT pro tempore. The Senator from Texas yields the floor.

Who seeks recognition?

Mr. KOHL addressed the Chair.

The PRESIDENT pro tempore. The Senator from Wisconsin [Mr. KOHL].

Mr. KENNEDY. Will the Senator yield for just 2 minutes on this matter?

Mr. KOHL. Yes.

Mr. KENNEDY. First of all, I want to express our appreciation and gratitude to the chairman of the Finance Committee for his leadership on this particular issue. I think he has outlined some of the very serious problems that such an amendment would present for the educational development of many of the neediest children in our society.

You find that the families of many of the children on Aid to Families with Dependent Children are homeless. These children are moving through five or six schools in the course of a year as these families try to find housing and other essential services. This is an enormously complicated issue. I think the chairman of the Finance Committee has outlined the complex implications of this amendment for our most vulnerable children, many of them in their earliest of years.

I am in complete accord with the chairman of the Finance Committee that this is an area the Finance Committee should review and make recommendations. We will work very closely with the chairman, looking forward to review the recommendations of the Finance Committee. I urge all of our Members to support this motion to table. It makes sense, not only on the jurisdictional grounds, but most importantly, in terms of the education of our children who face the most difficult challenges.

The chairman of the Finance Committee has outlined the reasons for giving this further study in the committee, and I urge my colleagues to support the motion to table the amendment when it comes up. I am grateful to the Senator from Texas for making these very important points on the floor this morning. I thank the Senator.

The PRESIDENT pro tempore. The Senator from Wisconsin.

Mr. KOHL. Thank you, Mr. President.

I also would like to express my appreciation to the Senator from Texas for his interest in this very important subject and for his thoughtful comments.

I also would like to express my appreciation to the Senator from Texas for his interest in this very important subject and for his thoughtful comments.

Along with him, I rise to oppose the Nickles-Kasten amendment.

The amendment before us would provide a blanket waiver to any State that chooses to implement a so-called Learnfare program. Apparently the authors of the amendment want to eliminate the process that my State of Wisconsin had to go through to get our Learnfare waiver approved. They were, I suppose, frustrated by the length of time it took to get the waiver and the fact that certain conditions where attached to the program before the waiver was granted.

I was not frustrated by the process. I was, in fact, very pleased with the way the process unfolded, and I want to see it continue. Let me briefly tell you why.

I should begin by telling you that Learnfare, in essence, involves a simple concept: We ought to hold parents—in this case AFDC clients—responsible for getting their children to school.

I support that concept. We probably all do. It makes intuitive sense. It is consistent with the concept of parental and individual responsibility. It is a good idea.

But, as is so often the case, the devil is in the details. And there are a lot of details and a lot of different forms of Learnfare.

In Wisconsin, Learnfare has bipartisan roots. The idea originated from a task force controlled by Democrats. The legislation that created the program was passed by Democrats in the State legislature.

The program that was passed, and that I supported, allowed us to sanction parents whose children did not go to school regularly. They lost welfare payments. But they also got something: case management.

We recognized that truancy is a problem, but was also recognized that truancy is often a sign of other problems. Often, these children are from families with multiple problems, like substance abuse, child abuse, lack of child care, transportation, et cetera.

So the idea was to identify troubled families and intervene: Provide access to needed social services, and then pull AFDC benefits for not complying with mandatory school attendance.

But once the politics took over the issue, two things became clear: No. 1, bashing welfare recipients makes great political hay; and No. 2, States can save a lot of money by denying welfare benefits. As a result, those social service components of Learnfare can be very vulnerable. They can be eliminated. And then all that is left is the sanction—the loss of AFDC funds—rather than the sanction and the support.

The waiver process that the Senator from Oklahoma is seeking to eliminate is one of the best tools we have to preserve both the sanctions and the support.

And that is what happened in Wisconsin. The original Wisconsin Learnfare waiver request was, frankly, rubberstamped by the Reagan White House. It was not reviewed; it was just approved. As a result, we had a program in place which required no evaluation, no social service support, and no State accountability to speak of.

The consequence of short circuiting the waiver process were disastrous by most measures. There was no attendance monitoring system in place. The record system was seriously flawed. There was no advance warning to families; many of them had their checks cut without even knowing that their children were truant. And some even lost their homes as a result. Between September 1988 and December 1989, the families of 6,612 Milwaukee County teens were sanctioned for failure to meet the Learnfare school attendance requirements. A preliminary study and evaluation by the Employment and Training Institute at the University of Wisconsin-Milwaukee confirmed some of our worst fears: 2,722 of the sanctioned children were from families that the Children's Court had already identified as child-abusing and neglecting families; 41 percent of the families needed intervention and the likelihood was that the reduction of AFDC benefits increased the child abuse and neglect.

Additionally, the preliminary report identified a waiting list for alternative education slots for the dropouts, along with lack of access to needed services.

Despite the serious concerns with the program, the State of Wisconsin approached the Department of Health and Human Services on September 12, 1989 for an extension of the Learnfare waiver. Between that time and June 6, 1990, when a modified waiver was granted, there were serious, sustained and substantive discussions about the nature of the program. I participated in those discussions. I wanted Wisconsin to get the waiver, but I also wanted to make sure that Wisconsin had a good program.

Because negotiations were required, because the waiver was not automatic, I think the Wisconsin Learnfare Program has a much better chance of accomplishing its goal. If fully implemented by the required State legislation, it will be a better program because of the checks and balances that do and should exist between the State and Federal Governments.

JoAnn Barnhardt, Assistant Secretary for Family Support, did a brilliant job of balancing the needs of the AFDC clients with the needs of the State in terms of flexibility and innovation. The Assistant Secretary for Planning and Evaluation, Martin Gerry, was extremely helpful in improving the evaluation of this program. Accountability was built into Learnfare and evaluation was required.

In fact, that evaluation of the Learnfare program should be released next week. It will give use a sense of what does and does not work in this area. It will tell us what we have done wrong and what we are doing right in this important social experiment.

The amendment before us, Mr. President, would circumvent both the process of negotiation and evaluation. It requires no accountability on the part of the States; in fact, no reporting of any kind. It is an abrogation of our responsibilities here on the Federal level.

The chairman of the Finance Subcommittee on Social Security and Family Policy chaired one hearing on Learnfare in June 1990 at my request. It was very helpful and very constructive in our effort to design a good Learnfare program for Wisconsin. I am certain that the chairman would be willing to hold hearings on the process of granting waivers to similar programs. In committee, we could examine some of the process questions this amendment raises. And, as a result, we might produce a piece of legislation which is more sophisticated than simplistic.

Let me conclude, Mr. President, by making just a few points.

First, this is not a debate about the value of Learnfare as a concept. Members can support that concept, as I do, and vote against this amendment, as I will.

Second, this is a debate about whether or not the Federal Government has a right and a responsibility to review and approve—and improve, if needed—State plans which effect Federal funds and federally granted benefits.

Third, the history of Wisconsin's Learnfare program demonstrates that Federal involvement is both helpful and necessary. Because of Federal involvement, Learnfare in Wisconsin will be substantially different. It will have sanctions, but it will also have support for families and children in trouble.

Fourth, if people support Learnfare as a concept, then they ought to support a full exploration and examination of the best way to implement such programs. That is why we ought to have hearings on this issue. There is no need and no justification, for a rush to judgment on the floor. The Finance Committee is willing to work on this issue. We ought to be willing to let them. And we ought to recognize that we can benefit from their work.

So I urge my colleagues to defeat this amendment so that we can get on with the task of developing real legislation to deal with this important problem.

Thank you, Mr. President.

UNANIMOUS-CONSENT AGREEMENT

Mr. BENTSEN. Mr. President, we have discussed this now with the authors of the amendment on both sides, and the majority leader, and I understand it is cleared with the Republican leader.

I ask unanimous consent that the vote on the motion to table the Nickles amendment occur at 2:20 p.m. on Tuesday, January 28, with the preceding 10 minutes equally divided among Senator NICKLES, Senator KASTEN, and the chairman of the Finance Committee.

The PRESIDENT pro tempore. Does the Senator from Texas desire to make the tabling motion?

Mr. BENTSEN. I have been advised to change that to 2:25.

The PRESIDENT pro tempore. The Chair was inquiring whether or not the Senator from Texas desires to make a tabling motion and make provision, therefor, at this time?

Mr. BENTSEN. Yes; I will move to table the amendment.

The PRESIDENT pro tempore. Does the Senator include that in his request?

Mr. BENTSEN. I ask that be included in my request, the preceding statement.

The PRESIDENT pro tempore. Is there objection? The question is whether or not the vote will occur at 2:25.

Mr. BENTSEN. That is correct.

The PRESIDENT pro tempore. With 10 minutes prior thereto, debate occurring thereon, and with a motion to table in order. Is there objection?

Mr. NICKLES. We have no objection.

The PRESIDENT pro tempore. The Chair hears no objection. It is so ordered.

Mr. BENTSEN. I thank the Chair.

Mr. MOYNIHAN addressed the Chair.

The PRESIDENT pro tempore. The Senator from New York [Mr. MOYNIHAN].

Mr. MOYNIHAN. Mr. President, I wish to emphatically associate myself and my colleagues on the Finance Committee with that last observation of my good friend, the distinguished Senator from Wisconsin. The Finance Committee not only is willing to take up this question, it is anxious to do; it is seized of the subject. I could say to my friend and we will, in fact, hold hearings on this matter Monday, February 3, a week from now. I say to my friends on this side of the aisle, and particularly to my friend from Wisconsin, and my friend from Oklahoma, we are not hostile to your purpose, not at all.

We would like to be orderly and concentrated when we go forward. When we passed the Family Support Act in 1988, we provided that any mother receiving welfare benefits who had not graduated from high school and was not in school must return to school, finish high school or the equivalent, on pain of losing her benefits. This is not a matter that we thought marginal.

We have since learned from what is now about 3 years in the field—not long in these matters but something—when the States have set out to enforce the provisions of the Family Support Act about job training or education, overwhelmingly they have found that what was needed was education. Job training was marginal. If you get that education, you will find yourself work.

So we do not in any way oppose the idea that for every right there is a responsibility; that there is not entitlement, sir, that does not carry with it an obligation. We said over and over again in the Family Support Act that society has to help persons who are dependent, and they have to help themselves.

If I may make the point, in thanking the Senators from Wisconsin, both of them, for bringing this up, we are not talking about a marginal matter. We have been developing on the Finance Committee some statistics on this. We claim to have developed the first equivalent of an unemployment rate for dependency. And I might say that it is maybe not generally known that it was only quite recently that we have learned to measure unemployment. The mathematics, the statistical techniques of sampling, just were not there.

If you pick up the Economic Report of the President, which was created by the Employment Act of 1946, you will find that the first unemployment rate comes in 1948. We used to take the unemployment rate 10 years, in the census that we took in the spring of 1930, spring of 1940, and so on. And officially there was no depression, because nothing happened by the spring of 1930 and rearmament was upon us by 1940.

I can now say to Senators and our beloved President pro tempore, we can show that going on one-third of the children born in the United States in 1980 will have been on welfare before they are age 18; going on one-third—30.2 percent. That means they will have been paupers—not a pretty word, but not a pretty condition. The actual historical experience of the cohort born in 1967, 1968, 1969—the Michigan Study of Dynamics we set up under OEO—was that almost one-quarter of those children were, on welfare and of that number, sir, I have to report to the Senate, the rate for black children was 72 percent.

At this moment, when we are thinking of unemployment, which was the classic problem of industrialization, there are twice as many AFDC cases as there are unemployment cases in the United States—twice as many. So we do not in any way resist the thought that this Learnfare matter should be looked at to see what we find, see if it makes sense.

Most of us in this room are parents—most of us with gray hair are parents—and if you have ever really put your mind to telling a 17-year-old what to do, you know you have difficulties that are not always resolved.

The Senator from Wisconsin, who just spoke, very correctly pointed out that the Learnfare at first had no controls. Now, that is a statistical term which means the group to which nothing is done. So you can see what, if anything, are the different experiences of those for which something is done. Medicine does that all the time by giving you placebos. You take this pill, which is no pill; you take the real pill, and then you find out.

My great friend, Fredrick Mosteller, professor of mathematical statistics at Harvard, once said someone told him that they did not have any controls because it was only an experiment. And if you have no controls, you will not know anything. You will not know anything for a decade anyway.

I have said several times on this floor that by the year 2000, we will have some feeling whether the Family Support Act is working. You do not get into this kind of fix over 50 years and get out of it in 5 months. This has all come on us since about the mid-1960's. We have seen welfare benefits for children cut 42 percent. If you had said in 1965, let us cut the amount of food children get by half, people would say you are a monster. But we did it.

We do not have records. The majority leader has just informed me, I inform the Senate, he will be calling up Calendar No. 305, which is a bill to direct the Secretary of Health and Human Services to develop and implement an information gathering system measuring and reporting on welfare dependency. JoAnn Barnhardt and Martin Gerry, as the Senator from Wisconsin observed, have been very cooperative in developing this idea.

Again, the economic report took a long time to have real substance. But the time came when it did. Now we knew something about unemployment.

So I would just say to my friends, when we move to table, as has been done, it is not in an adversarial mode at all. It is, rather, in a way, if I could say, to thank them for bringing this up, and to assure them that we are seeing to the matter; to invite them, if either would like to testify, to open the testimony Monday a week from now. They will be welcomed, and I would hope they might find the opportunity either to come or, if there is a more convenient date, we will make another date available.

A statement would be very welcome. You are onto the issue. The issue of dependency defines our time. It is the defining issue of a postindustrial society.

With that, Mr. President, I see both my colleagues have risen, and I yield the floor.

The PRESIDENT pro tempore. The Senator from Wisconsin Mr. [KASTEN].

Mr. KASTEN. Mr. President, first, I have a parliamentary inquiry. I understand there was a time limit on the debate for this amendment. Are we still within that time limit? Otherwise, I would ask unanimous consent that I proceed——

The PRESIDENT pro tempore. The request of the Senator from Texas was for Tuesday next. It did not put a time limit on today's debate on this amendment.

Mr. KASTEN. I thank the Chair.

I simply want to reply very briefly to the Senator from New York. First of all, I thank the Senator for his statement in saying that, in effect, we want to look at a lot of different ideas, and this is one of the ideas we ought to look at.

I thank him for his openness, and I obviously appreciate his lifelong interest and success in welfare reform and in a lot of the issues that we are associated with, the issues around this amendment.

He is right; we do not at this time have any statistics, but I have important anecdotal evidence which I would like to share.

Mr. MOYNIHAN. Will the Senator yield for one comment? Data is the plural of anecdote.

Mr. KASTEN. From three anecdotes, two in Milwaukee and one in Rock County, let me give the flavor of what is happening in Wisconsin right now with regard to this program.

This is a 17-year-old male in Rock County, a rural area between Milwaukee, WI, and Madison, WI. A 17-year-old male using drugs and alcohol was skipping school. His mother was unaware of his attendance problem until the welfare grant cut under Learnfare.

The mother confronted the 17-year-old son with evidence of nonattendance and learned of the drug-alcohol problem. The mother insisted that the son receive treatment for his chemical dependency and return to school, which ultimately he did. The son raised his test average by 70 percent, plans to graduate with his class this year, and wants to go to college and become an airline pilot.

Learnfare is the catalyst to put this family together to address not only the education problem but also the drug problem, and we have put them altogether. We have him back in school; we also have him in a treatment facility.

Another example: In Milwaukee, a teen parent experienced problems in regular school, with family, said she was "ready to drop out." That individual now attends a Learnfare-funded alternative education program. It is called the Project Second Chance, a spinoff of Learnfare through the Milwaukee Vocational Technical College. She is now an honor student who will graduate this month, plans to pursue nursing or a related medical field through college.

In February 1990, this same individual addressed the seventh annual Special Needs Conference. This Special Needs Conference is sponsored by the Wisconsin Department of Public Instruction. She was guest speaker at this conference, received a standing ovation from an audience of over 200 individuals.

A final example, just one of the three I have: This is a teen parent with two children. This teen parent dropped out of school. She returned after being contacted by a Learnfare case manager in November 1988.

She enrolled in an alternative program called Learning Enterprise, again a spinoff of what we are trying to do here, funded through Learnfare. She has now received her high school equivalency diploma, met with the Governor through the learning experience on Milwaukee Day. This is one more of the anecdotes that are working.

Finally, Mr. President, our Wisconsin program, in addition to being recognized by the Federal Government, is something that is now working. It has been honored by other impartial observers. Learnfare, for example, was a semifinalist in the 1990 Innovations State and Local Government Awards Program. This is a program sponsored by the Ford Foundation and John F. Kennedy School of Government at Harvard University, which recognizes State and local government projects that successfully address some of today's most difficult policy problems.

My point here is, the Senator is right, we do not have all the numbers, but we certainly have some interesting success stories from which we can build, and I look forward to appearing before the Senator's committee with regard to the hearings.

Finally, I ask unanimous consent that a letter endorsing the Nickles-Kasten amendment on the Learnfare way be printed in the RECORD at this point as if read.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE OF WISCONSIN,
Madison, WI, January 23, 1992.

Sen. ROBERT W. KASTEN, Jr.,
Hart Senate Office Building, Washington, DC.

DEAR BOB: I applaud you and Senator Don Nickles for introducing an amendment to remove federal obstacles for states that wish to enact "Learnfare" programs.

I fought hard for Learnfare in Wisconsin because it is good public policy, and because it just makes good sense. One of the most pernicious poverty traps is the lack of an education. Staying in school gives you the skills to escape the welfare rolls, and embark on a productive, independent life. It also gives you a sense of self-respect and accomplishment.

If Learnfare can break the cycle of poverty for one young mother or one welfare family, I think it is a program well worth supporting. I hope your colleagues in the Senate will agree with me.

Best regards,
TOMMY G. THOMPSON,
Governor.

Mr. KASTEN. I thank the Chair.

Mr. MOYNIHAN addressed the Chair.

The PRESIDENT pro tempore. The Senator from New York [Mr. MOYNIHAN].

Mr. MOYNIHAN. Mr. President, may I simply thank the Senator from Wisconsin for the information he just brought to us. Do not disparage the anecdotal. As I said, data is plural of anecdote. He knows how big a problem it is. He knows how difficult it is.

I want to welcome the Senator's statement that he would appear before our committee, the Finance Committee. I only take exception to his one phrase when he spoke of the success which the Senator from New York has had in this area. I have had no success. I have simply studied the subject for 30 years now, stayed with it, and I begin to see other people recognize its importance as well. That is a measure of success. But the problem keeps getting worse. It may be it could be worse yet. But that again we do not have the data on.

I thank the Senator very much. I look forward to hearing from him.

Mr. President, I yield the floor.

Mr. METZENBAUM addressed the Chair.

The PRESIDENT pro tempore. The Senator from Ohio [Mr. METZENBAUM].

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Nickles amendment may be temporarily laid aside in order that I may send an amendment to the desk.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 1483

(Purpose: To discourage States from offering tax incentives that reduce the amount of Federal, State, or local funds available in such State for educational purposes)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 1483.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

In the appropriate place insert the following:

SEC. . STATE EDUCATIONAL FUNDING AND STATE ECONOMIC DEVELOPMENT FUNDING OR STATE INDUSTRIAL DEVELOPMENT GRANTS.

(a) IN GENERAL.—No State shall be eligible to receive Federal funds appropriated and or designated for State economic development purposes or State industrial grants, if such State or political subdivision, or agency or other entity of such State offers, permits or grants a tax incentive, as defined in subsection (b), that relieves a taxpayer from paying any State or local tax which would otherwise be payable for the direct or indirect support of primary and secondary education.

(b) DEFINITION OF TAX INCENTIVE.—For the purpose of subsection (a), the term "tax incentive" means the abatement of tax, the exemption from tax, the deferral of tax, the reduction of tax, the diversion of tax payments and/or the authorization of payments in lieu of taxes which are offered, permitted or granted to a private corporation for profit, a nonprofit community redevelopment corporation, an individual, or any other entity engaged in economic development, for the purpose of promoting new economic development and/or the retention and/or expansion of existing facilities within the State, and which results in a loss of revenue which, but for the abatement of tax, the exemption from tax, the deferral of tax, the reduction of tax, the diversion of tax payments and/or the authorization of payments in lieu of taxes, would be payable for education purposes.

Mr. METZENBAUM. Mr. President, I wish to address myself to an issue that is having a very profound effect on the ability of our public schools to educate young people in America today.

It is a matter that no one seems to want to talk about when we consider the subject of what to do about the crisis in American education.

The issue I am talking about is the growing problem of American companies demanding sizable tax breaks from their communities, tax breaks that cut into funds that pay for local public schools. Local property tax abatement is a growing and serious problem that has pitted nearly every city and every State in vicious competition to attract and retain industry and jobs. Businesses want to pay less, and they know that they have local communities over a barrel.

I do not criticize the businesses for doing that. That is part and parcel of the way it is done today. And the businesses say that if they do not get the tax breaks they want, they threaten to leave town, taking jobs with them.

But the impact upon our American school system when one community competes with another has been horrendous. The loss of school revenue caused by these tax breaks is seriously affecting the ability of local schools to do the job we expect them to do—buy books, hire teachers at decent wages, maintain buildings, educate our children, and transform them into productive citizens.

Very few corporate CEO's or plant managers these days expect to pay the same rate of tax as the local residents of the community. I am frank to say I do not blame them. I do not blame them for seeking to get these additional tax incentives. It becomes part and parcel of the system. As a consequence, the corporate CEO's demand incentive packages that can wind up taking millions of dollars out of local schools.

What is particularly ironic about this is that it is American business leaders who chronically decry the state of American education. In speech after speech, it is our corporate CEO's who state that an educated, literate work force is the key to American competitiveness. They pontificate on the importance of education. They point out their magnanimous corporate contributions to education in one breath, and then they pull the tax base out from under local schools in the next.

Is it their fault? No; I do not really think so. I guess, if I were a corporate executive, I might be doing the very same thing as a matter of responsibility to the corporate shareholders. It is only if we here in Congress do something about it to prevent this competitiveness between various local communities that we are going to be able to bring it to a halt.

I do not believe we can call upon any particular corporate executive not to go forward and seek additional tax advantages, to get tax abatement, but I think that we can do something about the subject here in the U.S. Congress.

Let me tell you the problem. Last week the New York Times reported that New York State and local governments grant as much as $500 million a year in tax breaks to business.

Much of that money comes right out of the schools.

And there is no evidence that tax incentives even create jobs.

There is no evidence that tax incentives are a major factor in attracting businesses to communities in the first place.

I have here a study by two Purdue University professors on the subject of local tax abatement and enterprise zones in Indiana. They found that in 1988, the city of Gary, IN, paid $73,654 in local property tax subsidies for every single job created in its enterprise zone.

South Bend, IN, paid $173,539 for every new job.

That means that each new job, assuming it pays an average of $25,000 a year, which is on the high side—is completely subsidized by the taxpayers of South Bend for nearly 7 years.

That is money directly out of the public school system.

Indianapolis, the city that won the much touted development plum of 1991, the United Airlines maintenance facility.

What did it cost?

It cost $364 million in State and local grants and tax subsidies, including $70 million in tax increment financing bonds, a highly speculative endeavor in which future increases in local property tax revenues are pledged to pay off the bondholders.

Am I criticizing United Airlines for going all over the country to try to get the best deal it could? No. I think their corporate executives were doing probably what they should have been doing for their stockholders. But we must put an end to this competitiveness, as one community competing against another, giving away more and more of the tax dollars needed to operate the community, as well as the public school system. Because in these efforts, it means we are taking more money out of the schools.

And if property values go down the schools lose even more.

In most States, local school boards have no role in negotiating or finalizing tax abatement agreements between businesses and local governments. They are completely cut out of the process. That is not to say that the schools are not concerned. They are.

School boards in Ohio and Texas have gone to court demanding greater say in tax abatement decisions. School boards in Minnesota have demanded and won tighter restrictions on the use of tax increment financing.

Last year, the National School Boards Association commissioned a survey of the Nation's 13,000 school districts to investigate the effects of corporate exemptions on public school finances. Local boards were asked whether they had lost money as a result of tax abatement, and if so, how much over the previous year.

Although the survey is not yet complete, the initial returns are enough to concern any parent who has kids in public school, enough to concern every Member of the U.S. Senate, because the issue is not a particular problem for Ohio, it is not particular problem for Utah, or for Indiana, or for California, or West Virginia; it is a problem that is endemic to the entire Nation.

Danville, IL, reported losing $111,000 in 1990.

Poudre School District in Colorado lost $497,000.

Cedar Rapids, IA, School District lost $500,000.

Plaquemines Parish School Board in Louisiana lost over $1 million.

St. Louis, MO, public schools lost $17 million, 13 percent of its $226 million budget.

Philadelphia lost $24 million.

The list goes on: Las Vegas, NV; Rome, NY; Canton, OH; Trenton, OH; Slippery Rock, PA; Memphis, TN; Dallas, TX; Fort Worth, TX; Beloit, WI; Montgomery, AL; Wichita, KS. All lost money for schools, and so did many others.

Two weeks ago, the New York Times ran a story about the furious competition between Arlington, TX, and Ypsilanti, MI, to keep their General Motors assembly plants.

Arlington officials were completing an incentive package offering GM tax breaks between $7 million and $10 million, most of which would come straight out of the pocket of the local schools.

General Motors is one of the most relentless pursuers of local tax abatement. In an April 21, 1991, article, the Washington Post reported that GM's successful effort to cut by over $1 million its annual taxes in Tarrytown, NY forced the town to lay off dozens of teachers and administrators, eliminated new library books and school supplies, and postponed school repairs.

And as a condition for locating its new Saturn factory in Spring Hill, TN, GM forced the local government to waive all property taxes until 1995.

In fact, GM will not be liable for the full taxable value of the Tennessee Saturn plant until the year 2025. By that time, the plant will be obsolete.

Corporations in my own city of Cleveland, I am sorry to say, have depleted the school system of more than $100 million in tax revenues, according to the president of the school board.

Last year, the Cleveland Society Center, a new downtown hotel and office building was given a 100-percent property tax exemption, which cost the Cleveland schools $4.8 million. I am pleased to have that new hotel and office building in downtown Cleveland, but I do not believe that it ought to be built at the expense of the kids who go to school in the city of Cleveland.

Again, I want to repeat that I do not point my finger at the developers and say you should not have done this. It is perfectly appropriate for them to do it, as long as it is permitted under the law, and it is probably part of their corporate responsibility to do it. Whatever we might want to call it for the corporate executives, the only way we can put a stop to it is by the amendment I have submitted on the floor of the Senate.

The Florida State Department of Revenue estimates businesses in that State received tax concessions amounting to $500 million last year, while the State's business contributed little more than $32 million to public education.

That is the issue, Mr. President.

For all our hand-wringing about what is wrong with American education.

For all the billion-dollar programs we come up with.

For all the platitudes coming out of corporate America about contributing to the education of America's youngsters.

The issue is—businesses are contributing to the problem, not helping to solve it. They are not to blame; we are to blame, if we do not do something about it. They are taking out essential revenues needed to educate our kids—and they are calling it economic development.

I believe it is time corporate America came to grips with what it is doing here.

Sure, businesses face intense pressures in competing, but they will not be able to compete in future years, unless the children of America are educated. And you cannot educate the children of America by cutting down on the dollars available to pay for the teachers and the school books, buildings and janitors and all of the other things that are needed in a school system.

Sure, they have the option of taking jobs overseas where labor is cheaper and taxes are lower.

But what about their rhetoric about education, what about their commitment to the community?

Have the 1990's completely absolved business from any moral commitment to the community whatsoever?

It is an endless circle, Mr. President. Businesses criticize the job our schools are doing, and then proceed to nail down every tax break they can get, further eroding the schools' ability to do the job. They will continue to do it, unless we put a halt to it here in the Congress of the United States. I do not say this in a negative pejorative way. I say it because I think it is good for America, and I think that the business community would accept it as being good for America, but recognizing that if they can get those breaks, of course they are going to try to get them.

I say that it is time for us here in Congress to have impact on this issue. This is a fine educational bill that we have before us. We can make it a better educational bill. We can help to solve the problems of our schools by enacting this amendment.

I believe the only effective way to end the competition is for the Federal Government to simply prohibit all communities from giving tax breaks that reduce the amount of revenue available for schools. If nobody can do it, then nobody is at a competitive advantage nor competitive disadvantage.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I ask unanimous consent that the current amendment be temporarily set aside and that I be permitted to propose another amendment.

The PRESIDENT pro tempore. There is a question in the Chair's mind as to whether or not it was the intent of Senators to set aside the Kasten amendment and the Nickles amendment until Tuesday next. The Chair would interpret the intent being the order that was entered at the request of the Senator from Texas carried with it the Kasten amendment. Technically, once it is temporarily laid aside—

Mr. NUNN. I will restate the unanimous consent request.

The PRESIDENT pro tempore. It is not the Senator's fault. I am trying to clarify the RECORD.

The intent, as the Chair interprets it, is that I think all Senators had in mind that the Kasten amendment would likewise go over until next Tuesday. Technically, if that is not the case, would the Senator from Georgia yield the Senator from Ohio so that he might clarify this question so that there is no longer floating around here the idea that the Kasten amendment and the Nickles amendment are still before the Senate but they are just temporarily laid aside?

Mr. NUNN. I say to the Chair, and my friend from Ohio, I could restate the unanimous-consent request and perhaps that will clarify it.

Mr. President, I ask unanimous consent that the Nickles amendment be laid aside until 2:15 p.m. on Tuesday, January 28, and the Metzenbaum amendment be laid aside until recalled by Senator METZENBAUM.

The PRESIDENT pro tempore. The problem with the request, if the Senators will indulge the Chair, it makes no mention of the Kasten amendment. The Kasten amendment in the second degree is still pending. Of course if the motion is made to table the Nickles amendment on Tuesday next it would carry with it the Kasten amendment. But technically the Kasten amendment has not been included in any of the requests that have been made.

Mr. NUNN. If the Chair will permit, I will rephrase the unanimous-consent request.

The PRESIDENT pro tempore. The Chair thanks the Senator from Georgia.

Mr. NUNN. Mr. President, I ask unanimous consent that the Nickles amendment and the Kasten amendment be laid aside until 2:15 p.m. on Tuesday, January 28, and that the Metzenbaum amendment be laid aside until recalled by Senator METZENBAUM.

The PRESIDENT pro tempore. Is there objection? The Chair hears no objection, and it is so ordered, and the Chair again thanks the Senator from Georgia.

AMENDMENT NO. 1484

Mr. NUNN. Mr. President, in just a moment I will send an amendment to the desk, but I will go ahead and explain the amendment so that Senator BREAUX, who is one of the primary coauthors of the amendment and will shortly be on the floor, will also address the amendment when he comes to the floor. I will send it to the desk on behalf of the two of us and on behalf of Senator PRYOR, Senator BOREN, and Senator LIEBERMAN.

This amendment we are offering today establishes a national youth apprenticeship demonstration program. I introduced this proposal as a separate bill along with other Senators and that bill is designated S. 2059 during the last session.

There was counterpart and is counterpart legislation offered in the House by Congressman DAVE MCCURDY of Oklahoma.

We offer this amendment for a very simple reason. I do not believe we can talk meaningfully about educational reform in our country without recognizing the deficiencies in the preparation of those young people who do not go to college—non-college-bound youth—for the skills that they must have if they are going to successfully contribute to the workplace.

This amendment will establish a 5-year youth apprenticeship demonstration program and a public/private Institute for Youth Apprenticeships to oversee the demonstration program and make recommendations on how our Nation can best create a permanent and national system of apprenticeships. I believe this is the kind of contribution to educational innovation that the Federal Government is in the best position to make: seed money to investigate ideas that we know have great potential merit but which need to be tested under real-life circumstances around the country.

The case for a special effort in skills training in America is made every day by statistics which vividly show that we are not keeping up in America with the ever changing demands of the workplace. The General Accounting Office has estimated that 9 million of the Nation's 33 million youth aged 16 to 24 will not have the needed skills to meet employer requirements for entry-level positions. It is no wonder the businesses of America are spending an estimated $30 billion a year to provide basic skill training to American workers, and I do not think it is sufficient.

Our task will not get any easier in the future, when even more skills will be necessary in the American workforce. A task force of the Center for Strategic and International Studies found that the percentage of our jobs considered unskilled is steadily shrinking, from 60 percent in 1960, which were unskilled jobs, to 35 percent in 1990, to an estimated 15 percent in the year 2000. In other words, by the year 2000, 85 percent of the jobs in America are estimated to be skilled jobs. If we do not begin to catch up in skills training right now, we may find ourselves and our economy hopelessly off target in the near future.

Apprenticeships would supply supervised work experience during high school promoting not only desirable work habits but specific job-based skills that can be certified just like any other educational proficiency level. As many Senators know, youth apprenticeships have already proven themselves to be successful really for many years in Europe, going back centuries in some countries in Europe, including Germany, England, Sweden, and also in Japan.

I do not suggest that we duplicate any other country's program. Instead, we in America should adopt a principle of comprehensive, work-based, competency-tested skills learning programs to our own culture, our own economy, and our own educational system. The demonstration programs offered in this amendment provide the best available means of making that adaptation.

Each program will establish a partnership between secondary and postsecondary schools and the businesses and employers of America. In the 10th grade, students will sign contracts with employers to begin apprenticeship programs in the 11th grade. These programs will last for 3 years—culminating 1 year after graduation from high school. In the first 2 years of the 3-year program, high school courses will be combined with training at work sites. The program is structured so that students gradually increase the time spent at work sites from 30 percent in the 11th grade to 50 percent in the 12th grade. In the third year, youth apprentices will supplement on-the-job training with academic courses at technical institutes or community colleges. Students will receive a high school diploma at the end of high school and a certificate upon completing apprenticeship training in recognition of their competency in the field in which they received their training.

The programs will be established, supervised, and evaluated by an Institute for Youth Apprenticeship. This is a new entity, or will be a new entity if this legislation becomes law, with a board of 21 directors representing education, business, labor, and civic leaders, and a one-time Federal funding authorization of $50 million.

The Institute's board will work with the various demonstration program site partnerships to ensure that students have the requisite basic skills to enter into the apprenticeship program. The Institute will also develop competency standards for apprenticeships and for trainers in specific occupational fields. The local business, education, and labor partnerships formed to create the apprenticeships will be responsible for local program and curriculum development and also responsible for quality assurance of the training programs.

This amendment does not contemplate creation of a new Federal program supplementing existing skills training efforts—indeed, clear language has been included to preclude any duplication of effort. We aim, instead, at a basic reorientation of those efforts to tighten the links between the world of learning and the world of work for the forgotten half of American youth who do not go to college.

Mr. President, our current economic situation makes an immediate push for apprenticeships especially timely. No tax cut—no investment incentive—no spending stimulus can do nearly as much for working Americans as giving them the skills they need to increase their own incomes and to increase the productivity and competitiveness of our overall economy.

Youth apprenticeships represent an innovation that can simultaneously upgrade our educational system and our competitive position in the global economy. If we are serious about educational reform and economic recovery, I urge that we take this first important step toward youth apprenticeships.

Mr. President, I know the Senator from Massachusetts is very interested in this subject. I know he has looked at many different proposals. It is my understanding that he plans to have a comprehensive set of hearings on this bill and other legislation in the near future. It is my hope that that is the case, and it is my hope that we will be able to pass this legislation either as an amendment to this bill or at some very early date.

AMENDMENT NO. 1484

(Purpose: To establish youth apprenticeship demonstration programs)

Mr. NUNN. Mr. President, I send the amendment to the desk on behalf of myself, Senator BREAUX, Senator PRYOR, Senator BOREN, and Senator LIEBERMAN and ask that it be reported.

The PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for himself, Mr. BREAUX, Mr. PRYOR, Mr. BOREN, and Mr. LIEBERMAN, proposes an amendment numbered 1484.

Mr. NUNN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 2 of the Committee amendment, in the table of contents, strike the items relating to title III of the amendment and insert the following:

TITLE III—YOUTH APPRENTICESHIP

Sec. 301. Short title.
Sec. 302. Findings and purpose.
Sec. 303. Definitions.
Sec. 304. Institute for youth apprenticeship.
Sec. 305. Establishment of youth apprenticeship demonstration programs.
Sec. 306. Contracts.
Sec. 307. Youth apprenticeship demonstration program requirements.
Sec. 308. Coordination.
Sec. 309. Nondiscrimination.
Sec. 310. Notice, hearing, and grievance procedures.
Sec. 311. Nonduplication and nondisplacement.
Sec. 312. Evaluation.
Sec. 313. Executive Schedule.
Sec. 314. Authorization of appropriations.
Sec. 315. Termination and repeal.

TITLE IV—DEFINITIONS

Sec. 401. Definitions.

In title III of the Committee amendment, strike the title heading and all that follows through "sec. 301. definitions." and insert the following:

TITLE III—YOUTH APPRENTICESHIP

SEC. 301. SHORT TITLE.

This title may be cited as the "Youth Apprenticeship Act of 1992".

SEC. 302. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) many foreign countries, including Germany, Japan, Denmark, and Sweden, have national policies that—

(A) are aimed at effective employment preparation of youth who do not seek a college education; and

(B) include programs that provide occupational guidance to students and combine schooling with work experience;

(2) in Germany, almost all eligible students apply for vocational training, which substantially reduces the risk of unemployment for young people, and German firms spend $18,000,000,000 annually on vocational training;

(3) United States international competitiveness is being eroded because a substantial increase is occurring in jobs requiring greater skills and youth are unprepared to meet the new labor market demands;

(4) partly as a result of inadequate skills in the work force, the productivity growth of

the United States has slowed dramatically over the past 10 years, with the country taking almost 3 years to achieve the same productivity improvement previously achieved in 1 year;

(5) while the United States still leads the world in productivity, the rate of productivity improvement is increasing much faster among competing nations;

(6) the economic position of United States high school graduates who do not seek a college education is deteriorating, with real earnings of the graduates declining by 28 percent from 1973 to 1986;

(7) about 9,000,000 of the 33,000,000 United States youth age 16 to 24, or 27 percent of the youth, lack the necessary skills to meet employer requirements for entry level positions;

(8) in the United States, apprenticeship training programs are providing valuable training services to—

(A) 300,000 apprentices enrolled in more than 40,000 federally registered programs; and

(B) 100,000 apprentices participating in nonregistered programs;

(9) attempts to expand apprenticeship training in the United States have been unsuccessful and the percentage of the civilian United States work force enrolled in federally registered apprenticeship programs fell from an already low .3 percent in 1970 to only .16 percent in 1987;

(10) federally registered apprenticeship training programs do not provide assistance to the average high school graduate, as evidenced by the fact that—

(A) fewer than 2 percent of United States high school graduates enter into youth apprenticeship training programs; and

(B) the median age of United States apprentices is 25;

(11) currently, there are at most approximately 3,500 United States high school students participating in school-to-work apprenticeship programs; and

(12) school-to-work apprenticeship programs can—

(A) allow students to become registered apprentices as the students complete high school;

(B) produce positive outcomes for the students, schools, and employers; and

(C) provide supervised work experience for the students during high school, promoting desirable work habits and developing knowledge and skills for the working world.

(b) PURPOSE.—The purpose of this title is to develop and evaluate a range of youth apprenticeship programs that will—

(1) establish partnerships between secondary and postsecondary schools, employers, labor organizations, and community and civic leaders to bridge the growing gap in skills, income, and opportunity between college bound and noncollege bound youth;

(2) offer young people a better chance to gain marketable skills and incentives to remain in school and achieve better grades;

(3) establish a systematic transition for students from school to work by combining work experience for youth with a work-related curriculum;

(4) identify and develop competency standards for youth apprentices;

(5) instill a sense of pride, self-esteem, and purpose in youth apprentices;

(6) contribute to the public policy debate on youth apprenticeship programs; and

(7) test a range of approaches to youth apprenticeship programs.

SEC. 303. DEFINITIONS.

As used in this title:

(1) BOARD.—The term "Board" means the Board of Directors of the Institute.

(2) DISADVANTAGED YOUTH.—The term "disadvantaged youth"—

(A) means an individual (other than an individual with a handicap) who—

(i)(I) is a economically disadvantaged individual; or

(II) has academic disadvantages; and

(ii) requires special services and assistance in order to succeed in an apprenticeship training program; and

(B) includes—

(i) an individual who is a member of an economically disadvantaged family;

(ii) a migrant;

(iii) an individual with limited-English proficiency; and

(iv) an individual who is identified as a potential dropout from a secondary school.

(3) ECONOMICALLY DISADVANTAGED FAMILY; ECONOMICALLY DISADVANTAGED INDIVIDUAL.—The terms "economically disadvantaged family" and "economically disadvantaged individual" mean a family and an individual, respectively, that the Institute, or a partnership participating in a youth apprenticeship demonstration program, determines to be low-income, according to the latest available data from the Department of Commerce.

(4) INSTITUTE.—The term "Institute" means the Institute for Youth Apprenticeship, established in section 304.

(5) PARTNERSHIP.—The term "partnership" means a coalition of secondary and postsecondary schools, employers, labor organizations, and community and civic leaders, formed for the purpose of operating a youth apprenticeship demonstration program.

(6) POSTSECONDARY SCHOOL.—The term "postsecondary school" means a community college, junior college, technical institute, or area vocational school.

(7) POSTSECONDARY SCHOOL DEMONSTRATION PROGRAM.—The term "postsecondary school demonstration program" means a demonstration program described in section 306(b)(3).

(8) SECONDARY SCHOOL DEMONSTRATION PROGRAM.—The term "secondary school demonstration program" means a demonstration program described in section 306(b)(2).

(9) YOUTH APPRENTICESHIP DEMONSTRATION PROGRAM.—The term "youth apprenticeship demonstration program" means a demonstration program described in paragraph (2) or (3) of section 306(b).

SEC. 304. INSTITUTE FOR YOUTH APPRENTICESHIP.

(a) ESTABLISHMENT.—There is established an Institute for Youth Apprenticeship that shall administer the programs established under this title. The Institute shall be an independent establishment, as defined in section 104 of title 5, United States Code.

(b) COMPOSITION OF BOARD OF DIRECTORS.—The Institute shall be administered by a Board of Directors. The Board shall be composed of 21 members, including—

(1) a Chairperson, appointed by the President with the advice and consent of the Senate;

(2) the Administrator of the Office of Work-Based Learning of the Department of Labor;

(3) the Director of the Division of Vocational and Technical Education of the Department of Education; and

(4) 18 members, appointed by the President—

(A) who shall include—

(i) nine individuals from among individuals nominated by the Speaker of the House of Representatives; and

(ii) nine individuals from among individuals nominated on the joint recommendation of the Majority Leader of the Senate and the Minority Leader of the Senate; and

(B) of whom—

(i)(I) six individuals shall be representatives of the education community;

(II) six individuals shall be representatives of labor and worker groups; and

(III) six individuals shall be representatives of the business community; and

(ii) individuals within each of the groups described in subclauses (I), (II), and (III) of clause (i) shall represent the national, State, and local community levels.

(c) TERM.—Each appointed member of the Board shall be appointed for a term of 5 years.

(d) VACANCIES.—Vacancies in the membership of the Board shall be filled in the same manner as the original appointment. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

(e) FEDERAL EMPLOYMENT.—

(1) MEMBERS.—Members of the Board appointed under subsection (b)(4) shall not be employees or officers under section 2104 or 2105 of title 5, United States Code.

(2) CHAIRPERSON.—The Chairperson of the Board shall be an officer under section 2104 of title 5, United States Code.

(f) SUIT.—Members of the Board shall be immune from suit and legal process relating to acts performed by the members in their capacity, and within the scope of their functions, as members of the Board.

(g) COMPENSATION AND REIMBURSEMENT OF EXPENSES.—

(1) UNCOMPENSATED SERVICE.—Members of the Board who are not employees of the Federal Government shall not be compensated for the performance of duties for the Board.

(2) TRAVEL EXPENSES.—Each member of the Board shall receive travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(h) QUORUM.—A quorum shall consist of 14 members of the Board, except that 9 members may conduct a hearing.

(i) MEETINGS.—The Board shall meet at the call of the Chairperson or a majority of the members of the Board.

(j) EXECUTIVE DIRECTOR.—The Chairperson, in consultation with the Board, shall appoint an Executive Director for the Institute.

(k) STAFF.—

(1) APPOINTMENT AND COMPENSATION.—The Executive Director of the Institute may appoint and determine the compensation of such staff as the Board determines to be necessary to carry out the duties of the Institute.

(2) LIMITATIONS.—The rate of compensation for each staff member appointed under paragraph (1) shall not exceed the daily equivalent of the rate for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day the staff member is engaged in the performance of duties for the Institute. The Executive Director of the Institute may otherwise appoint and determine the compensation of staff without regard to the provisions of title 5, United States Code, that govern appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, that relate to classification and General Schedule pay rates.

(l) EXPERTS AND CONSULTANTS.—The Executive Director of the Institute may obtain the services of experts and consultants and compensate such experts and consultants in accordance with section 3109(b) of title 5, United States Code, as the Board determines to be necessary to carry out the duties of the Institute.

(m) DETAIL OF FEDERAL EMPLOYEES.—On the request of the Board, the Secretary of Labor and the Secretary of Education shall detail, without reimbursement, any of the personnel of the Department of Labor and the Department of Education to the Institute as the Board determines to be necessary to carry out the duties of the Institute. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(n) TECHNICAL ASSISTANCE.—On the request of the Board, the Secretary of Labor, the Secretary of Education, and the heads of other pertinent Federal agencies shall provide, without reimbursement, such technical assistance and administrative support services to the Institute as the Board determines to be necessary to carry out the duties of the Institute.

(o) OBTAINING INFORMATION.—The Executive Director of the Institute may secure directly from any Federal agency information necessary to enable the Institute to carry out the duties of the Institute, if the information may be disclosed under section 552 of title 5, United States Code. Subject to the previous sentence, on the request of the Executive Director of the Institute, the head of the agency shall furnish the information to the Institute.

(p) GIFTS AND PRIVATE CONTRIBUTIONS.—The Executive Director of the Institute may accept on behalf of the Institute gifts or contributions from private sources for the benefit of the Institute or to carry out any of the functions of the Institute. No gift or contribution shall be accepted if the gift or contribution is conditioned on any expenditure of funds by the Institute.

(q) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, the Chairperson of the Board may accept for the Board voluntary services provided by a member of the Board.

SEC. 305. ESTABLISHMENT OF YOUTH APPRENTICESHIP DEMONSTRATION PROGRAMS.

After consultation with the Board, the Chairperson of the Board shall establish guidelines, criteria, and procedures for youth apprenticeship demonstration programs, including—

(1) developing recommended guidelines for an appropriate curriculum for each occupational field within the programs, including postsecondary courses to enable apprentices to supplement training after completion of the programs;

(2) establishing site criteria to be used in the selection of partnerships to develop and evaluate youth apprenticeship demonstration programs, including requirements that the programs be established in rural and urban areas in all regions of the country;

(3) establishing criteria for apprenticeship occupations, including requirements that demand exist for skill training in the occupations and that the occupations offer a career ladder for apprentices;

(4) establishing competency criteria for apprenticeships and trainers in specific occupational fields; and

(5) establishing certification procedures for apprentices and trainers.

SEC. 306. CONTRACTS.

(a) ESTABLISHMENT.—Not later than 12 months after the date of enactment of this title, the Executive Director of the Institute shall, to the extent appropriations are available, enter into contracts with eligible partnerships, to pay for the Federal share of developing and evaluating youth apprenticeship demonstration programs, in accordance with the requirements specified in section 307.

(b) CONTRACTS.—

(1) IN GENERAL.—The Board shall enter into contracts under this section with eligible partnerships that propose youth apprenticeship demonstration programs consistent with the criteria and procedures established under section 305.

(2) SECONDARY SCHOOL DEMONSTRATION PROGRAMS.—

(A) IN GENERAL.—The Board shall enter into contracts with eligible partnerships to establish demonstration programs at the secondary school level.

(B) WAGE INCENTIVE DEMONSTRATION PROGRAM.—The Board shall enter into a contract with an eligible partnership to establish at least one demonstration program in which the Institute shall pay for 50 percent of the cost of the apprenticeship wage.

(C) DISADVANTAGED YOUTH DEMONSTRATION PROGRAM.—The Board shall enter into a contract with an eligible partnership to establish at least one demonstration program that shall train disadvantaged youth.

(3) POSTSECONDARY SCHOOL DEMONSTRATION PROGRAMS.—The Board may enter into contracts with two eligible partnerships to establish demonstration programs that solely involve students at the postsecondary school level.

(4) AWARDS.—The Board shall enter into contracts under this section on a majority vote of the Board.

(c) APPLICATION.—To be eligible to enter into a contract under this section, a partnership shall submit an application to the Executive Director of the Institute at such time, in such manner, and containing such information as the Executive Director may require. At a minimum, the application shall include—

(1) a description of the youth apprenticeship demonstration program proposed to be conducted by the partnership, including sufficient information to enable the Executive Director to determine whether the proposal of the partnership is consistent with the criteria and procedures specified in section 305;

(2) an assessment of the future work force needs of each area in which a youth apprenticeship demonstration program will be established and the manner in which the program will help provide skilled workers to meet the needs;

(3) a description of the activities to be offered through the youth apprenticeship demonstration program to students in the seventh grade or older;

(4) a description of the manner in which each school, employer, or other representative of a partnership shall participate in the partnership;

(5) a description of the manner in which the program will be administered by schools participating in the youth apprenticeship demonstration program, including the support and counseling staff available to students pursuing apprenticeships, which staff at a minimum shall include one full-time vocational counselor;

(6) a description of the manner in which inservice training for teachers will be provided and the manner in which such training will—

(A) be designed to train teachers to effectively implement apprenticeship training curricula;

(B) provide for joint training for all the teachers in the partnership; and

(C) provide for the training in weekend, evening, and summer sessions, institutes, or workshops;

(7) a description of the manner in which training programs will be provided for counselors and the manner in which such training will be designed to enable counselors to more effectively—

(A) recruit students for apprenticeship training programs;

(B) ensure that such students successfully complete high school and the apprenticeship training program; and

(C) assist such students in finding appropriate employment;

(8) a description of courses to be offered to students considering or participating in the apprenticeship program;

(9) a description of the work processes to which apprentices will be exposed;

(10) a description of the manner in which apprentices shall be selected;

(11) a description of the academic and technical skill levels to be achieved by apprentices on completion of the program;

(12) a description of the apprenticeship wage and employee benefits offered;

(13) an estimate of the amount of time to be spent by apprentices at the workplace during the school day;

(14) a plan for monitoring and evaluating apprentices and the youth apprenticeship demonstration program within each partnership; and

(15) an assurance that the partnership will comply with the matching requirement specified in subsection (d).

(d) MATCHING REQUIREMENT.—

(1) FEDERAL SHARE.—The Federal share of the costs of developing and evaluating youth apprenticeship demonstration programs shall be not more than 50 percent.

(2) NON-FEDERAL SHARE.—The non-Federal share of the costs may be in cash or in kind, fairly evaluated, including plant, equipment, and services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal share.

SEC. 307. YOUTH APPRENTICESHIP DEMONSTRATION PROGRAM REQUIREMENTS.

(a) RESPONSIBILITIES.—Each partnership that participates in a youth apprenticeship demonstration program shall be responsible for—

(1) program and curriculum development;

(2) coordination and quality assurances; and

(3) provision of information to the Institute for the assessment and evaluation of apprentices and training programs.

(b) SECONDARY SCHOOL DEMONSTRATION PROGRAMS.—

(1) IN GENERAL.—The partnerships participating in secondary school demonstration programs shall provide apprenticeship training to students as appropriate for the grade level of the students.

(2) SEVENTH THROUGH TENTH GRADE STUDENTS.—The partnerships shall provide students in the seventh through tenth grades with an opportunity to learn about possible occupations through secondary school courses, site visits, job sampling, and employer visits to secondary schools. The partnerships shall also provide information about the youth apprenticeship demonstration program to the parents of students in the seventh through tenth grades.

(3) TENTH GRADE STUDENTS.—The partnerships shall provide students in the tenth

grade with an opportunity to apply and interview for apprenticeships. Apprentices who successfully complete the tenth grade, pass a basic skills test, and successfully interview with employers may sign agreements with employers at the end of the academic year.

(4) ELEVENTH AND TWELFTH GRADE STUDENTS.—The partnerships shall provide training at work sites for students in the eleventh and twelfth grades, in combination with secondary school courses. The partnerships shall structure the training and educational requirements of students—

(A) so that students gradually increase the time spent at work sites from 30 percent in eleventh grade to 50 percent in the twelfth grade, depending on the structure of the program; and

(B) in such a manner as to allow the students to graduate and receive a high school diploma with other members of their class.

(5) SECONDARY SCHOOL GRADUATES.—The partnerships shall structure the training and educational requirements of secondary school graduates so that students spend 75 to 80 percent of program time at work sites and draw on postsecondary schools for supplementary theory and skill courses. The youth apprenticeship demonstration programs shall allow students in technical fields to take basic skills courses and apply them toward an associate degree.

(c) POSTSECONDARY SCHOOL DEMONSTRATION PROGRAMS.—Partnerships participating in postsecondary school demonstration programs shall provide on-the-job training to students to supplement academic courses taught in postsecondary schools.

(d) PAYMENT.—

(1) SECONDARY SCHOOL DEMONSTRATION PROGRAMS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), employers participating in secondary school demonstration programs shall pay for 100 percent of the cost of wages to apprentices.

(B) SUBSIDIZED WAGE.—Employers participating in demonstration programs described in section 306(b)(2)(B) shall pay for 50 percent of the cost of the apprenticeship wage.

(2) POSTSECONDARY SCHOOL DEMONSTRATION PROGRAMS.—

(A) WAGES.—Employers participating in postsecondary school demonstration programs shall pay for 100 percent of the cost of the apprenticeship wage to apprentices.

(B) SCHOOL COSTS.—Individual students shall pay for the cost of taking continuing basic skills courses from a postsecondary school.

(3) AMOUNT.—Apprentices participating in the secondary and postsecondary school demonstration programs shall receive, at a minimum, an apprenticeship wage equal to the wage rate described in section 306(a)(2) of the Fair Labor Standards Amendments of 1989 (29 U.S.C. 206 note).

(e) TRAINING.—Employers participating in the postsecondary school demonstration programs shall pay for the cost of on-the-job training.

(f) EMPLOYMENT.—The Institute shall encourage, but not require, employers participating in youth apprenticeship demonstration programs to place, or assist in placing, the apprentices in employment positions similar to the positions in which the apprentices received training.

(g) OTHER EMPLOYER CONTRIBUTIONS.—Apprentices participating in youth apprenticeship demonstration programs shall—

(1) be covered by all applicable Federal and State laws regarding occupational health and safety; and

(2) receive the same employment benefits as full-time employees, commensurate with the length of service of the apprentices to the employer.

SEC. 308. COORDINATION.

The Institute shall—

(1) consult with the Office of Work-Based Learning of the Department of Labor and with the Division of Vocational and Technical Education of the Department of Education;

(2) provide technical assistance to partnerships participating in youth apprenticeship demonstration programs to assist the partnerships with strategic planning, curriculum planning, and coordination;

(3) operate an apprenticeship clearinghouse for the partnerships;

(4) disseminate model programs and practices to the partnerships;

(5) gather input from all sources regarding the labor mobility of apprentices; and

(6) comply with evaluation and report requirements specified in section 312.

SEC. 309. NONDISCRIMINATION.

(a) IN GENERAL.—Any assistance provided under this title shall constitute Federal financial assistance for purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), and the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.).

(b) NONDISCRIMINATION.—

(1) IN GENERAL.—Any individual with responsibility for the administration of a youth apprenticeship demonstration program that receives assistance under this title shall not discriminate in the selection of participants to the demonstration program on the basis of race, religion, color, national origin, sex, age, disability, or political affiliation.

(2) EXCEPTION.—This subsection shall not apply to an employer or educational institution that is controlled by a religious organization, if any, if the application of this subsection would not be consistent with the religious tenets of the organization.

(c) RULES AND REGULATIONS.—The Chairperson of the Board shall promulgate rules and regulations to provide for the enforcement of this section, including provisions for summary suspension of assistance for not more than 30 days, on an emergency basis, until notice and an opportunity to be heard can be provided.

(d) RIGHT OF ACTION.—Notwithstanding any other provision of law, the Attorney General of the United States may file an action under this section in the appropriate district court of the United States against any organization or partnership under this title that violates this subsection.

SEC. 310. NOTICE, HEARING, AND GRIEVANCE PROCEDURES.

(a) IN GENERAL.—

(1) SUSPENSION OF PAYMENTS.—The Chairperson of the Board may in accordance with the provisions of this title, suspend or terminate payments under a contract providing assistance under this title whenever the Chairperson determines there is a material failure to comply with this title or the applicable terms and conditions of any contract entered into under this title.

(2) PROCEDURES TO ENSURE ASSISTANCE.—The Chairperson of the Board shall prescribe procedures to ensure that—

(A) assistance provided under this title shall only be suspended for not more than 30 days for failure to comply with the applicable terms and conditions of this title and only in emergency situations; and

(B) assistance provided under this title shall not be terminated for failure to comply with applicable terms and conditions of this title unless the recipient of such assistance has been afforded reasonable notice and opportunity for a full and fair hearing.

(b) HEARINGS.—Hearings or other meetings that may be necessary to fulfill the requirements of this section shall be held at locations convenient to the recipient of assistance under this title.

(c) TRANSCRIPT OR RECORDING.—A transcript or recording shall be made of a hearing conducted under this section and shall be available for inspection by any individual.

(d) STATE LEGISLATION.—Nothing in this title shall be construed to preclude the enactment of State legislation providing for the implementation, consistent with this title, of the programs administered under this title.

(e) GRIEVANCE PROCEDURE.—

(1) IN GENERAL.—State and local applicants that receive assistance under this title shall establish and maintain a procedure to adjudicate grievances from participants, labor organizations, and other interested individuals concerning programs that receive assistance under this title, including grievances regarding proposed placements of the participants in the projects.

(2) DEADLINE FOR GRIEVANCES.—Except for a grievance that alleges fraud or criminal activity, a grievance shall be made not later than 1 year after the date of the alleged occurrence.

(3) DEADLINE FOR HEARING AND DECISION.—

(A) HEARING.—A hearing on any grievance conducted under this subsection shall be conducted not later than 30 days after the filing of the grievance.

(B) DECISION.—A decision on any grievance shall be made not later than 60 days after the filing of the grievance.

(4) ARBITRATION.—

(A) IN GENERAL.—On the occurrence of an adverse grievance decision, or 60 days after the filing of the grievance if no decision has been reached, the party filing the grievance shall be permitted to submit the grievance to binding arbitration before a qualified arbitrator who is jointly selected and independent of the interested parties.

(B) DEADLINE FOR PROCEEDING.—An arbitration proceeding shall be held not later than 45 days after the request for the arbitration.

(C) DEADLINE FOR DECISION.—A decision concerning a grievance under this paragraph shall be made not later than 30 days after the date of the beginning of the arbitration proceeding concerning such grievance.

(D) COST.—The cost of an arbitration proceeding shall be divided evenly between the parties to the arbitration.

(5) PROPOSED PLACEMENT.—If a grievance is filed regarding a proposed placement of a participant in a program that receives assistance under this title, the placement shall not be made unless it is consistent with the resolution of the grievance pursuant to this subsection.

(6) REMEDIES.—Remedies for a grievance filed under this subsection shall include—

(A) suspension of payments for assistance under this title;

(B) termination of payments; and

(C) prohibition of the placement described in paragraph (5).

SEC. 311. NONDUPLICATION AND NONDISPLACEMENT.

(a) NONDUPLICATION.—

(1) IN GENERAL.—Assistance provided under this title shall be used only for a program that does not duplicate, and is in addition to,

an apprenticeship program operating in the locality.

(2) PRIVATE NONPROFIT ENTITY.—Assistance made available under this title shall not be provided to a private nonprofit entity to conduct activities that are the same or substantially equivalent to activities provided by the State or local government agency in the locality that the entity resides in, unless the requirements of subsection (b) are met.

(b) NONDISPLACEMENT.—

(1) IN GENERAL.—An employer shall not displace an employee or position, including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by such employer of a participant in a program receiving assistance under this title.

(2) SERVICE OPPORTUNITY.—An employer shall not create a service opportunity under this title that will infringe in any manner on the promotional opportunity of an employed individual.

(3) LIMITATION OF SERVICES.—

(A) DUPLICATION OF SERVICES.—A participant in a program receiving assistance under this title shall not perform any services or duties or engage in activities that would otherwise be performed by an employee as part of the assigned duties of the employee.

(B) SUPPLANTATION OF HIRING.—A participant in any program receiving assistance under this title shall not perform any services or duties or engage in activities that will supplant the hiring of full-time workers.

(C) DUTIES FORMERLY PERFORMED BY ANOTHER EMPLOYEE.—A participant in any program receiving assistance under this title shall not perform services or duties that have been performed by or were assigned to any—

(i) presently employed worker;

(ii) employee who recently resigned or was discharged;

(iii) employee who is subject to a reduction in force;

(iv) employee who is on leave (terminal, temporary, vacation, emergency, or sick); or

(v) employee who is on strike or who is involved in a lockout.

SEC. 312. EVALUATION.

(a) EVALUATION BY THE INSTITUTE.—

(1) FINAL EVALUATION.—

(A) EVALUATION.—The Institute shall conduct an evaluation of all youth apprenticeship demonstration programs to determine the effectiveness of apprenticeship training and the most effective youth apprenticeship program structures for a nationwide youth apprenticeship program. The evaluation shall include an analysis of—

(i) the ability of the programs to prepare workers, particularly minorities and women, for the technical workplace;

(ii) the ability of such programs to increase the overall competency of the work force in the United States;

(iii) the level of academic and technical skills acquired by an apprentice in the programs;

(iv) the potential labor mobility of apprentices;

(v) the effectiveness of combining on-the-job training with classroom instruction;

(vi) the ability of the programs to encourage students to complete secondary school;

(vii) the ability of the programs to establish a more definite transition from secondary or postsecondary school to work;

(viii) the value of apprentices and the effectiveness of the program according to business; and

(ix) the direct and indirect costs and benefits of the demonstration program to the company and the individual student.

(B) REPORT.—The Institute shall prepare and submit a report to the President, the Secretary of Labor, the Secretary of Education, the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives, containing the evaluation described in subparagraph (A), and recommendations for legislative reform. The Institute shall submit the report not later than 9 months after the conclusion of the youth apprenticeship demonstration programs.

(2) INTERIM EVALUATION.—

(A) EVALUATION.—Not later than 24 months after the initiation of the youth apprenticeship demonstration programs, the Institute shall conduct an interim evaluation of the effectiveness of all the demonstration programs, including an assessment of the matters described in paragraph (1)(A) to the extent that the necessary data and information is available.

(B) REPORT.—The Institute shall prepare and submit a report to the President, the Secretary of Labor, the Secretary of Education, the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives containing the evaluation described in subparagraph (A). The Institute shall submit the report not later than 33 months after the initiation of the demonstration programs.

(b) EVALUATION BY PARTNERSHIPS.—

(1) DATA COLLECTION AND ASSISTANCE.—Each partnership that participates in a youth apprenticeship demonstration program shall establish data collection mechanisms consistent with the needs of the Institute and provide to the Institute information for, and assistance in conducting, the final evaluation described in subsection (a)(1) and the interim evaluation described in subsection (a)(2).

(2) ANNUAL REPORT.—

(A) EVALUATION.—Each partnership that participates in a youth apprenticeship demonstration program shall conduct an annual evaluation that contains summary information on the implementation and operation of the demonstration program including—

(i) the number and type of students enrolled in apprenticeship training;

(ii) a description of the type of activities in which the youth apprentices are participating, including the type of occupational training youth apprentices are receiving;

(iii) the effectiveness of the program in keeping youth in secondary or postsecondary school;

(iv) the reaction of businesses involved in the training program; and

(v) any other information that the Institute may require.

(B) REPORT.—Each such partnership shall submit an annual report to the Institute containing the information described in subparagraph (A).

SEC. 313. EXECUTIVE SCHEDULE.

Section 5314 of title 5, United States Code, is amended by adding at the end the following:

"Chairman, Board of Directors of the Institute for Youth Apprenticeship.".

SEC. 314. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $50,000,000 for fiscal year 1993, which shall remain available until expended.

SEC. 315. TERMINATION AND REPEAL.

(a) TERMINATION.—Not later than 69 months after the initiation of the youth apprenticeship demonstration programs, the Board and Institute shall be abolished, and all programs established by this title shall terminate.

(b) REPEAL.—Not later than 69 months after the initiation of the youth apprenticeship demonstration programs, this title and the amendments made by this title shall be repealed.

TITLE IV—DEFINITIONS

SEC. 401. DEFINITIONS.

Mr. KENNEDY addressed the Chair.

The PRESIDENT pro tempore. The Senator from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. President, I commend Senator NUNN and Senator BREAUX for focusing attention on the whole issue of assisting young people in making a successful transition from school to work. This is a critical area for the young people of this country. Close to 50 percent of all high school students do not go on to training or higher education programs after they finish high school. They go to work. And to a great extent, these workers are really the backbone of this American economy. They are the workers who directly produce the goods and services that fuel the economy, and the economic capability and capacity of the United States today and for the future depends in large part on the productivity of this segment of the work force.

One of the most compelling aspects of the "America's Choice" report issued in 1990 by The Commission on the Skills of the American Workforce, cochaired by former Labor Secretaries Ray Marshall and Bill Brock, is the section which describes the comprehensive systems that have been established in many of the countries of Western Europe as well as in Japan to prepare and train young people for work, and the impact of those training systems on work force productivity in those countries.

It is interesting that in these countries, there is virtually complete consensus among the various political parties and between business and labor on the critical importance of work force training. Virtually all the political parties, and segments of these societies that tend to approach political issues from widely diverse viewpoints, have recognized that substantial public and private investment in work force training is essential to their ability to compete successfully in the global economy. In this regard, these countries are far ahead of us.

In recent years, there has some experimentation in this country with pilot programs to provide young people with opportunities to participate in apprenticeships and other programs that combine academic work with practical support for those kinds of on-the-job experience, but we do not currently provide significant programs either at the State or the Federal level or, generally, in the private sector.

In the United States, the private sector currently spends an estimated $30 billion on employee training. But most of the training programs, by and large, are for employees of the supervisory and management level. Very few of these programs reach down into the level of the so-called frontline work force that is directly engaged in the production of goods and services.

The best estimates and studies in these areas show that with good training, 40 percent of the increased productivity that comes from the investment in new production equipment comes from the worker that uses the equipment effectively. The equipment alone can increase productivity to a certain level. But studies indicate that with additional training and education of the individuals that use the new technology, productivity is significantly increased.

So this is a very, very important area that we in the Labor and Human Resources Committee are focusing on. Last October, together with the senior Senator from Oregon, introduced legislation which is currently pending before the committee that would implement many of the recommendations contained in the "America's Choice" report. Both Ray Marshall and former Labor Secretary Brock have testified before the committee in support of that legislation.

But as the proposal put forth by the Senators from Georgia and Louisiana demonstrates, there are a number of alternative ways to approach the whole issue of school to work transition, all of which deserve full and careful consideration by the committee. The Senators from Georgia and Louisiana deserve credit for raising this issue in the context of the education bill, currently before us because our education reforms must address not only early and secondary school education but also the critical issue of what happens to our young people as they leave school and enter the work force.

So I want to give my assurances to the Senators from Georgia and Louisiana that this is an area of high priority for the Labor and Human Resources Committee. We have established it as one of the four areas of educational reform that we have committed ourselves to—early education secondary school education, the school to work transition, and higher education.

We will have the higher education bill, we expect, on the floor in February or March. And we are going to begin the debate with Senator WIRTH, Senator WELLSTONE, and others on the Head Start and the early education programs. But the school-to-work transition is a key priority, and we want to work very closely with our colleagues from Georgia and Louisiana on this issue.

The PRESIDENT pro tempore. The Senator from Louisiana, Mr. BREAUX.

Mr. BREAUX. Mr. President, I thank the Chair for recognition. I also want to thank the distinguished Senator from Massachusetts for his comments.

I join with the Senator from Georgia in cosponsoring this legislation to establish a youth apprenticeship program.

Mr. President, I think the American education system is truly failing a large portion of the youth of America. I say that, recognizing the tremendous contribution of this bill we are considering today, as well as other pieces of legislation, and Federal aid to education, and the work that those programs have accomplished. The accomplishments have been tremendous. The failures are very serious.

I had the opportunity to present a distinguished accomplishment award, along with my senior colleague from Louisiana, Senator JOHNSTON, to a shipyard in Louisiana a couple of months ago because of the work that they have been able to do. As we gathered to present the award, all of the employees gathered in this large facility. There were about 400 welders in the audience. I asked the owner of the company how many of these welders came to the company as trained welders when they were hired? His response was a little startling because he said "zero." Not a single one of these welders came to them and offered themselves for employment as a person who knew how to be a welder.

The owner of the company explained to me, further, they had to set up their own school in the shipyard to train people after they hired them.

Can you imagine a CPA firm having to set up its own school in order to train men and women to be certified public accountants before it could hire them? Can you imagine a law firm having to set up its own law school in the law firm in order to be able to train people how to be lawyers so it can hire them? Of course not. That is the function, they will tell you, of schools. Schools train lawyers. Schools train CPA's. Schools train doctors. The businesses that they work in do not do that.

When it comes to a carpenter, an electrician, a welder, a pipefitter or so many of these other skilled crafts in this country that are desperately needed to increase our productivity, to increase our ability to compete, I suggest the schools are not meeting the challenge.

It is no wonder, then, why we have countries like Japan and others saying we are beating you Americans because you do not have trained workers. Our workers are not lazy. But many of them are not trained properly by the schools so they have an opportunity to enter the work force and offer their skills to a potential employer.

In our system, the employer has to spend time, effort, and money to do what schools should be doing.

Mr. President, what Senator NUNN and I are offering today is a youth apprenticeship program for those youngsters who, right now, in many large cities, particularly among disadvantaged young men and women, particularly among minorities, who are saying "I do not like physics," "I do not like calculus," "I do not understand chemistry," and then start causing problems in schools. We see, far too often, these young students either quitting school because they do not have an interest, or flunking out, or dropping out, or they are getting kicked out because they cause problems.

These young students see no relation between what they are studying in their high schools and what they are going to have to do in the real world after they, hopefully, graduate from high school. That is the real problem.

Disadvantaged youth, minorities in particular, are really suffering the brunt of this educational system's disadvantages. They are suffering because we are not training them to what their real life is going to be all about.

For those who are going to college, the high schools have exchange programs with all the universities in their State. They have scholarships. They have loans. But for that youngster who is not going to the University of Georgia or the University of Massachusetts, or LSU, or Harvard, or what have you, we do not do enough. In fact, I think we do far too little.

When these youngsters who do not do well in those type of programs in high school get flunked out or thrown out or kicked out, what do they do? They hit the streets with no skills, no craft, nothing to offer a potential employer. They hit the streets and turn to a life of crime and a life of drugs because that is all they can do, because they see no relation between what they learn in high school and what they will have to do later on in life. They become frustrated and, as a result of that, we are losing a generation of Americans in this country, a generation who see no relation between what they are learning in high school and what their future is going to be in the workplace.

What Senator NUNN and I are presenting to the Senate today—and I am delighted at the words of the distinguished Senator from Massachusetts about his intent—is to try and give these youngsters, who we are losing because they have no hope, something that will give them hope and training so that when they finish high school they can get a decent job.

The youth apprenticeship program takes those kids in the 8th grade, the 9th grade and the 10th grade, takes them to businesses in their community, brings them to that shipyard, brings them to an electrical shop, brings them to industries in their particular locale and lets them see what is happening out there to try to get them interested in what the real world is all about. Let them become exposed to the jobs that may be available if they can cut the mustard or learn the skill in their local community. We would offer those students an opportunity, a choice really, between pursuing an apprenticeship program or pursuing a high school and college-oriented curriculum; then create a 3-year apprenticeship program for the 11th, 12th, and an extra year after that where these students would spend some time in the morning learning the basic skills of education—reading, writing, arithmetic—the basics. And then in the afternoon have them actually work in an apprenticeship program in one of these industries that they have already been exposed to in the 8th, 9th, and 10th grades.

We bring industry and schools together in a partnership so ultimately when these youngsters get out of high school they get two things: They get a high school diploma, and they get a certificate of apprenticeship so that young student can take that certificate and go to that shipyard that I gave as an example and say, "I am a high school graduate and I know how to be a welder and I can do a good job for you."

Job skills training is as important a part of the American educational system as it is to train someone to go to the finest university in the land. Everybody does not have to be a college graduate to be a success in this country. We need those skilled craftsmen and women, to be able to compete and to be more productive as a country and as a society.

Mr. President, I compliment the Senator from Georgia who has introduced this legislation in the last Congress as well as in this Congress. I thank the distinguished Senator from Massachusetts for indicating to this body his willingness, his awareness of the problem, and I think, from what I heard, for his enthusiasm for the concept of an apprenticeship program that can be developed in legislation that, hopefully, will be coming before this body and this Congress sometime this year.

I would like to submit for the RECORD an executive summary entitled "Why America Should Develop a Youth Apprenticeship System" by Robert Lerman of American University and Hillard Pouncy, Swarthmore College and of Brandeis University.

I ask unanimous consent to have that printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WHY AMERICA SHOULD DEVELOP A YOUTH APPRENTICESHIP SYSTEM

(By Robert I. Lerman, the American University, and Hillard Pouncy, Swarthmore College and Brandeis University)

EXECUTIVE SUMMARY

America faces a fundamental domestic challenge in the 1990s: reversing the stark and growing disparity between the fates of college-bound and non-college youths in our society.

In recent years, the latter have suffered a dramatic decline in real wages and income. Further limiting their economic prospects are the disappearance of high-skill jobs in traditional industries, and the failure of our nation's education system to impart even basic skills and competencies to many. If we permit these trends to continue, the promise of upward mobility will ring hollow for the "forgotten half" of young Americans who do not finish or go beyond high school.

The United States needs to give urgent priority to expanding the career options of non-college youth. Already, the country is losing a tragically large number of young black men to crime and drugs. The drop in real wages of young high school graduates of all races is weakening the commitment of young men to the economic mainstream and to family life. And the lack of job-ready skills, together with the declining number of young workers, is limiting the nation's productivity growth and thus its ability to raise living standards.

The root of the problem is that the capabilities of the work force, especially non-college workers, are not keeping up with the rising demand for skilled labor. As a result, U.S. productivity and wage growth remain low, while the gap widens between the earnings of college and non-college workers.

Between 1973 and 1987, the ratio of wages for college graduates to wages for high school graduates rose from 1.49 to 1.81, for young men with 5-9 years of work experience. In fact, in terms of purchasing power, the earnings of high school graduates actually declined over the last 15 years.

Defining the problem in this way inevitably calls attention to the American school system and its poorly designed system for integrating non-college youth into meaningful careers. Typically, high schools have close connections with colleges but weak links with employers. After leaving high school, non-college workers usually rely on informal contacts to obtain a full-time position. Many test the labor market by moving from one employer to another before settling into a long-term job.

High-school students who are not going to college see little if any relationship between what they learn in school and their future careers. Nearly 60 percent of vocational students end up in jobs that have nothing to do with the training they receive in high schools. For America's non-college youth, a large and widening gulf separates the world of school and learning from the world of skilled and rewarding work.

This reality poses particularly serious problems for disadvantaged youth. While most non-college youth see little gain from performing well in high school, they tend to stay in school anyway, if only because of social and family constraints. Disadvantaged youth, however, are more likely to fall prey to pressures from the street, including peers encouraging them to leave school altogether. And the absence of formal connections between employer and schools imposes special hardships on inner-city black youth, because they have few informal links to jobs.

In many ways, public policies have reinforced the growing tendency for academic skills to determine career success. Governments spend enormous amounts on grants and loans for low-income students to attend college. These help the most academically capable, but do nothing for the vast majority of low-income youth. Far less is spent on vocational education, which, in any event, is often divorced from labor market realities.

The natural impulse of policy makers is to develop highly targeted programs for the poor and for minority youth. Yet such a strategy can easily backfire. When programs deal only with the most disadvantaged and least educated, the participants easily become stigmatized. Many employers are unwilling to take a chance on the graduates and the youth themselves see such training programs as a weak substitute for existing jobs in the regular or underground economy. Funding is often unstable and difficult to sustain; at best, the programs provide only a marginal addition to the existing systems of education, training and career placement.

This paper makes the case for an alternative strategy—a job apprenticeship system for non-college youth beginning in the late high school years. Such a system would embed the job market difficulties of minority youth within the broader problems faced by non-college youth.

The apprenticeship system is elaborate and widely used throughout Germany, Switzerland, and Austria. But U.S. policy makers are only now beginning to take a serious interest in this method of integrating young people into jobs and careers. Our proposal would adapt the German model to American conditions, making due allowance for differences in culture and in the kinds of social problems our society faces.

We call for a national skill-building partnership between public schools and business. It would focus on four primary goals:

Expanding the nation's supply of skilled workers;

Narrowing the earnings gap between college and non-college youth;

Creating a powerful new incentive for youths to do well and stay in high school; and,

Offering disadvantaged youths a realistic alternative to early parenthood, crime and drugs.

How would a U.S. youth apprenticeship system work? Our approach envisions a five-step process:

(1) change school curricula to expose students in the 8th through 10th grades to information about various occupations, including visits to businesses.

(2) offer 10th grade students a choice between pursuing a job apprenticeship or remaining on a purely academic track. Those choosing the former option would sign formal contracts with specific employers.

(3) create a three-year apprenticeship, starting in the 11th grade, during which students could earn skill certifications as they combine on the job training with school courses.

(4) give apprentices a comprehensive test at the end of the 12th grade to ensure both job and educational proficiency.

(5) spend at least 75 percent of the third year of apprenticeship on the job, and the remainder either in high school or community college to supplement technical training.

We propose a national Youth Apprenticeship Institute through which representatives of schools, businesses, governments and labor organizations can work together to specify the necessary skills required to enter and succeed in an occupation, to develop a system for certifying trainers as well as apprentices, and to monitor the quality of work site training. Washington's role is chiefly to act as a catalyst for efforts by local school systems and business to harmonize their curricula, job training and hiring practices. We further recommend $500 million in federal matching grants to fund apprenticeship demonstration projects in 10 cities.

Ultimately, the purpose of these efforts is to gain national credibility for apprentices as highly trained workers whose skills are occupationally specific, portable enough to be valuable for a variety of employers, and critical for taking effective advantage of additional training. It is also possible that apprenticeship will inspire youths who otherwise might not have finished high school to go on to college, in order to enlarge their prospects.

Youth apprenticeship is a progressive strategy for stimulating growth with equity—for boosting our nation's productivity while equalizing opportunities for young Americans. It can radically improve the preparation of youths for the skill demands of a global economy. At the same time, it offers minority youth an avenue into the economic mainstream. Youth apprenticeship answers the need for broad-based programs that reach the disadvantaged but avoid the stigma associated with welfare-type programs.

Mr. NUNN addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Louisiana yield the floor?

Mr. BREAUX. I yield the floor.

The PRESIDENT pro tempore. The Senator from Georgia [Mr. NUNN].

Mr. NUNN. Mr. President, I thank my colleague from Louisiana. He made it very, very clear why this should be a top priority of our educational system. I do not think any other part of education deserves the priority that skill training does today. I believe that is true not only for the individuals involved, approximately 50 percent of American young people, but also for our economy and for our competitive position in the world.

We are going to have very few unskilled jobs in the future, and we had better start recognizing that. I think it is enormously significant that the Senator from Massachusetts also puts top priority in this area. I believe it is not only a matter of skill training that we need to address, but also it is a matter—

The PRESIDENT pro tempore. Will the Senator withhold until the Chair can secure order in the Chamber? Staff people will please take seats.

The Senator from Georgia.

Mr. NUNN. I thank the Chair.

Mr. President, it is not only a matter of skill training, but just as important is the underlying importance of self-esteem. It is time for us to recognize that people who do not go to college in this country are also very important. It is time for us to recognize that people who do not go to college are extremely important to our economy and important in terms of their social and economic and political contributions to this Nation.

So it goes beyond skill training. It goes to self-esteem. I think that recognition that our skilled workers in this country have not really had in the past is something that we really are going to have to understand and emphasize if we are going to compete in the world today. Believe me, those in Germany and those in Japan who are skilled workers also are accorded the kind of self-esteem and the kind of importance in their countries that make them conscious of the contribution they are making and proud of that contribution.

So I think it is time for us to have an emphasis on this. The Senator from Massachusetts, understandably, would like to treat this proposal in the context of other propcsals and look at it in his committee before actually having the Senate vote on it.

Could I get some feeling from the Senator from Massachusetts when this would be addressed in terms of hearings and perhaps legislation coming to the floor?

Mr. KENNEDY. Mr. President, it would be my intention, as soon as we have the higher education bill out—I would hope by early March—that we would have hearings on the school-to-work transition in March and see what progress we can make after that time. It is a matter of very considerable importance and priority. We welcome the opportunity to work with the Senator.

We have, I might just say to the Senator, at Northeastern University—which was the first university where the students spent half their time on academic work and half getting actual work experience—an example of a phenomenal success in the educational experience. At Raytheon, one of the very fine defense companies, we have in Massachusetts, 75 percent of their scientists are all graduates from Northeastern University.

About 60 percent of the kids that go to Northeastern University have parents who never went to college. Basically, they come from the children of working class. They go to Northeastern to get a first-rate education and a first-rate work experience at some of the fine companies up in the New England area.

I think the very worthwhile issues the Senator brings up is how can we expand that kind of experience? How far down should we go into younger ages? What is the appropriate balance between time spent in academic work and time spent in the workplace. That should be established to assure that young people participating in such programs are going to have adequate educational experience, as well as a good start at work?

There are some school districts, for example, where young people moving from their sophomore to their junior years in high school make a decision at that point whether they are going into higher education or are going on into some kind of vocational training programs. Then they will have some division in terms of their academic program. This is not a final decision. The young people can change their minds if they make a decision to switch from one program to the other, but what it does is begin the thinking process among the young people as to what they want to do after high school, and give them some real-life experience with companies and corporations and training programs. It has been quite successful in some of the communities and school districts that have tried that.

So I assure the Senator that we will give this issue a high priority, and we hope that we will be able to have hearings in the latter part of March. I guess we have a break somewhere in the middle of March. Then we will try and go as far as we can in terms of legislation.

Mr. NUNN. Mr. President, if the Senator from Massachusetts will yield for a brief observation.

The PRESIDENT pro tempore. The Senator from Georgia has the floor.

Mr. NUNN. I thank the Chair. Mr. President, I thank the Senator from Massachusetts for his assurances and for the priority he gives this subject, and also for his expression of intent on hearings. I know he has a lot of things that he is working with, and I know that it is always difficult to schedule. It is gratifying to me, and I know to the Senator from Louisiana [Mr. BREAUX] to know that the committee is going to have hearings on the subject and have a vote on it on the floor sometime this year.

With that in mind, with those assurances and the understanding that the manager of the bill would prefer to bring this up in terms of other legislation and after discussing it with the Senator from Louisiana, I withdraw the amendment.

The PRESIDENT pro tempore. The Senator from Georgia withdraws the amendment.

The amendment (No. 1484) was withdrawn.

Mr. KENNEDY. Mr. President, I just want to express my appreciation for the cooperation of the two Senators.

Mr. DOMENICI. Mr. President, I ask Senator NUNN if I might be an original cosponsor of the amendment, and I ask consent that I be made an original cosponsor of the Nunn-Breaux amendment.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I think it is high time that we in this country recognize that there are literally—literally—thousands and thousands of young Americans who truly want to get training for a meaningful job as part of their formal education.

I must tell you that there are few young Americans, other than in the professions, such as doctors and lawyers and the like, there are few who are getting training for a job that exists out there in America. This will permit that to begin to happen in more schools, and more and more Americans will have an opportunity to make that kind of decision.

I want to tell my friend from Georgia that I was in the city of Farmington just about 2 months ago. I was literally astounded to find that a small community, 60,000 people, had established one vocational training institution for all of the public schools, and they used busing for a different reason. They bused in the afternoons the young people who wanted vocational training from around the city schools to this magnificent vocational training center.

One might say, what did they learn there? I was absolutely taken aback by the kind of vocational training that existed there. For instance, General Motors and one of the major Japanese automobile manufacturers had chosen that center to actually put equipment in free to train young men and women in the art of maintaining and repairing today's sophisticated cars. Actually, there is a tremendous shortage of such people because these cars of today are loaded with electronics, with computers, and you do not go in and just take a wrench to them. You have to know what it is all about.

Frankly, it is a beautiful course. It takes 6 months to train these young people, who end up with a certificate that they can take anywhere in the Nation to get a high-paying job at an automobile dealership that needs a first-class mechanic who will take care of Chevrolets or Pontiacs. I believe this should start happening across America.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. DOMENICI. Yes.

Mr. KENNEDY. They have done the same thing in Framingham, MA.

Mr. DOMENICI. It is exciting.

Mr. KENNEDY. It is tied into a 2-year college there. The graduates can earn $35,000 when they graduate, even in this kind of recessionary period. You can take further training to be a master in mechanics, which enables you to earn as much as $55,000 a year.

The interesting thing is the Japanese are providing new cars, their engines. It was Toyota up in Massachusetts. And what they have found is that the graduates go on out to the dealerships and that is improving the services and improving the sale of Toyota in my part of the country.

Mr. DOMENICI. Exactly.

Mr. KENNEDY. I know the Senator has other things to talk about.

Mr. DOMENICI. I am delighted that the Senator has asked me to yield. I believe we ought to, between this bill, higher education, and the vocational education bill—there are three coming down the pike, as I understand it—and maybe even the reauthorization of the Joint Partnership Training Act, address this issue with some stimulus to the local communities to engage themselves in this kind of additional training for young people because there are many meaningful jobs of this type that they must be trained for, and they are not all steel mill operations and the like. They have to do with the sophisticated appliances that we live by and live with today, and many people will get good jobs in them if we use this approach.

Having said that, I understand it is my privilege here, based on yesterday's commitment, I can propose an amendment.

AMENDMENT NO. 1485

Mr. DOMENICI. I send an amendment to the desk, which is an alternate certification of teachers amendment. I ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] proposes an amendment numbered 1485.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. There being no objection, further reading of the amendment is dispensed with.

The amendment is as follows:

At the appropriate place insert the following new title:

TITLE VI

ALTERNATIVE CERTIFICATION OF TEACHERS AND PRINCIPALS

FINDINGS

SEC. 601. The Congress finds that—

(1) effective elementary and secondary schools require competent teachers and strong leadership;

(2) school systems would benefit greatly by recruitment pools of well-qualified individuals, such as scientists and engineers, from which to select teachers and principals;

(3) talented professionals who have demonstrated a high level of subject area competence or management and leadership qualities outside the education profession and who wish to pursue second careers in education often do not meet traditional certification requirements; and

(4) alternative certification requirements that do not exclude such individuals from teaching or school administration solely because they do not meet current certification requirements would allow school systems to take advantage of these professionals and improve the supply of well-qualified teachers and principals.

PURPOSE

SEC. 602. (a) It is the purpose of this part to improve the supply of well-qualified elementary and secondary school teachers and principals by encouraging and assisting States to develop and implement alternative teacher and principal certification requirements.

(b) As used in this part, the term—

(1) "alternative teacher and principal certification requirements" means State or local requirements that permit entry into elementary and secondary teacher and principal positions for individuals who have demonstrated a high level of appropriate subject area competence, or management or leadership qualities, in careers in or out of the education field, but who would not otherwise meet existing requirements for teaching or supervisory positions. Alternative teacher and principal certification requirements may recognize that—

(A) for teachers, a high level of demonstrated competence in an appropriate subject area may be substituted for traditional teacher certification requirements (such as teacher training course work); and

(B) for principals, a high level of demonstrated competence in administration and management may be substituted for traditional principal certification requirements (such as teaching experience or supervisory experience in the field of education); and

(2) "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

AUTHORIZATION OF APPROPRIATIONS

SEC. 603. For the purpose of carrying out this part, there are authorized to be appropriated $25 million for fiscal year 1993.

ALLOTMENTS

SEC. 604. (a)(1) From the amount appropriated to carry out this part, the Secretary shall allot to each State the lesser of either the amount the State applies for under section 605 or an amount that is proportional to the State's share of the total population of children ages five through seventeen in all the States (based on the most recent data available that is satisfactory to the Secretary).

(2) If a State does not apply for its allotment, or the full amount of its allotment, under the proceeding paragraph, the Secretary may reallocate the excess funds to one or more other States that demonstrate, to the satisfaction of the Secretary, a current need for the funds.

(b) Notwithstanding section 412(b) of the General Education Provisions Act, funds awarded under this part shall remain available for obligation by a recipient for a period of two calendar years from the date of the grant.

STATE APPLICATIONS

SEC. 605 (a) Any State desiring to receive a grant under this part shall submit an application, through its Governor, at such time, in such manner, and containing such information, as the Secretary may reasonably require.

(b) Each State application shall—

(1) describe the programs, projects, and activities to be undertaken; and

(2) contain such assurances as the Secretary deems necessary, including assurances that—

(A) funds awarded to the State will be used to supplement, and not to supplant, any State or local funds available for the development and implementation of alternative teacher and principal certification requirements;

(B) the State has, in developing its application, consulted with the State or local agency that certifies teachers and principals, as well as representatives of elementary and secondary school teachers and principals, local school systems, parents, and other interested organizations and individuals; and

(C) the State will submit to the Secretary, through the Governor, at such time as the Secretary may specify, a final report describing the activities carried out with funds awarded under this part and the results achieved.

(c) Sections 435 and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, shall not apply to this part.

USE OF FUNDS

SEC. 606 (a)(1) A State shall use funds awarded under this part to support programs, projects, or activities that develop and implement new, or expand and improve existing, alternative teacher and principal certification requirements.

(2) A State may carry out such programs, projects, or activities directly, through contracts, or through subgrants to local educational agencies, intermediate educational agencies, institutions of higher education, or consortia of such agencies.

(b) Programs, projects, and activities supported under this part may include, but are not limited to, the—

(1) design, development, implementation, testing, and evaluation of alternative teacher and principal certification requirements;

(2) establishment of administrative structure necessary to the development and implementation of alternative teacher and principal certification requirements;

(3) training of staff, including the development of appropriate support programs, such as mentor programs, for teachers and principals entering the school system through the alternative teacher and principal certification program;

(4) development of recruitment strategies; and

(5) development of reciprocity agreements between or among States for the certification of teachers and principals.

The PRESIDENT pro tempore. The Senator from New Mexico [Mr. DOMENICI].

Mr. DOMENICI. Mr. President, the President of the United States early last year, in recognition of a growing problem in the United States, challenged the Congress to push our sovereign States as hard as we could to create alternative certification of teachers' principles and practices and put it into their State laws. I am pleased to note that many States are moving in that direction.

Mr. President, what this means is a 45-year-old expert in history, perhaps a Ph.D., is ready to semiretire and wants to help teach young people in the public schools of the State of West Virginia or New Mexico. The problem we have, believe it or not, is that that person has to go back to a college of education, in some instances go back there for 2 years, before he or she is certified to teach in a public school even when the public schools do not have anyone on the teaching faculty who even comes close to that man or that woman.

The same is true in science and math and physics, except in that category we have an abundance of scientists and physicists and engineers who are either retired or very much desire to teach young people. In many schools of this country they run headlong into State certification processes which say they are not prepared to teach. In some instances, Mr. President, it is absurd.

I know of a 38-year-old, well-educated woman with young children of her own, who is, to everyone in the community, a magnificent teacher of children, because she has taught her children in a marvelous way, who says, "I would like to teach in the public school." She cannot afford what they are submitting to her. The pay is fine for her, but because of the 2 years in college to get ready to teach when she has a degree from Georgetown University in English and history and has, indeed, in all respects already shown her qualifications, we are turning that 38-year-old person away from teaching.

Now, this amendment is essentially what the President asked us to do on alternative certification—very broad, a grant program to encourage the States to do this.

I understand from the distinguished chairman, Senator KENNEDY, that alternative certification is not on the bill before us. It certainly would be germane, and it would belong there, but it is not there because it was considered by the committee in a higher education bill wherein the entire subject of training of teachers is discussed and provided for and some alternative certification procedures are included therein in much the same way as the President asked us early in the year to consider and adopt. I will very shortly ask the chairman if that is the case. If it is the case, then obviously the Senator from New Mexico does not want to duplicate things. I will withdraw the amendment and, clearly, it will be before the Senate in short order as part of the higher education bill and we will get a chance to debate it then, perhaps modify if then. But that is exactly what I intended for today.

I understand that the junior Senator from California would like to speak for a couple of minutes in support of this approach, after which time I will ask Senator KENNEDY a question and I will withdraw the amendment.

I yield the floor at this point.

The PRESIDENT pro tempore. The Senator from California [Mr. SEYMOUR].

Mr. SEYMOUR. Mr. President, I request 15 minutes of time, one, to speak very briefly to the amendment of Senator DOMENICI; and second, to propose three amendments.

The PRESIDENT pro tempore. The Senator may speak as long as he wishes at the moment.

Mr. KENNEDY. If I could ask, would it be possible to finish with the Domenici amendment first so we can just conclude that aspect of it?

Mr. SEYMOUR. Certainly. Then would I be able to follow?

Mr. KENNEDY. I hope so. And then I want to go to Senator WELLSTONE and Senator WIRTH, who have been extremely patient. That would be my hope.

Mr. SEYMOUR. So then I could follow Senator WELLSTONE and Senator WIRTH?

Mr. KENNEDY. I hope we could conclude Domenici and then do the Senator's within a very reasonable period of time, and then we will have a longer discussion with the Wellstone and Wirth proposal, if that is agreeable.

Mr. SEYMOUR. I thank the Senator. I appreciate that. I thank the Chair.

Mr. President, I rise today in support of my distinguished colleague from New Mexico, Mr. DOMENICI, and the amendment that is offered. I understand the process we are going to follow is that that amendment will come up at another time and will be withdrawn now. But I wanted to add my comments at this moment because I am in strong support of this concept of alternative teacher credentialing.

Last year, a poll was conducted by USA Today, and it found that nearly half of all the teachers selected as Teachers of the Year felt their training was inadequate and based primarily on theory, not experience, not real world experience.

A report conducted by the Rand Corp. in 1987 projected serious teacher shortages in the coming years, in particular the number of teachers with specialized skills in math, science, or bilingual education. In my State of California, Mr. President, somehow we have to find 100,000 new teachers, 100,000 new teachers, between now and the year 2000. That is because we have so many kids coming into our schools as a result of population growth.

Alternative teacher credentialing has a great deal to offer. It has a great deal to offer to this problem of teacher shortage, because there are thousands, tens of thousands of people out there who, as a second career, would look toward giving back a little bit of that which they have so richly worked for and deserved as a career, as a computer technician, for example, and they want to offer it back in the classroom. They bring real world experiences in addition to the theoretical knowledge that needs to be imparted to our children. I have talked with individuals from Apple Computer, for example, who want to do just that, but the barrier that is in their way and preventing them access to the classroom is a very extensive, very elongated credentialing process which does not recognize this real world experience they would bring to the kids.

So, in conclusion, Mr. President, I think this is an idea whose time has come as we look for innovative ways to raise the quality of education for our youngsters and at the same time meet the needs of teacher shortages. This is an idea that needs to be implemented.

Mr. KENNEDY. Will the Senator yield for a moment so we can dispose of the Domenici amendment?

Mr. SEYMOUR. I yield, certainly.

Mr. KENNEDY. If that is agreeable.

Mr. President, I want to express our appreciation to the Senator from New Mexico. He is absolutely right in emphasizing the importance of alternative certification.

We have had, in the course of our hearings, a review of what are going to be the demands by our young people in the teaching profession over the next several years. Not all of the teaching schools in the country will meet that particular demand.

Plus there are many of those that are in technical areas and have technical skills that would like to be able to go back into a teaching profession and help and assist the young people in their community.

We had an alternative certification provision in the legislation last year that provided grants to States for them to develop those kinds of programs. We have a similar kind of program in our higher education bill. I believe there are 120 pages dealing with the subject that is on the calendar at the present time.

I invite the Senator to work with us, prior to the time that we even bring the matter to the floor, and to see how we can review those particular provisions, and strengthen them in ways that I think the Senator has outlined. We would welcome the opportunity to work with him.

We are very much aware of the Senator's own personal experience with a member of his family and the very fascinating and unique experience that that individual had. I am sure that kind of situation could be replicated by many others in this country.

So I want to state our appreciation to the Senator. He has identified an area of very significant importance. We are strongly committed to these alternative certification provisions. We welcome an opportunity to work with him as we move toward the higher education bill.

Mr. DOMENICI addressed the Chair.

The PRESIDENT pro tempore. The Senator from New Mexico [Mr. DOMENICI].

Mr. DOMENICI. Mr. President, first I thank the junior Senator from California for his support for this amendment. I say to the chairman, Senator KENNEDY, I am most appreciative of his remarks. I think it is obvious—not only because we are getting into an era of teacher shortage but because there are so many Americans without teaching certificates with great substantive educational credentials, who would like to help out in the schools, and cannot go back to school for 2 years to get a certificate and would do an excellent job with some kind of screening process—that we ought to move with dispatch to encourage in every way possible to get this alternative certification by our States in each and every one of the 50 States.

I think that will happen. We just want to make sure that we do something to expedite it.

I guess many who read Parade magazine saw the story recently of a young woman who got excited about alternative teaching and recruited people on the basis of helping out. Thousands of Americans have already pledged to help and many of them may not be able to teach because of certification requirements. It would be nice to tell them that some fictitious old ancient process does not stand in their way today.

I withdraw my amendment at this time, Mr. President.

Mr. KENNEDY. I thank the Senator for his cooperation.

The PRESIDENT pro tempore. The Senator withdraws his amendment.

The amendment (No. 1485) was withdrawn.

Mr. SEYMOUR. Addressed the Chair.

The PRESIDENT pro tempore. The Senator from California [Mr. SEYMOUR].

AMENDMENT NO. 1486

(Purpose: To provide for drug and alcohol prevention education and gang violence prevention education)

Mr. SEYMOUR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mr. SEYMOUR] proposes an amendment numbered 1486.

Mr. SEYMOUR. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 53, line 7, strike "and".

On page 53, between lines 7 and 8, insert the following:

(13) projects to educate students in alcohol and drug awareness and prevention;

(14) projects to educate students in gang awareness and gang violence prevention; and

On page 53, line 8, strike "(13)" and insert "(15)".

Mr. SEYMOUR. Mr. President, this very simply and quickly is an amendment that addresses the issue, the great problem that we are all faced with in America—substance abuse. Really what it says is that education is a key component to winning the war on drugs.

I have been an author and fought hard for legislation that heightens penalties for drug pushers. In fact, I supported the death penalty for the drug kingpins. I have also been a strong believer in treatment programs for alcohol addition or drug addiction.

The third component, and most important, where we really win the war on drugs is to get into our young children's minds early on what can happen if they become substance abusers.

So very simply what this says is as we consider all the other changes included in S. 2, that local schools consider developing substance abuse education programs.

I ask for its consideration, Mr. President. My understanding is the amendment has been agreed to by both sides.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. KENNEDY. Mr. President, we support this particular proposal.

Mr. COCHRAN. Mr. President, may I simply congratulate the distinguished Senator from California for bringing this issue to the attention of the Senate. It is an amendment which clearly improves the bill by identifying a problem area that ought to have the attention of our school administrators and teachers throughout America.

He has obviously spent a lot of time and effort in his own State of California, and while he has been here in the Senate, working on this issue trying to identify options for doing a better job of dealing with the drug and alcohol problem, particularly in our Nation's schools. We are happy to recommend to the Senate that this amendment be agreed to.

The PRESIDENT pro tempore. The question is an agreeing to the amendment of the Senator from California.

The amendment, number 1486, was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SEYMOUR. Mr. President, I have another amendment that I would like to send to the desk.

AMENDMENT NO. 1487

(Purpose: To provide for mandatory parental involvement for students enrolled in choice programs)

Mr. SEYMOUR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. Any amendment the Senator sends to the desk will get immediate consideration at this point.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mr. SEYMOUR] proposes an amendment numbered 1487.

Mr. SEYMOUR. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 34, line 11, insert ", if such initiatives permit parents of students served by a school and require parents that choose a school in accordance with this clause to participate in governance, management, processes, or activities related to the children's education programs" before the semicolon.

Mr. SEYMOUR. Mr. President, what this amendment deals with is parents being involved with their children in school. I have always felt that a parent should take the time to spend reading to their children, maybe before they go to bed, to discuss at the dinner table, as we do around my house, what happened in school today, what are you studying, what are your assignments?

Last weekend when our 9-year-old, who is a fourth grader, was faced with doing a term paper on Tom Jefferson, I was part of helping him read and help put that report together.

There are some who will say that is easy for you, JOHN SEYMOUR. You are a U.S. Senator. You are in a position where you have time to take care of your kids and work with them in school, and others do not; both parents are working; maybe a single-parent family. It may be that, as I find in California, it is a Hispanic family. In their culture they hold the school and the school board way up here, and they are afraid to go in, talk to them, and deal with them.

So what this amendment says very simply, Mr. President, is where a parent chooses, a parent takes an affirmative action to choose a school for their child—in other words say I am unhappy with little Johnny's or Mary's education in this school, I choose to remove them and put them in the other school. They take that action but they also make a commitment at the same time that they will be involved with that child's education.

To the degree that it is difficult, and I know it is difficult, particularly in California where we have a lot of single parents, a lot of conditions because of high cost of living that you have both parents working, that in fact it is a real challenge for them to find the time. But I am reminded of my grandmother.

She was a single parent, divorced, raising my mother and her sister. She worked in a department store, in Goldblatt's Department Store in Chicago, IL. She did not make a lot of money. She was a saleslady in the drapery department. But she found time to ensure that her two daughters got their education, did their homework, and did their studies.

So it can be done. It also can be done if the school will reach out. If they do nothing more than go into the living room of the single parent and say, look, I want you to know what little Johnny or Mary is doing in school, and these are the courses they are taking, and I want you to know I am here to help you. You can call me at the schoolhouse and we will sit down and work together to ensure that child gets an education. That is what this amendment is all about.

I think it makes a lot of sense. You cannot lay it all on the teacher. The teacher cannot be everything to that child. I think parental involvement is the key ingredient to ensuring that we have a higher quality education for youngsters, not only in California but across America. Thank you, Mr. President.

Mr. KENNEDY. Mr. President, I thank the Senator from California for focusing the debate on the importance of parental involvement. We have attempted to do that throughout the legislation in encouraging parents to be involved.

I know in my own city of Boston where we have been able to get a large amount of parental involvement, it has had a very clear reflection in strengthening academic achievement and accomplishment. The only word that concerns me is "requirement," the required nature of this undertaking, for those that make a selection in terms of choice.

The Senator points out that his grandmother was a single parent, and she was able to make that kind of commitment. That is an admirable achievement and accomplishment. Whether we are going to be able to find that all of those single parents, working one or perhaps even two jobs, have the desire to make that kind of commitment is questionable. Not every parent will be able to make every particular meeting, and every kind of assembly, and attend every kind of forum. And is that really our role?

I would much prefer to do everything we can to encourage it, and if a local school district wants to make that a requirement, that is really up to them. But I have some hesitation about making that a requirement.

What I would like to do is see if we cannot work with the Senator over the course of the weekend to try and find ways which would satisfy both of us. I believe the Members have as strong an interest in ensuring as much parental involvement as we possibly can. We have heard about a variety of different programs in the course of our hearings directed at increasing parental involvement. There have been some program models, which have been extraordinarily successful at attracting parents. It is clearly our desire to encourage these programs.

I have a hesitation about setting that as a requirement for every school where a child takes advantage of a program to strengthen academic achievement. It may very well discourage children from being able to take advantage of some opportunities which they otherwise might.

I thank the Senator for bringing that to our attention. We will try and work with him on that. I do not feel we can accept it in its current form today, but we will try and see if we cannot find ways that we can accept it, and we will work with him over the period of the weekend.

Mr. SEYMOUR. Mr. President, I am particularly pleased, and I appreciate the chairman's willingness to work on further language to perhaps refine the concept. Certainly, I do not hold any idea that the language I come up with is perfect. I am certainly willing to receive input and work over the weekend on this.

Let me restate what we are talking about here. We are not telling, and I am not telling, because I think the Federal Government tells too much, quite frankly. I think if the Federal Government did a lot less telling to the local school districts and the States on how to deliver education, our kids would receive better education. We are saying that the State will determine how the local school districts will do it.

It might come out as simple as the local schools sending home a report to mom and dad and asking them to review it so that they understand. Do it in the mail.

It might be as simple as saying, when you show up at the schoolhouse and say you want to move Johnny or Mary from this school to that school, we wanted you to know we want you to meet with those folks over at the other school and talk about little Johnny's or Mary's education.

It could be as rigorous as: We want to sit down with you once a month. We have done testing on Johnny, he has problems we would like to work out, and we would like to set up a counseling session with you once a month, or something of that type.

But the total flexibility is left to the State and local school districts to determine how to meet this commitment. I offer this amendment in the sense that if a parent cares enough to go down to the local schoolhouse and ask for the child to be removed and put in another school, then they ought to care enough to follow through and ensure they are getting what they hoped to when they made that decision.

So, Mr. President, I am hopeful that over the weekend we can work out some satisfactory language to achieve the objective.

AMENDMENT NO. 1488

(Purpose: To permit the establishment of SMART Schools as new public schools)

Mr. SEYMOUR. Mr. President, I have one final amendment that I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. KOHL). Does the Senator wish to withdraw his previous amendment or set it aside?

Mr. SEYMOUR. Yes, please.

Mr. KENNEDY. I think the Senator wants to set it aside so we will try and work it out, and he can maintain his option. If he wants to insist on a vote, he will be able to do so. We will work with the Senator on that.

Mr. SEYMOUR. Yes. I thank the Senator.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mr. SEYMOUR] proposes an amendment numbered 1488.

Mr. SEYMOUR. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 34, strike all beginning with line 8 through line 16, and insert the following:

(ii) initiatives to increase parental choice among public schools, including assessment of student needs and parent information and referral programs;

(iii) the establishment of new public schools, such as Essential Schools, Accelerated Schools, New American Schools, charter schools, Comer Schools, SMART Schools, and Schools of the 21st Century, in accordance with subparagraph (C); and

(iv) other activities developed in conjunction with local educational agencies that are designed to improve student achievement in the public schools.

SEC. 203. STATE APPLICATION.

On page 58, before line 1, insert the following:

(9) the term "SMART School" means a school that—

(A) offers curriculum options that best match the needs of the students served by the agency, such as college preparatory, vocational education, math and science, or cultural arts;

(B) recruits teachers with specialized skills, especially skills in mathematics, science, and bilingual education, from professionals in fields other than education;

(C) establishes alternative certification procedures for certifying the professionals described in subparagraph (B), that shall comply with applicable State requirements regarding alternative certification or State waiver requirements;

(D) permits parents of students served by the school, and requires parents that choose their child's school, to participate in governance, management processes, and activities relating to their children's educational programs; and

(E) in the case that such school is an elementary school which establishes a Head Start or other preschool transition program such as a Follow Through program, assists students within a school who were previously enrolled in Head Start or a similar program in making a transition to elementary school, and ensures that at-risk students will receive needed assistance.

Mr. SEYMOUR. Mr. President, what this amendment deals with is what I call the "smart schools amendment," because it takes into consideration a number of ideas that we would ask be considered by schools, not mandated, but be considered by schools as they try to develop a better curriculum, a better way of delivering education to the kids.

What we start off with is the notion of a very successful program called Head Start. Head Start is a program to take care of the kids, as the President has talked about, as we have talked about, in their early years, preschool years; and this is the follow up, so that that child who has been delivered that service in preschool does not fall through the cracks in first, second, or third grade.

We are asking them to consider a followup program, outlined as Head Start to provide the counseling service, maybe the health services that are needed, whatever special needs that this particular child needs, to ensure that the child makes it. So many times in California, Mr. President, I talk to constituents, and I talk to kids, and by the seventh or eighth year of education, they have made their minds up to quit. The reason is that because those first 7 or 8 years have been tough. They are trying to catch up. So we need to give them the support, such as the Head Start Program, that will permit them to catch up so they develop that self-confidence and self-esteem that will carry them through to the goal, which is to get a high school diploma.

Dropout rates in California last year were running from 25 to 30 percent of our kids—no high school diploma. That is because they do not think they can make it. They look at their siblings, and they did not make it. Mom and Dad did not make it. What will make them make it? It is going to build that self-confidence, and they can only do that through a program that ensures they are healthy in body and mind, meaning they believe they can, and they are developing self-confidence, and maybe they have some little wins, but they are in a race they think they can win. That will keep them in school.

The next thing we talk about is curriculum choice, Mr. President. What I am suggesting in this area is that schools think about a different curriculum.

When I went to school, we had a choice between the college preparatory curriculum or vocational education. Not all our youngsters are going to go on to college and get a degree. For some of them, their sights are set, at least at the moment in time—freshman or sophomore year in high school—they are thinking about getting a job. So, many of those youngsters will drop out. They say, "I do not need a high school diploma. I am going to get a job over at Joe's Mechanic Shop," or "I am going to get a job at a local market."

If we could offer them an alternative course, to prepare them to go to work for Joe's Mechanic Shop or the Alpha Beta Market, if we prepare them for that, they will hang in and get their high school diploma.

So what this talks about, this smart schools amendment, as I refer to it, is develop those alternative curriculums. Maybe they want math and science, maybe that is what they are really into. Give them math and science. Maybe they want culture and the arts. Give them that alternative. In other words, take the basic core curriculum and style it to meet the kids' needs and let the local school district, who know best, I think, and the parents and the teachers locally, who know best, let them design a program that is going to appeal to the child, challenge the child, and direct him or her toward the goal—a high school diploma.

So, that is what this is really all about. It is to provide flexibility in curriculum development and let that development take place closest to the kids right down at the local level but suggest to them, yes, you can achieve the same objectives that a college preparatory course will offer you, only you will achieve it a little bit differently. We are going to teach you the math courses, and even the science courses, in relationship to the particular field of occupation or interest that you might have.

So I think the smart school amendment is a smart idea, and we are not mandating it. We are offering it to the local school districts and the local schools and say, "Look. Consider these. Maybe, just maybe, this is a better way, and maybe, just maybe, you might be able to improve your dropout rate by 10 or 15 percent if you challenge the students and give them an alternative course."

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, we value very highly the programs that have been developed, including both prenatal programs, which provide care prior to the time of the birth of a child, and the well-baby programs, which try to take care of that child in the very early years.

We have the Comprehensive Child Development Act that passed 2 years ago. Our appropriation in that program is up to about $40 million. It really followed the Beethoven project that tracked children from expectant mothers that received good heath care; it tracked them all the way through early education, 4- or 5-year-olds, and tracked them through the schools—how did they achieve academically, dropout rates, run-ins with the law, teenage pregnancy, substance abuse? The record overwhelmingly supports the earliest possible intervention.

We have indicated to Senators BREAUX and NUNN the importance of moving from school to work, which the Senator has talked about. There will be follow-on legislation. There must be follow-on legislation because it deals with a number of wide ranging and new Federal programs that are focused in various ways on how we move from school to work adequately. That is what we are going to deal with now. The programs which have been referenced in our legislation, such as the essential schools, and Ted Sizer's programs. We had extensive hearings on them. We included the Comer programs, and we have had wide, extensive hearings on them. We have heard about the New American Schools which is the administration program. We have had very, very important testimony on it.

I am just reluctant regarding the smart school program. When I listen to the description of it, goals sound very, very worthwhile. But what we have tried to do in referencing these points is to take the records of achievement and accomplishment from these particular learning experiences and reference them in our legislation.

I had not heard of smart schools until 5 minutes ago. We received the amendment an hour ago. All the things the Senator talks about in terms of further support for children as they move on from Head Start into the schools, are all worthwhile.

Last year our Head Start bill focused on the transition from Head Start to school. We found, in too many instances, that even though the learning experience in early education was significant, that there were some problems, even for the 28 percent of the kids that are able to get it. The fact is that because there was not a comfortable transition into the schools, there was a lost opportunity.

The Senator reminds us of continued support for those who are involved in the Head Start program and for the overall educational experience, all of which we support. But I do not really know. From what I hear from the Senator, it is difficult for me to differ with the kind of support that should be given to the young people, but I have real reluctance to writing in the smart schools when the programs we identified have really been the result of very extensive hearings, not that we are excluding the possibility of the development of these kinds of programs at the local school level, which should be supported.

I suggest to the Senator that, whether in California or elsewhere they develop programs to reflect the kind of objective that the Senator has and be competitive with others in those communities and try and demonstrate their continued effectiveness. But I am reluctant to put smart schools in this legislation. You know I headed legislation, called smart start, for a long time, about 5 years, around here. And now I have smart schools so I cannot get enormously worked up in opposition to it.

So, I would hope that maybe over the weekend we could talk further with the Senator about it. I would be reluctant at this time to identify the smart school concept and put it in the same category as the other concepts, in which we had very extensive, impressive and important hearings on. Not that those programs will be advantaged necessarily in the competition for limited funds, but at least in trying to give some guidance, some advice to schools and parents, those kinds of experiences definitely have had some merit.

I would be glad to reference this in the report to indicate that this matter had been brought to us so that people who are looking through the whole range of different kinds of options to try to get ideas would at least have their attention flagged to it. But at this point I am reluctant to put it here. Let me try to work with the Senator over the weekend. If not, we will have to face it next week.

Mr. SEYMOUR. Mr. President, again, I appreciate the willingness of the chairman to work with us over the weekend. Certainly, as with the other amendment, I am willing to set this aside and see if we can find some common language.

I say to the Senator I want to apologize to him. There was no intent to plagiarize. I just was not around 5 years ago.

Mr. KENNEDY. No. We all borrow ideas from each other around here. I am one of those who does.

Mr. SEYMOUR. It had some appeal to the chairman. At least, it carriers a spirit of wanting to understand what we are trying to do here. What we are really trying to do is provide a menu, a menu of ideas, and from my part I sincerely believe that this issue of the quality of education is in such a crisis state that we need to try all the ideas we can, all the ideas that we can, to see if they work and provide maximum flexibility for people at the local level to make the decisions, give them the greatest opportunity to dream, come up with new ideas and new programs.

A lot of the ideas in the smart schools amendment are not new. They are really old ideas that have worked in the past. Maybe the time has come to take a look at what has worked in the past, that maybe in our ideas of high technology and sophistication in curriculum development we have gone beyond that, and we have some good ideas back here.

So I would like to take the menu—and that is my whole intent with the smart schools amendment—take the menu being offered in S. 2 and say "Here are a couple of good ideas. Put them on the menu, too."

Thank you very much, Mr. President.

Mr. KENNEDY. I thank the Senator very much. We will work with the Senator and we will reserve his right. I thank the Senator for his cooperation.

The PRESIDING OFFICER. Does the Senator from California wish to lay the amendment aside by consent at this time?

Mr. SEYMOUR. Yes, I do with the option, of course, of picking it up at a later time if we are unable to work out satisfactory language.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the Senator from North Dakota [Mr. CONRAD].

AMENDMENT NO. 1489

(Purpose: To integrate academic and vocational training at the high school level)

Mr. CONRAD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD] proposes an amendment numbered 1489. On page 52, line 4, insert the following: "which may include comprehensive programs (developed with input from local, state and area business leaders) to provide options for those high school students unlikely to attend postsecondary school, that integrate essential academic instruction with technical skills, and provide the training necessary to succeed in a technical career.".

Mr. CONRAD. Mr. President, this amendment is designed to address a problem that is becoming more clear with respect to our system of higher and elementary and secondary education.

It is well recognized that the United States has the finest system of higher education in the world. We know that students from all over the globe come to the United States for the purpose of getting higher education.

Mr. President, we are not doing such a good job with secondary education. That is where our competitors are doing a superior job, especially with respect to the half of our students who never go on to higher education, which is where our students tend to catch up with the students from the countries with whom we compete.

Very simply, this amendment is designed to focus on providing a curriculum that will allow those students in our secondary schools who have no intention of going on to higher education, that they will have a curriculum that will provide them with the technical skills—the math skills, the writing skills, the analysis skills—to allow them to compete in a high technology world that we currently are experiencing.

Mr. President. that is the guts of this amendment, to focus on the question of what we do to give an opportunity to those students who will not go on to higher education, who will not have a chance to catch up with the students from the countries with whom we compete.

Mr. President, this amendment is inspired by a unique institution in North Dakota—North Dakota State College of Science in Wahpeton. This 2-year school has successfully linked academic training with vocational training for almost 90 years. The school's success is based on the concepts contained in this amendment—integrating academic and vocational training and incorporating input from area businesses.

This amendment addresses a very real need in America. According to a recent study by the Economic Policy Institute, The Myth of the Coming Labor Shortage: Jobs, Skills, and Incomes of America's Workforce 2000, "the bigger and more important challenge [than producing more college graduates] is to improve the jobs, pay and skills of the noncollege-educated work force."

More than 70 percent of the jobs in America will not require a college education by the year 2000, according to a recent study by the National Center on Education and the Economy. The United States has the best universities in the world, but we do not have a system for training noncollege-bound youth. Our competitors, however, invest heavily in the skills of those students.

For many American students, finishing high school is challenge enough and going on to college or a vocational school after high school is not a consideration. In my view, we must provide options to the academic-based curriculum for students who are not going to go on to college. This amendment will do that. In addition, I believe it will provide some incentive to stay in school for those who are on the verge of quitting.

A quarter of our students drop out of high school before they graduate. In the inner cities, more students quit than finish high school. School work must have some relevance to life outside of school in order to keep students in school and I believe the combination of vocational and academic training included in this amendment will also address this disastrous dropout rate.

A 1989 poll of Fortune 500 companies indicated that over half of the 400 respondents found it difficult to hire employees with good basic skills. One-third of the companies offer their employees remedial courses to improve reading, writing and math abilities. Productivity losses caused by poorly trained workers and remedial training cost industry about $25 billion a year.

An integral part of the amendment is the incorporation of the ideas of area business leaders. Bringing in the real world needs of the business community into program design will assure that the curriculum will be relevant to the workplace. In addition, by linking quality academic preparation—reading, writing, analytic and math skills—with quality technical skills needed in the work force, we could assure graduating students of a successful career in a technical field. Businesses would be able to hire employees equipped with the skills they need to get their jobs done productively.

Mr. CONRAD. Mr. President, I thank the chairman and ranking member for their support. I understand this amendment will be accepted.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I welcome the amendment of the Senator from North Dakota. I think the Senator was probably here earlier when we were talking about related issues with Senator NUNN and Senator BREAUX. This is a very worthwhile amendment.

One of the really exciting new organizations is the National Alliance of Businesses. The National Alliance is supporting businesses to work with particular schools. We found that in Worcester, MA, for example, just about every business has effectively adopted a school. It is an exciting kind of new partnership that is taking place.

This is a concept that the Business Roundtable has been supportive of.

I think what this amendment does is give recognition and appreciation in the legislation for that particular kind of function. We have seen, for example, in a number of communities, that one of the key objectives of drug—free schools, is building partnerships between the business community, nonprofit organizations, and students. The businesses volunteer staff take the young people to a ball game, or to some other kind of event at the end of the school day. These partnerships have been very successful at dramatically reducing substance abuse in the schools.

This kind of encouragement for the private sector is something that is completely consistent with all the objectives of the legislation. We welcome it and I urge that the Senate adopt the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1489) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JEFFORDS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

AMENDMENT NO. 1490

(Purpose: To express the sense of the Senate concerning investments in education and school-to-work transition initiatives)

Mr. WIRTH. Mr. President, I have an amendment that Senator WELLSTONE and I are offering to the bill and I send it to the desk.

The OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. WIRTH], for himself, Mr. WELLSTONE, Mr. KENNEDY, Mr. PELL, and Mr. CONRAD, proposes an amendment numbered 1490.

Mr. WIRTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE SENATE CONCERNING INVESTMENTS IN EDUCATION.

(a) FINDINGS.—Congress finds that—

(1) the needs of the nation's children and youth have been seriously neglected for more than a decade, as evidenced by a 56 percent increase in defense spending but only a 5 percent increase in programs targeted to America's children;

(2) the failure to invest in early childhood development, education, and job training programs has long term economic and social costs and consequences and poses a growing threat to the competitiveness and productivity of the nation;

(3) the investment in such programs is cost-effective because it saves the Federal Government greater sums in future outlays for special education, welfare, and law enforcement and contributes to deficit reduction;

(4) since the 1990 Budget Agreement, the world has changed dramatically as a result of the fall of communism, the democratization of Eastern Europe, and the far-reaching changes in the Soviet Union;

(5) there is a need for higher priorities for investments in human capital which are currently prohibited by the 1990 Budget Agreement;

(6) a comprehensive Federal education agenda must recognize and invest in the full range of educational programs, including the four essential areas of—

(A) early childhood development;

(B) elementary and secondary education;

(C) the school-to-work transition; and

(D) higher education;

(7) with respect to early childhood development—

(A) the number one national education goal is that all children should enter school ready to learn;

(B) experts agree that access to Head Start, immunizations, and adequate nutrition are essential to ensuring school readiness;

(C) despite 25 years of proven success, only 28 percent of all eligible children currently receive Head Start;

(D) despite the effectiveness of the Special Supplemental Food Program for Women, Infants and Children, only 55 percent of eligible pregnant women and children are served;

(E) ensuring that all eligible 3, 4, and 5 year old children have the opportunity to participate in the Head Start program, and receive adequate nutrition and health care services are the most important steps that the Federal Government can take to improve educational performance; and

(F) the business community recognizes school readiness as the most important education goal and refers to this cost effective investment as basic to the survival of our free enterprise economy;

(8) with respect to elementary and secondary education—

(A) changing demographics are overwhelming the nation's educational system because increasing numbers of disadvantaged children are arriving at the school house door with severe barriers to learning;

(B) millions of children are denied access to essential educational and support services because proven Federal programs remain significantly underfunded; and

(C) many students leave middle grades without the skills necessary to become productive citizens in a dynamic, adaptable democracy;

(9) with respect to the school-to-work transition—

(A) at least half of American youth never enter college;

(B) the forgotten-half of America's youth become the front-line workers upon whom the nation's future productivity and competitiveness depend; and

(C) unless the Federal Government make the investments in human capital necessary to train front-line workers and become a nation of high skills, the America will be consigned to an irreversible future as a low-wage society with a declining standard of living; and

(10) with respect to higher education—

(A) over the last 15 years, the cost of college education has outpaced the cost of living, and higher education is increasingly out of reach for low- and middle-income Americans;

(B) unlike other industrialized democracies, the United States expects students and their families to bear the primary burden of paying for higher education; and

(C) although Pell grants have in the past helped many lower- and middle-income students meet their college expenses, today's students are increasingly being forced to rely on loans.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) legislation should be enacted that realigns the 1990 Budget Agreement to reflect the true priorities of the American people by shifting unnecessary military spending into domestic programs including early child development, education, and job training to promote the nation's long term economic growth and social well being; and

(2) the Congressional Budget Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985 should be amended to permit the realization of a new domestic order through—

(A) investments that ensure that all eligible 4, and 5 year old children receive comprehensive Head Start services by 1997, at the full funding level provided for in the Augustus F. Hawkins Human Services Reauthorization Act of 1990, that the Special Supplemental Food Program for Women, Infants and Children is available to every eligible pregnant woman and child, as well as investments in other critically important early intervention programs such as immunization, and comprehensive family support services;

(B) investments that ensure that elementary and secondary schools have the financial assistance necessary to improve educational achievement, promote student participation, and provide an educational environment that is conducive to learning including a constructive student-teacher ratio, as well as adequate funding for proven programs that enhance equity in education and provide the foundation to meet future challenges;

(C) investments in school-to-work transition initiatives that develop partnerships among all levels of government and the private sector to assist non-college bound youth and strengthen the training of workers throughout their lifetime in the workplace; and

(D) investments that increase access to higher education by—

(i) expanding the Pell grant program to reach more low and middle income students and guaranteeing a Pell grant to all eligible students;

(ii) expanding student loan programs for middle-income students;

(iii) encouraging early intervention programs for at-risk youth to attend college; and

(iv) making more intensive efforts for the recruitment and training of teachers.

Mr. WIRTH. Mr. President, I am offering this amendment, and Senator WELLSTONE and I have been working on this along with Senator KENNEDY, Senator PELL, Senator CONRAD, Senator SIMON, and others.

Mr. President, let me, if I might, read the guts of the sense-of-the-Senate resolution:

(1) legislation should be enacted that realigns the 1990 Budget Agreement to reflect the true priorities of the American people by shifting unnecessary military spending into domestic programs including early child development, education, and job training to promote the nation's long term economic growth and social well being; and

(2) the Congressional Budget Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985 should be amended.

AMENDMENT NO. 1491 TO AMENDMENT NO. 1490

(Purpose: To express the sense of the Senate concerning investments in education and school-to-work transition initiatives)

Mr. WIRTH. Mr. President, I have an amendment to the amendment and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Colorado [Mr. WIRTH], for himself, Mr. WELLSTONE, Mr. KENNEDY, Mr. PELL, and Mr. CONRAD, proposes an amendment numbered 1491 to amendment No. 1490.

Mr. WIRTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

Strike all after "SEC." and insert the following:

. SENSE OF THE SENATE CONCERNING INVESTMENTS IN EDUCATION.

(a) FINDINGS.—Congress finds that—

(1) the needs of the nation's children and youth have been seriously neglected for more than a decade, as evidenced by a 56 percent increase in defense spending but only a 5 percent increase in programs targeted to America's children;

(2) the failure to invest in early childhood development, education, and job training programs has long term economic and social costs and consequences and poses a growing threat to the competitiveness and productivity of the nation;

(3) the investment in such programs is cost-effective because it saves the Federal Government greater sums in future outlays for special education, welfare, and law enforcement and contributes to deficit reduction;

(4) since the 1990 Budget Agreement, the world has changed dramatically as a result of the fall of communism, the democratization of Eastern Europe, and the far-reaching change in the Soviet Union;

(5) there is a need for higher priorities for investments in human capital which are currently prohibited by the 1990 Budget Agreement;

(6) a comprehensive Federal education agenda must recognize and invest in the full range of educational programs, including the four essential areas of—

(A) early childhood development;

(B) elementary and secondary education;

(C) the school-to-work transition; and

(D) higher education;

(7) with respect to early childhood development—

(A) the number one national education goals is that all children should enter school ready to learn;

(B) experts agree that access to Head Start, immunizations, and adequate nutrition are essential to ensuring school readiness;

(C) despite 25 years of proven success, only 28 percent of all eligible children currently receive Head Start;

(D) despite the effectiveness of the Special Supplemental Food Program for Women, Infants and Children, only 55 percent of eligible pregnant women and children are served;

(E) ensuring that all eligible 3, 4, and 5 year old children have the opportunity to participate in the Head Start program, and receive adequate nutrition and health care services are the most important steps that the Federal Government can take to improve educational performance; and

(F) the business community recognizes school readiness as the most important education goal and refers to this cost effective investment as basic to the survival of our free enterprise economy;

(8) with respect to elementary and secondary education—

(A) changing demographics are overwhelming the nation's educational system because increasing numbers of disadvantaged children are arriving at the school house door with severe barriers to learning;

(B) millions of children are denied access to essential educational and support services because proven Federal programs remain significantly underfunded; and

(C) many students leave middle grades without the skills necessary to become productive citizens in a dynamic, adaptable democracy;

(9) with respect to the school-to-work transition—

(A) at least half of American youth never enter college;

(B) the forgotten-half of America's youth become the front-line workers upon whom the nation's future productivity and competitiveness depend; and

(C) unless the Federal Government make the investments in human capital necessary to train front-line workers and become a nation of high skills, the America will be consigned to an irreversible future as a low-wage society with a declining standard of living; and

(10) with respect to higher education—

(A) over the last 15 years, the cost of college education has outpaced the cost of living, and higher education is increasingly out of reach for low- and middle-income Americans;

(B) unlike other industrialized democracies, the United States expects students and their families to bear the primary burden of paying for higher education; and

(C) although Pell grants have in the past helped many lower- and middle-income students meet their college expenses, today's students are increasingly being forced to rely on loans.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) legislation should be enacted that realigns the 1990 Budget Agreement to reflect the true priorities of the American people by shifting unnecessary military spending into domestic programs including early child development, education, and job training to promote the nation's long term economic growth and social well being; and

(2) the Congressional Budget Act of 1974 and the Balanced Budget and Emergency

Deficit Control Act of 1985 should be amended to permit the realization of a new domestic order through—

(A) investments that ensure that all eligible 3, 4, and 5 year old children receive comprehensive Head Start services by 1997, at the full funding level provided for in the Augustus F. Hawkins Human Services Reauthorization Act of 1990, that the Special Supplemental Food Program for Women, Infants and Children is available to every eligible pregnant woman and child, as well as investments in other critically important early intervention programs such as immunization, and comprehensive family support services;

(B) investments that ensure that elementary and secondary schools have the financial assistance necessary to improve educational achievement, promote student participation, and provide an educational environment that is conducive to learning including a constructive student-teacher ratio, as well as adequate funding for proven programs that enhance equity in education and provide the foundation to meet future challenges;

(C) investments in school-to-work transition initiatives that develop partnerships among all levels of government and the private sector to assist non-college bound youth and strengthen the training of workers throughout their life-time in the workplace; and

(D) investments that increase access to higher education by—

(i) expanding the Pell grant program to reach more low and middle income students and guaranteeing a Pell grant to all eligible students;

(ii) expanding student loan programs for middle-income students;

(iii) encouraging early intervention programs for at-risk youth to attend college; and

(iv) making more intensive efforts to the recruitment and training of teachers.

Mr. WIRTH. Mr. President, the amendment to the amendment that I just offered completes the coverage of this amendment to all ages of the Head Start Program for ages 3, 4, and 5, which had not been in the initial amendment.

Mr. President, the thrust of this amendment is very clear. It is time for us to change priorities, time to change the caps that were voted in, in the 1990 bill, not by spending more, but by spending differently. It is my own belief that it is time for us to dramatically drop expenditures on the defense side—for things like the B-2 bomber or reopening the Rocky Flats nuclear weapons plant.

What this amendment does is say very clearly we should amend the budget agreement, amend the Budget Control Act of 1985, so we can focus, in particular, on investment in education.

These indeed should be the best of times. The cold war is over and the Communist threat is gone forever. Democratic ideals prevail around the world. The market system is pursued by virtually every nation around the globe and the world looks to the United States of America for leadership. But, ironically, there is little rejoicing here at home. We seem to be at peace with everyone but ourselves.

While we paid dearly for 50 years of successful wartime and cold war policy, our children have been short-changed in our schools. For the last decade, a series of education surveys from the Carnegie Commission to A Nation at Risk have warned us about declining performance in the classroom. For the first time, in our Nation's history we will be graduating from high school a generation of young people less literate than their parents. Our commitment to new jobs and retraining in our changing economy is down to the lowest level in 30 years. In too many cases youngsters are being priced out of access to higher education, which is becoming an opportunity only for a privileged few.

These are symptoms of serious problems in our Nation's social and economic fabric, and the list goes on to include health care, research and development, housing and the homeless, and continued environmental degradation despite yeoman efforts in many places. The plague of drugs and related crime continues as our streets become less safe and our communities less secure.

This is a litany familiar to us all; and to one degree or another we have been describing it and discussing it, but it is now time as we start on this legislation to really attack these issues.

But the American people understand the changes that have taken place and that its time to do things differently. And they are asking us to respond to that change. How do I know? I hear it everywhere I go—Greeley, CO, in Pueblo, in Ft. Collins, and all points in between. These thoughts were reaffirmed when a study was recently released that showed that 71 percent of Americans strongly agree they want to make children's programs a priority for our Government. Colorado voters are willing to make children a top priority for Government spending—even when compared with national health insurance, fighting crime and drugs, job training and economic development, cleaning the environment, lower taxes, protecting social security, military spending, and aid to foreign countries—all of these things. They are saying kids should be our No. 1 priority.

I do not intend to stand here and preach gloom and doom on all these other issues, to continue to run through the litany of problems that lie at our feet for the last 10 to 12 years of degradation and change in the economic climate. The blunt fact is that we cannot ignore reality, we cannot pretend it is not there. We cannot isolate ourselves individually or collectively from our broader community responsibility.

Obviously, Mr. President—or it should be obvious, in any case, as it was brought home to us by the mayors' meeting here last week—a great nation cannot survive long if its core cities are rotting away, or if the gap between rich and poor grows, if our young are discouraged by seeming lack of opportunity, if we do not think critically about what we need to do to solve our problems.

The tools are there if we want to use them. As a boy, I learned from my grandfather that when you get in trouble, you go back to fundamentals. Today, we have the opportunity again to do just that, to set the wheels in motion, to go back to fundamentals, to reestablish our commitment to education and opportunity for all young Americans—all Americans. We must invest in our future.

Senator WELLSTONE and I are offering this amendment, along with the other coauthors, a sense-of-the-Senate resolution that states that in order to meet our great and pressing needs here at home, we must have much more flexibility in our budget. By binding ourselves by the straitjacket of the budget agreement of 1990, we are limiting what our Government can do for the citizens of the country. And we are limiting our potential for the future.

The budget agreement must be revised to reflect our true American priorities, and this amendment calls for just that. It states that a comprehensive Federal education agenda must recognize and invest in the full range of educational programs, including early childhood development, elementary and secondary education, school-to-work transition, and higher education.

Our No. 1 educational goal is that all children should enter school ready to learn. We are already behind where we must be to make this goal a reality—a travesty because it should be a reality. We know that Head Start works, for example, Mr. President, and that has been discussed here at some length. We know that children's minds can be enriched and their school work improved if they are ready to take on educational opportunities available to them. But despite this 25-year history of proven success, not even 30 percent of eligible children participate in Head Start.

We talk about it a great deal, but only 30 percent of the eligible kids in the country are enrolled in a program that we know works. Ensuring that all eligible 3-, 4-, and 5-year-old children have the opportunity to participate, it seems to me, is the simplest, and most effective and obvious thing for us to do.

But without changes in our current Federal Government, Head Start will not ever be fully funded. We will never be able to support teacher training programs that bring new vigor to the classroom. We will never be able to meet all the priorities that are talked about by our good new Secretary of Education, Secretary Alexander, by the Governors. My Governor of Colorado, Roy Romer has been deeply involved in this. None of these things that we say can be done unless we change the budget straitjacket.

We will throw roadblocks in front of the innovation that needs to happen in our schools if we stick with the budget agreement that is old-fashioned and outmoded.

There are so many needs to be met. But we cannot do it unless we change. How do we finance these changes? What are the roadblocks? Let me just point out some pretty startling figures, Mr. President.

We all talk about defense expenditures. We had this debate almost the last thing last fall on the Defense appropriations bill. Do you know what we are spending on defense still? The cold war norm, the peacetime norm, was $235 billion a year in 1991 dollars—$235 billion a year. The cold war is raging; the peacetime norm, $235 billion.

The cold war is over, but now we are spending $290 billion. In other words, at the height of peacetime during the cold war, we were spending $235 billion in 1991 dollars. Now the cold war is over, and we are spending $55 billion a year more. That is a pretty startling figure, Mr. President. Clearly, it indicates that it is time for change.

The American public wants us to change, and change rapidly. I think this resolution is a critical first step toward that goal.

Yesterday, Bob Reischauser, the Director of the Congressional Budget Office, indicated to us on the Budget Committee that while the recession was causing pain and should be a matter of some concern, he was much more worried about the long-term health of our economy. Alice Riflin said the same thing. Felix Rohatyn said the same thing. We have heard that over and over and over again from people who have had that experience: Let us look at the long-term investments that have to be made. And education is precisely the kind of investment that is necessary.

Many of us are fond of saying that we have to make choices in the budget to fund essential programs, and that is true. Many, probably everybody in here, has run for office calling for more support for education. And that is justifiable. But the deal is, we have to do it. We cannot just talk about it; we have to do it. We have to make these changes. And that is what the Wirth-Wellstone amendment is all about.

In summary, Mr. President, let me also hearken us back to that President, Abraham Lincoln, who led this Nation through probably the most trying time in our history. He had this wonderful capacity to talk about the future and to use a word that we see so little of today: posterity. President Lincoln said the following:

> A child is a person who is going to carry on what you have started. He is going to sit where you are sitting and when you are gone, attend to those things which you think are important. You may adopt all the policies you please, but how they will be carried out depends on him. He will assume control of your cities, states and nations. He is going to move in and take over your churches, schools, universities and corporations. All your books are going to be judged, accepted or condemned by him. The fate of Humanity is in his hands. So it might be well to pay him some attention.

That is what this amendment is all about.

I want to pay a special word of thanks to my colleague from Minnesota, Senator WELLSTONE. We started working on this last fall when it became absolutely clear that the world was changing more rapidly than our institution was changing, more rapidly than our whole budget process was changing. It was time to move on it. We are now seeing others journeying in this direction.

Fortunately, the administration has started to make some noise about this. And I know we will have their support and the support of everybody here on the Wirth-Wellstone amendment, a first aggressive step toward change.

I yield the floor.

Mr. WELLSTONE. Mr. President, first of all let me thank the Senator from Colorado [Mr. WIRTH] for not just the speech on the floor, but really a very consistent commitment to young people and education over the years.

I would be remiss if I did not recognize the presence of Senator PELL here on the floor today, who has been an absolute hero to me as I followed the Senate over the years, having been a teacher for over 2 decades at a higher education level. Senator PELL has just been great, to my mind. I am pleased he is on the floor now while this amendment is being discussed.

Let me also recognize the presence of Senator JEFFORDS from Vermont, who I also know has a very strong commitment to education.

> But imagine my dismay on bringing my daughter to the first day of first grade and finding that a total of 36 students were in the class.

This is a letter from a father in Minneapolis who took his daughter to a really fine elementary school—it is a fine elementary school—but could not believe that there were 36 students to 1 teacher in an elementary school class. This elementary school had had to lay off another teacher, an elementary schoolteacher, who would have also taught that grade.

Let us describe this in human terms. At the Minnesota fair, I met a young woman. She came up and introduced herself to me. I said, "What do you do?" She said, "I am a teacher." I said, "At what level do you teach?" She said "Elementary." Then I made a mistake. I said "Where do you teach?" All of a sudden a look of pained expression came across her face and she said, "I don't have a job." A young women, talented, decided that she wanted to devote her adult life working with young children in the school. She cannot find a job. We have tremendously large classes, too large to do well for children at the elementary level, and yet we have young teachers who cannot find jobs.

I spoke at North High in north Minneapolis last week. I made a huge mistake. I will admit to it on the Senate floor. I talked about early childhood development, Head Start, about WIC. A woman raised her hand, stood up and said, "We are high school students. We feel as if we have been written off. Senator WELLSTONE, are you writing us off? I do not want you to write us off."

I think what she was saying, at least implicitly, was: We believe that the politicians of this country in Washington have abandoned us.

Yesterday, to a young woman in my office, Michelle Moriarity, who is a senior at Cambridge High School, I said, "Where are you going to school?" What she said to me was, "I do not know yet. I want to go to Morehead School, but I am really worried about the finances. I feel I am not low enough income to qualify for the grants." I am sure the Senator from Rhode Island, Senator PELL, has heard that before. "But we do not have enough"—she is the daughter of a farmer—"to be able to afford it." She said, "I am very worried; I do not know quite how I am going to do it."

This is what the amendment Senator WIRTH and I have offered is all about.

I think what is going on in the country, speaking for myself, is a lot of photo opportunity politics when it comes to children in education. I have said it on the floor before and I have to say it one more time. I swear every single politician from every single party loves children and education and is all for them except when it comes to digging into their pockets. It has become the functional equivalent of kissing babies. That and health care. Every politician is for it.

Mr. President, we know what works. When we had the debate on the choice amendment, I heard several Senators, who said it in very good conscience and very good faith, who said we needed to see what would work with some experimental programs. But I think sometimes we harp on the complexity of the matter to the point where that has become the simplification. We do know what works. We do know that every woman expecting a child should have a diet rich in protein. No one wants to disagree with that; it is irrefutable.

As Senator WIRTH said, we do not even fully fund the Women, Infants, and Children Program. We know that children when they are young, before they go into elementary school, according to the Carnegie report, come to kindergarten unprepared because they have not had that nurturing support of environment.

Head Start has been an unambiguous success for 25 years. Nobody argues that it has not been successful. We do not come anywhere close to fully funding it.

And what else do we know? Is it really all that confusing? If you are a teacher at the elementary school level—if I had to do it over again, I would teach at the elementary school level; I think that is much more important than at the college level—you can do well with students if you have 15 students in your class. You can give each one of those students the attention he or she deserves. You can really support them. But we have 35, 40, 45 students per teacher at our elementary school level. We know what works.

I will tell you something else we know that works. We know it works when a young person can go on to a college or university and he or she does not have to work two or three minimum wage jobs while in school. That is exactly what is happening today in our country. I met some students at Morehead State in western Minnesota, and after it was all over, this one young guy came up to me—I will never forget this—he looked at me, and he said kind of philosophically, "You know, my parents told me that the college years would be the best years of my life." He said, "I don't think my parents know what's going on. We are working several minimum wage jobs. Some of us are selling plasma at the beginning of the semester to buy textbooks. These aren't the best years of our lives."

So that is the point of this sense-of-the-Senate resolution. The Kennedy bill is a step forward. Senator KENNEDY has been a tireless advocate for education. But when you get right down to it, we are absolutely hamstrung by this budget agreement, and we have really a minimum amount of resources. It is adequate. That is the way I would describe it. It sure beats the administration's bill, to be perfectly honest, but it is only adequate. And if you lay the bill and the appropriation of money, $850 million, alongside the need, you realize how far we have to go.

So what this sense-of-the-Senate amendment says is it is no longer time to—I think maybe the Chair will appreciate this: There is an old Yiddish proverb. It says you cannot dance at two weddings at the same time. It is time for us to stop trying to dance at two weddings at the same time. We all know very well as we talk about the need to invest in human capital for economic recovery we will not invest in human capital until we have the money to invest in human capital, and we will not have the money to invest in human capital with that 1990 budget agreement that does not recognize a new world and prohibits us from transferring any kind of reasonable sum of money from the military budget to people within our own country.

We focus on education and young people. I think this is a wonderful amendment, in my not so humble opinion. I think it will bring about a very good vote on the floor of the Senate and we will find out how serious Senators are about beginning to make a commitment to education and young people, not just this year but in the very immediate future.

I thank the Chair. I yield the floor.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Vermont.

Mr. JEFFORDS. Mr. President, it is with very great reluctance at this moment that I must oppose the amendment from this side of the aisle. It is not on the content of the amendment but, rather, the fact it is being brought up prematurely, in a time when we should be discussing, if we get into this issue, not only the priorities of education but also the other national priorities we have. Certainly, this same committee has just been dealing with health care reform and the necessity of billions of dollars which may be required in that regard. We still have many other needs, social needs, in our country, but as far as education goes, as a member of the Education Committee and one that has been dedicated to the concept of improving education in this Nation and recognizing the incredible importance it has to our ability to improve our situation in the world economy, to be able to try to get us on the road where we are increasing our standards of living and all of those things that we want and dream about, I certainly recognize we have many problems in that area. I am ashamed of what this Nation spends on education relative to our competitors. I take a look at Japan, for instance, which is one that is on everyone's mind when we talk about international competition. I see that they spend 12 percent of their GNP on education. We spend 6 percent. The Federal Government only spends about 0.6 percent as far as the GNP goes on education. That is abominable, and it needs to be raised in our sense of priorities.

However, I reluctantly have to agree that it would be more appropriate to do this when we take a look at the whole budget, whether we amend it now or whatever time, and not to try to do it on a sense-of-the-Senate amendment at this particular time.

For instance, right now I know there is a commission I got set up in the last reauthorization of the education bill where we examine our need to provide assistance to students to be able to go to college.

Another aspect of that is infrastructure, which has declined in higher education to the tune of about $650 million, to which we need to find an answer, the lack of attention to graduate students, all of those things.

But I say certainly I understand the plea from Members on this side of the aisle that we have to take a look at the whole budget, and members of the Budget Committee on our side want very much to talk on this issue. They will not have a chance to. They were unaware it was coming up.

So I say with great reluctance that at this point, at this time, on this bill that I will have to express my opposition to this amendment.

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. Mr. President, I am very interested in the remarks of the distinguished Senator from Vermont. I know the strong supporter of education he has been. He and I came to the House together in 1974. There has been nobody I know in the last 18 years who has been a stronger supporter to the commitment to education. So I know the distinguished Senator from Vermont, as he pointed out, but is acting on behalf of his leadership.

However, I am a little bit surprised. I thought my amendment Mr. President, would go through and everybody would agree that we must change our current budget. The President has come to us and talked about the need to spend money on Head Start. We saw him in a Head Start program the other day making telephone calls.

But I do not know where the money is going to come from if we do not change the budget agreement. We talked about New American Schools. I do not know where the money is going to come from if we do not change the budget agreement. We talked about the aid to nonpublic schools. I do not know where the money is going to come from if we do not change the budget agreement. We have talked about access of young people to higher education. I do not know where the money is going to come from if we do not change the budget agreement.

The American people have to know what happened in 1990. We were still in a situation where the Warsaw Pact was extant. We were still in a situation where we had a confrontation between NATO and the Warsaw Pact. We still were thinking we were going to build the B-2 bomber, and many opposed that. We still thought we were going to modernize our nuclear weapons programs and many opposed that, but it was on the agenda. We were still doing that when this budget agreement was put together.

The world has changed dramatically since that budget agreement went into effect. That budget agreement locked us into this expenditure pattern, as I pointed out $290 billion on defense, $55 billion more than at the height of the cold war. That pattern is wrong, Mr. President, and it is time for us to change it. The American people are out there saying to us, change it. They are out there saying stop a lot of things you are doing, stop fighting the last war, let us go on to the future. It is time for a change. We cannot bury our heads in the sand and pretend it has not happened. We have to change.

What Senator WELLSTONE and I are doing is saying this is a perfect opportunity to start this transformation. This is a perfect opportunity to enhance education. We are talking about an investment in our future. We are talking about the 21st century, and everything that has been discussed on this floor for the last 3 days is not possible without changing this budget agreement. We cannot start to reduce the budget deficit without changing this budget agreement. We cannot make these investments without changing this budget agreement. The time has come.

I think Senator WELLSTONE was as surprised as I to have this being opposed. Maybe there is going to be time to work this out. I am sure there will be because there cannot be anybody in this Chamber who does not know that it is time to change the budget agreement.

I will note the language in here that says we want to meet the priorities of the American people by shifting unnecessary military spending into domestic programs, including, not limited to, but including early childhood development, education, job training to promote the Nation's long-term economic growth and social well-being.

It is a pretty reasonable proposition, I think. I suspect we will all agree with that when we get done with this, and I would hope that everybody understands what this amendment is all about. The Wirth-Wellstone amendment is all about changing, changing, changing, changing what we have done. The cold war is over. Everybody in the country knows it. Let us start doing something about it.

Mr. President, I appreciate the forbearance of the Chair, and I want to again thank my colleague from Minnesota for his help in drafting this amendment and putting it together. I think it makes all kinds of sense and reflects exactly what the President wants to do.

Mr. JEFFORDS. Mr. President, will either the Senator from Minnesota or the Senator from Colorado help me in understanding the amendment? I notice there were some changes made in the original amendment which addressed the present Budget Act. This one is amending the Congressional Budget Act, as I see the change, of 1974, and the Balanced Budget and Emergency Deficit Control Act of 1985.

Are we then making this part of the permanent law or the sense of the Senate that it ought to be made a part of the permanent law? Is that the intent, so people understand a little bit better? The other one was a modification, as I understood it, of the present budget agreement.

Mr. WIRTH. It is my understanding the Budget Act of 1990 that set all these caps also reached back and amended the Budget Act of 1974 and the Budget Act of 1985. So by reference they have to be changed as well.

Mr. JEFFORDS. I thank the Senator.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, let me just add a few words to what the Senator from Colorado had to say. I know the Senator from Vermont [Mr. JEFFORDS] is committed to education so let me try and say it is sincerely as I know how.

I thought when I was working on this with Senator WIRTH that one of the really good things about this sense-of-the-Senate amendment was that it would essentially give people the opportunity to vote what they were saying anyway, because what I have been hearing people say on the floor of the Senate and in private conversation is we just know that in terms of what we are announcing as goals and what we care about, we are not funding at adequate levels, and we know we are not going to be able to have the money for that unless we raise taxes—and I did not hear a lot about raising taxes—or unless we go into more debt—and I did not hear much about that—or we are going to have to transfer some from the military budget, a prudent amount, and invest this money in programs that we are now saying are priority programs.

So I thought that when we were working on this, this would be very helpful for Senators to be able to signal to the people in the country, "Look, we have done what we can do at the moment but we know much more has to be done." We do not mean this as symbolic politics; we are going to make the commitment and understand full well that the budget agreement is frozen in time and we will simply have to revisit the budget agreement and have the transfer of some resources. That is all this sense-of-the-Senate amendment says.

I am expecting that it will get, I would not say 100 percent support, but I would be very surprised if there was not tremendous support for it.

Mr. DURENBERGER addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

Mr. DURENBERGER. Thank you very much, Mr. President. I would like to take a few minutes to point out an important provision in S. 2 which was added at my urging by my distinguished colleague from Massachusetts, Senator KENNEDY at the time he brought this legislation to the floor.

I want to thank the chairman of the committee, the chairman of the education subcommittee, the ranking members and their staffs for their cooperation in building this particular matter and this particular amendment into the committee amendment.

I understand that my distinguished colleague from Connecticut, Senator LIEBERMAN, with whom I have worked closely on this provision, has previously spoken on this matter.

I would like to engage in a brief colloquy with the distinguished Senator from Massachusetts regarding his intent in offering his amendment that expands on the allowable uses of funds authorized under section 202 for State-level initiatives.

This provision, Mr. President, amends section 202 to allow States to use a portion of the block grant authorized under S. 2 to help establish new public schools including charter schools.

This provision is based, in part, on legislation adopted in Minnesota last year that offers a new way for teachers, parents, and others in the community to start new public schools.

The provision Senator KENNEDY has added to S. 2—and the new Minnesota chartered schools law—both affirm three important principles:

First, that school choice is good—but incomplete—without more—and more diverse—school choices.

Second, that parents, teachers, and community groups are an untapped resource in starting and running new schools that offer more choices and more diversity in public education.

And, third, that we will not get more diversity and more choices as long as the only way to start a new public school relies on the exclusive franchise of local school boards and administrators, many of whom may not view the establishment of new schools outside their traditional control to be in their best interest.

Consistent with those principles, Mr. President, Minnesota legislators from both parties joined forces last year to adopt the Nation's first chartered schools law—a law which now allows new public schools to be started by parents, teachers, and others in the community.

Connecticut and a number of other States are now also considering chartered schools legislation.

And, within the past 60 days, the first two chartered public schools have been authorized in Minnesota by their local school boards and by the Minnesota State Board of Education.

WHAT CHARTERED SCHOOLS ARE AND WHAT THEY ARE NOT

Mr. President, it is unfortunate that a great deal of misinformation has been distributed in these halls and in these corridors since Senator LIEBERMAN and I first indicated our interest in introducing an amendment supporting chartered public schools.

So, in the interest of setting the record straight, I want to take a few minutes here today to respond to the four most important concerns that have been raised by those who oppose the concept of chartered schools.

1. CHARTERED SCHOOLS ARE PUBLIC SCHOOLS

First, let me state emphatically, Mr. President, that chartered schools are public schools.

Chartered schools are funded in the same manner as other public schools in their State and may not charge tuition.

Chartered schools must meet the same nondiscrimination requirements placed on other public schools.

Chartered schools must accept all students who choose to attend. When more students choose to attend than there is space, a lottery must be held to determine placement.

And, finally, chartered schools must be authorized by—and be under contract with—a local school district or other public agency.

2. CHARTERED SCHOOLS MAY NOT BE RELIGIOUS SCHOOLS

Second, Mr. President, let me also state emphatically, that S. 2 as now amended could not be used to help fund religious schools.

In fact, S. 2 lifts language directly out of the Minnesota chartered schools law which was intended by its authors to ensure that these new public schools would be nonsectarian.

That provision in S. 2 states that "any new public school established under section 202 shall be nonsectarian in its programs, admissions policies, employment practices, and all other operations and shall not be affiliated with a nonpublic sectarian school or a religious institution."

3. CHARTERED SCHOOLS MAY NOT HAVE SELECTIVE ADMISSIONS POLICIES

Third, Mr. President, Minnesota's chartered schools may not be elitist schools that screen admissions on the basis of race, academic qualifications, or other factors.

In the event that more students choose to attend than may be accommodated, students are admitted on the basis of a lottery.

Supporters of chartered schools believe strongly that admission requirements should be the same as those placed on other public schools.

4. CHARTERED SCHOOLS ARE ACCOUNTABLE

Finally, Mr. President, it is not true—as some have charged—that chartered schools have no public accountability and would be totally free of academic or other standards.

In fact, Mr. President, accountability for chartered schools is—in some ways—even more stringent and more specific than accountability requirements now placed on other public schools.

In Minnesota, each chartered school must receive its permission to operate from a local school board and the State board of education.

In addition, each chartered school must have a multiyear contract with its sponsor that sets out specific outcomes it must achieve, how those outcomes will be monitored, and how all the requirements of chartered schools will be met.

It is also intended that these contracts would have to be periodically renewed for the charter to remain in force. So, if the chartered school does not live up to its obligations, its contract will not be renewed, and the school will be put out of business.

Show me a public school that has to have its right to exist renewed every 3 years, Mr. President, and I will show you an accountable public school.

CHARTERED SCHOOLS ARE BECOMING A REALITY

Late last year, Mr. President, the first such chartered school was authorized by the Winona School Board and then by the Minnesota State Board of Education. I visited that school and met with some of its teachers and parents just 2 weeks ago.

During that visit, I learned that almost 1,200 people in Winona had signed a petition supporting approval of this new school which will be an enlarged version of an existing private Montessori school.

Officials at the school have said, in exchange for the chartered designation and public funding that comes with it, they will abide by all the provisions of Minnesota's law, including nondiscrimination requirements and acceptance of all applicants they have room for.

To emphasize its nonsectarian nature, the school will be moving from its current rented space in a Catholic elementary school before it begins operations next fall.

Despite the fact that this new school could draw State and local revenues away from other Winona public schools, the district school board chair Stuart Miller has said, "the whole point should be what's best for children, not what's best for the school district or the Montessori school. * * * I think we gain a new way of delivering the public school to people, and we give them choice."

Minnesota's second chartered school was approved by the Minnesota State Board of Education just last week, giving new life to a small public school north of Duluth that was about to close due to declining enrollments.

Teachers, parents, and others in the communities of Toivola and Meadowlands are hoping to use the Minnesota's chartered schools law to create the type of open school that we've traditionally seen mainly in large urban areas.

The Winona and Toivola-Meadowlands chartered schools are just two of dozens of proposals that are now being developed by teachers, parents, and community groups all over Minnesota.

Some of the proposals—like one for a new middle school in Northfield—would create entirely new schools from scratch.

Others—like the two approved so far—and new proposals in Rochester and Rapidan—would convert existing public or private schools to chartered school status.

Several proposals—including one being discussed by the St. Paul Chapter of the NAACP—involve grassroots initiatives by community groups and nonprofit organizations.

And, still others involve individual teachers—or groups of teachers—who are developing proposals to create new chartered schools within their own districts.

One such school—already approved by the school district's administration—involves a group of teachers in North Branch who want to create a new and more innovative middle school.

Another such proposal getting serious consideration has been made by Joan Riedl, a Princeton elementary school teacher who has two chartered school proposals pending before both the St. Cloud and Princeton school boards.

Joan Riedl's proposal is to create a two-classroom chartered school that would have teachers remain with the same students for more than 1 year, and make extensive use of educational technology and parent volunteers.

Some school officials have raised valid questions about the risks involved in allowing teachers to start and run schools.

But, as an editorial in the St. Cloud Times put it,

> Change is always difficult for some to accept. But, the last people who should be balking at the challenge of opening new vistas in the field of education are teachers. Learning should be about experimenting and stretching, reaching and dreaming. It shouldn't be about fear and defensiveness, about competition and risk.

Mr. President, to provide further evidence of the interest and current status of chartered schools legislation in Minnesota and other States, I ask unanimous consent that several articles and editorials from Minnesota and national newspapers be printed at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DURENBERGER. I thank the Chair.

NEED FOR FINANCIAL AND TECHNICAL ASSISTANCE EVIDENT

Mr. President, once up and running, chartered schools will be funded with the same combination of Federal, State, and local tax revenues available to all other public schools.

But, one of the early lessons from attempts to start new chartered schools in Minnesota is that teachers, parents, and community groups will need both technical and financial assistance to help them get started.

In the business world, we might call this seed money or venture capital. And, although many parents and teachers have good ideas on things they would like to do differently, they need help in exploring and organizing the financial and other aspects of new schools.

Teachers may need stipends, for example, to allow them to take time off to develop their proposals and to design a new curriculum.

Legal and financial expertise often needs to be hired. Equipment and textbooks need to be proposed. And, minor renovations in buildings will often be needed to meet State and local health and safety codes.

As I previously noted, Minnesota's law—and proposals being developed in other States—finance the ongoing operations of chartered schools in the same manner those States finance other public schools.

But, they do not offer the kind of startup funding that can often mean the difference between a good idea and reality.

That is why it is so important, Mr. President, that—thanks to the provision Senator KENNEDY has added at my request—S. 2 now allows States to use a portion of their block grant to help bridge that gap.

INTEREST IN SCHOOL DIVERSITY ALSO EVIDENT IN OTHER STATES

Finally, Mr. President, I want to point out that interest in chartered schools is not at all unique to Minnesota.

Chartered schools are now being actively discussed by legislators and education reformers in a number of States including Connecticut, Massachusetts, California, Florida, Michigan, Wisconsin, and Tennessee.

That is one reason I am pleased that several other Members—including my distinguished colleagues from Connecticut, from Georgia, and other States—have been very supportive of my efforts to ensure that new alternative public schools will be eligible for funding under this legislation.

One of the national leaders in this movement is Dr. Stephen C. Tracy, superintendent of schools in New Milford, CT. Dr. Tracy has drafted a chartered schools proposal that was considered last year by the Connecticut State Legislature and that is now being reviewed by a State legislative task force.

In defending that proposal, Dr. Tracy has said:

> As we continue the discussion about the future of public education in our country, I believe that we must move beyond the old distinction between "public schools" and "private schools." The significant distinction, it seems to me, is between schools that are in the public interest and schools that are not.

A second major proposal for chartered schools was also made by Michigan Gov. John Engler as part of a comprehensive deduction reform package he proposed to the Michigan State Legislature last September.

Under Governor Engler's proposal, chartered schools would be authorized by local boards of education and other education or public agencies. They would have to accept students regardless of academic achievement levels or other discriminatory criteria.

And, if a charter were granted, the Michigan schools would receive funding from the State at the level of the State average per pupil expenditure or the per pupil average of the local district in which the school is located, whichever is greater.

A third example of national interest in chartered schools, Mr. President, is in California where a debate has been raging in the State legislature and the deduction and business communities about a wide range of school choice alternatives, including open-ended vouchers for both public and nonpublic schools.

Partly in response to a proposal to place a voucher initiative on next year's ballot, California officials including State school superintendent Bill Honig and several important legislative leaders are now considering a proposal to allow chartered schools to be created and publicly funded.

Such a proposal recognizes the important role that chartered schools can have in both broadening school diversity and in expanding parent choice, while still retaining accountability and the underlying values and principles of public education.

Let me conclude, Mr. President, by expressing my appreciation to my distinguished colleague from Connecticut for his support and for his contributions to my efforts to ensure that new chartered public schools could receive funding under this legislation.

He and I both are hopeful that Connecticut will become the second State in the Nation to make this option available to its teachers, parents, and students.

EXHIBIT 1

[From Education Week, Jan. 15, 1992]

"SUPPLY SIDE" REFORM OR VOUCHER? CHARTER-SCHOOL CONCEPT TAKES HOLD

(By Lynn Olson)

Advocates bill it as a way to introduce diversity and autonomy into public education. Critics call it a subsidy for private schools.

But one thing is clear: Few people are neutral about a new Minnesota law that encourages licensed teachers to start and run their own independent public schools under contract or "charter" with a local school board.

The first such charter school was approved by the state board of education last month and could open as early as this fall. More than a dozen other proposals are under discussion as well. *(See Education Week, Nov. 27, 1991.)*

Sponsors argue that, by breaking school boards' monopoly on starting up and running public schools, the new law will be a "supply side" reform that will expand educational choices for students and free teachers from oppressive rules and regulations.

But the concept has been adamantly opposed by members of Minnesota's education establishment, who view it as a backdoor attempt to introduce private-school vouchers.

"It's generating more discussion sooner than I had expected," said State Representative Becky Kelso, one of the law's sponsors. "And it's every bit as controversial as I had feared."

While it continues to spur debate in Minnesota, the charter-schools idea also is spreading to other parts of the nation. Lawmakers in at least six states and a handful of school districts are either exploring or plan to introduce charter proposals this year. U.S. Senator Dave Durenburger of Minnesota, meanwhile, is seeking federal funding for such schools as part of a pending education bill.

REDEFINING PUBLIC EDUCATION

Under the Minnesota law, any licensed teacher can ask a local school board to authorize a charter, subject to approval by the state board of education.

The law requires such schools to meet certain basic principles that characterize public education. For example, they cannot screen students, have a religious affiliation, charge tuition, or discriminate on the basis of race, religion, or disability.

Once the state board approves a proposal, the local school board must devise a contract that spells out the outcomes pupils in the school are to achieve.

Each school must have a board of directors, a majority of whose members are licensed teachers at the school. All staff members at the school and all parents of children enrolled there must be able to participate in the board's election.

In addition, lawmakers limited the number of charter schools to eight statewide and to no more than two per district.

But beyond those requirements, the law leaves charter schools essentially free from most rules and regulations that apply to public schools. Parents and students would be able to choose such schools instead of those operated by the district.

For each student, charter schools would receive a payment from the state equal to the average per-pupil expenditure statewide.

Proponents say the notion reflects a rethinking of the say in which Americans traditionally have defined and managed public education.

"Public education shouldn't be defined by who owns the building or who hires the teachers," argued Senator Durenberger in an opinion piece in *The Washington Post*. "It should be defined by outcomes, by the Constitution, by who must be a accepted, by who can't be excluded and by who pays the bills."

'INCENTIVE TO IMPROVE'

As a result of a compromise in the legislature, the Minnesota law makes local school boards the only agency that can authorize charter schools. But, in its purest rendition, the charter concept would allow any public agency—from a state board of education to a hospital—to sponsor a charter school.

The idea first gained currency during the late 1980's, when Ray Budde, an education consultant in Massachusetts, published a slim volume entitled "Education by Charter."

In a 1988 speech at the National Press Club, Albert Shanker, president of the American Federation of Teachers, picked up on the idea.

Mr. Shanker argued that education reform was not moving "fast enough" and that groups of teachers should be granted charters to set up "totally autonomous" schools of choice, within existing school buildings, as a way to jump-start the reform movement.

"When you try to change everybody at the same time, you get tremendous amounts of resistance," he stated. "So we need to provide a policy mechanism to allow smaller groups of people to be able to do these things."

More recently, the idea has caught hold among proponents of school choice who want to increase the range of public-school options available to parents.

It also meshes with current educational thinking that emphasizes creating new "break the mold" schools and holding schools accountable for outcomes, not process.

"The point is not to cripple the public schools," explained Stephen C. Tracy, superintendent of the New Milford, Conn., school system and chairman of a task force that is scheduled to present a charter-schools proposal to the Connecticut legislature next month. "If anything, it's to provide an incentive for them to improve."

A BIT OF A THORN

So far, the Minnesota law has generated a surprising amount of grass-roots activity from an unlikely array of interested parties.

They range from a private Montessori school in Winnona to citizens in Meadowlands who are hoping to save a small rural elementary school, to a maverick teacher in Princeton, and to the St. Paul branch of the National Association for the Advancement of Colored People, which is considering applying for a charter to create a program that would provide educational and social services to entire families.

The fact that the law offers no money for start-up costs has discouraged some potential contenders, however, and is the primary reason for Senator Durenberger's proposal to provide federal funding.

But many of those launching charter-school plans said the real appeal lies in breaking free from a system that they say chokes creativity.

"Right now, for many reasons, change within the system is real difficult," said Cynthia R. Stevens, an educational consultant who is putting together a proposal in the New Ulm school district, a community of some 15,000 people. "I think what this will allow is for some ideas to surface from outside the system and to get a strong hold."

"I don't see charter schools as the ultimate destroyer of public education," she added, "but maybe as a little bit of a thorn."

Similarly, Joan Riedl, a teacher at North Elementary School in Princeton who has created a multi-age alternative program within her district, said, "I've gone as far as I can with real change in the system."

"This charter-school idea is for teachers," added Ms. Riedl, who is currently working on a proposal. "Many teachers have a resigned attitude to the system."

In Northfield, plans to launch a chartered middle school are being devised by a group of parents who founded a private elementary school eight years ago, when the district refused to consider their proposal for an alternative public school.

"We were sort of pained when we did it, because we were all sort of believers in public education," recalled Griff J. Wigley, one of the parents. "Here's a real opportunity for creating a school where we'd be assured of autonomy and yet it would be a public school."

Mr. Wigley and others contend that site-based management has failed to produce significant change in public schools, because the autonomy that schools gain is whittled away over time.

Because charter schools have independent legal standing from the beginning, he said, that is less likely to occur.

"It's the most sweeping exemption from the whole book of rules that has ever been put into law," agreed Ted Kolderie, a senior associate with the Center for Policy Studies in Minneapolis and a leading proponent of the concept.

PROCEEDING CAUTIOUSLY

But while some superintendents and school-board members said they are intrigued by the law, many are worried about the potential loss of dollars from their districts as students shift to charter schools.

Several also complained about requests to sponsor murky proposals that they do not believe can be implemented by next fall.

"We're not against the concept," said Ron M. Jandura, superintendent of the St. Cloud Public Schools, where Ms. Riedl has presented her plans. "It's just that we're proceeding very cautiously."

"I'm still idealistic enough to believe that we should be able to make things happen within the organization," he added. "You shouldn't have to leave the system to do something good for kids."

According to Representative Kelso, there's "no question" that local school systems stand to lose both pupils and the state allowance that goes with them under the new law.

"I think that's probably perceived by many people within the establishment as a lose-lose situation" she said. "Obviously, I don't agree with that assessment."

"It's good to see the educational establishment challenged," she added. "Plus, I believe that the opportunities being produced for students are good ones."

A POLITICAL COMPROMISE

But the hostility of some board members toward the concept already has advocates worried.

There is an inherent conflict in asking school boards, which stand to lose from such proposals, to authorize charter schools, proponents suggest.

"That's sort of like putting the fox in charge of the chickens," noted Peggy O. Hunter, enrollment-options coordinator for the state department of education.

The original Minnesota bill would have enabled the state board of education to grant charters directly to schools, circumventing school districts. But strong opposition from the two state teachers' unions and the Minnesota State School Boards Association killed that provision.

"It was a totally political compromise at the end," said Jon Schroeder, an education assistant to Senator Durenberger. "It was what put it over the top."

Ironically, the Minnesota Federation of Teachers, Mr. Shanker's state affiliate, remains the most vocal critic of the new law.

Rose A. Hermodson, the union's lobbyist, said that while Mr. Shanker "used the term" charter schools, "it may not be the same concept."

The union claims the law lacks sufficient collective-bargaining guarantees for teachers, puts existing public schools at a disadvantage by not extending deregulation to all schools, and fails to ensure adequate accountability.

According to Mr. Tracy of Connecticut, however, charter schools would actually be more accountable than traditional public schools.

"Because they exist on a charter," he said, "they stand to lose that charter if they violate its terms and conditions, whereas a state department of education is very reluctant to shut down a local school system or take it over."

The more immediate accountability is to parents, he added, who can choose not to send their children to the school.

But the bigger debate surrounding charter schools continues to be the question of what makes a public school public.

In Minnesota, the state board's decision last month to permit the first charter to go to the private Montessori school in Winona has thrown fuel on the fire.

Advocates argue that by agreeing to abide by the basic requirements for a charter school—including open admissions, no tuition, nondiscrimination, and the use of licensed teachers—the Bluffview Montessori School will essentially be reconfigured as a legitimate public school.

"It is, in fact, a new kind of public school," said Senator Ember D. Reichgott, "a new kind of delivery of public-education services."

But opponents portray the Winona example as a "modified voucher plan," and proof that the legislation will open the door to further privatization of education.

In an interview, Mr. Shanker said he was not familiar with the specifics of the Minnesota law. But he added, "I would be concerned if the charter-schools notion became . . . a substitute for dealing with the issue of vouchers."

"This is not, in fact, the nose in the tent to the voucher system," retorted Ms. Reichgott. "Indeed, I see it as the alternative . . . that provides expansion of public-school choice without diverting dollars to private sectarian schools."

She said the difficulty of creating charter schools would result in relatively few of them over time, but that it would provide the spur to encourage existing public schools to change. She also predicted that many of the concerns now being raised about charter schools would fail to materialize.

The next request to create a charter school is scheduled to be considered by the state board this month.

A NATURAL EVOLUTION

Meanwhile, lawmakers in California, Connecticut, Florida, Massachusetts, Michigan, and Tennessee are either exploring or plan to introduce similar charter-schools proposals this year.

In Detroit, moreover, policymakers are continuing to explore the option of creating a charter-schools provision that would allow some private schools in the city to become public, according to David Olmstead, a member of the board of education.

The Detroit board is also pursuing a plan to enable 12 existing public schools to sign a contract with the school board that would enable them to take control of their own budgets, programs, and governance structure.

In Milwaukee, charter-schools proponents suffered a setback last month when school-board members voted 4 to 4 to reject a request from Superintendent Howard L. Fuller to include a charter-schools provision in a package of proposals to the state legislature. But observers said Wisconsin lawmakers may still consider a charter-schools measure this year.

Charter schools are "a very natural evolution in the choice movement," said Mr. Schroeder. "A very important corollary to the choice movement is the allowance of more choices. But we are not going to get more choices—substantially more—until we make it possible for new public schools to be created in ways that currently aren't possible in most states."

[From the Washington Post, Sept. 10, 1991]

MINNESOTA'S CHOICE

(By Dave Durenberger)

In Congress and around the country a political logjam has developed over the question of school choice that threatens passage of President Bush's education reform initiative. Breaking it will require not just the usual dose of political compromise but a different understanding of the public interest in public education.

On one side in this debate, the president's toughest critics claim that school choice threatens students who don't change schools and are "left behind." Many critics also charge that choice is little more than a cynical smokescreen used by those unwilling to offer significant new financial support to existing schools.

The most vocal proponents of choice, on the other hand, sometimes give the impression that choice alone will solve all the tough problems now facing American education.

Meanwhile, there is a third voice in this debate which accepts the value of market forces but insists that choice be confined to public schools. In particular, such people resist the president's desire to let public funds follow parents who choose private schools that teach religion. This narrower debate—whether choice should include private schools—is now emerging as the single biggest challenge to President Bush as he navigates his America 2000 initiative through the Democratic Congress.

Unfortunately, by framing the choice debate in that manner, we're ignoring three important principles that have guided education reform initiatives in states such as Minnesota over much of the last decade.

The first of those principles—in response to the harshest of the president's critics—is to openly acknowledge that school choice cannot succeed on its own. In particular, school choice cannot succeed without more school choices. Just having the right to choose a school doesn't mean much if there aren't alternative choices to be made.

The reality of this first principle is tempered by a second: As long as local school boards have an "exclusive franchise" on starting and running new public schools, we'll never see a substantial increase in the number of school choices that can be made. Few Americans would accept a situation in which A&P insisted on an "exclusive franchise" to operate every grocery store in Washington. So why do we insist that only the local school board be allowed to start and operate public schools inside the boundaries of its district? Why not also allow parents to start new public schools? Why not allow teachers or community groups to do the same?

That in turn would force a third principle: that broader authority to run schools will require a new understanding of the public interest in public education. Public education shouldn't be defined by who owns the building or who hires the teachers. It should be defined by outcomes, by the Constitution, by who must be accepted, by who can't be excluded and by who pay the bills.

These three principles for designing choice programs are all incorporated in "chartered schools" legislation adopted earlier this year by the Minnesota state legislature. The chartered schools proposal was authored by Democratic legislators and enjoyed broad bipartisan support. Here's how the new Minnesota chartered schools law will work:

Groups of teachers will start by linking up with parents and community groups to define the type of school they want to start.

Some schools will focus just on at-risk kids. Others may place their emphasis on a particular curriculum area, such as math or science. Still others may focus on one age group of children or students who function less well in a traditional academic setting.

Once organized, each Minnesota chartered school must find a local public school board to be its sponsor. And the chartered school and school board must reach agreement on a contract that identifies the academic and other outcomes the school will meet. Beyond those contractual outcomes, the chartered school is exempt from all federal and state rules and regulations except rules protecting the health and safety of students and staff.

Under Minnesota's law, chartered schools are financed like other public school districts. State aid and local property tax revenues are allocated to the school on the basis of student population. So are other federal and state aids, like Chapter I funding for children needing special help in the classroom. Public and private grants may also be sought by chartered schools, but they may not charge tuition.

Because they're more autonomous and allowed to set their own rules, Minnesota's chartered schools don't fit a narrow and traditional definition of public schools. But at the same time, the new Minnesota law requires chartered schools to retain the underlying values of American public education.

For example, Minnesota chartered schools may not discriminate on the basis of race, religion, disability or ability to pay. They must accept all applicants they have room for. And they may not teach religion.

This unique blend of flexibility and the public interest makes Minnesota's new chartered schools law a positive model for tapping creative energies of teachers and empowering parents and communities all over America. But equally important, the new Minnesota law represents a fundamentally different way of framing the debate now raging in Washington between proponents of public and private school choice.

[From the Washington Post, Sept. 10, 1991]

THE CHARTERED SCHOOL

The Fall offensive is about to begin in the on-again, off-again war for school choice. Congress is likely to take to the administration's latest proposal about as well as it took to tuition tax credits and vouchers. The topic will again sink into a political and ideological morass.

But the march of federal crusaders lags behind that of the states and cities. More than half the states now offer students options beyond their neighborhood schools, from dozens of interdistrict transfer plans to Milwaukee's court-contested vouchers allowing low-income children to attend nonsectarian private schools. The arrangements under the name of "choice" vary widely, and some are more successful and politically palatable than others. But the evident appeal of many is leading advocates to begin to tug at the boundary between public and private education. As Sen. Dave Durenberger explains on the opposite page, Minnesota has just invented the "chartered school."

The state that pioneered open enrollment now will allow licensed teachers to establish schools that are nonsectarian, free and open to all by writing a contract—or "charter"—with the local school board. In exchange for an agreement exempting them from many rules and regulations, these schools are to be held accountable for student performance. If after three years students don't achieve what's expected of them, the local board can terminate the contract. Each school will receive categorical state aid, as if it were a school district.

The chartered school idea bubbles up from a couple of wellsprings. One is peculiar to Minneapolis, where for years nonprofit social service agencies such as the Urban League have been running schools for at-risk kids under contract with the public district. Another is the more widespread movement toward greater autonomy for teachers. Unleash teachers, many argue, and you unleash innovation.

In fact, entrepreneurial (some would say renegade) teachers are coming forward with proposals. Will their plans amount to scholastic boutiques or something else? Will a local board really grant a license to a disaffected group of teachers? Will the interest expressed by Native Americans, Hispanics and the NAACP lead to schools that are in effect segregated? And if the work rules are so stifling, why not repeal them altogether?

Troubling questions aside, proponents such as Sen. Durenberger see in chartered schools a more attractive face on the monster that breathes fire whenever someone mentions school choice. The beast now asks people to choose between, to put it simply, Central High and St. Mary's Academy. Those who advocate the merits of choice simply want to increase the options within the public domain. Why not let anyone establish a school as long as it is accountable to a public authority and adheres to basic principles, such as nondiscrimination, open and free admissions and so forth? Public schools then become rather like public roads, built and maintained according to certain binding specifications.

The problem is that it's easier to construct a road that works than a school that works. Whether greater choice leads to greater commitment to schooling and higher achievement remains unclear. What is clear is that Minnesota and dozens of other places are beginning to offer interesting case studies for the debate over school choice that has remained largely theoretical.

[From the St. Cloud Times, Nov. 17, 1991]

GIVE CHARTERED SCHOOLS A CHANCE

When the 1991 Legislature voted to allow a limited number of chartered schools in Minnesota, it was over adamant opposition from state teachers unions.

Now that some interest in starting one of the independent, teacher-run schools has surfaced in St. Cloud, defensive skepticism still prevails.

Throwing out the rules that other publicly funded schools must abide by could put kids at risk, state teacher union officials have said. Some educators have also taken offense at the whole idea of an independently run school—as though it were a personal affront to their ability to meet the needs of all children in a traditionally run school.

Besides, skeptics say, there's already room for independent curriculum and staffing decisions in public schools. In St. Cloud, many schools are already benefiting from new ideas from site-based management teams.

Perhaps these critics are running scared because the chartered school concept could represent a good start at chipping away the secure world of public school teachers—a world where years of service are rewarded equally, regardless of quality. This lock-step mentality has allowed burned-out teachers going through the motions to earn salaries and benefits equal to wonderfully creative teachers.

But the chipping away has already started. Many both inside and outside the education field have recognized that change is needed, and it's coming whether the lock-steppers like it or not.

The move toward site-based management and outcome-based education is happening in St. Cloud and in other Minnesota school districts. And some educators and some schools are blooming, including the Princeton elementary school teacher who's seeking permission to start a chartered school in St. Cloud and the staff of Public elementary school, Jefferson, which also has expressed an interest in being chartered.

But experimentation within the frameworks of traditional school districts will naturally be limited by the perceived need to keep things equal. Without the freedom to throw out traditional schedules and calendars and to make bold decisions without seeking permission from red-tape laden state and local bureaucracies, the experiments can only go so far.

With the help of state funding but without the fetters of the local school district administration structure and the union's teacher contract, a chartered school could show St. Cloud and other districts that learning can take place without a seven-hour day and a nine-month calendar. It can take place without authority being centered in a school office or a district board; the authority will be centered with the classroom teachers, the students and their parents.

This isn't really so radical. American society has flourished despite a preponderance in history of one-room schoolhouses and home schooling. Millions of children have become bright, contributing members of society after being schooled at their parents' knees, in mixed-age classrooms and in private or parochial schools.

The establishment of chartered schools is a natural extension of Minnesota's trend-setting open enrollment program. Both are innovative moves that will help encourage educators to create a variety of learning atmospheres and healthy competition.

Change is always difficult for some to accept. But the last people who should be balking at the challenge of opening new vistas in the field of education are teachers. Learning should be about experimenting and stretching, reaching and dreaming. It shouldn't be about fear and defensiveness about competition and risk.

The future belongs to those who dare to step boldly and to help shape the inevitable changes in education. A chartered school would help St. Cloud take one of those steps.

St. Cloud should be the site of at least one of the eight chartered schools allowed by the Legislature. With St. Cloud State University, a major educator of teachers, in its midst, this growing, progressive community should be a natural breeding ground for innovative education.

[From the Northfield News]

OUR VIEW: CHARTER SCHOOL COMING?

An exciting idea has started its way down the pipeline in the Northfield Public Schools.

A group of parents are seeking necessary board of education approval for a charter school. It is a potentially fantastic proposal that deserves serious consideration. However, any rush into uncharted waters using public funds when the education of adolescents are at stake would be ill-advised.

It is too soon to tell whether the proposed Cannon Valley Middle School can get off the ground in time for the 1992–93 school year—now only nine months away. There is a lot involved in physically setting up a new school that quickly.

Perhaps the even-bigger barrier is psychological. New relationships between the existing school structure and those who boldly propose a new way of schooling must be forged. Involving the community is another goal that will not be reached overnight.

Initial perceptions of some public school teachers and members of the public appear to be unfair. The proposed alternative middle school is not simply an attempt by some Prairie Creek Community School parents to get a chunk of public funding and extend their concepts to the next educational level.

The charter school, in fact, would allow licensed teachers the strongest voice on its board of directors, based on the new law's provisions. Any student in grades 6–8 would be eligible to seek inclusion in the school. A lottery system must be used to select students if demand is greater than the number of slots available.

The charter school advocates should stress that their proposal is designed to appeal more broadly than the focus of Prairie Creek. Students from that school are likely to make up less than half of those attending Cannon Valley Middle School.

The proposal for a new alternative middle school, based on charter school legislation, is an exciting and challenging one. The question of whether that idea can gain wide public support and become reality by next fall should be viewed separately.

If the school board and administration are uncomfortable with the timetable, they should avoid allowing that concern to cast a shadow over eventual adoption of a charter school plan.

Advocates of Cannon Valley Middle School should consider separating the two questions, as well. The opportunity to turn the vision of a charter school into reality in the Northfield area will not fade if the process slows down a bit. In fact, with greater public understanding and awareness, the chances for creating a successful chartered Cannon Valley Middle School seem quite bright indeed.

[From the Philadelphia Inquirer, Dec. 15, 1991]

BEST CHOICE

With the suddenness of a summer storm, the great American debate over "school choice" swept into Harrisburg this month, whipped up a lot of hysteria, and then moved on. It got everyone's attention, but left the landscape largely unchanged. A lot of legislators—still staggering from gale-force lobbying—are probably praying they've seen the last of it, but that's unlikely. Pennsylvania needs to do a far better job of educating its young, and school choice is too important a concept to ignore.

It's unfortunate that what should have been a discussion of ideas came down to a bruising battle between powerful interest groups. The debate became framed as parochial schools versus public schools, the Roman Catholic Church versus teachers unions, the rich versus the poor. (Jack Grier, president of the teachers union in Easton, approached the issue with all the sensitivity of a grand wizard of the Ku Klux Klan. Calling the Catholic Church the "enemy" of public education, he said, "if the Catholic Church were to cease to exist and disappear today, it would be better for all of us.")

But choice, if it's done well, is not a zero-sum game. It's a win-win situation for the state's schoolchildren. Even the opponents seemed to grudgingly acknowledge the power of the idea by coming up at the last moment with an alternative choice plan that would have been restricted to public schools.

The principle behind all school choice plans is that only market forces can shake the complacency of public school systems that have few internal incentives to improve their product. Probably the most successful experiment so far has been confined to the public schools of a single district in New York's East Harlem. By allowing children to choose among a range of schools, and by freeing educators to start new schools, the administrators in East Harlem created a climate in which schools compete for children and in which the children, by all accounts, seem to flourish. Failing schools have been forced to close in East Harlem, but failing students have not been abandoned.

What made the Pennsylvania plan so controversial was that it sought to expand parental choice by providing vouchers to make it easier to send children to private and parochial schools. In many ways it was a crude piece of legislation, but that's not entirely the sponsors' fault. Faced with implacable opponents who were interested in killing the legislation, not perfecting it, they had no incentive to risk alienating any of their core supporters with refinements.

We hope that the choice issue will be revived next year in Harrisburg and that this time it will be properly framed as an effort to improve the quality of education in Pennsylvania across the board. To do that, the legislation should:

Offer incentives to provide greater choice within individual school districts, along the East Harlem lines.

Permit students to attend public schools outside their home districts without having to pay impossible tuition fees.

Allow parents, educators, universities and the like to create their own independent public schools that would be open to all comers but would have complete autonomy over their affairs.

Provide means-tested vouchers, on a sliding scale, to students who want to attend private and parochial schools. The vouchers might be as high as $2,500 for the poorest children, but only a few hundred dollars for those whose parents are solidly middle class. The idea would be to make this option available to children whose parents couldn't otherwise afford it without great sacrifice.

There should be little difficulty achieving consensus for allowing greater choice within the existing public school systems. But it would be wrong to stop there.

Minnesota this year adopted pioneering legislation permitting the creation of independent public schools that would be free from existing bureaucracies and union work rules, but entitled to receive the full share of state and local funding for each student.

The goal is to preserve the ideal of public education, while shedding many of the obnoxious trappings that have given it a bad name of late. What's more, education research has shown that schools with the greatest autonomy and esprit de corps get the best results with students.

Vouchers for non-public schools, especially parochial schools, remain the most controversial part of the choice package. We support them on pragmatic lines—the nonpublic schools are up and running, providing an array of effective alternatives for parents who are unhappy with the local public schools. For poor families in Philadelphia, choice would be considerably more limited if the Archdiocese of Philadelphia's 106 elementary and 11 high schools weren't made more accessible through vouchers.

The House, shrinking from a genuine debate on choice last week, rejected the voucher plan as "unconstitutional." That's a matter for the courts to decide. An effective piece of choice legislation would include parochial schools, but allow that aspect of the plan to be set aside while the courts determined its legality.

Public school administrators and teachers union professionals could, no doubt, find much to dispute in the plan outlined above. What legislators have to keep asking themselves when they revisit this issue is: What's best for the kids?

Mr. DURENBERGER. Mr. President, I would like to engage in a colloquy with the distinguished Senator from Massachusetts [Mr. KENNEDY] concerning his intent in offering his amendment that expands on the allowable uses of funds authorized under section 202 for State-level initiatives.

The Senator from Massachusetts has included the establishment of new public schools including charter schools as an allowable State-level initiative that may be funded under section 202. Is it the Senator's intention to allow such funds to be used for startup assistance for chartered or outcome-based schools such as those authorized by the 1991 session of the Minnesota State Legislature?

Mr. KENNEDY. Mr. President, it is my understanding that Minnesota law requires these chartered or outcome-based schools to be operated within the "special requirement" under S. 2 as amended that reads as follows: "A new public school established under subparagraph (B)(iii) shall be nonsectarian in its programs, admission policies, employment practices, and all other operations and shall not be affiliated with a nonpublic sectarian school or a religious institution."

It is also my understanding that Minnesota law requires these chartered or outcome-based schools to have open admission policies, accepting all students who choose to attend. If more students choose to attend such a school than may be accommodated, admission is on the basis of a lottery.

It is my understanding that Minnesota law requires these chartered or outcome-based schools to be authorized by and have an outcome-based contract with a public school district, as well as approval by the Minnesota State Board of Education.

It is my understanding that Minnesota law requires these chartered or outcome-based schools to employ certified teachers.

And, it is my understanding that Minnesota law prohibits these chartered or outcome-based schools from charging tuition.

Are these understandings correct?

Mr. DURENBERGER. They are correct.

Mr. KENNEDY. With these understandings, it is my intention that chartered or outcome-based schools as defined by Minnesota law will be eligible for funding under section 202(a)(3)(B)(iii).

Mr. DURENBERGER. What types of startup expenses would the Senator envision being eligible for funding for new charter schools under this provision?

Mr. KENNEDY. Presumably, States will be determining how these funds should be used to help establish new public schools including charter schools. But, my intention would be that such uses include startup expenses such as planning, curriculum development, equipment purchases, personnel recruitment and training, textbook purchases, and minor remodeling expenses that might be needed to meet local or State codes.

Mr. DURENBERGER. Section 301 (4)(D) as now amended defines a new public school as a public school that operates "under the authority of a State education agency or local education agency." Again, is it your intent that this definition apply to chartered or outcome-based schools as authorized by Minnesota State law?

Mr. KENNEDY. It is my understanding that chartered or outcome-based schools in Minnesota must be granted permission to operate by a local school district.

It is also my understanding that these schools must have a performance-based contract with their sponsoring school district that must be renewed and that may be terminated based on the schools' compliance with the contract. Are those understandings correct?

Mr. DURENBERGER. Yes; they are correct.

Mr. KENNEDY. With those understandings, it is my intent that the charter from a local school district and performance-based contract with that school district would constitute operating "under the authority of a State education agency or local education agency" as required of new public schools by section 301(4)(D).

Mr. DURENBERGER. I want to thank the Senator from Massachusetts for those assurances that it is his intent that chartered or outcome-based schools such as those authorized by Minnesota State law will be eligible for funding under sections 202 and 301 of S. 2, as amended.

I also want to thank the Senator for his willingness to add language to S. 2 authorizing startup funding for Minnesota's chartered schools, an important innovation in education reform that I trust will soon emerge in other States, as well.

Mr. KENNEDY. I would also like to thank the Senator for his efforts to expand the number and diversity of public school choices available in his and other States and for his leadership nationally in helping to improve the quality of education for all Americans.

Mr. DURENBERGER. Mr. President, I yield the floor.

Mr. PELL addressed the Chair.

The PRESIDENT pro tempore. The Senator from Rhode Island [Mr. PELL].

Mr. PELL. Mr. President, I rise in support of this amendment, which I might well call the Wirth-Wellstone amendment, and think it should pass. The point here is whether the budget agreement of several months ago is still accurate, and pointing at the world today. The world events of the past several months, particularly in what was the Soviet Union, have made it clear that we can and should reorder our priorities set forth in the current budget agreement, and we should reduce military spending far beyond the limits of the budget agreement.

We can and should shift more funding into critically important domestic programs, such as education, health care, job training. In a Nation in the midst of such a serious recession, which approaches in my mind the dimensions of the Depression, such action is imperative.

I applaud the goals set forth in this resolution. It is clearly time that we fully fund Head Start, crucial that we insist more on elementary and secondary education, vital that we improve higher education opportunities for the economically disadvantaged, and extend grant and loan assistance to hard-pressed middle-income families.

In that regard, we will soon bring to the Senate floor the higher education reauthorization bill which seeks to realize many of the objectives set forth in this resolution.

Mr. President, I am glad to support this amendment. I think it is an excellent one. I hope that it meets with the approval of my colleagues.

Mr. COCHRAN addressed the Chair.

The PRESIDENT pro tempore. The Senator from Mississippi [Mr. COCHRAN].

Mr. COCHRAN. Mr. President, Members on our side are looking at the amendment, and a little additional time has been requested for that purpose. I am constrained at this point, unless the Senator would like to speak more in reference to this amendment, to suggest the absence of a quorum for the purpose of considering the amendment further.

I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. The Senate will be in order. Without objection, further proceedings under the quorum call will be waived.

The Senator from Massachusetts.

UNANIMOUS-CONSENT AGREEMENT

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Wirth amendments Nos. 1490 and 1491 be temporarily laid aside so that I may offer an amendment and that, immediately upon the reporting of my amendment, it be laid aside and the Wirth amendment recur, and that immediately thereafter the Senate proceed to a period for morning business with Senators permitted to speak therein.

Mr. COCHRAN. Mr. President, we have no objection to the unanimous-consent request.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 1492

(Purpose: To amend Public Law 102-170 to allow certain funds to be used for any educational reform program enacted into law before a certain date)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 1492.

Mr. KENNEDY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 58, before the matter following line 7, insert the following:

TITLE IV—MISCELLANEOUS

SEC. 401. TECHNICAL AMENDMENT

In the item relating to Educational Excellence in title III of Public Law 102-170 (105 Stat. 1130) insert "or any educational reform program" after "America 2000 educational excellence activities"

Mr. KENNEDY. Mr. President, the 1992 appropriations bill for Labor, HHS, and Education included a provision that provides $100 million in funding for education reform initiatives provided that legislation was enacted by April 1, 1992.

The appropriation language refers to "America 2000 educational excellence activities." The Department of Education has informed us that, since this bill is called the Neighborhood Schools Improvement Act, they may not be able to spend the money currently in the appropriations bill.

If we want the money to be spent on this education reform bill this year, we must, according to the Department of Education, revise the language regarding America 2000.

This simple, technical amendment has been approved by Senator BYRD. It has also been explicitly approved by Congressman NATCHER, chairman of the House Appropriations Committee on Labor, HHS, and Education.

At the appropriate time I would urge my colleagues to support it.

Mr. COCHRAN. Mr. President, may I ask, under the agreement entered into, is it not now in order to lay aside that amendment and the amendment of the Senator from Colorado [Mr. WIRTH] be now the pending business?

The PRESIDENT pro tempore. The Senator is correct. Amendment No. 1492 is, accordingly, under the agreement, laid aside.

AMENDMENT NO. 1491

The PRESIDENT pro tempore. The Senate resumes consideration of amendment No. 1491 by Mr. WIRTH, an amendment in the second degree to the Wirth amendment No. 1490.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the order, the Senate will now transact morning business.

THE EDUCATION BILL

Mr. KENNEDY. Mr. President, I want to again express my appreciation to the Members here today for their cooperation. We have been able to make good progress on the legislation. A number of these items are important and are related in one way or another to the central legislation that we have been addressing over the period of these last days. But they would have taken a considerable amount of time to examine properly, and our colleagues were cooperative enough to delay them so we might be able to finish consideration of this legislation. We have covered a variety of different provisions in the legislation.

We are grateful for the very considerable interest of the Members on both sides of the aisle to the substance of this legislation, and we look forward to a continued debate and discussion of the remaining amendments.

We have reduced the total number of areas to perhaps four or five, which may or may not be pursued in an active way for a vote on Tuesday. We will be prepared to debate those according to the consent agreement on Monday. We look forward to working with those who do have amendments and those who are thinking about amendments over the course of the weekend. We will be working with our colleagues on the Republican side to find ways to work through these various amendments and carry forward the spirit of the amendments. We look for ways in which we can cooperate as extensively as possible with the originators of the amendments.

So I thank all of the Members for their cooperation. I suggest the absence of a quorum.

The PRESIDENT pro tempore. What is the will of the Senate?

Mr. COCHRAN. Mr. President, if I understood the Senator from Massachusetts, he suggested the absence of a quorum.

The PRESIDENT pro tempore. The Chair thanks the Senator from Mississippi. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, may I inquire, are we in morning business?

The PRESIDENT pro tempore. The Senator from Wyoming is correct. The Senate is transacting morning business under an order that permits Senators to speak therein.

Mr. SIMPSON. Mr. President, I will go forward for not more than 10 minutes. Then we can go on with the business of the Senate.

The PRESIDENT pro tempore. The Senator is recognized.

THE EDUCATION BILL

Mr. SIMPSON. Mr. President, I rise not to discuss any particular amendment to the bill but, rather the process which has brought us here. It was George Bush's desire to be the education President for all Americans, not just for Republican Americans. Therefore, he did not begin this process by trying to come up with some Republican plan. He sent us an innovative and creative education initiative on May 23, 1991. It was the result of several years of actively seeking a consensus of educators and American business and community leaders on ways to improve our national education system. He immediately sought—as is his character—bipartisan cooperation and support for this plan.

Since then, several interesting things have occurred with respect to the enactment of the President's initiative. The American people began associating the President with innovative education strategies for the future of our Nation. Polls showed most Americans believed that President Bush had better ideas when it came to rejuvenating our troubled education system. They also showed that it was vital and necessary to make certain creative changes in our education system so that future generations of Americans could more successfully compete in a global economy.

Second, whenever you undertake efforts to change the status quo, whether in health care, immigration, the environment, or the criminal justice system, you wind up ruffling the feathers of the entrenched special interest groups which have a highly vested interest in maintaining that status quo. Typically, the special interest groups came right out of the woodwork to oppose the President's education initiative.

The combination of these special interest groups fearing interference with their own agenda and unchallenged power, and the fear that Republicans, might, just might—Heaven forbid—be perceived as being progressive on education, was an ominous threat to the survival of the President's education plan. Secretary Lamar Alexander scares those interest groups to death. He really does. He is bright, steady, knowledgeable, sensible—a real force for good. What we are seeing happen with this bill was born—not of policy differences—but of this difficult combination of political circumstances.

Prior to the President sending up the statutory language for the initiative he had announced in May 1991, the Senate Labor Committee approved a plan that would have done nothing more than maintain the status quo of the current education system, while throwing yet more Federal money at the problem.

We do not need more of the same. We need new ideas. These ideas come from the President. They come from our Governors, Democrat and Republican alike. They come from State departments of education, staffed by Democrats and Republicans alike, from business leaders and concerned parents. All of those ideas were incorporated into the President's America 2000 agenda.

That plan was supported by 31 Governors, Democrat and Republican alike, and most communities across the Nation. Citizens across the country answered the President's call for innovative and creative education by beginning an active crusade to establish America 2000 communities. They have laid the groundwork for the President's initiative. Why? Poorly educated young people who cannot produce are not good for business or productivity.

The President's school choice proposal was defeated yesterday. Prior to that we did pass a New American Schools initiative compromise. I endorsed that as a first step. However, the version we passed was dictated by political realities and was a substantially lightened version of the President's request. The President did get the flexibility he wanted to decrease burdensome bureaucratic regulations which stifle creativity, and that was done through an amendment sponsored by our respected colleague, Senator HATFIELD.

George Bush's plan was not intended to be a threat to the teacher's union in America. Please here that. This exercise has shown us that they, those teachers' unions, have a tendency—a reality would be the better word—to be threatened by their own inadequacies and their own rigidity. And they deeply desire to cling to business as usual in the education areas, to the detriment of parents and local boards, and all people who think they have a better idea of how their children should be educated.

Americans can see that rigidity illustrated when our graduates fall behind the international competitive curve, when they see the kind of graduates that come out of high schools in America. They do not need to look at tests or examinations or charts. They daily see the products of an inadequate educational system.

That old pitch, "Give us more money and we will provide you a better product," is a hollow cry. The American people have figured it out by now. Americans, especially parents of school aged children, and especially minority and poorer people, do not believe that at all. Here is our chance, a glimmering one, an inexpensive chance—a few demonstration projects, minimal activity—to change this dismal situation. So I hope we can still proceed toward that goal.

George Bush is not a Republican President offering a new education initiative. George Bush is an American President representing a vast majority of public spirited citizens, educators, community leaders, and business men and women, Democrat and Republican, who care deeply about the future of our national education system.

So, Mr. President, I think it is ugly and inappropriate to cast this cooperative and painstakingly thorough initiative as a partisan effort, and it does a great disservice to the goals the President has sought to achieve. We should be thinking about what is right for America; what is right for American education; what is right for American students, and it is for the people who feel deprived by the system that we are hoping, hoping and praying, we would see the changes which so far have been rather summarily dispatched.

The President does not want a Republican or a Democrat bill. He wants a bill that will innovatively utilize the best ideas of educators and community leaders. That should not be done for some partisan, political advantage but rather as a very real investment in the education of future generations of Americans.

I thank the Chair.

I yield the floor, Mr. President.

The PRESIDENT pro tempore. What is the will of the Senate?

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed en bloc to the immediate consideration of Calendar Nos. 330 and 379; that the committee amendments, where appropriate, be agreed to; the bill be deemed read three times and passed; the resolution be agreed to, and the motion to reconsider the passage of these items be laid upon the table; and the preamble where appropriate be agreed to; that the consideration of these items appear individually in the RECORD; and any statements appear at the appropriate place.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXCELLENCE IN PUBLIC ARCHITECTURE ACT

The Senate proceeded to consider the bill (S. 1056) to provide for an architectural and engineering design competition for the construction, renovation, and repair of certain public buildings, and for other purposes, which had been reported from the Committee on Environment and Public Works, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italics.)

S. 1056

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Excellence in Public Architecture Act of 1991".

SEC. 2. PUBLIC BUILDING DESIGN COMPETITIONS.

Title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.) is amended by adding at the end thereof the following new section:

"PUBLIC BUILDING DESIGN COMPETITIONS

"SEC. 905. (a)(1) No later than March 1, 1992, and no later than each March 1 thereafter, the Administrator shall submit to the Commission of Fine Arts and to Congress a list of all projects for the next fiscal year requiring approval under sections 7 and 11 of the Public Buildings Act of 1959 (40 U.S.C. 606 and 610) for which architectural and engineering services for building design or site planning shall first be procured during such fiscal year. In consultation with the Commission of Fine Arts, the Administrator shall designate a substantial number of such projects for which architectural and engineering services shall be acquired through design competitions conducted under this section. For each project so designated, the Administrator shall designate the appropriate competition format in accordance with paragraph (2) of this subsection.

"(2) No later than October 1, 1992, the Administrator in consultation with the Commission of Fine Arts, shall issue model rules under which competitions under this section shall be conducted. The rules shall be in accordance with the provisions of this title and shall—

["(A) establish no fewer than three different model competition procedure formats, at least one of which shall provide for competitions lasting no longer than sixty days and eliciting preliminary design concepts only;

["(B) require approval of the competition program for each project by the Commission of Fine Arts;]

"(A) establish no fewer than three different model competition procedure formats—

"(i) at least one of which shall provide for competitions lasting no longer than sixty days and eliciting preliminary design concepts only; and

"(ii) at least one of which (other than the format described under clause (i)) shall provide for public display of competitors' models;

"(B) require the submission of the competition program for each project to the Commission of Fine Arts for review and comment by the Commission;

"(C) provide for appointment of a project competition adviser and appointment of a project competition jury by the National Endowment for the Arts, in consultation with *the American Institute of Architects and* the Administrator;

["(D) provide that, each jury shall include a representative of the General Services Administration and the principal Federal agency that shall occupy the project; and]

"(D) provide that, each jury shall include a representative of the General Services Administration, the principal Federal agency that shall occupy the project, and the American Institute of Architects; and

"(E) require the project jury to report its recommendations in writing with reasons for such recommendations.

"(3) The Administrator shall conduct each competition provided for under this section and may provide for fair and reasonable compensation for those architect-engineering firms or individuals required to render extensive design services in the course of participating in a competition. Compensation for a competition adviser and for all firms in a competition, including travel costs, shall not exceed one percent of the estimated project cost.

"(4) Project competition juries shall make recommendations for selection based upon the architect-engineering firms or individuals determined best able to produce a design that shall—

"(A) bear visual testimony to the dignity, enterprise, vigor, and stability of the United States Government;

"(B) embody the finest contemporary American architectural thought; and

"(C) where appropriate, reflect regional architectural traditions.

"(5) The jury shall recommend to the Administrator—

"(A) the firm with which the agency head shall negotiate under section 904(a);

"(B) the firm with which the agency head shall negotiate under section 904(b), if necessary; and

"(C) the order of all firms with which the agency head shall negotiate under section 904(c), if necessary.

"(6) The Administrator shall make the final selection. If the selection differs from the jury recommendation the Administrator shall document his reasons for the public record.

"(7)(A) Services of individuals who are not Federal employees as competition jury members and project competition advisers may be procured by the Administrator as temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

"(B) An individual who serves on a competition jury or as a project competition adviser under the provisions of this section shall not be required to file a financial disclosure report under section 101 of the Ethics in Government Act of 1978 (5 U.S.C. App.) because of such service.

"(b)(1) A firm which participates in a design competition for a project under this section and enters into a contract under this section and section 904 for such project may receive no more than eight percent of the total projects costs for architectural and engineering services.

"(2) The General Services Administration shall determine any fair and reasonable compensation for architectural and engineering services provided by a firm that participated in a design competition under this section, other than a firm described in paragraph (1).".

SEC. 3. INCREASE IN FEE LIMITATION FOR CERTAIN ARCHITECTURAL AND ENGINEERING SERVICES.

Section 304(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254(b)) is amended in the first sentence by striking out "6 per centum" and inserting in lieu thereof "8 per centum".

So the bill (S. 1056) as amended, was passed.

EMANCIPATION OF THE BAHA'I COMMUNITY OF IRAN

The concurrent resolution (S. Con. Res. 43) concerning the emancipation of the Baha'i community of Iran, was considered, and agreed to.

The preamble was agreed to.

The concurrent resolution, and the preamble, are as follows:

S. CON. RES. 43

Whereas in 1982, 1984, 1988, and 1990, the Congress, by concurrent resolution, declared that it holds the Government of Iran responsible for upholding the rights of all its nationals, including members of the Baha'i faith, Iran's largest religious minority;

Whereas in such resolutions the Congress condemned the Iranian Government's persecution of the Baha'i community, including the execution of more than 200 Baha'is, the imprisonment of thousands, and other oppressive actions against Baha'is based solely upon their religious beliefs;

Whereas the Congress has urged the President to work with other governments and with the United Nations in support of the rights of Iranian Baha'is;

Whereas recent reports indicate that most Iranian Baha'is, imprisoned on account of their religion, have been released, and some confiscated business and personal properties have been restored; and

Whereas, despite such actions affecting individual Baha'is, the Government of Iran continues to deny the Baha'i community the right to organize; to elect its leaders, to hold community property for worship or assembly, to operate religious schools, and conduct other normal religious community activities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) continues to hold the Government of Iran responsible for upholding the rights of all its nationals, including Baha'is, in a manner consistent with that Government's obligations under the Universal Declaration of Human Rights and other international covenants which guarantee the civil and political rights of its citizens;

(2) notes that no executions of Baha'is have been reported for more than two years and that many Baha'is imprisoned on account of their religion have been released;

(3) expresses concern that, despite some recent improvements in the treatment of individual Baha'is, the Baha'i community continues to be denied legal recognition, and the basic rights to organize, elect its leaders, educate its youth, and carry on the normal activities of a law-abiding religious community;

(4) urges the Government of Iran to extend to the Baha'i community the rights guaranteed by the Universal Declaration of Human Rights and by other international agreements to which Iran is a party, including freedom of thought, conscience, and religion, and equal protection of the law; and

(5) calls upon the President to continue—

(A) to urge the Government of Iran to emancipate the Baha'i community by granting those rights guaranteed by the Universal Declaration of Human Rights and other international agreements to which Iran is a party;

(B) to emphasize that the United States regards the human rights practices of the Government of Iran, particularly its treatment of the Baha'i community and other religious minorities, as a significant element in the development of its relations with the Government of Iran; and

(C) to cooperate with other governments and international organizations, including the United Nations and its agencies, in efforts to protect the religious rights of the Baha'is and other minorities through joint appeals to the Government of Iran and through other appropriate actions.

CHILD ABUSE PROGRAMS, ADOPTION OPPORTUNITIES, AND FAMILY VIOLENCE PREVENTION EXTENSION ACT OF 1991

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Labor Committee be discharged from further consideration of H.R. 2720, related to child abuse prevention, and that the Senate proceed to its immediate consideration.

The PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2720) to extend for one year the authorizations of appropriations for the programs under the Child Abuse Prevention and Treatment Act and the Family Violence Prevention and Services Act, and for certain programs relating to adoption opportunities, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 1493

(Purpose: To provide for a substitute amendment)

Mr. MITCHELL. Mr. President, on behalf of Senator DODD, I send a substitute amendment to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for Mr. DODD, proposes an amendment numbered 1493.

Mr. MITCHELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Connecticut.

The amendment (No. 1493) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDENT pro tempore. If there is no further debate, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall the bill pass?

So the bill (H.R. 2720), as amended, was passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the president pro tempore appointed Mr. DODD, Mr. KENNEDY, Mr. ADAMS, Mr. HATCH, and Mr. COATS, conferees on the part of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

Mr. GRASSLEY (for himself and Mr. BOREN):

S. 2160. A bill to amend the Internal Revenue Code of 1986 to allow taxpayers to elect a deduction or credit for interest on certain educational loans; to the Committee on Finance.

Mr. PRESSLER:

S. 2161. A bill to amend the Agricultural Act of 1949 to eliminate the loan origination fee for oilseeds, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. MITCHELL (for Mr. HARKIN (for himself, Mr. ADAMS and Mr. BINGAMAN)):

S. 2162. A bill to amend the International Financial Institutions Act to advocate and promote policies to encourage developing countries to reduce military and military-related expenditures and to dedicate an equitable allocation of resources for health and education, and for other purposes; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for himself and Mr. BOREN):

S. 2160. A bill to amend the Internal Revenue Code of 1986 to allow taxpayers to elect a deduction or credit for interest on certain educational loans; to the Committee on Finance.

DEDUCTION FOR INTEREST ON CERTAIN EDUCATIONAL LOANS

Mr. GRASSLEY. Mr. President, as we continue our deliberations on elementary and secondary education, today, I want to take a few minutes to discuss the costs of higher education and to introduce legislation, along with Senator BOREN, restoring tax benefits for student loans.

Today, there is no greater issue of concern to the American people than the economic problems our Nation is facing. Last December, as members of the Finance Committee, both Senator BOREN and I participated in a series of hearings regarding an economic growth package. Besides advocating middle income tax cuts, as well as many other components, Senator BOREN and I stressed the need to address our Nation's long-term needs by including a restoration of tax benefits for higher education in an economic growth package. We've subsequently written to President Bush emphasizing this need.

Mr. President, I've watched with a great deal of interest as reports on various provisions of the administration's growth package have been discussed by the media. I'm very encouraged that middle income tax cuts appear to be part of the package. There's no question that Americans are taxed too much, and they deserve tax relief now.

But, more needs to be done for individual taxpayers to help them with their specific educational needs. We all know that under the Tax Reform Act of 1986, the consumer interest deduction was phased out after the 1990 tax year. Unfortunately, educational expenses were lumped together with consumer interest and the deduction for student loan interest was also terminated. By taking this action, Congress effectively imposed an additional tax on individuals who are attempting to better themselves or their families through higher education.

Congress justified repealing the interest deduction on the grounds that it was a significant disincentive to saving. However, unlike loans for most other personal items, student loans have become a necessity for many students and their families who are unable to afford the rising costs of an education.

In addition, consumer interest, up to a limit, remains deductible if the loan is secured by a taxpayer's residence. Even if this home equity loan is used for educational expenses, the interest is deductible. Consequently, current law discriminates against middle and lower income taxpayers who are not fortunate enough to own a home and borrow on the home's equity.

With this in mind, I introduced legislation in 1987 to restore the interest deduction on student loans, and reintroduced this legislation in the first session of this Congress. At the time of reintroduction, I noted that I would be looking into ways to bring down the billion dollar cost of the full deduction. Working together, Senator BOREN and I have put together legislation that we are introducing today that will provide tax benefits for higher education at less than half the cost of the original bill.

Under our legislation, taxpayers can choose between a tax credit or deduction, depending on their needs. Both itemizers and nonitemizers will be eligible for benefits. In the past, only itemizers were able to qualify for a benefit, so many more people will be helped under this new bill. In an effort to bring down the cost, the credit or deduction will be limited to 4 years of a loan's payback term. This is a period when interest payments are the greatest and taxpayers are less able to afford the cost of the loan.

Mr. President, the present law precluding interest deductions or credits for higher education is neither fair nor productive, and it's time to make an adjustment. We all agree that education is a national investment which will be a determining factor in the future of America. A well-educated work force is vitally important if we are to compete effectively in the international marketplace. Restoring the interest deduction for student loans is an expression of the value we place on education and its role in maintaining the position of the United States as the leader of the free world.

I urge my colleagues to join me and the cosponsors of this legislation in supporting the education and future of America by adjusting the Tax Code to provide assistance to Americans for reasonable educational expenses.

I ask unanimous consent to print the bill in the RECORD following my remarks, and to follow with a statement by Senator BOREN.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2160

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RESTORATION OF DEDUCTION FOR INTEREST ON EDUCATIONAL LOANS.

(a) In General.—Paragraph (2) of section 163(h) of the Internal Revenue Code of 1986 (defining personal interest) is amended by striking "and" at the end of subparagraph (D), by redesignating subparagraph (E) as subparagraph (F), and by inserting after subparagraph (D) the following new subparagraph:

"(E) any qualified education interest (within the meaning of paragraph (5)), and".

(b) Qualified Education Interest Defined.—Paragraph (5) of section 163(h) of such Code is amended to read as follows:

"(5) Qualified education interest.—For purposes of this subsection—

"(A) In general.—The term 'qualified education interest' means any interest which is paid or incurred—

"(i) on a qualified education loan during the first 48 months (whether or not consecutive) for which a payment is required to be made on the loan, and

"(ii) during a taxable year with respect to which the taxpayer elects to have this paragraph apply.

"(B) Certain taxpayers may not elect.—A taxpayer may not elect under subparagraph (A)(ii) to have this paragraph apply for any taxable year if—

"(i) an election is in effect under section 23 for such taxable year, or

"(ii) a deduction is allowed under this chapter for such taxable year for qualified residence interest (as defined in paragraph (3)) which is allocable to indebtedness the proceeds of which were used to pay for qualified higher education expenses (as defined in section 23(d)(2)) of the taxpayer, the taxpayer's spouse, or a dependent of the taxpayer.

"(C) Qualified education loan.—For purposes of this paragraph, the term 'qualified education loan' has the meaning given such term by section 23(d)(1)."

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991, but only with respect to loans the first required payment on which is after such date.

SEC. 2. CREDIT FOR INTEREST ON EDUCATION LOANS.

(a) In General.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 22 the following new section:

"SEC. 23. INTEREST ON EDUCATION LOANS.

"(a) Allowance of Credit.—In the case of an individual who elects the application of this section, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 15 percent of the interest paid or incurred by the taxpayer during the taxable year on any qualified education loan.

"(b) Maximum Credit.—

"(1) In general.—The credit allowed by subsection (a) for the taxable year shall not exceed $300.

"(2) Limit on period interest paid.—A credit shall be allowed under subsection (a) only for interest paid or accrued on a qualified education loan during the first 48 months (whether or not consecutive) for which a payment is required to be made on the loan.

"(3) Credit not to exceed tax on earned income for taxpayers under age 23.—If the taxpayer has not attained age 23 (or, in the case of a joint return, if neither the husband or wife have attained age 23) before the close of the calendar year ending with or within the taxable year, the credit allowed by subsection (a) for such taxable year shall not exceed the amount equal to the percentage of the taxpayer's regular tax liability for such taxable year which is the same as the percentage of the taxpayer's adjusted gross income for such taxable year which is attributable to earned income (as defined in section 911(d)(2)).

"(c) Limitations on Taxpayers Eligible for Credit.—

"(1) Credit allowed to taxpayer only if not claimed as personal exemption by another taxpayer.—No credit shall be allowed by this section to an individual for the taxable year if a deduction under section 151 with respect to such individual is allowed to another taxpayer for the taxable year beginning in the calendar year in which such individual's taxable year begins.

"(2) Credit allowed to parent, etc. only if dependent is student and personal exemption claimed for dependent.—If the qualified education loan was used to pay the qualified higher education expenses of an individual other than the taxpayer or his spouse, no credit shall be allowed by this section for the taxable year with respect to interest on such loan unless—

"(A) a deduction under section 151 with respect to such individual is allowed to the taxpayer for such taxable year, and

"(B) such individual is at least a half-time student with respect to such taxable year.

"(d) Definitions.—For purposes of this section—

"(1) Qualified education loan.—The term 'qualified education loan' means any indebtedness incurred to pay qualified higher education expenses—

"(A) which are paid or incurred within a reasonable period of time before or after the indebtedness is incurred, and

"(B) which are attributable to education furnished during a period during which the recipient was at least a half-time student.

Such term includes indebtedness used to refinance indebtedness described in the preceding sentence.

"(2) Qualified higher education expenses.—

"(A) In general.—The term 'qualified higher education expenses' means qualified tuition and related expenses of the taxpayer, his spouse, or a dependent (as defined in section 152) for attendance at an eligible educational institution, reduced by the sum of—

"(i) the amount excluded from gross income under section 135 by reason of such expenses, and

"(ii) the amount of the reduction described in section 135(d)(1).

"(B) Qualified tuition and related expenses.—The term 'qualified tuition and related expenses' has the meaning given such term by section 117(b), except that such term shall include any reasonable living expenses while away from home.

"(C) Eligible educational institution.—For purposes of this paragraph, the term 'eligible educational institution' has the meaning given such term by section 135(c)(3), except that such term shall also include any institution conducting an internship or residency program leading to a degree or certificate awarded by an institution of higher education, a hospital, or a health care facility which offers postgraduate training.

"(3) Half-time student.—The term 'half-time student' means any individual who would be a student as defined in section 151(c)(4) if 'half-time' were substituted for 'full-time' each place it appears in such section.

"(e) Special Rules.—For purposes of this section—

"(1) Denial of double benefit.—No credit shall be allowed under this section for any amount for which a deduction is allowable under any other provision of this chapter.

"(2) Marital status.—Marital status shall be determined in accordance with section 7703."

(b) Clerical Amendment.—The table of sections for such subpart A is amended by inserting after the item relating to section 22 the following new item:

"Sec. 23. Interest in education loans."

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991, but only with respect to loans the first required payment on which is after such date.

• Mr. BOREN. Mr. President, I am pleased today to introduce with my colleague Senator Grassley legislation that addresses a tremendous burden placed on middle-income taxpayers dealt with my no other middle-income tax relief bill. The legislation we introduce today, which I have also included in my comprehensive Tax Fairness and Competitiveness Act of 1992, would allow a deduction or tax credit for the interest paid on student loans to finance the costs of higher education.

The stagnant economy has put one critical aspect of providing for our children—financially supporting their college educations—out of the reach of many Americans. Higher education expenses are typical of the double-bind in which many middle-income Americans often find themselves. Students of limited means can qualify for scholarships and grants, and children of wealthy parents have no worries when it comes to tuition costs. Middle-income taxpayers, however, earn too much to qualify for need-based financial aid. Middle-income children make up three-fourths of the college-age population, yet they receive only about 4 percent of student aid and scholarship. While the average cost of going to college ranges between $6,000 and $22,000 per year, the typical middle-income family has an average net worth of $60,000—most of it tied up in home equities.

As a result, most middle-income families must take out burdensome educational loans if they do not wish to abandon the hope of providing their children with college educations. Debt for graduating middle-income students and their parents ranges from $10,000 to $120,000, depending on the type of education the student received. Such a huge debtload discourages students from seeking higher education, as well as discouraging them from taking lower-paying public service jobs.

Of course, this is more than an issue of short-term relief for the middle-income taxpayer. The long-term economic health of this Nation is dependent on a skilled and educated work force. If the Federal Government does not provide the economic stimulus to make higher education affordable by the largest segment of American society, the future holds little promise for our children.•

By Mr. PRESSLER:

S. 2161. A bill to amend the Agricultural Act of 1949 to eliminate the loan origination fee for oilseeds, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

ELIMINATION OF LOAN ORIGINATION FEES FOR OILSEEDS

Mr. PRESSLER. Mr. President, one reason I voted against the Omnibus Budget Reconciliation Act of 1990 was the fact that the bill established a 2-percent loan origination fee for all supported oilseeds. This fee is discouraging participation in the soybean marketing loan program and is bringing in less revenue than originally estimated.

Mr. President, the loan origination fee was a bad idea when it was agreed to by budget conferees, throughout the country today are saying the fee was wrong. They simply are not entering into the oilseeds support programs. By discouraging farmers from entering the loan program, the fee jeopardizes the program itself. The fee is depressing commodity prices and reduces farmers' income protection. It should be eliminated.

One might ask why the fee discourages loan participation. Let me explain. The major commodity affected by the fee is soybeans. Today's loan rate for soybeans is $5.02 per bushel. If a farmer takes out a loan, the Government deducts its 2 percent—10 cents a bushel—before issuing the farmer's check. While the marketing loan for soybeans is set for a 9-month term, most farmers do not hold their loan for the full term. Remember, the farmer receives $4.92 per bushel if he takes out a loan, but must repay $5.02 per bushel, plus interest. The following chart reflects what the actual annual percentage rate would be on a soybean loan based on the number of months the loan is outstanding:

	Cost cents/ bushel	Annual percent rate
Months outstanding:		
1	12.4	30.1
2	14.7	17.9
3	17.1	13.9
4	19.4	11.8
5	21.8	10.6
6	24.1	9.8
7	26.5	9.2
8	28.8	8.8
9	31.2	8.4

Assumptions: CCC interest rate=5.625 percent (as of 10/10/91). Principal payback=$5.02. Loan Proceeds=$4.92.

Mr. President with the effective annual interest rate ranging as high as 30 percent, one can see why many soybeans farmers are not taking out soybean marketing loans.

When this fee idea originated, it was estimated that it would generate approximately $32 million in additional Government revenue. That estimate was based on previous participation rates in the Soybean Program. With the loan fee now in place, farmers are participating at a significantly lower rate:

As of January 7, 1991, soybean loan placement was 192 million bushels;

As of January 7, 1992, soybean loan placement was 136 million bushels, a drop of nearly 30 percent from the previous year.

Consequently, anticipated revenue from the fee has fallen. Based on the loan placement figures of January 7, 1991, the Government will generate only $20 million, not $32 million, from the fee.

Mr. President, the Marketing Loan Program is designed to prevent an unwieldy influx of soybeans into the market at harvest, and help promote an orderly marketing of soybeans. The oilseeds loan origination fee is undermining the basic premise of the Marketing Loan Program.

Mr. President, I thought the loan origination fee was unfair when it was enacted last year. I think the fee is unfair when it was enacted last year. I think the fee is unfair today. Over 10,000 soybean farmers in South Dakota also believe the fee is unfair, as do soybeans farmers throughout the Nation. The fee should be eliminated and that is the purpose of the bill I am introducing today.

By Mr. MITCHELL (for Mr. HARKIN, for himself, Mr. ADAMS, and Mr. BINGAMAN):

S. 2162. A bill to amend the International Financial Institutions Act to advocate and promote policies to encourage developing countries to reduce military and military-related expenditures and to dedicate an equitable allocation of resources for health and education, and for other purposes; to the Committee on Foreign Relations.

THIRD WORLD DEVELOPMENT AND THREAT REDUCTION ACT OF 1992

•Mr. HARKIN. Mr. President, it's time for new priorities in America and countries around the globe. It's time to transform America's foreign policy from one focused on the plan of East-West relations to one with a truly global vision. We can no longer afford to ignore North-South divisions or the need to foster economic growth and human development in lesser developed countries of the Third World.

It's time to promote economic growth and cut worldwide military spending. And, it's time to recognize that economic growth with equity, human development and political democracy in Asia, Africa, Eastern Europe, and Latin America benefit the United States as well. Latin America already constitutes one of our most important markets. To the degree that their markets expand, so too will American jobs and our exports. We can help the developing nations of the world obtain the vast additional resources necessary to build schools, health clinics, and rural water systems—without increasing our contribution to foreign aid by 1 cent.

Mr. President, there is a wide consensus that large military expenditures impede economic and human development in developing countries by diverting capital and other resources away from productive public and private investment. A recent IMF working paper by Daniel Hewitt, as well as Robert McNamara's study prepared for the World Bank's Annual Conference on Development, conclude that international financial assistance "both enables and encourages a nation to spend more on the military." For this reason, I rise to introduce the Third World Development and Threat Reduction Act of 1992. The bill amends the International Financial Institution Act of 1977. It instructs the executive directors at the World Bank, the IMF, and all multilateral institutions to use U.S. voice and vote to promote policies that: First, redirect military spending in developing countries toward health, education, and productive enterprises; second, redirect health and education spending in developing countries to meet the needs of the impoverished majority; third, prohibit all assistance to countries which spend more on their military than health and education.

Mr. President, let me cite some facts on Third World military, health and education expenditures before elaborating on what my bill purports to do. Among the 97 poorest countries in the world, 27 countries allocated more money to their military than to education and health, 18 of which allocated more money to their military than to health and education combined. The United Nations Development Programme [UNDP] calculates Third World military expenditures at $173 billion in 1987 with a historic growth rate of 7.5 percent per year. A freeze on all Third World military expenditures would release $15 billion a year. My bill will encourage developing countries to reduce or at least freeze their military expenditures, which could redirect $150 billion over the next decade to raise the standard of living of their citizens, without costing the American taxpayer one dime. Research conducted by the World Bank indicates that raising the average educational level of the labor force by 1 year can raise GDP by as much as 9 percent. The World Bank estimates that 3 years of schooling as compared to zero raises GDP by 27 percent. "The World Bank Development Report 1991" also states:

> The educational status of adult women is by far the most important variable explaining changes in infant mortality and secondary school enrollments. An extra year of education for women is associated with a drop of 2 percentage points in the rate of infant mortality.

It is not enough Mr. President to encourage Third World governments to redirect military spending toward health and education. According to the U.N. spending in almost all developing countries is heavily biased toward higher education rather than basic education for the majority. And UNICEF points out that it is not atypical among developing countries for 75 percent of public spending on health to serve only the top 25 percent of the population. That's why my bill promotes policies which encourage Third World governments to redirect health and education spending in developing countries to meet the needs of the impoverished majority. We should be encouraging policies that help build developing countries from the bottom up, not the top down.

Mr. President, let me emphasize that this bill will enhance U.S. national security by increasing political stability in Third World countries, averting potential threats, and expanding markets for U.S. products. It will strengthen emerging democracies in the Third World by reducing the political influence of the military. It will also promote economic growth and increase the standard of living of the impoverished majority in Third World countries. And, we can do this without increasing foreign aid by 1 cent. Again, this is not only good morals, it's good policy and good economics.

Mr. President, I am proud to join with Senators ADAMS and BINGAMAN in introducing the Third World Development and Threat Reduction Act of 1992. I urge my colleagues to support this legislation and ask for unanimous consent that the bill and accompanying material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2162

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Third World Development and Threat Reduction Act of 1992".

SEC. 2. AMENDMENT TO THE INTERNATIONAL FINANCIAL INSTITUTIONS ACT.

The International Financial Institutions Act (22 U.S.C. 262c et seq.) is amended by adding at the end thereof the following new title:

"TITLE XXI—THIRD WORLD DEVELOPMENT AND THREAT REDUCTION

"SEC. 2001. CONGRESSIONAL FINDINGS.

"The Congress finds that—

"(1) a principal focus of the United States Government policy in the multilateral development banks has been and should be to foster greater economic growth and human development in the member borrowing countries of such banks;

"(2) large military and military-related expenditures in developing countries impedes economic and human development by diverting capital and other resources away from productive public and private investment; and

"(3) investment in basic education and health for the majority of a developing country's populations is not just social expenditure but an economic investment which leads to successful development.

"SEC. 2002. STATEMENT OF POLICY; PROHIBITION.

"(a) STATEMENT OF POLICY.—The Congress declares that, in order to promote economic growth in developing countries, it shall be the policy of the United States, in connection with the United States voice and vote in international financial institutions, vigorously to advocate and promote policies within such institutions designed to encourage developing countries—

"(1) to reduce military and military-related expenditures and to dedicate greater resources to health, education, and productive enterprises; and

"(2) to dedicate an equitable allocation of health and education resources to meet the needs of the majority of their populations.

"(b) PROHIBITION.—For the purpose of carrying out the policy described in subsection (a), the Secretary of the Treasury shall instruct the United States executive director to each international financial institution to oppose the making of any loan or the extension of any credit or guarantee by such institution to any developing country whose military expenditures as a percentage of gross product are greater than its expenditures on health and education.

"SEC. 2003. WAIVER.

"The prohibition contained in section 2002(b) shall not apply if the President submits a report to the Congress that to do so—

"(1) would result in grave harm to the national security of the United States; or

"(2) would endanger a democratically elected government facing armed aggression or the threat of armed aggression from—

"(A) a hostile neighboring country; or

"(B) a local insurgency whose existence presents an immediate danger to the survivability of the democratically elected government or an insurgency which is guilty of a consistent pattern of gross violations of human rights.

"SEC. 2004. DEFINITIONS.

"For purposes of this Act—

"(1) the term 'developing country' includes low income countries, middle income countries, and newly industrialized countries with a per capita income not in excess of $4,000;

"(2) the term 'international financial institutions' means the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the African Development Fund, the Inter-American Development Bank, the Asian Development Bank, and the European Bank for Reconstruction and Development; and

"(3) the term 'military expenditures' includes all expenditures needed for the maintenance and support of the armed forces, but does not include funds destined for civilian law enforcement unless such law enforcement is under the control of the military or a paramilitary organization.".

MILITARY EXPENDITURE VERSUS HEALTH AND EDUCATION

All data based on 1987 statistics;[1] 99 countries have per capita GDP's under $4,000.

27 Countries, among the 97 poorest, allocated more money to their military than to education and health, 18 of which allocated more money to their military than to health and education combined.[2]

*1. Mozambique, *2. Ethiopia, *3. Tanzania, *4. Chad, *5. Somalia, *6. Gambia, *7. Uganda, *8. China, *9. Yemen, *10. Pakistan, *11. Bolivia, *12. Egypt, *13. Sudan, *14. Angola.

*15. Nicaragua, *16. El Salvador, 17. Zambia, 18. Guyana, *19. India,[3] 20. Honduras, *21. N. Korea, 22. Cuba, *23. Peru, *24. Turkey, *25. Iran, *26. Iraq, *27. Syria.●

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[1] Sivard, L. Ruth; World Military and Social Expenditures 1991, 15th edition (1991). Cross References: The State of the World's Children 1992, UNICEF (Oxford University Press). McNamara S. Robert; "Reducing Military Expenditures in the Third World," Finance & Development, Volume 3, (September 1991). McNamara S. Robert; The Post-Cold War and its Implications for Military Expenditures in the Developing Countries,—Paper prepared for the World Bank's Annual Conference on Development Economics, March 1991.

[2] *=countries that spend more on their military than on health and education combined. Discrepancies in data may arise from under reporting. Data is also unavailable for several countries, such as Yugoslavia and the newly independent states in the former Soviet Union.

[3] Recent data indicates that India's military expenditures are currently higher than health and education combined. (Military 3.5 percent of GNP, Health 0.3 percent of GDP, Education 0.5 percent of GDP).

MILITARY, EDUCATION, AND HEALTH EXPENDITURES FOR THE 71 POOREST COUNTRIES IN THE WORLD

[In millions of 1987 dollars]

	Military		Education		Health	
	Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP
1. Mozambique[1,2,3]	102	8.0	51	4.0	23	1.8
2. Ethiopia[1,2,3]	472	8.8	225	4.2	67	1.3
3. Tanzania[1,2,3]	171	5.3	116	3.6	35	1.1
4. Chad[1,2,3]	34	4.9	14	2.0	4	.6
5. Somalia[1,2,3]	23	2.4	6	.6	3	.2
6. Laos			3	.6		
7. Nepal[3]	33	1.2	77	2.8	23	.8
8. Malawi	21	1.8	38	3.2	23	1.9
9. Zaire[3]	82	1.6	139	2.7	44	.9
10. Cambodia						
11. Bangladesh[3]	291	1.7	345	2.0	105	.6
12. Sierra Leone[3]	5	.8	9	1.3	4	.6
13. Madagascar[3]	37	1.9	56	2.9	38	2.0
14. Gambia[1,2,3]	16	10.0	5	3.3	3	1.6
15. Uganda[1,2,3]	80	2.4	50	1.5	10	.3
16. Bukino Faso[3]	51	3.0	50	3.0	17	1.0
17. Mali[3]	61	3.3	62	3.3	14	.7
18. Burundi[3]	32	2.9	35	3.1	9	.8
19. Nigeria[3]	180	.8	349	1.5	51	.2
20. Zambia[2,3]	63	3.6	60	3.5	34	2.0
21. Vietnam						
22. Guyana[2,3]	29	11.8	24	9.6	11	4.4
23. Burma[3]	190	1.9	198	2.0	73	.7
24. China[1,2,3]	13,418	4.4	8,235	2.7	4,269	1.4
25. Pakistan[1,2,3]	2,575	7.9	726	2.2	65	.2
26. Guinea[3]	60	3.0	60	3.0	20	1.0
27. India[2,3]	9,815	3.9	8,808	3.5	2,265	.9
28. Niger[3]	17	.8	67	3.2	15	.7
29. Rwanda	38	1.8	74	3.4	13	.6
30. Equatorial Guinea						
31. Kenya[3]	237	3.1	543	7.1	153	2.0
32. Haiti	28	1.3	42	1.9	28	1.3
33. Ghana	45	.9	169	3.4	58	1.2
34. Indonesia[3]	1,367	2.1	2,197	3.4	335	.5
35. Togo[3]	43	3.6	78	6.5	20	1.7
36. Central Africa Republic[3]	19	1.8	53	5.0	13	1.2
37. Benin[3]	31	1.8	86	5.0	14	.8
38. Sri Lanka[3]	204	3.1	245	3.7	115	1.7
39. Yemen[1,2,3]	494	26.6	310	11.5	71	3.5
40. Lesotho[3]	20	2.9	29	4.2	12	1.8
41. Liberia[3]	26	2.4	43	4.0	19	1.8
42. Mauritania[3]	40	4.6	50	5.8	17	2.0
43. Zimbabwe[3]	390	8.1	506	10.6	178	3.7
44. Bolivia[1,2,3]	175	4.7	108	2.9	15	.9
45. Egypt[1,2,3]	2,339	8.2	1,704	5.9	327	1.1
46. Sudan[1,2,3]	800	6.0	563	4.2	27	.2
47. Philippines[3]	609	1.8	675	2.0	240	.7
48. Senegal[3]	96	2.2	197	4.5	48	1.1
49. Morocco[3]	800	5.0	899	5.6	161	1.0
50. Dominican Republic	50	1.1	67	1.4	80	1.7
51. Mongolia[3]	172	10.9			22	1.4
52. Papua New Guinea	42	1.4	148	5.0	89	3.0
53. Honduras[2,3]	190	5.0	188	4.9	125	3.3
54. Guatemala[3]	124	1.8	154	2.2	85	1.2
55. Swaziland	8	1.3	36	6.2	13	2.3
56. Nicaragua[1,2,3]	592	20.0	183	6.2	148	5.0
57. Ivory Coast	117	1.2	566	6.0	159	1.7
58. Thailand[3]	1,657	3.5	1,711	3.6	540	1.1
59. El Salvador[1,2,3]	177	3.9	98	2.1	42	.9
60. Ecuador[3]	208	2.1	340	3.5	181	1.9
61. Jamaica	25	1.0	132	5.2	71	2.8
62. Namibia			54	3.0	11	.6
63. Paraguay[3]	49	1.1	56	1.3	13	.3
64. Angola[1,2,3]	2,040	20.0	306	3.0	102	1.0
65. Congo[3]	92	4.5	111	5.4	43	2.1
66. Colombia[3]	273	.8	905	2.7	237	.7
67. Cameroon[3]	232	1.9	334	2.8	101	.8
68. North Korea[1,2,3]	5,840	20.0			250	1.0
69. Albania[3]	151	4.2			83	2.3
70. Botswana[3]	82	6.0	126	9.2	52	3.8
71. Tunisia[3]	492	5.4	494	5.4	201	2.2
Total	44,932		34,388		11,737	
Other relevant countries of interest:						
Turkey[1,2,3]	2,890	4.4	1,083	1.6	970	1.5
Chile[3]	575	3.3	823	4.7	357	2.1
Cuba[3]	1,296	7.2	1,116	6.2	540	3.0
Iran[1,2,3]	19,000	20.0	2,650	2.9	1,380	1.5
Iraq[1,2,3]	9,370	30.2	1,429	4.6	248	.8
Peru[1,2,3]	2,184	5.0	1,477	3.4	371	.8
Syria[1,2,3]	2,721	11.5	1,109	4.7	104	.4

[1] Countries that allocated more money to their military than education and health combined.

[2] Countries that allocated more money to their military than to education.

[3] Countries that allocated more money to their military than to health.

• Mr. BINGAMAN. Mr. President, I rise today in support of the Third World Development and Threat Reduction Act. We are faced with a new set of circumstances that we must take advantage of. The threat of war around the world has diminished. From Angola to El Salvador to Afghanistan, the prospects for peace have never been higher. Because of these recent events, we must seize the moment and promote policies that redirect military spending in developing countries toward health and education.

Mr. President, we must promote policies that redirect health and education spending in developing countries to meet the needs of the impoverished majority. We must promote policies that promote economic growth and increase the standards of living in Third World countries. Mr. President, the Third World Development and Threat Reduction Act will instruct the executive directors at the World Bank, the IMF and all multilateral institutions to use United States voice and vote to promote these policies.

Mr. President, let me cite some alarming statistics. Among the 97 poorest nations in the world, 27 countries allocate more money to their military than to their health and education programs. Of these 27 nations, 18 allocate more money to their military than to their health and education combined. At the same time, according to the U.N. Development Programme, a freeze on all Third World military expenditures could release $15 billion a year, possibly $150 billion over the next decade, to invest in the health and education of their citizens.

Mr. President, this bill makes sense because the conditions to freeze expenditures on military spending exist and at the same time we can promote economic growth in Third World countries without increasing our foreign aid by $1. We must lead the financial world by demanding policies that work toward economic growth and increasing the standard of living in the poorest countries in the world. Mr. President, the Third World Development and Threat Reduction Act is essential if we are to promote these policies and I urge my colleagues to support it.●

ADDITIONAL COSPONSORS

S. 416

At the request of Mr. DANFORTH, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 416, a bill to amend the Internal Revenue Code of 1986 to make permanent the tax credit for increasing research activities.

S. 757

At the request of Mr. LEAHY, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 757, a bill to amend the Food Stamp Act of 1977 to respond to the hunger emergency afflicting American families and children, to attack the causes of hunger among all Americans, to ensure an adequate diet for low-income people who are homeless or at risk of homelessness because of the shortage of affordable housing, to promote self-sufficiency among food stamp recipients, to assist families affected by adverse economic conditions, to simplify food assistance programs' administration, and for other purposes.

S. 1087

At the request of Mr. HARKIN, the names of the Senator from New York [Mr. D'AMATO] and the Senator from Nebraska [Mr. EXON] were added as cosponsors of S. 1087, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 100th anniversary of the Pledge of Allegiance to the Flag.

S. 1100

At the request of Mr. KERRY, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 1100, a bill to authorize the Secretary of Housing and Urban Development to provide grants to urban and rural communities for training economically disadvantaged youth in education and employment skills and to expand the supply of housing for homeless and economically disadvantaged individuals and families.

S. 1156

At the request of Mr. PACKWOOD, the name of the Senator from Texas [Mr. BENTSEN] was withdrawn as a cosponsor of S. 1156, a bill to provide for the protection and management of certain areas on public domain lands managed by the Bureau of Land Management and lands withdrawn from the public domain managed by the Forest Service in the States of California, Oregon, and Washington; to ensure proper conservation of the natural resources of such lands, including enhancement of habitat; to provide assistance to communities and individuals affected by management decisions on such lands; to facilitate the implementation of land management plans for such public domain lands and Federal lands elsewhere; and for other purposes.

S. 1830

At the request of Mr. WOFFORD, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 1830, a bill to require Senators and Members of the House of Representatives to pay for medical services provided by the Office of the Attending Physician, and for other purposes.

S. 1904

At the request of Mr. ADAMS, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 1904, a bill to amend title XI of the Higher Education Act of 1965 to provide assistance to institutions of higher education to enable such institutions to support programs that are designed to address urban campus and community crime issues.

S. 2064

At the request of Mr. HATFIELD, the names of the Senator from South Dakota [Mr. DASCHLE], the Senator from Massachusetts [Mr. KERRY], the Senator from Hawaii [Mr. AKAKA], the Senator from California [Mr. CRANSTON], the Senator from Hawaii [Mr. INOUYE], and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of S. 2064, a bill to impose a 1-year moratorium on the performance of nuclear weapons tests by the United States unless the Soviet Union conducts a nuclear weapons test during that period.

SENATE JOINT RESOLUTION 233

At the request of Mr. BIDEN, the names of the Senator from North Carolina [Mr. SANFORD], the Senator from Hawaii [Mr. INOUYE], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of Senate Joint Resolution 233, a joint resolution to designate the week beginning April 12, 1992, as "National Public Safety Telecommunicators Week."

SENATE JOINT RESOLUTION 238

At the request of Mr. RIEGLE, the names of the Senator from Montana [Mr. BURNS], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. D'AMATO], the Senator from California [Mr. SEYMOUR], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Joint Resolution 238, a joint resolution designating the week beginning September 21, 1992, as "National Senior Softball Week."

SENATE RESOLUTION 234

At the request of Mr. BINGAMAN, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of Senate Resolution 234, a resolution expressing the sense of the Senate on the sale of 40 percent of McDonnell-Douglas' commercial aircraft division to the Taiwan Aerospace Corp.

SENATE RESOLUTION 245

At the request of Mr. DIXON, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from Ohio [Mr. GLENN], the Senator from Arizona [Mr. DECONCINI], the Senator from Michigan [Mr. LEVIN], the Senator from South Dakota [Mr. DASCHLE], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of Senate Resolution 245, a resolution expressing the sense of the Senate in support of United States workers and objecting to attempts by the Prime Minister of Japan to undermine the President's trade mission.

SENATE RESOLUTION 246

At the request of Mr. DOLE, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of Senate Resolution 246, a resolution on the recognition of Croatia and Slovenia.

AMENDMENTS SUBMITTED

NATIONAL LITERACY ACT

KASTEN (AND OTHERS) AMENDMENT NO. 1482

Mr. KASTEN (for himself, Mr. NICKLES, Mr. SMITH, Mr. D'AMATO, Mr. COATS, Mr. SYMMS, Mr. THURMOND, Mr. HELMS, and Mr. WALLOP) proposed an amendment to amendment No. 1479 proposed by Mr. NICKLES to the bill (S. 2) to promote the achievement of national education goals, to establish a National Council on Education Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes, as follows:

Strike all after the word "SEC." and insert the following:

. STATE OPTION TO ESTABLISH LEARNFARE PROGRAMS.—Section 402(a) of the Social Security Act is amended—

(1) by striking out "and" after paragraph (44);

(2) by striking out the period at the end of paragraph (45) and inserting in lieu thereof "and;" and

(3) by adding at the end thereof the following new paragraph:

"(46) at the option of the State, provide that the needs of an individual will not be taken into consideration (or will be taken into consideration only in part) under paragraph (7) for any month if such individual—

"(A) is over the age specified in the applicable State compulsory school attendance law at which a child must begin to attend school, but under the age of 16; and

"(B) has, as determined by the State agency, failed without good cause to regularly attend an elementary, secondary, vocational school, or other appropriate school;

but if the needs of an individual are not considered (or are considered only in part) by reason of this paragraph, he shall still be considered to be receiving aid under this part for purposes of determining the eligibility for such aid of any other individual to whom paragraph (7) applies, and for purposes of determining eligibility for medical assistance under the State's plan approved under title XIX.".

(4) The effective date of this section shall be June 1, 1992.

METZENBAUM AMENDMENT NO. 1483

Mr. METZENBAUM proposed an amendment to the bill S. 2, supra, as follows:

In the appropriate place insert the following:

SEC. . STATE EDUCATIONAL FUNDING AND STATE ECONOMIC DEVELOPMENT FUNDING OR STATE INDUSTRIAL DEVELOPMENT GRANTS.

(a) IN GENERAL.—No State shall be eligible to receive Federal funds appropriated and or designated for State economic development purposes or State industrial grants, if such State or political subdivision, or agency or other entity of such State offers, permits or grants a tax incentive, as defined in subsection (b), that relieves a taxpayer from paying any State or local tax which would otherwise by payable for the direct or indirect support of primary and secondary education.

(b) DEFINITION OF TAX INCENTIVE.—For the purpose of subsection (a), the term "tax incentive" means the abatement of tax, the exemption from tax, the deferral of tax, the reduction of tax, the diversion of tax payments and/or the authorization of payments in lieu of taxes which are offered, permitted or granted to a private corporation for profit, a nonprofit community redevelopment corporation, an individual, or any other entity engaged in economic development, for the purpose of promoting new economic development and/or the retention and/or expansion of existing facilities within the State, and which results in a loss of revenue which, but for the abatement of tax, the exemption from tax, the deferral of tax, the reduction of tax, the diversion of tax payments and/or the authorization of payments in lieu of taxes, would be payable for education purposes.

NUNN (AND OTHERS) AMENDMENT NO. 1484

Mr. NUNN (for himself, Mr. BREAUX, Mr. PRYOR, Mr. BOREN, Mr. LIEBERMAN, and Mr. DOMENICI) proposed an amendment to the bill S. 2, supra, as follows:

On page 2 of the Committee amendment, in the table of contents, strike the items relating to title III of the amendment and insert the following:

TITLE III—YOUTH APPRENTICESHIP

Sec. 301. Short title.
Sec. 302. Findings and purpose.
Sec. 303. Definitions.
Sec. 304. Institute for youth apprenticeship.
Sec. 305. Establishment of youth apprenticeship demonstration programs.
Sec. 306. Contracts.
Sec. 307. Youth apprenticeship demonstration program requirements.
Sec. 308. Coordination.
Sec. 309. Nondiscrimination.
Sec. 310. Notice, hearing, and grievance procedures.
Sec. 311. Nonduplication and nondisplacement.
Sec. 312. Evaluation.
Sec. 313. Executive Schedule.
Sec. 314. Authorization of appropriations.
Sec. 315. Termination and repeal.

TITLE IV—DEFINITIONS

Sec. 401. Definitions.

In title III of the Committee amendment, strike the title heading and all that follows through "sec. 301. definitions." and insert the following:

TITLE III—YOUTH APPRENTICESHIP

SEC. 301. SHORT TITLE.

This title may be cited as the "Youth Apprenticeship Act of 1992".

SEC. 302. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) many foreign countries, including Germany, Japan, Denmark, and Sweden, have national policies that—

(A) are aimed at effective employment preparation of youth who do not seek a college education; and

(B) include programs that provide occupational guidance to students and combine schooling with work experience;

(2) in Germany, almost all eligible students apply for vocational training, which substantially reduces the risk of unemployment for young people, and German firms spend $18,000,000,000 annually on vocational training;

(3) United States international competitiveness is being eroded because a substantial increase is occurring in jobs requiring greater skills and youth are unprepared to meet the new labor market demands;

(4) partly as a result of inadequate skills in the work force, the productivity growth of the United States has slowed dramatically over the past 10 years, with the country taking almost 3 years to achieve the same productivity improvement previously achieved in 1 year;

(5) while the United States still leads the world in productivity, the rate of productivity improvement is increasing much faster among competing nations;

(6) the economic position of United States high school graduates who do not seek a college education is deteriorating, with real earnings of the graduates declining by 28 percent from 1973 to 1986;

(7) about 9,000,000 of the 33,000,000 United States youth age 16 to 24, or 27 percent of the youth, lack the necessary skills to meet employer requirements for entry level positions;

(8) in the United States, apprenticeship training programs are providing valuable training services to—

(A) 300,000 apprentices enrolled in more than 40,000 federally registered programs; and

(B) 100,000 apprentices participating in nonregistered programs;

(9) attempts to expand apprenticeship training in the United States have been unsuccessful and the percentage of the civilian United States work force enrolled in federally registered apprenticeship programs fell from an already low .3 percent in 1970 to only .16 percent in 1987;

(10) federally registered apprenticeship training programs do not provide assistance to the average high school graduate, as evidenced by the fact that—

(A) fewer than 2 percent of United States high school graduates enter into youth apprenticeship training programs; and

(B) the median age of United States apprentices is 25;

(11) currently, there are at most approximately 3,500 United States high school students participating in school-to-work apprenticeship programs; and

(12) school-to-work apprenticeship programs can—

(A) allow students to become registered apprentices as the students complete high school;

(B) produce positive outcomes for the students, schools, and employers; and

(C) provide supervised work experience for the students during high school, promoting desirable work habits and developing knowledge and skills for the working world.

(b) PURPOSE.—The purpose of this title is to develop and evaluate a range of youth apprenticeship programs that will—

(1) establish partnerships between secondary and postsecondary schools, employers, labor organizations, and community and civic leaders to bridge the growing gap in skills, income, and opportunity between college bound and noncollege bound youth;

(2) offer young people a better chance to gain marketable skills and incentives to remain in school and achieve better grades;

(3) establish a systematic transition for students from school to work by combining work experience for youth with a work-related curriculum;

(4) identify and develop competency standards for youth apprentices;

(5) instill a sense of pride, self-esteem, and purpose in youth apprentices;

(6) contribute to the public policy debate on youth apprenticeship programs; and

(7) test a range of approaches to youth apprenticeship programs.

SEC. 303. DEFINITIONS.

As used in this title:

(1) BOARD.—The term "Board" means the Board of Directors of the Institute.

(2) DISADVANTAGED YOUTH.—The term "disadvantaged youth"—

(A) means an individual (other than an individual with a handicap) who—

(i)(I) is a economically disadvantaged individual; or

(II) has academic disadvantages; and

(ii) requires special services and assistance in order to succeed in an apprenticeship training program; and

(B) includes—

(i) an individual who is a member of an economically disadvantaged family;

(ii) a migrant;

(iii) an individual with limited-English proficiency; and

(iv) an individual who is identified as a potential dropout from a secondary school.

(3) ECONOMICALLY DISADVANTAGED FAMILY; ECONOMICALLY DISADVANTAGED INDIVIDUAL.—The terms "economically disadvantaged family" and "economically disadvantaged individual" mean a family and an individual,

respectively, that the Institute, or a partnership participating in a youth apprenticeship demonstration program, determines to be low-income, according to the latest available data from the Department of Commerce.

(4) Institute.—The term "Institute" means the Institute for Youth Apprenticeship, established in section 304.

(5) Partnership.—The term "partnership" means a coalition of secondary and postsecondary schools, employers, labor organizations, and community and civic leaders, formed for the purpose of operating a youth apprenticeship demonstration program.

(6) Postsecondary school.—The term "postsecondary school" means a community college, junior college, technical institute, or area vocational school.

(7) Postsecondary school demonstration program.—The term "postsecondary school demonstration program" means a demonstration program described in section 306(b)(3).

(8) Secondary school demonstration program.—The term "secondary school demonstration program" means a demonstration program described in section 306(b)(2).

(9) Youth apprenticeship demonstration program.—The term "youth apprenticeship demonstration program" means a demonstration program described in paragraph (2) or (3) of section 306(b).

SEC. 304. INSTITUTE FOR YOUTH APPRENTICESHIP.

(a) Establishment.—There is established an Institute for Youth Apprenticeship that shall administer the programs established under this title. The Institute shall be an independent establishment, as defined in section 104 of title 5, United States Code.

(b) Composition of Board of Directors.—The Institute shall be administered by a Board of Directors. The Board shall be composed of 21 members, including—

(1) a Chairperson, appointed by the President with the advice and consent of the Senate;

(2) the Administrator of the Office of Work-Based Learning of the Department of Labor;

(3) the Director of the Division of Vocational and Technical Education of the Department of Education; and

(4) 18 members, appointed by the President—

(A) who shall include—

(i) nine individuals from among individuals nominated by the Speaker of the House of Representatives; and

(ii) nine individuals from among individuals nominated on the joint recommendation of the Majority Leader of the Senate and the Minority Leader of the Senate; and

(B) of whom—

(i)(I) six individuals shall be representatives of the education community;

(II) six individuals shall be representatives of labor and worker groups; and

(III) six individuals shall be representatives of the business community; and

(ii) individuals within each of the groups described in subclauses (I), (II), and (III) of clause (i) shall represent the national, State, and local community levels.

(c) Term.—Each appointed member of the Board shall be appointed for a term of 5 years.

(d) Vacancies.—Vacancies in the membership of the Board shall be filled in the same manner as the original appointment. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

(e) Federal Employment.—

(1) Members.—Members of the Board appointed under subsection (b)(4) shall not be employees or officers under section 2104 or 2105 of title 5, United States Code.

(2) Chairperson.—The Chairperson of the Board shall be an officer under section 2104 of title 5, United States Code.

(f) Suit.—Members of the Board shall be immune from suit and legal process relating to acts performed by the members in their capacity, and within the scope of their functions, as members of the Board.

(g) Compensation and Reimbursement of Expenses.—

(1) Uncompensated service.—Members of the Board who are not employees of the Federal Government shall not be compensated for the performance of duties for the Board.

(2) Travel expenses.—Each member of the Board shall receive travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(h) Quorum.—A quorum shall consist of 14 members of the Board, except that 9 members may conduct a hearing.

(i) Meetings.—The Board shall meet at the call of the Chairperson or a majority of the members of the Board.

(j) Executive Director.—The Chairperson, in consultation with the Board, shall appoint an Executive Director for the Institute.

(k) Staff.—

(1) Appointment and compensation.—The Executive Director of the Institute may appoint and determine the compensation of such staff as the Board determines to be necessary to carry out the duties of the Institute.

(2) Limitations.—The rate of compensation for each staff member appointed under paragraph (1) shall not exceed the daily equivalent of the rate for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day the staff member is engaged in the performance of duties for the Institute. The Executive Director of the Institute may otherwise appoint and determine the compensation of staff without regard to the provisions of title 5, United States Code, that govern appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, that relate to classification and General Schedule pay rates.

(l) Experts and Consultants.—The Executive Director of the Institute may obtain the services of experts and consultants and compensate such experts and consultants in accordance with section 3109(b) of title 5, United States Code, as the Board determines to be necessary to carry out the duties of the Institute.

(m) Detail of Federal Employees.—On the request of the Board, the Secretary of Labor and the Secretary of Education shall detail, without reimbursement, any of the personnel of the Department of Labor and the Department of Education to the Institute as the Board determines to be necessary to carry out the duties of the Institute. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(n) Technical Assistance.—On the request of the Board, the Secretary of Labor, the Secretary of Education, and the heads of other pertinent Federal agencies shall provide, without reimbursement, such technical assistance and administrative support services to the Institute as the Board determines to be necessary to carry out the duties of the Institute.

(o) Obtaining Information.—The Executive Director of the Institute may secure directly from any Federal agency information necessary to enable the Institute to carry out the duties of the Institute, if the information may be disclosed under section 552 of title 5, United States Code. Subject to the previous sentence, on the request of the Executive Director of the Institute, the head of the agency shall furnish the information to the Institute.

(p) Gifts and Private Contributions.—The Executive Director of the Institute may accept on behalf of the Institute gifts or contributions from private sources for the benefit of the Institute or to carry out any of the functions of the Institute. No gift or contribution shall be accepted if the gift or contribution is conditioned on any expenditure of funds by the Institute.

(q) Voluntary Service.—Notwithstanding section 1342 of title 31, the Chairperson of the Board may accept for the Board voluntary services provided by a member of the Board.

SEC. 305. ESTABLISHMENT OF YOUTH APPRENTICESHIP DEMONSTRATION PROGRAMS.

After consultation with the Board, the Chairperson of the Board shall establish guidelines, criteria, and procedures for youth apprenticeship demonstration programs, including—

(1) developing recommended guidelines for an appropriate curriculum for each occupational field within the programs, including postsecondary courses to enable apprentices to supplement training after completion of the programs;

(2) establishing site criteria to be used in the selection of partnerships to develop and evaluate youth apprenticeship demonstration programs, including requirements that the programs be established in rural and urban areas in all regions of the country;

(3) establishing criteria for apprenticeship occupations, including requirements that demand exist for skill training in the occupations and that the occupations offer a career ladder for apprentices;

(4) establishing competency criteria for apprenticeships and trainers in specific occupational fields; and

(5) establishing certification procedures for apprentices and trainers.

SEC. 306. CONTRACTS.

(a) Establishment.—Not later than 12 months after the date of enactment of this title, the Executive Director of the Institute shall, to the extent appropriations are available, enter into contracts with eligible partnerships, to pay for the Federal share of developing and evaluating youth apprenticeship demonstration programs, in accordance with the requirements specified in section 307.

(b) Contracts.—

(1) In general.—The Board shall enter into contracts under this section with eligible partnerships that propose youth apprenticeship demonstration programs consistent with the criteria and procedures established under section 305.

(2) Secondary school demonstration programs.—

(A) In general.—The Board shall enter into contracts with eligible partnerships to establish demonstration programs at the secondary school level.

(B) Wage incentive demonstration program.—The Board shall enter into a contract with an eligible partnership to establish at least one demonstration program in which the Institute shall pay for 50 percent of the cost of the apprenticeship wage.

(C) DISADVANTAGED YOUTH DEMONSTRATION PROGRAM.—The Board shall enter into a contract with an eligible partnership to establish at least one demonstration program that shall train disadvantaged youth.

(3) POSTSECONDARY SCHOOL DEMONSTRATION PROGRAMS.—The Board may enter into contracts with two eligible partnerships to establish demonstration programs that solely involve students at the postsecondary school level.

(4) AWARDS.—The Board shall enter into contracts under this section on a majority vote of the Board.

(c) APPLICATION.—To be eligible to enter into a contract under this section, a partnership shall submit an application to the Executive Director of the Institute at such time, in such manner, and containing such information as the Executive Director may require. At a minimum, the application shall include—

(1) a description of the youth apprenticeship demonstration program proposed to be conducted by the partnership, including sufficient information to enable the Executive Director to determine whether the proposal of the partnership is consistent with the criteria and procedures specified in section 305;

(2) an assessment of the future work force needs of each area in which a youth apprenticeship demonstration program will be established and the manner in which the program will help provide skilled workers to meet the needs;

(3) a description of the activities to be offered through the youth apprenticeship demonstration program to students in the seventh grade or older;

(4) a description of the manner in which each school, employer, or other representative of a partnership shall participate in the partnership;

(5) a description of the manner in which the program will be administered by schools participating in the youth apprenticeship demonstration program, including the support and counseling staff available to students pursuing apprenticeships, which staff at a minimum shall include one full-time vocational counselor;

(6) a description of the manner in which inservice training for teachers will be provided and the manner in which such training will—

(A) be designed to train teachers to effectively implement apprenticeship training curricula;

(B) provide for joint training for all the teachers in the partnership; and

(C) provide for the training in weekend, evening, and summer sessions, institutes, or workshops;

(7) a description of the manner in which training programs will be provided for counselors and the manner in which such training will be designed to enable counselors to more effectively—

(A) recruit students for apprenticeship training programs;

(B) ensure that such students successfully complete high school and the apprenticeship training program; and

(C) assist such students in finding appropriate employment;

(8) a description of courses to be offered to students considering or participating in the apprenticeship program;

(9) a description of the work processes to which apprentices will be exposed;

(10) a description of the manner in which apprentices shall be selected;

(11) a description of the academic and technical skill levels to be achieved by apprentices on completion of the program;

(12) a description of the apprenticeship wage and employee benefits offered;

(13) an estimate of the amount of time to be spent by apprentices at the workplace during the school day;

(14) a plan for monitoring and evaluating apprentices and the youth apprenticeship demonstration program within each partnership; and

(15) an assurance that the partnership will comply with the matching requirement specified in subsection (d).

(d) MATCHING REQUIREMENT.—

(1) FEDERAL SHARE.—The Federal share of the costs of developing and evaluating youth apprenticeship demonstration programs shall be not more than 50 percent.

(2) NON-FEDERAL SHARE.—The non-Federal share of the costs may be in cash or in kind, fairly evaluated, including plant, equipment, and services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal share.

SEC. 307. YOUTH APPRENTICESHIP DEMONSTRATION PROGRAM REQUIREMENTS.

(a) RESPONSIBILITIES.—Each partnership that participates in a youth apprenticeship demonstration program shall be responsible for—

(1) program and curriculum development;

(2) coordination and quality assurances; and

(3) provision of information to the Institute for the assessment and evaluation of apprentices and training programs.

(b) SECONDARY SCHOOL DEMONSTRATION PROGRAMS.—

(1) IN GENERAL.—The partnerships participating in secondary school demonstration programs shall provide apprenticeship training to students as appropriate for the grade level of the students.

(2) SEVENTH THROUGH TENTH GRADE STUDENTS.—The partnerships shall provide students in the seventh through tenth grades with an opportunity to learn about possible occupations through secondary school courses, site visits, job sampling, and employer visits to secondary schools. The partnerships shall also provide information about the youth apprenticeship demonstration program to the parents of students in the seventh through tenth grades.

(3) TENTH GRADE STUDENTS.—The partnerships shall provide students in the tenth grade with an opportunity to apply and interview for apprenticeships. Apprentices who successfully complete the tenth grade, pass a basic skills test, and successfully interview with employers may sign agreements with employers at the end of the academic year.

(4) ELEVENTH AND TWELFTH GRADE STUDENTS.—The partnerships shall provide training at work sites for students in the eleventh and twelfth grades, in combination with secondary school courses. The partnerships shall structure the training and educational requirements of students—

(A) so that students gradually increase the time spent at work sites from 30 percent in eleventh grade to 50 percent in the twelfth grade, depending on the structure of the program; and

(B) in such a manner as to allow the students to graduate and receive a high school diploma with other members of their class.

(5) SECONDARY SCHOOL GRADUATES.—The partnerships shall structure the training and educational requirements of secondary school graduates so that students spend 75 to 80 percent of program time at work sites and draw on postsecondary schools for supplementary theory and skill courses. The youth apprenticeship demonstration programs shall allow students in technical fields to take basic skills courses and apply them toward an associate degree.

(c) POSTSECONDARY SCHOOL DEMONSTRATION PROGRAMS.—Partnerships participating in postsecondary school demonstration programs shall provide on-the-job training to students to supplement academic courses taught in postsecondary schools.

(d) PAYMENT.—

(1) SECONDARY SCHOOL DEMONSTRATION PROGRAMS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), employers participating in secondary school demonstration programs shall pay for 100 percent of the cost of wages to apprentices.

(B) SUBSIDIZED WAGE.—Employers participating in demonstration programs described in section 306(b)(2)(B) shall pay for 50 percent of the cost of the apprenticeship wage.

(2) POSTSECONDARY SCHOOL DEMONSTRATION PROGRAMS.—

(A) WAGES.—Employers participating in postsecondary school demonstration programs shall pay for 100 percent of the cost of the apprenticeship wage to apprentices.

(B) SCHOOL COSTS.—Individual students shall pay for the cost of taking continuing basic skills courses from a postsecondary school.

(3) AMOUNT.—Apprentices participating in the secondary and postsecondary school demonstration programs shall receive, at a minimum, an apprenticeship wage equal to the wage rate described in section 306(a)(2) of the Fair Labor Standards Amendments of 1989 (29 U.S.C. 206 note).

(e) TRAINING.—Employers participating in the postsecondary school demonstration programs shall pay for the cost of on-the-job training.

(f) EMPLOYMENT.—The Institute shall encourage, but not require, employers participating in youth apprenticeship demonstration programs to place, or assist in placing, the apprentices in employment positions similar to the positions in which the apprentices received training.

(g) OTHER EMPLOYER CONTRIBUTIONS.—Apprentices participating in youth apprenticeship demonstration programs shall—

(1) be covered by all applicable Federal and State laws regarding occupational health and safety; and

(2) receive the same employment benefits as full-time employees, commensurate with the length of service of the apprentices to the employer.

SEC. 308. COORDINATION.

The Institute shall—

(1) consult with the Office of Work-Based Learning of the Department of Labor and with the Division of Vocational and Technical Education of the Department of Education;

(2) provide technical assistance to partnerships participating in youth apprenticeship demonstration programs to assist the partnerships with strategic planning, curriculum planning, and coordination;

(3) operate an apprenticeship clearinghouse for the partnerships;

(4) disseminate model programs and practices to the partnerships;

(5) gather input from all sources regarding the labor mobility of apprentices; and

(6) comply with evaluation and report requirements specified in section 312.

SEC. 309. NONDISCRIMINATION.

(a) IN GENERAL.—Any assistance provided under this title shall constitute Federal financial assistance for purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), and the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.).

(b) NONDISCRIMINATION.—

(1) IN GENERAL.—Any individual with responsibility for the administration of a youth apprenticeship demonstration program that receives assistance under this title shall not discriminate in the selection of participants to the demonstration program on the basis of race, religion, color, national origin, sex, age, disability, or political affiliation.

(2) EXCEPTION.—This subsection shall not apply to an employer or educational institution that is controlled by a religious organization, if any, if the application of this subsection would not be consistent with the religious tenets of the organization.

(c) RULES AND REGULATIONS.—The Chairperson of the Board shall promulgate rules and regulations to provide for the enforcement of this section, including provisions for summary suspension of assistance for not more than 30 days, on an emergency basis, until notice and an opportunity to be heard can be provided.

(d) RIGHT OF ACTION.—Notwithstanding any other provision of law, the Attorney General of the United States may file an action under this section in the appropriate district court of the United States against any organization or partnership under this title that violates this subsection.

SEC. 310. NOTICE, HEARING, AND GRIEVANCE PROCEDURES.

(a) IN GENERAL.—

(1) SUSPENSION OF PAYMENTS.—The Chairperson of the Board may in accordance with the provisions of this title, suspend or terminate payments under a contract providing assistance under this title whenever the Chairperson determines there is a material failure to comply with this title or the applicable terms and conditions of any contract entered into under this title.

(2) PROCEDURES TO ENSURE ASSISTANCE.—The Chairperson of the Board shall prescribe procedures to ensure that—

(A) assistance provided under this title shall only be suspended for not more than 30 days for failure to comply with the applicable terms and conditions of this title and only in emergency situations; and

(B) assistance provided under this title shall not be terminated for failure to comply with applicable terms and conditions of this title unless the recipient of such assistance has been afforded reasonable notice and opportunity for a full and fair hearing.

(b) HEARINGS.—Hearings or other meetings that may be necessary to fulfill the requirements of this section shall be held at locations convenient to the recipient of assistance under this title.

(c) TRANSCRIPT OR RECORDING.—A transcript or recording shall be made of a hearing conducted under this section and shall be available for inspection by any individual.

(d) STATE LEGISLATION.—Nothing in this title shall be construed to preclude the enactment of State legislation providing for the implementation, consistent with this title, of the programs administered under this title.

(e) GRIEVANCE PROCEDURE.—

(1) IN GENERAL.—State and local applicants that receive assistance under this title shall establish and maintain a procedure to adjudicate grievances from participants, labor organizations, and other interested individuals concerning programs that receive assistance under this title, including grievances regarding proposed placements of the participants in the projects.

(2) DEADLINE FOR GRIEVANCES.—Except for a grievance that alleges fraud or criminal activity, a grievance shall be made not later than 1 year after the date of the alleged occurrence.

(3) DEADLINE FOR HEARING AND DECISION.—

(A) HEARING.—A hearing on any grievance conducted under this subsection shall be conducted not later than 30 days after the filing of the grievance.

(B) DECISION.—A decision on any grievance shall be made not later than 60 days after the filing of the grievance.

(4) ARBITRATION.—

(A) IN GENERAL.—On the occurrence of an adverse grievance decision, or 60 days after the filing of the grievance if no decision has been reached, the party filing the grievance shall be permitted to submit the grievance to binding arbitration before a qualified arbitrator who is jointly selected and independent of the interested parties.

(B) DEADLINE FOR PROCEEDING.—An arbitration proceeding shall be held not later than 45 days after the request for the arbitration.

(C) DEADLINE FOR DECISION.—A decision concerning a grievance under this paragraph shall be made not later than 30 days after the date of the beginning of the arbitration proceeding concerning such grievance.

(D) COST.—The cost of an arbitration proceeding shall be divided evenly between the parties to the arbitration.

(5) PROPOSED PLACEMENT.—If a grievance is filed regarding a proposed placement of a participant in a program that receives assistance under this title, the placement shall not be made unless it is consistent with the resolution of the grievance pursuant to this subsection.

(6) REMEDIES.—Remedies for a grievance filed under this subsection shall include—

(A) suspension of payments for assistance under this title;

(B) termination of payments; and

(C) prohibition of the placement described in paragraph (5).

SEC. 311. NONDUPLICATION AND NONDISPLACEMENT.

(a) NONDUPLICATION.—

(1) IN GENERAL.—Assistance provided under this title shall be used only for a program that does not duplicate, and is in addition to, an apprenticeship program operating in the locality.

(2) PRIVATE NONPROFIT ENTITY.—Assistance made available under this title shall not be provided to a private nonprofit entity to conduct activities that are the same or substantially equivalent to activities provided by the State or local government agency in the locality that the entity resides in, unless the requirements of subsection (b) are met.

(b) NONDISPLACEMENT.—

(1) IN GENERAL.—An employer shall not displace an employee or position, including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by such employer of a participant in a program receiving assistance under this title.

(2) SERVICE OPPORTUNITY.—An employer shall not create a service opportunity under this title that will infringe in any manner on the promotional opportunity of an employed individual.

(3) LIMITATION OF SERVICES.—

(A) DUPLICATION OF SERVICES.—A participant in a program receiving assistance under this title shall not perform any services or duties or engage in activities that would otherwise be performed by an employee as part of the assigned duties of the employee.

(B) SUPPLANTATION OF HIRING.—A participant in any program receiving assistance under this title shall not perform any services or duties or engage in activities that will supplant the hiring of full-time workers.

(C) DUTIES FORMERLY PERFORMED BY ANOTHER EMPLOYEE.—A participant in any program receiving assistance under this title shall not perform services or duties that have been performed by or were assigned to any—

(i) presently employed worker;

(ii) employee who recently resigned or was discharged;

(iii) employee who is subject to a reduction in force;

(iv) employee who is on leave (terminal, temporary, vacation, emergency, or sick); or

(v) employee who is on strike or who is involved in a lockout.

SEC. 312. EVALUATION.

(a) EVALUATION BY THE INSTITUTE.—

(1) FINAL EVALUATION.—

(A) EVALUATION.—The Institute shall conduct an evaluation of all youth apprenticeship demonstration programs to determine the effectiveness of apprenticeship training and the most effective youth apprenticeship program structures for a nationwide youth apprenticeship program. The evaluation shall include an analysis of—

(i) the ability of the programs to prepare workers, particularly minorities and women, for the technical workplace;

(ii) the ability of such programs to increase the overall competency of the work force in the United States;

(iii) the level of academic and technical skills acquired by an apprentice in the programs;

(iv) the potential labor mobility of apprentices;

(v) the effectiveness of combining on-the-job training with classroom instruction;

(vi) the ability of the programs to encourage students to complete secondary school;

(vii) the ability of the programs to establish a more definite transition from secondary or postsecondary school to work;

(viii) the value of apprentices and the effectiveness of the program according to business; and

(ix) the direct and indirect costs and benefits of the demonstration program to the company and the individual student.

(B) REPORT.—The Institute shall prepare and submit a report to the President, the Secretary of Labor, the Secretary of Education, the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives, containing the evaluation described in subparagraph (A), and recommendations for legislative reform. The Institute shall submit the report not later than 9 months after the conclusion of the youth apprenticeship demonstration programs.

(2) INTERIM EVALUATION.—

(A) EVALUATION.—Not later than 24 months after the initiation of the youth apprenticeship demonstration programs, the Institute shall conduct an interim evaluation of the effectiveness of all the demonstration programs, including an assessment of the matters described in paragraph (1)(A) to the extent that the necessary data and information is available.

(B) REPORT.—The Institute shall prepare and submit a report to the President, the Secretary of Labor, the Secretary of Education, the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives containing the evaluation described in subparagraph (A). The Institute shall submit the report not later than 33 months after the initiation of the demonstration programs.

(b) EVALUATION BY PARTNERSHIPS.—

(1) DATA COLLECTION AND ASSISTANCE.—Each partnership that participates in a youth apprenticeship demonstration program shall establish data collection mechanisms consistent with the needs of the Institute and provide to the Institute information for, and assistance in conducting, the final evaluation described in subsection (a)(1) and the interim evaluation described in subsection (a)(2).

(2) ANNUAL REPORT.—

(A) EVALUATION.—Each partnership that participates in a youth apprenticeship demonstration program shall conduct an annual evaluation that contains summary information on the implementation and operation of the demonstration program including—

(i) the number and type of students enrolled in apprenticeship training;

(ii) a description of the type of activities in which the youth apprentices are participating, including the type of occupational training youth apprentices are receiving;

(iii) the effectiveness of the program in keeping youth in secondary or postsecondary school;

(iv) the reaction of businesses involved in the training program; and

(v) any other information that the Institute may require.

(B) REPORT.—Each such partnership shall submit an annual report to the Institute containing the information described in subparagraph (A).

SEC. 313. EXECUTIVE SCHEDULE.

Section 5314 of title 5, United States Code, is amended by adding at the end the following:

"Chairman, Board of Directors of the Institute for Youth Apprenticeship.".

SEC. 314. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $50,000,000 for fiscal year 1993, which shall remain available until expended.

SEC. 315. TERMINATION AND REPEAL.

(a) TERMINATION.—Not later than 69 months after the initiation of the youth apprenticeship demonstration programs, the Board and Institute shall be abolished, and all programs established by this title shall terminate.

(b) REPEAL.—Not later than 69 months after the initiation of the youth apprenticeship demonstration programs, this title and the amendments made by this title shall be repealed.

TITLE IV—DEFINITIONS

SEC. 401. DEFINITIONS.

DOMENICI AMENDMENT NO. 1485

Mr. DOMENICI proposed an amendment to the bill S. 2, supra, as follows:

At the appropriate place insert the following new title:

TITLE VI

ALTERNATIVE CERTIFICATION OF TEACHERS AND PRINCIPALS

FINDINGS

SEC. 601. The Congress finds that—

(1) effective elementary and secondary schools require competent teachers and strong leadership;

(2) school systems would benefit greatly by recruitment pools of well-qualified individuals, such as scientists and engineers, from which to select teachers and principals;

(3) talented professionals who have demonstrated a high level of subject area competence or management and leadership qualities outside the education profession and who wish to pursue second careers in education often do not meet traditional certification requirements; and

(4) alternative certification requirements that do not exclude such individuals from teaching or school administration solely because they do not meet current certification requirements would allow school systems to take advantage of these professionals and improve the supply of well-qualified teachers and principals.

PURPOSE

SEC. 602. (a) It is the purpose of this part to improve the supply of well-qualified elementary and secondary school teachers and principals by encouraging and assisting States to develop and implement alternative teacher and principal certification requirements.

(b) As used in this part, the term—

(1) "alternative teacher and principal certification requirements" means State or local requirements that permit entry into elementary and secondary teacher and principal positions for individuals who have demonstrated a high level of appropriate subject area competence, or management or leadership qualities, in careers in or out of the education field, but who would not otherwise meet existing requirements for teaching or supervisory positions. Alternative teacher and principal certification requirements may recognize that—

(A) for teachers, a high level of demonstrated competence in an appropriate subject area may be substituted for traditional teacher certification requirements (such as teacher training course work); and

(B) for principals, a high level of demonstrated competence in administration and management may be substituted for traditional principal certification requirements (such as teaching experience or supervisory experience in the field of education); and

(2) "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

AUTHORIZATION OF APPROPRIATIONS

SEC. 603. For the purpose of carrying out this part, there are authorized to be appropriated $25 million for fiscal year 1993.

ALLOTMENTS

SEC. 604. (a)(1) From the amount appropriated to carry out this part, the Secretary shall allot to each State the lesser of either the amount the State applies for under section 605 or an amount that is proportional to the State's share of the total population of children ages five through seventeen in all the States (based on the most recent data available that is satisfactory to the Secretary).

(2) If a State does not apply for its allotment, or the full amount of its allotment, under the proceeding paragraph, the Secretary may reallocate the excess funds to one or more other States that demonstrate, to the satisfaction of the Secretary, a current need for the funds.

(b) Notwithstanding section 412(b) of the General Education Provisions Act, funds awarded under this part shall remain available for obligation by a recipient for a period of two calendar years from the date of the grant.

STATE APPLICATIONS

SEC. 605 (a) Any State desiring to receive a grant under this part shall submit an application, through its Governor, at such time, in such manner, and containing such information, as the Secretary may reasonably require.

(b) Each State application shall—

(1) describe the programs, projects, and activities to be undertaken; and

(2) contain such assurances as the Secretary deems necessary, including assurances that—

(A) funds awarded to the State will be used to supplement, and not to supplant, any State or local funds available for the development and implementation of alternative teacher and principal certification requirements;

(B) the State has, in developing its application, consulted with the State or local agency that certifies teachers and principals, as well as representatives of elementary and secondary school teachers and principals, local school systems, parents, and other interested organizations and individuals; and

(C) the State will submit to the Secretary, through the Governor, at such time as the Secretary may specify, a final report describing the activities carried out with funds awarded under this part and the results achieved.

(c) Sections 435 and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, shall not apply to this part.

USE OF FUNDS

SEC. 606 (a)(1) A State shall use funds awarded under this part to support programs, projects, or activities that develop and implement new, or expand and improve existing, alternative teacher and principal certification requirements.

(2) A State may carry out such programs, projects, or activities directly, through contracts, or through subgrants to local educational agencies, intermediate educational agencies, institutions of higher education, or consortia of such agencies.

(b) Programs, projects, and activities supported under this part may include, but are not limited to, the—

(1) design, development, implementation, testing, and evaluation of alternative teacher and principal certification requirements;

(2) establishment of administrative structure necessary to the development and implementation of alternative teacher and principal certification requirements;

(3) training of staff, including the development of appropriate support programs, such as mentor programs, for teachers and principals entering the school system through the alternative teacher and principal certification program;

(4) development of recruitment strategies; and

(5) development of reciprocity agreements between or among States for the certification of teachers and principals.

SEYMOUR AMENDMENTS NOS. 1486 THROUGH 1488

Mr. SEYMOUR proposed three amendments to the bill S. 2, supra, as follows:

AMENDMENT NO. 1486

On page 53, line 7, strike "and".

On page 53, between lines 7 and 8, insert the following:

(13) projects to educate students in alcohol and drug awareness and prevention;

(14) projects to educate students in gang awareness and gang violence prevention; and

On page 53, line 8, strike "(13)" and insert "(15)".

AMENDMENT NO. 1487

On page 34, line 11, insert ", if such initiative permit parents of students served by a school and require parents that choose a school in accordance with this clause to participate in governance, management processes, or activities related to their children's education programs" before the semicolon.

AMENDMENT NO. 1488

On page 34, strike all beginning with line 8 through line 16, and insert the following:

(ii) initiatives to increase parental choice among public schools, including assessment of student needs and parent information and referral programs;

(iii) the establishment of new public schools, such as Essential Schools, Accelerated Schools, New American Schools, charter schools, Comer Schools, SMART Schools, and Schools of the 21st Century, in accordance with subparagraph (C); and

(iv) other activities developed in conjunction with local educational agencies that are designed to improve student achievement in the public schools.

SEC. 203. STATE APPLICATION.

On page 58, before line 1, insert the following:

(9) the term "SMART School" means a school that—

(A) offers curriculum options that best match the needs of the students served by the agency, such as college preparatory, vocational education, math and science, or cultural arts;

(B) recruits teachers with specialized skills, especially skills in mathematics, science, and bilingual education, from professionals in fields other than education;

(C) establishes alternative certification procedures for certifying the professionals described in subparagraph (B), that shall comply with applicable State requirements regarding alternative certification or State waiver requirements;

(D) permits parents of students served by the school, and requires parents that choose their child's school, to participate in governance, management processes, and activities relating to their children's educational programs; and

(E) in the case that such school is an elementary school which establishes a Head Start or other preschool transition program such as a Follow Through program, assists students within a school who were previously enrolled in Head Start or a similar program in making a transition to elementary school, and ensures that at-risk students will receive needed assistance.

CONRAD AMENDMENT NO. 1489

Mr. CONRAD proposed an amendment to the bill S. 2, supra, as follows:

On page 52, line 4, insert the following: "which may include comprehensive programs (developed with input from local, state and area business leaders) to provide options for those high school students unlikely to attend postsecondary school, that integrate essential academic instruction with technical skills, and provide the training necessary to succeed in a technical career.".

WIRTH (AND OTHERS) AMENDMENT NO. 1490

Mr. WIRTH (for himself, Mr. WELLSTONE, Mr. KENNEDY, Mr. PELL, and Mr. CONRAD) proposed an amendment to the bill S. 2, supra, as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE SENATE CONCERNING INVESTMENTS IN EDUCATION.

(a) FINDINGS.—Congress finds that—

(1) the needs of the nation's children and youth have been seriously neglected for more than a decade, as evidenced by a 56 percent increase in defense spending but only a 5 percent increase in programs targeted to America's children;

(2) the failure to invest in early childhood development, education, and job training programs has long term economic and social costs and consequences and poses a growing threat to the competitiveness and productivity of the nation;

(3) the investment in such programs is cost-effective because it saves the Federal Government greater sums in future outlays for special education, welfare, and law enforcement and contributes to deficit reduction;

(4) since the 1990 Budget Agreement, the world has changed dramatically as a result of the fall of communism, the democratization of Eastern Europe, and the far-reaching changes in the Soviet Union;

(5) there is a need for higher priorities for investments in human capital which are currently prohibited by the 1990 Budget Agreement;

(6) a comprehensive Federal education agenda must recognize and invest in the full range of educational programs, including the four essential areas of—

(A) early childhood development;

(B) elementary and secondary education;

(C) the school-to-work transition; and

(D) higher education;

(7) with respect to early childhood development—

(A) the number one national education goal is that all children should enter school ready to learn;

(B) experts agree that access to Head Start, immunizations, and adequate nutrition are essential to ensuring school readiness;

(C) despite 25 years of proven success, only 28 percent of all eligible children currently receive Head Start;

(D) despite the effectiveness of the Special Supplemental Food Program for Women, Infants and Children, only 55 percent of eligible pregnant women and children are served;

(E) ensuring that all eligible 3, 4, and 5 year old children have the opportunity to participate in the Head Start program, and receive adequate nutrition and health care services are the most important steps that the Federal Government can take to improve educational performance; and

(F) the business community recognizes school readiness as the most important education goal and refers to this cost effective investment as basic to the survival of our free enterprise economy;

(8) with respect to elementary and secondary education—

(A) changing demographics are overwhelming the nation's educational system because increasing numbers of disadvantaged children are arriving at the school house door with severe barriers to learning;

(B) millions of children are denied access to essential educational and support services because proven Federal programs remain significantly underfunded; and

(C) many students leave middle grades without the skills necessary to become productive citizens in a dynamic, adaptable democracy;

(9) with respect to the school-to-work transition—

(A) at least half of American youth never enter college;

(B) the forgotten-half of America's youth become the front-line workers upon whom the nation's future productivity and competitiveness depend; and

(C) unless the Federal Government make the investments in human capital necessary to train front-line workers and become a nation of high skills, the America will be consigned to an irreversible future as a low-wage society with a declining standard of living; and

(10) with respect to higher education—

(A) over the last 15 years, the cost of college education has outpaced the cost of living, and higher education is increasingly out of reach for low- and middle-income Americans;

(B) unlike other industrialized democracies, the United States expects students and their families to bear the primary burden of paying for higher education; and

(C) although Pell grants have in the past helped many lower- and middle-income students meet their college expenses, today's students are increasingly being forced to rely on loans.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) legislation should be enacted that realigns the 1990 Budget Agreement to reflect the true priorities of the American people by shifting unnecessary military spending into domestic programs including early child development, education, and job training to promote the nation's long term economic growth and social well being; and

(2) the Congressional Budget Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985 should be amended to permit the realization of a new domestic order through—

(A) investments that ensure that all eligible 4, and 5 year old children receive comprehensive Head Start services by 1997, at the full funding level provided for in the Augustus F. Hawkins Human Services Reauthorization Act of 1990, that the Special Supplemental Food Program for Women, Infants and Children is available to every eligible pregnant woman and child, as well as investments in other critically important early intervention programs such as immunization, and comprehensive family support services;

(B) investments that ensure that elementary and secondary schools have the financial assistance necessary to improve educational achievement, promote student participation, and provide an educational environment that is conducive to learning including a constructive student-teacher ratio, as well as adequate funding for proven programs that enhance equity in education and provide the foundation to meet future challenges;

(C) investments in school-to-work transition initiatives that develop partnerships among all levels of government and the private sector to assist non-college bound youth and strengthen the training of workers throughout their lifetime in the workplace; and

(D) investments that increase access to higher education by—

(i) expanding the Pell grant program to reach more low and middle income students and guaranteeing a Pell grant to all eligible students;

(ii) expanding student loan programs for middle-income students;

(iii) encouraging early intervention programs for at-risk youth to attend college; and

(iv) making more intensive efforts for the recruitment and training of teachers.

WIRTH (AND WELLSTONE) AMENDMENT NO. 1491

Mr. WIRTH (for himself, Mr. WELLSTONE, Mr. KENNEDY, Mr. PELL, and Mr. CONRAD) proposed an amendment to amendment No. 1490 proposed by Mr. WIRTH (and others) to the bill S. 2, supra, as follows:

Strike all after "SEC." and insert the following:

" . **SENSE OF THE SENATE CONCERNING INVESTMENTS IN EDUCATION.**

(a) FINDINGS.—Congress finds that—

(1) the needs of the nation's children and youth have been seriously neglected for more than a decade, as evidenced by a 56 percent increase in defense spending but only a 5 percent increase in programs targeted to America's children;

(2) the failure to invest in early childhood development, education, and job training programs has long term economic and social costs and consequences and poses a growing threat to the competitiveness and productivity of the nation;

(3) the investment in such programs is cost-effective because it saves the Federal Government greater sums in future outlays for special education, welfare, and law enforcement and contributes to deficit reduction;

(4) since the 1990 Budget Agreement, the world has changed dramatically as a result of the fall of communism, the democratization of Eastern Europe, and the far-reaching change in the Soviet Union;

(5) there is a need for higher priorities for investments in human capital which are currently prohibited by the 1990 Budget Agreement;

(6) a comprehensive Federal education agenda must recognize and invest in the full range of educational programs, including the four essential areas of—

(A) early childhood development;

(B) elementary and secondary education;

(C) the school-to-work transition; and

(D) higher education;

(7) with respect to early childhood development—

(A) the number one national education goals is that all children should enter school ready to learn;

(B) experts agree that access to Head Start, immunizations, and adequate nutrition are essential to ensuring school readiness;

(C) despite 25 years of proven success, only 28 percent of all eligible children currently receive Head Start;

(D) despite the effectiveness of the Special Supplemental Food Program for Women, Infants and Children, only 55 percent of eligible pregnant women and children are served;

(E) ensuring that all eligible 3, 4, and 5 year old children have the opportunity to participate in the Head Start program, and receive adequate nutrition and health care services are the most important steps that the Federal Government can take to improve educational performance; and

(F) the business community recognizes school readiness as the most important education goal and refers to this cost effective investment as basic to the survival of our free enterprise economy;

(8) with respect to elementary and secondary education—

(A) changing demographics are overwhelming the nation's educational system because increasing numbers of disadvantaged children are arriving at the school house door with severe barriers to learning;

(B) millions of children are denied access to essential educational and support services because proven Federal programs remain significantly underfunded; and

(C) many students leave middle grades without the skills necessary to become productive citizens in a dynamic, adaptable democracy;

(9) with respect to the school-to-work transition—

(A) at least half of American youth never enter college;

(B) the forgotten-half of America's youth become the front-line workers upon whom the nation's future productivity and competitiveness depend; and

(C) unless the Federal Government make the investments in human capital necessary to train front-line workers and become a nation of high skills, the America will be consigned to an irreversible future as a low-wage society with a declining standard of living; and

(10) with respect to higher education—

(A) over the last 15 years, the cost of college education has outpaced the cost of living, and higher education is increasingly out of reach for low- and middle-income Americans;

(B) unlike other industrialized democracies, the United States expects students and their families to bear the primary burden of paying for higher education; and

(C) although Pell grants have in the past helped many lower- and middle-income students meet their college expenses, today's students are increasingly being forced to rely on loans.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) legislation should be enacted that realigns the 1990 Budget Agreement to reflect the true priorities of the American people by shifting unnecessary military spending into domestic programs including early child development, education, and job training to promote the nation's long term economic growth and social well being; and

(2) the Congressional Budget Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985 should be amended to permit the realization of a new domestic order through—

(A) investments that ensure that all eligible 3, 4, and 5 year old children receive comprehensive Head Start services by 1997, at the full funding level provided for in the Augustus F. Hawkins Human Services Reauthorization Act of 1990, that the Special Supplemental Food Program for Women, Infants and Children is available to every eligible pregnant woman and child, as well as investments in other critically important early intervention programs such as immunization, and comprehensive family support services;

(B) investments that ensure that elementary and secondary schools have the financial assistance necessary to improve educational achievement, promote student participation, and provide an educational environment that is conducive to learning including a constructive student-teacher ratio, as well as adequate funding for proven programs that enhance equity in education and provide the foundation to meet future challenges;

(C) investments in school-to-work transition initiatives that develop partnerships among all levels of government and the private sector to assist non-college bound youth and strengthen the training of workers throughout their life-time in the workplace; and

(D) investments that increase access to higher education by—

(i) expanding the Pell grant program to reach more low and middle income students and guaranteeing a Pell grant to all eligible students;

(ii) expanding student loan programs for middle-income students;

(iii) encouraging early intervention programs for at-risk youth to attend college; and

(iv) making more intensive efforts to the recruitment and training of teachers.

KENNEDY AMENDMENT NO. 1492

Mr. KENNEDY proposed an amendment to the bill S. 2, supra, as follows:

On page 58, before the matter following line 7, insert the following:

TITLE IV—MISCELLANEOUS

SEC. 401. TECHNICAL AMENDMENT.

In the item relating to Educational Excellence in title III of Public Law 102–170 (105 Stat. 1130) insert "or any educational reform program" after "America 2000 educational excellence activities".

CHILD ABUSE PROGRAMS, ADOPTION OPPORTUNITIES, AND FAMILY VIOLENCE PREVENTION EXTENSION ACT

DODD AMENDMENT NO. 1493

Mr. MITCHELL (for Mr. DODD) proposed an amendment to the bill (H.R. 2720) to extend for 1 year the authorization of appropriations for the programs under the Child Abuse Prevention and Treatment Act and the Family Violence Prevention and Services Act, and for certain programs relating to adoption opportunities, and for other purposes, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Abuse, Domestic Violence, Adoption and Family Services Act of 1991".

TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT

SEC. 101. REFERENCES.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 et seq.).

SEC. 102. FINDINGS.

(a) IN GENERAL.—The Act is amended by inserting after the table of contents the following new section:

"SEC. 2. FINDINGS.

"Congress finds that—

"(1) each year, hundreds of thousands of American children are victims of abuse and neglect with such numbers having increased dramatically over the past decade;

"(2) many of these children and their families fail to receive adequate protection or treatment;

"(3) the problem of child abuse and neglect requires a comprehensive approach that—

"(A) integrates the work of social service, legal, health, mental health, education, and substance abuse agencies and organizations;

"(B) strengthens coordination among all levels of government, and with private agencies, civic, religious, and professional organizations, and individual volunteers;

"(C) emphasizes the need for abuse and neglect prevention, investigation, and treatment at the neighborhood level;

"(D) ensures properly trained and supported staff with specialized knowledge, to carry out their child protection duties; and

"(E) is sensitive to ethnic and cultural diversity;

"(4) the failure to coordinate and comprehensively prevent and treat child abuse and neglect threatens the futures of tens of thousands of children and results in a cost to the Nation of billions of dollars in direct expenditures for health, social, and special educational services and ultimately in the loss of work productivity;

"(5) all elements of American society have a shared responsibility in responding to this national child and family emergency;

"(6) substantial reductions in the prevalence and incidence of child abuse and neglect and the alleviation of its consequences are matters of the highest national priority;

"(7) national policy should strengthen families to remedy the causes of child abuse and neglect, provide support for intensive services to prevent the unnecessary removal of children from families, and promote the reunification of families if removal has taken place;

"(8) the child protection system should be comprehensive, child-centered, family-focused, and community-based, should incorporate all appropriate measures to prevent the occurrence or recurrence of child abuse and neglect, and should promote physical and psychological recovery and social reintegration in an environment that fosters the health, self-respect, and dignity of the child;

"(9) because of the limited resources available in low-income communities, Federal aid for the child protection system should be distributed with due regard to the relative financial need of the communities;

"(10) the Federal government should ensure that every community in the United States has the fiscal, human, and technical resources necessary to develop and implement a successful and comprehensive child protection strategy;

"(11) the Federal government should provide leadership and assist communities in their child protection efforts by—

"(A) promoting coordinated planning among all levels of government;

"(B) generating and sharing knowledge relevant to child protection, including the development of models for service delivery;

"(C) strengthening the capacity of States to assist communities;

"(D) allocating sufficient financial resources to assist States in implementing community plans;

"(E) helping communities to carry out their child protection plans by promoting the competence of professional, paraprofessional, and volunteer resources; and

"(F) providing leadership to end the abuse and neglect of the nation's children and youth.".

(b) CONFORMING AMENDMENT.—The table of contents of the Act is amended by inserting after the item relating to section 1, the following new item:

"Sec. 2. Findings.".

SEC. 3. ADVISORY BOARD ON CHILD ABUSE AND NEGLECT.

(a) IN GENERAL.—Section 102 (42 U.S.C. 5102) is amended by adding at the end thereof the following new subsection:

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $1,000,000 for fiscal year 1992.".

Subtitle A—General State Program

SEC. 110. GRANT PROGRAM FOR CHILD ABUSE NEGLECT PREVENTION AND TREATMENT.

Section 107 (42 U.S.C. 5106a) is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) DEVELOPMENT AND OPERATION GRANTS.—The Secretary, acting through the Center, shall make grants to the States, based on the population of children under the age of 18 in each State that applies for a grant under this section, for purposes of assisting the States in improving the child protective service system of each such State in—

"(1) the intake and screening of reports of abuse and neglect through the improvement of the receipt of information, decisionmaking, public awareness, and training of staff;

"(2)(A) investigating such reports through improving response time, decisionmaking, referral to services, and training of staff;

"(B) creating and improving the use of multidisciplinary teams and interagency protocols to enhance investigations; and

"(C) improving legal preparation and representation;

"(3) case management and delivery services provided to families through the improvement of response time in service provision, improving the training of staff, and increasing the numbers of families to be served;

"(4) enhancing the general child protective system by improving assessment tools, automation systems that support the program, information referral systems, and the overall training of staff to meet minimum competencies; or

"(5) developing, strengthening, and carrying out child abuse and neglect prevention, treatment, and research programs."; and

(2) by striking out subsection (c) and inserting in lieu thereof the following new subsection:

"(c) STATE PROGRAM PLAN.—To be eligible to receive a grant under this section, a State shall annually submit a plan to the Secretary that specifies the child protective service system area or areas described in subsection (a) that the State intends to address with funds received under the grant. The plan shall describe the current system capacity of the State in the relevant area or areas from which to assess programs with grant funds and specify the manner in which funds from the State's programs will be used to make improvements. The plan required under this subsection shall contain, with respect to each area in which the State intends to use funds from the grant, the following information with respect to the State:

"(1) INTAKE AND SCREENING.—

"(A) STAFFING.—The number of child protective service workers responsible for the intake and screening of reports of abuse and neglect relative to the number of reports filed in the previous year.

"(B) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in report-taking, screening, decision-making, and referral for investigation.

"(C) PUBLIC EDUCATION.—An assessment of the State or local agency's public education program with respect to—

"(i) what is child abuse and neglect;

"(ii) who is obligated to report and who may choose to report; and

"(iii) how to report.

"(2) INVESTIGATION OF REPORTS.—

"(A) RESPONSE TIME.—The number of reports of child abuse and neglect filed in the State in the previous year where appropriate, the agency response time to each with respect to initial investigation, the number of substantiated and unsubstantiated reports, and where appropriate, the response time with respect to the provision of services.

"(B) STAFFING.—The number of child protective service workers responsible for the investigation of child abuse and neglect reports relative to the number of reports investigated in the previous year.

"(C) INTERAGENCY COORDINATION.—A description of the extent to which interagency coordination processes exist and are available Statewide, and whether protocols or formal policies governing interagency relationships exist in the following areas—

"(i) multidisciplinary investigation teams among child welfare and law enforcement agencies;

"(ii) interagency coordination for the prevention, intervention and treatment of child abuse and neglect among agencies responsible for child protective services, criminal justice, schools, health, mental health, and substance abuse; and

"(iii) special interagency child fatality review panels, including a listing of those agencies that are involved.

"(D) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in such areas as investigation, risk assessment, court preparation, and referral to and provision of services.

"(E) LEGAL REPRESENTATION.—A description of the State agency's current capacity for legal representation, including the manner in which workers are prepared and trained for court preparation and attendance, including procedures for appealing substantiated reports of abuse and neglect.

"(3) CASE MANAGEMENT AND DELIVERY OF ONGOING FAMILY SERVICES.—For children for whom a report of abuse and neglect has been substantiated and the children remain in their own homes and are not currently at risk of removal, the State shall assess the activities and the outcomes of the following services:

"(A) RESPONSE TIME.—The number of cases opened for services as a result of investigation of child abuse and neglect reports filed in the previous year, including the response time with respect to the provision of services from the time of initial report and initial investigation.

"(B) STAFFING.—The number of child protective service workers responsible for providing services to children and their families in their own homes as a result of investigation of reports of child abuse and neglect.

"(C) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in such areas as risk assessment, court preparation, provision of services and determination of case disposition, including how such training is evaluated for effectiveness.

"(D) INTERAGENCY COORDINATION.—The extent to which treatment services for the child and other family members are coordinated with child welfare, social service, mental health, education, and other agencies.

"(4) GENERAL SYSTEM ENHANCEMENT.—

"(A) AUTOMATION.—A description of the capacity of current automated systems for tracking reports of child abuse and neglect from intake through final disposition and how personnel are trained in the use of such system.

"(B) ASSESSMENT TOOLS.—A description of whether, how, and what risk assessment tools are used for screening reports of abuse and neglect, determining whether child abuse and neglect has occurred, and assessing the appropriate level of State agency protection and intervention, including the extent to which such tool is used statewide and how workers are trained in its use.

"(C) INFORMATION AND REFERRAL.—A description and assessment of the extent to which a State has in place—

"(i) information and referral systems, including their availability and ability to link families to various child welfare services such as homemakers, intensive family-based services, emergency caretakers, home health visitors, daycare and services outside the child welfare system such as housing, nutrition, health care, special education, income support, and emergency resource assistance; and

"(ii) efforts undertaken to disseminate to the public information concerning the problem of child abuse and neglect and the prevention and treatment programs and services available to combat instances of such abuse and neglect.

"(D) STAFF CAPACITY AND COMPETENCE.—An assessment of basic and specialized training needs of all staff and current training provided staff. Assessment of the competencies of staff with respect to minimum knowledge in areas such as child development, cultural and ethnic diversity, functions and relationship of other systems to child protective services and in specific skills such as interviewing, assessment, and decisionmaking relative to the child and family, and the need for training consistent with such minimum competencies.

"(5) INNOVATIVE APPROACHES.—A description of—

"(A) research and demonstration efforts for developing, strengthening, and carrying out child abuse and neglect prevention, treatment, and research programs, including the interagency efforts at the State level; and

"(B) the manner in which proposed research and development activities build on existing capacity in the programs being addressed.".

SEC. 111. GRANT PROGRAM FOR INVESTIGATION AND PROSECUTION OF CHILD ABUSE CASES.

Section 109 (42 U.S.C. 5106c) is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"SEC. 109. GRANTS TO STATES FOR PROGRAMS RELATING TO THE INVESTIGATION AND PROSECUTION OF CHILD ABUSE AND NEGLECT CASES.";

(2) in subsection (a), by striking out paragraphs (1) and (2), and inserting in lieu thereof the following new paragraphs:

"(1) the handling of child abuse and neglect cases, particularly cases of child sexual abuse and exploitation, in a manner which limits additional trauma to the child victim;

"(2) the handling of cases of suspected child abuse or neglect related fatalities; and

"(3) the investigation and prosecution of cases of child abuse and neglect, particularly child sexual abuse and exploitation.";

(3) in subsection (b)—

(A) by striking out "and 107(e) or receive a waiver under section 107(c)" in paragraph (1);

(B) by striking out "and" at the end of paragraph (3);

(C) by inserting "annually" after "submit" in paragraph (4); and

(D) by striking out the period at the end thereof and inserting the following: "; and

"(5) submit annually to the Secretary a report on the manner in which assistance received under this program was expended throughout the State, with particular attention focused on the areas described in paragraphs (1) through (4) of subsection (a).";

(4) in subsection (c)(1)—

(A) in the matter preceding subparagraph (A)—

(i) by inserting ", and maintain" after "designate"; and

(ii) by striking out "child abuse" and inserting in lieu thereof "child physical abuse, child neglect, child sexual abuse and exploitation, and child maltreatment related fatalities";

(B) by striking out "judicial and legal officers", in subparagraph (B) and inserting in lieu thereof "judges and attorneys involved in both civil and criminal court proceedings related to child abuse and neglect";

(C) by inserting before the semicolon in subparagraph (C), the following: ", including both attorneys for children and, where such programs are in operation, court appointed special advocates";

(D) by striking out subparagraph (E); and

(E) by striking out "handicaps;" in subparagraph (F), and inserting in lieu thereof "disabilities; and"; and

"(G) by striking out subparagraph (G) and redesignating subparagraph (H) as subparagraph (G);

(5) in subsection (d)—

(A) by striking out "the State task force shall" in the matter preceding paragraph (1), and inserting in lieu thereof "and at three year intervals thereafter, the State task force shall comprehensively";

(B) by striking out "judicial" and all that follows in paragraph (1), and inserting in lieu thereof the following: "both civil and criminal judicial handling of cases of child abuse and neglect, particularly child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as interstate, Federal-State, and State-Tribal;";

(C) by inserting "policy and training" before "recommendations" in paragraph (2); and

(6) in subsection (e)(1)—

(A) by striking out "child abuse" and all that follows through "child victim" in subparagraph (A), and inserting in lieu thereof the following: "child abuse and neglect, particularly child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as interstate, Federal-State, and State-Tribal, in a manner which reduces the additional trauma to the child victim and the victim's family";

(B) by striking out "improve the rate" and all that follows through "abuse cases" in subparagraph (B), and inserting in lieu thereof the following: "improve the prompt and successful resolution of civil and criminal court proceedings or enhance the effectiveness of judicial and administrative action in child abuse and neglect cases, particularly child sexual abuse and exploitation cases, including the enhancement of performance of court-appointed attorneys and guardians ad litem for children"; and

(C) in subparagraph (C)—

(i) by inserting ", protocols" after "regulations"; and

(ii) by inserting "and exploitation" after "sexual abuse".

Subtitle B—Community-Based Prevention Grants

SEC. 121. TITLE HEADING AND PURPOSE.

(a) TITLE HEADING.—The heading for title II (42 U.S.C. 5116 et seq.) is amended to read as follows:

"TITLE II—COMMUNITY-BASED CHILD ABUSE AND NEGLECT PREVENTION GRANTS".

(b) PURPOSE.—Section 201 (42 U.S.C. 5116) is amended—

(1) in the section heading to read as follows:

"SEC. 201. PURPOSES."; and

(2) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"It is the purpose of this title, through the provision of community-based child abuse and neglect prevention grants, to assist States in supporting child abuse and neglect prevention activities.".

SEC. 122. DEFINITIONS.

Section 202 (42 U.S.C. 5116a) is amended—

(1) in paragraph (1), by striking out "and" at the end thereof; and

(2) in paragraph (2), by striking out the period and inserting in lieu thereof "; and".

SEC. 123. STATE ELIGIBILITY.

Section 204 (42 U.S.C. 5116c) is amended—

(1) by striking out "or other funding mechanism"; and

(2) by striking out "which is available only for child" and all that follows through the end thereof, and inserting "which includes (in whole or in part) legislative provisions making funding available only for the broad range of child abuse and neglect prevention activities.".

SEC. 124. LIMITATIONS.

Section 205 (42 U.S.C. 5116d) is amended—

(1) by striking out paragraph (1) of subsection (a) and inserting in lieu thereof the following new paragraph:

"(1) ALLOTMENT FORMULA.—

"(A) IN GENERAL.—Amounts appropriated to provide grants under this title shall be allotted among eligible States in each fiscal year so that—

"(i) 50 percent of the total amount appropriated is allotted among each State based on the number of children under the age of 18 in each such State, except that each State shall receive not less than $30,000; and

"(ii) the remaining 50 percent of the total amount appropriated is allotted in an amount equal to 25 percent of the total amount collected by each such State, in the fiscal year prior to the fiscal year for which the allotment is being determined, for the children's trust fund of the State for child abuse and neglect prevention activities.

"(B) USE OF AMOUNTS.—Not less than 50 percent of the amount of a grant made to a State under this title in each fiscal year shall be utilized to support community-based prevention programs as authorized in section 204(a), except that this subparagraph shall not become applicable until amounts appropriated under section 203(b) exceed $10,000,000."; and

(2) in subsection (b)(1)—

(A) by striking out "trust fund advisory board" and all that follows through "section 101" in subparagraph (A) and inserting in lieu thereof "advisory board established under section 102";

(B) by redesignating subparagraphs (B) and (C) as subparagraphs (F) and (G), respectively; and

(C) by inserting after subparagraph (A), the following new subparagraphs:

"(B) demonstrate coordination with other child abuse and neglect prevention activities and agencies at the State and local levels;

"(C) demonstrate the outcome of services and activities funded under this title;

"(D) provide evidence that Federal assistance received under this title has been supplemented with non-Federal public and private assistance (including in-kind contributions) at the local level (Federal assistance expended in support of activities authorized under paragraphs (1), (2), and (3) of section 204 shall be supplemented by State assistance);

"(E) demonstrate the extent to which funds received under this title are used to support community prevention activities in underserved areas, in which case the supplemental support required under subparagraph (D) shall be waived for the first 3 years in which assistance is provided to a grantee described in this subparagraph;".

Subtitle C—Certain Preventive Services Regarding Children of Homeless Families or Families at Risk of Homelessness

SEC. 131. CERTAIN PREVENTIVE SERVICES REGARDING CHILDREN OF HOMELESS FAMILIES OR FAMILIES AT RISK OF HOMELESSNESS.

Section 302(b) (42 U.S.C. 5118a(b)) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) by redesignating paragraph (4) as paragraph (6); and

(3) by inserting after paragraph (3), the following new paragraphs:

"(4) the provision of emergency housing-related assistance necessary to prevent the placement of children in out-of-home care, to facilitate the reunification of children with their families, and to enable the discharge of youths not less than 16 years of age from such area, including assistance in meeting the costs of—

"(A) rent or utility arrears to prevent an eviction or termination of utility services;

"(B) security and utility deposits, first month's rent, and basic furnishings; and

"(C) other housing-related assistance;

"(5) the provision to families, and to youths not less than 16 years of age who are preparing to be discharged from such care, of temporary rent subsidies necessary to prevent the initial or prolonged placement of children in out-of-home care, which subsidies are provided in an amount not exceeding 70 percent of the local fair market rental value and are provided for a period not to exceed 180 days; and".

Subtitle D—Child Abuse Treatment Improvements Grants

SEC. 141. ESTABLISHMENT OF PROGRAM.

The Act is amended by adding at the end thereof the following new title:

"TITLE IV—MISCELLANEOUS PROGRAMS

"SEC. 401. CHILD ABUSE TREATMENT IMPROVEMENTS GRANT PROGRAM.

"(a) AUTHORITY.—The Secretary of Health and Human Services (hereafter referred to in this section as the 'Secretary'), acting through the Administration for Children, Youth and Families, may award grants to eligible entities to improve the treatment of children exposed to abuse or neglect and the families of such children, particularly when such children have been placed in out-of-home care.

"(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity shall—

"(1) be a State or local public or nonprofit private entity;

"(2) be responsible for administering or providing child welfare services (including out-of-home services); and

"(3) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require including the information required under subsection (c).

"(c) CONTENTS OF APPLICATION.—An application submitted by an entity under subsection (b)(4) shall contain—

"(1) a description of the proposed program to be established, implemented or improved using amounts received under a grant, including the specific activities to be undertaken, the agencies that will be involved, the process that has been established for evaluating such activities, and the nature of any innovations proposed;

"(2) evidence of the need that the activity or program, to be conducted using amounts received under the grant, will address;

"(3) assurances that amounts received under the grant will be used to supplement, not supplant, existing funds provided by the State for child welfare purposes;

"(4) assurances that the applicant entity will provide not less than 20 percent of the total amounts needed to pay the costs associated with the program funded under such grant;

"(5) assurances that the applicant entity will provide information to the Secretary concerning the progress and outcome of the program to be funded under such grant;

"(6) a description of the procedures to be used to disseminate the findings derived from the program to be funded under such grant within the State;

"(7) a description of the extent to which multiple agencies will be involved in the design, development, operation, and staffing of the program to be funded under such grant; and

"(8) and other information determined appropriate by the Secretary.

"(d) USE OF FUNDS.—An entity may use amounts provided under a grant awarded under this section to—

"(1)(A) develop models of out-of-home care that are designed to promote the reunification of children with their families, including training and support components for foster parents to enable such parents to assist the birthparents with reunification efforts, except that such efforts must be determined to be in the best interest of the child;

"(B) develop comprehensive service approaches for child out-of-home care and for the families of such children, specifically focused on reunification; and

"(C) establish activities that are designed to promote visitation of parents and children, such as the establishment of neutral settings for structured visits between biological parents and children in care;

"(2) develop activities that are designed to support relatives caring for children who have been abused or neglected or children from families where substance abuse is present;

"(3) enhance the reimbursement and other support provided to foster parents, including relatives, to promote better recruitment and retention of foster parents;

"(4) develop activities and programs designed to—

"(A) promote the healthy physical, social, emotional, and educational development of children in out-of-home care and under child abuse preventive services supervision, including—

"(i) the conduct of comprehensive, multidisciplinary assessments of the physical, social, emotional, and educational development of such children, with particular attention given to the needs and strengths of the families of such children; and

"(ii) the development of services to meet such needs which involve multiple service agencies and alternative support systems within the community;

"(B) provide training for foster parents to address the physical, social, emotional, and educational needs of the children in their care; or

"(C) provide special programs to assist children with academic or developmental problems;

"(5) develop and implement programs that provide mentors, who are adults from the community or who are former foster youths, to youths in out-of-home care, in order to address their special needs, increase self esteem, and provide role models;

"(6) provide incentives that may be necessary to establish and recruit foster family homes for special populations, including children who are medically fragile or have other special physical, mental, and emotional disabilities, adolescent mothers and their children who are in care, and children who have been sexually abused;

"(7) hire staff with specialized knowledge in the areas of substance abuse, child development, education, health care, and adolescents, to provide support and act as a resource for caseworkers working with children and families with special needs in these areas; and

"(8) conduct other activities as the Secretary determines appropriate.

"(e) CONSIDERATIONS IN AWARDING GRANTS.—In awarding grants under this section the Secretary shall consider—

"(1) the geographic dispersion of the applicants for such grants;

"(2) the likelihood that the proposed service approach of the applicant would be transferable to other sites; and

"(3) the need for variety in the problems to be addressed by the applicants and in the models used to address similar problems.

"(f) ADMINISTRATION.—In administering the grant program established under this section the Administration for Children, Youth and Families shall—

"(1) require grantees to submit annual reports concerning the projects funded under such grants and a final report assessing the outcome of such projects;

"(2) arrange for the dissemination of project results through such means as the child welfare resource centers and the National Clearinghouse on Child Abuse and Neglect; and

"(3) provide for the evaluation of projects funded under this section.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $30,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.".

SEC. 142. TECHNICAL AMENDMENT.

The Act is amended in the table of contents in section 1(b) by adding at the end thereof the following new items:

"TITLE IV—MISCELLANEOUS PROGRAMS

"Sec. 401. Child abuse treatment improvements grant program.".

Subtitle E—Reauthorization of Certain Programs

SEC. 151. EMERGENCY GRANT PROGRAM.

Section 107A(e) (42 U.S.C. 5106a-1(e)) is amended by striking out "and such sums" and all that follows through the end thereof and inserting "such sums as may be necessary for fiscal year 1991, $40,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.".

SEC. 152. GENERAL GRANT PROGRAMS.

Subsection (a) of section 114 (42 U.S.C. 5106h(a)) is amended to read as follows:

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this title, except for section 107A, $150,000,000 for fiscal year 1992, and such sums as may be necessary for each of this fiscal years 1993 and 1994. Of amounts appropriated under this section in any fiscal year—

"(1) 33⅓ percent of such amounts shall be made available in each such fiscal year for activities under sections 104, 105 and 106; and

"(2) 66⅔ percent of such amounts shall be made available in each such fiscal year for activities under sections 107 and 108.

A State may spend the entire amount provided to such State under this title in a fiscal year for the purposes described in subsection (a)(5) of section 107, except that subsequent to the date on which the amount appropriated and available under paragraph (2) exceeds $40,000,000, such State shall not spend in excess of 15 percent of such amounts for the purposes described in subsection (a)(5) of section 107.".

SEC. 153. COMMUNITY-BASED PREVENTION GRANTS.

Section 203 (42 U.S.C. 5116b) is amended—

(1) by striking out subsection (b);

(2) by redesignating subsection (c) as subsection (b); and

(3) in subsection (b) (as so redesignated), by striking out "such sums" and all that follows through the period and inserting in lieu thereof "$50,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.".

SEC. 154. PREVENTIVE SERVICES FOR CHILDREN OF HOMELESS FAMILIES OR FAMILIES AT RISK OF HOMELESSNESS.

Section 306(a) (42 U.S.C. 5118e(a)) is amended by inserting ", and such sums as may be necessary in each of the fiscal years 1993 and 1994" before the period.

Subtitle F—Miscellaneous Provisions

SEC. 161. REPORT CONCERNING VOLUNTARY REPORTING SYSTEM.

Not later than April 30, 1992, and annually thereafter, the Secretary of Health and Human Services, acting through the Director of the National Center on Child Abuse and Neglect, shall prepare and submit to the appropriate committees of Congress a report concerning the measures being taken to assist States in implementing a voluntary reporting system for child abuse and neglect. Such reports shall contain information concerning the extent to which the child abuse and neglect reporting systems developed by the States are coordinated with the automated foster care and adoption reporting system required under section 479 of the Social Security Act.

TITLE II—CHILDREN WITH DISABILITIES TEMPORARY CARE

SEC. 201. SHORT TITLE.

This title may be cited as the "Children With Disabilities Temporary Care Reauthorization Act of 1991".

SEC. 202. AUTHORIZATION OF APPROPRIATIONS.

Section 206 of the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986 (42 U.S.C. 5117) is amended in the first sentence, by inserting before the period the following: ", and $20,000,000 for each of the fiscal years 1992 through 1994".

SEC. 203. TECHNICAL AMENDMENT.

Section 205(a)(1)(A)(vi) of the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986 (42 U.S.C. 5117c(a)(1)(A)(vi)) is amended by striking out "(vi)" and inserting in lieu thereof "(v)".

SEC. 204. EFFECTIVE DATE.

The amendments made by this title shall take effect October 1, 1991, or on the date of the enactment of this Act, whichever occurs later.

TITLE III—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO FAMILY VIOLENCE

SEC. 301. REFERENCES.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.).

SEC. 302. EXPANSION OF PURPOSE.

Section 302 (42 U.S.C. 10401) is amended—

(1) in paragraph (1)—

(A) by striking out "demonstration the effectiveness of assisting" and inserting in lieu thereof "assist"; and

(B) by striking out "to prevent" and inserting in lieu thereof "to increase public awareness about and prevent"; and

(2) in paragraph (2), by inserting ", courts, legal, social service, and health care professionals" after "(including law enforcement agencies".

SEC. 303. EXPANSION OF STATE GRANT PROGRAM.

Section 303(a) (42 U.S.C. 10402(a)) is amended—

(1) in paragraph (1), by striking out "demonstration grants" and inserting in lieu thereof "grants"; and

(2) in paragraph (2)—

(A) by striking out "demonstration grant" in the matter preceding subparagraph (A), and inserting in lieu thereof "grant";

(B) by striking out "demonstration grant" in subparagraph (A), and inserting in lieu thereof "grant"; and

(C) by striking out "particularly those projects" in subparagraph (B)(ii) and all that follows through the end thereof, and inserting in lieu thereof the following: "the primary purpose of which is to operate shelters for victims of family violence and their dependents, and those which provide counseling, advocacy, and self-help services to victims and their children.".

SEC. 304. INVOLVEMENT IN PLANNING.

Section 303(a)(2)(C) (42 U.S.C. 10402(a)(2)(C)) is amended by inserting "State domestic violence coalitions" after "involve".

SEC. 305. CONFIDENTIALITY ASSURANCES.

Section 303(a)(2)(E) (42 U.S.C. 10402(a)(2)(E)) is amended by striking out "assurances that procedures will be developed" and inserting in lieu thereof "documentation that procedures have been developed, and implemented including copies of the policies and procedure,".

SEC. 306. PROCEDURE FOR EVICTING VIOLENT SPOUSES.

Section 303(a)(2)(F) (42 U.S.C. 10402(a)(2)(F)) is amended to read as follows:

"(F) provide documentation to the Secretary that the State has a law or procedure that has been implemented for the eviction of an abusing spouse from a share household;".

SEC. 307. PENALTIES FOR NONCOMPLIANCE.

Section 303(a)(3) (42 U.S.C. 10402(c)) is amended—

(1) by inserting "a 6-month period providing an" before "opportunity"; and

(2) by adding at the end thereof the following new sentences: "The Secretary shall provide such notice within 45 days of the date of the application if any of the provisions of subsection (a)(2) have not been satisfied in such application. If the State has not corrected the deficiencies in such application within the 6-month period following the receipt of the Secretary's notice of intention to disapprove, the Secretary shall withhold payment of any grant funds to such State until the date that is 30 days prior the end of the fiscal year for which such grant funds are appropriated or until such time as the State provides documentation that the deficiencies have been corrected, whichever occurs first. State Domestic Violence Coalitions shall be permitted to challenge a determination as to whether a grantee is in compliance with, or to seek the enforcement of, the eligibility requirements of subsection (a)(2), except that no funds made available to State Domestic Violation Coalitions under section 311 shall be used to challenge a determination as to whether a grantee is in compliance with, or to seek the enforcement of, the eligibility requirements of subsection (a)(2).".

SEC. 308. GRANTS TO INDIAN TRIBES.

Section 303(b) (42 U.S.C. 10402(b)) is amended—

(1) in paragraph (1)—

(A) by striking out "is authorized to make demonstration grants" and inserting in lieu thereof ", from amounts appropriated to carry out this section, shall make available not less than 10 percent of such amounts to make grants";

(B) by striking out "and tribal" and inserting in lieu thereof ", tribal"; and

(C) by inserting "and nonprofit private organizations approved by an Indian Tribe for the operation of a family violence shelter on a Reservation", after "tribal organizations"; and

(2) in paragraph (2)—

(A) by striking out "demonstration grant" and inserting in lieu thereof "grant";

(B) by striking out "and (E)" and inserting in lieu thereof "(E) and (F)"; and

(C) by adding at the end thereof the following new sentence: "No entity eligible to submit an application under paragraph (1) shall be prohibited from making an application during any fiscal year for which funds are available because such entity has not previously applied or received funding under this section.".

SEC. 309. MAXIMUM CEILING.

Subsection (c) of section 303 (42 U.S.C. 10402(c)) is repealed, and subsections (d) through (g) are redesignated as subsections (c) through (f), respectively.

SEC. 310. GRANTS TO ENTITIES OTHER THAN STATES; LOCAL SHARE.

The section 303(e) (42 U.S.C. 10402(f)) (as so redesignated by section 309) is amended—

(1) in the first sentence—

(A) by striking out "demonstration grant" and inserting in lieu thereof "grant";

(B) by inserting "or an Indian Tribe" after "State";

(C) by striking out "35 percent" and inserting in lieu thereof "20 percent";

(D) by striking out "55 percent" and inserting in lieu thereof "35 percent";

(E) by striking out "65 percent in the third such year" and inserting in lieu thereof "and, for any year thereafter"; and

(2) in the second sentence, by striking out "50 percent" and inserting in lieu thereof "25 percent".

SEC. 311. SHELTER AND RELATED ASSISTANCE.

(a) SHELTER.—Section 303(f) (42 U.S.C. 10402(g)) (as so redesignated by section 309) is amended—

(1) by striking out "60 percent" and inserting in lieu thereof "70 percent"; and

(2) by inserting before the period the following "as defined in section 309(4). Not less than 15 percent of the funds distributed under subsection (a) or (b) shall be distributed for the purpose of providing related assistance as defined under section 309(5)(A), and not more than 10 percent for the purpose of providing family violence prevention services as defined under section 309(5)(B)".

(b) DEFINITION.—Paragraph (5) of section 309 (42 U.S.C. 10408(5)) is amended to read as follows:

"(5) The term 'related assistance' means the provision of direct assistance to victims of family violence and their dependents for the purpose of preventing further violence, helping such victims to gain access to civil and criminal courts and other community services, facilitating the efforts of such victims to make decisions concerning their lives in the interest of safety, and assisting such victims in healing from the effects of the violence. Related assistance—

"(A) shall include—

"(i) counseling with respect to family violence, counseling by peers individually or in groups, and referral to community social services;

"(ii) transportation, technical assistance with respect to obtaining financial assistance under Federal and State programs, and referrals for appropriate health-care services (including alcohol and drug abuse treatment), but shall not include reimbursement for any health-care services;

"(iii) legal advocacy to provide victims with information and assistance through the civil and criminal courts, and legal assistance; or

"(iv) children's counseling and support services, and child care services for children who are victims of family violence or the dependents of such victims; and

"(B) may include prevention services such as outreach and prevention services for victims and their children, employment training, parenting and other educational services for victims and their children, preventive health services within domestic violence programs (including nutrition, disease prevention, exercise, and prevention of substance abuse), domestic violence prevention programs for school age children, family violence public awareness campaigns, and violence prevention counseling services to abusers.".

SEC. 312. ALLOTMENT OF FUNDS.

Section 304(a)(1) (42 U.S.C. 10403(a)(1)) is amended—

(1) by striking out "whichever is the greater of the following amounts: one-half of"; and

(2) by striking out "$50,000" and inserting in lieu thereof "$200,000, whichever is the lessor amount".

SEC. 313. SECRETARIAL RESPONSIBILITIES.

Section 305(b)(2)(A) (42 U.S.C. 10404(b)(2)(A)) is amended—

(1) by striking out "into the causes of family violence";

(2) by inserting "most effective" before "prevention";

(3) by striking out "and (ii)" and inserting in lieu thereof "(ii)"; and

(4) by inserting before "and (B)" the following: "(iii) the effectiveness of providing safety and support to maternal and child victims of family violence as a way to eliminate the abuse experienced by children in such situations, (iv) identification of intervention approaches to child abuse prevention services which appear to be successful in preventing child abuse where both mother and child are abused, (v) effective and appropriate treatment services for children where both mother and child are abused, and (vi) the individual and situational factors leading to the end of violent and abusive behavior by persons who commit acts of family violence, including such factors as history of previous violence and the legal and service interventions received,".

SEC. 314. EVALUATION AND REPORT TO CONGRESS.

Section 306 (42 U.S.C. 10405) is amended—

(1) by inserting "and every two years thereafter," after "the first time after the date of the enactment of this title,";

(2) by striking out "assurances" and inserting in lieu thereof "documentation"; and

(3) by striking out "303(a)(2)(F)" and inserting in lieu "303(a)(2)(B) through 303(a)(2)(F)".

SEC. 315. FUNDING FOR TECHNICAL ASSISTANCE CENTERS.

Section 308 (42 U.S.C. 10407) is amended to read as follows:

"SEC. 308. INFORMATION AND TECHNICAL ASSISTANCE CENTERS.

"(a) PURPOSE AND GRANTS.—

"(1) PURPOSE.—It is the purpose of this section to provide resource information, training, and technical assistance to Federal, State, and Indian tribal agencies, as well as to local domestic violence programs and to other professionals who provide services to victims of domestic violence.

"(2) GRANTS.—From the amounts appropriated under this title, the Secretary shall award grants to private nonprofit organizations for the establishment and maintenance of one national resource center (as provided for in subsection (b)) and not to exceed six special issue resource centers (as provided for in subsection (c)) focusing on one or more issues of concern to domestic violence victims.

"(b) NATIONAL RESOURCE CENTER.—The national resource center established under subsection (a)(2) shall offer resource, policy and training assistance to Federal, State, and local government agencies, to domestic violence service providers, and to other professionals and interested parties on issues pertaining to domestic violence, and shall maintain a central resource library in order to collect, prepare, analyze, and disseminate information and statistics and analyses thereof relating to the incidence and prevention of family violence (particularly the prevention of repeated incidents of violence) and the provision of immediate shelter and related assistance.

"(c) SPECIAL ISSUE RESOURCE CENTERS.—The special issue resource centers established under subsection (a)(2) shall provide information, training and technical assistance to State and local domestic violence service providers, and shall specialize in at least one of the following areas of domestic violence service, prevention, or law:

"(1) Criminal justice response to domestic violence, including court-mandated abuser treatment.

"(2) Improving the response of Child Protective Service agencies to battered mothers of abused children.

"(3) Child custody issues in domestic violence cases.

"(4) The use of the self-defense plea by domestic violence victims.

"(5) Improving interdisciplinary health care responses and access to health care resources for victims of domestic violence.

"(6) Improving access to and the quality of legal representation for victims of domestic violence in civil litigation.

"(d) ELIGIBILITY.—To be eligible to receive a grant under this section an entity shall be a private nonprofit organizations that—

"(1) focuses primarily on domestic violence;

"(2) provides documentation to the Secretary demonstrating experience working directly on issues of domestic violence, particularly in the specific subject area for which it is applying;

"(3) include on its advisory boards representatives from domestic violence programs in the region who are geographically and culturally diverse; and

"(4) demonstrate the strong support of domestic violence advocates from across the country and the region for their designation as the national or a special issue resource center.

"(e) REPORTING.—Not later than 6 months after receiving a grant under this section, a grantee shall prepare and submit a report to the Secretary that evaluates the effectiveness of the use of amounts received under such grant by such grantee and containing such additional information as the Secretary may prescribe.

"(f) REGULATIONS.—Not later than 90 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations.

"(g) FUNDING.—From the amounts appropriated under section 310, not in excess of 5 percent of such amount for each fiscal year shall be used for the purpose of making grants under this section.".

SEC. 316. AUTHORIZATION OF APPROPRIATIONS.

Section 310 (42 U.S.C. 10409) is amended to read as follows:

"SEC. 310. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out the provisions of sections 303 through 309 and section 313, $85,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(b) SECTION 303(a) AND (b).—Of the amounts appropriated under subsection (a) for each fiscal year, not less than 80 percent shall be used for making grants under subsection 303(a), and not less than 10 percent shall be used for the purpose of carrying out section 303(b).

"(c) SECTION 308.—Of the amounts appropriated under subsection (a) for each fiscal year, not less than 5 percent shall be used by the Secretary for making grants under section 308.".

SEC. 317. LAW ENFORCEMENT TRAINING AND TECHNICAL ASSISTANCE GRANTS AND CONTRACTS AND GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

Section 311 (42 U.S.C. 10410) is amended to read as follows:

"SEC. 311. GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

"(a) In General.—The Secretary shall award grants for the funding of State domestic violence coalitions. Such coalitions shall further the purposes of domestic violence intervention and prevention through activities, including—

"(1) working with judicial and law enforcement agencies to encourage appropriate responses to domestic violence cases and examine issues including—

"(A) the inappropriateness of mutual protection orders;

"(B) the prohibition of mediation when domestic violence is involved;

"(C) the use of mandatory arrests of accused offenders;

"(D) the discouragement of dual arrests;

"(E) the adoption of aggressive and vertical prosecution policies and procedures;

"(F) the use of mandatory requirements for presentence investigations;

"(G) the length of time taken to prosecute cases or reach plea agreements;

"(H) the use of plea agreements;

"(I) the consistency of sentencing, including comparisons of domestic violence crimes with other violent crimes;

"(K) the restitution of victims;

"(L) the use of training and technical assistance to law enforcement and court officials and other professionals;

"(M) the reporting practices of, and significance to be accorded to, prior convictions (both felony and misdemeanor) and protection orders;

"(N) the use of interstate extradition in cases of domestic violence crimes;

"(O) the use of statewide and regional planning; and

"(P) any other matters as the Secretary and the State domestic violence coalitions believe merit investigations;

"(2) work with family law judges, Child Protective Services agencies, and children's advocates to develop appropriate responses to child custody and visitation issues in domestic violence cases as well as cases where domestic violence and child abuse are both present, including—

"(A) the inappropriateness of mutual protection orders;

"(B) the prohibition of mediation where domestic violence is involved;

"(C) the inappropriate use of marital or conjoint counseling in domestic violence cases;

"(D) the use of training and technical assistance for family law judges and court personnel;

"(E) the presumption of custody to domestic violence victims;

"(F) the use of comprehensive protection orders to grant fullest protections possible to victims of domestic violence, including temporary support and maintenance;

"(G) the development by Child Protective Service of supportive responses that enable victims to protect their children;

"(H) the implementation of supervised visitations that do not endanger victims and their children; and

"(I) the possibility of permitting domestic violence victims to remove children from the State when the safety of the children or the victim is at risk;

"(3) conduct public education campaigns regarding domestic violence through the use of public service announcements and informative materials that are designed for print media, billboards, public transit advertising, electronic broadcast media, and other vehicles for information that shall inform the public concerning domestic violence; and

"(4) participate in planning and monitoring of the distribution of grants and grant funds to their State under section 303(a).

"(b) Eligibility.—To be eligible for a grant under this section an entity shall be a statewide nonprofit State domestic violence coalition whose—

"(1) membership includes representatives from a majority of the programs for victims of domestic violence in the State;

"(2) board membership is representative of such programs; and

"(3) purpose is to provide services, community education, and technical assistance to such programs to establish and maintain shelter and related services for victims of domestic violence and their children.

"(c) Allotment of Funds.—From amounts appropriated under this section for each fiscal year, the Secretary shall allot to each State, the District of Columbia, the Commonwealth of Puerto Rico, and the combined U.S. Territories an amount equal to 1/53 of the amount appropriated for such fiscal year. For purposes of this section, the term 'combined U.S. Territories' means Guam, American Samoa, the U.S. Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands and shall not receive less than 1.5 percent of the funds appropriated for each fiscal year.

"(d) Prohibition on Lobbying.—No funds made available to entities under this section shall be used, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order or similar promulgation by any Federal, State or local agency, or to undertake to influence the passage or defeat of any legislation by Congress, or by any State or local legislative body, or State proposals by initiative petition, except that the representatives of the entity may testify or make other appropriate communication—

"(1) when formally requested to do so by a legislative body, a committee, or a member thereof; or

"(2) in connection with legislation or appropriations directly affecting the activities of the entity.

"(e) Reporting.—Each State domestic violence coalition receiving amounts under this section shall submit a report to the Secretary describing the coordination, training and technical assistance and public education services performed with such amounts and evaluating the effectiveness of those services.

"(f) Authorization of Appropriations.—There are authorized to be appropriated $15,000,000 for each fiscal year to be used to award grants under this section.

"(g) Regulations.—Not later than 90 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations implementing this section.".

SEC. 318. REGULATIONS.

Section 312(a) (42 U.S.C. 10409(a)) is amended by adding at the end thereof the following new sentence:

"Not later than 90 days after the date of enactment of this sentence, the Secretary shall publish proposed regulations implementing sections 303, 308, and 314. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations implementing such sections.".

SEC. 319. FAMILY MEMBER ABUSE INFORMATION AND DOCUMENTATION.

Section 313(1) (42 U.S.C. 10409(1)) is amended by striking out "characteristics relating to family violence" and inserting in lieu thereof "develop data on the number of victims of family violence and their dependents who are homeless or institutionalized as a result of the violence and abuse they have experienced".

SEC. 320. GRANTS FOR PUBLIC INFORMATION CAMPAIGNS.

The Act is amended by adding at the end thereof the following new section:

"SEC. 314. GRANTS FOR PUBLIC INFORMATION CAMPAIGNS.

"(a) In General.—The Secretary may make grants to public or private nonprofit entities to provide public information campaigns regarding domestic violence through the use of public service announcements and informative materials that are designed for print media, billboards, public transit advertising, electronic broadcast media, and other vehicles for information that shall inform the public concerning domestic violence.

"(b) Application.—No grant, contract, or cooperative agreement shall be made or entered into under this section unless an application that meets the requirements of subsection (c) has been approved by the Secretary.

"(c) Requirements.—An application submitted under subsection (b) shall—

"(1) provide such agreements, assurances, and information, be in such form and be submitted in such manner as the Secretary shall prescribe through notice in the Federal Register, including a description of how the proposed public information campaign will target the population at risk, including pregnant women;

"(2) include a complete description of the plan of the application for the development of a public information campaign;

"(3) identify the specific audiences that will be educated, including communities and groups with the highest prevalence of domestic violence;

"(4) identify the media to be used in the campaign and the geographic distribution of the campaign;

"(5) describe plans to test market a development plan with a relevant population group and in a relevant geographic area and give assurance that effectiveness criteria will be implemented prior to the completion of the final plan that will include an evaluation component to measure the overall effectiveness of the campaign;

"(6) describe the kind, amount, distribution, and timing of informational messages and such other information as the Secretary may require, with assurances that media organizations and other groups with which such messages are placed will not lower the current frequency of public service announcements; and

"(7) contain such other information as the Secretary may require.

"(d) Use.—A grant, contract, or agreement made or entered into under this section shall be used for the development of a public information campaign that may include public service announcements, paid educational messages for print media, public transit advertising, electronic broadcast media, and any other mode of conveying information that the Secretary determines to be appropriate.

"(e) Criteria.—The criteria for awarding grants shall ensure that an applicant—

"(1) will conduct activities that educate communities and groups at greatest risk;

"(2) has a record of high quality campaigns of a comparable type; and

"(3) has a record of high quality campaigns that educate the population groups identified as most at risk.".

SEC. 321. MODEL STATE LEADERSHIP INCENTIVE GRANTS FOR DOMESTIC VIOLENCE INTERVENTION.

The Act (as amended by section 320) is further amended by adding at the end thereof the following new section:

"SEC. 315. MODEL STATE LEADERSHIP GRANTS FOR DOMESTIC VIOLENCE INTERVENTION.

"(a) IN GENERAL.—The Secretary, in cooperation with the Attorney General, shall award grants to not less than 10 States to assist such States in becoming model demonstration States and in meeting the costs of improving State leadership concerning activities that will—

"(1) increase the number of prosecutions for domestic violence crimes;

"(2) encourage the reporting of incidences of domestic violence; and

"(3) facilitate 'arrests and aggressive' prosecution policies.

"(b) DESIGNATION AS MODEL STATE.—To be designated as a model State under subsection (a), a State shall have in effect—

"(1) a law that requires mandatory arrest of a person that police have probable cause to believe has committed an act of domestic violence or probable cause to believe has violated an outstanding civil protection order;

"(2) a law or policy that discourages 'dual' arrests;

"(3) statewide prosecution policies that—

"(A) authorize and encourage prosecutors to pursue cases where a criminal case can be proved, including proceeding without the active involvement of the victim if necessary; and

"(B) implement model projects that include either—

"(i) a 'no-drop' prosecution policy; or

"(ii) a vertical prosecution policy; and

"(C) limit diversion to extraordinary cases, and then only after an admission before a judicial officer has been entered;

"(4) statewide guidelines for judges that—

"(A) reduce the automatic issuance of mutual restraining or protective orders in cases where only one spouse has sought a restraining or protective order;

"(B) discourage custody or joint custody orders by spouse abusers; and

"(C) encourage the understanding of domestic violence as a serious criminal offense and not a trivial dispute;

"(5) develop and disseminate methods to improve the criminal justice system's response to domestic violence to make existing remedies as easily available as possible to victims of domestic violence, including reducing delay, eliminating court fees, and providing easily understandable court forms.

"(c) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—In addition to the funds authorized to be appropriated under section 310, there are authorized to be appropriated to make grants under this section $25,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) LIMITATION.—Funds shall be distributed under this section so that no State shall receive more than $2,500,000 in each fiscal year under this section.

"(3) DELEGATION AND TRANSFER.—The Secretary shall delegate to the Attorney General the Secretary's responsibilities for carrying out this section and shall transfer to the Attorney General the funds appropriated under this section for the purpose of making grants under this section.".

SEC. 322. EDUCATING YOUTH ABOUT DOMESTIC VIOLENCE.

(a) GENERAL PURPOSE.—For purposes of this section, the Secretary of Education, hereinafter referred to as the "Secretary" shall develop model programs for education of young people about domestic violence and violence among intimate partners.

(b) NATURE OF PROGRAM.—The Secretary, in consultation with the Secretary of Health and Human Services, shall through grants or contracts develop three separate programs, one each for primary and middle schools, secondary schools, and institutions of higher education. Such model programs shall be developed with the input of educational experts, law enforcement personnel, legal and psychological experts on battering, and victim advocate organizations such as battered women's shelters. The participation of each such group or individual consultants from such groups is essential to the development of a program that meets both the needs of educational institutions and the needs of the domestic violence problem.

(c) REVIEW AND DISSEMINATION.—Not later than 9 months after the date of enactment of this Act, the Secretary shall transmit the model programs, along with a plan and cost estimate for nationwide distribution, to the relevant committees of Congress for review.

(d) AUTHORIZATION.—There are authorized to be appropriated under this section for fiscal year 1992, $200,000 to carry out the purposes of this section.

TITLE IV—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO ADOPTION

SEC. 401. FINDINGS AND PURPOSE.

Section 201 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5111) is amended to read as follows:

"SEC. 201. CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE.

"(a) FINDINGS.—Congress finds that—

"(1) the number of children in substitute care increased by nearly 50 percent between 1985 and 1990, as our Nations's foster care population included more than 400,000 children at the end of June, 1990;

"(2) increasingly children entering foster care have complex problems which require intensive services;

"(3) an increasing number of infants are born to mothers who did not receive prenatal care, are born addicted to alcohol and other drugs, and exposed to infection with the etiologic agent for the human immunodeficiency virus, are medically fragile, and technology dependent;

"(4) the welfare of thousands of children in institutions and foster homes and disabled infants with life-threatening conditions may be in serious jeopardy and some such children are in need of placement in permanent, adoptive homes;

"(5) many thousands of children remain in institutions or foster homes solely because of local and other barriers to their placement in permanent, adoptive homes;

"(6) the majority of such children are of school age, members of sibling groups or disabled;

"(7) currently one-half of children free for adoption and awaiting placement are minorities;

"(8) adoption may be the best alternative for assuring the healthy development of such children;

"(9) there are qualified persons seeking to adopt such children who are unable to do so because of barriers to their placement; and,

"(10) in order both to enhance the stability and love of the child's home environment and to avoid wasteful expenditures of public funds, such children should not have medically indicated treatment withheld from them nor be maintained in foster care or institutions when adoption is appropriate and families can be found for such children.

"(b) PURPOSE.—It is the purpose of this title to facilitate the elimination of barriers to adoption and to provide permanent and loving home environments for children who would benefit from adoption, particularly children with special needs, including disabled infants with life-threatening conditions, by—

"(1) promoting model adoption legislation and procedures in the States and territories of the United States in order to eliminate jurisdictional and legal obstacles to adoption; and

"(2) providing a mechanism for the Department of Health and Human Services to—

"(A) promote quality standards for adoption services, pre-placement, post-placement, and post-legal adoption counseling, and standards to protect the rights of children in need of adoption;

"(B) maintain a national adoption information exchange system to bring together children who would benefit from adoption and qualified prospective adoptive parents who are seeking such children, and conduct national recruitment efforts in order to reach prospective parents for children awaiting adoption;

"(C) maintain a National Resource Center for Special Needs Adoption to—

"(i) promote professional leadership development of minorities in the adoption field;

"(ii) provide training and technical assistance to service providers and State agencies to improve professional competency in the field of adoption and the adoption of children with special needs; and

"(iii) facilitate the development of interdisciplinary approaches to meet the needs of children who are waiting for adoption and the needs of adoptive families; and

"(D) demonstrate expeditious ways to free children for adoption for whom it has been determined that adoption is the appropriate plan.".

SEC. 402. MODEL ADOPTION LEGISLATION AND PROCEDURES.

Section 202 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5112) is repealed.

SEC. 403. INFORMATION AND SERVICE FUNCTIONS.

Section 203 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5113) is amended—

(1) in subsection (a)—

(A) by inserting ", on-site technical assistance" after "consultant services" in the second sentence;

(B) by inserting "including salaries and travel costs," after "administrative expenses," in the second sentence; and

(C) by adding at the end thereof the following new sentence: "The Secretary shall, not later than 12 months after the date of enactment of this sentence, prepare and submit to the committees of Congress having jurisdiction over such services reports, as appropriate, containing appropriate data concerning the manner in which activities were carried out under this title, and such reports shall be made available to the public."; and

(2) in subsection (b)—

(A) by striking out paragraph (1) and redesignating paragraph (2) as paragraph (1);

(B) by inserting after paragraph (1) (as so redesignated) the following new paragraph:

"(2) conduct, directly or by grant or contract with public or private nonprofit organizations, ongoing, extensive recruitment efforts on a national level, develop national public awareness efforts to unite children in need of adoption with appropriate adoptive parents, and establish a coordinated referral system of recruited families with appropriate State or regional adoption resources to ensure that families are served in a timely fashion;";

(C) by striking out "and (B)" in paragraph (3) and inserting in lieu thereof "(B) the operation of a national resource center for special needs adoption; and (C)"; and

(D) by inserting ", and to promote professional leadership training of minorities in the adoption field" before the semicolon in paragraph (4).

SEC. 404. AUTHORIZATION OF APPROPRIATIONS.

Section 205 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5115) is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) There are authorized to be appropriated, $10,000,000 for each of the fiscal years 1992 through 1994, to carry out programs and activities under this Act except for programs and activities authorized under sections 203(b)(8) and 203(c)(1)."; and

(2) in subsection (b), by striking out "$3,000,000", the first place that such appears, and all that follows through the end thereof, and inserting in lieu thereof the following: "$10,000,000 for each of the fiscal years 1992 through 1994, to carry out section 203(b)(8), and there are authorized to be appropriated $10,000,000 for each of the fiscal years 1992 through 1994, to carry out section 203(c)(1).".

ADDITIONAL STATEMENTS

A MEMORIAL TO FRANKLIN DELANO ROOSEVELT—AT LAST

• Mr. LEVIN. Mr. President, on September 16, 1991, a truly historic event took place in West Potomac Park on the edge of the Tidal Basin in Washington, DC.

The occasion was the groundbreaking for a memorial to President Franklin Delano Roosevelt, and it has been a long time coming. Congress created a commission to determine a site and a design for the memorial in 1955, and reaching this point has been difficult and not without controversy. The site was selected and set aside, amongst the cherry trees of the Tidal Basin, in 1959, but settling on a design and funding for the memorial has been more difficult.

But now, all those difficulties have been resolved. The renowned landscape architect Lawrence Halprin has designed a memorial consisting of four outdoor garden rooms connected by contemplative passageways, with a variety of sculptures, bas-reliefs and chiseled quotations, all tied together by the ebb and flow of pools, streams, and waterfalls.

At the groundbreaking, the two cochairs of the Commission, Senators MARK HATFIELD and DANIEL INOUYE, spoke, as did Mike Wallace of CBS; David B. Roosevelt, grandson of Franklin and Eleanor Roosevelt and son of Elliott Roosevelt, representing the President's family; and Frank Freidel, an historian and author. Deputy Secretary of the Interior Frank Bracken and National Park Service Director James Ridenour represented the administration.

Senator INOUYE spoke very movingly without a prepared text about his own memories of President Roosevelt. He told the audience about his army service in Europe with the 442d Regimental Combat Team his unit heard the tragic news of FDR's death in 1944. His entire unit, rather than being stunned and saddened into inaction, fixed bayonets and charged the enemy positions. As we all know, Senator INOUYE later lost his right arm in battle.

The other speakers that day had prepared remarks, and I think it would be of interest to many to be able to read them. At the conclusion of the ceremony, Senators INOUYE and HATFIELD, David Roosevelt and Secretary Bracken conducted the symbolic groundbreaking. This great task has finally begun.

I ask that the text of their remarks be included in the RECORD.

The text follows:

Mr. MIKE WALLACE. Senator Hatfield, Senator Inouye, Secretary Bracken, distinguished guests, it's a privilege to be with on this long-awaited day—the day when—finally, finally—ground is broken in this handsome park for the construction of a memorial to our late great President, Franklin Delano Roosevelt.

Now I would like you to meet the other guests here on the dais. I am pleased to introduce Mr. Lawrence Halprin, architect of this magnificent memorial. Mr. Halprin is renowned in America and abroad for having created some of the world's most beautiful outdoor spaces. Seated to his right is the Honorable Frank Bracken, Deputy Secretary of the Interior. Next is David Roosevelt, grandson of Eleanor and Franklin Roosevelt, and son of Elliott Roosevelt; to his right is Senator Daniel Inouye from Hawaii. Senator Inouye has served on the Franklin Delano Roosevelt Memorial Commission since 1970, and is one of the Commission's cochairs; next is Senator Mark Hatfield of Oregon, the other cochair, who has served since 1971.

This day is one which Senators Inouye and Hatfield have looked forward to for a long time. It is their dedication—in fact—that has made it possible. Next to them, the Revered James Ford, Chaplain of the House of Representatives; and James Ridenour, Director of the National Park Service.

There are many distinguished guests in the audience this morning, and while I cannot mention each one, I do want to introduce the members of the Franklin Delano Roosevelt Memorial Commission, and its Executive Director. They are Representatives Bill Green, Secretary of the Commission; Senators Alfonse D'Amato of New York and Carl Levin of Michigan. Representatives Hamilton Fish, Jr. and James Scheuer, both of New York, as well as Presidential appointees Edmund Brown, Former Governor of California; former Senator Jennings Randolph of West Virginia and Calvin Whitesell of Alabama.

The Executive Director of the Commission since 1988 is Frances Campbell. Frances is largely responsible for today's event, having planned and coordinated it.

We are especially honored to have with us the artists for the Roosevelt Memorial, some of the most highly acclaimed in the United States. Sculptors Leonard Baskin, Neil Estern, Robert Graham, Tom Hardy, George Segal, and master stone carver, John Benson. These artists will bring to life momentous events from the Roosevelt Presidency, through bronze sculptures and through FDR's quotations, carved in granite.

There will be—here—Leonard Baskin's evocative bronze portrait of President Roosevelt at his first inauguration, George Segal's depiction of a listener, intently focused on the powerful voice of President Roosevelt from his radio, Robert Graham's bas-relief and columns, depicting the suffering of the Great Depression, Neil Estern's sculpture of the First Lady, standing alone in the final room of the memorial, the great eagle created by Tom Hardy which will greet the visitor upon arrival at the memorial, and John Benson's stone carvings which will accompany these evocative works of art. All this will make a visit to this memorial an historical, educational and—I'm sure—an emotional experience. I would like to ask these artists to stand, if they will.

When David Roosevelt asked if I might like to serve as master of ceremonies here this morning, I thought right away of my mother and father.

They were—both of them—immigrants from Russia, and in our Brookline, MA, household, Franklin Roosevelt was a hero of mythic proportions. We children were made to feel that this extraordinary man in the White House cared about us, that there was a connection between him and us.

Those depression years were tough on all Americans who lived through them, but somehow we shared a feeling that FDR was going to guide us safely through. My NYA Job—my National Youth Administration Job at the University of Michigan, back in the 1930's, grading exam papers for a journalism professor—paid me thirty absolutely vital dollars each month for a year or two, and I somehow came to believe that FDR was responsible for that.

I never met him. I never saw him up close. But I did know Eleanor Roosevelt—just a little—back in the fifties, and when I interviewed her in 1957, I asked whether she didn't agree—unhappily—that a good many people hated her husband. "Oh, yes," she said, "a great many do still."

"There was a real core of hatred," she said, "the people who would call him, 'that man.' I remember one man," she said, "who rejoiced, actually, when he died. I suppose that is just a feeling certain people had—that he was destroying the thing they held dear. . . ."

Well, when FDR died, I remember vividly Arthur Godfrey's tearful radio description of the procession that led the caisson bearing the President's body through the streets of Washington . . . and the newsreels that showed the affection—and the sadness—etched into the faces of everyone who lined the streets here that day.

It is glorious that finally we Americans have a fitting memorial here in West Potomac Park. And I confess, I take a certain pride in having been invited to share this day with all of you.

The Franklin Delano Roosevelt Memorial Commission was established away back in 1955; it has the dubious honor of being the oldest "temporary" Federal Commission. The two most senior members of the Commission are Senator Daniel Inouye, appointed—as I said—in 1970 and Senator Mark Hatfield, in 1971.

Senator Hatfield joined the F.D.R. Memorial Commission at a critical juncture. After several designs had been proposed and rejected, the Commission was considering yet another in what seemed to be an endless series of plans. These two new Commissioners breathed new life into the Commission, giving it energy, vision—and a new direction.

Those who know Mark Hatfield will not be surprised by the key role he has played in the development of the F.D.R. Memorial, nor by the fact that a Republican Senator would take the lead in the development of a memorial to a four-term Democrat, for Mark Hatfield is a man with a keen sense of history, and he has particular interest in the history of the Presidency. Interestingly, one of Senator Hatfield's favorite subjects is Herbert Hoover, the great political adversary of Franklin Roosevelt. But for a Senator whose political life has been a remarkable example of bipartisanship, of independence, this is not unexpected.

It gives me great pleasure to introduce to you a man of integrity and a man of vision: Mark Hatfield.

Senator Hatfield. It is a very great privilege for me, as co-chairman of the Franklin Delano Roosevelt Memorial Commission, along with my dear friend and colleague, Senator Danny Inouye, to welcome all of you to this ceremony. There are some of us who wondered if we would live to see this day! And no one wanted to see it more than our long-time Chairman, the Honorable Eugene Keogh who, sadly, cannot see the fruit of his labors.

I want to offer an especially warm welcome to others of you who have been so intimately involved in the development of the F.D.R. Memorial design. It has been an extraordinary experience to work on this project with my fellow Commissioners, with several Secretaries of the Interior, with extremely competent officials of the National Park Service, and with the talented and creative Larry Halprin. And what a great pleasure it has been to become acquainted with members of the Roosevelt family.

Today, two generations of Americans sit together to witness these ceremonies. For one the memory of F.D.R. is living and personal. For the other, Franklin Delano Roosevelt is but a name from history. Therein lies a lesson for those of us who wield reins of power today: fame, indeed, is fleeting. The Roosevelt Memorial Commission was created 36 years ago by a generation that wishes to celebrate its shared experience of the F.D.R. Years. The harvest of its labor comes in the midst of a generation that knows little of our thirty-second President. The memorial resting on this ground will link these two generations and generations to come. It will establish a more lasting memory than that which death erases.

President Roosevelt was not simply a man of great deeds, he was a master of great symbols.

We sought to capture that symbolism in the design of this memorial.

F.D.R. was a man skilled in oratory.

We sought to preserve his words in this memorial. President Roosevelt's patrician, yet warm voice reached out from the podium and over radio to embrace his audiences.

We sought, in the same way, for this memorial to embrace, not stand apart from, its visitors.

The Commission paid particular attention to the special place reserved for the Memorial. Its location amidst three national political icons—one to the Father of our country, one to the expounder of our liberties, and one to the preserver of our union—is sacred ground.

We sought to preserve its sanctity and to maintain a proper relationship with the other memorials.

The waters of Warm Springs were therapy for President Roosevelt's weak limbs. The waters of naval history were his avocation. Thus, water, which surrounds this site, and water used artistically within it, are incorporated in the Memorial.

God blessed Franklin Roosevelt with many gifts. He was born to wealth and privilege. He was given that special blend of qualities which, being admirable by themselves, together make for greatness: his sharp intellect, his skill in the art of personal relationships, his self-assurance, and the strength of character to act boldly. God gave him a talent for the turn of a phrase. President Roosevelt's words fill our American vocabulary:

"We have nothing to fear, but fear itself",
"a day that will live in infamy",
"the Forgotten Man",
"a New Deal", and
"the Four Freedoms".

God also humbled Franklin Roosevelt, taking away through polio the use of his legs. As President he required assistance to take even a single step, and so he was most often photographed in a seated position. Yet, even today, those images are not ones of a weak invalid. Rather, more like a person bearing the aura of royalty. Franklin Roosevelt knew how to turn a weakness into a strength.

Today we commence building a place to honor that commanding presence which inspired us, called forth self-sacrifice, calmed our fears, and gave us hope for a brighter tomorrow.

Mr. WALLACE. Thank you, Senator Hatfield. And now, it is a privilege to introduce you to one of America's most esteemed historians.

Dr. Frank Burt Freidel, Jr. has written nine books on the life and administration of the President. His writings on President Roosevelt began with "Franklin D. Roosevelt: The Apprenticeship" in 1952—and his latest, published in 1990, is entitled "Roosevelt: A Rendezvous With Destiny." Dr. Freidel has been a professor of history at Oxford University, Harvard, Stanford, and the University of Washington. He is a fellow with the American Academy of Arts and Sciences . . . Dr. Frank Freidel.

Mr. FREIDEL. There could be no more fitting memorial to Franklin D. Roosevelt than the spacious garden with water flowing amid granite walls that will now take form on this site. It is a break with tradition, in keeping with Roosevelt's delight in innovation—in harmony with the past but symbolic of a new, less formal era. The memorials on each side of us, to Abraham Lincoln and Thomas Jefferson, and the monument to George Washington, in their architectural grandeur celebrate Washington and the solid foundations of the republic, Jefferson and the philosophy and arts of the American enlightenment, and Lincoln and the preservation of the Federal Union. This new memorial will remind us of Franklin D. Roosevelt's love of the out of doors and his emphasis upon nurturing the land; the inscriptions upon granite will celebrate his quest for a better, more secure way of life for the people of this nation and peoples everywhere.

Roosevelt was a towering figure of the twentieth century, one of the most fruitful architects of modern America and the modern world. The ideals that the Washington Monument and the Jefferson and Lincoln Memorials so well evoke were marked indelibly in his spirit. He drew upon these traditional values in his undertaking to modernize the nation and the world. Much as he loved the past, indeed out of his love for the past, he strove for the future. He was a man of vision and imagination, and above all of faith in God and in the nation.

Although he was not without vehement detractors, Roosevelt was warmly acclaimed for the vigorous, positive way in which he led the nation out of the depression crisis of the 1930s and in the struggle against totalitarianism during World War II. The electorate admired his vigorous optimism during frightening times, his concern for the threatened and dispossessed, and his leadership in striving for innovation. He demonstrated his hold on the minds and hearts of a majority of Americans by winning election to an unprecedented four terms.

I would like this morning to focus upon some of Roosevelt's essential strengths and contributions, some of the reasons why at this one remaining location in the American pantheon, ground is being broken for a memorial to him.

Roosevelt enjoyed a sheltered upbringing on the family estate at Hyde Park, New York, overlooking the Hudson River, where he was born in 1882, but he was also raised with a keen sense of responsibility. His mother would remind him of the scriptural admonition that from one to whom much is given, much shall be required. That too was the emphasis of Endicott Peabody, head of Groton School; already when he applied to Harvard, one of the Groton masters wrote upon his behalf that Franklin wished to enter public life. Above all there was the influence of his distant cousin, President Theodore Roosevelt, and of TR's niece, Eleanor Roosevelt, whom Franklin married in 1905. To the end of her life, Mrs. Roosevelt liked to relate how when she was engaged she arranged for Franklin to meet her at one or another spot in the lower east side of New York where she showed him conditions so miserable that he confessed he had not known they existed.

In 1910, Roosevelt began his political apprenticeship, winning election as a Democrat to the New York State Senate. He savored politics and was a quick learner. Although he admired Theodore Roosevelt and had voted for him in 1904, in 1912 he energetically supported the Democratic candidate, Woodrow Wilson, who upon election appointed him Assistant Secretary of the Navy, a position TR had filled at the outbreak of the Spanish-American War.

The two progressive presidents, Roosevelt and Wilson were both major and continuing influences upon Franklin D. Roosevelt. Frances Perkins who became acquainted with him at that time found him not very clear about the specific differences between TR's New Nationalism and Wilson's New Freedom. Later it was politically advantageous for him to ignore distinctions even if he might be well aware of them, for he was to become an advocate of many of the domestic and foreign goals of each, and to lure more than one of TR's Bull Moosers, must notably Harold L. Ickes, into his entourage.

Before he was forty, Roosevelt had established himself as a charming, dynamic young progressive. In Washington during the first World War he was effective in mobilizing the

Navy and learned much of use to him as commander-in-chief in the second World War. Time magazine hailed him in the 1920's as an achiever, a man who had known how to get things done. In 1920, while still in his thirties, he became the Democratic candidate for vice president; he emerged unscathed, a Democrat with a future.

The following summer that future seemed to evaporate when, vacationing at Campobello Island, he contracted polio. This handsome young man who had customarily bounded up stairs two at a time, was so seriously stricken that he was fortunate to survive. At a low point, late in 1921, his New York doctor was fearful that he would not again be able to sit upright without support.

On the contrary, Roosevelt strove indefatigably to regain the use of his legs, and assured acquaintances that he expected in six months to be walking without a limp. It was unthinkable at that time that anyone in a wheelchair could run for high office. With the aid and devotion of his wife Eleanor and of a resourceful assistant, Louis McHenry Howe, Roosevelt during the crisis managed to conceal his plight and through letters and statements to continue active in politics.

By the spring of 1922, Roosevelt was able publicly, with the aid of heavy braces and crutches, to create the illusion that he was no more than lame, not a paraplegic. Two years later he received a stirring ovation when he thus appeared at the 1924 Democratic convention to nominate Al Smith. Meanwhile he was undergoing various rigorous, often painful, methods of treatment in his effort to recover. He obviously suffered much private despair, but usually kept it well concealed. The waters at Warm Springs, Georgia seemed to help him most, and he invested much of his energy and resources into development of a treatment center there for himself and fellow polio victims. He was always, whatever the circumstances, a builder.

While Roosevelt was trying to regain use of his legs he won much sympathy and admiration for his determination. Further, he made shrewd political use of his disability, avoiding the shattering quarrels between the urban, wet Catholic wing of the Democratic party of the east, and the rural, small-town prohibitionist and Protestant Democrats of the south and west. He undertook, with some success, to be the unifier, the reconciler of differences. Although only in his forties, he was able to present himself as temporarily an elder statesman who would not run for office again until he had fully regained use of his legs.

The quest for office came sooner than he had anticipated. Smith, who had won the Democratic nomination for President in 1928, persuaded Roosevelt to aid the ticket by running for Governor of New York. Roosevelt, by dint of the physical energy he demonstrated in his campaigning, wearing braces, in one hand a cane and with the other gripping a strong arm, always with a broad grin on his face, did much to deflect attention from his infirmity. Smith clinched the issue by remarking that one did not have to be an acrobat to be Governor. By a narrow margin Roosevelt was elected against the Republican tide. During his years as Governor, Roosevelt demonstrated that indeed one did not have to be an acrobat. The press and newsreel cameramen cooperated, and his image both in New York and the nation was of a man rather lame, not one whose normal means of locomotion was a wheelchair.

It was the national economy that because seriously ill during Roosevelt's years as Governor of New York. The stock market crash of 1929 signalled the start of a great depression, acute by 1932 when Roosevelt was the Democratic candidate for President. Roosevelt campaigned against President Herbert Hoover with an air of confidence amidst the national and world crisis, carefully limiting his promises to generalities that would not alarm voters. On election night, after winning by a wide margin, he had to assume future responsibilities of enormous scope. It was not an entirely happy thought. To his son James, who helped him into bed, he uncharacteristically revealed his inner fears, that he might "not have the strength to do this job." He said, "After you leave me tonight, Jimmy, I am going to pray . . . [for] strength and guidance. . . . I hope you will pray for me, too, Jimmy."

Yet to the nation some weeks later, when he narrowly missed assassination in Miami, he demonstrated rare courage and resourcefulness, heartening in time of national despair. In private he was laying elaborate but confidential plans with his advisers, the "Brains Trust," to cope with the unparalleled conditions. A quarter of the nation's workers were unemployed. Grain prices were so low that midwest farmers were burning corn to keep warm, while in Chicago, Edmund Wilson reported, a widow scavenged for meat on a garbage-dump, taking off "her glasses so that she couldn't see the maggots." Yet groceries were advertising hamburger for five cents a pound. By inauguration day, March 4, 1933, a spreading crisis of confidence brought the closing of the nation's banks.

In his inaugural address, Roosevelt gave the demoralized nation thrilling reassurance by pledging a leadership of frankness and vigor. "The only thing we have to fear is fear itself."

A hundred days of dynamic action followed as the President sent Congress proposal after proposal for recovery legislation to reopen banks, stimulate business, and bring aid to agriculture. He obtained relief for the unemployed and those threatened by the loss of their homes or farms. Two innovations particularly interested him, the Civilian Conservation Corps to put unemployed men, mostly youth, to work improving forests, and the bold regional development scheme, the Tennessee Valley Authority, to prevent floods and produce electric power.

Roosevelt marshalled the powers of the presidency as had Theodore Roosevelt and Woodrow Wilson, undertaking to function impartially on behalf of bankers, businessmen, workers, farmers, and consumers. Congress enacted almost all of his proposals, making constructive modifications in many of them. The President recognized the contributions of Congress and was deeply committed to constitutional processes. When Mrs. Roosevelt remarked to him at one point when Congress was balking that a benevolent dictator might better attain reforms, he countered that one could not rely upon a dictator to remain benevolent.

In 1935, under conflicting pressures from both right and left, Roosevelt obtained from Congress a new far-reaching reform program, including the National Labor Relations Act, and the most momentous domestic achievement of the New Deal, Social Security, providing for the first time national old-age benefits and unemployment insurance.

By the time Roosevelt ran for re-election in 1936, the Nation was enjoying a considerable degree of recovery. In his acceptance address were some of his most famous words: "To some generations much is given. Of other generations much is expected. This generation of Americans has a rendezvous with destiny." That destiny, Roosevelt declared, was to be found in the struggle against want and for the survival of democracy, a struggle that might hearten those in other countries that had surrendered their democracy. "We are fighting to save a great and precious form of government for ourselves and for the world."

Although Roosevelt ran against a notable Republican candidate, governor Alf M. Landon of Kansas, the President carried all but two states. In his second inaugural address he made a dramatic call for fresh reform:

"I see a United States which can demonstrate that, under democratic methods of government, national wealth can be translated into a spreading volume of human comforts hitherto unknown. . . . But here is the challenge to our democracy. . . . I see one-third of a nation ill-housed, ill-clad, ill-nourished."

Roosevelt saw the Supreme Court as a prime impediment to fresh domestic reforms and sought to add justices to stop the flow of decisions invalidating New Deal programs. During the ensuing debates in Congress, the Court upheld two key measures, the new labor legislation and the social security program. The so-called "court-packing" plan, which many supporters of Roosevelt had felt was unwise, now also seemed unnecessary. He suffered a humiliating defeat, but the flow of negative decisions had come to an end.

Other tribulations followed. Roosevelt wished to bring the budget more nearly into balance, and curbed deficit spending so sharply that the economy sunk from recovery into recession. After some months Roosevelt resumed spending and the course of recovery resumed. In 1938 he was under attack for allegedly trying in primaries to "purge" the Democratic party of conservatives opposed to his programs. In Congress, conservative Democrats joined with Republicans to block many of Roosevelt's proposals, but the President continued to advocate reforms.

Overshadowing domestic problems was the threat from aggressor nations in Europe and East Asia that the world would be plunged into a second World War. From the outset of his presidency, Roosevelt was fearful of Adolf Hitler, who came into power in 1933. Repeatedly, Roosevelt through collective security schemes tried to cooperate with threatened nations, but his hands were tied by Congress and a public fearful of being dragged into another war. The threatened nations hoped to appease Hitler, and because Roosevelt lacked clout did not take him very seriously.

Within the American hemisphere, Roosevelt early in his administration began to fabricate an ideal collective security system, what he called the Good Neighbor policy. He transformed the Monroe Doctrine from a unilateral manifesto into a mutual aid program against potential aggressors. It became a pilot project for the kind of peace keeping and economic and cultural development programs Roosevelt envisaged for the entire world.

As Germany and Japan became ever more threatening, Roosevelt in his 1936 campaign reassured the electorate with his emphatic statement that "I hate war"—words with which his opponents later taunted him. He was indeed ready to avoid war if at all possible, even willing to cooperate with the British in their efforts toward appeasement, to rectify what Hitler claimed were injustices against Germany. Or, he would take a course more appealing to him, to impose economic sanctions, possibly a blockade, against an aggressor like Japan. But in 1937 by broaching the idea of a quarantine he frightened the nation and was forced to backtrack. He was powerless during the Munich crisis, which was to mark the failure of appeasement.

With the outbreak of World War II in September, 1939, Roosevelt began gradually to rally opinion behind his efforts to strengthen the defenses of the United States. In his role as commander-in-chief he took three great gambles. Immediately after the Munich debacle, feeling that it was the threat of German airpower that had forced France to give in to Hitler, he embarked the nation toward large scale airplane construction, far in excess of other military forces being developed. His second gamble was, secretly, in response to warnings Albert Einstein brought from nuclear physicists, to authorize research and development of the atomic bomb. The third, coming after the depressing collapse of France in June, 1940, was to conclude that besieged Britain could and must survive, and to provide all-out aid to Prime Minister Winston Churchill at the expense of the build-up of the forces of the United States. He exchanged fifty outmoded destroyers for New World bases, and subsequently supplied the British through one of his most clever devices, Lend-Lease. If a neighbor's house were afire, Roosevelt explained, naturally one would lend him a fire hose to extinguish the blaze. After Hitler suddenly invaded the Soviet Union in the summer of 1941, Roosevelt extended lend-lease aid to the Soviets also. These gambles demonstrated both courage and foresight, and they were successful. In addition, Roosevelt began to apply economic pressure (in effect, sanctions) against Japan to try to stem its advances into Southeast Asia.

Within the United States Roosevelt's policies brought bitter debate with isolationists and became the focal point of the election of 1940. Roosevelt defeated the Republican candidate, Wendell Willkie, to win an unprecedented third term.

In January, 1941, Roosevelt in his annual message to Congress enunciated a counterpart of Wilson's Fourteen Points:

"In future days, which we seek to make secure, we look forward to a world founded upon four essential human freedoms." These were freedom of speech and worship, and freedom from want and fear. In August, 1941, just over fifty years ago, Roosevelt met with Prime Minister Churchill at Argentina, Newfoundland, and they incorporated these aims in an Atlantic Charter.

Through the fall of 1941, American economic pressures failed to restrain the Japanese and negotiations toward a modus vivendi failed. On December 7, 1941, which Roosevelt characterized in his war message as "a date which will live in infamy," Japanese airplanes unexpectedly struck a devastating blow at Pearl Harbor. Three days later, Hitler and the Italian fascist dictator, Benito Mussolini, declared war on the United States.

As wartime commander-in-chief, Roosevelt focused much of his attention upon worldwide diplomacy and strategy. With Churchill he organized coalition warfare on a global scale, and established a grand alliance, which he called the "United Nations," to pursue the war to final victory. Roosevelt made many of the crucial decisions during pursuit of the war, to invade North Africa in 1942, to press the apprehensive Churchill to agree upon a cross-channel invasion in 1944, and to appoint General Dwight D. Eisenhower to lead the assault into Normandy.

During the war, Roosevelt gave much thought to planning the peace. Questions arose at the strategic conferences with Churchill, and became particularly critical at the Tehran and Yalta conferences, when they met with Joseph Stalin. Roosevelt was pleased that Stalin agreed after the defeat of Hitler to enter the war against Japan, but could obtain no workable guarantee that Stalin would permit democratic elections in nations the Soviet armies had occupied. He hoped for a friendly, cooperative relationship with the Soviet Union after the war in the new United Nations organization then taking shape, but in the spring of 1945 as the collapse of German forces became imminent, was braced too for unpleasantness. On April 11, 1945, he wrote Churchill that Soviet problems seemed for the most part to straighten out, but "we must be firm."

Beginning in 1944, Roosevelt's health had declined seriously. Nevertheless in the fall, campaigning in rigorous weather, he had given an appearance of fitness, and running against Thomas E. Dewey won election to a fourth term. By the time he returned from the Yalta Conference, he could not conceal his exhaustion. After several weeks he went to Warm Springs to rest, and there on April 12, 1945, died of a massive cerebral hemorrhage.

The news created a national, indeed a world shock. Churchill, tears in his eyes, told Edward R. Murrow, "One day the world, and history, will know what it owes to your President." The day before, Roosevelt had worked on a Jefferson Day address he was planning to deliver on April 13. The last typed line read, "The only limit to our realization of tomorrow will be our doubts today." To this he penned an added sentence: "Let us move forward with strong and active faith."

The Roosevelt Memorial that will take form here will be a reminder of that strong and active faith, and a challenge to the nation's and world's future.

Mr. WALLACE. Thank you, Dr. Freidel.

David Roosevelt is a grandson of Franklin and Eleanor Roosevelt and a son of Elliott Roosevelt. For years, he has been actively engaged in the FDR memorial project. He was asked to offer testimony at hearings regarding appropriations for the memorial on two occasions, in 1989 and again in 1990, at times when neither his father, nor his Uncle James Roosevelt could represent the President's family. Indeed, David has represented the family at numerous commemorative events over the years, including the 50th anniversary of the first televised Presidential Address from the World's Fair in 1939, and the 200th anniversary of George Washington's inauguration. But his proudest achievement—at least in terms of family affairs—was the organization two years ago of the first "modern day" reunion of the FDR and the Theodore Roosevelt sides of this unique American family, which resulted—I understand—in a treaty, of sorts, of the mythical family differences.

I give you David Roosevelt.

Mr. ROOSEVELT. I am pleased to have been asked by the cochair to represent my family on this most auspicious and historical occasion. And I would like to add my welcome to all of you who have joined us today.

This ceremony marks the beginning of the end of a very, very long dream—at times a nightmare—for so many people. The actual work, as you have heard, began almost 37 years ago with the establishment of the Franklin D. Roosevelt Memorial Commission. But in reality, it had its birth just a few months following the death of my grandfather.

So, today, I would like to take a few moments to pay tribute to just a few of those people who never lost sight of the dream, who believed in what this memorial represents, and whose labor and dedication have brought us here this morning.

First, allow me to repeat myself. I am indeed proud, and a bit nervous, to say that I represent my family today. My nervousness stems from the fact that the diversity of my family can never be truly represented by anyone, so I shall be very cautious in choosing my words.

I am honored to serve as spokesman for several reasons. First, because today, I am proud to say, my entire family is lending its support to the FDR memorial—not only the descendants of Franklin and Eleanor, but those of my great-grand uncle Theodore, as well, many of whom are here today as a reminder of the important role he played in the lives of Eleanor and Franklin. Never let it be said that the Franklin Delano Roosevelt Memorial has been less than a bipartisan effort.

I am humbled, and not the least saddened, to represent on this occasion the passing of the torch from one generation to the next. With the death of my Uncle Jim a few weeks ago, and my father, Elliott last October, both of whom were active in this project, I serve merely as their surrogate at this ceremony. Of course, during their lifetimes, all of my uncles and aunt contributed to this project, and particularly their strong beliefs that any memorial to their father should not be to the man himself, but to the ideals he engendered for future generations of Americans.

And so, I wish to thank not only Dad and Uncle Jim, but Anna, Franklin, Jr. and John, for their insight and counsel have made this memorial more than a mere monument—it will be a true lesson in democracy.

Two and one-half years ago, on April 5th, 1989, I was asked to offer testimony before the Subcommittee on Interior and its Chairman, the honorable Sid Yates. I had been told that the Hearings that day were critical to the future of the FDR Memorial—the approval of Chairman Yates and his committee was an absolute necessity for there to be appropriations in the future. It was difficult enough to sit at that witness table knowing how crucial these hearings were, knowing that my testimony would be preceded by such eloquent and important witnesses as Senator HATFIELD, Congressmen BILL GREEN and JIM SCHEUER, and LANE KIRKLAND, to name but a few, but perhaps the most awe-inspiring—and daunting—presentation I had to follow that day was that of one of the great orators of our day, the then Chairman of the FDR Memorial Commission, the late Claude Pepper.

On that day, Claude Pepper left his bed at Walter Reed Medical Center to give an impassioned plea for this memorial, and one of the most eloquent statements I've ever heard. I'd like to very briefly relate for you a few of his remarks from that day:

"The many reasons for erecting a memorial to President Roosevelt have been presented to this subcommittee many times in the past so I will not enumerate them again today.

"However, this memorial is important to me for personal reasons. When I was elected to the Senate from Florida in 1936, I had heard President Roosevelt's inaugural address by radio. As he stood on the steps of the Capitol of the United States and looked in the face of a vast throng, he addressed the people of a country almost on its knees: Agony, anguish, hardship and struggle swept the land. The President told the people that the only thing they had to fear was fear itself and when he finished speaking the Nation knew it had a new leader and the hearts of the people swelled with new hope. My heart and my admiration went out to this new leader. So when I came to Washington my purpose was to help President Roosevelt to carry on his great work. There developed a warm friendship and close cooperation between President Roosevelt and me. I supported him with all my heart and strength because I knew America needed what he was trying to provide for it.

"It is the responsibility of our government to make available in this capitol city the memorial to President Roosevelt which will educate our people on the principles which have made our country great, and will inspire our citizens of today and those to come to live by those principles.

"In doing so we will recognize and insure that as long as Americans shall love liberty, as long as Americans shall be devoted to compassion for the needs of their fellowman, as long as Americans shall work for the great cause of peace, they shall cherish the memory and honor the name of Franklin Delano Roosevelt."

Ladies and gentlemen, that was the last official activity by our beloved Claude Pepper. He returned that day to Walter Reed, and died a few short weeks later. But should you think that his belief in this project was not genuine, let me tell you that when he was visited by President Reagan just days before his death, he again pleaded for the administration's continued support for this Memorial.

So today I think it is appropriate to dedicate this historic ground breaking ceremony to Senator Claude Pepper; a visionary, statesman and great leader in his own right—a great friend.

Perhaps the most common opposition to a memorial to my grandfather was that he himself did not want a monument. But, I would guess, Presidents Washington, Lincoln and Jefferson did not request, nor necessarily desire to be memorialized at least in a physical sense. However, those who preceded FDR recognized the importance of reminding future generations of the contributions made by Washington and Lincoln. FDR himself recognized the important lessons in our history represented by the Jefferson Memorial, which is why he insisted that this Memorial be completed.

So, while FDR believed passionately that he was fortunate to be able to serve the people of this Nation, and while his own immodesty perhaps did not allow him to recognize fully his role in the history of our Nation, he nonetheless recognized the importance of giving the people of America a tangible reminder of the ideals of our former great leaders.

While I will not judge the greatness of my grandfather, others have. Others have judged the importance of his contributions and his ideals. Others have judged, and decided that, despite his desires, this Memorial is important as a lesson—as a reminder—to future generations. Perhaps it will provide inspiration for some leaders of tomorrow, just as have the Lincoln, Washington and Jefferson Memorials. The people have spoken—it is their desire to remember his work by way of this Memorial.

Let me offer another quote—

"He lived in a world in which freedom of conscience and freedom of mind were battles still to be fought—not principles already accepted of all men.

"He loved peace and loved liberty—yet he was forced to choose between them.

"We judge him by the application of his philosophy to the circumstances of his life. But in such applying we come to understand that his life was given for those deeper values that persist throughout all time."

These words, so applicable to the life of FDR, were in actuality spoken by him as he dedicated the Jefferson Memorial on April 13, 1943.

Ladies and Gentlemen, as I close my remarks there are so many I would like to thank for their support—too many to name individually; Former commission members, Members of Congress, architects and artists, former Presidents and, naturally, President Bush and the current administration for his continuing support. Chairman Sid Yates and his subcommittee on the Interior for their vital assistance. I'd certainly be remiss not to mention the sponsors of today's ceremony, without whom today would not be possible.

And while I'm thanking people, let me mention one very special group of contributors. Not long ago there was a story about the Memorial in a newsletter sent to the Alumnae of the Civilian Conservation Corps, a group I've been honored to address on three occasions. As a result, the FDR Memorial received several small contributions from former CCC members—ordinary, everyday folks, yet true representatives of our American ideals; people whose very lives were touched by my grandfather. I thank them from the bottom of my heart.

Let me close by reciting for you some of the last words written by my grandfather on April 12, 1945, literally moments before he was fatally stricken—words which I believe are the true essence of this Memorial, the real lesson for tomorrow's generations:

"The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith."•

THE HOLLYWOOD LIBERALS

• Mr. MACK. This Saturday, January 25, Harry Belafonte and a group of Hollywood liberals are scheduled to hold a rally in New York City to support Fidel Castro.

By aligning themselves with Fidel Castro, they have chosen to support one of the most tyrannical dictators in world history who, just a few days ago, executed a human being so he could extend his own political life. These Hollywood liberals who support Fidel Castro have lost touch with reality.

In the last few years we have seen the death of communism in the former Soviet Union and in Eastern Europe. Now the same Hollywood liberals, who in the past have supported antifreedom forces in El Salvador, Nicaragua, and elsewhere are once again trying to defend the bankrupt ideology of Castro's communism by sponsoring this rally.

The Hollywood liberals are using their right to free speech to praise Fidel Castro's policies while 90 miles from freedom's shore, Fidel Castro has issued a threat of possible imprisonment and execution if any Cuban dares to speak out against his policies. Apparently this irony is lost on the pro-Castro stars.

The lives of the Cuban people will not improve until Fidel Castro's communism is defeated by the momentum of freedom. Cuban people are waiting for the day when they too can join the rest of the world in declaring their freedom. They too realize that freedom is the core of all human progress.

To promote Fidel Castro's policy of torture, pain and tyranny, the Hollywood liberals themselves are placing shackles on the Cuban people. It is incredible to me that any group of people who have achieved such tremendous success in their profession in a land of freedom can support denying that same freedom to other people, especially to the good people of Cuba.

This is hypocrisy at its highest level.

Freedom, democracy, and respect for human rights are the values which have made the United States a beacon of hope to millions of people around the world. Freedom has swept the globe because free nations and free people have taken a stand against tyranny. The Hollywood liberals should be looking for ways to promote freedom rather than for ways to prolong tyranny.

The Cuban people have waited long enough for their Communist nightmare to end. That's why I believe now is the time for our government to make its current economic embargo against Cuba stronger and more effective.

By tightening a gaping loophole in the United States trade embargo against the Cuban government, we can limit Castro's access to the resources he needs to remain in power and to continue his repression of the Cuban people.

By staging this rally in support of Fidel Castro as scheduled, Mr. Belafonte and his Hollywood liberals are saying to the world that they would rather support Castro's dictatorship and its human rights atrocities than support freedom for the Cuban people.

Few of us would have dreamed that in our lifetimes we would witness the end of communism in the Soviet Union, freedom for the Baltic States and the destruction of the Berlin Wall. Freedom is an unconquerable force and Castro and his allies in Hollywood will not be able to prevent freedom from reaching the Cuban people.

We need to send a strong message of hope to the Cuban people and let the Hollywood liberals know that America's support for Cuba's freedom is unequivocal.•

DON'T FORGET OUR MENTALLY DISABLED

• Mr. SIMON. Mr. President, most of us in the Senate belong to a church or a synagogue back home, and if my colleagues are like I am, and you live in a small community far from the center of population of your State, you all too rarely get to your hometown to visit your home church or synagogue.

I happen to belong to Our Saviour Lutheran Church in Carbondale, IL, where the pastor is Robert W. Gray, who has shown a real interest in the problems of the homeless and the problems of mental illness that are a part of the homeless problem.

Some of my colleagues may remember that some years ago Senator DOMENICI and I introduced an amendment to see that some mental health funds go for work with the homeless, and I am pleased to say that these modest appropriations—and they are modest—are continuing.

But in a conversation with me recently, Pastor Gray told me he would be sending me a letter which outlines the concerns that he and a number of others have.

He has sent me a letter with his signature, as will as that of about 40 others.

I happened to see on the list that one of those who signed is Mary Gray, his wife, who is a mental health nurse.

This group of citizens suggests that we should not forget the whole area of mental health as we make our larger health care plans.

Inevitably, we will be pursuing the larger health care plans, and I hope we will keep in mind this plea.

I urge my colleagues to read the letter and ask to insert it in the RECORD at this point.

The letter follows:

CARBONDALE, IL,
January 2, 1992.

Senator PAUL SIMON,
U.S. Senate, Washington, DC.

DEAR SENATOR SIMON: As alternative health care plans are being considered, we would like to focus attention on a frequently overlooked segment of the population—people disabled by mental illness.

The treatment of mental illness can be costly for individuals, families, and taxpayers. Mental illnesses can impair people so that they cannot access financial resources for treatment; some cannot function well enough to work while others are ineligible for medicaid benefits or are unable to meet spend downs. Medications for the treatment of mental illness can be quite expensive—a 32 year old man with schizophrenia must depend upon his parents to pay for his monthly injection which may cost $120–$180 depending on the dosage. Appropriate and safe monitoring of some medications requires periodic blood tests; patients who cannot afford these tests are at greater risk for potentially dangerous side effects. Hospitalizations are often lengthy and expensive. Patients who are fortunate enough to be covered by private insurance find that the insurance coverage quickly runs out and families can rapidly deplete their savings. Individuals without insurance have no or very limited choices of where they can receive treatment. For someone, perhaps involuntarily committed, who has no financial resources it is very stressful to begin receiving hospital bills after a psychiatric hospitalization; recovery is jeopardized as stress often triggers further episodes.

Those with mental illness also experience other illnesses and face difficulties in obtaining treatment. Examples include the 30 year old man with schizophrenia who cannot afford treatment for exacerbations of his chronic hepatitis or the 40 year old woman with depression who has no funds, insurance, or medical card to pay for a mastectomy. People with a psychiatric history are often denied medical insurance even if they can afford it.

Health care reforms need to include people disabled by mental illness. People do not choose to have a mental illness. The major mental illnesses are brain diseases with genetic and biological components. These people and their families need the same consideration and access to health care as people with other illnesses. We hope that people with mental illness will be included in health care proposals in a fair and caring manner.•

TRIBUTE TO MUHAMMAD ALI'S 50TH BIRTHDAY

• Mr. MCCONNELL. Mr. President, I rise today to honor a great American from the Commonwealth of Kentucky, Muhammad Ali. On January 17, the Louisville Lip turned 50 years young. He is a treasure not only to his native Louisville, but to the entire Nation as well.

Cassius Clay, as he was known during his youth, grew up in the west end of Louisville. As a 12-year-old boy, Clay had his bicycle stolen while attending a downtown fair. This was to be the turning point in his life. Determined to punish the thief, Clay was taken into the world of boxing by Louisville Police Officer Joe Martin. This is where the great Muhammad Ali began his dramatic rise to the top.

Ali's success came quickly, he won 100 of 108 amateur fights, capturing 2 national Golden Gloves titles as well as 2 national AAU titles. His crowning amateur glory came in the 1960 Rome Olympic Games where he was awarded the Gold Medal for light heavyweight boxing. From this success Ali entered the professional ranks. In 1964, at the tender age of 22, he beat Sonny Liston, a man many considered unstoppable, to become the heavyweight champion of the world. Ali would go on to capture the title three times and at the same time become a hero to millions.

There is, Mr. President, much more to this man than his sterling athletic achievement. His life is marked with boundless energy and enthusiasm. Muhammed Ali has become a hero to hundreds of millions of people throughout the world. He took his show around the world, fighting in 12 different nations throughout his illustrious career. Ali has an almost mystical presence, one which raises him above mere sports hero status. He rose above the racial strife of his time and lives his life to this day as a flawless example to all people. Despite his noted bravado, Muhammad Ali is a caring man with a love of life and humanity. And everyone loves Ali, Mr. President. This wonderful man would have approval ratings that everyone in this Chamber would envy.

So in honor of Cassius Marcellus Clay, Muhammad Ali, I ask all of my colleagues to join me in wishing him a prosperous and happy 50th birthday.

Mr. President, I would ask that the following articles by William Nack Young and Kentucky's own William F. Reed of Sports Illustrated be inserted into the RECORD. I would also ask that an article from USA Today by Tom Weir be included.

The material follows:

[From the Sports Illustrated, Jan. 13, 1992]

ONCE AND FOREVER

(By William Nack Young)

Cassius Clay was cruising west on Walnut Street, through the black part of Louisville known as the West End, consorting with the world from behind the wheel of a Cadillac convertible. It was the autumn of 1960. Clay was only 18, a few days away from his first professional fight and just beginning to yank the clapper in the national bell tower, the one he would use forever after to announce his arrival. Almost standing in the car, the youngster yelled over and over, to everyone he passed, "I'm Cassius Clay! I am the greatest!"

The girl sitting next to him, the one sinking shyly in her seat, trying to look as inconspicuous as possible in a pink Cadillac in the middle of black Louisville, was Wilma Rudolph, a 20-year-old college student who was visiting Clay from Tennessee State. They were a matched pair, two links on the fresh cuffs of history, as they drove that October afternoon. Clay was, by consensus, the finest amateur boxer in the world. Only two months before, at the Olympic games in Rome, the 178-pound youth had won the gold medal in the light heavyweight division by whipping Zbigniew Pietrzykowski, a portly coffeehouse keeper from Poland. The white trunks Clay showed off to West End neighbors on his return were stained a candy pink by the Polish fighter's blood. Rudolph was the fastest woman on earth. Her victories in three springs—the 100 and 200 meters and the 4×100-meter relay—had made her the first American woman to win three gold medals in a single Olympics.

The two athletes had become friends in the days they spent together in Rome. Clay was sweet on Rudolph, but he was too shy to tell her how he felt. His diffidence with girls was painful. He had fainted dead away the first time he kissed one, two years earlier, and it took a cold washcloth to bring him to. So he concealed his shyness in bravura.

"I can still see him strutting around the village with his gold medal on" recalls Rudolph. "He slept with it. He went to the cafeteria with it. He never took it off. No one else cherished it the way he did. His peers loved him. Everybody wanted to see him. Everybody wanted to be near him. Everybody wanted to talk to him. And he talked all the time. I always hung in the background, not knowing what he was going to say."

His six-year amateur career had taken him to many American cities, from San Francisco to New York, but the journey to Italy had been his first outside his native land, and gold medal and all, it had been a turning experience in his life. Clay's triumphant return to River City, with police sirens leading the 25-car motorcade through the streets, raised a clamor usually reserved in those latitudes for the Kentucky Derby winner. Not since 1905, when cumbersome Marvin Hart whipped Jack Root to win the heavyweight championship of the world, had Louisville produced a fighter of such celebrity.

Now there he was, driving up Walnut Street, waving at the crowds and stopping at an intersection and rising to announce himself. "And this," he yelled, "this is Wilma Rudolph. She is the greatest!"

"Sit down," she said.

"Come on, Wilma, Stand up!"

Crowds were stopping on the street and craning to look inside the car. "No, I can't do that," she said.

"Yes, you can," said Clay. "Stand up, Wilma! Come on."

Wary of crowds, she began sinking lower, covering her face with her hands, trying to crawl inside the glove compartment, slowly disappearing in the cracks of the seat. It was no use. "Look!" Clay said, pointing down to her. "Here she is, down here! It's Wilma Rudolph. She is the greatest! And I'm Cassius Clay. I am the greatest! Come on, Wilma, stand up!"

There was no place to hide with Cassius Clay on Walnut Street. So she rose, reluctantly, for the gaping crowds. What would be the longest running circus in American sport was pushing off. "I saw him at the very beginning," says Rudolph. "It was bedlam. I always told him, 'You should be on stage.'"

On Walnut Street, of course, he already was. This was more than 31 years ago—in a different incarnation, as Muhammad Ali, he turns 50 on Jan. 17—and that rarest of all careers, spanning two decades and part of a third, was only beginning. On Oct. 29, 1960, in his first pro fight, he won a six-round decision from heavyweight Tunney Hunsaker, the police chief of Fayetteville, W.Va. Clay emerged unscathed and promptly crowned himself king. One of his cornermen for that fight was George King, a former amateur bantamweight from Louisville who first met the 12-year-old Clay when the youngster began hanging around trainer Fred Stoner's all-black boxing team at the Grace Community Center. With Rome and Hunsaker behind him, Clay was not a boy anymore.

"Where'd you get that name?" he asked King one day. "You ain't big enough to be a king. They ought to call you Johnson or somethin'. There's only one king."

"Who's that?" asked George.

"You're lookin' at him," Clay said.

Clay's days in Louisville were numbered. By the end of the year he had moved to Florida and was fighting out of Angelo Dundee's Fifth Street Gym in Miami Beach. Increasingly the town of his birth and boyhood became a place more of memory than of moment. Gone were the days when he skipped down the halls of Central High between classes, shadowboxing as he danced past knots of tittering students, stopping to throw a flurry that would fall just short of an incoming freshman's outgoing nose, then ducking into a washroom to box himself silly in front of a mirror. Gone was the laughter in the classrooms when Central's tall, scholarly principal, Atwood Wilson, would flip on the school intercom and, tugging on his suspenders, gravely intone his warning: "You act up, and I'm going to turn Cassius Clay on you." Gone were all those early mornings when young Clay raced the school bus for 20 blocks east down Chestnut Street, waving and grinning at the faces in the windows as he bounded past pedestrians scurrying to work.

"Why doesn't he ride to school like everybody else?" a sleepy-eyed young Socrates asked on the bus one day.

"He's crazy," replied one of Clay's classmates, Shirlee Lewis Smith. "He's as nutty as he can be."

Young Clay was an original, sui generis, a salad of improvisations—unpredictable, witty, mischievous, comical. An indifferent student, he lived within his own world during class, day-dreaming by the hour. "Most of the time, when he wasn't paying attention, which was often, he'd be drawing," recalls his senior English teacher, Thelma Lauderdale. "But he never gave me any trouble. Shy and quiet in my class. Meditative."

She never met the other Clay. Beyond her doors, flitting here and over there, he was forever a cutup. "He was a jolly-go-happy guy," says Jimmy Ellis, a boyhood friend who also went on to become heavyweight champion of the world.

"He was just a playful person," says Indra Leavell Brown, a friend of Clay's since childhood. "He had a lot of friends. We'd eat in the cafeteria, and he'd come in and crack his jokes and say little silly things and have all the table laughing."

"He always used to tell me he was in love with me," says Dorothy McIntyre Kennedy, who knew Clay from the time he was 12. "But he always made a joke out of everything. I never took him seriously. It was like he never wanted to grow up. He always wanted to be this person—the class clown."

Clay was different, all right, as elusive as the butterfly he would soon proclaim himself to be, inventing and reinventing himself as he went along. He dated Mildred Davis for a spell his senior year, and she remembers the Monday after he won the Golden Gloves championship in Chicago, when he showed up at school bearing in his hands, like an offering, a golden pendant. "A little gold glove, with a diamond embedded in it, on a gold chain," says Davis. "And he put it around my neck and said, 'I don't ever want you to take this off. I want you to wear this all the time.' And I said, 'Fine.' That was about 8:30 in the morning. At about 11, he came back and said, 'Someone else wants to wear it.' So he took it off and let someone else have it the rest of the day. And the next day, some other girl wore it. I never questioned him about it because he was always so silly. So silly. He wanted me to wear it forever, and I had it for about two-and-a-half hours."

Every day with Clay was an adventure, and Davis never quite knew what to expect from him. She hardly knew what to make of the bottle he was sipping from all the time. "He carried a bottle of water with fresh garlic in it," says Davis. "He would drink it, and he reeked of garlic. I remember asking him why he put the garlic in the water, and he said, 'I do that to keep my blood pressure down.' And he would do some of the craziest things with his eyes. He would come up to guys, make his eyes big, press his lips together and say, 'I'm gonna knock you out!' He always carried his money all folded up in a small change purse, like a little old lady. If you met him, there were things about him that you could never forget. Even in high school, he would always say, 'I'm not gonna let anyone hit me, as pretty as my face is. I'm almost as pretty as you.' He did have beautiful skin. And I'll never forget the night he said to me, 'Come on, I'll run you home.'"

That was the night of the variety show at Central High, a takeoff on The Jackie Gleason Show on television. "The girls would come out to announce the acts, and I was the last one, and I'd say, 'And away we go!'" says Davis. "Cassius was on the show that night. He was shadowboxing, as usual. That was his act. After the show he said, 'Come on, I'll run you home.' And I was thinking, He doesn't drive. How is he going to run me home?"

They left the school and started walking west on Chestnut. Pretty soon Clay began to jog in place next to her as she felt her way along the sidewalk in her high heels. "It was dark," says Davis. "He would run up ahead a block or two and jog back. He trotted beside me most of the way. That's what he meant by running me home. So I walked 13 blocks in my high heels. How crazy he was."

Davis and Clay took long walks together around Chickasaw Park that spring, watched television at the Clay house on Grand Avenue, sat together at her mother's dinner table over meat loaf and corn bread and cabbage. He was, at all times, unfailingly polite. "Would you like something to eat?" Mildred's mother, Mary, would ask. "Yes, ma'am," Cassius would say. Indeed, there was something old-fashioned about the way he viewed things.

"You know," he once told Mildred, "when we get married, you'll have to wear longer skirts."

"Why would I have to do that?" she asked.

"To look like a lady," he said.

That was not the only time he spoke of marriage to Davis. Clay always built models in his mind, including a make-believe world with a large, happy family of which he was the benevolent father. "We watched a lot of TV at his mother's house," recalls Davis, "and little kids would come over. He loved kids—he always liked to have five or six around him—and I remember one time, it was around Easter, and my mother wouldn't let me go to one of his fights. He came by after the fight, and we sat together on the front porch. At one point he said, 'Pretty soon we're gonna get married, and we're gonna get a real big house with a swimming pool. All the kids in the neighborhood are gonna come over—we're gonna have a lot of kids—and they'll swim in the pool.'"

Clay was his mother's son. Odessa Grady Clay was a sweet, pillowy, light-skinned black woman with a freckled face, a gentle demeanor and an easy laugh. Everyone who knew the family in those days saw the kindness of the mother in the boy. In his sophomore year, when he was still 15, Cassius began working after school in the Nazareth College library, across town, for 60 cents an hour. He carried books from floor to floor, dusted the volumes and the shelves, waxed the tables and dry-mopped the brown linoleum floors. The first day he walked into the library, Sister James Ellen Huff, the librarian, was struck by his shy, gentle manner.

"Do they call you Cash?" Sister Huff asked.

"No, ma'am, he said. "I'm Cassius Marcellus Clay."

"He had his mother's sweetness," says Sister Huff.

In fact, when Clay talked about his parents at all, it was of his mother. "Everything related to his mom," says Indra Brown. He would say, 'My mother comes first, before anybody. My mom will be treated right.'"

Of course, all the diversionary commotion he created in his life—the incessant shadowboxing and grandstanding, the flights of fantasy into becalmed worlds of aqua pools and frolicking children—mirrored and masked the chaos of his life at home, where violence and turmoil often came and went with his father, Cassius Sr., a gifted religious muralist and commercial sign painter. The old man, chesty and fast-talking, had always cut a popular figure around town. "Everybody around Louisville knew Mr. Clay," says Yates Thomas, a boyhood pal of young Cassius'. "Up on his ladder painting signs."

And down along the streets, he moved from saloon to saloon, his rich singing voice belting out his favorite songs for the audiences bellying up to the bar. The elder Clay was a wild, free-roaming drunk and womanizer whose peregrinations around town made him a legend along the river's shore. "I just loved him," says West End liquor store owner John (Junior Pal) Powell, a longtime friend of Cassius Jr. "A fun-loving type of guy. But he did drink a lot. One time some lady stabbed him in the chest, and he came up to my apartment. I tried to get him to let me take him to the hospital, but he said, and he always talked real fast, 'Hey, Junior Pal, best thing you can do for me is do what the cowboys do. You know, give me a little drink and pour a little bit on the chest, and I'll be all right.'"

By the time he died, in 1990—of a heart attack, in his car, in a Louisville parking lot—Cassius Sr. had embroidered a long police rap sheet with his troubled history, most of it fueled by alcohol. Thomas Hauser, the author of Muhammad Ali: His Life and Times, an oral history of the fighter, says that an FBI investigation into Ali—initiated in 1966, the year before he refused induction into the armed forces—revealed that the elder Clay had been arrested nine times on charges that included reckless driving, disorderly conduct, and assault and battery. According to the file, Odessa thrice summoned the police seeking protection from her husband. The last file on him, obtained from the Louisville police department, showed he was arrested five times for drunken driving since 1975. Ali declines to talk about violence in the Clay household, but Hauser says he could imagine, in something that Ali once told him, a young Clay fleeing the early-morning chaos at home.

"I don't know what it was," Hauser recalls Ali saying, "but I always felt I was born to do something for my people. Eight years old, 10 years old; I'd walk out of my house at two in the morning, and look at the sky for an angel or a revelation or God telling me what to do. I never got an answer. I'd look at the stars and wait for a voice, but I never heard nothing."

The bars in Louisville closed at 2 a.m. Regardless of what things that go bump in the night drove the boy from his home at two in the morning, he would soon find his calling outside the thin walls of the bungalow on Grand Avenue. And when he did, predictably, he created another world for himself, floated through it, escaped into it until, at last, he used it to express himself like no other man of his time.

Clay was six pounds, seven ounces at birth, but by age three he had grown as big as a calf. One day, when he was still an infant, he jarred loose one of Odessa's front teeth. "We were lying in bed," she says, "and he stretched his arm out and hit me in the mouth. He just loosened the tooth. They couldn't straighten it. Finally it had to come out."

Cassius and his brother, Rudy, 18 months younger, would visit their uncle William Clay, and neighbors would bolt the doors. "One day they broke the birdbath in Mrs. Wheatley's yard," says William. "We called them the Wrecking Crew."

The sea change in his life occurred when, at age 12, he was attending a fair downtown and a rascal stole his new bike. Told a cop was downstairs in the Columbia Gym, Cassius went there to complain. In tears, he told his tale to the policeman, Joe Martin, who was training an amateur boxing team. "I'm gonna whip him if I can find him," said Cassius of the thief.

Martin remembers asking the boy if he could fight. "You better learn to fight before you start fightin'," Martin said.

Cassius looked around the gym at all the wondrous activity—the snap of the punching bags and the skipping of rope and the sparring in the ring. Finally, he said, "I didn't know this was here. Can I come?"

He was back the next day. "He didn't know a left hook from a kick in the ass," says Martin. "But he developed quite rapidly. I'd tell him what to do—how to stand, how to keep his arms and hands, how to punch. He'd be hitting the heavy bag, and I'd tell him, 'Cassius, there's a fly on that bag. I want you to hit him, but I don't want you to kill him. You got to turn the hand over. Snap punches. Phew! Phew!'"

Cassius loved to fire and turn the jab. Even at 12, when he was an 89-pound novice, he had a beguiling cocksureness that played well with the older amateurs in Louisville. George King first met Cassius during an intracity tournament at the Columbia Gym. Cassius was boxing for Martin's team, but he drifted over to Fred Stoner's team in the locker room and stood next to King, who was 21 years old and already married with a child. "I'm taller than you," Cassius said. "Do you think you could beat me?"

Soft laughter lifted among the older Stoner fighters. King smiled.

"Think you could stop this jab?" Cassius asked, throwing out two quickies. King pushed a jab toward Clay.

"My jab's quicker than yours," the boy said.

Rudell Stitch, then age 21, turned a thumb down. Fixing Stitch with a smirk, Cassius said, "Come on, I'll give you some of it, too."

All these years later, King's voice lilts at the memory. "We were down there, grown men, and he didn't give a damn," says King. "That's just the way he was. He'd pick at you, mess with your head, tease you to death. I kind of liked him. He was a neat lookin' kid, and he had all that personality. Everybody just took to him."

Over the next six years Cassius grew into a surpassing amateur boxer: 100 victories in 108 bouts; two consecutive national AAU championships, in 1959 and '60, both times as a light heavyweight; two straight national Golden Gloves titles, in '59 as a light heavy and the next year as a heavyweight; and, of course, an Olympic gold medal. "His secret was his unusual eye speed" says Martin. "It was blinding. The only other athlete I ever saw who had that kind of eye speed was Ted Williams. When he started fighting, Cassius was so fast with his eyes that you could give a guy a screen door and he wouldn't hit Cassius 15 times with it in 15 rounds. He was *different*. Quick as lightning for a big man, the quickest I ever saw."

He was born with phenomenal physical gifts, but unlike so many others, he nurtured them and squandered nothing. Indeed it was as if, in Martin's gym, Cassius had found the message in the silence of the stars. In high school he lived as ascetic an existence as possible for a teenager. Yates Thomas remembers Cassius showing up at school in the morning after buying two raw eggs and a quart of milk.

"He would break the eggs into the milk, shake it up and drink it." says Thomas. "He'd say, 'Now I'm ready to go to school. I'm the baaaaddest man in Looville!' All he thought of was fight-fight-fight. We used to go to a teenage place at night, and he'd stay till 10 o'clock, even on a Saturday night, and then he'd say, 'I'll see ya. I'm goin' home to bed.' He didn't smoke. He'd say, 'Ain't gonna put that stuff in my lungs.'"

At some point in his senior year Clay began to eschew pork, and for the same reason that he reeked of garlic. "Pork's not good for you," he warned Davis. "It raises your blood pressure." When Junior Pal offered him a grape soda early one morning as Clay was working out, Cassius waved him away. "The sugar and acid ain't good for you," he said.

Despite what was happening at home—or, more likely, because of it—he shunned alcohol. It was as if he were studying, high on his own Himalayan peak, the evanescent secrets of the butterfly. "He didn't chase women." Martin says. "And I never heard him say a curse word in my life. We used to go to a lot of towns, and he used to sit down and read a few pages of the Bible before he went to bed."

Clay's dalliances with women had far less to do with romance than with fantasy—his flirtations had the fizz life of a soft drink—and, according to Indra Brown, he was a virgin when he graduated from high school. "I know that for a fact, because he confided in me on things like that," she says. "He used to say to me, 'I will always have money. I'm not going to be a Joe Louis. Women are not going to drag me down. They are not going to be my downfall!'"

Late in his junior year he began doing experiments in the technique of kissing, and on his first try he nearly blew up the lab. Areatha Swint had first met Clay after a high school variety show, when she needed someone to walk her home. They dated for three weeks before he got around to asking her for a kiss goodnight. "On the night he did, it was late," Swint would recall in a newspaper memoir. "It must have been around 12:30 or one. We were being quiet because my mother had said there was no company after 12, and he didn't have any business being up that late because he was in training.

"I was the first girl he had ever kissed, and he didn't know how. So, I had to teach him. * * * When I did, he fainted. Really, he just did. He was always joking, so I thought he was playing, but he fell so hard. I ran upstairs to get a cold cloth. Well, when you live in the projects, a lot of times mother would wash and lay the towels on the radiator to dry. So I looked for one and got some cold water on it and ran back down the stairs."

She doused him with it. When he finally came to, Swint asked, "Are you O.K.?"

"I'm fine, but nobody will ever believe this," he said.

His shyness was such that at times the mere presence of girls struck him dumb. In 1959, recalls Wilbert (Skeeter) McClure, who was another young boxer, he and Clay were in Chicago for the Golden Gloves when Cassius began pestering him and a few other fighters to don their Golden Gloves jackets and head over to Marshall High, a largely black school, to meet some girls. McClure was in college and had no interest in high school girls, but Clay kept bugging him to go. McClure finally agreed, and so they visited the school for lunch. Girls were all over the place, eyeing this team of young gladiators with the new jackets. After Clay got his tray of food, he sat down, said nothing and never looked up.

McClure turned the needle. "You wanted to get us here," he said to Clay. "Come on. Do your thing."

Cassius sat frozen. Recalls McClure: "He was silent, staring at his plate and eating his food."

By this time, Clay was a minor celebrity back home. He had often been featured on *Tomorrow's Champions*, a local Saturday afternoon television program featuring young boxers, and his name had begun appearing in the Louisville Courier-Journal as far back as 1957, when he was 15 and he stopped a tough named Donnie Hall. The headline read: CLAY SCORES T.K.O. OVER HALL IN 4TH.

When Jimmy Ellis, a 17-year-old untutored roughneck from Louisville, saw that bout on *Tomorrow's Champions*, he went to the Columbia Gym to learn how to box. Says Ellis, "Hall was a friend of mine, and I figured, I can beat that other guy." So Ellis started fighting. History would soon be up to its old tricks, for it was Ellis, 11 years later, who would win the vacant heavyweight championship after Ali was stripped of it for having refused to serve in the military during the Vietnam War. Ellis traveled frequently with Clay in their amateur years, and what he remembers most vividly about Clay was his almost boundless capacity for work in the gym.

"I don't know where he got the energy," says Ellis, who now works for the Louisville parks system. "He'd box and box. He'd box three or four rounds with one guy. Then he'd sit down. Then another guy would come into the gym, and he'd go three or four rounds with him. Then he'd come out and hit the heavy bag. And then he'd go three or four rounds with another guy."

And anytime a professional fighter came to town, says Ellis, Clay would train where the pro was. Dundee brought light heavyweight Willie Pastrano to Louisville in 1957, and they were sitting in their hotel room one day when the phone rang. Dundee took the receiver and heard this: "My name's Cassius Marcellus Clay. I'm the Golden Gloves champion of Louisville, Kentucky. I'm gonna win the Golden Gloves, and I'm gonna win the Olympics in 1960, and I want to talk to you."

Dundee invited him up. For the next three hours, recalls Dundee, Clay picked and probed and prodded his brain, asking him how his fighters trained, what they ate, how far they ran, how much they hit the bags. "He was a student of boxing," Dundee says. "He was so inquisitive. A very interesting young man."

Two years later Dundee and Pastrano were back again—Pastrano was only four years away from winning the light heavyweight crown—training for a fight in Louisville against Alonzo Johnson. There was young Clay again, this time hustling Dundee for a chance to spar with Pastrano. Dundee turned him down—he did not believe in matching amateurs against pros—but the kid persisted: "Come on, come on. Let me work with him."

So Dundee finally yielded. Pastrano sparred one round with Clay, and the boy danced around him. "In and out, side-side, in and out," says Dundee. "Stick-stick-stick. Move-move-move. He was so quick, so agile, Willie couldn't do nothing with him."

Dundee called it off, saying, "Willie, baby, you ain't gonna spar no more. You're too fine, baby."

Pastrano wasn't buying. "—!" he said. "The kid kicked the hell out of me."

So much of what came to characterize Ali as a fighter—his tactics in and out of the ring—he began cultivating as an amateur. Ellis recalls Clay working on opponents' minds as deftly as he would soon work on their chins. Says Ellis, "We'd be fighting in the wintertime, in Chicago, and there'd be his opponent sitting there sniffling or blowing his nose. Cassius would say, 'Man, you got a cold? I'm gonna knock you out—cold! You can't beat me if you got a cold. I'm gonna knock you out!'"

Martin says that long before Clay went beserk at the weigh-in before his first bout with Sonny Liston, in 1964, he had become a performer—even an artist—at the scales. He was being weighed on March 9, 1960, only hours before facing Jimmy Jones, the defending heavyweight titleholder in Chicago's Tournament of Champions, when he turned to his trainer. "Mr. Martin," Clay said, "are you in a hurry to get away from here tonight?"

"Not really," said Martin. "Why?"

Clay pointed to Jones and said, "This guy over here, I can get rid of him in one round if you're in a hurry. Or, if you're in no hurry, if you want me to box, I can carry him for three rounds."

"I'm in no hurry," said Martin.

"I'll let him go three," Clay said.

The kid spun Jones like a top. Clay slipped the champion's heavy artillery in the first round, and then, according to the Louisville Times, he "deftly outboxed him the final two rounds."

Clay was on a path to glory, only six months away from the Rome Olympics, and by then he was rising at four in the morning, before first light, to climb into his sweats and strap on his work boots with the steel toes. At that hour John Powell was usually done sweeping out the liquor dispensary where he worked, and he would listen to the wind blow outside. Recalls Powell: "I'd be sitting on the counter, and I could see his shadow coming around the corner from Grand Avenue." Clay was on his way to Chickasaw Park. Cold, dark winter mornings. You could see that shadow coming. Then here he comes, running by, with those big old Army brogans. He'd be the onliest person in the early morning. And I'd walk outside, and he'd stop and shadowbox. He once said to me, 'Someday you'll own this liquor store, and I'll be the heavyweight champion of the world.' Both of those came true, too.

Clay ran all over Louisville in those steel-toed boots—west to Chickasaw Park in the early morning, east down Chestnut racing the school bus, up and down Walnut Street, downtown and back again, the brogans clomping on the pavement, the fists flying, the litany always the same: "I'm gonna be the next world champion. You're gonna read about me. I'm the greatest!" At 10th and Walnut crowds of men used to gather around a peanut vendor, crack nuts and talk sports.

"Cassius Clay used to come up the street acting like he was hitting people," says Lawrence McKinley. "Shadowboxing and throwing punches in his heavy shoes. Nobody ever dreamed he'd be world champ."

One day one of the street-corner habitués, Gene Pearson, got tired of hearing the litany and vowed to put Clay in his place. "He ain't gonna be no champion," Pearson said. The next time Clay passed the corner, Pearson stepped out from behind a post and hit him with a straight right.

"Pow!" says McKinley. "As hard as he could. Clay liked to go all the way down. He went to his knees, just like he was gonna fall, and he stopped himself and looked up at Gene, and he stretched his eyes real wide and he came up and—whew!—he must have hit Gene 15 or 20 times, so fast you could hardly see the punches, and Gene started saying, 'Get him off me! Get him off me! Yeah, you're gonna be the champ.' And Cassius went right on running up the street. Never said nothin'. The next time Cassius came by, one of the guys said, 'Are you gonna hit him again?' And Gene said, 'Hey, champ!'

Clay was never a street fighter, and classmates can recall only one occasion when he was goaded into fighting. According to Indra Brown, the episode nearly brought Clay to tears. They were at a delicatessen across from the school when two kids began baiting Cassius, pushing him around and saying, "Come on, let's fight. You can fight." Clay kept backing off. "Leave me alone," he kept saying. "I don't want to do this. Leave me alone."

The boys pushed too far. "Cassius finally went after one of them," Brown says. "He floored him. A right hand. To the jaw. Cassius almost cried. I could tell by his voice. But that was the end of that. They never bothered him again."

He avoided all confrontations, including the civil rights demonstrations downtown in which blacks were involved during the late 1950s. Clay was born in a town where most of the public facilities were segregated. Until the barriers started coming down in the '50s, Chickasaw was the only park that blacks could use, and most of the libraries, restaurants and movie theaters were for whites only. Central was the all-black high school. When Clay was at Central, one of the teachers, Lyman Johnson, regularly led students on picket lines and lunch-counter sit-ins. Clay never participated, says Yates Thomas, except the one time that Thomas talked him into joining him on a picket line at a downtown restaurant.

Clay was standing on the sidewalk, says Thomas, when an eighth-floor window opened and a white woman emptied a bucket of water on the marchers below. "She emptied it right on his head," says Thomas. "She got him exactly. Water spilled all over him. He was just standing there."

That ended his career as an activist in Louisville. "He said he would never demonstrate again," says Thomas. "He never did." For years it was believed that Clay's activism began for real upon his return from the Olympics, when a Louisville restaurant refused to serve him and a white motorcycle gang threatened him. According to long-accepted Ali lore, Clay threw his gold-medal into the Ohio River. In fact, says Hauser, "he lost it." And while Clay was turned away from restaurants on many occasions, the biker incident never happened.

His life had become so consumed by the rigors of boxing—aside from all the roadwork, he trained in two gyms, with both Martin and Stoner—it was something of a wonder that he made it through Central at all. But in his junior and senior years, Clay had as his ally the most powerful man at Central, the principal. Atwood Wilson adored the young man. At assemblies Wilson would embrace him onstage and announce, "Here he is, ladies and gentleman: Cassius Clay! The next heavyweight champion of the world. This guy is going to make a million dollars!"

Academically Clay paddled in the doldrums—he ended up ranked 376th in a class of 391 students—but his failure at scholarship did not trouble the principal with the master's degree in education from the University of Chicago. What Wilson admired most of all was excellence, says Bettie Johnson, a counselor at Central, and no one at the school excelled at his job in life more than young Clay did. So the grades be damned. Clint Lovely, a Central student at the time, recalls Wilson saying, "Cassius doesn't need to know anything but how to fill out his income tax. And I'm gonna teach him that."

With graduation drawing near, there was a powerful sentiment among some teachers not to permit Clay to graduate because, says Johnson, he wasn't going to pass English. Thelma Lauderdale required a term paper from her English students, and Clay had not done his. "He wanted to do it on the Black Muslims," recalls Johnson, "and the teacher did not feel that was acceptable. The subject was controversial at the time. You have to understand what was going on in black thinking prior to the militancy of the sixties. Black Muslims were considered by blacks as very, very questionable people. Cassius was not a militant, outspoken guy. He always had this mischievous twinkle in his eye, like he had a private joke he was telling himself. He just had this interest in the Muslims."

Before a faculty meeting in the music room, Wilson rose and delivered his Claim to Fame speech: "One day our greatest claim to fame is going to be that we knew Cassius Clay, or taught him." At this point, says the former school librarian, Minnie Alta Broaddus, "I thought, Maybe he knows something I don't know."

Wilson argued that Clay had a unique set of gifts, that he was going to be the heavyweight champion of the world and that he should not be held to the rules governing the average student. No one in the room was more of a scholar than the eloquent Wilson—he was ruthless with any teacher he perceived as mediocre—but here he argued that Clay was so exceptional that he should not be denied a diploma simply because he could not parse a sentence or quote from Macbeth. "The coaches all thought it was great because they were always trying to play guys who were ineligible scholastically," says Johnson. "The academic people were outraged because they thought we were letting our standards down."

Wilson was unmoved. "Do you think I'm going to be the principal of a school that Cassius Clay didn't finish?" he said. "Why, in one night, he'll make more money than the principal and all you teachers make in one year. If every teacher here fails him, he's still not going to fail. He's not going to fail in my school. I'm going to say, I taught him!"

The Claim to Fame speech carried the day. Clay fulfilled his term paper requirement when Lauderdale permitted him to give an oral presentation to her class, a travelogue on his adventures touring various American cities as an amateur boxer. He passed. At the graduation ceremonies on June 11, 1960, Clay received a standing ovation as he strode to get his diploma. It was, in a sense, a classic final performance for the clown who would be king.

"I remember when he graduated," says Davis. "All the guys had white shirts and ties under their caps and gowns. And dress shoes. He had on a T-shirt, and he walked down the aisle in his brogan work boots. With the steel toes."

It is more than three decades later, the autumn of 1991, and Muhammad Ali is sitting with his head back and his eyes closed in the high-backed leather chair in the office behind his house on a farm in Berrien Springs, Mich. His 50th birthday is two months away. Out back, a horse in a pasture is galloping along a fence. Dusk, in orange silks, approaches from the west. Ali rises slowly from his chair and begins moving sideways across the room, dancing, sliding in and out, shooting out the jab, shadowboxing, daydreaming.

"I'll win the heavyweight championship back when I'm 50 years old!" he says. "Isn't that somethin'? Is that powerful? They can pay $20 million or $50 million to whoever I fight. Holyfield or Tyson. This is gonna shake 'em up. It's like a miracle, a dream. Muhammad Ali is back! Can you picture this?"

Ali sweeps left and right across the rug, stops in front of the hall door and sets his feet. He throws a flurry, snaps a jab, crosses with an overhand right—Phew! Phew! Phew!—comes back to his toes, slips back into the chair. He is breathing heavily as he leans back and closes his eyes again. His left hand, resting on his chest, is trembling. The grin is childlike, mischievous.

"Can you believe it?" he says. "Dancin' at 50! . . . Ooooohhh. . . . Dancin' at 50. Maaannnn. It'll be bigger than the moon shot! I'm dedicatin' the fight to the baby boomers, the people who were six years old when I beat Sonny Liston. Now they're thirty-four. I'll do the Ali shuffle!"

Back on his feet, he rolls to the left, stops, stutter-steps a shuffle, dances left and pulls back his head, dodging punches here and sliding there. Ali is inventing himself again, dreaming again, picking and messing with all of the old ghosts in new fantasies.

"I get a hundred million," he says. "Did you hear me say that? A hundred million dollars! In the first 25 seats there'll be 25 presidents. President of Egypt. President of Syria. Gaddafi. Mobutu. Kings. Can you imagine the security? Maaaannnn. A hundred million dollars for architects and builders to build a big school. If you had a chance to build a school, wouldn't you? Imagine: the Muhammad Ali School of Technology or whatever. Seventy-five classrooms. Big kitchen. Auditorium. My dream is to make lectures in the school, to 300 kids! Take them off dope. In the school that I built. Can you imagine that?"

Yes, of course. Three hundred kids, a big, happy family at last. And they can all go swimming in the pool.

HOMAGE FROM A HOMEBOY

(By William F. Reed)

On a wall in my den I have a photograph of Muhammad Ali and me. It was taken in 1978, a few weeks before his second fight against Leon Spinks, in New Orleans, the one in which he won the world heavyweight championship for a record third time. We had just come back from an early-morning jog at his Deer Lake, Pa., training camp. Ali, a towel around his shoulders, is telling a story. I am gazing at him and smiling. When I look at the photo, as I did after reading the manuscript of Bill Nack's story on young Cassius Clay that appears in this issue, I like to think of us as a couple of homeboys sharing some story that would be appreciated only by people who happened to be kids in Louisville in the 1950s.

I've lived in Louisville most of my life and was only a year behind the young Cassius Clay in the city's public school system. Understand, I'm not saying that I knew him then. To the contrary, we were separated geographically and sociologically. I lived in the city's South End, which was, and still is, a mostly white, blue-collar area. He lived miles away, in the West End, an area that was rapidly becoming predominantly black as whites moved to the suburbs.

Nevertheless, as we discovered years later, there were experiences we had in common: watching local television shows such as T-Bar-V Ranch, starring Randy Atcher and Cactus Tom Brooks, and Funny Flickers, a cartoon program hosted by Uncle Ed Kallay; taking trips downtown to mingle in the bustle of Fourth Street, then the city's main drag, with all those bright lights and intimidating stores; and rooting for the football and basketball teams of the University of Louisville, which was one of the first schools in the South to recruit black athletes. If you were to ask me to name a Cardinal football player from those days, I would mention Johnny Unitas. If you were to ask Ali, I'm sure he would say Lenny Lyles, the university's first black star and later Unitas' teammate on the Baltimore Colts. I was with Ali once when he saw Lyles at a reception.

"There's Lenny Lyles," he said. "Man, when I was at Central High, he was a big football star. I thought he was something 'cause he had this 1957 Fairlane Ford. I didn't know that one day I'd have Rolls-Royces. That Ford was soooooo pretty, and I said one day I was going to be like that."

I've never been able to pinpoint when I first became aware of the young Clay. I know it was sometime in the mid-1950s, perhaps when I saw him on the local TV boxing show, "Tomorrow's Champions." That name, Cassius Marcellus Clay, caught your attention. I didn't know until later, and I'm not certain Ali knows to this day, that the original Cassius Marcellus Clay was a Kentucky statesman and Civil War-era editor who fiercely advocated the abolition of slavery. Ironically, when years later Clay became Muhammad Ali, he explained the name change by saying that he didn't want to be called after a white man.

But besides the Clay name, there was the Clay style. He was so pretty, so cunning, so outrageous. But not completely original. Then, as now, professional wrestling was popular in Louisville. Ali once told me that he copied a lot of his preening and posturing from Gorgeous George, who made frequent appearances in Louisville then, both in person and on TV.

I would like to be able to say that we all recognized the young Clay's talent right away, that we knew he was destined for immortality. However, the truth was, most people seemed to think of him mostly as a curiosity, a character. The best fighter in Louisville at the time was Rudell Stitch. When Stitch died on June 5, 1960—he drowned in the Ohio River while trying to save the child of another fighter—he was the second-ranked welterweight in the world. Later that year the young Clay partly replaced Stitch in the city's esteem by winning the light heavyweight gold medal at the Olympic Games in Rome.

I didn't get to know Ali until fairly late in his boxing career, after I had become sports editor of Louisville's morning newspaper, The Courier-Journal. To this day I'm confident he wouldn't recall my name if we met. But he would know that I'm from Louisville. Whenever I showed up at his training camp or one of his fights, he would tell his entourage, "This is my writer from Louisville," making it clear that I was to be treated with respect. I'm sure Ali had a warm spot for his hometown paper mostly because he always has remained fond of Louisville and loyal to it.

Once in the late 1970s, when I told Ali that the mayor of Louisville was being criticized for wanting to rename a street in his honor, he said, "The Bible says a prophet is without honor in his home. In Louisville they know me too well. I walk down the street and they call me G.G. My mama says that's the first thing I ever said, and I tell her it stood for Golden Gloves or Greatest Gladiator. I don't go home for no praise, to have no streets named after me. I'm not great in Louisville to the people who know me." He winked. "But I'm proof that Louisville can produce the greatest in the world if it tries."

He is greatest, and we did get that street renamed.

He told me many times that after he retired, he would come back to live in Louisville at least two months a year. He hasn't done that, but he slips into town to see his mom as often as he can. "You know," he told me, "life is short. Things go so quick. But home always will be home." I'd like to think he was saying something like that when the photo in my den was snapped.

Happy 50th, Champ. From one homeboy to another.

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50 WAYS WE'VE SEEN THE GREATEST GLOVER

(By Tom Weir)

Fifty reasons to wish Muhammad Ali a happy 50th birthday:

1. Float like a butterfly . . .
2. . . . Sting like a bee.
3. "I am the greatest."
4. The Ali Shuffle.
5. Rope-a-dope.
6. He did things for black pride that Don King can only dream about.
7. No one else had the guts to tell Sonny Liston and Joe Frazier just how ugly they were.
8. He introduced us to Angelo Dundee.
9. That smile.
10. With 255 career rounds in heavyweight championship bouts, he gave us more action than any other big man.
11. "Only last week I murdered a rock, injured a stone, and hospitalized a brick."
12. 32 cover photos for Sports Illustrated, the record.
13. The Louisville Lip.
14. "Was it a tough fight? Look at this face. I'm the prettiest thing that ever lived."
15. What other athlete could have negotiated the release of hostages in the Middle East?
16. The entourage, or as Dundee described them, Ali's "battery chargers."
17. "Man, I ain't got no quarrel with them Viet Cong."
18. He was a true world champion, fighting in 12 nations.
19. At the 1960 Olympics, Cassius overran Rome.
20. The way he could light up and energize a room.
21. The only man who could shut up Howard Cosell.
22. Long before Chris Berman entered the name game, Ali was dubbing his opponents "The Rabbit," "The Bear," "The Washerwoman" and "The Mummy."
23. The story about a young Cassius Clay's stolen red Schwinn, and how the cop he went to ended up being his first boxing teacher.
24. The all-time, textbook jab.
25. Without the Ali style to learn from, Sugar Ray Leonard wouldn't have been nearly as entertaining.
26. The Rumble in the Jungle.
27. He only made one Roach Motel commercial.
28. Like Ruth calling his shot, only Ali could call the round.
29. "I'm so mean I make medicine sick."
30. After he had danced and jabbed his way into our imaginations, against Frazier he also showed us he could take one hell of a punch.
31. "If you want to lose your money, bet on Sonny."
32. When he was facing jail, it was for a cause, not a crime.
33. He taught everyone where Zaire is.
34. The sports world's most famous face.
35. Even when he lost, sometimes it was good. How else could we have had that comedy-filled seven months when Leon Spinks was champ?
36. "I got speed and endurance. You'd better increase your insurance."
37. U.S. audiences got to see him fight somewhere other than in casino cities. Of 61 career fights, only seven were in Las Vegas.
38. When Ken Norton broke Ali's jaw, he still finished the fight.
39. The flying red tassles on those flying feet.
40. The Thrilla in Manilla.
41. "Now you see me, now you don't, George thinks he will, but I know he won't.
42. The Phantom Punch, even if it did take us another decade to realize he really was that fast.
43. He never went broke.
44. For the briefest of moments, he actually got us interested in Zora Folley, Joe Bugner and Chuck Wepner.
45. Bundini Brown, ever the picture of a devotee, always there in the corner.
46. "This might shock and amaze ya, but I'm going to destroy Joe Frazier."
47. Though he had his prime stolen from him, he didn't spend the rest of his career complaining about it.
48. When he was stopped in the 11th round by Larry Holmes in 1980, it was the only time he didn't go the distance in a defeat.
49. He never married Robin Givens.
50. The greatest chant in sports, the one you still hear every time he walks into an arena: "Ali . . . Ali . . . Ali."

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I believe that we have completed all of the business today.

I am advised that Senator KENNEDY is returning to the floor and will seek recognition to comment on the education bill and, in part, respond to the remarks made by the distinguished Senator from Wyoming.

I do not believe there is any other Senator seeking recognition. What I would like to do is suggest that Senator KENNEDY be recognized, and if Senator SIMPSON also wishes to address the Senate, that he be recognized; and that, if agreeable to them, that upon the completion of their remarks, the Senate then stand in recess as under the order. Is that agreeable to the Senators?

Mr. SIMPSON. Mr. President, that is certainly agreeable with this Senator and those on this side of the aisle.

The PRESIDENT pro tempore. Is there objection to the request?

Mr. MITCHELL. Mr. President, I had not intended that to be the request. I will make the request that Senator KENNEDY be recognized to address the Senate and that if either Senator KENNEDY or Senator SIMPSON wish to address the Senate on any subject, they be recognized, and that upon the completion of their remarks, the Senate then stand in recess until 12 noon, Monday, as under the order.

The PRESIDENT pro tempore. Is there objection? No objection being heard, it is so ordered.

The Chair recognizes Mr. KENNEDY.

STRENGTHENING EDUCATION FOR AMERICAN FAMILIES ACT

The Senate continued with the consideration of the bill.

Mr. KENNEDY. Mr. President, I was here just a few moments ago, and I felt that we were in our conclusion mode of the debate and discussion of this week, but the clear and eloquent and stirring voice of my good friend from Wyoming reached over into the rafters of the old Senate Office Building, so I thought I would make a few concluding remarks and address them to what I understand are some of the areas that have been raised by the Senator from Wyoming.

Mr. President, there has been a lot of talk about all of the new ideas that this President has on education. Well, they have had two ideas. One, private schools; use Federal taxpayers' money to support private schools. And the other idea was to have the Secretary of Education—located here in Washington, DC, a person that I admire and who is very committed to education,—make a judgment about selecting a school in each congressional district, and then another school in the State, two schools in the State—535 schools.

The object of this magnificent, innovative, creative ideas about how to solve the elementary and secondary education problems in our schools is not to do anything for the 83,000 public schools in this country, but to give more money to private schools. And then to allow one individual here—a busy man, with a wide range of different educational responsibilities—to find all of these new schools. How many of us can find ways, in various congressional groups, to spend $1 million?

This is the administration's enormously creative, bold, imaginative way of solving the problems that we are facing in the 83,000 schools across this country. Scarce resources? Give them to the private schools. Now, you may ask what is the basis for all these allegations? All you have to do is look back to May of last year, when they tried to take one of the best educational programs, the $6 billion Chapter 1 Program, and turn it into a voucher program so that all that money could be used, for private schools.

Then they introduce an amendment to use $30 million, to do some experiments and find out about whether private schools have a better result. I do not think I have heard a more cogent, telling, brief comment that reached the heart of this issue than was given by the distinguished Senator from

Rhode Island, Senator CHAFEE, about what the results of such a study would be.

And when Secretary Alexander was asked why they were proposing six districts, he said: "I would like to do it all that way." Let us clear away the fog here about exactly what this whole idea is, what this administration is trying to do, this President: privatize education, abandon the public schools. If that is business as usual, their program is business as usual. Because it is business; it is privatization of education.

I was interested when I heard that this is business as usual. That is the administration; they want to privatize it. It is difficult, to change elementary-secondary educational systems all across this country, in urban, rural, and poor areas. We know that, and we understand that, and as I mentioned yesterday, as some would like to say, the best way to cure it is like those who suggested in the Vietnam war: Let us destroy it to save it. That is what I hear, Mr. President.

And I am quite amazed to have this kind of assault on a Friday afternoon, after we tried to make some accommodation with the administration. It was 93 Members of this body, just earlier this week, that voted for the compromise that we made with Secretary Alexander and Senator COCHRAN and Senator KASSEBAUM. If that was so bad at that time, you would have thought at least some of those who were so critical of our efforts might have spoken up, objected, or even voted "no." There was bipartisan support for that.

It had the support of the Secretary of Education. It had his support, and I imagine in that sense, it had the President's support. They thought that that was a pretty good compromise. The Secretary did not achieve all he wanted, speaking for the President; neither did Senator COCHRAN or Senator KASSEBAUM; neither did those of us who have serious reservations about their approach but we compromised: 93 Members; 93 Members.

Mr. President, this bill would be on its way to the House of Representatives if it was not for the Members on the other side. It would be on the way. So I do not want to hear a great deal—maybe I will, whether I want to or not—about who is interested in education, when legislation was prepared to be acted on in the final days of the last session. It was objected to by a Member of that side of the aisle, not on this side of the aisle.

And when we were prepared to go to a vote, we find we are going to have a lot more debate about the Wirth-Wellstone amendment. What is it? It is to try to provide what the President had talked about in his campaign, what the President committed himself to in terms of early education, and what we still have not responded to: full funding for Head Start.

The President's own review panel, in evaluating the goal of early education, said we cannot evaluate it because we have no standard to evaluate it against. That is the most bizarre explanation I have ever heard.

Ernie Boyer, the head of the Carnegie Commission, has outlined it in detail. Ted Sizer has outlined it in detail. We can give you our own kind of evaluation that has been suggested by members of the committee. But no; no. Do not measure us on early education, because there is no way of knowing how to measure it. But we are for it. That happens to be the principal recommendation, again, in conclusion, of the President's panel.

So, Mr. President, I know at the early debate on this issue there was a claim of a lot of partisanship going on. As I said at the opening of this debate, it always seems to me that when you agree with those on that side of the aisle, you are a statesman; and when you differ, you are being partisan. We have seen that on issue after issue.

I did not know the word "partisan" had entered into this until the minority leader started talking about it the early part of the week, just before we spent 5 hours out in the President's office with Secretary Alexander trying to work on these measures, which 93 Members agreed to.

And then, when we were able to go on to these other measures, choice and others, where 58 Members rejected the proposals. We have been able to dispose, in terms of the measures that we resolved today and over the weekend of virtually all of them, I expect, without vote.

And then, when we were operating in good faith—recognizing that the Appropriations Committee has designated $100 million to be used for legislation that was to try to reflect the combined intent of Congress and the President, we are being fly-specked by the administration that said, "Oh, your particular legislation is not the exact same title that was included in that appropriation so we in the Department of Education do not really think that we will be warranted to expend the money on your program, but we will be able to spend it on ours."

Mr. President, I just feel that we had made some progress on some tough issues.

But I, for one, am not going to be silent when we have a broadside of a general kind of criticism. I mean, I thought we dealt with that in our opening statements but, I didn't expect it to come up again after we had some debate and discussion on these various issues. But, if that is where we are at, you know, that is where we are at.

Mr. SIMPSON addressed the Chair.

The PRESIDENT pro tempore. The Senator from Wyoming is recognized.

Mr. SIMPSON. Mr. President, I have often stood here on this side of the aisle and chatted amiably about various issues of the day across this aisle, with the senior Senator from Massachusetts. He is usually full of energy and enthusiasm. And I see those same traits in full, full display today.

I heard the senior Senator refer to the word "assault" upon his measure. I think, perhaps, as he was traversing the Capitol grounds, that he missed what I said and perhaps staff may have overestimated to him the comments of the Senator from Wyoming that took place while the Senator from Massachusetts was not in the Chamber. I was speaking in a marvelously calm demeanor about some defects in the committee bill, and then suddenly to be accused of an assault on his measure—leaves me speechless. It's almost an impossible situation. I can hardly proceed. However, I shall.

I would earnestly and respectfully request that my statement first be read by the senior Senator from Massachusetts and then responded to perhaps, after that, he will have a better opportunity to think about what I have said. And I also stated that I did support that compromise on the New American Schools Initiative.

But the hour is late and it is Friday, and I did speak my piece, something I wanted to do. I have watched education for a lifetime in public service, and I think that I may be one of the few Republicans ever to receive a very remarkable award, which I cherish, from the Wyoming Education Association for my work for education.

Sometimes education issues do get partisan. You will find that partisanship is the NEA itself, specifically, in its endorsement policies. If you look at who they support, there are not many Republicans. Let us deal with that honestly. That is just the way it is at the NEA.

They did not support this President or former Republican Presidents. They always have some remarkable reason for their lack of support. But there are not many Republicans in the ranks of those who are supported by the NEA and some of their affiliates.

But let me say this about specifics raised by Senator KENNEDY. Let us get the privatization issue in perspective. The support of private schools was not George Bush's idea. The idea was to give low-income parents the chance to give their kids a choice as to the kind of education they should receive, the kind of education the senior Senator from Massachusetts received, and that the Senator from Wyoming received, and all of us privileged people have received. That is what George Bush was doing. That is the perceived threat to the special interests.

And it is extraordinary to me to hear people of progressive bent speaking about the privatization of schools. In fact, the cry is coming up from minority parents who say: "Our children are learning nothing, absolutely nothing, from a bunch of people who are more interested in their own preservation than they are interested in the welfare of our children. And we would like the opportunity to slip them away from this miserable system into a system that is good for them."

That is what we are talking about: A choice, a choice as to education that they should be entitled to receive.

Go look at the statistics. This is not driven by the rich, or preppies. This is driven by people like the people in Chicago who finally just took the system into their own hands because they said: This is monstrous!" These are people who are tired of deadweight teachers; tired of deadweight administrators; tired of administrative corporeal fat that just smothers school systems; tired of sluggards; tired of teachers who have gained tenure and protection and have lost their fire and their energy and their idealistic zeal—that is what they are tired of. And people who really know that, they do not want the same old business anymore.

They are really tired of business as usual. They are tired of hearing the pitch from some of the tough unions, and there are plenty of tough teachers' unions in America. They are tired of hearing the pitch: "Give us money and we will give you an educated citizenry." That is the phoniest argument of all time because that is what we have done: We have given them money and have been presented with some of the most illiterate citizens in the United States in these last years.

That is the bargain they made with the American public and that is the bargain that was broken. What they meant was, "Give us more money and we will preserve ourselves; we will preserve this system; we will preserve these inept and inadequate people; we will preserve this administrative overlay, layer upon layer; we will preserve these people who are not educating the citizens of the United States." That is what they will do with the money. And, if that is not business as usual, I do not know what it is.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. SIMPSON. I would. I will yield.

Mr. KENNEDY. Is the Senator familiar with what the requirements are in order to qualify for this money, as illustrated in the legislation?

Mr. SIMPSON. Mr. President, the money that is in this legislation that was proposed by the Secretary of Education is minuscule.

Mr. KENNEDY. I am talking about the bill that the Senator is criticizing.

Mr. SIMPSON. May I finish my remarks, please?

We cannot even get a test program, a demonstration program. The cost of education in the United States is billions of dollars, and here we are with a little, old pilot program that is perceived as such a great threat. If you do not believe it, all you had to do was look in the hall yesterday during the vote. I mean there there were, stacked out there clear down the steps as far as I could tell—every tough cookie teachers' union in the United States. That is what we are talking about.

We can go into the romance of bucks and all that. One million dollars a school district, picked by Democrat and Republican superintendents of education, and Democrat and Republican Governors. They did not have the confidence in those people to give them the chance to spend that money wisely because of the threat to their power. These folks, who are so threatened by anything innovative or creative, have not produced the quality we should expect in the last 20 years.

We can see folks who come here to apply for work. In some of those applications—there are spelling errors, and there are errors in sentence construction, and these are folks who are out of school! And they say: "I would like to work for you." They come out of colleges and universities, still with some of those instructive deficiencies. That is what I am saying.

It is not as if we were trying to take away money from other districts for these New American Schools. We were trying to establish a whole new funding process and give it to them.

I happened to go to school on the GI bill. I could have gone anywhere—well, there might have been a few places that would not have accepted me! But, nevertheless, I did go to a fine school, and the whole thing was choice. I could have gone anywhere I wanted to—including private schools. So the concept is not novel.

What is wrong with choice? What is wrong with choice for people who are just plain tired of the educational system in the United States?

But that is a great threat, a truly great threat. Not to the Senator from Massachusetts but to the entrenched.

Mr. KENNEDY. Mr. President, I would make two points. First of all, the selection of these 535 schools is by the Secretary—by the Secretary.

Second, you cannot get the money in this program, you cannot get the resources unless you are going to be involved in the kinds of programs illustrated between pages 51 through 53.

If I would listen to the Senator, it appears these school districts, the tired school districts, are entitled to the $1,000. I forget whether it was the Secretary of Education, who should have known better, or others talking about what our bill did, who came up with the $1,000 for every school district. You know, it is one thing having your legislation distorted and misrepresented by those that do not know about it, but we also take some umbrage at those who should know about it.

But I do apologize. If the Senator's criticisms are all about some schools which are not performing—so be it. So be it. The fact is that that is not what this legislation is about.

I have not heard the Senator discuss the particular provisions of the requirements that are included in here, that are attempting to try and, really, enhance the educational achievement for our young people and that have been demonstrated, as we mentioned the other day, in Dade County, FL. When they went to the school management program in a district down there, they went, as Superintendent Fernandez pointed out, from the selection of one out of two teachers, to one out of seven. One out of seven. They felt they could get the best teachers in this country moving toward school-based management, reduce the number of teachers, pay them more, and involve retirees in drama, in photography, and in sports programs as assistant coaches. And their only remuneration was to be able to attend those shows—or the art classes or the drama classes or to have lunch in the lunchroom with the various classes that they were instructing.

Twenty-five thousand people in Dade County, seniors, and retirees are involved down there. That kind of program is included in this legislation. that kind of a program, I daresay, would do more than the whole 535 of the President's programs.

We have tens of thousands of individuals and private companies and corporations helping K through 4. It improved dramatically K through 4. That kind of a program is right in this legislation.

So if it is a question of reciting all the bad that is taking place in our educational system, all of us can mention that. But other than making the general statement and comment, "oh, it is business as usual, the same old people standing out in the corridor," they do not give us at least the respect of being able to debate the different provisions in this legislation. I welcome the opportunity to do so, comparing ours to the President's program. I think we are entitled to that.

I cannot debate bad schools and people standing out in corridors. What I can debate is what is included, what the hearings have demonstrated, and what we are attempting to do. No one is suggesting that spending $400 billion in education in a wide variety of forms is going to reform the system even under the President's program. I am sure the Senator is not suggesting that.

But what we are trying to do is find those particular incidents in schools, not school districts, but schools, where parents, concerned teachers, innovative businessmen and women who are perhaps a part of the American Business Association, are reaching down into those schools, are creative, are imaginative, and are fired up with zeal and idealism. We are talking about the 40 million young Americans who are going into our public schools.

God bless those wonderful young Americans who are privileged to go to, if it is a privilege, the private schools, but this committee and hopefully this Senate and this country are concerned with public schools. We might not have all the answers, but I hope that every nickel that we have that can be appropriated is going to be used in the areas of critical need.

The Federal share of education dollars in the last 10 years has gone down 30 percent. We do not expect this to make up the difference, but I hope the indignation that is demonstrated by my friend from Wyoming is going to be expressed for those young people down in Alabama who are going to have to be reduced to 4 days a week in school because of the reduction in Federal expenditures.

I can repeat and go through—we did earlier in the week—what has happened, particularly in the South, with the withdrawal and cutbacks in Federal expenditures in schools. This is not going to make up for that. This is not going to make up for that today. But what we can do is, with the kind of situation that the Senator has recognized, bring about spark and light from people at the grassroots, and they ought to be encouraged and that is what this legislation does. I thank the Chair.

Mr. SIMPSON. Mr. President, I want to be very clear in stating that there are some very good things in this bill, S. 2. I was talking about some of the amendments. The fact that they represented the very small amounts of money. They were demonstration projects—minuscule attempts to do something different.

I certainly concur that the Senator from Massachusetts put in a tremendous amount of time on this legislation. He has held the hearings. I am not on the Labor Committee which oversees education. These views are mine and mine alone. They are not part of the Republican minority on this side of the aisle. These are views of mine in watching the education system.

I voted to establish the Department of Education. I took a little flak for that out in my country. I voted for that because I thought that we could limit some of the administrative overhead and even the salaries of some of the people under the various chapters of the federal education system. That went aglimmering.

The administrative costs involved in the Federal education system are absolutely tremendous. The Department of Education budget, I believe when I voted for—I think this is true and I ask my friend from Massachusetts, if I could, and I am not sharpshooting, but seeking inquiry—I believe when I voted for the Department of Education to be established that they said that the budget for the year would be $900 million. That was in 1979. The Department of Education total budget this year is $26 billion. What do we have to show for it? That is all I am saying.

Mr. KENNEDY. Will the Senator yield on those facts? We had the Guaranteed Student Loan Program worth $13, $14 billion operating during that period of time. I do not know what was considered part of the budget at that time and what was considered out. I do not have those figures right there. But the Guaranteed Student Loan Program was in effect when the Department of Education was formed.

Mr. SIMPSON. Mr. President, that may or may not be, but I do remember very distinctly that during the budget year of 1979, Education Department included an entire unrelated program of jobs, which bloated it again. There were a lot of materials and things that happened as we watched the education budget grow administratively. I think the people of America must remember that only about 8 percent of the entire education budget in America comes from the Federal Government; about 8 percent comes from the Federal Treasury.

I want to conclude that there are some good ideas in the New Schools Improvement Act—S. 2. The bill called for a $2 million investment to reinvent a national education goals panel. That was the same idea, the same panel that President Bush set up in 1990, following the education summit.

S. 2 was built on the creative ideas of the President. I think that is remarkable and it is the way it should be. But what we are talking about is not the abandonment of America's public schools as Senator KENNEDY has stated.

There seems to be more concern being expressed about the survival of public schools than the survival of some of our children in America. I am not saying all public schools are bad. I am saying that some of them are. I am also saying that some private schools are bad. But they can be improved. And why not take the little leap for a million bucks for one New American School in every congressional district, a little leap of faith and let them try some new things? Let the educators, State departments of education, and the community and business leaders try some new ideas, creative ideas.

Let me tell you, I have heard the comments about business being involved in the privatization of the schools. That is not a correct statement. Business ought to be involved in the education of our citizens because business in America will not be able to hire some of these dunderheads unless they change the same. Unless business has not figured it out, there will be no business in the United States of America when you have an illiterate society of people who are not receiving a proper education.

Why would business not be involved? They would simply be unable to function and they have understood that. The Japanese, I hear that talked about all the time—largely in opposition to the President—and the Japanese situation and the fact we cannot compete. There is a reason for that. We all know that our citizens would never follow the Japanese education plan. There would never be the discipline. No parent in America would want to do that. They would not want to do that with their children in that way.

So we have a bill before us. We will have some more votes. There will be a conference committee. There will be a final vote here. I do not know what the President will do with this measure, whether it is so far from his original idea or that of the Secretary of Education.

There will be good things there. There will be bad things there. There will be disappointments. There will be victories. It took a long time to do it, but all I am interested in is when we are finished it would seem to me we ought to try a little something different because whatever we have been doing as business as usual—let me define that again, business as usual is "Give us more money and we will give you an educated citizen," and that bargain was broken." Every single test, every single survey shows that that bargain was not kept. I say since that bargain was broken let us try something new.

We will never get it on the scale those on our side of the aisle want to a have, but maybe we could do it in some type of compromise where you could get a few bucks for new things, new ideas to do something we all agree we want to do, and that is having a better educated population in the United States as we face a tremendously competitive world.

I thank the Chair.

ORDERS FOR MONDAY, JANUARY 27, 1992

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 12 noon on Monday, January 27; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; and that the Senate then resume consideration of S. 2, the education bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS UNTIL MONDAY, JANUARY 27, 1992

The PRESIDENT pro tempore. Under the order, the Senate will now stand in recess until 12 o'clock noon on Monday next.

Thereupon, at 3:20 p.m., the Senate recessed until Monday, January 27, 1992, at 12 noon.

EXTENSIONS OF REMARKS

NEARLY $63 BILLION IN U.S. ARMS EXPORTS IN FISCAL YEAR 1991

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. HAMILTON. Mr. Speaker, on January 9, 1992 the Committee on Foreign Affairs received a quarterly report in compliance with section 36(a) of the Arms Export Control Act. That report includes a complete tabulation of U.S. arms exports in fiscal year 1991.

The United States sold $22.981 billion in foreign military sales—government-to-government sales—in fiscal year 1991; sold $805.9 million in military construction; and issued licenses and approvals for a total of $39.109 billion in commercial sales of defense articles and services. This is a total of $62.896 billion in U.S. arms exports in fiscal year 1991.

Transfers to the Middle East comprised $16.608 billion of FMS sales, $800.8 million of military construction, and $5.974 of commercial military sales. United States arms sales to the Middle East in fiscal year 1991 totaled $23.383 billion, or 37 cent of all United States sales of defense articles and services.

Tables from the section 36(a) report follow:

Total value of defense articles and services sold to each country/purchaser as of Sept. 30, 1991 under foreign military sales

[In millions of dollars]

Algeria	2.2
Antigua-Barbuda	.8
Argentina	13.9
Australia	229.7
Austria	32.8
Bahrain	74.9
Barbados	.5
Belgium	105.9
Belize	.2
Benin	(1)
Bolivia	[2]30.7
Botswana	.8
Brazil	22.5
Brunei	(1)
Cameroon	(13)
Canada	170.8
Cape Verde	(14)
Central African Republic	(1)
Chad	1.3
Chile	5.9
Colombia	[5]58.5
Costa Rica	.3
Denmark	77.4
Djibouti	[6]1.5
Dominica	.6
Dominican Republic	1.8
Ecuador	7.6
Egypt	[7]1,965.6
El Salvador	[8]80.6
Equatorial Guinea	.3
Finland	(1)
France	76.4
Gabon	(19)
Gambia	.1
Germany	323.2
Greece	401.7
Grenada	.7
Guinea	.1
Honduras	[10]9.8
India	2.0
Indonesia	38.1
Israel	370.4
Italy	77.8
Ivory Coast	.3
Jamaica	2.7
Japan	845.3
Jordan	.8
Kenya	10.3
Korea (Seoul)	448.7
Kuwait	[11]209.5
Luxembourg	.2
Madagascar	.4
Malawi	(1)
Malaysia	4.0
Mali	[12].2
Malta	.1
Mauritania	*
Mexico	10.5
Morocco	265.4
Nepal	.5
Netherlands	334.2
New Zealand	12.4
Niger	[13]1.1
Nigeria	1.8
Norway	85.5
Oman	1.1
Panama	3.6
Paraguay	(1)
Peru	6.7
Philippines	165.3
Portugal	415.3
Qatar	.1
Rwanda	.1
Sao Tome and Principe	.3
Saudi Arabia	[14]13,685.4
Senegal	[15].8
Sierra Leone	1.0
Singapore	81.3
Spain	106.1
St. Kitts and Nevis	.9
St. Lucia	.7
St. Vincent and Grenadines	.8
Sweden	4.1
Switzerland	11.6
Taiwan	480.0
Thailand	108.5
Togo	(1 16)
Tonga	.3
Trinidad-Tobago	.7
Tunisia	15.4
Turkey	220.7
United Arab Emirates	17.7
United Kingdom	215.3
Uruguay	.6
Venezuela	39.3
Zaire	1.8
International Orgs	131.6
Classified totals[17]	843.7
Total	22,981.6

[1] Less than $50,000.
[2] $1,800,000.
[3] $48,500.
[4] $9,700.
[5] $922,300.
[6] $665,000.
[7] $264,300,000.
[8] $768,200.
[9] $77,700.
[10] $338,200.
[11] $146,900,000.
[12] $87,400.
[13] $223,300.
[14] $389,600,000.
[15] $124,300.
[16] $48,500.
[17] See classified addendum to CPD.

NOTE.—Details may not add due to rounding. Construction values are excluded.

LICENSES/APPROVALS FOR THE EXPORT OF COMMERCIALLY SOLD DEFENSE ARTICLES/SERVICES—SEPT. 30, 1991

[In thousands of dollars]

Country/purchaser	October to December	January to March	April to June	July to September	Cumulative
Algeria	369	4,001	315	4,621	9,306
Andorra	0	(1)	31	11	42
Antigua	0	0	0	1	1
Argentina	19,327	21,446	3,276	55,290	99,339
Australia	193,177	141,198	549,213	159,702	1,043,290
Austria	954	7,723	32,287	2,692	43,656
Bahamas	3,201	2	7	1	3,211
Bahrain	4,742	557	448	11,047	16,794
Bangladesh	365	604	10	4,358	5,337
Barbados	200	56	2	86	344
Belgium	79,229	47,151	72,177	83,752	282,309
Belize	8	3,175	5	9	3,197
Bermuda	10	23	10	24	67
Bhutan	29	14	0	40	83
Bolivia	4,348	976	1,110	152	6,586
Botswana	20	2,004	3,918	1,218	7,160
Brazil	64,321	219,412	4,311	44,854	332,898
British Virgin Islands	0	0	12	0	12
Brunei	1,313	152	587	199	2,251
Bulgaria	500	238	250	250	988
Burundi	1	0	22	0	23
Cameroon	44	0	1,648	0	1,692
Canada	7,808	186,406	61,933	20,623	276,770
Cayman Islands	2	35	1	28	66

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

LICENSES/APPROVALS FOR THE EXPORT OF COMMERCIALLY SOLD DEFENSE ARTICLES/SERVICES—SEPT. 30, 1991—Continued

[In thousands of dollars]

Country/purchaser	October to December	January to March	April to June	July to September	Cumulative
Central African Republic	0	0	5	0	5
Chad	0	0	0	506	506
Chile	19,229	6,001	6,274	41,123	72,627
China	18,830	28	2,726	3	21,587
Colombia	16,531	543	19,859	8,675	45,608
Comoros	0	17	0	0	17
Costa Rica	3,334	24	155	26	3,539
Cyprus	645	15	50	597	1,307
Czechoslovakia	0	11	84	0	95
Denmark	12,730	77,282	47,106	25,063	162,181
Dominica	(1)	0	3,865	5	3,870
Dominican Republic	1,597	3,522	606	110	5,835
Ecuador	3,542	4,025	233	6,642	14,442
Egypt	598,098	248,225	74,948	69,469	990,740
El Salvador	3,183	107	71	145	3,506
Faroe Islands	0	879	0	0	879
Fiji	7	0	25	5	37
Finland	3,131	3,775	40,977	16,614	64,497
France	119,244	679,412	250,262	159,752	1,208,670
French Guiana	70,331	16,079	79,200	55	165,665
French Polynesia	151	0	14	0	165
Gabon	301	1	477	279	1,058
Germany, Federal Republic of	1,616,281	218,755	1,888,407	499,736	4,223,179
Ghana	34	13	0	5	52
Greece	43,534	26,574	98,723	55,256	224,087
Greenland	1	0	0	0	1
Grenada	4	(1)	0	0	4
Guadeloupe	0	13	0	0	13
Guatemala	3,371	166	35	226	3,798
Guinea	0	38	188	91	317
Guyana	75	66	2	5	148
Haiti	0	58	3	2	63
Honduras	17,458	267	205	954	18,884
Hong Kong	4,938	529	4,017	34,018	43,498
Hungary	0	16	0	2	18
Iceland	78,003	79,136	123	20,147	177,409
India	20,247	7,161	54,640	3,100	85,148
Indonesia	50,736	66,755	26,271	72,972	216,734
Ireland	1,091	383	137,154	6,133	144,761
Israel	410,036	354,004	835,331	592,470	2,191,841
Italy	238,259	160,532	101,646	199,976	700,413
Ivory Coast	1	3	0	(1)	4
Jamaica	3,278	94	482	126	3,980
Japan	603,524	1,251,823	882,633	594,145	3,332,125
Jordan	2,780	373	1,652	10,469	15,274
Kenya	5	3,023	29	1	3,058
Korea	505,344	228,012	1,357,497	227,987	2,318,840
Kuwait	0	1,420	9,439	6,638	17,497
Lebanon	485	103	2	25	615
Liechtenstein	0	3	1	12	16
Luxembourg	5,398	51,703	22,467	26,068	105,636
Macau	6	149	25	25	205
Malaysia	58,408	18,249	28,204	63,898	168,759
Maldives	36	0	0	0	36
Mali	0	2	0	0	2
Malta	0	0	7	0	7
Martinique	0	0	0	(1)	(1)
Mauritania	16	0	0	0	16
Mauritus	0	36	0	(1)	36
Mexico	99,110	178,563	41,230	115,199	434,102
Monaco	1	(1)	20	(1)	21
Morocco	7,198	9,565	7,735	6,180	30,678
Mozambique	0	25	4	0	29
Namibia	1,552	929	272	448	3,201
Nepal	0	0	0	512	512
Netherlands	103,023	75,074	97,721	82,566	358,384
Netherlands Antilles	163	246	33	96	538
New Caledonia	4	0	1	31	36
New Zealand	36,936	71,854	27,559	6,278	142,627
Nicaragua	0	0	0	23	23
Niger	0	0	1	0	1
Nigeria	5,311	4,682	7,640	11,764	29,397
Niue	(1)	0	0	0	(1)
Norway	49,249	109,003	115,935	58,347	332,534
Oman	1,358	1,517	1,211	1,022	5,108
Pakistan	20,415	21,782	44,370	41,061	127,628
Panama	1,419	5,014	1,225	1,153	8,811
Papua-New Guinea	541	108	5	485	1,139
Paraguay	228	4,241	750	278	5,497
Peru	2,540	35,535	2,751	1,187	42,013
Philippines	27,446	2,543	15,642	33,580	79,211
Poland	0	0	25	0	25
Portugal	5,832	11,156	81,583	58,033	156,604
Qatar	243	516	998	75	1,832
Reunion	0	150	0	0	150
Romania	0	0	645	0	645
Saudi Arabia	1,182,000	162,316	515,344	476,144	2,335,804
Senegal	26	20	6	586	638
Sierra Leone	0	0	20	0	20
Singapore	113,820	20,890	72,883	101,147	308,740
Spain	141,438	98,268	110,760	64,448	414,914
Sri Lanka	3,190	634	(1)	20,623	24,447
St Helena	0	(1)	0	0	(1)
Sudan	0	8	0	0	8
Suriname	41	3	1	0	45
Svalbard and Jan Mayen	102	46	1	0	149
Swaziland	29	0	27	6	62
Sweden	71,503	18,627	39,323	63,686	193,139
Switzerland	150,623	100,651	73,791	99,254	424,319
Taiwan	329,927	251,285	234,813	301,899	1,117,924
Tanzania	1	2	90	0	93
Thailand	37,500	26,426	31,145	86,516	181,587
Togo	101	3	0	0	104
Tonga	0	0	3	0	3
Trinidad & Tobago	3,224	21	15	12	3,272
Tunisia	258	12	634	348	1,252

LICENSES/APPROVALS FOR THE EXPORT OF COMMERCIALLY SOLD DEFENSE ARTICLES/SERVICES—SEPT. 30, 1991—Continued

[In thousands of dollars]

Country/purchaser	October to December	January to March	April to June	July to September	Cumulative
Turkey	677,618	216,812	118,116	96,332	1,108,878
Uganda	4,000	0	0	0	4,000
United Arab Emirates	28,086	179,711	115,777	36,005	359,579
United Kingdom	461,293	907,413	259,300	9,865,579	11,493,585
Uruguay	660	151	3,444	2,704	6,959
Venezuela	29,771	46,992	10,006	19,949	106,718
Western Somoa	0	0	(1)	0	(1)
Yemen (Sanaa)	0	0	0	2	2
Yugoslavia	36,403	18	4,971	4	41,396
Zaire	0	0	3,002	0	3,002
Zambia	0	48	4	1	53
Zimbabwe	1,005	528	83	11	1,627
International Organizations	27,659	46,087	31,138	212,716	317,600
Worldwide total	8,577,046	6,754,050	8,779,496	14,998,803	39,109,395

[1] Less than $500,000.

Note.—Details may not add due to rounding.

Source: This information was prepared and submitted by the Office of Defense Trade Controls, State Department.

LEGISLATION TO EXTEND HEALTH BENEFIT COVERAGE TO RECENTLY UNEMPLOYED INDIVIDUALS

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. GLICKMAN. Mr. Speaker, the Consolidated Omnibus Budget Reconciliation Act of 1985 [COBRA], requires employers to allow former employees to continue to purchase their health benefits under their former plan for 18 to 36 months after the end of their employment. The former employee pays the full cost of the coverage, including a 2 percent fee to cover the employer's administrative costs.

Recently, I hosted a town hall meeting addressing health care. Several of my constituents mentioned that because of the current economic problems it has become difficult to secure a replacement job, and soon their option to purchase health benefits under COBRA would expire. I do not believe it is right for these people to be both jobless and unprotected in the event they need medical benefits.

With this in mind, I am introducing legislation today to extend COBRA coverage to 60 months. My bill also eliminates the distinction of coverage based on how the employee-employer relationship was terminated. Presently, if an employee quits, he is entitled to twice the period of coverage that a laid-off employee may receive. That makes no sense.

The intent of Congress enacting the continuation of health benefits provision in COBRA was to ensure no American went without health coverage while between jobs. The strong economy at that time caused Congress to believe 18 months would be sufficient for a terminated employee to find new work. But the current tough economic times are keeping a greater number of people unemployed for longer than 18 months. Since Congress has extended unemployment benefits, and may do so again in the coming weeks, we also should extend the amount of time former employees may hold onto health coverage while unemployed.

This bill is a small, but important first step in helping our constituents survive these tough economic times, and will provide the security of continued health insurance to those who do not have the security of a job. I urge my colleagues to support this legislation.

TRIBUTE TO U.S. MARINE SGT. SEAN LEWIS COCKRELL

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. BARTON. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to an outstanding individual, U.S. Marine Sgt. Sean Lewis Cockrell of Dallas, TX.

Sergeant Cockrell joined the Marine Corps Reserve in January 1983, and attended recruit training at the Marine Corps Recruit Depot in San Diego. After recruit training he was transferred to Camp Pendleton, CA for Infantry Training School. His leadership abilities earned him the position of squad leader and platoon guide. After graduating in the top 10 percent of his class, Sergeant Cockrell was assigned to Company B, 23d Marines in Austin, TX, and was later transferred to Battery O, 5th Battalion, 14th Marines. In December 1984, he was accepted for assignment to active duty.

Since 1984, Sergeant Cockrell has excelled in his duties. He distinguished himself as top honor graduate from the fire finder radar operator course at Fort Sill, OK. He performed his primary duties as radar operator and assistant radar team leader, and additional duties as Headquarters Battery Regiment marksmanship training instructor while stationed at Camp Pendleton. Because of his exceptional marksmanship skills, Sergeant Cockrell was selected as a member of the 11th Marines Rifle and Pistol Team.

In 1988, serving as a corporal, he was transferred to the 12th Marines, in Okinawa, Japan, for duties as section leader. Sergeant Cockrell was responsible for the training and welfare of 30 marines. He made numerous deployments to mainland Japan and Korea supporting exercises between United States and allied nations. He was then selected as platoon sergeant for operations platoon, responsible for the training and welfare of 90 marines. In 1989, he was assigned as regimental primary marksmanship instructor. From July to November 1990, after being transferred to Dallas, TX, as regimental radar operations chief, he prepared his radar platoon for imminent combat duty in Southwest Asia.

After arriving in Al Jubal, Saudi Arabia, in December 1990, Sergeant Cockrell and his radar platoon supported the 10th Marines artillery operations. On February 24, while attached to the 10th Marines, Sergeant Cockrell's radar teams supported the main attack on Kuwait City and the liberation of Kuwait. Then, attached to the Tiger Brigade, 2d Armored Division, the radar teams helped to support the attack on the Republican Guard forces located west of Kuwait City. Exposed to continuous, hostile enemy fire, Sergeant Cockrell's radar teams distinguished themselves by identifying over 260 enemy weapons locations during a 4-hour period.

Sergeant Cockrell is now being honored as "Marine of the Year" by the U.S. Marine Corp. While serving with the Tiger Brigade, he countered Iraqi artillery fire along the highway from Kuwait City to Basra, Iraq, and helped secure control of that important strategic position. His courage and commitment during this life threatening situation have earned him this honor along with the sincere gratitude of our Nation.

I believe Sergeant Cockrell is representative of the fundamental strength and bravery that all our American troops possess. I know I speak for everyone when I say thank you for representing our country and the great State of Texas in such a courageous manner.

TRIBUTE TO THE BESSEMER AREA CHAMBER OF COMMERCE ON THE OCCASION OF THEIR 70TH ANNIVERSARY

HON. CLAUDE HARRIS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. HARRIS. Mr. Speaker, I would like to acknowledge the efforts of the Bessemer Area Chamber of Commerce, of Bessemer, AL, as they celebrate their 70th anniversary. The city of Bessemer certainly gives credit for the growth in its economy and educational and cultural excellence in part to the chamber. Throughout the 70 years of operation, the chamber has worked toward achieving its goal of making Bessemer "a better place to live and conduct business."

Bessemer's economy is driven by various small manufacturing concerns, including fiberglass fabrication, chemical production, and machinery production. These smaller industries have worked together, helping the city in its growth toward industrial diversification. The

Bessemer Area Chamber of Commerce, which now boasts approximately 500 members, has worked with these industry leaders in aiding Bessemer's transformation from a city dominated by a few businesses to one where a variety can contribute to the city's economy.

Bessemer's 32,000 residents are grateful for the chamber's foresight and efforts in creating new business opportunities for their community. I pay tribute to this institution's goals and progress over the past 70 years, and I am confident that the Bessemer Area Chamber of Commerce will continue to prosper in the years to come.

THE DAVIS-CASTRO HOME: CARING FOR SEVERELY MEDICALLY DISABLED CHILDREN IN A HOMELIKE SETTING

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. LEVINE of California. Mr. Speaker, today I rise in honor of the Davis-Castro Home for severely impaired children, its director, Pat Davis, and its program coordinator, Barbara Scheimber. The Davis-Castro Home, scheduled to open January 27, 1992, is like no other intermediate care facility in Los Angeles County: It will offer personal and humane care to children who would otherwise be confined to a State hospital while saving taxpayers almost $200,000.

Jesus Castro was physically abused and nearly drowned in a backyard pool at the home of his step-grandmother and grandfather at the age of 6. Jesus spent his remaining 4 years confined to a State hospital, nearly blind and a spastic quadriplegic. The Davis-Castro Home was created by Patricia Davis, a registered nurse and foster mother who, for a year, kept space open in her home with the hope that Jesus would live there. After Jesus died, Ms. Davis and others were determined to create a new resource so that children such as Jesus could be cared for in a homelike environment.

The Davis-Castro Home will address the needs of severely disabled children, their families, and foster families wishing to welcome one of these children into their lives. Professional staff will work with the families of the disabled, educating them with respect to the complex medical and emotional needs of such children and the psychological insights into taking care of the disabled. For children who are able to be placed at home, the Davis-Castro Home will serve as a transition house. Residents from the department of neurology at Cedars-Sinai Hospital will provide physician staffing, and the home will be staffed with 24-hour nursing care as well as physical and occupational therapists. Each child medically capable of attending school will be transported to school at a site off grounds.

The establishment of such an important innovation in the health care of disabled children deserves great praise and admiration. It is my pleasure to bring this outstanding achievement to the attention of my colleagues in the House of Representatives, and to ask that they join me in saluting the efforts and future successes of the Davis-Castro Home.

TRIBUTE TO CONGREGATION B'NAI DAVID

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. LEVIN of Michigan. Mr. Speaker, this year, 1992, marks the centennial year for an important institution in the 17th Congressional District of Michigan.

Congregation B'nai David, Detroit's largest traditional synagogue, has been serving the Jewish community as a house of prayer, study, and dedicated service throughout the last hundred years. Founded by 11 Russian Jews on May 2, 1892, B'nai David is today the fourth oldest Jewish congregation in the Detroit metropolitan area.

The founders, men of deep piety and scholarship, instituted a tradition of spiritual leaders of character and learning whose dedication and invaluable counsel have continually fostered lives of service and righteousness. Over the last century, the members of the congregation have taken inspiration from their affiliation and have contributed in a variety of ways to the philanthropic and spiritual life of our community.

I wish to take this occasion to wish Congregation B'nai David many more years of service and spiritual leadership in our midst. May they go from strength to strength as they begin their second century.

THE ECONOMY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, January 15, 1992, into the CONGRESSIONAL RECORD:

THE ECONOMY

The economy appears to have weakened again after a modest improvement during the summer. Now a year and a half old, this recession is the longest since the end of World War II and it is hard to find grounds for optimism that a strong recovery is imminent.

Many are asking an important question, "What should we do about the recession?" We should also be asking the more fundamental question, "How can we restore healthy long-term growth and raise the standard of living of the average American family?" Some policies that look appealing for getting us out of the recession look less appealing when we consider their impact on the budget deficit and long-term growth.

Short-Term Problems and Solutions: Evidence that we have not come out of the recession is abundant. The index of leading economic indicators has turned negative and consumer confidence has plunged. Businesses have been laying off workers and claims for unemployment insurance have been rising. Most forecasts for the coming year suggest that we will have modest growth of about 2.2%, which will not be enough to lower the unemployment rate much. Inflation should remain relatively low at about 3.4%.

Primary responsibility for getting us out of the recession continues to lie with the Federal Reserve. It made a dramatic move to lower interest rates in December, cutting the discount rate a full point to 3.5%. I wish the Fed had taken this kind of aggressive action sooner, and I do not expect the economic indicators suddenly to blossom. But lower interest rates will have an important positive impact on the economy. Mortgage interest rates are coming down and housing affordability is improving. Lower interest rates make it more attractive for businesses to invest in modernization and expansion.

In principle, fiscal stimulus through increased government spending or tax cuts could be a useful complement to lower interest rates in promoting a healthy recovery. But such a stimulus package would have to be carefully targeted and clearly temporary. Reducing tax receipts or increasing spending on a permanent basis would be disastrous for the budget. The federal government is already spending nearly three dollars for every two that it takes in.

Longer-Term Problems and Solutions: Much of the short-run hardship for those who have lost their jobs can be relieved by an adequate unemployment insurance system. And recovery from the recession, however welcome, will not cure the more fundamental problems worrying the American people: poor productivity growth, declining competitiveness, stagnant wage growth, and growing income inequality.

Hourly pay of the average American worker is only 3% higher now, after adjusting for inflation, than it was at the depth of the previous recession in 1982. This stands in marked contrast to the years from 1948 to 1973 when wages grew 3% per year. Families had to work harder and longer to get ahead in the 1980s. More than in any previous period since the end of World War II, upper-income families and workers achieved disproportionate gains in their standard of living. These problems of growth and fairness were evident before the recession and they will persist after the recovery if we do not adopt more sensible policies.

The reason for these problems is not hard to find. Productivity is not growing as fast as it must to provide satisfactory growth in wages and incomes. American businesses have achieved increases in output per hour of about 1% per year over the last decade, while the Japanese have raised their productivity four times faster.

Much of the responsibility for improving productivity rests with the private sector. But government has a role to play as well. We must stop neglecting public investment in infrastructure, technology, and the quality of our workforce. And we must stop encouraging consumption at the expense of investment. The economy is not going to strengthen fundamentally until we boost saving and investment. And that won't happen until we bring down the budget deficit. Government borrowing crowds out money for private investment and drives up interest rates. It is a drain on our already meager pool of savings.

Steps to Promote Recovery, Growth, and Fairness: Congress is currently considering a number of antirecession measures. And the President will offer his own program in his State of the Union Message. I am convinced that we have to resist the temptation to make politically popular tax cuts the centerpiece of any recovery program. Any tax cut large enough to matter for the recovery will be too large in terms of the budget deficit. And there is a real danger that we could have a taxcut bidding war between Congress and the President that would get out of hand, widening the deficit and driving up interest rates.

I do not think we need a new tax cut. But tax reform that tries to restore some of the progressivity we have lost in the last decade makes sense to me on fairness grounds. It also makes sense to implement any tax reductions for lower- and middle-income taxpayers now, when they can provide some fiscal stimulus, and to defer the tax increases that balance these cuts until a year from now when the economy is stronger.

The investment tax credit may well be the most effective way to stimulate a stagnant economy if it is instituted only on a temporary basis. A temporary credit encourages needed investment now without permanently distorting investment decisions. To minimize the budget costs, the credit could be limited to investment over and above the amounts companies were likely to invest anyway.

There is also some merit in proposals to increase grants to state and local governments as part of an antirecession package. They have seen their revenue sources dry up in the current recession. Without some relief they will be forced to cut back on their investments in infrastructure and education.

I support the moves in Congress today to cut defense spending and use the savings from Pentagon cutbacks to pay for deficit reduction and some more investment-oriented spending such as better health care, education, housing, and transportation. This reorienting of our budget priorities is critical, but I continue to believe that we must stick to our commitment to bring the deficit down.

Summary: The economy's underlying problems have been some 20 or more years in the making, and they are not easily solved. I am convinced that more than anything, the United States needs to think of its long-term needs. It is very tempting to think that the answer to our economic problems is to reduce taxes. But the real challenge is to increase national saving and redirect our public and private spending toward more productive long-term investments.

THE RIGHT TO CHOOSE

HON. JOHN W. COX, JR.

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. COX of Illinois. Mr. Speaker, I rise today to speak in defense of the right to choose. This past week, we celebrated the 19th anniversary of the Supreme Court's decision in the historic Roe versus Wade case. The celebration, however, was marred by the knowledge that the Supreme Court is on the brink of overturning this vital decision. Roe set a precedent in this country saying for the first time that women had the right to a safe and legal abortion if they deemed it necessary. We all assumed the days of back-alley abortions were over and a woman's right to choose would no longer be infringed.

Unfortunately, in the last few years this right has been on a slippery slope toward extinction. A pregnant woman can no longer walk into a family planning clinic and get an honest answer when she asks about her options. The District of Columbia cannot use its own locally raised revenue to help fund abortions for low-income women. Medicaid funds cannot be used to fund abortions even in cases of rape or incest. Women stationed overseas at U.S. military bases are prohibited from getting abortions at U.S. medical facilities. And now, in light of the Supreme Court's decision to hear the Planned Parenthood of Southeastern Pennsylvania versus Casey case, women face a possible 24-hour waiting period and a stipulation requiring their husbands' consent for an abortion.

Frankly, I am scared for my two daughters. I was encouraged by the 1973 Roe decision, thinking they would grow up in a world where freedom of choice was a national priority. Now as I watch my daughters turn into independent women, it is impossible for me to rationalize the repression they may face. I cannot look them in the eye and tell them our country is regressing, rather than keeping step with the future.

Mr. Speaker, polls show that a clear majority of people in this country are pro-Choice. I stand here today to reaffirm my dedication to the battle to maintain reproductive freedom as a fundamental right for all women. I am hopeful that others will join me in this fight, because it will not be easy, and it may not be successful, but nonetheless it is necessary. The Justices of the Supreme Court must be aware that further infringements on rights granted by the Constitution will not be tolerated.

TRIBUTE TO JAMES C. SANDERS

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. IRELAND. Mr. Speaker, I rise today to recognize the remarkable achievements of our friend, James C. Sanders, one of the most respected Administrators in the 39-year history of the U.S. Small Business Administration.

Jim came to the SBA after starting and building a successful small business himself, an insurance firm in California. Tapping into that insight and experience, among many other admirable qualities, President Reagan appointed Jim Sanders as the 14th SBA Administrator, a position he served with honesty and distinction for 4 challenging years.

And, Mr. Speaker, challenging may be an understatement of the tasks and tribulations Jim faced as this Government's top spokesman for small business. As I'm sure you will recall, it was during Jim's watch that the Office of Management and Budget began its quest to eliminate the only Federal agency solely dedicated to the promotion and protection of our Nation's 20 million small enterprises.

Putting aside his personal interests, and clearly recognizing the formidable forces opposing him, Jim Sanders stood up for the SBA and small business. We in Congress, and entrepreneurs across America, remain in his debt for the courageous, and successful, battle he fought.

To have simply saved the SBA from the ill-swung arc of the budget ax would be enough to warrant our recognition and thanks today, but Jim accomplished so much more, too much, indeed, to list here. But we should note a few.

Jim Sanders devoted his considerable talents to initiate programs to specifically—and uniquely—help women and minority entrepreneurs. The Office of Private Sector Initiatives was created to forge new private-public partnerships devoted to helping small businesses and the communities they serve so well. Economic development programs that focus on promoting investment in long-term, productive assets were expanded under his tenure. And it was under his guidance that the magnificent Small Business Innovation and Research Program grew wings.

Beyond these individual accomplishments, however, was the attitude Jim Sanders brought to the SBA. He approached the agency as a business, one that should serve its clientele effectively and efficiently, which meant protecting the taxpayers' dollars as well.

And he invigorated the many fine public servants at the SBA by encouraging teamwork, leadership, and creativity—and by giving managers and employees alike the room they needed to exercise those talents.

Mr. Speaker, it's a telling story that a piece of tire rubber mounted on a plaque adorned Jim's office as a reminder that it is out in the field, not in Washington, where the SBA's rubber met the road to help small businesses.

Mr. Speaker, Jim Sanders characterizes the best of what makes our country, and our Nation's small businesses, great: A commitment to excellence and the principles that guide it, a dedication to the free enterprise system, a loyalty to those who work with him, and the courage to defend them all.

On behalf of our Nation's small businesses and all of us who have had the pleasure to know him and work with him, I extend my thanks and best wishes to Jim and his wife, Maureen, as they retire to new, exciting endeavors in California.

IN RECOGNITION OF GAIL DUNCAN-CAMPAGNE, RECIPIENT OF THE STERLING HEIGHTS CHAMBER OF COMMERCE CITIZEN OF THE YEAR AWARD

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. HERTEL. Mr. Speaker, I rise today to honor Gail Duncan-Campagne, who has recently been named Citizen of the Year by the Sterling Heights Chamber of Commerce. This award represents Ms. Duncan-Campagne's outstanding contributions to the business community and her dedication to her colleagues and family.

Gail Duncan-Campagne, who became president of Jerome Duncan Ford in 1991, has been part of the local business community for many years. She joined the dealership staff in 1974 and has held various positions, including director of finance and insurance, customer service director, and director of parts and service. Gail is well known for her efforts in maximizing efficiency and building relationships with her clients and employees.

Ms. Duncan-Campagne graduated from Oakland University in Rochester, MI, with a masters degree in guidance counseling. She continued her education at the National Auto Dealers Association Dealer Candidate Academy, finishing her studies in 1983.

As a community leader, Gail Duncan-Campagne has been a part of several local organizations. She served on the board of directors and as president of the Sterling Heights Chamber of Commerce and is a member of the Greater Utica Optimist Club and Comprehensive Youth Services. She has also been honored in the past for her work with local youth.

Apart from her professional career, Gail is a dedicated wife and mother. She and her husband Paul have two daughters, Kristin and Whitney.

Mr. Speaker, it is my pleasure to join with colleagues, family, and friends in honoring Ms. Duncan-Campagne as she becomes the Sterling Heights Chamber of Commerce Citizen of the Year. I wish her many more years of continued success.

TRIBUTE TO THE SOUTH BRONX MENTAL HEALTH COUNCIL, INC.

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. SERRANO. Mr. Speaker, today, I rise to recognize the South Bronx Mental Health Council, Inc., and praise the innumerable contributions it has made to the South Bronx community. One of the preeminent agencies in the South Bronx which delivering services to a seriously disabled psychiatric population, the South Bronx Mental Health Council, Inc., has elected today, January 24, 1992, Patient Recognition Day. It has chosen this day to honor those patients of the council who have made efforts toward recovery and to thank those staff members who have helped make it possible.

In addition, this day will bring to the attention of the press and public the fact that person with mental illness can achieve and improve their life situation, notwithstanding difficult and challenging handicaps. In this instance, the handicaps resulting from their mental illness are compounded by the discrimination associated with being a minority group member in our society and having had to cope with the social ills of one of the poorest communities in our Nation, the South Bronx.

Throughout the past decade, the South Bronx Mental Health Council, Inc.,—the council has labored tirelessly to provide the abovementioned individuals with the care their specific circumstances require. A community-based organization located in the South Bronx since 1981, the council has the responsibility of delivering comprehensive mental health services for a population of approximately 148,000 South Bronx residents. The council is the primary mental health provider for the Mott Haven and Hunts Point catchment areas, which are among the highest in New York City in incidence of poverty, unemployment, deteriorated housing, and need for all human services.

The council's philosophy is to provide quality mental health direct treatment services that are readily accessible to, and can be utilized by, the population it services. It also provides indirect mental health services to community agencies, organizations, and services—such as schools, senior citizens centers and preschool nurseries—located in its catchment area. The council attempts to be one component of an overall human service delivery network.

The staff of the council is composed of 176 employees working in its various component parts: emergency services, inpatient services, and generic outpatient services. These services are carried out at the Lincoln Medical and Mental Health Center, the Bronx Lebanon Hospital Center, and the Bronx Psychiatric Center. The overall goal of these services is to reduce the acute symptoms of mental illness and to prevent further loss of intrapersonal and interpersonal functioning. Bilingual, bicultural professionals provide the services within an interdisciplinary team approach. The orientation of the treatment interventions takes into consideration the patient's ethnicity and culture as well as social, economic, constitutional, and medical conditions which impact and/or exacerbate the patient's mental health and overall functioning in society.

The council strives 'to achieve its goals through the various outpatient programs it provides to serve the community. The adult psychiatric outpatient clinic provides direct outpatient treatment services as well as consultation to agencies. The children and adolescents' services provides a wide range of therapeutic services through individual, group, and family therapy as well as crisis intervention and play therapy to children and adolescents as well as to their families. In addition, the staff works closely with the schools in the community providing therapeutic services and consultation as needed.

The school site mental health projects is a satellite clinic of the children and adolescents' services unit. This unit provides 25 hours a week of clinical services in certain targeted schools in the Bronx. The services are provided to children and adolescent students who need preventive services in order to be maintained in regular classes. The continuing treatment program is a clinic day program providing comprehensive mental health and supportive services on a long-term basis to chronic mentally ill adults. It serves patients aged 18 and over who have a history of chronic mental illness and have functional deficits which interfere with their ability to maintain stable and independent community living.

In addition to these programs, the council provides specialized outpatient services. These include the community support systems program, which functions in the same fashion as the continuing treatment program, and chemical abuse services. The various component programs of chemical abuse services are designed to provide specialized services for patients who have a primary psychiatric diagnosis and are involved with the use or abuse of alcohol or street substances.

The council also provides a community residences program which was initially developed in 1982 as a response to the demonstrated need for specialized and appropriate housing sensitive to the needs of the chronic mentally ill adult. The goals of this program are to assist residents to achieve maximum attainment of functional skills of daily living necessary to enable independent functioning and reintegration into the community. There are two components to the community residences program, a generic component and a specialized component. The generic program is comprised of four residential apartment programs which provide a homelike atmosphere, room and board, education and training in the least restrictive environment within three levels of care. The specialized program, on the other hand, focuses on the long-term residential needs of low-functioning patients that are mentally ill chemical abusers. For 2 years they are closely supervised in a program which has been formulated to move them to increased social competence in four stages.

The South Bronx Mental Health Council, Inc., provides an extremely varied and complete range of services for those members of the South Bronx community that are disabled through a major psychiatric illness. As a result, many of these individuals have had the opportunity to improve their lives and achieve their goals. Mr. Speaker, please join me today in commending the South Bronx Mental Health Council, Inc., for its absolute dedication to individuals suffering from psychiatric illnesses and, applauding its efforts to improve the situation of a previously neglected portion of our South Bronx community.

NATIONAL PARKS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, December 25, 1991, into the CONGRESSIONAL RECORD:

THE FUTURE OF OUR NATIONAL PARKS

On the 75th anniversary of the National Park Service (NPS), Americans can boast of a National Park System second to none. The System covers more than 76 million acres and includes 357 parks, monuments, historic sites, and recreation sites. The NPS can be proud of its success in fulfilling its mission of managing and protecting the nation's parks.

Nonetheless, our Park System faces unprecedented challenges today. It is threatened by wildlife poaching, understaffing, road deterioration, encroaching development and air pollution. Once the park rangers served only as a wilderness educator and guide and taught visitors about the natural wonders. Today they are also investigating accidents, calming domestic disputes, and fighting crime. We have to address these threats if the parks are to be as good or better 75 years from now as they are today.

History: The U.S. established the world's first national park in 1872 when the Congress set aside 2 million acres to create Yellowstone National Park. The Congress placed this natural treasure under the exclusive control of the Secretary of the Interior with instructions to provide for the preservation of its unique resources. The founding of Yellowstone National Park began a worldwide national park movement. Today there are more than 1,200 national parks or equivalent reserves in more than 100 countries.

The Congress authorized additional national parks and monuments after the founding of Yellowstone, but no single federal entity provided unified management of the various federal lands. In 1916 the Congress established the National Park Service within the Department of the Interior to administer and preserve the National Park System. The NPS was charged with the conservation of "the scenery and the natural and historic objects and the wildlife" of the park system, and with providing for the public enjoyment of the parks.

The NPS is one of four major Federal land management agencies. The Fish and Wildlife Service and the Bureau of Land Management are also located within the Department of Interior. The Forest Service, a branch of the Department of Agriculture, also manages certain federal lands. Unlike the others, the NPS generally manages its parks to protect the resources in their natural or historical conditions; logging and other commercial development are not permitted in the Park System unless specifically authorized by law. The other land management systems allow for some degree of commercial resource utilization.

Indiana has three parks in the National Park System. The George Rogers Clark National Historic Park in Vincennes commemorates the capture of Fort Sackville from the British by Lt. Col. George Rogers Clark on February 25, 1779. The Indiana Dunes National Lakeshore in Porter County boasts dunes that rise 180 feet about Lake Michigan's southern shore. The Lincoln Boyhood National Memorial in Lincoln City celebrates President Lincoln's boyhood home.

Challenges: The NPS will face many new challenges in the years ahead. Some will arise out of the inherent conflict in its mission: preserving the many natural and cultural resources in the National Park System, while providing for the public enjoyment of the parks.

One such challenge is increased visitor demand. In 1950, there were 33 million visits; in 1986 that figure jumped to 365 million. At the current rate of population growth, recreation visits to the parks will likely reach 1.5 billion by 2050. These added visitors will require expanded facilities and services, including more campsites, roads, upkeep, and rangers. The NPS anticipates that the number of automobiles, RVs and buses entering our parks will grow as well, placing additional pressures on the resources of the parks. These vehicles may further contribute to the air quality problems and other environmental hazards already threatening our national parks.

A second challenge involves future management of the Park System. The NPS and others debate how the service can manage public lands for human recreation while leaving those lands as pristine as possible. The fires that swept over Yellowstone National Park in 1988 focused attention on current NPS management policies. The NPS chose to let natural forces control the fires that consumed 900,000 acres of Yellowstone. The NPS defended its policy on the grounds that it should limit its interference with the Parks' natural ecosystem.

A third challenge concerns economic development within the Park System. There are about 560 concessions in 126 National Parks, including snack bars, luxury hotels and marinas. Critics say concessionaires have too much power and have cluttered the parks with unnecessary souvenir stands and restaurants, and some have called for limiting their access to the parks. Operators respond that they are meeting the demands of the public.

Development and resource exploration outside of park boundaries pose a fourth challenge. These activities can create environmental problems inside parks by reducing air quality, threatening water supplies, and degrading wildlife habitats. The Everglades in south Florida, for example, is considered the most endangered park in the System. Development, drainage, water diversion projects, and pollution have contributed to a 90% loss of its wading bird population over the last 50 years and threaten the long-term viability of the park.

Response: In recent years, however, both the Congress and the NPS have demonstrated a commitment to preservation and conservation in natural resource management policy. Last year, Congress authorized a program to help save the Everglades. The House recently passed a bill to give Old Faithful geyser, Yellowstone National Park's most famous landmark, added protection from proposed commercial geothermal development around the park. The National Park Service Director recently pledged his commitment to the conservation and preservation of the resources.

The National Park Service has done a good job protecting Yellowstone, Yosemite and the other parks, and introducing millions of visitors to their wonders. These parks are threatened from within by waves of visitors and economic development, and threatened from without by the advancing tide of pollution and encroachment. But they remain natural treasures, and if they are not preserved, the nation will be diminished.

DR. PAUL GEORGE, MIAMI HISTORIAN, EXPLORES MIAMI'S EAST LITTLE HAVANA NEIGHBORHOOD

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Miami historian, Dr. Paul George who was recently featured in the Miami Herald. The article "Welcome to Dr. George's Neighborhood" by Marilyn Garateix tells how the Miami historian wrote a 70-page pocket guidebook describing Miami's East Little Havana neighborhood:

One day this summer Miami historian Paul George, armed with a Dictaphone, hit the streets of East Little Havana. The result was a 70-page pocket guidebook of the neighborhood.

"This area is very close to my heart," said George, who gives tours of East Little Havana and other neighborhoods.

"The Dr. Paul George Walking Tour of East Little Havana," published earlier this month by the Historical Association of Southern Florida, traces the evolution of East Little Havana and describes the area's colorful and historic homes, businesses, churches and schools.

The book was published with a $5,000 state grant and sells for $9.99 in the gift shop at the Historical Museum of Southern Florida. It is the first in a series George plans.

East Little Havana, according to George's book, was first called Riverside. In 1905 a person paid 10 cents to cross Flagler Street Bridge from Riverside to downtown Miami. A horse carriage paid 25 cents.

In the 1930's Riverside was predominantly Jewish. That changed rapidly in the 1960s when Cubans arrived, said George, who has a Ph.D. in history.

The walking tour covers an area between Southwest Eighth Street on the south, Southwest 12th Avenue on the west and the winding Miami River on the north and east.

The first stop is Malaga Restaurant, 740 SW Eighth St. Owner Armando Fernandez thinks the book will boost business and teach people more about Little Havana.

"It's magnificent because it recognizes all of Calle Ocho," Fernandez said.

I am happy to pay tribute to Dr. George and the Historical Association of South Florida for publishing "The Dr. Paul George Walking Tour of East Little Havana" by reprinting this article. This guidebook, the first of a series on Miami's neighborhoods, will contribute much to our understanding of the history and culture of south Florida.

GUS YATRON, A GREAT GENTLEMAN, RETIRES

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. BROOMFIELD. Mr. Speaker, I was unhappy to learn that my good friend and colleague, GUS YATRON, will be retiring next year after 24 years of service in Congress.

For all of that time he has been on the Foreign Affairs Committee, serving as chairman of the Human Rights Subcommittee for the last 10 years. I've found GUS to be a real gentleman: fairminded, affable, and a man of his word.

GUS came to Congress with an interesting background. He was both an ice cream manufacturer, which may account for his sweet disposition, and a professional boxer, which served him well in his tenacious struggle for human rights around the world.

Over the years, GUS YATRON has been an advocate of a bipartisan foreign policy. He has especially devoted a lot of time and energy to the search for a just and lasting peace on the island of Cyprus.

GUS has been a conscientious and effective legislator, a hard-working representative of the people of southeastern Pennsylvania, and a good friend. I will miss him.

CONGRESSIONAL FILES ON JFK ASSASSINATION SHOULD BE RELEASED

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. CLAY. Mr. Speaker, I would like to insert for the RECORD a letter appearing in the January 4, 1992, issue of the St. Louis Post-Dispatch that makes a strong case for the release of all Government documents relating to the assassination of President John F. Kennedy. I am in strong agreement with the author of the letter, Kenneth F. Warren, a professor of political science at St. Louis University.

THE TRUTH BEHIND "JFK"

"JFK" is probably Oliver Stone's greatest movie. The movie has attracted a lot of unsubstantiated, defensive, emotional criticism from establishment types who assert that the movie is basically "cartoon history" (George Will), an assault on former President John Kennedy's memory (former President Gerald Ford) or "sensationalist claptrap" (Edwin Yoder). But the real reason it caused such a reaction is that Stone's "JFK" is certainly a lot more believable than the Warren Commission Report ever was.

A few insights from political science may help. First, the government is not in the truth business. William Safire and Hodding Carter, both former president's press secretaries, made this clear at a conference a few years ago at Washington University. Government misinformation and disinformation campaigns are commonly conducted to serve the purposes of government.

Obviously, the government does not feel it is in its interest to disclose the truth about the Kennedy assassination. Clearly, if the CIA were involved, a truthful report to the American people would have to disclose that our own government was responsible for murdering its president. What government would admit to such a nefarious act?

Second, commission reports are notorious for being inaccurate, incomplete and deceptive because they have been employed so often to serve blatant political objectives. In discussing the role of the Warren Commission, political scientist George Berkeley contends that this is a textbook example of a commission that was used to try to get the public to accept only "a particular set of facts."

Third, governments throughout history have been responsible for killing their own leaders. It happened in ancient Rome, and it has occurred many times in the 20th century. There are always some in government who believe that their leader must be stopped. We hope that we in America are above such foul play. I hope so.

But the only way to find out is to allow the files to be opened. Instead, the files that hold the secrets to JFK's assassination have been ordered closed for at least 50 years. Stone is saying: Don't believe me, but believe what is in those files that the government won't let anyone see.

Unquestionably, Stone does not substantiate every detail of the assassination. He also speculates, sometimes wildly but sometimes plausibly, on the reason for the assassination.

But Stone's "JFK" has been viciously attacked not because it's pure fiction, but specifically because his reasonably well-documented film is so powerful and quite persuasive on the very basic point that the government has tried to cover up for nearly two decades—that Lee Harvey Oswald, if he acted at all, did not act alone.

CONGRESSMAN KILDEE HONORS FLUSHING LIONS CLUB

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to the Flushing Lions Club of Flushing, MI, which will be celebrating its 50th anniversary at a dinner on January 25, 1992. The Flushing chapter of this distinguished civic organization was chartered in January 1942, and has provided dedicated service to its community and to the entire State of Michigan since that time. I ask my colleagues to join me in recognizing the continuing accomplishments of the Flushing Lions Club.

The members of the Flushing Lions Club describe their organization as "50 years young," an apt description of the vitality of this particular chapter. Although the members are taking this opportunity to look back upon their 50 years of service, I know that they will wake up tomorrow looking forward to opportunities for another 50 years of service.

The projects and charitable causes the Flushing Lions have worked to support range from education and scholarships to historical preservation to recreational projects to drug awareness programs. But by far the primary recipient of Flushing Lions Club donations has been the Leader Dog School for the Blind in Rochester, MI. The Lions estimate that over the years their annual donations to this leading school, which not only trains leader dogs but also trains blind people how to use leader dogs, have exceeded $100,000, currently averaging $4,000 annually.

In the area of academics, the Flushing Lions have granted over 100 4-year scholarships for needy and talented high school students totaling more than $50,000; $3,000 in scholarships are donated annually. But the Lions' dedication to education does not end there; the club has provided funds for the Flushing High School Athletic Boosters, marching band trips, school musicals, and educational trips to Washington, DC. The Lions started the drug awareness program at Flushing Junior High School by funding its first 2 years. The club has also sponsored alcohol-free parties for students on prom nights, homecomings, and graduation nights as efforts to reduce underage drinking and driving.

In the area of historical preservation, Flushing Lions Club members have not only contributed necessary funds but also hundreds of hours of volunteer time for construction projects. In association with the Flushing Historical Society, Flushing Lions donated funds and worked voluntarily to restore the Flushing depot. Additional time and money was donated to the construction of two pavilions along the river walkway, a pavilion in the city park and a new stage and band shell in the concert area at Riverview Park. Incidentally, the Lions were an original contributor to the construction of this back in the early 1950's. The Lions regularly work on and contribute funds to beautification and recreation projects in their fair city. Additional Flushing Lions Club activities include the donation of eyeglasses to poor citizens in need of them, totaling approximately 250 pairs and $17,000 over the years, as part of this organization's particular interest in service to the blind. Each year, the club donates Christmas baskets to Flushing's poorer citizens.

Let us not think that the list of Flushing Lions Club charitable contributions ends here. It is evident that members of this club over the years have contributed time and effort to a variety of causes and needs too numerous to mention and of which no record is kept. It is part of the creed of Lions Club members and a testament to the Lions Club motto of "We Serve" to see that no civic need is ignored.

Mr. Speaker, it is indeed a great honor and distinct pleasure for me to have the opportunity to recognize before my colleagues the contributions of the Flushing Lions Club to the greater good of their community and their State. This high-minded civic organization has provided 50 years of dedicated service and stands as a reminder of what we as private citizens can accomplish if we work together. This anniversary, which coincidentally falls on the 75th anniversary of Lions Club International, will serve to strengthen the resolve of its members to continue to provide charitable contributions for community needs in the coming years. Mr. Speaker, I ask my colleagues to join me in paying tribute to the Flushing Lions Club on the occasion of its 50th anniversary.

RETIREMENT OF BRIG. GEN. FRANK K. MARTIN

HON. DAVID O'B MARTIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. MARTIN. Mr. Speaker, today I want to salute a dedicated career officer, Brig. Gen. Frank K. Martin of the Air Force. General Martin is retiring after 29 years of service to our country, with 5 of those years in the position as Chief of Security Police for the more than 40,000 security force members in the Air Force. He has served with distinction as an officer in both the security police and the Minuteman missile combat crew career fields.

General Martin, a native of Ogdensburg, NY, was commissioned through the Reserve Officer Training Corps program at Cornell University in 1962. He is also a graduate of Troy State University in Alabama, a graduate of the Air Command and Staff College, a 1980 graduate of the National War College, as well as the National Defense University for Higher Defense Studies, in 1987.

General Martin has served in numerous leadership positions as a missile combat crew member, including being selected as a member of his squadron's senior standardization crew while assigned to Malmstrom Air Force Base, in 1966. While assigned to Vandenberg Air Force Base in California, General Martin served as the critical major command crew evaluator within the 3901st Strategic Missile Evaluation Squadron.

He returned to the security police field in 1974 as the Commander and Chief, Security Police for the 388th Security Police Squadron at Korat Royal Thai Air Base, Thailand. After serving as the executive officer to the Air Force Chief of Security Police in Washington, General Martin was assigned to the Tactical Air Command Headquarters at Langley Air Force Base, as the Chief of Security Police. In 1985, he was selected as the Deputy Chief of Staff for Security Police at Headquarters, U.S. Air Forces Europe. Following his selection for brigadier general, he became Commander of the Air Force Office of Security Police, and Assistant Inspector General for Security. In April, 1991, General Martin returned to the Air Force Air Staff in Washington as the Chief of Security Police for the Air Force.

His military awards and decorations include the Legion of Merit, with two oak leaf clusters, Meritorious Service Medal with two oak leaf clusters, Air Force Commendation Medal with two oak leaf clusters, Combat Readiness Medal, National Defense Service Medal with service staff, and Humanitarian Service Medal.

Mr. Speaker, I ask our colleagues to join me in saluting General Martin for his contributions to the security of this great Nation. It is with great pride that I congratulate him upon his retirement.

TRIBUTE TO MARTIN G. ABEGG

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. MICHEL. Mr. Speaker, I'd like to bring to the attention of my colleagues a greatly respected man, Martin G. Abegg, the former president of my alma mater Bradley University in my hometown of Peoria, IL. Jerry devoted his time and energy to make Bradley the institution of academic excellence that it is today. After 20 years of hard work, Jerry is retiring.

Jerry was not your typical university president. A typical university president remains in office less than 5 years. Jerry took office in 1970 and we wouldn't let him go. He wanted to retire earlier but we just couldn't find someone as able to fill his shoes. At this point in the RECORD, I'd like to insert the following editorial which appeared in the Peoria Journal Star on January 21, 1992.

[From the Journal Star, Jan. 21, 1992]

THE MAN AND THE UNIVERSITY

At groundbreaking ceremonies for an enlarged Baker Hall, a grinning Martin G. Abegg grabbed a hard hat, hopped into the cab of the Caterpillar D6, lowered the blade and shoveled a load of dirt.

He may have surprised onlookers with what looked like a spontaneous gesture, but the truth is he'd been out practicing. Like most engineers, the president of Bradley University doesn't like to be caught off-guard.

In the topsy-turvy world of higher education, where personalities rise and fall with each new school year, where fads catch themselves by the tail in the hurry of coming and going, where attention spans are measured often in days and rarely in years, Jerry Abegg has enjoyed a remarkably steady tenure at Bradley's controls. The typical university president has been in office less than five years. Abegg has been the number one man at Bradley since November of 1970.

For the most part, his years have been extraordinarily good ones for the university; 17 new or renovated buildings, an endowment grown nearly six-fold (and still too small), enrollment at a 23-year high, tougher admission standards (average ACT scores for entering freshmen have increased from 21 to 24), 13 consecutive balanced budgets. Abegg leaves a university which is better than the one he came to, and in these days of fiscal agony and educational unrest, that's something to take pride in.

Many reasons have been offered for his success, but in our minds they come down pretty much to one thing: an extraordinarily good meld of the man and the institution.

Asked to talk about Abegg, those who know him well say his values are old-fashioned and middle-American. He's honest, plain-spoken and to the point. He's neither showy nor arrogant. He identifies at least as much with the Bradley basketball fan as with the university scholar. He's not eccentric, he's not colorful, and the best anecdote a poker pal can tell about him is the occasion 40 years ago that he bought a cheap brand of beer—Bullfrog—and all the card players got sick.

He's Everyman as university president, and at Bradley that has worked. Let the other schools woo the researchers and court the scholars to decorate the university resume, if not the classroom. Let the other universities construct the presidential castles and the classrooms with the velvet swivel chairs. But let Bradley be Bradley: a place where small-town kids can get a big-time education from professors who care about teaching, and big-city youngsters can absorb some small-time values.

It may be easier this morning for Abegg to think of himself as not-the-university-president than it is for the rest of us. He tried to retire earlier but was persuaded to stay on longer, because no one who could follow his act credibly had been found. That says a lot.

AIDS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, January 8, 1992, into the CONGRESSIONAL RECORD:

AIDS

The recent announcement by basketball star Magic Johnson that he is infected with the virus which causes Acquired Immune Deficiency Syndrome (AIDS) has renewed interest in this devastating disease among Hoosiers and Americans. Here are some frequently asked questions about AIDS:

What is AIDS? AIDS is the fatal disease that attacks the immune system, destroying the body's ability to defend itself against infections and cancers. The disease is caused by a virus called human immunodeficiency virus (HIV). There is no known cure, and AIDS is fatal to most victims within two years of diagnosis.

What is the Extent of the Problem? AIDS is one of America's most troubling health care problems. Since 1981, there have been more than 195,000 reported cases of AIDS in the United States and more than 126,000 deaths. These figures are predicted to rise as high as 480,000 cases and 340,000 deaths by 1993. In comparison, roughly 500,000 Americans will die from cancer this year alone, and 760,000 from all forms of heart disease. AIDS is found in almost every country in the world. Some 8–10 million people worldwide, including more than one million Americans, are infected with HIV. Some 1300 Hoosiers have AIDS, and almost 800 Hoosiers have died from AIDS.

How is it Spread? AIDS spreads several ways: intimate sexual contact, shared hypodermic needles, blood transfers from mothers to unborn child, and the introduction of contaminated blood into the bloodstream (although blood testing has all but eliminated this problem). Homosexual men account for roughly 60% of U.S. AIDS cases, but the numbers are rising among intervenous drug users, minorities, and infants. The fastest growing category is men and women who are infected through heterosexual sex. Medical experts stress that there is no evidence that HIV can be transmitted through casual contact.

Can AIDS be Prevented? According to the Surgeon General, the most certain way to control the AIDS epidemic is for individuals to maintain faithful monogamous sexual relationships and to avoid injecting illicit drugs. With no cure for AIDS, educating those at risk of infection is currently the only way to halt the spread of the disease. The Surgeon General has stated that condoms will help prevent the spread of the virus during intimate sexual contact. To reduce the risks among intravenous drug users, some public health officials advocate the distribution of clean needles as part of drug abuse treatment programs.

What is the Government Doing? The federal government is funding research, assuring access to health care for AIDS patients, and supporting public education programs. In 1991 the federal government spent more than $1.9 billion on AIDS research and prevention, up from just $200,000 in 1981. AIDS has received funding comparable to that of other major diseases. Federal spending for cancer research and prevention in 1991 was $2 billion, and for heart disease was $660 million.

Most state and local governments are also fighting the AIDS epidemic. Indiana spent more than $660,000 in 1991 for education, testing, counseling, and patient care related to AIDS.

How are Aids Health Costs Financed? AIDS cases are straining America's health care system. Estimates of the cost of caring for a typical HIV-infected patient from infection to death range from $55,000 to $80,000. Private and public costs will reach $5.8 billion this year and will almost double by 1994.

Private health insurance covers 40% to 60% of the cost for caring for persons with AIDS. Medicaid, the federal-state health program for low-income persons, covers an additional 20% to 30%, and Medicare provides 1% to 3% of costs. The remaining costs are out-of-pocket expenses paid by individuals or families. Medicaid eligibility is based on strict income and asset requirements. For Medicare eligibility, individuals under age 65 must have received Social Security disability benefits for 24 months. Thus, few AIDS patients qualify for Medicare because their average life-expectancy is shorter than the two-year waiting period.

Should There be Mandatory Testing? All donated blood is now screened for HIV and testing is mandatory for military personnel and federal prisoners. There is broad agreement that individuals at high risk of contracting HIV should seek testing.

Most experts resist plans for sweeping, mandatory testing, such as testing all applicants for marriage licenses or all health care workers. They are concerned that, because of the stigma of the disease, mandatory testing will drive away high-risk individuals who most need counseling or medical treatment. In addition, HIV blood testing is expensive. A typical HIV screening test costs $50 to $100, and testing would mean spending an enormous amount of money to uncover a small number of infected people.

Federal, state, and local governments have developed workplace standards to protect workers and patients against the spread of blood-borne diseases such as AIDS and hepatitis. These safety standards encourage health care workers to test voluntarily for HIV, and are supported by almost all national health care organizations.

Are AIDS Victims Treated Fairly? Americans with AIDS or HIV have suffered various forms of discrimination, including the loss of job, home, and insurance. The Americans with Disabilities Act of 1990 prohibits discrimination on the basis of handicap (including HIV infection and AIDS) in most private sector employment, in public service, in public transportation, and in restaurants, theaters, and office buildings.

What Progress has been Made? Progress has been made in fighting AIDS, and a great deal has been learned about the disease since its discovery eight years ago. Scientists know how to prevent it, know the high risk groups, and know what can and cannot be done and what should be done in research and treatment.

Still, many things remain to be learned: why the virus may remain dormant for years before it suddenly begins its destructive course; why the AIDS epidemic marches erratically, explosive in some regions and moving slowly in others; and why the antibodies the body produces against HIV do not stop the invader as antibodies do against other microbes.

The AIDS crisis will get worse before it gets better. As the heterosexual population is exposed, the number of AIDS cases will continue to rise. Most experts believe an effective AIDS vaccine will not be available for many years.

JAMES ROSE PATTERSON HONORED FOR 50 YEARS OF SERVICE TO HIS COUNTRY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am happy to recognize Mr. James Rose Patterson, who was recently featured in the Miami Herald for his 50 years of service with the Federal Government. The article "Air Controller Honored for 50 Years of U.S. Service" by Ana Acle tells how he served his country for more than a half century:

It was the day after the Japanese attack on Pearl Harbor when James Rose Patterson submitted his employment application with the U.S. War Department.

He was 17.

Monday, Patterson was recognized for 50 years of service with the federal government including his work with Federal Aviation Administration at the Miami Air Route Traffic Control Center.

"I'm really moved by this recognition," Patterson said. "It has exceeded my wildest expectations."

He went to work to help the war effort, he recalled.

"It was very upsetting times to think that these people attacked us," he said. "We knew we were going to be in a very long war. Everyone was excited."

His application was accepted, and he went to Fort McPherson in Atlanta to work as a junior communications operator. Two years later, he worked with the Federal Communications Commission in the radio intelligence division. Wanting to work with aviation, he went to the FAA in 1944.

A love for airplanes brought Patterson and his wife, India, together. Patterson met India when she was working in the communications station in Miami. They married in 1947 and now live in Kendall.

Patterson said his greatest accomplishment has been rearing his four children. His son, Sgt. James Ray Patterson, is stationed in Germany, where he works as a Patriot missile technician and a controller with the U.S. Air Force.

His daughters are Karen Bakes, of Homestead, and Lise Patterson and Marcia Galigani, both of Gainesville.

Garland P. Castleberry, regional administrator of FAA's southern region, congratulated Patterson at the ceremony: "Patterson has exhibited qualities of patriotism, integrity and dedication throughout his entire career of 50 years, and we, the FAA, congratulate him on this accomplishment."

I am pleased to pay tribute to Mr. Patterson and the Federal Aviation Administration, which he served through most of his career, by reprinting his article. Since the day after Pearl Harbor when he signed up to help our Nation's war effort, he has demonstrated his patriotism by his dedicated service to our country.

DRUG-RELATED TERRORISM PREVAILS THROUGHOUT THE WORLD

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. CLAY. Mr. Speaker, I would like to insert for the RECORD a recent article in the Washington Post by Douglas Farah that tells of the tragedies residents of the drug infested Medellin, Colombia, community must suffer on a regular basis. I would like my colleagues to be ever mindful of the fact that drug problems are not endemic to the United States, and while we are being bombarded constantly by the rash of crimes in our communities, we must not ever lose sight of the fact that drug related terrorism is a worldwide problem.

[From the Washington Post, Dec. 9, 1991]

AWASH IN A TIDE OF VIOLENCE

(By Douglas Farah)

MEDELLIN, COLOMBIA.—Teenage Boy Scouts and Girl Scouts in blood-stained uniforms met the taxis that pulled in, with horns blaring, to the small lot in front of the emergency entrance of the hospital to unload the wounded and dying.

It was a Saturday night at the San Vicente de Paul hospital, known in Medellin as La Policlinica, where on weekends the emergency room averages about 150 gunshot victims a night. Because the hospital has no money to pay for orderlies, troops of Boy Scouts and Girl Scouts volunteer to work 12-hour shifts to unload the wounded. Ambulances are scarce, so most patients have to pay for a taxi. The bleak concrete building has no waiting room, so relatives, barred by an iron gate, wait outdoors.

"The first time I did this, I cried and everything," said Girl Scout Sandra Patricia Pulgarin, 16 as she removed her rubber gloves and wiped fresh blood from her uniform after taking one more patient to the emergency ward. "Now I just do it."

While drug-related terrorism has declined sharply in Medellin since leaders of the city's infamous cocaine cartel surrendered to the government earlier this year, human rights and medical workers say the violence has not declined. And La Policlinica, with few resources, is fighting for survival in one of the most violent cities in the world.

A hospital study released last month said that in Medellin there are 320 homicides a year per 100,000 inhabitants—about 6,000. In the United States, the national figure is 12 homicides per 100,000 people, and Washington, with 483 homicides last year, has about 80 per 100,000.

Most of those who arrive at the hospital here are men between 15 and 30 years old from comunas, the poor neighborhoods that ring the city. Gang fights, skirmishes with the police, drunken brawls and fights over drugs and women all contribute to the flow of patients.

By 1 a.m. on the recent Saturday night, patients waiting to be treated had filled the stretchers, so new arrivals were carried on whatever the volunteers could find.

Following the arrival of "another package," as the bodies are called, Pulgarin disappeared behind the iron gate that keeps visitors from entering the emergency room and emerged a moment later, carrying 2-year-old Catarina, whose mother had been shot in the chest by her father.

The child had refused to let go of her mother's hand in the taxi, and Pulgarin pried her loose and hugged the trembling girl in the parking lot, eventually coaxing her to drink a cola and eat some chips. Relatives arrived about an hour later to take her away.

The dimly lit parking lot was splattered with dried blood. Relatives and friends waiting for word on the fate of loved ones sat on the ground or whatever surface they could find.

Vendors sold coffee, snacks and cigarettes, while late-night hangers-on, morticians hustling business and morgue workers lounged against the wall. Occasionally, the murmurs were interrupted by the sharp cries of those being informed of a death or by chatter of patients being discharged.

A long hearse-like vehicle was backed up to the morgue doors, and three bodies were loaded. Four more were inside awaiting identification.

Asked if the night was unusually gruesome, a morgue worker replied: "No, this is Saturday. Seven, 10, 15, 20 dead is normal here."

After discharging their passengers, taxi drivers are often unable to collect the fares, and they stay for a while, cleaning the blood off the back seats. The single policeman on duty asks each driver who arrives with a gunshot victim for the location and circumstances of how the body was found. Most give the shortest possible answer to avoid involvement, then head back into the night.

A young intern working the 36-hour weekend shift said that Saturday, when more than two dozen wounded arrived between 10 p.m. and 1 a.m., was actually relatively quiet but that he was one of only a handful of doctors the hospital could afford to have on duty.

"We have no resources to do this work," the doctor said as he slumped in a chair in a small cafe, smoking and drinking a cola during one of the few breaks he would grab. "I can only operate on maybe three or four people a night, the same as the other physicians. The rest have to wait, and, I am sorry to say, many die while waiting."

Orlando Londono Ospina, director general of the hospital, asked last month that the city build a new "war hospital" to deal with the overwhelming flood of emergency victims so that La Policlinica could concentrate on important non-emergency treatments.

"The congestion is such that with only 40 beds in the emergency ward, only the most extreme cases are placed there," Londono said at a press conference. "Regular patients get a mattress in the hall, and those with wounds that are not too serious get treated as they lie on the floor on a blanket."

The intern put out his cigarette and prepared to go back to work. "We lack everything here that you can imagine," he said. "We all do the best we can, but as you can see, sometimes that is not enough."

NATIONAL EYE DONOR MONTH

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. GUARINI. Mr. Speaker, the efforts of Congress have helped make possible the enormous humanitarian and economic benefits of eye, organ, and tissue transplantation: lives saved, bodies repaired, sight restored, and thousands of men, women, and children returned to the workplace, classroom, and community life. Our support of eye donation, in particular, has had a dramatic impact.

Thanks to increased public awareness of the benefits of eye donation, a record number of humanitarian-minded citizens are choosing to pledge their eyes to be used after death for sight restoring surgery and eye research. In 1990 more than 86,000 donor eyes were procured by eye banks across the United States and Canada. Of this number, the Eye Bank Association of America [EBAA] reports that over 40,000 were used in other sight enhancing surgical procedures, and in important research projects to speed the day when thousands of persons with other types of blindness also might have their sight restored.

Since 1961, when the EBAA was founded, more than 390,000 corneal transplants have been performed with a 90-percent success rate, making this surgery the most frequently performed of all transplant procedures. Persons who have received the precious gift of sight through this surgery have come from all walks of life and all parts of the country, and include a 9-day-old infant and a 103-year-old great-great-grandfather.

The EBAA is coordinating activities across the United States and Canada through its 97 member eye banks to increase eye donation, expedite research, and maintain high medical standards for obtaining, medically screening, and delivering corneas for transplant.

Despite this remarkable effort, men, women, and children still wait in darkness because of a shortage of eye donations. Eye banking experts are convinced that one of the most effective means for increasing donations is to increase public knowledge of the donation process. They point out that many citizens do not realize that all eyes are acceptable for donation, regardless of the donor's age or quality of vision.

Therefore, it is fitting that we in Congress inform the public of the need for eye donations and encourage more Americans to become organ and tissue donors, as we have done every year since 1983. We do so by designating March 1992, as "National Eye Donor Month" and calling on all citizens to support this humanitarian cause.

IN HONOR OF ROCKO M. FASANELLA, M.D.

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Ms. DELAURO. Mr. Speaker, few doctors have made such important contributions to the medical profession, both locally and globally, as Dr. Rocko M. Fasanella. As a world-renowned surgeon in ophthalmology, a medical scholar, a dedicated teacher, and a leader among his colleagues, Dr. Fasanella has helped countless patients and been a source of great pride to the community of the third Congressional District of Connecticut. The Italian American Historical Society of Greater New Haven recently honored Dr. Fasanella with a Distinguished Service Award, and I join them in paying tribute to Dr. Fasanella and his lifetime of achievement. New Haven's Italian Americans are a close-knit community and all of us feel a special pride and admiration for the accomplishments of this outstanding individual.

Rocko Fasanella grew up in Trenton, NJ, where his parents had settled after immigrating from San Fele, a village not far from Naples, Italy. He received both his B.A. from Yale College and his M.D. from Yale University School of Medicine, beginning his outstanding career in the greater New Haven community. He completed postgraduate work at the University of Pennsylvania, and received an honorary doctorate of human letters from Sacred Heart University. He has frequently been honored by American and European medical societies for his contributions to medicine.

After serving as a medical officer in World War II in the European Theater, Dr. Fasanella returned to the Yale Medical School as its first, and youngest, chief of ophthalmology. As a professor of medicine, he trained students who now head the staffs of medical centers in Peru, Los Angeles, Baltimore, Hawaii, and Texas.

Both the United States and the international community have benefited from Dr. Fasanella's expertise and accomplishments. Medical students in this country and abroad use the four ophthalmology texts Dr. Fasanella has edited, which have been translated into several languages. He has also made important contributions to the New England Journal of Medicine and the Journal of Ophthalmology.

Dr. Fasanella has traveled all over the world as a guest lecturer, to share his expertise on many crucial ophthalmological procedures. These include the Fasanella-Servat surgical procedure; a fixation suture for crossed eyes; modifications of nasal lacrimal surgery; use of cryoextractor in cataract surgery; introduction of innovar, the Finnish anesthesia; research in Blepharospasm, and many other critical advances in the field of ophthalmology.

In addition, Dr. Fasanella has distinguished himself among his colleagues by devising new ways to share American medical knowledge with the developing world. With this purpose in mind, he founded the Caribbean Ophthalmology Society, whose objective is the spread of knowledge from the world of medicine to Central and South American communities. Here in the United States, Dr. Fasanella is a charter fellow of the American Society of Ophthalmology Plastic and Reconstructive Surgery.

Rocko Fasanella is a source of pride and inspiration to all of us in the Italian American community and Connecticut's Third District as a whole. It is with great pleasure that I congratulate him on his achievement and wish him continued success in the future.

PINELLAS COUNTY SCHOOLS VOLUNTEER PROGRAM NAMED NATIONAL POINT OF LIGHT BY PRESIDENT BUSH

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. YOUNG of Florida. Mr. Speaker, it is an honor to report to my colleagues that President Bush this month has recognized the thousands of volunteers of all ages who have contributed to the success of the Pinellas County Schools Volunteer Program as his 668th Daily Point of Light for the Nation.

This is an outstanding model program in which volunteers provide tutoring, mentoring, motivational support, one-on-one counseling, and classroom assistance to enrich the education of 93,000 Pinellas County school students.

It is just one more example of how Pinellas County leads the Nation in innovative programs to improve the education of our children and the quality of life for our residents. The 17,000 students, parents, senior citizens, corporate employees, and other participants who have made this program such a success symbolize the spirit of volunteerism which has transcended our Nation's history.

The volunteer program began in 1981 and last year alone provided 865,000 volunteer hours to the schools, one-third of which were one-on-one instructional sessions with students.

In saluting the volunteers of Pinellas County Schools Volunteer Program, President Bush said they exemplify his belief that, "From now on in America, any definition of a successful life must include serving others."

Volunteers serve in 130 Pinellas elementary, middle, and high schools, meeting at least once a week during school hours with selected students. They provide support, encouragement, and self-esteem to students through tutoring and mentoring activities including art, computer, and music programs. Youth motivators are also matched with students needing extra attention and friendship to provide advice and support during weekly meetings.

The program has been an outstanding success as demonstrated by a 1989 survey of 200 middle and high school students who were matched with tutors found that 89 percent of the students improved at least one letter grade over the previous year, that classroom attendance improved for at least 75 percent, and that 92 percent exhibited greater self-confidence during interviews with teachers and guidance counselors.

Mr. Speaker, the volunteers in this program who have provided support and motivation to thousands of Pinellas County students are symbolic of our Nation's history of providing assistance to neighbors in need. Through their work and generosity, they have helped better the qualify of education for our students which provides the foundation upon which our community and our Nation will grow and prosper.

SHORT-TIME UNEMPLOYMENT COMPENSATION ACT

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. STARK. Mr. Speaker, today I am introducing a bill which encourages States to establish and implement short-time compensation [STC] programs. The 14 States that have used this alternative to help employers and employees when a company is facing a downturn in business have found it a helpful way of continuing business and retaining skilled workers.

The possibility of using STC, its other names are short-term compensation and work-sharing, has been around since 1978. Where the program has been used, it has a good proven track record. It seems not to have been adopted by more States or used by more companies in States that have adopted the program because it is not well known. My hope in introducing this bill during the present recession is to call attention to this alternative that is less painful than employee layoffs or plant shutdowns.

The bill reiterates that there is nothing in Federal law that precludes the adoption and implementation of a STC program as part of the unemployment compensation law of any State. It also states that STC shall be treated for Federal statutory purposes as an unemployment compensation payable for partial unemployment. This means that if a manufacturing company has a 20-percent drop in sales it may reduce all workers' hours by 20 percent rather than reduce its work force. The employees will verify their hours at the plant and the unemployment insurance office will do the rest. The employees will receive 80 percent of their usual wages from their employer and 20 percent of their unemployment benefits.

In order to assist States in developing and implementing STC programs, the bill requires the Secretary of Labor to develop model legislative language by January 1, 1993 and to update it periodically. In addition, the Secretary shall provide technical assistance and guidance in developing, enacting, and implementing such programs. Last, by January 1, 1995, the Secretary shall submit to Congress a report on the implementation of this legislation and periodically update this evaluation.

Knowing that we have a way to go to get out of this recession and that STC programs offer employers a viable option to losing valuable employees, I encourage my colleagues to support this legislation.

HONORING CUBAN PATRIOT, HERO AND POET JOSE MARTI

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. GUARINI. Mr. Speaker, I ask you and my distinguished colleagues to join me today in honoring Jose Marti—Cuban patriot, hero, and poet.

Jose Marti's writings and spirit have served as an inspiration for Cubans who successfully fought for independence from Spain at the turn of the century, and for those today who seek to bring freedom and democracy to their homeland.

I am especially aware of the importance of Jose Marti to the people of my congressional district of Hudson County, as we have the second largest concentration of Cuban-Americans in the United States, outside of Miami.

These Cuban-Americans often talk of the great works of their self-sacrificing patriot, Jose Marti. On Thursday, the people of Union City gathered to honor Marti and to raise the Cuban flag above city hall. This Sunday, the people of west New York will also gather to honor Marti.

These Cuban-Americans faithfully honor Marti each year because the values he held dear—freedom, liberty, and democracy—are those embodied in the spirit of the people of both Cuba and America.

As this great body deliberates on how to best help the people of Cuba, it would be wise for us to consider the vision of Jose Marti, who saw the desperate need for Cuban self-determination, free from the ravages of a military dictatorship.

Jose Marti, born January 28, 1853, was able to transform his vision for a free Cuba into stirring writings and poems. He was a frequent contributor to newspapers in North, South, and Latin America. His thoughts and words prompted a longing for freedom in the hearts of oppressed peoples not only in Cuba, but throughout the world.

Jose Marti followed his words with concrete actions and led groups opposed to Spanish rule of Cuba into the war for independence. He made the ultimate sacrifice for his homeland on May 19, 1895. Only earlier in the year, Marti had called for hostilities against the Spanish to resume.

Never one to let others fight the battle for freedom, Marti engaged Spanish troops in a skirmish at Dos Rios in the Oriente Province. It was here that he gave his life.

Even after his death, Jose Marti's spirit and hope for a free Cuba lived on in his compatriots.

That same spirit can be seen again today within opposition groups in Cuba and the Cuban-American community in Miami and in my congressional district of Hudson County.

I am sure that were Jose Marti alive today, his would be the loudest voice in denouncing the regime of Fidel Castro. For while Marti wanted a Cuban leader to govern the Cuban people, he never wanted a despot to lead them to ruin.

Marti proved this point during the early 1880's, when he withdrew from the Cuban independence movement because he felt it was straying toward an effort to install a military dictatorship in his beloved Cuba.

Marti resolved his differences with the movement a few years later, but his actions stressed the need for power in a Cuban-run government to lie with the people.

As we all know, this is certainly not the case in modern day Cuba, where one can be imprisoned for speaking out against the regime in power and human rights abuses take place every day.

I believe that Jose Marti, if he were alive today, would be appalled at what has happened to the Cuban people.

And so Mr. Speaker, I ask you and my distinguished colleagues to join me today in honoring Jose Marti. But I also ask that like Jose Marti, you transform these thoughts into action, and do everything in our power to help the Cuban people fulfill Jose Marti's dream of a free Cuba. Vive Cuba libre.

UKRAINIAN INDEPENDENCE DAY

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. YOUNG of Florida. Mr. Speaker, every year for as long as I can remember, my colleagues in the House have joined me on this day to express support and hope to the Ukrainian people in celebration of Ukrainian Independence Day.

This year, however, is a most special celebration as we join the people of the Ukraine and Ukrainians throughout our Nation and celebrate their perseverance, courage, and strength which finally has brought them their freedom and independence. After years of living under the domination of numerous regimes including the Soviet commissars, with only the briefest interludes of nationhood, Ukraine is again an independent nation.

Ukraine's newfound independence is a result of the will of its people and an extraordinary session of the democratically elected Ukrainian Parliament following the ill-fated coup attempt in the Soviet Union. During this session, the Parliament proclaimed the independence of Ukraine and the creation of an independent democratic Ukrainian State. On December 1, 1991, the freedom-loving citizens of Ukraine overwhelmingly confirmed the independence declaration in a Republic-wide referendum, and for the first time in their history voted for a President from a field with real choices.

Mr. Speaker, 74 years ago today the Ukrainian Central Rada issued the Fourth Universal proclaiming a free and independent Ukrainian National Republic. The Fourth Universal embraced the principles of freedom, democracy and self-determination. The Ukrainian National Republic it created guaranteed basic freedoms of speech, press, religion, and assembly, as well recognizing the rights of minorities.

Today, the newly independent Ukraine remains committed to these same causes. The democratically elected government has created a multiparty election system in which all are free to participate, and the Ukrainian Parliament has approved legislation which guarantees equal rights to all ethnic groups in Ukraine, including provisions for the use of more than one language in areas with significant minorities. In addition, Ukrainian President Kravchuk has declared Ukraine's intention to follow the highest international standard on human rights.

Mr. Speaker, as a cosponsor of House Concurrent Resolution 212, which calls upon our Nation to fully support and recognize Ukraine's independence, I was very pleased when on Christmas night, President Bush granted that nation full United States diplomatic recognition. President Kravchuk acknowledged U.S. recognition on January 2d, and our two nations since have begun establishing diplomatic relations and building new ties.

On this special day I would reiterate the important role the Congress and the American people have played in supporting the people of Ukraine during their long, valiant, peaceful, and democratic transformation to independence and in their efforts to cast off the yoke of communism. Clearly we benefit by having a stable, democratic and prosperous friend in that region of the world. Moreover, by supporting Ukraine's independence, we remain true to our values and our traditional support for freedom and self determination.

Mr. Speaker, during this celebration of freedom and independence, let us also remember the millions of Ukrainians who fell victim to years of Soviet oppression and know that their sacrifice was not in vain. For as hard as the dictators of the Soviet Union tried to extinguish the burning flame of freedom in the people of Ukraine, we knew all along that their efforts would fail and that freedom would reign. The lesson from this latest chapter of history is that once again freedom has won out over tyranny and oppression and the Ukrainian people have regained the most basic of human rights.

JAMES KNUPPE WORTHY RECIPIENT OF MARTIN LUTHER KING COMMUNITY AWARD

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. STARK. Mr. Speaker, on January 20, 1992, the NAACP and the city of Hayward will present Mr. H. James Knuppe with the Dr. Martin Luther King, Jr.'s Community Award. Mr. Knuppe is being so honored for being a unifying force in a diverse community.

As a pioneer in the ministorage industry, Jim's first AAAAA Rent-A-Space facility was opened in 1970, in Alameda County. It is now one of the largest individually owned and operated self-storage chains in the country, with a total of 10 well-constructed, attractive, award-winning site, 9 in California and another in Hawaii. Jim also began and participates in a number of regional and national self-storage associations.

Jim is licensed as a general contractor in both California and Hawaii. He holds the title of a certified professional builder and is also a 14-year life director of the National Association of Homebuilders.

Since the inception of his business, Jim has been unpretentiously encouraging a policy of nondiscriminatory hiring. His efficient, tightly knit organization is successfully run on a day-to-day basis by himself, his son Michael, and a talented multiracial staff.

A dedicated Christian businessman, Jim is also a deacon at Palma Ceia Baptist Church, and a member of the Gideon. He has built two churches in Hayward.

Jim and his wife Bobby have been married for 38 years and have 3 children and 7 grandchildren. In addition to his enthusiasm for model trains, Jim has established 11 aviation world records while pursuing the hobby of flying.

Mr. Speaker, I rise today to recognize and salute the achievement of H. James Knuppe for promoting harmonious community relations while building a successful business.

HONORING A LIFE OF DEDICATION TO INTERNATIONAL SERVICE, DUMOND PECK HILL

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. FASCELL. Mr. Speaker, a friend of mine and former chief counsel to the House Committee on Foreign Affairs, Dumond Peck Hill, died recently and I would like to honor the memory of this man who dedicated much of his life to international service.

Although Peck Hill left a position in Government many years ago, he continued to participate both professionally and on a volunteer basis in people-to-people programs linking countries and their leaders.

One organization to which he was particularly close was the Partners of the Americas. Partners recently voted to have its Volunteer of the Year Award—the highest recognition given annually to Latin, Caribbean, and U.S. citizens who excel in volunteer efforts—carry Dumond Peck Hill's name forever.

Partners, which was very important to Peck Hill, is the private sector successor to the Alliance For Progress, founded by the Kentucky administration to link U.S. leaders and institutions with their counterparts in 31 Latin and Caribbean countries.

Last year, I was pleased to host this organization when it celebrated its 25th anniversary in the hearing room of the House Committee on Foreign Affairs. Peck Hill served as the Partners legal counsel for 20 of those 25 years and it was a credit to him that the organization can point to a fine record of growth and management in its many programs.

Will we miss Peck Hill, but we know that his many contributions to international service will live on in the work he did for organizations such as Partners of the Americas.

I feel honored to have known and worked with him.

A NEW RECORD FROM A GREAT AMERICAN STATESMAN

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. BROOMFIELD. Mr. Speaker, on January 6, our colleague JAMIE WHITTEN surpassed the 18,324 day record of service in the House of Representatives set by Carl Vinson.

It was Andy Warhol, the New York artist, who said that in the future everyone would be famous for 15 minutes.

If true, our distinguished colleague, JAMIE WHITTEN, has already had roughly 1.75 million times his quota of fame.

JAMIE came to Washington not to seek fame, but to serve his constituents and his country. He has been doing just that, faithfully and effectively since 1941.

It's hard to imagine all of the history that JAMIE has witnessed since he first came to Congress. More to the point, it's hard to imagine all the history that JAMIE has made since then. He has served this country in many powerful positions in Congress, and he has served with distinction.

He's been a forceful and authoritative presence in Congress and an excellent role model for the many Members who have learned the legislative process under his guidance.

JAMIE is a wonderful friend, a great American statesman, and a credit to the State of Mississippi.

TONY BURNS RECEIVES GREATER MIAMI CHAMBER OF COMMERCE'S "SAND IN MY SHOES" AWARD

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Mr. Tony Burns, the chairman of Ryder System, who was recently featured in the Miami Herald for receiving the Greater Miami Chamber of Commerce's 11th annual "Sand in My Shoes" award. The article "Ryder Chief To Be Honored for 17 Years of Civic Work" by Elizabeth Grudinski tells how his dedicated work for many civic and community organizations earned him the chamber's highest recognition for an individual community volunteer:

Tony Burns, chairman of Ryder System, has axle grease on his hands and sand in his shoes.

Burns—whose father operated a Nevada truck stop and who has made a career in transportation—will receive the Greater Miami Chamber of Commerce's 11th annual "Sand in My Shoes" award Friday.

The award is the chamber's highest recognition of an individual community volunteer, given to the person who "best demonstrates an unequaled love and commitment to South Florida as a place to live and work."

During the last 17 years, Burns' public service has touched dozens of organizations. His work has ranged from arranging a fundraiser for the Boy Scouts to serving as chairman of the United Way of Greater Miami. Testimony of Burns' commitment comes from all levels, from movers and shakers to students and security guards.

"The guy does the right thing, and he does it from the heart," said Harve Mogul, executive director of United Way of Greater Miami.

"He is always a friend," said 16-year-old Kent Leckie, a member of Burns' church, the Church of Jesus Christ of Latter-day Saints. "He's always there when you need to talk to him."

"He's super," said Lenny Mowatt, 71, who staffs the visitors desk at Ryder headquarters. "He treats everyone the same way. He's well-liked by the employees."

Burns downplays his role in the community. "It's not because of me personally, but because of what Ryder does in the community."

Recent business difficulties have caused Burns to cut back on national volunteer activities, while continuing his local involvement. Burns said he is spending more time on Ryder business than he did in the 1980s.

Burns has traveled a long and unlikely road to the "Sand in My Shoes" award. Born in 1942, he grew up in Mesquite, Nev., a town of 500 people 60 miles outside of Las Vegas. His family, converts to the Mormon faith, had migrated from England and settled in Mesquite in the middle of the last century.

Burns intended to work at his father's truck stop after high school, but a baseball coach arranged for a scholarship at Dixie College in Utah. After a year, Burns transferred to Brigham Young University in Salt Lake City, where he received a degree in business management. He earned a master's degree in business from University of California at Berkeley. While at Berkeley, Burns and his wife, Joyce, leased and ran a Texaco gas station to support themselves.

Burns' first job out of college was visiting Mobil gas stations and peddling gas, tires and other automotive products. He was Mobil's financial analysis manager in New York, when Jim Ryder and Bill Cullom, then of the Ryder System, lured Burns to Miami to become director of corporate planning and treasurer.

"We liked him from the first moment we saw him," said Cullom, now president of the Greater Miami Chamber of Commerce.

Burns rose quickly at Ryder, becoming president and chief operating officer in 1979, chief executive officer in 1983, and chairman of the board in 1985.

Burns' tenure as Ryder president turned rocky in the late 1980s. "The last two have been challenging," Burns said, referring to Ryder's recent restructuring and downsizing of the work force from 46,000 to 40,000.

The Sand in My Shoes Award will be only one more entry on Burns' already crowded resume. It joins the honorary doctorate of public service from FIU, the Boneh Yisroel Builder of Israel award from the Greater Miami Jewish Federation, the Good Scout Award from the Boy Scouts of America, the trusteeship of the University of Miami, the membership on the board of directors of the United Way of Greater Miami and the former chairmanship of the National Urban League, among others.

A few activities are particularly important to Burns—education and other child-related programs and the trauma center at Jackson Memorial Hospital, partially paid for with a $2.5 million contribution from Ryder.

"As a philanthropic policy, the trauma center makes sense to Ryder. It will help all people, regardless of background and income. When you need it, it will be there," said Burns.

Burns and his wife, who have been married for 29 years, have three children.

Burns is the 12th recipient of the Sand in My Shoes Award; there were dual recipients last year. Past recipients include bankers Luis Botifoll and the late Harry Hood Bassett, former Knight-Ridder chairman Alvah Chapman and developer Charles Babcock.

The name of the award is taken from writer Damon Runyon, who used Miami sand in his shoes as the reason for turning down a job in Hollywood.

I am happy to pay tribute to Mr. Burns and the Greater Miami Chamber of Commerce by reprinting this article. He has lived up to the spirit and letter of this important recognition, which is given to the person who best demonstrates an unequaled love and commitment to south Florida as a place to live and work.

RESOLUTION ON UNCED

GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. YATRON. Mr. Speaker, today I am introducing a resolution on U.S. participation in the United Nations Conference on Environment and Development—UNCED—or otherwise referred to as the Earth Summit.

The purpose of this resolution is to convey to the world community and the administration the importance Congress attaches to this unprecedented and critical conference. It is essential for the Congress to play its rightful role to ensure the Earth Summit is successful.

As chairman of the Subcommittee on Human Rights and International Organizations, which has jurisdiction over the global environment, I have conducted several hearings on UNCED. The resolution is a result of these hearings.

UNCED will review 20 years of U.N. efforts to improve the environment and will attempt to establish an international agenda for action for the rest of the decade and into the 21st century—called Agenda 21. It will be held in Brazil in June 1992. It comes 20 years after the first U.N. conference on the environment—the Stockholm Conference—which subsequently established the United Nations Environment Program [UNEP]. All U.N. members are expected to attend UNCED, to discuss means of halting or reversing deleterious global trends, which can only be addressed through multilateral efforts. It is anticipated that the conference will be attended by hundreds of nongovernmental organizations.

Some of the major issues which UNCED is expected to address include climate change, oceans and coastal area pollution, hazardous wastes, dangerous chemicals, freshwater pollution, biological diversity, desertification, soil erosion, and deforestation. It is anticipated that two conventions, one on climate and another on biological diversity, which are currently being negotiated, will be ready for signature at UNCED.

The other, and equally important aspect of UNCED, will be to deal with the developing needs of poorer countries. Since environment and development are inextricably linked, UNCED will endeavor to reduce poverty by promoting sustainable economic growth and encouraging sound environmental management in the developing world. Helping developing countries become more energy efficient with an emphasis on renewable energy resources will be a key issue.

In addition, the conference will seek to develop a better legal framework and institutional structure for effective global action, decisionmaking, and compliance will respect to the global environment. Financial resource issues will also be discussed.

A series of Preparatory Committee [Prep Com] meetings were held to attempt to negotiate proposals for action at UNCED. The final Prep Com is scheduled for New York in March. A great deal of substantive work must be done there for a successful UNCED.

The issues at Prep Coms have been divided into three working groups: Working Group I deals with climate change and atmosphere, and land resources including biological diversity, forests, and biotechnology; Working Group II handles oceans and seas, freshwater resources, wastes, and toxic materials; Working Group III addresses legal and institutional matters.

Each country is supposed to prepare a national report providing basic information on the existing situation in the country in terms of interactions between the development process and the environment. The reports should highlight national economic and sectoral development plans, environment and natural resource problems, and actions to solve them, including policies and programs.

The resolution urges the President to attend the conference and give it the highest priority. The measure also urges the administration to support the signing of the conventions on climate and biological diversity, the development of a strong legal framework with appropriate institutional mechanisms, the establishment of global goals to slow deforestation, the consideration of appropriate financial arrangements to facilitate sustainable growth through sound environmental management, and the enhancement of energy efficiency initiatives with an increased priority on renewable energy resources for developing countries.

The resolution reads as follows:

H. CON. RES. —

Whereas global environmental and development issues such as climate change, depletion of the ozone layer, the disposal of hazardous chemicals, deforestation, the loss of biological diversity, marine pollution, threats of the world's supply of freshwater, and global population growth, are high priority concerns of the United States, affecting the security and well-being of present and future generations;

Whereas reducing poverty and promoting sustainable economic growth and sound environmental management in the developing world are also high priority concerns of the United States;

Whereas these urgent global environmental and developmental challenges will require increased international cooperation between developing countries and developed countries, as well as strengthened international institutions;

Whereas the United Nations Conference on Environment and Development, to be held in Brazil in June 1992, represents the best opportunity in many years to reach agreements on such international cooperation; and

Whereas the role of the United States in the negotiations on the United Nations Conference on Environment and Development is crucial to its success: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the United States should place the highest priority on participation in the United Nations Conference on Environment and Development is successful;

(2) The United States should actively support the signing of international agreements that effectively reduce the threats of climate change and the loss of biological diversity and that establish a strong framework for cooperation between developing and developed countries on a wide range of environmental and developmental issues, and whose success would be reflected in the personal participation of the President;

(3) the President should make every effort to attend the Conference;

(4) the United States should seek the development of a stronger legal framework to protect the global environment, with appropriate institutional mechanisms in the United Nations system including mechanisms for settling environmental disputes and to promote compliance with existing environmental accords and any new agreements signed at the United Nations Conference on Environment and Development in Brazil;

(5) the United States should support the effort to address the legitimate needs of developing countries for increased financial resources, new and appropriate technologies, and reduced debt burdens to facilitate sustainable growth through natural resource conservation and environmentally sound agricultural, industrial, and energy production;

(6) the United States should support initiatives to help developing countries become more energy efficient, with increased priority on renewable energy resources and more efficient transportation systems; and

(7) the United States should support global goals of slowing deforestation of primary native forests, increasing worldwide forest cover, and preserving a specified amount of mature forests.

TRIBUTE TO STEVE OWEN

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. BERMAN. Mr. Speaker, it is with pleasure that we rise today and pay tribute to an extraordinary individual, outstanding member of the community and good friend, Mr. Steve Owen. Steve will be honored by the San Fernando Valley Board of Realtors for his devoted service as president.

During his tenure as president, Steve has played a key role in strengthening and expanding the San Fernando Valley Board of Realtors. His visionary leadership and commitment to improving the quality of life in our community has helped make the board a highly respected organization throughout the State of California.

Under Steve's leadership, the San Fernando Valley Board of Realtors has maintained its position as one of the largest and most prestigious in the Nation. Steve has improved and expanded member services without raising dues or fees. As a result of his hard work and excellent performance, he enjoys respect and support throughout the San Fernando Valley. He is a member of the San Fernando Valley board's executive committee and has chaired and served on the governmental affairs, long range planning and multiple listings committees.

It is very important to Steve that the San Fernando Valley Board of Realtors help the community it serves. Under his guidance, the first housing needs committee was established to examine and increase opportunities for low income citizens to obtain affordable housing. As a result of this unique effort the board was chosen as one of four pilot program sites by the National Association of Realtors and the National Council of Mayors for a major affordable housing project. Under Steve's direction, the San Fernando Valley of Realtors Foundation made its first grant to the L.A. Family Housing Corp.

Steve is serving his sixth year as director of the California Association of Realtors and has served on the association's legislative and scholarship trustees committee.

Besides being a successful realtor, Steve is past president of both the Mission Hills Chamber of Commerce and the Police Athletic League Foothill Division. He is director of Project Heavy, director of the San Fernando Valley Business Professions Associations and member of the Los Angeles County Tax Assessor's Commission.

It is our distinct pleasure to ask our colleagues to join us in saluting Mr. Steve Owen, an invaluable member of the community.

PRIVACY AND TECHNOLOGICAL INNOVATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, January 1, 1992, into the CONGRESSIONAL RECORD:

PRIVACY AND TECHNOLOGICAL INNOVATION

I have become increasingly aware of the enormous growth in technologies that intrude into our private lives. There are surveillance cameras in banks, supermarkets, and department stores. Computers gather information about our financial affairs, buying habits,and travel patterns. The government collects huge amounts of information in massive data banks operated by the Internal Revenue Service, the Social Security Administration, Census Bureau, and other agencies.

These technologies present new challenges to privacy rights. Our system of government has long recognized our general right as citizens "to be let alone". The Supreme Court has attached the concept of privacy protection to the fourth amendment of the Bill of Rights, which prohibits unreasonable searches and seizures. Federal and state laws have been enacted to protect a person's privacy from both government and business intrusions. However, the explosion of technology and computers is making it increasingly difficult to shield our private lives from such encroachments.

Privacy and the Workplace: Companies today are delving further into employees' personal lives. Several major telecommunication companies have begun monitoring not only employee telephone conversations with customers, but also their private workplace telephone conversations. While this type of monitoring may be helpful in improving employee performance with customers, it may infringe on workers' privacy rights and is being challenged in the courts. Further examples of possible privacy infringements include monitoring the keying rate of keyboard operators at data processing companies, video-surveillance cameras that scan an increasing number of workplaces, and employers trying to institute mandatory polygraph (lie detector) tests for workers. Federal law prevents employers from requiring polygraph testing of employees as a condition of employment.

Computers and Data Collection: Powerful computer systems have the potential to link data bases, including tax files, credit ratings, criminal records, bank records, telephone calls, medical records, and even the records of drugs purchased at local pharmacies. For example, every month, the big three credit bureaus purchase computer records from banks and retailers that provide detailed financial information on virtually every adult American. They possess over 400 million files on 160 million Americans. These credit agencies sell this information to smaller agencies who many times sell it to people and businesses that have no legitimate reason to see it.

My sense is that most Americans want information about them used only for the purpose for which it was collected. I am concerned that individuals have limited control over this information and how it is being used by businesses. Data merchants can put together mailing lists of enormous complexity that can identify an individual's address, age, income, credit history and personal habits. New technologies will further assist their efforts. For example, supermarkets will soon accept credit cards for payment. This will enhance the ability of data merchants to link consumers' names with products they buy, and sell those names to merchandisers for targeted mailings and advertisements.

The Congress has taken some steps to bolster existing laws on privacy protection. The Fair Credit Reporting Act of 1970 was intended to bar credit agencies from sharing their information with anyone other than authorized customers. The Act also gives consumers the right to review their credit records. However, the 1970 law has major loopholes that limit its effectiveness. In response to published accounts of Judge Robert Bork's video movie rental records during his confirmation hearings, a law was enacted in 1988 to prevent retailers from disclosing this information without the customer's consent or a court order. A second law, also enacted in 1988, regulates computer matching of federal data for verifying eligibility for federal programs.

Telecommunications and Privacy: The explosion of technology in the telecommunication field poses additional challenges to privacy rights. Many Americans now use cellular and cordless phones. These products are, in effect, little radio stations and it is possible to tap most personal calls. However, there are only limited safeguards against such intrusions. While it is legal to listen to someone's cordless phone conversation, it is illegal to listen to a cellular call.

Caller I.D. is another such technology. This service, provided by many local phone companies, displays the telephone number of every incoming call on a small screen. While this service may eliminate obscene calls and fraud in over-the-phone purchases, it can be abused as a marketing tool. Businesses can use the displayed phone numbers to obtain other information about individual customers from other consumer data bases.

State and federal government have made efforts to protect consumers from such abuses. Several states have enacted laws to prohibit the service unless phone companies offer customers the ability to block their number from being displayed at all times. The Congress and President Bush approved legislation this year that prohibits the use of automated dialing machines that can call every number in a telephone exchange and then play a pre-recorded sales pitch. A bill is also pending that would regulate the Caller I.D. service by allowing callers to choose whether their number can be displayed.

Privacy in the Future: The Congress and the President must devise a better framework for safeguarding privacy rights in an era of rapid technological innovation. Current law is inconsistent and ineffective. For example, while video records are protected today, health insurance claims remain largely unprotected. I don't think most of us understand how much is known about us and how the information is collected and used.

My guess is that many Americans want the benefits and convenience of new technologies which have been helpful in, for example, curtailing workplace crime. At the same time, Americans are growing increasingly concerned about threats to personal privacy. For many years we have been concerned about big brother—the police state—watching our every move. Now we have to worry about little brother as well—employers, neighbors, merchants and marketers, all of whom have the ability to look into our lives. Most of us would agree that privacy is important to maintaining a free society, and that excessive intrusion into our private lives could threaten our basic freedoms of speech, religion and political expression as well as the freedom of families to make their own decisions.

SUK HE KIM CLOTHING BUSINESS RESTORED AFTER BURGLARY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, Ms. Suk He Kim's clothing store was robbed from top to bottom 3 years ago. Because she did not have insurance, she was forced to close the doors of her business. Whereas many merchants have given up, Ms. Kim's determination and that of her family turned this setback into success. The Miami Herald ran an article by staff writer Ricardo J. Bascuas telling Ms. Kim's story. That article follows:

Don't let the meek voice fool you; Suk He Kim isn't easily daunted. almost three years after most of her inventory of handmade clothing was stolen, Kim is back in business.

Her new store, Suk He's Place, opened Saturday at 9869 Eureka Dr. It has taken her all this time to crochet 290 samples of her work and raise the money to reopen the store.

"This time I have insurance and this time I have an alarm system," Kim said. "But everything is in God's hands. I'm not going to worry about that."

The 550-square foot shop is filled with sweaters, dresses, skirts and christening gowns, along with flowers and balloons from well-wishers. Proudly displayed in the window is a wedding gown Kim made to replace one stolen before she could send it to the bride-to-be.

"I finished the wedding gown just for me. I had to do it all over again," the South Korean native said.

Kim's original designs are made to fit each customer. Prices for adult sizes range from $180 to $320.

When her store was burglarized on Valentine's Day 1989, Kim, who had no insurance, was forced to close down. She then began photographing weddings and parties.

Cindy Najul, who owns Cindy's, a gift shop, arranged for Kim to take pictures of a wedding for which she was doing the floral arrangements.

Cindy's 20285 Old Culter Rd., was next door to Kim's old store.

"She told me she took pictures and I said, 'Hey, you want to make some money?' And then she went more into photography down the road," Najul said. Kim said that to make ends meet she relied mostly on help from her daughter, who left college and went to work.

"She's been working full time for over a year now. Without her, I never could have made it," said Kim, 38.

Elizabeth Lyon, 20, works as a drive-in teller at Florida International Bank, 17945 Franjo Rd.

"This is her entire lifelong dream. When her store was broken into before she was really devastated, and as long as I can help my mom do what she wants to do and she's happy, then I'll be happy," Lyon said.

She is planning to go back to school now that her mother is back in business. "I want to let my mom's store get off the ground first. I know she'll do well, but we've got to give her some time to get her clientele back up," she said.

Kim has two other daughters and a son ranging in ages from 11 to 21. Her youngest helped prepare the new store for the grand opening.

"My little daughter came in here every day, painted, put tables together and put price tags on," said Kim, "She said, 'Mom, you're going to make it and I'm so proud of you.'"

Mr. Speaker, I am happy to congratulate Ms. Kim and her family for reopening "Suk He's Place." While I am very sorry about the hardship caused by the robbery of 3 years ago, I am glad to see that the burglars could not steal the Kim family's perseverance. I wish Ms. Suk He Kim much success with her new business.

IN HONOR OF RABBI IRA BOOK AND DR. GERALD HENIG

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. STARK. Mr. Speaker, on March 7, 1992, the San Leandro Congregation of Temple Beth Sholom will be honoring Rabbi Ira Book and Dr. Gerald S. Henig for their 13—Bar-Mitzvah—years of service to the temple as Rabbi and educational director.

Rabbi Ira Book came to San Leandro as the elected spiritual leader of Temple Beth Sholom in 1978. His positive influence since then has been felt throughout the entire East Bay community.

Under his guidance, the religious, social, and educational program development of Temple Beth Sholom has been expanded and improved. This synagogue shares pride with Rabbi Book over having created and fostered the growth of the Sabbath morning "minyan" and study group. Rabbi Book's enthusiasm and talents have helped many members learn to read Hebrew, study the Torah, and contribute to the building of the local Jewish community.

While lead by Rabbi Book, the Temple Beth Sholom became officially affiliated with the United Synagogue of America. In addition, the youth groups of the congregation became chapters of USY [United Synagogue High School Youth] and Kadimah—literally, "forward." The kitchen of the synagogue was remodeled as a kosher kitchen with the help of the Beth Sholom Sisterhood, and the Endowment Society was formed under Rabbi Book.

The academic program of Temple Beth Sholom grew to become a separate organization called Bay Area Midrasha, formerly known as Bet Midrash. Now the synagogue's high school students study together with their peers from three adjacent congregations on a weekly basis.

Rabbi Book contributed to the creation of a full-time day care and preschool center in 1986, the centennial anniversary of Temple Beth Sholom. He has also chaired the community Walk for Hunger. Rabbi Book has given the Bar/Bat Mitzvah children, Confirmands, and the whole congregation of

Temple Beth Sholom a greater awareness of the mitzvah—commandment—of repairing the condition of the world, "tikkun olam."

After graduating from Columbia University, Rabbi Book completed an M.A. degree at the Jewish Theological Seminary of America and was ordained by the Rabbinic Academy of America. He later received another M.A. degree from the University of San Francisco. He has coedited a volume on American Jewry, "To Dwell Together in Freedom," and a prayerbook, "Ivdu B'Simcha: Serve the Lord With Gladness." Rabbi Book has taught at San Francisco University, the San Francisco College of Jewish Studies, and Chabot College. He has also served as the Jewish prison chaplain at the Federal Correctional Institution in Pleasanton, CA.

Rabbi Ira Book and his wife Sharon have four children, two of whom, Adam and Robyn, were raised at Temple Beth Sholom. Both attended the synagogue's preschool; Adam was confirmed with the Class of 1989, and Robyn is currently a student in the Bay Area Midrasha.

Dr. Gerald S. Henig has played several important roles in the educational program of Temple Beth Sholom over the last 18 years. He has served in the religious instruction and growth of an entire generation of Beth Sholom students as teacher, principal, and education director.

Dr. Henig's guidance has been central to instilling in the students a sense of social awareness, responsibility, and commitment, as well as a sense of social justice. His organizational skills as administrator have provided the student body with the drive and ability to successfully raise funds for such charitable causes as the Ethiopian Relief Fund, Book Bank U.S.A., Boys Town Jerusalem, Home for Jewish Parents, Jewish Family Services, Holocaust Resource Center, Alameda County Adult Literacy Project, Bay Area Council on Soviet Jewry, Agency for Jewish Education, and the Davis Street Project.

Having taught at the Alameda Midrasha, the Bay Area Midrasha, and the Temple School, Dr. Henig has had an impact throughout the bay area. Admired and loved for his warmth, understanding, good humor, and skill, he has been a source of inspiration and enlightenment for his students.

Dr. Henig has also achieved excellence in other academic circles, having received the Outstanding Professor of History Award at the California State University, Hayward, and having been a four-time recipient of the Phi Kappa Delta Best Lecturer Award.

Dr. Henig earned his B.A. degree at Brooklyn College, his M.A. at the University of Wisconsin and his Ph.D. at the City University of New York. His book, "Henry Winter Davis: Antebellum and Civil War Congressman From Maryland," was recognized by Prize-Pulitzer winning historian Arthur Schlesinger, Jr., as a "splendid piece of scholarship." Dr. Henig has written numerous articles on 19th century American political and social history, and he has also been the coeditor of a volume on American Jewry.

The Henig family has been a part of Temple Beth Sholom for nearly two decades. In 1972, Rabbi John J. Zucker married Gerald and his wife Lori. Later, Rabbi Book presided over the bat mitzvahs of their two daughters, Jennifer and Rebecca, as well as the brit milah of their son, Adam. The oldest child, Jennifer, was a student from preschool to confirmation at the synagogue. Rebecca is currently attending the Bay Area Midrasha, and Adam, the youngest, as a sixth grader, will soon be preparing for his bar mitzvah—continuing the traditional and close relationship the Henig family has had with Temple Beth Sholom.

Mr. Speaker, I rise today to recognize and honor Rabbi Ira Book and Dr. Gerald S. Henig for their service to Temple Beth Sholom in San Leandro. I wish all the best for them, their families, and the whole congregation.

IN HONOR OF RED VERDERAME

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Ms. DELAURO. Mr. Speaker, Salvatore J. [Red] Verderame has meant many things to many people throughout his long and highly successful career. First and foremost, he has approached each professional endeavor with the same deep, personal loyalty and commitment that he devotes to his many friends. Red Verderame has achieved legendary status in Connecticut's Third Congressional District for his outstanding achievements over his 50-year career in sports, education, and foreign service. As this uniquely talented and committed individual marks his fifth decade of public service, it is a pleasure for me to recognize the achievements and contributions he has made to our community.

From his early years as a high school and college basketball star, Red has dazzled teammates, friends, and fans with his ability to lead his team on to victory. Upon graduation, he decided to devote his talents to public service, and we in the New Haven community are extremely thankful that he did. After years of distinguished service to our country in both the Marines and the Foreign Service, Red brought his skills and his determination home to New Haven and put them to use where they were desperately needed—in our public high schools. As both an administrator and a coach, he has devoted his heart and soul to leading the yough of New Haven.

As principal and vice principal of Hillhouse High School during the past 20 years, Red has been tireless in his devotion to giving our young people the best education possible. Serving as an administrator of a New Haven high school is no easy task, given all the challenges our inner-city schools are facing, but it is one which Red has handled with the same strong leadership, tough fighting spirit, and winning record that he brought to his career in sports.

Red's dynamic leadership and commitment to young people have enabled him to consistently bring out the best in the athletes he has coached in New Haven and all over the world. As a basketball coach, Red has lead high school and college teams to win championships year after year. He set a State record by coaching Wilbur L. Cross High School to a winning streak of 46 consecutive victories. He never fails to inspire young people to push their skills to the limit. In these difficult times, our young people need this kind of teacher and role model more than ever, and they have been lucky to find one in Red Verderame.

In addition to all his other responsibilities and activities, Red has found the time to write three books about coaching basketball as well as numerous articles in professional publications. He has always been generous in sharing his insight and advice with those whom it might help.

Internationally, Red has coached teams throughout the Middle East and Africa, including Egypt's 1984 Olympic team. In New Haven and worldwide, he has shown a unique ability to bridge cultural differences and bring together a team working toward a common goal. Most recently, Red founded the International Ambassadors Program. This program, which provides outstanding area youngsters a unique opportunity to participate in an international exchange program that fosters multicultural awareness and respect, is a fitting continuation of Red's lifelong work with youth all over the world.

We can all learn a great deal from Red's life and his work. It is with great pleasure that I congratulate him on his lifelong achievements and wish him continued success in the future.

INTRODUCTION OF LEGISLATION TO EXTEND PROVISIONS OF SECTION 936

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. CRANE. Mr. Speaker, today the chairman of the Ways and Means Trade Subcommittee and I are introducing legislation to extend the provisions of section 936(d)(4) of the Internal Revenue Code to the Andean countries: Bolivia, Colombia, Ecuador, and Peru.

Under section 936, certain U.S. corporations that derive a significant portion of their income from Puerto Rican business activities are effectively exempt from U.S. income tax on the portion of their income derived from sources within Puerto Rico. Section 936 companies can effectively retain earnings tax-free as long as the funds remain in Puerto Rico.

As a result of this program, large deposits of section 936 funds, referred to as "qualified possession source investment income" or QPSII funds, have accumulated in Puerto Rican banks. In 1986, Congress agreed to permit Puerto Rico to make or authorize loans of QPSII funds to qualifying projects in any Caribbean Basin Initiative [CBI] country that has entered into a tax information exchange agreement [TIEA] with the United States. According to a study conducted by Price Waterhouse, 20,000 new private-sector jobs have been created in qualified CBI countries as a result of nearly $650 million in 936 investments approved by Puerto Rico.

Our bill will extend the QPSII treatment to investments made by 936 corporations in the Andean countries. The benefit, however, is only available to those Andean countries that enter into Tax Information Exchange Agreements [TIEA's] with the United States.

As you know, the Congress recently passed the Andean Trade Preference Act [ATPA] which grants duty-free treatment to imports from the Andean region in an effort to provide legitimate alternatives to coca production. However, without the necessary capital investment to create new jobs, unilateral tariff reductions cannot by themselves eliminate the drug problem. The possibility of new productive investment is the core of the strategy of developing alternative income generating activities which will result in the creation of desperately needed jobs. Without new investment, tariff reductions become much less effective. Consequently, 936 funds would become a catalyst for new investment.

In addition, by requiring each of the countries to sign a TIEA in order to become eligible for 936 funds, we will gain a useful law enforcement tool against tax evasion and money laundering, an important factor in the war against narcotics trafficking. And best of all, the Joint Committee on Taxation has estimated that this bill will have a negligible impact on revenues.

Mr. Speaker, I hope that my colleagues will join us in supporting this very worthy legislation.

A TRIBUTE TO A DEDICATED CHIEF OF STAFF IN HOUSE FOREIGN AFFAIRS, BOYD CRAWFORD

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. FASCELL. Mr. Speaker, today I wish to honor the memory of Boyd Crawford, who served the House Committee on Foreign Affairs as its staff leader for 31 years.

Mr. Crawford, 85, retired as chief of staff in 1970, having served in that capacity through the terms of seven committee chairmen, including five Democrats and two Republicans. He died at a hospital near his home in Annandale, VA, on January 6, 1992.

I would like to express appreciation, not only for Mr. Crawford's long years of service to the House of Representatives but also for his diligent and faithful staff leadership on the Foreign Affairs Committee.

Mr. Crawford was an able administrator, but beyond that, he had a knack for getting along with committee members regardless of their party affiliation. Evidence the fact that successive committee chairmen retained his services as chief of staff and considered themselves on close and friendly terms with him over the course of 31 years.

A native Washingtonian, Mr. Crawford as a youth operated a cloakroom and checking service for tourists at the Capitol. He then studied typing and shorthand. He began his congressional staff career in 1932, as a secretary to Representative Clarence J. McLeod.

In 1936, Mr. Crawford was appointed secretary to the Constitution Sesquicentennial Commission under its leader, Representative Sol Bloom. When Congressman Bloom became chairman of Foreign Affairs in 1939, he named Mr. Crawford to head the committee staff.

During his career on the staff of Foreign Affairs, Mr. Crawford became known to many world leaders, U.S. Presidents, and particularly their Secretaries of State. He attended the 1945 founding conference of the United Nations in San Francisco.

Over a lifetime, Mr. Crawford pursued several disciplines and avocations, including the study of French. He was considered a proficient portrait painter.

Survivors include his wife, Gertrude; a brother, Stanley, of Houston, TX; a sister, Muriel I. Crawford, of Lighthouse Point, FL; two grandsons, and a great-granddaughter. A son, Christopher, died in 1988.

Mr. Crawford's life exemplifies the very best in staff service to Congress and the people of the United States and we honor his memory here today.

LET'S RECOGNIZE THE INDEPENDENCE OF CROATIA AND SLOVENIA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Mr. BROOMFIELD. Mr. Speaker, the time has come for the Government of this great Nation to recognize the independence of Slovenia and Croatia.

During the long night of Communist domination of the former Soviet Union and Eastern Europe, the United States carried the torch of freedom and gave inspiration to the millions who were forced to live under totalitarian governments. In recent years, the winds of change have brought democracy to the freedom-loving people of that region who suffered for so long under the former evil empire. The rising tide of democracy also put an end to the central control that Moscow had exercised.

The former Yugoslav federation, an artificial multinational state, is now experiencing painful changes. The Croatian and Slovenian people, wanting to exercise democratic self-determination, voted overwhelmingly for secession, a right the first sentence of the Yugoslav Constitution clearly spells out. Not unlike the citizens of the many nations in the Commonwealth of Independent States, they, too, want independence. The cause of these new democracies is just, and they deserve the support of the world community. Led by Germany, the European Community recently recognized the independence of those republics, as did 27 other countries. The United States, however, has yet to take this long overdue action.

Yugoslavia was held together by force under a totalitarian system, and Slobodan Milosevic, a Communist nationalist, continues to try to impose centralized rule on the Croatian and Slovenian people. The ongoing conflict is the result of his efforts.

During the past months, the war in Croatia has claimed 10,000 lives and left over 600,000 people homeless. Damage to Croatia's infrastructure and economy could exceed $20 billion. While the current cease-fire appears to be effective, much remains to be done to ensure a lasting peace.

It is time for the United States, the leader of the free world, to stand up for democracy by recognizing the independence of Croatia and Slovenia. This action will strengthen, not hinder, the cause of peace and put America squarely behind the forces of freedom in that troubled region.

I commend the following insightful article by Ambassador Jeane Kirkpatrick to my colleagues in the Congress.

[From the Washington Post, Jan. 13, 1992]

GERMANY'S INDEPENDENT COURSE

(By Jeane Kirkpatrick)

Germany's recent unilateral move to recognize Croatia surprised and disappointed many of Bonn's closest friends. High-level French officials have raised questions about whether leaders of the German government are "good Europeans" after all. The British have accused the Germans of "arm-twisting" in Brussels. And American officials have spoken of a "new German assertiveness" that may be "difficult to stomach."

Allied officials seem genuinely surprised that, after all these years as half of the Franco-German heart of the European Community and as the United States' strongest NATO ally on the continent, Germany would actually pursue an independent policy.

Hadn't the German government led the drive for common EC foreign and military policies? Why, then, was Germany sacrificing EC unity to a unilateral policy of early recognition? Hadn't Germany joined in plans to constitute a Franco-German "core" of a Western European Union? Why then had Germany proceeded in this important matter independent of its French partners? Hadn't Germany opposed a general right for EC members to opt out of community policies, only to be the first to opt out of an EC process?

It was, as the German newsweekly Der Spiegel put it, "the first time since 1949 that Bonn took a unilateral action in foreign policy." Why now?

Clearly, there are several reasons that Chancellor Helmut Kohl and Foreign Minister Hans Dietrich Genscher told their EC colleagues Germany would not feel bound by community views on Yugoslavia.

The first is, of course, the fact that German reunification is now complete. Once reunification was achieved, German officials lost their overwhelming need to calm other governments' anxieties about resurgent German power.

The second reason is geopolitical. Proximity, historical ties and a habit of vacationing in Yugoslavia gave Germans a special concern about Croatia and Slovenia and have kept the issues of civil war and violence near the top of the German agenda. For similar reasons, Italy and Austria have also adopted policies like those of Germany's. All three have a special need for stable democratic governments in what was Yugoslavia.

The third reason for Germany's breaking ranks is surely the demonstrated inability of the EC or the United Nations to stop the determined aggression of Serbian Communists against Croatia and Slovenia.

Germany's action in recognizing Croatia was hardly precipitous. The war began last June, when Yugoslav armies acted to block Croatian independence. The EC has been seeking a settlement ever since. The United Nations and the United States have also worked on it to no avail.

The central Yugoslav army (overwhelmingly Serbian) has wreaked terrible violence on the Croatian people. Thousands have died.

Many more thousands have become refugees in their own land. A succession of ceasefires has been negotiated and violated—most of them by Serbian "irregulars" who are being rapidly integrated into the "central" armies.

But the determined effort to destroy Croatia has not been an ethnic squabble toward which the world should remain aloof and neutral. It has not been simply a conflict between warring nationalities. It is a good thing that the German government distinguished between the more powerful, undemocratic Serbs determined to maintain control by violence and the Croats seeking to exercise democratic self-determination.

And it is too bad that the United States and other EC countries have not been as clear about the nature of this conflict. It is especially embarrassing that the U.S. government has not supported the right to democratic self-determination in Croatia and Slovenia but has behaved instead as if the Communist rulers of Serbia have some sort of moral claim to govern forever what the Communist government of Yugoslavia had governed in the past.

The fact is that Yugoslavia no longer exists. It has self-destructed, much like the Soviet Union, and for much the same reason: because it was pieced together and held together by force rather than by affection and consent. The governments of the United States and the European Community should recognize the component democratic republics of what was Yugoslavia and should cease acting as if the principle of Realpolitik compels us to support the side with superior forces.

No one should be surprised if Germany, which is once again the strongest nation in continental Europe, again pursues an independent policy. We can only hope that future policies will be as constructive and discriminating as the one toward Croatia.

MICCOSUKEE TRIBE OF INDIANS PART OF SOUTH FLORIDA'S CULTURE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 24, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the Miccosukee Tribe of Indians, who are located just west of Miami within the vast Everglades area. The Miccosukees are little known outside of south Florida, yet their history dates back prior to the 1600's. Stephen Tiger, a member of the tribe, and their public relations manager, has written an essay on the history of the Miccosukees and and I wanted to relate some of that history for my colleagues.

Originally, the Miccosukees were part of the Creek Nation and, as a result of many wars and hardships brought on by non-Indian settlers that staked claim to Florida, they settled in the area now known as Dade County in the mid-1800's. They stayed virtually isolated in the Everglades and did not accept any offers of assistance by either Federal or State governments. When their land was declared a national park, they were asked to relocate and the elders decided to take a stand so they could remain in the Everglades. After long and difficult negotiations with Federal authorities, on January 11, 1962, the Secretary of the Interior finally officially recognized the Miccosukee Tribe and approved their constitution, giving them much autonomy. Stephen Tiger's father, William Buffalo Tiger, led the negotiating team on behalf of the tribe. Since then, the tribe has grown and prospered, opening a school, a community gymnasium, a restaurant, an outpatient clinic, and administration building. Stephen operates the Miccosukee Indian Village and Airboat Tours.

The Miccosukees are not only very independent, they are a naturally artistic people. Since 1975, they have sponsored an annual arts and crafts festival which attracts thousands of people. At the festival, they display their patchwork, dolls, beadwork, and baskets, as well as offering excellent Miccosukee food.

The Miccosukees are an integral part of the culture of south Florida and they continue to thrive under the leadership of their current council, consisting of their tribal chairman, Billy Cypress; assistant chairman, Jasper Nelson; secretary, Max Billie; and lawmaker, Henry Bert.

SENATE—*Monday, January 27, 1992*

(Legislative day of Friday, January 3, 1992)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the Honorable JEFF BINGAMAN, a Senator from the State of New Mexico.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Father in Heaven, as we begin this prayer we thank you for the miraculous healing of Deborah Cotter. We pray for complete and rapid recovery that she may return to her responsibilities in Senator MITCHELL's office.

"Blessed is the nation whose God is the Lord * * *."—Psalm 33:12.

God of our fathers, those wise and dedicated forebears who envisioned our great Nation believed in the separation of church and state; but not the separation of God from government. They left behind the tragic and futile conflicts between church institutions which sought special favor of civil government, if not ultimate control and authority. They abhorred such a system and were not about to fashion a new nation after such a model.

But they certainly did not believe in the separation of God from government. That would be unthinkable to those who crafted a political system based upon the "self-evident truth, that all men are created equal, and that they are endowed by their Creator with certain unalienable rights * * * which governments are to secure * * *." In their hours of crises and frustration, our Founders sought through prayer the protection, wisdom, and guidance of the God whom they took seriously.

Mighty God, we are in no danger of a state religion in America. But incipient criticism threatens to treat God, even if we profess to believe in Him, as though He is irrelevant to life and order. Gracious Father, forgive our indifference. Awaken in us the faith of our fathers.

In His name who is the Lord of history and the nations. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The bill clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, January 27, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JEFF BINGAMAN, a Senator from the State of New Mexico, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. BINGAMAN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order leadership time is reserved.

STRENGTHENING EDUCATION FOR AMERICAN FAMILIES ACT

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of S. 2 which the clerk will report.

The bill clerk read as follows:

A bill (S. 2) to provide the achievement of national education goals, to establish a National Council on Education Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Nickles amendment No. 1479, to enhance educational opportunity, increase school attendance, and promote self-sufficiency among welfare recipients.

(2) Kasten amendment No. 1482 (to Amendment No. 1479), to change the effective date to June 1, 1992.

(3) Metzenbaum amendment No. 1483, to discourage States from offering tax incentives that reduce the amount of Federal, State, or local funds available in such State for educational purposes.

(4) Seymour amendment No. 1487, to provide for mandatory parental involvement for students enrolled in choice programs.

(5) Seymour amendment No. 1488, to permit the establishment of SMART Schools as new public schools.

(6) Wirth/Wellstone amendment No. 1490, to express the sense of the Senate concerning investments in education and school-to-work transition initiatives.

(7) Wirth amendment No. 1491 (to Amendment No. 1490), in the nature of a substitute.

(8) Kennedy amendment No. 1492, of a technical nature.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

Mr. PELL. I thank the Chair. I just want to confirm the fact that the pending business is S. 2. It is open to amendment, and I believe that the amendment we were last considering was the Wirth-Wellstone amendment.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BOND. I further ask I may be permitted to proceed for up to 10 minutes as in morning business.

The PRESIDENT pro tempore. The Chair will inquire if the Senator intends to speak on the subject matter that is presently before the Senate?

Mr. BOND. Mr. President, I intend to speak on education and an amendment I had proposed to offer to this bill but, due to the parliamentary situation and other items I will express, I will not be proposing an amendment.

The PRESIDENT pro tempore. The Senator, if the Chair may suggest, may prefer not to speak as in morning business. His speech is germane to the subject matter of the legislation before the Senate and even though the Pastore rule has not yet run its course, his speech would be in conformity therewith, so he may speak as long as he wishes without permission of the Senate.

Mr. BOND. I thank the Chair for that excellent guidance, and I withdraw the request to speak as in morning business.

The PRESIDENT pro tempore. In that way the Senator's speech will appear in the context of the other statements that are being made on the subject matter before the Senate.

Mr. BOND. I am indebted to the Chair for that very helpful advice.

Mr. President, as I indicated, I had contemplated offering an amendment to the measure before us, an amendment on a subject called parents as teachers.

Previously I had introduced it as a separate piece of legislation. The amendment which I had proposed to introduce today had as cosponsors Senators COATS, HEFLIN, SHELBY, CHAFEE, COCHRAN, COHEN, BRADLEY, PRYOR, DANFORTH, MCCAIN, PACKWOOD, and STEVENS.

The reason that this measure, I believe, is very timely as we consider education, is that it helps in meeting one of the key goals for the America

2000 program announced by the President.

In a recent speech on America 2000, the President highlighted a number of ideas to revamp education. During this speech, the President introduced Michelle Moore, a single parent from St. Louis, who participates in Missouri's Parents as Teachers Program, and he identified her as someone, "Who wants to be sure her 16-month-old son, Austin, enters school ready to learn."

The President, our Nation's Governors, and we in Congress have focused increasing attention on the first few years of life, before school even starts, as crucial in the development of a child's language skills, social skills, and personality. In fact, the very first goal we have all agreed on is that "all children should begin school ready to learn."

We also know that parental involvement in the education of their children is the key to long-term gains for youngsters. Parents are their children's first and most influential teachers. What parents do to help their children learn is more important to academic success than how well off the family is or any other single factor. We need to help ensure strong links between the home and school from the earliest possible time.

With a limited Federal investment, we can help parents get children's lives started in the right direction by exporting the success of Missouri's Parents as Teachers Program.

The Parents as Teachers Program is an all-in-one early intervention, parent education, and early childhood education program which addresses a variety of needs for new families.

The parents as teachers curriculum starts early in strengthening the foundations of later learning—language and intellectual development, curiosity, and social skills. In addition, health screening is provided for participating preschool children to detect potential impairments early on.

I have had the pleasure of visiting some 37 of these programs in the State of Missouri in the past year. Missouri, incidentally, has some 60,000 families participating in the program. Time after time, I have been told by a parent that because of the screening in this program, a problem, very often a hearing problem, a hearing defect, has been identified and has been corrected as a result of the program's intervention.

Unlike some ideas which we discuss on this floor, parents as teachers has a proven record of success. Two independent research studies have shown that children whose parents participated in the Parents as Teachers Program consistently scored significantly higher on all measures of intellectual achievement, auditory comprehension, verbal ability, and language ability than their peers who did not participate. These gains held true regardless of the socioeconomic status of the family or the marital status of the parents or whether one parent or two parents or none of the parents worked.

Parents as teachers staffs have been successful and have identified and have been successful in correcting at-risk situations—encouraging parents to seek medical assistance or other specialized services so that the children would have any problems corrected well before the time they enter school. Early intervention initiated by the parents results in improved or corrected conditions before a child reaches school.

Parents participating in Parents as Teachers were shown in these same studies to be more knowledgeable about child-rearing practices and child development than comparison parents. Another study done in 1989 showed that children maintained these gains on through the first grade. Teachers reported that the parents who had been in the PAT Program were more involved in school activities than nonparticipants. Thus, the crucial link between home and school was established through this program.

In addition, the research has also shown that many two-parent, middle-income families have problems with parent-child communication and family stress. Very often two working parents have a great many demands on their time and their children, thus, many be in danger of not getting the developmental support they need from their parents.

Some of you may recall a George Will editorial titled "Mothers Who Do Not Know How," which referred to this phenomenon as the "guilded ghetto" where parents give their children everything but time, time which is so crucial to child development.

Implementation of parents as teachers on a broad scale, I believe, could go a long way toward ensuring that our Nation meets the first educational goal of ensuring that all children enter school ready to learn.

The legislation that I am advocating would set up a $20 million competitive grant program for States who want to begin or to expand parents as teachers programs similar to the model that I have already discussed. We believe that providing seed money is a cost-effective way to show school districts and States how to get the most out of the early childhood education process.

I believe that down the road States will be able to muster the political support they need for the program to sustain it by themselves, once they see how it works.

Obviously, Mr. President, I speak with a great deal of personal interest in the ongoing success of the program.

The program started with a small Federal seed grant in four Missouri school districts when I was first Governor. By the time our young son was born, the information on the program had been developed and we utilized that information firsthand and saw its beneficial impact, both on the parents and the children.

In four successive state of the State addresses as Governor in the early 1980's, I asked that the PAT Program be authorized for every school district statewide.

Finally, in the last hour on the last night of the last legislative session I addressed, it passed and was signed into law.

As I said, it is available to every school district in the State, and this year some 60,000 Missouri families are participating. I think it is a great program in our State, but I believe that this is something that parents in every school district and in every community in every State in this Nation could utilize. It allows parents to maximize the intellectual and social development of their children, and I think that is the best investment we can make.

Children spend far more time with their parents than they do in school. In fact, teachers tell me it is virtually impossible for children to unlearn bad habits or poor behavior they picked up from their parents in the short time they are in school.

Yet, in terms of educational policy, we spend too little time giving our parents the tools they need. Most Federal programs we have to rely on take children out of their homes and put them into special centers to be cared for by professionals. To me, it makes far more sense to equip the parents with the skills, the know-how, and to help them to assure the best possible start for their children.

Mr. President, as I said, I am not going to offer this amendment at this time. I have had an opportunity to discuss with the floor managers and with other members of the committee the appropriateness of the measure on this particular bill.

I have been advised that the next piece of legislation, the OERI legislation, the Office of Education Research measure which requires authorization will be coming out of the committee later on this spring and will be up for floor action. I have been advised that it would probably be more appropriate for the measure to be considered there. So I will not submit the amendment to this measure.

I have been handed a note, and I see that Senator DODD has been asked to be added to the list of cosponsors. I ask unanimous consent that he be so listed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent I be listed as cosponsor as well.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PELL. Mr. President, I support the very worthy goal of involving parents as teachers, both inside and outside the classroom. Parental involvement is, in fact, one of the most critical factors in a child's success in school.

We have an excellent Parents as Teachers Program in East Providence, RI, and I believe deeply that this program should be expanded to many other communities.

I am a cosponsor of the legislation authored by Senator BOND, and am very hopeful that we will be able to enact legislation to support this effort at the Federal level. In that regard, I want to assure my colleague from Missouri that we intend to incorporate his legislation as an integral part of the reauthorization of OERI, the Office of Educational Research and Improvement. We hope to consider the reauthorization bill in the Education Subcommittee in February and to have it considered by the full Senate this year.

I thank the Senator very much, indeed, for his cooperation in this regard.

Mr. BOND addressed the Chair.

The PRESIDENT pro tempore. The Senator from Missouri.

Mr. BOND. Mr. President, I sincerely thank the chairman, my distinguished friend from Rhode Island. I commend him on the program they have instituted in Rhode Island.

I note for our colleagues that recently Kansas and Iowa, I believe, have also adopted the program. I visited the city of Tulsa, OK, where they are seeking to implement the program. There are programs going in 35 States in the Nation modeled on this program and there are inquiries from other countries—from England, Canada, and Australia—which I think will be very exciting as we see how it applies there. I appreciate sincerely the chairman's endeavors.

At this point, I invite my colleagues who would like more information about the program to contact me. I will be happy to supply them information or put their appropriate State officials or local officials in touch with the national center that exists.

I have seen firsthand. This program works. The parents who are participating in it are the most eloquent advocates of the program, and I only wish that more of them could have the opportunity to speak with my colleagues to let them know the benefits.

Mr. President, I thank the Chair, and I thank the distinguished managers of the bill.

I yield the floor.

Mr. PELL. I thank the Senator from Missouri for his words and congratulate him on his initiative, and I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The point of no quorum having been made, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HEFLIN. Mr. President, I rise in support of the effort of my friend and colleague, Senator BOND, pertaining to Parents as Teachers.

There is a growing recognition in America regarding the importance of the first 3 years of a child's life. It is during this period of development that subtle and overt influences may adversely affect the academic and social growth of the child. I have become convinced that the Parents as Teachers Program is the most effective system available to help parents best nurture and teach their children.

The Parents as Teachers Program may also help to address some social problems addressing our Nation. The Children's Trust Fund of Alabama is convinced that this program can prevent or reduce child abuse, a great problem affecting all social and economic groups.

Individuals from 27 States of our union have participated in training programs in Missouri. Martha Semon, from Mobile, AL, was the first such individual from Alabama to participate. The practicality and success of the Missouri program inspired Mrs. Semon to initiate a similar program in Alabama. A pilot program in the beautiful port city of Mobile, AL, is now approaching its second anniversary.

This pilot program is funded in large part of the Children's Trust Fund of Alabama based upon the anticipated effectiveness of the program in preventing child abuse. Additional support has been provided by Scott Paper Co., the University of South Alabama and its College of Medicine, the Mobile Community Foundation, and a few private donors. Approximately 90 adults and 50 babies are currently participating.

Mr. President, I would like to see Parents as Teachers programs available to parents and infants statewide and nationwide. This program has proven itself effective in helping young people develop their intelligence, language, curiosity, and social skills, all of which are at risk during infancy and critically important for a child's success in the school system. In all probability the program will also prove itself to be an effective deterrent to child abuse. I am sure that my colleagues agree that an ounce of prevention is worth a pound of cure.

I am an original cosponsor of S. 551, legislation offered by Senator BOND, designed to encourage States to establish Parents as Teachers programs.

Parental involvement in the education of their children is the key to long-term gains for youngsters of all income brackets.

I urge my colleagues to support this measure, which will encourage States to establish Parents as Teachers programs.

I am delighted to know from Senator PELL that he will support this program in the reauthorization act in the future. I think this is a great step forward. I believe this program will bring about vast improvement in our young people and will help in so many different ways.

Mr. President, I would like to address some of the national educational goals that are in the legislation that is now before the Senate.

The idea of school readiness is very important. The first goal is that by the year 2000 all children in America should start school ready to learn. The Federal Government has taken steps before, and under this bill will take further steps, to first provide Head Start services to every eligible child who needs such services; provide sufficient funds for the special supplemental food program for women, infants, and children—the WIC Program—so that all potential individuals who are eligible will have access to the WIC program; and many other aspects of this, including funding for expanding the Even Start and the Follow-Through Act to allow programs to reach all parts of the United States and allow each State to fund a sufficient number of programs throughout the States so that approaches are available for the local educational agencies.

Goal No. 2 is the School Completion Program. By the year 2000, the high school graduation rate would increase to at least 90 percent, and steps will be taken to achieve this growth.

Goal No. 3 is the student achievement goal, that by the year 2000, American students will leave grades 4, 8, and 12 having demonstrated competency in challenging subject matter, including English, mathematics, science, foreign languages, history, and geography.

Every school in America will ensure that all students learn to use their minds well, so that they may be prepared for responsible citizenship, further learning, and productive employment in our modern economy.

Goal No. 4 relates to mathematics and science. This is very important, as we are living in an age of new and advancing technology. By the year 2000, the U.S. students will be the first in the world in mathematics and science achievements. In order to achieve this, the Federal Government will take steps to expand funding for the Excellence in Mathematics, Science, and Engineering Act of 1990 to increase the number of individuals, particularly women and minorities, in graduate and undergraduate programs in mathematics, science, and engineering; expand funding for the Dwight D. Eisenhower Mathematics and Science Education Act so that all elementary teachers and all secondary teachers of mathematics and science will have an opportunity for updating and improving their mathematics and science educational skills; expand funding for the act so that all elementary teachers have an opportunity for skills improvement; award scholarships to high-achieving students to pursue the study of mathematics, science, and related subjects at post-secondary institutions; and encourage high-quality students to become mathematics and science teachers in elementary and secondary schools.

Goal No. 5 involves family literacy and lifelong learning. The target is that by the year 2000 every American will be literate and will possess the skills and knowledge necessary to compete in a global economy. The Federal Government will take consistent steps to provide increased funding for the Adult Education Act so that all eligible individuals who seek services under the act will receive them; expand Federal assistance for literacy programs; and provide increased funding for the rehabilitation and training of young people with disabilities in accordance with the Rehabilitation Act of 1973.

Goal No. 6, which is to me extremely important, is one that I feel education can play a very vital part in. We have had hearings in the Judiciary Committee pertaining to drug abuse, and almost every individual who is involved in law enforcement tells us that if we are going to win the war against drugs, we have to win it through education.

Their approach is that you have to win it on the demand side; you have to decrease the demand for drugs; that education is the best method of trying to put over to young people the ills of drug abuse, and by education we can accomplish a great deal in reducing the demand for drugs.

The goal here is by the year 2000 every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning. The Federal Government will take steps to ensure that all students receive drug abuse prevention education and counseling services.

This legislation is an excellent idea. The goals presented are very important.

Another part of the measure is the National Academic Report Card Act of 1991. This section establishes a bipartisan independent counsel of political leaders and educational experts to develop and implement methods to measure progress in attaining these national educational goals that I have mentioned in my speech, and to make recommendations concerning further progress in attaining these goals.

The National Council on Educational Goals would report annually on progress being reached in trying to achieve these goals.

When the provisions of this legislation are implemented, States will be able to come up with far-reaching programs in education in order to make these educational goals a reality.

I think it is an excellent bill, and will do much to try to improve the educational system of America.

Thank you, Mr. President.

Mr. SHELBY. Mr. President, I rise in support of the Bond amendment on Parents as first teachers. I cosponsored this legislation in March of 1990, when Senator BOND first introduced the bill, and again when he reintroduced the legislation during this Congress. I believed then, as I do now, that parents must be actively involved in the education of their children if their children are to reach their fullest potential.

I am sure that if any of us could remember the very first thing we learned, there is a high probability that a parent taught it to us—whether it was shaking a rattler or reading a nursery rhyme. Since the parents are children's first teachers, it is important that parents have the necessary knowledge and skills to ensure that their children's preschool years are spent in a positive and productive educational environment.

Numerous studies indicate that the first years of a child's life profoundly affect his later learning capabilities. For example, during the early years, children learn more at a faster rate than at other periods of their lives. In addition, the development of language, intelligence, and curiosity occur during the first 3 years of life. A child's personality also is most actively molded during this period. Thus, it is important that parents reflect a loving and enthusiastic attitude toward the child. Parents must know:

How to show affection for the child;

How to express pride in the child's accomplishments;

How to choose educational toys;

How to answer the child's questions; and

How to allow the child to explore his environment freely as long as the exploration does not endanger the child's safety.

Parents who do these things well can reasonably expect that their children will grow up emotionally stable and intellectually prepared for school.

Because the first 3 years of a child's life are so important, we must put forth our best efforts to ensure that parents know how to teach and care for their children. While this statement seems clearly obvious to most of us, we must realize that child-rearing to a great extent in America is trial and error often based on the experiences of our parents or other adults in our lives. However, we have an opportunity here to take advantage of years of research in early childhood development to compensate for some of the experiences which have been passed on that may not contribute to a positive learning environment.

It is especially important that parents be educated to be good parents because so many of today's parents are mere children themselves. However, the Parents as Teachers Program addresses the needs of all parents—young and old, poor and middle class.

The Neighborhood Schools Improvement Act, that the Senate now is considering, has incorporated the President's and Governors' national education goals that are to be met by the year 2000. If we are serious about reaching these goals, we must fund programs that assist in early childhood education. Although Head Start is an extremely effective program, which I wholeheartedly support, for many children Head Start, which begins at age 3, is too late.

The Bond amendment would go a long way in bridging the gap between birth and Head Start. The legislation would provide seed money to States to fund an early childhood education program for parents. Specifically, the legislation would authorize a $100 million competitive grant program over 5 years for States desiring to begin or expand Parents as Teachers Programs. Under the legislation, Federal funding would decline to 75 percent in the third year, 50 percent in the fourth year, and 25 percent in the fifth year. After the fifth year, the legislation would require the States to pick up the cost of the program.

I am pleased to support the Bond amendment because I am familiar with the success of the Parents as Teachers Program in my home State of Alabama. The Alabama program enrolls parents when the mother is pregnant, and the family remains in the program until the child's third birthday. The program provides services such as:

Home visits by parent educators trained in child development;

Group meetings to help parents share experiences;

Periodic health screening of children to check sensory and educational development; and

Referral to community and professional services if problems are detected during the screenings.

The Alabama Parents as Teachers Program is based on a Missouri model established in 1984. A recent study of the children who participated in the Missouri program in the early eighties indicated that the children were significantly ahead of other children in academic performance at the end of the first grade. In addition, the study also revealed that the parents in the Missouri program have continued to play a more active role in their children's education than other parents.

The results of the Missouri study and the success of the program in Alabama are enough for me to know that the Bond amendment is worthy of my support. We cannot skimp when it comes to the education of our children. They are our country's future. Although the funding of the Parents as Teachers Program would result in budget expenditures, the long-term benefit to society would far outweigh the short-term costs of the program. The results would translate into a sound financial investment that will save future costs for welfare, social services, and the criminal justice system.

Mr. President, I believe that the Bond amendment represents an investment in the human capital of our Nation. I strongly urge all of my colleagues to support this amendment when it comes to the Senate floor this spring during the Senate's consideration of S. 1275, a bill to reauthorize funding for the Office of Education Research and Improvement.

Mr. ROBB. Mr. President, I ask unanimous consent, in the absence of debate for the moment on S. 2, that I be permitted to proceed as if in morning business for up to 15 minutes and that my remarks appear at the appropriate place in the RECORD.

The PRESIDENT pro tempore. Without objection, the several requests are granted.

The Senator from Virginia [Mr. ROBB] is recognized for 15 minutes.

Mr. ROBB. Thank you, Mr. President.

THE ECONOMY

Mr. ROBB. Mr. President, I rise today to discuss our Nation's economy and efforts to achieve a balanced recovery.

In this Presidential election year, it seems that everyone has a plan to jump-start the economy.

The menu of plans includes some or all of the following: increased domestic spending, a middle-income tax cut, a cut in the capital gains tax investment tax credits, and drastic defense spending cuts.

That is quite a list. Of course, the problem is for every good adjective that we can apply to each plan, there is a corresponding negative one.

Spending cuts save money, but they can cost jobs.

And while I understand the rationale behind tax cuts, they may be in the long run more a political palliative, than an economic cure—because of course they increase both the deficit and the debt. And that is not just a concern up here, either.

I have even heard taxpayers question whether a tax cut will really speed up the recovery and help produce long-term competitiveness.

Today, unemployment stands at over 7 percent nationwide.

While the actual economic data show that this recession is not as severe as the recessions of 1975 and 1982, the psychology of this recession is much worse.

Consumer confidence has been down for some time.

I would bet every office in the Senate has heard from people concerned about their economic future as such major corporations as IBM and General Motors implement massive worker layoffs.

And unlike previous recessions, these particular jobs may not return.

The real challenge for the President and for us is to develop and implement policies which deals with the Nation's budget deficit, long-term economic growth, and competitiveness.

If we have the courage, to pursue them, these policies will create meaningful jobs and a meaningful future, without tax gimmicks.

I believe they can be found under the heading of defense economic conversion.

For over 40 years, America has spent funds fighting a cold war which is now over.

The good news is, we won.

The challenge, to those of us in the Senate, because of that victory, is to reassess our national security needs.

This change in our defense needs and continued defense budget reductions, will have a substantial impact on defense industries.

Already, United Technologies Corp., and Tenneco, have announced plans to lay off thousands of workers, and white-collar employees, are especially hard hit.

Part of our task ought to include finding ways to help the Defense Establishment turn to other pursuits.

For years, we have considered defense spending to include an investment; an investment in developing new technologies, an investment in developing manufacturing know-how, and an investment in developing some of the best and brightest industrial teams in the country.

But those efforts may have gone too far in the direction of specialization.

As a result, converting a portion of America's defense economy to civilian use will be a massive task, with many facets.

Conversion means finding ways to develop new types of employment, and training former defense workers and detached military personnel, to qualify for these positions.

Conversion means providing incentives for defense contractors to continue to covert and enhance defense technologies for use in the civilian market.

The Federal Government helped to build the defense sector of our economy into the most impressive industrial complex in the world.

But it seems to me that we also have a role in helping our defense industries work to secure America's place as first in trade, first in research and development and first in technological innovation.

And there are a few tangible things that we can do in the short- to medium-term to help get the economy going again.

Our first challenge is to confront the budget deficit seriously and without trickery.

I believe that requires renegotiating the budget agreement reached in 1990.

The new agreement should contain a responsible, planned, and orderly build-down in defense.

Other adjustments in spending in other accounts may follow, and they may be warranted.

But we need the will to follow the responsible course in each instance, whether that leads us to an increase in a particular function or to a decrease in it.

Revisions to the tax laws are admittedly tempting.

But I would submit this is no time for spontaneity.

Our most experienced Members should be given the time necessary to carefully construct that legislation.

It takes time and skill to craft provisions which encourage long-term business investment, research and development and saving.

And reaching the right language to promote turning debt into equity for both business and consumers takes cautious deliberation.

The Congressional Budget Office in its recent report on the economic and budget outlook projects that the Federal budget deficit will reach a record $352 billion this year and exceed $400 billion without the trust fund surpluses. CBO also projects that the national debt will grow to $5.9 trillion by fiscal year 1997.

Net interest payments on the debt are projected to grow from $201 billion this year to $278 billion in fiscal year 1997.

It took 12 years to increase the national debt from over $900 billion to almost $4 trillion.

We will not erase that debt by June, by November, or by next year.

But by managing the budget better, we can create a better atmosphere where business can grow and compete on a global basis.

The CBO report suggests that a sound fiscal policy option might be unrestricted financial assistance to States and localities. This endorsement of a type of revenue sharing deserves, in my judgment, serious attention.

As a former Governor, I believe the States can be trusted to handle their allocations responsibly at least, since they cannot print money the way we can.

Aggressive action is also going to be needed to open foreign markets.

Things are clearly stagnant at home right now so to get the economy going and to aid in the conversion from a substantially defense-based economy, we may have to help American businesses increase their marketing overseas.

Philosophically, I have always been a pretty doctrinaire, free trader, but we are going to have to do more to combat unfair trade barriers in other countries.

If we do, I believe that American goods, can again be the standard for the world.

Finally, I believe we can restore Government's commitment to give business two key ingredients: the fruits, of basic research, and a well trained work force.

Both of these forms of investment were cut back in the eighties.

Frankly, we will not see their benefits, for several years, but if we do not start now, we will never be able to take advantage of them.

Many of our able colleagues, in both Houses, and both parties, have proposed competing plans and ideas that emphasize tax cuts or increased domestic spending only.

It seems to me there must be a way to marry, some of these proposals in a sound fashion, along with some reduced spending.

In this hour of economic need for many citizens, we should try to avoid—as much as possible—raw partisanship for the sake of the Nation.

Mr. President, as we review the President's fiscal year 1993 budget proposals and the proposals of Members of Congress, let us keep in mind, that while we seek to stimulate short-term growth, we must also understand that the key to sustained economic growth and a better society, is long-term competitiveness.

We can not let our concern for today's worries lead us into policies which will be harmful down the road.

That, Mr. President, is how we got in this mess, in the first place.

Let us show America that we have learned from that particular experience.

Mr. President, I yield back any time remaining, and I suggest the absence of a quorum.

The PRESIDENT pro tempore. The point of no quorum having been made, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, the further proceedings under the quorum call will be dispensed with.

STRENGTHENING EDUCATION FOR AMERICAN FAMILIES ACT

The Senate continued with the consideration of the bill.

Mr. PELL. Mr. President, I ask unanimous consent we lay aside the Wirth-Wellstone amendment so that we may consider the managers' amendment, which has been agreed to. Immediately upon adoption of the managers' amendment, we will return to consideration of the Wirth-Wellstone amendment.

The PRESIDENT pro tempore. Without objection, the amendment, No. 1491, by Mr. WIRTH, to amendment No. 1490, is temporarily laid aside.

Mr. PELL. I thank the Chair.

I add, Mr. President, this amendment has now been cleared by both floor managers. I ask unanimous consent it be added to the bill.

The PRESIDENT pro tempore. Will the Senator send forward the amendment?

AMENDMENT NO. 1495

(Purpose: To strengthen the bill, and for other purposes)

Mr. PELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report.

The bill clerk read as follows:

The Senator from Rhode Island [Mr. PELL], for Mr. KENNEDY, for himself, Mr. PELL, Mr. HATCH, and Mrs. KASSEBAUM, proposes an amendment numbered 1495.

Mr. PELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 3, between lines 14 and 15, insert the following:

(6) innovative and successful reform initiatives which are underway in schools throughout the Nation are not being replicated in sufficient number by schools where identical practices would further the National Education Goals;

On page 3, line 15, strike "(6)" and insert "(7)".

On page 3, line 22, strike "(7)" and insert "(8)".

On page 4, line 3, strike "(8)" and insert "(9)".

On page 4, line 9, strike "(9)" and insert "(10)".

On page 31, between lines 6 and 7, insert the following:

(a) RESERVATION.—The Secretary shall reserve 1 percent of the amount appropriated pursuant to the authority of section 212 in each fiscal year to award grants to the Pacific outlying area and to the Secretary of the Interior for the Bureau of Indian Affairs schools using whatever mechanism the Secretary determines shall best meet the purposes of this title.

On page 31, line 7, strike "(a)" and insert "(b)".

On page 31, line 8, insert "and not reserved pursuant to subsection (a)," after "year".

On page 32, strike lines 1 through 3, and insert the following:

"(c) STATE MINIMUM.—No State educational agency, by reason of the application of subsection (b)".

On page 32, strike lines 8 through 11.

On page 34, line 11, strike "and" the second place such term appears.

On page 34, between lines 11 and 12, insert the following:

(iii) providing grants to business and education partnerships to enable such partnerships to plan, establish and operate model secondary schools or programs for science and mathematics or technology education, including such schools or programs which place a priority on serving disadvantaged or female secondary school students; and

On page 34, line 12, strike "(iii)" and insert "(iv)".

On page 39, line 9, strike "and".

On page 39, between lines 9 and 10, insert the following:

(8) affirm the importance of identifying and incorporating into reform plans successful ongoing efforts which further the State strategy to achieve the National Education Goals; and

On page 39, line 10, strike "(8)" and insert "(9)".

On page 41, line 14, insert "or ongoing in a school" after "title".

On page 45, line 17, insert "the Commission on National and Community Service," after "centers,".

On page 50, line 3, strike "and".

On page 50, line 4, strike "describe".

On page 50, line 6, strike the period and insert a semicolon and "and".

On page 50, between lines 6 and 7, insert the following:

(K) how the local educational agency and the school will meet the special educational needs of limited-English proficient students and students with disabilities attending the school.

On page 53, line 7, strike "and".

On page 53, between lines 7 and 8, insert the following:

(13) service-learning and student community service projects; and

On page 53, line 8, strike "(13)" and insert "(14)".

On page 56, line 19, insert ", of which not more than $75,000,000 shall be available in any one fiscal year to carry out the provisions of section 202(c)(1)" before the period.

On page 56, between lines 19 and 20, insert the following:

TITLE III—MISCELLANEOUS

SEC. 301. IMPROVED STATISTICS REGARDING AMERICAN SCHOOLS.

Subparagraph (C) of section 406(i)(2) of the General Education Provisions Act (20 U.S.C. 1221e–1(i)(2)(C)) is amended—

(1) by redesignating clauses (iii), (iv), and (v) as clauses (iv), (v), and (vi), respectively;

(2) by inserting after clause (ii) the following new clause:

"(iii) The National Assessment shall—

"(I) conduct, in 1994, a trial mathematics assessment for the 4th and 8th grades and a trial reading assessment for the 4th grade, in States that wish to participate, for the purpose of determining whether such assessments yield valid and reliable State representative data;

"(II) develop, and conduct in 1994, a trial mathematics assessment for the 12th grade, a trial reading assessment for the 8th and 12th grades, and a trial science assessment for the 4th, 8th, and 12th grades, in States that wish to participate, for the purpose of determining whether such assessments yield valid and reliable State representative data; and

"(III) include in each such sample assessment described in subclauses (I) and (II) students in public and private schools in a manner that ensures comparability with the national sample.".

SEC. 302. FREEDOM OF SPEECH ON CAMPUS.

(a) FINDINGS.—The Congress finds that—

(1) free speech is a fundamental right and a safeguard against political and intellectual tyranny;

(2) curtailment of free speech strikes twice at intellectual freedom, for whoever deprives a person of the right to state unpopular

views necessarily deprives other persons of the right to listen to the views:

(3) the primary and traditional function of a university is to disseminate knowledge and assist in the search for truth, and, in order to carry out the function, to do everything possible to ensure the free exchange of ideas and the fullest degree of intellectual freedom; and

(4) therefore, to carry out the function of the university, every member of the university, has an obligation to permit free expression, and every university official has a special obligation to foster freedom of speech and to ensure that the speech is not obstructed, at the university.

(b) SENSE OF CONGRESS.—It is the sense of Congress that students attending universities, or other institutions of higher education, that receive Federal funds should be able to exercise full rights to freedom of speech on campus free from official intrusion.

On page 2, redesignate the item relating to title III as the item relating to title IV.

On page 2, redesignate the item relating to section 301 as the item relating to section 401.

On page 2, after the item relating to section 212, insert the following:

TITLE III—MISCELLANEOUS

Sec. 301. Improved statistics regarding American schools.

Sec. 302. Freedom of speech on campus.

On page 56, line 20, strike "III" and insert "IV".

On page 56, line 21, strike "301" and insert "401".

Mr. PELL. Mr. President, as with any other bill of this size and complexity, there are a number of issues that the staff have been working on and have reached agreement.

The manager's amendment that I am submitting does several things. It assures that native Americans in the Bureau of Indian Affairs schools will be served under this legislation. It emphasizes that existing, successful reform practices should be replicated where feasible and desirable. It makes specific mention of the need to address the special educational needs of disabled and limited-English-proficient students. It also permits the Department of Education to begin planning a trial State-by-State assessment for 1994 for the national assessment of educational programs [NAEP]. This is language that the Department of Education requested.

Finally, the manager's amendment includes a sense-of-the-Senate resolution regarding freedom of speech on college campuses.

As I said, this amendment has been cleared by both floor managers and I ask unanimous consent that it be added to the bill.

The PRESIDENT pro tempore. Is the Senator asking the amendment be agreed to?

Mr. PELL. Yes.

The PRESIDENT pro tempore. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1495) was agreed to.

BUSINESS AND EDUCATION PARTNERSHIP AMENDMENT TO S. 2

Mr. LIEBERMAN. Mr. President, during the past decade we have seen the convergence of two disturbing trends, economic growth in the United States has slowed dramatically and our students are lagging further than ever behind those in other industrialized nations in math and science skills. As business and government struggle to explain our flagging growth rate, it has become clear that developing a better educated, more highly skilled work force is a critical factor in improving our productivity and stimulating economic growth. We must build on the initiatives of private businesses and State and local education officials and focus national attention on preparing the work force for the 21st century.

My proposal, which is included in the manager's amendment would allow States to use set aside funds to provide grants to business and education partnerships to plan, establish, and operate model secondary schools or programs for science and mathematics or technology education. I support S. 2 and think it takes important steps toward improving our Nation's schools, but I do think we must focus some attention specifically on providing our work force with the skills it will need to innovate and compete in a global economy. While we have come to recognize that our current system of education does not provide enough of our work force with the necessary knowledge and skills to compete in a world market, we have not yet made a national commitment to developing a total work force with this knowledge or these skills.

Every year 1 million Americans drop out of high school. Twenty-five percent of those who do graduate from high school cannot read or write at even an eighth grade level. Few of those who stay in school are being equipped with the knowledge and skills they need to get a good job without additional training. And of those who do go on to college, many are not pursuing degrees in areas that are crucial to their own success and to America's success in the international market. The National Science Foundation predicts that we will train 400,000 fewer scientists and engineers than our economy will need by the year 2000.

While we must attempt to increase the number of scientists, mathematicians, and engineers being trained, we must be careful not to focus only on preparing students for college. We must recognize the importance of training all our students, not just the most academically gifted, for life in the real world, and that means more emphasis on basic skills and technical training. A high school degree must be more than just a passport to college for those who can make it—it must be the ticket to a good job, a job which contributes to American productivity.

Improving the education and training our work force receives need not involve massive Federal spending. Businesses are already spending $30 billion a year on worker training and education. However, most of this business investment in training is spent by fewer than 1 percent of American companies. Businesses, small and large, are gradually learning that although spending on worker training may be costly in the short run, it is critical to their survival and their ability to compete in the long run. The Federal Government's role must be to look for ways to encourage and facilitate investment in education by businesses around the Nation.

This provision addresses the need to encourage and promote the involvement of businesses in training the American work force of the 21st century. This amendment will provide grants to business and education partnerships which have been created to establish model science and mathematics secondary schools or secondary school programs or model secondary schools for technology education. Businesses will join with State or local education agencies to fund and design these model schools. In addition to financial support, assistance from businesses may include provision of equipment and services, use of laboratories or other facilities, apprenticeship programs for students, or employees' time for teaching or mentoring.

Our need for more scientists and mathematicians, and for high school graduates who are well-trained in high-technology fields is addressed by funding model schools that would provide the most up-to-date training in these areas. In several communities model science high schools have been very successful at attracting students and preparing them for careers in science. We need more of these schools to reach students at an early age and develop their special interest in and aptitude for science and to provide a base from which to upgrade the level of science training throughout our school systems.

Model high schools that focus on state-of-the art technology training for the noncollege bound will give business and education partnerships the opportunity to develop a program which provides not only the strong basic education and necessary to be productive in today's work force but also the advanced technological job skills necessary to meet the needs of businesses attempting to compete in a world market. These schools will be able to experiment with apprenticeship programs like those in Germany which have produced highly trained, highly sought-after entrants into the work force, as well as other programs which can combine the skills and knowledge of business people and educators in the area.

This provision places a priority on those business and education partnership programs which emphasize serving disadvantaged students and female students because these students are least likely to specialize in mathematics and science and mostly likely to graduate without the skills needed to participate in highly technical workplaces.

There is no more important task in the years ahead than that of upgrading our current and future work force. I believe this amendment can make an important contribution to promoting the participation of the business community in proving our education system and will focus our attention on preparing our students to become part of the skilled work force this country needs.

I am very pleased that the manager of the bill has included this provision in the bill.

DEMOCRATIC EDUCATION PACKAGE

Mr. ROCKEFELLER. Mr. President, as our country struggles with the lingering recession and its economic devastation, the eyes of the American people are on Washington.

They rightfully expect their President and their Congress to deal with the problems that plague families and communities in every corner of the land. They rightfully expect action that will put the country back on track, and put down a foundation on which we can build a future of hope and economic strength.

And now, we have begun a new session of the Congress by focusing on an area—education—that cries out for leadership, commitment, and action. I just hope that it will be an auspicious start to this critical year.

Together, Congress and the administration have the opportunity with this legislation to prove our capacity to respond to the real needs of our Nation's children and people. I say we had better meet the test.

Over the next few weeks, we are going to try to agree on specific proposals to overcome the current recession. In that process, we should also take the long-term view. It's time to reach consensus and make the investments required to restore our competitive edge and secure our future.

And we should start with education.

If we expect our workers to effectively compete in the international marketplace, we have to ensure that the children in classrooms today receive a first-rate education.

Our children must be taught the skills required to join the work force and to become responsible citizens. To achieve this, we must immediately increase our investment in schools.

I am proud to be a cosponsor of the legislation before this body, the Neighborhood Schools Improvement Act. It is a serious, significant proposal to reform schools across the country and assure America's children a solid education.

As chairman of the National Commission on Children, I had a unique opportunity to delve into the problems facing children and the country. The Commission had members representing the full political spectrum, but we came together in endorsing a report that laid out a specific course of action required to improve the status of children and strengthen families.

Education was one of the issues that the Commission explored intensely, and addressed in our final recommendations.

We talked with students, parents, and teachers across the country. We visited schools in several locations to look at models that work.

I will never forget our visit to the Helene Grant Elementary School in New Haven, CT.

There we saw with our own eyes the success of the School Development Program model pioneered by Dr. James Comer—one of the school reform approaches that this legislation intends to support in other communities across the country.

Upon entering the school, it would never occur to anyone to call Helene Grant a new school. But inside its old walls, the air was charged with students eager to learn and teachers and parents working side-by-side to make their school the best it can be. What was new was the spirit generated by the success of strong, supportive relationships among counselors, parents, teachers, and administrators. What was bold was the commitment to learning that was clearly generated by the school-based management approach that this school had adopted.

I make this point as a response to the suggestions made over and over again by the Bush administration that this legislation—S. 2—is somehow continuing the same old thing. In my view, the President has lobbed criticisms at this bill that are unfair.

Our challenge is not to create just a few new schools, as the President has tried to suggest.

Our challenge is to figure out the way to instill new spirit, new commitment, and a new beginning in every school in this country.

In order to meet our national education goals, every school has to set the standards of learning and teamwork that I saw at Helene Grant Elementary.

East Dale Elementary School in Fairmont, WV, is another example of school reform at work. East Dale is emphasizing math and science. Teachers there are using exciting ways to teach students the basic skills they need to learn.

Both schools, through different strategies, are striving to improve and offer an excellent education to their students.

The Neighborhood School Improvement Act is designed to foster such action in thousands of schools across our country.

We want to encourage the approaches that work: Early childhood development; school-based management; programs to strengthen parental involvement; dropout prevention; and special programs for at-risk students.

All of these are options. The legislation doesn't tell schools how they should reform. That will be decided on the local level among administrators, teachers, and parents. But this bill gives schools the financial incentives and help needed to spur genuine reform and quality education.

The legislation offers 5-year grants to schools that develop a long-term plan to promote educational achievement. It is responsible legislation, because schools which don't truly reform and fail to show improvement can lose their Federal funding in the fourth and fifth year of their grant.

This legislation insists on accountability.

The Neighborhood School Improvement Act echoes the goals of the National Commission on Children.

Our role in Washington should be to foster reform, and to provide principals, teachers, parents, and students the tools needed to revamp neighborhood schools.

Mr. President, I want to diverge for a minute, and express my profound disappointment that the administration initially attacked this bill. Education has to be the entire Nation's priority, and we should not stumble over unnecessary partisan politics.

I commend Senator KENNEDY for his efforts to work with leaders from the other side of the aisle and Secretary Alexander to resolve our differences, and move forward on what really matters—revitalizing our schools.

On the issue of choice, clearly there are different views. The Senate package allows for choice among public schools.

It does not allow Federal funds for choice among private schools.

The National Commission on Children debated the issue of choice. Our members had varying views and strong opinions. But rather than allow this issue to divide us, we came together where we could achieve consensus and endorsed the concept of choice among public schools.

Our report recognized that choice among public schools is one option that could be helpful as part of an overall plan to restructure and improve public schools.

And our bipartisan Commission agreed that school choice should only be implemented where accountability measures are specified and where the special needs of educationally disadvantaged students are addressed.

Choice among public schools could be helpful in some circumstances, and this bill agrees to provide assistance to communities to try this option. But choice alone will not revitalize education in all our schools.

In fact, in rural States like West Virginia, choice may not even be a relevant option because there is only one school for the children of a large area.

It would have been tragic to allow the choice issue to overwhelm the debate and poison a bipartisan approach to education policy. Is it not far more responsible and constructive to move forward with a proposal on choice that we all can agree on—the one included in this very bill? We simply cannot afford to waste the time and energy on partisan squabbles. The children who entered first grade this September will be the high school graduates and frontline workers of the year 2003.

Our common goal is to reform and revitalize our schools to ensure that every student receives a quality education.

The President's package called for his 535 New American Schools.

The Senate bill, which was developed in a bipartisan manner, takes a different approach of offering smaller, long-term grants to help several thousand schools.

So instead of dwelling on the differences, let's recognize the similarities and pass a bill together.

Both programs seek to promote better schools and quality education through new strategies. Both programs support a stronger role for teachers, and greater parental involvement.

New or improved neighborhood schools are marketing terms. But the bottom line should be inspiring schools to undertake much-needed reform.

It is long past time to direct new Federal funds to schools to help them restructure and reform based on successful models like the Comer approach.

Decades of research now identify the common characteristics of reform that leads to effective schools: high standards, maintaining order and discipline, requiring homework, and encouraging parental support and cooperation. Effective schools have strong leadership from a principal, a stable staff of competent and enthusiastic teachers, a curriculum that is integrated across grade levels and that accommodates the variety of learning styles and cultural backgrounds of their students.

We know what should be done.

We understand that it must be done in partnership with the States and local communities.

The overall goal of promoting fundamental reform in schools is our common ground. The Neighborhood Schools Improvement Act is a proposal that deserves enthusiastic, bipartisan support.

We should get past the rhetoric and commit to the vision of good, energized, effective schools across the country.

And when we do that, we will be on our way to the recovery and growth that the people of our country are expecting us to achieve.

Mr. WIRTH. Mr. President, I ask unanimous consent that Senators SIMON and ADAMS be added as cosponsors to the Wirth amendment 1491.

The PRESIDING OFFICER. Without objection, it is so ordered.

MCCAIN AMENDMENT REGARDING LIMITED ENGLISH PROFICIENT CHILDREN

Mr. McCAIN. Mr. President, I rise to speak about my amendment to S. 2. I am very pleased that it has been accepted by the managers of the bill, and will be adopted by the full Senate.

I want to thank Senators MURKOWSKI, STEVENS, and SEYMOUR for cosponsoring my amendment. This amendment is a simple one, but it focuses attention on the special needs of several million students that might otherwise be ignored.

This amendment requires that the local schools and school districts which seek Federal school improvement grants describe how their proposal will meet the needs of their limited English proficient students, and their disabled students.

As it is currently written, S. 2 requires schools to describe how their educational improvement plan addresses 11 different criteria. The school's grant proposal is submitted with the aid of the local school district, and reviewed by the State education department, and a newly established, statewide advisory council.

These requirements include outlining the school's academic goals, the steps to be taken by the school to achieve them, and how the educational progress of the school and its students will be measured.

What my amendment will do, Mr. President, is ensure that the special needs of limited English proficient [LEP] students are carefully evaluated during the preparation of the school's reform proposal. This amendment will also ensure that the State's education department, as well as the Governor's Advisory Council and the Secretary of Education, will be specifically apprised of how language-minority students and disabled students will be served by the school's reform plan.

The needs of disabled children must also be in sharp focus during school improvement efforts. The McCain amendment effectively augments the ADA to ensure that school officials are more aware of the special needs of the disabled.

My amendment adds no additional costs to this legislation; it does not place any new constraints on how schools can use their funds, and it does not require any specific uses for their grant. I firmly believe that local schools, and the communities they serve, must design and implement the education improvement plans that they feel best meet the needs of their students.

There are compelling reasons for the adoption of this amendment. The academic achievement of all American students is an issue of tremendous concern today. My colleagues are well aware of the many comparative studies and statistical indicators which show our youth to be trailing their counterparts in other Western industrialized nations.

For no other group of Americans, however, are there as many difficult hurdles standing in the way of true academic success, as those that face language minority children. Children for whom English is not their first language are not being adequately served in thousands of schools districts throughout the United States. I believe the Senate must act to ensure that language minority children are not ignored during the wave of school reforms that this bill seeks to initiate.

The goals of this amendment, and those of bilingual educational generally, are to help mainstream language minority children, and to increase their opportunities to learn English. We are entering an age of a new global economy where communication skills are more important than ever before. For this reason, effective planning for the education of children and their language skills is pivotal to their success as citizens and productive workers.

To fully understand the difficulties facing America's language minority students, and the need to accept my amendment, let us take a serious look at some very hard facts.

The most recent estimates by the Department of Education Report that there are over 2.4 million limited English proficient students in America's elementary and secondary school today. This is a very conservative estimate, and the 1990 census data may send this number skyrocketing upward.

In California, 1 out of every 6 students is limited English proficient; in New Mexico, 1 out of every 5 students is; in Arizona, Texas, and Alaska, the figure is greater than 1 in 10.

It is worth noting that the number of language minority students, and the special educational services they need, is by no means an issue of concern only to schools and States in the Southwest. New York, Massachusetts, New Jersey, and Illinois have well over 350,000 LEP students among them.

The challenges faced by one large school district in Arizona is indicative of the problems faced by many districts nationwide. The Tucson Unified School District has over 57,000 students, and almost 30 percent have a primary language other than English. Hispanic, native American, and Asian students comprise 43 percent of TUSD's students.

Despite the fiscal constraints imposed by severely limited resources, TUSD is known for its innovative biligual education programs. Showing just how much America's classrooms have changed since most Members of the Senate went to school, TUSD's officials and educators must strive to meet the educational needs of a student body that speaks a total of 70 different languages.

At a time when record numbers of language minority students are entering America's classrooms, and 5 million children of immigrants are expected to enroll in our schools during this decade, it is imperative that the Congress act to address their unique educational needs. The joint efforts of local, State, and Federal Governments are necessary to serve children from families where English is not the primary language.

While America's LEP population continues to surge, the resources allocated to help educate these students remain alarmingly insufficient. The Congressional Research Service [CRS] reports that when adjusted for inflation, funding for programs under the Bilingual Education Act decreased 47 percent over the last decade. Statistics also show that less than 10 percent of students eligible for Federal bilingual education services of title 7 receive them.

A Department of Education forum on the staffing resources necessary to meet the needs of schools with language-minority students supplied concrete evidence of a critical shortage of bilingual teachers, teacher aides, and counselors across the United States. In the last 2 fiscal years, only one out of every seven school districts in the United States seeking funds for family English literacy, special population, and staff training grants received them.

The current shortage of resources and personnel so urgently needed by our LEP students has profound consequences for both their individual dreams and aspirations, as well as the future vitality and competitiveness of our Nation.

Students from a non-English-speaking background often face a plethora of economic and cultural disadvantages in struggling to succeed in America's schools and work force. A look at current educational achievement indicators vividly demonstrates why this amendment is necessary to help bolster success in school for language minority students.

Hispanic students comprise approximately three-fourths of all language-minority students. Nationwide, the percentage of Hispanics that are held back a grade is almost twice as high as that of Anglo students.

The first report card of the National Education Goals Panel reported that Hispanic students have substantially higher dropout rates than white or black students, and that limited English proficiency is a factor. At age 20, only 60 percent of Hispanics have a high school diploma, or its equivalency. This compares poorly with the 83-percent graduation rate for white students.

As charted by the National Education Goals panel, it should be of great concern to every Member of this body that the high dropout rate for Hispanic students has shown scarce improvement over the last 15 years. The plight of native American and Native Alaskan students as shown by such indicators is similar, if not worse.

Three of the national education goals that we seek to attain by the year 2000 pose special challenges for our fellow citizens who come from a non-English-speaking background. In my view, these are ensuring that all children enter school ready to learn; a national high school graduation rate of 90 percent, and full literacy for every adult American. If we are to seriously pursue these laudable goals, as I believe we must, each school district, every community, and all levels of government have to join forces to better serve the educational needs of language minority students.

Mr. President, I believe the Senate has helped in an important manner by accepting my amendment. The legislation before us authorizes a huge sum of new funds for education reform at the local level—$850 million, and it wisely allows schools and communities to design their own school improvement programs.

We have improved this bill with this amendment. By requiring that each school that develops an improvement plan take a close look at how their plan meets the needs of language minority students, the Senate can help protect these students from further falling through the cracks of our education system.

My amendment merely requires that schools seeking new Federal aid for school reform describe the plan's impact on LEP students.

This amendment does not burden applicants with directives on what reforms they should select, or how they should be implemented. It also has no additional costs for taxpayers.

My overriding intent is to ensure that the special needs of LEP and disabled students are addressed in whatever type of reforms local communities develop under S. 2.

I know that each Member of the Senate is committed to furthering the cause of educational excellence in America. For the students who come to our schools without many of the advantages that most Americans take for granted, the adoption of this amendment is a small but important step in their individual journeys to success in school and beyond.

I would like to thank Senators KENNEDY, HATCH, and KASSEBAUM for their key support in accepting my amendment. I yield the floor.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The point of no quorum having been made, the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CABLE TELEVISION CONSUMER PROTECTION ACT

The PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of S. 12, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 12) to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and to restore the right of local regulatory authorities to regulate cable television rates, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Cable Television Consumer Protection Act of 1991".

FINDINGS

SEC. 2. The Congress finds and declares the following:

(1) Pursuant to the Cable Communications Policy Act of 1984, rates for cable television services have been deregulated in approximately 97 percent of all franchises since December 29, 1986. Since rate deregulation, monthly rates for the lowest priced basic cable service have increased by 40 percent or more for 28 percent of cable television subscribers. Although the average number of basic channels has increased from about 24 to 30, average monthly rates have increased by 29 percent during the same period. The average monthly cable rate has increased almost three times as much as the Consumer Price Index since rate deregulation.

(2) For a variety of reasons, including local franchising requirements and the extraordinary expense of constructing more than one cable television system to serve a particular geographic area, most cable television subscribers have no opportunity to select between competing cable systems. Without a sufficient number of local television broadcast signals and without the presence of another multichannel video programming distributor, a cable system faces no local competition. The result is undue market power for the cable operator as compared to that of consumers and video programmers.

(3) There is a substantial governmental and First Amendment interest in promoting a diversity of views provided through multiple technology media.

(4) There has been a substantial increase in the penetration of cable television systems over the past decade, with cable television services now available to 71.3 million of the 92.1 million households with televisions. Nearly 54 million households, over 58 percent of the households with televisions, subscribe to cable television, and this percentage is almost certain to increase. As a result of this growth, the cable tele-

vision industry has become a dominant nationwide video medium.

(5) The cable industry has become highly concentrated. The potential effects of such concentration are barriers to entry for new programmers and a reduction in the number of media voices available to consumers.

(6) Cable television rates for video programming provided on other than the basic service tier should not be governmentally regulated except in extraordinary circumstances, which may include the need to control undue market power.

(7) The cable television industry has become vertically integrated; cable operators and cable programmers often have common ownership. As a result, cable operators have the incentive and ability to favor their affiliated programmers. This could make it more difficult for non-cable-affiliated programmers to secure carriage on cable systems. Vertically integrated program suppliers also have the incentive and ability to favor their affiliated cable operators over nonaffiliated cable operators and programming distributors using other technologies.

(8) There is a substantial governmental and First Amendment interest in ensuring that cable subscribers have access to local noncommercial educational stations which Congress has authorized, as expressed in section 396(a)(5) of the Communications Act of 1934 (47 U.S.C. 396(a)(5)). The distribution of unique noncommercial, educational programming services, including those transmitted by noncommercial educational television stations serving local communities or markets, advances that interest in providing for the further education of our citizens and encouraging "public telecommunications services which will be responsive to the interests of people both in particular localities and throughout the United States, which will constitute an expression of diversity and excellence, and which will constitute a source of alternative telecommunications services for all the citizens of the Nation".

(9) The Federal Government has a substantial interest in making all nonduplicative local public television services available on cable systems because—

(A) public television provides educational and informational programming to the Nation's citizens, thereby advancing the Government's compelling interest in educating its citizens;

(B) public television is a local community institution, supported through local tax dollars and voluntary citizen contributions in excess of $10,800,000,000 since 1972, that provides public service programming that is responsive to the needs and interests of the local community;

(C) the Federal Government, in recognition of public television's integral role in serving the educational and informational needs of local communities, has invested more than $3,000,000,000 in public broadcasting since 1969; and

(D) absent carriage requirements there is a substantial likelihood that citizens, who have supported local public television services, will be deprived of those services.

(10) A primary objective and benefit of our Nation's system of regulation of television and radio broadcasting is the local origination of programming. There is a substantial governmental interest in ensuring its continuation.

(11) Broadcast television stations continue to be an important source of local news and public affairs programming and other local broadcast services critical to an informed electorate.

(12) Broadcast television programming is supported by revenues generated from advertising broadcast over stations. Such programming is otherwise free to those who own television sets and do not require cable transmission to receive broadcast signals. There is a substantial governmental interest in promoting the continued availability of such free television programming, especially for viewers who are unable to afford other means of receiving programming.

(13) As a result of the growth of cable television, there has been a marked shift in market share from broadcast television to cable television services.

(14) Cable television systems and broadcast television stations increasingly compete for television advertising revenues. As the proportion of households subscribing to cable television increases, proportionately more advertising revenues will be reallocated from broadcast to cable television systems.

(15) A cable television system which carries the signal of a local television broadcaster is assisting the broadcaster to increase its viewership, and thereby attract additional advertising revenues that otherwise might be earned by the cable system operator. As a result, there is an economic incentive for cable systems to terminate the retransmission of the broadcast signal, refuse to carry new signals, or reposition a broadcast signal to a disadvantageous channel position. There is a substantial likelihood that absent the reimposition of such a requirement, additional local broadcast signals will be deleted, repositioned, or not carried.

(16) As a result of the economic incentive that cable systems have to delete, reposition, or not carry local broadcast signals, coupled with the absence of a requirement that such systems carry local broadcast signals, the economic viability of free local broadcast television and its ability to originate quality local programming will be seriously jeopardized.

(17) Consumers who subscribe to cable television often do so to obtain local broadcast signals which they otherwise would be not be able to receive, or to obtain improved signals. Most subscribers to cable television systems do not or cannot maintain antennas to receive broadcast television services, do not have input selector switches to convert from a cable to antenna reception system, or cannot otherwise receive broadcast television services. The regulatory system created by the Cable Communications Policy Act of 1984 was premised upon the continued existence of mandatory carriage obligations for cable systems, ensuring that local stations would be protected from anticompetitive conduct by cable systems.

(18) Cable television systems often are the single most efficient distribution system for television programming. A government mandate for a substantial societal investment in alternative distribution systems for cable subscribers, such as the "A/B" input selector antenna system, is not an enduring or feasible method of distribution and is not in the public interest.

(19) At the same time, broadcast programming that is carried remains the most popular programming on cable systems, and a substantial portion of the benefits for which consumers pay cable systems is derived from carriage of the signals of network affiliates, independent television stations, and public television stations. Also, cable programming placed on channels adjacent to popular off-the-air signals obtains a larger audience than on other channel positions. Cable systems, therefore, obtain great benefits from local broadcast signals which, until now, they have been able to obtain without the consent of the broadcaster or any copyright liability. This has resulted in an effective subsidy of the development of cable systems by local broadcasters. While at one time, when cable systems did not attempt to compete with local broadcasters for programming, audience, and advertising, this subsidy may have been appropriate, it is so no longer and results in a competitive imbalance between the two industries.

(20) The Cable Communications Policy Act of 1984, in its amendments to the Communications Act of 1934, limited the regulatory authority of franchising authorities over cable operators. Franchising authorities are finding it difficult under the current regulatory scheme to deny renewals to cable systems that are not adequately serving cable subscribers.

(21) Given the lack of clear guidelines in applying the First Amendment to cable franchise decisions, cities are unreasonably exposed to liability for monetary damages under the Civil Rights Acts.

(22) Cable systems should be encouraged to carry low power television stations licensed to the communities served by those systems where the low power station creates and broadcasts, as a substantial part of its programming day, local programming.

STATEMENT OF POLICY

SEC. 3. It is the policy of the Congress in this Act to—

(1) promote the availability to the public of a diversity of views and information through cable television and other video distribution media;

(2) rely on the marketplace, to the maximum extent feasible, to achieve that availability;

(3) ensure that cable operators continue to expand, where economically justified, their capacity and the programs offered over their cable systems;

(4) where cable television systems are not subject to effective competition, ensure that consumer interests are protected in receipt of cable service; and

(5) ensure that cable television operators do not have undue market power vis-a-vis video programmers and consumers.

DEFINITIONS

SEC. 4. (a) Section 602 of the Communications Act of 1934 (47 U.S.C. 522) is amended by redesignating paragraph (1) as paragraph (2), by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively, by redesignating paragraphs (4) through (10) as paragraphs (7) through (13), respectively, by redesignating paragraphs (11) and (12) as paragraphs (16) and (17), respectively, by redesignating paragraph (13) as paragraph (19), by redesignating paragraphs (14) and (15) as paragraphs (23) and (24), respectively, and by redesignating paragraph (16) as paragraph (27).

(b) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately before paragraph (2), as so redesignated, the following new paragraph:

"(1) the term 'activated channels' means those channels engineered at the headend of a cable system for the provision of services generally available to residential subscribers of the cable system, regardless of whether such services actually are provided, including any channel designated for public, educational, or governmental use;".

(c) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (2), as so redesignated, the following new paragraph:

"(3) the term 'available to a household' or 'available to a home' when used in reference to a multichannel video programming distributor means a particular household which is a subscriber or customer of the distributor or a particular household which is actively and currently sought as a subscriber or customer by a multichannel video programming distributor;".

(d) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (5), as so redesignated, the following new paragraph:

"(6) the term 'cable community' means the households in the geographic area in which a cable system provides cable service;".

(e) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (13), as so redesignated, the following new paragraphs:

"(14) the term 'headend' means the location of any equipment of a cable system used to process the signals of television broadcast stations for redistribution to subscribers;

"(15) the term 'multichannel video programming distributor' means a person such as, but not limited to, a cable operator, a multichannel multipoint distribution service, a direct broadcast satellite service, or a television receive-only satellite program distributor, who makes available for purchase, by subscribers or customers, multiple channels of video programming;".

(f) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (17), as so redesignated, the following new paragraph:

"(18) the term 'principal headend' means—

"(A) the headend, in the case of a cable system with a single headend, or

"(B) in the case of a cable system with more than one headend, the headend designated by the cable operator to the Commission as the principal headend, except that such designation shall not undermine or evade the requirements of section 614;".

(g) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (19), as so redesignated, the following new paragraphs:

"(20)(A) the term 'local commercial television station' means any television broadcast station, determined by the Commission to be a commercial station, licensed and operating on a channel regularly assigned to its community by the Commission that, with respect to a particular cable system—

"(i) is licensed to a community whose reference point, as defined in section 76.53 of title 47, Code of Federal Regulations, or any successor regulations thereto, is within 50 miles of the principal headend of the cable system; and

"(ii) delivers to the principal headend of the cable system either a signal level of -45 dBm for UHF signals and -49 dBm for VHF signals at the input terminals of the signal processing equipment, or a baseband video signal;

where such a television broadcast station would be considered a distant signal under section 111 of title 17, United States Code, it shall be deemed to be a local commercial television station upon agreement to reimburse the cable operator for the incremental copyright costs assessed against such operator as a result of being carried on the cable system;

"(B) the term 'local commercial television station' shall not include television translator stations and other passive repeaters which operate pursuant to part 74 of title 47, Code of Federal Regulations, or any successor regulations thereto;

"(21) the term 'qualified noncommercial educational television station' means any television broadcast station which—

"(A)(i) under the rules and regulations of the Commission in effect on March 29, 1990, is licensed by the Commission as a noncommercial educational television broadcast station and which is owned and operated by a public agency, nonprofit foundation, corporation, or association; or

"(ii) is owned or operated by a municipality and transmits only noncommercial programs for educational purposes; and

"(B) has as its licensee an entity which is eligible to receive a community service grant, or any successor grant thereto, from the Corporation for Public Broadcasting, or any successor organization thereto, on the basis of the formula set forth in section 396(k)(6)(B) (47 U.S.C. 396(k)(6)(B));

such term includes (I) the translator of any noncommercial educational television station with five watts or higher power serving the cable community, (II) a full service station or translator if such station or translator is licensed to a channel reserved for noncommercial educational use pursuant to section 73.606 of title 47, Code of Federal Regulations, or any successor regulations thereto, and (III) such stations and translators operating on channels not so reserved as the Commission determines are qualified as noncommercial educational stations;

"(22) the term 'qualified low power station' means any television broadcast station conforming to the rules established for Low Power Television Stations contained in part 74 of title 47, Code of Federal Regulations, only if—

"(A) such station broadcasts during at least the minimum number of hours of operation required by the Commission for television broadcast stations under part 73 of title 47, Code of Rederal Regulations, and a significant part of their programming, in an amount to be determined by the Commission, is locally originated and produced;

"(B) such station meets all obligations and requirements applicable to television broadcast stations under part 73 of title 47, Code of Federal Regulations, with respect to the broadcast of nonentertainment programming; programming and rates involving political candidates, election issues, controversial issues of public importance, editorials, and personal attacks; programming for children; and equal employment opportunity;

"(C) such station complies with interference regulations consistent with their secondary status pursuant to part 74 of title 47, Code of Federal Regulations; and

"(D) such station is located no more than 35 miles from the cable system's headend, or no more than 20 miles if the low power station is located within one of the 50 largest Standard Metropolitan Statistical Areas, and delivers to the input terminals of the signal processing equipment at the cable system headend a signal level of -45 dBm for UHF stations and -49 dBm for VHF stations;

nothing in this paragraph shall be construed to grant any low power station primary status for spectrum occupancy;"

(h) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended—

(1) by striking "and" at the end of paragraph (24), as so redesignated; and

(2) by inserting immediately after such paragraph (24) the following new paragraphs:

"(25) the term 'usable activated channels' means activated channels of a cable system, except those channels whose use for the distribution of broadcast signals would conflict with technical and safety regulations as determined by the Commission;

"(26) the term 'video programmer' means a person engaged in the production, creation, or wholesale distribution of a video programming service for sale; and".

REGULATION OF CABLE RATES

SEC. 5. Section 623 of the Communications Act of 1934 (47 U.S.C. 543) is amended to read as follows:

"REGULATION OF RATES

"SEC. 623. (a) Any Federal agency, State, or franchising authority may not regulate the rates for the provision of cable service, or for the installation or rental of equipment used for the receipt of cable service, except to the extent provided under this section and section 612. Any franchising authority may regulate the rates for the provision of cable service, or any other communications service provided over a cable system to cable subscribers, by only to the extent provided under this section.

"(b)(1) If the Commission finds that a cable system is not subject to effective competition, the Commission shall ensure that the rates for the provision of basic cable service, including for the installation or rental of equipment used for the receipt of basic cable service, or charges for changes in service tiers, are reasonable; except that if fewer than 30 percent of all customers to that cable system subscribe only to basic cable service, the Commission also shall ensure that rates are reasonable for the lowest-priced tier of service subscribed to by at least 30 percent of the cable system's customers.

"(2)(A) Upon written request by a franchising authority, the Commission shall review the State and local laws and regulations governing the regulation of rates of cable systems under the jurisdiction of such franchising authority. The Commission shall authorize such franchising authority to carry out such regulation pursuant to paragraph (1) in lieu of the Commission if the Commission finds that—

"(i) such State and local laws and regulations conform to the procedures, standards, requirements, and guidelines prescribed under paragraph (4) and any interpretative rulings, decisions, and orders of the Commission that relate to rate regulation under this subsection; and

"(ii) such franchising authority will provide the level of protection to consumers required by the Commission and that carries out the national policy established in this title.

"(B) Upon petition by a cable operator or other interested party, the Commission shall review such regulation of cable system rates by a franchising authority authorized under this paragraph. If the Commission finds that the franchising authority has acted inconsistently with the requirements in subparagraph (A), the Commission shall grant appropriate relief. If the Commission, after the franchising authority has had a reasonable opportunity to comment, determines that the State and local laws and regulations are not in conformance with subparagraph (A) (i) or (ii), the Commission shall revoke such authorization.

"(3) A cable operator may add to or delete from a basic cable service tier any video programming other than retransmitted local television broadcast signals. Any obligation imposed by operation of law inconsistent with this subsection is preempted and may not be enforced.

"(4) Within 120 days after the date of enactment of the Cable Television Consumer Protection Act of 1991, the Commission shall prescribe by rule procedures, standards, requirements, and guidelines for the establishment of reasonable rates charged for basic cable service by a cable operator not subject to effective competition.

"(5) A cable operator may file with the Commission, or with a franchising authority authorized by the Commission under paragraph (2) to regulate rates, a request for a rate increase in the price of a basic cable service tier. Any such request upon which final action is not taken within 180 days after such request shall be deemed granted.

"(c)(1) When a franchising authority or a subscriber of any cable system found by the Commission not to be subject to effective competition files, within a reasonable time after a rate increase for cable programming service of that system, including an increase which results from a change in that system's service tiers or from a change in the per channel rate paid by subscribers for a particular video programming service, a complaint which establishes a prima facie case that rates for such cable programming

service are unreasonable based on the criteria established by the Commission, the Commission shall determine whether such rates for cable programming service are unreasonable. In making its determination, the Commission shall inquire of the cable operator of such system as to the reasons for such rates. If the Commission finds that such rates cannot be justified under reasonable business practices, the Commission shall establish reasonable rates.

"(2) Within 180 days after the date of enactment of the Cable Television Consumer Protection Act of 1991, the Commission shall prescribe by rule—

"(A) the criteria for determining whether rates for cable programming service are unreasonable, and

"(B) criteria for determining that (i) a complaint described under paragraph (1) is filed within a reasonable period after a rate increase and (ii) the complaint establishes a prima facie case that rates for cable programming service are unreasonable.

"(3) In establishing the criteria for determining whether rates for cable programming service are unreasonable pursuant to paragraph (2)(A), the Commission shall consider, among other factors—

"(A) the extent to which service offerings are offered on an unbundled basis;

"(B) rates for similarly situated cable systems offering comparable services, taking into account, among other factors, similarities in facilities, regulatory and governmental costs, and number of subscribers;

"(C) the history of rates for such service offerings of the system;

"(D) the rates for all cable programming service offerings taken as a whole; and

"(E) the rates for such service offerings charged by cable systems subject to effective competition, as defined in subsection (d).

"(d) Under this section, a cable system shall be presumed to be subject to effective competition if—

"(1) fewer than 30 percent of the households in the cable community subscribe to the cable service of such cable system; or

"(2) the cable community is served by a sufficient number of local television broadcast signals and by more than one multichannel video programming distributor.

For purposes of paragraph (2), a cable community shall be considered as served by more than one multichannel video programming distributor if (A) comparable video programming is available at comparable rates to at least a majority of the households in the cable community from a competing cable operator, multichannel multipoint distribution service, direct broadcast satellite program distributor, television receive-only satellite program distributor, or other competing multichannel video programming distributor, and (B) the number of households subscribing to programming services offered by such competing multichannel video programming distributor, or by a combination of such distributors, is in the aggregate at least 15 percent of the households in the cable community. No competing multichannel video programming distributor serving households in a cable community which, directly or indirectly, is owned or controlled by, or affiliated through substantial common ownership with, the cable system in that cable community, shall be included in any determination regarding effective competition under this subsection.

"(e) A cable operator shall have a rate structure, for the provision of cable service, that is uniform throughout the geographic area in which cable service is provided over its cable system.

"(f) Nothing in this title shall be construed as forbidding any Federal agency, State, or franchising authority from—

"(1) prohibiting discrimination among customers of cable service; or

"(2) requiring and regulating the installation or rental of equipment which facilitates the reception of cable service by hearing-impaired individuals.

"(g) For purposes of this section, the term 'cable programming service' means all video programming services, including installation or rental of equipment not used for the receipt of basic cable service, regardless of service tier, offered over a cable system except basic cable service and those services offered on a per channel or per program basis.

"(h) Within 120 days of enactment of this subsection, the Commission shall, by regulation, establish standards, guidelines, and procedures to prevent evasions of the rates, services, and other requirements of this section.".

NONDISCRIMINATION WITH RESPECT TO VIDEO PROGRAMMING

SEC. 6. Part IV of title VI of the Communications Act of 1934 (47 U.S.C. 551 et seq.) is amended by adding at the end the following new sections:

"NONDISCRIMINATION WITH RESPECT TO VIDEO PROGRAMMING

"SEC. 640. (a) A video programmer in which a cable operator has an attributable interest and who licenses video programming for national or regional distribution—

"(1) shall not unreasonably refuse to deal with any multichannel video programming distributor;

"(2) shall not discriminate in the price, terms, and conditions in the sale of the video programmer's programming among cable systems, cable operators, or other multichannel video programming distributors if such action would have the effect of impeding retail competition.

"(b) A video programmer in which a cable operator has an attributable interest and who licenses video programming for national or regional distribution shall make programming available on similar price, terms, and conditions to all cable systems, cable operators, or their agents or buying groups; except that such video programmer may—

"(1) impose reasonable requirements for creditworthiness, offering of service, and financial stability;

"(2) establish different price, terms, and conditions to take into account differences in cost in the creation, sale, delivery, or transmission of video programming;

"(3) establish price, terms, and conditions which take into account economies of scale or other cost savings reasonably attributable to the number of subscribers served by the distributor; and

"(4) permit price differentials which are made in good faith to meet the equally low price of a competitor.

"(c) The Commission shall prescribe rules and regulations to implement this section. The Commission's rules shall—

"(1) provide for an expedited review of any complaints made pursuant to this section; and

"(2) provide for penalties to be assessed against any person filing a frivolous complaint pursuant to this section.

"(d) Any person who encrypts any satellite cable programming for private viewing shall make such programming available for private viewing by C-band receive-only home satellite antenna users.

"(e) This section shall not apply to the signal of an affiliate of a national television broadcast network or other television broadcast signal that is retransmitted by satellite and shall not apply to any internal satellite communication of any broadcaster, broadcast network, or cable network.

"(f) For purposes of this section, any video programmer who licenses video programming for distribution to more than one cable community shall be considered a regional distributor of video programming. Nothing contained in this section shall require any person who licenses video programming for national or regional distribution to make such programming available in any geographic area beyond which such programming has been authorized or licensed for distribution.

"NONDISCRIMINATION WITH RESPECT TO SATELLITE CARRIERS

"SEC. 641. A satellite carrier that provides service pursuant to section 119 of title 17, United States Code—

"(1) shall not unreasonably refuse to deal with any distributor of video programming in the provision of such service to home satellite earth stations qualified to receive such service under section 119 of title 17, United States Code; and

"(2) shall not discriminate in the price, terms, and conditions of the sale of such service among distributors to home satellite earth stations qualified to receive such signals under section 119 of title 17, United States Code, or between such distributors and other multichannel video programming distributors.

"AGREEMENTS BETWEEN CABLE OPERATORS AND VIDEO PROGRAMMERS

"SEC. 642. Within one year after the date of enactment of this section, the Commission shall establish regulations governing program carriage agreements and related practices between cable operators and video programmers. Such regulations shall—

"(1) include provisions designed to prevent a cable operator or other multichannel video programming distributor from requiring a financial interest in a program service as a condition for carriage on one or more of such operator's systems;

"(2) include provisions designed to prohibit a cable operator or other multichannel video programming distributor from coercing a video programmer to provide exclusive rights against other multichannel video programming distributors as a condition of carriage on a system;

"(3) contain provisions designed to prevent a multichannel video programming distributor from engaging in conduct the effect of which is to unreasonably restrain the ability of an unaffiliated video programmer to compete fairly by discriminating in video programming distribution on the basis of affiliation or nonaffiliation in the selection, terms, or conditions for carriage of video programmers;

"(4) provide for expedited review of any complaints made by a video programmer pursuant to this section;

"(5) provide for appropriate penalties and remedies for violations of this subsection, including carriage; and

"(6) provide penalties to be assessed against any person filing a frivolous complaint pursuant to this section.".

LEASED COMMERCIAL ACCESS

SEC. 7. (a) Section 612(a) of the Communications Act of 1934 (47 U.S.C. 532(a)) is amended by inserting "to promote competition in the delivery of diverse sources of video programming and" immediately after "purpose of this section is".

(b) Section 612(c) of the Communications Act of 1934 (47 U.S.C. 532(c)) is amended—

(1) in paragraph (1) by inserting "and with rules prescribed by the Commission under paragraph (4)" immediately after "purpose of this section"; and

(2) by adding at the end the following new paragraph:

"(4)(A) The Commission shall have the authority to—

"(i) determine the maximum reasonable rates that a cable operator may establish pursuant to

paragraph (1) for commercial use of designated channel capacity, including the rate charged for the billing of rates to subscribers and for the collection of revenue from subscribers by the cable operator for such use; and

"(ii) establish reasonable terms and conditions for such use, including those for billing and collection.

"(B) Within 180 days after the date of enactment of this paragraph, the Commission shall establish rules for determining the maximum reasonable rate under subparagraph (A)(i) and for establishing terms and conditions under subparagraph (A)(ii).".

(c) Paragraph (5) of section 612(b) of the Communications Act of 1934 (47 U.S.C. 532(b)) is amended to read as follows:

"(5) For the purposes of this section, the term 'commercial use' means the provision of video programming, whether or not for profit.".

LIMITATIONS ON CONTROL AND UTILIZATION

SEC. 8. Subsection (f) of section 613 of the Communications Act of 1934 (47 U.S.C. 533) is amended to read as follows:

"(f)(1) In order to enhance effective competition, the Commission shall, within one year after the date of enactment of the Cable Television Consumer Protection Act of 1991, conduct a rulemaking proceeding to prescribe rules and regulations establishing—

"(A) reasonable limits on the number of cable subscribers a person is authorized to reach through cable systems owned by such person, or in which such person has an attributable interest; and

"(B) reasonable limits on the number of channels on a cable system that can be occupied by a video programmer in which a cable operator has an attributable interest.

"(2) In prescribing rules and regulations under paragraph (1), the Commission shall, among other public interest objectives—

"(A) ensure that no cable operator or group of cable operators can unfairly impede, either because of the size of any individual operator or because of joint actions by a group of operators of sufficient size, the flow of video programming from the video programmer to the consumer;

"(B) ensure that cable operators affiliated with video programmers do not favor such programmers in determining carriage on their cable systems or do not unreasonably restrict the flow of such programming to other video distributors;

"(C) take particular account of the market structure, ownership patterns, and other relationships of the cable television industry, including the nature and market power of the local franchise, the joint ownership of cable systems and video programmers, and the various types of non-equity controlling interests;

"(D) account for any efficiencies and other benefits that might be gained through increased ownership or control;

"(E) make such rules and regulations reflect the dynamic nature of the communications marketplace;

"(F) not impose limitations which would bar cable operators from serving previously unserved rural areas; and

"(G) not impose limitations which would impair the development of diverse and high quality video programming.".

CROSS-OWNERSHIP

SEC. 9. (a) Section 613(a) of the Communications Act of 1934 (47 U.S.C. 533(a)) is amended—

(1) by inserting "(1)" immediately after "(a)"; and

(2) by adding at the end the following new paragraph:

"(2) It shall be unlawful for a cable operator to hold a license for multichannel multipoint distribution service, or to offer satellite master antenna television service separate and apart from any franchised cable service, in any portion of the cable community served by that cable operator's cable system. The Commission—

"(A) shall waive the requirements of this paragraph for all existing multichannel multipoint distribution services and satellite master antenna television services which are owned by a cable operator on the date of enactment of this paragraph; and

"(B) may waive the requirements of this paragraph to the extent the Commission determines is necessary to ensure that all significant portions of the affected cable community are able to obtain video programming.".

(b) Section 613(c) of the Communications Act of 1934 (47 U.S.C. 533(c)) is amended—

(1) by inserting "(1)" immediately after "(c)"; and

(2) by adding at the end the following new paragraph:

"(2) If ten percent of the households in the United States with television sets subscribe to service provided by multichannel video programming distributors directly via satellite to home satellite antennae, the Commission shall promulgate appropriate regulations (A) limiting ownership of any such distributor by cable operators or any person having other media interests and (B) requiring access to such satellite service by unaffiliated video programmers.".

CUSTOMER SERVICE

SEC. 10. (a) Section 632(a) of the Communications Act of 1934 (47 U.S.C. 552(a)) is amended by inserting "may establish and" immediately after "authority" and in paragraph (1) by inserting immediately after "operator" the following: "that (A) subject to the provisions of subsection (e), exceed the standards set by the Commission under this section, or (B) prior to the issuance by the Commission of rules pursuant to subsection (d)(1), exist on the date of enactment of the Cable Television Consumer Protection Act of 1991".

(b) Section 632 of the Communications Act of 1934 (47 U.S.C. 552) is amended by adding at the end the following new subsections:

"(d)(1) The Commission, within 180 days after the date of enactment of this subsection, shall, after notice and an opportunity for comment, issue rules that establish customer service standards that ensure that all customers are fairly served. Thereafter the Commission shall regularly review the standards and make such modifications as may be necessary to ensure that customers of the cable industry are fairly served. A franchising authority may enforce the standards established by the Commission.

"(2) Notwithstanding the provisions of subsection (a) and this subsection, nothing in this title shall be construed to prevent the enforcement of—

"(A) any municipal ordinance or agreement in effect on the date of enactment of this subsection, or

"(B) any State law,

concerning customer service that imposes customer service requirements that exceed the standards set by the Commission under this section.

"(e) In the event that a particular franchising authority, pursuant to its authority under subsection (a), requires provisions for enforcement of customer service requirements of the cable operator that exceed the standards established by the Commission, the cable operator may petition the Commission for a declaration, after notice and hearing and based upon substantial evidence, that the particular franchising authority's requirements are not in the public interest. In determining whether a particular franchising authority's provisions for enforcement of customer service requirements are not in the public interest, the Commission shall consider the needs of the local area served by the particular franchising authority.".

FRANCHISE RENEWAL

SEC. 11. (a) Section 626(a) of the Communications Act of 1934 (47 U.S.C. 546(a)) is amended by adding at the end the following: "Submission of a timely written renewal notice by the cable operator specifically requesting a franchising authority to initiate the formal renewal process under this section is required for the cable operator to invoke the renewal procedures set forth in subsections (a) through (g); except that nothing in this section requires a franchising authority to commence the renewal proceedings during the 6-month period which begins with the 36th month before the franchise expiration.".

(b) Section 626(c)(1) of the Communications Act of 1934 (47 U.S.C. 546(c)(1)) is amended—

(1) by inserting "pursuant to subsection (b)" immediately after "renewal of a franchise"; and

(2) by striking "completion of any proceedings under subsection (a)" and inserting in lieu thereof the following: "date of the submission of the cable operator's proposal pursuant to subsection (b)".

(c) Section 626(c)(1)(A) of the Communications Act of 1934 (47 U.S.C. 546(c)(1)(A)) is amended by inserting "throughout the franchise term" immediately after "law".

(d) Section 626(c)(1)(B) of the Communications Act of 1934 (47 U.S.C. 546(c)(1)(B)) is amended—

(1) by striking "mix, quality, or level" and inserting in lieu thereof "mix or quality"; and

(2) by inserting "throughout the franchise term" immediately after "needs".

(e) Section 626(d) of the Communications Act of 1934 (47 U.S.C. 546(d)) is amended—

(1) by inserting "which has been submitted in compliance with subsection (b)" immediately after "Any denial of a proposal for renewal"; and

(2) by striking all after "unless" and inserting in lieu thereof the following: "the operator has notice and opportunity to cure, or in any case in which it is documented that the franchising authority has waived in writing its right to object.".

(f) Section 626(e)(2)(A) of the Communications Act of 1934 (47 U.S.C. 546(e)(2)(A)) is amended by inserting immediately after "section" the following: "and such failure to comply actually prejudiced the cable operator".

(g) Section 626 of the Communications Act of 1934 (47 U.S.C. 546) is amended by adding at the end the following new subsection:

"(i) Notwithstanding the provisions of subsections (a) through (h), any lawful action to revoke a cable operator's franchise for cause shall not be negated by the initiation of renewal proceedings by the cable operator under this section.".

REQUIREMENT FOR CERTAIN EQUIPMENT ON TELEVISION SETS

SEC. 12. Section 303(s) of the Communications Act of 1934 (47 U.S.C. 303(s)) is amended—

(1) by inserting ", and be equipped with an electronic switch permitting users of the apparatus to change readily among all video distribution media," immediately after "television broadcasting"; and

(2) by inserting immediately before the period at the end the following: ", except that such electronic switch shall be required only if the Commission determines that the installation of the switch is technically and economically feasible".

LIMITATION OF FRANCHISING AUTHORITY LIABILITY

SEC. 13. Part III of title IV of the Communications Act of 1934 (47 U.S.C. 621 et seq.) is amended by adding at the end the following new section:

"LIMITATION OF LIABILITY

"SEC. 628. (a) In any court proceeding pending on the date of enactment of this section, or

initiated after such date, involving any claim under the Civil Rights Acts asserting a violation of First Amendment constitutional rights by a franchising authority or other governmental entity or by any official, member, employee, or agent of such authority or entity, arising from actions expressly authorized or required by this title, any relief shall be limited to injunctive relief, declaratory relief, and attorney's fees and legal costs, except as provided in subsection (b).

"(b) The limitation required by subsection (a) shall not apply to actions that, prior to such violation, have been determined by a final order of a court of binding jurisdiction, no longer subject to appeal, to be in violation of constitutional rights under the First Amendment or of the Civil Rights Acts.".

MINIMUM TECHNICAL STANDARDS

SEC. 14. Section 624(e) of the Communications Act of 1934 (47 U.S.C. 544(e)) is amended to read as follows:

"(e)(1) The Commission shall, within one year after the date of enactment of the Cable Television Consumer Protection Act of 1991, establish minimum technical standards to ensure adequate signal quality for all classes of video programming signals provided over a cable system, and thereafter shall periodically update such minimum standards to reflect improvements in technology.

"(2) The Commission may establish standards for technical operation and other signals provided over a cable system including but not limited to high-definition television (HDTV).

"(3) The Commission may require compliance with and enforce any standard established under this subsection, adjusted as appropriate for the particular circumstances of the local cable system and cable community.

"(4) The Commission shall establish procedures for complaints or petitions asserting the failure of a cable operator to meet the technical standards and seeking an order compelling compliance; except that nothing in this subsection shall be construed to limit the ability of a complainant or petitioner to seek any other remedy that may be available under the franchise agreement or State or Federal law or regulation.

"(5) After the establishment of technical standards by the Commission pursuant to this section, neither a State or political subdivision thereof, nor a franchising authority or other governmental entity of a State or political subdivision thereof, shall—

"(A) establish any technical standards described in this subsection;

"(B) enforce any such standards that have not been established by the Commission; or

"(C) enforce any such standards that are inconsistent with the standards established by the Commission.".

RETRANSMISSION CONSENT FOR CABLE SYSTEMS

SEC. 15. (a) Section 325 of the Communications Act of 1934 (47 U.S.C. 325) is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting immediately after subsection (a) the following new subsection:

"(b)(1) Following the date that is one year after the date of enactment of this section, no cable system or other multichannel video programming distributor shall retransmit the signal of a broadcasting station, or any part thereof, without the express authority of the originating station, except as permitted by sections 614 and 615.

"(2) Until December 31, 1994, the provisions of this section shall not apply to retransmission of a signal of a broadcasting station transmitted by a satellite carrier or common carrier which carried that signal on May 1, 1991. For the purposes of this subsection, the term 'satellite carrier' means an entity that uses the facilities of a satellite or satellite service licensed by the Commission to establish and operate a channel of communications for point-to-multipoint distribution of television signals.

"(3)(A) Within 45 days after the date of enactment of this subsection, the Commission shall commence a rulemaking proceeding to establish regulations to govern the exercise by television stations of the rights to grant retransmission authority under this subsection and the right to signal carriage under sections 614 and 615. Such rulemaking proceeding shall be completed within six months after its commencement.

"(B) The regulations required by subparagraph (A) shall require that television stations, within one year after the date of enactment of this subsection and every three years thereafter, make an election between the right to grant retransmission authority under this subsection and the right to signal carriage under sections 614 and 615. Such election shall apply to all cable systems within the jurisdiction of any franchising authority.

"(4) If an originating television station elects under paragraph (3)(B) to exercise its right to grant retransmission authority under this subsection, the provisions of sections 614 and 615 shall not apply to the carriage of the signal of such station by such cable system.

"(5) The election by a local commercial television station to exercise its right to grant retransmission authority under this subsection shall not interfere with or supersede the rights under sections 614 and 615 of any station electing to assert the right to signal carriage under that section.".

REQUIREMENT TO CARRY LOCAL BROADCAST SIGNALS

SEC. 16. Part II of title VI of the Communications Act of 1934 (47 U.S.C. 531 et seq.) is amended by inserting immediately after section 613 the following new sections:

"CARRIAGE OF LOCAL COMMERCIAL TELEVISION SIGNALS

"SEC. 614. (a) Each cable operator shall carry, on the cable system of that operator, the signals of local commercial television stations and qualified low power stations as provided by this section. Carriage of additional broadcast television signals on such system shall be at the discretion of such operator, subject to section 325(b).

"(b)(1)(A) A cable operator of a cable system with 12 or fewer usable activated channels shall carry the signals of at least three local commercial television stations, except that if such a system has 300 or fewer subscribers, it shall not be subject to any requirements under this section so long as such system does not delete from carriage by that system any signal of a broadcast television station.

"(B) A cable operator of a cable system with more than 12 usable activated channels shall carry the signals of local commercial television stations, up to a maximum of one-third of the aggregate number of usable activated channels of such system.

"(2) Whenever the number of local commercial television stations exceeds the maximum number of signals a cable system is required to carry under paragraph (1), the cable operator shall have discretion in selecting which such signals shall be carried on its cable system, except that—

"(A) under no circumstances shall a cable operator carry a qualified low power station in lieu of a qualified local commercial broadcast station otherwise entitled to carriage under this section; and

"(B) if the cable operator elects to carry an affiliate of a broadcast network (as such term is defined by the Commission by regulation), such cable operator shall carry the affiliate of such broadcast network whose city of license reference point, as defined under section 76.53 of title 47, Code of Federal Regulations (as in effect on January 1, 1991), or any successor regulation thereto, is closest to the principal headend of the cable system.

"(3)(A) A cable operator shall carry in its entirety, on the cable system of that operator, the primary video and accompanying audio transmission of each of the local commercial television stations carried on the cable system and, to the extent technically feasible, program-related material carried in the vertical blanking interval, or on subcarriers. Retransmission of other material in the vertical blanking interval or other non-program-related material (including teletext and other subscription and advertiser-supported information services) shall be at the discretion of the cable operator. Where appropriate and feasible, the operator may delete signal enhancements, such as ghost-canceling, from the broadcast signal and employ such enhancements at the system headend or headends.

"(B) The cable operator shall carry the entirety of the program schedule of any television station carried on the cable system unless carriage of specific programming is prohibited, and other programming authorized to be substituted, under section 76.67 or subpart F of part 76 of title 47, Code of Federal Regulations (as in effect on January 1, 1991), or any successor regulations thereto.

"(4)(A) The signals of local commercial television stations that a cable operator carriers shall be carried without material degradation. The Commission shall adopt carriage standards to ensure that, to the extent technically feasible, the quality of signal processing and carriage provided by a cable system for the carriage of local commercial television stations will be no less than that provided by the system for carriage of any other type of signal.

"(B) At such time as the Commission prescribes modifications of the standards for television broadcast signals, the Commission shall initiate a proceeding to establish any changes in the signal carriage requirements of cable television systems necessary to ensure cable carriage of such broadcast signals of local commercial television stations which have been changed to conform with such modified standards.

"(5) Notwithstanding paragraph (1), a cable operator shall not be required to carry the signal of any local commercial television station that substantially duplicates the signal of another local commercial television station which is carried on its cable system, or to carry the signals of more than one local commercial television station affiliated with a particular broadcast network (as such term is defined by regulation). If a cable operator elects to carry on its cable system a signal which substantially duplicates the signal of another local commercial television station carried on the cable system, or to carry on its system the signals of more than one local commercial television station affiliated with a particular broadcast network, all such signals shall be counted toward the number of signals the operator is required to carry under paragraph (1).

"(6) Each signal carried in fulfillment of carriage obligations of a cable operator under this section shall be carried on the cable system channel number on which the local commercial television station is broadcast over the air, or on the channel on which it was carried on July 19, 1985, at the election of this station, or on such other channel number as is mutually agreed upon by the station and the cable operator. Any disputes regarding the positioning of a local commercial television station shall be resolved by the Commission.

"(7) Signals carried in fulfillment of the requirements of this section shall be provided to every subscriber of a cable system. Such signals shall be viewable via cable on all television re-

ceivers of a subscriber which are connected to a cable system by a cable operator or for which a cable operator provides a connection. If a cable operator authorizes subscribers to install additional receiver connections, but does not provide the subscriber with such connections, or with the equipment and materials for such connections, the operator shall notify such subscribers of all broadcast stations carried on the cable system which cannot be viewed via cable without a converter box and shall offer to sell or lease such a converter box to such subscribers at reasonable rates.

"(8) A cable operator shall identify, upon request by any person, the signals carried on its system in fulfillment of the requirements of this section.

"(9) A cable operator shall provide written notice to a local commercial television station at least 30 days prior to either deleting from carriage or repositioning that station. No deletion or repositioning of a local commercial television station shall occur during a period in which major television ratings services measure the size of audiences of local television stations. The notification provisions of this paragraph shall not be used to undermine or evade the channel positioning or carriage requirements imposed upon cable operators under this section.

"(10) A cable operator shall not accept or request monetary payment or other valuable consideration in exchange either for carriage of local commercial television stations in fulfillment of the requirements of this section or for the channel positioning rights provided to such stations under this section, except that—

"(A) any such station may be required to bear the costs associated with delivering a good quality signal to the headend of the cable system;

"(B) a cable operator may accept payments from stations which would be considered distant signals under section 111 of title 17, United States Code, as reimbursement for the incremental copyright costs assessed against such cable operator for carriage of such signal; and

"(C) a cable operator may continue to accept monetary payment or other valuable consideration in exchange for carriage or channel positioning of the signal of any local commercial television station carried in fulfillment of the requirements of this section, through, but not beyond, the date of expiration of an agreement thereon between a cable operator and a local commercial television station entered into prior to June 26, 1990.

"(c) If there are not sufficient signals of full power local commercial television stations to fill the channels set aside under subsection (b), the cable operator shall be required to carry qualified low power stations until such channels are filled.

"(d)(1) Whenever a local commercial television station believes that a cable operator has failed to meet its obligations under this section, such station shall notify the operator, in writing, of the alleged failure and identify its reasons for believing that the cable operator is obligated to carry the signals of such station or has otherwise failed to comply with the channel positioning or repositioning requirements of this section. The cable operator shall, within 30 days after such written notification, respond in writing to such notification and either commence to carry the signal of such station in accordance with the terms requested or state its reasons for believing that it is not obligated to carry such signal or is in compliance with the channel positioning and repositioning requirements of this section. A local commercial television station that is denied carriage or channel positioning or repositioning by a cable operator may obtain review of such denial by filing a complaint with the Commission. Such complaint shall allege the manner in which such cable operator has failed to meet its obligations and the basis for such allegations.

"(2) The Commission shall afford such cable operator an opportunity to present data and arguments to establish that there has been no failure to meet its obligations under this section.

"(3) Within 120 days after the date a complaint is filed, the Commission shall determine whether the cable operator has met its obligations under this section. If the Commission determines that the cable operator has failed to meet such obligations, the Commission shall order the cable operator to reposition the complaining station or, in the case of an obligation to carry a station, to commence carriage of the station and to continue such carriage for at least 12 months. If the Commission determines that the cable operator has fully met the requirements of this section, it shall dismiss the complaint.

"(e) No cable operator shall be required—

"(1) to provide or make available any input selector switch as defined in section 76.5(mm) of title 47, Code of Federal Regulations, or any comparable device, or

"(2) to provide information to subscribers about input selector switches or comparable devices.

"(f) Within 180 days after the date of enactment of this section, the Commission shall, following a rulemaking proceeding, issue regulations implementing the requirements imposed by this section.

"CARRIAGE OF NONCOMMERCIAL EDUCATIONAL TELEVISION SIGNALS

"SEC. 615. (a) In addition to the carriage requirements set forth in section 614, each operator of a cable system (hereafter in this section referred to as an 'operator') shall carry the signals of qualified noncommercial educational television stations in accordance with the provisions of this section.

"(b)(1) Subject to paragraphs (2) and (3) and subsection (e), each operator shall carry, on the cable system of that operator, each qualified local noncommercial educational television station requesting carriage.

"(2)(A) Notwithstanding paragraph (1), an operator of a cable system with 12 or fewer usable activated channels shall be required to carry the signal of only one qualified local noncommercial educational television station; except that an operator of such a system shall comply with subsection (c) and may, in its discretion, carry the signals of other qualified noncommercial educational television stations.

"(B) In the case of a cable system described in subparagraph (A) which operates beyond the presence of any qualified local noncommercial educational television station—

"(i) the operator shall carry on that system the signal of one qualified noncommercial educational television station;

"(ii) the selection for carriage of such a signal shall be at the election of the operator; and

"(iii) in order to satisfy the requirements for carriage specified in this subsection, the operator of the system shall not be required to remove any other programming service actually provided to subscribers on March 29, 1990; except that such operator shall use the first channel available to satisfy the requirements of this subparagraph.

"(3)(A) Subject to subsection (c), an operator of a cable system with 13 to 36 usable activated channels—

"(i) shall carry the signal of at least one qualified local noncommercial educational television station but shall not be required to carry the signals of more than three such stations, and

"(ii) may, in its discretion, carry additional such stations.

"(B) In the case of a cable system described in this paragraph which operates beyond the presence of any qualified local noncommercial educational television station, the operator shall import the signal of at least one qualified noncommercial educational station to comply with subparagraph (A)(i).

"(C) The operator of a cable system described in this paragraph which carries the signal of a qualified local noncommercial educational station affiliated with a State public television network shall not be required to carry the signal of any additional qualified local noncommercial educational television station affiliated with the same network if the programming of such additional station is substantially duplicated by the programming of the qualified local noncommercial educational television station receiving carriage.

"(D) An operator of a system described in subparagraph (A) which increases the usable activated channel capacity of the system to more than 36 channels on or after March 29, 1990 shall, in accordance with the other provisions of this section, carry the signal of each qualified local noncommercial educational television station requesting carriage, subject to subsection (e).

"(c) Notwithstanding any other provision of this section, all operators shall continue to provide carriage to all qualified local noncommercial educational television stations whose signals were carried on their systems as of March 29, 1990. The requirements of this subsection may be waived with respect to a particular operator and a particular such station, upon the written consent of the operator and the station.

"(d) An operator required to add the signals of qualified local noncommercial educational television stations to a cable system under this section may do so by placing such additional stations on public, educational, or governmental channels not in use for their designated purposes.

"(e) An operator of a cable system with a capacity of more than 36 usable activated channels which is required to carry the signals of three qualified local noncommercial educational television stations shall not be required to carry the signals of additional such stations the programming of which substantially duplicates the programming broadcast by another qualified local noncommercial educational television station requesting carriage. Substantial duplication shall be defined by the Commission in a manner that promotes access to distinctive noncommercial educational television services.

"(f) A qualified local noncommercial educational television station whose signal is carried by an operator shall not assert any network non-duplication rights it may have pursuant to section 76.92 of title 47, Code of Federal Regulations, to require the deletion of programs aired on other qualified local noncommercial educational television stations whose signals are carried by that operator.

"(g)(1) An operator shall retransmit in its entirety the primary video and accompanying audio transmission of each qualified local noncommercial educational television station whose signal is carried on the cable system, and, to the extent technically feasible, program-related material carried in the vertical blanking interval, or on subcarriers, that may be necessary for receipt of programming by handicapped persons or for educational or language purposes. Retransmission of other material in the vertical blanking interval or on subcarriers shall be within the discretion of the operator.

"(2) An operator shall provide each qualified local noncommercial educational television station whose signal is carried in accordance with this section, with bandwidth and technical capacity equivalent to that provided to commercial television broadcast stations carried on the cable system and shall carry the signal of each quali-

fied local noncommercial educational television station without material degradation.

"(3) The signal of a qualified local noncommercial educational television station shall not be repositioned by an operator unless the operator, at least 30 days in advance of such repositioning, has provided written notice to the station and all subscribers of the cable system. For purposes of this paragraph, repositioning includes (A) assignment of a qualified local noncommercial educational television station to a cable system channel number different from the cable system channel number to which the station was assigned as of March 29, 1990, and (B) deletion of the station from the cable system.

"(4) Notwithstanding the other provisions of this section, an operator shall not be required to carry the signal of any qualified local noncommercial educational television station which does not deliver to the cable system's principal headend a signal of good quality, as may be defined by the Commission.

"(h) Signals carried in fulfillment of the carriage obligations of an operator under this section shall be available to every subscriber as part of the cable system's lowest priced service that includes the retransmission of local television broadcast signals.

"(i)(1) An operator shall not accept monetary payment or other valuable consideration in exchange for carriage of the signal of any qualified local noncommercial educational television station carried in fulfillment of the requirements of this section, except that such a station may be required to bear the cost associated with delivering a good quality signal to the principal headend of the cable system.

"(2) Notwithstanding the provisions of this section, an operator shall not be required to add the signal of a qualified local noncommercial educational television station not already carried under the provisions of subsection (c), where such signal would be considered as a distant signal for copyright purposes unless such station reimburses the operator for the incremental copyright costs assessed against such operator as a result of such carriage.

"(j)(1) Whenever a qualified local noncommercial educational television station believes that an operator of a cable system has failed to comply with the signal carriage requirements of this section, the station may file a complaint with the Commission. Such complaint shall allege the manner in which such operator has failed to comply with such requirements and state the basis for such allegations.

"(2) The Commission shall afford such operator an opportunity to present data, views, and arguments to establish that the operator has complied with the signal carriage requirements of this section.

"(3) Within 120 days after the date a complaint is filed under this subsection, the Commission shall determine whether the operator has complied with the requirements of this section. If the Commission determines that the operator has failed to comply with such requirements, the Commission shall state with particularity the basis for such findings and order the operator to take such remedial action as is necessary to meet such requirements. If the Commission determines that the operator has fully complied with such requirements, the Commission shall dismiss the complaint.

"(k) An operator shall identify, upon request by any person, those signals carried in fulfillment of the requirements of this section.

"(l) For purposes of this section, 'qualified local noncommercial educational television station' is defined as a qualified noncommercial educational television station—

"(A) which is licensed to a principal community whose reference point, as defined in section 76.53 of title 47, Code of Federal Regulations (as in effect on March 29, 1990), or any successor regulations thereto, is within 50 miles of the principal headend of the cable system; or

"(B) whose Grade B service contour, as defined in section 73.683(a) of such title (as in effect on March 29, 1990), or any successor regulations thereto, encompasses the principal headend of the cable system.".

JUDICIAL REVIEW

SEC. 17. Section 635 of the Communications Act of 1934 (47 U.S.C. 555) is amended by adding at the end the following new subsection:

"(c)(1) Notwithstanding any other provision of law, any civil action challenging the constitutionality of section 614 of this Act or any provision thereof shall be heard by a district court of three judges convened pursuant to the provisions of section 2284 of title 28, United States Code.

"(2) Notwithstanding any other provision of law, an interlocutory or final judgment, decree, or order of the court of three judges in an action under paragraph (1) holding section 614 of this Act or any provision thereof unconstitutional shall be reviewable as a matter of right by direct appeal to the Supreme Court. Any such appeal shall be filed not more than 20 days after entry of such judgment, decree, or order.".

HOME WIRING

SEC. 18. Section 624 of the Communications Act of 1934 (17 U.S.C. 544) is amended by adding at the end the following new subsection:

"(g) Within 120 days after the date of enactment of this subsection, the Commission shall prescribe rules and regulations concerning the disposition, after a subscriber to a cable system terminates service, of any cable installed by the cable operator within the premises of such subscriber.".

AWARD OF FRANCHISES

SEC. 19. (a) Section 621(a)(1) of the Communications Act of 1934 (47 U.S.C. 541(a)(1)) is amended by inserting immediately before the period at the end the following: "; except that a franchising authority may not unreasonably refuse to award an additional competitive franchise. For purposes of this subsection, refusal to award a second franchise on the grounds of technical infeasibility shall be deemed not to be unreasonable. Any applicant whose application for a second franchise has been denied by a final decision of the franchising authority may appeal such final decision pursuant to the provisions of section 635 for failure to comply with this subsection".

(b) Section 635(a) of the Communications Act of 1934 (47 U.S.C. 555(a)) is amended by inserting "621(a)(1)," immediately after "section".

FRANCHISE REQUIREMENTS

SEC. 20. Section 621(a) of the Communications Act of 1934 (47 U.S.C. 541(a)) is amended by adding at the end the following new paragraph:

"(4) In awarding a franchise, the franchising authority shall allow the applicant's cable system a reasonable period of time to become capable of providing cable service to all households in the geographic area within the jurisdiction of the franchising authority.".

DIRECT BROADCAST SATELLITE SYSTEMS

SEC. 21. (a) The Federal Communications Commission shall, within 180 days after the date of enactment of this Act, initiate a rulemaking proceeding to impose, with respect to any direct broadcast satellite system that is not regulated as a common carrier under title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.), public interest or other requirements on direct broadcast satellite systems providing video programming. Any regulations prescribed pursuant to such proceeding shall, at a minimum, apply the access to broadcast time requirement of section 312(a)(7) of the Communications Act of 1934 (47 U.S.C. 312(a)(7)) and the use of facilities requirements of section 315 of such Act (47 U.S.C. 315) to direct broadcast satellite systems providing video programming. Such proceeding also shall examine the implications of the establishment of such systems for the principle of localism under such Act, and the methods by which such principle may be served through technological and other developments in, or regulation of, such systems.

(b)(1) The Federal Communications Commission shall require, as a condition of any initial authorization, or renewal thereof, for a direct broadcast satellite service providing video programming, that the provider of such service reserve not less than 4 percent nor more than 7 percent of the channel capacity of such service exclusively for noncommercial public service uses. A provider of such service may use any unused channel capacity designated pursuant to this paragraph until the use of such channel capacity is obtained, pursuant to a written agreement, for public service use. As used in this paragraph, the term "public service use" includes—

(A) programming produced by public telecommunications entities, including programming furnished to such entities by independent production services;

(B) programming produced by public or private educational institutions or entities for educational, instructional, or cultural purposes; and

(C) programming produced by any entity to serve the disparate needs of specific communities of interest, including linguistically distinct groups, minority and ethnic groups, and other groups.

(2) There is established a study panel which shall be comprised of a representative of the Corporation for Public Broadcasting, the National Telecommunications and Information Administration, and the Office of Technology Assessment selected by the head of each such entity. Such study panel shall, within 2 years after the date of enactment of this Act, submit a report to the Congress containing recommendations on—

(A) methods and strategies for promoting the development of programming for transmission over the public use channels reserved pursuant to paragraph (1);

(B) methods and criteria for selecting programming for such channels that avoids conflicts of interest and the exercise of editorial control by the direct broadcast satellite service provider; and

(C) identifying existing and potential sources of funding for administrative and production costs for such public use programming.

(c) As used in this section, the term "direct broadcast satellite system" includes (A) any satellite system licensed under part 100 of title 47, Code of Federal Regulations, and (B) any high power Ku-band fixed service satellite system providing video service directly to the home and licensed under part 25 of title 47, Code of Federal Regulations.

SEPARABILITY

SEC. 22. If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application as to which it is held invalid, shall not be affected thereby.

EFFECTIVE DATE

SEC. 23. Except as otherwise specified in this Act, the requirements of this Act shall be effective 60 days after the date of enactment of this Act. The Federal Communications Commission may promulgate such regulations as it determines necessary to interpret such requirements that are not inconsistent herewith.

The PRESIDENT pro tempore. The Senator from Kentucky [Mr. FORD].

Mr. FORD. Mr. President, for many years I have followed the events that resulted in the growth of the cable television industry. When I first came to the Senate in 1975, the cable industry consisted of small operators that I referred to, and many others referred to, as moms and pops. Due to a series of favorable court decisions, regulatory rulings at the Federal Communications Commission and congressional actions the face of the cable industry in the past 15 years has changed from what we referred to as moms and pops to large multiple system operations. During the 1980's, not a week went by that some cable system in Kentucky was not purchased by a huge cable company. The moms and pops, as we knew them, were cable systems of service. The huge cable companies are not.

Unlike the television networks, there have been no constraints on the growth of the cable industry. Cable companies are allowed to own cable systems and the channels that provide programming for the cable systems, something that the government has never allowed the networks. This morning's Wall Street Journal stated that one cable company, TCI, generates a cash flow of $1.7 billion a year—more than ABC, CBS, NBC, and the Fox network combined. In the three-part series on cable recently in the Washington Post, Robert Johnson, creator of the Black Entertainment Television and chairman of the District of Columbia's Cablevision, was quoted:

> When people want to do business in the cable business, they have to talk to John Malone—chairman of TCI.

If the tables were turned and Tom Murphy of ABC, Laurence Tisch of CBS, or Bob Wright of NBC had that kind of power over an entire industry, we would be doing something as we have heard a lot of talk on the Senate floor on network power.

In 1984, the Congress voted to deregulate the cable industry. In 7 years, the industry has completely changed and cable has grown into a multibillion dollar industry. Without any government oversight, huge companies grew at an unprecedented pace. I was absolutely amazed at the prices paid for cable systems in Kentucky.

Although a lot of debt was the result of this cable free-for-all, there is enough cash flow in the business to allow this growth. Recently, we have been hearing a lot about the salaries of corporate executives in the United States. If you take a look at the list of the highest paid executives in America, cable leads the list. Last year, one executive made $76 million which leads me to believe that it is time to take a fresh look at the cable industry.

The Commerce Committee embarked on an effort 3 years ago to reregulate the cable industry. The combined leadership of the chairman of the subcommittee, Senator INOUYE, the chairman of the Committee, Senator HOLLINGS, and the ranking member, Senator DANFORTH, led to the bill we are considering today. I know of no other issue before the Commerce Committee that has generated as many hearings and comments. Senator INOUYE has done a terrific job of handling all of the issues surrounding the cable debate. Senator DANFORTH has never let up in his effort to resolve the cable problems. I would also like to commend the staff—Toni Cook for the majority and Gina Kenney for the minority.

S. 12 brings back regulation of cable rates. A monopoly service unregulated brings about the kind of rate increases being experienced throughout the country. Many citizens in Kentucky have mailed me copies of their cable bill. I do not know the group behind this effort, but it is a very effective campaign.

Mr. President, let me just show you what I received today just from one part of Kentucky. "My cable monthly rate, $24.95." That is down in Murray, KY. Madisonville, $26.77. Gilbertsville, $24.43; Dawson Springs, $20.69. I could go on and on, Mr. President. Hopkinsville, $27.81. But these are the copies of the bills that my constituents are sending to me. It is a very effective campaign, and I expect other Senators will start receiving the same sort of bills that I have been receiving.

The General Accounting Office testified that average cable rates for basic service has jumped by 43 percent since 1986. In some parts of Kentucky, Mr. President, the rates have risen over 200 percent. In a recent move to circumvent the reregulation of basic service in S. 12, cable companies have been retiering.

In 1991, the GAO testified that 40 percent of cable systems had shifted their most popular cable services, such as CNN and ESPN, out of the basic tier. Prices for the new tier rose three times the rate of inflation. Also, when the GAO posed as potential cable customers, they were not informed of the lower cable basic rate. It is time, Mr. President, for reform, and I believe S. 12 is the vehicle.

In 1987, I joined with Senator GORE and Senator BUMPERS in an effort to make the views of the owners of the backyard satellite dishes known to Government policymakers. Only half of the State of Kentucky is wired for cable. Due to the small population density in the unserved areas, it is doubtful that these areas will ever receive cable.

Most of these unserved areas are in the mountainous eastern part of my State. Up until the satellite dish became available for consumers, most of these citizens received only one channel—an affiliate in Knoxville, TN. All of a sudden, after an expensive purchase of a satellite dish, the entertainment world was opened to these Kentucky citizens. Within a short time, 30,000 dishes had been purchased in Kentucky.

Fairly soon, the heavy hand of the cable industry hit the backyard satellite dish industry. My colleagues and I made an effort to find a compromise to guarantee programming to these consumers, but we were unsuccessful.

I am delighted that provisions of the original bill introduced in 1987 on program distribution and exclusivity are included in the legislation we are considering. A lot of credit goes to Senator GORE as he has been the champion of this issue.

Another technology that has evolved in the past 10 years is the low power television industry. I was successful in getting an amendment to S. 12 which requires cable operators to carry low power television stations known as LPTV, where there are not sufficient full power stations to fill the channels allowed for must-carry. Must-carry would only apply for low power stations that broadcast a substantial amount of locally produced programming and comply with the public interest requirement that full power stations must meet.

In Kentucky, there are several examples of the public benefit of low power stations. During Desert Storm, the low power station in Hopkinsville, KY, which is adjacent to Ft. Campbell, carried the homecoming of the 101st Division as well as many stories about local heroes. This kind of coverage was not duplicated by the full power stations as they did not have the local interest. In Lebanon, KY, local high school and college graduations are aired as well as high school sports. I believe the locally produced programming deserves must-carry and I will do what I can to see that this provision is retained in this bill.

Another area of S. 12 in which I was successful in the Commerce Committee's consideration of the bill is the home wiring issue. I was contacted by local officials in Glasgow, KY, regarding a problem they were having with the local cable system. In an effort to provide competition, the city of Glasgow built another cable system. The other cable system would go into cable customer's homes and pull out all of the wiring in an attempt to keep customers from changing over to the city-owned cable systems, needless to say, cable customers were not happy with the idea that their walls and carpeting could be harmed just to change the cable system. I believe that once the cable wiring is in the home, it is the property of the cable customer, not the company.

In the bill, there is a requirement that the FCC will promulgate rules concerning the disposition of cable installation wires within the home when the subscriber terminates or changes service.

Finally, Mr. President, I read with interest the article in this morning's Washington Post about the strategy of the cable industry on this bill. There will be an attempt to substitute S. 12 with a weaker version. The question then is, Does the Bush administration support the substitute or do they prefer no bill at all?

I urge my colleagues to read this article before voting on the substitute. It is really an effort to kill S. 12. In hard economic times, this is an area where we can do something. Stemming the tide of biyearly rate increase for cable is something we can do now by voting for S. 12.

Mr. President, I ask unanimous consent that the article in the Washington Post of this date, "Substitute Strategy for Cable TV Industry," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 27, 1992]

"SUBSTITUTE" STRATEGY FOR CABLE TV INDUSTRY

(By Paul Farhi)

The cable television industry says it and the Bush administration support a Senate bill that would re-regulate cable TV prices and other aspects of the business.

On the other hand, maybe they don't.

With the debate on cable regulation scheduled to begin today in the Senate, an internal National Cable Television Association (NCTA) memo indicates that the industry group is trying to build support for a weaker bill than the one that passed the Senate Commerce, Science and Transportation Committee in June.

The weaker bill—sponsored by Sens. Bob Packwood (R-Ore.), Ted Stevens (R-Alaska) and John F. Kerry (D-Mass.)—would restrict the number of channels that local officials could regulate and soften other limitations contained in S. 12, the bill approved by the committee.

By urging support of the weaker substitute version, the memo from NCTA President James P. Mooney makes clear, the cable group hopes to draw enough support away from S. 12 to slow the re-regulatory momentum in Congress and give the White House enough backing to threaten a veto that Congress could not override. The split might leave Congress at an impasse—and the cable industry free of any new legislation.

"If the 'substitute' prevails, or even if it gains 34 or more votes [eliminating the possibility of Congress overriding a presidential veto], the politics of the controversy will have been substantially altered," last week's memo from Mooney to the NCTA's board members says.

But the memo also make clear that the NCTA—and the White House—don't really want the substitute bill, either.

"The Administration is on board, and will be supporting the 'substitute' . . . but will not support the bill even if the amendment is adopted," the memo states. "We are taking the same position."

Either version of the bill puts the Bush administration in a difficult position. If it vetoes the legislation, the White House risks being painted as anti-consumer during an election year by the bill's proponents. If President Bush signs a cable bill into law, however, he will be putting his signature on a re-regulation at a time when he is urging a moratorium on regulation.

White House officials could not be reached for comment.

In an interview Friday, Mooney called the cable association's position "a garden variety legislative strategy. It happens every day in Washington."

He added, "We don't think there should be legislation, but if there has to be legislation, we think it should be more moderate and not a grab bag filled with our opponents' wish list."

One of those opponents, Gene Kimmelman of the Consumer Federation of America, said the cable organization's strategy "proves their support of the substitute is like a Trojan horse. This is not a legitimate effort at compromise; it's a political tool to jettison all legislation."

Mr. FORD. Mr. President, I yield the floor.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER (Mr. WIRTH). The Senator from Oregon.

Mr. PACKWOOD. I thank the Chair.

Mr. President, I rise today to oppose S. 12, the Cable Television Consumer Protection Act of 1991. I do so because the burdensome regulation this bill would impose on our cable industry is unjustified. Not only is it unjustified, but it also would hamper the continuing efforts of cable operators and programmers to expand viewer choices and to develop new technologies. In the end, I believe this is contrary to the interest of this country and to the interest of cable consumers.

While problems in the cable industry do exist, S. 12 goes well beyond what is needed to address these problems. If we are going to pass legislation, it should be narrowly crafted to address genuine problems through competitive, market-oriented means, whenever possible, and without creating intrusive and unnecessary Government regulation.

The wisdom and importance of seeking a competitive, rather than regulatory, response to cable problems are obvious. In the late 1970's and early 1980's, the development of the cable industry in the United States had stalled.

First, efforts to wire the Nation's largest cities were in disarray.

Second, overregulated and uneconomical cable systems were failing to attract sufficient subscribers, largely because of inadequate programming.

Third, attempts to launch new cable programming services were failing because of limited channel capacity, low ratings, and insufficient revenues.

Fourth, the cable industry faced an apparently inescapable dilemma: It could not attract additional subscribers and increase revenues without new and innovative programming, and it could not afford to develop such programming without additional subscribers and increased revenues.

Therefore, in 1984, Congress moved to address the crisis facing the cable industry. We passed the Cable Communications Policy Act. This act, for the first time, established a national policy for the cable industry. It was designed to encourage the growth of cable systems and cable programming for the benefit of consumers. It did this by eliminating unnecessary and burdensome regulation by local franchising authorities.

Let me emphasize what I just said: The 1984 Cable Act eliminated unnecessary and burdensome regulation. It did not eliminate all regulation of the cable industry. What some people forget is that the cable industry is still regulated. Under current law, local franchising authorities can:

First, impose and collect franchise fees, up to 5 percent of gross revenues;

Second, determine how many public, educational, and governmental access channels a cable operator must set aside;

Third, establish customer service requirements;

Fourth, set basic cable rates, where there is no effective competition;

Fifth, determine how many cable franchises to award in their area; and

Sixth, specify channel capacity and other technical requirements.

Although it may not be the most popular thing to say, the Cable Act has achieved much of what Congress intended. Last year, the Federal Communications Commission submitted a report to Congress assessing the success of deregulation and the status of competition in the cable industry. That report reached the following conclusion:

> In compiling and analyzing the record leading to this report, we have found that since the Cable Act of 1984, the cable television industry and cable television subscribers have benefited significantly from the regulatory certainty and economic freedoms contained in the act. Cable operators have expanded their systems—both in terms of service area and channel capacity—deployed new technology and invested in new programming, thereby increasing choices for consumers. The Cable Act was intended to establish a national policy concerning cable communications that would promote competition, minimize unnecessary regulations imposing undue economic burdens on cable systems, and encourage the provision of the widest possible diversity of information sources and services to the public. In many respects these fundamental purposes of the Cable Act are being accomplished.

I emphasize again, that was a report of the Federal Communications Commission.

The Commission found the growth and development of the cable industry since the Cable Act was readily measurable. For example:

First, today, 90 percent of all U.S. television households have access to cable television, as compared to about 60 percent in 1984—only 8 years ago.

Second, today, 90 percent of all cable subscribers receive more than 30 channels versus only 60 percent in 1984.

Third, the cable industry has substantially increased its investment in new technology and programming:

Since 1984, over $5 billion has been invested in new plant and equipment; and

Annual investment in basic programming has more than tripled.

The American public has clearly welcomed and benefited from the growth and development of the cable industry. Welcomed because the number of cable subscribers has grown from 37 million in 1984 to more than 55 million in 1991. Benefited because today more than 70 cable networks are available to subscribers and over a dozen additional services are in the works. Through these networks, cable television offers the American people an unparalleled variety of specialized programs tailored to consumers' individual needs and interests. You can turn on your television and watch:

First, gavel-to-gavel coverage of the proceedings of Congress on C-SPAN;

Second, 24-hour news on CNN;

Third, home shopping;

Fourth, music videos;

Fifth, classic movies;

Sixth, documentaries; and

Seventh, the list goes on and on, including numerous foreign language stations.

Some of the proponents of S. 12 will argue that the increasing number of cable subscribers reaffirms their argument that cable is a monopoly. They argue that people have no choice so they keep signing up. I would argue that cable offers people something they want, something they are not getting anywhere else and something that is a relatively good value. That is why the number of subscribers continues to increase.

Up until now, I have spent a lot of time recounting the successes of the 1984 Cable Act. And, on balance, I believe the act qualifies as a success story. However, I fully recognize the problems that have arisen as a result of the rapid growth of the cable industry since 1984.

First, State and local franchising authorities and cable subscribers have complained about rate increases and poor customer service.

Second, the cable industry's competitors have argued that the cable industry enjoys "unfair" advantages in the video marketplace.

Although there is evidence that some cable operators have abused the freedoms given them by the Cable Act, much of the current criticism of the cable industry—and much of S. 12—is misdirected.

Let me point out the actions already taken by the cable industry to address some of these criticisms:

First, it has adopted customer service standards which are being implemented nationwide. These standards specify:

How fast telephone calls must be answered;

How quickly service and billing problems should be corrected; and

How fast signal outages must be repaired.

As of July 1, 1991, about 85 percent of the Nation's cable systems serving 70 percent of subscribers were in compliance with these standards.

Second, it has negotiated a technical standards agreement with the cities and counties.

Third, it has negotiated a must carry deal with both commercial and public broadcasters.

Even with this, Mr. President, the industry continues to come under fire. And the biggest complaint seems to be over rates. The proponents of S. 12 point to excessive increases in rates since they were deregulated in December 1986. These claims are, in my view, misleading.

It is true that cable rates have exceeded the inflation rate since 1987. But 1987 is not the relevant year to start the comparison. It is much more relevant to compare today's rates with those in 1972, when the FCC first regulated cable rates.

The cable industry argues that the regulation of rates between 1972 and 1986 kept them artificially low. As a result, when rates were deregulated in December 1986, we saw relatively big rate increases in the first couple of years, but the increases have started to moderate.

The facts seem to bear this argument out. The average price of basic cable service was $5.85 per month in 1972.

I want to emphasize again that was for basic cable service in 1972—$5.85.

At the beginning of 1990, basic service was priced as $16.33, on average throughout the Nation—6 percent less than the rate would have been had it simply kept pace with inflation.

I want you to think again what it was you got in 1972 in the basic cable service. You were lucky if you got anything more than the carriage of the over-the-air networks, major—ABC, NBC, CBS—networks, a local independent television station, and your public television stations, if your area had those; and one or two other things: no CNN, no Discovery channel, no ESPN. Today, for your basic rate—forget whether you subscribe to any of the premium channels—for your basic rate you get infinitely more channels, infinitely higher quality reception, and at a price that is less than it was in 1972 counting for inflation.

The result has been a relatively stable price per channel since deregulation, since 1986.

Another important factor to consider is the evidence that the increases that have occurred over the past few years are moderating. My good friend from Kentucky mentioned the GAO study. According to the General Accounting Office, the so-called bottom line measurement of cable rates—the average monthly cable subscriber bill—increased less than the overall rate of inflation in 1990.

Finally, changes in the FCC's rules will ensure that rates continue to moderate. Earlier this year, the FCC modified the effective competition test for determining when local rate regulation is permissible. Under the Commission's revised definition, 60 percent of all cable communities will once again be able to regulate basic cable rates.

In light of these facts and developments, the record before Congress plainly does not justify the massive reregulation of the cable industry proposed by S. 12. In the words of the FCC, today's video marketplace is a "highly dynamic sector in the midst of transitions." We have seen relatively new technologies such as cable television and home videotape machines strongly challenge the broadcast television industry. Even newer technologies such as direct broadcast satellite service are waiting in the wings. In such a dynamic environment, it is difficult to distinguish long-term systemic problems from short-term transitory ones.

S. 12 fails to draw this distinction. Consequently, it has the real potential to cripple the growth of cable programming and service options without benefiting cable consumers. Congress should not hamstring an industry that has contributed so much to the Nation's entry into the information age.

In its 1990 cable report, the FCC concluded:

> In light of the developing field of existing and potential multichannel competitors to cable, and evidence that even direct competition between cable operators may increasingly occur, we do not recommend any drastic or long-term regulation of cable rates and services * * *

S. 12 ignores this recommendation. I urge my colleagues to oppose this bill.

Mr. President, earlier in my statement I said I recognized that problems have developed since the deregulation of the cable industry and that any legislation in this area should be tailored to address those problems specifically. At the appropriate time, I plan to offer an amendment that I believe does just that. While I will not go into the details of this amendment now, I want to put my colleagues on notice that they will have a chance to vote for an alternative to this bill, which will remedy the few complaints we have had without the over-regulation that is absolutely rife throughout S. 12.

I thank the Chair.

I yield the floor.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri [Mr. DANFORTH] is recognized.

Mr. DANFORTH. Mr. President, a couple of weeks ago I was in our State capital of Jefferson City. I knew before I arrived in Jefferson City that within 5 minutes of my arrival I was going to be asked about the status of the cable television bill. And that prediction came true. There was never any doubt in my mind that it would come true, because between 1986 and mid-1990, in Jefferson City, the cable television rates increased by 186 percent.

I am reasonably sure that when I am in St. Louis, and a short period of time after arriving in the city, I will also be asked about the status of the cable television bill. That is so because in St. Louis, basic cable rates have increased 142 percent since deregulation.

I can also predict that when I am in Hannibal, when I am in Cape Girardeau, when I am in various communities in our State, I am going to get a quick question after my arrival on the issue of cable television and cable television rates.

The questions come from all kinds of people. I was in southwest Missouri a couple of weeks ago, and a rock-ribbed Republican supporter of mine, a person who is quite conservative as a matter of economic and political philosophy, came up to me and said, "When are you going to get the cable bill passed?"

So this is not just a matter of national statistics; it is a matter of real concern in communities throughout the State of Missouri, and I would think the communities throughout the United States, as well. It is interesting that questions are raised to me by Republican supporters of mine and Republican friends, and I think that, speaking as a Republican, and speaking as a person who has long been a foe of excessive governmental regulations, it is really part of the tradition of my party to oppose regulation, but to also oppose unregulated monopolies. And that is what the cable industry is now in the United States.

It was a Republican President, Theodore Roosevelt, who furthered the cause of antitrust legislation. It was a Republican Senator, Senator John Sherman, who was the author of the major antitrust legislation which we have in the United States. And their theory was that competition is always preferable to regulation, but if there is no competition, there should be regulation, because the worst result is an unregulated monopoly.

That is what cable television is throughout United States; it is an unregulated monopoly. It is an unregulated monopoly which, frankly, was not anticipated when Congress passed the cable deregulation law in 1984. At that time, it was assumed that once cable was deregulated, in very short order competition would arise. In fact, that was the debate back in 1984 when I voted for the cable deregulation legislation. Head-to-head competition was expected to develop. The then-chairman of the Communications Subcommittee, Senator Goldwater, argued that by 1986 or 1987, in his words, "every homeowner in this country [will be] able * * * to have television reception directly from satellites, of television programs going on in literally every country in the world." Senator PACKWOOD predicted that satellite dishes would be on the roofs of America in 2 to 3 years. The president of the National Cable Television Association, Thomas A. Wheeler, testified at the Senate hearing that—

> Cable systems are overbuilding each other, and by overbuilding we mean that a consumer will have a couple of choices of cable companies. There will be two cable wires running down the street.

That was the representation back in 1984 when we passed the act, that we would have other multichannel providers. We do not have other multichannel providers. We have, instead, unregulated monopoly in the cable industry. An unregulated monopoly means high rates, unregulated monopoly means poor service, and unregulated monopolies in some communities mean that the cable company is so callous about the consumers of America that they do not even answer the phone. That is what I am told by my constituents. "When we have a complaint about the quality of service, we put in a phone call, and nobody even bothers to answer the call. The phone just keeps ringing."

That is the predictable nature of a monopoly, and that is the case.

Well, Mr. President, the legislation that is now before us is legislation that would authorize municipalities to regulate cable rates within certain parameters established by the Federal Communications Commission. It does provide for regulation, but only regulation where there is not another multichannel provider. If another multichannel provider materializes, whether it is a cable company, microwave transmission, or whatever, then the regulating power sunsets.

So all we are saying in this legislation is that the exact objectives of the 1984 legislation should become reality; that we should have competition; that we prefer competition to regulation. We would rather have competition. We want competition. We encourage competition. But until competition arrives, then regulation is necessary. The basic principle, again, is that unregulated monopolies are bad, not a new idea in America.

Mr. President, I had hoped that we could somehow work this legislation out prior to Senate passage. Consistently, I have said to anybody who will listen that as far as I am concerned the suggestion box is open. Anybody who wants to come forward and make a proposal for compromise is perfectly welcome to do so. We have been at this now for something like 2 years, trying to work out legislation which everybody could accept reasonably. It has not worked out that way. We failed to accomplish anything.

I got my hopes up last week. I got my hopes up because I got wind of the fact that compromise was again in the wind. I got my hopes up because I was told that a proposal had been put forward, and I was told that the White House had signed off on the proposal. And while it was not quite what I wanted, I believed that at least it provided the basis for serious negotiations. And I thought we could come together with something that perhaps was satisfactory.

I hoped that; I believed that last Friday. But it turned out, as reported in the Washington Post this morning, that there was not any compromise proposal at all. It turned out that neither the cable association nor the administration is willing to compromise in the sense of saying, "here is our proposal, if you agree with the proposal or if we can work out a proposal, then we will support the bill."

The chief of staff of the White House today told the staff of the Senate Commerce Committee that the administration did not want any cable bill. That was what was reported in the Washington Post this morning. They do not want a bill. Fine. I say this to the Senate because Senators may be told that the substitute that will be offered is a compromise. It is not a compromise. It is a proposal that would merely gut the bill. It is a proposal that in itself is unacceptable, and it is a proposal which is designed for the purpose of giving some Senators something to vote for so that then they could vote against final passage, or then they could vote to sustain a Presidential veto.

It is a killer substitute. It has no effect other than to kill the legislation. It is a very flimsy cover, and I hope that Senators would not be fooled by it.

The fundamental issue is whether in America we should have unregulated monopolies. The question is whether the American people really want a situation in which the cable companies have absolutely free rein to increase rates as much as they want and to allow service to deteriorate at the same time. That is the issue before the Senate. The so-called substitute just does not do the job. And the President would veto the bill anyhow, so there is no reason to even consider it.

This is, Mr. President, the No. 1 consumer issue that will be before the Congress this year. Absolutely no doubt about it. It has been so rated by the Consumer Federation of America. It is a bill which has tremendous support throughout the United States.

I want to just say one word about what constitutes effective competition, because the position that we have taken in the legislation is that what constitutes effective competition is another multichannel provider.

There are those who say that that is not the measure of effective competition. They say that people can do other things with their time other than watch television and therefore competition is anything anybody could do. If, for example, you were into jigsaw puzzles, jigsaw puzzles then would constitute effective competition for cable television. If you were into electric trains, that would be effective competition. Anything you can do with your time or perhaps any way you can get information, the newspapers, the radio, whatever, in their view would constitute effective competition.

But for the consumer of television where there is cable service, there is nothing else like cable service. It is the market. And today, Mr. President, it is an unregulated market without any competition at all. That is why this bill is essential.

Mr. President, Congress made a bold decision in 1984. It deregulated the fledgling cable television industry. Our goals were twofold. First, we sought to encourage cable TV to grow throughout the country. And, second, we wanted to foster marketplace competition through other video services, such as direct broadcast satellites, satellite master antenna television systems, and new signal compression techniques.

Mr. President, the 1984 Cable Act achieved its first goal. Cable's growth has been dramatic. In 1983, about 67 percent of all American households had the option of subscribing to cable. About 43 percent did subscribe. Today, nearly 80 percent of all American households have the option of subscribing and nearly 60 percent do. But this impressive growth has been achieved by a distortion in the marketplace. Cable today is an unregulated monopoly. The promise of competition goes unrealized today.

As a Republican, I believe in competition. The Republican tradition is to protect consumers by encouraging vigorous competition. The Republican tradition is not to allow unregulated monopolies. The Republican philosophy, which goes back to Teddy Roosevelt, the trust-buster, and Senator John Sherman, the Republican author of the Sherman Act, is both probusiness and proconsumer. Consumers are served best when businesses compete head to head. But neither consumers nor new business entrants are served by letting monopolies do whatever they please. Republicans do not delegate the power of Government to the absolute power of monopolists. Standard Oil and the railroads may have been the trusts of the past. The cable companies are the trusts of today.

I voted for the 1984 Cable Act. Like many others, I thought that developing competition could replace regulation. During the debate of the 1984 act dazzling promises of competition to cable from new technologies were made. Head-to-head competition was expected to develop. The chairman of the Communications Subcommittee, Senator Goldwater, argued that, by 1986 or 1987, "every homeowner in this country [will be] able * * * to have television reception directly from satellites of television programs going on in, literally, every country in the world." The chairman of the Commerce Committee, Senator PACKWOOD, predicted that we would be putting satellite dishes on our roofs "in 2 to 3 years." The President of the National Cable Television Association, Thomas A. Wheeler, testified at the Senate hearings that "[cable systems are overbuilding each other, and by overbuilding we mean that a consumer will have a couple of choices of cable companies. There will be two cable wires running down the street."

The 1984 act was supposed to deregulate cable rates in the presence of effective competition. But, what has resulted is neither competition nor regulation. Instead, we have the worst of both worlds: Cable is an unregulated monopoly. The results of an unregulated monopoly are predictable: high rates; indifferent service; cable operators who drop local broadcasters, or place them on high channels; discrimination in the pricing of programming; problems with access to cable systems.

Since deregulation, consumers, cities, broadcasters, small cable operators, wireless distributors of video programming, and satellite dish owners have come to Congress for help. That is why the chairman of the committee, Senator FRITZ HOLLINGS, the chairman of the Communications Subcommittee, Senator DANIEL INOUYE, and a group of Democratic and Republican Senators have joined me in introducing S. 12, a bill to regulate cable television rates in the absence of effective competition.

S. 12 is similar to one favorably reported by the Commerce Committee last year. The Senate did not act on last year's bill despite our repeated efforts to negotiate a compromise with the cable industry. This May, the Commerce Committee voted 16 to 3 to report S. 12.

Despite its growth in service and programming, cable has been a disappointment. A September Consumer Reports study revealed that satisfaction with cable TV is the lowest the magazine has found in its entire history of rating service industries. And in the summer of 1990, 92 percent of the respondents in a CNN poll said that cable television should be regulated.

CABLE RATES

Although three quarters of the participants in the Consumer Reports study agreed with the statement that "[g]iven all the channels, there's still often nothing to watch," the number one complaint about cable is the price.

Facing neither competition nor regulation, cable rates have skyrocketed. The U.S. General Accounting Office reported in July that basic cable rates have risen an average of 56 percent since rates were deregulated at the end of 1986. That is more than twice the rate of inflation. Rates for the most popular cable programming increased 61 percent. In contrast, telephone rates increased 2 percent, and electric utility rates increased 11.2 percent during the same period.

My constituents have felt the squeeze of rate increases. Between 1986 and mid-1990, rates in the State capital, Jefferson City, increased 186 percent. St. Louis reports that basic cable rates have increased 142 percent since deregulation.

The cable industry attempts to defend its astonishing rate hikes. Cable operators argue that their programming costs are escalating. But the irony is that, while cable operators spent a paltry 25 cents of each subscriber dollar on programming in 1984, they spent even less—only 21 cents—in 1990. An August Justice Department study concluded that "at least 45–50 percent of the price increase since deregulation is due to market power," rather than cost increases. Rates have gone up, and will continue to soar, but not because of programming costs or other costs. Cable rates will soar and consumers will be gouged for one simple reason: there is neither competition nor regulations.

Since the introduction of cable reform bills in Congress, the cable industry has rushed to restructure its program offerings to evade even minimal regulation. Aware that under some proposals regulation would be limited to the lowest level of service, the basic tier of programming, cable systems have quickly rearranged their offerings to strip down their basic tiers. To avoid the possibility of rate regulation, cable companies are moving popular cable channels, like CNN and TBS, from their lowest-priced basic tier to more expensive expanded basic tiers.

According to the Wall Street Journal, retiering had spread to almost 60 percent of all cable subscribers by the middle of 1991 of it is likely to expand even further this year. Why are cable systems retiering? Simple. Usually far less than 10 percent of cable subscribers actually buy the stripped down basic service that would be subject to regulation under some proposals. Cable will go to any lengths to avoid rate regulation. What unregulated monopolist would not?

The question before Congress really is not whether regulation of cable rates should be permitted. That question was decided by the 1984 Cable Act. Under the 1984 act, franchising authorities—cities and States—may regulate cable rates where there is no effective competition. The question is what constitutes real competition. Cable operators would have you believe that they face competition because people can watch their aquariums at night instead of watching cable TV.

The FCC defined effective competition as three broadcast stations. With three broadcast signals in an area, such as the three networks, cable rates were deregulated. That is a ridiculous definition. It has no wonder that cable rates are deregulated for 97 percent of all cable systems.

In June, the FCC adopted a new definition of effective competition: six broadcast stations. This new standard is still too weak. it would expand regulation to less than 20 percent of the cable subscribers in the United States. It would not, for example, stop the rise in cable rates in St. Louis. The FCC's action does not protect the consumer. Americans spend $13.5 billion per year on cable instead of merely watching free TV. Clearly, the availability of broadcast signals does not represent real competition.

Real competition is the presence of a true competitor, such as a second cable system, a microwave system, or any other multichannel video provider. Where there is no true competition, cities should have the option of regulating cable rates. S. 12 provides that option. Rates for basic service can be regulated, within FCC guidelines, unless there is effective competition, from another multichannel video provider. In areas where residents have a choice between two providers, rate regulation automatically sunsets.

ENCOURAGING COMPETITION

Regulation is not my first choice. I would prefer true competition. S. 12 promotes competition in several ways. For instance, by sunsetting rate regulation once competition exists, S. 12 provides an incentive for cable to allow competition to develop.

The bill also encourages competition by prohibiting cities from unreasonably denying franchises to second cable operators. And, to prevent cable from strangling nascent competition, S. 12 limits cable ownership of microwave and satellite-delivery systems.

As another means of encouraging competition, S. 12 prohibits unfair business practices, such as unreasonable refusals to deal with competing media. If we are gong to have competition in the cable industry, those who want to compete with the entrenched cable operator must have reasonable access to the programming.

Potential competitors to cable, such as so-called wireless cable operators, complain that they are denied programming or are charged more for programming than the large cable operators affiliated with cable programmers. They point out that cable programmers who are affiliated with cable system operators have an incentive to favor cable operators over other distributors of video programming.

S. 12 addresses this problem by making it illegal for national programmers affiliated with cable operators, such as HBO, the unreasonably refuse to deal with cable competitors. These provisions are essential elements of cable reform. Without access to popular programming, cable can keep programming locked up and prevent competition from developing.

MUST CARRY AND RETRANSMISSION CONSENT

The relationship between broadcast and cable is another important element of cable reform. Today, cable operators are free to decide whether to carry local broadcasters on their systems and what channel numbers to assign. S. 12 creates a system under which broadcast stations may either elect carriage under the must-carry provisions or may opt to negotiate with cable operators for retransmission of their signals. In some cases, broadcasters may receive compensation for allowing cable to retransmit their signals, just as other programmers receive compensation for their programming.

Broadcasters, of course, benefit from being carried on cable systems. Many may determine that the benefits of carriage are sufficient compensation. S. 12 creates a flexible scheme to govern the relationship between local broadcast stations and cable systems in differing markets with differing levels of economic strength.

OTHER PROVISIONS OF S. 12

In other provisions designed to clean up the cable mess, S. 12 improves the franchising renewal process so that a community can kick out a cable operator who is not providing quality service. It also grants local authorities immunity from monetary damages for first amendment claims brought as a result of franchise decisions, although injunctive relief is still available to plaintiffs. The bill also allows the cities and the FCC to enforce tougher customer services and technical standards.

With the goal of creating an electronic soapbox and increasing the diversity of information available to cable subscribers, S. 12 directs the FCC to place caps on the rates for leasing a channel from the local cable system. And, because huge cable operators have great influence over which programmers can appear on cable, S. 12 requires the FCC to set reasonable caps on the size of the cable systems. To address a similar concern, the bill also directs the FCC to limit the number of channels that can be occupied on a cable system by a single programmer.

CONCLUSION

S. 12 is probusiness, procompetition, and proconsumer. It has been called one of the most important consumer protection bills pending in this Congress by the Consumer Federation of America. It has the support of many organizations, the cities, and a broad array of business groups, all of whom are interested in breaking up the cable monopoly.

This bill is good government based on sound economics. The premise of the bill is simple and straightforward. Cable rates should be held in check by vigorous competition or, in the absence of competition, by regulation.

We must not shirk our responsibility to protect consumers from cable's unbridled market power. To quote Teddy Roosevelt:

> I do not believe in the Government interfering with private business more than is necessary. I do not believe in the government undertaking any work which can with propriety be left in private hands. But neither do I believe in the government flinching from overseeing any work when it becomes evident that abuses are sure to obtain therein unless there is governmental supervision.

With neither competition nor regulation, the consumer is the loser. The time has come to treat the cable television industry like every other business in America. S. 12 does just that.

Mr. President, I ask unanimous consent to have printed in the RECORD recent articles about the need for cable reform and a list of groups supporting S. 12.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Jan. 15, 1992]

CABLE-TV FIRMS' HIGHER-PRICED "TIERS" BRING CRIES OF OUTRAGE FROM CONSUMERS

(By Mark Robichaux)

NEW YORK.—For the nation's cable-television operators, getting down to basics often seems something best avoided.

Keenly aware of reregulation threats and new federal rules that let more cities cap basic cable rates, cable systems have simply redefined what "basic" supposedly means. They have carved out a layer of popular channels to form a new "tier" that costs extra—and thus they effectively dodge the rules aimed at curbing price increases for basic cable.

The practice of "tiering" wasn't prevalent in late 1989, when Congress first threatened to impose new regulations on cable, just three years after it had largely deregulated the industry. But tiering had spread to almost 60% of all cable subscribers by the middle of last year. It is likely to expand even further this year.

CONSUMER COMPLAINTS

Consumer groups call it a shell game that has let cable companies blithely slap on unfair rate increases. In the past few months alone, the cable system in Los Angeles imposed a 12% increase on its most popular package, and the system here in Manhattan similarly set a 10% increase. Last March, Time Warner Inc.'s Brooklyn system formed a new tier that included MTV and CNN; nine months later, it raised the charge for the tier by 34%.

"Cash flow is the name of the game for these companies," says lawyer Nicholas Miller, who represents several cities in disputes with cable systems. "Their main concern is how do we frustrate, confuse, divide or slow down an attempt to regulate rates."

Almost all of the nation's biggest cable companies now use tiering. They maintain that it more fairly spreads the costs of various channels among the viewers who really want them, that it lets them lower the price of pared-down basic cable and reach viewers who merely want better reception and the low-income people who otherwise couldn't afford cash. Criticism of tiering "is pure cable-bashing that is totally unjustified," says Richard Aurelio, president of Time Warner's New York cable group.

Many cable operators, however, don't tell customers that a cheaper basic option is available. They simply switch customers over to the more expensive tiers through a "negative option" that requires subscribers to go out of their way to reject the change. In some cases, customers are penalized for switching to the lower-priced tier by having to pay an extra one-time charge.

Only a sliver of cable subscribers on tiered systems—usually well under 10%—actually buys the redefined narrow basic service. When federal investigators randomly called systems and posed as customers, they found that nine leading companies offering tiers didn't even acknowledge the existence of the lowest-priced basic tier, according to a recent report from the General Accounting Office. (Calls by a reporter to Time Warner systems in Manhattan and Brooklyn produced similar results.)

"The game for cable operators is to tell regulators that this is a separate and optional tier," says Joseph Van Eaton, a cable lawyer for several cities. "But they're telling subscribers that expanded tiers are part of basic service."

Despite cable operators' claims to the contrary, the price structure behind tiering often has little basis in reality, in terms of demand for the channels and operators' costs. For example, Time Warner's Brooklyn-Queens cable group previously charged $20.90 for 58 channels. Last March it split the dial into 24 channels for basic ($14.95) and a tier of 34 popular channels for an extra $5.95. Then it tacked on an extra $2.05 for the second tier last month, a 34% increase. Yet the tier probably costs the company only $3.52 to begin with, based on an average monthly cost of 16 cents a channel. (That average cost comes from Paul Kagan Associates, a media research concern; Time Warner's cable group declines to discuss specifics of its channel prices.)

Charging an extra $8 for the tier is "totally unjustified," asserts Bill Squadron, who oversees New York City cable systems as the city's telecommunications commissioner. "These companies are protecting unbelievably favorable market conditions—no competition and no regulation." Time Warner's Mr. Aurelio dismisses the charge as unreasonable.

STARTLING PRICE INCREASES

Just four years ago, cable companies were doing the reverse of tiering. When Congress freed cable from rate regulation by local governments, systems folded all channels and rates into one basic offering. Then they levied startling and aggressive price increases. Cable bills shot up 61% from December 1986 to July 1991.

Cable operators said the jump was needed to make up for years of artificially low rates, when local governments had refused to grant adequate fee increases. But a Justice Department report found that only about half of the rate rise was due to higher costs.

As criticism intensified, Congress began weighing new regulation but got nowhere. A bigger threat came from the Federal Communications Commission. In January 1990, the FCC announced a proposal that would vastly increase the number of communities allowed to ride herd on basic cable rates.

When Congress deregulated cable in 1987, it let a handful of communities—those that had fewer than three broadcast stations in their local markets—continue to regulate local cable rates. The new FCC rule proposed to let towns with fewer than six stations control cable rates, affecting 61% of all cable systems and covering 34% of all cable subscribers in the U.S.

But the FCC didn't pass the new rule until last July—and by that time tiering had taken hold. The FCC rule also had a major loophole: It let local governments control only basic rates.

"It tends to make a mockery of the process," says Bill Johnson, deputy chief of the mass-media bureau of the FCC. "It's annoying to the consumer because what they want isn't regulated by the city."

The new FCC rule gave Laredo, Texas, new authority to control local cable rates. But in June 1990 the local cable company, Paragon Cable, split its single package of 34 channels into a basic offering of 11 and a second tier of 23 channels. Subscribers who signed up for the expanded basic tier had to pay the system $15 each to change to the more limited basic service.

Three months later, the system raised the price of the second tier by 30%, from $5 to $6.50. It tacked another $2 increase on one year after that. The end result: In 15 months after Paragon imposed the tiered approach, Laredo subscribers were paying 21% more for the same 34 channels ($20.50 a month, compared with $17 when the tier was adopted in June 1990).

Paragon, a subsidiary of Kblcom Inc. in Houston, also lowered the price of its 11-channel basic offering to $7.95 a month from $12 last July, but only a small number of subscribers were affected.

Some cities are trying to fight the cable companies by seeking the right to regulate the extra tier of "expanded basic." The city of Gillette, Wyo., is in a court battle with Tele-Communications Inc., the nation's largest cable operator.

In December 1989, Tele-Communications retiered its channels and automatically switched customers to the expanded service. It also began charging extra for items such as converter boxes and cable guides. By May 1990, a customer would have had to pay $22.20 for the same package that had cost $16.74 five months earlier, a jolting 33% increase.

Outraged, the city passed an ordinance that set the price for basic service $12.80 and set expanded basic at $13.20. Tele-Communications refused to lower the price, and the city filed suit. In November, a federal judge ruled that the city had the authority to set only "basic rates." Now Gillette is pursuing a second argument, that TCI's "expanded basic" tier isn't really a distinct and separate product from basic service. (TCI officials declined to comment on the situation in Gillette.)

Tiering has also triggered resentment among newer cable channels, which fear a loss of distribution if they are placed on tiers with pay services.

Bills now in Congress address tiering, but if Congress regulates every level of service, "it will freeze the development of new programming," contends Steve Effros, president of the Community Antenna television Association, a cable trade group. He says proposed laws aimed at tiers would put artificial price caps on channels. "We are finding our price levels now," he says.

[From the New York Times, Nov. 15, 1991]

CABLE TV CUSTOMERS, GOUGED AGAIN

The Senate majority leader, George Mitchell, and Hollywood's Jack Valenti have just buried a bill to prevent monopolistic cable companies from gouging their customers. The sponsors expected a Senate vote this week, but Mr. Mitchell scheduled no floor time and has excluded the proposal from the list of bills to be considered before the Senate adjourns for the year.

Unless the bill is promptly disinterred, cable customers around the country will know who's to blame for the next outrageous cable price hike.

A 1984 bill freed cable television companies from local regulation. Since then cable costs have soared, rising three time faster than inflation. Some of the increases made up for punitively low fees set by local regulators. But studies suggest that by now, cable companies are earning exorbitant monopoly profits.

The Senate bill offers responsible re-regulation, with a light touch. It is directed at bad actors—empowering the Federal Communications Commission to set rates only where prices are outrageous and competition is lacking.

What makes the bill's sudden burial especially galling is Mr. Mitchell's excuse: the crush of end-of-session business. The cable bill was introduced on the earliest possible day and was one of the first bills this season to clear committee—in May. Putting off a vote until next year won't help consumers but it would guarantee a continued flow of campaign contributions to committee members from lobbyists for the studios, broadcasters and cable companies.

Mr. Valenti, who represents film and television producers, attacks a provision that would require cable companies to pay fees to retransmit the programs of over-the-air television stations. He cries foul, contending that that arrangement would jeopardize royalties of the Hollywood producers who make programs.

Mr. Valenti has a point, but it's a belated one. The cable companies have stalled negotiations for months and are using confusion over this provision as a pretext to scuttle the bill.

The best way to break the impasse and serve the public is for the Senate to pass the bill soon. The House, which overwhelmingly passed a similar bill last year, would quickly follow. Once Congress even comes close to action, watch how quickly Mr. Valenti and the cable companies figure out a way to resolve retransmission rights to everyone's satisfaction.

[From the Washington Post, Jan. 22, 1992]

REREGULATING CABLE: A POLITICAL RESPONSE TO A WIRED NATION

(By Paul Farhi)

If Sunday's Super Bowl telecast turns dull, even for a moment, viewers from Fairfax County to Fairfield, Calif., know exactly where to turn.

With just a few clicks of a remote control, the national attention span can wander through a blizzard of images: Nazi documentaries on the Discovery Channel . . . preachers on the Inspirational Network . . . handbags being hawked on the Home Shopping Network . . . nations in upheaval, live, on Cable News Network.

Cable television, which brings this video supermarket home, has revolutionized how Americans receive and perceive televised entertainment and news. Forty, 50 or even 75 channels of television are taken virtually for granted now. Most of it didn't exist less than a decade ago.

Today, 58 percent of all households—54 million in all—pay to receive TV programs over a copper wire. That represents a greater portion of the population than that which regularly attended a church or synagogue, subscribed to a newspaper, bought a book, or voted last year. In 1981, when MTV first went on the air and CNN was barely a year old, just 23 million households subscribed.

But cable's ascension has been met with as much protest as applause.

Cable subscribers have complained bitterly for years that local cable companies, which string the wires throughout a community and select the programming, have raised monthly rates indiscriminately.

Cable operators, most of whom have no direct competition in the communities they serve, have boosted the average monthly charges for basic cable service by 56 percent in the past five years, twice the overall inflation rate.

Cable's rivals, such as the broadcast networks and companies involved in alternative TV technologies such as direct-satellite transmission, charge that the cable industry has used its rate-setting power and control over cable programming to smother competition in the television marketplace.

Thus, cable's success has set the stage for a pivotal struggle before Congress over the laws and regulations that define the industry, which has annual revenue of $20 billion.

After four years of debate, the Senate is expected to take up a far-reaching legislative proposal next week that would give local government officials new powers to control the fees cable customers are charged and that would add new regulations to strengthen cable's competitors.

It's no surprise to find the industry's future on a political agenda. Unlike other trends and transformations of the 1980s, the cable revolution wasn't primarily the result of new technology or clever marketing. The means for carrying multiple-video signals over a copper wire has existed for decades. Instead, the development of cable television was fundamentally shaped by decisions made in Washington.

While broadcasters stymied the spread of cable in the 1950s and 1960s, the industry benefited from new laws and federal regulations during the 1970s that allowed cable systems to "import" programming, such as old movies, from faraway locations, and to string wires on telephone poles, making it easier and cheaper to build a cable system.

PIVOTAL LEGISLATION

Of all the political help cable received, none was more important than passage of the Cable Communications Policy Act of 1984. The law, designed to speed the growth of cable, set uniform national standards for the regulation of local cable systems.

The cable act and subsequent rulings by the Federal Communications Commission placed the owners of the nation's 10,700 local cable systems in an enviable position. Before the law was passed, the rates paid by cable customers to these operators were approved by the local government, which granted the cable company a license, or franchise, to place its lines along public rights of way.

The rationale for rate regulation was that cable companies, like local utility companies, were de facto monopolies. Since more than 99 percent of the nation's cable systems had—and still have—no direct competitor, local officials assumed the task of ensuring that customers weren't gouged by cable operators. Head-to-head competition is rare because the cost of building a second system in a community is considered prohibitive.

Passage of the 1984 act, followed by new FCC regulations, however, left operators free to set prices, beginning in 1987. Now, if critics have their way in Congress, localities would be empowered to roll back "unreasonable" rate increases.

"It doesn't take a rocket scientist to figure out why the cable industry grew as quickly as it did," said Gene Kimmelman, legislative director of the Consumer Federation of America, a vehement critic of the industry.

"Congress said, 'We'll give you a revenue stream that you can raise at will.' It was a piece of cake. The government basically said, 'Do what you want.'"

By some yardsticks, deregulation has been a success: Billions of dollars flowed from investors to build more new systems and create more original programming. The number of cable networks has increased from 29 to 72 in the past 10 years, and cable service is now available to more than 90 percent of the nation vs. 45 percent in 1981.

Yet the question driving congressional action remains: At what price?

THREE TIMES INFLATION RATE

Nationwide, the General Accounting Office said the cost of basic cable service (excluding premium channels like Home Box Office), rose from $11.14 to $17.34 a month from late 1986 to mid-1991, a 56 percent gain. The GAO figure applies only to basic service and does not take into account increases in installation costs, remote controls and other services provided by a local company.

Since the release of the GAO report last summer, Paul Kagan Associates Inc., a media and communications research firm in Carmel, Calif., estimated that for all of 1991 basic cable rates have increased 10 percent—about three times the general inflation rate. The cable industry's revenue has grown steadily through the recession, while other media businesses have experienced stagnation or decline.

In the years since deregulation, the rise in local cable prices has been steady—in some places, even spectacular.

Fairfax County's franchise holder, Media General Corp. of Richmond, has increased its monthly full-service prices 129 percent, to $25.95 from $11.36, since 1986. The cost of Media General's limited service, which provides fewer channels, increased by 289 percent, to $11.95 from $3.07.

In Montgomery County, the top basic service is expected to rise to $24.45 next month, a 173 percent increase since 1986; subscribers there receive seven fewer channels now than in 1986.

What cable customers get for their monthly fees varies widely, depending on which company provides the service. For $25.95 a month, Media General's system in Fairfax provides 79 channels.

In Arlington County, the same $25.95 buys 46 channels from Cable TV Arlington, owned by Hauser Communications. In Charles County, Jones Intercable provides 33 channels for $21.95 a month.

Whether the increases in cable rates since deregulation are "excessive" is a hotly debated question, with economic, political and social overtones.

Cable system executives contend that the marketplace adequately keeps rates in check, since cable TV, unlike telephone, electric, water or natural gas service, isn't a necessity and consumers can choose to do without it.

Three of 10 households that could receive cable transmissions choose not to do so and rising rates would be unlikely to lure them into the fold, industry officials said.

Some executives conceded that a few operators have overcharged customers. But they said price increases are justified by higher programming costs—a cable operator pays fees based on the number of monthly subscribers it serves to programmers like CNN and ESPN—as well as by additional channels and increased investment in plant, staff and equipment.

"What people fail to understand is that on a per-channel basis, we have not experienced unreasonable inflation," said Amos Hostetter, chairman and chief executive of Boston-based Continental Cablevision Inc., the nation's third-largest operator of local cable franchises.

"People want more channels and we have given that to them. That costs more money."

The GAO found a more mixed picture, however.

PAYING MORE FOR LESS

While the average system increased its basic service from 24 to 30 channels between 1986 and last year, consumers in some cases are paying more for less, the GAO said. The cost of the lowest-priced cable service rose 9 percent during the past two years, while the average number of channels on this tier, or package of channels, decreased by one.

In a spot check, GAO auditors posing as would-be customers found that some cable operators don't mention that they offer a lower-priced tier, apparently in an effort to steer customers to more expensive packages.

Noting the lack of direct competition, Justice Department economist Robert Rubinovitz wrote in a study published last summer:

"It appears that market power has played a significant role in the price increases that have been observed."

Rubinovitz said in an interview that the industry "has charged more than seems justified based on their cost increases" since deregulation began.

Nevertheless, industry officials said removing their discretionary power over rates will hamper their ability to invest in and upgrade their cable systems.

Rate reregulation, they said, might delay or prevent operators from offering viewers more channels, better customer service and such advances as interactive programming and multiple channels of pay-per-view programs, sometimes called "video on demand."

"If [Congress] had not deregulated cable, we would not have been able to invent all the things we have invented," said N.J. Nicholas Jr., co-chief executive of Time Warner Inc., the nation's second-largest cable-system owner and parent of the Home Box Office channel.

"One thing that hasn't penetrated the psyche of people in Washington is that this is one technology that America leads the world in. . . . If we let the market work, it will."

LOCAL CABLE TV SINCE DEREGULATION

Monthly cost for basic cable service since price controls were lifted; companies have exclusive areas of operation and do not compete within counties.

LOUDOUN CO., VA

Company	Channels 1986–91	Cost 1991
Cablevision of Loudoun	NA/50	$22.90
Mid-Atlantic Cable	NA/49	[1] 22.90 [2] 23.90
MultiVision	NA/49	20.95

ARLINGTON CO., VA

Company	Channels 1986–91	Cost 1986–91
Cable Television—Arlington	31/46	$15.25/25.95

FAIRFAX CO., VA

Company	Channels 1986–91	Cost 1986–91
Media—General	68/79	$11.36/25.95
Warner Cable—Reston	28/54	17.20/21.45

PRINCE WILLIAM CO., VA

Company	Channels 1986–91	Cost 1986–91
Cablevision of Manassas	NA/58	$13.50/24.95
Columbia Cable/Dumfries	12/36	14.55/18.45
Columbia Cable/Woodbridge, Dale City	27/36	14.45/19.30
Columbia Cable/Lakeridge	NA/41	11.50/18.45
Columbia Cable/Fort Belvoir	30/40	10.95/17.95

ALEXANDRIA, VA

Company	Channels 1986–91	Cost 1986–91
Jones Intercable	33/44	$11.00/21.20

MONTGOMERY CO., MD

Company	Channels 1986–91	Cost 1986–91
Cable Television—Montgomery	63/56	$8.95/24.45

HOWARD CO., MD

Company	Channels 1986–91	Cost 1991
Mid-Atlantic Cable	NA/50	$23.95
Howard Cable	NA/35	22.25

CHARLES CO., MD

Company	Channels 1986–91	Cost 1986–91
Jones Intercable	31/33	$15.25/21.95

ANNE ARUNDEL CO., MD

Company	Channels 1986–91	Cost 1986–91
Jones Intercable	35/46	$14.25/19.45
North Arundel CATV	35/46	9.90/20.40
United Cable—Annapolis	35/46	11.10/19.50
Jones (So. County)	35/43	16.25/23.50

PRINCE GEORGE'S CO., MD

Company	Channels 1986–91	Cost 1986–91
MetroVision	60/63	$11.95/18.45
MultiVision	60/63	11.95/23.95

DISTRICT OF COLUMBIA

Company	Channels 1986–91	Cost 1986–91
District Cablevision	48/56	$15.00/22.45

[1] Town.

[2] County.

NA: Data not available or service was unavailable.

NOTE: Basic cable service typically includes broadcast stations, local government channels and major cable networks such as CNN, MTV and ESPN.

Data compiled by Christopher M. Crowley.

[From the Washington Post, Jan. 22, 1992]

COMPANIES' HEAVY DEBT ONE REASON FOR ESCALATING COSTS TO CONSUMERS

Cable TV operators often say the escalation in cable charges is justified by additional channels and improved customer service. But a rarely mentioned factor in the price spiral is debt.

Like other industries during the 1980s, many cable operators rolled up huge debt loads and have passed on these costs to their customers.

Put another way, the greater the indebtedness of the company operating the local cable system, the greater the likelihood for higher rates.

The debt accumulation of many operators is a direct result of the passage of cable price deregulation in 1984. The law unleashed a wave of buying activity among investors, who foresaw handsome returns from cable TV systems.

This buying activity drove up the prices of systems, causing companies to finance their purchases with ever-large amounts of borrowed money.

From 1985 to 1989, according to two government studies, about half of the nation's local cable franchises changed hands at least once.

The nation's largest cable TV company, Tele-Communications Inc. of Englewood, Colo., for example, is carrying $9.8 billion in long-term debt, mainly as a result of its aggressive acquisition program during the 1980s, when the number of subscribers it served expanded 4½ times.

To understand how debt costs cable subscribers, consider a tale of two streets in Prince George's County.

Residents of Royal Oak Circle, which is just south of Central Avenue, can order 63 channels for $18.45 a month from their cable company, MetroVision of Prince George's County Inc.

Just a few blocks north on Millwood Drive, in a part of the county served exclusively by MultiVision Cable, residents are charged 30 percent more for the same number of channels.

MultiVision is owned by a New York investment partnership organized by Merrill Lynch & Co., which paid $198 million to buy the franchise's parent company from Prime Cable Corp. in 1988. The buyout, one of the most expensive in the industry at that time, left the investors' operating unit under severe financial strain.

In 1986, before the buyout, the two companies' rates were equal. But MultiVision has since increased its prices well beyond those of its neighboring cable company. Now, every service offered by MultiVision, from installation charges to the cost of premium channels such as Home Box Office, is at least 20 percent higher than its southern neighbor, which has been under the same owner since its inception in 1982.

The pricing pattern in Prince George's County has echoes nationwide. In systems that were sold from 1984 to 1989, subscribers paid nearly 20 percent more for every channel they received than customers in systems that were not sold, the Federal Communications Commission said in a 1990 study.

A footnote: After nearly two years of relatively quiet activity, the buying and selling of cable systems has begun in earnest again. Paul Kagan Associates Inc., a research firm, estimates that the total value of all systems sold in 1991 will top $8 billion, compared with $1 billion for all of 1990.—PAUL FARHI.

[From the Washington Post, Jan. 22, 1992]

BROADCAST TV HELPED SECURE RIVAL CABLE'S POSITION IN MARKETPLACE

One of the great ironies of cable TV's rise is that it couldn't have been achieved without the help of its foremost rival—TV broadcasters.

Under long-standing federal policy, cable system operators can retransmit for free the signals of nearby broadcast stations, such as those affiliated with ABC, CBS, NBC and Fox.

Twenty or more years ago, this arrangement suited local broadcast stations and the networks in New York. Retransmission of broadcasting signals over cable simply brought the networks more viewers, since many rural residents couldn't receive television signals by any other means. And cable systems had little choice but to show network programs because there was little original programming made exclusively for cable.

But broadcasters—who have lost viewers, programs and advertisers to cable—now bitterly complain that cable is getting a free ride at their expense. At any given time, the National Association of Broadcasters (NAB) says, about two-thirds of those who subscribe to a cable system are actually watching broadcast programming—everything from "60 Minutes" to "L.A. Law"—that the cable operator is airing without payment to the broadcaster. Cable operators, on the other hand, pay license fees to air cable networks such as ESPN and MTV.

This cornerstone of cable's power is under assault, however. Sen. Daniel Inouye (D-Hawaii) and Reps. Dennis E. Eckart (D-Ohio) and Jack Fields (R-Tex.) have sponsored proposals to give a local TV station the right to negotiate with the cable operator for compensation in return for the use of the broadcaster's signal.

The National Cable Television Association has launched an advertising campaign warning that the compensation proposal amounts to a 20 percent tax on subscribers. The NCTA says that local cable systems would be likely to pass on to their subscribers any fees they are required to pay broadcast stations. To drive home the point, the trade group has placed fliers in the monthly bills of cable subscribers.

In fact, the legislation does not specify how cable operators would have to compensate broadcasters. The compensation could be something other than cash, such as a joint promotion, guaranteed channel position in the cable system's lineup or any arrangement agreed to by the cable company and broadcaster.

The NAB claims the amount of money transferred from cable to TV broadcasters would likely be small and that this would have no effect on what cable subscribers ultimately pay.

The issue is more than a matter of just dollars and cents, the broadcast industry argues.

Laurence A. Tisch, chairman of CBS Inc., has warned that the spread of cable television and the continued decline of broadcasting threatens to divide society into "information haves"—those who can afford the multichannel world of cable—and "have nots" who must rely on free but much-reduced broadcast stations.

A recent NAB advertising campaign complained that cable operators have used their growing revenue to outbid the networks for the rights to major sporting or entertainment events. The NAB's ads urge viewers to "save free TV" by supporting the current crop of cable regulation bills.

The cable industry responds that many of the broadcast industry's problems are selfcreated—particularly the excessive fees the major networks, especially CBS, paid for the rights to broadcast big-league sporting events and poor choices made in programming.

Still, Tisch's rhetoric has found some support in Washington.

"Historically, the chairman of the board and the janitor on the floor had access to the same information" through universally available radio and TV broadcasts, said Rep.

Edward J. Markey (D-Mass.), chairman of the House subcommittee on telecommunications. "That may not be the case in our technological future. . . . The more exclusive the audience that cable appeals to becomes, the more free TC declines, the more damaging it will be for our social fabric and our competitiveness as a nation."—PAUL FARHI.

[From the Washington Post, Jan. 23, 1992]

FEAR, LOATHING AND RESPECT FOR CABLE'S LEADER—TCI'S SIZE DRAWS CONTROVERSY

(By Paul Farhi)

When Robert L. Johnson, a Washington attorney and lobbyist, was trying to start a cable TV channel aimed at black viewers back in 1979, would-be lenders wrote him off.

John Malone, on the other hand, wrote him a check.

Malone, the chief executive of a Colorado company called Tele-Communications Inc., came up with $500,000 to help launch Johnson's Black Entertainment Television, a cable network now seen in more than 30 million homes.

Six years after starting BET, Johnson called on Malone again. This time, Johnson's District Cablevision, which had won an intense bidding war to provide cable service to the District, needed money to begin wiring the city. In exchange for 75 percent of District Cablevision, TCI put up $30 million to get the company going.

The two deals with Johnson were part of a broad pattern of investments by Malone over the past two decades in both ends of the cable industry; the companies that create programs and those that deliver the signals. With such financial engineering, Malone has turned TCI into the world's largest cable TV company and has, in the process, become one of the most formidable, if little known, figures in the television business.

Malone is also feared and resented by some within and outside the cable business. TCI's reach is so vast, its clout so powerful, that competitors and critics claim that it alone can make or break a new cable network, and that it can single-handedly hold back the development of emerging TV technologies, such as direct-to-home satellite broadcasting systems.

"John Malone," said Sen. Albert Gore (D-Tenn.), "is a monopolist bent on dominating the television marketplace."

TCI now owns the wires that bring cable TV to 9.2 million households in 42 states and the District. Through investments in other companies, TCI holds minority interests in systems serving another 3.7 million—a total of nearly one of every four homes with cable in the United States.

Along with its hundreds of cable systems, TCI also has a stake in the content of cable TV as well, through partial ownership of some of the most popular channels on cable. Cable News Network, BET, the Bethesda-based Discovery Channel—TCI owns a piece of these channels and others.

Malone personally led the cable industry's $568 million rescue of Ted Turner's Turner Broadcasting System in 1987. TCI now controls 22 percent of TBS, the parent of CNN, and Malone has veto power over Turner on any decision that costs TBS more than $2 million.

TCI also owns the largest chain of movie theaters in the nation through its United Artists Entertainment Co. subsidiary. Although TCI reported a $76 million loss for the first nine months of 1991, it took in $2.9 billion in revenue, and this flood of cash, not the loss, is the measure of its strength, analysts say.

"When people want to do business in the cable business, they have to talk to John Malone," said Johnson. "You don't have to have John's blessing to succeed, but if you've got it, it takes away a great deal of risk."

Malone, whose personal TV tastes veer toward old movies and science and nature documentaries, has kept a low profile outside the cable business. (Both he and TCI Chairman Bob Magness declined to be interviewed for this article.)

But just as television pioneers such as David Sarnoff of RCA Corp. and William Paley of CBS Inc. put an indelible stamp on an earlier communications era, so is the square-jawed, plain-spoken Malone leaving a major imprint on this one. Many of the cable networks that exist today could not have made it without Malone's vision and financial assistance, analysts and programmers agree.

TWO LEVERS OF POWER

It is precisely because of its size, however, that TCI generates controversy. Now, the complaints have reached Congress.

The Senate next week is expected to take up debate on a comprehensive rate-regulation bill that attacks the two levers of power that TCI and other big cable conglomerates, like Time Warner Inc., control in cable TV: the hardware (local cable systems) and the software (the programming).

"We're in a worse situation now than when we had just three big [broadcast] networks controlling what went on TV," said Nicholas Miller, a Washington attorney who represents city and county governments in disputes with cable companies.

"Now, instead of choosing among three networks, a viewer can only choose one [local] cable operator, who gets to pick and choose everything that gets shown on his system. TCI is only the scariest example of what has happened in the cable industry."

The Senate bill, sponsored by Sen. John Danforth (R-Mo.), includes a provision that directs the Federal Communications Commission to limit the number of subscribers and programming networks that a company can hold—a measure that seems aimed directly at TCI. There are no such limits now, but some lawmakers believe TCI's gatekeeping power over programming needs to be curtailed.

The congressional debate comes as a task force of seven state attorneys general are probing TCI, Time Warner and seven other big cable firms for possible antitrust violations. The task force's inquiry—which could soon result in a lawsuit or negotiated settlement—revolves around a central question: Have the big companies broken the law by withholding programming from competitors, or by selling their programming only under exorbitant terms? Cable's rivals in the satellite TV and "wireless" cable businesses (which uses microwave links to send TV signals) offer anecdotal evidence in the affirmative.

TCI officials dismiss critics of the company as the predictable griping of competitors. The officials say their power has been deliberately exaggerated by rivals in the broadcast business and by the telephone industry, which is seeking congressional action to permit them to enter the cable business.

"We aren't the people who always dominated TV before," said Bob Thomson, TCI's chief in-house lobbyist and spokesman, referring to the broadcast networks. "We're not an Eastern establishment-type company. That makes us an attractive target."

TCI is fighting back with more than words: The company and individuals affiliated with it contributed $232,000 to congressional campaigns during 1989 and 1990, according to the Federal Election Commission.

In recent years, TCI has been on the defensive over its dual ownership of both cable systems and cable networks, the conduit and content of the business. TCI and other big "multiple-system operators"—companies that own the wires feeding cable TV to many communities—are also part owners of CNN, MTV, Discovery and other networks. (The Washington Post Co. owns 52 cable franchises through the United States, but does not own any national cable networks.)

The danger of this kind of "vertical integration" is that a big cable company has a financial incentive to carry the channels it owns on its many systems while denying exposure to channels that might compete against it, the FCC has observed.

Consumer rights advocate Ralph Nader has likened the cable industry to a railroad that owns a coal company, a classic model for antitrust problems.

Critics cite the demands of TCI, Time Warner and other big system owners that pressured NBC into tailoring the content of its planned Consumer News and Business Channel (CNBC) in 1989. NBC agreed the channels would not cover general news like CNN, in which TCI, Time Warner and other cable companies have a financial stake.

A senior TCI executive said the cable operators wanted CNBC to stick to a defined niche so that the new channel wouldn't duplicate programming that TCI and others already were carrying. But Gore charged that TCI had kept CNBC off the air until it could be assured CNBC wouldn't compete with the industry-owned CNN.

"SHAKEDOWN" ALLEGED

"It was a shakedown by TCI," said Gore, a cosponsor of the reregulation bill. "The cable marketplace is choked to death because would-be competitors are prevented from being in the game. Any new programmer who comes into the cable business is going to be coughing up a share of his company [to cable operators] as the price of showing his wares to the public."

Indeed, few cable channels have been able to succeed in recent years without selling off a piece of themselves to the companies that own the wires. Of the 12 most widely distributed cable channels begun since 1984, all are partially owned by system owners, such as TCI.

DUAL-OWNERSHIP BAN SOUGHT

The Nader-backed Teledemocracy Project is lobbying for an outright ban on cable companies' ownership of programming, a step that would create the same kind of separation that previously prevented Hollywood studios from owning movie theaters and the broadcasting networks from owning the entertainment programs they air.

But TCI and others in the cable industry deny that dual-ownership is abusive. "We certainly don't see ourselves as kingmakers," said Jedd Palmer, TCI's director of programming. "There are a variety of channels that are doing just fine without [TCI ownership]. . . . We would be crazy, crazy, if all we did was put on the programs we owned. We need diverse [program] sources to keep our subscribers happy."

The National Cable Television Association argues that simultaneous ownership of programming and cable systems is ultimately beneficial to viewers. Because a company owns its own programming, it needn't pay high fees to independent producers, the organization says. Thus, it can exercise greater control over its costs, generating savings that it says can be passed on to subscribers.

John Hendricks, chief executive of the Discovery Channel, points out that some program services, such as his own, would not have been able to survive without investment by system owners.

Yet these arguments don't wash with cable's competitors—like Dan Garner, for example.

Garner's company, Advanced Communications in Little Rock, Ark., is trying to launch a system that would transmit TV programs from a satellite directly to small antennas attached to viewers' homes or offices.

These direct-broadcast satellite (DBS) systems, still in their developmental stages, may some day be able to deliver dozens of channels to homes equipped with satellite dishes the size of dinner plates, placing them in direct competition with cable companies. But DBS may never develop fully under current circumstances, Garner believes. He said program suppliers—many owned by cable companies—want to charge his company as much as 10 times more for programming than a cable operator now pays. The higher prices, he said, are a deliberate attempt to raise his overhead so high that his service won't be price-competitive with cable.

Officials at the National Rural Telecommunications Cooperative, which leases and distributes via satellite such cable programming as CNN and MTV to current backyarddish owners, tell a similar tale. The NRTC maintains that it must pay four times more for the rights to programming owned by the cable industry than cable-system operators themselves pay. (Cable operators pay a fee to programmers based on the number of subscribers in the operators' service area).

Program producers "are simply jacking up prices to us," said Bob Phillips, the NRTC's chief executive. "It's an economic protection for their cable [system] customers. If they make it so expensive for us, we won't develop, we won't pose a threat" to cable.

BIGGEST CABLE COMPANIES

Company	Subscribers (in millions)	Subscriber Market Share (percent)
Tele-Communications	9.2	[1] 17.1
Time Warner	6.6	12.2
Continential Cablevision	2.8	5.2
Comcast Cable Communications	1.7	3.2
Cox Cable Communications	1.7	3.2
Jones Spacelink	1.7	3.2
Storer Communications	1.6	3.0
Cablevision Systems	1.6	3.0
Newhouse Broadcasting	1.3	2.4
Cablevision Industries	1.1	2.0
Top 10 total	29.3	54.5

[1] Also has minority ownership of cable companies with another 3.7 million subscribers (7 percent of market share).

Source: Paul Kagan Associates Inc.

SOME PRICES "NOT JUSTIFIED"

The cable industry explains this alleged discrimination by pointing out the competitors like DBS have far lower operating costs than cable operators and thus can afford to pay more for programming. But the FCC disputes this, saying last June that some price disparities "are not justified."

The FCC concluded that some cable programmers, which it did not identify, may have violated laws against fair trade. The commission has taken no further action.

The state attorneys general investigation and a separate investigation by the Justice Department revolve around this dispute.

The state attorneys, including those from Maryland, California, Ohio and New York, have focused on a new DRS service called PrimeStar Partners, which is financially backed by TCI, Time Warner, Continental Cablevision and five other big cable companies.

In essence, according to one source close to investigation, the task force is trying to determine whether PrimeStar is in fact an attempt by the cable industry to dominate the DBS market and keep others out.

TCI and others deny it, saying they simply want to provide TV service in areas where cable TV is not available.

However, one investigator, noting that the backers of PrimeStar control 14 of the top 28 cable-programming networks, said, "The question is, can anybody get this programming, and will enough of it be available when a non-cable company wants to be in the [DBS] business?"

[From the Washington Post, Jan. 23, 1992]

CABLE PIONEER DUG ITS ROOTS IN THE WEST

The story of the cable industry's emergence as a driving force in American media is in many ways the story of Tele-Communications Inc.

Founded in 1952 by its current chairman and controlling shareholder, Bog Magness, the company grew up far from the traditional centers of information and commerce in America, in places like Memphis, Tex., and Elko, Nev., that were located too far from metropolitan broadcast towers to pull in clear images of "Howdy Doody" and "I Love Lucy."

Magness, a former cattle rancher, mortgaged his house and sold his livestock to raise money for his first cable system, and then built it himself by climbing telephone poles to string transmission lines. With his late wife, Betsy, handling the books, Magness brought four channels of TV to the hinterlands for $3 a month.

Executives of TCI like to think of their company as the underdog that took on the entrenched Eastern broadcasting establishment, and won. In interviews, TCI officials deride the networks as bumbling and bureaucratic, while portraying their company as the lean, driven upstart.

That image, while self-serving, does encapsulate some of TCI's rough-hewed past. TCI's challenge to the broadcasting giants has been fostered by a bare-knuckles negotiating style and willingness to take daring financial risks.

At the same time that CBS, NBC and ABC were establishing their dominance over TV entertainment and news, TCI was struggling to fill the channel space available on its local systems. Because few companies made original programs for cable operators, TCI went into the program business itself. One of its earliest and crudest attempts consisted of a camera affixed to a clattering news service wire; on another channel, a camera panned back and forth among a thermometer, a barometer and a wind gauge. "Those were our all-news and all-weather channels," joked Paul O'Brien, a longtime TCI director.

TCI's chief executive, John Malone, 51, gave up a promising corporate career in New York (he worked for AT&T, among others) to join Magness at TCI in 1972, when TCI was still struggling for survival. Malone hardly seemed the entrepreneurial type: The son of a General Electric Co. executive who spent a comfortable childhood in Connecticut, Malone came to TCI with two undergraduate degrees from Yale, master's degrees from Johns Hopkins and New York University and a doctorate in operations research (a combination of math and engineering) from Johns Hopkins. To this day, people at TCI refer to him as Dr. Malone; Magness is just plain Bob.

The relationship between Malone and Magness is described by insiders as highly collegial and, inevitably, as like that of a father and son.

In the early days of their collaboration, Magness and Malone were faced constantly with foreclosure from anxious lenders. As a result, they got a reputation for driving tough bargains with the local governments that oversaw TCI's local systems. When the city of Vail, Colo., refused to approve TCI's request for a rate increase, for example, TCI cut off service one weekend and ran the names and phone numbers of city officials on the screen. The city eventually backed down.

In 1982, officials in Jefferson City, Mo., voted to replace TCI with another cable company. TCI, however, was able to persuade officials to reverse the decision. The other company then sued, charging that TCI had unlawfully interfered by threatening to cut off service to customers and by withholding franchise fees that it owed to the city.

In testimony introduced into the court record of the suit, a TCI executive was quoted as threatening a city consultant: "We know where you live, where your office is and who you owe money to. . . . We are having your house watched and we are going to use this information to destroy you. You made a big mistake messing with TCI. We are the largest cable company around."

TCI now condemns the threatening statements, saying they were "unauthorized."

Nevertheless, an appeals court, condemning its "excessive and intimidating conduct," upheld a jury award of $45 million in damages against TCI in 1986. The company has paid up.

In recent years, TCI has been criticized by local officials around the country for providing indifferent customer service. Although several officials now say TCI has improved its record considerably, customers of its cable system in Washington may feel differently. District Cablevision received 13,000 complaints about billing problems, missed service appointments and poor reception during a four-month period last year, records show. That means one in six customers complained in that period.

TCI also brought some unwelcome publicity to itself last June when it introduced a new pay-movie channel called Encore. The service generated controversy because TCI had planned to charge customers for it unless they specifically told the company they didn't want to receive it, a marketing method some critics labeled deceptive. Under pressure from attorneys general in several states, TCI changed the way it sold Encore.

"These are entrepreneurs who built this company despite years of unfavorable" conditions, said the chief executive of another major cable company, who requested his name not to be used. Said the executive, "There is a Western, almost cowboy mentality surrounding that company."—PAUL FARHI.

[From the Washington Post, Jan. 24, 1992]

FIGHTING FOR A LEADING EDGE ON THE FUTURE

(By Paul Farhi)

Jack Jakubik's television set is a futurist's dream. With only a few touches of a remote control keypad, Jakubik can have his pick of several dozen first-run movies, exercise videos or instructional tapes—a mini-video store right in his living room.

Or, with the flick of a button, he can turn his set into a video phone. A camera and microphone mounted on the set allow him to see a similarly equipped caller at the other end of the line, and vice versa. "I've been spoiled by this technology," said Jakubik, a 49-year-old manufacturers' agent. "I wouldn't want to go back to the old way."

Jakubik's home in the Southern California community of Cerritos is one of a handful in the nation equipped with such an experimental telecommunications hookup, installed by a telephone company, GTE Corp. But his TV set is more than gee-whiz, state-of-the-art technology.

It represents the determination of the telephone industry to play the leading role in the next generation of the electronic age, one in which video programs, phone calls, electronic shopping services, computer data and other information would be brought into and out of the home over high-capacity "optical-fiber" transmission lines.

Because a single fiber-optic cable can carry many times the electronic information contained in the typical copper telephone line, customers would have video access to classrooms, shops and doctors. Fiber-optic cable would put the contents of whole libraries at their fingertips and make thousands of movies and TV shows a mere click away. "Telecommuting"—working or learning at home—could become common.

That, at least, is the vision of the future being promoted by the nation's phone companies, which would like to install and control this super conduit and the billions of dollars in revenue it may someday generate. They have taken dead aim at replacing another industry whose transmission lines already enter America's households—the cable TV business.

For now, GTE and other phone companies are barred by federal law from offering TV service in areas where they are the monopoly providers of local phone service. But the industry is moving closer to realizing its goal. In early October, a federal court cleared away legal prohibitions that had kept the seven giant Bell companies created by the breakup of AT&T from owning and marketing "information services"—everything from audio horoscopes to computer databases—over their local phone networks.

The court effectively decided that the Bell companies could sell everything that a fiber-optic network would make possible, with one exception: television programs and other video services, the very ones the Bell companies say they need to justify the enormous investment needed to put fiber-optic lines into homes.

Now, the Baby Bells are pushing Congress to repeal a portion of the 1984 Cable Communications Policy Act, the law that contains a provision prohibiting them from being in the TV business.

POLITICAL BATTLE

The race to control tomorrow's television and telecommunications businesses has set off a classic political battle in Washington. Although some in the phone industry have begun to talk about joint ventures with their cable counterparts, the phone companies' ambitions have thus far been opposed by virtually every media and information lobby in Washington. And none has more to lose than the cable industry, which has spent billions of dollars over the past three decades to string copper cables past most American homes.

"If you put the [telephone companies] into the TV business, there has to be substantial question how long the cable companies would last," said one congressman, a leading policy maker on telecommunication issues, who asked not to be identified. "It's highly unlikely that there will be two wires running down every street delivering competitive video programming."

The cable industry is promoting a far different vision of the future. In a piece of video lobbying circulated to state officials, consumer groups and some members of Congress last summer by the National Cable Television Association, former TV anchorman Edwin Newman extols the advantages of a "multi-wire" world in which direct-broadcast TV satellites, cellular phones, multimedia computer software and, not incidentally, cable TV coexist. This, intones Newman, "is the future the Bell companies fear most—booming, buzzing competition."

The Bush administration has come out strongly in favor of allowing the phone companies to provide TV service, saying it would stimulate price competition in the cable industry and speed the installation of household fiber-optic network. The Republican-dominated Federal Communications Commission has also taken up consideration of a proposal to permit phone companies to provide TV service, but not to own the programming itself.

"The cable industry isn't subject to any effective competition right now," said Ronald Stowe, who heads Pacific Telesis Group's Washington office. "They will do a lot better job in terms of service and programming if they are subject to competition. If they knew we were coming, they would take amazing steps to clean up their acts."

Even if the regulatory roadblocks were lifted, the phone companies still face the daunting task of replacing their existing copper-wire networks with fiber-optic lines like those in Jakubik's home.

That job is already underway, albeit slowly. Local phone companies are gradually installing fiber-optic lines where copper lines have worn out. At its current pace, a nationwide replacement of the copper lines will take another 40 years, said Raymond Smith, chief executive of Bell Atlantic Corp. Smith believes the job could begin in earnest during the 1990s and be done by the year 2010 if the phone industry had the proper financial incentives—that is, the right to sell video programming.

The technology to create the new super network has been around for about 20 years, Fiber-optic technology can convert pictures, voice or text into computerized signals and send them as pulses of light along tiny strands of flexible, ultra-pure glass. Fiber cables are already widely used by the phone industry to transmit phone conversations and computer data through central lines.

By extending optical fiber into the home and combining it with the phone companies' sophisticated switching systems, every household could become part of an unprecedented "age of knowledge," say the most ardent believers in this technology.

A fiber-optic network "will change the way people run their lives," said Bell Atlantic's Smith. "It will give them more control over their [work] and provide solutions for some of their problems."

The phone companies are pinning their hopes on a bill sponsored in the Senate by Conrad Burns (R-Mont.) and Albert Gore Jr. (D-Tenn.), and a similar bill in the House sponsored by Reps. Rick Boucher (D-Va.) and Mike Oxley (R-Ohio), that would phase out the ban on telephone companies and allow them to sell TV services in exchange for building a national fiber-optic network.

COMPETITION AND COST

Yet several key questions surround the phone companies' dreams:

First, would the phone companies dominate access to, and use of, their fiber-optic network, serving as "super-censors" of the companies that want to sell services over them? The phone companies would be marketing their own programs and services, after all, it's feared this would give them the incentive to harm competing marketers.

The Burns-Gore bill would impose severe penalties on phone companies that discriminate against a competitor who wants a spot on the fiber-optic network. But consumer groups are suspicious, saying that it would take an army of bureaucrats to make sure any safeguards were enforced.

Second, critics ask whether it is necessary for every home to have so vast an information conduit, especially since existing communications devices already fill some of the most important needs. Proponents say a single fiber wire will eventually be more efficient and economical than other combinations of technologies, and new, unimagined services will develop as the network becomes available, much as a shopping mall attracts new kinds of retail stores. But the critics say putting a fiber-optic line into every home is excessive, like replacing every residential driveway with a superhighway.

"The difficulty is that there isn't a clear market for the kinds of services people are starting to imagine" for fiber optics, said Leland Johnson, a Rand Corp. economist who has studied the impact of fiber optics on consumers. "Do people really want video phones? Do they want [instantaneous] access to movies at 3 in the morning?

Finally, and perhaps most important, is the cost question: How would the phone industry finance the cost of hooking up every home, given that the job could cost anywhere from $200 billion to $400 billion? The industry says permitting it to sell TV programs and other video services to subscribers would "prime the pump." giving it enough of a revenue stream to help it complete the network. And, it's argued, as equipment purchases grow, the unit cost is likely to decline.

Nevertheless, opponents charge that the telephone industry would pass the bill on to their captive local phone customers, driving up everyone's phone bill. Although the bills being considered in Congress would impose severe penalties for such "cross-subsidies," the cable TV association and other cite recent instances in which the Baby Bells have used revenue from their regulated phone business to fund other activities—including the cost of lobbying.

To fight the battle, the National Cable Television Association has been building fitful political alliances with some of its bitterest enemies—broadcasters, consumer groups and newspaper publishers. Broadcasters fear the phone companies as another competitor for TV ad dollars and audiences, as do newspaper publishers (such as The Washington Post Co., a major cable-system owner), who are afraid the phone industry will offer video "newspapers" and sophisticated electronic classified ads over a fiber-optic network.

And consumer groups, which have savaged cable operators in the past as "price gougers" have also reluctantly cast their lot with the cable industry by opposing relaxation of the current restrictions on the phone industry. The American Association of Retired Persons and the Consumer Federation of America, for example, endorsed the cable TV association's video attack on the phone industry.

The cable TV association's strategy of playing all sides against one another is tricky, but some believe it just might work. "It's a lot easier to block things in this town than it is to change things," said FCC Chairman Alfred C. Sikes.

Sikes is pushing the FCC to adopt his "video dial-tone" proposal, a measure that envisions the phone companies as builders and operators of TV-transmission facilities that could be leased by all comers.

While the debate rages, cable companies are touting their own experiments with fiber optics. By adding signal-squeezing digital "compression" technology and installing fiber-optic lines in the main trunks of a cable system—thereby avoiding the huge expense of wiring every home—cable systems in a few years could be outfitted to offer as many as 400 or 500 channels of service, some say.

Tele-Communications Inc. (TCI), the world's largest cable company, has announced an ambitious program to rebuild the central portion of its aging cable systems with fiber-optic lines that will improve the reliability of its systems. With fiber optics and compression, TCI would like to outfit its systems to provide "video on demand," the instant pay-per-view movie ordering service that Jack Jakubik enjoys now (a "near" video-on-demand system, featuring 56 channels of pay-per-view, was recently switched on by Time Warner Inc. in Queens, N.Y., using a hybrid of fiber optic and coaxial lines).

TCI officials have told Wall Street analysts that video-on-demand services offered by cable operators will grab as much as one-third of the $15 billion in business now generated by video stores within seven years.

Several cable companies are responding to the phone industry's encroachment with a "Pac-Man strategy": turning around and attempting to start local phone service through "personal communications networks" (PCNs).

Like cellular phone networks, PCNs transmit conversations through radio transmission, but the phones would be cheaper and have clearer sound than existing cellular phone systems. The technology still isn't proven, but several cable companies, including TCI and The Washington Post Co., have obtained experimental licenses from the FCC to see whether some of their local cable systems can be outfitted with a series of antennas to create an alternative phone network.

PCNs would complement the wire networks owned by the phone companies, said Tom Elliot, TCI's vice president of engineering and technology.

TCI is already in the phone business through "alternative access networks" it has built in Denver, Chicago and Seattle. These networks provide limited transmission of voice, text and video between, say, a group of office buildings or schools.

To become full-fledged phone-service providers, however, the cable industry will need Congress to repeal restrictions that keep cable companies out of that business.

If that happens, cable operators "will be able to compete with the phone industry faster than we could compete with them," said Dave Bohmer, senior vice president of Chicago-based Centel Corp., which operates telephone and cellular systems in several states. "They could build [PCN] facilities faster than we could build" local cable systems.

These technological, political and economic factors are leading some observers to conclude that the telecommunications future belongs not to the phone industry nor to the cable industry alone, but to an alliance of both. Already, the would-be adversaries are pooling resources in foreign markets that permit the two giant industries to join.

Last month, US West Inc., a regional phone company based in Englewood, Colo., and TCI merged their cable and phone operations in Great Britain. Such an approach here, of course, is likely to anger TV broadcasters, newspaper publishers and other industries that fear discrimination by a duopoly of phone and cable companies.

BELL ATLANTIC'S MOVES

Among the most aggressive companies in establishing cable ties has been Bell Atlantic, the owner of the Washington area's Chesapeake & Potomac Telephone Cos.

In an experimental joint venture with Washington-based Benchmark Communications, Bell Atlantic has installed fiber-optic main lines in Benchmark's cable system in Loudoun County. Subscribers to that system will someday be able to order pay-per-view programs and see them almost instantaneously, according to Bell Atlantic. They also eventually will be able to watch one channel while calling up a small image of another channel in a portion of the screen.

In addition, Bell Atlantic built the cable system in Washington and leases the wires and hardware to District Cablevision Inc., the TCI-owned partnership that holds the franchise with the city. It is also in a joint venture with TCI and Time Warner and fellow Baby Bell Ameritech Corp. to build a pay-television service in New Zealand.

"If you look ahead [at telecommunications] with enough vision," TCI's Elliot said, 'it's fair to say we see the lines blurring" between phone and cable companies.

TELEVISION TECHNOLOGIES OF THE PRESENT

Hard Wire: Programming is sent to cable company from various sources, where it is converted and retransmitted to subscribers through copper cable. Most systems offer about 35 channels; 54 million households subscribe.

Wireless—Multiple-Channel Microwave Distribution System: Programming from satellite is received by microwave or "wireless" cable company and retransmitted by microwave beam directly to 400,000 subscribers.

AND THE FUTURE

High-powered DBS—Direct Broadcast Satellite: Programming is transmitted via high-frequency electronic signals directly to homes with a low-cost receiving dish or plate 12" to 18" across. Channel capacity uncertain.

Video Dial-Tone: Programming is sent to home via phone company's fiber-optic telephone lines, which also carry telephone calls and other data such as computer transmissions. Households would be connected like current telephone networks, allowing individuals to send video images to one another. Could transmit hundreds of channels, but it is not yet clear who would provide programming under this proposed system.

[From the Washington Post, Jan. 24, 1992]

CABLE VS. PHONE COMPANIES: THE BIGGER WAR CHEST MAY WIN

In the debate over television's future, the telephone and cable TV industries will field two of the most effective—and richest—lobbies in Washington.

Measured by the size of its political contributions, the telephone industry ranks with the defense, tobacco and oil lobbies. Political action committees (PACs) connected with GTE Corp., Contel Corp., and two Baby Bells—US West Inc., and Pacific Telesis Group—were among the 50 largest corporate contributors to federal candidates in 1989 and 1990. Collectively, these four companies gave $1.2 million to candidates during those years.

The seven Bell companies demonstrated their reach in 1990 with a massive ad campaign designed to stir public support for removing legal restrictions that had kept the companies from providing electronic "information services" over their monopoly phone lines. The restriction was eventually lifted by a federal court in October.

The Bells count among their allies Sen. Albert Gore Jr. (D-Tenn.), a member of the Senate Commerce Committee. Gore received at least $82,500 from telephone company sources during his 1988 presidential campaign, including contribution from political action groups set up by BellSouth Corp., Bell Atlantic Corp., Pacific Telesis and Nynex Corp., according to Federal Election Commission records.

Gore has been antagonistic toward the cable industry, signing up as a cosponsor of a Senate bill to reregulate many aspects of the business, including subscriber rates. (The bill is headed for a showdown in the Senate next week.) Gore said his political views on the issue have been shaped in part by the interests of constituents who receive TV via home satellite-dish systems, a technological competitor to cable.

But cable companies have proven that they are not political lightweights. Led by the National Cable Television Association (NCTA), cable TV interests have repeatedly beaten attempts to undo the deregulatory provisions of the Cable Communications Policy Act of 1984, which freed cable companies to set their own rates and helped make the industry into a $20 billion-a-year behemoth.

The NCTA, which says it spends $14 million a year on lobbying, administration and other activities, raised an addition $10 million from its members last year for an advertising and public-relations blitz to enhance its image and counter complaints that local cable companies provide poor service at exorbitant rates. The campaign's slogan: "Cable contributes to life."

Cable has some powerful friends on Capitol Hill as well. In the fall of 1990, Sen. Timothy E. Wirth (D–Colo.), whose state is home to the country's largest cable company, Tele-Communications Inc. (TCI) effectively killed a bill that would have partially reregulated the rates charged by cable system owners. (Wirth tied up the bill while he and Gore argued over language in a portion on the legislation.) Wirth's actions came five months after a cable-industry fund-raiser in Washington raised more than $80,000 in campaign contributions for Wirth, who was not up for reelection.

Federal Election Commission records show that the NCTA's PAC gave $548,000 to 153 congressional candidates in 1990, making the organization the 20th-largest contributor among all trade associations. The National Association of Broadcasters, which often opposes the cable group's political agenda, was 31st among the trade groups, at $277,000 in contributions.

Wirth, who as a House member in 1984 helped write legislation that deregulated cable rates, received $6,000 from the NCTA's PAC in 1989 and 1990. He also had received contributions from such cable industry heavyweights as Time Warner Inc., Turner Broadcasting System Inc. and Viacom International Inc., the owner of the MTV, Nickelodeon and VH-1 cable channels.

TCI has been among the most aggressive of political contributors. The corporation's

PAC and a subsidiary PAC disbursed $171,276 to candidates for federal office in the 1989-90 period. Top executives, such as Chairman Bob Magness, President John Malone and Executive Vice President Larry Romrell, gave another $61,390. Wirth and Colorado's other senator, Hank Brown, a freshman Republican, each received $10,000.

Wirth said the contributions he has received from cable companies are "natural" because TCI and other major firms in the industry are headquartered in his home state.

"I represent the cable industry," he said. "These are constituents of mine. They're a major employer in Colorado, and it's my job to represent them. I'm doing the appropriate thing, just like Mitchell represents the fishing industry or Dole represents the corn industry," Wirth said, referring to Senate Majority Leader George Mitchell of Maine and Minority Leader Robert Dole of Kansas.—PAUL FARHI.

GROUPS ENDORSING S. 12

National Association of Broadcasters.
Association of Independent Stations.
Consumer Federation of America.
National Consumers League.
Consumers Union.
National Religious Broadcasters.
American Association of Retired Persons.
National Council of Senior Citizens.
International Brotherhood of Electrical Workers.
National Association of Broadcasters.
Food & Allied Service Traders.
International Ladies' Garment Workers.
National Association of Broadcast Employees and Technicians.
Communications Workers of America.
National Rural Electric Cooperative Association, and Wireless Cable Association.
United Auto Workers.

Mr. GORE addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. GORE. Mr. President, I would like to commend my colleague, the Senator from Missouri, on the excellent statement he has just made and on the leadership he has provided in bringing this bill forward. I have had the privilege to work with him for a number of years on the Commerce Committee and for a number of years on this particular issue.

Indeed, this is a bipartisan bill that is being brought to the floor. It has been the pending committee proposal for nearly 2 years now, and it has been ready for floor action for 8 months. And it is bipartisan. It represents a consensus among those on the Commerce Committee and many others in the Senate who have looked at this developing problem in the marketplace.

I also want to share in the sentiments just expressed by my colleague with regard to this so-called substitute that we have heard will be introduced. It is, as Senator DANFORTH says, not a compromise proposal but simply an effort to gut the bill. It is not complicated. There should be nobody in the Senate in any way fooled by it. I hope we can just vote it down quickly and get on with the business of passing this legislation.

Here we are once again trying to bring some sanity to the cable television marketplace, and once again we are trying to respond to the continuing and just complaints of millions of American families who have been repeatedly stunned by unfair rate increases, poor services, and virtually nonexistent competition.

Where did we get the idea in America that it was perfectly all right for some giant industry to have no competition whatsoever and no regulation whatsoever? Just point them in the direction of the consumer and go sic 'em.

Should we be surprised that they raise rates constantly as high as they can possibly raise them? Should we be surprised that when complaints about poor services come in they turn a deaf ear and do not respond? Should we be surprise that they have these abuses in the marketplace such as the tendency to shakedown the makers of television programs?

You know, the monopoly in the cable television industry is so tight now, it is very common for somebody in the creative community to come up with a new television program that it wants to put on cable and they go to the leaders of the industry, and the industry says, "You know, we would like to own a little bit of your company. If you give us some ownership in your company, then maybe we will be willing to talk to you about putting your programming on our cable systems."

That is incredible. It is a shakedown. But it is now routine as a way of doing business in the cable industry. Why? Because they have too much power.

Lord Acton is, of course, the author of the famous comment "Power corrupts, and absolute power corrupts absolutely." It is true of economic power as well as political power.

There are a lot of good people in the cable television industry. But I do not care how good somebody is, if you put that person in a situation where they have absolute power to raise rates without any fear of competition, without any fear of anybody holding them accountable, and you leave them with that temptation long enough, they will be very likely to succumb to it and start raising the rates and start the other abuses of which so many in this industry are now unfortunately guilty.

Well, since 1984, when the new law was passed which took away the competition, took away the potential for competition, took away the ability of local governments to hold these companies accountable, since that time this situation has gotten completely out of control.

As the rates have gone up, and as the complaints have mounted, people have asked their local officials, who are the ones responsible for granting the monopoly franchise, "Why, don't you do something about it?" And the local officials call in the city attorney, or the county attorney, and they say, "This is outrageous. Let's do something about it."

And do you know what the lawyers tell them? They tell them, "Unfortunately, Mr. Mayor, we used to have the power to hold them accountable, but Congress took that power away from us. We can still give a monopoly franchise but we can't protect our citizens, because Congress, in its wisdom, took away from local governments any ability to hold these companies accountable."

We had the idea 8 years ago that this would be a good thing to do. As Senator DANFORTH said so ably a few moments ago, nobody anticipated the kind of situation which has since developed. But now, when these local officials look at the horror stories unfolding in so many communities around this country, they are getting impatient.

They say to us, we ought to have the right to protect our citizens. If it is a monopoly and if there is no competition, then there has to be some way to hold them accountable.

Mr. President, there is no way to hold them accountable unless this bill passes. If this bill passes, we will introduce competition for cable television companies and, pending the arrival of competition, we will restore some ability for local governments to hold these companies accountable. No industry in this country should be in a situation where it has zero competition and zero regulation. One or the other—you pick it. One or the other. But not an absence of either. Because that leads to abuses.

Senator DANFORTH talked about the dialog about potential compromise. I was among those who worked to achieve a last minute compromise on this legislation as the Congress came to a close in 1990. Some cable leaders saw this train coming down the pike and saw the wisdom in bringing the debate to an end and worked with us to fashion a reasonable bill to send to the White House.

Now, as Senator DANFORTH also said, the White House threatens a veto. And the cable industry has taken a much more stubborn view and simply opposes any legislation. And, of course, the cable industry has a lot of political power. They wield a lot of influence. And they are using every bit of it they can muster.

For the past 4 or 5 months we have heard repeated rumors of that so-called alternative, the one that is going to be introduced as a substitute for this legislation. Only now, at the very last moment, have we been handed a proposal by those who have fought so long and hard against meaningful cable legislation. We still do not know what is in it. It is just an excuse to gut the bill. There is no other meaning in it. There is no intention whatsoever that it pass or be—well, I should not speculate on the intention of the sponsors. I withdraw that comment.

Let me say I find it hard to believe that anybody really expects that it will become law. It is crafted primarily as a device for defeating this bill. That is the way it appears to me. And once we begin work in earnest on S. 12, later this week, I believe that our colleagues will see this so-called alternative for what it really is, just an effort to undermine the real thing.

The real relief for consumers is embodied in S. 12, the bill that is before the Senate.

Let us spend just a moment, if we could, Mr. President, to review the true state of affairs facing cable consumers. Since the committee reported this bill last May, indeed since the committee reported a similar bill nearly 2 years ago, not a single event has happened to diminish the need for this legislation. Unwarranted rate increases continue unabated. Local communities continue to have their hands tied in franchise renewal negotiations. That is one of the arguments: they do not have to renew the franchise.

Under the current law, they often have no choice but to renew the franchise. Still, cable's competitors continue to be discriminated against. The multisystem operators are taking over smaller MSO's and continuing to concentrate the industry, and the FCC has taken only token action, pitifully token action which addresses the problems of less than a third of the country's cable consumers and even then in a limited way.

Some cable spokesmen have attempted to dismiss all of these complaints arising from all over the country as simply the noise of a few competitors, a few disgruntled consumers, a few community leaders who are overly sensitive to a few constituents. Mr. President, this charade has not fooled anyone.

We all know what happens when we go back and talk to our constituents. I had an open meeting in a community in west Tennessee 3 weeks ago. Several people came, but one person came for this purpose who was especially vocal and talked about what the cable company was doing.

I was back home this past weekend and the same guy ran into me at another event in a neighboring county and he said, "You will never believe this, but in the last 3 weeks since we spoke at the townhall meeting, they have raised the rates again."

If anybody wonders why this legislation keeps on gaining strength and gaining supporters and building momentum, it is not complicated. The cable industry is making converts for this bill because the rates keep going up and because the complaints from consumers keep falling on deaf ears.

In any event, cable consumers are perfectly capable of discerning the difference between public relations campaigns and genuine action on rates and service and competition.

Earlier this year, the General Accounting Office updated its alarming survey on cable rates. In 1990, the GAO reported that rates for the most basic services, the package of channels consumers are forced to take to even get on a cable system, had increased an average of 29 percent over the study period. But more recently, after obtaining new information, the GAO found that basic rates had increased an even more dramatic 56 percent over the past 4 years.

As some of our colleagues will remember, there have been particularly outrageous examples of rate abuses in my own home State of Tennessee where the infamous MultiVision case of tyrannical rate gouging is now legendary in the industry and among those who are trying to protect consumers from this industry.

But it turns out that many communities controlled by cable MSO's, multisystem operators other than MultiVision, have also experienced unwarranted rate practices by the local monopoly operator.

Three of Tennessee's largest cities—Memphis, Nashville, and Knoxville—are communities not covered by the FCC's so-called effective competition ruling last year. In these cities, rates increased 87 percent, 98 percent, and 86 percent respectively.

What are we supposed to tell consumers experiencing rate increases like that? What are their local officials who granted the monopoly franchise supposed to tell them? That Congress passed a law stripping them of any ability to hold them accountable? And that the cable industry is too politically powerful to permit justice in rewriting that law?

I am not prepared to give people that answer. That is why I have been fighting these past few years to change the law. That is why I am supporting Senator DANFORTH with the proposal that is now brought by a bipartisan group of Senators to the floor of the Senate this week.

And, in countless smaller communities, city officials struggled with any effort possible to inject some competition into the local market, so that their constituents might be able to afford basic cable services. In most cases they were threatened with lawsuits, and the cable industry has a very deep pocket. They had the new competitive entrant bought out by the incumbent monopolist. That is very common. Or they were told by other cable operators that they would not compete with a "bad actor" because someday they might face the same competition in situations where they had the monopoly.

Indeed, just this morning the Wall Street Journal reported a front page story entitled "Cable Cabal: How Giant TCI Uses Self-Dealing Hardball to Dominate Market." The Wall Street Journal reported in that story, on the strong-arm tactics of TCI, the cable industry's biggest and most intimidating MSO, which holds the franchise in, among other places, a little town called Morganton, NC.

In that instance, TCI apparently funneled corporate money into a group that the company organized specifically for the purpose of guaranteeing that TCI would, in essence, be granted a lifetime monopoly franchise. When the company's covert activities failed, it reportedly spent $144,000 to run the mayor and an incumbent councilman out of office. The incumbents, as is the case with most local campaigns, had only a few hundred dollars to spend against $144,000 spent by this cable industry giant. But the people of Morganton were not fooled. Both of these individuals were reelected, and now TCI has shifted its tactics and is busy filing lawsuits to stop the city from building its own cable network.

Mr. President, I ask unanimous consent that at the conclusion of my remarks this Wall Street Journal article called "Cable Cabal" be printed in the RECORD.

The PRESIDING OFFICER (Mr. CONRAD). Without objection, it is so ordered.

(See exhibit 1.)

Mr. GORE. Mr. President, this is simply not a case of a natural monopoly developing out of economic realities in the local marketplace. No, this is a monopoly of a different kind. This is a legislatively created monopoly, born out of a Government-forced compulsory license to take local television programming for free and give it an overdose of anticompetitive proposals in the 1984 Cable Act.

This monopoly is manifested in so many cases that it is virtually impossible to keep up with alarming new rates and service developments.

One of the industry's favorite ways to jack up cable rates while making it appear that rate increases are modest is to suddenly introduce some brand new change. For example, they will all of a sudden say you have to start paying us for the converter boxes or you have to pay us for the remote control device, or if you hook up the same service in a second room, you have to pay us an arm and a leg for that, or we have some other brand new charge that we are going to add on to the basic charge.

Indeed, some of the most outrageous developments arise from the industry's apparent determination to move as much programming as possible to a pay-per-view basis so that what used to be basic programming that came with the monthly rate, all of a sudden anything that is especially popular that people really want to watch is on a pay per view basis. That is the trend. That is the direction they are heading in at full speed. And to add insult to consumer injury, cable operators would render the current generation of cable-ready televisions and VCR's obsolete by scrambling local signals and requiring consumers to rent a converter box to receive cable signals. Try that one on for size. The cable-ready televisions that the industry has produced.

The industry does not like that idea because they can make more money by rendering the cable-ready feature obsolete and charging a new charge to put a converter box on top of the cable-ready television, another new charge.

I am pleased that our colleague, Senator LEAHY, has addressed this issue and may offer a floor amendment to specifically outlaw that practice.

But make no mistake about it, Mr. President, if we do not act on this floor, if we do not pass this legislation, the abuses that I have been describing that our constituents have been suffering through are only the beginning because, if this industry is not held accountable, they will not, of their own initiative, show the self-discipline to start giving the consumers a break.

If we leave them in this situation where they have no competition and nobody who can hold them accountable in any way shape, or form, they will continue raising rates, continue coming up with new gimmicks to charge another arm and a leg and new ways to abuse the monopoly power that they have. Just count on it, unless we pass this legislation.

Our colleagues are fully aware of one recent notorious practice called retiering. That is a fancy word within the industry to discribe a recent cable practice which surely must have earned its industry inventor a huge bonus from corporate headquarters in Denver.

Retiering works like this: First, the cable operator who once offered a package of basic services, including local over-the-air free TV channels and typically 20 or so cable services like ESPN, MTV, USA, CNN, so on, essentially what we have all come to know as basic cable for average prices that was $17 a month—it varies widely across the country, but that has been the average price—but under retiering, the cable operator, worried about potential new controls on basic rate hikes, divides his current offering into a package of mostly free television channels provided by broadcasters, provided free under law, which he then charges people for, about $10 a month, and calls that basic cable; obviously, a service that only a minimum number of people want because all it includes is stuff that is available over the air anyway. In some areas where they have trouble getting a clear signal, they take those basic channels and charge much more, whatever the market will bear. That is the only tier that might potentially be regulated under the FCC rule. So this is how the scheme of retiering begins.

But here is the next step. The cable operators then creates a new expanded basic package which includes the same mostly free TV channels plus the other 20-plus channels that his subscribers really want from cable and charges $20 essentially for the exact same product but with a hefty increase compared to what was charged for the same thing before the retiering. A little sleight of hand going on there. A lot of sleight of hand going on there, taking it out of the consumers' pockets.

So in a brilliant exploitation of monopoly pricing power and loopholes, the cable operator has in one swift stroke of the corporate pen avoided what minimal regulation the FCC wants in the minority of places and created a new cash-flow at the same time.

Unless my colleagues suspect that this scenario is simply hypothetical talk, I would like to print in the RECORD an article which also appeared in the Wall Street Journal, this one 2 weeks ago, entitled "Cable-TV Firms' Higher-Priced 'Tiers' Brings Cries Of Outrage From Consumers." It was dated January 15, 1992. I ask unanimous consent that be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Jan. 15, 1992]

CABLE-TV FIRMS' HIGHER-PRICED "TIERS" BRING CRIES OF OUTRAGE FROM CONSUMERS

(By Mark Robichaux)

NEW YORK.—For the nation's cable-television operators, getting down to basics often seems something best avoided.

Keenly aware of reregulation threats and new federal rules that let more cities cap basic cable rates, cable systems have simply redefined what "basic" supposedly means. They have carved out a layer of popular channels to form a new "tier" that costs extra—and thus they effectively dodge the rules aimed at curbing price increases for basic cable.

The practice of "tiering" wasn't prevalent in late 1989, when Congress first threatened to impose new regulations on cable, just three years after it had largely deregulated the industry. But tiering had spread to almost 60% of all cable subscribers by the middle of last year. It is likely to expand even further this year.

CONSUMER COMPLAINTS

Consumer groups call it a shell game that has let cable companies blithely slap on unfair rate increases. In the past few months alone, the cable system in Los Angeles imposed a 12% increase on its most popular package, and the system here in Manhattan similarly set a 10% increase. Last March, Time Warner Inc.'s Brooklyn system formed a new tier that included MTV and CNN; nine months later, it raised the charge for the tier by 34%.

"Cash flow is the name of the game for these companies," says lawyer Nicholas Miller, who represents several cities in disputes with cable systems. "Their main concern is how do we frustrate, confuse, divide or slow down an attempt to regulate the rates."

Almost all of the nation's biggest cable companies now use tiering. They maintain that it more fairly spreads the costs of various channels among the viewers who really want them, that it lets them lower the price of pared-down basic cable and reach viewers who merely want better reception and the low-income people who otherwise couldn't afford cable. Criticism of tiering "is pure cable-bashing that is totally unjustified," says Richard Aurelio, president of Time Warner's New York cable group.

Many cable operators, however, don't tell customers that a cheaper basic option is available. They simply switch customers over to the more expensive tiers through a "negative option" that requires subscribers to go out of their way to reject the change. In some cases, customers are penalized for switching to the lower-priced tier by having to pay an extra one-time charge.

Only a sliver of cable subscribers on tiered systems—usually well over 10%—actually buys the redefined narrow basic service. When federal investigators randomly called systems and posed as customers, they found that nine leading companies offering tiers didn't even acknowledge the existence of the lowest-priced basic tier, according to a recent report from the General Accounting Office. (Calls by a reporter to Time Warner systems in Manhattan and Brooklyn produced similar results.)

"The game for cable operators is to tell regulators that this is a separate and optional tier," says Joseph Van Eaton, a cable lawyer for several cities. "But they're telling subscribers that expanded tiers are part of basic service."

Despite cable operators' claims to the contrary, the price structure behind tiering often has little basis in reality, in terms of demand for the channels and operators' costs. For example, Time Warner's Brooklyn-Queens cable group previously charged $20.90 for 58 channels. Last March it split the dial into 24 channels for basic ($14.95) and a tier of 34 popular channels for an extra $5.95. Then it tacked on an extra $2.05 for the second tier last month, a 34% increase. Yet the tier probably costs the company only $3.52 to begin with, based on an average monthly cost of 16 cents a channel. (That average cost comes from Paul Kagan Associates, a media research concern: Time Warner's cable group declines to discuss specifics of its channel prices.)

Charging an extra $8 for the tier is "totally unjustified," asserts Bill Squadron, who oversees New York City cable systems as the city's telecommunications commissioner. "These companies are protecting unbelievably favorable market conditions—no competition and no regulation." Time Warner's Mr. Aurelio dismisses the charge as unreasonable.

STARTLING PRICE INCREASES

Just four years ago, cable companies were doing the reverse of tiering. When Congress freed cable from rate regulation by local governments, systems folded all channels and rates into one basic offering. Then they levied startling and aggressive price increases. Cable bills shot up 61% from December 1986 to July 1991.

Cable operators said the jump was needed to make up for years of artificially low rates, when local governments had refused to grant adequate fee increases. But a Justice Department report found that only about half of the rate rise was due to higher costs.

As criticism intensified, Congress began weighing new regulation but got nowhere. A bigger threat came from the Federal Communications Commission. In January 1990, the FCC announced a proposal that would vastly increase the number of communities allows to ride herd on basic cable rates.

When Congress deregulated cable in 1987, it let a handful of communities—those that had fewer than three broadcast stations in their local markets—continue to regulate local cable rates. The new FCC rule proposed to let towns with fewer than six stations control cable rates, affecting 61% of all cable systems and covering 34% of all cable subscribers in the U.S.

But the FCC didn't pass the new rule until last July—and by that time tiering had taken hold. The FCC rule also had a major loophole: It let local governments control only basic rates.

"It tends to make a mockery of the process," says Bill Johnson, deputy chief of the mass-media bureau of the FCC. "It's annoying to the consumer because what they want isn't regulated by the city."

The new FCC rule gave Laredo, Texas, new authority to control local cable rates. But in June 1990 the local cable company, Paragon Cable, split its single package of 34 channels into a basic offering of 11 and a second tier of 23 channels. Subscribers who signed up for the expended basic tier had to pay the system $15 each to change to the more limited basic service.

Three months later, the system raised the price of the second tier by 30%, from $5 to %6.50. It tacked another $2 increase on one year after that. The end result; In 15 months after Paragon imposed the tiered approach, Laredo subscribers were paying 21% more for the same 34 channels ($20.50 a month, compared with $17 when the tier was adopted in June 1990).

Paragon, a subsidiary of Kblcom Inc. in Houston, also lowered the price of its 11-channel basic offering to $7.95 a month from $12 last July, but only a small number of subscribers were affected.

Some cities are trying to fight the cable companies by seeking the right to regulate the extra tier of "expanded basic." The city of Gillette, Wyo., is in a court battle with Tele-Communication Inc., the nation's largest cable operator.

In December 1989, Tele-Communications retiered its channels and automatically switched customers to the expanded service. It also began charging extra for items such as converter boxes and cable guides. By May 1990, a customer would have had to pay $22.20 for the same package that had cost $16.74 five months earlier, a jolting 33% increase.

Outraged, the city passed an ordinance that set the price for basic service at $12.80 and set expanded basic at $13.20. Tele-Communications refused to lower the price, and the city filed suit. In November, a federal judge ruled that the city had the authority to set only "basic rates." Now Gillette is pursuing a second argument, that TCI's "expanded basic" tier isn't really a distinct and separate product from basic service. (TCI officials declined to comment on the situation in Gillette.)

Tiering has also triggered resentment among newer cable channels, which fear a loss of distribution if they are placed on tiers with pay services.

Bills now in Congress address tiering, but if Congress regulates every level of service, "it will freeze the development of new programming," contends Steve Effros, president of the Community Antenna Television Association, a cable trade group. He says proposed laws aimed at tiers would put artificial price caps on channels. "We are finding our price levels now," he says.

Mr. GORE. Mr. President, there is another reason why the rates are going up so rapidly. When you have this monopoly situation, it is so tempting for people to get in there and take advantage of it that some unscrupulous operators have begun to use the junk bonds to bid up the price of the cable television companies and take them over.

The original operators who might have negotiated with the community, might even in some cases have established good business ties with people in the community and be subject to some community pressure if they want to continue being honored members of the community, are bought out by people who see the financial opportunity that the monopoly makes possible and they use these junk bonds to buy them.

The interest rate on the junk bonds is very high. How are they going to pay the interest on the money they have borrowed to buy the cable system at an inflated price? Three guesses, Mr. President. Raise rates, No. 1. Then raise rates again, No. 2. And then raise rates again, No. 3.

That is so they can finance the interest on the junk bonds. If they do not raise rates, they cannot pay the interest. So they raise rates. And people complain. They say, "Too bad. There is nothing you can do about it because Congress, 'in its wisdom,' took away the ability of local communities to hold the company accountable."

We have outlawed the only potential competition that they might face.

We have required by law that the raw material of their basic over-the-air programming be given to them for free.

Pretty sweet deal if you can get it. You can get it. Get some junk bonds, pay the high interest rates, and raise the cable rates to finance it. The lesson has not been lost on many who are buying into this industry now. But the cable industry just cavalierly dismisses public concern, and that retiering scheme that I mentioned a minute ago is only one of many such schemes.

Only 2 months ago, Consumer Reports, one of the most credible analysts of consumer problems, completed and released its survey of more than 200,000 cable consumers. While the 1990 and 1991 GAO reports that I mentioned a moment ago confirm the issue of rate abuses, the Consumer Reports survey reported alarming facts about the quality of cable service. For instance, 25 percent of all cable customers are dissatisfied with their cable service; as many as 40 percent in Chicago, for instance, and there are other examples of where the number is very high.

Do you know what would happen in a normal business if 25 percent of all the customers or 45 percent of all the customers were dissatisfied with the service a company was providing? They would go to the competition. The company would know they were about to do that, and so they would clean up their act and they would provide better service. That is why competition works.

But since it is a monopoly, they do not have any competition, and so they do not care. They will claim they care, and they will try to remain just short of the gag level. But they want to raise those rates, and they do not want to spend money to hire more people to take care of the service problems, because that is money out of the monopolist's pocket that he knows he does not have to spend.

The monopolists know there is one thing that could happen which would change that. If this bill passed, then they would be held accountable. They would have to listen to people's complaints. They would have to worry about competition—horrors. Competition. They would have to worry about being held accountable for the lack of service and the constant rate increases.

Here is another fact from the Consumer Reports survey: 35 percent of Americans surveyed report that the company providing them cable television does not provide sufficient information about billing and service; 43 percent note that it is extremely difficult to even reach the cable company.

My constituents tell me a very common experience is to get a bill in the mail and have a charge on it that is just wrong; it is outrageously high. They naturally feel some anger, but they think: "I will call them and talk to them about it and try to straighten this out." Ring, ring, ring, ad nauseam; they do not answer the telephone. They do not care. They do not have to care.

In August, the Justice Department released an official report entitled "Market Power and Price Increases for Basic Cable Service Since Deregulation." The Justice Department study reports:

> At least 45 to 50 percent of the price increase since deregulation is due to market power.

We used to care about monopoly power in this country. I know that with some people, it has become unfashionable to worry about such a thing. But I tell you, consumers who are paying these rate hikes are fed up. Local officials who are getting the brunt of the complaints from consumers and who look at the law and find out Congress has stripped away their ability to do anything are getting fed up. Small entrepreneurs who organize to compete with the cable company and who are squashed by the economic power of the industry are getting fed up. They are all calling on us to act and do something about it. Are we going to get rolled by the power of the cable industry?

I think we have the votes to pass this bill. I hope the President does not veto this bill. It is an election year, last I checked. The President may be interested in that. He may be increasingly interested in that. This is not a partisan battle. It is certainly not partisan in the Senate. But it could have partisan overtones, I will say in advance to the White House, if a bipartisan majority in the Congress passes this and then the President of the United States vetoes it. I do not want it to be partisan. I would like to see it pass in a bipartisan way.

But the White House surely ought to understand that when the President goes to New Hampshire and says, "I care about you; believe me, I care about you. I know what tough economic problems you have"—I could hear the conviction in his voice. If he vetoes this bill, some people are going to remember that, and the next time he says it, they are going to wonder. So maybe he will have a change of heart. I certainly hope so.

I encourage the President to pay attention to the Republican Members of this Chamber who have been out there with the people, along with the Democratic Members of this Chamber, who have been fighting on the right side of this cable issue and who have heard the voice of the people and who have been demonstrating that they do care about these rate increases. Frankly, given the White House efforts to kill this legislation in the last Congress and then again late last year, I am surprised this Justice Department report I referred to a moment ago was allowed to see the light of day, but here it is, one more example of why the Senate must pass S. 12.

Again, what the Justice Department is saying—and remember, the Bush Justice Department is not exactly a haven for regulation advocates—is that these huge cable rate increases are not mostly due to increased costs, not mostly due to investment in new programming, not mostly due to service improvements. Rather, these rate hikes are mostly due to cable's monopoly power. That is what the Bush Justice Department says after conducting an in-depth study. Are we going to respond or are we going to get rolled?

We are going to respond, Mr. President. That is my prediction. I hope the White House responds, too.

Much of the stated objection to this bill is based on the contention that a return to the pre-1984 days, when every community had substantial control over rates and service, would stifle new programming and become a regulatory nightmare. The fact is that this legislation hardly represents a rollback to preregulation days.

Those of us who have long been involved with this issue like to believe we understand the basis for the concern being expressed there, and that is why the bill Senator DANFORTH brings to the floor does not turn the clock back.

It turns the clock forward. It incorporates the legitimate lessons of what was going on before the 1984 act. This is a step forward, not backward. It is an innovative bill. There is no mandatory regulation in this bill at all. In fact, communities satisfied with their local cable operator would be free to continue hands-off supervision of rates and service if that is what they chose to do. Only those communities with egregious cable abuses would feel compelled to impose any rate regulation, and premium services would be exempted from any regulation at all.

Is there an alternative to rate regulation? Of course, there is. And we have been talking about it here today. A better approach is competition, competition from other technologies—C-band and new direct broadcast satellite dishes, wireless cable, other cable systems, and from the telephone companies, who should be encouraged to provide superior fiber-optic cable services to every home in this country.

But in the case of C-band, satellite dishes, and wireless cable programs, distributors are often charged prices that are many times greater than cable. The FCC itself has clearly stated this fact in its finding last May.

In its report on discrimination by satellite carriers, the FCC made the following statement. And, again, let me parenthetically make the point that this is the FCC appointed by President Bush after carefully studying this aspect of the problem. The FCC flatly stated:

> Home satellite dish distributors are paying much higher rates for superstation and network station programming than are other entities, such as cable systems operators.

They went on to state:

> * * * the disparities and prices charged by some satellite carriers in some cases are not justified by the differences in the cost of providing service.

Chairman Sikes went on record to say of this report:

> We will provide it to Congress. I think that they will be troubled by some of the unwarranted price discrimination, and we'll see what steps are taken thereafter.

The Justice Department, the FCC—what more evidence do we need to reach a conclusion that this is an industry out of control where its abuse of consumers is concerned?

I say to the present occupant of the chair, who represents a State with a great many rural areas, as the State of Tennessee has a great many rural areas: When people who cannot get cable, are far even from broadcasting stations, invest in a satellite dish and the service to get the signal, they are willing to pay a fair price set by market pressures for the programming that they watch. Why do the programmers charge satellite-dish owners many times the rate that they charge to cable systems? Why is that?

It is really not that complicated. The cable industry owns the programmers for the most part and the ones they do not own they do their best to control, just as they shakedown new programmers and force them to cough up part of the ownership of the company before they will even consider putting the programming on cable systems.

Woe to the programmer who has the temerity to sell his or her signal to a satellite dish owner at market rates. You know what happens? The cable industry visits them, and they say, "We understand you have been doing business with satellite dish owners. Is that right?" And if they say, "Yes," then the cable industry says, in effect, "We are sorry to hear that. You would like to remain on our cable systems, would you not? That is where 90 percent of your revenue comes. You know we have a lot of programmers who would like to take your place on our systems and they are not selling to the satellite dish people at market rates. We hope you will reconsider." And they do. They reconsider. They raise the rates to satellite dishowners.

They did not use to sell at all to satellite dishowners for the same reasons until Congress put so much pressure on them it got so embarrassing to the industry they finally said, "We cannot just refuse to sell it. But let us make sure that the rates are so high that nobody will ever be encouraged to get a satellite dish instead of a cable system."

That is abusive. Come on. Are we going to stand here and let this kind of abusive business practice continue in this country and do nothing about it just because this industry has so much political power that it is able to yank chains, push buttons, get its way? We represent the people of this country. We see a clear record of abuse. We have documented it up one side and down the other.

Mr. DANFORTH. Mr. President, will the Senator yield for a question?

Mr. GORE. I am happy and proud to yield.

Mr. DANFORTH. Mr. President, I want to compliment the Senator from Tennessee for putting in the RECORD the front page article from the Wall Street Journal of today. The Wall Street Journal is not exactly an advocate for big government or for excessive governmental regulation. Yet, as the Senator has pointed out, the headline of the article is: "Cable Cabal. How Giant TCI Uses Self-Dealing, Hardball To Dominate Market. Top Officers Are Enriched as Firm Buys Up Systems and Blocks TV Rivals. Who Owns What in Utah?"

My question to the Senator from Tennessee is: Does this article surprise the Senator? Or, instead, is the kind of abusiveness which is documented in this lengthy article in today's Wall Street Journal, and is the kind of abusiveness which the Senator has so ably described in his presentation to the Senate, a natural result of monopoly power? Is this not exactly what we would expect from an unregulated monopoly? They can do anything they please.

Mr. GORE. I say, in response to my able colleague, that, first, I am not surprised by the findings reported in the Wall Street Journal today. My colleague and I participated in a number of hearings over the years in which similar examples have been brought to our attention. Some of the ones reported in this story are news to me. But the basic practices reported here are one which have been documented by many who have studied this industry over the years.

And, then, in response to the second part of my colleague's question, I say, yes, the abuses that are described are, in my opinion, a natural and expected consequence of sustained monopoly power in the absence of any accountability, any checks, any constraints that would otherwise hold back the tendency to just keep on abusing the consumers every time you need more money.

Mr. DANFORTH. Well, the theory of the legislation is that unregulated monopolies are wrong. That is the basic theory behind this legislation. We do not want unregulated monopolies. We would rather have competition. We would welcome competition. The regulation under this legislation will expire if there is effective competition.

However, if there is no effective competition, then we should not have unregulated monopolies; is that not the basic concept?

Mr. GORE. That is the basic concept. And I make another point in response to the question.

The cable industry fears competition much more than they fear regulation. It is interesting that the so-called substitute, the alternative designed to gut the bill, is aimed at stripping away any measure that would foster competition.

Later, during the debate this week, I will offer extensive statistics and evidence on program pricing activities of cable and programmers that will show ongoing discrimination against all of the competing technologies, during the debate on the Packwood-Stevens alternative which, again, is designed principally to gut program access protections.

I would agree with my colleague that competition is preferable to regulation, and that is why—for the same reason we believe it is preferable, because it is more effective at protecting the consumers, the industry fears that even more than giving local communities some way to hold them accountable directly.

Mr. DANFORTH. There is also a problem today with respect to vertical integration, and with respect to the ability of a cable television company to either favor or disfavor a programmer without any restraints, and the legislation is designed to address that issue, is it not?

Mr. GORE. Yes, it is. In fact, vertical integration is an economic phrase that is intended to describe a situation I was getting at earlier when I talked about programmers being owned by cable companies; because in that situation, if the programmer wants to do business with a competitor to the cable company, then that does not happen, because of vertical integration. The ownership gives sufficient control to cut off the access of a competitor to the programming which is the raw material of this industry. And it is in those areas that really the worst abuses have occurred.

Let me give you an example: The National Broadcasting Co., NBC, one of the three principal television networks, decided that it wanted to develop a cable news channel to compete with CNN. I happen to be a big fan of CNN, but I am also a big fan of competition, and if somebody wants to compete with them, fine. But NBC ran into something more powerful than they had bargained for, because CNN is partly owned by the cable industry generally, and they do not want competition for CNN. And so they told NBC: We do not think you ought to compete with CNN, and if you decide to put this new channel on the cable systems, you may just find that none of us will carry your new channel. That would be a shame, would it not?

And NBC concluded, yes, that would be a shame, so maybe we ought to rethink this proposition. Do you know what they did? They said: we are going to change our proposal. We are not going to compete with CNN. We are going to make it a financial and consumer news channel, and we promise the cable industry that we will not compete with the programming service that you own. And only after making that promise, were they allowed to get onto the cable systems of this country.

That is an example of vertical integration that works against competition.

Mr. DANFORTH. I think one point that really has to be underscored is that, while much of our attention has been focused on the abuses of the cable companies against consumers, the abuses have also gone against other companies in the television industry. We are all familiar, in talking to our constituents, about rapid increases in cable rates caused by the monopoly power of the cable company. We also know about the cable companies that do not bother to answer the phone. We also know about deteriorating service.

But one of the interesting things about today's Wall Street Journal article is its documentation of cases of abuse by one cable company, TCI, against other businesses in the television industry. There is a story, for example, that is documented, that TCI wanted to purchase the learning channel. There was other competition for purchase of the learning channel, so TCI decided that the best way to pick up the learning channel was to reduce the value of it by simply dropping it on TCI's cable systems.

So one-third of the business of the learning channel disappears by command of TCI. The learning channel's value goes down; the learning channel is picked up by TCI.

This kind of abusiveness is not characteristic of a competitive industry. This is a manipulation of the marketplace. So for those who say, well, we want market forces to operate, that is the basic economic system we have, not Government regulation, but market forces. The fact of the matter is that market forces are not operating in the cable industry today.

Mr. GORE. Well, that is certainly true. Before I finish my opening statement here, I did want to comment on this last statement.

In connection with that example involving CNBC, I left one detail out. TCI, which had organized the shakedown of NBC to force them to reconstitute their programming on CNBC, TCI also said to NBC: There is one other thing before even your new programming will be allowed on cable. We would like $20 million in cold, hard cash. We have this worthless transponder company called Tempo that we have not been able to unload on anybody. Do you think you would like to buy that?

They said: Yes, we have just been wanting to buy Tempo, and $20 million sounds like a good, fair price, yes, sir. And they forked over the money, and the reconstituted programming then went on the cable systems.

Mr. President, the examples of anticompetitive abuses that Senator DANFORTH and I have just been talking about have been documented in more than a dozen hearings before the Senate Commerce Committee alone. The record of anticompetitive abuse goes much, much deeper.

Last year, one of the industry's top spokesmen was asked if cable had any competition, and he said, paraphrasing: "Of course we do. For instance, the new high-powered direct broadcast satellites [DBS] that will compete directly with local cable." Maybe you have heard about this new development, Mr. President. Little bitty dishes that you can put out on your window ledge, 100 channels, new satellite technology, very exciting, very promising, especially in the rural areas that do not have a good alternative.

Well, it is a fact that the new DBS satellite services can offer a real competitive alternative to cable, but these services will never get up and running if they cannot get access on fair terms to programming. And, again, that is where this problem comes in.

If all the programs are held under the thumbs of the cable industry and they are told that they should not even consider giving the programming to these new direct broadcast satellites, then that new industry will never get started. And these programming companies are already gun shy. They have been visited before.

Again, Mr. President, I am not creating a hypothetical case of cable stifling potential competition. Recent industry trade press reports that the National Association of Attorneys General has been investigating the plans of PrimeStar Partners, the cable MSO-controlled DBS service that has allegedly denied access to cable-owned programming to potential competitors is a case in point. A lawsuit is expected.

In other words, Mr. President, you have in this new DBS technology, with the little dishes, companies that invested money and organized to serve the public with new technology, all of a sudden find a new DBS, direct broadcast satellite company.

Who owns this new DBS company? TCI, ATC, Warner Cable, Cox Cable, Viacom, Continental Cablevision—six of the largest multisystem operators. They get the programming, and allegedly the competition that is not controlled by the cable industry cannot get the programming. They are nervous about visits, losing their business with the cable systems.

And so the cable MSO's have tirelessly worked to effectively shut down competition from traditional backyard satellite dishes. That is how I got into this whole thing to begin with, incidentally. And the deeper I looked into it, the more I found. It is just unbelievable the amount of power that this industry has accumulated and the ruthlessness with which they wield that power.

Right now, they are doing their best to shut down this legislation, because they know it is the only thing that can confront them with competition. But it is not just the satellite dishes. They shut down competition from wireless cable, from other local cable systems, as well as potential DBS services.

And the cable lobby even try to frighten cable customers by stuffing bills with untruths about the "retransmission consent" provisions of this bill. Tens of thousands of consumers received a misleading threat from the National Cable Television Association, mailed by their local cable operators, implying that the legislation would "tax you 20 percent when you watch the networks on cable." Many of my constituents questioned why their cable company was spending ratepayer money on this phony scare tactic.

Will this legislation result in a tax? Of course not. Blatantly misleading.

What else is left, Mr. President? Perhaps the telephone companies? As Garth of "Wayne's World" would say, "Not." Do not expect it.

Because, in the 1984 Cable Act, the cable industry was awarded an absolute prohibition on any competition from telephone companies. They have that one taken care of.

So, Mr. President, where is the competition? Where, even, is the potential for competition if we do not pass this legislation? The answer is, sadly, that cable's local monopoly is solid, protected by law in some cases, by extreme marketplace dominance in others.

No one would blame the cable companies and their financially dependent programming services from behaving this way—they are simply trying to maximize profits. And if they have a Government-protected monopoly to boot, so much the better.

Most of these business men and women are decent, honorable entrepreneurs who have built a remarkably profitable industry, one which has created some real benefits for society. But leave them in this situation and they are tempted to take advantage of the monopoly. And that is our fault not theirs. We ought to recognize what is going on.

Certainly, I would say the country is better off with a lot of the excellent programming that has been created. Better off with CNN on the air, with the Discovery Channel providing first-rate programming, with C-SPAN's gavel-to-gavel coverage of the Congress. Cable has done some remarkably positive things. and there are dozens of other creative program services that might never have come to traditional over-the-air television.

I believe it is time to give some credit where credit is due. I think that some of these things might not have happened if the 1984 act had not passed. But the 1984 act went ridiculously too far in creating the potential for the abuses that have in fact now come to pass.

It is our responsibility—that of the Senate, the entire Congress, the Federal Communications Commission—to change these laws which prevent competition, to change the laws which allow rampant discrimination against cable's competing technologies, to change the laws which fail to protect consumers from the kind of price gouging we have seen all across the country.

At some point, the Congress must also revisit the cable compulsory license. Both technology and the marketplace have changed radically since 1976 when the compulsory license was adopted as a way to give cable a competitive toehold alongside the more powerful broadcasters. Now, ironically, it is the cable MSO's that are holding a marketplace Sword of Damocles over the broadcasters, cable's technological competitors, and even over its own programming services by invoking exclusive distribution mandates.

For now, S. 12 is the answer.

To those cable systems which have shown greater responsibility—and I will be among the first to note that there are many such cable operators in my State and elsewhere—I would say that they have nothing to fear in this legislation.

To those programmers which have chosen to open up the market for program distribution—and there are now a few such companies—I would say that the program access provisions in this bill will not restrain your ability to do business in a responsible manner.

But to those cable operators and programmers who continue to gouge consumers, who continue to stifle competition at every turn—yes, this legislation is going to make a difference for you. For a change, they will have to consider what is fair for the consumer, and operate in a manner more responsive to the community leaders who represent those consumers.

That, Mr. President, is what I call progress, and that is our agenda here with this legislation.

So, in closing, I want to urge my colleagues to support the committee legislation, and to soundly reject the so-called alternative package designed only to stifle meaningful cable action in this Congress.

The problems plaguing cable consumers will not go away on their own accord. If history is any teacher, these problems will only get worse. The time to act is now.

Mr. President, I yield the floor.

EXHIBIT 1

[From the Wall Street Journal, Jan. 27, 1992]

CABLE CABAL: HOW GIANT TCI USES SELF-DEALING, HARDBALL TO DOMINATE MARKET

(By Johnnie L. Roberts)

ENGLEWOOD, COLO.—In many ways, Tele-Communications Inc. is a classic tale of bootstrap entrepreneurship. From a tiny company struggling in the scrubland of West Texas. TCI has built itself into the world's biggest cable-television enterprise. One of every five American cable users is wired into TCI in one way or another, and about 20% of the industry's entire revenue flows to this behemoth.

To many of its rivals and customers, through, TCI represents not the best but the worst in American business—a monopolistic, strong-arm bully, they say, that squeezes other cable operators, denies free competition to programmers and flagrantly disrupts the plans of rivals. The "ringleader" in the "cable Cosa Nostra" is what Sen. Albert Gore Jr. of Tennessee calls TCL. Contends Mel Cohen, the mayor of Morgantown, N.C.,, where TCI operates a cable system: "TCI is trying to crush our city government."

TCI, which owns more than 1,000 cable systems, is also very tightly controlled. Bob Magness, TCI's founder and chairman, and John C. Malone, its chief executive, built and dominated the company in part through internal self-dealing, an investigation by The Wall Street Journal shows. In one case, the two sold to TCI a group of Utah cable systems the company apparently already owned.

GETTING CONTROL

Their stock transactions—often only partially disclosed in federal filings and usually unavailable to other shareholders—may or may not have violated securities laws; the law prohibits corporations from withholding important information from shareholders. But the objective of the dealings appears clear. Through these and other transactions, the two men built one of the most influential and feared companies in the television industry, and granted themselves effective control over it. Many contend that consumers ultimately paid the price, as TCI worked to squelch competition in the cable industry.

TCI emphatically denies engaging in any questionable transactions with its top two officers, or anyone else for that matter. Any suggestion that "when we paid Magness and Malone shares we were paying them for assets we already owned is false," a spokesman says. He cautions, however, that the denials and elaborations are based on the "collective recollection" of TCI executives, and that he didn't consult Messrs. Magness and Malone, who declined to be interviewed specifically about the transactions. Further, the company says it was unable to retrieve records from storage that bear on the internal stock dealings.

The spokesman says allegations the company is a bully in the market are also false. He says TCI just tries to offer the best service at the best possible price, amid rising competition.

For his part, Mr. Malone does say in an interview that, in general, TCI's transactions with its top officials are merely a way of supplementing salaries and teaching top brass about different aspects of the cable business. "TCI has one of the lowest, if not the lowest, salary structures in corporate America," he said. The deals have "allowed us to build wealth over time."

Messrs. Magness and Malone are paid a bit under $500,000 a year each and control a combined 36% of shareholder votes in TCI. When TCI spun off some assets into a company called Liberty Media Corp.—a move designed to answer charges that TCI had become too dominant—the two executives quickly acquired 56% of the voting shares of that company, too. The market value of their combined holdings is nearly $700 million.

The accumulation of that wealth and the sheer girth of TCI will undoubtedly draw the interest of the U.S. Senate this week, as lawmakers begin debating whether the cable industry has become monopolistic and whether additional regulation is needed. TCI and Liberty Media operate in 48 states and dwarf their next-largest rival, Time Warner Inc. TCI alone generates cash flow of $1.7 billion a year—more than ABC, CBS, NBC and the Fox network combined. Annual revenue approaches $4 billion. TCI and Liberty owns stakes in four of the top 10 cable channels and have an interest in nine of the top 25, including Cable News Network, Turner Broadcasting System, Turner Network Television, the Discovery Channel and Black Entertainment Television.

The company's critics say TCI's vertical integration—ownership of both the local cable systems and the channels that provide programming for those systems—gives it unfair power and is one of the best arguments for greater regulation of the industry. The company's outside shareholders, however, couldn't be happier. A dollar invested in TCI stock in the mid-1970s is worth more than $800 now. TCI has "given us a tremendous return," says Keith Hartman, with Associated Communications Corp., an investment company in Pittsburgh. Associated's $7 million investment in TCI in 1979 has swelled to well over $300 million. If TCI were sold today it would probably fetch at least $15 billion.

No shareholder has benefited more than Bob Magness, a cigar-chomping, rough-hewn rancher who started TCI with the purchase of a single system in Memphis, Texas. At age 68, he is worth over $500 million. For all his wealth, Mr. Magness eschews the life style of the rich and famous. For two decades he has lived in a modest ranch house atop a plateau overlooking Denver. "You go to his house for dinner and everyone takes his shoes off, more or less," says Rudy Wunderlich, a friend. The cable magnate has been known to shift a cigar to a corner of his mouth, resting it there while eating a T-bone steak. "He ain't very happy in a tuxedo," another friend says.

These days, Mr. Magness spends little time on TCI's day-to-day affairs. He raises horses and collects Western art, passions he pursued with his first wife and business partner, Betsy. She died in 1985, and he has since remarried.

He formed his cable company in 1956. As lore has it, Mr. Magness, a short and rugged Oklahoman, sold some cattle for funds to buy the franchise in Texas. (A franchise is the right to build and operate a cable system, and is usually awarded by local authorities.) From there, he and Betsy began collecting cable systems in Montana, Nevada, Colorado and Utah.

FINDING SUPPORT

By the mid-1960s, Mr. Magness needed backers. He found two in Salt Lake City—the Gallivan family, which owns the local newspaper, Salt Lake City Tribune, and the Hatch family, owners of local television station KUTV. (The family isn't related to that of Sen. Orrin Hatch.)

The investment by the Hatch family would prove problematic years later, when the federal government barred "cross-ownership" of local TV stations and cable systems in the same community. But with the families' help, Mr. Magness incorporated TCI in 1968 and took it public in 1970.

By 1973, though, TCI was flirting with bankruptcy: Mr. Magness, it seemed, lacked the skill to build and manage TCI as a modern enterprise. So he turned to Mr. Malone, a young Connecticut native and Yale-educated financial virtuoso who was then the president of a TCI supplier.

Shortly after taking over as TCI's president, Mr. Malone summoned TCI's impatient lenders to a meeting, the story goes, and gave them an ultimatum: either back off or take over the company. The lenders backed off, and TCI was able to refinance. Its quest for expansion resumed, fueled by mountains of new debt.

Today, Mr. Malone, age 50, is cable's most visible and formidable figure. He crafted the industry's $560 million rescue of Ted Turner's debt-laden business in 1987, which enabled TCI to gradually take a 25% stake in Turner Broadcasting System Inc.

Yet for all of his influence, the soft-spoken, Mr. Malone remains a stranger to many in the field. Says cable broker Bill Daniels, who shares a skybox atop Denver's Mile High Stadium with Mr. Malone: "I just don't know anyone close to him."

Mr. Malone, who holds two master's degrees and a doctorate in operations research, has served as TCI's strategic thinker and financial alchemist, deftly managing the company as a portfolio of cable assets and buying, shifting, marrying and decoupling them in ways that boosted their value. More than any other industry executive, Mr. Malone pulled the financial community onto the cable bandwagon, getting Wall Street to focus on the business's surging cash flow.

But that higher profile had a downside: it increased the chances that TCI might become a target of corporate raiders.

That risk grew in 1979 as Salt Lake City's Hatch family prepared to sell off its sizable stake in TCI to comply with the ban on cross-ownership. "With the Hatches gone. [Mr. Malone] felt the company was more vulnerable," says James Hoak Jr., a former executive at Heritage Media, a TCI-owned group of cable systems.

What to do? TCI started to address the problem in 1979 by creating a new class of stock, Class B shares, that had 10-to-1 voting power over the more widely held Class A shares. Now TCI had only to find a way to get the bulk of the Class B shares into friendly hands—such as those of Messrs. Magness and Malone.

Thus began a series of transactions so complex they almost seemed designed to befuddle. First, the Hatch family's TCI stake was acquired by an investment concern called Tele-Communications Investment Inc., which after the transaction controlled 24% of TCI Class B voting stock and 43% of the weaker Class A shares. Through a previous transaction, TCI owned half of that investment company, so TCI's management thus controlled half of the investment company's vote. But TCI management apparently was looking for a way to gain an even tighter grip on TCI.

Messrs. Magness and Malone embarked on a bout of labyrinthine self-dealings that ultimately would have TCI pay them a huge chunk of the super-voting shares. In one case, the dealings involved four separate companies with almost the exact same name—two owned by Messrs. Magness and Malone, two owned by TCI—and the swapping of Utah cable franchises and systems among them.

BACK AND FORTH

Acting through small subsidiaries, TCI first bought up franchises around Salt Lake City. Then TCI transferred the franchises—it isn't exactly clear how—to separate Magness and Malone companies with almost the same names as the TCI units. Later, TCI bought the Magness and Malone entities—even though TCI had owned some of the franchises in the first place.

The price: nearly one million of the super-voting Class B shares, which TCI paid to Messrs. Magness and Malone over five years. The stock, amounting to 13% of all shareholder votes by early 1991 and worth about $140 million at the time, essentially gave the two top executives enough voting power, when added to their existing stakes, to block any move they didn't like.

Records don't make it clear, but it appears the transactions could have gone one of at least two ways: Messrs. Magness and Malone paid only a small sum for TCI's Utah franchises and sold them back at a huge profit; or the pair received the franchises free and sold them back to the company. Either way, the transfers weren't disclosed to the Securities and Exchange Commission.

What is known about the transactions is this:

The deals began in 1979. Because of the cross-ownership ban, and because the Hatch family stake in TCI hadn't yet been sold. TCI couldn't pursue any new cable systems in the Salt Lake City market, the company said in public filings. TCI nonetheless wanted the unawarded Utah franchises in "friendly hands," Mr. Malone recalled in an interview.

So the TCI board urged Messrs. Magness and Malone to form their own private company to pursue the Utah franchises, with the idea that TCI would ultimately buy the properties from the executives. They and their immediate kin set up a new entity: Community Cable of Utah Inc.

APPLYING FOR FRANCHISES

TCI, it turns out, had a subsidiary that used that same name as a trade name. Through last subsidiary, and despite the ban on cross-ownership, TCI had already applied for and received quite a few Utah cable franchises, government records show.

For example, in 1979 the towns of Spanish Fork, Sandy, Salem, and Payson City all awarded franchises to a TCI subsidiary known as Community Cable of Utah Inc. But this Community Cable of Utah, records show, was registered in Nevada. The Magness and Malone-owned Community Cable was incorporated in Utah and was, legally, a separate and unrelated entity.

All of these franchises, however, would end up belonging to Messrs. Magness and Malone. Records don't make clear how this happened.

In February 1981, after the Hatch family stake in TCI had been sold, TCI acquired Messrs. Magnese and Malone's Community Cable of Utah, paying them and their family members 360,000 Class B shares of TCI. The company's assets, listed in disclosure documents, included at least one of the very same franchises and the system built under it—Sandy—that TCI's Community Cable unit had acquired a few years earlier. The assets also included 260,000 shares of Class A stock.

TCI executives give contradictory accounts of how TCI's Sandy franchise ended up as the property of Messrs. Magness and Malone. First, Bernard Schotters, a TCI spokesman, said the franchise had belonged to the two executives to begin with, but that Sandy officials insisted on naming the TCI subsidiary as the official owner.

Then, he and another spokesman, Robert Thomson, revised the explanation to say that TCI, indeed, had first owned the Sandy franchise, but had "assigned" it to another Magness and Malone entity, Community Television of Utah. In return, Messrs. Magness and Malone "paid" TCI by granting TCI the right of first refusal to buy the Sandy property back.

But local records show that Community Television of Utah isn't owned by Messrs. Magness and Malone—it is yet another unit of TCI. The various explanations, moreover, contradict a filing TCI made with Sandy officials in the late 1980s: In it, TCI said it had received the Sandy franchise back in 1979, when TCI was telling shareholders that it was federally barred from doing so because of the crossover restrictions. Today, in explaining its past actions, TCI says it was wrong to tell shareholders that it couldn't own a franchise; in fact, TCI says, it was permitted to seek a franchise, but not to own and operate the cable system built under the franchise.

TCI and its two top officers and their families, who now were flush with the additional 360,000 Class B shares, then repeated the self-dealing. What they gained, again, was greater control of TCI itself. Here's how it worked:

In selling their Community Cable to TCI, the two men held back five cable systems covering 12,000 homes in central Utah. TCI never identified the specific systems in public filings. But records indicate they were the franchises that had been granted to TCI's Community Cable of Utah through a 100%-owned TCI unit. In any case, Messrs. Magness and Malone now owned them and shifted them into yet another new entity with the same name, TCI says today. This version of Community Cable of Utah was registered in Colorado.

In April 1983, they exchanged the five systems for a 21% stake in a new TCI company formed to make acquisitions. TCI valued the assets of their Community Cable of Utah at $3.8 million. The acquisition company, meanwhile, went on to buy another cable system.

In December 1985, TCI bought out the two men's stake in the acquisition company. The price: 600,000 shares of Class B stock in TCI, worth almost $23 million. On the same day, TCI paid them another 50,000 Class B shares, valued at $1.9 million, to acquire another 21% stake the two men had in yet another TCI entity, which had purchased a cable system in Buffalo, N.Y. That 21% stake had cost the two just $210,000 only a year earlier, according to TCI proxy statements.

TCI's two spokesmen, Messrs. Thomson and Schotters, provide contradictory explanations for the turn of events.

First, Mr. Schotters said TCI itself obtained most of the live Utah franchises in question—despite TCI's earlier claim, in proxy statements, that it wasn't allowed to do so. He said TCI, it turns out, was allowed to seek franchises—it just couldn't build and own the systems. Messrs. Magness and Malone did the building outside of the TCI corporate umbrella with TCI financing, he said. But he added that TCI isn't sure whether it ever transferred ownership of the systems to the two men.

Later, the TCI spokesmen said the Magness and Malone company had been awarded at least two of the franchises involved by Utah authorities. But local records show all five Utah franchises were directly awarded to TCI's subsidiary. TCI can't explain whether it transferred the rights to its top two executives—or when, or for what price.

Combined and adjusted for stock splits, the more than one million Class B shares that TCI paid Messrs. Magness and Malone over the years became 10.5 million Class B shares as of January 1991—before Liberty Media was spun off—with almost $140 million and equal to about 13% of all TCI shareholder votes.

Today the Magness and Malone combined holdings give the two veto power over any decisions at both TCI and Liberty Media, thanks in part also to substantial payment of Class B shares they've received under their employment contracts.

PLAYING TOUGH

As the two men built their empire, leaving behind this maze of dealings, they were slowly developing a reputation for hardball tactics with local governments and rivals. Six years ago, for example, TCI began waging war on Morganton, N.C., population 28,000.

The battle was over the company's cable franchise in Morganton, which was expiring and which the town council decided not to renew. Service was "atrocious," Mayor Mel Cohen charges today, and the town began studying whether to build its own cable system.

TCI argued that government ownership would be illegal and countered by suing Morganton, asking $35 million in damages. The town won, but TCI has been appealing the decision ever since, continuing to collect $1.3 million a year in local cable revenues. At one point, TCI offered to sell the system to a buyer group. But the town balked after learning one of the buyers was partly owned by TCI.

Then last year, TCI hired a lobbying firm that formed "Citizens Opposed to City-owned Cable." The group gathered petition signatures to force a vote by citizens on whether the cable system should be owned privately or by the government. Morganton officials contend there was a catch: The petition included a measure—drafted by TCI—that would have virtually guaranteed TCI a lifetime franchise if the vote was in favor of private enterprise. The local board of elections rejected it, and another court battle was on.

Undeterred, TCI targeted Mayor Cohen and an incumbent town councilman for defeat in elections last Oct. 8, the mayor says. The TCI-funded citizen group ran as many as three newspaper ads a day in the three weeks preceding the election. One pictured two buzzards sitting on an electric line and read: "Morganton politicians are sitting high on the perch."

WINNING THE ELECTION

All told, TCI spent about $144,000 on the campaign—dwarfing the $400 to $600 the incumbents say they each spent to get reelected. In the end, the mayor and the councilman both were re-elected.

TCI's Mr. Thomson generally confirms the events in Morganton but says he expects the two sides to settle the dispute. "We anticipate calmer heads will prevail," he says.

TCI has played a similar form of hardball with its rivals. Its source of power lies in the fact that the sheer size of its systems can make or break a new channel—and keep a rival channel from reaching many American households. That size also gives it enormous leverage in demanding lower prices from independent channels.

The company's move into programming began in earnest in 1979 when it invested $180,000 in a start-up called Black Entertainment Television. From the mid-1980s on, TCI acquired stakes of 5% to 50% in American Movie Classics, the Discovery Channel, the Family Channel, and Turner Broadcasting and its three cable outlets, Cable News Network, Turner Network Television and Superstation TBS.

Critics say TCI displayed its power last year when it fought to win control of the Learning Channel, an award-winning educational channel that was 51%-owned by troubled Financial News Network Inc.

FNN was bound for bankruptcy-court proceedings, and it put the Learning Channel up for sale. Several bidders emerged, including the Public Broadcasting System, the Lifetime cable channel—and Discovery Channel, 49%-owned by TCI.

Initially, analysts estimated the Learning Channel might be worth $80 million or more. But as FNN's woes worsened, offers dropped. Lifetime offered $40 million, out-bidding TCI's Discovery, and began negotiating a final deal. Then TCI elbowed in. TCI's Mr. Malone suddenly decided that the Learning Channel had declined in quality, and he ordered TCI's local cable systems—which accounted for as many as one-third of the channel's total subscribers—to dump the service.

That, of course, made the Learning Channel a less attractive property to the bidders at Lifetime, which is owned by Capital Cities/ABC Inc., Viacom Inc. and Hearst Corp. Executives from Hearst and ABC descended on Mr. Malone in Denver and pleaded with him to keep the Learning Channel on TCI systems, according to officials with Lifetime. They outlined plans to improve the channel and pledged to freeze the rate paid by TCI systems for the channel for two years.

But Mr. Malone said TCI couldn't promise it would carry the redone channel if the sale went through, according to people familiar with the meeting. Today Mr. Malone says he had worried that a bankruptcy judge might force TCI to continue carrying the channel.

He also says that, in his opinion, Lifetime's revival plans weren't firm. "We wanted to put them on notice that we have no obligation to carry" the channel, he says. He also said TCI was concerned that the Learning Channel would raise its rates after it was acquired by Lifetime.

Lifetime soon abandoned its bid. A short time later, the Learning Channel got another buyer—TCI's Discovery Channel, which snapped up the Learning Channel for $31 million. After making some programming changes, TCI decided it was fine after all, keeping it on many, though not all, TCI systems. TCI's chief operating officer, J.C. Sparkman, says that TCI "had nothing to do with whether Lifetime or Discovery" acquired the Learning Channel, and that TCI did nothing untoward during the bidding.

GETTING ON THE SYSTEM

Another rival has also complained about TCI's extensive control over both the medium and the message. Home Shopping Network's chief executive, Roy M. Speer, charged in testimony to congressional subcommittees last year that TCI "systematically refuses" to carry Home Shopping on TCI systems because of its own sizable stake in a rival channel, QVC. (Liberty now holds the QVC stake.)

Home Shopping managed to sign up only 3.7% of TCI's subscriber base, although its sign-up rate was 47% for most other top cable operators, the service said in a 1990 filing with the Federal Communications Commission. Home Shopping said TCI was thus depriving it of hundreds of millions of dollars in revenue and was increasing its costs.

Mr. Speer declined to be interviewed. But in his testimony he detailed years of alleged discrimination by TCI. TCI's Englewood, Colo., system once told Home Shopping it couldn't carry the network because it competes with QVC, Mr. Speer said. In 1988, TCI directed two systems it had acquired in Pasco County, Fla., to cancel Home Shopping and replace it with QVC, he said. In April 1990, TCI's top California manager told Home Shopping there was "no way" his systems could carry it, given that TCI had a stake in QVC, Mr. Speer charged.

TCI denies it discriminates against Home Shopping but declines to comment further. In a letter last summer to Sen. Daniel K. Inouye of Hawaii, TCI said it believes it is Home Shopping's largest carrier, accounting for one-quarter of Home Shopping's viewers.

The fortunes of QVC, meanwhile, are soaring. While Home Shopping Network posted an $8.9 million loss on one-time charges in its most recent fiscal year, QVC reported almost $5 million in profit in the first half on $391 million in sales, which were up almost 22%.

If TCI can be hard on rivals, it sometimes is no more gentle with consumers. Last summer it launched Encore, a low-priced movie channel, using the "negative option"—subscribers all had to pay extra for it unless they explicitly told TCI they didn't want it. The company figured that putting the burden on customers to say no promised to corral 80% of TCI households for Encore. It also says it had to use the strategy because of technical limitations in many of its cable systems. A Texas newspaper called the strategy "sneaky," others said it was anti-consumer, and a judge halted it. At least 10 states sued, and TCI had to abandon the gimmick nationwide.

But the setback was something of an exception. Usually TCI gets its way. In 1985, for example, when General Electric Co.'s NBC network set plans for an all-news cable channel, officials assumed it "couldn't happen without TCI," recalls Lawrence K. Grossman, president of NBC News at the time. But in the end, TCI merely played NBC off against CNN, whose programming the cable company was already carrying. According to Mr. Grossman, TCI used a proposed alliance with NBC to get price breaks from CNN, and then backed away from the NBC proposal.

Several years later, NBC tried again. By this time, TCI had taken a stake in Turner Broadcasting. To win TCI's support, NBC promised that its new channel, CNBC, would focus on business and finance instead of running an all-news format that would compete with Cable News Network, say people familiar with the transaction. NBC also agreed to pay TCI $20 million for a fledgling TCI channel called Tempo. Sen. Gore, in a 1989 Senate hearing on media ownership, called that payment a "shakedown" by TCI.

NON-COMPETE PROVISION

NBC Chairman Robert Wright and TCI scoffed at the shakedown allegation, and TCI denied it had forced NBC to avoid competing with CNN. But Mr. Wright testified that most cable companies "required, if you will," a non-compete provision and said it "wasn't exactly what we would have preferred." TCI and NBC have since joined in several business ventures.

Afraid that TCI's dual role in owning cable systems and channels would prompt the federal government to try to break up the company, Messrs. Magness and Malone conceived a plan that would appear to do just that—while letting them retain total control of the empire.

Last year TCI spun off $605 million of assets in the form of a new company, Liberty, and sold Liberty to TCI shareholders by giving them the option of swapping some of their TCI shares for shares in the new company. But TCI set up Liberty as a second vertically integrated company with cable systems of its own.

What's more, Liberty purports to be an independent company, but it employs mostly TCI people, has Mr. Malone as its chairman, and has five TCI executives on its board of six directors.

"This so-called spinoff should be renamed 'All in the Family,'" said a critical staff report to the Senate Commerce Committee.

Liberty shares have more than tripled in price from an original $230 to $770 a share in less than a year of trading. The swift rise has some analysts wondering whether the appreciation is warranted. "It is ridiculously overvalued," contends Frederick A. Moran, president of Moran Asset Management Inc., a money management company. He recently advised clients to dump Liberty shares.

Messrs. Magness and Malone own 56% of Liberty's shareholder votes and were able to grab such a dominant stake because many other shareholders in TCI didn't elect to participate in the swap.

EXPANDING INFLUENCE

Under Mr. Malone's control, Liberty has been especially generous to him; he owns 164,000 shares worth $126 million. Records show he obtained 100,000 Liberty shares through options in lieu of salary in one fell swoop, even though his contract at the time limited him to 20,000 shares a year for the next five years. In October, Liberty directors let Mr. Malone exercise all of the options at once.

Exercising the option cost Mr. Malone $25.6 million, but he had to put up only $100,000 in cash, according to Liberty fillings with the SEC. Moreover, Mr. Malone raised the money by selling part of his personal stake in Liberty's QVC channel back to Liberty. He gave the company a $25.5 million note for the rest of the stock, with a low annual interest rate of 7.54%. Mr. Malone later paid off part of the debt by giving Liberty some of his TCI stock.

To lessen their risk when Liberty was spun off, Messrs. Magness and Malone structured the deal to insulate themselves from any losses, even if it meant damaging Liberty itself. Under the terms they set—which weren't available to Liberty's outside shareholders—Liberty must arrange the purchase of stakes held by the two executives and the Gallivan family, the early TCI backer, at a guaranteed price if these shareholders are ever forced by regulators to divest. The guaranteed price is an average of the stock's price over a specific trading period.

"The actions [Liberty] may be required to take in order to satisfy such obligations . . . could have an adverse effect on the company's business, financial condition and prospects," the company warned in SEC filings.

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. Thank you very much, Mr. President.

I had not intended to speak today. I thought that this was sort of an opening day of debate, and that we were going to get into this more severely after the final votes on the education bill tomorrow which has consumed a lot of people's time.

But I found myself compelled, sitting in the chair earlier, and also listening to some of this debate, when certain language is used and certain accusations are made, that I think we ought to look at this issue perhaps as a starter a little more rationally.

Let me just quote some of the language that has been used. "Getting rolled," "gag," "monopolies," "shakedown," "ringleader," "Cosa Nostra." Last I noticed, Mr. President, the Cosa Nostra was out dealing death to a lot of individuals, assassinating people.

It seems to me, Mr. President, that if we are going to discuss an important public policy issue, it is important for us at least to start with a modicum of control in the rhetoric that is floating around this important issue.

Having said that, Mr. President, I would like to point out my own concerns and interests in the cable industry which have been long standing. In 1975, I had my first exposure to the cable community in a loft in Denver.

Some people asked me to come up there and talk about the pole attachment bill. That had nothing to do with the Warsaw Pact or Central Europe or changes in the nature of the Communist system, but, rather, it was legislation which pointed out for the first time some of the problems the cable industry was encountering.

The communications industry, Mr. President, has historically been one of the in's keeping the out's out. I will talk some more about this later. But the legislation which was being discussed, first in 1975 related to pole attachments, was legislation to try to make sure that the telephone industry, which was doing everything it could do to box out the cable television industry was, in fact, controlled. And we were able to do that in legislation which I successfully offered in the late 1970's, the pole attachment bill, which was the first time, I think, that the cable industry saw some freedom and some light at the end of the tunnel.

Starting in 1981, I had the privilege of chairing the Telecommunications and Finance Subcommittee on the House side. And one of the responsibilities there was the overall communications industry in which we saw very dramatic and, I think, very welcome changes in the 1980's. Our system became much more competitive. A lot of people did not like that, but, I think, overall, that has served the country very well. And our telecommunications industry became much more competitive as well.

We saw the end to the real monopoly or the lockstep for the three networks. With the passage of the Cable Act of 1984, we really saw the opening up of the enormous potential for the use of fiber optics, digital communications, and the linkage of all of this new technology to some of the ideas that have been out there engendered by people such as Ted Turner and John Malone, and others who very early on in this bill—Bill Daniels.

There is a list of people who go way back in the cable industry. They had seen a lot of potential in this. They were frustrated by the regulations and the FCC that really stood in their way.

The cable bill of 1984 of which I was the primary author on the House side really opened up this industry and opened up the enormous potential it had. I will come back to that in a minute.

I not only have this historic interest in it, having been deeply involved and having had continuing concerns about telecommunications and its importance to a democratic system and to the country, but also I have a very real concern related to the industry as it has been largely headquartered in Denver, CO.

I need not remind my colleagues that when we are elected to public office, presumably we are elected in part to represent the interests of the people who do elect us. I think that is a very appropriate thing to do. I have been—both for historic reasons and my own interest reasons, my own concerns about a democracy and what it is—concerned about the constituents of the telecommunications industry. TCI was there. The current Time-Warner operation was there for many, many years. Jones Intercable is headquartered in Denver. There are a number of other very large companies that have a major interest in the long-term economic viability of Denver and Colorado which I believe I have a legitimate concern for and will continue to protect.

Third, I have an interest because I believe that the cable television industry has begun to reach the enormous potential which was discussed, sort of in a faint echo in the 1960's, with some greater regularity in the 1970's, and which really came to a crescendo with the passage of the Cable Act of 1984. I think we hear this enormous amount of rhetoric going on related to the cable industry. Also, while that is happening, it is necessary to paint the background, and the concern about what other things are going on.

For example, if we are, as we are currently in the debate over the education bill, really concerned about the education of young people in the country, presumably we ought to use our technologies of mass communications to further that. You know, we used to do that before the current FCC—before the Reagan people came to town in 1981. We used to have an FCC that thought it was important that broadcasters broadcast in the public interest, convenience, and necessity. Those are words out of a 1934 Communications Act. They thought that, in return for receiving a franchise, in return for receiving the use of the airwaves, broadcasters in return have a public interest. They are supposed to broadcast in that way.

It used to be that the public interest was in part defined by children's programming—did a broadcaster meet as well the educational and other needs of children? That used to be one of the public interest requirements that we laid on broadcasters.

Come 1980, that vastly disappeared. You cannot find broadcast over the air today, Mr. President, I do not believe, a single regular program focused on the needs of kids other than Saturday morning program-length commercials, and so on. It is very hard to find any real educational programming that used to characterize much of what was done in the sixties and seventies. With the developing of the public interest doctrine by the FCC and by all the broadcasters in 1991, we have seen no programming for kids, no programming aimed primarily at the educational needs of kids—nothing like that except on cable television.

It is on cable television that you can now turn and find those offerings—outside, by the way, of public broadcasting where "Sesame Street" and related kinds of programs still are, thank goodness. But in terms of commercial, over-the-air broadcasting, it does not occur except on public broadcasting and on cable.

Nickelodeon, a very good example known to everybody who was kids; the Discovery channel, which brings science and the wonderful world of the environment around the globe to kids. This is, fundamentally, major educational programming for kids. These are there and offered, and the offerings are growing and growing extensively. That public responsibility is being met by the cable television business.

It was not there prior to 1984. It is now there. It is an example of the kind of programming that is being brought to America and from which America can choose.

I need not tell our viewers about C-SPAN. Some people like to watch the grass grow, and the House and the Senate, and see what is going on here. Sometimes the debates are interesting. Sometimes they are not. But there is this wonderful cable public affairs network on which I think Brian Lamb has done a tremendous service to the country on not only bringing the House and Senate but all kinds of hearings in the public interest across Washington—done by the cable television industry.

Most of us in watching what went on in Tiananmen Square, most of us watching the opening days of Desert Storm, the war in the Middle East, were glued to CNN. The President of the United States talked about watching what happened in Tiananmen Square—an incredibly brave, young individual standing up in front of that tank, an image emblazoned upon the consciousness of each of us. Where did that come from? That was a CNN image.

Watching missiles come in Saudi Arabia; come into Israel; images of people on the screen with their gas masks on waiting for the incoming, not knowing what it might be—emblazoned upon us. That was a CNN offering under, I think, the brilliant initiative of Ted Turner and now developed by Tom Johnson, a first-rate news individual, first-rate news leader. CNN has now become a fixture in the American marketplace and one on which people depend extensively. "Headline News," a spinoff of that.

I could go on and on with one example after another of the kinds of programming we have seen, Mr. President, as a result of the growth and prospering of cable. And there is more promise to come.

We have moved in a very short period of time from 33 million subscribers—I think that was the figure in the early 1980's, if I remember correctly—it was about 33 million households. We are now almost at 60 million households. The number of people subscribing to cable television has almost doubled in the last 7 years.

Mr. President, I would argue that if this is such a deleterious offering, if this is something that was so bad for the American public, if this is something that—to use the words earlier—is a product of the Cosa Nostra, a monopolistic shakedown, rolling, gag practices, why did 30 million more American households subscribe to cable television? Obviously, there is a service and a product there that people want. Otherwise, they would not subscribe.

It seems to me that that is a pretty logical thing to say.

In other words, I just wanted to point all of that out as background, Mr. President, to point out my own longstanding and I believe very legitimate and continuing interest in the cable television industry, an interest that I think reflects that of consumers, reflects that of parents, reflects that of citizens overall, and reflects that of my own constituents in the State of Colorado.

Let me now turn to another one of the arguments that was made, I think very, very incorrectly today, that there is no regulation at all of this Cosa Nostra monopolistic entity which has been described as being cable television. That is flat wrong, and I wanted to take a minute or two just to correct the record on this.

First of all, in terms of local authorities being able to regulate cable television, if a system has less than six over-the-air broadcast signals—this is generally small communities, older communities—the local community can regulate that cable system.

How many systems are there? That is about one-half of the systems overall can be regulated by local authorities and a third of the subscribers fit into the smaller definition, less than six over the air broadcast signals. So to say there is no regulation is just preposterous. That is not true.

Second, that cable is getting away with the store. The argument was made earlier that is the case. That is not true either, Mr. President. In terms of franchise fees, the cable television industry pays 5 percent of their gross. That, last year, amounted to nearly $1 billion in overall funding coming into communities across the country, which I believe is more than community development block grants, what is left of the UDAG program, and so on, all put together. The cable television industry has been providing more support for urban areas than those programs and others.

Third, equal employment opportunity. When the Cable Act of 1984 was written, I can remember a very extensive and stormy negotiation which occurred downstairs, right here, and I believe the distinguished senior Senator from Utah, Senator HATCH, the late Congressman Leland, and I had a very, very extensive negotiation on those equal employment opportunity standards. Senator HATCH really led the fight to build these into the cable legislation. He did a magnificent job. It was the first time I ever worked with the distinguished Senator from Utah. He did a magnificent job and built into the cable television legislation the most compelling and the most stringent equal employment opportunity language in any statute—in any statute—at the Federal level related to any organization.

Fourth, public education in Government channels, the so-called PEG channels, were requirements for those, put in in 1984 against the wishes of the cable television industry, but now used very significantly. Least access, which has not worked as well so far, but still opportunities for getting on the cable systems and controlling the so-called bottleneck issue. Anti-red-lining provisions are very, very extensive and extraordinarily important to make sure that this industry, like many others serving the urban areas, cannot redline in its concerns.

So I wanted to point out some of the realities, and we will have a chance to talk about more of these, Mr. President. I wanted to talk about some of the realities, where this industry came from, what some of the promise has been, what we hoped from it and how the promise has been met.

What are the real concerns that lie behind this legislation? The real concerns that lie behind this legislation, as described by the earlier proponent, the senior Senator from Missouri, were rates and service. The distinguished Senator from Missouri mentioned at some length the number of communities in Missouri and how rates had gone up 145 percent or 185 percent or whatever, and mentioned also on the service side that there were a variety of communities where you would call up and there was no answer on the telephone. These are two very legitimate interests.

The interests of rates and services are very legitimate interests. I have stated that for years and years, that unhappily, there have been some cable systems that abused the privileges that came in 1984 and that some rate reregulation is necessary for them. Also, I have pointed out over and over and over again that the cable industry has doubled in size in the last 7 years. In many ways it has outgrown itself. It has not kept up with the service to keep up with the number of customers that it has, and it has a variety of service problems. Those are legitimate interests.

The rate issue and the service issue are legitimate interests, and that is what we ought to be doing in this legislation. That is the common ground between the so-called substitute and the bill that is on the floor authored by Senator DANFORTH and others.

I suggest to my colleagues in the Senate that that is where we ought to stop. Let us focus on that rate issue, let us focus on the service issue, and leave it at that. That is where the common ground is. We agree completely with that. We agree that is something that has to be done. The regulation of rates, the regulation of service, we agree that ought to be done.

Why go on and do a variety of other things? Let me give examples of what else is in the bill. I ask my colleagues why in the world they want to climb into a whole variety of other issues that have nothing to do with the primary problems of rates and services.

Let us set aside the rate issue and service issue. They are legitimate. There are a series of other issues that are not legitimate and should not be in this legislation. Let me give some examples.

Access to programming: The requirements in the Danforth bill require, mandate access by competitors at a favorable price to programming, which is like saying we are going to say to NBC, what we are going to do is require you, NBC, to sell Tom Brokaw and the NBC Evening News to any television station that wants it. Would we do that with over-the-air broadcasting? Of course not.

NBC has an interest in its evening news and its evening news is broadcast by NBC-owned and operated stations or NBC affiliates. You do not have crossover to other places. You do not have various CBS, independents, whatever, taking NBC's programming. Of course we do not. Why would we want to do that with cable television?

Or a syndicated columnist, let us say George Will. If one wanted to have George Will in an evening newspaper or in a newspaper, one newspaper has George Will and its competitor across town does not have George Will; is it not to the advantage of the newspaper that carries George Will, that markets George Will?

Or to use maybe a better example: Doonesbury. One newspaper carries Doonesbury and the other does not. It is a competitive advantage to that newspaper to carry Doonesbury and that is a competitive advantage over the neighbor. Would we require the other newspaper to be able to buy Doonesbury or require Doonesbury to sell to both papers? Of course not.

This is the basic access to programming decision. Trying to take cable television's programming and require they sell it to a whole variety of other people on an indiscriminate basis, much less to require them to sell it on a reduced rate basis, I will argue, Mr. President, that has nothing to do with this issue of rate and this issue of service. That is purely part of the attack on the cable television industry.

Those who are wondering whether they ought to support this bill, or support the substitute, I will argue to them that this is one very large reason for supporting the substitute. Support the substitute. Focus on rates. Focus on programming. But do not get into all of these other attacks on the industry which gets you into a whole variety and diversity of issues, a whole series of copyright issues. It is very, very complicated and unnecessary and has nothing to do with the fundamental issues of the cable industry and the consumer problems, which are rates and ownership.

Those of us who are sponsoring the substitute are saying over and over and over again that there are problems with rates, there are problems with service. Let us go after them and take care of those. Let us not get into all of these structural and industry problems that have nothing to do with what consumers are concerned with and have only to do, largely, with what other industries are trying to do to get into a greater part and to try to change the nature and the structure of the industry overall.

Another issue is structural ownership. That is another one of the pieces that is in here, Mr. President, saying that what we are going to do is provide that there are going to be certain ways in which a cable company can and cannot be structured. Do we do that with other industries? Do we say to the Washington Post you cannot own newspapers, radio stations, and television stations? Do we say to Cox Cable, Cox Broadcasting in Atlanta, you cannot own broadcasting properties, cable properties, and newspapers properties? Do we say that to the Providence Journal? Do we say to them, you cannot own broadcasting properties, and cable properties, and newspaper properties? Do we say that to the Times Mirror in Los Angeles, you cannot own a variety of these properties? Of course we do not. What we are doing is saying that to a handful of other companies, though.

Why are we applying this structural ownership prohibition on one group of companies and we say to another group of companies it is perfectly all right to do it? Now you tell me what is the consistency in that. There is none.

In addition to that, Mr. President, another problem this brings up is if you have this kind of restriction, you are dramatically limiting the availability of capital to these companies to do exactly what we want the independent cable television industry to do, what is to provide a greater and richer array of product, of programming. The minute you say to Ted Turner you cannot do these things, what is going to happen to CNN? What is going to happen to the Discovery channel? What is going to happen to the possibilities of all the other things that come into cable television? It makes no sense whatsoever.

Anyway, Mr. President, I would go on at greater length, and I will tomorrow and the next day, about the other issues that are irrelevant to the fundamental issues the distinguished Senator from Missouri says are driving this bill. If, in fact, it is true, as the senior Senator from Missouri says, that what we want to do is to focus on the rates issue and the service issue, then let us focus on the rate and the service issues, and that is what the substitute does. We think that is what this issue is all about.

We believe, those of us who are sponsoring the substitute, that the fundamental consumer issue is rates and service. We believe that fundamental issue ought to be addressed and is addressed thoroughly in the substitute—rates and service. It is getting into a whole variety of these other issues that spill over into copyright questions, spill over into the whole area of concentration. What is good for the goose is good for the gander; if we are going to do this for the cable industry, we are going to do it for the Times-Mirror? Are we going to do it for a whole variety of other communications groups in the country? I think not. We ought to be consistent about this. There is no reason for taking on all of those other issues, absolutely none.

Mr. President, I will close where I started. I had not intended to speak this afternoon, but I felt compelled when I heard a lot of this language coming out, the discussion of getting rolled, monopolists, shakedown, ringleader, cable Cosa Nostra, gag—a whole variety of words and sort of a pejorative in all of this that I think is not appropriate for this Chamber, nor do I think it is descriptive of the very real problems that do exist, one on rates and the other on service.

Let us stick with the substitute, focused on rates and service. That is what we ought to do. That is what the consumers want. I believe the substitute we are offering is truly a substitute which focuses on the issues that consumers are concerned about, and should be concerned about, because there are places where there has been rate abuse; there are places where services have not been what they want it to be. The industry knows that. We all know that. Let us take care of those real problems.

Mr. President, I thank the Chair very much for his forbearance and that of my colleagues, and I yield the floor.

The PRESIDING OFFICER (Mr. WOFFORD). The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent I may be allowed to proceed as if in morning business for not more than 7 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. I thank the Chair.

A COMPREHENSIVE PLAN FOR SPURRING THE ECONOMY

Mr. MURKOWSKI. Mr. President, one only has to watch the news or pick up a newspaper to see that concerns about the direction of the U.S. economy are dominating the minds of Americans, and with good reason.

Of course, the good news is the interest rates have shown substantial decline. We are saving billions of dollars on the cost of carrying the national debt. But nevertheless, Mr. President, sluggish economic growth and decreasing economic competitiveness, as we look at our neighbors, and an ever-increasing national debt are problems with ramifications which can be felt in all corners of our society. Addressing these problems will require a bold, comprehensive approach, not a short political fix, if we are to provide the necessary solutions which will ensure our Nation's long-term economic security. That is certainly a charge of this body.

Mr. President, tomorrow our President will speak to these issues in his State of the Union Address. I am confident the President's address will serve to chart an appropriate course for achieving economic prosperity for our Nation. Today I would like to address some of the key elements in any meaningful economic growth package.

COMPREHENSIVE APPROACH

The approach toward stimulating economic growth must be multifaceted. No single solution will be adequate and no political gimmicks will do. Long-term, sustainable economic growth must tackle head-on the Nation's economic ills. A comprehensive approach invariably must include some components that provide economic stimulus in the near-term and some components that provide long-term solutions.

MIDDLE-CLASS TAX RELIEF

Mr. President, tax relief has been suggested by many as a method of stimulating short-term growth, putting more money into the pockets of taxpayers. I hope we all agree that the middle class is not taxed too little. Middle-class taxpayers have borne the brunt of the tax and spend policies that have become so popular inside the beltway. What the tax and spend crowd have to come to understand is that the middle class is the goose that laid the golden egg. The middle class is the engine that drives this Nation's economy. Any meaningful growth package enacted by Congress must include tax cuts for middle-income taxpayers.

I am supporting several legislative proposals designed to alleviate the tax burden on our Nation's families, while providing needed stimulus to our economy. S. 701, the Tax Fairness for Families Act, is a bill which would increase the exemption for dependent children from $2,000 to $3,500. I am also supporting S. 152, which would increase the personal exemption for individual taxpayers to $4,000.

LONG-TERM SAVINGS

A tax cut, however, cannot be viewed as a panacea for our economic woes. We must also make corrections in our Tax Code and the goals it promotes. Providing more incentives for Americans to save is an avenue we must pursue if we are to make long-term corrections in our economy. In this time of slower economic growth our country's abysmally low-savings rate serves only to further weaken our economy. As the United States continues to expand its debt, countries such as Japan are increasing their savings, supplying capital which fuels economic development. We need to do the same at home by reinstating savings incentives, to increase our country's individual savings rate. Americans should be encouraged to save and provide for their families, with increasing savings having the benefit of providing more investment capital in the marketplace.

Throughout my tenure in the Senate I have been supportive of the full deductibility to contributions to IRA's to help increase the individual savings rate. During this Congress I have supported S. 612, a bill to restore the full deductibility of these contributions. This is only one of many efforts we can make to provide incentives for capital accumulation. Another important tool is a reduction in the punitive taxes we impose on capital gains. Investors need to be encouraged to invest in America, not taxes into submission.

DEFICIT REDUCTION

Mr. President, we must also reevaluate our Federal budget priorities, including a revision of the budget agreement reached during the last Congress. I voted against this agreement at the time because it needlessly raised taxes on working men and women without doing enough to control Federal spending. Now, virtually all agree that the 5-year budget agreement is obsolete in light of the changed world environment and no longer accurately reflects our Nation's priorities. That the defense budget should be reevaluated, particularly with the demise of the Soviet Union, is without question.

One of the most important first steps toward the reordering of our priorities should be to dedicate the lions share of our defense savings to reducing the national debt. Fully 15 percent of our annual budget of $1.4 trillion goes toward paying the interest on our accumulated national debt of $4 trillion. These huge Federal debt service payments divert funds from legitimate Federal spending needs, sap capital from private sector investments, raise the cost of capital for private sector borrowers in the financial market, and choke economic growth.

I am reminded of a friend of mine who once said that the payment of interest on debt is like owning a horse that eats while you sleep.

The single best thing that the Congress can do to promote economic growth in America is eliminate our annual budget deficit and pay down our accumulated national debt.

Job creation is another area, Mr. President. The initiatives are so essential to provide more jobs in this country if we are going to strengthen the health of our economy. Last session we enacted Federal highway legislation which will provide $151 billion over the next 6 years for meeting our Nation's transportation needs. In my State alone, we will be receiving $1.4 billion that will go toward construction and maintenance of the infrastructure that serves as the cornerstone of economic growth; namely, our State highway assistance. This will include funds for our water transportation system as well, commonly referred to as our "ferry system."

Finally, Mr. President, there are other meaningful jobs projects that Congress should support. The opening of the Coastal Plain of ANWR to oil and gas exploration and development is one such initiative. A Wharton Econometrics Forecasting Associates study published in May 1991 estimated that 755,000 jobs could be created nationwide if the ANWR Coastal Plain were opened to exploration and development. The estimated increase to GNP from ANWR development is a whopping $50.4 billion. That means one thing—jobs for working men and women in America. Development of the Coastal Plain has the potential to be the largest construction project in North America, affecting every State in the Union.

In Alaska, development of the Coastal Plain would provide revenues for the State government and 34,000 jobs for Alaska residents. Oil development in Alaska currently supplies 85 percent of the revenue to the State treasury. This means funding for education, health services, communication, fire and police protection, transportation, and hundreds of other important community projects.

Some will ask what the price tag will be to the Treasury for creating these 755,000 jobs. Mr. President, ANWR development will not cost the Federal Government 1 red cent. In fact, through lease sales, bonus bids, and royalty payments, ANWR development will actually raise billions of dollars for the Federal Government. Let me restate that Mr. President—ANWR development will create 755,000 jobs nationwide and generate billions of dollars for the Federal Treasury and will not cost the Nation 1 red cent.

For those who are concerned about the ability to open ANWR, in light of the environmental concern, which is, of course, justifiable, I would challenge the American ingenuity and technology which we have always shown in our ability to address, through advanced technology, the engineering technology so that we can open this area safely and do it correctly. We have always been able to meet those challenges, Mr. President. I see no reason why American ingenuity and American engineering skills cannot be called on in this case as well.

CONCLUSION

So, finally, Mr. President, in the coming weeks, we will hear much debate about how to spur our Nation's economy. I encourage my colleagues to adopt a four-part approach that emphasizes tax relief for the middle class, incentives for long-term savings, a reduction in the Federal budget deficit, and job promotion projects like ANWR, and others. Nothing short of such a comprehensive approach will do the job.

I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. PELL. Mr. President, I ask unanimous consent that I might proceed as if in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

REGARDING CONTINUED ADHERENCE TO THE ABM TREATY

Mr. PELL. Mr. President, I was disturbed by a press report in the January 25, 1992, Washington Post indicating that the administration has taken a step that could lead to the abandonment of the 1972 Anti-Ballistic Missile Treaty.

According to R. Jeffrey Smith's article:

> The Bush administration has taken a step that some U.S. officials said could lead to abandonment of the 1972 Anti-Ballistic Missile Treaty, an accord disliked by the Bush and Reagan administrations because of constraints on development of the Strategic Defense Initiative.

The article continues:

> The administration has omitted the 1972 accord from a list of major, existing arms control accords it is telling the former Soviet republics they should adhere to, U.S. officials disclosed last week.

According to the article:

> Several senior U.S. officials described the omission as the first step in a new Pentagon-led effort to junk the treaty by capitalizing on legal uncertainties surrounding past U.S.-Soviet pacts, while others said President Bush has made no formal decision that the United States should withdraw from the accord.

The ABM Treaty has served for several decades as the core of modern strategic arms control. Given the uncertainties that now exist in our relationship with the rapidly changing former Soviet Union, it would appear that there are many risks and unclear benefits from any decision to relieve the parties at this junction of any of their obligations under this treaty.

The ABM Treaty remains the cornerstone of strategic arms control. It is clearly linked both to the Strategic Arms Reduction Treaty now before the Senate and the Non-Proliferation Treaty. The former Soviet Union declared in START that the new treaty "may be effective and viable only under conditions of compliance with" the ABM Treaty. Clearly, the ABM Treaty continues to provide stability in a troubled world. Opening the issue of continuance of the ABM Treaty could jeopardize the continuing efforts of the United States and its allies to achieve a more stable and peaceful world environment.

Mr. President, the administration needs to clarify its position on this matter by addressing the following questions:

Is it correct that Russia informed the United States on January 13, that it was the continuing state to the Soviet Union with respect to all treaties and indicated that it considers itself legally bound by these assumed obligations?

Has the United States indicated in any way that it considers itself not legally bound to any of the obligations under the ABM Treaty?

Has the United States indicated to Russia in any way that it wishes to change any of the obligations of the ABM Treaty?

Is the administration currently considering either abrogation of the ABM Treaty or negotiations to make significant additional changes? If so, will the administration commit to making such decisions only following close and thorough consultations with the Senate?

Mr. President, since the Senate was a partner in the ratification of the ABM Treaty, it is critical that the administration not act unilaterally in a matter of deepest concern to both branches of the government.

Mr. President, I ask unanimous consent that the full text of the January 25, 1992, Washington Post article be printed in the Record.

Thank you, Mr. President.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Post, Jan. 25, 1992]

U.S. Moves Away From ABM Treaty—'72 Pact Was Omitted From List Applicable to Ex-Soviet States

(By R. Jeffrey Smith)

The Bush administration has taken a step that some U.S. officials said could lead to abandonment of the 1972 Anti-Ballistic Missile Treaty, an accord disliked by the Bush and Reagan administrations because of constraints on development of the Strategic Defense Initiative.

The administration has omitted the 1972 accord from a list of major, existing arms control accords it is telling the former Soviet republics they should adhere to, U.S. officials disclosed last week.

Several senior U.S. officials described the omission as the first step in a new Pentagon-led effort to junk the treaty by capitalizing on legal uncertainties surrounding past U.S.-Soviet pacts, while others said President Bush has made no formal decision that the United States should withdraw from the accord.

The ABM Treaty bars wide-spread deployment of ballistic missile defenses on grounds that both sides must be capable of destroying each other in a nuclear war to prevent conflict. It has been viewed skeptically by the executive branch since President Ronald Reagan launched the Strategic Defense Initiative (SDI) program in 1983, aimed at developing a missile defense. But Congress has strongly supported the ABM Treaty.

The decision to omit mention of the ABM Treaty, one of the central accords governing U.S. and Soviet nuclear policy for 20 years, reflects what officials say is an administration consensus that the treaty's terms are no longer relevant to U.S. security after the Soviet Union's breakup.

The officials said that when Undersecretary of State Reginald Bartholomew and other top officials met with leaders of the former Soviet republics last week, they sought only the republics' adherence to provisions of the recently signed Strategic Arms Reduction Treaty (START) that reduces offensive nuclear weapons and the 1990 Conventional Forces in Europe Treaty that slashes non-nuclear forces.

A senior U.S. official, who spoke on condition that he not be named, said the ABM pact was omitted because "we're not seeking to renegotiate START, but we are seeking to negotiate changes to the ABM Treaty." Another official said the ABM issue was deferred because "it is a more complicated and less pressing issue" than constraining offensive nuclear or conventional weapons, and because the administration is still working out how the treaty should be altered to accommodate SDI plans.

He and others said officials intend to try in coming months to persuade the former Soviet republics to agree to new treaty terms.

These plans coincide with what the officials described as an expected push by the administration to add at least $1 billion in the fiscal 1993 budget to SDI, to reach a total budget of more than $5 billion. That increase would come on top of a $1 billion SDI funding boost won last year, largely due to the apparent success of U.S. tactical missile interceptors against Iraqi missiles during the Persian Gulf War.

This year, the officials said, the administration will seek support for the additional funds largely by invoking what they describe as the growing threat of missile proliferation.

Secretary of Defense Richard B. Cheney said last Wednesday, for example, that by the year 2000 perhaps 20 nations will have ballistic missile capabilities and some may be armed with chemical, nuclear or biological warheads. "We need the capability to defend the nation, our forces and our allies overseas against ballistic missile attack," Cheney said.

In a speech last Tuesday, Joint Chiefs of Staff Chairman Gen. Colin L. Powell previewed what he termed a strategic force posture that includes missile defenses as "an essential new element." He said that in coming days, "you will see the president strongly defend the continued development of strategic defenses."

By not seeking a clear agreement on continued ABM Treaty adherence from former Soviet republics, the administration appears to be deliberately undermining the treaty's legal status, said John Rhinelander, a specialist on international law and ABM supporter.

"I am fearful that at least certain members of the administration believe that the ABM Treaty has been overtaken by events, both as a matter of law or policy," said Rhinelander, who participated in the treaty's negotiation.

A senior U.S. official, asked about this claim, said, "There are people around town who say this is terrific, we've got an opening to revisit the treaty in a less contentious way? Yes." He said pressure for the move had come largely from the Pentagon. Critics of the administration's decision to press forward with space-based missile defenses also said the dangers to the United States from missile proliferation are overblown by Cheney and that too much of the SDI program is being spent on defenses against long-range, rather than short-range, missile attack.

Matthew Bunn of the private Arms Control Association said, for example, that "it would be immensely foolish to waste untold billions of dollars for a questionable defense against a nonexistent threat."

Bunn and other SDI critics cite recent statements by Cheney that many long-range missiles among the former Soviet republics have recently been taken off alert to reduce the danger of unauthorized or accidental missile launch, and congressional testimony by CIA Director Robert M. Gates that "we do not expect increased risk to U.S. territory from the special weapons of other countries . . . for at least another decade."

U.S. officials said Gates's statement was derived from a recent classified National Intelligence Estimate that predicted immediate development of only short-range missiles and other new threats incapable of directly reaching the United States.

Congress last year ordered the Pentagon to prepare for deployment of a limited missile defense capable of defending a portion of the United States by 1996, or roughly six years sooner than the CIA estimates any country other than China or the Soviet Union will be capable of fielding long-range missiles.

Roughly 20 percent of SDI's budget is devoted to developing defenses against tactical, or short-range, missile threats, while most is aimed at defending against long-range weapons.

UNITED STATES MUST RECOGNIZE CROATIAN AND SLOVENIAN INDEPENDENCE

Mr. PELL. Mr. President, I was pleased to join yesterday with the distinguished minority leader in introducing a resolution urging the administration to recognize Slovenia and Croatia as independent states. The peoples of these two countries have voted overwhelmingly for freedom, but they have paid dearly for their choice.

Regrettably, the Serbian Government and the Yugoslav Federal Army answered these countries' calls for independence with violence and bloodshed. Today's press reports offer new evidence of the horrors experienced by the people of Croatia at the hands of the Serb-led Yugoslav Army. We read that Helsinki Watch, a human rights monitor, issued a letter asserting that Serb forces have tortured and executed Croatian civilians and have wantonly looted and destroyed civilian property.

Mr. President, I believe that much of the horror could have been avoided.

For more than a year, many of us in the Congress have been urging the administration to reevaluate its policy toward Yugoslavia—to give up on the notion that the country had to remain intact. Last fall, before Congress adjourned, Senator GORE and I introduced a resolution that called upon the United States to take decisive action—namely, to recognize the independence of Slovenia and Croatia—if Serbia continued to obstruct the European Community sponsored peace talks. Adopting such a policy would have brought us in line with the European Community.

At a hearing before the Senate Foreign Relations Committee last fall, Deputy Assistant Secretary of State for European and Canadian Affairs, Ralph Johnson, stressed that the United States was not taking the lead on the Yugoslav issue, but that "we have been supporting and intend to continue to support the European Community's CSCE-mandated effort to bring about a genuine ceasefire and political settlement. We believe that collective efforts have the best prospects for influencing the situation."

Mr. President, the United States is miserably behind the curve with regard to collected efforts. Nearly 40 countries, including the 12 nations of the European Community, have recognized the independence of Slovenia and Croatia. The decision by these countries to recognize Slovenia and Croatia seems to have forced the Serbian Government to realize that it cannot impose its will on the rest of what was Yugoslavia. A U.N.-sponsored cease-fire has been in place for nearly 3 weeks, and I believe the European Community's push for recognition of Slovenia and Croatia has played a part in the cease-fire's holding. Regrettably, the United States can claim little responsibility for these positive developments.

Mr. President, I commend Senate Resolution 246 to my colleagues, and I hope that the administration will note its strong endorsement of diplomatic recognition of Slovenia and Croatia.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. Mr. President, the heart and soul of the American free enterprise economic system is competition. That heart and soul, that competition, that free market system, is now attaining converts by the millions all around the world. But what competition means is that businesses compete on the basis of the quality of the product they offer, the service by which they back up that product, and the price at which they offer it to consumers.

Mr. President, I do not think that the first or even second thought which comes to your mind when you consider cable television is either competition and low prices, or quality of service. The reason that those terms do not come to your mind is that cable, almost without exception, is an effective monopoly.

Mr. President, cable is also an almost unique monopoly in the United States. We have determined that there are certain services, certain utilities which can only effectively be delivered to people through monopolism, at least on a local basis. We do that with respect to telephone service, power service, and the like. But in those cases, we do have a system under which both service and prices are regulated.

Cable, it seems to me, is unique or almost unique in being a monopoly, not naturally but either created or encouraged by government, which we, during the course of the last 8 years, have determined should not be regulated. There are more than 11,000 cable systems in the United States. In precisely 53 communities are consumers given a choice between two competing cable providers. The vast majority of Americans live in communities in which they can either accept the service of the cable company, or they can do without, and get only over-the-air television. They either suffer with the monopoly, or forego cable service.

The bill which we have begun to debate here in the Senate today, S. 12, will provide consumers with what I consider to be overdue protection from monopoly abuses. It will encourage competition. It will encourage alternative means by which to provide that service.

I am convinced that competition is, and should be the primary goal of this bill; that the authority to regulate some cable television prices will be used primarily as an incentive to create competitive situations, so that new companies and businesses are founded and come into our communities to compete effectively with local cable television companies.

It is not the desire of the sponsors of this bill to drive present companies out of business; the case is exactly the opposite, Mr. President. We love cable so much, we want a great deal more of it. We want more companies to be able to offer these cable services.

Before I go any further in these remarks, Mr. President, I want to make one statement which probably will not be made very frequently during the course of this debate, but which is nevertheless important: I do not believe this to be a bill which is designed to bash cable television providers. I do not want that to be the goal of this bill. The cable industry has made a profound contribution to American society. The way in which we view television, the choices we have when we turn on the television set are, in most cases, infinitely greater today than they were 10 years ago, and in every case, far greater than they were 15 or 20 years ago. That contribution, that increase in the amount of information available to us is, in the alternative forms of entertainments, immense. It is one of the great changes in communications in the history of our country, comparable, perhaps, to the invention of radio, or to the invention of television itself.

I was a strong supporter of the Cable Deregulation Act of 1984. I spoke for it, and I voted for it. But neither I nor, I suspect, most of my colleagues who joined with me in that effort, expected the explosion in cable service which took place. Nor did we expect the impacts of some of the monopoly practices of some of the companies.

That increased service, the theoretical availability of the service, is immense. Those of us who have spent a considerable time in Washington, DC, more than 2 or 3 years, recognize that particularly, because only in the last year, some parts of Washington, DC have had cable television available to them. It is only in the last year that my wife Sally and I subscribed to it. While we live just three blocks from the Capitol, we subscribed partly so that I could watch proceedings in the Senate when I am not present, but partly because it gives me an opportunity far greater than I had when I had a good antenna with a rotator on my roof; but could get, basically, stations in Washington, DC and in Baltimore. It is a real service, and I am grateful for that service. And we have that service because of the imagination and the vision of people in the cable television business.

Nevertheless, cable television in almost every community in the United States is a monopoly. And, it is operated as a classic monopoly. It has increased the prices which it charges for its services at a rate far greater than inflation over the course of the last half-decade or more. It has done so, often without regard to providing the service, with the simple difference that many of these increases have taken place in order to pay off huge debts incurred by companies, large companies, buying out smaller cable television companies.

One of the most interesting comparisons that we have in all of our communities is the difference in prices charged by cable television companies which have recently been bought out and those which are still being operated by the original franchisee. Why should consumers be subject to that kind of pricing activity that would not exist if in fact there were competition.

In those 53 communities in which there is competition, prices, according to testimony given to the Senate Commerce Committee by Gene Kimmelman of the Consumer Federation of America, average about 20 percent lower than prices are in communities without competition. I suspect that that probably reflects the monopoly premium which the great majority of Americans are forced to pay for their cable television service.

One other interesting statistic in this connection. Cable companies argue that price increases have been reasonable essentially for two reasons—they usually do not bring up this debt question—those two reasons are that they were artificially low when all of these rates were set by municipalities across the United States—and there is perhaps some justification in that rationale, at least in a number of communities—and, second, they argue that they are offering us much more now than they did in 1984 in connection with any kind of cable franchise.

Yet there is another very interesting statistic, which was obvious from one of the articles in the Washington Post last week in this area, a condition which exists in my State, in the State of the Presiding Officer, and all of the other Members here, and that is there seems to be almost no correlation between increases in prices charged by monopoly cable television companies and increases in the number of channels which they offer on their systems. In fact, there are a number of systems which are offering fewer channels today for almost twice as much money as they were charging in 1984 at the time of the passage of this act.

There are other companies, responsible companies, in which perhaps a 50-percent increase in charges to customers have been matched by a 50-percent increase in the number of channels offered. But there is practically no correlation between prices and the number of channels offered by a particular system.

Now the critics of S. 12 decry reregulation. They do so, it seems to me, in the abstract. I know of very few of them who propose to deregulate these other natural monopolies which have been regulated in this country during the course of the last century.

But I want to take the position that I think this approach is both a mischaracterization of this bill and extremely shortsighted. I do not apologize to my consumers, my constituents in the State of Washington, for advocating protecting them from unreasonable rate increases on the part of a monopoly.

I know that the citizens of Pullman, Seattle, Spokane, and dozens of other communities in my State have experienced rate increases even higher than that 56-percent average throughout the United States. This bill will protect those constituents, those consumers, from totally unreasonable increases in the price of their basic cable television service.

And this is not a reregulatory bill in one other sense. Before 1984, each community in the United States, as a condition of granting a cable television franchise, could simply set rates. Philadelphia did not have to relate to the rates that were being charged in Seattle, or for that matter it did not have to relate to a suburb of Philadelphia. These rates, these conditions, these demands by municipalities differed widely even in the same general metropolitan area. Rate authority here is going to be delegated to individual communities only if they agree to abide by standards set on a national basis by the FCC, an FCC which, in this administration, certainly is procompetition and is not engaged in regulation for the sake of regulation.

Competition is the key to good consumer relations, to low prices and to high quality. This bill will increase competition in a number of respects other than simply the threat of regulation and the absence of that competition. I believe that the greatest single hurdle to establishing competitive multichannel providers is access to programming.

Many of the proposed, the abortive, the desirous, competing providers, many of which do not use a wire type service, are frustrated by the fact that they do not get access to programming. Much of the reason that they do not get access to that programming stems from the fact that the cable companies, these natural monopolies, own all or part of the very services which they are providing over the air. That is simply unfair competition, Mr. President.

This bill states that, with respect to those cable programming outfits, they must not discriminate, that they must offer their programming on a fair and equitable basis to potential competition. This will help these alternative providers put up their satellite systems, or their microwave systems, or the like, and be able to provide true competition.

The Chairman of the Federal Communications Commission, Mr. Sikes, told the Commerce Committee that, in order to foster competition, Congress should "eliminate monopoly franchises." I worked very hard with the Chairman to address his concern. Included in the bill as it was marked up by the committee were three new provisions to encourage competition during the franchising process. These new provisions prohibit franchising authorities from unreasonably refusing to award additional franchises or to impose unreasonable time limits on the building of competing cable systems. They are prohibit existing cable companies from lowering their prices only in the area in which they are in competition in order to prevent that competition from taking place or to drive it out of business. Under the bill, they have to have uniform prices across their franchise area. There are a number of other provisions in this bill which are designed toward encouraging competition.

For instance, there are limits on the number of cable television franchises which any company can own, at least by total number of subscribers; methods by which local citizens will continue to have access to local broadcast stations; and, finally, of course, some kind of protection for existing broadcasters. Very few of our constituents know that cable television pays for most of its programming, the programming which is available only over cable, but takes the networks' and the local stations' programs for free and rebroadcasts them.

This bill gives the fundamental basis of our television system the local broadcasters, the right to make certain demands; to make demands, if they wish to do so, for a mandatory carriage. It gives them leverage to keep from being pushed up to what we call Cable Siberia, to have your local channel 7 come in on channel 48, because they, the cable company, wants to put one of its own programs on channel 7; and, if they wish to do so and have the market power to do so, to charge retransmission fees. I suspect that will take place only in a relatively few large communities, with large and very strong stations, because of course, the cable company can say, "No, we do not want to pay for it. We will not carry you at all under those circumstances." But, since the largest cable television company is now larger than any of the networks, perhaps as large as all of them combined, it seems not unfair to even up the bargaining strength between those two sets of providers, which are both competitors, and, of course, at the same time dependent upon one another.

The entire question comes back to one of competition, to our belief in the American system. It is the goal of this bill to protect consumers, to protect our constituents. The vehicle, the methodology which this bill uses to provide that protection, is a light and uniform degree of regulation of certain basic cable television programming unless there is competition in a particular community.

It, therefore, encourages the monopoly cable providers to allow that competition to take place because that gets them out from under this regulatory scheme. At the present time, their entire incentive is to preserve their monopoly. I believe that it will be good for cable television. I know it will be good for competition, for consumers, and for our constituents.

Mr. President, Senator DANFORTH is to be commended for his leadership and hard work in writing this bill. It is a fine bill which is totally consistent with an American system which believes in the virtues of competition.

Mr. President I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a nomination which was referred to the Committee on Commerce, Science, and Transportation.

(The nomination received today is printed at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

Mr. SPECTER:

S.J. Res. 241. Designating October 1992 as "National Domestic Violence Awareness Month."; to the Committee on the Judiciary.

S.J. Res. 242. A joint resolution to designate the week of September 13, 1992, through September 19, 1992, as "National Rehabilitation Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

Mr. GRAHAM:

S. Res. 251. A resolution relating to capital standards for depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER;

S.J. Res. 241. Joint resolution designating October 1992 as "National Domestic Violence Awareness Month"; to the Committee on the Judiciary.

NATIONAL DOMESTIC VIOLENCE AWARENESS MONTH

Mr. SPECTER. Mr. President, today I am introducing a joint resolution to designate October 1992 as "National Domestic Violence Awareness Month." This resolution is the successor of four Senate Joint Resolutions which I introduced in the 100th, 101st, and 102d Congresses making "National Domestic Violence Awareness Month" Public Law in 1989, 1990, and 1991.

According to the U.S. Department of Justice, 93 percent of the victims of violent crimes from 1982–84 where the offender is a relative were females. In 1984, U.S. Surgeon General C. Everett Koop reported that domestic violence is the single largest cause of injury to women in the United States.

Domestic violence affects urban and rural women of all racial, social, religious, ethnic, and economic groups, and of all ages, physical abilities, and lifestyles. Therefore, it is fitting that we focus attention on the growing national tragedy of domestic violence, and demonstrate our support for those individuals and organizations working to address it.

Mr. President, the incidence of domestic violence nationwide is staggering. According to the National Coalition Against Domestic Violence, over 50 percent of all married women experience some form of physical abuse in their relationships. But the violence does not end there. A 1984 independent study by Ms. Lenore Walker, author of "The Battered Women Syndrome," found that 53 percent of abusive husbands beat their children as well as their wives, and that this violence is frequently repeated. During 1987, the National Coalition members provided shelter to more than 375,000 women and children from their unsafe homes. More disconcerting, however, is that 40 percent of women and children seeking shelter in 1987 were turned away due to a lack of space.

In my own State of Pennsylvania, the incidence of domestic violence is especially acute. In 1989, hotlines throughout the Commonwealth handled 141,383 abuse-related calls. The Pennsylvania Coalition Against Domestic Violence, headquartered in Harrisburg, PA, operates 44 shelters, 6 counseling centers and safehomes, and 57 hotlines throughout the Commonwealth. The Pennsylvania Coalition reports that in 1989, these facilities provided services to 70,031 persons, 57,912 of whom were victims of domestic abuse. The coalition members also provided 408,037 hours of counseling to victims and their children, and 166,175 shelter days to battered individuals.

Statistics show that there is a growing need for such facilities. The Pennsylvania Coalition reported an 11-percent increase in the number of shelter recipients in 1989. The total number of victims seeking aid is expected to continue increasing.

Unfortunately, despite these extensive efforts, existing shelters are as yet unable to meet the needs of all the victims. The Pennsylvania Coalition reported that in 1989, shelters were forced to turn away 8,940 women and children—an increase of over 11.1 percent over last year's rejection rate. According to national statistics provided by the National Coalition Against Domestic Violence, for every woman sheltered, two women in need of shelter must be turned away due to lack of space.

Mr. President, I long have been concerned about the devastating effects of domestic violence on American families. As the former district attorney of Philadelphia, I have witnessed first hand the tragic consequences of domestic abuse cases. Accordingly, I commend the efforts of the Pennsylvania Coalition Against Domestic Violence, the National Coalition Against Domestic Violence, the National Network for Victims of Sexual Assault, the Pennsylvania Junior League, and similar organizations that take such an active role in combating domestic abuse.

I urge my colleagues to join us in cosponsoring this resolution to designate October 1992 as "National Domestic Violence Awareness Month" to focus attention on the pressing needs of domestic violence victims.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 241

Whereas it is estimated that a woman is battered every fifteen seconds in America;

Whereas domestic violence is the single largest cause of injury to women in the United States, affecting six million women;

Whereas urban and rural women of all racial, social, religious, ethnic, and economic groups, and of all ages, physical abilities, and lifestyles are affected by domestic violence;

Whereas 31 percent of female homicide victims in 1988 were killed by their husbands or boyfriends;

Whereas one-third of the domestic violence incidents involve felonies, specifically, rape, robbery and aggravated assault;

Whereas in 50 percent of families where the wife is being abused, the children of that family are also abused;

Whereas some individuals in our law enforcement and judicial systems continue to think of spousal abuse as a "private" matter and are hesitant to intervene and treat domestic assault as a crime;

Whereas in 1987, over 375,000 women, plus their children, were provided emergency shelter in domestic violence shelters and safehomes and the number of women and children that were sheltered by domestic violence programs increased by 164,000 between 1983 and 1987;

Whereas 40 percent of women in need of shelter may be turned away due to a lack of shelter space;

Whereas the nationwide efforts to help the victims of domestic violence need to be expended and coordinated;

Whereas there is a need to increase the public awareness and understanding of domestic violence and the needs of battered women and their children; and

Whereas the dedication and successes of those working to end domestic violence and the strength of the survivors of domestic violence should be recognized: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1992 is designated as "National Domestic Violence Awareness Month." the President is authorized and requested to issue a proclamation calling on the people of the United States to observe this month by becoming more aware of the tragedy of domestic violence, supporting those who are working to end domestic violence, and participating in other appropriate efforts.

By Mr. SPECTER:

S.J. Res. 242. Joint resolution to designate the week of September 13, 1992, through September 17, 1992, as "National Rehabilitation Week"; to the Committee on the Judiciary.

NATIONAL REHABILITATION WEEK

Mr. SPECTER. Mr. President, today I am introducing a joint resolution to designate the week of September 15, 1991, as "National Rehabilitation Week."

National Rehabilitation Week provides us an opportunity to celebrate the victories and determination of the more than 36 million disabled people in America. It is also a time to salute and recognize the dedicated health care professionals who provide rehabilitation care and to call attention to the unrealized needs of our Nation's disabled citizens.

As my colleagues know, there are significant areas where the needs of individuals with disabilities have not been met. Reports indicate that stroke, amputation, brain injury, birth defects, serious illnesses, or other injuries affect one-third of our Nation's population. Experts estimate that 66 percent of those people never seek rehabilitation assistance. The widespread importance of rehabilitation is further evidenced by reported statistics that one out of every two Americans will need some form of rehabilitation therapy in his or her lifetime.

As the ranking minority member of the Appropriations Subcommittee on Labor, Health and Human Services and Education, I am particularly concerned that we continue to work toward providing sufficient resources to help the disabled. Therefore, for the benefit of all American citizens, National Rehabilitation Week would provide a forum for education and promotion of a broader awareness of the effective resources that rehabilitation facilities provide.

As my colleagues will recall, for the last 2 years I have introduced this resolution to designate the third week of September 1990 and 1991 as National Rehabilitation Week. We were fortunate to enact that resolution in both years and I am pleased to report that the country celebrated in recognizing our disabled citizens inspiring determination to defy great odds and overcome disabilities.

I am pleased that my own State of Pennsylvania is home to the headquarters of one of the largest providers of health care services in the United States—Allied Services. Allied provides a community of resources for the physically and mentally disabled, the elderly and the chronically ill.

Having personally toured Allied Services' facilities in Scranton, PA, I have seen first hand the important contributions that such rehabilitation services provide. Since 1976, Allied has led the country in celebrating Rehabilitation Week. As part of this week, Allied has honored exceptional individuals for their commendable personal accomplishments and their work on behalf of the disabled. Past recipients have included Press Secretary to President Reagan James S. Brady, pitcher of the California Angels Jim Abbott, internationally renowned violinist Itzak Perlman, and Rick Hansen, who traveled by wheelchair across 25,000 miles throughout Europe and the United States.

This annual effort to focus attention on the courage and determination of the disabled and on the valiant and successful efforts of those professionals who are working to help them is, indeed, worthy of national attention and praise.

Mr. President, I can think of no nobler nor more estimable task than endeavoring to restore disabled individuals to independent, productive and fulfilling lives. All who are engaged in these efforts have my admiration and respect.

Accordingly, I urge my colleagues to join me in support of the disabled person and the dedicated professional, both of whom personify the philosophy that disabilities can be turned into possibilities and successes.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 242

Whereas the designation of a week as "National Rehabilitation Week" gives the people of this Nation an opportunity to celebrate the victories, courage, and determination of individuals with disabilities in this Nation and recognize dedicated health care professionals who work daily to help such individuals achieve independence;

Whereas there are significant areas where the needs of such individuals with disabilities have not been met, such as certain research and educational needs;

Whereas half of the people of this Nation will need some form of rehabilitation therapy;

Whereas rehabilitation agencies and facilities offer care and treatment for individuals with physical, mental, emotional, and social disabilities;

Whereas the goal of the rehabilitative services offered by such agencies and facilities is to help disabled individuals lead active lives at the greatest level of independence possible; and

Whereas the majority of the people of this Nation are not aware of the limitless possibilities of invaluable rehabilitative services in this Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the week of September 13, 1992, through September 19, 1992, is designated as "National Rehabilitation Week" and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such week with appropriate ceremonies and activities, including educational activities to heighten public awareness of the types of rehabilitative services available in this Nation and the manner in which such services improve the quality of life of disabled individuals; and

(2) each State governor, and each chief executive of each political subdivision of each State, is urged to issue proclamation (or other appropriate official statement) calling upon the citizens of such State or political subdivision of a State to observe such week in the manner described in paragraph (1).

ADDITIONAL COSPONSORS

S. 447

At the request of Mr. THURMOND, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 447, a bill to recognize the organization known as The Retired Enlisted Association, Incorporated.

S. 492

At the request of Mr. SIMON, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 492, a bill to amend the National Labor Relations Act to give employers and performers in the live performing arts, rights given by section 8(e) of such act to employers and employees in similarly situated industries, to give to such employers and performers the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 1175

At the request of Mr. KERRY, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 1175, a bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoners or taken captive by a hostile foreign government or its agents or a hostile force before April 25, 1962, and for other purposes.

S. 1423

At the request of Mr. DODD, the names of the Senator from Indiana [Mr. LUGAR], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1627

At the request of Mr. FORD, the name of the Senator from New Hampshire

[Mr. SMITH] was added as a cosponsor of S. 1627, a bill to amend section 615 of title 38, United States Code, to require the Secretary of Veterans Affairs to permit persons who receive care at medical facilities of the Department of Veterans Affairs to have access to and to consume tobacco products.

S. 2064

At the request of Mr. HATFIELD, the names of the Senator from Maryland [Ms. MIKULSKI], the Senator from Michigan [Mr. RIEGLE], and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of S. 2064, a bill to impose a one-year moratorium on the performance of nuclear weapons tests by the United States unless the Soviet Union conducts a nuclear weapons test during that period.

S. 2103

At the request of Mr. GRASSLEY, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 2103, a bill to amend title XVIII of the Social Security Act to provide for increased medicare reimbursement for nurse practitioners, clinical nurse specialists, and certified nurse midwives, to increase the delivery of health services in health professional shortage areas, and for other purposes.

S. 2104

At the request of Mr. GRASSLEY, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 2104, a bill to amend title XVIII of the Social Security Act to provide for increased medicare reimbursement for physical assistance, to increase the delivery of health services in health professional shortage areas, and for other purposes.

SENATE JOINT RESOLUTION 100

At the request of Mr. CHAFEE, his name was added as a cosponsor of Senate Joint Resolution 100, a joint resolution designating January 5, 1992 through January 11, 1992 as "National Law Enforcement Training Week."

SENATE JOINT RESOLUTION 227

At the request of Mr. COATS, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of Senate Joint Resolution 227, a joint resolution proposing an amendment to the Constitution of the United States to limit the terms of office for Members of Congress.

SENATE JOINT RESOLUTION 231

At the request of Mr. THURMOND, the names of the Senator from Nevada [Mr. REID], the Senator from Alaska [Mr. STEVENS], the Senator from Arizona [Mr. DECONCINI], the Senator from California [Mr. SEYMOUR], the Senator from Delaware [Mr. BIDEN], and the Senator from Montana [Mr. BURNS] were added as cosponsors of Senate Joint Resolution 231, a joint resolution to designate the month of May 1992, as "National Foster Care Month."

SENATE JOINT RESOLUTION 240

At the request of Mr. SPECTER, the names of the Senator from Virginia [Mr. ROBB], the Senator from Maryland [Mr. SARBANES], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. STEVENS], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of Senate Joint Resolution 240, a joint resolution designating March 25, 1992 as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE CONCURRENT RESOLUTION 57

At the request of Mr. DOMENICI, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of Senate Concurrent Resolution 57, a concurrent resolution to establish a Joint Committee on the Organization of Congress.

SENATE CONCURRENT RESOLUTION 62

At the request of Mr. SEYMOUR, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of Senate Concurrent Resolution 62, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Martha Raye.

SENATE RESOLUTION 221

At the request of Mr. COATS, the names of the Senator from California [Mr. SEYMOUR], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of Senate Resolution 221, a resolution to establish a procedure for the appointment of independent counsels to investigate ethics violations in the Senate, transfer to the Committee on Rules and Administration the remaining authority of the Select Committee on Ethics, and abolish the Select Committee on Ethics.

SENATE RESOLUTION 238

At the request of Mr. SPECTER, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of Senate Resolution 238, a resolution for Rules Committee report on plan to deal with Senate perquisites.

SENATE RESOLUTION 246

At the request of Mr. DOLE, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of Senate Resolution 246, a resolution on the recognition of Croatia and Slovenia.

AMENDMENT NO. 1491

At the request of Mr. WIRTH the names of the Senator from Illinois [Mr. SIMON] and the Senator from Washington [Mr. ADAMS] were added as cosponsors of amendment No. 1491 proposed to S. 2, a bill to promote the achievement of national education goals, to establish a National Council on Educational Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes.

SENATE RESOLUTION 251—RELATING TO CAPITAL STANDARDS FOR DEPOSITORY INSTITUTIONS

Mr. GRAHAM submitted the following resolution; which was referred to the Committee on Banking, Housing, and Urban Affairs:

S. RES. 251

Resolved,

SECTION 1. SENSE OF THE SENATE RELATING TO STANDARDS ON RISK-BASED CAPITAL.

(a) FINDINGS.—The Senate finds the following:

(1) There were fewer housing starts in the United States in 1991 than in any of the past 40 years.

(2) It is in the interest of the United States that good quality, affordable housing be available to all Americans.

(3) Risk-based capital standards create an incentive for banks and thrifts to make lower-risk loans.

(4) Federal regulators of depository institutions have limited the favorable treatment of housing loans to loans for single-family residences.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that regulators of depository institutions should consider making changes in risk-based capital standards as the standards apply to loans for the purchase or construction of housing.

• Mr. GRAHAM. Mr. President, I ask unanimous consent to introduce a sense-of-the-Senate resolution on capital adequacy standards applied by Federal financial institution regulators and how they affect the availability of housing purchase and housing construction loans.•

AMENDMENTS SUBMITTED

NATIONAL LITERACY ACT

BOND (AND OTHERS) AMENDMENT NO. 1494

(Ordered to lie on the table.)

Mr. BOND (for himself, Mr. HEFLIN, Mr. SHELBY, Mr. COATS, Mr. CHAFEE, Mr. COCHRAN, Mr. COHEN, Mr. BRADLEY, Mr. PRYOR, Mr. DANFORTH, Mr. MCCAIN, Mr. PACKWOOD, Mr. STEVENS, Mr. DODD, Mr. PELL, and Mr. JEFFORDS) submitted an amendment intended to be proposed by them to the bill (S. 2) to promote the achievement of national education goals, to establish a National Council on Education Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes, as follows:

On page 56, between lines 19 and 20, insert the following:

TITLE III—PARENTS AS TEACHERS PROGRAMS

SEC. 301. FINDINGS.

The Congress finds—

(1) increased parental involvement in the education of their children appears to be the key to long-term gains for youngsters;

(2) providing seed money is an appropriate role for the Federal Government to play in education;

(3) children participating in the parents as teachers pilot program in Missouri are found to have increased cognitive or intellectual skills, language ability, social skills and other predictors of school success;

(4) most early childhood programs begin at age 3 or 4 when remediation may already be necessary; and

(5) many children receive no health screening between birth and the time they enter school, thus such children miss the opportunity of having developmental delays detected early.

SEC. 302. STATEMENT OF PURPOSE.

It is the purpose of this title to encourage States to develop and expand parent and early childhood education programs in an effort to—

(1) increase parents' knowledge of and confidence in child-rearing activities, such as teaching and nurturing their young children;

(2) strengthen partnerships between parents and schools; and

(3) enhance the developmental progress of participating children.

SEC. 303. DEFINITIONS.

For the purposes of this title—

(1) the term "developmental screening" means the process of measuring the progress of children to determine if there are problems or potential problems or advanced abilities in the areas of understanding and use of language, perception through sight, perception through hearing, motor development and hand-eye coordination, health, and physical development;

(2) the term "eligible family" means any parent with one or more children between birth and 3 years of age, or any parent expecting a child;

(3) the term "lead agency" means the office, agency, or other entity in a State designated by the Governor to administer the parents as teachers program authorized by this title;

(4) the term "parent education" includes parent support activities, the provision of resource materials on child development and parent-child learning activities, private and group educational guidance, individual and group learning experiences for the parent and child, and other activities that enable the parent to improve learning in the home;

(5) the term "parent educator" means a person hired by the lead agency of a State or designated by local entities who administers group meetings, home visits and developmental screening for eligible families, and is trained by the Parents As Teachers National Center established under section 307; and

(6) the term "Secretary" means the Secretary of Education.

SEC. 304. PROGRAM ESTABLISHED.

(a) IN GENERAL.—The Secretary is authorized to make grants to States to pay the Federal share of the cost of establishing, expanding, and operating parents as teachers programs.

(b) SPECIAL RULE.—Any State operating a parents as teachers program on the date of enactment of this Act shall be eligible to receive a grant under this title.

SEC. 305. PROGRAM REQUIREMENTS.

(a) REQUIREMENTS.—

(1) IN GENERAL.—Each State receiving grant pursuant to section 304 shall conduct a parents as teachers program which—

(A) establishes and operates parent education programs including programs of developmental screening of children; and

(B) designates a lead State agency which shall—

(i) hire parent educators who have had supervised experience in the care of education of children;

(ii) establish the number of group meetings and home visits required to be provided each year for each participating family, with a minimum of 2 group meetings and 10 home visits for each participating family;

(iii) be responsible for administering the periodic screening of participating children's educational, hearing and visual development, using the Denver Developmental Test, Zimmerman Preschool Language Scale, or other approved screening instruments; and

(iv) develop recruitment and retention programs for hard-to-reach populations.

(2) LIMITATION.—Grants awarded under this title shall only be used for parents as teachers programs which serve families during the period of time beginning with the last 3 months of a mother's pregnancy and ending when a child attains the age of 3.

SEC. 306. SPECIAL RULE.

No person shall be required to participate in any program of parent education or developmental screening pursuant to the provisions of this title.

SEC. 307. PARENTS AS TEACHERS NATIONAL CENTER.

The Secretary shall establish a Parents As Teachers National Center to disseminate information to, and provide technical and training assistance to, States establishing and operating parents as teachers programs.

SEC. 308. EVALUATIONS.

The Secretary shall complete an evaluation of the State parents as teachers programs assisted under this title within 4 years from the date of enactment of this Act, including an assessment of such programs' impact on at-risk children.

SEC. 309. APPLICATION.

Each State desiring a grant pursuant to the provisions of this title shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require. Each such application shall describe the activities and services for which assistance is sought.

SEC. 310. PAYMENTS AND FEDERAL SHARE.

(a) PAYMENTS.—The Secretary shall pay to each State having an application approved under section 309 the Federal share of the cost of the activities described in the application.

(b) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share—

(A) for the first year for which a state receives assistance under this title shall be 100 percent;

(B) for the second such year shall be 100 percent;

(C) for the third such year shall be 75 percent;

(D) for the fourth such year shall be 50 percent; and

(E) for the fifth such year 25 percent.

(2) NON-FEDERAL SHARE.—The non-Federal share of payments under this title may be in cash or in kind fairly evaluated, including planned equipment or services.

SEC. 311. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $20,000,000 for each of the fiscal years 1993, 1994, 1995, 1996, and 1997 to carry out the provisions of this title.

On page 56, line 20, strike "TITLE III" and insert "TITLE IV".

On page 56, line 21, strike "301" and insert "401".

On page 2, after the item relating to section 212, insert the following:

TITLE III—PARENTS AS TEACHERS PROGRAMS

Sec. 301. Findings.
Sec. 302. Statement of purpose.
Sec. 303. Definitions.
Sec. 304. Program established.
Sec. 305. Program requirements.
Sec. 306. Special rule.
Sec. 307. Parents as teachers national center.
Sec. 308. Evaluations.
Sec. 309. Application.
Sec. 310. Payments and Federal share.
Sec. 311. Authorization of appropriations.

On page 2, redesignate the item relating to Title III as the item relating to Title IV.

On page 2, redesignate the item relating to section 301 as the item relating to section 401.

PELL (AND OTHERS) AMENDMENT NO. 1495

Mr. PELL (for himself, Mr. KENNEDY, Mr. HATCH, and Mrs. KASSEBAUM) proposed an amendment to the bill S. 2, supra, as follows:

On page 3, between lines 14 and 15, insert the following:

(6) innovative and successful reform initiatives which are underway in schools throughout the Nation are not being replicated in sufficient number by schools where identical practices would further the National Education Goals;

On page 3, line 15, strike "(6)" and insert "(7)".

On page 3, line 22, strike "(7)" and insert "(8)".

On page 4, line 3, strike "(8)" and insert "(9)".

On page 4, line 9, strike "(9)" and insert "(10)".

On page 31, between lines 6 and 7, insert the following:

(a) RESERVATION.—The Secretary shall reserve 1 percent of the amount appropriated pursuant to the authority of section 212 in each fiscal year to award grants to the Pacific outlying area and to the Secretary of the Interior for the Bureau of Indian Affairs schools using whatever mechanism the Secretary determines shall best meet the purposes of this title.

On page 31, line 7, strike "(a)" and insert "(b)".

On page 31, line 8, insert "and not reserved pursuant to subsection (a)," after "year".

On page 32, strike lines 1 through 3, and insert the following:

"(c) STATE MINIMUM.—No State educational agency, by reason of the application of subsection (b)".

On page 32, strike lines 8 through 11.

On page 34, line 11, strike "and" the second place such term appears.

On page 34, between lines 11 and 12, insert the following:

(iii) providing grants to business and education partnerships to enable such partnerships to plan, establish and operate model secondary schools or programs for science and mathematics or technology education, including such schools or programs which place a priority on serving disadvantaged or female secondary school students; and

On page 34, line 12, strike "(iii)" and insert "(iv)".

On page 39, line 9, strike "and".

On page 39, between lines 9 and 10, insert the following:

(8) affirm the importance of identifying and incorporating into reform plans successful ongoing efforts which further the State strategy to achieve the National Education Goals; and

On page 39, line 10, strike "(8)" and insert "(9)".

On page 41, line 14, insert "or ongoing in a school" after "title".

On page 45, line 17, insert "the Commission on National and Community Service," after "centers,".

On page 50, line 3, strike "and".

On page 50, line 4, strike "describe".

On page 50, line 6, strike the period and insert a semicolon and "and".

On page 50, between lines 6 and 7, insert the following:

(K) how the local educational agency and the school will meet the special educational needs of limited-English proficient students and students with disabilities attending the school.

On page 53, line 7, strike "and".

On page 53, between lines 7 and 8, insert the following:

(13) service-learning and student community service projects; and

On page 53, line 8, strike "(13)" and insert "(14)".

On page 56, line 19, insert ", of which not more than $75,000,000 shall be available in any one fiscal year to carry out the provisions of section 202(c)(1)" before the period.

On page 56, between lines 19 and 20, insert the following:

TITLE III—MISCELLANEOUS

SEC. 301. IMPROVED STATISTICS REGARDING AMERICAN SCHOOLS.

Subparagraph (C) of section 406(i)(2) of the General Education Provisions Act (20 U.S.C. 1221e–1(i)(2)(C)) is amended—

(1) by redesignating clauses (iii), (iv), and (v) as clauses (iv), (v), and (vi), respectively;

(2) by inserting after clause (ii) the following new clause:

"(iii) The National Assessment shall—

"(I) conduct, in 1994, a trial mathematics assessment for the 4th and 8th grades and a trial reading assessment for the 4th grade, in States that wish to participate, for the purpose of determining whether such assessments yield valid and reliable State representative data;

"(II) develop, and conduct in 1994, a trial mathematics assessment for the 12th grade, a trial reading assessment for the 8th and 12th grades, and a trial science assessment for the 4th, 8th, and 12th grades, in States that wish to participate, for the purpose of determining whether such assessments yield valid and reliable State representative data; and

"(III) include in each such sample assessment described in subclauses (I) and (II) students in public and private schools in a manner that ensures comparability with the national sample.".

SEC. 302. FREEDOM OF SPEECH ON CAMPUS.

(a) FINDINGS.—The Congress finds that—

(1) free speech is a fundamental right and a safeguard against political and intellectual tyranny;

(2) curtailment of free speech strikes twice at intellectual freedom, for whoever deprives a person of the right to state unpopular views necessarily deprives other persons of the right to listen to the views:

(3) the primary and traditional function of a university is to disseminate knowledge and assist in the search for truth, and, in order to carry out the function, to do everything possible to ensure the free exchange of ideas and the fullest degree of intellectual freedom; and

(4) therefore, to carry out the function of the university, every member of the university, has an obligation to permit free expression, and every university official has a special obligation to foster freedom of speech and to ensure that the speech is not obstructed, at the university.

(b) SENSE OF CONGRESS.—It is the sense of Congress that students attending universities, or other institutions of higher education, that receive Federal funds should be able to exercise full rights to freedom of speech on campus free from official intrusion.

On page 2, redesignate the item relating to title III as the item relating to title IV.

On page 2, redesignate the item relating to section 301 as the item relating to section 401.

On page 2, after the item relating to section 212, insert the following:

TITLE III—MISCELLANEOUS

Sec. 301. Improved statistics regarding American schools.

Sec. 302. Freedom of speech on campus.

On page 56, line 20, strike "III" and insert "IV".

On page 56, line 21, strike "301" and insert "401".

NOTICE OF HEARINGS

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. LEVIN. Mr. President, I wish to announce that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, will hold a hearing on "Stealth Compensation of Corporate Executives: Federal Treatment of Stock Options," on Friday, January 31 at 9 a.m., in room 342 of the Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

COMMENDING COACH MIKE ISOM AND THE BEARS

• Mr. PRYOR. Mr. President, in December the University of Central Arkansas Bears battled cold, wet weather, a long list of injuries, and a tough Central State Ohio team to win the NAIA Champion Bowl.

A last second field goal assured them a 19 to 16 victory, an especially sweet one for Coach Mike Isom and his team. The Bears tied for the NAIA football championship in both 1984 and 1985.

I want to join fellow friends and supporters of the UCA football program in paying tribute to Coach Isom and the Bears for their victory. All Arkansas is proud of them.•

NATIONAL VOLUNTEER BLOOD DONOR MONTH

• Mr. SEYMOUR. Mr. President, January has been designated as National Volunteer Blood Donor Month, and as the days of January continue to disappear, I want to take a moment to remind this body, and the American public about sharing the life-giving liquid flowing in all our veins.

In recent months there has been a shortage of blood available for emergency rooms and hospitals around the country to use to treat accident victims and patients undergoing surgery. Someday it could be you, or a member of your family or a friend who needs a pint of blood to make it through a traumatic accident, or operation. It is incumbent upon all of us to spare an hour, and a little discomfort, every 2 months or so, to help our fellow man by donating blood to the American Red Cross. Many Members of the Senate and their staffs participate in blood drawings organized regularly here in the Senate, and more of us should.

Almost anyone who is in good health is capable of sparing a pint of blood now and then. And the American Red Cross has got the process down to an exact science. You're given a mini-medical exam, pulse, temperature, and blood pressure are checked. A small sample of blood is tested for the proper amount of iron, and a questionnaire is filled out by a qualified medical technician. If everything checks out, you are given a computer coded bag, and another medical technician sets you up to donate about a pint of red blood cells, and plasma, the two main components in blood. The reward for a tiny pinprick with a needle is a few minutes in a lunchroom munching free goodies to ensure there are no problems, and the personal rewards of doing your part to help others.

AIDS has affected who can give blood, but no one can get AIDS by being a blood donor. This cannot be repeated enough. Anyone at risk for AIDS shouldn't give blood, and the American Red Cross tries to screen out donors who may be at risk. But those that make it to the donating room cannot, I repeat cannot, get AIDS. Brand new, sterilized needles are used once, and then are destroyed, before being thrown away.

Once the blood is collected it is tested for AIDS, just in case, and then sent to blood banks around the country, to be available when needed.

Too many people outside the medical profession get squeamish when someone talks about donating blood, or they just assume that there are plenty of other people who will give. The truth is, to assume that you do not need to donate your blood, if it is healthy, is to risk that at the time that you, a family member or a friend need blood the most, that other people will also have made the same assumption, and therefore no blood is readily available.

Mr. President, let us resolve, during this new month filled with resolutions, to commit to giving blood whenever possible throughout the year, and to honor those that do donate regularly during this celebration of National Volunteer Blood Donor Month.•

1991 YEAREND REPORT ON THE FEDERAL JUDICIARY

• Mr. PRYOR. Mr. President, every January the Chief Justice of the Supreme Court reports on the state of the Federal judiciary. This is a most informative report, one which I share with the legal community throughout my State.

The latest report of Justice Rehnquist is now available and I would ask that the text of this 1991 yearend report on the Federal judiciary be printed in the RECORD following these remarks.

The report follows:

1991 YEAR-END REPORT ON THE FEDERAL JUDICIARY—WILLIAM H. REHNQUIST, CHIEF JUSTICE OF THE UNITED STATES

INTRODUCTION

1991 marked the end of my fifth year as Chief Justice. During that time, I have had an opportunity to become better acquainted with many of the leaders of the Executive and Legislative Branches, as well as with many of the men and women who make up the judicial branch. I certainly have an enhanced appreciation for these people and the tasks they face.

The past year again challenged the judiciary's ability to continue delivering the high quality of justice the nation has come to expect. The overall business of the federal courts continued to increase, although not at the same pace as previous years. Total caseloads climbed, along with appellate and bankruptcy filings, but criminal and civil filings in the district courts fell slightly. The dedicated men and women of the judicial branch worked harder, innovated more, and managed with greater efficiency, yet still found themselves faced with more demanding and more complex tasks. 1992 promises more of the same.

A. THE PAST AND FUTURE

In 1991, the nation celebrated the Bicentennial of the Bill of Rights. The federal judiciary used the occasion to consider the historical currents that shaped the first 10 amendments to the Constitution and to analyze the future implications of these amendments. Various federal courts held ceremonies and symposiums, and the September 1991 meeting of the Judicial Conference was dedicated to the Bicentennial of the Bill of Rights. The centerpiece of the federal judiciary's observance was a three day conference in October, sponsored by the Judicial Conference Committee on the Bicentennial of the Constitution. The conference was held in Williamsburg, Virginia, in conjunction with the College of William and Mary's Marshall-Wythe College of Law and its Institute of Bill of Rights Law.

Judges, government officials, practicing attorneys, journalists and professors of law, history and political science constituted an extended faculty that presented major lectures, moot court arguments, and small group discussions. Topics ranged from how to share the lessons of our constitutional experience with emerging democracies, to ensuring effective judicial handling of complex civil liberties litigation. More than 300 federal judges attended the conference, making it the largest single gathering of Article III judges in the nation's history. The federal judiciary is grateful to Judge Damon Keith, who ably chaired the Judicial Conference Committee on the Bicentennial of the Constitution, and to the other members of that Committee for a job well done.

As we look toward the past in celebration, it is also important to look forward to what lies ahead. Building on the recommendation of the Federal Courts Study Committee, the Judicial Conference this past year created a committee on long range planning for the judiciary. Chaired by Judge Otto Skopil, the committee has begun its daunting task of anticipating trends and planning for the future.

The key question posed to the Long Range Planning Committee deserves careful consideration by a much wider audience. What should be the future role of the federal courts? That is not an idle question, for the federal courts now stand at a crossroad. Many have spoken and written in recent years about the present impact of the caseload crisis on the federal courts. That impact is serious now, but it threatens to become even more so.

The question transcends the personal and professional concerns of sitting federal judges, important as those are. It involves, instead, the kind of federal court system we will bequeath to our children and grandchildren. Unless actions are taken to reverse current trends, or slow them down considerably, the federal courts of the future will be dramatically changed. Few will welcome those changes. Judges will have less time to spend on individual cases; bureaucratization and increased management strictures will leave the judges less freedom to exercise personal judgment. These circumstances will lead judges to have less of a sense of personal responsibility and accountability for the work they produce. Unless checked, the result will be a degradation in the high quality of justice the nation has long expected of the federal courts.

Some may say that we merely need to make more federal judges, which in turn would require more courthouses and more supporting staff. Although the provision of some additional judicial resources is necessary in the short run, the long-term implications of expanding the federal judiciary should give everyone pause. As one of my colleagues on the court of appeals has noted, a federal judiciary rising above 1,000 members will be of lesser quality and could be dominated by a bureaucracy of ancillary personnel. It could also end up being divided into an almost unmanageable number of circuits or plagued by appellate courts of unmanageable size, with an increasingly incoherent body of federal law and a Supreme Court incapable of maintaining uniformity in federal law.

The time has come to reexamine the role of the federal courts. In conducting that reexamination, as Chief Justice Earl Warren stated, "it is essential that we achieve a proper jurisdictional balance between the federal and state court systems, assigning to each system those cases most appropriate in light of the basic principles of federalism." In attaining a balance, we cannot overlook the Constitution's intent to have state and federal systems share the administration of justice, with the federal courts' limited role reserved for issues where important national interests predominate. A state chief justice recently expressed his belief that there is now a greater spirit of cooperation between state and federal court systems than ever before in the history of this country. As we reexamine the proper role of the federal courts, we need to build on that spirit of cooperation.

The experiences of the last decade teach us that the federal court system is a resource which is both precious and exhaustible. The federal court system presently is like a city in the arid West which is using every bit of its water resources to supply current needs. In that situation we must conserve water, not think of building new subdivisions. We must also think of how to cut down on present uses of water because we know that some new subdivisions will inevitably be built. This means we must give serious attention to curtailing some federal jurisdiction. Even more importantly, we cannot add jurisdiction to the federal courts without asking the hard question of whether the addition is in appropriate means of using scarce resources.

There are certainly no lack of candidates for possible curtailment. I said in my 1987 Annual Report that elimination of diversity jurisdiction is an idea that merits serious consideration. Complete elimination of diversity jurisdiction has proved difficult to accomplish, but more modest modifications can be carried out. In 1990, the Federal Courts Study Committee recommended, as one alternative, to complete elimination of diversity jurisdiction, that Congress eliminate the ability of an in-state plaintiff to sue an out-of-state defendant in federal court. Maintaining the right of a home-state plaintiff to elect a federal forum satisfies none of the traditional justifications for preserving diversity jurisdiction.

Present law allows Federal Employers' Liability Act (FELA) and Jones Act cases to be brought in either state or federal court. The Federal Courts Study Committee has recommended that FELA and the Jones Act be repealed and that injured workers covered by these statutes be compensated by existing state or federal no-fault workers' compensation systems. That recommendation deserves careful consideration, for reform here could provide a better forum for injured workers while at the same time curtailing the use of judicial resources.

Statutory habeas corpus procedures, particularly those dealing with capital cases, are also an area where careful reform can preserve the benefits of the Great Writ while rationalizing its application and eliminating repetitive and time-intensive demands on the federal courts. This past year, competing habeas reform efforts passed both houses of Congress, but could not be reconciled before the end of the session. Congress is expected to take up this issue in 1992, and again I commend it to the recommendations of the Ad Hoc Committee on Federal Habeas Corpus in Capital Cases, headed by retired Associate Justice Lewis Powell.

Modest curtailment of federal jurisdiction is important; equally important is self-restraint in adding new federal causes of action. New additions should not be made unless critical to meeting important national interests which cannot otherwise be satisfactorily addressed through non-judicial forums, alternative dispute resolution techniques, or the state courts. In 1991, the Judicial Conference opposed portions of several legislative initiatives because they would unnecessarily expand the jurisdiction of the federal courts and intrude into areas of the law that have traditionally been reserved to state courts. S. 1241, the Violent Crime Control Act, included provisions that would have provided for federal prosecution of virtually any case in which a firearm was used to commit a murder. This federalization of virtually all murders would have been inconsistent with long-accepted concepts of federalism. It would have swamped federal prosecutors, thus interfering with other federal criminal prosecutions, and would have ensured that the already overburdened federal courts could not provide a timely forum for civil cases. These provisions of S. 1241 were not accepted in the Conference version of the 1991 Crime Bill, but could resurface when that legislation is reconsidered in 1992. I urge

Congress to consider the serious implications to the federal courts if this provision becomes law.

The Judicial Conference has similar concerns about S. 15, the Violence Against Women Act. Although supporting the underlying objective of S. 15—to deter violence against women—the Judicial Conference opposes some portions of the bill. The bill's definition of a new crime is so open-ended, and the new private right of action so sweeping, that the legislation could involve the federal courts in a whole host of domestic relations disputes. The Judicial Conference joins the Conference of Chief Justices (composed of chief justices of the state courts) in opposing these provisions of the bill. Again, I urge Congress to consider carefully these concerns, which are shared across the spectrum of the nation's federal and state judiciary.

Regulating the flow of cases is one important means of preserving the best qualities of the federal courts. Providing necessary tools for the judicial branch is another. I urge that immediate attention be given to the process of selecting and confirming federal judges. Too little attention has been devoted to the problem of filling the positions created by the Judicial Improvement Act of 1990. Almost a year after Congress approved 85 new judicial positions, most remain unfilled. Routine vacancies also continue in the courts at a steady rate, and speedy replacements must be found for those judges who depart through resignation and retirement.

B. IN APPRECIATION

On June 27, after twenty-five years of distinguished service on the Supreme Court, Associate Justice Thurgood Marshall announced his retirement. Before President Lyndon B. Johnson appointed him to the Supreme Court in 1967, Justice Marshall headed the NAACP Legal Defense and Education Fund for more than twenty years during which he served as chief counsel in the *Brown* v. *Board of Education* litigation in 1954. He also served on the Court of Appeals for the Second Circuit and as Solicitor General of the United States. Justice Marshall's significant contributions to American law and to this Court are testaments to his dedication, his wit, his personal warmth, and his insightful perspective on key issues of our time.

Judge Charles Clark recently announced his retirement from the United States Court of Appeals for the Fifth Circuit to pursue private practice. Appointed to the Fifth Circuit in 1969; he became its Chief Judge in October 1981. He has served on a number of Judicial Conference Committees including the Advisory Committee on Appellate Rules, the Budget Committee and most recently as Chairman of the Executive Committee. Judge Clark's wisdom and integrity have made him a distinguished and respected leader, one who has made an impact on the federal judicial system. Two other members of the Judicial Conference took senior status this year and left their leadership positions with the federal judiciary, Judge Donald Lay of the Eighth Circuit and Judge Alfred Goodwin of the Ninth Circuit. I wish them well in their new endeavors.

C. THE YEAR IN REVIEW

I. Workload Statistics

Workload trends were mixed this year. Appeals to the courts of appeal rose 3 percent to more than 42,000 cases. Criminal appeals continued to rise, by 5 percent, with drug-related appeals constituting 56 percent of all criminal appeals. Although the courts of appeals increased their disposition rate more than 7 percent, the pending caseload still rose by 2 percent to nearly 33,000 cases.

In the district courts, criminal case filings fell 4 percent this year, the first drop in more than a decade. This decrease resulted primarily from the 2 percent drop in drug case prosecutions, mainly in the southwest. Fraud cases were also down overall this year; however, fraud cases related to the saving and loan crisis rose by 21 percent. Despite the drop in criminal case filings, the number of defendants charged this year was up slightly. The number charged with drug offenses rose by 4 percent even though the number of drug cases fell.

Civil filings in the district courts decreased 5 percent this year to 208,000 cases, the third consecutive annual decline. The decline was due in large part to a 48 percent drop in personal injury product liability cases involving asbestos. Even with the drop, the number of asbestos cases pending remained high at nearly 30,000 cases. Most of these cases have been consolidated in the Eastern District of Pennsylvania for pretrial proceedings by order of the Judicial Panel on Multi-District Litigation.

The total number of cases pending in the district courts reached nearly 280,000 cases by year's end, 1 percent above the number pending last year. This increase in the pending caseload was due entirely to the pending criminal caseload, which rose by 16 percent to nearly 40,000 cases.

Bankruptcy case filings continued to increase this year, up more than 21 percent to nearly 900,000 cases. This increase was concentrated primarily in personal bankruptcies which rose by 23 percent, while business bankruptcies rose by a smaller factor of 7 percent. Despite a continuing increase in the termination rate, the number of pending bankruptcies rose again this year. The 1.1 million pending cases was 17 percent above the number pending last year.

II. The Supreme Court of the United States

On October 23, Clarence Thomas took the judicial oath of office as an Associate Justice of the Supreme Court. This ceremony at the Court followed a White House ceremony where Justice Byron White administered the constitutional oath. President Bush nominated Thomas in July to the seat recently vacated by the retirement of Associate Justice Thurgood Marshall. Justice Thomas joins the Court after a year in the United States Court of Appeals for the District of Columbia and eight years of service as chairman of the Equal Employment Opportunity Commission.

Case filings continued to rise at the Supreme Court, although the Court granted plenary review in a smaller number of cases. During the October Term 1990, litigants docketed 6,316 cases in the Supreme Court. This number included 2,351 paid cases, 3,951 in forms pauperis cases, and 14 original cases. The total number represents an increase of 570 cases over the number docketed during the October Term 1989, and an increase of 659 cases over the October Term 1988.

III. Administrative Office of the United States Courts

In response to the changing needs of the judiciary, the Administrative Office of the United States Courts has also evolved to meet the complex legal, programmatic, management and automation requirements of the modern court system. The Director reorganized the agency's structure in March to place increased concentration on financial and administrative management, provide greater support to court programs, and provide enhanced analysis of the impact of legislation on the courts. The Administrative Office is also implementing its new personnel system authorized last year by Congress. The agency continues to decentralize, with greater delegation of administrative functions being given to the local courts. Numerous new automation systems are becoming operational as the agency continues to develop and refine the application of new technology. The agency has also created a new office of Long Range Planning to support the Judicial Conference's Committee on Long Range Planning, and its recently created Japan's Division is serving the variety of requirements placed on it by the Article III judges.

IV. Federal Judicial Center

December marks the twenty-fourth anniversary of the establishment of the Federal Judicial Center. Created by Congress in December 1967, the Center serves as the federal courts' research and education agency.

The Center's work touches all elements of the federal judicial system. Among the Center's projects carried out during 1991 included the following: In an effort to help implement the Civil Justice Reform Act, the Center assisted lawyers, laypersons, and judges in assessing their district court's dockets and finding ways to reduce civil justice expense and delay in spite of criminal caseloads that push civil cases aside in many districts. Pursuant to statute, the Center provided Congress a detailed report and recommendations for letting all district courts use court-annexed arbitration to provide civil litigants justice without full-blown trials. The Center helped the nation's probation system design and implement a more effective system of supervising federal offenders, and it worked with the United States Sentencing Commission in its report to Congress on the problems created by statutorily mandated minimum sentences for federal offenses. In addition, the Center assisted the Judicial Conference of the United States with a variety of research projects.

While pursuing these and other activities, the Center also worked with the courts to develop and present orientation and continuing education programs attended by almost 1,500 federal judges and nearly 15,000 of the judicial branch's supporting staff.

V. Legislative Activities

Congress has responded favorably to several of the judiciary's requests for funding and legislation. In the vital area of resources the judiciary budget was increased approximately 14 percent, bringing the 1992 budget to just over $2.3 billion. The cost of running the judicial branch has risen steadily as caseload, both in numbers and complexity, has increased. Without the increases to our funding, which in recent years have always been above the government wide norm, we could not have coped with the demands and expectations that have been placed on us. We thank the Appropriations Committees for their support and reiterate our intent to utilize these precious resources in the best interest of justice.

Congressional authorizing committees have also enacted legislation ranging from restoration to the judiciary of naturalization functions to an omnibus technical bill. Other Judicial Conference legislative initiatives are at various stages of the legislative process. Of special importance to the judiciary are our requests for additional bankruptcy judgeships, modification of the Judicial Survivors' Annuities Program, and development of a new relationship among the Congress, the General Services Administration, and the courts in controlling real property resources of the judiciary. We appreciate the attention these issues have received, as well as the full and open communication that exists between our branches.

CONCLUSION

Many new and creative initiatives are occurring in the federal courts. The committees of the Judicial Conference are actively tackling the difficult issues involved in the delivery of justice. The support agencies, the Administrative Office and the Federal Judicial Center, are working in a broad range of areas to provide the judiciary with the best in educational programs, research, administration and management. The district courts have responded in an outstanding fashion to the challenge of implementing the Civil Justice Reform Act. I extend my thanks to them and to the many members of the bar who have given of their time to participate on the local advisory committees. Despite the overwhelming criminal docket demands, this act will have a beneficial impact on the handling of civil cases and will improve the understanding between bench and bar of the problems that each faces. Upon the confirmation of the 85 new judgeships Congress created last year, and the addition of 32 new bankruptcy judges, the judiciary will also have the resources to meet existing caseload demands.

Looking just over the horizon to 1992, there promises to be many justice-related issues presented to the bar, the Congress, the executive branch and the public at large:

The Report of the President's Council on Competitiveness has greatly raised the profile of civil justice reform and placed it squarely on the national agenda for 1992.

Proposals to make significant changes to the discovery provisions of the Federal Rules of Civil Procedure will receive a public airing.

Congress will once again have an opportunity to achieve meaningful Habeas Corpus reform.

I hope the issues raised by this Report and that of the Federal Courts Study Committee will generate substantial discussion over the future role of the federal courts.

This time of year is traditionally a time for taking stock and making resolutions for the future. As we look back at 1991, all of us in the federal judiciary can be proud of our efforts, as well as the confidence the public holds in us. We can also resolve to make a continuing effort to merit that confidence and respect. I extend to all of you best wishes for the New Year.•

PRINTING OF THE TEXT OF CERTAIN LEGISLATION

• Mr. GRAHAM. Mr. President, I ask unanimous consent that the full text of the following bills I introduced on January 23, 1992, appear in the RECORD. The bills are S. 2151, S. 2152, S. 2153, S. 2156, and S. 2158.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 2151

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CREDIT FOR PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

(a) GENERAL RULE.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

"(a) ALLOWANCE OF CREDIT.—If an individual who is a first-time homebuyer purchases a principal residence during taxable years 1992 and 1993 there shall be allowed to such individual as a credit against the tax imposed by this subtitle for such taxable year an amount equal to $2,000.

"(b) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) FIRST-TIME HOMEBUYER.—

"(A) IN GENERAL.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of such residence.

"(B) DATE OF ACQUISITION.—For purposes of subparagraph (A), the term 'date of acquisition' means the date—

"(i) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(ii) on which construction or reconstruction of such a principal residence is commenced.

"(2) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(3) PURCHASE.—The term 'purchase' means any acquisition of property, but only if the basis of such property in the hands of the person acquiring it is not determined—

"(A) in whole or in part by the reference to the adjusted basis of such property in the hands of the person from whom acquired, or

"(B) under section 1014(a) (relating to property acquired from a decedent).

"(4) JOINT PURCHASES.—If a residence is purchased together by 2 or more individuals for use as their principal residence—

"(A) such individuals shall be limited to 1 credit under this section for such purchase and the amount of such credit shall be allocated among such individuals in the manner prescribed by the Secretary,

"(B) no credit shall be allowed under this section for such purchase unless all of such individuals are first-time homebuyers, and

"(C) the aggregate adjusted gross income of all such individuals shall be taken into account in determining the amount of the credit allowable under this section for such purchase.".

(b) CLERICAL AMENDMENTS.—The table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by striking the item relating to section 35 and inserting the following:

"Sec. 35. Purchase of principal residence by first-time homebuyer.
"Sec. 36. Overpayments of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to principal residences purchased after January 21, 1992.

S. 2152

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DISTRIBUTIONS FROM CERTAIN PLANS MAY BE USED WITHOUT PENALTY TO PURCHASE FIRST HOMES.

(a) IN GENERAL.—Paragraph (2) of section 72(t) of the Internal Revenue Code of 1986 (relating to exceptions to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end thereof the following new subparagraph:

"(D) DISTRIBUTIONS FROM CERTAIN PLANS FOR FIRST HOME PURCHASES.—Distributions to an individual from an individual retirement plan, or from amounts attributable to employer contributions made pursuant to elective deferrals described in subparagraph (A) or (C) of section 402(g)(3) or section 501(c)(18)(D)(iii), which are qualified first-time homebuyer distributions (as defined in paragraph (6)).".

(b) DEFINITIONS.—Section 72(t) of such Code is amended by adding at the end thereof the following new paragraphs:

"(6) QUALIFIED FIRST-TIME HOMEBUYER DISTRIBUTIONS.—For purposes of paragraph (2)(D)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by an individual to the extent such payment or distribution is used by the individual before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence of a first-time homebuyer who is such individual or the child or grandchild of such individual.

"(B) QUALIFIED ACQUISITION COSTS.—For purposes of this paragraph, the term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(C) FIRST-TIME HOMEBUYER; OTHER DEFINITIONS.—For purposes of this paragraph—

"(i) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 2-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(ii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iii) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If—

"(i) any amount is paid or distributed from an individual retirement plan to an individual for purposes of being used as provided in subparagraph (A), and

"(ii) by reason of a delay in the acquisition of the residence, the requirements of subparagraph (A) cannot be met,

the amount so paid or distributed may be paid into an individual retirement plan as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.".

(c) CONFORMING AMENDMENTS.—

(1) Section 401(k)(2)(B)(i) of such Code is amended by striking "or" at the end of subclause (III), by striking "and" at the end of subclause (IV) and inserting "or", and by inserting after subclause (IV) the following new subclause:

"(V) the date on which qualified first-time homebuyer distributions (as defined in section 72(t)(6)) are made, and".

(2) Section 403(b)(11) of such Code is amended by striking "or" at the end of subpara-

graph (A), by striking the period at the end of subparagraph (B) and inserting ", or", and by inserting after subparagraph (B) the following new subparagraph:

"(C) for qualified first-time homebuyer distributions (as defined in section 72(t)(6)).".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to payments and distributions after the date of the enactment of this Act.

S. 2153

By it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PURPOSES.

The purposes of this Act are—

(1) to help sell property held by the Resolution Trust Corporation at prices that prevail for similar property in local markets;

(2) to help relieve the depressive effect of sales of property held by the Resolution Trust Corporation on prices of real estate in such markets;

(3) to make financing for the sale of property held by the Resolution Trust Corporation more available to buyers;

(4) to decrease the cost to the taxpayer of maintaining Resolution Trust Corporation properties; and

(5) to provide an avenue for safe investment of surplus bank capital.

SEC. 2. DEFINITIONS.

As used in this Act—

(1) the term "Corporation" means the Resolution Trust Corporation established under section 21A(b) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)); and

(2) the term "qualified lender" means a bank or savings association the deposits or accounts of which are insured by the Federal Deposit Insurance Corporation.

SEC. 3. GUARANTEE AUTHORITY.

(a) IN GENERAL.—The Corporation is authorized to guarantee, and make commitments to guarantee, the timely payment of principal and interest on loans made by qualified lenders to finance the purchase of commercial and residential property held by the Corporation.

(b) AMOUNT OF GUARANTEE.—The aggregate obligation of the Resolution Trust Corporation or the United States under any guarantee under this section may not exceed 85 percent of the outstanding principal amount of the loan.

SEC. 4. ELIGIBILITY.

A loan may be guaranteed under section 3 only if—

(1) the amount of the loan does not exceed 85 percent of the appraised value of the property at the time of the application for the guarantee;

(2) the borrower has made a down payment, in cash or its equivalent, of not less than 15 percent of the appraised value of the property; and

(3) the qualified lender has entered into agreement to participate, on an immediate or deferred basis, in 15 percent of any loss incurred in connection with the loan.

SEC. 5. FULL FAITH AND CREDIT.

The full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid pursuant to a guarantee under this Act.

SEC. 6. SUBROGATION.

The holder of a guarantee under this Act shall notify the Corporation of any default in the payment of any loan guaranteed under this Act. Upon receipt of such notice, the Corporation shall—

(1) pay to such holder the amount of the guarantee not in excess of the pro rata portion of the amount originally guaranteed; and

(2) be subrogated to the rights of the holder of the guarantee to the extent of the amount of the guarantee.

SEC. 7. REGULATIONS; FEES.

(a) REGUATIONS.—The Corporation shall prescribe such regulations as are necessary to carry out this Act.

(b) FEES.—The Corporation is authorized to prescribe and collect a fee to cover the administrative costs it incurs in providing guarantees under this Act.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

S. 2156

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. OBLIGATION CEILINGS.

Section 1002(a) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. note) is amended—

(1) in paragraph (1), by striking "$16,800,000,000" and inserting "$19,100,000,000";

(2) in paragraph (2), by striking "$18,303,000,000" and inserting "$20,603,000,000";

(3) in paragraph (3), by striking "$18,362,000,000" and inserting "$20,662,000,000";

(4) in paragraph (4), by striking "$18,332,000,000" and inserting "$16,032,000,000";

(5) in paragraph (5), by striking "$18,357,000,000" and inserting "$16,057,000,000"; and

(6) in paragraph (6), by striking "$18,338,000,000" and inserting "$16,038,000,000".

S. 2158

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Director of the Office of Management and Budget shall monitor all federally funded building construction projects and report to the President and Congress quarterly on any such project that is behind its construction completion schedule.

(b) For purposes of this Act, the term "federally funded building construction project" includes but is not limited to:

(1) Federal courthouses under the jurisdiction of the General Services Administration or the Administrative Office of the United States Courts;

(2) Veterans hospitals;

(3) Department of Defense building projects; and

(4) buildings under the jurisdiction of the National Aeronautics and Space Administration.•

WOODY'S SHERWOOD FOREST

• Mr. PRYOR. Mr. President, you can walk in Woody's Sherwood Forest most any day of the week and see scores of Sherwood and Pulaski County residents enjoying Jess "Woody" Woods' fare.

You can also find Woody and his staff at work on Thanksgiving and Christmas, but it will not be for the usual paying customers. For at the holiday season, Woody prepares a feast for the area's homeless.

For almost 20 years, Woody has provided a holiday uplift to many homeless Arkansans, a debt he says he owes from the days when he, too, depended upon the Salvation Army and others for support.

I would like to share with my colleagues articles from the Arkansas Democrat-Gazette about Woody's preparations during the recent holiday season. It is people like Woody Woods who remind us what the holidays are really all about.

The articles follow:

[From the Arkansas Democrat-Gazette, Nov. 28, 1991]

TABLES TURNED: ONCE-NEEDY BOY FEEDS THE HUNGRY

(By Olivier Uyttebrouck)

Jess "Woody" Woods, who over the years has served thousands of free meals to the needy, said Wednesday that he is repaying society for the free meals he received as a boy.

Woods will be feeding the homeless again today when he and his staff will dish out some 300 free Thanksgiving meals at the Union Rescue Mission's Transient Home at 615 Magnolia St. in North Little Rock.

"I'm just trying to pay a debt back to society," Woods said Wednesday in the kitchen of his sprawling restaurant, Woody's Sherwood Forest in Sherwood.

"I lived off the Salvation Army when I was 5 and 6 years old," said Woods, 67, who was one of five children in a poor Little Rock family, "I said then if I could ever help anybody, I'd do it."

Other agencies that will serve free Thanksgiving dinners today include:

The Salvation Army at 1111 W. Markham St., which is expected to serve as many as 400 people. The Salvation Army has scheduled two dinners-from noon to 2 p.m. and from 4 p.m. to 6 p.m.

Our House a shelter for the homeless at 822 S. Louisiana St, is prepared to feed anyone who comes in the door at about noon, a spokesman said Wednesday.

The Wagon Wheel restaurant in Greenbrier (Faulkner County), will serve a free turkey dinner from noon to 2 p.m.

Neighbor-to-Neighbor in Pine Bluff plans to serve about 200 meals.

The Russellville Christian Center plans to serve as many as 125 meals.

Woods was at work by 5 a.m. Wednesday preparing food for today's feast. He said he plans to be up at 5 a.m. again today and will be serving meals. He said he will be up early Friday washing dishes and cleaning up his kitchen.

Woods' son, Bobby Woods, will work with his father today, as will Betty Bright, an employee at Woody's.

"We cook it all here and take it over there and serve it." Bright said Wednesday. "It wouldn't be any fun if we didn't serve it."

Woods will serve up about 200 pounds of smoked turkey, 18 gallons each of green beans and yams, 20 gallons of coffee, some 600 servings of cranberry sauce and large quantities of dressing, mashed potatoes, corn, salad and rolls.

Leftover from the feast will feed another 200 people at an evening meal at the Rescue Mission and perhaps additional meals Friday, he said. Woods also provides much of the equipment and utensils used for the dinner.

The feast will cost Woods about $1,700, he estimated. He's been serving Thanksgiving, Christmas and New Year's dinners at the Rescue Mission for about 17 years, he said.

Throughout the year, Woods gives food left over from corporate banquets to the Rescue Mission.

"I slip out and sit with them," he said. The compliments and words of thanks "kind of hit you between the old chest bones," he said.

[From the Arkansas Democrat-Gazette, Dec. 25, 1991]

CATERER PAYING OFF OLD DEBTS

(By Elizabeth Caldwell)

Jess Woods carefully combed the white hair attached to a red Santa's hat, but his words tumbled over themselves in their rush to be spoken.

"You never pay all your debts, you know that," said the 67-year-old known as Woody, caterer and owner of Woody's Sherwood Forest in Sherwood.

Tuesday, Woods was where anyone who knows him could have expected to find him the day before Christmas—overseeing preparations to feed more than 300 people a free holiday dinner.

"The oven's full of hams and turkeys," he boomed in a voice that sounded like he should be calling out "Merry Christmas" from a sleigh on a snow-covered rooftop.

Woods and his staff will be serving traditional Christmas fare at noon today to anyone in need of a hot meal at the Union Rescue Mission's Transient Lodge at 615 Magnolia St. in North Little Rock.

Besides 340 pounds of turkey and 90 pounds of ham, the menu includes candied yams, Italian flat green beans, Irish whipped potatoes, carrot/raisin slaw and cranberry sauce.

Pies and cakes donated from area restaurants will round out the meal.

But the dinner is never quite the same from year to year, Woods said. Nervous as a parent fussing over his family's table, at the last minute he'll open a can of corn or peas to make sure there's enough.

And this year, those who leave with full stomachs will also be given what Woods dubbed "One for the Road."

The new plan calls for distribution of brown bags containing a 12 ounce hoagie filled with three meats, cheese and lettuce; chips, an apple and cookies.

"Whoever's on the road tomorrow, I want them to have something to eat then," Woods said.

Though Woods plans to dress as the jolly old man from the North Pole, his belly won't be shaking like a bowl full of jelly.

At least one good-sized pillow, and maybe two, will be needed to help the 6-foot, 160-pound Woods fill out his uniform.

Woods has been preparing holiday dinners for the Union Rescue Mission for more than 20 years. But this is the first year the meal will be held in North Little Rock.

In years past, Woods served the meal at the mission's main Little Rock unit at 3000 Confederate Blvd.

The mission felt the switch was warranted because of a gradual shift in transient population, spurred by the closing of the Rock Island Railroad several years ago, Woods said.

As Woods bustled around the kitchen Tuesday at Woody's Sherwood Forest—the mini-convention center he built in 1978—it's evident his enthusiasm for the tradition remained high.

And that exuberance finds expression in devising new ways to repay the help his family received from charitable organizations—like the Salvation Army—when he was a child.•

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m. Tuesday, January 28; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business not to extend beyond 12 noon, with Senators permitted to speak therein, with Senator DODD to be recognized for up to 30 minutes and Senator NUNN for up to 15 minutes and the 90 minutes following the leader's recap of the Senate's schedule for Tuesday, under the control of the majority leader on his designee; that at 12 noon on Tuesday, the Senate resume consideration of S. 2, the education bill; that from 12:30 p.m. until 2:15 p.m., the Senate stand in recess in order to accommodate the respective party conferences; that at 2:25 p.m., Senator BENTSEN be recognized to make a motion to table the Nickles amendment, No. 1479; that upon disposition of the Nickles amendment, Senator DOMENICI be recognized to make a Budget Act point of order against the Wirth amendments Nos. 1490 and 1491; that once the point of order is made, Senator WIRTH be recognized to move to waive the Budget Act; that there then be 2 hours for debate on the motion to waive, with the time equally divided and controlled in the usual form; that when the time is used or yielded back, the Senate without intervening action or debate, vote on the motion to waive the Budget Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the agreement follows:

Ordered further, That at 2:25 p.m. the Senator from Texas (Mr. Bentsen) be recognized to make a motion to table the Nickles amendment, No. 1479.

Ordered further, That upon disposition of the Nickles amendment, the Senator from New Mexico (Mr. Domenici) be recognized to make a Budget Act point of order against the Wirth amendments, Nos. 1490 and 1491, and that once the Budget Act point of order is made, the Senator from Colorado (Mr. Wirth) be recognized to move to waive the Budget Act, and that there then be 2 hours for debate on the motion to waive, with the time to be equally divided and controlled in the usual form.

Ordered further, That when the time is used or yielded back, the Senate, without intervening action or debate, vote on the motion to waive the Budget Act.

RECESS UNTIL 9:30 A.M.

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess, as under the previous order.

There being no objection, at 6:05 p.m., the Senate recessed until Tuesday, January 28, 1992, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate January 27, 1992:

THE JUDICIARY

EDWARD E. CARNES, OF ALABAMA, TO BE U.S. CIRCUIT JUDGE FOR THE 11TH CIRCUIT VICE FRANK M. JOHNSON, JR., RETIRED.

SIDNEY A. FITZWATER, OF TEXAS, TO BE U.S. CIRCUIT JUDGE FOR THE FIFTH CIRCUIT VICE THOMAS GIBBS GEE, RETIRED.

JOHN G. ROBERTS, JR., OF MARYLAND, TO BE U.S. CIRCUIT JUDGE FOR THE DISTRICT OF COLUMBIA CIRCUIT VICE CLARENCE THOMAS, ELEVATED.

JOHN A. SMIETANKA, OF MICHIGAN, TO BE U.S. CIRCUIT JUDGE FOR THE SIXTH CIRCUIT VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

KAREN J. WILLIAMS, OF SOUTH CAROLINA, TO BE U.S. CIRCUIT JUDGE FOR THE FOURTH CIRCUIT VICE ROBERT F. CHAPMAN, RETIRED.

KENNETH R. CARR, OF TEXAS, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF TEXAS VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

JAMES W. JACKSON, OF OHIO, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF OHIO VICE RICHARD B. MCQUADE, JR., RESIGNED.

TERRAL R. SMITH, OF TEXAS, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF TEXAS VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

DEPARTMENT OF JUSTICE

JACK W. SELDEN, OF ALABAMA, TO BE U.S. ATTORNEY FOR THE NORTHERN DISTRICT OF ALABAMA FOR THE TERM OF 4 YEARS VICE FRANK W. DONALDSON, TERM EXPIRED.

STATE JUSTICE INSTITUTE

DAVID BROCK, OF NEW HAMPSHIRE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE STATE JUSTICE INSTITUTE FOR A TERM EXPIRING SEPTEMBER 17, 1994, VICE CLEMENT CLAY TORBERT, JR., TERM EXPIRED.

VIVI L. DILWEG, OF WISCONSIN, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE STATE JUSTICE INSTITUTE FOR A TERM EXPIRING SEPTEMBER 17, 1994 (REAPPOINTMENT).

CARLOS R. GARZA, OF TEXAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE STATE JUSTICE INSTITUTE FOR A TERM EXPIRING SEPTEMBER 17, 1994, VICE DANIEL JOHN MEADOR, TERM EXPIRED.

DEPARTMENT OF THE TREASURY

SHIRLEY D. PETERSON, OF MARYLAND, TO BE COMMISSIONER OF INTERNAL REVENUE, VICE FRED T. GOLDBERG, JR., RESIGNED.

FRED T. GOLDBERG, JR., OF MISSOURI, TO BE AN ASSISTANT SECRETARY OF THE TREASURY, VICE KENNETH W. GIDEON, RESIGNED.

DEPARTMENT OF DEFENSE

JOHN E. CONNOLLY, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF REGENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FOR A TERM EXPIRING JUNE 20, 1997, VICE SAM A. NIXON, TERM EXPIRED.

WILLIAM D. SKELTON, OF GEORGIA, TO BE A MEMBER OF THE BOARD OF REGENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FOR A TERM EXPIRING JUNE 20, 1997, VICE MARIO EFRAIN RAMIREZ, RESIGNED.

DEPARTMENT OF COMMERCE

BARBARA HACKMAN FRANKLIN, OF PENNSYLVANIA, TO BE SECRETARY OF COMMERCE.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, January 28, 1992, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JANUARY 29

9:30 a.m.
Energy and Natural Resources
To hold hearings on two Federal Energy Regulatory Commission proposed rulemakings regarding pipeline service obligations (Docket No. RM91-11-000), and revisions to regulations governing authorizations for the construction of natural gas pipeline facilities (Order No. 555).
SD-562

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on the nomination of Alan Greenspan, of New York, to be Chairman of the Board of Directors of the Federal Reserve System.
SD-538

Finance
To hold hearings to further extend unemployment benefits for jobless Americans.
SD-215

2:00 p.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

JANUARY 30

9:00 a.m.
Judiciary
To hold hearings on pending nominations.
SD-226

9:30 a.m.
Joint Printing
To hold hearings to meet to review congressional printing and other activities of the Government Printing Office.
2226 Rayburn Building

10:00 a.m.
Finance
Business meeting, to mark up proposed legislation to further extend unemployment compensation benefits for jobless Americans.
SD-215

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

3:30 p.m.
Armed Services
Conventional Forces and Alliance Defense Subcommittee
To hold hearings in conjunction with North Atlantic Assembly's Subcommittee on Defense Cooperation on European security issues.
SR-222

JANUARY 31

9:00 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings on stealth compensation of corporate executives, focusing on Federal treatment of stock options.
SD-342

10:00 a.m.
Armed Services
To hold hearings on proposed legislation authorizing funds for fiscal year 1993 for the Department of Defense and to review the fiscal years 1993-1997 future year defense plan.
SH-216

Budget
To hold hearings in preparation for reporting the first concurrent resolution on the fiscal year 1993 budget.
SD-608

Joint Economic
To hold hearings to examine the outlook for the 1992 economy and the forecast on which the President's budget is based.
SD-628

FEBRUARY 4

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Legislative Branch.
SD-116

FEBRUARY 5

9:30 a.m.
Energy and Natural Resources
To resume hearings on two Federal Energy Regulatory Commission proposed rulemakings regarding pipeline service obligations (Docket No. RM91-11-000), and revisions to regulations governing authorizations for the construction of natural gas pipeline facilities (Order No. 555).
SD-562

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1993 for the Legislative Branch.
SD-116

Foreign Relations
To hold hearings on an overview of foreign policy.
SD-419

FEBRUARY 6

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings on the Hawaiian Homes Commission Act.
SD-366

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1993 for the Legislative Branch.
SD-116

Budget
To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1993 budget, and to examine the economic outlook .
SD-608

FEBRUARY 25

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Disabled American Veterans.
345 Cannon Building

FEBRUARY 27

9:30 a.m.
Veterans' Affairs
To hold hearings on proposed budget requests for fiscal year 1993 for veterans programs.
SR-418

MARCH 3

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Veterans of Foreign Wars.
345 Cannon Building

MARCH 5

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, the Blinded Veterans of America, and WWI Veterans.
345 Cannon Building

APRIL 8

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the AMVETs, American Ex-POWs, Jewish War Veterans, and Non-Commissioned Officers Association.
SD-106

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

SENATE—*Tuesday, January 28, 1992*

(Legislative day of Friday, January 3, 1992)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The prayer to the Almighty Host will be led by the Chaplain, Rev. Richard C. Halverson. Dr. Halverson, please.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Except the Lord build the house, they labour in vain that build it: except the Lord keep the city, the watchman waketh but in vain.—Psalm 127:1.

Eternal God, Creator, Sustainer, and Consummator of history, as Congress gathers this evening to hear the President—as the world listens—grant that the words of the psalmist be heard by all of us. "Except the Lord build the house, they labour in vain that build it * * *." As the Nation confronts grave crises, may we recognize the limitations of the best and the finest humans can do. As the State of the Union Address is given and the battle of ideas and views and positions follow, help us hear the voice of the Lord, reminding us of our need for divine intervention in all our affairs.

Gracious Lord, bring to our remembrance the faith of our fathers who looked to Thee when there was nowhere else to turn. Restore to us their faith, and renew in us their dedication to transcendent truth and reality. Whatever carried them through their crises, may we find recourse and repose in that same resource.

In His name who is the Lord of life. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, today the period for morning business will run until 12 noon. At that time the Senate will resume consideration of S. 2, the education bill. From 12:30 p.m. until 2:15 p.m., the Senate will stand in recess to accommodate the respective party conferences.

When the Senate reconvenes at 2:15 p.m., there will be 10 minutes remaining for debate on the Nickles amendment No. 1479, and following that 10 minutes of debate a motion to table that amendment will be made by Senator BENTSEN.

Once action is concluded on the Nickles amendment, Senator DOMENICI will raise a Budget Act point of order against the Wirth-Wellstone amendments. There will then be 90 minutes for debate on a motion to waive the Budget Act. After all time is used or yielded back, the Senate will vote on that motion to waive.

Once these amendments are disposed of, four other first-degree amendments remain in order and will have to be disposed of prior to final action on the bill. These first-degree amendments are open to relative second-degree amendments as was provided for in the previous unanimous consent agreement governing the bill.

It is my hope that action can be completed on this bill today. Therefore, Senators should be aware that rollcall votes will occur with respect to amendments to the education bill and hopefully final passage during the afternoon and evening today.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time and I reserve all of the leader time of the distinguished Republican leader.

The PRESIDENT pro tempore. Without objection, the time of the two leaders will be reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 12 o'clock noon with Senators permitted to speak therein. The Senator from Connecticut [Mr. DODD] will be recognized at some point to speak for up to 30 minutes. The Senator from Georgia will be recognized to speak for up to 15 minutes, and the following 90 minutes will be under the control of the majority leader or his designee.

The majority leader is recognized.

PRESIDENT BUSH'S STATE OF THE UNION ADDRESS

Mr. MITCHELL. Mr. President, this evening the President will address the Congress and the American people with his third State of the Union Address. He will unveil his long-awaited domestic economic program.

His immediate challenge, and ours, is to respond to the recession. We must move the economy out of recession and return to growth, job creation, and expansion. That is a goal on which we all agree.

We Democrats in Congress have already recognized the need for unemployment insurance extension for the long-term unemployed. In fact, congressional committees are scheduled to take up that legislation this week. Americans out of work through no fault of their own need that help. We will work to bring it to them promptly.

We have long advocated relief for middle-class families who have been overtaxed throughout the last decade. I hope the President will propose a significant tax cut for middle-income families and will include other elements of an economic revival program to help turn the economy around.

We welcome his attention to the need for economic stimulus at this time. A tax cut for middle-income working Americans; a temporary investment tax credit to speed up business investment; programs to revive the housing and construction industries are all important and achievable. We need immediate action to restore growth and confidence.

I hope the President will also join us in urging action to assist States and local governments struggling with recession-hit budgets. We hope that is part of the President's proposal.

It appears that the President will agree to a further shift of resources away from defense spending in the wake of the collapse of the Soviet Union. That is a hopeful sign.

We need a comprehensive program of conversion from military to civilian purposes. The President can spur such a shift. I hope he will do so.

Our Nation made an efficient and successful conversion in the wake of World War II. It laid the basis for sustained real economic growth for more than a decade. We can and should repeat that effort in today's circumstances.

Every part of the country will feel the economic fallout of defense job losses, base closings or contract cuts over the next few years. A plan to efficiently utilize the people and expertise that will become militarily redundant will give hope and confidence to the affected communities and individuals that their future is one of promise, not despair.

I hope the President will recognize and offer real answers to the income decline that threatens the living standards of middle-income families.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

That will require a program for long-term investment for growth. We need that longer view to create the basis for sustained improvement in Americans' living standards.

Long-term economic growth demands a revived civilian economy. We have to invest in research. We should be exploiting the discoveries we have already made as well.

For example, the fiber-optic technology for a broad telecommunications infrastructure already exists. It is being installed and used now by some of our largest corporations.

The public policy challenge is to bring that technology to smaller businesses and consumers—to build the public network of the new technology as earlier generations built the telephone line network. The technology to move people more efficiently in urban areas exists. We should be planning to take advantage of it. High-speed rail is a reality in the rest of the developed world. It is time it came to America.

The end of the cold war frees up resources and skills that present an enormous opportunity for the revival of American economic leadership and growth. I hope the President's message will point us in that direction.

The revival of American economic leadership and growth depends, ultimately, on how we invest in the human beings whose work produces economic growth.

It is human intelligence and human will which makes innovations possible and develops them for wider use. Well-educated employees are more efficient; well-trained researchers are more inventive; skilled workers are more flexible. An economy which can adapt to new circumstances is an economy that grows with change instead of being overwhelmed by it.

Education reform at the elementary and secondary level is a crucial ingredient of long-term economic growth.

Better schools, more highly trained and motivated teachers, increased parental involvement, focused funding—all are needed to give the next generation the attitudes, skills, knowledge, and outlook that preserve and strengthen American values. We hope to complete action on this important effort in the Senate today.

But to learn, children must begin school ready to learn. We have already lost one generation to neglect. The President gives strong verbal support to Head Start. I hope his message will lay emphasis on the central importance of that approach.

Head Start must be available to all eligible children—today it reaches a third of them. It is a proven program to prevent school failure. Children need it now. They cannot afford to wait a few more years, because in a few more years they will already be in school and failing. I hope the President endorses our democratic goal of fully funding Head Start. A commitment to fund 80 percent of enrollment for a single year is not a long-term commitment. Our children need more and so does the Nation.

Economic revival and growth also mean we must deal with long-neglected problems now. If we do not, they will stall growth in the years to come.

No problem today is more acute than health care. Too many people who need coverage cannot afford it. Too many who could afford it are locked out by insurers who will cover only the healthy. The system permits overuse by the well-insured; discourages preventive care for those most at risk; and distorts both hiring decisions by employers and career decisions by employees.

The system does not efficiently serve private citizens or private business. It needs reform.

We need a plan for reform that meets the three standards essential to real and meaningful change. Access to affordable health insurance for every American, effective strategies to restrain runaway cost increases, and increased emphasis on preventive care.

Health care is the tip of a large iceberg. There are many other neglected problems to face.

The airline industry is still operating from dangerously overcrowded airports. A year after the war in the Persian Gulf, we are as dependent as ever on oil imports. Within 2 years, the residents of almost half our cities will face higher local taxes as landfills close and waste disposal costs skyrocket. Wastewater treatment also continues to be a priority for communities across the country.

I hope the President addresses these realities this evening. America's economy and America's future is more than the sum of the figures that make up the Federal budget. It is the wellbeing and prosperity of families and communities across the land.

All decisions have consequences. The decision to cut resources for families with children has given us the only society in the developed world whose children face a higher risk of poverty than any other group in the population.

The decision to save money on alternative energy research shifts to the private sector the high costs of oil imports.

The decision to save on moderate income housing shifts costs to local taxpayers for homeless shelters.

The decision that our companies cannot afford unpaid family leave when all our economic competitors pay for family leave says that our Government has given up on the quality of life of ordinary working families. It says that people who choose to have children or have frail parents are a drag on society, not contributors. But that is wrong. They are not a drag on society. They are contributors to a healthy society.

Those people are the heart and soul of America. I hope the President's message will recognize that central fact.

We are ready to work with the President for a well-conceived plan of economic recovery and long-term growth. We hope his State of the Union Message will offer a substantive plan.

Mr. President, I yield the floor.

Mr. RIEGLE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Michigan [Mr. RIEGLE].

COMPREHENSIVE HEALTH CARE REFORM

Mr. RIEGLE. Mr. President, I want to follow on, in something of the same vein as the majority leader, and say that tonight we will be hearing a State of the Union Message. From my observation we are a nation struggling today and a nation in very serious economic difficulty. I think a careful look at the data from a number of directions indicates to us that we are in the process of losing our economic future. We need aggressive new policies to change that along the lines just suggested by Senator MITCHELL.

We clearly need a new economic plan for America where people in this country can sit down together, business, Government, and labor, and come up with a strategy to put this country on a different economic track. I think it is obvious for all to see that the Bush-Quayle plan has failed and we need a new plan. People today are worse off than they were nearly 4 years ago when we embarked on the plan of this administration, and a new plan is clearly needed.

Part of that plan clearly must be in the area of health care reform. We need a comprehensive overhaul of our health care system in America today to accomplish two primary goals. First, access to the system by all Americans so that everyone has a form of health insurance coverage for every person in our country. And second, we need a situation where we go in and deal with the excessive costs that have built up in the system through a host of inefficiencies, through all kinds of cost shifting that goes on through the system and which now have reached the point where we are spending about 12 percent of our gross national product on health care, far higher than any other nation, and yet we have nearly 40 million people who are left out altogether, and tens of millions more who have health insurance but it is either limited or it is becoming so expensive that they cannot continue to maintain it. So we have a major problem in that cost control area that has to be dealt with.

I must say just in my own personal experience in the last 2 weeks we have had two occasions within our family to require the use of skilled medical help, one the delivery of a baby. My wife had our second child just this last week out at the Fairfax County Hospital. I was certainly impressed by the tremendous quality and effort of the medical personnel there, and the care that the infants were getting.

Every child in America coming along needs care such as that, not just at the time that a birth takes place but the prenatal care that is so essential in ensuring there is a normal birth, that the child comes at full term and has the normal birth weight, has an opportunity to embark on a life with full strength and with the kind of help that may be needed if for one reason or another the birth process itself is difficult.

Just yesterday I was in my home city of Flint to visit my father who is hospitalized there with some serious difficulties that come with advancing age. I talked with the doctors that have been treating him, wonderful people, very skilled, applying themselves with a measure of professional competence to try to extend his life and to help, for which my family and I are very grateful.

But I have to again ask the question what is happening throughout our system? What is happening to those who have no insurance? What is happening to those who live in areas where there are no adequate medical resources? In areas of my State hospitals are closing, and the skilled physicians are not available.

The occupant of the chair, Senator BYRD, represents West Virginia. It, too, in its rural areas has problems such as that where people today need medical care, whether it is expectant mothers, or whether it is older citizens who need particular needs met, or people of any age in between, are often finding that either they do not have access to the system because they do not have health insurance, or they often come late with the medical problem which is often far worse than it otherwise might be.

There was a story on NBC News this morning, just a terribly tragic story of a family with a young baby girl who inadvertently swallowed something and needed care. They went to the nearest medical facility. That facility was not equipped to be able to identify what the problem was. The little girl continued to struggle and eventually died.

To listen to the parents talk about that story of this young girl's life that was lost that need not have been lost—it increasingly is the story of America, of either health needs not met, or people who need jobs who cannot find them, people including recent veterans of Desert Storm who have come back, had the parades a year ago, who we see now unemployed, homeless, out in our society seemingly of no interest to our country as a whole in terms of trying to help them get a foothold and get established with a decent life in our country.

We have major economic problems and probably no area makes that clearer than the need for this comprehensive health insurance that can cover everybody in our country. If you take that problem in the health care system with the shrinking economic strength of the middle class, we have a situation right now where we are sliding backward, the number of uninsured are rising. Those that have partial health insurance at work are finding that they may be covered but the members of their family are not covered.

We have described before the situation of a working mother in Detroit, Cynthia Fyfe, who appeared before one of our hearings. She has a job and partial health insurance for herself. She is a single parent and she has a 6-year-old son Anthony, and he has no health insurance. It is not provided through her workplace. She does not make enough money to be able to buy health care coverage for him, so they go without health coverage for that little fellow.

You look at that and multiply that times millions of people in the country, and it is not right. It does not have to be that way. The President, if he wants to, can change that tonight by stepping forward to lead on this issue, as he ought to do.

When you go back and look at our founding documents, they have to do with the well-being of our people. We formed the country, and we made our basic arrangements with each other. We affiliated as a people in order to look after the well-being of every citizen of this country. Life, liberty, and the pursuit of happiness, it is built right into the founding documents, virtually on every line.

But if you need health care and you cannot get it, you are probably risking your life, and you are certainly not going to be able to pursue happiness, or to otherwise enjoy the blessings of just the great privilege of being able to have a life and to have a life in a free country.

So we have to deal with this health care issue. Failure to do so is also damaging our business system. In the automobile industry today, we have tremendous problems that are well-known. But one of the problems is that, because our health care system is out of control, the health care cost per vehicle produced in the United States is about $1,000. The highest level it is in any other competing country that builds cars is about $500. Most are lower than that, because other nations have national health insurance plans that do not bring the cost in as a direct product cost in an industry like that.

We are losing competitiveness in that area in part because of this enormous cost burden. We cannot afford inflated costs in our health care system that feed back in our business system and make our companies less competitive and help close them down, and shrink job opportunities in the United States.

We can correct that problem with a comprehensive health insurance plan. We have brought one forward. Senators MITCHELL, ROCKEFELLER, KENNEDY, and myself have devised one. We have put it forward at the present time. We have, in addition, 7 other cosponsors that have joined us here in the Senate behind that legislation. It is a good bill. It is S. 1227. It deals with these two problems of access to the system, universal coverage, so that everybody in America is seen and acknowledged as important and can have health insurance protection. It also deals with the problem of cost control. We implement a series of cost-effectiveness and cost-control measures that will reduce health care costs over the next 5 years by an estimated $80 billion.

So we feel that there is a way—by revising the system and by taking out some of the inefficiency and some of the areas where needless cost accumulates—that we can save money and, in turn, provide broader coverage to all of our people.

But no child or no expectant mother in America should come down the track of their life experience and find that they are deprived of the basic things they need to have, such as an opportunity for good health care, to get started in life, and to have the potential to come forward with decent education and other opportunities in our society, and with the health care that may be needed along the way, to have the chance, to prosper, to have the chance to eventually build a family of their own, to be able to contribute to the country, to be able to build the country's strength.

We cannot build a strong country if people are out there today, such as the millions of people who are, in effect, walking wounded, who cannot get access to health care when they need it; or when they finally go, they are so sick because they have delayed going because they do not have health insurance, and they show up in an emergency room, and they are in far worse health, and it is much more expensive to try to care for them at that time. And if they do not have coverage, those costs, if they cannot pay them, have to be cost shifted through the system, and in the end they are paid by everyone else who has health insurance, inflating those costs.

It is a vicious cycle moving in that direction and one we must break. That is why we need some leadership tonight. When I say "comprehensive health care plan," I do not mean just a little tinkering around the edges. That is not going to get the job done. That may sound good, that may look good in terms of a presentation when it is crafted very carefully with the words that are said, but if it is not a comprehensive plan, if it does not set as a goal providing health insurance coverage for every person in this country, and a strong set of cost controls to get cost efficiency into the system, then it is not going to mean much.

You might hear the buzz words, and there might be sort of a tip of the hat in the direction of the problem. But unless there is a comprehensive plan offered that is relevant to every citizen in the country, then it will not be adequate to the need.

I want to read briefly from a letter I received from a woman in Fraser, MI, signed both by herself and by her husband. I received this letter last August. But I receive them each day each week. I want to share a few words because it is on the issue of health care.

She is talking about the fact that her husband had been laid off from his job and laid off now for some months prior to the time that she wrote this letter.

I want to cut into the middle:

> Because of Walter's lay-off we have to pay for our own health insurance. Since it has been almost six months of no work plus the expense of health insurance our savings and our peace of mind are nearly depleted.
>
> I don't feel that the greatest country in the world, the United States, can care for its own citizens. If you're an American, you should feel secure enough to know that you will be able to seek medical attention if necessary.
>
> We are not alone in our feelings. There are millions of Americans who through no fault of their own are not covered by any health insurance. We hope you are able to get your bill S. 1227 passed. Please help us.

Signed by both the husband and wife in Fraser, MI.

I have mail stacked this high coming in like this. When we asked for people who want to testify at field hearings we held, we had so many people who wanted to testify, we could only accommodate just a very few.

Let me finish with this.

Today is a special day for America because we are going to take a look at the state of the Nation. What is the state of the Nation? What is the state of our economy? What is the state of opportunity for our people? What is happening in the area of health care? What are our prospects? How are we doing in international trade?

It is a very depressing situation that we see. We see the massive unemployment. We see all of these people without health insurance. We see missed opportunities all over the place.

I hope that tonight America will make a decision to get off the path we are on and get on a new path, on a new economic path, and a new path about equity and justice for our people.

You know, for most of the 1980's, from 1980 to 1988, we took sort of an 8-year trip to the movies with President Reagan. Reaganomics sounded good. "Morning in America," followed by the Bush campaign theme, "Don't worry. Be happy." And it was essentially fraudulent, and now we see that, because we see what happened to our economy, how it has been hollowed out, how we have squandered the time and squandered our opportunities.

It has not hurt those at the very top with high incomes. They have been well protected from this. But most everybody else is sliding backward. That is what is reflected today in the economic data and the public opinion polls. I think it is time, as a nation, that we find our conscience again and care about each other and care about strangers, care about people in this country whose names we do not know, whether they happen to be homeless people living in cardboard boxes or under bridges. A large number of the homeless are veterans, by the way, of military service to this country, who were important enough at the time that we asked them to serve and defend America, and now we have turned our back on them. It is not right. Or the person that needs health care and does not have it, or the person that needs a job.

We saw all those people standing outside the hotel in Chicago the other day in subzero temperatures, winding for blocks, and several thousand people standing their shivering to turn in a résumé, desperate to find a job, and only a handful of jobs available.

This country ought to commit itself to have a job for every single American in our land. Everybody standing in that line should have a job. We need them working. They need to work. We need the economic strength. They need the income. Why is it that we are so uncaring or incompetent as a country that we turn our back on our fellow citizens, those in need? It is not right. It is against the very grain and purpose of this Nation. It is one for all and all for one, and we have to care about each other and we have to help each other. If you get an elitist crowd running the Government that does not believe in that, they have to move out and somebody has to move in who believes in that fundamental purpose of this country, that we look after each other and help each other, because that makes a strong and decent nation.

We have lost our way. We lost our way during the 1980's and we have not found it as yet.

So I do not want to hear just a lot more of the same thing tonight, maybe dressed up with a few new words. We need a change in direction, a fundamental change in direction. We need a new economic plan. And part of it has to be comprehensive national health insurance, and not just for some, not health insurance for those up on the top tier or for others who are well situated. We need health insurance for 250 million Americans because each one is important and none should be left out. We have the chance to do it, and I certainly hope we will.

I thank the Chair.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDENT pro tempore. The Senator from West Virginia [Mr. ROCKEFELLER].

Mr. ROCKEFELLER. I thank the Chair.

I strongly associate myself with the remarks of the Senator from Michigan who, as always, speaks with a very strong moral undertone to what the direction of the Nation might be, not just the details of that direction but the underlying moral force for that.

AMERICANS ARE ANXIOUS FOR LEADERSHIP IN HEALTH CARE

Mr. ROCKEFELLER. Mr. President, tonight, both Congress and the American people will listen intently to the President's State of the Union Address.

I think we all hope that it will be far more than a vague glimpse at the year ahead that the President will lay out a vision for economic recovery and revival.

As the President knows, Americans are also anxious for his leadership in health care. George Bush has the great fortune to be President at a moment when the American people and both Houses of Congress are ready to transform our health care system.

With his speech tonight, he has an opportunity to begin a health care revolution which will save dollars and lives, and benefit tens of millions of Americans—workers and employers, parents and children—for years to come.

Today—and I say this to George Bush and his aides—I suggest a three-part test of the worth of any of the President's health care proposals.

The first test is whether his proposals really do ensure universal coverage, with special emphasis on children, pregnant women, and preventive care.

The second is whether the President's proposals lower the cost of care for businesses and families, and whether he makes a special effort to help America's small business. And the third test is whether he offers an approach to bringing about long-term care for all Americans when they face that need.

Last month, at an Atlanta field hearing I participated in with Majority Leader MITCHELL and my colleague, Senator FOWLER, I heard firsthand what health care costs are doing to our recession-wracked economy.

Georgia-Pacific CEO Marshall Hahn told us how health care costs were pricing his company out of the international wood and paper industries. How companies in other nations, whose governments pick up the tab for employee insurance, are forcing this U.S. firm out of market after market.

We also heard from Karl Hall head of a four-person firm who can't get affordable insurance at all—because of his treatable hypertension. Mr. President, his employees would have better access to health care if they had no job whatsoever.

If a Presidential health care initiative cannot keep Georgia-Pacific competitive around the world, if it cannot include Karl Hall's employees without costing them their jobs, it flunks the test. It needs to be sent back, and the administration should start over again.

Like George Bush, Natalie Baker has Graves disease. Unlike George Bush she paid for her treatment out of her own household's pocket. Diagnosed when her husband switched jobs, her condition was branded pre- existing, and no one would insure her.

The cost of treatment wiped out the Baker's savings. A single accident—a broken leg or a ruptured appendix, would have cost them their home.

If the Bush proposal cannot bring treatment to Natalie Baker; if it cannot ensure that her health does not jeopardize her home; if it cannot free their family of the fear they experience every day; it flunks the test. It needs to be sent back.

A divorced mother in my home State of West Virginia cannot get insurance for her family because an underwriter's chart says that she is overweight.

Her perfectly healthy 8-year-old must live a sheltered life, the fun and games of childhood restricted for fear that any injury will eat up his mother's meager savings.

And unless George Bush is ready to propose a way to make sure our Nation's children have a chance to grow up healthy and active, I am going to help lead the fight to send his plan back to the drawing board.

You don't have to be a doctor to know the difference between comprehensive reform and cosmetic surgery.

For months now we have been moving with increasing speed toward systematic reform. We have jumped the hurdles of public apathy, political invisibility, and the perception that bold, constructive change is impossible. The single, final barrier to health care reform is George Bush.

If his proposals sap our momentum with empty symbolism and too much incremental change, we must fill up the floor of the Senate with our outrage; we must lead our constituents to light up the White House switchboard.

The U.S. Congress cannot, under any circumstances, allow our momentum to be sapped by symbolic change and political posturing.

Tonight, we must separate the jargon from the reality, the rhetoric from the truth. The test is simple.

It is up to us to say "pass" or "fail." We will ourselves have failed if we pass a Presidential program that does not meet the basic standards of universal coverage, lower costs, and long-term care protection. Any credible new domestic order must include these urgent goals.

We stand at the edge of a quantum leap into the future—our Nation is poised to agree to fundamental reform that will bring a hundred million Americans and a $6 trillion economy into the 21st century. We must seize this moment and change this Nation.

The PRESIDENT pro tempore. The Senator from South Dakota [Mr. PRESSLER].

THE STATE OF THE UNION

Mr. PRESSLER. Mr. President, I, too, look forward to the President's speech this evening. I would say that the burden is on Congress to enact a program. I attended this morning a briefing by the President. I think the Congress will be under a great deal of pressure to enact the President's program by a date certain. I hope that that occurs. But I think there is a burden on every level of American society in terms of the recession we are now in. We will receive strong leadership from our President. We must also receive strong leadership from the Congress.

There is also a burden in terms of the entire U.S. Government to improve our decisionmaking capabilities. Many of the types of decisions that need to be taken are not taken in a timely fashion. Our deficit has grown beyond all imagination. There is much need for reform in Washington.

There is also a burden on our corporate presidents, who set an example. In my opinion, they have been taking too high salaries. There is a cozy relationship between boards of directors and corporate presidents.

I believe strongly that the burden is on workers and labor, also, in terms of quality control. The burden is on local school districts to work to improve our schools in a fashion that a large portion of our young people will not be graduating without the basic skills in mathematics and reading.

So as we look forward to our President's address this evening, I am prepared to take the actions necessary. But the burden will be on Congress after the President's speech, and I do look forward to that speech.

SURINAME

Mr. PRESSLER. Mr. President, Suriname's new civilian government is facing threats of a military coup from that country's Armed Forces Commander Desi Bouterse. Since my visit to Suriname in December, it is increasingly rumored that Suriname's military may again impose its will, shattering democracy and undermining representative government. Twice before, including as recently as Christmas Eve 1990, leaders of the armed forces have expelled cabinet ministers and the national legislature. This must not be allowed to happen again.

During my visit to Paramaribo, I met with Suriname's President, Dr. Ronald Venetiaan, and with key cabinet ministers. These leaders, elected in 1991 after the military relinquished power, have formed a government which is constantly looking over its shoulder at armed forces headquarters. The barracks, located midway between the President's office and the Civilian Assembly Building, bristle with high-technology communications devices.

In the 17 years since gaining independence from The Netherlands, the military chronic imposition of its will and ruinous socialism have driven out many of Suriname's most promising citizens. Most have fled to Holland. Opportunities and investment have lagged for the same reasons. Many exiles fund Suriname's economy by sending Dutch guilders home, where they are processed through the black market to avoid unrealistic official exchange rates. Surinamers suffer a deep lack of confidence in their country's political and economic future.

Under Army Commander Desi Bouterse, Suriname's small army seems to hold most of the trump cards. When Bouterse elevated himself in the armed forces and seized power the first time, he staked out a decidedly pro-Cuban position. Over the years he and his top deputies have become allied with Colombian drug lords. The army is widely believed to permit narcotic traffickers to refuel on the country's remote jungle airstrips. In addition, military officials are known to turn a blind eye to the content of commercial aircraft and ship cargoes.

The military's record while in power has been extremely poor. It has repeatedly violated basic civil and political rights of the people. In Suriname's civic climate, the armed forces inevitably takes sides. Suriname has an extremely diverse population: American Indians live together with descendants of black slaves, mixed race creoles, East Indian Hindustanis, Indonesians, and Chinese. With only 400,000 people, strong ethnic identity has resulted in coalition governments. Sadly, that diversity is used to rationalize favoritism and political payoffs.

During last year's elections, the military formed its own political party and zealously bought votes. How were the bribes of frozen chickens, cars and bicycles financed? The best guess is from drug trade profits. Bouterse's affinity for drug lords is further confirmed by his recent appointment of a top aide who was released after 5 years in a U.S. prison for a drug conviction.

Recent discussions, on the island of Bonaire, between Suriname's civilian government and the Dutch have begun to reinforce economic and democratic reforms. The United States and other countries need to help this process continue, through both direct efforts and multilateral diplomacy.

The first goal must be to warn off the military from its pattern of adventurism. To that end, I have contacted President Bush asking him to send strong signals that another military coup will not be tolerated in Suriname. Embargoes have been imposed in the past, but have not been effective in dissuading the army. A more potent message must be sent. Rumors of a new coup make this an urgent priority.

Events in Haiti provide a useful lesson. Had the United States or a coalition of countries curbed President Aristide's verbal and policy excesses, the military may have had no excuse to force him out. Putting down strong, effective markers early in Haiti's coup might have shortened it and encouraged thousands of refugees to remain at home until power reverted to civilians.

The United States cannot remake Suriname. But it can and must take effective steps to discourage a military takeover. America's security interests also include assisting the civilian government in its efforts to control drug trafficking and to promote economic growth.

Recently, I urged President Bush to place immediate economic sanctions on Suriname in the event of a military coup. The United States needs to send an unmistakable signal that a military coup will be opposed vigorously and effectively. The success of Suriname's civilian government and democratic institutions is important to our foreign policy throughout Latin America.

Mr. President, I ask unanimous consent to have my letter to President Bush printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 9, 1992.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: I recently returned from a trip to Paramaribo, Suriname where I met with President Ronald Venetiaan. As you know, President Venetiaan's government is now facing increased threats of a military coup from Commander Desi Bouterse.

Should there be an illegal military overthrow of the democratically elected government, I urge you to immediately place an embargo on Suriname. The success of Suriname's civilian government and democratic institutions is important to our foreign policy throughout Latin America.

Suriname's sad history of military intervention against elected governments, combined with the military's apparent collusion with international drug traffickers and participation in drug trafficking, must be opposed.

During my visit to Suriname, I was impressed with the commitment of the Dutch government to civilian authority and representative rule in their former colony. The United States should do no less than cooperate in all appropriate international efforts to strengthen free institutions, send an unmistakable signal that a military coup is completely unacceptable, and that any coup will be opposed vigorously and effectively.

I will do all I can to support your actions to preserve democracy in Suriname. We need to do all we can to encourage the development of permanent civilian and democratic institutions in Suriname.

Sincerely,

LARRY PRESSLER,
U.S. Senator.

Mr. PRESSLER. Mr. President, I note the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been noted. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CASTRO AND HIS CUBA

Mr. PRESSLER. Mr. President, recently, I spent 4 days in Cuba with some staff members from the Senate Foreign Relations Committee. During that time, I had a 6-hour meeting with Fidel Castro, which was a great deal of listening on my part. I did write an article that appeared in the Miami Herald on January 23, 1992, summarizing that meeting with Mr. Castro and my impressions of Cuba. It is entitled

"A U.S. SENATOR'S IMPRESSION OF CASTRO AND HIS CUBA." I ASK UNANIMOUS CONSENT THAT IT BE PRINTED IN THE RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Miami Herald, Jan. 23, 1992]

A U.S. SENATOR'S IMPRESSIONS OF CASTRO AND HIS CUBA

(By Larry Pressler)

Now that communism has failed in Eastern Europe, does this create a realistic chance for greater freedom and opportunity for Cubans on their island? Upon my arrival in Havana, one of Cuba's vice presidents met me. From that moment, I was accompanied by people claiming to be with the ministries of foreign affairs or interior. Secret police?

The best way to get a feel of a country is through its people. Sadly, it was apparently too risky to allow a U.S. senator to meet average Cubans. However, despite the best efforts of Castro's functionaries, I found ways to see the Cuban people as they worked and went about their lives. Their misery was apparent.

I was struck by the dilapidated nature of the buildings. None are newly constructed or painted, and almost all predate the 1959 revolution. The only exceptions are special facilities for foreign tourists and sports facilities used during the Pan American Games.

Car owners have been forced to ride bicycles, take buses, or walk, as a result of strict gasoline rationing imposed since the Soviet Union cut its petroleum shipments to Cuba by 50 percent. All Soviet and East European subsidies have been cut drastically.

"Can you show me a supermarket?" I asked my hosts repeatedly. "Later," they replied. Later never came because there are no supermarkets—except the one exclusively for diplomats. Cuba suffers a shortage of almost everything: shoes, milk, beans, and soap are among the rationed items. Castro can't even meet modest ration targets. Even water is scarce. Long lines at government water trucks are the norm.

During nearly six hours of discussions with Cuba's leaders, he conceded that his country was experiencing tough times. But Castro rationalized shortages as the result of wise economic planning done in the best interest of the Cuban people. Why have Cubans switched from cars to bicycles, and from tractors to oxen? Castro contends that bicycles are better exercise and better for the environment, and oxen are more productive than tractors.

Having grown up on a South Dakota family farm, I remarked that this was indeed a revolutionary concept! Cuba will be the first country in history to go from the use of tractors to oxen in farming.

"Could you hold free, fair elections?" I asked Castro. Insulted by the suggestion, he stated that it would be impossible due to current fuel shortages. However, if change does not come by the ballot, downtrodden Cubans may have to act, even though a Ceausescu-type coup would be a nightmare for Castro. When I asked Castro about his long record of human rights violations, he denied that there was a problem. So long as Castro's communism remains, Cuba is without hope.

In our meeting, I saw no signs that Castro is willing to move away from past policies. Castro contends that Cuba is on a long pilgrimage toward the ideal Communist state. Cuban officials claim to have nearly reached the stage of socialism, after which communism will follow.

The regime brags about progress in health care, education, and tourism. I visited two scientific-research centers for the development and production of medicine and vaccines. All the laboratories were empty. Health care may be universal but it is also rudimentary.

Since Castro has isolated himself, the Cuban government is not able to get sufficient supplies of medicine. Even aspirin is hard to find. It is impossible to judge the effectiveness of Castro's much touted advancements in medicine. He will not allow international organizations to test the quality or results of Cuban vaccines.

As far as alleged achievements in Cuban education, school is free of charge. However judging by Cuban officials and school children I met, education is largely a propaganda tool for the regime. Only those children who join the Communist youth organization are permitted to receive higher education.

In a school for the partially blind, children loudly and enthusiastically sang: "I will be faithful to Fidel, the revolution, and socialism." Though the school was for blind children, walls and blackboards were covered with slogans and history of the revolution.

Tourism is Castro's one hope. The regime has built luxury hotels and enforced a form of tourist apartheid in them and on nearby beaches. Average Cubans are not allowed. This is indeed ironic because when Castro came to power 33 years ago, he told the people that he had struggled so the beaches would belong to them. The Castro government, hopes that tourism can become a cash cow with its milk being used to feed the starving totalitarian system. My guess is that average Cubans see through this scheme and resent it.

As for U.S. policy, Castro has given the United States no reason to lift the trade embargo. Ending the blockade would be seen as a victory for Cuban-style communism and would send exactly the wrong message to Nicaragua's Sandinistas, to the Salvadoran Communist guerrillas, and to other similar movements.

After seeing the country for myself, I am not convinced that the lessons of post-Communist reality have been learned in Castro's Cuba.

The PRESIDENT pro tempore. Does the Senator from South Dakota yield the floor?

Mr. PRESSLER. I yield the floor.

Mr. SASSER addressed the Chair.

The PRESIDENT pro tempore. The senior Senator from Tennessee [Mr. SASSER].

Mr. SASSER. Mr. President, I yield myself such time as I may consume from the time reserved to the majority leader.

The PRESIDENT pro tempore. The Senator from Tennessee, Mr. SASSER, is recognized for such time as he may require under the time under the control of the majority leader.

AMERICAN PEOPLE NOT LOOKING FOR PROMISES

Mr. SASSER. Mr. President, the next 10 hours will be a period of some expectancy, I expect, throughout the country and certainly in this, the Capital City of the United States. Perhaps it is not too much to say that tonight's State of the Union Address will mark the defining moment of George Bush's Presidency, the moment when he persuades us if he really does have a domestic policy for the United States. It is no secret that hopes are very high. I know I speak for the people of my State in wishing the President the very best. If ever a speech mattered to them in the last few years, this is it.

The American people are not looking for promises tonight, they are not looking for grandiose rhetoric, and most certainly they are not looking for artful evasion. The time has come for this President to lay out an economic recovery program and articulate a vision for the future of this country that has been sadly lacking.

Some have called on the President to produce the economic equivalent of the Magna Carta this evening. I expect that is an overstatement that raises expectations beyond what could possibly be realized. But as the very minimum, the President must produce this evening a recovery plan for this country that addresses the problems as they are and produces a program that can be made into legislative reality. I think the current moment demands at least that much.

What is the condition of the country on the eve of this State of the Union Message? Mr. President, I am sad to report that there are 24 million of our country men and women, 1 in 10 Americans, receiving food stamps today for survival. And many of these food stamp recipients are people who have never received food stamps in their lives. We are seeing middle-class citizens, people who held middle-management posts now receiving food stamps, they have been unemployed for so long. You are going to have a hard time making a case to these people that things really are not as bad as they seem. For millions of American families, they are every bit as bad as they seem.

I think it is important to take a close look at the country that George Bush will confront this evening—the country that is waiting for words of hope to fortify a faltering national confidence.

The highly respected, nonpartisan Congressional Budget Office told the country just last week that the economy is dead in the water. In truth, that is an optimistic assessment because dead in the water implies that at least we are floating. When you look at the Congressional Budget Office's own analysis, however, it appears that we may be sinking once again. The Congressional Budget Office projects that our economic growth rate turned negative again in the fourth quarter of 1991.

We note, by looking at this chart that comprises the period from 1989 through 1991, that there was very tepid economic growth in the four quarters prior to the sharp downturn that occurred beginning in the fourth quarter of 1990 and carried over into the first quarter of 1991. Then we saw a very modest attempt at economic recovery, and then in the fourth quarter of 1991 again falling off into negative economic growth.

In its simplest terms, what that means to economists is that this country hangs on the very cusp of a double-dip recession. There is great doubt about whether or not we are going to inch our way out of this economic recession or whether we are going to plunge downward once again into even deeper economic contraction with loss of jobs and attendant human suffering.

It is a devastating pattern of stagnation as we look at this chart, stagnation that continued through almost all of 1990, finally culminating in a very sharp recession, cycling back up to a period of economic stagnation, and then falling off once again into what looks like the beginning of a recession.

This pattern flies in the face of what we have been led to believe and what we have come to learn about post-World War II recessions. Post-World War II recessions have been normally followed by periods of robust recovery and robust economic growth, periods in which employment expanded, economic growth simply exploded in some instances, and the standard of living went up dramatically.

As most economists are now confirming, however, we are now in uncharted economic waters. No one in this country, including the Chairman of the Federal Reserve Board, is willing to predict with any degree of certainty that monetary policy alone is going to give us even the mild recovery that has been predicted by the Congressional Budget Office.

In the haunting words of the Federal Reserve Board Chairman, Dr. Alan Greenspan:

> There is a deep-seated concern out there which I must say I have not seen in my lifetime.

So says Dr. Alan Greenspan, the Chairman of the Federal Reserve Board.

Another thing that Dr. Greenspan has not seen is a recession as long as the current recession. This recession now stands at 18 months and running. This recession is the longest we have seen since the Great Depression of the 1930's.

This chart indicates the duration of post World War II recessions. We have had eight post World War II recessions beginning in 1948 and extending up to the current recession of 1991–92.

All of these recessions have been considerably shorter than the present downturn. If we look at the red bar of the chart, we see the current recession is longer than any recession we have experienced since World War II.

Some have tried to say, well, maybe the recession has been a long one but it has not been as deep as past recessions, it has not been as deep as the recession of 1982–83 and therefore it is not as severe; it has just been shallow but long, of course.

To those who take such a view, I ask them to tell that to the citizens of Hancock County in my State of Tennessee. The schools in Hancock County will close on February 14 because the recession has literally devastated the tax base of that rural county. And tell it to the people of Campbell County, Wilson County, and Cannon County in Tennessee, where the schoolbuses are no longer running and where the schools are approaching a drop-dead date in the very near future because of the devastation to the tax base of those counties as a result of the duration of this recession. Or tell it to the workers of General Motors, the 74,000 who are slated to be laid off. Or tell it to the workers of the IBM company, that once proud flagship of American entrepreneurship which is now laying off thousands of employees. Or tell it to Xerox or tell it to the employees of Du Pont, people who have heard the layoff announcements by the tens of thousands and who are waiting to see if the ax falls on them or on a fellow worker.

It used to be they just laid off the blue-collar workers. That is not happening anymore. The layoffs extend now up through the blue-collar ranks, into the white-collar ranks, up into middle management. And they are not just layoffs anymore. They are permanent job terminations.

If we look at this chart which chronicles the unemployment problems of this country, we see that at the present time the official unemployment rate tells less than half the story. The black bar represents the unemployed, and they stand at almost slightly over 8 million. But look at those who are underemployed, those who are working part time but want to work full time. They cannot work full time because they cannot find full-time jobs in this economy. How about those represented by the blue line who have been looking for work for so long without success that they have become discouraged; they are not looking anymore. They no longer go to the State unemployment offices, so they are no longer carried on the rolls.

When you add all of these, you find that 16.3 million of our fellow countrymen, fully 13 percent of the work force in this country, either cannot find jobs or are reduced to working part-time jobs because they cannot find full-time jobs.

Now, that indicates an increase of almost 4 million people who have suffered severe job dislocation as a result of this recession.

And remember, this comes in the administration of a President who promised to create 30 million new American jobs in 8 years when he took office. I am sorry to say that that has been one of the most hollow promises in recent Presidential history.

I call the attention of my colleagues to this chart. As this chart shows, the anemic job creation that characterized the first 2 years of the Bush Presidency has given way to a net loss of 5,000 jobs. The line running from January of 1989, when George Bush was sworn in as President of this country, follows the 30 million new jobs that he pledged to create over 8 years. We take it out to the end of his term here at 4 years which would represent 15 million jobs. This was the promise.

What has been the reality? This line represents the reality, and as you see it is down here at the very bottom. The reality is that the American economy had a net loss of 5,000 jobs since George Bush took office rather than the 15 million that he promised to create during the first term of his administration.

The job creation pledge is not the only forecast that seems to have gone awry. When the Bush administration took office in 1989, it projected that the economy of this country would grow at an annual rate of 3.3 percent in real terms corrected for inflation. What has been the performance when contrasted with the promise?

The actual average for the 3-year period has been 0.6 percent. Here we have the promise, and here we have the performance down near the bottom of the barrel.

The result is that there is an accumulated gap in economic growth of almost 7 percent, which is the equivalent of roughly $500 billion in unrealized economic growth.

Mr. President, I think this explains why the speech that the President makes this evening simply must serve as a turning point for the President and for the country. I think it is clear to any unbiased observer that we need a short-term economic stimulus to lift us out of this economic stagnation.

But the margin for error is very slight. Any stimulus package that is not well crafted, finely honed, and superbly targeted risks increasing our deficits over the long term, in which case the price of economic growth today will be long-term structural damage to the economy. But I would submit that a temporary well-targeted stimulus that sets the economy in motion will pay long-term dividends, and we will have a chance to again control our budget deficits while the economy is growing, which was not done to disastrous effect in the period of the late 1980's.

And with the economy growing, it means that we can reinvest in our country, can repair a damaged and deteriorated and inadequate infrastructure, and can meet the educational needs of our citizens. And here we are with education being our No. 1 concern. And I look into my State of Tennessee, and I see county school systems closing schools because of an inadequate tax base, all as a result of this economic recession which is devastating.

In the end, Mr. President, I would submit that President Bush's speech tonight will be judged by how precisely it measures the problem that confronts this great country and how carefully it targets the solution.

A grab bag of promises will not do the job this time. A few giveaways just will not measure up this time. Telling all the many interest groups what they want to hear in a State of the Union Message is not going to correct this downturn. That is a nonsolution, a prescription for letting the bad times continue to roll.

Tonight the President of the United States must light a torch. He must lead the American people out of the tunnel, the tunnel of economic stagnation, the tunnel of despair, the tunnel of human suffering, the tunnel that is sapping the very moral strength of this country, just as it zaps its economic vitality.

All Americans this evening will be looking anxiously to the Nation's Capitol. They will be watching anxiously as the President speaks. All of us here in this body will anxiously await his leadership.

Mr. President, I yield the floor.

Mr. BENTSEN addressed the Chair.

The PRESIDENT pro tempore. The senior Senator from Texas [Mr. BENTSEN] is recognized.

THE PRESIDENT'S STATE OF THE UNION ADDRESS

Mr. BENTSEN. Mr. President, I want to congratulate the distinguished chairman of the Budget Committee for a very learned presentation, one who has recognized the problems of economy of this country and has been forthcoming with meritorious proposals to help turn this country around.

I appreciate his contribution to it.

Mr. President, when President Bush delivers his State of the Union Address tonight, that is a speech that some have said is going to be the most important speech that he has made in his entire career. I think it may be a unique opportunity for some true bipartisanship. That opportunity is not going to come with soothing words or conciliatory words from an anxious President with his eye on New Hampshire.

The opportunity will exist because many of the proposals likely to be offered by a Republican President are in effect from the Democratic agenda of 1991. And in the competition for ideas the Democrats have had a real advantage in this because we recognized the existence of the recession a year ago. And we came forth with a program to combat it.

The President and his advisers spent most of last year denying that the economy was in serious trouble. And when they finally recognize that we had a recession, then they claimed that it was already over, and that we had nothing to worry about. It was not until unemployment stagnation and plunging polls became undeniable that the administration faced up to the fact of the recession, and said they were going to solve it all in this speech on January 28.

Of course it is impossible this morning to know precisely what the President is going to say tonight. But the carefully orchestrated campaign of leaks which built to a crescendo over the past week gives us some idea of what may be in store. Yet, the frustration is, as late as last night the administration was retracting, changing its program on health care, representing some of the divisions that you see in the Republican Party as to what they think should be done, divisions that a strong President ought to be able to overcome.

There is hope that the President has been listening carefully to some of the Democratic calls for tax fairness, for deficit reduction, economic stimulus, health care reform, education, a trade policy that makes sense for America.

I sincerely hope the President is not going to be satisfied with easy short-term election-year sound-bite answers. There is an element of irony in the fact that the education President—the education President—has 3 years of neglecting educational policy, has come up with more money for Head Start, possibly the most enduring legacy of the New Frontier.

Mr. President, can anyone imagine that 30 years from now an American President will be visiting a school to pay homage to an educational program put in place by this administration?

I sincerely hope the President's address will be as significant and far reaching as advertised. The country is in trouble. The economy is dead in the water. We do not need another political statement for the campaign.

We need an administration that is ready to face up to these issues, face up to the answers that are so obvious outside the gates of the White House. We need the President to provide some candid answers to some very serious long-term problems.

Let me give you a few examples of what I mean. Anyone who has looked at the state of the American economy will recognize a desperate need for higher rates of savings and investment. We are trying to compete with the Japanese for a rapidly expanding world market.

It is very difficult, perhaps impossible, to succeed in that competition when the rate of savings in Japan is over three times what it is in this country, over twice as much in West Germany as it is in this country; difficult to succeed in that competition with the Japanese with a population two-thirds of ours outinvesting America dollar for dollar by 30 percent.

That is one of the reasons their productivity is so high. Their industrial plants average 10 years of age; ours average 17. They are able to move new products from the research lab to the market faster than we can. We need to increase the rate of savings and investment in America, and one of the best ways to do that is to bring back the IRA for all the workers.

We also need to provide for penalty-free withdrawals for college education expenses, first time home buyers, and major medical bills. I hear the President is going to propose some important changes in the IRA. I hope it is not one that just represents the shift in savings with just the so-called back end IRA, because last year I proposed changes in that IRA that now have 77 Senate cosponsors on both sides of the aisle. Senator ROTH is one of the leading sponsors of it.

Here is an approach on which we can work together, Republicans and Democrats, liberals and conservatives, to increase savings and investments by tapping the over $500 billion of locked up IRA money, 401(k) money, and encouraging millions of American workers to save for the future.

If I read the leaks correctly, the President may also propose some overdue tax relief for middle-income American workers, for the people who are the primary victims of this recession.

I think the President will find some sympathy in the Congress for those proposals. The Democratic leadership in both the House and in the Senate make similar suggestions, and we welcome the President's interest in tax fairness. Working families that have seen their real incomes go down while their taxes went up deserve some of the relief that has been showered on the wealthiest people in our society.

The 34 million Americans with no health insurance, no cushion against medical expenses that can mean financial disaster, are also going to be listening carefully to the President's comments on health care reform. I am afraid they are going to be disappointed in the thin gruel of tax credits.

Certainly, there has been no evidence over the past 3 years that the President is prepared to face up to the complex, costly, and controversial issue of health care. This is an administration that has tried to pigeonhole that issue, put it aside, until after the next election. It is also evident that the American people are not ready to wait another year for progress.

Democrats have heard and they have reacted to that concern. We proposed a variety of answers that range all the way from guaranteed health insurance for every American, to attempts to treat the most severe symptoms of the problem. But it is obvious that we cannot move very far or very fast until we get the White House involved in that dialog, in that debate. And to date, the administration has steadfastly refused to join us in a bipartisan, concerted approach to the heath care concerns of America.

It is also safe to assume that the President will have something to say about trade policy and the importance of opening up foreign markets to American exports. This country has suffered a decade without a trade policy, and we have paid a heavy price for that neglect. We have exported more than 2 million high-paying manufacturing jobs. We have accumulated a trade deficit that is measured in the hundreds of billions of dollars.

Mr. President, I am aware that trade policy is a complex, very important subject, but I also realize that, as in so many complex and important areas, there are basic fundamental truths that apply.

In the area of trade, I believe—and many Democrats agree—that one of those truths can be summarized as follows: We are for free and fair trade, but we must insist that countries selling in our markets must provide us with equal access to their markets. It is that simple and that important.

But for years America has been strangely reluctant to stand up for its rights in trade. Our policy has been to turn the other cheek. We cling to easy talk about open markets and level playing fields. There are occasional sporadic attempts to negotiate in our national interest.

Finally, just a few weeks ago, the President decided to highlight the importance of trade, so he headed up a trade mission to the Far East. I would hate to think that journey will stand as the last word on American trade policy for the nineties. Whether the issue is health care, or incentives for savings and investments, whether the issue is tax fairness, or economic stimulus to help turn our economy out of a recession, whether the issue is education, or policies to increase research and development, America is going to be paying close attention to how the President proposes to pay for those programs.

In my position as chairman of the Finance Committee, I have supported a policy of explaining how I would pay for every policy I have proposed. I believe we should be using a portion of the peace dividend to pay for an economic stimulus package, a new initiative on infrastructure and health and education. I want to break down the so-called firewall between defense and nondefense spending contained in the 1990 budget agreement. Those underlying reasons for erecting that wall no longer exist.

Today, the greatest threat to our future as the most powerful and prosperous Nation in the world is not military, but economic competition, and we must use our resources to make our people and our economy more competitive. However, I also believe we should maintain the basic structure of the agreement in order to preclude any increase in the deficit, because if those spending limits are breached, we could end up with a bidding war on tax relief that could set ourselves back into deficit reduction efforts by a decade.

When he makes his proposals, the President must give us an honest, straightforward idea of how he plans to pay for them. We do not need any creative accounting or economic logic that requires some leap of faith, and we certainly do not need to increase the deficit.

Mr. President, this is clearly an important moment for the American economy. I am pleased we have the President's attention. I look forward to what he has to say to the Nation tonight. I am prepared to work with my colleagues in the Senate and with the administration in the effort to get our country back on the path of growth and opportunity.

The case for change is compelling. There are a series of excellent proposals on the table and, hopefully, the President and his administration are now ready to join with the Congress in building a more secure and a more prosperous future for America.

Mr. President, I see my colleague, the distinguished chairman of the Joint Economic Committee, who played a major role in proposals to try to help turn this economy around. I look forward to hearing his comments.

The PRESIDENT pro tempore. The senior Senator from Maryland [Mr. SARBANES] is recognized.

THE ECONOMY

Mr. SARBANES. Mr. President, I commend the very able chairman of the Finance Committee, the distinguished Senator from Texas, and the very able chairman of the Budget Committee, the senior Senator from Tennessee, for their very powerful statements here this morning on the floor with respect to the economy. Also I particularly want to acknowledge the very strong leadership which they have shown in trying to address economic issues over the course of 1991, as the Nation moved through the longest recession since the Great Depression.

We are in the longest recession since the 1930's. Now, at 18 months, it exceeds in length any of the post-World War II recessions.

Mr. President, yesterday, the New York Times carried a story with the headline, "President's Message Expected To Lay Out Plans for a 'New Domestic Order.' "

It goes on to quote officials of the administration. One official said, "Everyone agrees that Bush has to lay out a sense of what the next 5 years will be like."

The administrator has talked about this being the most important speech of his Presidency and it comes at a time when the Nation faces an economic situation which we have not confronted for a very long time.

The economy is in serious trouble, perhaps the worst trouble since the Great Depression. The most recent economic indicators paint a grim picture of the current state of the economy. Virtually all of the economic data which we have received over the months of November and December and into the new year indicate the economic decline which started in the summer of 1990, roughly 18 months ago, is continuing and getting worse, making this the longest sustained downturn since the Depression.

Many key economic indicators suggest that this weakness is likely to persist for months into the future.

Mr. President, the index of coincident indicators is an index which includes payrolls, industrial production, personal income, and sales. These are indicators which are perceived as tracking the current pace of economic activity. When one stops and thinks about those, you can see that combined they would give you a good picture of the current pace of economic activity.

This index fell eight-tenths of 1 percent in November. Beginning in December of 1990, there was a very precipitous drop in this index. It leveled off in midsummer. It started down again as we came into the fall period, and then it took a precipitous drop in November. It is now at the least point of any time during this recession, lower even than last March, which many have considered to be heretofore the trough of the recession.

In addition, consumer confidence has plunged 35 percent during the last 6 months. There was a drop in consumer confidence at the early stages of the recession. It came back up again, and now it has dropped once more and is now at a lower level than it was in the 1981–82 recession, which was the most severe recession we had experienced since the Depression.

Retail sales and industrial production fell in December for the third month in a row. Real compensation per hour has fallen by almost 3 percent over the past 3 years.

It is very important to underscore that not only do we have an unemployment problem, but those who are working have found that their compensation adjusted for inflation has fallen over the last 3 years. So those who are working, except people at the very top of the income scale, have found that their standard of living has slipped because their compensation adjusted for inflation has fallen by almost 3 percent over the past 3 years.

The job outlook for 1992 appears to be grim. The number of people filing initial claims for unemployment insurance has risen steadily for the past 6 months and is back to where it was a year ago when the economy was in steep decline.

This chart shows the average weekly initial claims for unemployment insurance. This was the situation at the beginning of 1990. Then last summer, as we moved into recession, the claims for unemployment insurance rose dramatically. Then it dropped—a very welcome development. In other words, the number of people putting in claims weekly decreased and now it has started back up again and is beginning to approach the peak which it had reached earlier in this recession.

In December, the official unemployment rate, which was announced on January 10, rose to 7.1 percent. That is the highest level during this recession. In this recession, we had not gone above 7 percent; we are now at 7.1 percent, the highest level during this recession, and this rate excludes a number of important aspects of unemployment in this country.

My able colleague, Senator SASSER, earlier indicated that the official unemployment rate does not count discouraged workers—workers who have become so discouraged by job prospects that they drop out of the labor force. In December, there were over 1 million discouraged workers, and there were 6.3 million workers who want to work full time but can only find part-time work. They want full-time work. They are looking for full-time work. They need full-time work. But they can only find part-time work. They are counted at one-half in terms of calculating an unemployment rate.

The Bureau of Labor Statistics calculates what they call the comprehensive unemployment rate that includes not only the official rate but also discouraged workers and the people wanting full-time work who are working part time. If you count them all together, the comprehensive rate in the last quarter of 1991 was 10.4 percent. In other words, double-digit unemployment.

In addition, there has been a slow growth of the labor force during this recession. If the labor force had grown as normally expected, the rate would have been almost 1 point higher than it is today; the 10.4 would have been 11.2 percent.

It is estimated that last year 20 million Americans experienced some unemployment during the course of the year. They were not all unemployed at the same time, but they experienced some unemployment during the course of the year. So unemployment has touched literally 1 out of 5 American families.

The number of long-term unemployed, those out of work for 27 weeks or more, rose in December to almost 1.5 million. That is more than double the long-term unemployed at the beginning of the recession.

At the beginning of the recession, we had a little over 600,000 people unemployed 27 weeks or longer. That has now risen to just under 1.5 million.

During the past 3 months, payroll employment in private business fell by 335,000. Private sector employment in December was lower than at any other time during the recession. And, as Senator SASSER indicated in his statement, many of our largest companies are planning massive layoffs in 1992. General Motors announced that last month. It has now set off a bidding war amongst communities and workers in order not to be one of the communities in which a plant is to be closed down.

For months, the administration encouraged the American people to ignore the problems of the American economy. We were given this siren song that the recession is going to be short and shallow; that it would be followed by vigorous renewed economic growth; that we really did not need to do anything. All through 1991, that was the litany.

Beginning back in February 1991, just under a year ago, the President's Chief Economic Adviser, the Chairman of the Council of Economic Advisers, said:

> Our outlook is that the economy, after a relatively brief and mild recession, will rebound by the middle of the year. The recession will be rather shallow and short.

President Bush, on February 12, 1991, in his economic report said:

> The current recession is expected to be mild and brief by historical standards.

Mild and brief by historical standards? The current recession is now the longest in the postwar period. The number of long-term unemployed is now at 1.5 million. The unemployment rate, the comprehensive rate, is at 10.4 percent. The official rate, 6.9 percent for the last quarter of 1991. It was 7.1 percent in the last month of 1991. That 7.1 percent is the highest since this recession.

Then we receive the same litany. In June, Marlin Fitzwater, when we had an unemployment rate of 6.9 percent, said:

> We still believe that the recession is ending and we are on the road to recovery.

In July, Michael Boskin, Chairman of the Council of Economic Advisers, reacting to the 7-percent unemployment rate in June said:

> We would like to see people have an understanding that this turnabout is coming. We believe the recovery has begun.

These comments continued throughout the summer. Budget Director Darman said:

> The economy is turning up.

In July, he said that "the economy is turning up, the recession has ended, and we are turning up," and on, and on, and on. I regret to say, Mr. President, this continued even into November just 2 months ago.

On the 1st of November, the President said:

> The economy has turned the corner and is headed for a recovery.

On November 13, 1991, the President said:

> I don't believe this country is in a recession.

Finally, late last year, the administration seemed to recognize the seriousness of the economic situation. We must break with this Hoover-like attitude of this administration that prosperity is just around the corner. We must take positive and immediate action to get the economy moving again and end the downward economic spiral that has made this the longest recession in 60 years, second only to the Great Depression itself.

The President said that we would wait for the State of the Union Message for his solutions to our Nation's economic problems. Despite this downward move of the economy over a number of months, the President refrained from coming forward with a proposal. Now the President speaks tonight. I hope he will recognize that real economic problems face the people of this country and they call out for real solutions.

There is a strong national consensus that a change of course is urgently needed. The latest cover of Business Week articulates this consensus. It says: "Wanted: An Economic Policy."

And the editorial accompanying the cover story notes:

> There is a fairly broad consensus that the economy is suffering from neglect and needs fixing. The President and his advisers have been slow to recognize the serious problem we face. And by misstating how bad the economy was, they blocked the developments of proposals which would come to grips with the problem.

The administration would not recognize the problem. How can you have an economic policy, a program, if you say there is "No problem"? That is what we have heard for almost a year from the administration: "No problem."

The people out on the street know there is a problem. The unemployed workers know that there is a problem. The people working part time know that there is a problem.

Mr. President, what remains to be seen is whether the administration not only will recognize the problem, but have a plan adequate to the serious nature of the situation we confront.

I just want very quickly, Mr. President, to set out what I think would be important components of any significant economic policy.

A serious change of economic direction will require a plan which, first, provides enough stimulus to bring the economy out of recession and back to a reasonable rate of growth within a short period of time. We are paying a heavy price for this downturn, including the addition of some $70 billion to the national deficit.

Second, it would end the stagnation of wages and compensation which has plagued the American economy over more than the last decade, so that those who are working find that instead of getting ahead, they are slipping behind.

Third, it should reverse the trend toward growing income and wealth inequality in this country. The Federal Reserve Board recently came with a report which showed a major concentration of income and wealth at the top end of the scale.

Fourth, it should restore the ability of State and local governments to maintain essential services and investments during the recession. State and local governments are cutting back on the very services that the people need: police, fire, and education. They have postponed major infrastructure projects, which are absolutely essential, which would put people to work. The mayors and Governors have assured us that if the Federal Government could provide help to them, they could move these projects immediately—immediately—and have people working within a matter of weeks.

A plan needs to respond adequately to the human suffering caused by involuntary unemployment. It is a shame upon the administration that they forced the unemployed last year to wait from August until Thanksgiving before they extended unemployment benefits. We need to address that problem, and address it right away.

The administration needs to end America's status as the industrialized country with the lowest rate of investment. As Business Week put it in their article, the "U.S. Has an Investment Deficit."

Next, they need to reverse the decade-long assault on public investment, which most economists now concede is a vital partner for expanded private investment. We need both public and private investment to build a strong economy, and the investment in the public sector is integral and essential to the advancement of the private sector. As an executive of a trucking company said to me, if his truck sits for 4 hours in a traffic jam, that is coming straight out of the productivity of that enterprise. If people come out of the schools unable to function because they are functionally illiterate, that is right out of the productivity of the private enterprises that are employing those people. In addition, the administration needs to address the credit crunch and restore the willingness of financial institutions to extend credit for economically viable projects.

As that list indicates, there is an important test of the seriousness of the President's economic policy proposals. Proposals for tax cuts in and of themselves are not a complete economic plan. Changes in tax policy may be part of a viable plan and need to be examined, but, alone, they are not the substitute for an economic plan. We face a range of economic problems. The President needs to recognize the breadth and depth of the challenge, the breadth and depth of the unemployment here at home, and the challenge we are confronting internationally from our trading partners. We need to move the economy out of recession to address the investment deficit, to address the stagnation of wages and compensation for working people, middle-income Americans, to reverse the trend toward growing income inequality, and to allow State and local governments to move forward and restore the investment in our Nation's future.

We are looking to the President tonight not to give us a handful of paliatives—so-called panaceas—but to come in with a comprehensive economic policy that will move the Nation out of recession and restore long-term prosperity to the U.S. economy.

Mr. President, I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDENT pro tempore. The senior Senator from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. President, I ask unanimous consent to proceed as in morning business.

The PRESIDENT pro tempore. The Senate is transacting morning business at the present time.

Mr. KENNEDY. I ask unanimous consent to proceed for 15 minutes.

The PRESIDENT pro tempore. Without objection, the Senator may proceed for 15 minutes. The Senator is recognized for 15 minutes.

DEMOCRATS AND EDUCATION

Mr. KENNEDY. Mr. President, when a nation suddenly falls into decline, losing its influence and power, historians probe its policies to determine the cause.

Today, historians are carrying out such analyses on the Soviet Union. But in future years, they may also be exploring the cause of America's decline. How is it, they may ask, that a nation so blessed in its freedoms, so rich in natural resources, so proud of its institutions, suddenly fell into decline? How is it that nations we once sheltered came to overshadow us in vitality and prosperity?

One of the principal causes may well be the failure to devote sufficient attention and resources to the education and training of our citizens. Nations that invest in high-quality education and training will outperform nations that do not make similar investments. The issue is not simply more spending but better spending—focusing our initiatives on efforts that we know will work and can get the job done.

In a recent survey of employers, two-thirds answered negatively when asked about the overall preparation of recent students to hold jobs. That is not surprising, when we consider that roughly 15 percent of the Nation's high school seniors are competent in math according to a recent national analysis. Moreover, in one international study, our 13-year olds ranked last in ability to solve math problems. We cannot expect to compete in tomorrow's global economy when today's students are already far behind those of other nations.

Education is the lifeblood of our national strength. Whenever the Nation has faced new challenges, one of our first responses has been to redouble our educational efforts.

When the Depression persisted in the 1930's, President Franklin Roosevelt established the Civilian Conservation Corps to provide jobs, training, and basic education for unemployed youth, and he established the Federal Government's first student aid program to help college students stay in school. In the late 1950's, President Eisenhower and Congress responded to the launching of Sputnik by enacting the National Defense Education Act, which made new assistance available for college student aid and expanded programs to train math and science teachers.

In the 1960's, wrestling with the threat of communism abroad and the specter of poverty at home, Congress passed landmark legislation establishing ground breaking programs that are still important today: the Vocational Education Act, Head Start, the Job Corps, and the Elementary/Secondary Education and Higher Education Acts with their indispensable assistance to low-income school districts and the vitally important student aid programs, such as Pell grants and Stafford loans.

But today, when the economy is stalled and our education system is under serious challenge, we seem to have lost our will. We talk about the need for a new commitment to education. We have a President who wants to be called the education President. But when the time comes for action, the administration fails to follow through.

If President Bush wants to be the education President, he has to do more than talk about it. He has to take concrete steps to correct the Nation's serious educational deficiencies.

First, he should commit himself to a major additional investment in the proven programs that will help assure that students start school ready to learn. Head Start, WIC, and immunization programs are not just frills—they are the essence of the Nation's investment in young children. A recent study by the Carnegie Foundation for the Advancement of Teaching concluded that more than a third of the Nation's 5-year olds are not ready for school when they start kindergarten. Many of those who start school behind will never catch up. And the Nation will pay a heavy long-term cost for its failure to make a modest investment in the early childhood programs that are so important to our youngest citizens.

Second, the President should move to full funding of the Chapter 1 Program, which serves the economically disadvantaged. Every evaluation of this program has pointed to the gains in student achievement that flow from it. Yet the program still serves only half of the Nation's eligible students. Instead of adequate funds, the administration has focused on an effort to turn chapter 1 into a voucher program, so that Federal aid can go to private schools.

Third, the President should support additional investments in college aid—Pell grants, guaranteed student loans, supplemental grants and work study. America is notable for widespread access to higher education. No other nation in the world makes postsecondary opportunities available to so many of its citizens. This commitment is an important engine of economic growth and social progress.

We must make sure that the doors of higher education are not closed because students cannot afford the costs. The Federal student aid programs have helped millions of students, and those who have received the assistance have gone on to make important contributions to the Nation and to our national well-being.

The President should also endorse new initiatives in job training for the large numbers of high school students who move directly into the labor force. Existing programs should be reviewed and revised and expanded to assure that these students—the Nation's frontline work force of the future—will be well-qualified for their careers. Congress is far ahead of the administration in offering solutions to these problems, and this is an area when leadership is especially urgent.

In other areas as well, we need more effective action. The number and quality of school teachers is low. We must increase our commitment to having the best teachers in the world. Again, the administration's proposals in this area fall short of what the Nation needs.

The President should also do more to help combine the social services that children need and make them more accessible. Students cannot succeed academically if they are suffering health, social, or family problems. Yet efforts to consolidate existing programs and make it possible for students to obtain them in one place have suffered because of the lack of leadership.

Finally, the President should make a set of concrete proposals with respect to educational standards and testing. The administration has talked about this complex and controversial issue, but it has not put forward concrete proposals to address it. I have introduced legislation in this area, as has the chairman of the Education Subcommittee, Senator PELL. Democrats in the Senate want to make this happen, but we need the leadership and support of the administration.

The Nation's education needs are immense. But so far, the President has been content with endorsing goals rather than laying out comprehensive proposals for reform. Choice and privatization are not adequate answers to the serious challenge of school reform.

It is easy to predict what the President will recommend in his education budget. Since this is a year divisible by four, the President will propose to boost education spending. All Republican Presidents want to increase the Federal investment in education in election years. Look at the record. President Reagan proposed increases in education spending in 1984 and 1988. But in every other year—when he was not running for reelection—he suggested cuts. President Bush has not proposed cuts in education spending—but he has not proposed significant increases either. But in this election year, the President is likely to rediscover the virtue of a substantial increase.

Consider the President's recent budget proposals for Head Start. That program, which provides education, meals, and health services for preschool children from low-income families, is one of the most successful social programs in the Nation's history. Studies have shown that participants are twice as likely to be employed and 50 percent more likely to have graduated from high school in comparison with nonparticipants. For every dollar spent on Head Start, the country saves almost $5 in later social costs. But at present, fewer than 30 percent of eligible children are served by Head Start.

On many occasions, President Bush has paid lipservice to Head Start. For 1992, he proposed a $100 million increase in funding. When we asked why the administration proposed such a small increase, we were told that more money could not be absorbed at the local level. At that rate it would take another 180 years before all eligible children are served.

This year, in an election year, President Bush has decided that the time has come for a substantial increase for Head Start and he has called for $600 million in new funds I welcome the increase, but it is difficult to regard it as more than an election-year handout based on an election-year conversion.

The President has also put forward his version of education reform for the Nation's elementary and secondary schools. We all know that the Nation needs to improve student achievement in all its schools. What the National Commission on Education Excellence noted in 1983 is true today—we are a nation at risk. We ignore the poor performance of our schools at our peril.

But the President's proposal was disappointing. The administration's plan had two basic ideas: using public funds for private schools, and creating 535 new schools handpicked by the Secretary of Education.

The President would have us believe that 535 new schools, public funds to private schools, and an election year infusion for Head Start are the road to education reform. Instead, America needs to undertake a broad-based effort to improve all schools, from preschool through graduate school education.

Our Democratic proposal to improve American education and reach the national education goals has four parts:

First, we must make Head Start available to every eligible 3-, 4-, and 5-year-old child in the Nation. Expanding Head Start is the single most important step the Federal Government can take to improve American education. The value of Head Start is unquestioned and our commitment to it must be steadfast and unwavering. Legislation pending before the Senate, S. 911, will accomplish this purpose, and I hope the Senate will have a chance to take this measure up very soon.

Second, we must provide funds for restructuring elementary and secondary schools. Unlike the President's plan, which targets resources for too few schools, the Democratic proposal seeks to encourage education reform throughout the Nation. Across America, teachers and administrators are trying innovative ideas to bring the spark back to learning—but too often they cannot fully realize their plans because they lack the necessary funds.

Under the Democratic initiative, money will be made available to local public schools to implement their own school improvement programs. To qualify for continued funding, a school will have to demonstrate measurable progress in meeting goals for academic achievement. Some of the funds under the Democratic plan will be available for statewide reform efforts to boost student achievement. The focus of the Democratic plan, however, is threefold: public schools only, school-designed and implemented reforms, and accountability for the results.

Third, we must increase college aid for working and middle-income families. Today, more and more families are feeling the burden of the recession, wondering if they can still afford to send their children to college. Yet last year President Bush proposed to restructure Pell grants so that funds are available only to students with family incomes under $10,000. We must move in the opposite direction. Income ceilings and needs-test restrictions must be reformed so that children of working families are not squeezed out of higher education. The Labor Committee has reported out a bill to reauthorize the Higher Education Act that will extend and expand Federal student loan and grant programs, and the Senate will consider this bill in the coming weeks.

Finally, we must develop new programs to support the transition from school to work and to improve the skills of our work force. The majority of young Americans enter the job market without a college degree. Yet all too often, we treat their entry into the work force as an afterthought, as if our educational responsibilities stopped at the schoolhouse door.

Democrats are committed to providing Federal support to improve school-to-work transition programs for noncollege-bound youth, and to foster ongoing skill development throughout every worker's career. Our proposal calls for:

The establishment of national standards for occupational training;

The creation of career preparation programs that combine academic education and mentored on-the-job training; and

Improved workplace education by requiring employers to invest at least 1 percent of their payroll in worker training.

It is interesting that Germany provides about 3.5 percent of payroll investment, France about 5 percent, other Europeans have comparable requirements. What we are basically talking about is just 1 percent, probably not sufficient but it is a down payment and it is in the correct direction.

Democrats recognize that the Nation faces a fateful choice: Either we make the investment in human capital necessary to compete with other nations by preparing our frontline workers for the new, high-tech workplace, or we consign America to an irreversible future of declining wages.

None of these improvements in education will come cheaply. None will come easily. But in a time of serious economic challenge, no investment we make will be more important for the Nation's future.

We must not hesitate because of the difficult choices before us. Either we mean what we say about education, or we don't. Let the country decide. Let the American people be the judge.

I thank the Chair.

EXTENSION OF MORNING BUSINESS

The PRESIDENT pro tempore. The Senator from Connecticut [Mr. DODD].

Mr. DODD. Mr. President, may I inquire of the Chair as to how much time remains for morning business? I believe we are in morning business?

The PRESIDENT pro tempore. Morning business extends until 12 o'clock noon. The Senator was to be recognized for 30 minutes.

Mr. DODD. Mr. President, I would ask unanimous consent that morning business be extended until 12:10.

The PRESIDENT pro tempore. Without objection, it is so ordered. The Senator is recognized for 30 minutes and morning business will extend until the hour of 12:10 p.m.

Mr. DODD. Mr. President, I hope to be briefer than that, so we may actually conclude before the hour of 12 noon.

ECONOMIC TURMOIL

Mr. DODD. Mr. President, throughout our history too many from the political community have responded to recessions in the same predictable manner—with misguided optimism, denial, and inaction. Those seem to have been the standards by which previous periods in our history have responded to recessions, at least in their earliest days. Unfortunately, Mr. President, the current recession seems to be no exception in that regard.

For nearly 3 years now our Nation has been in economic turmoil. Since January 1989, job growth has come to a halt in this country. That was 3 years ago, Mr. President—not last week or last month, not even last year, but 3 years ago. Job growth basically came to a halt. Unemployment, as we all know, is now up to 7.1 percent in this country, the highest mark in 5 years. And yet, Mr. President, I know of no one who believes this number is an accurate reflection of the real unemployment in our country. Most believe—and I think correctly so—that the number of unemployed is far higher than the number of 7.1 percent would reflect.

Weekly earnings are down. Housing starts have plummeted. Mr. President, the statistics go on and on that would indicate how much difficulty our country is in economically.

These conditions, of course, did not appear overnight. They have been visible for years. Structural changes are taking place. Manufacturing jobs have been disappearing at a precipitous rate since the early 1980's. Sadly, and tragically, Mr. President, I believe many of the jobs eliminated over the last 2 years are gone for good.

Mr. President, these fundamental changes demand strong leadership. Our world has changed. That is obvious. We have desperately needed leadership to pull us out of these conditions, and we have desperately needed leadership to prepare us for the challenges of this decade and the next century.

Unfortunately, until last month, on the 17th of December, 1991, almost 3 years from when the recession began, the President refused to recognize the changes happening across our country. Incredible as it is to believe, our President even refused to admit that we were in a recession, until a little more than a month ago.

In my home State of Connecticut, the recession has hit us as hard as—if not harder than—any other State in this country. Mr. President, I have met with people who have lost jobs, seen their businesses fail, and seen their families broken in the last several years. Many rightfully wonder how a nation with so much material wealth could have such poverty and pain. Many wonder how a nation so rich in natural resources could be so short on compassion and human decency.

Mr. President, like many other Members of this body, I have met with dozens and dozens of my constituents over the past number of months to hear firsthand what they and their families are going through. Mr. President, I met with Abe Goldin of Milford, CT, who has not been able to find work as a printer, despite 39 years in the business. At the height of his profession, he was making over $16 per hour. At a field hearing this past fall, he told me, Mr. President, that he would be lucky to find work for half of his former salary, if he could find any work at all.

Pamela Shea is a single mother with two children who lives in Meriden, CT. She was laid off last May by the Connecticut State Police Department. When she came before our committee in September, 4 months later, she told us how she was struggling to make ends meet, and it was almost impossible for her to care for her two children and search for a job at the same time.

Mr. President, I found that no one is safe or immune from this recession. Just this week, I received a haunting letter from a West Hartford resident named Allen Stenhouse. Mr. Stenhouse was a business manager at an insurance agency making close to $50,000 a year. He was laid off 3 years ago and still has not been able to find any work. Within 30 days, he wrote, he will be filing for bankruptcy.

Mr. President, these are three individuals, but they reflect what is going on in thousands and thousands of homes across my State, across my region of the country, and across this great Nation.

These are people who are hardworking Americans, people who have never been without work, people who have acquired skills, people who have acquired professions, people who have provided for their families, people who have been committed and have given to their communities, people who were involved. Yet, these individuals reflect what is going on day after day, hour after hour. Families are, for the first time, finding themselves incapable of providing for the basic needs of their own families.

For these and other Connecticut residents, Mr. President, our Nation's leader has shared just one piece of advice: Wait for the State of the Union Address. Well, expectations are very high today in our Nation's Capitol. Mr. President, people are desperately seeking solutions. They are tired of speeches and rhetoric. They clearly need leadership and, more particularly, they want action.

Hopefully, tonight's speech will offer the catalyst for the President and the Congress to work together, to set our economy back on track. We need to adopt—I think all would agree—solid, long-term solutions for the people, not only of my State but for the people of this great Nation.

Connecticut has been hit early and hard by this recession. In the last year alone, we lost 100,000 jobs in my State. Bankruptcies have gone up 220 percent in the last half of 1991, as compared to the year before. This December, Connecticut entered its 32d consecutive month of job losses, the longest economic downturn since World War II.

Frankly, Mr. President, in certain sections of my State, the unemployment rates are now higher than they were at the height of the Great Depression. Incredible as that is to believe, that is how tragic it has become in certain sections of my State.

The immediate future looks no better. In fact, for the period entering January 18, just a week or so ago, unemployment claims in Connecticut rose by more than 35 percent. The people of my State have not had it easy for the last couple of years, Mr. President. We have been losing high-paying, skilled manufacturing jobs since 1982. We have suffered through a State budget crisis that has left citizens and State lawmakers bitterly divided, to put it mildly.

Lately, the people of Connecticut have been met almost every day with news of another layoff in the defense industry. Just last week, United Technologies Corp. announced it would drop nearly 7,000 Connecticut workers from its payroll over the next couple of years and 14,000 people nationwide.

Some 18,000 employees of the Electric Boat Division of General Dynamics are waiting anxiously for this evening's speech and the budget that will come out in the next several days. Their very livelihoods, not to mention the industrial base of the only submarine manufacturer left in this great country of ours, may well be determined by the decisions announced this evening and over the next several days.

Mr. President, I point out that only a decade ago there were six manufacturers of submarine technology in the United States. It says volumes that today we are left with only one in this great country of ours capable of building a critical element for this Nation's national security.

If those people lose their jobs it will not only be an economic blow to my State. I would point out to the President and my colleagues here that if we lose those jobs, far more may be at stake. There are 39 nations, as we speak here this morning, that build or have some 400 submarines prowling the ocean floors this very day. Seventeen nations build submarines in the world today. We have one contractor left, and I suspect we may lose it this year, if the rumors are correct.

The people of Connecticut are no different from anybody around this country, Mr. President. I do not mean to focus just on Connecticut. But my State has felt it hard in these last couple of years, and I know people all across this country from the Midwest, the South, the Far West, are beginning to feel what we have felt over the last several years. They are worried about their jobs. They are worried abut their families. They are worried about their Nation and its future.

An older generation, Mr. President, of course, remembers fear, a generation that went through the Great Depression. I was born after the Great Depression, but I heard my parents and grandparents talk about what it was like to have fear, that fear of not knowing where the next loaf of bread or the next meal would come from.

My father was the first Director of the National Youth Administration in the State of Connecticut. He described to me about how people walked for miles to New Haven, CT, where the job office was, to see if there was not some work they could do to provide for their families.

I only know about that kind of fear because an older generation told me about it, Mr. President. But I think what I am seeing in my constituents' eyes today, what I see in other people's eyes around this country, is the same kind of fear that my parents and my grandparents talked about.

I finally understand, I think, what they were trying to describe to their children, what it was like to live in the latter part of the 1920's. I finally understood what it was like to feel that no one seemed to care, no one seemed to worry, no one seemed to be able to take action. Of course, a great President told us that the only thing we had to fear was fear itself, and he injected hope in the people of this country, and they began to build and bring themselves out of that misery.

Mr. President, I am seeing that kind of fear today. People fear that their dreams of owning a home, of starting a small business, of learning new job skills, are never going to come true.

They fear, Mr. President, maybe more so than anything else, for their children. It is one thing to fear for yourself and wonder whether or not you will have a job tomorrow, but when you fear for your offspring, wondering whether they will have a chance for a decent future, that more than any other fear, I suspect, is more gripping for a family than is trying to make ends meet. Mr. President, they fear their country is coming undone. They fear the country is fraying.

President Bush did not singlehandedly create this recession. It would be ludicrous to suggest that. What is unfortunate, Mr. President, is the President's repeated failure—repeated failure—to acknowledge the existence of this recession—or depression, as it is in some parts of our Nation.

The failure to even admit that these problems existed, I think, has limited the President's ability, quite frankly, to respond to this situation. And the President's stubborn refusal to look for real solutions has shortchanged the American people.

Of course, this is no time today, as we prepare to listen to the President's State of the Union Address, to just try and point a finger of responsibility. As I said earlier, Mr. President, this is a time to deliver solutions.

The questions we must ask ourselves are: What are those solutions, and how can we get about the business of putting them into action.

We already know, of course, the President's record. The President's priorities have been obvious. The very affluent, and special interests, have always come first, regrettably. For 4 years the President has neglected, as we now know, the concerns of middle-class Americans.

Once again, we hear the Bush administration wants to enact—and they seem exclusively focused on this—a broad-based cut for the capital gains tax. It is almost a mantra. Every time they talk about recovery, it is always the broad-based capital gains tax—a tax, as we all know, that would benefit the most affluent sector of our society.

Mr. President, I happen to believe there may be a role for a targeted capital gains tax in this economic equation we are talking about. But our equation must include far more than just a proposal that will make it possible for the most affluent to enjoy a tax break. Such a cut, a targeted cut, for new investment in small companies, if it were focused properly, I think, would help create jobs and stimulate new economic growth.

And I am pleased to hear the President may also finally embrace the idea of a tax break for middle-income families. Over a year ago, Members of this body pushed to give the middle-income class a tax break. Though the President's provision is late in coming, it is a hopeful sign that we may be able to deliver a tax break for those people this year. Mr. President, it is a good idea, and I hope it will be enacted.

If we want to get this economy moving again, we need to have more than just a quick political fix. We need real solutions that will restore fairness to the top of the economic agenda.

It means that we must do something to aid our cities which have been in steady decline. I should know, Mr. President. Connecticut has 3 of the 10 poorest cities in our Nation.

It means we must do something about trying to bring down the cost of health care while making it accessible to everyone.

It means we must extend unemployment benefits now for as long as they are needed.

It means we must implement economic policies that care about workers and people and not just statistics. The President tells us the drop in the defense budget over the next years will not hurt the overall economy. But he misses the trees for the forest. We need a sound policy to help communities, workers, and businesses to adjust to this massive reshaping of our spending priorities.

It means, Mr. President, we have to move with urgency on children's issues—and I am delighted to hear the President say that he is for the Head Start Program and WIC and child nutrition programs. But, Mr. President, it is a little late in coming.

Many of us here have fought for years to see to it that those programs receive adequate funding. And I would note, Mr. President, the present occupier of the chair, presiding over this body, was an invaluable asset to us as we fought with the limited resources that we had in our overall spending to see to it that children in this country would not end up in last place.

Hopefully, with the President this year finally on our side, we will get some additional resources, and those who are the most helpless in our society will at least be considered in a higher place than they have been over the last number of years.

Now is certainly the time to implement family and medical leave. There is no reason workers in this country should risk losing their jobs to raise a child.

Finally, Mr. President, as Democrats, we have to demonstrate that we can be both profamily and probusiness. To get our economy going, we have to give private industry the incentive it needs, and I respect and support that.

As I already said, I think the targeted capital gains tax cut or investment tax credit or research and development tax credits would reward long-term future investment, not provide a handout to the top 1 percent or so in our economy. We must revitalize the investment tax credit—and do it as soon as possible. We must make the research and development tax credit a permanent fixture of our Tax Code.

Most important of all, we need to work together this year. I know it is an election year—the American public is certainly aware of that—but I think we will do ourselves far more good politically, if you will, if we get about the business of trying to come up with some intelligent solutions to the problems the American public is desperately seeking. That ought to be our goal this year.

If we do that, then I am confident the politics will resolve themselves. And so while the temptation may be to recite just the history and the litany of all the reasons on how we have come to this particular point—and I have identified some of them here this morning, Mr. President—I think the American public is going to be far more interested in what we have to say about what we are going to do tomorrow after the State of the Union Address than how it was that we got ourselves into the situation we are in today.

If the President can escape the special interests that have held him hostage for the last 11 years—and I hope he can—then I welcome his participation in this debate in formulating the solutions that will get us out of this morass.

Mr. President, I have been, like most of my colleagues, to town council meetings and field hearings and meetings with citizens across my State. I have hosted roundtable discussions in all sorts of constituent gatherings. At each and every opportunity, people come up and say, "What is the Congress and the President going to do to get us out of this situation?"

Mr. President, the message is clear: We do not need to conduct polls or conduct surveys to find out whether or not the American public is interested in economic recovery in this country. Any person that has paid any attention whatsoever over the last several years should not have been able to avoid the message people are sending the President and their representatives. They want solutions. They want them soon. They want them to be meaningful.

Mr. President, I look forward this evening to the President's State of the Union Address. I hope it will be a positive, constructive one. I hope the President will do what he did on Inauguration Day, on January 20, 3 years ago, when the leadership of the Congress stood there on the western front of this building and the President of the United States extended a hand and said, "I want to work with the Congress to help come up with answers to our problems."

Unfortunately, that hand was extended that day but withdrawn almost immediately. My hope is he will extend that hand again tonight and say to the leadership in our Congress, let us do what I promised to do 3 years ago and try to come up with some answers for the American public.

That would be a welcome message tonight, and I will stand and applaud my President if, in fact, that is his message tonight.

Mr. President, I look forward in the weeks and months ahead to hopefully, one of the most constructive sessions of any Congress that I have had the privilege to serve in.

Mr. President, I yield the floor.

TROOP 10 OF ABERDEEN: A TRIBUTE

Mr. DASCHLE. Mr. President, on Sunday, February 2, the people of Aberdeen, SD, will celebrate an event that embodies some of the most important values on which this country was founded: brotherhood, patriotism, honesty, community service, tradition, excellence, and appreciation of the environment. Sunday, February 2, will mark the 75th anniversary of Troop 10 of the Boy Scouts of America. Sunday will also be "Boy Scout Sunday."

Virtually everyone is aware of the many important ways Scouting has touched the lives of America's young men and women. In fact, Scouting is so well established in this country that it has become woven into the very fabric of many of our communities. There is perhaps no greater evidence of that fact than the remarkable history of Troop 10 in Aberdeen.

Troop 10 was chartered in 1917. Its sponsor, the First United Methodist Church of Aberdeen, has remained its sponsor since its initiation and has provided the young men of Troop 10 invaluable and faithful support for 75 years. The church is apparently one of only two sponsors in the country who have made such a long-term commitment to a Scouting troop.

In its 75-year history, Troop 10 has seen many of Aberdeen's finest. Many of the troop's former Scouts have continued to support it. One such Scout who deserves special recognition is Joe VanDeRostyne, the young Scout who decided to give back to Troop 10 what his Scout leaders had given him, and is the troop's current Scoutmaster. Through nearly 20 years of direct involvement, Joe has provided the young men of Troop 10 inspirational leadership and friendship.

In addition to Troop 10's wonderful sponsor and dedicated Scoutmaster, there are several other people who deserve special recognition on this important anniversary. Troop 10's assistant leaders and committee people, including Bill Grate, Steve Miller, John Vidoloff, Alan Dixon, Jeff Owens, Todd Saylor, Rich Burroughs, Wayne L. Buss, Earl Kruse, Karen Mogan, Robert Webb, Mark Marion, and Dick Grebner, have provided essential support.

Finally, I want to recognize the current Scouts of Troop 10, who proudly carry on the tradition of this great organization: David Burroughs, Eric Buss, Kevin Jordanger, Brent W. Kruse, David A. Larson, Patrick Marion, Martin E. Miller, Corey Holt, Chris Roeszler, Jason Rudolph, Rob Vidoloff, Jeremy Wein, Alon Wiedenman, John W. Grebner, Nate Dixon, Kevin Franz, Aaron F. Holter, and James A. Berreth.

Mr. President, I am proud of the people who have been involved in the development of Troop 10 throughout its 75-year history, and I honor them all.

THANK YOU, ANN GARRABRANT, FOR YOUR YEARS WITH ENVIRONMENT AND PUBLIC WORKS

Mr. BURDICK. Mr. President, it is my honor today to pay tribute to a staff member of the Committee on Environment and Public Works who is retiring after 25 years of exemplary Government service.

Ann Garrabrant began working for the committee as a clerical assistant just 2 years after graduating from college. She proved her versatility and competence, gaining promotions to research assistant and professional staff member, her current position, and one that she has carried out with unrivaled expertise for 20 years.

The committee will lose a knowledgeable and precise public servant in Ann. I know my colleagues, committee staff, and agency members who have worked with Ann will feel the loss of this efficient and gracious staff member. Ann has already decided to shift her talent to genealogy research at the Archives, a hobby she has been pursuing. We wish you well, Ann, and heartfelt thanks and gratitude for your efforts in shaping the policy of Environment and Public Works.

TEN PERCENT LUXURY TAX ON BOATS

Mr. KASTEN. Mr. President, President Bush will propose the elimination of the 10-percent luxury tax on boats in his fiscal year 1993 budget proposal. I applaud this action. I voted against this disastrous tax when it was enacted in 1990, and I worked throughout 1991 to repeal the tax.

On September 17, 1991, following a Small Business Committee hearing that examined the impact of this tax on boat builders and workers, I introduced a sense-of-the-Senate resolution calling for repeal of the luxury tax on boats. On November 21, 1991, the U.S. Senate approved this resolution overwhelmingly by a vote of 82–14.

It is clear to me that there is tremendous support in the U.S. Senate for repeal of this tax. I will be working closely with the administration and my colleagues in the Senate to ensure that this tax is quickly repealed and that repeal is made retroactive to January 1, 1992. This effective date is vital to stimulating the purchase of boats and preserving thousands of jobs in the boat building industry.

This tax has backfired. It has put thousands of middle-class workers who build boats in the unemployment lines.

An industry that is vitally important to Wisconsin has been singled out for economic destruction. In my State, Carver Boats in Pulaski, Cruisers Inc. in Oconto, Skipperliner in La Crosse, Kracor in Milwaukee, Harken Yacht Co. in Pewaukee, and others are all suffering serious damage from this tax.

Hundreds of workers in my State will soon lose their jobs if this tax is not repealed. Thousands will lose their jobs across America. It is inconceivable to me that Congress is unwilling to help these people and save their jobs.

Some have argued that the job loss in the boating industry is due entirely to the recession. This is clearly wrong. Since last year, when the boat tax went into effect, there has been a 70-percent drop in the sale of boats subject to the luxury tax, those over $100,000. By contrast the sale of boats under $100,000 has declined by 34 percent.

In Wisconsin, the sale of boats subject to the tax is down 80 percent this year, and the sale of those not subject to the tax is down 40 percent.

Obviously, the recession is a major factor. In 1989 and 1990 the recession cost 100,000 marine workers their jobs. But adding the luxury tax on top of this was clearly the last straw. It is literally destroying an industry that was already in desperate straits.

The luxury tax on boats tax is anything but a luxury for the 19,000 middle-class workers who have lost their jobs because of it.

Time is running out. In addition to putting thousands of middle-class workers in the unemployment lines:

The boat tax is forcing plant closures.

It is aiding our foreign competitors by destroying one of America's finest manufacturing industries.

It is costing the Government far more in lost tax revenue and collection costs than it will raise.

This tax must go now. Every month Congress delays, more workers lose their jobs.

Throughout 1991 there was no shortage of evidence concerning the tremendous destruction that this tax has brought to the marine industry. Congress has heard testimony from unemployed boat workers and from boat builders. Businesses have closed, the unemployment lines have grown longer, and still Congress has done nothing.

This inaction is no longer acceptable, Congress must act now.

Another ironic aspect of this tax is that the Federal Government is losing millions of dollars from this tax. A report put out last July by the minority staff of the Joint Economic Committee shows that the Federal Government lost millions from this tax in 1991.

On top of all the suffering and job loss, we have a tax that does not even raise money for the Government.

Last fall, at the Senate Small Business Committee hearing to examine the impact of this tax on small businesses, witnesses from both the manufacturing and retailing sectors testified to the job loss and devastation that this tax is bringing to the marine industry. Particularly compelling was the testimony of Chet Markley, president of local S88 of the International Union of Shipbuilding Workers of America. Mr. Markley is one of the thousands of workers who has lost his job because of this tax. He stated clearly that the members of his union are the victims of this tax, not the wealthy.

Congress must listen to America's boat builders and repeal this tax now. I look forward to working with my colleagues in this effort.

DR. RUTH LITTMAN

Mr. PACKWOOD. Mr. President, it is with great sorrow that I speak today to honor Dr. Ruth Littman, who died January 26 at Huntington Hospital in New York. A native of Berlin, Germany, she came to the United States soon after World War II. Through the years she has perfectly embodied the sense of a dedicated citizen.

Dr. Littman had many interests. She composed songs all her life, adapting her creative ability to a foreign tongue, and went on to set up Littman's Music Publishing Co. Among the numerous speciality songs she wrote, two stand out in my mind: "The Safety Song," written to help protect children, and a lullaby, "Pleasant Dreams," written in honor of the birth of President John F. Kennedy's baby son.

Politics was her life and in this she was always solidly supported by her husband of 44 years, Max Littman. Confined to a wheelchair since 1967, Ruth Littman was one American who truly made a difference in the course she set for herself. Party affiliation did not concern her. Ruth chose the issues she was concerned with, and then worked with those who could help get the job done. We shared many of those issues. She achieved outstanding recognition through her work with the prochoice movement, child abuse prevention, senior citizens, the disabled and the homebound, and recently was promoting legislation for health care reforms.

Ruth Littman's grasp of principle earned my confident regard, not a commodity that readily survives rapid change these days. She touched the lives of so many that her death brings sadness to a host of friends across the country. She was greatness with grace—a friend who enriched our lives and leaves us with fond memories which we shall always treasure. We are sorry to lose her formidable knowledge of human experience, her conviction and expectation, her warmth, wit, and wisdom. Her legacy to the many lives she touched should give pride and comfort to all of us.

COMMENDATION OF GEN. CHARLES E. DOMINY

Mr. WARNER. Mr. President, since June 1987, Maj. Gen. Charles E. Dominy has served as the chief of legislative liaison for the U.S. Army. At the end of last year, General Dominy was nominated for his third star, and selected as the director of Army staff. I am pleased to have this opportunity to remark on the fine service he has offered, and continues to offer, the Congress, and the Secretary of the Army.

General Dominy's distinguished career has spanned 29 years, and has included command of the U.S. Army Missouri River Engineering Division, service as the executive officer to the Secretary of the Army, and service as district engineer of the U.S. Army Savannah Engineer District. He is a graduate of the Army War College and holds a master's degree in civil engineering. A combat veteran, he was twice sent to Vietnam, and served there with valor.

As the chief of the Office of Congressional Liaison, General Dominy's mission was to keep the Congress informed by providing complete, timely, and frank information. In this, he succeeded brilliantly, at a time when the need was pressing. Conflicts in Panama and the Persian Gulf, the end of the cold war, overwhelming change in global affairs, and a thorough reevaluation of our Nation's own military posture all necessitated a well-informed Congress. General Dominy was always particularly sensitive to the need of Members and staff for up-to-date, accurate information, a characteristic that has been acknowledged with gratitude by many of my colleagues in both Chambers.

I am particularly pleased to commend General Dominy today because he is a fellow Virginian, born in Arlington and educated in Fairfax County before going on to the U.S. Military Academy at West Point. In fact, despite the transitive lifestyle of the military, he, his wife Mary, and their three children have kept their roots in their native Commonwealth, where the general's father also has his home.

Service and dedication to duty have been the hallmarks of General Dominy's tenure as chief of legislative liaison. The positive nature of the relationship between the Congress and the Army is due in large measure to his stewardship. As General Dominy moves on to a well-deserved promotion to lieutenant general, and new duties, I would like once again to express my sincere appreciation for his outstanding service and support, and to wish him continued success.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

STRENGTHENING EDUCATION FOR AMERICAN FAMILIES ACT

The PRESIDENT pro tempore. The Senate will resume consideration of S. 2, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2) to provide the achievement of national education goals, to establish a National Council on Education Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes.

The Senate resumed consideration of the bill.

Pending.

(1) Nickles amendment No. 1479, to enhance educational opportunity, increase school attendance, and promote self-sufficiency among welfare recipients.

(2) Kasten amendment No. 1482 (to Amendment No. 1479), to change the effective date to June 1, 1992.

(3) Metzenbaum amendment No. 1483, to discourage States from offering tax incentives that reduce the amount of Federal, State, or local funds available in such State for educational purposes.

(4) Seymour amendment No. 1487, to provide for mandatory parental involvement for students enrolled in choice programs.

(5) Seymour amendment No. 1488, to permit the establishment of SMART Schools as new public schools.

(6) Wirth/Wellstone amendment No. 1490, to express the sense of the Senate concerning investments in education and school-to-work transition initiatives.

(7) Wirth amendment No. 1491 (to Amendment No. 1490), in the nature of a substitute.

(8) Kennedy amendment No. 1492, of a technical nature.

Mr. PELL addressed the Chair.

The PRESIDENT pro tempore. The Senator from Rhode Island [Mr. PELL].

Mr. PELL. Mr. President, this is an auspicious day. The President will deliver this evening his long-awaited State of the Union Address, which we all hope will contain a series of solid proposals to pull us out of the recession that is taking such a terrible toll on our Nation.

It should be an auspicious day in another respect as well. We have every reason to believe and expect that it be the day that the President offers us the substantive program required to make America first in education. For only if he offers a series of bold, new initiatives can he hope to earn the mantle of "Education President."

If the last several years are any indication, however, it is clear that leadership in education will continue to be associated with the Democratic leadership in Congress, and with its longstanding commitment to improving American education at every level. One need only look at the record to understand that it has been the Democratic Congress, and not the President, that has provided leadership in education. And, one need look only at the pending legislation to understand that it is the Democratic Congress, and not the President, that is willing to undertake the action necessary to bring excellence to every aspect of American education, and to make sure that this Nation becomes the foremost education nation in the world.

I would be remiss, however, if I failed to point out an important caveat. For the most part, education in the Congress has been the product of bipartisan cooperation. We have worked together to solve the serious problems confronting American education. By and large, we have done so without injecting partisanship into the debate. When we have had differences, we have agreed to disagree without letting that disagreement overshadow an overwhelming consensus on the overall legislation. My hope, therefore, is that the spirit of bipartisanship will continue to prevail within the Congress. Excellence in education is most certainly a goal we all share, and one which should not be subjected to a highly charged atmosphere of partisanship.

Since 1987, the Congress has been under Democratic leadership, and during that period it has reauthorized two major pieces of education legislation. In 1988 we rewrote the Elementary and Secondary Education Act and strengthened the Chapter 1 Program of compensatory education for poor children. We provided a new focus upon basic skills for disadvantaged students in both elementary and secondary school. We also required each Chapter 1 school to increase the test scores of its disadvantaged students in order to qualify for additional Federal aid.

In 1990, we enacted a new Vocational Education Act. For the first time that act requires linking basic skills instruction and vocational training. It also stipulates that training be state of the art, and be provided for jobs that actually exist in the community. We also included provisions for performance standards to evaluate the progress of Federal vocational education programs.

We also attempted to enact major parts of the President's education initiative, a much-needed National Literacy Act, and a National Teacher Act to attract talented people into teaching and to upgrade the skills of those already in the classroom. Unfortunately, that legislation was killed by objections from the other side of the aisle in the closing hours of the session.

Last year, we passed the National Literacy Act and reported out of the Labor and Human Resources Committee both S. 2, the Neighborhood Schools Improvement Act, and S. 1150, the reauthorization of the Higher Education Act. We sought to bring the elementary and secondary education bill to the floor late last year, only to be blocked again by objections from the other side of the aisle.

Fortunately, the Neighborhood Schools Improvement Act is now under consideration on the Senate floor, and I believe most of us are very hopeful that its passage will be imminent. Also, within the near future, we hope to bring the higher education bill to the floor with the hope that it too might be passed early in this session.

In regard to both of those bills, it is important that we understand the basic difference between what the President proposed and what the Democratic Senate has offered. In the area of elementary and secondary education, we have offered an educational reform package that would bring much-needed help to those schools where the need for reform was the greatest. That approach stands in stark contrast to the President's proposal where only 535 schools, or about one-half of 1 percent of the schools in our Nation, would receive help and where there would be no guaranteed focus on sending aid to the schools that need reform most.

Also, we would leave the decision on funding to the States in the belief that they are not only closer but also more knowledgeable about education within their borders than is a national Secretary of Education.

Educational reform is something that must sweep the Nation. If our educational system is to become second to none, it cannot relegate reform to an elite few. If we are to excel in education, we must improve all American schools so that all American students are winners. That is precisely what the Democratic legislation seeks to do.

If we are to keep the doors of educational opportunity open for all Americans, we must have a Higher Education Act that aids both poor and hard-pressed middle income families. That means improved and expanded student aid programs. It means simplifying the application process so that families can understand and complete the necessary forms without difficulty. But, most important, it means increasing Pell grant funding to the point where that program can become an entitlement. These objectives are embodied in the Higher Education Act reauthorization bill now ready for floor consideration, and I remain very hopeful that we will be able to act on that legislation in the very near future.

In education funding, the Democratic Congress has also provided strong leadership. When the President sought to increase education funding by only 2 percent, which was about half the inflation rate, the Democrats sought and achieved education funding increases totaling almost 10 percent. Last year, when the President sought to increase education funding by approximately 3 percent, the Democratic Congress responded with an increase of approximately 18 percent.

It is also important to note that those increases came not in new and untested areas, but in a series of tried and true programs that we know work and work well. I am speaking of programs such as the Chapter 1 Program of compensatory education for poor children, vocational education and training, adult basic education to improve literacy, dropout prevention, education for the disabled, student aid, the TRIO programs, and assistance to improve our Nation's libraries.

There are other important items on the education agenda as well. For instance, if our children are to enter school ready to learn, then surely we must fully fund the Head Start Program. Nothing could be clearer than that. Despite all of the hype, the basic fact is that the President's proposal in this area falls far short. For the future of our children, we have the right to expect more.

If we are to remain leaders in the world economy, we must improve and strengthen the linkage between education and the workplace. This will be a major area of focus this year as we seek to build upon the progress achieved in the last reauthorization of vocational education.

Make no mistake about it, however: Change in this area will not come by drawing a new organizational chart. One does not simply do away with a program that is working well in meeting the objectives for which it was designed. Both vocational and adult education play vitally important roles. New approaches in job training should not come at their expense; they should complement the excellent work they are doing.

If a new priority is to be placed on education in this country—and I believe deeply that should be the case—then it is clear that we must place a new emphasis on educational research and innovation.

The effort to develop national standards in education is most encouraging.

To reach those standards, however, will require hard work. To my mind, some form of testing, even if voluntary, lies at the heart of achieving those standards. This year we will reauthorize the Office of Educational Research and Improvement, and it is clear from the outset that this will be one of the major issues to be addressed in that legislation.

Mr. President, I am afraid that the education record of this administration thus far contains far more rhetoric than action. Yet, while the administration has talked about education, we in Congress have done something. We have worked hard to streamline and modernize existing programs, to start new initiatives where they are needed, to be concerned that all of American education must be upgraded if we are to retain a position of world leadership, and to provide sufficient funding so that our education programs can be effective.

Mr. President, we would welcome bold, new education initiatives from the administration, and we would literally be overjoyed to hear a series of such proposals in this evening's address. We reserve, however, the right to offer constructive criticism, to applaud the program when and where it is good, to point out its inadequacies and then seek to overcome them, and to fashion a program that truly seeks to make sure that America has a world class education.

Like our Nation's economy, we have a crisis in American education. It affects every level of education in this country, and reaches into every State and virtually every community in America. It is a crisis that can be solved only by solid programs and a spirit of cooperative action. It cannot be solved by code words, political gimmicks, and proposals that are not up to the dimensions of the crisis.

All partisanship aside, every American wants the President to become the Education President. But we all recognize that cannot be achieved by words alone. One can become the Education President only by word and deed.

We expect the President to offer new programs, but we also have every right to expect that those programs be bold and substantive. We need new ideas, new techniques, and new approaches. And, just as important, we need them at every level and in virtually every schoolroom in the Nation.

We should also expect the President to see and understand that we have some excellent Federal programs already in place. Those programs need only to be strengthened, and in many instances, that strength can come simply from additional funding. Given the plight of the economy, additional funding is not an easy answer. It is difficult, for with the commitment must come the determination to find the necessary funding.

I would stress that more money certainly is not the only answer, but we cannot expect to move ahead without adequate funding of education. Also, if a program is working well and yet reaches only half of the population it is intended to serve, additional funding is absolutely critical.

Finally, I would point out that improving American education cannot be achieved by political gimmicks and code words. It cannot be accomplished by pointing the finger of blame, for I believe we all know that there is plenty of blame to go around for everyone.

This is the time for us to come together, to understand the immensity of the crisis before us and the magnitude of the action that will be required. It also means new programs that strike more than a political chord and actually go to the heart of our problems in education.

If we are to achieve the goals set forth last year by the President and the Governors, we must recognize that each of us has an important role to play, that there may be other goals that are equally important, and that programs to speed education on its way toward meeting all those goals are required at every level.

For our part, in the Senate we stand ready to build upon what we have already done. We stand ready to work with the President just as we sought to do last year. But most of all, we stand ready to help build the kind of educational system that will keep America in the forefront of competition in the world economy. We seek, in short, to make sure that excellence is the byword of American education.

The PRESIDING OFFICER (Mr. KERREY). The Senator from Montana.

Mr. BAUCUS. Mr. President, I ask unanimous consent to proceed as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL 301

Mr. BAUCUS. Mr. President, I rise today to discuss one of the United States' most important weapons in addressing unfair foreign trade practices, the Special 301 provisions of the 1988 Trade Act.

BACKGROUND

Special 301 is sometimes confused with two related U.S. trade laws, Section 301 and Super 301. Special 301 is a permanent U.S. trade law addressing foreign piracy of intellectual property, including films, computer software, chemicals, and pharmaceuticals.

Congress created Special 301 with two facts in mind.

First, intellectual property is enormously important to the U.S. economy. At a time when some would question the ability of U.S. industry to compete abroad, American intellectual property is leagues ahead of the competition.

For example, American film and television programs alone generate a $3.5 billion trade surplus each year. American pharmaceuticals generate a $1 billion surplus.

Second, U.S. intellectual property is under attack worldwide. Pirates from Taiwan to the United Arab Emirates to Guatemala are adept in the production of copycat versions of American intellectual property. For instance, often before an American film is released in the United States pirated versions appear on the black market around the world.

The damage to the U.S. economy is stunning. According to the U.S. International Trade Commission, pirating of American intellectual property costs the United States between $43 and $61 billion annually in lost exports. If this piracy were eliminated, the lion's share of the U.S. trade deficit would disappear.

To respond to this piracy, Congress created Special 301.

Special 301 requires USTR to formulate an annual list of countries that allow the most egregious piracy of U.S. intellectual property. Once it has identified "priority foreign countries," Special 301 directs USTR to negotiate agreements to end piracy within 6 to 9 months. If pirate countries refuse to reform, Special 301 authorizes retaliation against the exports of the offending country.

In addition to naming "priority foreign countries," USTR has created "watch lists." Countries that allow some piracy, but not enough to be named a priority country, are placed on a watch list. Placement on a watch list warns countries that future action may take place under Special 301 unless the piracy is stopped.

THE RECORD OF SPECIAL 301

I have not always been pleased with the Bush administration's implementation of Special 301. In 1989 and 1990, for example, the administration established the watch lists, but declined to name any priority foreign countries.

Last year, however, the administration finally began to apply Special 301 as Congress intended. Three countries—China, Thailand, and India—were named as priority foreign countries.

Indeed, in a period of only 3 years, Special 301 has emerged as perhaps the single most effective U.S. trade statute. It has been used to protect film rights in Indonesia, to urge new copyright and patent protections in Mexico, and to start the reform process in Argentina.

Recently, Special 301 negotiations with China were brought to a remarkably successful conclusion. USTR negotiators secured new protections for computer software, sound recordings, agri chemicals and pharmaceuticals. The U.S. intellectual property industries involved have applauded the new agreement.

Mr. President, I ask unanimous consent that statements from several industry groups, as well as an article recently in the Wall Street Journal, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COPYCAT CRIME: VIDEO PIRATES ABROAD FACE A SWASHBUCKLER WORTHY OF HOLLYWOOD

(By Damon Darlin)

SEOUL, SOUTH KOREA.—The last time Richard O'Neill saw him, Kim Kyoung-In was dashing down a Bucheon alley in his stocking feet fleeing police.

Besides his shoes, Mr. Kim left behind video copying equipment, electronic image enhancers and hundreds of copied tapes of popular American movies. To Mr. O'Neill, the Motion Picture Export Association of America's man in Seoul, these were the smoking guns of a videotape counterfeiter. And Mr. Kim, he believed, was a key figure in the Bucheon Ring of video pirates who were supplying many of Seoul's video-rental shops.

It would be months before Mr. O'Neill was back on the pirate's trail, all the while shocking video-store owners with surprise raids and seizures, and spreading fear through the underground industry by pressing exposed bootleggers into service as informants. He would suffer harsh criticism from Korean video-store associations, harassing phone calls in the night and a cat nailed to his door. "I left it up there," he says. "I don't like cats, anyway."

But Mr. O'Neill, former Green Beret soldier and Vietnam War veteran, is helping the American movie industry make big gains in the war against the Korean underworld of counterfeit tape makers and distributors. When the burly Mr. O'Neill flew into Seoul two years ago, about 85% of the 30,000 video shops in Korea sold pirated tapes. U.S. movie studios complained that pirates were beating them to the stores with movies, stealing a lucrative market.

Adapting guerrilla tactics he says he learned fighting the Viet Cong, Mr. O'Neill has reduced the share of stores selling bootleg tapes to under 30%. "Genghis Khan had a lot of good ideas," he says. The score so far: 734 raids, 140,816 tapes seized or destroyed, 155 convictions, and hundreds of cases pending.

THE COSTS OF COUNTERFEITING

Mr. O'Neill's war is important to American movie makers. The industry reels in about $1 billion in revenue from Asia each year, but loses almost $400 million in potential sales to piracy. (Movies are a leading U.S. export, with overseas revenue of more than $3.5 billion a year.)

Pirating in Asia is no mom-and-pop trade. It is a sophisticated business in which bootleggers copy the latest titles by running 25 or more VCRs at once, and then packing the tapes in what looks like genuine packaging. Some even carry clever counterfeits of the silvery holograms designed to guard against bootlegging.

The legitimate movie industry is happy with Mr. O'Neill's work. "He is a tremendous asset," says Ron Putnam, head of anti-piracy efforts for the Motion Picture Export Association's Asia-Pacific region. Authorized video distributors in Korea report that 1991 sales more than doubled, and several say this year will be even better.

More important, Mr. O'Neill's methods are being taught to anti-piracy officials in other Asian countries, such as Malaysia and Thailand, where more than 85% of stores sell pirated tapes. (In India, all stores are believed to do so.) Makers of computer software, luggage and even machined parts are taking an interest in his anti-pirating techniques, which rely on computers, persistence, long hours and a refusal to be intimidated by pirates or indifferent government officials. "Dick is a unique character and much of his success is due to him personally," Mr. Putnam says. "But his methods can be applied elsewhere."

COUNTERFEITING CAPITAL OF THE WORLD

South Korea has been among the world's worst offenders. Its streets are famous for fake Louis Vuitton bags, rip-off Reebok athletic shoes and bootleg Lotus 1–2–3 software. The copy culture is so deep here that major Korean companies don't hesitate to use Disney-like characters for mascots, appropriate the Batman logo or replicate distinctive packages such as Johnson & Johnson's teardrop-shaped baby shampoo bottle or Procter & Gamble's Tide box.

Korea is changing, but Mr. O'Neill's tough tactics are making Korea change faster. Mr. O'Neill, 5 feet 11 inches tall, weighing more than 250 pounds, and 43 years old, craves whatever action he can find. He grew up in New York City, joined the Army, and gained a commission as an officer. In three years in Vietnam he received a Silver Star and six Bronze Stars, he says. After studying law enforcement at the University of Nebraska in Omaha, he helped set up security for the Seoul Olympics. Hollywood found him in the Philippines doing security work for a U.S. company.

Once in Korea, he set out to get to know his enemy. He and his staff of six Koreans, clipboards in hand, began surveying all 30,000 video shops in Korea. On detailed city maps, they started plotting stores that sell only legal tapes with blue dots and stores with pirate tapes in red. Yellow dots would mark stores that reformed their ways after visits by one of Mr. O'Neill's "market surveyors." (Private detectives are illegal in Korea, hence the euphemistic job description.)

Soon, with prodding by Mr. O'Neill, the police raids began. Mr. O'Neill's strategy: Hit the biggest store in a sea of red dots to scare the rest into compliance. "It's Genghis Khan. You burn one village and leave a few survivors to tell the rest," he says. Nowadays, all he has to do is send a letter asking when it would be convenient to make a raid. He gets photos, via registered mail, from frightened store owners showing them burning piles of counterfeit tapes. "It's the damndest thing. But I got a drawerful of them."

Mr. O'Neill is even so bold as to pose as a buyer and pass out business cards with such names as "I.B. Kuhl," "Dr. Felix deKhatt, Famous Psychiatrist," or "Father Richard of the Friars of St. Valenti," a reference to Jack Valenti, head of the U.S. Motion Picture Association.

Members of the Korean Video & Phonograph Sale Shop Association aren't laughing. In fact, they are angry about Mr. O'Neill and his aggressive style. "We don't know which tapes are pirated," says Jin Suck-Ju, an association director. He admits that shopkeepers sometimes buy from unauthorized dealers in order to get popular titles faster. A bona fide tape sells for about $27. A good pirate version sells for about half that. "The high price the Americans charge is the main cause of piracy," says Shim Yong-Tae, another store owner. "That forces the Korean people to copy. Otherwise we can't make a profit."

RECRUITING INFORMANTS

Most reailers get off with a warning. But with shop owners who could face criminal charges, Mr. O'Neill presses them to turn in other video outlaws. "It works against clandestine organizations," he says. Often, they tell Mr. O'Neill or his quiet right-hand man, Kim Kun-Soo, a former Korean marine, the location of pirate tape inventories. Acting on an informant's tip, Mr. Kim led police to a cache of videos hidden under sacks of rice in a store across the street from a Seoul video shop. Sometimes informants lead Mr. O'Neill to distributors. Some even become agents, infiltrating the pirate distribution chain.

One informant told Mr. O'Neill about a meeting of outlaw manufacturers who were gathering to discuss what to do about the new American in town harassing them. Mr. O'Neill got one of his men to pose as a parking-lot attendant. He took down license numbers that led to the identities of many major bootleggers.

With his reputation well established, some tips now come walking through his door. A pirate's estranged wife informed on her husband last year because he wasn't providing her enough money. "Can't you do anything to get him?" she asked. Mr. O'Neill was happy to oblige her.

Mr. O'Neill's quarry is still a slippery prey. He spent days in a cheap hotel, listening and monitoring power meters, to find the room where a pirate was operating. When he finally made his move, bursting through the door with police, all they found were two stunned lovers in a clinch. The suspect had moved across the hall.

It was luck that put him on the trail of Mr. Kim, the shoeless pirate. A rival distributor, angry that Mr. Kim had invaded his turf, led Mr. O'Neill and police right to the shop in Bucheon. But the raid was a bust when Mr. Kim and his associates saw police and fled.

MAN'S BEST FRIEND?

Mr. Kim left his dog, a light-brown mutt that the informant said Mr. Kim adored. Mr. O'Neill kept the dog for weeks, hoping Mr. Kim would call to make a deal. He didn't, so the investigation continued.

On a computer in his office above a Shakey's Pizza parlor, Mr. O'Neill drew links between shops, distributors and manufacturers in what he calls an "intel-association matrix." In the list of 120 suspected manufacturers and distributors, Mr. Kim's name was still being linked to seven men known as the Bucheon Ring, named for the industrial city west of Seoul where they operated. Also, printed tape boxes, each baring almost imperceptible manufacturing marks typical of Mr. Kim's operations, were popping up at various stores, suggesting he was still in business. But where?

Then, last fall, informants found Mr. Kim, the alleged pirate, operating in a house in northeast Seoul. When police swooped in, they confiscated 34 VCRs, 6,000 tape boxes, 1,320 blank tapes, plastic shrink-wrapping machines, and 540 copies of "The Star Wars: Empire Strikes Back," among other titles, including "Terminator 2," which hadn't been released here on video. They also caught Mr. Kim.

Mr. O'Neill says within six months he will have the share of Korean stores selling pirate tapes below 20%. (in the U.S. and Japan the rate is 12%.) But already pirates are finding new outlets for their ware: Video theaters showing movies copyrighted before 1987, and thus unprotected under Korean law. Others are wiring Korean homes to rogue cable systems.

The movie studios now have Mr. O'Neill traveling to Thailand, where pirate tapes are sold openly on streets to tourists (though the videos won't play on American TV sets). He recently raided a shop in Bangkok that carried 44,000 bootleg tapes. "We've never seen anything of that scale in Seoul," he says. "It is real cowboy and Indian country down there."

CHINA AND UNITED STATES CONCLUDE NEGOTIATIONS LEADING TO NEW CHINESE PRODUCT PATENT PROTECTION

WASHINGTON, DC.—The following statement was released by PMA President Gerald J. Mossinghoff in response to the new Chinese product patent protection agreement reached in final negotiations between U.S. and Chinese officials:

America's research-based pharmaceutical companies are pleased that Chinese and U.S. government negotiators have struck an important agreement that will lead to early pharmaceutical product patent protection in the People's Republic of China. This breakthrough opens the door to increased U.S. pharmaceutical sales to a very important market.

The intense intellectual property protection negotiations between Chinese government officials and officials from the office of U.S. Trade Representative Carla Hills have concluded successfully. Both sides are to be praised for their diplomacy and sense of responsibility.

The People's Republic of China has agreed to: provide 20-year product patent protection; provide pipeline protection for pharmaceutical products invented as early as 1984 and provide a substantial period of market exclusivity for such products, and pass and implement product patent protection by January 1, 1993.

The steps outlined in the agreement are a major contribution to intellectual property rights protection in the world's largest country. The agreement marks a major step forward to a position of leadership for China in intellectual property rights protection in the developing world.

This agreement will mean a greatly enhanced trade relationship in the pharmaceutical sector between our two countries and improved health prospects for the Chinese people.

The agreement between U.S. and Chinese negotiators demonstrates that important developing countries—such as China—are fully capable of enacting patent protection for pharmaceutical and chemical products immediately. Indeed, the Chinese government has demonstrated a willingness to correct the inequities in its intellectual property relationships with the United States.

The promise of this agreement can only be realized by faithful implementation, as well as by the continuation of a growing commercial relationship between the United States and China. The PMA, because of this breakthrough, supports further development of the U.S. relationship with China, including support for Most Favored Nation (MFN) status for China.

We can only offer our appreciation and thanks to Ambassador Hills and her colleagues. Once again, they have demonstrated their ability to respond decisively and successfully in the continuing fight against international patent piracy. This fight is one for U.S. exports and U.S. jobs in the high technology American research-based pharmaceutical industry.

IIPA APPLAUDS SETTLEMENT OF INTELLECTUAL PROPERTY DISPUTE WITH THE PEOPLE'S REPUBLIC OF CHINA

WASHINGTON.—The International Intellectual Property Alliance (IIPA) today applauded the U.S. Trade Representative Carla Hills' announcement that the United States has entered into an agreement with the People's Republic of China [PRC] which will extend full copyright protection to U.S. and other foreign copyrights at internationally acceptable levels. U.S. Ambassador Hills had previously announced that trade sanctions would be imposed if the PRC were unwilling to provide full protection for U.S. intellectual property.

Under the Memorandum of Understanding [MOU] signed between the U.S. and the PRC, the Chinese government has committed to raise further the level of protection afforded under its current copyright law (adopted in 1990) and extend the protection of that law to foreign works. Until this agreement, the PRC protected only works of Chinese nationals or works first published in the PRC, and had refused to provide, for example, copyright protection to U.S. computer software as a literary work as required by the Berne Convention.

In the MOU, the PRC agrees to extend protection to all foreign works by joining the Berne Convention effective October 15, 1992 (which will protect U.S. books, movies, music and software), the Geneva Phonograms Convention, effective June 1, 1993 (which will protect U.S. sound recordings), and to protect all these U.S. copyrighted works even before adhering to these Conventions effective 60 days after the signing of this agreement. Another critical feature of this agreement is that it will extend protection to all U.S. copyrighted works created prior to the date the bilateral is signed so long as those works remain protected in the U.S.

The agreement also commits the Chinese government to provide effective enforcement to reduce and eventually eliminate the severe losses now suffered by U.S. industry through piracy in the PRC.

Commenting on this historic agreement, Eric Smith, General Counsel of the IIPA, said "We commend Ambassador Hills and the Administration for insisting that the PRC bring its copyright protection up to an acceptable level. The copyright industries have suffered severe and growing losses due to piracy over the years while we patiently awaited China's decision to protect our intellectual property. We hope we will begin to see these losses diminish.

"This Agreement has been long awaited," he added, "and demonstrates that the Chinese government is now committed to implement internationally-accepted high standards of copyright protection. The IIPA applauds China for showing real statesmanship in agreeing to adopt Berne Convention levels of protection and to enforce the new regulations which will be adopted implementing this agreement. In recognition of this statesmanship and the PRC's commitment to protect U.S. copyrights, IIPA is prepared to speak favorably before the U.S. Congress on the issue of according MFN status to the PRC."

On implementation, Smith commented, "Any benefits we see, of course, will depend on China's good faith implementation of the agreement and on enforcement. We fully expect scrupulous and vigorous compliance with the commitments made in this MOU."

The IIPA, formed in 1984, is composed of eight trade associations, each of which, in turn, represents a significant segment of the copyright industry in the United States. Those associations are: American Film Marketing Association (AFMA); Association of American Publishers (AAP); Business Software Alliance (BSA); Computer and Business Equipment Manufacturers Association (CBEMA); Information Technology Association of America (ITAA); Motion Picture Association of America (MPAA); National Music Publishers' Association (NMPA) and Recording Industry Association of America (RIAA).

The IIPA represents more than 1,500 companies which produce and distribute computers and computer software; motion pictures, television programs and home videocassettes; music, records, compact discs, and audiocassettes; textbooks, tradebooks, reference and professional publications and journals. These core copyright industries accounted in 1989 for over $173 billion in revenues from their copyright-related activities, or 3.3% of the U.S. GNP. According to a report prepared for the IIPA by Economists, Inc. entitled "The Copyright Industries in the U.S. Economy," these industries grew at more than twice the rate of the economy as a whole between 1977 and 1989 (6.9% vs. 2.9%), and employed new workers at a greater rate—5% between 1977–1989—than any other comparable sized sector of the U.S. economy. These industries delivered over $22 billion in export earnings to this country in 1989.

Mr. BAUCUS. Mr. President, our experience with Special 301 carries several important lessons. First, negotiations work best when the United States sets priorities and deadlines. Special 301 requires USTR to target the worst violators of U.S. rights and puts time limits on the negotiations.

The deadlines force decisions both here and abroad. Recently, Special 301's deadline gave USTR negotiators the leverage to keep China from dragging on talks forever.

Second, the United States must be willing to stand up for its trading rights; again the China talks are instructive. The Chinese knew that if they did not commit to reform, the United States would implement proportional retaliation against Chinese exports to the United States. The credible threat of retaliation convinced China's leaders that they must reform their intellectual property laws.

Special 301 action against China demonstrates an additional lesson about the effectiveness of tailored trade tools. As I have argued for some time, we have a better chance of reforming Chinese behavior if we use policy tools specifically tailored to the problem we seek to address, instead of simply threatening to cut off all trade by revoking MFN treatment.

NEW SPECIAL 301 DECISIONS

This spring, USTR must again make a determination as to U.S. priorities in the continuing battle to protect intellectual property rights, and many problems remain.

Taiwan, Thailand, India, and Poland are cited for piracy by almost every sector of the intellectual property industry. Additionally, the motion picture industry faces blatant piracy in Guatemala and Greece. Illegal copying of American computer software continues in Germany, Italy, and Korea.

United States sound recordings are pirated in Paraguay and the United

Arab Emirates. U.S. pharmaceutical manufacturers lose hundreds of millions of dollars to knock off producers in India, Brazil, and Argentina.

The administration should look carefully at these and other cases as it considers priorities for 1992.

CONCLUSION

Many were hopeful that multilateral action in the Uruguay round would decrease the importance of United States laws such as Special 301. Unfortunately, new GATT protections on intellectual property appear modest. Negotiators may well fail even to conclude the round.

Creating comprehensive rules governing intellectual property protection worldwide is an important goal. Perhaps one day an effective international regime will make Special 301 unnecessary.

In the meantime, USTR must continue its willingness to use unilateral pressure to stand up for U.S. rights.

I yield the floor.

Mr. GORE. Mr. President, I ask unanimous consent to speak as in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Tennessee is recognized.

Mr. GORE. I thank the Chair.

(The remarks of Mr. GORE pertaining to the submission of Senate Concurrent Resolution 86 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

The PRESIDING OFFICER. Does the Senator suggest the absence of a quorum?

Mr. GORE. I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF MORNING BUSINESS

Mr. DOLE. Mr. President, is the Senate scheduled to recess at 12:30?

The PRESIDING OFFICER. That is correct.

Mr. DOLE. I wonder if I might ask unanimous consent that that be delayed until 12:45.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

SENATOR COATS—MIDDLE-CLASS TAX RELIEF

Mr. DOLE. Mr. President, during the past few weeks we have heard much about the economy—much about proposals aimed at helping the economy, especially helping the middle-class—and much about the state of the Union.

The President is sure to announce a relief measure designed to help the economy and the middle-class.

But I think that there is one Senator who deserves great credit in reminding us about the struggles that families face.

From his days in the House of Representatives, my good friend and colleague from Indiana, Senator COATS, has been a primary force behind tax relief for the American family.

As I review the record, in this past year alone, Senator COATS led the way with five tax proposals advocating assistance for lower- and middle-income families.

As early as January 14, 1991, Senator COATS introduced legislation which would double the personal exemption.

He later introduced legislation aimed at helping families by increasing and doubling the personal exemption for dependents.

No doubt about it, DAN COATS has helped pioneer the middle-class tax relief movement. In 1991, Senator COATS authored not one but four bills before we heard from any other Senator. The record shows that the American middle-class—American families—have a great friend in Senator COATS.

Senator COATS has already kicked off the tax relief debate, and you can be sure he will be there to push the ball toward the goal line.

It is a real tribute to Senator COATS that some of his ideas will not only be reflected in the game plan President Bush unveils tonight, but also in the plans of our colleagues on the other side of the aisle.

UNFAIR AND UNAMERICAN

Mr. DOLE. Mr. President, in this country, in our political system, pretty much any criticism or questioning of a politician is considered fair game. We all get into this business with our eyes open, and we know that public scrutiny, and even unfair allegations, are part of the game.

But even in this business, there are limits. And when criticism goes beyond being unfair, goes beyond being even utterly groundless, and becomes just out-and-out vicious—then it is time to blow the whistle.

One of the most difficult, emotional issues facing this country is the fate of our POW/MIA's. It is an issue which has dragged on far too long, one which must be dealt with urgently. That is exactly why we have established our select committee, under the leadership of Senator KERRY and Senator SMITH.

Certainly, the families and friends of those who are MIA's endure an emotional torment that the rest of us can never imagine. If those emotions sometimes spill-over into frustration or anger, that is something we all understand.

But no one—no matter what their cause or frustration—has the right to issue scurrilous, utterly unfounded attacks on the fundamental character of anyone else.

I have in my hand a flyer that—under the guise of making some points about the POW/MIA issue—contains utterly groundless, mean-spirited, vicious assaults on the character of a U.S. Senator, a U.S. Senator who, more than anyone serving in this body, ought to be immune from questions, or allegations about, his patriotism and commitment to resolving the POW/MIA issue.

The people who put out this kind of trash ought to be ashamed of themselves. The many, many Americans who care deeply about the POW/MIA issue, who are actively and properly involved in demanding that it be resolved immediately—they ought to be outraged that their cause is being misused and distorted by the angry, extremist fringe putting out this garbage. And all Americans who believe in fairness ought to condemn these kinds of dirty tricks as unfair and un-American.

I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER (Mr. NUNN). The Senator from Massachusetts is recognized.

THE POW/MIA ISSUE

Mr. KERRY. Mr. President, as chairman of the Senate Select Committee on POW/MIA Affairs, working with Senator SMITH, with whom I have forged a strong work relationship and friendship, I think both of us have been struck by the ferocity and the low-level attack which the minority leader has just referred to.

Both Senator SMITH, I and, in fact, the entire committee have taken pains to pledge and to follow up on that pledge to treat with respect anybody who has any claim to have information or expertise regarding the POW–MIA. And in virtually every case, both public and nonpublic persons and organizations have responded by dealing with our committee frankly and cooperatively and in a mutual effort of trust and in an effort to find the truth.

Sadly, Mr. President, there is now one exception. Yesterday, I saw for the first time a newsletter entitled U.S. Veteran News and Report, dated January 23, published in Kinston, NC. The author is an individual who testified before our committee, and he claims to care about the American servicemen still listed as missing in action from that war.

Frankly, whether that is true or not, I do not know, and I wonder. But what I do know is that he appears to be an individual of such a warped judgment and of such an attitudinal indifference to reality that it is hard to believe that he is either a friend of the truth or a friend of our POW-MIA's and their families. The newsletter consists of a vicious and wholly unsubstantiated and unseemly personal attack on a member of our committee, whose patriotism and whose service to this country is absolutely beyond question or dispute, a member who has probably given more to this country than any other who serves on the committee or than any other in the U.S. Senate, and whose personal integrity and whose character are well known.

The newsletter is not a statement of political disagreement, Mr. President. It contains no serious analysis of the facts or the issues. It is simply a scurrilous effort to trash the reputation of a U.S. Senator and to feed the atmosphere of suspicion and conspiracy that already clouds this complicated issue.

Ordinarily, I do not believe it would be necessary to respond to allegations that are as palpably ridiculous as those contained in this newsletter. Unfortunately, there is a lesson to be learned in recent years, which is that lies, no matter how pathetic they are, should simply not go unchallenged. So it is my hope today—and I know my colleagues join me in saying this—that these lies will be plowed under the ground and forgotten like the garbage that they are.

Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

SUPPORTING SENATOR McCAIN

Mr. SMITH. Mr. President, I thank my colleagues and the chairman of the committee for his remarks, and I thank Senator DOLE for his remarks in support of one of my colleagues, Senator JOHN MCCAIN.

All of us who worked this issue, and certainly those of us on the select committee, realize how emotional, intense, and frustrating this issue is. Under the leadership of Senator KERRY and other members of the committee, we have been able to put together a wide investigation. It is covering all aspects of this issue, most recently the Soviet connection. And to see these kinds of remarks appearing in a public form, a public letter about one of our colleagues is just so aggravating and uncalled for, that even though I hate to give it any credence by responding to it on the floor of the Senate, I feel I must do that.

This is a personal attack, an outrageous personal attack, on the integrity of JOHN MCCAIN. It is a personal attack on his character, and even more important and worse, an attack on his patriotism. This is a man who was a prisoner of war for a number of years and was tortured by the North Vietnamese. It is uncalled for; it is disgusting, and I cannot indicate strongly enough how I feel.

I know I speak for the other members of the committee who are not here. JOHN MCCAIN has a more personal stake in this matter, perhaps, than any of us on the committee or in this body right now, in the sense that, as a prisoner of war who came home, he would like to see this issue resolved. He has worked together with us to do that.

It is certainly not helpful, in finding the truth, to have to put up with these kinds of attacks on one individual who is committed to doing that. It has no useful purpose. Mr. President, no useful purpose whatsoever. I just want to say for the public record that I have written Senator MCCAIN a personal letter indicating my outrage, and I hope that at some point in time the individual will see fit to apologize and move on to the more important task of getting the answers that we all want and are looking for in this committee, and stop this kind of scurrilous personal vendetta against people for absolutely no reason.

I just want Senator MCCAIN to know, speaking for myself and I know for other members of the committee, that we stand with you my colleague, in this very difficult time for you, and we intend to do everything we can to set the record straight in the future with any remarks that we have to make. Thank you, Mr. President.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER (Mr. KERRY). The Senator from Colorado.

SUPPORT FOR SENATOR McCAIN

Mr. BROWN. Mr. President, I rise out of concern over the attack on Senator MCCAIN. I suppose one of the most rewarding tasks that I have found in the Senate has been the opportunity to serve on the select committee that is investigating the Vietnam POW/MIA issue.

It is rewarding because it has done a job that needed to be done, with integrity; it is rewarding because the select committee has been willing to look into all areas no matter how sensitive. While the committee has not finished its task, I believe before it is finished, it will have gained a reputation for integrity and for a willingness to consider all the facts. What it will do in the long run is much more important: It will set the record straight.

This Nation owes an enormous debt of gratitude to those who served their Nation in a cause that was not very popular at home. All of us know that. We also must find out if any Americans were left behind. Not simply for those Americans' sake, but for the sake of this country, a country that has established a reputation of never turning its back on those who served it.

To not respond to the vicious attack on Senator MCCAIN would be turning our back on one who served this Nation. Perhaps no family in the history of our Nation has as distinguished a record of military service as the McCains. Perhaps the MacArthur family would provide competition, but it would be close contest.

JOHN MCCAIN carried on his family's great tradition of service to our Nation. JOHN MCCAIN was captured as an American serviceman and served 5½ years of hell in Hanoi. He was a POW at a time when his father was a four-star admiral in charge of a Pacific fleet. The enemy knew and understood the importance of his family and tortured JOHN MCCAIN in a way that far surpasses the suffering of most Americans. I doubt if very many people who have been active on the POW issue could ever compare their suffering experiences to his.

JOHN suffered that hell, and served this country with exceptional distinction. He came home with a list of medals that would make any American proud, including the Silver Star, and the Distinguished Flying Cross. To be smeared by people who ought to be grateful for his exceptional service is simply wrong.

This Nation and this Chamber would be remiss if we did not speak out about the kind of smear that has been perpetrated against JOHN MCCAIN. JOHN'S record does not need any defense. JOHN has one of the most distinguished records of any person who has ever served this Nation.

But what does need defense is this country. We need defense against people who would abuse the freedom of speech to smear someone they ought to honor. And we would be remiss if we did not let our voices ring out in identifying the smear for what it is.

We also ought to take advantage of this opportunity, I think, to again express thanks to Senator MCCAIN for his willingness to serve, for his valiant efforts to fight for the cause of freedom, and for his personal integrity that sets an example for all of us.

I hope I personally can play some small part in bringing the facts to light with regard to POW's, and I hope perhaps my effort will be of some value in that area.

But must set the record straight when this kind of misrepresentation takes place. I am deeply grateful that this Nation has enjoyed the service of JOHN MCCAIN, and I hope when the people who perpetrated this smear calm down and have a chance to reflect on their own actions, they will not only apologize but they will seek to set the record straight.

I yield back the floor, Mr. President.

Mr. NUNN addressed Chair.

The PRESIDING OFFICER. The Senator from Georgia.

MORNING BUSINESS

Mr. NUNN. Mr. President, I do not want to interrupt anyone who wants to speak on this particular subject, which I know is very important to get the record straight on this, but assuming those comments are over I ask unanimous consent that there now be a period of morning business with Senators permitted to speak therein, and that I be recognized for up to 15 minutes, and Senator METZENBAUM for up to 10 minutes, and at the conclusion of Senator METZENBAUM'S remarks the Senate stand in recess until 2:15 p.m. today.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

THE CONTRIBUTION OF OUR MEN AND WOMEN IN UNIFORM IN WINNING THE COLD WAR

Mr. NUNN. Mr. President, as we begin the debate this year on the size and shape of our military forces for the future, I think it is appropriate to pause and recognize the vital role that our men and women in uniform and their families have played in bringing about the successful conclusion of the cold war.

Debates on defense usually focus on weapons systems. There is a certain glamour associated with airplanes that can fly at supersonic speeds and deliver devastating munitions with precision. There is a certain glamour in tanks that can roar across vast, rugged expanses and deliver crushing firepower with pinpoint accuracy. There is a certain glamour in submarines that can operate underwater for months at a time and attack undetected. There is a certain glamour to systems in development that can shoot down missiles from space. And indeed, there is a certain glamour in hand-held, smart weapons that can track down and destroy moving targets in the air and on the ground. We saw many of these weapons in action on live television coverage of the Persian Gulf conflict. The results demonstrated to the world the outstanding technological achievements of the American defense industry and the men and women in the defense industry.

Yet, none of our weapons would have been effective without the highly professional, well-trained, dedicated men and women in uniform who have endured the sacrifices of military service with their families over the past 40 years—in peacetime and in wartime.

Mr. President, from the end of World War II until today, over 23,000,000 Americans have served in our Armed Forces. Of this number, 16,600,000 served during major conflicts—5,700,000 during the Korean conflict; 8,744,000 during the Vietnam conflict; and 2,160,000 during the Persian Gulf conflict. A total of 112,688 Americans made the ultimate sacrifice for their country in these three conflicts, and more than twice that number were wounded:

In the Korean conflict, 54,260 American soldiers lost their lives, and 103,284 were wounded.

In the Vietnam conflict, 58,135 American soldiers lost their lives, and 153,303 were wounded.

And most recently in the Persian Gulf conflict, 293 Americans lost their lives, and 467 were wounded.

In addition to these major conflicts, Mr. President, American military men and women have been called on to carry out other military operations in varying size and intensity all over the world, most recently in Operation Just Cause in Panama. In just the last 12 years, 502 military members have been killed in these operations and in mindless terrorist bombings and hostage situations. For example, 268 military members were killed in Lebanon during peacekeeping operations in 1982–84. Scores more were killed in operations in the Dominican Republic, Grenada, and Panama. Military personnel lost their lives in El Salvador and Guatemala; in the Sudan and the Sinai; in both Germanies; and along the Korean DMZ long after the Korean war armistice.

Along with these deaths from hostile actions large and small, 15,158 military members have died in unavoidable accidents of military life and training since 1979, reminding us that even in the best times military service is a dangerous profession.

Mr. President, each and every one of these losses added to the price our Nation paid to win the cold war.

In the decades since World War II, we have called on our men and women in uniform to keep the peace, and to fight when necessary to preserve our national security interests. We have called on our men and women in uniform to maintain a formidable forward presence to deter war in Europe and in Asia. We have called on our men and women in uniform to maintain a high degree of combat readiness through rigorous training on land, at sea, and in the air. We have called on our men and women in uniform to stand alert at remote and isolated radar stations, missile silos, ground outposts, and on lengthy deployments at sea. And we have called on the families of military members to bear unique burdens: long periods of family separation; frequent moves around the country and the world, often to isolated military installations; and—in time of conflict—the numbing anxiety over the fate of their loved one.

The successful conclusion of the cold war is a tribute to the skill, the dedication, and the patriotism of every single individual who responded so magnificently to these calls from their Nation.

Mr. President, in addition to carrying out their responsibilities as warriors, military men and women have served as ambassadors of good will in countless humanitarian missions around the world. They have unselfishly transported medical and food supplies, provided medical aid, evacuated victims of natural disasters, restored needed communications, and repaired roads and bridges as well as many other tasks.

These humanitarian efforts by our military members carried the American ideals of freedom and democracy and humanitarian concerns throughout the globe. America demonstrated to our adversaries that we had the strength, resources, and resolve to defend our interests and our allies militarily; but we also showed the world that we had the compassion to help friends and adversaries alike when natural catastrophes imperiled human lives. And we are doing that again in our former adversarial country, the former Soviet Union and the Republics, and the people there who need assistance with food and medicine.

In recent times, American service men and women rushed assistance to earthquake victims in Armenia in 1988; assisted hundreds of thousands of Kurds in Northern Iraq in 1991; helped provide emergency assistance to almost 2 million people affected by flooding in Bangladesh last year; and restored order in our own Virgin Islands after Hurricane Hugo in 1989. Today, military members are providing assistance to thousands of Haitian refugees at the Guantanamo Bay Naval Base in Cuba whom they helped rescue from unseaworthy vessels, and are airlifting food and medical supplies to the needy citizens of the newly independent republics of the Commonwealth of Independent States.

Mr. President, the cold war is over, but the Nation still relies on our men and women in uniform to keep the peace as our former adversaries struggle to overcome years of economic and political decay to join the free world community. They must do so in an uncertain environment as our military forces become smaller as they will and must. Our challenge will be to ensure that we maintain sufficient strength and resolve over the next 10 years and in the years thereafter to guarantee the victory of our men and women in uniform that they sacrificed to win, and that this victory will result in peace and democracy in the world. Our military services will be smaller in the future, but they will still require well-trained, well-equipped, highly motivated men and women to be fully combat ready.

At the same time, we must take care of—and this year we are going to be discussing this quite a bit because it is very important—we must take care of the 300,000 or more people who will be leaving military service each year over the next few years as we reduce the size of the Defense Establishment.

All of us were, of course, disturbed when we read about the layoffs at General Motors and in other industries throughout our country. But none of these layoffs will be nearly as significant in terms of the numbers of people as the numbers of people who will be getting out of military service not just this year but in the next several years.

These people helped win the cold war as well as the hot war in Operation Desert Storm, and they deserve to return to secure jobs and homes in our towns and cities. This will require resources which we must continue to provide.

In a series of speeches over the next several days, I intend to address these challenges—supporting our men and women in uniform during the defense build down; minimizing the effect of the defense transition on our men and women in uniform; and capitalizing on our investment in our men and women in uniform as they leave military service, because we will have the largest number of well-trained highly motivated, well-qualified, and well-educated people getting out of our military today than we have had in many, many years, and they will be able to play if we give them a hand—not a handout, but a hand—in terms of getting employment, and let the people out there in the private sector and in the public sector know about their talents. They will be able to contribute immensely to the productivity and the economic future of our Nation.

Mr. President, as the cold war recedes in history and we turn our attention to the challenges of the future, we should all pause to acknowledge the tremendous debt we owe to those who have served in our military services and who continue to serve. I salute them and their families, and I pledge to them that their contributions and sacrifices will not be forgotten as we go about our Nation's business.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, before I address myself to the issue for which I rise, I commend the Senator from Georgia for taking the time to commend the young men and women who serve in our Armed Forces. I think he speaks for all of us when he says that we owe all of them a great debt of gratitude, and I join with him in indicating that appreciation to all of them.

And in passing, I might say to the Presiding Officer, to you, too, sir, we owe you a debt of gratitude for your service.

AMERICANS WANT ANSWERS

Mr. METZENBAUM. Mr. President, for the past 15 months, I have traveled the Nation on behalf of the Coalition for Democratic Values, an organization I chair, and have listened to Americans who are hurting.

From Boston to Atlanta, from California to Iowa, I have watched the frustration of our citizens grow as the President's short and shallow recession has grown deeper and wider, and I have listened to the testimony of people who are struggling to keep their heads above water.

These Americans want answers, answers about our crumbling infrastructure, our dismantled manufacturing base, the surge of foreign imports, and the squeezing of the middle class.

The President promises those answers and more tonight. It is about time.

Until now, the only domestic policy action that appeals to the President is the veto. The Congress has passed a textile bill, a housing bill, a parental leave bill, a minimum wage bill, and on and on. All vetoed. More vetoes than any elected President in nearly 40 years. What is more, he has threatened to veto more than 200 times. George Bush issues veto threats against legislation before it is even written.

I have said it before and I say it again, I do not want to hear about his threats of a veto. I think we in Congress have to do our job. But this President is planning vetoes for a health care bill, a campaign reform bill, a striker replacement bill—it goes on. The list is a long one. Take your pick. It reflects a kind of negativism. It is a kind of trying to govern by negative thinking, threats of vetoes rather than sitting down and working with the Congress to develop a positive economic program for this country.

So I am interested in this President's change of heart. I am also skeptical. I expect we will hear about the same old repackaged and warmed over pet proposals that the administration has trotted out year after year.

Mr. President, the people of America want new thinking, with real answers.

Last week, the Coalition for Democratic Values put forth a detailed proposal for the long-term growth of the American economy. It has been endorsed by economists like Lester Thurow, John Kenneth Galbraith, and Robert Reich, and business people like Bill McSweeney of Occidental Petroleum and Bernard Rappaport of American Income Life Insurance Co. It also is supported by labor leaders, elected officials, mayors, and educators.

It was put together under the leadership of a committee chaired by Ray Marshall, the former Secretary of Labor in the Carter administration, and Marcus Alexis, a very distinguished professor of Northwestern University.

I ask unanimous consent that the economic proposals put forward by that group be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A NEW PROGRAM FOR SUSTAINED GROWTH: THE COALITION FOR DEMOCRATIC VALUES' PROGRAM FOR A HIGH-WAGE, HIGH-PRODUCTIVITY ECONOMY

The dramatic events of 1991 provide a once-in-a-lifetime opportunity for Americans to redirect our nation's resources to social investment and economic growth. The Coalition for Democratic Values has made such a program our top priority for 1992.

We call for important changes in the 1990 congressional budget agreement, including as a first step, breaking down the artificial "firewall" set up between domestic spending and spending for defense, half of which goes to protect Western Europe against a country which no longer exists.

Specific elements of our domestic program include: (1) Increasing public investment in human resources, physical infrastructure and public services by $100 billion over five years, with $50 billion in the first year. Much of this money would go to states and localities to fund ready-to-go programs put on hold because of fiscal crises. (2) New and expanded initiatives in job training and retraining; a complete restructuring of the higher education finance system; and guaranteed access to quality public education. (3) Universal health care, expanded preventive care for pregnant women and children; and other pro-family initiatives including family leave; and (4) Help for communities affected by the defense "drawdown."

In the short-term, these programs would be paid for by: (1) Savings from the military budget of a further $150 billion by reducing the money spent to defend Europe against a threat that no longer exists, scrapping the B–2 program, and restricting SDI to research and development. A special five-year investment fund would be established with the savings; (2) A new private sector initiative whereby companies allocate one percent of payroll to job training; (3) Establishing a fourth income-tax bracket at 35%, a "millionaire's surtax"; and (4) Eliminating government "pork" projects that have not cleared the normal appropriations process.

In addition, we call for trade policies that: (1) Create disincentives for American companies to relocate off-shore; (2) Reverse America's tradition of passively allowing greater access to our markets than other nations allow us in return; and (3) Discourage other nations from unfairly exploiting the environment and their people.

To build consensus on reaching these goals and to identify new ones on the sectorial and micro-economic level, we urge the formation of a permanent, bi-partisan, public- and private-sector Economic Policy Council.

America's greatness can be revitalized and re-affirmed for the next century, but not if we only pursue short-term policies designed to increase consumption. This document outlines a realistic plan that can be put into action now, and put much-needed resources to work for the nation's future.

1. THE CURRENT ECONOMIC RECESSION

Prompt governmental action is needed to end the recession. Extended unemployment benefits, while necessary, are not enough. Middle class tax relief could help, but a one-time rebate should not undercut public investment now for the long term.

The domestic economy—buffeted by massive layoffs, budget deficits, the savings and loan bailout and other problems—needs an immediate "shot in the arm" that can simultaneously improve short-term demand and long-term productivity. A priority is increased federal commitment to funding infrastructure and basic public services in public safety, health care, education, social and environmental services. The framework for implementing many programs for productive investment is already in place; state and local governments have substantial numbers of ready-to-go projects—schools, roads, bridges, hospitals—on hold because of fiscal crises.

A five-year investment of $100 billion, being with $50 billion this year, above and beyond current measures like the 1991 transportation bill would 1) clearly provide sufficient stimulus to help bring the economy out of recession and 2) pay for much needed public investments that will increase private sector productivity, profitability and employment for the long-term, no matter when the recession ends.

Such an investment program should be financed by a five-year Special Investment Fund based on reduced defense spending. By using funds allocated to an outmoded defense of Eastern Europe, the fund would pay for itself over five years and would not contribute to the long term federal debt. Deficits in this Fund during the recession would be offset by surpluses as recovery accelerates.

2. INVESTING IN AMERICA FOR GROWTH

America must adopt a high-wage, sustainable growth strategy to promote our long term economic well-being. In today's highly competitive global economy, we cannot compete by driving wages down, transferring production facilities outside the US, investing only in new off-shore facilities or ignoring our environment or worker safety and health. Real growth means improvement in productivity, in wages and in the quality of life, not merely expansion for its own sake.

In the long run, the US economy will prosper and provide a broadbase of well-paid jobs only if this country becomes a more attractive place for productive and environmentally sensitive investments. This must be a nation where foreign and domestic businesses increasingly choose to utilize our workforce and infrastructure and not just our markets, and where our own businesses create new facilities instead of moving their operations to Mexico, Asia or other off-shore facilities.

To achieve these goals, the US must invest more heavily in education, job-training and physical infrastructure. We must develop a system for reaching consensus about national economic priorities and where to target our resources. We must have a trade policy that is fair with rules for co-operation. Specific elements of this program:

(a) Comprehensive Job Training. A high-wage, high-growth strategy depends on making America's workforce the world's best-trained and educated. The quality of our workforce and infrastructure will determine the desirability of the US as a location for high-skill jobs and investment. Making the US workforce the highest quality in the world will require major new public programs:

A national, private-sector initiative to provide training for front-line workers. Companies should be given the choice of either allocating 1% of their payroll for job training or paying 1% of their payroll into a separate fund for worker education and training.

Higher academic and behavior standards in America's public schools with a full commitment to providing the resources, staff, and programs to help all students meet high standards.

School-to-work transition programs centered in public schools, community colleges and vocational and technical schools.

Alternative education centers to provide high academic skills for young people who need options besides traditional high schools. These "youth centers" could build on the experience of the highly successful Job Corps and should be available not only to the disadvantaged, but to all non-college bound youth.

Special efforts to meet the skill development and supportive needs of minorities and women, who will constitute over 90% of the workforce growth during the 1990s.

(b) Economic Policy Council. There is growing evidence that greater cooperation between and within the public and private sectors great improves national economies. Such consensus processes do not substitute for regular public or private decision-making, but strengthen the process by providing all parties better information and narrowing the range of conflict, especially over trivial matters.

We therefore believe the US should create an Economic Policy Council. This council would comprise high level public and private representatives to build consensus on economic goals, priorities and strategies including fairer distribution of general economic gains, and more participation in the economic decisions that affect people's lives. It would be bipartisan and adequately staffed to provide the best available information and analyses of economic priorities. Unlike the president's Council of Economic Advisors, the EPC would be charged with establishing goals and making specific recommendations on a sector and micro-economic basis. The terms of the private sector members of the EPC should be staggered to permit continuity when administrations change.

(c) Preventing corporate flight to low-wage nations. US-based corporations often seek short-term cost competitiveness advantages by closing down U.S. operations and reopening in foreign countries where wages, benefits and the environmental and other costs may well be lower.

Under present law, companies which decide to move to other nations aren't required to defray the costs of closing U.S. facilities. "Internalizing" the social costs would therefore be good economics and good public policy. Making firms responsible for all their costs force companies to take longer time perspectives. Requiring them to bear a larger share of the costs of change, as is done in most other countries, creates disincentives to low-wage strategies.

We therefore recommend a two-part policy to eliminate these incentives to ship production jobs out of the United States:

It's good economic policy to require firms to pay the full cost of production and therefore we should not subsidize companies in shifting to overseas locations. We should create disincentives for companies that close down operations here and reopen them in other countries.

The U.S. should have positive adjustment policies that promote an equitable sharing of costs and benefits of change. We might create adjustment funds into which all companies should pay. These funds could be patterned after the liabilities companies currently incur to meet their environmental pollution costs.

(d) Economic conversion. The Cold War's end poses new challenges to the U.S. economy. While the potential to significantly reduce defense spending makes resources available for social uses, it also will mean shifting much defense industrial capacity to civilian uses, decommissioning military bases, and reducing significantly direct and indirect military employment.

A comprehensive program for the conversion of our defense industrial establishment is an urgent priority. Nearly 150,000 defense industry workers were laid off in 1990 and over 100,000 in 1991. A well-conceived economic adjustment plan must include the following initiatives:

Economic incentives for advance planning to develop new products, retool, reorganize production, develop marketing capabilities and retrain managements, engineers and others for commercial work.

Community economic redevelopment funding and assistance for adjusting to base closure and major reductions at military plants.

An adequately funded worker adjustment policy to provide job training, income maintenance and job relocation benefits.

A small business assistance program to help subcontractors and supplier firms, who are often the first to be affected by cutbacks.

America is also facing serious long-term environmental problems associated with our defense-energy weapons complex and with various toxic waste problems at defense bases. Solving these will require coherent and coordinated efforts by the federal government.

(e) Open but fair trade. All countries, especially the U.S., have much to gain from an open and expanding international economy. There are, however, two preconditions to a healthy international economy.

Trade must take place within rules that prevent economic or environmental exploitation. Trade-linked standards help strengthen the global economy by encouraging competition on the basis of efficiency and by improving living and working standards for workers in all countries, which in turn fuels global demand for imported products. Standards that expand worker rights abroad will protect American jobs as well. These standards should be complemented with domestic income and training assistance to cushion trade-induced dislocation.

Trading nations must recognize that it is natural for countries to have active policies to promote the interest of their domestic economies. Under conditions of greater worldwide economic parity, the United States can no longer passively allow other countries greater access to our country than they provide to theirs.

Finally, since environmental degradation does not respect international political boundaries, sustainable economic development requires a formal recognition of the environmental and employee protection costs of production.

3. ADDRESSING THE NEEDS OF AMERICA'S FAMILIES

The short-term and long-term economic problems facing this country fall disproportionately on middle- and low-income families, who bear the brunt of skyrocketing health care costs, rising costs for education and declining services at the state and local level. For what they get in return, middle-income families pay an unfair share of the tax burden. Meanwhile, families with two wage earners, many of whom barely bring in the income that one wage earner brought in 20 years ago, perform a daily balancing act that pits work against family life.

Our country needs to provide relief to America's families. Such a program must include:

(a) Universal access to quality public schools. Quality education is a right of every American, and all American families should be assured that their children have access to schools that have high standards for academic excellence, adequate facilities and textbooks, a safe and well-disciplined school environment, and a diverse program that helps prepare American youth for the challenges of the next century.

Every community must assume the responsibility for setting goals and supporting programs that help meet the National Education Goals. And when a community does not have the resources to attract and retain quality staff and maintain adequate facilities and programs, state and federal governments must provide the assistance necessary to assure access to educational opportunity.

(b) Affordable higher education. Our system of financing higher education needs to be fundamentally restructured. The balance between grants and loans needs to be shifted. Additional grants must be available to low- and middle-income families. Student loans must be made universal, available to everyone. The current system of the federal government providing costly guarantees to private banks and secondary market organizations must be replaced by a simpler and cheaper program of direct government lending. And the current system of repayment must be changed to one that is based on the individual's income after graduation.

This system of Universal, Direct, Income Contingent (UDIC) student assistance will re-open the doors of higher education to hundreds of thousands of young people, allow them greater choice in both their education and their occupations after school, and allow them to manage their debt in a rational way. It is also simpler to administer and will save enough funds from the current system to allow an expansion of direct grants to needy students, as well as merit based and early incentive programs.

(c) Comprehensive national health insurance. America is facing a crisis in health care delivery. The cost of health care to the average family is soaring. Although America spends more on health care than any other advanced industrial country, and has the most advanced and sophisticated health care technology in the world, our health care delivery system in many basic ways is failing. We're paying more and more for health care and getting less and less real coverage.

A fair and rational health care system will result in savings not only to families and individuals, but to society at large. America needs to adopt a national health care system that includes the following elements:

Universal health insurance coverage for Americans. Nobody should lose insurance because she or he lost a job.

A single system of paying hospitals and physicians that establishes an overall limit on health spending and provides for greater efficiency and productivity in the health sector.

Preventive care and nutrition, especially for infants, pregnant women and children, a modest investment that can save billions of dollars in health care costs later in life.

Reducing the financial burden on America's businesses and workers that comes from out-of-control health care costs and undermines our international competitiveness.

Reducing high administrative costs and premiums common for health insurance offered to small businesses.

Stopping the exclusion from health care coverage of individuals who are higher risk or have pre-existing conditions.

(d) Tax equity. Even after the much-heralded reforms of 1981 and 1986, our tax code is rife with loopholes and deductions that benefit the wealthy over the rest of us. To help the great majority, America needs a tax break to the middle class—a children's tax credit, an income tax credit for social security and medicare taxes or some other form of relief. It should be paid for by a "millionaire's surtax," a fourth individual income tax bracket of 35% for high-earning individuals and couples. We should not simply turn the peace dividend into a one-time rebate to stimulate consumption.

(e) Family and parental leave. Our competitor nations all demand that employers help parents meet their dual responsibilities as parents and workers, especially with the birth of a child or care of an ill family member. We especially need to get companies here to accommodate the realities brought on by the influx of tens of millions of women into the permanent workforce since 1970.

(f) Expanded housing programs to address the needs of the growing number of homeless and the decline of affordable housing for middle income people.

CUTTING GOVERNMENT WASTE

Hundreds of pet projects are tacked onto the budget each year, long after the authorization and appropriations processes are concluded. Regardless of their merit, these hidden appropriations should be halted, and all appropriations should undergo the full scrutiny and open debate of the regular budget process. Eliminating the classic "pork" projects will yield untold savings in the future.

CONCLUSION

No matter where one stands on the political spectrum, it's obvious that America, like the rest of the world, stands at an historic crossroads. We can choose the path that leads to greater economic security and a sustainable, high-wage, high-productivity economy, or continue down the road to second-class status as a nation, our greatness reduced to a sentimental reminiscence. The choice has never been clearer, the stakes have never been higher. The time to decide is now.

Coalition for Democratic Values' Economic Security Paper

The following economists, business people, labor leaders, elected officials and prominent individuals have endorsed the principles of the Coalition for Democratic Values Economic Policy Paper (organizations named are for identification purposes only):

Marcus Alexis (CDV Economic Policy Committee Co-chair), Northwestern University.

Morton Bahr, President, Communications Workers of America.

Nancy Barrett, Provost and Vice President Academic Affairs, Western Michigan University.

Bob Bergland, Executive Vice President, National Rural Electric Cooperative Association (NRECA).

Norman Birnbaum, Georgetown School of Law.

Barry Bluestone, McCormick Institute, University of Massachusetts.

Bob Borosage, Institute for Policy Studies.

Samuel Bowles, University of Massachusetts.

Bob Brandon, Vice-President, Citizen Action of Washington, DC.

Don Cameron, Executive Director, National Education Association.

Edward Carlough, President, Sheet Metal Workers Union.

Karen Davis, Professor and Chairman, Dept. of Health Policy and Management, Johns Hopkins School of Hygiene and Public Health.

Jeff Faux, President, Economic Policy Institute.

Howard D. Samuel, Industrial Union Department.

Lester C. Thurow, Sloan School of Management, Massachusetts Institute of Technology.

Kathleen Kennedy Townsend, Director, Maryland Student Service Alliance.

Richard Trumka, President, United Mine Workers of America.

Steven Veiderman, Jessie Smith Noyes Foundation.

Mr. Paul Warnke, Former Director, Arms Control and Disarmament Agency, Partner, Howrey & Simon.

Roger Wilkins, Robinson Professor, George Mason University.

William Julius Wilson, Lucy Flower University Professor of Sociology, University of Chicago.

Alan Wurtzel CEO, President, Circuit City Stores, Inc.

James Galbraith, LBJ Sc§hool of Public Policy.

John Kenneth Galbraith, Paul M. Warburg Professor of Economics Emeritis, Harvard University.

David Gordon, New School for Social Research.

Dr. Sydney Harman, President, Harman International, Inc.

Heidi Hartmann, Director, Institute for Women's Policy Research.

Bennett Harrison, Carnegie-Mellon University.

Roger Hickey, Vice-President, Economic Policy Institute.

Jim Hightower, Former Texas Secretary of Agriculture.

George Kourpias, President, International Association of Machinists.

Ray Marshall (CDV Economic Policy Committee Co-chair), LBJ School of Public Affairs, University of Texas at Austin.

Jay Mazur, President, International Ladies Garment Workers Union.

Gerald McEntee, President, American Federation of State, County and Municipal Employees.

Dorothy McSweeny.

William McSweeny, Former CEO, Occidental Petroleum Inc.

Michael Piore, Massachusetts Institute of Technology.

Bernard Rapoport, Chairman of the Board, American Income Life Insurance Company.

Robert B. Reich, John F. Kennedy School of Government, Harvard University.

ADDITIONAL COALITION FOR DEMOCRATIC VALUES, ECONOMIC POLICY COMMITTEE MEMBERS

Debra DeLee, Director of Legislative Affairs, National Education Association.

Peter Dreier, Director of Housing, Boston Redevelopment Authority.

Barbara Easterling, Vice President, Communication's Workers of America.

Reg Gilliam, Chief of Staff, Congressman Louis Stokes.

Donna Gold, Senior Professional Associate, National Education Association.

Joseph Gould, Writer, Public Affairs Director.

Jim Grossfeld, Director, Media Relations, United Mine Workers of America.

Steven Jonas, M.D.

Jeremy Karpatkin (Primary drafter of the document), Deputy Chief of Staff, Senator Paul Simon.

Jerry Klepner, Director of Legislation, American Federation of State and County Employees.

David Kusnet, Writer.

Howard Leibowitz, Director of Federal Relations, Boston Mayor Raymond Flynn.

Rick McGahey, Legislative Assistant, Senator Edward Kennedy.

Phil McLaurin, Manager of Information Services Unit, National Education Association.

Segundo Mercado-Lorens, Associate Director, Public Affairs Dept., Director, Legislative Affairs, United Food and Commercial Workers.

Reggie Newell, Director of Research, International Association of Machinists.

Anthony Podesta, Podesta Associates.

Michael Pons, Senior Professional Associate, National Education Association.

Howard D. Samuel, Industrial Union Department.

Members of Congress

Sen. Edward M. Kennedy.
Sen. Howard M. Metzenbaum.
Sen. Paul Simon.
Sen. Paul D. Wellstone.
Rep. Neil Abercrombie.
Rep. Les AuCoin.
Rep. Ronald V. Dellums.
Rep. Fortney Pete Stark.
Rep. Louis Stokes.
Rep. Ted Weiss.
Rep. Sidney R. Yates.

Mayors

J.E. Bud Clark, Mayor, City of Portland.
Peter Clavelle, Mayor, City of Burlington.
John Daniels, Mayor, City of New Haven.
Richard Clay Dixon, Mayor, City of Dayton.
Raymond Flynn, Mayor, City of Boston.
Donald Fraser, Mayor, City of Minneapolis.
Sharpe James, Mayor, City of Newark.
John O. Norquist, Mayor, City of Milwaukee.
Pete Sferrazza, Mayor, City of Reno.

Mr. METZENBAUM. Our proposal calls for a major redirection of our Nation's resources toward social investment and economic growth.

The 1990 budget agreement needs to be revised to permit a shift in defense spending to other social spending programs.

Specifically, our proposal calls for:

First, increased public investment in human resources, infrastructure, and public services by $100 billion over 5 years;

Second, expanded job training and retraining programs;

Third, guaranteed access to quality public education;

Fourth, universal health care; and

Fifth, assistance to communities hit by the defense drawdown.

These new programs would be paid for by cuts in defense programs.

Mr. President, the President of the United States has an opportunity this evening to bring forth some new positive actions, some new positive efforts, to reawaken this country out of the economic recession which it is in. We all wish him well, but I am afraid we are going to get more of the same.

Mr. President, I am prepared, as one Member of this body, to work with the President in a positive way to bring this country out of the recession and make this Nation the competitor worldwide that we want it to be and know that it can be. I believe that together we can put our people back to work and give this economy the vitality which it is possible of having.

Mr. President, I yield the floor.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. Under the previous order the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, at 1 p.m., the Senate recessed until 2:15 p.m. whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. ADAMS].

STRENGTHENING EDUCATION FOR AMERICAN FAMILIES ACT

The Senate continued with the consideration of the bill

AMENDMENT NO. 1479

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes' debate on the Nickles amendment No. 1479. Who seeks recognition?

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum, and ask the time be equally charged to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Texas is recognized.

Mr. BENTSEN. Mr. President, I yield myself 2 minutes, and ask that that be called to my attention.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. I understand the appeal of the Learnfare concept. All of us want our children to get a better education, to make this Nation competitive in the world's economy. And the idea behind the Learnfare proposal is being tested in the State of Wisconsin under waiver by the Secretary of HHS.

But there are important differences between what is being proposed by the Nickles amendment and the Kasten amendment this afternoon, from what is taking place in Wisconsin. Under this amendment, a 6-year-old who misses school because his mother is a drug addict could lose his public assistance benefits without anyone paying any attention to what that child really needs, which is help in getting his mother off drugs.

In other words, we must ensure that innocent children are not the victims of a policy that fails to include reasonable safeguards.

When the administration approved Learnfare for young children in Wisconsin it looked for a balance, a safety net, to be sure that that child gets help with that problem, the one that is interfering with it going to school. The problem you are running into is that you make a study of this situation where children miss school, and you find in 41 percent of the cases they are either in the children's court, or you are finding an indication of an abusive parent or a drug addict. And you are not looking back to the problems that are causing that child to miss school.

That is what we are trying to take care of.

Senators ought to also note that a report with an evaluation of Wisconsin's Learnfare Program will be released at the end of this month. I think Senators ought to wait and at least see what that report carries out before they take a stand on this issue.

The other point is, this is the jurisdiction of the Finance Committee. We have Senator MOYNIHAN, who is quite prepared as chairman of that subcommittee, to see that this is included in the study in his hearings.

I yield 2 minutes to my friend, the chairman of the subcommittee, the distinguished Senator from New York [Mr. MOYNIHAN].

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I would like vigorously to endorse the statement of the distinguished chairman of the Finance Committee. This amendment would be an amendment to the Social Security Act. That is not on the floor.

Our committee will be holding hearings this coming Monday. We have invited the distinguished Senators from Wisconsin and from Oklahoma to testify. We will hear from the administration. We will hear from all those who are concerned parties, and there are many. And we will learn more about the evaluation when it comes.

I urge the Senate to follow the lead of the chairman of the Finance Committee.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 56 seconds remaining.

Mr. BENTSEN. I withhold the remainder of my time.

Mr. NICKLES. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. NICKLES. Mr. President, this amendment, the so-called Learnfare amendment, is an amendment that basically would allow States to have some connection between welfare benefits and compulsory school attendance, without the need of a waiver from the Department of Health and Human Services. This was an amendment, frankly, that came to me from individuals who were in public housing, who said: This system does not work very well. There are a lot of these youngsters who are not going to school. We ought to put some kind of restrictions on to make them go to school.

This legislation allows the States to set up a program that encourages welfare recipients to have their kids in schools. If the State wishes to have a reduction in welfare benefits as an inducement to get these youngsters in school so be it. This allows the States the flexibility to do so. Right now, they run into a roadblock; they run into a hurdle. They run into the Department of HHS. Sometimes it takes months to obtain a waiver from HHS.

Actually, the State of Wisconsin, I think, was working on this for about 2½ years. One permit took 5 months; another permit took 10 months. But if you look from the time they started their program to the time they got there ultimate permit, you are talking about a period of a couple of years.

Governors and others want the flexibility. They want to have these programs work. They want to have welfare recipients get their children in school so they can break the cycle of governmental dependency; so they can keep people from dropping out of school, and ending up in trouble. Many are in jail because they did not go to school. Many end up depending on welfare; many end up on unemployment; and, in many cases, they end up in jail.

I have three letters: one from the Governor of Oklahoma urging adoption of this amendment; one from the Oklahoma State School Board Association, which also urges adoption of this amendment; and, likewise, a letter from Big Brothers and Big Sisters of Oklahoma City. I will read this one sentence:

> A well-prepared, educated, and literate child has unlimited opportunities and I support any legislation that promotes and demands school attendance.

Mr. President, I ask unanimous consent that excerpts from the letters be printed in the RECORD and I reserve the remainder of my time.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OKLAHOMA STATE
SCHOOL BOARDS ASSOCIATION,
Oklahoma City, OK, January 28, 1992.

Hon. DON NICKLES,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR NICKLES: Oklahoma Task Force 2000 recommended correlation between AFDC payments and school attendance. We see your proposal as one way to deal with high student dropout rates and other problems associated with at-risk students.

Sincerely,

WALT HUSHBECK,
President.
DR. BOB MOONEYHAM,
Executive Director.

BIG BROTHERS, BIG SISTERS,
OF GREATER OKLAHOMA CITY,
Oklahoma City, OK, January 21, 1992.

ERNIE SCHULTZ,
Director of Communications, Senator Don Nickles, Oklahoma,
Hart Office Building, Washington, DC.

DEAR MR. SCHULTZ: I am continually impressed with the Senator's commitment to the children of this state and country and agree wholeheartedly with the Senators comments concerning education and breaking the welfare dependency cycle.

A well-prepared, educated and literate child has unlimited opportunities and I support any legislation that promotes and demands school attendance. Please continue to keep me informed of the Senator's agenda.

Regards,

JAMIE L. TYSON,
Executive Director.

STATE OF OKLAHOMA,
WASHINGTON, DC OFFICE,
Washington, DC, January 28, 1992.

Hon. DON NICKLES,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR NICKLES: I am writing in support of your amendment to S. 2, the "Neighborhood Schools Improvement Act" which allows states the flexibility needed to implement innovative education and welfare reforms without onerous and cumbersome regulatory barriers.

The objectives of the "Learnfare" program which your amendment addresses are commendable. Unfortunately, it has been difficult for states to implement such creative programs due to an intransigent bureaucracy. I applaud your efforts on behalf of states' regulatory relief in order to benefit Oklahoma citizens dependent on state and federal assistance.

The link between the lack of an education and poverty has been clearly demonstrated. If we can break the cycle of despair and welfare dependency through compulsory education then we can honestly say our economic recovery has begun.

Sincerely,

DAVID WALTERS,
Governor.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN. Mr. President, how much time is left on each side?

The PRESIDING OFFICER. The Senator from Oklahoma has 1 minute and 24 seconds. The Senator from Texas has 56 seconds.

Mr. BENTSEN. Mr. President, I yield the remainder of my time to the distinguished Senator from Wisconsin, who is very interested and concerned about this.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I would just say a few words in opposition to Kasten-Nickles. I come from Wisconsin, where Learnfare originated, and I am in favor of it. But what we must be certain of is that we do not have 50 different Learnfares. What we want to do is give HHS an opportunity to review Learnfare proposals, if necessary on an expedited basis, but be certain all of them are constructive and humane. That is all we are attempting to do here.

We want to refer this back to the Finance Committee where it belongs, to have hearings, so when we finish up with the Learnfare concept, it is humane, constructive, and gives the Government an opportunity to oversee in a very general way the expenditure of our AFDC funds.

So I think it is in our best interest not to turn down Learnfare because we are not interested in turning down Learnfare but simply to refer it to the Finance Committee for the proper kind of oversight hearings before we adopt a Learnfare proposal to apply to our entire country.

The PRESIDING OFFICER. The time of the Senator has expired. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I ask unanimous consent that Senator BOND be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I yield such time as is necessary to the Senator from Wisconsin.

Mr. KASTEN. I thank the Senator. Mr. President, let me point out quickly, this amendment is not mandatory. It does not mean we are establishing a Learnfare program all across the country. What it says is we are going to allow Governors and State legislatures the flexibility. It was a Democratic State Senate, a Democratic assembly, and a Republican Governor in the State of Wisconsin that came together to pass this program, and then it took between 5 and 16 or 18 months for the Federal bureaucracy to, in effect, endorse Wisconsin's programs.

Quick statistics in Wisconsin will tell you how it has worked. In January of 1990, 9 percent of welfare families were sanctioned under Learnfare. As of December, 2.1 percent were sanctioned. We are making progress in Wisconsin. The fact is we have 97.9 percent of families now attending school. We are making progress. It turns out that this works. This is an incentive, but we are not saying to anyone they have to do what Wisconsin has done. What we are saying is we will give Republican Governors, Democratic Governors, Republican State legislators, and Democratic State legislators the opportunity. All we are seeking is to cut the bureaucratic red tape, give State legislatures and Governors the opportunity to move forward on these kinds of reforms.

Mr. DURENBERGER. Mr. President, I rise to oppose the Learnfare amendment offered by my good friend, the distinguished Senator from Oklahoma.

I do so reluctantly, Mr. President, because I agree with the intent of the authors of this amendment—that children in AFDC families should be encouraged to stay in school and earn a high school diploma.

Numerous studies, over many years, have shown the importance of education to gaining financial independence.

And, breaking the cycle of dependence on welfare will require an increased emphasis on education and on job skill development.

That is why I was proud to join with my distinguished colleague from New York, Senator MOYNIHAN, in authoring the Family Support Act of 1988.

But, we also have much to learn from oversight of the work and education incentive provisions of that legislation.

I am personally looking forward to actively participating in the hearings on these issues that the chairman of the Finance Committee has promised the authors of the amendment now before us.

Mr. President, I believe that changes of this significance should not come without careful study—study of both the experience in Wisconsin under that State's Learnfare Program and the experience we have had with other work and education incentives under the 1988 welfare reform legislation.

One reality we should have learned by now is that simply forcing young people to attend school does not guarantee that they will gain a good education.

And, we must also get beyond the mentality that suggests that all of society's problems—drugs, alcohol, dysfunctional families, AIDS—must be dumped on teachers and dumped on schools.

These are the community's problems, Mr. President, and I for one believe it is well past the time that the community should begin assuming responsibility for dealing with them.

Just 2 weeks ago, I had the opportunity to visit the New Vistas School in Minneapolis that is drawing on a wide range of community resources to do just that.

New Vistas is a Minneapolis Public School located in facilities made available by Honeywell, Inc., in its corporate headquarters. New Vistas is a school for pregnant teens and for teen mothers. The students in this school are expected to fulfill all the requirements of other students in Minneapolis high schools.

But, the New Vistas School is based on the assumption that society has many different responsibilities in helping these young students complete their education.

That is why this school is considered an integral part of Success by Six, a communitywide school readiness program initiated several years ago by the United Way, under the leadership of Honeywell CEO Jim Renier and many other business and community leaders in Minneapolis.

That is why health services are available in this school provided, not by the Minneapolis Public School System, but by nearby Children's Medical Center and by the Minneapolis Public Health Department.

And, that is why numerous other health, nutrition, transportation, counseling, and other social services are made available to these students from a wide variety of community resources.

Perhaps not every school can make available such a wide range of services beyond traditional education services, Mr. President.

But, without that kind of community acceptance of responsibility for dealing with the myriad of issues and problems many young people and their families face, I seriously doubt that simply requiring children in AFDC families to attend school will accomplish the very important aims of the amendment we have before us today.

Nevertheless, Mr. President, I believe the authors of this amendment have raised issues and a dilemma that we can no longer afford to ignore.

That is why I am so pleased that the chairman of the Finance Committee has promised to provide a proper forum for beginning the job we all know needs to be done.

I look forward to playing an active part in the hearing and oversight process that the distinguished chairman has promised us.

But, until we have both a proper context and better information on which we can base our judgment on such an important issue, I must oppose the amendment we now have before us.

Thank you, Mr. President. I yield the floor.

Mr. HATFIELD. Mr. President, I rise to commend my colleagues from Oklahoma and Wisconsin for bringing the issue of Learnfare before the Senate. I believe that linking welfare programs to school attendance may well be meritorious and I look forward to following the results of the three States—Wisconsin, Ohio, and Florida—who are currently experimenting with this concept. While my own State of Oregon does not have plans to implement Learnfare at this time, officials in my State will also be watching the results of these initiatives with great interest. Furthermore, it is my understanding that the Department of Health and Human Services will soon release a report on Learnfare initiatives. This data promises to help us at the Federal level carefully evaluate the effectiveness of this concept.

While I believe this concept has merit, I am casting my vote to table this amendment today primarily because the data is not yet in on the experiments in Learnfare being conducted across this country. It is my understanding that members of the Finance Committee have committed to holding hearings on this issue once the results are known from each of these projects. Further examination is necessary before we encourage States to conduct these experiments across the board.

I am a strong supporter of federalism and the notion of States serving as laboratories for new ideas and approaches. Many of our greatest programs, such as Medicaid, Medicare, and Social Security were first initiated by States which identified a problem and set out to find a solution. As we all know, several of these trial balloons have now become major Federal programs.

The goal of our welfare system, Mr. President, must be to expand educational and economic opportunities as well as to meet the immediate needs of individuals and families. Of course, any program of assistance to those in need must be structured to encourage its recipient to be productive, creative, and responsible members of our society. It may turn out that Learnfare programs will encourage greater responsibility in AFDC recipients, however, the data is not yet in. Let us gather the evidence before we act. When the lives of children and families are at stake, we have no greater obligation.

Mr. SANFORD. Mr. President, I rise today to voice my support for the Bentsen motion to table the Nickles-Kasten amendment. By supporting the motion to table, I do not mean in any way to imply that I am opposed to the goals of Learnfare. I worry that the supporters of the Nickles-Kasten amendment will attempt to portray the opponents of the amendment as "opposed to welfare reform," or "opposed to school attendance," or some other such nonsense. But such is simply not the case: We all know the value of obtaining a solid education, we all know school attendance is important, and we all know that our welfare system can stand improvement in numerous ways.

I understand the motivation behind the Nickles-Kasten amendment. I wholeheartedly endorse the goal of promoting educational attainment for all our children, which, on the surface, this amendment seems to do. Upon closer look, however, I have to conclude that this amendment is not the right way to promote that worthy goal. It is important to keep in mind that the law already permits any State to enact Learnfare. In fact, the Family Support Act of 1988 gave wide latitude to States to enact changes in their welfare systems, making them more incentive-driven, and I think that is highly commendable. So the Nickles-Kasten amendment does not permit Learnfare—that has been allowed since 1988—but rather the amendment would allow any State to implement a Learnfare program without going through an approval process with the Department of Health and Human Services. There is much evidence, however, to suggest that this approval process is beneficial. When the State of Wisconsin came up with the idea to implement Learnfare, they began working with the Department of Health and Human Services to obtain the waiver they needed. As State officials discussed their plan with the Department, they greatly improved their Learnfare plan over the original proposal. The new plan tied the Learnfare Program with case management, so that if, let's say, a fourth grader was repeatedly missing school, instead of just summarily cutting AFDC benefits to that child's family, a case worker would try to discover why that child was missing school: Did she have a health problem? Was she in an abusive home environment? Had some family crisis arisen? Then the caseworker could try to alleviate the problematic situation. Without the requirement of obtaining a waiver, this critically important social service component would have been left out of the Wisconsin plan. Furthermore, the Department of Health and Human Services required an evaluation of the plan, so we will be able to see how effective it has been and also what negative effects it may have had. This evaluation requirement is important, and we should not undermine it, but unfortunately the Nickles-Kasten amendment would do so.

The goal of a waiver requirement is not to burden States with additional paperwork or redtape: The goal of the waiver process is to make sure that changes in a State's welfare system are not harmful to children or solely punitive without offering any meaningful improvements. In addition, when granting waivers, Federal administrators seek to ensure that State plans are legally, properly, and fairly implemented and evaluated. For these very important reasons, the waiver requirement should remain in place. As I have already stated, we should remember that a waiver requirement in no way prevents a State from undertaking a welfare reform program. The Family Support Act emphatically encourages States to reform the system. But that does not mean reform efforts should run amok or uncontrolled. If it now takes too long to have a waiver for welfare reform approved by the Department of HHS, we should encourage the Department to speed and improve their administrative procedures, but we need not do away altogether with their important role.

I have another concern about the Nickles-Kasten amendment; because it eliminates the waiver requirement for Learnfare programs but for no other welfare reform efforts, it provides a strong incentive for all the States to adopt Learnfare instead of some other improvement plan. Our 50 States would no longer be laboratories of innovation, with various States developing many different reform efforts. These State experiments give us the opportunity to evaluate alternative plans, so we learn much more about what works and what does not work. I voted to send this amendment to the Finance Committee to propose ways to encourage the creative efforts of so many talented people across the country. We do not want to drive all States to implement the same reform plan, but I am afraid the Nickles-Kasten amendment inadvertently would do this.

While offering all encouragement to States to develop their own welfare reform plans and to promote educational achievement for their at-risk students, I must join with Senator BENTSEN in asking that the Nickles-Kasten amendment be tabled.

The PRESIDING OFFICER. The time of the Senator has expired. All time on this amendment has expired. Under the previous order, the Senator from Texas [Mr. BENTSEN] is recognized to make a motion to table.

Mr. BENTSEN. Mr. President, I move to table the Nickles-Kasten amendment.

The PRESIDING OFFICER. There is a motion to table. The question is on agreeing to the motion.

Mr. NICKLES. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table amendment No. 1479. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 55, nays 43, as follows:

[Rollcall Vote No. 7 Leg.]

YEAS—55

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bradley
Breaux
Bryan
Burdick
Byrd
Chafee
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Glenn
Gore
Graham
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Pryor
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Wellstone
Wirth
Wofford

NAYS—43

Bond
Boren
Brown
Bumpers
Burns
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dole
Domenici
Fowler
Garn
Gorton
Gramm
Grassley
Hatch
Helms
Kassebaum
Kasten
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Reid
Roth
Rudman
Seymour
Simpson
Smith
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Harkin
Kerrey

So the motion to lay on the table the amendment (No. 1479) was agreed to.

Mr. KENNEDY. I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, may we have order.

The PRESIDING OFFICER. The Senate will be in order.

The Chair will state to the Senator from Massachusetts there is a prior order pending at this time which the Chair will now state:

AMENDMENT NO. 1490

Under the previous order, the Senator from New Mexico [Mr. DOMENICI] is recognized to make a point of order against the Wirth amendment No. 1490. Then the Senator from Colorado [Mr. WIRTH] is recognized to make a motion to waive the Budget Act. Under the previous order, the time on the Wirth motion is limited to 2 hours equally divided and controlled by the Senator from Colorado [Mr. WIRTH] and the Senator from New Mexico [Mr. DOMENICI].

At this point the Chair recognizes the Senator from New Mexico [Mr. DOMENICI] for the purposes of making a point of order.

Mr. DOMENICI. Mr. President, I thank the Chair.

The Budget Act provides a point of order against consideration of legislation dealing with any matter, and I underline and concentrate on those two words, "any matter," which is within the jurisdiction of the Budget Committee unless the Budget Committee reports the measure. This point of order keeps the Senate from attempting to address the budget in a piecemeal fashion or to pick apart the Budget Act. That is precisely what the Wirth amendment attempts to do, and it is clearly within the jurisdiction of the Budget Committee.

This amendment is not just a matter of the Nation's children——

The PRESIDING OFFICER. I state to the Senator that the point of order is not debatable. Under the previous order, the Chair will go to the Senator from Colorado for his motion, which is then debatable, and the time will be divided accordingly.

The Senator from Colorado.

Mr. DOMENICI. Mr. President, I have not made the point of order yet.

The PRESIDING OFFICER. I was wondering——

Mr. DOMENICI. I ask that you charge those brief introductory remarks to my hour.

Pursuant to section 306 of the Budget Act, I raise a point of order against the Wirth amendment No. 1490.

The PRESIDING OFFICER. A point of order has been raised against the amendment of the Senator from Colorado.

Mr. WIRTH. Mr. President, I move to waive the Budget Act for the consideration of amendment No. 1490.

The PRESIDING OFFICER. Under the previous order, the time for debate on the motion to waive the Budget Act has been equally divided into 2 hours, controlled by the Senator from Colorado [Mr. WIRTH] and the Senator from New Mexico [Mr. DOMENICI].

At this point, the Chair recognizes the Senator from Colorado.

Mr. WIRTH. Mr. President, the sense-of-the-Senate resolution in front of the Senate today is a very simple resolution. Let me read the enabling language of the sense-of-the-Senate resolution:

> It is the sense of the Senate that legislation should be enacted that realigns the 1990 budget agreement to reflect the two priorities of the American people. By shifting unnecessary military spending into domestic programs, including early childhood development, education, and job training, to promote the Nation's long-term economic growth and social well-being.

The word of great note in that is "including."

Mr. President, everybody in the U.S. Senate has talked about the fact that the cold war is over. Everybody here has talked about the fact that we as a Nation, as the world has changed, must work to change ourselves. I am sure that all 100 Members of the U.S. Senate have given speeches and talked to constituent groups about the need for investing in our own backyard, about the need for investing in education, in research and development, in plant and equipment, and increasing the productive capacity of this country. Every one of us has talked about investments in the future and the need for change. That is what this sense-of-the-Senate resolution is all about.

It says, "domestic programs including"—this is obviously not limited, as some have suggested, to one set of programs or another. It simply says that one of our priorities is obviously education. Presumably, the President is going to speak tonight in his State of the Union Address about the Head Start Program. Every one of us has spoken about that, in which only one child in four who is eligible is enrolled. Everybody, I believe, has said that we ought to enroll those other three out of four. That is the best investment we can make.

I bet everybody on the Senate floor has talked about investments in early childhood health, prenatal care, and immunization programs for children, early literacy, parent involvement programs. And everybody here, I am also sure has talked about the problem of access to higher education and the need to assure that everybody can go on to our flagship universities, regardless of social class or wealth; that higher education should not be the purview of the privileged few; that we should have a fluid society, and education and opportunity are the ladder of change in this country.

Education is the core ingredient to creating opportunity. I have heard it said over and over again.

This resolution started as a very simple idea in the discussions early last fall on S. 2, the bill in front of the Senate right now, a bill which deals with reform and change in American education.

Senator WELLSTONE and I sat through a number of those discussions. I am not on the Education Committee. Senator WELLSTONE is, but we sat and talked at great length about the need for change and how we are really going to foster that sort of change.

Obviously we want to see changes in schools. Obviously, we would like to see change in the support of education. And we also thought to ourselves, wait a minute, we cannot do any of these things, unless the walls in the budget agreement of 1990 are changed.

We have a cap on domestic expenditures, and we have a cap on defense expenditures. These limits were created prior to the fairly dramatic changes in the world.

Now everybody, I think, knows that it is time for a change. So, Senator WELLSTONE and I sat down with the help of Senators KENNEDY, SIMON, ADAMS, and others, and said, let us devise something that starts to make a statement about the need for this change in our spending and our priorities. Out of that came the Wirth-Wellstone amendment.

We were prepared to offer this amendment last fall, Mr. President, at the time when we thought the legislation was first going to come to the floor in the waning days of the 1st session. We then broke and went over a holiday break for Christmas and New Year's and came back here to begin work on the education bill. The sense-of-the Senate resolution was part of the unanimous-consent request agreed to last week and part of the unanimous-consent request agreed to last night.

Prior to today, there was no discussion or opposition. We thought that this was just a simple man's apple pie sort of resolution. We have all talked about investment in education and about the future, and we all know that defense spending is going to decrease.

I suspect that we all also know that the President is probably going to talk about that tonight, that we have to invest more in education, which we cannot do without changing the Budget Act or raising the deficit—something nobody wants to do. It is pretty simple arithmetic.

Well, now suddenly this has become a point of enormous contention. Why? I do not quite understand that. I would like to assure our colleagues on the other side that this was not intended in any way, shape, or form, to come up today before tonight's State of the Union Address. It was not intended in any way, shape, or form, as suggested by some, to embarrass the administration, to embarrass the President, to embarrass the Republicans, not by any means. We thought everybody would be in support of this, and this was to have happened last fall.

Now it got scheduled by unanimous consent last week, agreed to again last night, to occur this afternoon. So everybody knew this was happening. This was scarcely any kind dark-of-the-night maneuver.

Our intent is clearly to have the Senate go on record as every Senator, I suspect, has discussed, in saying that we ought to invest in education, that we ought to be investing in children of the future. Everybody has said that. And that unnecessary defense spending is going to get cut. We all know that is the case. The President will talk about that tonight. And that among the funds that are going to be made available when unnecessary defense spending is cut, those are going to go into programs such as education. I am also sure some of this will go into deficit reduction.

We are going to have a major tax bill and economic stimulus bill. We will have a lot of discussion on a public works program. There are going to be a significant number of demands on these funds. That will be part of the national debate in what this Congress addresses over the coming months.

Our statement was simply that included in these ought to be investments in education, and obviously some of us would like to place that at top of the list. That is my first priority. Others are going to have other priorities, and that is what this body is all about, to decide what their priorities are going to be.

So, Mr. President, this is a very simple resolution. It is a sense-of-the-Senate resolution, and there are no numbers in it. It does not say that nothing else can be funded except education. It says this includes education. A sense-of-the-Senate resolution, which says we ought to be moving funds from defense spending into education. I believe that, and I think probably most of us talked about that, and I am sure the country believes that is the case. That is one of the priorities we ought to have.

It is a very simple sense-of-the-Senate resolution. We need 60 votes, because anything that relates to the Budget Act that is not brought up in legislation reported by the Budget Committee requires a waiver of the Budget Act, and that, I gather, as the Senator from New Mexico has raised the point of order that unless we have

60 votes, we cannot even pass this very simple sense-of-the-Senate resolution. I hope that we will get agreement and everybody will agree to this basic and simple amendment.

So, Mr. President, having explained that, I have further comments, but I know a number of people would like to speak on this particular piece of legislation, and I will give up the floor to the Senator from New Mexico who, I know, has a statement he would like to make, and then I will yield to the Senator from Minnesota.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me attempt to be as brief as I can. I have word now that about four or five Senators want to speak to this issue, and I want to make sure I leave time for them. I yield myself 6 minutes at this point, Mr. President.

Mr. President, this morning, although I was not present, the distinguished majority leader rose to talk about what he thought the United States ought to be doing over the next 3, 4, or 5 years. My recollection is that he said, as part of an economic growth package, we should have such things as long-term investment in research, high-speed rail technology, spending on infrastructure, tax cuts for middle-income Americans, and a package to help State and local governments through grants.

Mr. President, nothing highlights the fallacy of the Wirth resolution more than the words of the distinguished majority leader. The Wirth-Wellstone resolution decides what ought to be done for America, and leaves out all of the things mentioned by the leader.

What we ought to do, if we want to have a resolution of the type offered by Senator WIRTH, is we ought to pass around a piece of paper for 2 or 3 days to all Members of this body and ask Senators, one at a time: What is it you think we should do with any savings from a defense build-down? I know my friend from Missouri is going to question if there is any money available when we are bankrupt by our public debt. Based on the Wirth resolution, we are just going to spend more borrowed money, as I understand it.

I believe we ought to ask Senators to sign up for what they really think is important in terms of national spending. And then we ought to put a resolution on an education bill saying this is how we spend the money.

After each Senator has had his or her way, we ought to run the resolution right through here.

Well, as far as the Senator from New Mexico is concerned, it seems that the Wirth-Wellstone resolution is an effort by two Senators, both of whom I have great respect for, to sit down and write a very lengthy resolution covering everything about children and education that one could imagine. This resolution includes changing two of the current discretionary grant programs into entitlement programs. Senators WIRTH and WELLSTONE produced a masterpiece of ideas of activities that they want accomplished, and they then stand up and say it really is not anything big. They suggest we should not have anybody down here arguing about the resolution because it really means nothing. They claim it is just a little old thing.

Well, Mr. President, I believe it is more than just a nothing resolution. I think when we have these kind of resolutions we ought to come down here and talk about them and make sure that everybody understands what they are voting for. Make no mistake about it, if you vote for this resolution, you have decided that the peace dividend, however large or small, is going to be spent exactly the way the two Senators who proposed the resolution want it spent. Perhaps there are three or four other Senators that, in a casual or more formal way, joined around a table to write up this agenda, an agenda directing how to spend any defense savings over the next 5 years.

Frankly, I really do not think this is the way to do business. I do not think this is the way to tell one group of Americans, in our home State or elsewhere, about all of the good things we are doing here in Congress for children. As a matter of fact, this resolution is not a binding resolution. Nonetheless, my colleagues want credit for what it alleges to do for children on the one hand, and on the other hand they do not want anyone to challenge the resolution because it is, really, nonbinding. Well, I challenge it today.

I do not think this is the way we ought to do things. I do not think we ought to speculate on where the defense savings, if any, ought to go during debate on an education bill. Today, the President is going to tell us his priorities for the next year or two. The President's plan is being revealed long before the time when many Democrats, including the leadership of the Democrats in the Senate, have put finishing touches on their recovery plan. And I assume they have one.

I would doubt seriously, if something is put together with both short-term and long-term objectives for our Nation, that all of the defense savings are going to go to the specific programs mentioned in the Wirth amendment. And I will start calling the Democratic plan for defense cuts the $100 billion cut because I understand that is what the distinguished majority leader advocates, a $100 billion reduction in defense. It would be interesting to know how we are going to get that accomplished.

But spending this $100 billion, according to this resolution, is to be accomplished according to the way and whim and wish and desire of a few Senators who put this resolution on this education bill before us today.

Having said that, I will, before we finish, challenge seriously some statements made about how much children's programs in the United States have suffered in the last 3 or 4 years. I must be looking at a completely different set of numbers. I find nothing that shows children's programs have increased by 5 percent. I can tick off five or six that went up 35 and 40 percent. I can list new children's programs that did not even exist 2 years ago that are now funded at half a billion dollars.

That is not to say that the Senator from New Mexico is arguing here on the floor that we should not do more for children in our budget.

Having said that, I would like to have either Senator KASSEBAUM, who wants to raise an issue on part of this resolution, or Senator DANFORTH, engage in some discourse on the subject.

I yield the floor and will wrap up my thoughts when my colleagues have finished with their views.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I would like, with the indulgence of the Senator from New Mexico, to engage him in a discussion at this point because I have very great respect for Senator DOMENICI. He is the ranking member of the Budget Committee. He has served on the Budget Committee for many years. He served as chairman of the committee for I think 6 years. And if anybody understands the budget process, he does.

I was drafted onto that committee for a short period of time and rushed for the exit. I have never pretended to understand the process, certainly not to the extent that Senator DOMENICI understands it. So I really need some help here.

Mr. President, the debate is: How are we going to spend the peace dividend? We all know that this wonderful revenue stream is going to be coming our way, and now is the time for us to make the big decisions on the floor of the Senate on how to spend it.

Senator DOMENICI says, "Well, maybe it is premature to start cutting up the pie. Education, children's issues, maybe should be considered, but there might be other concerns for how to spend the peace dividend. So let us reserve judgment on how we spend this wonderful fund that is coming our way."

My question—and I apologize for my ignorance in even asking it—but my question is: What peace dividend? What fund of money? Where is this thing that is coming our way?

And the basis of my question is this: From everything I have read, trying to ascertain what the various candidates are saying up in New Hampshire, the most far out, let us say generous version, of the peace dividend is that we should cut defense spending by 50 percent—50.

Right now, we are spending, roughly, I think, $300 billion on national defense. So if you assume the most draconian cut of national defense, 50 percent—more than the majority leader is suggesting—that is $150 billion a year cut in defense spending.

According to the Congressional Budget Office, in a report issued this month, report to Congress, the Federal Government's spending in 1992—Federal Government spending—on Medicaid and Medicare combined is $196 billion this year. By 1997, the Federal Government will be spending in constant dollars on Medicare and Medicaid $344 billion. That is an increase in constant dollars of $148 billion in a 5-year period of time on Medicare and Medicaid alone.

Mr. President, I might say that these numbers—$148 billion increase in Medicare and Medicaid—are without any consideration of any health care legislation that we might pass. And that is the big issue. I mean, people are getting elected to the U.S. Senate saying we need to do more on health care. Bills are being reported out of committees saying we are not doing nearly enough in health care; we must do more. We must expand what we are doing in health care. But if we do nothing, nothing, nothing in health care, the cost to the Federal Government alone in Medicare and Medicaid alone increases over 5 years by $148 billion.

My question to the ranking member of the Budget Committee is simply this: Please explain to me where the pot of money is. Where is it the peace dividend? It would seem to me that if the most we are going to cut military spending is $150 billion a year and if health care costs to the Government alone are going up by $148 billion a year, the very most we can have by way of a peace dividend is $2 billion.

Have I missed something?

Mr. DOMENICI. This is all charged to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Let me say that other than my colleague saying these numbers were per year—and they are for 5 years—he has not missed a thing.

We have a tendency here in the Senate and the Congress to talk about what happens to the fiscal policy of our Nation as if there were just two categories: defense and everything else. Often, some assume that savings in defense are really savings that we can spend somewhere else ignoring other parts of the budget. We ignore that perhaps spending on Medicare and Medicaid is going up more than the entire savings assumed from defense. We just discount increases to health costs and say that health is an entitlement. And, so, increased spending on health does not count.

Let me assure the Senator, if he is worried about getting the Federal deficit under control, spending on health care counts. Every single penny counts just as the burden we put on the shoulders of the American people with our enormous deficit counts.

What we will do, if we dedicate every bit of defense spending to spending on other programs is ignore the deficit and its burden. We will also have committed ourselves to never getting the deficit under control unless—and I will give you a couple of "unlesses"—we pursue other options.

For instance, if you want, in a couple of years, you can tax the American people across the board 20 percent, raise everything 20 percent. With this option, you might get the budget under control. You might.

If you do not have other options, you will have a deficit of between $200 and $325 billion just rocking along. This deficit will add to America's inability to save. This deficit will add to an inability to compete globally because American companies, large and small, do not have capital available to compete. And we will just add to the deficit, ridding ourselves of all sense of responsibility, as I see it.

Let me also suggest to my colleage that perhaps $150 billion is draconian. Nobody is seriously suggesting $150 billion. There are some suggesting $100 billion, some suggesting $90 billion, and I must admit there are some saying we can achieve $135 billion in defense cuts.

So I think the answer to the Senator's question is quite obvious: There really is no peace dividend. If you look at the effect of the automatic growth in entitlement programs, programs that are growing on their own, such as health, any defense savings will be eaten and gobbled up faster than you can see.

Mr. DANFORTH. Mr. President, I might just add to what the Senator from New Mexico has said. I am a politician. I like to make people happy. And I think there is a tried and true way to make people happy, and that is to say: We are going to give you some more money. We are going to be spending more money; does that not make you happy? And if we spend enough, may we please have your vote?

So, I think that is just excellent politicking, and I hate to be the kind of person who puts a damper on this and who says there is not any money.

It is my understanding that this year, Medicare and Medicaid is $196 billion. And in 1997, with no program changes, it is $344 billion. That is a $148 billion increase.

If that is true, no conceivable peace dividend equals that.

It seems to me, maybe we should give some thought to the cost of health care in this country. Maybe we should give just a little bit of thought to the increased cost of health care to the country as a whole, and to the increased cost of health care to the Federal Government—what the bill is going to be, before we start spending this wonderful revenue flow that is going to be coming our way.

I know the former Senator from Minnesota, Senator Humphrey, called it the politics of joy. And it is, It is joyous—joyous—to tell people that we have wonderful ideas of how we are going to have huge increases in Government spending.

I do not want to be the person who is dampening this joy. But it seems to me that maybe the question should be raised, Where is this peace dividend? The Senator from Missouri does not see it.

I thank the Senator from New Mexico.

Mr. DOMENICI. Mr. President, how much time have I used?

The PRESIDING OFFICER. The Senator from New Mexico has 42 minutes 33 seconds remaining.

Mr. DOMENICI. Mr. President, I want to yield myself 2 minutes, and then we will go back to Senator WIRTH. I have two additional speakers, I might say to the Senator from Colorado.

Mr. President, I want to add to what my good friend from Missouri said about "What peace dividend?" I would just add a thought.

First, I will put in the RECORD an entire list of programs of the Federal Government that I believe are for children, from Head Start to many others. I believe the increases over the decade of the eighties are far more than the 5 percent alleged in the Wirth resolution.

But having made that point, let me suggest to the Senate, nothing—let me repeat nothing—would be better for the children of the United States of America than for us to find a way to rid ourselves of the deficit, when we rid ourselves of the deficit, the American economy can grow and prosper at sustained rates. Our standard of living will increase from generation to generation, as was the case in the early days of our industrialization. Nothing could be better for children, than us reducing the deficit and our debt. Nothing is more important to our Nation's children than getting the deficit under control.

As the Senator from Missouri points out, you will never get the deficit under control if you allocate the entire peace dividend to more spending, and then turn other programs into uncontrollable entitlements. As has been suggested by the resolution by Senators WIRTH and WELLSTONE.

I just believe children will be better off if we do not spend more. They will be better off if we fix the economy by fixing the deficit.

I ask unanimous consent that a table displaying funding increases for children be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEDERAL FUNDING OF CHILDREN'S PROGRAMS—CHANGE FROM 1980 TO 1990

[Nominal dollars in millions]

	1980	1990	Change	
			Dollars	Percent
Health:				
Medicaid	2,910	8,200	5,290	181.8
Maternal and child health	424	554	130	30.7
Community/migrant health	298	506	208	69.8
Homeless health care	0	36	36	N/A
Immunizations	0	187	187	N/A
Subtotal, health	3,632	9,483	5,851	161.1
Cash:				
AFDC	6,924	12,246	5,322	76.9
Supplemental security income	5,716	11,493	5,777	101.1
Earned income tax credit	1,275	4,354	3,079	241.5
Refugee assistance	383	558	175	45.7
Foster care/ad asst	263	1,579	1,316	500.4
Subtotal, cash	14,561	30,230	15,669	107.6
Food:				
Food stamps	9,117	14,992	5,875	64.4
Child nutrition	3,536	4,996	1,460	41.3
WIC and CSFP	717	2,196	1,479	206.3
TEFAP	0	169	169	N/A
Subtotal, food	13,370	22,353	8,983	67.2
Housing:				
Public Housing Op Subs	1,070	1,805	735	68.7
Housing payments	5,746	7,299	1,553	27.0
Emergency shelter grants	0	47	47	N/A
Supportive housing	0	58	58	N/A
Subtotal, housing	6,816	9,209	2,393	35.1
Ed/social services:				
Head Start	736	1,447	711	96.6
Follow Through	44	7	(37)	−84.1
Chapter One	3,197	5,368	2,171	67.9
Handicapped Education	1,049	2,055	1,006	95.9
Math and Science Grants	0	159	159	N/A
Drug Free Schools	0	539	539	N/A
Education of Homeless	0	7	7	N/A
Dropout Prevention	0	20	20	N/A
HDS/Children, Youth, Families	57	424	367	643.9
Vocational Ed	979	950	(29)	−3.0
WIN	396	5	(391)	−98.7
Youth Training/Job Corps	2,330	1,484	(846)	−36.3
CETA	3,342	0	(3,342)	−100.0
JTPA	0	1,745	1,745	N/A
Title XX SSBG	2,635	2,776	131	5.0
Community Services	493	389	(104	−21.1
Emer. Food and Shelter	0	132	132	N/A
LIHEAP	1,577	1,314	(263)	−16.7
Weatherization	182	162	(20)	−11.0
Child Care Block Grant	0	772	772	N/A
Subtotal, Ed/soc ser	17,017	19,745	2,728	16.0
Subtotals:				
Health programs	3,632	9,483	5,851	161.1
Cash assistance	14,561	30,230	15,669	107.6
Food	13,370	22,353	8,983	67.2
Housing	6,816	9,209	2,393	35.1
Ed/social services	17,017	19,745	2,728	16.0
Total, children	55,396	91,020	35,624	64.3

Prepared by SBC Minority Staff 1–26–92.

Mr. WIRTH. Mr. President, I yield myself 1 minute, and then I will yield to the Senator from Minnesota.

Mr. President, this is not about robbing Peter to pay Paul in an attempt to get Paul's vote. That is a very superficial, it seems to me—very superficial—discussion of what is a fundamental request and plea for change. Some of us have for a long time believed that our national defense should be described in terms very different from building more missiles and more tanks designed for an enemy which really no longer exists. It is important to have a strong defense, but not one that is gold-plated; not one of excess as has happened in the past.

The American public is now saying: Let us not even get into that debate. Let us just make some significant changes. They know they have to be made. One of those sets of changes has to be the investment in young people, in the future. Another set of those changes has to be the control of health care costs, which I think many of us have been advocating, a dramatic and quite almost radical change in our health care system, for the purposes of getting costs under control and getting more reasonable coverage for all people of this Nation.

That is what the American public is asking. This is not robbing Peter to pay Paul. This is, are we going to be willing to start now with the sort of change I believe we are expected to make and are elected to make? We have an obligation to the American people to come out to them and say we are here to make those changes, and not go along with business as usual; or go along with assumptions as usual.

Mr. President, I yield 12 minutes to the distinguished Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I thank the Senator from Colorado.

I was listening to the comments of the distinguished Senator from New Mexico, as well as the distinguished Senator from Missouri. And as I listened to what they were saying, I felt that the critique that they were presenting was a very important critique. Except the problem was they were critiquing an amendment which does not exist.

This is the age-old debate tactic of lifting up a straw man or straw woman and then tearing it down.

Let me just be very clear about what this amendment says and what it does not say. It says:

> Legislation should be enacted that realigns the 1990 budget agreement to reflect the true priorities of the American people by shifting unnecessary—

It contains no specific figure. It continues:

> military spending into domestic programs, including child development, education, and job training, to promote the Nation's long-term economic growth and social well-being.

That is not an exclusive list. There is nothing in this amendment that says that when we decide to bring the budget wall down, and how we are going to transfer resources, that all those resources have to go to children or education. It does not say that. I would challenge my friends on the other side of the aisle to find any such wording here in this amendment.

The Senator from Missouri raised some interesting questions about health care. Senator KENNEDY is here on the floor and can answer questions about health care. I suppose—in fact, it is more than I suppose—I know we will have a vital debate about health care. That is going to be a crucial issue for our country. But for now, let me get back to what this amendment is about.

We do not say that all money, whatever we eventually decide—this is only a sense-of-the-Senate amendment—all has to go to education. We do not say some of it cannot go to deficit reduction. We do not say that some of it should not go to physical infrastructure. I think it should. There are some who think it should go to tax cuts. We could agree or disagree. None of that is excluded in this amendment.

I will tell my colleagues what this amendment says. It says what I heard almost every single Senator on this floor say over the last several weeks. I have said it before, but I have to say it one more time.

Every politician is for children and education except when it comes to digging into the pockets. All this says is we know we have not done enough; we know the real national security of this country is going to be when we invest in the health, skill, intellect, and character of our young people. We know we have to do much more for education. And we make a commitment to eventually, when we bring down the wall, to making sure that we transfer some resources to our children and education. That is all this amendment says.

Yesterday, I met with Alice Dillon of the PICA Program, Parents In Community Action, of south Minneapolis—a Head Start Program, Senator KENNEDY, for 120 homeless children.

Every one of those children, every one of those boys and girls, you look into their eyes, and each one of them has the potential to go out into this world and make something beautiful happen if we provide them with the support. What Head Start says is that we as a people are going to provide children from the toughest circumstances with just that, Head Start—and we are funding it at a 28-percent level? All this amendment says is that we are going to do better. We can be better. That is all this amendment says.

I read:

> In Landsdowne Junior High School, the St. Louis Sun reports, "there are scores of window frames without glass, like sockets without eyes." Hallways in many schools are dark, with light bulbs missing or burnt out. One walks into a school, a member of the city's board of education notes, and you can smell the urinals 100 feet away. A teacher in an elementary school in East St. Louis has only one full-color workbook for her class, one. She photocopies workbook pages for her children, but the copies cannot be made in color and the lessons call for color recognition by the children. A history teacher at the Martin Luther King, school has 110 students in four classes—but only 26 books.

I could go on and on and on.

We know that there are things that work, such as making sure every woman expecting a child has a diet full of vitamins and protein, but we do not fully support that program; or making sure children have a nurturing, supporting environment so by the time they get to kindergarten they have a real chance, but we do not fully support that program. The Head Start Program has been an unambiguous success for almost three decades, and we are funding it at the 28-percent level.

And then there is this question that Senator WIRTH raised about all the young people who finally do graduate from school, although many are doomed to unequal lives right now. What happens with job training? How do they obtain jobs? How do they make the transition to the work force? I hear about that all the time, but we are not funding those programs.

And, finally, Senator WIRTH, Democrats, my friends on the other side of the aisle, how many Senators have I heard talk about the importance of each and every young person having the opportunity to pursue his or her higher education and making sure that young people can afford it?

This amendment just says we can do much better. That is all it says. It is nonbinding. There is no specific figure. It certainly is not just exclusively about education, but it certainly seemed appropriate as a sense-of-the-Senate amendment to an education bill to signal to the people in this country that we know what we have to do and, when that budget wall is eliminated, surely some of the resources will go to the education of our young people.

Mr. President, let me conclude this way. I said it on Friday and I am going to say it again. There is an old Yiddish proverb which says you cannot dance at two weddings at the same time. I think that is what too many Senators have been doing when it comes to children and education. This amendment enables Senators in this Chamber to make it clear to young people, to educators, to parents, and to communities that we know we can do much better and, indeed, we will do that.

Mr. BENTSEN. Mr. President, I would like to ask the Senator from Minnesota whether or not Senator WIRTH's and his amendment implies that military savings should not be used for middle-income tax cuts, deficit reduction, or other purposes?

Mr. WELLSTONE. Mr. President, I will answer the Senator from Texas by stating that the amendment does not address the question of deficit reduction or middle-income tax cuts. However, I assure the Senator that this amendment does not imply that the reduction in defense spending must be used exclusively for education. In particular, it does not imply that the revenue saved from a reduction in defense expenditures may not be used to finance middle-income tax cuts or deficit reduction.

Mr. BENTSEN. Then do I assume correctly that the Senator's amendment does not intend to minimize the merits of a middle-income tax cut and deficit reduction as means to promote, as it says in the amendment, "the long term economic growth and social well being"?

Mr. WELLSTONE. I will say to my good friend from Texas that his assumption is correct, with respect to the intent of this amendment. We are simply focusing today on the subject of education.

Mr. BENTSEN. I thank my good friend for answering my questions.

The PRESIDING OFFICER. Does the Senator from Minnesota yield the floor?

Mr. WELLSTONE. Mr. President, I do yield the floor.

Mrs. KASSEBAUM. Mr. President, I yield myself 6 minutes.

Mr. President, we all care about education. The reason I believe the question of the Senator from Colorado has become contentious is that it is more than just a simple sense-of-the-Senate resolution. I would like to talk about the specifics of this sense-of-the-Senate resolution. If one is going to vote for this sense-of-the-Senate resolution, they also are going on record as supporting two new entitlement programs, one of them being Head Start. I care deeply about Head Start, but Head Start funding has doubled since President Bush took office in January 1989, going from $1.235 billion to a proposed 1993 spending of $2.8 billion for full funding for all 4-year-olds who are eligible for Head Start.

We all support that. But there is a certain amount of absorption that has to come in making Head Start an entitlement, along with an entitlement for the Pell grant, which is a grant for eligible students in higher education. A Pell grant entitlement would immediately take it from about $5 billion today to $11 billion. I personally feel strongly, Mr. President, that both of those programs are far better dealt with under the authorization and appropriation process that we have today rather than an automatic entitlement.

I would just like to go through some of the other things that are listed in the sense-of-the-Senate resolution. One of them is an investment in elementary and secondary education to improve educational achievement. Mr. President, I thought that is what we were doing with S. 2. I believe we have spoken to some very innovative programs at a funding level that is going to be almost an additional $1 billion for elementary and secondary education. With this bill, we are moving the Federal Government in a rather dramatic way into new and innovative programs in elementary and secondary education.

Also listed here is an effort to reduce classroom size and promote equity. None of us could disagree with that, but I think that expressing this in a sense-of-the-Senate resolution does not really do much.

Third, an investment in school-to-work transition initiatives is listed. I think we all agree that is very important. However, we addressed that just last year when we reauthorized the Carl Perkins bill, the vocational technical legislation in which we had tech prep language. Perhaps we did not go as far as some would wish, but I think that we expanded that initiative to a very important degree.

I myself do not wish to make the Pell grant an entitlement. I think we could appropriate to the full amount that has been authorized and expand the Pell Grant Program, but to make it an entitlement, takes it in a direction that we question.

So this is more than just a simple sense-of-the-Senate resolution, Mr. President. I think when we talk about the peace dividend, we should not be designing sense-of-the-Senate resolutions which really do no more than just say we are for education. We are laying out initiatives on this which will be debated at a later point and I think they require very thoughtful debate.

We all are going to be debating health care in the future and the moneys that we are going to need for different initiatives regarding health care.

We are all concerned with the environment, and certainly the Senator from Colorado has been a key leader in environmental issues, with the moneys we would like to see utilized in environmental issues. But I think, Mr. President, it is a serious mistake to view this as just something lightly; to be taken as a vote of our interest in education. It is more than that. I think we do a disservice to the important issues involved in this sense-of-the-Senate resolution to treat it too lightly. And for that reason, Mr. President, I think this should be rejected.

I yield the floor and yield back any additional time I may have.

The PRESIDING OFFICER. Who yields time?

Mrs. KASSEBAUM. I yield back to the Senator from New Mexico any time I have left.

Mr. DOMENICI. The Senator wants to yield whatever time she did not use to the Senator from New Mexico?

Mrs. KASSEBAUM. Yes. I yield that time to the Senator from New Mexico.

Mr. DOMENICI. I thank the Senator.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. I yield to the Senator from Massachusetts such time as he may need.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I commend my friends, the Senator from Colorado [Mr. WIRTH], Senator WELLSTONE, and others for bringing this measure before the Senate this afternoon. I hope very much that their amendment, of which I am a cosponsor, will be supported.

Mr. President, it is appropriate that we have the debate and discussion this afternoon, when the President of the United States will be addressing this Nation about how best to deal with the problems we are facing with our economy and also will be making recommendations with regards to education programs, health programs, and others. We have an opportunity this afternoon to speak to the issue of education. That is really what this amendment is about. It is an opportunity to send a signal about priorities of this body on the issue of education. I believe Senator WIRTH and Senator WELLSTONE have outlined well what is in this amendment and what is not.

It is an important vote. We will have opportunities later in the session to vote on specifics such as the appropriations bills, and budget considerations. But nonetheless, this really is the first opportunity this body has to go on record since we effectively recessed a number of weeks ago.

All of us have had an opportunity during that period of time to go back to our States, to listen to people, to talk to parents, to speak to teachers, school administrators, and superintendents and hear and see for ourselves the very extraordinary challenge that exists for our Nation in trying to assure that we are going to have an educated population. I think the design and scope of this amendment gives emphasis to the school readiness programs, and elementary, secondary education. Sure, we will provide some resources to our 80,000 school districts, but we all recognize we are still talking only of a fraction of those school districts that otherwise may be able, with additional funding, to take advantage of that creativity which we talked about last week.

We know the importance of moving from school to work and of higher education. We know what has happened to higher education. We hear the comment, well, do we really want to go ahead and have an entitlement for higher education. I say yes. We have 68 other entitlement programs. I say yes.

That is not the issue. We talk now about a semi-entitlement in education because it really depends on the appropriation for Pell grants, how much will be appropriated, versus how much is authorized. If funds are available, students have a right to get a loan for their education.

But, Mr. President, let us back up a step. Over the last 25 years that I have been in the Senate, we have expressed our priorities on a variety of different issues that we thought were important. In the last 3 or 4 years we have said OK, we will spend billions of dollars, tens of billions of dollars to save our savings and loans. That is enormously important—threatening our banking system. That is important.

We have seen the expansion of FDIC, billions of dollars, tens of billions of dollars, to make sure our banking structure is going to continue to be an essential element in terms of our commercial opportunities and strength.

I was here in the 1960's and 1970's when we said we do not have the resources to bail out Lockheed, one of the important manufacturers of airframes and airplanes. But we said that is important, Lockheed is important. It is important to our national security. It is important to our national defense. The vote here was virtually decided by one or two votes, but we voted on that issue. We were not subject at that time to a technicality.

We all understand the technicality of waiving the Budget Act, but I would say that is limited probably to this building. People talk about the relevancy of this institution and the difficulty of identifying with the problems that are facing working families. These issues will be raised this afternoon when due to a technicality to the budget waiver, we may preclude an opportunity for this amendment to be successful, a technicality. We are restricted by those rules.

People across this country want action on the economy, on education, and on health care. This is our first opportunity to express it in a sense-of-the-Senate, understanding, as these Senators do, that we are going to have to go through the budget resolution, and review it in terms of our peace dividend.

It may be difficult for some people to understand where this peace dividend is. Last year we spent $140 billion of our taxpayers' money to defend Western Europe against the Warsaw Pact. The Warsaw Pact has disappeared. There has to be something there. There has to be some resources there to be invested in America. There is reluctance and resistance to support potential growth in various Medicaid programs, growth which is going to take place in the late 1990's. Nevertheless we are going to have to come to grips with those programs.

Are we going to say we are going to let those grow and eat up all the resources? Of course we are not. What about the billions we spent in Southeast Asia last year? Nothing. There must be billions out there to identify with the education of our young people. This amendment does not say precisely $10 billion, $15 billion, but it says that this is going to be a priority. It is going to be an important priority.

We said in the 1970's that we were going to save Lockheed. That it was a priority. We said it with regards to Chrysler. That was a priority too: tens of thousands of workers, an important manufacturer, and automobiles in this country. Let us do that. We said it with regard to New York City. We are going to help in the refinancing of New York City. That was a priority. We said it with regards to Penn Central Railroad. That is a priority. Look how important that railroad is to Pennsylvania and the Northeast and other parts of the country. All those are priorities.

Now are we going to say children are a priority, education is a priority?

Well, we said OK; Lockheed, and Chrysler, they paid us back. We know that the investment in Head Start Programs, in early education programs, in the WIC Programs, immunization, paid back more times than what was paid in.

We had a priority to go into Kuwait. We differed about the amount of $55 billion but we were not talking about whether we were going to find that money. We were not talking about Medicaid, at that time, escalations down the line. We said that is a priority, and they are going to do it. The Nation is going to do it. Fortunately we have gotten repaid on some of that investment. We were not debating that issue prior to the time the servicemen went across that border. That was a priority.

We have found the willingness as an institution to say what are our priorities. That is what this amendment is about. This amendment is about that.

It is a recognition that for the last 40 years we have robbed education from the young people, robbed decent health care from our people. A dramatic reduction of the discretionary budget over the last 10 or 15 years, virtually cut in half, to do what? To build security in our national defense.

It has worked. We are saying with the Russians not walking to the door, running to the door, that there must be some savings. And we are saying on the first major legislative proposal that we place a priority in terms of the education of the young. We have been all too willing to do that, Mr. President, at other times in important measures. We have an opportunity to do it this afternoon.

I would hope that our colleagues would be able to express their sense of priorities on investing here at home in America, in children, in those that are attending the early elementary, secondary schools; those that are moving from schools to work; those that are struggling to finance a college education—the sons and daughters of working families, and our graduate students as well. All of our students should be able to at least know that this institution recognizes the importance of that kind of investment for our Nation.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from New Mexico.

Mr. DOMENICI. How much time do we have?

The PRESIDING OFFICER. The Senator from New Mexico controls 35 minutes 22 seconds, and the other side 31 minutes 56 seconds.

Mr. DOMENICI. Mr. President, I only have one additional speaker. He will arrive shortly. Then I will speak for 3 or 4 minutes. Then if they are ready we will yield back the time. I will save it now and await the Senator from Texas who is arriving shortly.

Mr. WIRTH. I yield 5 minutes to the Senator from Illinois.

Mr. SIMON. Mr. President, I rise in strong support of this. We made a mistake on the budget agreement in agreeing that we would have a 60-percent firewall there on the defense budget side of this—unprecedented.

And if some of you will recall the night that we passed the budget agreement I had an amendment here that was adopted by a voice vote in the Senate saying, let us cut back the 60 percent to a simple majority. Because if we want to shift funds from whatever area into whatever other area, we ought to be able to do that with a simple majority.

This goes beyond that and says we have to make a priority out of education. One of the great deficiencies of this Government, not just to this Government, of our whole system, is that we are doing too much short-term thinking, and not enough long-term thinking.

I recently had the opportunity to read the rough draft of a manuscript that will be out in a few months by Lester Thurow, the distinguished MIT economist. He quotes a Swedish institute that does evaluations of businesses around the world, 28 countries. And in most categories the United States was one of the top 10. In no category as I recall were we No. 1.

But then it came down to long-term planning, and, in long-term planning, corporations in the United States were 27th out of 28. Only Hungary was behind us.

And what is true of corporate America, which is worried about the quarterly report, the annual stockholders meeting, is also true of the public sector. We do far too little long-term planning.

Sunday's New York Times has a story about productivity in the United States and some other countries, comparing growth from the year 1975 to the year 1988. I do not remember all of the figures, but I remember these four. The United States experienced 12 percent productivity growth in those 13 years; Great Britain, 33 percent; France, 34 percent; Japan, 58 percent. You do not have to be a Rhodes scholar to understand that means we are drifting in the wrong direction, and what turns us around is who invests in our people.

Economists do not agree on very much but one thing they do agree on, and that is you are going to compete with the rest of the world either through lower wages or increased skills. Those are our choices. Basically, we have followed a low-wage pattern. That is why several industrial countries now have higher average per-hour industrial wages than we do in our country.

What we have to do is to invest in our human resources. This suggests that we do so in concrete terms.

All kinds of things could be used as illustrations. The GI bill, and, if the Presiding Officer will forgive me, I think he is old enough to remember when we had the GI bill after World War II. If you take that old GI bill, which was conceived as a gift to veterans, and put an index on it, inflation index, that would average today $8,100 in a grant regardless of income. We thought of it as a gift to veterans. It turned out to be an investment in our own prosperity.

We ought to be doing much more for those who want to go on to college.

In the area of elementary and secondary schools, of the 18 OECD nations, we are 14th in what we invest. We are great on the bites, on the speeches about education, but in substance we are slipping sadly.

I cheered along with everyone else when the President said it, I think it was a State of the Union Message, when he said, "By the end of this century I want American students to be No. 1 in math and science." The realities, my friend, if we do not change our priorities we will be very lucky to hold on to where we are and not slip further. That is the reality.

We are going to have to look at things that pay off in terms of long-term investments. Education is one of those things. We need everything from Head Start down to, at the beginning, to Adult Start, or Slow Start, or whatever you want to call it, to training people once they are workers.

No nation on the face of the Earth, no industrial nation, spends as little on training and retraining workers once they are in the labor force as we do. We just cannot continue that. We have to do better. And this resolution which is not binding——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SIMON. If I could have 30 more seconds?

Mr. WIRTH. I yield 2 additional minutes.

Mr. SIMON. I will not, believe it or not, use 2 additional minutes.

We have a chance here to adopt a nonbinding resolution that suggests that we ought to make the priority out of education. I think that is the least that we ought to do. I strongly support the resolution.

I yield back the remainder of my time to the supporters of the resolution.

The PRESIDING OFFICER. Who yields time?

Mr. WIRTH. How much time is remaining?

The PRESIDING OFFICER. The Senator from Colorado controls 25 minutes and 16 seconds.

Mr. WIRTH. The Senator from New Mexico?

The PRESIDING OFFICER. The Senator from New Mexico controls 35 minutes and 6 seconds.

Mr. DOMENICI. I yield off mine, as he has.

The PRESIDING OFFICER. The Senator from New Mexico has yielded back to 25 minutes and 8 seconds.

Mr. WIRTH. I yield 6 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, let me, first of all, thank the Senator from Illinois for his remarks. I want to, once again, make a case for what this sense-of-the-Senate amendment is about, and then I want to go back to what I fear is the politics of what is being played out here on the floor, just to be very clear about it.

First of all, when it comes to the "why" of education, I do not think it is possible to divorce education from what we have to do both to have a short-run stimulus to our economy or, for that matter, for long-term productivity.

I said the other day on the floor of the Senate—and I think there is a fair amount of agreement about this, even if maybe later on we do not all agree—that politics has become very concrete in our country, very concrete. These bread-and-butter economic issues have walked into people's homes and are staring them in the face. And there is a tremendous sense of foreboding about the future for our country. And I think the vast majority of people in the United States of America know that at least part of the definition of national strength will be whether or not we can compete economically in this next decade, much less the next century, and that part of the way in which we will be able to compete is if we have a literate, productive, highly educated, highly skilled work force; that is to say, a work force that can provide high-value labor to produce high-value products.

So when Senator WIRTH and I proposed this sense-of-the-Senate amendment, which, once again, only says that when the budget wall comes down, some resources must be devoted to this human capital, does not say that human resources cannot be devoted to a lot of other decisive areas. It just says we have to make some of this shift.

We are talking about whether or not we can compete economically as a nation.

My other point—because it has not been mentioned today, and I believe that Senator KASSEBAUM and I are probably in agreement on this, although we may disagree about how to get there—is that it is absolutely essential—John Dewey said it best of all—to have young people later on becoming adult citizens who can think on their own two feet in a democracy. And any society that does not invest in education is a society that is in danger of losing its capacity for self-government.

So, again, I proposed this amendment with Senator WIRTH—and there is a lot of support from other Senators as well—because of my background in education.

I am here on the floor of the Senate. We are about to pass a good education bill. But most of us know it is not near enough. I have heard my colleagues on both sides say that we have to do more, and that is all this sense-of-the-Senate says.

I do not understand what people are so frightened about. I really do not understand what people are so frightened about. If Senator X, Y, Z, O, or whatever, from whatever States, without using names, is on the floor saying that we have to make this kind of commitment, why in the world would anybody vote against a resolution that just says we need to begin to make this kind of commitment?

I also want to emphasize one more time, Mr. President, that in my conversation with the Senator from Texas [Mr. BENTSEN] he raised an important question, and I think an important question for other Senators as well, once again: Is there anything in the sense-of-the-Senate amendment which precludes any money that might be generated from some reductions in the military budget to go into deficit reduction, tax cuts, public infrastructure investment? One more time: Absolutely not.

Let us be clear one more time that this is a sense-of-the-Senate resolution that puts the Senate on record as saying we know we can do better for education and young people. I would think there would be almost unanimous support for such a sense-of-the-Senate amendment.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. I yield myself 30 seconds. I have two other Senators who have expressed a desire to be here to speak on the issue. And the Senator had others?

Mr. DOMENICI. Just Senator GRAMM. And I was going to try to cut mine back to something that would reduce the time.

Mr. WIRTH. Mr. President, I yield myself whatever time I may consume, as we are waiting for the other Senators to come.

Mr. President, I really do not understand, and Senator WELLSTONE does not understand, what the enormous opposition to this is. As far as I have heard in the Senate for the last 5 years, every Member of the Senate has gotten up and spoken about the virtues of education, spoken about the priority of education, spoken about the importance of education, spoken about the fact that we have to put greater long-term priority on education. Everybody has said that.

Now is a chance to simply say in a resolution that this is of a great import to the U.S. Senate. I myself would go a lot further than that. I would go a lot further in the appropriations process and in the budget process and say that a great deal of the dividend that we are going to reap as a result of changing our national priorities on expenditure ought to go to education. We are currently spending $290 billion a year, Mr. President, on defense, $290 billion a year.

The peacetime norm, average, since World War II, is $235 billion a year. That is at the height of the cold war. What are we spending today? We are spending $55 billion a year more than we were at the height of the cold war; $55 billion a year more in 1991 dollars.

We say we are not going to have any cutbacks of that? Of course, we are. All of the budget plans I have seen outlined call for significant cuts in the defense area. Of course, we are. We are going to do that, and the American people are asking us to do that, telling us to do that, and saying that the world has changed. And it has, profoundly so.

Maybe there is a lot of fear rolling around of this change. People are often made very uncomfortable and fearful of the unknown, and we are going into the unknown, Mr. President. There is no question about it. We are moving into relatively uncharted waters. We are the only superpower left. We no longer have that defining relationship with the Soviet Union to tell us what we ought to spend our money on.

The world is more complex than it used to be. Our trade situation has changed; the need for us to be more competitive in the world has changed. These are all unknowns and sometimes a very fear-inductive phenomenon. For people in all of our States, change is coming, too.

I spoke this morning with employees from the Rocky Flats nuclear weapons plant in Denver, which is going to stop production as a nuclear weapons plant. That is going to mean some cutbacks and adjustments. Instead of saying, "No, no, do not change," we have to say, OK, that change has come about. The cold war is over.

That is a metaphor for a lot of other changes that will occur. And are we going to be willing to make those changes and face up to them modestly, or are we going to run away from them? We cannot run away. I think much of the country thinks we run away from too much of this as it is—and I think they are probably right—trying to duck the difficult issues and the tough questions that have to be raised.

The people in my State feel this way, and we do not have to run on this "rob Peter to pay Paul," as suggested earlier, "They are taking money out of one pocket to go to the other." That is not the case.

These votes should not be votes of politics. If that were the case, Mr. President, I would have stood up and said, only for political purposes, that what we ought to be doing is spending an enormous amount of money to deploy the Strategic Defense Initiative, which could affect vast numbers of potential jobs in Colorado. The political thing to do is I should have voted for it. But I did not think we ought to deploy it. I did not think that was right.

We have to make those choices, and we are being asked by the public to do so, and it is about time we did. This resolution is a first step in that direction. Is there going to be change? It is going to happen. If so, how are we going to redirect those resources?

Again, if I had my druthers, the No. 1 priority would be kids and education. Both investments in education and in overall health care programs, are the kind of long-term investment that is absolutely imperative for us to make.

We know how cost effective prenatal care is and what happens on the immunization programs and how inexpensive they are. These are the best investments you can make. We have had 25-plus years of success in the Head Start Program.

And even though there have been some modest increases in the last 2 years, over the last 10 years we have seen a sharp and relative decline, only a quarter of the Head-Start-eligible kids enrolled, when that is the best educational investment we can make. Disgraceful.

We know that we have to do a lot of work on retraining teachers, these people who are working, killing themselves out there day in and day out, in some of the toughest places in the United States, in some of the toughest jobs. What we ought to be doing is what we did in the sixties and seventies. We ought to have summer training programs for all those children; help them reinvigorate themselves, recharge themselves, learn new techniques, new skills. We ought to be rewarding them for being in the classroom, not punishing them. We know how to do that. With a relatively small investment, you get a tremendous return.

We have to be doing a lot more on higher education and student access, which we discussed a little earlier. Higher education is becoming a privilege of people who have more money. We have to include that opportunity for all Americans, and it is out of the reach of too darned many.

We know that we need massive changes in the area of research and development. We used to have this wonderful economic machine, which was a cooperative effort among our universities and the private sector and the Government. Route 128 in Boston is a beautiful example of that. Stanford Industrial Park. What is going on in the Front Range of Colorado, and Golden Triangle in North Carolina is another example of cooperation as to institutions of education, the private sector, and the Government all working together. That was a mammoth engine of economic change, and we have let it corrode over the last decade.

And the money that we are spending on civilian research and development has declined dramatically. The Government's share declined; the private sector share, which has always reflected that, declined as well, just as the Germans and the Japanese are going in the opposite direction.

These are the kinds of things that should be at the top of our priority list. They should be at the top. What this amendment says is that we believe that education and our future is a priority that ought to be recognized. I put it right at the top, in an absolute sense. We do not have that opportunity now, nor is that what this resolution is all about. This resolution is all about setting priorities, and what is important.

Mr. President, why in the world we would have such controversy over something that is as straightforward as this proposal, I do not understand. Why in the world everybody here is not willing to put their vote where their priorities have been, and where their statements have been, as we make these changes, which are going to occur, our priorities ought to go to education, I do not know.

But, Mr. President, we have a few minutes of debate remaining. I would, at this point, retain my time, Mr. President.

I yield the floor.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Senator from Florida.

Mr. GRAHAM. Mr. President, will the Senator from Colorado yield for two questions?

Mr. WIRTH. I am happy to yield.

Mr. GRAHAM. Mr. President, I have been listening to this debate, and I am concerned about what is it we are committing to with this resolution. I am looking specifically at the second-degree amendment, which is the pending question, on page 6, line 6, which states that:

> It is the sense of the Senate that . . . the Congressional Budget Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985 should be amended to permit the realization of a new domestic order through—

And then it lists (A), (B), (C), and (D) as items to be accomplished, which are quite specific. For instance, (A), Investments that ensure that all eligible 3-, 4-, and 5-year-old children receive comprehensive Head Start services. That sounds like an entitlement program for Head Start. Is that what is intended?

Mr. WIRTH. It is not, Mr. President. First of all, we had to include the Congressional Budget Act in there because that is the reference point to the 1990 agreement. That is why that is in there.

Second, this is not by any means—and we discussed this earlier—an entitlement program either for Head Start or for higher education, and, in fact, the resolution refers to the appropriated program we have today. As much as I would like to see us fully fund the Head Start Program, this is a sense-of-the-Senate, and it just says investments that ensure that all eligible children receive these services.

> It is the sense of the Senate that legislation should be enacted to provide investments that ensure that all eligible children are enrolled.

That is the sequence of the language.

Mr. GRAHAM. In (B), it talks about that it should be amended—

> to permit the realization of new domestic order through
>
> (B) investments that ensure that elementary and secondary schools have financial assistance necessary to improve educational achievement, promote student participation, and provide an educational environment that is conducive to learning, including a constructive student-teacher ratio.

Again, what action is intended to be generated as a result of the adoption of this sense-of-the-Senate with that language?

Mr. WIRTH. These are only examples of the kinds of things that ought to be done, as in the proceeding, at the top of page 6, that what we want to be doing is promoting the Nation's long-term economic growth and social well-being. Those are the kinds of things, as it says up here, that should be included in such an effort. Not exclusive by any means, but the kinds of things that we ought to do.

Mr. GRAHAM. Is there an estimate of what the range of financial costs would be in order to accomplish these objectives?

Mr. WIRTH. This is a sense-of-the-Senate resolution. It is not something that says how much money is involved in this at all. We are going to get to that point when we get to the budget resolution and as we go through the appropriations process. All this is a sense-of-the-Senate that says these items are a priority for us in the United States. And that priority, then, if you believe in that priority, these are the kinds of things that ought to be included in it.

Mr. GRAHAM. Thank you, Mr. President.

Mr. DOMENICI. Mr. President, I am going to yield 10 minutes to the distinguished Senator from Texas, but I want to make this remark.

Frankly, on the other side of the aisle, it seems to me they are having difficulty because they do not know which side of the mouth to talk out of.

On the one hand, this resolution is meaningless. As a matter of fact, some who support it are saying: Any Senator that wants to spend a peace dividend for anything other than the programs proposed here should just come down to the Senate Chamber and we will put a colloquy together that says it is all right to spend more on a favorite program. So really, the resolution is meaningless.

On the other hand, my friends are arguing that we are in desperate shape in certain areas as a nation, and that we ought to spend money in a certain way because they are the highest priority. A simple way to resolve this conflict is to go ahead and amend this resolution to add all the other programs and activities that are a national priority. Everything is a high priority.

Education is a high priority. On the other hand, some say for continued economic growth we have to reduce taxes. That is a high priority. Some say infrastructure is a high priority.

Frankly, this resolution either means something or it does not. I am of the opinion that those who are offering it want to tell people that they are for these national priorities, so how can they then say the resolution is meaningless?

You know, the American people are listening to this debate. The few thousand that stay awake to listen to it, must be chuckling about Senators here on the floor talking about how we are going to fix productivity in America with this resolution. Especially when other Senators up and say the resolution does not mean anything.

Frankly, I am of the opinion that we do not need the kind of advice offered by this resolution for the next year. We need the committees that are working on initiatives such as those contained in the underlying education bill and the President of the United States. We ought to pass this education bill and we ought to get rid of any mandates as to how we ought to spend the peace dividend in the future.

With that, I will yield 10 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas [Mr. GRAMM].

Mr. GRAMM. Mr. President, let me make it clear what we are talking about. We are talking about a sense-of-the-Senate resolution that says let us take the peace dividend and let us spend it, and here are the areas it ought to be spent on. You could say this is a nonbinding sense-of-the-Senate resolution—but basically you are voting for a principle. I think that is what the distinguished Senator from Colorado wants to do. He wants to establish a principle.

The sense-of-the Senate resolution says:

> Legislation should be enacted that realigns the 1990 budget agreement to reflect the true

priorities of the American people by shifting unnecessary military spending into domestic programs, including child development, education, job training, long-term economic growth, and social well-being.

Mr. President, I am for all those things, and I think we ought to spend more money on all of them. I think we ought to spend more money on child development, education, job training, long-term economic growth, and the social well-being of America. And, quite frankly, those things do represent the true priorities of the American people.

But the debate here is about who ought to spend the money. I think that debate is going to be joined tonight by the President. I think it is going to be the No. 1 debate for the remainder of the century. I think the distinguished Senator from Colorado today, in this amendment, is staking out his position. And it is a position, obviously, that he is proud of. He believes the Government ought to spend this money, that the Government ought to be the principal beneficiary of the peace dividend.

Mr. President, I do not believe that. I believe that the long-suffering American taxpayer, who won the cold war by paying taxes year in and year out and who was deprived of money that he and she had earned as a result of paying these taxes, ought to be the principal beneficiary.

The proposal that is being made in this sense-of-the-Senate resolution is to let Congress spend the money. I think the preferable alternative is to let the American family spend the money. That is what the President is going to propose tonight, and that is what I support. I know Congress, and I know the American family, and I know the difference. I have a lot more confidence in the American family and its ability to make sound investments in its children and in its future than I have confidence in Congress making those investments.

I know we are hearing a lot of talk about how government has been deprived, but let me just take you on a little trail through the recent economic history of this country. I have here a little chart. I do not know if everybody can see it. But, basically, what it does is it starts out in 1967 and it reduces everything—family income, Federal spending, and State spending—to a baseline of 1. The whole story of this graph—and I will hold it up here for our colleagues on the other side who cannot see it, and they need to see it—is that, except for the Reagan years where family income grew, that family income basically was stagnant from 1967 to 1990. During that period, American families were struggling away, paying taxes, keeping Ivan back from the gate, winning the cold war. But all that time, Federal spending and State spending were skyrocketing.

Now we come to the point that the gate we kept Ivan back from has been torn down and we now have the prospect of converting money to civilian use—beating swords into plowshares. The question is: Looking at this graph, who ought to get these plowshares? I say the plowshares ought to go to the American family.

What is interesting is that there is nothing new under the Sun. We have done all this before. In fact, we had a peace dividend at the end of the Vietnam war. Let me give you some statistics that I think people find pretty startling.

In 1968, in real 1982 dollars, in defense spending we were spending $254.8 billion on defense. By 1980, that had declined to $164 billion. In fact, if you look at that whole period from 1968 to 1980, we cut real defense spending by $910 billion.

You might ask, if real defense ely taxes went down, the deficit went down. None of those things happened. Because what happened is that while defense was being cut from 9.6 percent of GNP to 5 percent of GNP, nondefense spending was being increased from 11.3 percent of GNP to 17.1 percent of GNP. So, in fact, if you look here at this chart I have and began in 1968, what happened from 1968 to 1980 is defense came down. What happens from 1968 to 1980 is that family income basically plodded along and did not move very much. But what happened from 1968 to 1980 is that Government went on a massive spending spree and real nondefense spending almost doubled.

With all of this Government spending—spending money on all the things that the Senator from Colorado claims to be for, what happened? Family income rose by just 2.8 percent; poverty rose, unemployment rose, test scores declined. And why? Because Government primarily was investing in the next election and not the next generation.

We are going to have many debates as to what to do about the peace dividend and who should get it. Essentially, this is a meaningless sense-of-the-Senate resolution. I guess you could run for public office on this. You can say it is nonbinding. But I think it says where we stand on the issue. I want to make it clear, I want the peace dividend to go back to American families. I do not want Government to spend it. If you vote for this resolution, you are voting to say that the peace dividend ought to be spent by Government. You are saying it ought not to be given back to the taxpayer. You are coming out against the President's middle-class tax cut that he is going to propose in the State of the Union Address tonight.

I am for that tax cut. What I think should happen is that every penny of this peace dividend ought to go back to working people, and, to the degree that it is not given back, it ought to be used to reduce the deficit. None of it should be spent.

So we are down to making fundamental decisions. They are not going to be made today. We are just posturing politically today. I think this point of order should be sustained. We should not be setting out priorities without debate. But if we were setting out priorities, these are not my priorities and I do not believe they are the priorities of the American people. I believe the American people can spend their money better than Government can spend it. And that is what this vote is about.

I yield the remainder of my time.

Mr. WIRTH. Mr. President, I yield 4 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington, Mr. ADAMS.

Mr. ADAMS. Mr. President, I support this sense-of-the-Senate amendment. The budget agreement is obsolete. The world has undergone monumental changes in the 2 years since that agreement was fashioned. It is time to update the budget agreement to reflect those changes.

This is a statement of principle. This amendment demonstrates that Congress is committed to the needs of today's Americans, not yesterday's. It reflects new national priorities, not lingering cold war fears.

The Berlin Wall has come down. It is time to remove the budget walls as well.

Who are we defending ourselves against with a $280 billion defense budget? The Soviet Union is no more. The people of the republics are starving. They have insufficient medicine. Do we help them by spending $55 billion on SDI? Do we help Americans by continuing to squeeze domestic spending?

We should be taking the position that we should be educating our people so they will have a job, that we should establish a health care system that gives Americans health protection, and that we should use the money to rebuild America. The American people want jobs, they want health care attached to those jobs, and they want skills given to them to carry out the job, not some phony tax cut of a few dollars to pay the bills they have had to run up during this recession, which has been caused by the policies that have just been advocated.

We need an American Marshall plan. We need to be certain that we have a Marshall plan for our workers like we gave Japan and Germany, and which they used to build their productive machinery. That is what this amendment is all about, and I am proud to support it. I hope it sets a new path for our country and that we accept the changes that have occurred in the world and help our people.

I yield the remainder of my time to the Senator from Colorado so he can yield to others.

The PRESIDING OFFICER. Who yields time?

Mr. WIRTH. How much time is remaining?

The PRESIDING OFFICER. The Senator from Colorado has 6 minutes 31 seconds. The Senator from New Mexico has 14 minutes and 16 seconds. Who yields time?

Mr. DOMENICI. Mr. President, I understand the Senator from Florida [Mr. GRAHAM] would like to discuss this matter in opposition to the resolution, and I yield him 4 minutes for that purpose.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I think this sense of the Senate is much more specific than has been suggested. This sense of the Senate sets out a very specific funding plan and I interpret the language as stating that much of this plan will be an entitlement program. I believe that the consequence of that is to essentially say that the policy that is before us today is that virtually all of the expected reduction in defense spending will be allocated to the four areas that are listed herein.

I want to say that I strongly support all four of those areas. I come out of a long personal and political experience as an advocate, at the State and Federal level, for enhanced expenditures on education, on early childhood development, on job training. But I have serious reservations as to whether it is appropriate policy at this moment to make the following fundamental decisions:

One, the amount of the defense reduction that we are proposing to make. I believe that the United States certainly faces a different world than we did even 2 years ago. I do not believe necessarily that that is a world that is devoid of danger. I do not believe that the United States should be declaring unilateral disarmament and, therefore, I believe that our defense budget ought to be built not through the subtraction process but by the thoughtful addition process.

Let us assess what is the current threat to our national security. What are the interests the United States wants to protect and expand upon? And what is the reasonable role of the defense of our Nation in accomplishing those objectives? It is that basis that I believe should be used for the determination of how much our defense budget should be, not just an arbitrary percentage or numbers of dollars that can be reduced from a baseline that was predicated on a world different than the one in which we live today.

Second, I believe, Mr. President, that one of the keys to our economic future is going to be how we handle this transition of our military industrial complex. The reality is we have spent a substantial amount of our national wealth and particularly a substantial amount of the national wealth that has gone toward research and new technologies toward defense technologies. We have a tremendous investment in corps of technological, managerial competence which have allowed us to do enormously technical things.

Mr. President, last night I spent 2½ hours at NASA looking at the new space station that we are funding. One is stunned at the technological competence that has brought us to this point and in less than 4 years will have us constructing this station in space if the Nation continues with its current commitment to do so, and I strongly hope and feel that it will.

Much of that ability is the fact that over a period of 40 years, we have invested in high technologies that were applied first to military purposes, now are being applied to space, and will be applied to a whole variety of civilian uses. I believe that one of our goals in this transition should be to try to hold these complexes of competence together as key to our future economic well-being.

It is interesting, Mr. President, this is exactly the issue which the former Soviet Union is facing. It is asking itself, how do we make the transference into a new economy? It has recognized that a key to that is to build upon the one area of the Soviet economy that was competent, which was largely in the defense and aerospace areas and how do we keep that competence in order to transfer it to some new civilian applications?

That ought to be a question that we ought to be asking ourselves, and part of our expenditure of this peace dividend, whatever it is, in my judgment, ought to go for that purpose.

A third question that concerns me about this amendment is the issue of who decides education policy in America? This sense of the Senate is as detailed as saying that the Federal Government should assure that we have an educational environment that is conducive to learning, including a constructive student-teacher ratio. That is a very intrusive role of the Federal Government in what has traditionally been a locally-controlled, decentralized education system.

I strongly support additional funding for education, but I also strongly oppose a federalization of our education system. I suggest, for instance, Mr. President, that if we have funds available and we want to constructively assist education in a way that is consistent with our traditions of local control, I would propose the Federal Government ought to be assuming a larger share of program costs such as Medicaid, which was a proposal made in the early 1980's under the heading of new federalism so that States would have funds that they could apply to education. In my State of Florida, virtually 80 percent of all of the growth and revenue that is coming into our State government as a result of population and economic growth, 80 percent is being spent to fund the increase in our health programs, primarily the Medicaid Program.

If we want to release money for education, Mr. President, I suggest the way to do it is to have the Federal Government assume the larger share of its responsibility in those areas for which it has a primary responsibility, such as Medicaid, so the States can do their appropriate role in our Federal system of more adequately funding education.

So I conclude by saying the spirit of this is well intended, very positive, and I support it. The specifics in terms of how to accomplish the objective, I believe, are flawed and should, therefore, be held in abeyance for another day when we can have a fuller debate on the direction of our country in this new post-cold-war era.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield myself 5 minutes.

Mr. President, I just want to make a point, since the Senator from Florida has so eloquently pointed out some specifics, including the fact that this resolution says that we ought to create new entitlements. I suggest that if this chart shows the explosion of Federal expenditures, I think anyone who knows anything about our budget would say this is because of entitlements.

I am not looking forward to voting for a single new entitlement program for the United States. In fact, I think before we put any new ones on the books, we ought to commit ourselves to take some of the old ones off. It is very difficult to tell the American people we cannot do anything about program expenditures because the program is an entitlement and we fund it according to the law. They say "Who are you? You make the laws." I tell them we have to undo a whole law. They say, "We thought you appropriated the money." I say, we used to but we do not anymore because 51 percent of the budget goes to entitlement programs, automatic payments to recipients who are eligible, including our farmers, ranchers and students. Fifty-one percent of the budget is automatic.

Mr. President, I want to thank the Senator from Florida for raising the points that he raised. We ought to deny this resolution and vote no. We ought to say the budget agreement of the United States and the Budget Act make good sense and we should not be doing a resolution like this. If we want to vote for the resolution, then we ought to be honest and say specifically what we want the peace dividend to be used for. I do not believe anyone is ready to make those kind of decisions today. Certainly not the kind of decisions this resolution calls for.

Having said that, I want to talk a minute about the American family. My good friend from Texas, Senator GRAMM, raised the point that, clearly, if we are going to spend defense money, we ought to spend some of it for the American family. Frankly, I say to my friends on the other side, Senator WIRTH, who I have known for a long time, and Senator WELLSTONE, who I am beginning to know and understand and work with, I believe the biggest problem with American education today is the demise and death of the value system in the United States. I believe every teacher in the United States would say, if you will give us disciplined children, if you will give us children who care about learning, if you will give us parents who care enough about their children to worry about what they are doing in school, we do not care about all these new-fangled programs.

The truth of the matter is the value system of the United States has disappeared. The opposite to what we know as traditional American values is being beat into our children on television, on radio and in newspapers until children do not know right from wrong. When they reach age 14 or 15, they bring their own gun to school, if they can get away with it, or carry their own knife. Teachers cannot teach. I believe that many of our children have lost their family support system.

Frankly, I do not know if Government can help with that. It is one of those intangibles. We need a renaissance, many people have said. But I think we need a renaissance in basic values in America, if not a renaissance in family life. A renaissance where there is the togetherness and giving of esteem to one another that goes on in a family. I believe that has left the scene in the American family, and I am not at all sure that Government can fix it.

But I do believe that we ought to say to the American family, that we are not going to tax the socks off you while you are trying to raise your children. Whether you are single, head of household, or married, you are working and struggling to make a living, and we will bend every single tax policy in this country in your favor. That would at least show that we care about the value of a family, a value without which we will not succeed with our children.

I know for many in this country, they say we can work this out at the Government level, we can put more money in the States and the States will take care of this with social service workers; or we will have teachers helpers, or we will do all kinds of things to sort of fill that vacuum.

I do not believe the vacuum of the American family is going to be filled. I believe it is only going to be filled when the children themselves have the kind of help wherever they spend most of their hours, which is not in the schoolhouse and not in front of teachers. It is at home. American leaders, business leaders and others, can change things a bit. They can look at themselves and see what they are paying for on television, on radios and in newspaper ads.

I see this argument today, as I understand it, as an argument to commit the entire pace dividend to cover only those things which a few Senators have decided that they want. I do not think we ought to do that. I think we have other priorities. I think the Budget Act is effective; I do not think we should waive it.

I believe some votes will be obtained by telling Senators the resolution does not preclude everybody's favorite option. Senators will be calmed and say, well, we will vote for it then. I submit if that is the case, we should not have the resolution before us because it really stands for nothing. I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Colorado has 6 minutes, 31 seconds. The Senator from New Mexico has 1 minute, 90 seconds.

Mr. WIRTH. Mr. President, I do not disagree in any way, shape, or form with the emphasis the Senator from New Mexico has placed on this restructure and commitment to a value position related to families and individual responsibility.

But it is also a very clear value commitment as to what we want our public institutions to do. Do we believe in investments and education of the future, or of starving these institutions? Are we going to continue to neglect the youngest?

These are the other kinds of enormously important values and priorities. I have made mine as clear as possible, as has the Senator from Minnesota and the Senator from Massachusetts and others.

A final note. This is not an entitlement program in any way, shape, or form. In fact we are implicitly discussing only discretionary spending. Nor are we saying this vast expansion of budget is not due to entitlements. The percentage of the budget going to discretionary spending has dropped since 1980 and, by the way, the percentage of the budget going to debt service, an entitlement, has increased by an even greater amount than the decline in discretionary.

If we have anything that is amiss in this country in terms of what is right and wrong, it is spending this huge amount of money, running up this vast debt in the last 12 years and then neglecting our young people, who get nothing for the debt. We are leaving young people without the investment in the future which has always fueled the American dream. I yield 4 minutes to the Senator from Pennsylvania.

Mr. WOFFORD. Mr. President, I join the Senators from Colorado and Minnesota in calling for the redirection of our Nation's priorities toward the vital human challenges American families are facing. Since the 1990 budget agreement, the world has turned upside down. It is time for America to turn its priorities right side up.

As John Kennedy once said, "America cannot be strong abroad if we are weak at home." That does not mean we should be weak abroad, but it does mean it is time for us to commit the same resources, energy, and urgency we put into foreign emergencies to the human emergencies here at home. That is especially true when it comes to the billions of dollars we have been pouring into the defense of our prosperous allies against a threat that no longer exists and investing now those funds in America's families and future.

No one can disagree that the military threats which existed at the time of the budget agreement have been dramatically diminished. The level of military spending envisioned by the budget agreement has been overtaken by events. Eastern Europe is being democratized and almost unimaginable changes have taken place in the former Soviet Union. Regardless of whatever wisdom there was in the budget walls that were put in the agreement in 1990, those walls are now preventing us from addressing problems here at home.

I respectfully disagree with the reading of this resolution by the distinguished Senator from Florida. This resolution says nothing about unilateral disarmament, nothing about particular amounts of military savings. It assumes there are military savings, as the President has proposed and more to be proposed here tonight.

What it says is whatever the military spending has been, we should direct the savings to promote the Nation's long-term economic growth and social well-being including, not limited to but including early childhood development, education, and job training. I agree with that premise. For many years, communities have confronted the challenge of educating those with special needs and those raised in poverty without enough Federal aid. Education is vital to the long-term health and security of this Nation.

I hope that tonight the President in his State of the Union message will call for bringing down the budget walls and declare an intention to help address the domestic problems so long neglected, because in the future our strength in the world will not be defined as much by our bombs as by our brains. My vote today is to call for the President to join us in that effort.

The PRESIDING OFFICER. Who yields time? The Senator from New Mexico has 1 minute and 9 seconds remaining, the Senator from Colorado 2 minutes 3 seconds.

Mr. WIRTH. Mr. President, the Senate will soon be voting on waiving the Budget Act so that this sense-of-the-Senate resolution can move forward. The reason that this rather simple statement of purpose is subject to a budget point of order is that it deals with Federal budget matter and S. 2 is not a bill reported by the Budget Committee. So, in spite of the fact that the amendment is nonbinding and does not have the force of law, it is still subject to this point of order.

So why should Senators support this waiver? Because this amendment is about more than just the budget—its about priorities. The sense-of-the-Senate amendment being offered by Senator WELLSTONE and myself states simply that the world has changed—I think it would be hard to deny that—and that we need to realign our Federal budget priorities to reflect this shift.

First, the Soviet Union is gone. What is left behind is a collection of economically struggling, self-absorbed republics with formidable problems of their own. They pose little threat to the United States, and with the dissolution of the U.S.S.R. our defense strategy has become obsolete. This also means that the Budget Enforcement Act is obsolete as well, and should be changed. That is what this amendment calls for.

Reducing our defense expenditures has bipartisan support. Senators from both sides of the aisle have suggested varying levels of further reductions in military spending, reallocating this money for other uses. This amendment does not state a level, it simply says that military spending should be reallocated for other, more pressing needs.

Second, economists from across the range of ideologies have said that the investments that have made our economy strong in the past are lacking today. For the last decade we have shortchanged our children's education, while saddling them with debt accumulated by a decade of huge deficits. We need to invest in education, child nutrition and health, research and development, and infrastructure. Our failure to do so carries a terrible price—the gradual decline of the United States, and a lower standard of living for our children.

Mr. President, I am sure that everywhere my colleagues go, they hear what I do. They hear the American people asking us to reform our Government—to reflect the monumentous movement toward peace that this world has seen. For months people have been talking about how we can now cut defense spending and reinvest in ourselves. People are ready for these changes.

For more than a decade, the needs of our children and youth have been seriously neglected. In that time, defense has seen a 56-percent increase in spending, while programs to enhance the lives of children and long-term economic growth have experienced growth of only 5 percent.

The failure to invest in early childhood development, in job training, and education creates long-term social costs, rather than long-term productivity and economic growth. We must turn the tide—we must restore the people's faith in the Government that we can do the right thing. We can see that the Budget Act of 1990 does not carry us into 1992, so we will change it. We are not so entrenched in the inside the beltway mindset that we are oblivious to what is happening in real life America.

We have offered an amendment—a sense-of-the-Senate resolution—that states that in order to meet our great needs at home, we need flexibility in our budget. By binding ourselves by the straitjacket of the budget agreement of 1990, we are limiting what our Government can do for the citizens of the country. In doing that, we are limiting our own potential.

While I voted against the Budget Enforcement Act which was offered as an amendment to the 1990 reconciliation bill, I recognize that many of my colleagues did not. But surely we can all recognize that to say that times have changed since 1990 is something of an understatement.

Our No. 1 educational goal is that all children should enter school ready to learn. We are already behind where we must be to make this goal a reality—and it should be a reality. We know that Head Start works. We know that kids' minds can be enriched and their school work improved if they are ready to take in the educational opportunities provided to them.

Despite 25 years of proven success—not even 30 percent of eligible children participate in Head Start. Ensuring that all eligible 3-, 4-, and 5-year-old children have the opportunity to participate in Head Start is a basic—we should not even have to wonder if this program should be fully funded.

But without changes in our current Federal budget, Head Start will never be fully funded. We will not be able to support teacher training programs that bring new vigor to the classroom. We will not be able to reduce the number of children in each classroom.

We will throw roadblocks in front of the innovation that needs to happen in our schools. We will have done little to ensure that students leave the elementary and secondary grade with high levels of academic achievement. We will have left untrained our front-line workers and our businesses without the support they need. We will have told those that always thought that a higher education was beyond their means that they were right—it is.

If we fail to make this essential change, to take down the walls between military spending and spending on our children, in 1993 we will not be able to pay for inflation in our education programs. The Congressional Budget Office last week reported that we must cut 3 percent off of baseline to meet the caps in 1993. In 1994 and 1995, we must cut another 8 percent.

I think it is clear to us that this country is in no position to take cuts in critical human investments.

Voting to waive the Budget Act so that we can pass this amendment will provide us the opportunity to tell our constituents that we are committed to passing the necessary legislation to break down the budget walls. Then we will be able to consider legislation to actually make the shift from unnecessary military spending into domestic priorities—including early childhood development, education, and job training.

Mr. LEVIN. Mr. President, when the budget agreement was reached in 1990, I voted against it, in part, because I was concerned that it baked in numbers for spending that were inconsistent with the need to substantially reduce the budget deficit and that it ignored the changes taking place in the world which might allow for a reduction in defense expenditures. The Wirth-Wellstone resolution before the Senate today offers the Senate an opportunity to go on record as saying that the 1990 budget agreement should be modified to allow for some of the savings from cutting the military budget to be used to fund a greater investment in education or other urgent purposes.

I am pleased to hear Senator WIRTH indicate that he believes that this resolution is consistent with also using a substantial portion of defense savings to reduce the budget deficit. I believe that such a deficit reduction effort is essential. To quote from the Congressional Budget Office analysis released last week.

> The budget deficit remains a serious economic and social problem. * * * Such large budget deficits impair economic growth by reducing national saving and capital formation. Deficits also create a vicious cycle of more federal borrowing and higher debt service costs, which in turn make it still more difficult to reduce the deficit.

The CBO report goes on to point out one of the consequences that increased debt service costs have on other discretionary spending. It states:

> Together, discretionary spending and net interest spending are about as large as they were 10 years ago, but a larger portion is consumed by interest and a smaller portion is being devoted to programs that provide services and satisfaction to the public.

Mr. President, in order to be effective, this resolution needs to be followed up with action. That will be the challenge of this session of the Congress.

Mr. DURENBERGER. Mr. President, I rise to express my strong opposition to the pending sense of the Senate resolution offered by the Senator from Colorado [Mr. WIRTH].

Mr. President, if we adopt this resolution, we are effectively abandoning the budget agreement that we labored to produce less than 18 months ago. The wall between defense and domestic programs will finally be pierced after numerous failed efforts by colleagues on the other side of the aisle to break that barrier.

I ask my colleagues: Is this legislation the appropriate vehicle to break down the 1990 budget agreement? I believe it is up to the President, the House and Senate leadership, and all Members of the Congress to fully consider how we should spend the so-called peace dividend and that this resolution is inappropriate and untimely on this bill.

Moreover, this resolution sets us on a course to take whatever savings accrue from the changing international military balance and shift those savings into new entitlements and expanded spending for current domestic programs. In the name of helping our children and our children's children, the authors of this amendment appear to believe that the best we can do is to spend more taxpayer dollars on programs, many of which may have outlived their usefulness.

For example, the resolution recommends that we take part of the peace dividend and use it for expanded student loan programs. In this Senator's view, the current Student Loan Program needs top-to-bottom revision. Before we simply throw more money into student loan programs, we must consider alternatives such as I have proposed along with Senator SIMON.

Most important, Mr. President, I believe that if we want to do the best for the future of this country and its citizens, the best thing we could do is take the lion's share of the peace dividend and use it to reduce the Federal deficit.

Mr. President, over the past 12 years, we have allowed the Federal deficit to grow by more than $2.4 trillion. The national debt is rapidly approaching $4 trillion and interest on the debt has become the third largest component of Federal spending. We must make a real commitment to eliminate this deficit rather than shifting Federal spending from one account to another.

Mr. President, yesterday a great American retailer, Macy's, filed for chapter 11 bankruptcy. Why has this company sought the protection of the Bankruptcy Court? It is not because the company made poor fashion judgments. It is simply because the company took on too much debt during the 1980's.

There is a lesson here, Mr. President. And the lesson is that unless we begin to face up to this massive deficit, we are going to leave our entire Nation poorer for decades to come. We can ill afford to shift dollar-for-dollar from the defense budget to domestic programs without ultimately making our children worse off.

Mr. WIRTH. Mr. President, I think we have had a good, full, and fair debate on this particular issue. I think it is very clear what the sense-of-the-Senate resolution is that as we change our country's priorities—a high priority in my opinion—it should be the highest, but others have high priorities, which must be a very significant commitment to education.

What could be a further and more resounding commitment to the future and to the change the country is asking of us? We know we are going to go through some very painful transitions. We know that is the case. The best way to start is through education and retraining. That must be the first and foremost commitment. That is what we are going to be doing. That is what communities are going to be doing, what schools are going to be doing as the country is looking to be more competitive. That is what we must be doing at the university level. That is what we must do for our young people. This is a sense-of-the-Senate resolution which simply expresses as we make the change to reflect the new world that this is a very clear priority. It must include Head Start, retraining, and so on.

I thank my colleagues very much for their support during this discussion. Mr. President, if the distinguished Senator from New Mexico has yielded back all of his time, I yield back my time.

Mr. DOMENICI. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on the motion——

Mr. DOMENICI. Mr. President, I ask for the yeas and nays.

Mr. KENNEDY. Yeas and nays, Mr. President.

The PRESIDING OFFICER. The request has been made for the yeas and nays. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion to waive the Congressional Budget Act for the consideration of amendment No. 1490 offered by the Senator from Colorado [Mr. WIRTH]. The yeas and nays have been ordered. The clerk will call the roll.

Mr. KENNEDY. Parliamentary inquiry, Mr. President. Is a vote aye a vote to waive the Budget Act?

The PRESIDING OFFICER. The Senator is correct, a vote aye is a vote to waive the Budget Act.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 45, nays 53, as follows:

[Rollcall Vote No. 8 Leg.]

YEAS—45

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Burdick
Byrd
Conrad
Cranston
Daschle
Dixon
Exon
Ford
Fowler
Gore
Hollings
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Metzenbaum
Mikulski
Mitchell
Moynihan
Pell
Pryor
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Wellstone
Wirth
Wofford

NAYS—53

Bond
Brown
Bumpers
Burns
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
DeConcini
Dodd
Dole
Domenici
Durenberger
Garn
Glenn
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Inouye
Jeffords
Kassebaum
Kasten
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Harkin
Kerrey

The PRESIDING OFFICER. On this vote the yeas are 45 and the nays are 53. Three-fifths of the Senators present and voting, not having voted in the affirmative, the motion to waive the Budget Act is rejected.

Amendment No. 1490, which proposes a changed matter within the jurisdiction of the Budget Committee, has been offered to a bill that was not reported by the Budget Committee, in violation of section 306 of the Congressional Budget Act, and, therefore, the amendment falls.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, just for the information of the membership, there is a Seymour amendment, which we are going to accept, and there are, I think, other amendments which have been worked out; the amendments themselves will have to be modified. But I see no reason, unless there are others in here who want to make extensive statements, that we cannot finish this or at least start final passage in about 15 or 20 minutes. That is our hope. I have talked to Senator KASSEBAUM and Senator COCHRAN as well as Senator HATCH, and that is roughly their understanding also. Nothing is very definite, but that is at least the current condition of the legislation.

Mr. SEYMOUR addressed the Chair.

The PRESIDING OFFICER. The pending question is the Kennedy amendment No. 1492.

Mr. SEYMOUR addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

AMENDMENT NO. 1487, AS MODIFIED

Mr. SEYMOUR. Mr. President, I rise to bring up amendment No. 1487, which had been set aside. After consultation with my colleagues on the committee we have agreed do new language. I understand the amendment has been accepted by both sides.

The PRESIDING OFFICER. The Senator has a right to call for regular order with regard to amendment 1487.

Mr. KENNEDY. Will the Senator yield?

Mr. SEYMOUR. Certainly.

Mr. KENNEDY. As I understand it, there is some new language.

Mr. SEYMOUR. Correct.

Mr. KENNEDY. As I understand it, the Senator will send that to the desk so that we can take action. Is that the intention of the Senator?

Mr. SEYMOUR. Yes, that is my intention.

The PRESIDING OFFICER. Is there objection to modifying the amendment?

Without objection, it is so ordered. The amendment is modified.

The amendment (No. 1487), as modified, is as follows:

On page 34, line 11, insert ", if such initiatives permit parents of students served by a school to choose a school in accordance with this clause and encourage parents to participate in governance, management processes, or activities related to their children's education programs" before the semicolon.

Mr. SEYMOUR. Mr. President, I also ask that amendment No. 1488 be withdrawn at this time.

The PRESIDING OFFICER. Without objection, amendment No. 1488 is withdrawn.

The amendment (No. 1488) was withdrawn.

Mr. KENNEDY. Mr. President, this amendment involves parental involvement in these choices and decisions. That was always the intention of the managers. I think the Senator has added some clarifying language to make it even more explicit. So it is completely consistent with the thrust of the legislation. We thank the Senator for his cooperation.

The PRESIDING OFFICER. If there is no further debate, the question occurs on amendment No. 1487, as modified.

Mr. KENNEDY. I ask unanimous consent that the amendment of the Senator from California be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 1487), as modified, was agreed to.

AMENDMENT NO. 1492

Mr. KENNEDY. Mr. President, there is a small technical amendment that is necessary to ensure that the funds actually are appropriated under the 1992 appropriations bill for the Departments of Labor, HHS, and Education. This amendment has been drafted with the assistance of the chairman of the Appropriations Committee and has been cleared with him. It has also been cleared with the House Appropriations Committee. I believe it is now acceptable to the other side of the aisle.

Last year, at the time of the appropriations, the language indicated the nature of the follow-on legislation, and the Department of Education has had some concern whether this legislation falls within that particular definition. Clearly, this is an expression of the Senate consistent with that earlier language and this technical amendment will ensure that when legislation is actually passed—it will have to be put through the House, have to go to conference, it will have been signed by the President, hopefully, or otherwise disposed of—that those resources can be expended consistent with what the legislation is that we have adopted.

Mrs. KASSEBAUM. Mr. President, that is agreed to on this side.

Mr. SPECTER. Mr. President, the vision for America 2000, as articulated by the President last April, originally led me to fight to reserve $100 million, in the Appropriations Committee conference last fall, for activities associated with America 2000. Specifically I was interested in supporting the creation of break-the-mold schools throughout our country.

While I remain hopeful that the America 2000 activities that were envisioned to be supported by the funding that the committee agreed to set aside, may still be included in a final education bill that comes out of the conference with the House, I nonetheless remain disappointed that, by amendment, S. 2 would allow the $100 million to be used for activities other than those that are a part of the America 2000 proposal.

I agree with President Bush and Secretary Alexander that bold and dramatic changes, like those spelled out in the America 2000 strategy, are needed in our education system if we are going to keep the United States competitive in the international marketplace and second to no other nation in the world.

It was that bold spirit of education reform that fueled my efforts to support many elements of the President's legislative package. And it was that spirit that moved me to persuade my colleagues on the Appropriations Committee to set aside the funds for America 2000, pending its authorization this spring.

But as we now know, based on the legislative actions of this body last week, there will be another education reform package, a compromise bill, not the transforming bill proposed by President Bush and Secretary Alexander.

I look forward to working with my distinguished colleagues in this body to advance the cause of education reform. Since the House still needs to act and a conference to be held, I must however, point out that we do have a long way to go before work on this education reform package is completed.

Consequently, it is my sincerest hope that when the smoke clears after all the debate, we will send a bill to the President that is similar to the one the President proposed last spring, rather than similar to the one about to be cleared by this body today.

Mr. KENNEDY. Mr. President, have we acted now on the technical amendment?

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1492.

The amendment (No. 1492) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mrs. KASSEBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

Mrs. KASSEBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MODIFICATION TO AMENDMENT NO. 1481

Mr. KENNEDY. Mr. President, we have a small modification of the sense-of-the-Senate resolution on the Peace Corps that was adopted on Friday. I understand this amendment has been cleared on both sides.

The PRESIDING OFFICER. If there is no objection, amendment No. 1481 is so modified.

The modification to amendment No. 1481 is as follows:

In clause (1) of the section stating the sense of the Senate with respect to the Peace Corps, as added by amendment by Senator Wellstone (amendment No. 1481), insert ", as part of a balanced program and without diminishing its efforts in other parts of the world," after "effectively". In clause (2) of that section, insert ", consistent with clause (1)," after "President".

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Is the Senator from Ohio correct that his amendment which was offered last week is presently pending?

The PRESIDING OFFICER. The Senator from Ohio needs to call the amendment back to the floor.

Mr. METZENBAUM. Pardon?

The PRESIDING OFFICER. The Senator from Ohio needs to call the amendment back to the floor.

AMENDMENT NO. 1483

Mr. METZENBAUM. Mr. President, I ask for the regular order in order to call the amendment of the Senator from Ohio back at this time and make it the pending order of business.

The PRESIDING OFFICER. The pending question is amendment No. 1483, offered by the Senator from Ohio.

Mr. METZENBAUM. Mr. President, I now withdraw that amendment.

The amendment (No. 1483) was withdrawn.

AMENDMENT NO. 1496

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 1496.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place add the following new section:

SEC. . GENERAL ACCOUNTING OFFICE REPORT ON THE EFFECT OF TAX INCENTIVES ON LOCAL PUBLIC SCHOOL FINANCE.

(a) Within 180 days after the date of enactment, the Comptroller General of the United States shall prepare and submit to the chairman and ranking minority member of the Senate Committee on Labor and Human Resources a study on the nature and extent of tax abatements given by state and local governments to attract business and the extent to which such abatements:

(i) reduce the tax base available to support public elementary and secondary education in the jurisdiction granting the abatement;

(ii) reduce the funds available to support elementary and secondary schools in the jurisdiction granting the abatement; and

(iii) review the extent to which citizens in the state and local community granting the abatement realize the potential impact of the abatement on funding for local public schools.

Mr. METZENBAUM. Mr. President, the amendment I had previously offered and that was at the desk over the weekend had to do with the question of various school districts, cities, States, offering economic tax advantages to various corporations. There has developed a competition between the States as to who can give more, or which State or community can give more in tax abatements in order to bring corporations into those communities.

Understandably, corporations have been willing to accept those abatements and have taken that into consideration in locating their plants.

The net result has been that the school systems of this country have been negatively impacted by hundreds of millions of dollars. It is time we take another look at this subject.

The amendment I had originally sent to the desk would have deducted from the economic development funds of any State, that amount of tax abatements that had been given in an earlier period. That was a rather drastic step but it highlights the severity of the problem.

Since many Members of this body had not been familiar with the issue and were not prepared to vote as to the impact that it would have, and since there had not been much advanced notice given with respect to the amendment, the Senator from Ohio has withdrawn the earlier amendment and sent to the desk a substitute amendment which would order the GAO to make a study as to the economic impact of these tax abatements on the school systems of this country, and instructs the GAO to report back within 6 months in order to advise the Members of Congress and the people of this country, what economic impact this is having on the school systems of this country.

It is my understanding the amendment has been cleared on both sides of the aisle. If that is the case I am prepared to act.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. As I understand it, within 180 days the GAO is to conduct a study to determine the nature and extent of the tax abatements given by State and local governments to attract business and the extent to which such abatements, one, reduce the tax base available to support public elementary and secondary education in the jurisdiction granting the abatement; two, reduce the funds available to support elementary and secondary schools in the jurisdiction granting the abatement, and, three, review the extent to which citizens in the State or local community granting the abatement realize the potential impact of the abatement on the funding of local public schools.

Mr. President, the Senator has sent the amendment to the desk. I have every intention of supporting the amendment. I believe we wanted to just give an opportunity to some of our colleagues to look at that briefly; I expect for no more than a few moments. Then we could, hopefully, dispose of that.

Mrs. KASSEBAUM. I ask the Senator from Ohio, who would receive this report after it is completed by the GAO.

Mr. METZENBAUM. I believe it has been drafted and worked out with Senator KENNEDY's staff. I believe it has been drafted to report to the minority and majority member, the majority and minority leadership of the Labor and Human Resources Committee.

Mrs. KASSEBAUM. The full committee?

Mr. METZENBAUM. Yes.

Mr. KENNEDY. Could I indicate we obviously would have an opportunity then to examine it, to review it, to hear those who wish to comment on it. To the extent the committee then wants to make some adjustments, we are going to have the reauthorization next year, for example, of the basic elementary-secondary education. It will be available to whatever extent the Members feel that it is relevant to that reauthorization. That is, at least, what our intention would be.

Mrs. KASSEBAUM. I think this is a very important issue, Mr. President. This study could be useful. I think every State, now, has many instances in which tax abatements are offered. I think this GAO study is useful, to see what effect this situation is having on school financing.

Mr. METZENBAUM. I thank the Senator from Kansas.

Mr. KENNEDY. Mr. President, we are prepared to voice our support for the measure. I am grateful to the Senator from Ohio.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from Ohio, amendment No. 1496.

The amendment (No. 1496) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote.

Mrs. KASSEBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOREN. Would the distinguished chairman yield for colloquy?

Mr. KENNEDY. I would be happy to yield to the Senator from Oklahoma.

Mr. BOREN. For the purpose of clarification I would like to ask the chairman what is intended as criteria for schools that wish to apply for funds provided in this act for magnet schools. Is it the chairman's intention to include schools systems that have achieved unitary status if such systems include one or more elementary or secondary schools in which minority group student enrollment exceeds 80 percent of the total enrollment and if the funds are directed toward such schools?

Mr. KENNEDY. I appreciate the opportunity to clarify this point. It is the committee's intention that for the purposes of this act, the term "magnet school" refers to a school in a local education agency that attracts children regardless of mandatory attendance zones. It is our intention that such schools as described by the Senator from Oklahoma shall be eligible for magnet school funding through their local education agencies under this act.

Mr. BOREN. I thank the chairman for clarifying the intention of Congress with regard to this act.

Mr. FORD. Would my distinguished colleague, the chairman of the committee, yield for colloquy?

Mr. KENNEDY. I would be pleased to yield for that purpose.

Mr. FORD. As my colleague knows, Kentucky has just undergone a comprehensive statewide education reform initiative, brought on by a 1989 decision of the Kentucky Supreme Court. While I wholeheartedly support this legislation, I was concerned that this legislation did not recognize the efforts States, like mine, have already made to implement reform and meet many of the national goals we spell out here.

I commend my colleague for accommodating these concerns by accepting language to the modification which I sought to allow States like Kentucky to bypass the requirement for developing a comprehensive State reform plan. Under my language, States will be able to apply to the Secretary of Education for a waiver of the first-year requirements. Such States will have to give the same assurances that nonwaiver States make, but they will not have to use first-year funds to develop a State improvement plan. Instead, States receiving a waiver will be able to use first year funding to begin making grants to neighborhood public schools.

I would ask my colleague, is it the intent of the managers that States, such as Kentucky, be allowed to bypass the first-year funding requirement for development of a State neighborhood schools improvement plan?

Mr. KENNEDY. I appreciate the Senator from Kentucky raising this issue. It is not our intent that States that have already developed and implemented State reform plans be forced to repeat those efforts. States such as Kentucky, South Carolina, Oklahoma, and others, have spent considerable resources and time developing State school reform plans. Under provisions of the modification, as amended by this language, such States can apply to the Secretary for a waiver of this requirement, and begin using funds as otherwise allowed in the first year, or as provided for in second and succeeding years.

Mr. FORD. I thank the chairman, Senator KENNEDY, and the ranking member of the committee, Senator HATCH, for accommodating the concerns and efforts of Kentucky by including this language in the pending bill. We certainly support, and encourage, education reform in Kentucky and I am pleased to support this important legislation which will enhance our efforts.

Mr. KENNEDY. I commend my colleague for raising this issue and thank him for his provision, which strengthens this legislation.

Mr. BOREN. Would my distinguished colleague yield?

Mr. KENNEDY. I would be happy to yield to the Senator from Oklahoma.

Mr. BOREN. I want to join my colleague from Kentucky in thanking the managers of the bill for making this modification. As the Senator from Massachusetts has already indicated, Oklahoma is also one of those States which has already developed reform plans. In our case, the people of the State have affirmed support for these plans in a statewide vote. It would have been unfortunate indeed and unfair if States which had already made tremendous efforts were not recognized for their actions. That is why I, along with my colleague Senator NICKLES, have been working with the Senator from Kentucky to develop this language which will allow States like ours to proceed ahead with the implementation of their reform plans. I appreciate the sensitivity of the Senator from Massachusetts, the Senator from Utah and others to the need to make this change in the original bill.

NEW PUBLIC SCHOOLS

Mr. SEYMOUR. Mr. President, I would like to ask the distinguished Senator from Massachusetts [Mr. KENNEDY] to clarify a question for me. In the section of the bill relating to new public schools. Would it be possible that a school which: First, offers curriculum options that best match the needs of the students served by the system, such as college preparatory, vocational education, math and science, or cultural arts; second, recruits into the system teachers with specialized skills, especially skills in mathematics, science, and bilingual education, from professionals in fields other than education; third, permits parents of students served by the school, and require parents that choose their child's school, to participate in governance, management processes, and activities relating to educational programs; fourth, establishes a preschool transition program such as Follow Through, to assist students within the school who were previously enrolled in Head Start or similar program in making a transition to elementary school, ensuring that at-risk students will receive needed assistance; be considered a new public school as described in S. 2?

Mr. KENNEDY. Yes, a school that designed its program including those elements would qualify as a new public school.

INNOVATIVE TEACHING TECHNOLOGY

Mr. DASCHLE. Mr. President, I would like to ask the distinguished floor manager, the Senator from Massachusetts, a question regarding the education reforms that would merit funding under S. 2. Would the manager yield for a question?

Mr. KENNEDY. Yes.

Mr. DASCHLE. As the Senator knows, in rural States such as South Dakota, the need for innovative teaching methods and devices often is accompanied by a lack of resources—including teachers—due to vast populations and low incomes. One technology that has shown promise in overcoming some of these difficulties is a system known as interactive television. This technology allows students to interact with television screens through questions, choices, and discussions presented in the educational program. This technology is considered cost-effective and very simple to operate and, thus, has promise for educational instruction in both rural and urban areas.

I notice that in section 208 of title II, which outlines the authorized uses for grants given to schools for education reform, there is a list of several programs or innovations that would be considered eligible for funding under S. 2.

Would the Senator consider this an exhaustive list of reforms eligible for funding?

Mr. KENNEDY. No, not at all. I would inform the Senator from South Dakota that this list is merely illustrative and that other appropriate uses would be permissible.

Mr. DASCHLE. So, if a school wished to implement a program utilizing interactive TV to improve student achievement, and the State's advisory council approved, this program would be considered an appropriate use of those funds?

Mr. KENNEDY. The Senator is correct. In fact, under subsection (b)(10), the bill states that funding for projects which increase the use of educational technology and integrate such technology into the instruction program of the school are permissible.

Mr. DASCHLE. I thank the Senator for clarifying this issue.

THE ELEMENTARY SCIENCE FACILITIES ACT

Mr. HATFIELD. Mr. President, on November 21, 1991, I filed an amendment to S. 2 entitled "The Elementary Science Facilities Act." My amendment would provide funds for matching grants to enable schools to purchase equipment and materials needed for hands-on discovery lessons in their elementary classrooms. This proposal recognizes that children gain scientific knowledge most effectively through investigation and hands-on discovery activities.

By funding the Eisenhower Mathematics and Science Education Act, Congress has provided support for excellent teacher enhancement activities which provide training in new curricula and methodologies. Unfortunately, many elementary school teachers are unable to fully implement new techniques for teaching science and mathematics because their schools lack adequate resources. One-third of all science classrooms in grades four through six had no scientific equipment at all in 1985–86. That same year, 64 percent of all minority third grade students reported that they had never used a microscope.

The results are distressing. Research indicates that half of our young students have lost interest in science and mathematics by the time they leave the seventh grade. This situation must be remedied if America is to produce a technologically literate work force as well as the engineers, scientists and mathematics needed to remain economically competitive in an increasingly complex world.

In 1990, the Congress unanimously passed the Excellence in Mathematics, Science and Engineering Act. This bill, authored by Senator KENNEDY and me, set forth national objectives which included improving the quality of teaching in mathematics and science. My amendment provides the next logical step in assuring that all of our young students have access to instructional experiences which foster critical and creative thinking and capture their interest in these important fields. Our young children must have the opportunity to learn science by doing science.

I would like to thank my colleague, Senator PELL, for his commitment to consider this amendment during his subcommittee's upcoming work on the reauthorization of the Office of Educational Research and Improvement. I look forward to working with him and other members of the Labor Committee to ensure that elementary teachers have the tools they need to inspire children in mathematics and science.

Mr. PELL. I would like to commend my colleague from Oregon for his longstanding dedication to improving science and mathematics education for the Nation's children. His amendment addresses a critical part of the problem—attracting and keeping a child's interest in the sciences through hands-on exploration opportunities.

There are clear signals that we must work to improve our elementary science and mathematics programs. The National Assessment of Educational Progress recently provided data from its 1985-86 tests on the proficiency of 9-year-old students in analysis of scientific procedures and data. I was pleased, of course, to learn that 9-year-olds in the Northeast had the highest percentage of students demonstrating an understanding of the design of experiments. However, you can imagine my dismay when I learned that this highest percentage was only 5.4 percent of all 9-year-olds tested. Nationally, only 3 percent of the 9-year-olds demonstrated some understanding of the design of experiments or any degree of specialized knowledge across the subdisciplines of science.

We know that far too few of our students take upper level science and mathematics courses in high school. There have also been many disturbing reports on the low numbers of minorities and women entering fields which require a strong background in mathematics and science. If we hope to encourage more of our young people to prepare for these challenging disciplines, we must remedy the problem of inadequate elementary science equipment and materials as well as other critical problems such as teacher training and curriculum development. All young children should have challenging educational experiences, including access to hands-on activities which stimulate interest in mathematics and science.

I share the commitment of the Senator from Oregon to this important issue and I look forward to working with him when my subcommittee next considers legislation to reauthorize the Office of Educational Research and Improvement.

S. 2, NATIVE AMERICAN PARTICIPATION IN THE NEIGHBORHOOD SCHOOLS IMPROVEMENT ACT

Mr. DOMENICI. Mr. President, I am very pleased to support Senator BINGAMAN's efforts to amend S. 2 so that American Indians will be able to participate in the Neighborhood Schools Improvement Act, as authorized in S. 2.

It is well known that the academic achievement of young Native Americans is far below any other ethnic or cultural group. By recognizing the special needs of Native Americans, I believe we can definitely help with systemic school reform and improvement.

It is my hope that the U.S. Department of the Interior through the Bureau of Indian Affairs will identify the Indian schools most in need of this type of grant money. Many public schools as well as Bureau operated schools serve over 40,000 New Mexico Indian students.

In particular, I am very interested in strengthening parent involvement and dropout prevention through culturally sensitive curriculum improvements. Life management skills instruction is another idea that could be funded with this type of grant money. The New Mexico recommendations to the White House Conference on Indian Education included these two ideas as well as an emphasis on bilingual programs.

I am encouraged that the Senate has agreed to help make these and other substantive changes to the daily educational experience of the young Indian people of this Nation.

Mr. President, I commend my colleague, Senator BINGAMAN, for his fine efforts on behalf of Indian children in public schools and Bureau of Indian Affairs schools. I look forward to working with New Mexico's Indian education institutions to promote more effective neighborhood schools for Native Americans.

Mr. BINGAMAN. Is it the Senator's understanding that nothing in this title shall be interpreted to prohibit the provision of a grant from a State to a school under the jurisdiction of the Bureau of Indian Affairs?

Mr. KENNEDY. It is my understanding that in the case that a State has located within its boundaries a school(s) under the jurisdiction of the Bureau of Indian Affairs, the application from each State for grants under this title shall include an assurance that nothing in this title shall be interpreted to prohibit the provision of a grant to, or prejudice an application for such a grant from such a school.

Mr. BINGAMAN. Is it the understanding of the Senator from Massachusetts that the conference committee will discuss this issue of grants to schools under the jurisdiction of the Bureau of Indian Affairs?

Mr. KENNEDY. I cannot speak for the committee but I certainly will work toward addressing this issue within the conference. I am aware that the Federal Government has a direct responsibility and obligation for education of Native Americans. I am aware that Native American education has very serious problems and the issue of education for Native Americans is a trust responsibility which the Congress must take very seriously.

Mr. LAUTENBERG. Mr. President, I rise in support of passage of S. 2, the Neighborhood Schools Improvement Act. I am pleased to be a cosponsor of this bill.

This legislation establishes a set of national education goals, promotes their achievement, establishes a National Council on Education Goals, sets up a National Report Card to measure progress towards these goals and provides resources for local districts to develop new, break the mold schools, through a Neighborhood Schools Grant Program. The Senate has also adopted an amendment that would let some schools try to prove that they can do their jobs better and more effectively, if they could be free from some of the Federal red tape—however well-intentioned—that accompanies some of our Federal education grants.

If there has ever been a time to invest in our children it is now. Our Nation is locked in a global competition in which victory will go not to those nations with the greatest natural resources, but to those with the greatest human resources. Victory will go to those nations which have a workforce that is skilled, educated, and able to meet the technological challenges of the next century. The link between a nation's economic prosperity and its commitment to education has never been more clear than it is today.

Several studies show that America's children perform near the bottom in academic achievement as compared with other Western countries. Children in Germany and Japan attend school approximately 240 days per year as compared to 180 here in the United States. The United States spends 4.1 percent of its gross domestic product on elementary and secondary education, trailing 13 other industrialized countries, including Germany, Japan, Canada, France, and Great Britain. While I hope that we can take immediate steps to lift us out of this recession, our ultimate economic prosperity lies in the ability of our children and schools to achieve the national education goals. To accomplish this, we must undertake fundamental reform in our schools.

In recent years, the issue of school reform has been a turbulent one in my State. New Jersey has had to grapple with such difficult issues as school financing and slumping academic performance. However, New Jersey has not stood still despite these ominous problems. Parents, educators, teachers and the business community have come together to improve our schools through new and innovative approaches.

There are many examples of innovative schools in my State. For example, the Bergen schools are experimenting with distance learning via telecommunications, Atlantic City is conducting a business partnership program with its public schools, the Montclair School system has adopted a creative Magnet School Program and the State is in the process of adopting a comprehensive school-based social service program.

In addition, a Quality Education Commission established by our governor has recently made recommendations about educational requirements that will address the needs of New Jersey's children, communities and businesses in the year 2000 and beyond. The Commission was made up of parents, teachers, administrators, business leaders and academics. This Commission has proposed lengthening the school year from 180 days to 220 days, offering voluntary public school education starting at age 3 and testing school-based management, in which teachers and administrators closest to the kids themselves, in the schools, are given the responsibility and the authority to make the decisions to achieve the results we all want for our children.

Mr. President, it is clear that there is plenty of ideas and proposals for innovative school reform percolating up through the system. I am convinced that the best type of school reform has and will come from the local level. Quality school reform should not come top-down from bureaucrats in Washington.

S. 2 can further drive the type of innovative educational reforms that is currently going on in New Jersey schools. The Neighborhood School Grant Program will make funds available to local school districts to develop new approaches to education that are consistent with our national education goals.

The time for talk is over. It is time to enact this legislation, to support reform in our Nation's schools, to move further toward achieving our tough national education goals. Only by meeting those goals can we ensure our future prosperity.

ADMINISTRATIVE COSTS IN S. 2

Mr. BRADLEY. Mr. President, I thank the managers of this bill for accepting an amendment that will let this bill serve the purpose for which it is intended: rebuilding our schools.

While we despair that our Nation's schools are not up to the task of educating kids for a competitive world, we in Washington are constantly reminded that the Federal Government's piece of the Nation's school system amounts to only 6 percent. To improve schooling nationwide, we must look for a way to use that piece as the most powerful lever for change at the level of the school and the classroom. That means doing much more than throwing money into school systems.

The bill before us, the Neighborhood Schools Improvement Act, is one response to the guest for a way to use limited Federal resources to make a bigger difference in all 85,000 schools in America. It reaches directly into schools with the means for change and holds schools accountable for results. But in the bill as drafted unfortunately constrains the resources available for change even further because of its excessive allowances for administration and assistance with grant applications. If this bill were fully funded for 5 years, fully 32 percent of the funds would go not to schools but to administrators and grant application professionals. Can we really tell the American people that we are improving American schools when we are putting more than a billion dollars of their money into bloated administrative layers at the State and local level?

The bill as reported allows every State to use its entire first year allotment to develop a State school improvement plan and help schools prepare grant applications. Nearly a decade has passed since Secretary Bell released "A Nation at Risk." Are there really States that have not yet given serious thought to systemwide education reform? If there are such States, and I doubt there are, they need to come to terms with their own economic obligation to themselves, and they should not need a Federal handout to do that planning. This amendment will limit the funds available for first-year planning and grant applications to the $100 million already appropriated. It does not affect the special rule under which States can use first-year funds for teacher training or for public school choice initiatives.

Federal money does not come without responsibilities. States must become partners with the Federal Government and share our commitment to reform. The funds provided under this bill should mesh with the resources forward-looking States are already devoting to school improvement so that everyone's money goes a little further. But as much of this new Federal money as possible must go to making these plans real in each school and each classroom.

Mr. President, this amendment might seem to deal primarily with a technical aspect of this bill. But I intend it to be a first step toward a new principle for the Federal role in education. The principle of accountability must apply at every level. To use the Federal Government's 6 percent of America's school system as a powerful lever for change, we must insist that there will be no more money until there is a commitment to reform. We can use our resources not only as a means for change, but as an incentive for determined, responsive change. We should not use our limited funds for a year of planning, conferring, preparing grant applications and in other ways postponing real reform.

The second step will be a bill I intend to introduce later this spring, which I will call "Rewards-for-Results." I believe we can reach directly into each classroom with a powerful incentive: If your school improves student performance, if students stay in school and come out ready for college or the workforce, we can give every teacher in your school, a $6,000 bonus. This proposal will take some careful thought, but I mention it today because I would like to affirm the principle that we use money to force real reform in school systems that fear change but cry out for the enthusiasm that only change can bring.

Mr. BAUCUS. Mr. President, I rise today to express my deep concerns relating to the education of our country. What we are talking about is the future of America. We cannot set a goal too ambitious for American education, it's the ultimate foundation of our society.

Our world is highly competitive and driven by an increasingly complex international economy. In order to survive in the world economy, we must establish high goals for our students, and then set standards for their achievement. Dedication to the six national education goals as outlined in this legislation puts us on the right track.

This is also the time to be resourceful and innovative. To encourage teachers to seek out new methods which inspire students, their parents and communities. Education is an investment that returns dividends not only to individuals, but to society as a whole.

It is also not a one shot proposition. It must be a lifelong commitment. As old jobs change and new ones are created, we need training programs to maintain a competitive workforce. Maintaining an educated workforce is much easier to do than generating one anew.

We know that an educated workforce is the key to restoring our economic competitiveness. Our success at remaining competitive depends upon a population that is highly trained and technically literate.

This is particularly true in the areas of science and mathematics, where the global economy demands that each student reach higher levels of competency.

Some States are already working toward this goal. For instance, in my State of Montana, a group involving university level math educators, the Montana Council of Teachers of Mathematics, and the Office of Public Instruction, is working together to design new approaches of teaching math to elementary and secondary students. This is the type of initiative, resourcefulness, and interaction we need to promote across our Nation.

Because of the need to meet these increasing demands for excellence, we cannot afford to decrease funds for public education. We must renew our commitment to investment in education; to the education of every citizen.

To move into the 21st century, all American schools need assistance. We can't pick and choose which schools, or which students, will benefit and which will not. They must all be given the opportunity to achieve their full potential.

Public schools are committed to the education of all Americans and we cannot fail in our support for this commitment. We must all pull together—Federal, State, and local governments—businesses, parents, and communities.

Creating an environment for academic excellence and high standards of educational achievement must be our highest priority. This bill moves us significantly forward in this direction.

"FREEDOM OF SPEECH ON CAMPUS" AMENDMENT

Mr. KENNEDY. Mr. President, all of us agree that college students should enjoy the full right of freedom of speech protected by the first amendment. This is a matter of principle that our colleges and universities fully embrace and that no one would question. Senator CRAIG has introduced a freedom of speech on campus amendment which reaffirms the Senate's commitment to assuring that first amendment rights be protected for all members of the university community. This amendment was included in the manager's amendment yesterday and I wanted to describe the purpose of this promotion.

During the past decade there have been increasing reports of sexual, racial and ethnic harassment, and intolerance on college campuses. As student bodies have become more diverse, so too have students' demands for changes in curriculum and campus attitudes regarding multiculturalism and diversity. In 1990, the National Institute Against Prejudice and Violence reported that since 1987 more than 300 college campuses have reported incidents of racial, ethnic, and homosexual harassment. The Justice Department reported more than 100 incidents of racial harassment on college campuses in 1990.

In response to these incidents, a few colleges have issued statements or adopted codes prohibiting racial and sexual harassment and emphasizing the need for civility and tolerance on campus. These codes are modeled after EEOC sexual harassment guidelines for the workplace.

If a code strays too far and violates free speech rights, it should be changed. At the same time, members of the university community cannot be required to tolerate threats of violence or other forms of verbal intimidation and harassment.

In adopting this sense of the Senate amendment, we do not mean in any respect to curtail the right—indeed, the obligation—of college and university officials to promote tolerance and understanding of the diversity of our society. College and university officials should be encouraged to condemn racial, religious or sexual harassment directed at particular members of a college or university community or take disciplinary actions where appropriate. In addition, we do not mean to prevent colleges and universities from taking appropriate measures to protect the rights of speakers on campus against efforts to disrupt their speech by members of a college or university community or by outsiders.

One of the principal goals of our colleges and universities is to advance and disseminate knowledge. To do so, they must promote conditions conducive to teaching, scholarly activity, reasoned and civilized discourse, and a sense of community.

Mr. KERRY. Mr. President, I want to take a moment to offer some comments on the Neighborhood Schools Improvement Act.

The question of improving American education ought to be beyond the point of contention. We all agree that something needs to be done. We all agree that the active involvement of many elements in a community, from parents and teachers to community and business leaders, creates a stable foundation for meaningful reform and tells children in that community that everyone is concerned about their education. The question, then, is how can the best of American education reach the broadest number of children and have the greatest impact on today's educational environment. I believe that the Neighborhood Schools Improvement Act is an important part of this process.

This bill will place Federal funds at the local level, where they can directly impact the educational needs of children. Few understand the needs of students in schools better than those who live in the communities where the schools are located. Rather than dictating from Washington or from some panel lacking expertise in or sensitivity to the needs of their schools, S. 2 recognizes that teachers, principals, parents and the local community can best devise plans to enhance their schools.

S. 2 also recognizes that any proposal to improve the education of America's children should directly and exclusively benefit public schools. Many of us are no doubt troubled by the studies that indicate that our public schools are places where textbooks and equipment are inadequate, teachers are in short supply and social problems like drugs and violence are finding their way past the schoolyard gate. We are repeatedly told that test results indicate that American students score below their counterparts in Japan and Europe in mathematics and science. Annually, we express concern that SAT scores are declining or at best remain constant. Nevertheless, public schools are the place where communities can decide, for any and every child in the community, what constitutes a comprehensive education. Public schools remain responsible for the education of the vast majority of our children, but more importantly they must answer to the communities they serve.

I am troubled by the idea that public schools are so irredeemable that the only way effectively to reform education and improve educational opportunities for our children is to create new schools or school systems. We must not forget that public schools were created by local governments attempting to address several concerns, including the need for a skilled work force, the value of an educated citizenry and the importance of providing a universal experience for children whose origins may have been very different. Therefore, public elementary and secondary education has been recognized as the responsibility of the State and local governments. The Federal Government has provided and should continue to provide a supportive and coordinating role in public education, offering resource and financial assistance. I believe it would be a mistake to challenge that philosophy by Federal preemption of the State and local government role in determining local education policy. The Neighborhood Schools Improvement Act acknowledges the responsibilities of the Federal, State, and local governments in the area of education and recognizes the importance of maintaining that balance and I enthusiastically support it.

I am also troubled by the idea that public schools are so terrible that the best way to improve the educational opportunities for our children is to provide vouchers to send them to private schools. To spend public money directly or indirectly for programs in schools beyond public accountability, or lacking in a history of educating a broad array of students, is not the wisest use of precious resources. After all, what will we say to the children if they want and are academically able to continue in a private school, but that school no longer wants to participate in a voucher program or demonstration project?

To those who would claim that the only way to bring substantive reform to education is to create new schools, I would tell them about Albert Holland and the Jeremiah Burke School in Roxbury, MA. This public high school has 750 students. Many of the students are immigrants and do not speak English, nor do they enter school performing work at their grade level. The school does not have a librarian and has only one guidance counselor. The teachers have told me that they sometimes do not have enough books for all of the students in their classes. Despite all of these obstacles, during Al Holland's tenure as headmaster, the percentage of students going on to higher education following graduation has risen from 23 to 65 percent. The Jeremiah Burke School has been transformed into an academic haven for its students. It is not hard to imagine what this school or others like it could accomplish with additional resources.

I also believe it is important to comment on another issue in education not addressed in this bill, yet terribly important. While assistance is provided to the Nation's schools, it is vital that we strengthen the teaching profession. College students should be encouraged to become teachers through a loan forgiveness program. Professionals in other fields, particularly science- and mathematics-related areas, should be able to participate in fellowship programs which bring their expertise into the classroom. Teachers currently in the system should be able to avail themselves of training opportunities for professional development which also benefit their students. Incentives should be provided to bring talented teachers into educationally underserved areas, whether in the inner cities or rural communities. Communities and educators stand ready to bring innovations and reform to many public schools across this country. Teachers are the people who ultimately will make those efforts successful. The Neighborhood Schools Improvement Act correctly addresses the needs of students in our public schools as the initial step toward educational reform. As we move forward in the Senate to consider other educational initiatives, it will be appropriate to address these additional areas of significant concern. The Committee on Labor and Human Resources has included provisions of this sort in the Higher Education bill it has reported for Senate floor action. I look forward to taking up and acting on that bill.

Before closing, I want to commend the Senate's Committee on Labor and Human Resources and its Subcommittee on Education for their work on this bill, and in particular, my colleague, the senior Senator from Massachusetts [Mr. KENNEDY], and the distinguished senior Senator from Rhode Island [Mr. PELL], respectively the committee's and the subcommittee's chairmen. They and the committee's and subcommittee's members have labored in earnest to craft the bill before us. They are to be commended for a job well done.

I hope the Senate will give overwhelming support to S. 2 and that it soon will become the law of the land.

Mr. KERREY. Mr. President, I am pleased that the Senate is considering legislation to provide specific measures to strengthen our education system. It is of vital importance that we target additional education assistance to local schools and school districts that are interested in implementing innovative and far-reaching restructuring.

The current legislation is linked in concept to legislation that I introduced last Congress, the School Restructuring Act of 1990, and similar in focus to my Education Capital Fund legislation that I will be reintroducing in the coming month. If we are truly to "break the mold" and bring about real change, we need to foster the most innovative local proposals that have been developed by dedicated teachers, administrators, parents, business and community leaders.

All over the country change is occurring. Federal officials and politicians should not be trying to favor one reform strategy over another. Rather, we should go to the local communities and offer to work with them on their solutions. We need to offer long-term assistance that recognizes that real reform is not the result of a 1- or 2-year grant, but must be fought for and nurtured over the years. We also need to move beyond a project by project approach by supporting systemic reform. Only systemic reform will allow us to really break the mold and make sure our schools are ready for the 21st century.

We need to go to local school districts and offer assistance in exchange for a commitment to sign a contract that stipulates what performance goals they will agree to achieve.

I am pleased that our educational policy is moving in the direction of supporting local answers to national challenges.

During consideration of this legislation there has also been much discussion of how to remove Federal obstacles to reform. There is a growing sense that educational bureaucracies and vested interests are threatening to stall the growing reform movement. Therefore, I applaud efforts to lighten the regulatory burden so long as we do not undermine the gains we have made in terms of equity and fairness. If we are to succeed in the long run we must ensure that our assistance gets to the students and is not diverted by bureaucrats.

I oppose the proposal offered by Senator HATCH to establish a voucher demonstration program for private and public schools. I do not believe we should divert public funds for private education. Further, the Federal Government should not be advocating particular reform strategies. We need to have faith in local officials, parents, teachers and others and realize that they will come up with appropriate solutions. Our role should be to assist promising solutions, not to choose particular solutions. It would be a grave error for us to go against the grain of our locally controlled educational system.

As we prepared to address these crucial education issues, we should do our own homework. We should increase our own knowledge and awareness of what our children must receive from their schools and how our schools and how our communities might respond by reading three current and most informative books: First, "Smart Schools, Smart Kids," by Edward Fiske, former educational editor for the New York Times; and second, "Savage Inequalities" by Jonathan Kozol, former school teacher and noted education analyst; and third; "Horace's School," by Dr. Ted Sizer, one of the most innovative education reformers in our country.

Passage of S. 2 is not all that is needed to reform our education system. We will need to consider additional steps in the coming year when we turn to reauthorizing the Primary and Secondary Education Act. I also plan to offer legislation next month that will propose a new kind of federal partner and a venture capital fund to assist local efforts. I welcome the continued debate on our Nation's education policy.

Mr. SIMON. Mr. President, I rise in support of the Committee modification of S. 2, the Neighborhood Schools Improvement Act.

I commend the chairman of the Labor and Human Resources Committee for his hard work in developing a proposal that will drive money to schools—not to bureaucracies—to spur real innovation and significant improvement in the schools that need it the most.

The Neighborhood Schools Improvement Act authorizes $850 million, less than the cost of one B-2 bomber, for school-based projects designed to meet the National Education Goals. These grants are designed to leverage real reform. It is a competitive program, in which the schools must design comprehensive plans that will lead to real improvement in measured student achievement, and other progress toward the national education goals.

A portion of the funds may be used by the State for necessary activities such as teacher training, or experiments with ideas such as new public schools or parental choice among public schools.

This new version of S. 2 incorporates and expands upon many of the ideas that I included in my S. 1371, the Partnerships for Chicago Schools Act. For example, both bills encourage cooperation among the many entities interested in school reform. At the statewide level, the Neighborhood Schools Improvement Advisory Council, which works with the State education agency to prepare a reform plan, must be broadly representative of the population of the State, including teachers, school leaders and parents from the neediest schools. At the local level, community-based organizations and local businesses, as well as teachers and parents, must be involved in developing the reform project and application for funds.

Like S. 1371, the comprehensive projects that can be funded include school-based management, teacher training, and parent involvement. Furthermore, a program that works at one school would be shared with others.

While the Neighborhood Schools Improvement Act is a significant step forward, there is much more that the Federal Government can and should do to help this Nation meet the national education goals. Title I of the bill details some of the commitments, some of the leadership, that the Congress and the President must show. For example, the goals call for all children to start school ready to learn by the year 2000. But the Nation's best hope for meeting this goal, the highly successful Head Start Program, does not come close to serving all of the eligible children. On school dropout prevention, student achievement, science and math, violence and drugs, and teacher training and recruitment, programs are cited as vehicles for making real progress toward goals that have so far been 99 percent rhetoric.

Finally, Mr. President, if we are to succeed in achieving the national education goals, we must have better information about where we are, where to go, and how to get there. My colleague from New Mexico [Mr. BINGAMAN] has been relentless in his effort to ensure that the national goals panel be without partisan tilt and provided with the resources to do a good job. I am pleased that over the past few weeks the administration and the Governors have consented to some changes in the goals panel to achieve this end.

Mr. President, we have heard enough words about the need to spur innovation and improvement in our neighborhood schools. This bill is more than words, it means action. I urge my colleagues to support S. 2, and to oppose efforts to weaken its commitment to the improvement of neighborhood public schools.

Mr. WALLOP. Mr. President, when the Bush administration first submitted its America 2000 plan for educational reform, the Democrats willingly offered to both sponsor and craft a bipartisan proposal for improving academic achievement. But after little more than a cursory review of school choice and other administration goals, those same Democrats who touted their cooperative spirit soon walked away from the bargaining table. While the administration sought compromise, the Democrats worked only among themselves and bulldozed an education bill through the Labor Committee. Today we will vote on that same educational agenda which lacks any semblance to the President's proposal. The administration negotiated in good faith; the Democrats assumed that if we were willing to bargain that they were right and we were wrong.

Mr. President, this has happened time and time again. It happened with the 1990 budget agreement. It happened with the Clean Air Act and it happened with the civil rights bill. This education bill proves once again that any attempt to forge a bipartisan compromise on important issues will be purged in favor of bureaucracy and unions; job creation, economic or educational reforms will be sacrificed at the political altar.

Yet the Democrats brought their own education bill to the floor knowing full well the administration would seek to restore some of its America 2000 initiatives. And once again, the Democrats claimed their willingness to bargain on private school choice and New American Schools amendments. But, Mr. President, let us not be fooled. The New American School provision omits a competitive funding program to include private schools and our efforts to permit merely a demonstration project for private school choice were soundly defeated. But why?

Many members on the other side contend that we should not divert taxpayer dollars away from the public schools; that the public schools are in trouble and need our help. The chairman of the Labor Committee asserts that anyone who pays taxes should only send their child to public school; it is public taxpayers' money. Mr. President, that is exactly the point. All taxpayers should have the choice to use their tax dollars to send their child to a school they desire, public or private, when the education value of that child is the issue. Clearly when NEA power is the issue, the interest of the child is not.

Yet under this version of S. 2, parents of low-income children will be denied a chance to be involved and held accountable for their choices in education. Education begins at home. Parents instill discipline and responsibility in their children and more often than not parents are the first to teach their children how to read and write and discern right from wrong.

But those same parents will not be allowed further responsibility in deciding how or where to develop the knowledge, curiosity, and imagination of their children. And those children have lost a tremendous opportunity to test a choice program which could have made great improvements in our educational system. Are we as a governing body so arrogant as to think that we know more about what is best for the education of children than their parents?

The U.S. population census recently found that public school teachers enroll their kids in private schools at over twice the rate of the national average. In fact, 46 percent of Chicago public school teachers enroll their children in private schools, 33 percent in Washington, DC, and 30 percent in Atlanta compared to 16 percent of the general population. One can only assume that public school teachers know something the Senate refuses to know. Yet other parents are denied the same choice.

The opponents of private school choice argue that Federal funding for education has declined and our public school system has suffered as a result. Mr. President, that is simply not true. We spend 33 percent more per pupil in 1991 than we did in 1981, yet we have seen little, if any, real improvement in school performance. The Labor Committee chairman would have us believe that Chapter 2 funding could be used by any State to develop a voucher system for valuable educational programs. But what he fails to point out is that same Chapter 2 funding is only for public schools.

So I ask my colleagues, what was the real reason for defeating a $30 million school choice demonstration project? Two words come to mind. Excellence and innovation. But obviously those on the other side of the aisle only seek to control reform and along with it the pursestrings. That kind of educational leadership benefits no one but the special interest establishment.

Mr. President, I cannot support S. 2 in its present form. It is, as President Bush has said, "business as usual." Under S. 2, most schools will receive only $1,000 more a year to develop the so-called Neighborhood Schools Improvement Act. This small sum is intended to be used to implement significant, comprehensive, schoolwide changes in the structure or programs of each school. My guess is that those funds will only be used to cover administrative costs and, once again, we will see little real academic achievement from our Nation's public schools. So with that the Democrats are attempting to make a big political splash, but our children will get no education bang. We are throwing good money after bad and the innovative educational goals of this administration have gone out the window with them. But more importantly, we have ignored some of the most basic principles upon which this Nation was founded—the exercise of fundamental freedoms and the promotion of the public welfare.

Mr. COHEN. Mr. President, I am pleased to support the legislation before us, which will further our national efforts toward education reform. This bill is one of several steps necessary to ensure that the children of today are prepared to meet the challenges of the 21st century and enhance our Nation's status in the global marketplace.

It is clear, Mr. President, that our educational system needs substantial rejuvenation—in terms of both resources and ideas. This bill will provide much-needed resources to existing public schools and State education agencies so that they can institute the reform measures that would be most effective in their areas. These funds will be welcomed at a time when most local school systems are facing budget cuts at the State level. When funds are scarce, the most immediate needs take priority, and few education dollars are left for ambitious new reforms. I hope these new Federal funds will provide States and local schools with the resources they need to brainstorm and implement innovative approaches to elementary and secondary education.

I am also pleased that the Senate has grasped this opportunity to provide leadership in offering incentives to States and local schools to develop fresh, new approaches to education. The status quo is not working anymore—few Americans will dispute that fact.

A major step toward reversing this downward trend was taken when the Senate endorsed the New American Schools originally envisioned by President Bush in his America 2000 proposal. The idea of creating break the mold, start from scratch schools has certainly caught on in my home State of Maine, where the Commissioner of Education, school teachers and administrators, parents, and business leaders alike have raised their voices in support of this new approach.

I have heard from several public school teachers and administrators in Maine who are eager to apply for these funds so that they can begin a wholesale education reform effort in their communities. The interest is certainly there at the local level, and I am pleased that the Senate has given those schools the opportunity to apply for these grants and to begin that process.

The New American Schools proposal is precisely the kind of forward-thinking boost that the Federal Government ought to provide to our Nation's educational system. I think that we should continue to pursue means to get at the very root causes of some our schools' problems, however, as money is not the only solution.

Parental participation in a child's education, for example, is an invaluable component of our national education system. A child that has not had the benefit of parental attention to his or her physical, emotional, intellectual, and moral development comes to school with a distinct disadvantage. Our schools cannot be expected to enact radical reforms when they are burdened with equalizing the learning levels of children in the earliest school years. Senator BOND's parents as teachers bill, which I cosponsored, would have been a very appropriate addition to this legislation, and I hope that we will have the opportunity to pursue this issue at another time. Senator BOND's legislation would help parents learn the valuable skills they will need as parents, and indeed, as their child's first teacher.

The Neighborhood Schools Improvement Act that the Senate has adopted today is an important step in what will be a long road toward true education reform. I am pleased to support its passage.

Mr. SANFORD. Mr. President, I will vote for this sense-of-the-Senate, to take Defense funds for schools, but I do not want it to become nonsense. I do not want to see us bashing the military. Everyone expects the military to be cut, and it ought to be. But cuts should not be made too quickly and recklessly or without considering that this is a big country with huge defense responsibilities. In looking at our history, it is all too obvious each of our previous military build downs after World War I, World War II, Korea, and Vietnam respectively, were too extreme. The price we often paid for that was in lives, the lives of our service men and women.

We will have military cuts. I believe part of the funds from those cuts must be used to get the massive debt under control. Certainly some savings should be invested in education, science, and other programs. We must remember spending on educational and science programs are also an investment in our military infrastructure. The men and women of Desert Storm operated the most sophisticated military equipment in the world. They are better educated and motivated than any force in our Nation's history. Nearly 100 percent of our active duty military personnel have completed high school while only 75 percent of Americans are high school graduates.

Our priorities must remain on the recruitment and retention of the best men and women to serve in uniform. The equipment they use and train with must also be the best. A military build down will come. The cost should not be the lessening, to any degree, of our military capabilities to meet the future needs of and threats to our national security.

Mr. CHAFEE. Mr. President, we have all heard the reports about the state of our Nation's education system. Studies show that our high school graduates often lack the skills necessary to obtain entry level employment, and more alarmingly, that our students lag behind those of other nations in math and science ability. These two areas are crucial to the success of our Nation in the global marketplace.

As painful as these observations are, they have led us to direct tremendous energy toward reforming and improving our schools. S. 2, the bill before us now, would create a 10-year program of grants to States to assist local school districts and individual schools in implementing comprehensive reform. While I agree that appropriate funding is necessary for education initiatives, this is an ambitious program to embark upon when several proven education programs now in existence are not adequately funded to serve all eligible students.

The measure, however, does incorporate new ideas, such as New American Schools and regulatory flexibility, and it provides a basis for further discussion on education reform. For this reason, I am supporting S. 2, but not without reservation. It still requires much work. The House has not completed action on its version of the bill, which differs considerably from S. 2. Then a conference committee must reconcile difference between the two measures. So while I am supporting S. 2, my vote today does not ensure my vote for the conference agreement. Let us see what final emerges. Then I can make a final judgment on its merits.

THE NICKLES LEARNFARE AMENDMENT

Mr. ROTH. Mr. President, the objective behind Senator NICKLES' Learnfare amendment is commendable. I think that no one in this body would dispute the need for parental involvement and personal responsibility as essential for any meaningful progress to be made whether it be in education or welfare dependency or the war on drugs.

Senator MOYNIHAN will be holding hearings on February 3 in the Finance Committee to examine issues similar to those raised by this amendment. Our States are laboratories for innovations to bring constructive changes in the welfare system and it is my understanding that Senator MOYNIHAN's purpose is to learn about the new ideas and directions which States are looking at to make modifications in the AFDC Program. I think the Federal Government as a partner is the AFDC system with the States can work with the States to develop and implement new model programs. In this way we can proceed in a thoughtful manner to improve our welfare system and strive to assist the beneficiaries of the system in ending welfare dependency and achieving educational attainment.

We should not impede progress in this area. I believe our States—on the front line in the management and delivery of services—will be sensitive to the special needs of dysfunctional families, a concern which Senator KOHL raised. We can learn from the experiences in our States. I support the amendment of Senator NICKLES.

Mr. HATCH. Mr. President, in the last week, we have heard a lot about education reform, accountability, innovation, and flexibility. However, the result of all that talk has produced a bill which is a less innovative approach to education than we would have had if more of the President's proposals had been included.

This bill authorizes a block grant, a Republican concept, which allows States to use funding for a variety of activities. I basically agree with that approach. The bill also recognizes that change will occur school by school, which is something each of us understands is necessary.

However, although the bill incorporates some of the President's program, it does not include all of the major reforms he sought. And, those Presidential initiatives that did find their way into this bill were significantly watered down from the original proposal.

The compromise on New American Schools allows States to use up to 25 percent for this purpose. While this compromise is much less than President Bush's original proposal, I think it is essential that this program is in the bill.

Many have mocked President Bush's goal of being the education President. All I can say to my colleagues is that at least this President has a vision for the future of education. That vision includes New American Schools. New American Schools are what our schools can become. They are the cornerstone of America 2000, a forward-looking program which helps us improve schools one community at a time. Too slow, some may say, but Mr. President, deliberate change and thoughtful innovation is better than no change and no innovation. New American Schools represents an opportunity for parents, educators, business, and community leaders to create the schools of the future. I commend all of my colleagues, on both sides of the aisles for allowing this program to go forward, at least in part.

This program can help every State, and I am pleased that this new program will be available to Utah. My home State has never been afraid of trying something different. Utah is currently experimenting with nine model high schools, incorporating vocational educational with academic training. A lot of effort is being focused on these schools.

A compromise was also reached on education flexibility to allow 50 districts in each of 6 States to have more flexibility in administering Federal programs. If schools are to change and meet student needs, they must have the flexibility to meet the needs of students and teachers. This bill allows States to have this flexibility. Utah has already made strides in education flexibility by removing restrictions on State funds. This started as a pilot program with six districts and has expanded to all districts. This increased flexibility at the Federal level will help Utah in its efforts to serve our students better.

I appreciate the incorporation of some of the concepts of New American Schools and educational flexibility into S. 2. However, I am disappointed the Senate failed to approve a very modest choice demonstration project. The choice amendment provided low-income families with an alternative in education while giving us the opportunity to evaluate the effects, both positive and negative, of including private schools in a choice program. I believe it was very shortsighted for the Senate to reject this demonstration.

We should study all options that may result in improved schools both public and private. Rhetoric doesn't appear to have changed a significant number of inner city schools in the last 10 years. My amendment did not incorporate wide-sweeping changes; it funded only six demonstration projects. I believe my amendment held the potential for real reform if the demonstration proved successful. But, the message this body sent when it voted down the choice demonstration amendment was a simple one: "Let's not experiment with choice because it might work, and that would rock the boat."

I am also sorry that we did not change the Chapter 1 formula. While I am grateful for the willingness of both Senators PELL and KENNEDY to review this issue more carefully as we move into the reauthorization of the Elementary and Secondary School Education Act, I want to reiterate how important this issue is to the 28 States whose low-income children are somehow worth less than low-income children in other States.

This must be the congressional new math. I look forward to correcting this formula problem very soon.

I had hoped that we could have achieved more in this bill. I personally believe it is time we in Congress look at some bold, break-the-mold approaches in education. This bill falls short of such reforms, but at least the compromises in New American Schools and education flexibility are a small step in the right direction. I hope that in the future we can implement more of the President's ideas so that we can motivate and empower our communities to create educational systems that truly meet the needs of all our children.

Mr. DURENBERGER. Mr. President, I rise in support of final passage of S. 2 as amended, the Neighborhood Schools Improvement Act.

As I pointed out as we began this debate, it is an important and powerful statement about priorities in this country that legislation designed to improve the quality of American education is the Senate's first order of business in this second session of the 102d Congress.

I want to commend the senior Senator from Massachusetts for his leadership in bringing this legislation to the floor and for his patience and willingness to consider several important amendments which are now a part of this bill.

The biggest single improvement in this legislation is that it now allows up to 25 percent of funds States will receive to help start new schools.

I strongly believe that an essential component of real education reform in this country must be the design and implementation of new, more diverse, and more individually tailored sites for teaching and learning.

This legislation now gives States additional resources to make that happen, including the establishment of the kind of break-the-mold New American Schools first proposed by President Bush and Education Secretary Lamar Alexander in the President's America 2000 initiative.

I am especially pleased, Mr. President, that this legislation now allows charter public schools—as authorized in Minnesota and being considered in a number of other States—to receive startup funding.

I want to again thank the distinguished Senator from Massachusetts for his willingness to add language that allows States to use up to 10 percent of their block grant to help establish new public schools, including charter schools.

I am also pleased that an amendment was adopted allowing an additional 15 percent of each State's block grant to be used for New American Schools as originally proposed by President Bush. The language used to define New American Schools in this amendment makes it possible, in Minnesota at least, that these could be charter schools or schools initiated by public school districts.

Finally, Mr. President, I am pleased that language has been added to S. 2 that specifically authorizes States to use a portion of their block grant for student assessment and parent information and referral programs. In Minnesota such a program is now being developed—called School Choice Advisor—that will help both parents and students make better informed school choices.

Having made those observations about improvements in S. 2, I must also say that I am still disappointed that the legislation before us bears so little resemblance to the America 2000 initiative unveiled by President Bush and Secretary Alexander last May while they were visiting the Saturn School in St. Paul.

I have spoken several times during this debate about the educational innovations and achievements that have emerged from my own State of Minnesota. And, I am pleased that several of those innovations are now eligible for funding under S. 2.

Education reform has come as far as it has in Minnesota, Mr. President, because Minnesota has been a source of many good ideas for improving teaching and learning.

But, education reform is also succeeding in Minnesota because it has been bipartisan.

We can learn from that experience, Mr. President. And, I am hopeful that before this legislation becomes law at least some of the inspiration and good ideas we saw from President Bush and Secretary Alexander last spring will become part of a very needed statement of national support for new schools—and for better ways of teaching and learning—all across America.

I yield the floor.

Mr. RIEGLE. Mr. President, today we are considering one of the most important bills that will come before the Congress this year, S. 2, the Neighborhood Schools Improvement Act. This legislation takes important steps to strengthen education in this country.

No one questions the importance of a strong educational system for America's future. Since the end of World War II the world has undergone radical and dynamic changes—the disintegration of military powers like the former Soviet Union and the birth of economic powers like Japan and Germany. Overall, democracy has caught fire and spread around the world making way for the development of a global community. America's role in this transformed community of nations has also changed as new and pressing domestic needs challenge our economic strength and position in world leadership.

For the America of today, it is essential to concentrate our efforts on keeping our country strong and competitive. A strong educational system must be a fundamental part of this effort. Only by making high-quality education available to all American children will we help them to develop the skills they need to find meaningful, high-wage jobs, while developing a capable and productive work force that is essential to the economic future of this country. There are many pieces to this; we must make sure children are ready for school, that they are fed and healthy, and we must work to keep our children motivated so they stay in school, as well as provide them with the best possible education.

A Federal commitment to education is essential to this effort. Despite a lot of rhetoric from the White House on the importance of education, however, we haven't seen much real leadership on making this commitment. Over the last decade for example, Congress has consistently appropriated more to educational programs than Republican administrations have requested.

We need to encourage innovation in educational programs, as well as cooperation among school districts and the communities they serve. It is estimated that U.S. companies must spend $30 billion a year on remedial education for their employees. By the end of the decade, people with less than a high school diploma will be able to fill only 14 percent of all jobs, as compared with 40 percent today. Innovation is necessary to make the system stronger and more effective. Funding is key to improving education. The President implicitly acknowledged this when he proposed to spend $535 million on New American Schools. I support efforts to improve education but I strongly believe that all schools should be able and encouraged to participate in this effort, not just a few select schools across the country.

There has been much debate about so-called choice programs to allow parents to select which school their children will attend. And several States including Michigan are experimenting with choice proposals. Choice programs, as they are called, are supposed to force schools to improve their performance as a result of competition. But problems arise when private schools are included. Public and private schools don't really compete on an even basis. Private schools, unlike public schools, can refuse to accept students with disabilities or discipline problems and are not subjected to the same requirements as public schools. Frankly, the President's broad choice proposal is not much different than the old educational voucher proposal with a new name.

As a cosponsor of the Neighborhood Schools Improvement Act I believe this legislation takes much-needed action to improve America's educational system. Through this kind of comprehensive approach we will enhance student performance, strengthen literacy programs, improve math and science and work toward drop-out prevention. The bill strengthens proven, cost-effective educational programs that will rejuvenate our educational system and better prepare America's children and youth for today's rapidly changing world.

Mr. BIDEN. Mr. President, we have known of the disrepair in our public school system for over a decade. We have known of the importance of innovative reforms in our public schools. We have known what works in educating our children.

Too often, however, we have failed to implement the needed reforms. Not because of a lack of will, but because of a lack of means. We have not provided our teachers and our schools with the resources they need to reach the goals we set for them.

The role of our educational system is taking on greater importance. Education is a cornerstone of our democracy and a basic ingredient of American prosperity. The modern international marketplace demands an exceptionally productive and competitive work force. We cannot afford to allow the potential of even one of our citizens to remain underdeveloped. It is not an act of charity; it is an act of economic necessity.

Will we in America rise to the challenge that has been set by economic competitors such as Japan and Germany? Will we commit to making all schools good schools, or will reparable faults remain? Will we provide equal educational opportunities, or will we allow a dual system to develop—one for the richest and brightest students and another for everyone else?

Our Nation will not and cannot abandon our public schools. But, our citizens cannot be expected to blindly support failed solutions or old systems. Yes, the public schools need more money. But, the public school of today is operating in a climate that has dramatically changed.

When I was in school, the divorce rate was not 56 percent; 57 percent of American women were not working outside the home; there were not 1.9 million kids living with no parent; one in six teenagers were not taking illegal drugs; and one in five children did not live in poverty. The landscape has changed, and so must public education. The challenges facing students, parents, and teachers are different than they were just a generation ago.

What we need, then, are new approaches—solutions that will prepare America's children for the 21st century; solutions for the technological age, not for the agricultural age. We need longer school years, magnet schools, site-based management, parental involvement in the schools, and reduction in class sizes. These are innovative reforms I have long supported and are reforms that will improve the education of American children.

That is what S. 2, the Neighborhood Schools Improvement Act, seeks to do, and I am pleased to support this legislation. This bill provides $850 million to the States to assist reform efforts in local schools. Not for old ideas, but for innovative reform at individual schools.

That point needs to be underscored. Experience has proven that decisions on education policies are most responsive and efficient when made by local communities. Under S. 2, the reform will take place at the local school level. Each school—whether urban or rural, big or small—will be able to adopt those reforms that will best meet the needs of the students at that school.

The final version of this bill includes a modified proposal from the administration regarding new American schools. New American schools is a good idea—providing seed money for new, innovative, break-the-mold schools that will prepare our children for the future. However, I had concerns about the original proposal that came before us, and I want to commend my colleagues for fashioning a compromise that allowed the new American schools proposal to be included as part of the bill.

Let us not be under the false notion, however, that new American schools is the only innovation in this bill. S. 2 is not, as some claim, business as usual. The legislation the Senate has crafted is a good bill for our Nation's schools and for America's children.

Much of the debate on this bill has focused on the issue of school choice—in this version, allowing parents to send their kids to private schools at public expense. Senator HATCH offered an amendment to create a $30 million, six-site private school choice demonstration project. I support the underlying concept of school choice, but Senator HATCH'S amendment varied too far from the approach I would support.

Innovative proposals for reform have often come from the private schools in this country. My concern, however, is that public resources should be targeted toward reform in public schools. Public schools are not being adequately funded and have not been provided the resources to carry out reform. We must focus on improving our public schools, which educate the vast majority—nearly 90 percent—of our Nation's children.

Education, or the lack of it, is something that we all know can help set the individual free or consign him or her to a lifetime of uphill battles. As a nation, the quality of our educational system can make us a world leader or relegate us to second class status. Our Nation is making a commitment to upgrading our educational system. And, passing S. 2 will be a good step toward providing a high quality education to all of America's children. This is not an easy task, and there are not simple solutions. But, the road to reform has begun. With the support of the American public, we can restore our educational system to a position of world leadership.

Mr. GLENN. Mr. President, there is no question that education reform has emerged as one of the top policy issues facing us in 1992. As a cosponsor of S. 2 the Neighborhood Schools Improvement Act, I believe this bill is a first step toward identifying the important role the Federal Government has in the education reform movement.

This bill outlines the Federal Government's commitment to our public schools, by providing seed money to local educators willing to implement comprehensive schoolwide education reform. S. 2 sets six national educational goals and targets the year 2000 to reach them. The bill mandates that States devise a comprehensive education reform plan that will help achieve the national education goals. One of the most important aspects of this legislation is that individual schools design their own programs and submit proposals they think will improve academic achievement in their area. This gives States and communities the key decisionmaking role, not the Federal Government. Accountability is ensured as continued funding of the programs is based on progress toward the national education goals.

An amendment to S. 2 that I was prepared to offer was essentially the same as S. 685, the Summer Residential Science Academy Act, which I introduced along with Senator HATFIELD of Oregon. Respecting the request of the Labor and Human Resources Committee to not add new programs to S. 2, I did not offer the amendment.

It should be said, however, that until programs are designed that create systemic change in how we educate our children, our national goals and standards will remain unmet. Underrepresentation of women and minorities in fields related to science and mathematics and engineering is a problem of critical importance. We can no longer afford to underutilize our human resources if we wish to remain competitive in global economy.

The Summer Residential Science Academy Act would address the historical underrepresentation of minorities and women in scientific and engineering careers by providing additional hands-on training for female and minority 7th through 12th graders. The program would stress the multiyear program support and multiyear participation of students that would enhance the students science and mathematics education increase the chances of the selection of a mathematics, science or engineering career choice. I hope that the committee will favorably report S. 625 in the near future.

I have opposed the administration's amendments to this bill which would divert scarce Federal dollars from our public schools. I was glad to see that the private school choice demonstration project was not included in this bill. If this amendment were adopted students could attend private, religiously affiliated schools at taxpayers expense. I have consistently opposed attempts by Congress to encourage the use of Federal funds to support public funds to nonpublic education, whether in the form of tuition tax credits, vouchers, or now parental choice. This provision would have been the first step toward establishing a permanent, voucher program.

We have a system of public education in this country that is available to all children. If this educational system is not producing the high level of achievement this Nation now needs, we cannot abandon them, but rather find ways to make improvements. I believe that the Neighborhood Schools Improvement Act, is a stronger proposal than the administration's America 2000, for beginning the necessary reform of education in this country.

LEARNFARE AMENDMENT

Mr. CHAFEE. Mr. President, I would like to take a moment to talk about the Learnfare amendment. I believe that the concept of Learnfare is a good one. Like many of my collegues, I believe there should be some connection between government support and individual responsibility.

The idea of Learnfare is a good one, namely to tie a child's school attendance to a family's receipt of AFDC money. There is no question that the longer a child stays in school, the less likely that child is to become welfare dependent in the future. A high school diploma can play a major role in breaking the cycle of dependency, and we should do all we can to encourage children to pursue education.

However, I voted against this amendment because I am concerned that any punitive measures taken against a family be linked to increased social services. Very often truant children live in dysfunctional families where there are a variety of problems. If we are going to penalize these families for not keeping their children in school, we should also ensure that we do everything possible to provide the family and the child with the services they need to get them back in school.

That is the purpose of the waiver program, to tie the sanctions to social services. So, the families may lose something, but they get something in return. By keeping the waiver program intact, I think the Learnfare Program will be more constructive for the families. After all, our goal is not to punish families, but to help them.

WIRTH AMENDMENT TO S. 2

Mr. SPECTER. Mr. President, although I have been a consistent supporter of funding for education and job training programs over the years, I could not support the narrow focus of the Wirth amendment to S. 2. This amendment was a sense of the Senate that the 1990 budget agreement should be realigned to certain programs. As much as we need those programs, there are other vital areas—health, housing, the homeless, substance abuse programs, the environment, deficit reduction and tax reduction which deserve attention.

It should be noted that on September 10, 1991, I voted in favor of an amendment to waive the Budget Act for consideration of the Harkin amendment, which would have increased budget authority by $3.148 billion for a broad array of education, health and human service programs. This amendment also shifted funds from defense to domestic accounts.

Mr. President, I was not prepared to take up such an important issue at this time, without following the appropriate process. In my view, this issue should be considered by the Budget and Appropriations Committees, so that the Senate can develop a plan for the equitable distribution of savings realized through reductions in defense spending.

Mr. KENNEDY. Mr. President, inquiry, has the Peace Corps amendment been accepted? Have we completed final action on that particular modification?

The PRESIDING OFFICER. The Peace Corps amendment was modified. The modification was agreed to.

Mr. KENNEDY. I thank the Chair.

Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, our action on the Neighborhood Schools Improvement Act is the first of what I hope will be several successful steps by the Senate this year to lay the proper Federal groundwork for improving education and revitalizing the Nation's schools. Our schools are primarily a State and local responsibility, but Federal leadership is essential, too, and it has been significantly and continuously lacking in recent years.

In the past decade the Federal share of spending on education has fallen by a third. Our failure to invest in early childhood development, education and job training has had severe consequences. A third of the Nation's children, as many as 2 million students a year, do not enter school ready to learn.

Two-thirds of the recent high school graduates lack essential skills to move into the work force. If we neglect our schools, we undermine our future. S. 2, the Neighborhood Schools Improvement Act, is a giant step on the road back. It authorizes $850 million in fiscal year 1992, and such sums as may be necessary in future years to help struggling schools across the country to improve themselves and restore American elementary and secondary public education to the eminence they deserve.

There are five key features of the legislation. It will help thousands of local schools to improve academic achievement and not just 535. The schools that will receive the assistance will be picked by State officials, not by the Federal Secretary of Education.

For the first time strict accountability requirements are included. To retain their funding schools must show progress in the achievement of their students. Only public schools are funded. We rejected, for good reason, the deeply fought notion that Federal aid to private schools should be the heart of our Federal efforts to improve the public schools.

Above all, the proposals for reform will be developed at the level of the local school. Teachers, school leaders, parents, members of the community will participate in the process of designing and implementing the plan that will best meet their local needs. There is no one-size-fits-all model for education reform. The greatest strength is in our diversity, and out of our great diversity will emerge a new greatness for American Education.

Finally, I want to commend my colleagues who played a special role in achieving this success. I thank in particular my friends and colleagues Senator HATCH, Senator KASSEBAUM, Senator COCHRAN, who have very much been involved in the floor debate, as they have in the course of our committee deliberations, Senator JEFFORDS, and others, who have been involved in the substance and shaping of the legislation and who have been extremely helpful as we address some of the amendments.

I am deeply obligated to Senator PELL who is the chairman of the Education Subcommittee and has done more in shaping and fashioning certainly higher education than any of our Members and we thank him for all of the efforts. Also, other members of our committee: Senator SIMON, Senator METZENBAUM, Senator DODD, Senator HARKIN, Senator BARBARA MIKULSKI, Senator BINGAMAN, who had a key role in shaping the goals panel. All of them have been of great help and assistant in shaping the legislation.

I want to thank in particular our staffs for all of their help and assistance, and thank the majority leader for scheduling this legislation as the first order of business. It is the first order of business, I think, for millions of American families. I welcome the opportunity and the cooperation we have received from all of the Members to be able to get to this issue, voted on and resolved early in this session.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. I think that one goal we all share Mr. President, in S. 2 is the improvement of our Nation's elementary and secondary schools. That is what unites us.

This is a point made by an editorial in this morning's Washington Post, which noted that specific controversies regarding this bill "merely marks a more widespread agreement: It's time to reach down to specific school districts and even to individual schools." The editorial goes on to point out that the President deserves great credit for keeping up "steady beat for reform," and—indeed—he does. This bill reflects in many ways a number of initiatives the President has been encouraging, and I believe that is one of the real strengths of this bill.

In the course of the debate on S. 2, several modifications have been made in the bill, and I would like to take a moment to highlight a few of them.

First of all, I am pleased that S. 2 now incorporate some of the reform proposals put forward by President Bush in the areas of New American Schools and education flexibility. I believe that both offer great possibilities. I would particularly like to thank Senator COCHRAN for his work with respect to including New American Schools activities in S. 2. Under the agreement reached, States which want to establish New American Schools may apply to the Secretary of Education for authority to waive the requirement that 90 percent of their funding allotment be distributed directly to neighborhood schools. Under the waiver authority, up to 25 percent of the allotment could be retained for the development of New American Schools.

This provision permits States which wish to do so to develop New American Schools. Across the Nation, hundreds of communities have begun the process by committing themselves to being America 2000 communities. Likewise, 31 States have embraced the goals of America 2000. Given the enthusiastic reception thus far on the part of States and localities across the country, I feel that many will want to pursue the option of creating New American Schools.

The bill also incorporates a proposal championed by Senator HATFIELD which would allow local education agencies to waive Federal regulations which impede the ability of teachers to focus on providing the best possible education for their students. This proposal puts teachers back in the decisionmaking role of deciding how best to teach their students.

During last year's Teachers and Principals of the Year hearing held by the Senate Committee on Labor and Human Resources, several teachers testified to the need to provide greater flexibility. Certainly, many Federal regulations are necessary and important. At the same time, teachers should not have to spend their time interpreting Federal regulations or figuring out how to work within their confines if they are actually a hindrance to good education practice.

One problem is that regulations are written for each separate Federal program, and the interaction among them is not always considered. Another problem is that not all school or teachers operate the same way, serve the same types of populations, or have the same problems in their communities. Our teachers, principals, and district superintendents are in a position where they can identify the problems with the regulations. This provision puts them in a position where they can do something about the problems as well.

The bill also makes a start toward dealing with the issues of educational standards and testing, which have been the subject of much discussion over the past year. It provides authority for the continuation of the State National Assessment of Educational Progress [NAEP] trial program, due to expire this year. That authority is needed at this time in order to permit advance planning for any future trials which Congress may authorize as part of legislation reauthorization the Office of Educational Research and Improvement [OERI].

Providing the authority and leadtime to continue these trials will allow for a more complete evaluation of the uses of and interest in such trend data by participating States. Such an expansion also will provide the data Congress needs to help evaluate the feasibility, foresee the impact, and estimate the cost of a fully implemented State NAEP before we decide to move past the trial stage.

In addition, S. 2 adopts the recommendations of the National Council on Standards and Testing for starting a process by which broader questions of standards and testing can be addressed. I would emphasize, however, that this is the beginning of this discussion—not the end point.

If we are moving in the direction of developing national standards, we must have broad debate and consensus on what those standards should be. Teachers must have a major role in the development of the standards, they are the ones who will be implementing the standards by turning them into curricula and helping students meet the standards. They must be closely involved from the start of this process if we want to see wide-scale adoption of the standards.

As for the development of a national test, many difficult questions deserving of broad public debate remain. I continue to believe it would be a mistake to rush headlong into some type of national test or system of tests. We must be satisfied that such assessment is worth the time, effort, and money which would be involved.

As a matter of common sense, we must also make sure that we allow adequate time for teachers and students to adapt to and be exposed to new standards and any resulting new curricula before we implement tests on them. Otherwise, we will have spent a lot of money to develop another test that shows our students performing poorly. If we choose to develop some type of national test or system of tests, I believe that the primary goal of the test or tests should be to improve teaching and learning and inform teachers and students. The Federal role should be one of informing the debate on assessment practices and supporting the local efforts.

With respect to school choice, I am disappointed that the Senate passed up the opportunity to create a small demonstration program which would have allowed us to get some solid information regarding the actual effects of school choice. The debate over choice will be both endless and pointless until such information is available to us.

Finally, the bill before us preserves the basic block grant structure which recognizes the key role which States play in education and education reform. Likewise, it maintains provisions designed to strengthen neighborhood schools. That, I believe, is a particularly important focus.

In conclusion, Mr. President, the real answers in education will be found outside Washington. I have strongly believed this, I suppose because of my days as a local school board member and my involvement with tutoring and various other programs at the local level. It is my hope, however, and I believe it is the case, that this legislation will be of assistance in the search for solutions by encouraging States and localities to seek improvements of local schools and to think boldly in terms of reform. That is what I believe S. 2 is all about, and it is on that basis that I strongly offer my support for S. 2.

Mr. KENNEDY. Mr. President, I know we are prepared to move to final passage, but I do want to mention the members of the staff on all sides that were very, very helpful. On our committee staff, Nick Littlefield, Terry Hartle, Suzanne Ramos, and Rusty Barbour. On Senator PELL's staff, David Evans and Ann Young. On Senator MITCHELL's staff, John Hilley and Kim Wallace. For Senator HATCH, Laurie Chivers. Senator KASSEBAUM might want to mention some.

Mrs. KASSEBAUM. I thank the Senator from Massachusetts. I would like to thank all the staff members involved with this bill. Many on both sides worked long hours to move this legislation through the process. On the Republican side, I would particularly like to thank Susan Hattan, Lisa Ross, and Sondra Nickel of my staff, Laurie Chivers and Corine Larson with Senator HATCH, Doris Dixon with Senator COCHRAN, Pam Kruse with Senator JEFFORDS, Rolf Lund and Carolyn Boos with Senator DURENBERGER, Kent Talbert with Senator THURMOND, and Alison Carroll with Senator COATS.

Mr. KENNEDY. Mr. President, also I thank Adele Robinson for Senator ADAMS, Bob Shireman for Senator SIMON, Ray Ramirez for Senator BINGAMAN, Bev Schroeder for Senator HARKIN, Joan Gilman for Senator DODD, and Cheryl Birdsall for Senator METZENBAUM. Also a group of interns in the Labor Committee: Dan Ivey-Soto, Hector De LaTorre, Tom Clyde, Lauren Burke, Joe Murray, Katherine Herrera, Heather McGuire, Meeghan Punty, and some interns: Kevin Martin, Wendy Bloom, Kate Scurria, and Nevla O'Connor. These last four were students who came for a period of 3 weeks, enormously talented and creative young people who just came down here at the right time, doing a lot of research, particularly about what was happening out in local communities. I thought they made a very important contribution.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. Mr. President, mentioning the staff causes me to rise to make a comment or two that I would like to extend in comments for the RECORD on one of the more interesting contributions to this bill that we did not vote on, the adoption of charter education. The chairman was good enough to pick that up. Senator LIEBERMAN and I both sponsored it.

I want to thank Terry Hartle particularly for his understanding in the period of time from markup to now of how important this kind of choice in public education is going to be in the future and to thank Carolyn Boos of my staff and particularly a young man who has three children, ages 3, 6, and 9, out in Minnesota by the name of Jon Schroeder who put this thing together, worked with the Democrats, the legislature, the State of Minnesota over the last 22 years to make this a reality. It is one of the contributions that people on our home staffs who are not here in Washington every day with us can make for the future of their children and the children of all Americans. I thank the Chair and ranking member.

Mr. KENNEDY. Mr. President, I should have mentioned Senator DURENBERGER on this particular issue as well, and I thank him for bringing it up.

Mr. President, I have an amendment to the title. I understand it is appropriate at this time that it be the complete title to the legislation.

The PRESIDING OFFICER. The amendment to the title is in order after the bill has been passed.

Is there further debate on the bill? If not, the bill having been read the third time, the question is, Shall the bill, as amended, pass? The yeas and nays have been ordered. The clerk will call the role.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 92, nays 6, as follows:

[Rollcall Vote No. 9 Leg.]

YEAS—92

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Specter
Stevens
Thurmond
Warner
Wellstone
Wirth
Wofford

NAYS—6

Craig
Garn
Helms
Smith
Symms
Wallop

NOT VOTING—2

Harkin
Kerrey

So the bill (S. 2), as amended, was passed as follows:

S. 2

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Neighborhood Schools Improvement Act".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Findings and purposes.

TITLE I—NATIONAL EDUCATION GOALS

PART A—NATIONAL GOALS

Sec. 101. Purpose.
Sec. 102. School readiness.
Sec. 103. School completion.
Sec. 104. Student achievement.
Sec. 105. Mathematics and science.
Sec. 106. Family literacy and lifelong learning.
Sec. 107. Safe, disciplined, and drug-free schools.

PART B—NATIONAL ACADEMIC REPORT CARD

Sec. 111. Short title.
Sec. 112. Findings and purpose.
Sec. 113. National Education Goals panel.
Sec. 114. Functions.
Sec. 115. Annual report card.
Sec. 116. Powers of the Panel.
Sec. 117. Administrative provisions.
Sec. 118. Director and staff; experts and consultants.
Sec. 119. Authorization of appropriations.

PART C—NATIONAL EDUCATION STANDARDS AND ASSESSMENTS COUNCIL

Sec. 131. National Education Standards and Assessments Council.
Sec. 132. Annual reports.
Sec. 133. Powers of the Council.
Sec. 134. Administrative provisions.
Sec. 135. Director and staff; experts and consultants.
Sec. 136. Authorization of appropriations.

TITLE II—NEIGHBORHOOD SCHOOLS IMPROVEMENT ACT

Sec. 201. Purpose.
Sec. 202. Allotment of funds.
Sec. 203. State application.
Sec. 204. Neighborhood Schools Improvement Advisory Council.
Sec. 205. State Neighborhood Schools Improvement Plan and report on restrictions.
Sec. 206. Review of State plans.
Sec. 207. State administration and local applications.
Sec. 208. Use of funds.
Sec. 209. Requirements relating to use of allotments.
Sec. 210. Evaluation requirements.
Sec. 211. Dissemination of exemplary practices by the Secretary.
Sec. 212. Authorization of appropriations.

TITLE III—EDUCATIONAL REFORM AND FLEXIBILITY

Sec. 301. Statement of findings and purpose.
Sec. 302. Flexibility and accountability in education and related services.

TITLE IV—DISTANCE LEARNING

Sec. 401. Distance learning study.
Sec. 402. Distance learning policy study.
Sec. 403. Definition.

TITLE V—PEACE CORPS

Sec. 501. Findings.
Sec. 502. Sense of the Senate.

TITLE VI—MISCELLANEOUS

Sec. 601. Improved statistics regarding American schools.
Sec. 602. Freedom of speech on campus.
Sec. 603. Technical amendment.
Sec. 604. General Accounting Office report on the effect of tax incentives on local public school finance.

TITLE VII—DEFINITIONS

Sec. 701. Definitions.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) to achieve the National Education Goals each State must develop and implement widely shared, comprehensive strategies to support the revitalization of all public elementary and secondary schools;

(2) education improvement will require statewide reform strategies and an unshakable long-term commitment by State policymakers;

(3) educational improvement will require adequate commitment and investment from the Federal Government;

(4) educational reform will require that teachers and school leaders play the central role in designing and implementing changes at the school level and they must have access to high-quality training and professional development to maximize that role and increase their effectiveness;

(5) ultimately, meaningful educational reform will be achieved on a school by school basis;

(6) innovative and successful reform initiatives which are underway in schools throughout the Nation are not being replicated in sufficient number by schools where identical practices would further the National Education Goals;

(7) teachers, principals, parents and members of the local community can, in collaboration with the local educational agency, design effective education reform strategies to achieve the National Education Goals and be strongly committed to such plans if these individuals have access to the resources to implement such plans;

(8) schools receiving resources under this Act to implement a reform plan should be required to show improved academic achievement and progress towards the achievement of the National Education Goals;

(9) the Federal Government can best encourage efforts to achieve the National Education Goals by making resources available to States for the development of coherent and coordinated education reform plans and to assist neighborhood public schools in implementing education reform efforts; and

(10) the Federal Government can also encourage reform by establishing an independent, non-partisan mechanism to measure progress toward the achievement of the National Education Goals.

(b) PURPOSE.—It is the purpose of this Act to provide resources to assist States and neighborhood public schools in the design and implementation of education reform strategies to improve student achievement and achieve the National Education Goals.

TITLE I—NATIONAL EDUCATION GOALS

PART A—NATIONAL GOALS

SEC. 101. PURPOSE.

It is the purpose of this title to establish a plan of action for the initial steps that the Federal Government must take in order to assist teachers, school leaders, parents, State and local governments, and businesses in the joint effort of achieving the National Education Goals as outlined in this title.

SEC. 102. SCHOOL READINESS.

(a) FINDINGS.—The Congress finds that the Federal Government should expand its commitment to school readiness to ensure that all children are ready and able to begin school.

(b) POLICY.—It is the goal of the United States that, by the year 2000, all children in America will start school ready to learn. As part of the joint effort of Federal, State, and local governments, organizations, institutions and individuals in achieving this goal, the Federal Government will take steps—

(1) to provide Head Start services to every eligible child who needs such services;

(2) to provide sufficient funding for the special supplemental food program for women, infants, and children so that all potentially eligible women, infants, and children have access to the services provided by the program;

(3) to assure that all women have access to affordable, high quality prenatal care and that all infants and children have access to affordable, high quality comprehensive and preventive health care, by providing sufficient funding for programs, including the Maternal and Child Health Services Block Grant, the Community and Migrant Health Center Grant Program, Medicaid, and the Childhood Immunization Grant Program;

(4) to expand funding for Even Start and the Follow Through Act to allow programs to reach all parts of the United States and to allow each State to fund a sufficient number of programs throughout the State so that approaches are available for local educational agencies, the State educational agency, and other organizations to adopt and implement;

(5) to provide sufficient funding to assist States in providing a free appropriate public education to preschool children with disabilities and early intervention services to infants and toddlers with disabilities and their

families pursuant to the Individuals With Disabilities Education Act; and

(6) to assure that every child participating in early childhood education is taught by a well-qualified teacher.

SEC. 103. SCHOOL COMPLETION.

(a) FINDINGS.—The Congress finds that in order for the Nation to improve its economic competitiveness, each individual in the United States must be educated to his or her greatest potential and must be encouraged to finish secondary school.

(b) POLICY.—It is the goal of the United States that, by the year 2000, the high school graduation rate will increase to at least 90 percent. As part of the joint effort of Federal, State, and local governments, organizations, institutions and individuals in achieving this goal, the Federal Government will take consistent steps—

(1) to expand funding for secondary school dropout prevention and reentry programs and basic skills programs to allow programs to reach all parts of the United States and to allow each State to fund a sufficient number of programs throughout the State so that approaches are available for local educational agencies, the State educational agency, and other organizations to adopt and implement; and

(2) to collect uniform, reliable data from the States with respect to school completion rates.

SEC. 104. STUDENT ACHIEVEMENT.

(a) FINDINGS.—The Congress finds that American students are falling behind students in other industrialized nations on tests measuring abilities in all academic subject areas.

(b) POLICY.—It is the goal of the United States that, by the year 2000, American students will leave grades 4, 8, and 12 having demonstrated competency over challenging subject matter including English, mathematics, science, foreign languages, history, and geography, and every school in America will ensure that all students learn to use their minds well, so they may be prepared for responsible citizenship, further learning, productive employment, and independent living in our modern economy. As part of the joint effort of Federal, State, and local governments, organizations, institutions and individuals in achieving this goal, the Federal Government will take steps—

(1) to provide appropriate educational assistance for all disadvantaged children in the United States by increasing the participation of eligible children in programs under chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

(2) to fulfill the commitment made by the United States in 1975 to provide 40 percent of the costs of educating children with disabilities;

(3) to reward successful programs in schools with concentrations of disadvantaged children;

(4) to promote efforts that encourage all students to be involved in activities that promote and demonstrate good citizenship, community service, and personal responsibility; and

(5) to encourage highly qualified individuals to become teachers and to remain in the teaching profession.

SEC. 105. MATHEMATICS AND SCIENCE.

(a) FINDINGS.—The Congress finds that—

(1) most students in the United States are behind students from other industrialized nations on tests measuring achievement in mathematics and science;

(2) the Federal Government has a significant role in promoting the study of mathematics and science in elementary and secondary schools by providing financial assistance to local educational agencies to improve the general quality of programs for the study of mathematics and science through authorized mathematics and science education programs; and

(3) the Federal Government has indirectly assisted in the postsecondary study of mathematics and science by providing future scientists, mathematicians, and engineers with financial assistance to attend postsecondary institutions, but more incentives are needed to attract high-achieving students into these areas of study.

(b) POLICY.—It is the goal of the United States that, by the year 2000, United States students will be first in the world in mathematics and science achievement. As part of the joint effort of Federal, State, and local governments, organizations, institutions and individuals in achieving this goal, the Federal Government will take steps—

(1) to expand funding for the Excellence in Mathematics, Science, and Engineering Act of 1990 to increase the number of individuals, particularly women and minorities, in graduate and undergraduate programs in mathematics, science, and engineering;

(2) to expand funding for the Dwight D. Eisenhower Mathematics and Science Education Act so that all elementary teachers and all secondary teachers of mathematics and science will have an opportunity for updating and improving their mathematics and science education skills;

(3) to expand funding for such Act so that all elementary school teachers have an opportunity for skill improvement;

(4) to award scholarships to high-achieving students to pursue the study of mathematics, science, and related subjects at postsecondary institutions; and

(5) to encourage highly qualified individuals to become and to remain mathematics and science teachers in elementary and secondary schools.

SEC. 106. FAMILY LITERACY AND LIFELONG LEARNING.

(a) FINDINGS.—The Congress finds that—

(1) nearly 30,000,000 adults in the United States are lacking literacy skills which limits their ability to read, write, or speak in English or to compute or solve problems effectively; and

(2) the Federal Government has a responsibility to assist State and local governments in providing literacy services to those individuals in need of such services so that they may be full participants in society.

(b) POLICY.—It is the goal of the United States that, by the year 2000, every American will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship. As part of the joint effort of Federal, State, and local governments, organizations, institutions and individuals in achieving this goal, the Federal Government will take steps—

(1) to provide increased funding for the Adult Education Act so that all eligible individuals who seek such services under such Act will receive such services;

(2) to expand Federal assistance for literacy programs in order to assist State and local governments, public libraries, organizations and volunteers in providing all individuals lacking literacy skills the opportunity to acquire skills needed to function in society; and

(3) to provide increased funding for the rehabilitation and training of young persons with disabilities in accordance with the Rehabilitation Act of 1973.

SEC. 107. SAFE, DISCIPLINED, AND DRUG-FREE SCHOOLS.

(a) FINDINGS.—The Congress finds that—

(1) use of illicit drugs and alcohol continues to be a major problem that threatens the safety of the children of the Nation and impedes their ability to succeed in school and in their lives; and

(2) more Federal efforts are urgently needed in the areas of drug and alcohol abuse education and prevention.

(b) POLICY.—It is the goal of the United States that, by the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conductive to learning. As part of the joint effort of Federal, State, and local governments, organizations, institutions and individuals in achieving this goal, the Federal Government will take steps to ensure that all students receive drug abuse prevention education and counseling services.

PART B—NATIONAL ACADEMIC REPORT CARD

SEC. 111. SHORT TITLE.

This part may be cited as the "National Academic Report Card Act of 1991".

SEC. 112. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the social well-being, economic stability, and national security of the United States depend on a strong educational system that provides all citizens with the skills necessary to become active members of a productive work force;

(2) despite the many reforms of the educational system that have been implemented since the National Council on Excellence in Education declared our Nation "at risk" in 1983, the United States remains at risk for educational underachievement;

(3) United States students currently rank far below students of many other countries in educational achievement, particularly in mathematics and the sciences;

(4) although State and local governments bear the primary responsibility for elementary and secondary education, rapidly increasing international competitiveness requires that the United States increase efforts to make education a national priority;

(5) the Federal Government has played a vital, leading role in funding important educational programs and research activities and should continue to play that role;

(6) accurate and reliable mechanisms must be available to assess and monitor educational progress;

(7) the mechanisms to assess and monitor educational progress, and the national information infrastructure needed to support the mechanisms, do not exist or must be strengthened;

(8) there should be established an independent, bipartisan panel, building on existing efforts to measure progress toward achievement of the National Education Goals;

(9) the Nation should also move forward to set national education standards and develop a voluntary system of assessments to help students and schools meet those standards;

(10) the primary purpose of developing standards and a system of assessments related to those standards is to inform instruction and improve learning;

(11) establishing voluntary national standards and assessments is an important, complex, and sensitive task and any coordinating structure for this purpose must be bipartisan, engage government at all levels, and involve the many constituencies that have an established interest in improving education;

(12) much work in the area of developing standards and assessments linked to those

standards has already begun and the national effort should benefit from and not attempt to duplicate any good work being done by existing Federal and non-Federal entities;

(13) in accordance with the recommendations of the National Council on Education Standards and Testing, a coordinating structure needs to be put into place to ensure that this work is being done;

(14) this coordinating structure should maintain the Nation's tradition of State and local authority over education and therefore be a part of a cooperative national effort; and

(15) there should be established a national coordinating body to ensure the establishment of national education standards and a voluntary system of assessments.

(b) PURPOSE.—It is the purpose of this part to establish the National Education Goals Panel, to establish the National Education Standards and Assessments Council, to provide resources to develop means to measure and report on progress toward the achievement of the National Education Goals, and to advance the establishment of world class education standards and the development of a voluntary system of assessments as a catalyst for comprehensive educational reforms.

SEC. 113. NATIONAL EDUCATION GOALS PANEL.

(a) ESTABLISHMENT.—There is established within the Department of Education a National Education Goals Panel (hereafter in this part referred to as the "Panel").

(b) COMPOSITION.—

(1) IN GENERAL.—The Panel shall be composed of 14 members (hereafter in this part referred to as "members"), including—

(A) two members appointed by the President;

(B) eight Governors, three of whom shall be from the same political party as the President and five of whom shall be of the opposite political party of the President, appointed by the Chairman or Vice Chairman of the National Governors' Association, with each appointing those of his respective political party, in consultation with each other and in accordance with paragraph (2); and

(C) four Members of Congress appointed as follows:

(i) The Majority Leader of the Senate shall appoint 1 individual from among the Members of the Senate.

(ii) The Minority Leader of the Senate shall appoint 1 individual from among the Members of the Senate.

(iii) The Majority Leader of the House of Representatives shall appoint 1 individual from among the Members of the House of Representatives.

(iv) The Minority Leader of the House of Representatives shall appoint 1 individual from among the Members of the House of Representatives.

(2) SPECIAL APPOINTMENT RULES.—(A) The members appointed pursuant to paragraph (1)(B) shall be appointed as follows:

(i) If the Chairperson of the National Governors' Association is from the same political party as the President, then the Chairperson shall appoint 3 persons pursuant to such paragraph and the Vice Chairperson shall appoint 5 persons pursuant to such paragraph.

(ii) If the Chairperson of the National Governors' Association is from the opposite political party as the President, then the Chairperson shall appoint 5 persons pursuant to such paragraph and the Vice Chairperson shall appoint 3 persons pursuant to such paragraph.

(B) If the National Governors' Association has appointed a panel that meets the requirements of this subsection prior to the date of enactment of this Act, then the members serving on such panel shall be deemed to be in compliance with the provisions of this subsection and shall not be required to be reappointed pursuant to this subsection.

(c) TERMS.—The terms of service of members shall be as follows:

(1) EXECUTIVE BRANCH.—Members appointed under paragraph (1)(A) shall serve at the pleasure of the President.

(2) GOVERNORS.—Members appointed under paragraph (1)(B) shall serve a two-year term, except that the initial appointments under such paragraph shall be made to ensure staggered terms with one-half of the such member's terms concluding every two years.

(3) MEMBERS OF CONGRESS.—Members appointed under paragraph (1)(C) shall serve a term of four years.

(d) INITIATION.—The Panel may begin to carry out the duties of the Panel under this part when seven members of the Panel have been appointed.

(e) DATE OF APPOINTMENT.—The initial members shall be appointed not later than 60 days after the date of enactment of this Act.

(f) RETENTION.—In order to retain an appointment to the Panel, a member must attend at least two-thirds of the scheduled meetings of the Panel in any given year.

(g) VACANCIES.—A vacancy on the Panel shall not affect the powers of the Panel, but shall be filled in the same manner as the original appointment.

(h) TRAVEL.—Each member shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the panel $2,000,000 for each of the fiscal years 1992, 1993 and 1994, and such sums as may be necessary for each succeeding fiscal year thereafter.

(j) CHAIRPERSON SELECTION.—

(1) INITIAL SELECTION.—The members appointed under subsection (b)(2) shall select a Chairperson from among such members, except that after the expiration of the term of the member selected under this paragraph to serve as Chairperson as of October 1, 1991, or upon the termination of the tenure of such Chairperson, whichever is earlier, a majority of the members of the Council shall select the Chairperson from among the members.

(2) CONTINGENT SELECTION.—If no individual described in paragraph (1) assumes the position of Chairperson of the Council within 60 days of the date of the enactment of this Act, a majority of the members shall thereafter select a Chairperson from among the members.

SEC. 114. FUNCTIONS.

(a) FUNCTIONS.—

(1) IN GENERAL.—The Panel shall—

(A) propose the indicators to be used to measure the National Education Goals and reporting progress toward their achievement, the baselines and benchmarks against which progress may be evaluated, and the format for an annual report to the Nation;

(B) select interim and final measures and appropriate measurement tools to be developed as necessary in each goal area;

(C) report on the Federal actions to fulfill its responsibilities to education, including funding the Federal financial role, providing more flexibility and controlling mandates that limit the States' ability to fund education;

(D) issue a report to the President, the Congress, the Governors, and the Nation annually on progress toward the National Education Goals;

(E) assure, through requirements for State reports, that student performance is reported in the context of other relevant information about student, school and system performance;

(F) identify gaps in existing educational data, make recommendations for improvements in the methods and procedures for assessments that would be appropriate to assessing progress toward the National Education Goals, propose changes in national and international measurement systems as appropriate and make recommendations to the President, the Congress, and the Governors for needed improvements;

(G) appoint members to the National Education Standards and Assessments Council; and

(H) in accordance with paragraph (2), issue certification of content and student performance standards and the criteria for assessments as world-class following submission of such certification by the National Education Standards and Assessments Council.

(2) SPECIAL RULE.—In the event the Panel denies certification to all or part of a certification of the National Education Standards and Assessments Council, all or part of a certification shall be returned to such Council with detailed written explanations for the denial.

(b) PERFORMANCE OF FUNCTIONS.—In carrying out its responsibilities, the Panel shall operate on the principle of consensus.

(c) DATA COLLECTION.—The Panel shall make arrangements with any appropriate entity to generate or collect such data as may be necessary to appropriately assess progress toward the National Education Goals.

SEC. 115. ANNUAL REPORT CARD.

(a) IN GENERAL.—The Panel shall prepare and submit to the President, the appropriate committees of Congress, and the Governor of each State a National Report Card, that—

(1) sets forth an analysis of the progress of the United States toward achieving the National Education Goals; and

(2) may, as determined necessary by the Panel based on the findings of the Panel and an analysis of the views and comments of all interested parties—

(A) identify continuing gaps in existing educational data; and

(B) make recommendations for improvement in the methods and procedures of assessing educational attainment and strengthening the national educational assessment and information system of the Department of Education or any other appropriate Federal Government entity.

(b) CONTINUATION.—Based on the timetable established in section 114, the Panel shall continue to issue a National Report Card on an annual basis for the duration of the existence of the Panel.

(c) FORMAT.—National Report Cards shall be presented in a form that is understandable to parents and the general public.

SEC. 116. POWERS OF THE PANEL.

(a) HEARINGS.—

(1) IN GENERAL.—The Panel shall, for the purpose of carrying out this part, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Panel considers appropriate.

(2) CONDUCT.—In carrying out this part, the Panel shall conduct public hearings in different geographic areas of the country, both urban and rural, to receive the reports,

views, and analyses of a broad spectrum of experts and the public regarding the Panel's functions described in section 114(a).

(b) INFORMATION.—The Panel may secure directly from any department or agency of the United States information necessary to enable the Panel to carry out this title. Upon request of the Chairperson of the Panel, the head of a department or agency shall furnish such information to the Panel to the extent permitted by law.

(c) GIFTS.—The Panel may accept, use, and dispose of gifts or donations of services or property.

(d) POSTAL SERVICES.—The Panel may use the United States mail in the same manner and under the same conditions as other departments and agencies of the United States.

(e) ADMINISTRATIVE AND SUPPORTIVE SERVICES.—The Secretary of Education shall provide to the Panel, on a reimbursable basis, administrative support services as the Panel may request.

SEC. 117. ADMINISTRATIVE PROVISIONS.

(a) MEETINGS.—The Panel shall meet on a regular basis, as necessary, at the call of the Chairperson of the Panel or a majority of its members.

(b) QUORUM.—A majority of the members shall constitute a quorum for the transaction of business.

(c) VOTING.—No individual may vote or exercise any of the powers of a member by proxy.

SEC. 118. DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The Chairperson of the Panel shall, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, appoint a Director to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(b) APPOINTMENT AND PAY OF STAFF.—The Chairperson of the Panel may appoint personnel as the Chairperson considers appropriate without regard to the provisions of title 5, United States Code, governing appointments to the competitive service. The staff of the Panel may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates. The rate of pay of the staff of the Panel shall not exceed the rate of basic pay payable for GS-15 of the General Schedule.

(c) EXPERTS AND CONSULTANTS.—The Panel may procure temporary and intermittent services under section 3019(b) of title 5, United States Code.

(d) STAFF OF FEDERAL AGENCIES.—Upon the request of the Panel, the head of any department or agency of the United States is authorized to detail, on a reimbursable basis, any of the personnel of that agency to the Panel to assist the Panel in its duties under this title.

SEC. 119. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $2,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 through 2001 to carry out this part.

PART C—NATIONAL EDUCATION STANDARDS AND ASSESSMENTS COUNCIL

SEC. 131. NATIONAL EDUCATION STANDARDS AND ASSESSMENTS COUNCIL.

(a) ESTABLISHMENT.—There is established within the Department of Education a National Education Standards and Assessments Council (referred to in this part as the "Council").

(b) APPOINTMENT AND COMPOSITION.—

(1) APPOINTMENT.—The Council shall be composed of 21 members (hereafter in this part referred to as "members") appointed by the National Education Goals Panel described in section 113 (hereafter in this part referred to as the "Panel").

(2) COMPOSITION.—The Council shall be composed of—

(A) seven public officials;

(B) seven educators; and

(C) seven members of the general public.

(3) TIME.—The members of the Council described in paragraph (2) shall be appointed within 120 days after the date of enactment of this Act.

(c) QUALIFICATIONS.—

(1) IN GENERAL.—Members shall be appointed to the Council on the basis of widely recognized experience in, knowledge of, commitment to, and a demonstrated record of service to education and to achieving education excellence at the Federal, State or local level.

(2) NOMINATIONS.—Members under this subsection shall be appointed from among qualified individuals nominated by the public.

(d) TERMS.—

(1) IN GENERAL.—The members shall be appointed for three-year terms, with no member serving more than 2 consecutive terms.

(2) INITIAL SELECTION.—The Panel shall establish initial terms for individuals of two, three, or four years in order to establish a rotation in which one-third of the members are selected each year.

(A) PUBLIC OFFICIALS.—From among the members appointed under subsection (b)(2)(A), the Panel shall designate 2 appointees to serve 2-year terms, 3 appointees to serve 3-year terms and 2 appointees to serve 4-year terms.

(B) EDUCATORS.—From among the members appointed under subsection (b)(2)(B), the Panel shall designate 2 appointees to serve 2-year terms, 3 appointees to serve 3-year terms and 2 appointees to serve 4-year terms.

(C) GENERAL PUBLIC.—From among the members appointed under subsection (b)(2)(C), the Panel shall designate 2 appointees to serve 2-year terms, 3 appointees to serve 3-year terms and 2 appointees to serve 4-year terms.

(3) SPECIAL PROVISION.—No member of the Panel may concurrently serve as a member of the Council.

(4) DATE OF APPOINTMENT.—The initial members shall be appointed, by the Panel, not later than 120 days after the date of enactment of this Act.

(5) RETENTION.—In order to retain an appointment to the Council, a member must attend at least two-thirds of the scheduled meetings of the Council in any given year.

(6) OFFICER SELECTION.—The members appointed under subsection (b)(2) shall select officers of the Council from among the members of the Council. The officers of the Council shall serve for 1-year terms.

(7) VACANCIES.—A vacancy on the Council shall not affect the powers of the Council, but shall be filled in the same manner as the original appointment.

(8) TRAVEL.—Each member of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(9) INITIATION.—The Council may begin to carry out the duties of the Council under this part when—

(A) all 21 members have been appointed; or

(B) 11 members have been appointed pursuant to the provisions of subsection (b).

(e) FUNCTIONS OF THE COUNCIL.—The Council shall—

(1) be a coordinating body to ensure the establishment of national education standards;

(2) serve as a coordinating body to encourage a voluntary system of assessments for individual students consistent with the national standards;

(3) develop criteria for world-class content and student performance standards and establish guidelines for standard setting and assessment development;

(4) establish guidelines for assessments which ensure technical merit through determining that assessments are specifically valid, reliable, fair and cost effective for any purpose for which the assessments may be used;

(5) establish procedures and criteria for ensuring that, to the extent possible and without sacrificing the validity, reliability, directness, and fairness of the assessments, assessments are comparable to each other; and

(6) issue certification of content and student performance standards and criteria for assessments as world-class, and transmit such certification to the Panel for the Panel's certification.

(f) PERFORMANCE OF FUNCTIONS.—In carrying out its responsibilities, the Council shall work with Federal and non-Federal agencies and organizations which are conducting research, studies or demonstration projects to determine world-class education standards and assessments based on such standards.

(g) DATA COLLECTION.—The Council shall make arrangements with any appropriate entity to generate or collect such data as may be necessary to carry out its functions.

SEC. 132. ANNUAL REPORTS.

Not later than 1 year after the date the Council concludes its first meeting of members and in each succeeding year, the Council shall prepare and submit to the President, the appropriate committees of Congress, and the Governor of each State a report on its work.

SEC. 133. POWERS OF THE COUNCIL.

(a) HEARINGS.—

(1) IN GENERAL.—The Council shall, for the purpose of carrying out this part, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Council considers appropriate.

(2) CONDUCT.—In carrying out this part, the Council shall conduct public hearings in different geographic areas of the country, both urban and rural, to receive the reports, views, and analyses of a broad spectrum of experts and the public on the establishment of national education standards and assessments.

(b) INFORMATION.—The Council may secure directly from any department or agency of the United States information necessary to enable the Council to carry out this part. Upon request of the Chairperson of the Council, the head of a department or agency shall furnish such information to the Council to the extent permitted by law.

(c) GIFTS.—The Council may accept, use, and dispose of gifts or donations of services or property.

(d) POSTAL SERVICES.—The Council may use the United States mail in the same manner and under the same conditions as other departments and agencies of the United States.

(e) ADMINISTRATIVE AND SUPPORTIVE SERVICES.—The Secretary shall provide to the Council, on a reimbursable basis, administrative support services as the Council may request.

SEC. 134. ADMINISTRATIVE PROVISIONS.

(a) MEETINGS.—The Council shall meet on a regular basis, as necessary, at the call of the Chairperson of the Council or a majority of its members.

(b) QUORUM.—A majority of the members shall constitute a quorum for the transaction of business.

(c) VOTING.—The Council shall take all action of the Council by a 2/3 majority vote of the total membership of the Council, assuring the right of the minority to issue written views. No individual may vote or exercise any of the powers of a member by proxy.

SEC. 135. DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The Chairperson of the Council shall, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, appoint a Director to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(b) APPOINTMENT AND PAY OF STAFF.—The Chairperson may appoint personnel as the Chairperson considers appropriate without regard to the provisions of title 5, United States Code, governing appointments to the competitive service. The staff of the Council may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates. The rate of pay of the staff of the Council shall not exceed the rate of basic pay payable for GS-15 of the General Schedule.

(c) EXPERTS AND CONSULTANTS.—The Council may procure temporary and intermittent services under section 3019(b) of title 5, United States Code.

(d) STAFF OF FEDERAL AGENCIES.—Upon the request of the Council, the head of any department or agency of the United States is authorized to detail, on a reimbursable basis, any of the personnel of that department or agency to the Council to assist the Council in its duties under this title.

SEC. 136. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Council $2,000,000 for each of the fiscal years 1992, 1993 and 1994 and such sums as may be necessary for each succeeding fiscal year thereafter.

TITLE II—NEIGHBORHOOD SCHOOLS IMPROVEMENT ACT

SEC. 201. PURPOSE.

It is the purpose of this title to provide multiyear financial assistance to public elementary and secondary schools to encourage all schools to engage in comprehensive improvement to—

(1) meet the National Education Goals;

(2) improve the educational achievement of the students attending the school; and

(3) increase community, parental and business collaboration to improve such schools and raise academic achievement.

SEC. 202. ALLOTMENT OF FUNDS.

(a) RESERVATION.—The Secretary shall reserve 1 percent of the amount appropriated pursuant to the authority of section 212 in each fiscal year to award grants to the Pacific outlying area and to the Secretary of the Interior for the Bureau of Indian Affairs schools using whatever mechanism the Secretary determines shall best meet the purposes of this title.

(b) ALLOTMENT.—From the amount appropriated pursuant to the authority of section 212 in each fiscal year and not reserved pursuant to subsection (a), the Secretary shall allot to each State educational agency having an application approved under section 203 an amount which bears the same relation to—

(1) 50 percent of such funds as the amount such State educational agency received under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 in the preceding fiscal year bears to the amount received by all State educational agencies under such chapter in such fiscal year; and

(2) 50 percent of such funds as the amount such State educational agency received under chapter 2 of title I of the Elementary and Secondary Education Act of 1965 in the preceding fiscal year bears to the amount received by all State educational agencies under such chapter in such fiscal year.

(c) STATE MINIMUM.—No State educational agency, by reason of the application of subsection (b) shall receive an allotment under this title in any fiscal year which is less than one-quarter of one percent of the amount appropriated pursuant to the authority of section 212 for such fiscal year.

(d) GENERAL USE OF ALLOTMENT.—

(1) INITIAL YEAR.—In the initial year for which a State educational agency receives an allotment under this title, funds under such allotment shall be used to develop a State Neighborhood Schools Improvement Plan as required under section 205.

(2) SPECIAL RULE.—A State educational agency may, in the first year for which funds are received under this title, use funds not otherwise used for planning activities as described in section 205, for training and professional development activities for teachers and school leaders and for initiatives to increase parental choice among public schools. Any such funds remaining at the end of such year may be carried over by the State educational agency for distribution to schools in the following year.

(3) SECOND AND SUCCEEDING YEARS.—

(A) IN GENERAL.—Subject to the provisions of section 209, in the second and succeeding years for which a State educational agency receives an allotment under this title, not to exceed 10 percent of the funds received under such allotment in each such year may be used for evaluations, administrative activities, and technical assistance to assist local schools in preparing an application to be submitted pursuant to section 207(c) and for the review of local applications. The remainder of such funds shall be made available to local schools as required in section 208.

(B) WAIVER.—A chief State school officer, in consultation with the Governor, may submit an application to the Secretary for a waiver of the requirements of subparagraph (A). Under such waiver, the Secretary may permit such State to expend not to exceed an additional 10 percent of the funds received under this title for activities such as—

(i) teacher training and professional development for teachers and school leaders;

(ii) initiatives to increase parental choice among public schools, including assessment of student needs and parent information and referral programs, if such initiatives permit parents of students served by a school to choose a school in accordance with this clause and encourage parents to participate in governance, management processes, or activities related to their children's education programs;

(iii) the establishment of new public schools, such as Essential Schools, Accelerated Schools, New American Schools, charter schools, ComerSchools, and Schools of the 21st Century in accordance with subparagraph (C);

(iv) providing grants to business and education partnerships to enable such partnerships to plan, establish and operate model secondary schools or programs for science and mathematics or technology education, including such schools or programs which place a priority on serving disadvantaged or female secondary school students; and

(v) other activities developed in conjunction with local education agencies that are designed to improve student achievement in the public schools.

(C) ADDITIONAL WAIVER AUTHORITY FOR NEW AMERICAN SCHOOLS.—A chief State school officer, in consultation with the Governor, may submit an application to the Secretary for an additional waiver of the requirements of subparagraph (A). Under such waiver, the Secretary may permit such State educational agency to expend not to exceed an additional 15 percent of the funds received under this title for the establishment of New American Schools in accordance with subparagraph (D).

(D) SPECIAL REQUIREMENTS.—An application for a waiver under subparagraph (C), shall—

(i) include procedures for the consideration of applications for schools which have—

(I) adopted the National Education Goals;

(II) established and implemented a community-wide strategy for achieving those goals;

(III) developed a "report-card" for measuring and reporting to the public, at least once each year, the progress toward achievement of the goals; and

(IV) demonstrated a willingness and commitment to make substantial improvements in the education of children in the community; and

(ii) give priority in awarding grants to eligible recipients serving communities with high concentrations of educationally disadvantaged children and children from low-income families.

(E) SPECIAL RULE.—Any new public school established under this title shall be nonsectarian in its programs, admissions policies, employment practices, and all other operations and shall not be affiliated with a nonpublic sectarian school or religious institution.

(F) SPECIAL REQUIREMENT.—A new public school established under subparagraph (B)(iii) shall be nonsectarian in its programs, admission policies, employment practices, and all other operations and shall not be affiliated with a nonpublic sectarian school or a religious institution.

SEC. 203. STATE APPLICATION.

(a) IN GENERAL.—A State educational agency desiring to receive an allotment under this title shall prepare and submit to the Secretary an application at such time, in such manner and containing such information as the Secretary may require.

(b) FIRST YEAR.—In the first year an application is submitted under this section such application shall contain a description of, the process and procedures that the State educational agency will undertake to establish, the Neighborhood Schools Improvement Advisory Council in accordance with section 204.

(c) SECOND YEAR.—In the second year an application is submitted under this section such application shall include the State Neighborhood Schools Improvement Plan described in section 205.

SEC. 204. NEIGHBORHOOD SCHOOLS IMPROVEMENT ADVISORY COUNCIL.

(a) IN GENERAL.—

(1) IN GENERAL.—Each State educational agency receiving an allotment under this

title shall establish a Neighborhood Schools Improvement Advisory Council (hereafter referred to in this title as the "Council").

(2) FUNCTIONS.—The Council shall serve as an advisory group for the development of a comprehensive and systemic plan to improve the public elementary and secondary schools in the State, to review the Neighborhood Schools Improvement Plan developed by the State educational agency, and to advise on the development of the criteria used to evaluate applications for Neighborhood Schools Improvement Grants.

(b) COMPOSITION AND REPRESENTATION.—

(1) COMPOSITION.—(A) The Council shall be composed of 14 members, of which—

(i) seven shall be appointed by the State educational agency; and

(ii) seven shall be appointed by the Governor.

(B) The State educational agency and the Governor shall appoint members of the Council pursuant to this section so that such members are in approximate proportion to the relative distribution of students in the State who are from urban and rural areas in the State. The Council shall include, at a minimum, representatives of the State educational agency, the Governor, State legislators, local educational agencies, the business community, parents, public school teachers, and public school administrators.

(2) REPRESENTATION.—

(A) IN GENERAL.—A Council established pursuant to this section shall be broadly and widely representative of the population of the State.

(B) HIGH NEED SCHOOLS.—Not less than 50 percent of the members of the Council appointed by the State educational agency and the Governor shall be selected from communities with schools designated as high need schools in accordance with section 207(a)(2) and shall include public school teachers, school leaders and parents.

(c) CHAIRPERSON.—The Council shall appoint a chairperson.

SEC. 205. STATE NEIGHBORHOOD SCHOOLS IMPROVEMENT PLAN AND REPORT ON RESTRICTIONS.

(a) PLAN.—

(1) IN GENERAL.—The State educational agency shall, not later than 1 year after the date of enactment of this Act and in consultation with the Council, develop a State Neighborhood Schools Improvement Plan, that meets the requirements of subsection (b), for the improvement of academic achievement in all public elementary and secondary schools in the State and to assist the State in achieving the National Education Goals.

(2) REVIEW AND COMMENT; TRANSMISSION.—The plan described in paragraph (1) shall be submitted to the Council and the Governor for review and comment. The Council and the Governor shall review the plan and submit their comments to the State educational agency within 30 days of receipt of such plan. Such comments shall be transmitted by the State educational agency along with the plan to the Secretary as part of the application described in section 203(b).

(b) GENERAL REQUIREMENTS OF PLANS.—A State Neighborhood Schools Improvement Plan developed under subsection (a) shall contain a plan for the comprehensive and systemic reform of all public schools in the State to assist such State in improving the academic achievement of all students and achieving the National Education Goals. Such plan shall—

(1) affirm the commitment of the State to the National Education Goals and describe the measures to be taken to achieve such goals;

(2) establish the goal of transforming the system of education to provide every child a high quality education;

(3) describe the manner in which appropriate resources will be provided to implement the reform plan;

(4) describe the manner in which the State will measure progress made towards achieving the National Education Goals and make such information available to the public;

(5) describe plans to improve the professional development of teachers and school leaders;

(6) provide an evaluation of the efforts undertaken to achieve the goals;

(7) contain a description of the manner in which the State educational agency shall encourage and enhance improvement in all public schools in the State to improve student achievement to meet the National Education Goals;

(8) affirm the importance of identifying and incorporating into reform plans successful ongoing efforts which further the State strategy to achieve the National Education Goals; and

(9) describe the measures to be taken to assure widespread public support for the plan.

(c) DESCRIPTION OF GRANT ADMINISTRATION.—A State Neighborhood Schools Improvement Plan developed under subsection (a) shall describe the measures to be undertaken by the State to administer the allotment provided to the State under this title. In meeting the requirement of this subsection, such plan shall include—

(1) a description of the procedures that shall be used to—

(A) identify and inform local educational agencies and schools about the program assisted under this title; and

(B) provide technical assistance, where necessary or requested, to help local educational agencies and schools, especially high need schools, prepare the applications submitted pursuant to section 207(b);

(2) a description of the measures to be undertaken to monitor and evaluate the activities and results at schools receiving a grant under this title;

(3) a description of the measures to be undertaken to implement a competitive process to award grants under this title in accordance with section 207;

(4) an assurance that grants awarded under this title shall be equitably distributed among local educational agencies with the greatest number or concentration of economically disadvantaged students;

(5) an assurance that funds received under this title shall be used to supplement and not supplant other Federal, State and local funds available to the schools;

(6) an assurance that funding under this title shall terminate if the State educational agency determines that a school—

(A) is not successfully implementing the activities and services described in the application submitted pursuant to section 207(b); or

(B) is not making measurable gains in student achievement or increasing the graduation rate at such school in the fourth, fifth, and, if appropriate, succeeding years of the project assisted under this title;

(7) a description of an appeals process available for schools whose funding under this title has been terminated pursuant to paragraph (6), and an assurance that any such decision to terminate funding shall be reviewed;

(8) a description of the steps the State educational agency shall use to ensure that successful practices identified through grants awarded to schools under this title or ongoing in a school shall be disseminated to other schools served by the State educational agency and the measures to be taken by the State educational agency to encourage and assist other schools in implementing such successful practices; and

(9) an assurance that the State educational agency shall inform the Secretary of the most successful neighborhood schools served under this title, and provide such information regarding such schools as the Secretary shall request in order to facilitate the national dissemination of successful practices.

(d) IDENTIFICATION OF LAWS AND REGULATIONS THAT RESTRICT FLEXIBILITY.—At the end of the initial year, the Council shall prepare and submit to the Secretary, the Governor, the State educational agency and the State legislature a report identifying Federal and State statutes, rules and regulations that, in the opinion of the relevant local school teachers and administrators, restrict school level flexibility and make it difficult for the schools to improve academic achievement and reach the National Education Goals.

(e) SPECIAL RULE FOR STATES WHICH ALREADY HAVE ENACTED A COMPREHENSIVE, STATEWIDE EDUCATION IMPROVEMENT PLAN.—

(1) WAIVER.—In the case of a State which has enacted a comprehensive, statewide education improvement plan, the Secretary may, in accordance with the provisions of section 206, grant such State a waiver from the requirements of section 204 and subsections (a) and (b) of section 205, and such State may use an allotment under this section in the initial and succeeding years in accordance with the provisions of section 202(c)(3).

(2) APPLICATION.—Each State desiring a waiver under this subsection shall include a request for such waiver in application submitted under section 203. Such application shall include a plan which meets the requirements of section 205(c).

SEC. 206. REVIEW OF STATE PLANS.

The Secretary shall, through a peer review process, review plans submitted under section 205 to ensure that the plans meet the requirements of such section. A plan shall not be disapproved because such plan lacks one or more specific education reform strategies or initiatives. The Secretary shall specify, in writing, the reasons for disapproving any plan and shall submit such written reasons to the appropriate State educational agency.

SEC. 207. STATE ADMINISTRATION AND LOCAL APPLICATIONS.

(a) REQUIREMENT FOR GRANTS.—

(1) IN GENERAL.—Each State educational agency receiving an allotment under this title shall award grants under this title to schools within the State that have submitted an application pursuant to subsection (b).

(2) HIGH NEED SCHOOLS.—For the purpose of this title the term "high need school" means a school designated by the State educational agency as meeting at least two of the following criteria:

(A) The school is eligible to participate in a schoolwide project assisted under section 1015 of the Elementary and Secondary Education Act of 1965.

(B) The school is located in a school district experiencing extreme financial distress (such as bankruptcy, State takeover or undergoing consolidation because of financial problems).

(C) The school is among the 25 percent of all elementary schools in the State with the greatest number or concentration of children eligible to be counted under section 1005(c) of the Elementary and Secondary Education Act of 1965.

(D) The school is among the 25 percent of all secondary schools in the State with the greatest number or concentration of children eligible to be counted under section 1005(c) of the Elementary and Secondary Education Act of 1965.

(E) The school is among the 25 percent of all elementary schools in the State with the lowest levels of student achievement, as measured by the State, or, in the case of a State that has no statewide assessment system, as shown by the school through the use of a nationally normed test that demonstrates the school ranks in the lowest quartile of student achievement.

(F) The school is among the 25 percent of all secondary schools in the State with the lowest levels of student achievement, as measured by the State, or, in the case of a State that has no statewide assessment system, as shown by the school through the use of a nationally normed test that demonstrates the school ranks in the lowest quartile of student achievement.

(G) The school is participating in a school improvement program pursuant to section 1021(b) of the Elementary and Secondary Education Act of 1965.

(b) LOCAL APPLICATIONS.—

(1) IN GENERAL.—

(A) PREPARATION.—Each school desiring a grant under this title shall prepare an application, in consultation with the appropriate local or intermediate educational agency, at such time, in such manner, and containing or accompanied by such information as the State educational agency may reasonably require, and shall submit such application to the local educational agency.

(B) DESIGNS.—In preparing an application under subparagraph (A), a school is encouraged to review and utilize, as appropriate, research, model projects and other activities conducted or sponsored by the New American Schools Development Corporation, federally funded educational research laboratories and centers, the Commission on National and Community Service, public and private nonprofit research organizations, the National Diffusion Network, and the Department of Education.

(C) REVIEW, COMMENT AND SUBMISSION.—(i) In submitting the application described in subparagraph (A) each local educational agency shall—

(I) review, comment and offer any recommendations regarding the application submitted by a school pursuant to subparagraph (A); and

(II) submit such application to the State educational agency within 30 days of receipt of such application.

(ii) In making the comments described in clause (i), the local educational agency shall—

(I) assure that funds received under this title shall supplement and not supplant other Federal, State, and local funds available to the school for the activities and services assisted under this title;

(II) provide data on the poverty level and the academic achievement of the students at the school;

(III) describe the resources and commitment that the local educational agency will contribute to a school assisted under this title to help the school meet the National Education Goals and improve the academic achievement of the students attending the school, including an assurance that the local educational agency shall expedite action on requests for assistance made by such school;

(IV) describe steps the local educational agency will take to encourage and enhance comprehensive improvement in other schools in the local educational agency in order to meet the National Education Goals;

(V) assure that the local educational agency shall act as the fiduciary agent for a school receiving a grant under this title and shall expeditiously transmit to the school any grant funds received from the State educational agency under this title, except as provided in paragraph (2);

(VI) describe the technical assistance and dissemination activities that the local educational agency shall undertake to assist schools receiving a grant under this title; and

(VII) provide assurances that—

(aa) the application was originated by the school seeking such a grant;

(bb) all funds received under this title, except as provided in paragraph (2), shall be spent for the benefit of the school at the direction of local school officials; and

(cc) the activities assisted under this title shall be directed at the school.

(iii) Notwithstanding any other provision of law, if a local educational agency is unable or unwilling to act as a fiduciary agent for a school receiving a grant under this title in accordance with subclause (V) of clause (ii), then the State educational agency, in making such a grant to such a school, shall make alternative arrangements so that the school may receive the funds.

(2) LIMITATION.—Each local educational agency receiving a grant under this title on behalf of a school may use not more than 5 percent of such grant funds for administration, technical assistance, dissemination and evaluation of activities assisted under this title.

(3) CONTENTS.—Each application submitted pursuant to this subsection shall describe—

(A) the school's academic goals and the status of students in such school with respect to such goals;

(B) a comprehensive, schoolwide initiative likely to result in the school making substantial progress toward the National Education Goals, especially such goals related to the improvement of student achievement;

(C) the goals for the initiative and a multiyear plan to improve student achievement at the school;

(D) the steps to be taken by the school to achieve the goals of the initiative;

(E) the staff development activities to be conducted in implementing the initiative;

(F) efforts, if any, to link the activities of the school with federally supported teacher training and school leadership activities;

(G) the use of funds to achieve such goals;

(H) the statistical indicators to be used to measure progress toward achieving the National Education Goals, especially such goals related to the improvement of student achievement;

(I) the schedule for reporting the data described in subparagraph (H) to the State and the local community at least once a year beginning at the conclusion of the second year in which a grant payment under this title is made and annually thereafter and an assurance that such data shall be reported in a manner that is clear, and easily understandable;

(J) how the local educational agency will use funds, if any, reserved for the local educational agency under paragraph (2); and

(K) how the local educational agency and the school will meet the special educational needs of limited-English proficient students and students with disabilities attending the school.

(4) ASSURANCES.—In preparing the application described in this subsection the school shall ensure that such application shall—

(A) be developed by school administrators, teachers, parents, and community-based organizations and local businesses, in consultation with the local educational agency; and

(B) give clear evidence that commitment to such project is widely shared in the school community.

(c) STATE REPORT.—Each State educational agency receiving an allotment under this title, after awarding grants under this title in each fiscal year, shall file a report with the Secretary indicating—

(1) the names and addresses of the schools that received a Neighborhood Schools Improvement Grant under this title;

(2) the improvement activities each school shall undertake and the expected results of such activities;

(3) the number of high need schools that have received a grant and the amount of such grants;

(4) the Council's reasons for the selection of each such school; and

(5) the amount of the grant awarded to each school.

SEC. 208. USE OF FUNDS.

(a) MANDATORY.—Each school receiving a grant under this title shall use such grant funds for an initiative to implement significant, comprehensive, schoolwide changes in the structure or programs of such school in a manner that shall help such school meet the National Education Goals, especially by improving student achievement.

(b) PERMISSIBLE.—Each school receiving a grant under this title may use such grant funds for—

(1) continuous and comprehensive early childhood education;

(2) enhanced academic programs, including supplementary instruction, efforts to improve higher order thinking skills, and activities to increase the participation of minority and female students in mathematics and science courses;

(3) school-based management programs designed to move more authority for decisionmaking to the school building level and increase the participation of teachers and parents in school governance;

(4) the provision of coordinated educational and vocational services within the school which may include comprehensive programs (developed with input from local, State and area business leaders) to provide options for those high school students unlikely to attend postsecondary school, that integrate essential academic instruction with technical skills, and provide the training necessary to succeed in a technical career;

(5) projects to increase the knowledge and skills of teachers and school leaders;

(6) educational enrichment projects to meet the needs of educationally and economically disadvantaged children, students with disabilities, and limited-English proficient students;

(7) projects to improve the condition and adequacy of school buildings, instructional facilities and equipment when such improvements are directly related to improving student achievement, except that no funds shall be used for construction or major remodeling;

(8) projects to strengthen parent involvement and parenting education and to increase the partnership between families and the schools;

(9) extended day and year projects, especially projects with an academic component;

(10) projects to increase the use of educational technology and integrate such technology into the instructional program of the school to improve student achievement;

(11) the implementation of measures to reduce class size and provide more individualized instruction;

(12) dropout prevention, re-entry, alternative programs and support activities for students at-risk of dropping out of school, or students who have returned to school;

(13) projects to educate students in alcohol and drug awareness and prevention;

(14) projects to educate students in gang awareness and gang violence prevention;

(15) service-learning and student community service projects; and

(16) any other initiative which will result in significant, comprehensive schoolwide changes in the structure or programs of such school.

SEC. 209. REQUIREMENTS RELATING TO USE OF ALLOTMENTS.

(a) RESERVATION.—

(1) IN GENERAL.—Each State educational agency receiving an allotment under this title shall reserve not less than 75 percent of such funds to award grants on a competitive basis to schools designated as high need schools in the State in accordance with section 207(a)(2).

(2) REMAINDER.—The remainder of funds not reserved pursuant to paragraph (1) shall be available to award grants on a competitive basis to any school that needs to improve student achievement, as determined by the State educational agency. In distributing funds under this paragraph, priority shall be given to schools with the lowest levels of academic achievement.

(b) SPECIAL RULES.—

(1) ADDITIONAL EFFORTS.—Each school receiving a grant under this title that requires additional efforts to implement the provisions of this title may use the first 6 months in which such grant is received for planning purposes if the State educational agency has approved such use.

(2) LIMITATION.—No school shall receive a grant under this title prior to January 1, 1993.

(c) DURATION.—Grants awarded under this title may be awarded for a period not to exceed 5 years and may be renewed if the State determines that the applicant has made meaningful progress in improving student achievement.

(d) AMOUNT.—

(1) IN GENERAL.—Each State educational agency receiving an allotment under this title shall award grants in accordance with the provisions of this title and in an amount that reflects, relative to other grants awarded under this title and in light of the proposed project, the size and economic profile of the student population to be served.

(2) MINIMUM AMOUNT.—Each State educational agency receiving an allotment under this title shall award a grant to a local educational agency for a school in an amount that is of sufficient size and scope to permit the school to conduct a significant comprehensive, schoolwide project.

SEC. 210. EVALUATION REQUIREMENTS.

(a) EVALUATION.—Each State educational agency receiving an allotment under this title shall evaluate the initiatives assisted under this title. Such evaluations shall be designed to ensure that such initiatives are being implemented satisfactorily and that schools receiving grants are making demonstrable progress in improving student achievement or increasing the graduation rate.

(b) DATA.—Each local educational agency serving a school that receives a grant under this title shall annually collect and submit to the State educational agency data on the project assisted under this title based on the statistical indicators and other criteria described in the application submitted by the school. Such data shall include multiple measures or indicators of each National Education Goal, as available, and may take into consideration the mobility of students in the schools served under this title or other special factors.

SEC. 211. DISSEMINATION OF EXEMPLARY PRACTICES BY THE SECRETARY.

Each State educational agency shall submit to the Secretary information about successful Neighborhood Schools under its jurisdiction. The Secretary shall make summaries of such information available to schools that are undertaking, or planning to undertake improvement projects, regardless of whether such projects are assisted under this title, by means of the dissemination mechanisms established by the Secretary. The Secretary shall biennially provide to the Congress summaries of all data collected from and reports filed by schools, local educational agencies and State educational agencies pursuant to the requirements of this title.

SEC. 212. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $850,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 through 2001 to carry out the provisions of this title, of which not more than $75,000,000 shall be available in any one fiscal year to carry out the provisions of section 202(c)(1).

TITLE III—EDUCATIONAL REFORM AND FLEXIBILITY

SEC. 301. STATEMENT OF FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) historically, Federal education programs have addressed the Nation's most pressing educational problems by providing categorical assistance with detailed requirements relating to the use of funds;

(2) while the approach described in paragraph (1) has proven generally successful, some program requirements may inadvertently impede educational achievement;

(3) the Nation's schools are being asked to deal effectively with increasingly diverse educational needs that current program structures may not be flexible enough to address; and

(4) in an era when educational change and reform must prevail, it is more important than ever to provide programs that—

(A) result in improved educational outcomes for all students;

(B) promote the coordination of education and related services that benefit children and their families;

(C) respond flexibly to the needs of a diverse student population;

(D) stop the proliferation of unnecessary Federal, State, and local regulation; and

(E) place less emphasis on measuring resources and reviewing procedures and more emphasis on achieving program results.

(b) PURPOSE.—It is the purpose of this title to establish a national demonstration program which—

(1) promotes educational reform that leads to improved educational outcomes for participants in affected programs;

(2) holds accountable the schools and other recipients of Federal funds for achieving specific educational improvement goals in exchange for increased flexibility in the use of their resources; and

(3) enables school and program administrators, teachers, parents, local agencies, and community groups to work together to develop effective education programs that lead to improved achievement and meet the needs of all participants, particularly those who are disadvantaged.

SEC. 302. FLEXIBILITY AND ACCOUNTABILITY IN EDUCATION AND RELATED SERVICES.

(a) IN GENERAL.—Subpart 1 of Part C of the General Education Provisions Act (20 U.S.C. 1221 et seq.) is amended by adding after section 421A a new section 421B to read as follows:

"SEC. 421B. FLEXIBILITY AND ACCOUNTABILITY IN EDUCATION AND RELATED SERVICES.

"(a) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—(A) The Secretary shall, in accordance with this section, assist elementary and secondary schools and other service providers to improve the achievement of all students and other participants, but particularly disadvantaged individuals, by authorizing waivers to not more than 6 States, which have implemented comprehensive regulatory reform plans, and no more than 50 local educational agencies in each State local educational agencies by which the States can improve the performance of schools and programs by increasing their flexibility in the use of their resources while holding them accountable for achieving educational gains.

"(B)(i) In support of these projects, the Secretary is authorized to waive any statutory or regulatory requirement (except as provided in subsection (e)) applicable to a program described in clause (ii) that the Secretary determines may impede the ability of a school or other service provider to meet the special needs of such students and other individuals in the most effective manner possible. The head of any other Federal agency in accordance with the programs described in clause (ii) is similarly authorized to waive such requirements applicable to an elementary, secondary, or youth vocational training program administered by such agency if the agency head and the Secretary agree that such a waiver would promote the purpose of this section.

"(ii) The Secretary shall only waive a statutory or regulatory requirement applicable to a program under—

"(I) chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

"(II) chapter 2 of the Elementary and Secondary Education Act of 1965;

"(III) the Dwight D. Eisenhower Mathematics and Science Education Act;

"(IV) the Follow Through Act;

"(V) subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act; and

"(VI) the Carl D. Perkins Vocational and Applied Technology Education Act, except part H of title III and funds allocated by States under section 232 of such Act.

"(2) PROJECT DURATION.—Projects conducted under this section, and any waivers associated with such projects, shall last no longer than three years, except that the Secretary may extend a project and any associated waivers for an additional 2 years if the Secretary determines that the project is making substantial progress in meeting its goals.

"(3) TERMINATION.—The Secretary shall terminate a project and its associated waivers if the Secretary, at any time, determines it is not making acceptable progress toward meeting its goals. The head of any other Federal agency who has granted waivers under this section shall determine whether to extend or terminate those waivers, but the Secretary shall have exclusive authority to extend or terminate the project.

"(b) ELIGIBILITY.—

"(1) IN GENERAL.—Each project that involves elementary or secondary schools shall include the participation of a local educational agency and at least 2 schools.

"(2) GRADE AND PROGRAM REQUIREMENT.—To the extent possible, each grade and academic program in a participating school shall participate in the project.

"(c) APPLICATIONS.—A local educational agency, wishing to conduct a project under this section, shall submit an application to the State educational agency for approval. The State educational agency shall then transmit approved applications to the Secretary. Each application shall be submitted within 2 years of enactment of the Neighborhood Schools Improvement Act and shall include a plan that—

"(1) describes the purposes and overall expected outcomes of the project;

"(2) identifies, for each school or site participating in the project, those impediments to improved educational outcomes that would be removed by the proposed waivers;

"(3) identifies the Federal programs to be included in the project, the Federal statutory or regulatory requirements to be waived, and the purpose and duration of the requested waivers;

"(4) describes the State and local requirements that will be waived, the purpose of such waivers, and, if such requirements will not have been waived before the project begins, when those waivers will be obtained and take effect;

"(5) demonstrates the State has made an effort to waive substantial requirements pertaining to the local educational agency;

"(6) describes specific, measurable, educational improvement goals for each school or other site in the project and for each school year of the project, including—

"(A) goals for improving the achievement of all participants, including disadvantaged individuals, with respect to achievement in basic and advanced skills;

"(B) goals that reflect the broad purposes of each program for which a waiver is sought; and

"(C) an explanation of how the applicant will measure progress in meeting the goals set for each school or site in the project and for disadvantaged individuals participating in the project;

"(7) incorporates the comments of the Governor or the chief State school officer; and

"(8) for projects involving elementary or secondary schools—

"(A) identifies the schools to be included in the project and describes the student population at each school, including—

"(i) current data regarding the achievement of the disadvantaged students as well as other students; and

"(ii) the number of students who—

"(I) are of limited English proficiency, as defined in section 7003(a)(1) of the Bilingual Education Act;

"(II) are children with disabilities, as defined in section 602(a)(1) of the Individuals with Disabilities Education Act;

"(III) are currently or formerly migratory;

"(IV) are educationally deprived, for the purposes of chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(V) are eligible for a free or reduced price school lunch;

"(B) describes specific goals for enhancing coordination between the regular education program available to all students and programs serving disadvantaged students;

"(C) if fewer than all the schools in a local educational agency will participate in a project, describes the expected educational outcomes for disadvantaged students in schools that do not participate, and how those outcomes will be assessed;

"(D) describes how school administrators, teachers, staff, and parents (including parents of educationally disadvantaged children) have been, or will be, involved in the planning, development, and implementation of the goals and program for each participating school; and

"(E) contains goals for students targeted by the programs described in clause (ii) of section 421B(a)(1)(B) which are comparable to, or exceed existing goals under such programs.

"(d) APPROVAL OF PROJECTS.—

"(1) IN GENERAL.—The Secretary shall approve applications from no more than 6 States which have implemented comprehensive regulatory reform, and no more than 50 local educational agencies in each State local educational agencies for projects under this section that the Secretary determines show substantial promise of achieving the purposes of this section, after considering—

"(A) the comprehensiveness of the project, including the types of students, schools, programs, and activities to be included;

"(B) the extent to which the provisions for which waivers are sought impede educational improvement;

"(C) the State and local requirements that will be waived for the project;

"(D) the significance and feasibility of the proposed project's goals for each participating school or site;

"(E) the quality of the plan for ensuring accountability for the proposed plan's activities and goals; and

"(F) the comments of the Governors or the chief State school officers.

"(2) CONSULTATION.—The Secretary shall consult with the heads of other appropriate Federal agencies, if any, in determining whether to approve a project. Each such agency head shall notify the Secretary of any waivers granted by such agency head as part of such project.

"(3) DISTRIBUTION OF PROJECTS.—The Secretary shall ensure that, to the extent feasible, projects assisted under this section are geographically distributed, and equitably distributed among urban, suburban, and rural areas, as well as large and small schools.

"(e) ALLOCATION OF FEDERAL FUNDS; RESTRICTION ON WAIVERS.—

"(1) ALLOCATION OF FEDERAL FUNDS.—Federal funds under any program that are used to support a project under this section shall be allocated to local educational agencies and other recipients within the local educational agency in accordance with the statutory and regulatory requirements that govern the operation of that program, except that, for the purpose of such a project, the Secretary (or the head of any other Federal agency) may extend the duration of, and provide continuation funding to, a project chosen on a competitive basis that a participating agency is conducting.

"(2) RESTRICTION ON WAIVERS.—Neither the Secretary nor the head of any other Federal agency shall waive under this section any statutory or regulatory requirement in awarding a grant after the date of enactment of the Neighborhood Schools Improvement Act to a service provider within the local educational agency or other applicant participating in a project under this section.

"(3) SPECIAL RULE.—Neither the Secretary nor, where applicable, the head of any other Federal agency shall waive under this section any statutory or regulatory requirement—

"(A) under section 438 and 439 of the General Education Provisions Act;

"(B) under title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, title IX of the Education Amendments of 1972, or title II of the Americans with Disabilities Act;

"(C) under the Individuals with Disabilities Education Act; or

"(D) relating to—

"(i) maintenance of effort;

"(ii) comparability; or

"(iii) the equitable participation of students attending private schools.

"(f) REPORTS AND EVALUATIONS.—

"(1) PROJECT REPORTS.—Each project shall submit, not later than 90 days after the end of each year of the project, an annual report to the Secretary that—

"(A) summarizes the principal activities of the project;

"(B) contains school-by-school and other data, as described in the project plan, that show the extent to which the project is meeting its overall goals, including its goals for improving the achievement of all participants, particularly disadvantaged individuals, with respect to achievement in basic and advanced skills, and is meeting the goals for each school or other site;

"(C) describes the impact of the project on disadvantaged children in schools, if any, that are not participating in the demonstration;

"(D) describes the effectiveness of efforts to coordinate programs and services for children and their families as appropriate; and

"(E) provides information on or comparable data regarding the programs described in clause (ii) of section 428B(a)(1)(B) of achievement levels of students served pursuant to such programs previously demonstrated over the preceding 3 years compared with children or students served under this title.

"(2) SECRETARY'S REPORT.—The Secretary shall submit a report to the Congress every two years that summarizes and analyzes the project reports required by paragraph (1).

"(3) EVALUATION REPORTS.—At the end of the 6-year period described in this section, and at such interim points as the Secretary deems appropriate, the Secretary shall provide to Congress an independent evaluation of the projects assisted under this title, as well as an evaluation of the program assisted under this section by the Department of Education and other affected Federal agencies. Such reports may include recommendations for amendments to program statutes that are based on the experience of projects that successfully raise educational achievement by eliminating or modifying statutory or regulatory provisions that impede educational improvement.

"(g) DEFINITION.—For the purpose of this section, the term 'disadvantaged students' includes students of limited English proficiency, children with disabilities, students who are currently or formerly migratory, and students who are educationally deprived.

"(h) BUDGET NEUTRALITY.—The authority provided by this section shall not be exercised in a manner that, for any fiscal year, increases total obligations or outlays of discretionary appropriations for programs subject to such authority, or that increases total obligations or outlays of funding for all direct-spending programs subject to such authority over those that would have occurred absent such authority.".

(b) SUNSET PROVISION.—The amendment made by subsection (a) shall be effective during the 6-year period beginning on the date of enactment of this Act.

TITLE IV—DISTANCE LEARNING

SEC. 401. DISTANCE LEARNING FINDINGS.

Congress finds that—

(1) distance learning technology can provide rural schools with interactive video capacity;

(2) distance learning can provide instruction in required or advanced, specialized courses in schools where teachers are not available or too costly to provide for a limited number of students;

(3) the rapid development of telecommunications technology has resulted in distance learning systems that are powerful, flexible and increasingly affordable;

(4) distance learning can offer an alternative to school closing or consolidation and help rural and urban schools satisfy their educational mandate;

(5) distance learning can help urban school districts overcome shortages in qualified teachers in subjects such as mathematics, advanced sciences, and languages;

(6) the key to success in distance learning is teachers and the use of distance learning is meant to be an enhanced educational tool for them;

(7) teachers must have training, preparation, and institutional support to teach successfully using distance learning technology;

(8) teacher accreditation associations need to encourage the use of distance learning technologies;

(9) Federal and State governments can promote distance learning projects by helping reduce the costs of necessary telecommunications services;

(10) because many educational needs parallel the needs of business, government, and health care providers, there should be ample opportunity to share the costs associated with research and development used in delivering this new method of teaching;

(11) distance learning technology can increase contributions to the goals of "America 2000", as established by the President;

(12) the Federal Government can encourage States to resolve contentious issues that are barriers to the use of distance learning, such as teacher certification and evaluation, and curriculum and textbook standardization;

(13) Federal funds now devoted to delivering educational services should include distance learning where it is cost effective;

(14) the Department of Education and the National Science Foundation should consider establishing demonstration sites for distance learning;

(15) distance learning is a growing force in private and public education; and States, localities, the Federal Government, and private sector, all have a role in developing and implementing this education delivery system.

SEC. 402. DISTANCE LEARNING POLICY STUDY.

(a) STUDY.—The Secretary of Education in consultation with the Secretary of Commerce shall conduct a study of the issues involved in implementing distance learning. The study shall, among other issues, address—

(1) the incentives necessary for telecommunications common carriers to develop special pricing for distance learning projects;

(2) the desirability of Federal Communication Commission allocation of spectrum in order to encourage the development of distance learning technologies;

(3) the need to amend copyrights laws to encourage development of distance learning technologies.

(b) COMPLETION DATE AND REPORT.—

(1) COMPLETION DATE.—The study described in subsection (a) shall be completed no later than 210 days after enactment of this Act.

(2) REPORT.—No later than 30 days after the completion of the study described in subsection (a), the study and an executive summary shall be transmitted to the Committee on Education and Labor, the Committee on Energy and Commerce, and the Committee on the Judiciary, of the United States House of Representatives; and the Committee on Commerce, Science, and Transportation, Committee on the Judiciary, and the Committee on Labor and Human Resources, of the United States Senate.

SEC. 403. DEFINITION.

The term "distance learning" means the transmission of educational or instructional information to geographically dispersed individuals and groups via telecommunications.

TITLE V—PEACE CORPS

SEC. 501. FINDINGS.

The Senate finds that—

(1) the Peace Corps Act stated that the Peace Corps was established—

(A) to help the people of interested countries and areas to meet their needs for trained manpower;

(B) to help promote a better understanding of Americans on the part of the people served; and

(C) to help promote a better understanding of other peoples on the part of Americans;

(2) the former Union of Soviet Socialist Republics no longer exists, and in its place a Commonwealth of Independent States has been established, along with other newly independent republics;

(3) on December 25, 1991, President Bush indicated the United States intends to extend diplomatic recognition to Moldova, Turkmenistan, Azerbaijan, Tadzhikistan, Georgia, and Uzbekistan, when the United States reaches agreements with each republic regarding human rights, democratization, economic reform, and the establishment of responsible security policies;

(4) on December 25, 1991, the United States extended formal diplomatic recognition to Russia, Ukraine, Armenia, Kazahkstan, Byelarus, and Kyrgyzstan;

(5) the needs of the successor republics of the former Union of Soviet Socialist Republics for technical and humanitarian assistance are dire, and growing daily;

(6) the governments of several republics under the former Union of Soviet Socialist Republics have indicated interest in receiving public and private technical assistance from the United States in the areas of agriculture, health care, business, education, and other areas;

(7) the Peace Corps has in recent years successfully met the challenges of assisting the Eastern European states of Poland, Hungary, Czechoslovakia, Bulgaria, and Romania, and has already begun to assess the needs of the Baltic Republics and of the former Soviet republics for such assistance;

(8) Peace Corps volunteers represent tangible support on the part of the American people for the efforts of the republics to establish market economies, democratic institutions, and low-cost, effective programs of technical assistance in the areas described in paragraph (6); and

(9) the President has indicated his support for the introduction of Peace Corps volunteers into the successor republics of the former Union of Soviet Socialist Republics.

SEC. 502. SENSE OF THE SENATE.

It is the sense of the Senate that—

(1) the Peace Corps should move promptly and effectively, as part of a balanced program and without diminishing its efforts in other parts of the world, to assess needs and establish programs in each of the republics of the former Union of Soviet Socialist Republics into which the Peace Corps has been or may be invited, in order to introduce appropriate numbers of Peace Corps volunteers into republics requesting assistance; and

(2) the President, consistent with clause (1), should continue to support and should accelerate the introduction of Peace Corps volunteers into the republics of the former Union of Soviet Socialist Republics.

TITLE VI—MISCELLANEOUS

SEC. 601. IMPROVED STATISTICS REGARDING AMERICAN SCHOOLS.

Subparagraph (C) of section 406(i)(2) of the General Education Provisions Act (20 U.S.C. 1221e–1(i)(2)(C)) is amended—

(1) by redesignating clauses (iii), (iv), and (v) as clauses (iv), (v), and (vi), respectively;

(2) by inserting after clause (ii) the following new clause:

"(iii) The National Assessment shall—

"(I) conduct, in 1994, a trial mathematics assessment for the 4th and 8th grades and a trial reading assessment for the 4th grade, in States that wish to participate, for the purpose of determining whether such assessments yield valid and reliable State representative data;

"(II) develop, and conduct in 1994, a trial mathematics assessment for the 12th grade, a trial reading assessment for the 8th and 12th grades, and a trial science assessment for the 4th, 8th, and 12th grades, in States that wish to participate, for the purpose of determining whether such assessments yield valid and reliable State representative data; and

"(III) include in each such sample assessment described in subclauses (I) and (II) students in public and private schools in a manner that ensures comparability with the national sample.".

SEC. 602. FREEDOM OF SPEECH ON CAMPUS.

(a) FINDINGS.—The Congress finds that—

(1) free speech is a fundamental right and a safeguard against political and intellectual tyranny;

(2) curtailment of free speech strikes twice at intellectual freedom, for whoever deprives a person of the right to state unpopular views necessarily deprives other persons of the right to listen to the views;

(3) the primary and traditional function of a university is to disseminate knowledge and assist in the search for truth, and, in order to carry out the function, to do everything possible to ensure the free exchange of ideas and the fullest degree of intellectual freedom; and

(4) therefore, to carry out the function of the university, every member of the university, has an obligation to permit free expression, and every university official has a special obligation to foster freedom of speech and to ensure that the speech is not obstructed, at the university.

(b) SENSE OF CONGRESS.—It is the sense of Congress that students attending universities, or other institutions of higher education, that receive Federal funds should be able to exercise full rights to freedom of speech on campus free from official intrusion.

SEC. 603. TECHNICAL AMENDMENT.

In the item relating to Educational Excellence in title III of Public Law 102–170 (105 Stat. 1130) insert "or any educational reform program" after "America 2000 educational excellence activities".

SEC. 604. GENERAL ACCOUNTING OFFICE REPORT ON THE EFFECT OF TAX INCENTIVES ON LOCAL PUBLIC SCHOOL FINANCE.

Within 180 days after the date of enactment, the Comptroller General of the United States shall prepare and submit to the chairman and ranking minority member of the Senate Committee on Labor and Human Resources a study on the nature and extent of tax abatements given by State and local governments to attract business and the extent to which such abatements:

(1) reduce the tax base available to support public elementary and secondary education in the jurisdiction granting the abatement,

(2) reduce the funds available to support elementary and secondary schools in the jurisdiction granting the abatement, and

(3) review the extent to which citizens in the State and local community granting the abatement realize the potential impact of the abatement on funding for local public schools.

TITLE VII—DEFINITIONS

SEC. 701. DEFINITIONS.

For the purpose of this Act—

(1) the term "elementary school" has the same meaning given to such term by section 1471(8) of the Elementary and Secondary Education Act of 1965;

(2) the term "institution of higher education" has the meaning given to such term by section 1201(a) of the Higher Education Act of 1965;

(3) the term "local educational agency" has the same meaning given to such term by section 1471(12) of the Elementary and Secondary Education Act of 1965;

(4) the term "new public school" means a public school that—

(A) reflects the best available knowledge regarding teaching and learning for all students;

(B) uses the highest quality instructional materials and technologies;

(C) is designed to meet National Education Goals as well as the particular needs of the students and community served by such school; and

(D) is under the authority of a State educational agency or a local educational agency;

(5) the term "New American School" means an elementary or secondary public school that—

(A) is under the authority of a State educational agency or a local educational agency;

(B) reflects the best available knowledge regarding teaching and learning for all students;

(C) uses the highest quality instructional materials and technologies; and

(D) is designed to meet the National Education Goals as well as the particular needs of the students and community served by such school;

(6) the term "Pacific outlying area" means American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the Republic of Palau (until such time as the Compact of Free Association is ratified);

(7) the term "school dropout" has the same meaning as the definition of such term developed by the Secretary pursuant to section 6201(a) of the Elementary and Secondary Education Act of 1965;

(8) the term "secondary school" has the same meaning given to such term by section 1471(21) of the Elementary and Secondary Education Act of 1965;

(9) the term "Secretary", unless otherwise specified, means the Secretary of Education;

(10) the term "school", means a public elementary or secondary school;

(11) the term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico and the Virgin Islands; and

(12) the term "State educational agency" has the same meaning given to such term by section 1471(23) of the Elementary and Secondary Education Act of 1965.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Without objection, the title amendment is agreed to.

The title was amended so as to read: "A bill to promote the achievement of National Education Goals, to measure progress toward such goals, to develop national education standards and voluntary assessments in accordance with such standards and to encourage the comprehensive improvement of America's neighborhood public schools to improve student achievement."

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

STATE OF THE UNION—MESSAGE FROM THE PRESIDENT—PM 99

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; which was ordered to lie on the table:

To the Congress of the United States:

Mr. Speaker, Mr. President, distinguished Members of Congress, honored guests, and fellow citizens:

I mean to speak tonight of big things; of big changes and the promises they hold, and of some big problems and how together we can solve them and move our country forward as the undisputed leader of the age.

We gather tonight at a dramatic and deeply promising time in our history, and in the history of man on earth.

For in the past twelve months the world has known changes of almost biblical proportions. And even now, months after the failed coup that doomed a failed system, I am not sure we have absorbed the full impact, the full import of what happened. But communism died this year.

Even as President, with the most fascinating possible vantage point, there were times when I was so busy helping to manage progress, and lead change, that I didn't always show the joy that was in my heart.

But the biggest thing that has happened in the world in my life—in our lives—is this: By the grace of God, America won the Cold War.

I mean to speak this evening of the changes that can take place in our country now that we can stop making the sacrifices we had to make when we had an avowed enemy that was a Superpower. Now we can look homeward even more, and move to set right what needs to be set right.

I will speak of those things. But let me tell you something I've been thinking these past few months. It's a kind of rollcall of honor. For the Cold War didn't "end"—it was won.

And I think of those who won it, in places like Korea, and Vietnam. And some of them didn't come back. Back then they were heroes, but this year they became what they didn't know they were: victors.

The long rollcall—all the G.I. Joes and Janes, all the ones who fought faithfully for freedom, who hit the ground and sucked the dust and knew their share of horror.

This may seem frivolous—I don't mean it so—but it's moving to me how the world saw them.

The world saw not only their special valor but their special style—their rambunctious, optimistic bravery, their do-or-die unity unhampered by class or race or region. What a group we've put forth, for generations now—from the ones who wrote "Kilroy was Here" on the walls of German stalags, to those who left signs in the Iraqi desert that said, "I Saw Elvis." What a group of kids we've sent into the world.

And there's another to be singled out—though it may seem inelegant. I mean a mass of people called The American Taxpayer. No one ever thinks to thank the people who pay a country's bills, or an alliance's bills.

But for half a century now the American people have shouldered the burden, and paid taxes that were higher than they would have been to support a defense that was bigger than it would have been if imperial communism had never existed.

But it did.

But it doesn't anymore.

And here is a fact I wouldn't mind the world acknowledging: The American taxpayer bore the brunt of the burden, and deserves a hunk of the glory.

And so, now, for the first time in 35 years, our strategic bombers stand down. No longer are they on 'round-the-clock alert. Tomorrow our children will go to school and study history and how plants grow. And they won't have, as my children did, air raid drills in which they crawl under their desks and cover their heads in case of nuclear war. My grandchildren don't have to do that, and won't have the bad dreams children had once, in decades past. There are still threats. But the long, drawn out dread is over.

A year ago tonight I spoke to you at a moment of high peril. American forces had just unleashed Operation Desert Storm. And after forty days in the desert skies, and four days on the ground, the men and women of America's Armed Forces, and our allies, accomplished the goals that I declared, and that you endorsed: We liberated Kuwait.

Soon after, the Arab world and Israel sat down to talk seriously, and comprehensively, about peace—an historic first. And soon after that, at Christmas, the last American hostages came home. Our policies were vindicated.

Much good can come from the prudent use of power. And much good can come of this: A world once divided into two armed camps now recognizes one sole and pre-eminent power: the United States of America.

And they regard this with no dread. For the world trusts us with power—and the world is right. They trust us to be fair, and restrained, they trust us to be on the side of decency. They trust us to do what's right.

I use those words advisedly. A few days after the war began I received a telegram from Joanne Speicher, the wife of the first pilot killed in the Gulf, Lt. Commander Scott Speicher. Even in her grief she wanted me to know that some day, when her children were old enough, she would tell them ". . . that their father went away to war because it was the right thing to do."

She said it all. It was the right thing to do.

And we did it together. There were honest differences here, in this Chamber. But when the war began, you put partisanship aside, and supported our troops.

This is still a time for pride—but this is no time to boast. For problems face us, and we must stand together once again and solve them—and not let our country down.

Two years ago I began planning cuts in military spending that reflected the changes of the new era. But now, this year, with imperial communism gone, that process can be accelerated.

Tonight I can tell you of dramatic changes in our strategic nuclear force. These are actions we are taking on our own—because they are the right thing to do.

After completing 20 planes for which we have begun procurement, we will shutdown further production of the B-2 bomber. We will cancel the small I.C.B.M. program. We will cease production of new warheads for our sea-based ballistic missiles. We will stop all new production of the Peacekeeper missile. And we will not purchase any more advanced cruise missiles.

This weekend I will meet at Camp David with Boris Yeltsin of the Russian Federation. I have informed President Yeltsin that if the Commonwealth—the former Soviet Union—will eliminate all land-based multiple warhead ballistic missiles, I will do the following:

We will eliminate all Peacekeeper missiles. We will reduce the number of warheads on Minuteman missiles to one, and reduce the number of warheads on our sea-based missiles by about one-third. And we will convert a substantial portion of our strategic bombers to primarily conventional use.

President Yeltsin's early response has been very positive, and I expect our talks at Camp David to be fruitful.

I want you to know that for half a century, American presidents have longed to make such decisions and say such words. But even in the midst of celebration, we must keep caution as a friend.

For the world is still a dangerous place. Only the dead have seen the end of conflict. And though yesterday's challenges are behind us, tomorrow's are being born.

The Secretary of Defense recommended these cuts after consultation with the Joint Chiefs of Staff. And I make them with confidence. But do not misunderstand me:

The reductions I have approved will save us an additional 50 billion dollars over the next five years. By 1997 we will have cut defense by 30% since I took office. These cuts are deep, and you must know my resolve: This deep, and no deeper.

To do less would be insensible to progress—but to do more would be ignorant of history.

We must not go back to the days of "the hollow army". We cannot repeat the mistakes made twice in this century, when armistice was followed by recklessness, and defense was purged as if the world were permanently safe.

I remind you this evening that I have asked for your support in funding a program to protect our country from limited nuclear missile attack. We must have this protection because too many people in too many countries have access to nuclear arms.

There are those who say that now we can turn away from the world, that we have no special role, no special place.

But we are the United States of America, the leader of the west that has become the leader of the world.

As long as I am President we will continue to lead in support of freedom everywhere—not out of arrogance, and not out of altruism, but for the safety and security of our children.

This is a fact: Strength in the pursuit of peace is no vice; isolationism in the pursuit of security is no virtue. Now to our troubles at home. They are not all economic, but the primary problem is our economy. There are some good signs: Inflation, that thief, is down; and interest rates are down. But unemployment is too high, some industries are in trouble, and growth is not what it should be.

Let me tell you right from the start and right from the heart: I know we're in hard times, but I know something else: This will not stand.

My friends in this Chamber: We can bring the same courage and sense of common purpose to the economy that we brought to Desert Storm. And we can defeat hard times together.

I believe you will help. One reason is that you're patriots, and you want the best for your country. And I believe that in your hearts you want to put partisanship aside and get the job done—because it's the right thing to do.

The power of America rests in a stirring but simple idea: That people will do great things if only you set them free.

Well, we're going to set the economy free, for if this age of miracles and wonders has taught us anything, it's that if we can change the world, we can change America.

We must encourage investment. We must make it easier for people to invest money and create new products, new industries, and new jobs. We must clear away the obstacles to growth—high taxes, high regulation, red tape, and yes, wasteful government spending.

None of this will happen with a snap of the fingers—but it will happen. And the test of a plan isn't whether it's called new or dazzling. The American people aren't impressed by gimmicks; they're smarter on this score than all of us in this room. The only test of a plan is: Is it sound and will it work?

We must have a short term plan to address our immediate needs, and heat up the economy. And we need a long term plan to keep the combustion going, and to guarantee our place in the world economy.

There are certain things that a President can do without Congress—And I am going to do them.

I have this evening asked major cabinet departments and federal agencies to institute a 90 day moratorium on any new federal regulations that could hinder growth. In those 90 days major departments and agencies will carry out a top to bottom review of all regulations, old and new—to stop the ones that will hurt growth, and speed up those that will help growth.

Further, for the untold number of hard working, responsible American workers and businessmen and women, who've been forced to go without needed bank loans: The banking credit crunch must end. I won't neglect my responsibility for sound regulations that serve the public good, but regulatory overkill must be stopped.

And I have instructed our government regulators to stop it.

I have directed cabinet departments, and federal agencies, to speed up pro-growth expenditures as quickly as possible. This should put an extra 10 billion dollars into the economy in the next 6 months. And our new transportation bill provides more than 150 billion dollars for construction and maintenance projects that are vital to our growth and well being. That means jobs building roads, jobs building bridges, and jobs building railways.

I have this evening directed the Secretary of the Treasury to change the federal tax withholding tables. With this change, millions of Americans from whom the government withholds more than necessary can now choose to have the government withhold less from their paychecks. Something tells me a number of taxpayers may take us up on this. This initiative could return about 25 billion dollars back into our economy over the next 12 months—money people can use to help pay for clothing, college, or to get a new car.

Finally, working with the Federal Reserve, we will continue to support monetary policy that keeps both interest rates and inflation down.

These are the things I can do. And now, members of Congress, let me tell you what you can do for your country. You must pass the other elements of my plan to meet our immediate economic needs.

Everyone knows that investment spurs recovery.

I am proposing this evening a change in the alternative minimum tax, and the creation of a new 15% investment tax allowance. This will encourage businesses to accelerate investment and bring people back to work.

Real estate has led our economy out of almost all the tough times we've ever had. Once building starts, carpenters and plumbers work and people buy homes and take out mortgages.

My plan would modify the Passive Loss Rule for active real estate developers. And it would make it easier for pension plans to purchase real estate.

For those Americans who dream of buying a first home, but who can't quite afford it, my plan would allow first time home buyers to withdraw savings from I.R.A.'s without penalty—and provide a five thousand dollar tax credit for the first purchase of that home.

And finally, my immediate plan calls on Congress to give crucial help to people who own a home, to everyone who has a business, or a farm, or a single investment.

This time, at this hour, I cannot take No for an answer: You must cut the capital gains tax on the people of our country.

Never has an issue been more demagogued by its opponents. But the demagogues are wrong—and they know it. Sixty percent of the people who benefit from lower capital gains have incomes under 50 thousand dollars. A cut in the capital gains tax increases jobs and helps just about everyone in our country.

And I'll tell you, those of you who say, "Oh no, someone who's comfortable may benefit from this." You kind of remind me of the old definition of the Puritan, who couldn't sleep at night worrying that somehow someone somewhere was out having a good time.

The opponents of this measure—and those who've authored various so called soak-the-rich bills that are floating around this chamber—should be reminded of something: When they aim at the big guy they usually hit the little guy. And maybe it's time that stopped.

This then is my short term plan. Your part, members of Congress, requires enactment of these common sense proposals that will have a strong effect on the economy—without breaking the budget agreement and without raising tax rates.

While my plan is being passed and kicking in, we've got to care for those in trouble today. I have provided up to 4.4 billion dollars in my budget to extend Federal unemployment benefits. I ask for Congressional action right away.

And let's be frank:

I know, and you know, that my plan is unveiled in a political season. I know, and you know, that everything I propose will be viewed by some in merely partisan terms. But I ask you to know what is in my heart: My aim is to increase our nation's good. I am doing what I think is right; I am proposing what I know will help.

I pride myself that I am a prudent man. I believe that patience is a virtue, but I understand that politics is, for some, a game—and that sometimes the game is to stop all progress and then decry the lack of improvement.

But let me tell you: far more important than my political future—and far more important than yours—is the well being of our country. Members of this Chamber are practical people, and I know you won't resent some practical advice: When people put their party's fortunes before the public good, they court defeat not only for their country, but for themselves. And they will certainly deserve it.

I submit my plan tomorrow. I am asking you to pass it by March 20th. And I ask the American people to let you know they want this action by March 20th.

From the day after that, if it must be: the battle is joined.

And you know, when principle is at stake I relish a good fair fight.

I said my plan has two parts, and it does. And it is the second part that is the heart of the matter. For it's not enough to get an immediate burst—we need long term improvement in our economic position.

We all know that the key to our economic future is to ensure that America continues as the economic leader of the world. We have that in our power.

Here, then, is my long term plan to guarantee our future.

First, trade: We will work to break down the walls that stop world trade. We will work to open markets everywhere.

In our major trade negotiations I will continue pushing to eliminate tariffs and subsidies that damage America's farmers and workers. And we'll get more good American jobs within our own hemisphere through the North American Free Trade Agreement, and through the Enterprise for the Americas Initiative.

But changes are here, and more are coming. The workplace of the future will demand more highly skilled workers than ever—more people who are computer literate, and highly educated.

We must be the world's leader in education. We must revolutionize America's schools.

My America 2000 education strategy will help us reach that goal. My plan will give parents more choice, give teachers more flexibility, and help communities create New American Schools.

Thirty states across the nation have established America 2000 programs. Hundreds of cities and towns have joined in.

Now Congress must join this great movement: Pass my proposals for New American Schools.

That was my second long term proposal. This is my third:

We must make common sense investments that will help us compete, long term, in the marketplace.

We must encourage research and development. My plan is to make the R and D tax credit permanent, and to provide record levels of support—over 76 billion dollars this year alone—for people who will explore the promise of emerging technologies.

Fourth, we must do something about crime, and drugs.

It is time for a major, renewed investment in fighting violent street crime. It saps our strength and hurts our faith in our society, and in our future together.

Surely a tired woman on her way to work at 6 in the morning on a subway deserves the right to get there safely. Surely it's true that everyone who changes his or her life because of crime—from those afraid to go out at night to those afraid to walk in the parks they pay for—surely these people have been denied a basic civil right.

It is time to restore it. Congress, pass my comprehensive crime bill. It is tough on criminals and supportive of police—and it has been languishing in these hallowed halls for years now.

Pass it. Help your country.

Fifth, I ask you tonight to fund our H.O.P.E. housing proposal—and to pass my Enterprise Zone legislation, which will get businesses into the inner city. We must empower the poor with the pride that comes from owning a home, getting a job, becoming a part of things.

My plan would encourage real estate construction by extending tax incentives for mortgage revenue bonds and low income housing.

And I ask tonight for record expenditures for the program that helps children born into want move into excellence: Head Start.

Step six—we must reform our health care system. For this too bears on whether or not we can compete in the world.

American health costs have been exploding. This year America will spend over 800 billion dollars on health. And that's expected to grow to 1.6 trillion by the end of the decade. We simply cannot afford this.

The cost of health care shows up not only in your family budget, but in the price of everything we buy and everything we sell. When health coverage for a fellow on an assembly line costs thousands of dollars, the cost goes into the products he makes—and you pay the bill.

We must make a choice.

Some pretend we can have it both ways. They call it Play or Pay—but that expensive approach is unstable. It will mean higher taxes, fewer jobs and, eventually, a system under complete government control.

Really, there are only two options: We can move toward a nationalized system—which will restrict patient choice in picking a doctor and force the government to ration services arbitrarily. And what we'll get is patients in long lines, indifferent service, and a huge new tax burden.

Or we can reform our own private health care system—which still gives us, for all its flaws, the best quality health care in the world.

Well, let's build on our strengths.

My plan provides insurance security for all Americans—while preserving and increasing the idea of choice. We make basic health insurance affordable for all low income people not now covered. We do it by providing a health insurance tax credit of up to $3,750 for each low income family. The middle class gets new help too. And, by reforming the health insurance market, my plan assures that Americans will have access to basic health insurance even if they change jobs or develop serious health problems.

We must bring costs under control, preserve quality, preserve choice, and reduce the people's nagging daily worry about health insurance. My plan, the details of which I will announce shortly, does just that.

Seventh, we must get the federal deficit under control.

We now have in law enforceable spending caps, a requirement that we pay for the programs we create.

There are those in Congress who would ease that discipline now. But I cannot let them do it—and I won't.

My plan would freeze all domestic discretionary budget authority—which means "No more next year than this year." I will not tamper with Social Security, but I would put real caps on the growth of uncontrolled spending. I would also freeze federal domestic government employment.

With the help of Congress, my plan will get rid of 246 programs that don't deserve federal funding. Some of them have noble titles, but none of them is indispensable. We can get rid of each and every one of them.

You know, it's time we rediscovered a 'home truth' the American people have never forgotten: This government is too big and spends too much.

I call upon Congress to adopt a measure that will help put an end to the annual ritual of filling the budget with pork-barrel appropriations. Every year, the press has a field day making fun of outrageous examples—a Lawrence Welk museum, a research grant for Belgian Endive.

We all know how these things get into the budget. Maybe you need someone to help you say No. I know how to say it. And you know what I need to make it stick. Give me the same thing 43 Governors have: The line item veto.

We must put an end to unfinanced federal government mandates. These are the requirements Congress puts on our cities, counties and states—without supplying the money. If Congress passes a mandate, it should be forced to pay for it, and to balance the cost with savings elsewhere. After all, a mandate just increases someone else's burden—and that means higher taxes at the state and local level.

Step Eight: Congress should enact the bold reform proposals that are still awaiting Congressional action—bank reform, civil justice reform, tort reform, and my national energy strategy.

Finally: We must strengthen the family—because it is the family that has the greatest bearing on our future. When Barbara holds an AIDS baby in her arms, and reads to children, she's saying to every person in this country "Family matters."

I am announcing tonight a new Commission on America's Urban Families. You know, I had mayors from the League of Cities in the other day, and they told me something striking. They said that every one of them, Republicans and Democrats, agreed on one thing: That the major cause of the problems of the cities is the dissolution of the family.

They asked for this Commission, and they were right to ask, because it's time to determine what we can do to keep families together, strong and sound.

There's one thing we can do right away: ease the burden of rearing a child. I ask you tonight to raise the personal exemption by five hundred dollars per child for every family. For a family with four kids, that's an increase of two thousand dollars. This is a good start, in the right direction, and it's what we can afford.

It's time to allow families to deduct the interest they pay on student loans. I am asking you to do just that. And I'm asking you to allow people to use money from their I.R.A.'s to pay medical and education expenses—all without penalties.

And I'm asking for more. Ask American parents what they dislike about how things are in our country, and chances are good that pretty soon they'll get to welfare.

Americans are the most generous people on earth. But we have to go back to the insight of Franklin Roosevelt who, when he spoke of what became the welfare program, warned that it must not become "a narcotic" and a "subtle destroyer" of the spirit.

Welfare was never meant to be a lifestyle; it was never meant to be a habit; it was never supposed to be passed from generation to generation like a legacy.

It's time to replace the assumptions of the welfare state, and help reform the welfare system.

States throughout the country are beginning to operate with new assumptions: That when able-bodied adults receive government assistance, they have responsibilities to the taxpayer. A responsibility to seek work, education, or job training—a responsibility to get their lives in order—a responsibility to hold their families together and refrain from having children out of wedlock—and a responsibility to obey the law.

We are going to help this movement. Often, state reform requires waiving certain federal regulations. I will act to make that process easier and quicker for every state that asks our help.

And I want to add, as we make these changes, that our intention isn't scapegoating or finger pointing. If you read the papers or watch TV you know there's been a rise these days in a certain kind of bitterness, racist comments, anti-semitism, an increased sense of division.

Really, this is not us. This is not who we are. And this is not acceptable.

And so you have my plan for America. I am asking for big things—but I believe in my heart you will do what's right.

You know, it's kind of an American tradition to show a certain skepticism toward our democratic institutions. I myself have sometimes thought the aging process could be delayed if it had to make its way through Congress.

You will deliberate, and you will discuss, and that is fine.

But, my friends: the people cannot wait. They need help now.

There is a mood among us. People are worried, there has been talk of decline. Someone even said our workers are lazy and uninspired.

And I thought, really. Go tell Neil Armstrong standing on the moon. Tell the men and women who put him there. Tell the American farmer who feeds his country and the world. Tell the men and women of Desert Storm.

Moods come and go, but greatness endures.

Ours does.

And maybe for a moment it's good to remember what, in the dailyness of our lives, we forget:

We are still and ever the freest nation on earth—the kindest nation on earth—the strongest nation on earth—

And we have always risen to the occasion.

We are going to lift this nation out of hard times inch by inch and day by day, and those who would stop us had best step aside. Because I look at hard times and I make this vow: This will not stand.

And so we move on, together, a rising nation, the once and future miracle that is still, this night, the hope of the world.

Thank you. God bless you. God bless our beloved country.

MESSAGES FROM THE HOUSE

At 2:45 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 267. A concurrent resolution relative to a joint session of the two Houses of Congress on Tuesday, January 28, 1992, to receive a communication from the President of the United States.

The message also announced that the House has agreed to the following resolution:

H. Res. 329. A resolution informing the Senate that a quorum of the House is present and that the House is ready to proceed with business.

The message further announced that pursuant to the provisions of Public Law 102–138, the Speaker appoints from private life Mr. Ben J. Wattenberg of Washington, DC, and Mr. Leonard H. Marks of Washington, DC, to the Commission on Broadcasting to the People's Republic of China on the part of the House.

The message also announced that pursuant to section 5(a)(2) of Public Law 101–363, the minority leader appoints Mrs. MORELLA to serve as a member on the part of the House of the National Advisory Council on the Public Service Act of 1990.

The message further announced that pursuant to the provisions of Public Law 102–138, on November 22, 1991, the minority leader notified the President of his appointment from private life of Mr. Steven Mosher of Upland, CA, and Mr. James L. Tyson of Darien, CT, to the Commission on Broadcasting to the People's Republic of China on the part of the House.

The message also announced that pursuant to the provisions of section 5506(a) of Public Law 100–297, on April 25, 1991, the Speaker designated the following as members of the Advisory Committee of the White House Conference on Indian Education on the part of the House: Representatives CAMPBELL of Colorado and BARRETT; and from private life: Mr. Don Barlow of Spokane, WA, Mr. Joseph Martin of Kayenta, AZ, and Mrs. Kathryn D. Manuelito of Albuquerque, NM.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2447. A communication from the Assistant Secretary of Energy (Fossil Energy), transmitting, pursuant to law, notice of the Department's designation of an additional candidate site for the expansion of the Strategic Petroleum Reserve to one billion barrels; to the Committee on Energy and Natural Resources.

EC–2448. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget rescissions and deferrals dated January 9, 1992, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition and Forestry, the Committee on Commerce, Science and Transportation, the Committee on Environment and Public Works, the Committee on Finance, and the Committee on Foreign Relations.

EC–2449. A communication from the Director of the Congressional Budget Office, transmitting, pursuant to law, the final sequestration report for fiscal year 1992, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition and Forestry, the Committee on Armed Services, to the Committee on Banking, Housing and Urban Affairs, the Committee on Commerce, Science and Transportation, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, the Committee on Finance, the Committee on Foreign Relations, the Committee on Governmental Affairs, the Committee on the Judiciary, the Committee on Labor and Human Resources, the Committee on Rules and Administration, the Committee on Small Business, the Committee on Veterans' Affairs, the Special Committee on Aging, the Select Committee on Intelligence, and Select Committee on Indian Affairs.

EC–2450. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget rescissions and deferrals dated January 13, 1992, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition and Forestry, the Committee on Armed Services, the Committee on Banking, Housing and Urban Affairs, the Committee on Commerce, Science and Transportation, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, the Committee on Finance, the Committee on Foreign Relations, the Committee on Governmental Affairs, the Committee on the Judiciary, the Committee on Labor and Human Resources, the Committee on Rules and Administration, the Committee on Small Business, the Committee on Veterans' Affairs, the Select Committee on Indian Affairs, the Select Committee on Intelligence, the Special Committee on Aging, and the Select Committee on POW/MIA Affairs.

EC–2451. A communication from the Assistant Secretary of the Treasury (Enforcement), transmitting, pursuant to law, a report concerning the effectiveness and utility of the reporting requirements of the Bank Secrecy Act and section 6050I of the Internal Revenue Code; to the Committee on Banking, Housing and Urban Affairs.

EC–2452. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report on the extension of the export controls maintained for foreign policy purposes; to the Committee on Banking, Housing and Urban Affairs.

EC–2453. A communication from the Secretary of the Treasury, Chairman of the Securities and Exchange Commission, Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a report on the government securities market; to the Committee on Banking, Housing and Urban Affairs.

EC–2454. A communication from the Director of the Congressional Budget Office, transmitting, pursuant to law, a sequestration preview report for fiscal year 1993, pursuant to the order of August 4, 1977; referred jointly to the Committee on the Budget, and to the Committee on Governmental Affairs.

EC–2455. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, certification for the country of Suriname; to the Committee on Commerce, Science, and Transportation.

EC–2456. A communication from the Secretary of Commerce, transmitting, pursuant to law, an annual report on the activities of the National Technical Information Service for fiscal year 1990; to the Committee on Commerce, Science, and Transportation.

EC-2457. A communication from the Acting Secretary of Transportation, transmitting, pursuant to law, a report entitled "Joint Task Force Report on Offshore Pipelines"; to the Committee on Commerce, Science, and Transportation.

EC-2458. A communication from the President of the United States, transmitting, pursuant to law, a report concerning the countries of Costa Rica, France, Italy, Japan, and Panama being under an embargo; to the Committee on Commerce, Science, and Transportation.

EC-2459. A communication from the President of the United States, transmitting, pursuant to law, a report concerning the countries of Venezuela and Vanuatu being under a court-ordered embargo; to the Committee on Commerce, Science, and Transportation.

EC-2460. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report of the independent certified public accountants' audit of the Trans-Alaska Pipeline Liability Fund's financial statements as of December 31, 1990; to the Committee on Energy and Natural Resources.

EC-2461. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2462. A communication from the Secretary of the Interior, transmitting, pursuant to law, a report on mining and mineral resources; to the Committee on Energy and Natural Resources.

EC-2463. A communication from the Acting Deputy Assistant Secretary, Department of the Interior, transmitting a draft of proposed legislation to amend the Helium Act Amendments of 1960 to authorize Federal agencies to purchase helium from the private sector, and for other purposes; to the Committee on Energy and Natural Resources.

EC-2464. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, an annual report of the task force; to the Committee on Environment and Public Works.

EC-2465. A communication from the Assistant Secretary of the Interior, transmitting, pursuant to law, a draft of proposed legislation to rename the Klamath Forest National Wildlife Refuge; to the Committee on Environment and Public Works.

EC-2466. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, an annual report for fiscal 1991; to the Committee on Environment and Public Works.

EC-2467. A communication from the Assistant Secretary for Import Administration, Department of Commerce, transmitting, pursuant to law, an annual report on the activities of Foreign-Trade Zones Board for fiscal year 1990; to the Committee on Finance.

EC-2468. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the annual report of the United States Government for the fiscal year ended September 30, 1991; to the Committee on Finance.

EC-2469. A communication from the Administrator for the Agency for International Development, transmitting, pursuant to law, an annual report on the Program's portfolio and finances; to the Committee on Foreign Relations.

EC-2470. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report regarding El Salvador; to the Committee on Foreign Relations.

EC-2471. A communication from the Assistant Legal Adviser of State (Legislative Affairs), transmitting, pursuant to law, a report on international agreements other than treaties entered into by the United States in the sixty day period prior to January 16, 1992; to the Committee on Foreign Relations.

EC-2472. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on civil monetary penalty assessments, collections, and status of receivables for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2473. A communication from the Chairman of the Oversight Board of the Resolution Trust Corporation, transmitting, pursuant to law, an annual report on the status of the entity's audit and investigative coverage; to the Committee on Governmental Affairs.

EC-2474. A communication from the Director of Office and Management and Budget, Executive Office of the President, transmitting, pursuant to law, an annual report on civil monetary penalty assessments, collections, and status of receivables for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2475. A communication from the Acting Administrator of the Agency for International Development, transmitting, pursuant to law, a report on management control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2476. A communication from the Head of the Bureau of Naval Personnel (Personnel Benefits), Department of the Navy, transmitting, pursuant to law, an annual report for the Navy Nonappropriated Fund Retirement Plan of Employees of Civilian Morale, Welfare and Recreation; to the Committee on Governmental Affairs.

EC-2477. A communication from the Chairman of the Federal Mine Safety and Health Review Commission, transmitting, pursuant to law, a report on the Commission's internal control and financial systems in effect during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2478. A communication from the Executive Director of the Marine Mammal Commission, transmitting, pursuant to law, an annual report on audit and investigative activities for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2479. A communication from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, an annual report on management controls and financial management systems for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2480. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Audit of the District Government's Contributions to the Morris Fitzgerald Memorial Tennis Stadium"; to the Committee on Governmental Affairs.

EC-2481. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, a report evaluating the need to extend interim geographic adjustments to Federal General Schedule employees in additional geographic areas.

EC-2482. A communication from the Federal Co-Chairman of the Appalachian Regional Commission, transmitting, pursuant to law, a report evaluating the system of internal accounting and administrative control of the Commission in effect during the year ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2483. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report analyzing the factors contributing to the 1991 budget misestimate; to the Committee on Governmental Affairs.

EC-2484. A communication from the Secretary of the Mississippi River Commission, Department of the Army, transmitting, pursuant to law, an annual report of the Commission under the Government in the Sunshine Act covering calendar year 1991; to the Committee on Governmental Affairs.

EC-2485. A communication from the Chairman of the Board of Governors, transmitting, pursuant to law, an annual report regarding the compliance of the Board of Governors of the United States Postal Service with the requirements of the Government in the Sunshine Act for calendar year 1991; to the Committee on Governmental Affairs.

EC-2486. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on internal controls and financial systems in effect during 1991; to the Committee on Governmental Affairs.

EC-2487. A communication from the Acting Assistant Secretary of the Interior, transmitting, pursuant to law, a report in opposition to enactment of bills providing legislative Federal recognition to Indian groups; to the Select Committee on Indian Affairs.

EC-2488. A communication from the Chairman of the National Indian Gaming Commission, transmitting, pursuant to law, the annual report of the Commission for fiscal year 1991; to the Select Committee on Indian Affairs.

EC-2489. A communication from the Chairman, Board of Directors, of the State Justice Institute, transmitting, pursuant to law, a draft of proposed legislation to authorize appropriations for the purposes of carrying out the activities of the State Justice Institute for fiscal years 1993, 1994, 1995, and 1996, and for other purposes; to the Committee on the Judiciary.

EC-2490. A communication from the Chairperson, Advisory Panel on Alzheimer's Disease, the Burke Rehabilitation Center, transmitting, pursuant to law, an annual report reflecting the work of the Panel during 1991; to the Committee on Labor and Human Resources.

EC-2491. A communication from the Administrator of the National Aeronautics Space Administration, transmitting, pursuant to law, an annual report on the performance of NASA's Industrial Applications Centers and on their interaction with the nation's small business community; to the Committee on Small Business.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-263. A joint resolution adopted by the Legislature of the State of California; to the Committee on Appropriations:

"ASSEMBLY JOINT RESOLUTION NO. 13

"Whereas, The recent freeze during December 1990, and January 1991, was the third worst natural disaster that ever occurred in the State of California with respect to the economy of this state, ranking behind the 1906 San Francisco and Loma Prieta earthquakes; and

"Whereas, This record freeze was unique since it consisted of low temperatures for an extended period of time. In many locations of the state the temperatures dropped below 20 degrees Fahrenheit and remained at those temperatures for seven consecutive days; and

"Whereas, This caused extensive damage to the agricultural industry in the state with the loss of crops alone estimated to be in a range between $750 and $900 million and could reach as high as $1.3 billion; and

"Whereas, The freezing temperatures affected many crops in the state. The most severely damaged crops were: navel and valencia oranges, lemons, grapefruit, avocados, strawberries, melons, sugar beets, broccoli, cauliflower, artichokes, winter vegetables, flowers, and nursery stocks; and

"Whereas, The freeze caused extensive damage to citrus budwood, which impacts the ability of nurseries to produce trees for replanting for orchards of the affected areas, especially young orchards where extensive replanting will be required; and

"Whereas, New trees will take five to seven years of growth before they reach full production, and lemon trees that sustained heavy damage will take three to five years to recover from the freeze; and

"Whereas, In addition to the loss of crops on the trees and in fields, producers of agricultural products incurred significant energy expenses and capital losses from damage to irrigation systems and equipment breakdowns; and

"Whereas, The damage to the agricultural industry had the effect of causing the unemployment of approximately 15,000 skilled, full-time workers and economic depression in many rural counties of the state whose residents depend heavily on agriculture as their primary source of income; and

"Whereas, The families in those areas, with already marginal incomes, will have to make decisions to either purchase food or pay for housing and utilities; now, therefore, be it.

"*Resolved by the Assembly and the Senate of the State of California, jointly*, That the Legislature of the State of California respectfully memorialize the President and Congress of the United States to enact legislation to appropriate the necessary funds to the Agricultural Stabilization and Conservation Service to provide relief to the producers of agricultural products affected by the recent freeze in this state; and be it further

"*Resolved*, That funds be allocated to the Secretary of Agriculture to make grants available for providing emergency services to low-income migrant and seasonal farmworkers; and be it further

"*Resolved*, That funds be allocated to the Secetary of Agriculture to provide emergency crop assistance to eligible producers of agricultural products in the State of California pursuant to the Food, Agriculture, Conservation and Trade Act of 1990 (P.L. 101-624); and be it further

"*Resolved*, That Section 2272 of the Food, Agriculture, Conservation and Trade Act of 1990 should not apply with regard to those appropriated funds; and be it further.

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Secretary of Agriculture, to each Senator and Representative from California in the Congress of the United States, and to the Agricultural Stabilization and Conservation Service."

PM-264. A joint resolution adopted by the Legislature of the State of California; to the Committee on Armed Services:

"SENATE JOINT RESOLUTION NO. 21

"Whereas, The Department of the Army has announced a reduction in the size of the reserve forces, including the National Guard; and

"Whereas, The California Army National Guard would be required to reduce in size by 32 percent, a loss of about 7,000 soldier positions; and

"Whereas, The California Army National Guard is the sole and irreplaceable military force legally available and equipped to respond immediately to natural disasters and other emergencies at the direction of the Governor; and

"Whereas, The planned reduction will drastically and dangerously impair the capability of the state to respond quickly to the larger number of emergencies which occur annually in California and the constant potential for wildfires, floods, and earthquakes of catastrophic proportion; and

"Whereas, The State of California is projected to dramatically increase in population in the next decade, increasing the potential magnitude of human risk from natural disaster; and

"Whereas, The state supports the reduction of the federal Armed Forces and of the costs to maintain them in time of peace; and

"Whereas, Reserve forces can be maintained in peacetime at about one-third the cost of active duty forces, and can be maintained combat ready and deployable on short notice as demonstrated in Operation Desert Storm; and

"Whereas, The citizens of the State of California object to a reduction in the California Army National Guard force structure; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly*, That the Legislature and the citizens of the State of California strongly urge the President of the United States, the Secretary of Defense, the Secretary of the Army, and the Congress of the United States to direct that the authorized strength of the force structure of the California Army National Guard shall not be reduced; and be it further

"*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Secretary of Defense of the United States, and to the Governor and the Adjutant General of the State of California."

POM-265. A joint resolution adopted by the Legislature of the State of California; to the Committee on Banking, Housing, and Urban Affairs:

"SENATE JOINT RESOLUTION NO. 24

"Whereas, This country maintains a dual banking system whereby banks in California may elect whether to be state chartered banks subject to regulation by the State Banking Department or federally chartered banks subject to regulation by the Comptroller of the Currency; and

"Whereas, The State Banking Department is authorized to approve all applications for state chartered banks to engage in the business of banking in this state; and

"Whereas, State chartered banks in California are allowed to provide certain products and services under California law that federally chartered banks are not allowed to provide under current federal law; and

"Whereas, California banking laws promote capital availability, strengthen economic development, and encourage community reinvestment in this state; and

"Whereas, It is of great importance that the State of California retain the ability to equitably tax both state and federally chartered banks; and

"Whereas, The United States Treasury recently proposed a plan to reform and restructure this country's financial system by reducing or eliminating state regulation of banks in favor of increased regulation by the Federal Reserve; and

"Whereas, The Legislature of the State of California reaffirms and restates its support for the continuation of the dual banking system in California; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the President, the Congress, and the Treasury Department to retain and continue the essential components of the dual banking system and ensure that any reforms to the federal deposit insurance system apply equally to all depositors in financial institutions of any size; and recognize that it is imperative that any changes in federal banking laws not impair the ability of the State of California to tax banks in this state; and be it further

"*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the United States Secretary of the Treasury."

POM-266. A joint resolution adopted by the Legislature of the State of California to the Committee on Commerce, Science, and Transportation:

"SENATE JOINT RESOLUTION NO. 9

"Whereas, A recent ground collision between a USAir jetliner and a commuter plane, which has so far left 34 people dead, has been attributed to air controller error and malfunctioning radar; and

"Whereas, Those conditions might have been prevented had the Aviation Trust Fund spent some of the $10 billion it has set aside for modernization of the nation's air traffic control system; and

"Whereas, Air traffic controllers, trained and hired by the Federal Aviation Administration (FAA), are short an estimated 3,000 controllers nationwide, according to the National Air Traffic Controllers Association, and some of these, according to Los Angeles Times research, appear to receive inadequate training at smaller airports before being stationed at major airports such as Los Angeles International Airport (LAX); now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact legislation to improve air safety at major United States airports, including provisions for a review of the number of air traffic controllers hired and trained since the 1981 strike, a determination of the additional number of controllers needed and the percentage of current controllers rated at full-performance level, and an investigation of the need for measures to facilitate emergency operations in the event of massive casualties in airport crashes; and be it further

"*Resolved*, That the Legislature of the State of California supports the implementation by the Federal Aviation Administration of internationally recognized standards of safety relative to uniform runway and taxiway operational parameters; and be it further

"*Resolved*, That the Legislature of the State of California requests an investigation by the Federal Aviation Administration into the interior safety of airplanes in regard to the flammability of, and the potential to produce toxic smoke, in materials used; and be further

"*Resolved*, That the Legislature of the State of California requests the federal government to assist in the expeditious building, staffing, and operation of a new replacement air traffic control tower at Los Angeles International Airport (LAX); and be it further

"*Resolved*, That the Legislature of the State of California supports the expeditious release and appropriation by the Congress of moneys in the Airport and Airways Trust Fund; and be it further

"*Resolved*, That the Legislature of the State of California supports the expeditious implementation of the National Airspace System Plan and the procurement of Improved Airport Surface Detection Equipment (ASDE-3 radar) by the Federal Aviation Administration at all California commercial airports; and be it further

"*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-267. A joint resolution adopted by the Legislature of the State of California; ordered to lie on the table:

"ASSEMBLY JOINT RESOLUTION NO. 48

"Whereas, Congress has passed the Unemployment Insurance Reform Act of 1991 (hereafter the "Act"); and

"Whereas, The Act will provide 550,000 people in California, who have lost jobs covered by the unemployment insurance system, with 13 weeks of unemployment benefits, in addition to the 26 weeks of benefits that are provided under current law; and

"Whereas, Nationwide, the Act will provide up to 20 weeks of extra compensation to 3 million unemployed workers; and

"Whereas, The Act authorizes four levels of weeks of eligibility for extended unemployment benefits. The number of weeks of benefits payable to an unemployed worker in a particular state would be determined by the state's total unemployment rate; and

"Whereas, In California, where the unemployment rate fluctuates around 7 percent, workers who lost their jobs would be eligible under this Act for 39 weeks of unemployment compensation; and

"Whereas, The Act authorizes benefits to be paid from September 1, 1991, to July 4, 1992; and

"Whereas, In order to obtain President George Bush's signature on the Act, it was amended to require a separate emergency designation to be declared in order to release the $5.3 billion in federally paid benefits; and

"Whereas, The President has indicated that he will not sign an emergency declaration despite the nation's recession which has left many middle class Americans without jobs; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the President of the United States to sign a declaration of emergency to release the $5.3 billion in extended emergency unemployment benefits; and be it further

"*Resolved*, That in the event the President does not sign a declaration of emergency to implement those provisions of the Act that would release moneys for extended emergency unemployment benefits, that Congress pursue the original version of the bill that would have considered a signature on the legislation to be a declaration of an emergency; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-268. A joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation:

"SENATE JOINT RESOLUTION NO. 28

"Whereas, On July 14, 1991, a major derailment in Shasta County, California between Dunsmuir and Mount Shasta involving a Southern Pacific Transportation Company freight train caused a single-wall tank car to spill its contents of the chemical metam sodium into the Sacramento River, fouling the river, killing fish and wildlife, and sickening some nearby residents; and

"Whereas, Between 1976 and 1990, 43 derailments or other accidents have occurred on this 20-mile section of track, and the metam sodium spill is the 20th rail accident in the past 15 years on the same three miles of track; and

"Whereas, Single-wall rail tank cars experience punctures, and resultant dangerous leaks, in accidents twice as often as double-wall rail tank cars; now, therefore, be it

"*Resolved, by the Senate and Assembly of the State of California, jointly*, That the California Legislature respectfully memorializes the President and Congress of the United States to do all of the following:

"(1) Require the United States Department of Transportation to adopt an emergency regulation to immediately reclassify metam sodium as a hazardous substance so that it may be transported only in double-wall rail tank cars appropriately placarded and then adopt a regulation through the regular process with the same effect;

"(2) Require the United States Department of Transportation to investigate and review other chemical compounds not presently considered to be hazardous or toxic for possible reclassification as hazardous substances; and

"(3) Require the Federal Railroad Administration to increase the enforcement of rail speed limitations and the National Transportation Safety Board to investigate conditions on the 20-mile section of track between Dunsmuir and Mount Shasta; and be it further

"*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the United States Department of Transportation, to the Federal Railroad Administration, and to the National Transportation Safety Board."

POM-269. A resolution adopted by the Common Council of Buffalo, New York; to the Committee on Commerce, Science, and Transportation.

POM-270. A resolution adopted by the Twenty-First Guam Legislature favoring legislation to amend the Organic Act of Guam relative to the authority and jurisdiction of the Inspector General of the Department of the Interior; to the Committee on Energy and Natural Resources.

"RESOLUTION NO. 132

"Whereas, in September, 1968, as a pre-requisite and requisite to the extension of a basic democratic principle—that the people of Guam have the inalienable right to democratically elect the Governor of Guam,—the Organic Act of Guam was amended to grant the Office of the Inspector General of the Department of the Interior "carte blanche" jurisdiction and authority to "audit all accounts pertaining to the revenue and receipts of the government of Guam, and the authority to audit, in accordance with law and administrative regulations, all expenditures of funds or uses of property which are irregular or not pursuant to law"; and

"Whereas, after years of yearning for the basic right to elect their Governor and in order not to endanger the passage of the Elective Governor law, the people of Guam passively accepted this onerous amendment to the Organic Act; and

"Whereas, the people of Guam, over the last few years, have seen and have been subjected to blatant and unnecessary abuses of the authority and jurisdiction granted in §9-A (1) & (2) of the Organic Act which give the Inspector General such extraordinary power; and

"Whereas, such blatant and unnecessary abuses of power include the decision by the Inspector General to violate the sanctity of the tax records of individual citizens of Guam by demanding and obtaining, through the federal courts, the authority to audit individual and unnamed tax returns despite the strenuous objections of the Tax Commissioner, the Governor of Guam and the Guam Legislature and despite the fact that the Tax Commissioner, did, in fact, offer access to the Inspector General to those same records so long as the names of the individual taxpayer could be blacked out in order to protect the confidentiality and sanctity of the tax system; and

"Whereas, the Office of the Inspector General, a division of the Department of the Interior, itself an agency of the Executive Branch of the United States government, has elected to conduct audits, not only of the accounts, but also of the management practices of the Guam Legislature, in total and blatant disregard of the ineluctable fact that the Guam Legislature is a legislative body whose power extends to all subjects of legislation of local application and which power includes the authority to determine its own rules; and

"Whereas, despite the Guam Legislature's legislative authority and power to determine its own rules, the Office of the Inspector General elected to pass judgment on the use of said authority and power, clearly exhibiting a total disregard for the basic provisions of the Organic Act which provisions are but reflections and mirror images of the American principle of separation of powers; and

"Whereas, the Office of the Inspector General has and will continue to attempt to undermine the legislative authority of the Guam Legislature and the respect of the people of Guam in those who they have elected to that office, as well as in the officials of the Executive Branch of the government of Guam, its agencies, departments, functions and programs, by initiating releases to Guam's media of what is essentially only the biased opinion of the Office of the Inspector General on the operations of the Guam Legislature and other agencies, departments, functions and programs of the government of Guam, despite the fact that serious questions exist and have been raised relative to the authority of the Inspector General to audit the Guam Legislature and to whom the Inspector General is to report the results of such audit without violating the principles of separation of powers; and

"Whereas, by electing to release to Guam's media what is essentially its own opinion, the Office of the Inspector General has chosen to embark into the world of local politics, thereby compromising the very intent for the establishment of the Office of Inspector General for Guam, since by choosing to politicize its audits and reports it is attempting to politically influence the people of Guam by casting aspersions and doubts on the elected leaders of Guam and on the heads of its agencies, departments, programs and functions; and

"Whereas, the Guam Legislature has, continues, and will continue to question the authority of the Inspector General to audit the operations, management and accounts of the Guam Legislature and those departments, agencies, functions and programs of the government of Guam which do not receive federal funding but which are funded by the general revenues of the government of Guam; and

"Whereas, the Guam Legislature, because of the nature of the so-called Section 30 and Section 31 funds Guam receives under the Organic Act, and in view of the lack of any fees, lease or other rental payments from the federal government for the extensive military installations and facilities located on Guam, considers such Section 30 and Section 31 funds as payments in lieu of lease and rental fees and payment in lieu of taxes for goods and products sold in the base exchanges which otherwise are not sold in exchanges on military bases located in the continental United States and thus for the purposes and relative to the Inspector General clause of the Organic Act of Guam these funds cannot be considered as a form of federal funding in any manner or form; and

"Whereas, the consensus of the Guam Legislature is that the people of Guam and the government of Guam have, in fact, over the years since the ceding of Guam to the United States, since the signing of the Organic Act of Guam and since the enactment of the Elective Governor Act, learned and long practiced the precepts of good government and have proven their maturity, ability and readiness to use the electoral process to elect leaders of ability and integrity; now, therefore, be it

"*Resolved*, that the people of Guam do hereby urge the Honorable Congressman Ben G. Blaz, duly elected by the people of Guam as Guam's Delegate to the U.S. House of Representatives, to immediately introduce legislation amending §9A of the Organic Act of Guam to:

"(a) Protect and preserve the sanctity and confidentiality of the tax records of the citizens of Guam by specifically prohibiting the Office of Inspector General from conducting audits on named tax returns;

"(b) Limit and restrict the jurisdiction and authority of the Office of the Inspector General to financial audits of those programs within the government of Guam which are federally funded in the form of direct grants, grants-in-aid or technical assistance funds;

"(c) Designate the Governor of Guam as the only official authorized to publicly release any information on the financial audits of those programs within the government of Guam which receive federal funding in the form of direct grants, grants-in-aid or technical assistance funds and to establish penalties for any violation thereof;

"(d) Prohibit financial or management audits by the Office of the Inspector General of any accounts of the government of Guam which are not in direct receipt of federal funds in the form of grants, grants-in-aid, or technical assistance grants; and

"(e) Authorize the Governor of Guam to refuse and prohibit the release of any information or documentation which, in his opinion, is not germane to financial and management audits of the accounts of the government of Guam which are in direct receipt of federal funds in the form of grants, grants-in-aid, or technical assistance grants, unless so ordered by a court of competent jurisdiction; and be it further

"*Resolved*, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Honorable Ben G. Blaz, Delegate of the people of Guam to the U.S. House of Representatives; to the Honorable George H. Bush, President of the United States; to the Honorable Daniel Quayle, Vice President of the United States; to the Director of the office of Inspector General of the Department of the Interior; to the Honorable Manuel U. Lujan, Secretary of the Interior; to the Honorable Stella Guerra, Assistant Secretary of the Interior for Territorial and International Affairs; to the Honorable J. Bennett Johnston, Chairman, Senate Committee on Energy and Natural Resources; to the Honorable George Miller, Chairman of the House Committee on Interior and Insular Affairs; to the Honorable Ron de Lugo, Chairman, House Subcommittee on Insular Affairs; and to the Honorable Joseph F. Ada, Governor of Guam."

POM-271. A resolution adopted by the Pacific Basin Development Council; relative to the authority of the Inspector General of the Department of the Interior in matters dealing with Guam and the Northern Mariana Islands; to the Committee on Energy and Natural Resources.

POM-272. A resolution adopted by the Legislature of the Commonwealth of Puerto Rico; to the Committee on Energy and Natural Resources.

"No. 85

"Whereas, for the People of Puerto Rico to exercise their right to self-determination, it is necessary to clearly establish the democratic rights that shall rule this process.

"Whereas, this legislature studied, examined and considered Senate Concurrent Resolution 41 and House Concurrent Resolution 54, for the purpose of authorizing a referendum to amend the Bill of Rights of the Constitution of the Commonwealth of Puerto Rico to incorporate the democratic rights of the People of Puerto Rico, referred to in the second Section of this Act, which shall rule any consultation to change our political status.

"Whereas, although the majority of the members of both Houses of the Legislature supported said Concurrent Resolutions, they could not be approved because they lacked the endorsement of two thirds of the members of each Legislative Chamber required by the Constitution.

"Whereas, this Legislature solemnly recognizes the basic postulate of democracy that the fundamental matters which define the political future or a society must be ratified by the direct vote of the people.

"Whereas, it is convenient to separate these matters from the discussion in the general election.

"Whereas, it is necessary for the People of Puerto Rico to have a vehicle through which they can express to the Government of Puerto Rico their desire to consecrate these democratic rights in the Constitution of the Commonwealth of Puerto Rico and to petition the Government of the United States for the democratic rights that shall rule any consultation on our political future.

"*Be it enacted by the Legislature of Puerto Rico:*

"Section 1.—This Act shall be known and may be cited as the "Guarantee of Democratic Rights Act".

"Section 2.—It is provided that the following Claim for Democratic Rights be submitted to the people of Puerto Rico for their approval:

"We, the people of Puerto Rico, solemnly claim that the following democratic rights be guaranteed in our Constitution:

"the inalienable right to determine our political status, freely and democratically

"the right to choose a status of full political dignity without colonial or territorial subordination to the plenary powers of the Congress

"the right to vote for the three status alternatives Commonwealth, Statehood and Independence, based on the sovereignty of the People of Puerto Rico

"the right that the winning alternative in a status consultation shall require more than half the votes that are cast

"the right that any consultation on status shall guarantee, under any alternative, our culture, language and identity, which includes our international sports representation

"the right that any consultation on status shall guarantee, under any alternative, the American-citizenship safeguarded by the Constitution of the United States of America."

"Section 3.—The Guarantee of Democratic Rights Act expresses the feeling of the Legislature of Puerto Rico. The Claim for Democratic Rights contained herein constitutes a claim to the Government of Puerto Rico on the desirability to consecrate them in the Constitution of the Commonwealth of Puerto Rico, and a Petition to the Congress and to the President of the United States for these rights to be respected when acting on our political status. If it is approved by the people, the Claim for Democratic Rights may only be modified or revoked through consultation with the people and it shall not be affected by the results of the general election.

"Section 4.—The Claim for Democratic Rights provided by Section 2 of this Act, shall be submitted for approval to the qualified electors of the Commonwealth of Puerto Rico in a referendum to be held on December 8, 1991. The ballot shall state that this claim constitutes a petition to the Congress and to the President of the United States.

"Section 5.—The Commonwealth and Statehood alternatives included in the Claim for Democratic Rights which shall be submitted to the people on December 8, 1991, are forms of status of permanent union with the United States.

"The Claim for Democratic Rights is not a claim for a change of status. The result of the referendum shall not be interpreted to be in favor or against any status alternative or political party. Neither shall it be interpreted as a petition for separation, nor modification of the present status, nor of the use of the two flags, two anthems and two languages as provided in our legal system.

"Section 6.—The Secretary of State shall remit a certified copy of this Act and its English language translation to the President of the United States and to all the members of the Congress of the United States.

"Section 7.—The Secretary of State shall remit a certified copy of the results of the referendum provided by Section 2 of this Act, to the Governor of Puerto Rico, to the President of the United States and to the members of the Congress of the United States.

"Section 8.—If any competent court declares any provision of this Act or any part thereof null, said declaration shall not affect the validity of the other provisions of this Act.

"Section 9.—This Act shall take effect immediately after its approval."

POM-273. A resolution adopted by the Legislature of the Commonwealth of Puerto Rico; to the Committee on Energy and Natural Resources:

"NO. 85

"Whereas, for the People of Puerto Rico to exercise their right to self-determination, it is necessary to clearly establish the democratic rights that shall rule this process.

"Whereas, this Legislature studied, examined and considered Senate Concurrent Resolution 41 and House Concurrent Resolution 54, for the purpose of authorizing a referendum to amend the Bill of Rights of the Constitution of the Commonwealth of Puerto Rico to incorporate the democratic rights of the People of Puerto Rico, referred to in the second Section of this Act, which shall rule any consultation to change our political status.

"Whereas, although the majority of the members of both Houses of the Legislature supported said Concurrent Resolutions, they could not be approved because they lacked the endorsement of two thirds of the members of each Legislative Chamber required by the Constitution.

"Whereas, this Legislature solemnly recognizes the basic postulate of democracy that the fundamental matters which define the political future of a society must be ratified by the direct vote of the people.

"Whereas, it is convenient to separate these matters from the discussion in the general election.

"Whereas, it is necessary for the People of Puerto Rico to have a vehicle through which they can express to the Government of Puerto Rico their desire to consecrate these democratic rights in the Constitution of the Commonwealth of Puerto Rico and to petition the Government of the United States for the democratic rights that shall rule any consultation on our political future.

"*Be it enacted by the Legislature of Puerto Rico:*

"Section 1.—This Act shall be known and may be cited as the 'Guarantee of Democratic Rights Act.'

"Section 2.—It is provided that the following Claim for Democratic Rights be submitted to the people of Puerto Rico for their approval:

"We, the people of Puerto Rico, solemnly claim that the following democratic rights be guaranteed in our Constitution:

"the inalienable right to determine our political status, freely and democratically

"the right to choose a status of full political dignity without colonial or territorial subordination to the plenary powers of the Congress

"the right to vote for the three status alternatives Commonwealth, Statehood and Independence, based on the sovereignty of the People of Puerto Rico

"the right that the winning alternative in a status consultation shall require more than half the votes that are cast

"the right that any consultation on status shall guarantee, under any alternative, our culture, language and identity, which includes our international sports representation

"the right that any consultation on status shall guarantee, under any alternative, the American citizenship safeguarded by the Constitution of the United States of America."

"Section 3.—The Guarantee of Democratic Rights Act expresses the feeling of the Legislature of Puerto Rico. The Claim for Democratic Rights contained herein constitutes a claim to the Government of Puerto Rico on the desirability to consecrate them in the Constitution of the Commonwealth of Puerto Rico, and a Petition to the Congress and to the President of the United States for these rights to be respected when acting on our political status. If it is approved by the people, the Claim for Democratic Rights may only be modified or revoked through consultation with the people and it shall not be affected by the results of the general election.

"Section 4.—The Claim for Democratic Rights provided by Section 2 of this Act, shall be submitted for approval to the qualified electors of the Commonwealth of Puerto Rico in a referendum to be held on December 8, 1991. The ballot shall state that this claim constitutes a petition to the Congress and to the President of the United States.

"Section 5.—The Commonwealth and Statehood alternatives included in the Claim for Democratic Rights which shall be submitted to the people on December 8, 1991, are forms of status of permanent union with the United States.

"The Claim for Democratic Rights is not a claim for a change of status. The result of the referendum shall not be interpreted to be in favor or against any status alternative or political party. Neither shall it be interpreted as a petition for separation, nor modification of the present status, nor of the use of the two flags, two anthems and two languages as provided in our legal system.

"Section 6.—The Secretary of State shall remit a certified copy of this Act and its English language translation to the President of the United States and to all the members of the Congress of the United States.

"Section 7.—The Secretary of State shall remit a certified copy of the results of the referendum provided by Section 2 of this Act, to the Governor of Puerto Rico, to the President of the United States and to the members of the Congress of the United States.

"Section 8.—If any competent court declares any provision of this Act or any part thereof null, said declaration shall not affect the validity of the other provisions of this Act.

"Section 9.—This Act shall take effect immediately after its approval."

POM-274. A resolution adopted by the City Council of Wyoming, Michigan opposing the adoption of H.R. 2840, the Lead Contamination Control Act Amendments of 1991; to the Committee on Environment and Public Works.

POM-275. A resolution adopted by the City Council of Wyoming, Michigan favoring the adoption of legislation to protect cities from superfund liability; to the Committee on Environment and Public Works.

POM-276. A resolution adopted by the City Council of Wyoming, Michigan favoring the adoption of the Improved Bottled Water Act of 1991; to the Committee on Environment and Public Works.

POM-277. A joint resolution adopted by the Legislature of the State of California; to the Committee on Environment and Public Works.

"SENATE JOINT RESOLUTION NO. 15

"Whereas, The President of the United States has proposed a surface transportation reauthorization bill, which calls for tolls on interstate highways and federal subsidies for private toll roads; and

"Whereas, The California Department of Transportation has suggested that toll roads built under the President's proposal be modeled after the four toll road projects authorized in California by Section 143 of the Streets and Highways Code; and

"Whereas, The department has also suggested that Congress authorize the use of federal funds for the four demonstration projects authorized by Section 143; and

"Whereas, The language of Section 143 and the legislative history of the bill that added that section clearly indicate that only private funds were to be used to build the demonstration projects; and

"Whereas, The private developers selected for those projects have been given contracts containing the following provisions:

"(1) Large "franchise zones" within which competing projects, including improvements to many public roads, are prohibited.

"(2) The right of the developer to lease miles of airspace along toll roads for a nominal fee, on which the developers can build gas stations, restaurants, shopping centers, and other buildings.

"(3) No limit on the amount of tolls that the developer can charge.

"(4) Developers are allowed profits in excess of 20 percent from the tolls.

"(5) No limit on the profits developers can realize from airspace revenues.

"(6) Developers, through the Department of Transportation, may condemn land for the projects; and

"Whereas, The Legislature of the State of California finds that it is inappropriate to provide federal subsidies to private toll road investors; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to retain the prohibition against the use of federal funds for toll roads, except for demonstration projects currently authorized by Congress, toll bridges, and toll roads financed with interest bearing loans, and not to enact any surface transportation reauthorization act that includes the imposition of tolls on interstate highways; and be it further

"*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-278. A joint resolution adopted by the Legislature of the State of California; to the Committee on Finance:

"SENATE JOINT RESOLUTION NO. 22

"Whereas, California is experiencing steady growth in its incarcerated population; and

"Whereas, Pregnant women, women with children, and minors comprise a significant portion of the incarcerated population; and

"Whereas, Inmate health care costs are skyrocketing due to increased incidences of AIDS, substance abuse, and mental illness; and

"Whereas, In 1985, the federal government had a policy of providing medicaid for the first and last month of an inmate's incarceration; and

"Whereas, in 1985, the federal government reversed its policy and discontinued federal medicaid financial participation; and

"Whereas, Currently, otherwise eligible persons are denied medicaid eligibility upon entering a county detention or correctional facility; and

"Whereas, Counties must now fund inmate health care through county general fund moneys; and

"Whereas, These county general fund moneys could be used more effectively to provide other services, such as health care to the indigent; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact legislation, or adopt regulations, approving medicaid eligibility for otherwise eligible inmates in a county-operated detention or correctional facility, or a county-operated juvenile facility; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Secretary of Health and Human Services."

POM-279. A joint resolution adopted by the Legislature of the State of California; to the Committee on Finance:

"ASSEMBLY JOINT RESOLUTION NO. 12

"Whereas, The Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272) has been in effect for over a decade; and

"Whereas, The number of abused and neglected children being placed in out-of-home care for their protection is increasing; and

"Whereas, Existing family preservation programs initiated by California show great benefits and cost effectiveness; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature hereby respectfully requests the President and the Congress of the United States to do all of the following:

"(a) Review and update provisions of the federal Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272);

"(b) Support provisions that strengthen the ability of states to operate family preservation programs that result in a reduction of the need for out-of-home placements utilizing funding provided under Part E of Title IV of the Social Security Act (42 U.S.C. Sec. 670 et seq.) for the placement of children;

"(c) Support provisions that encourage the development of multifaceted, broad-based, family preservation programs combining features of juvenile justice, mental health, and social service programs;

"(d) Support provisions that provide for a 90 percent federal match under Part E of Title IV of the Social Security Act (42 U.S.C. Sec. 670 et seq.) for the planning, development, and installation of statewide automated child welfare data-processing systems;

(c) Support provisions that provide respite care for foster parents to assist them in meeting the needs of children who are victims of substance abuse or have special medical needs; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Governor, to the Secretary of the State Health and Welfare Agency, to the Secretary of Child Development and Education, to the Director of the State Department of Mental Health, to the Director of the State Department of Social Services, and to the Director of the Department of the Youth Authority."

POM-280. A joint resolution adopted by the Legislature of the State of California; to the Committee on Finance:

"ASSEMBLY JOINT RESOLUTION NO. 10

"Whereas, Abortion is a legal medical service related to pregnancy and the choice to elect an abortion is a personal, private right protected by the United States Constitution and California Constitution; and

"Whereas, The federal government provides assistance for pregnancy-related care for substantial numbers of women under a variety of federal programs, including the the medicaid program, the Indian Health Care Program, the Federal Employees' Health Benefits Program, the program of health care for military dependents and retirees, the Peace Corps program, general payments to the District of Columbia, and the program of medical services to federal penal and correctional institutions; and

"Whereas, Pregnant women who otherwise are provided pregnancy-related care under these programs have been denied equal access to health care services due to Congress' severe and unjustified restrictions on their freedom to choose services that relate to abortion; and

"Whereas, Denial of access to health care services because those services relate to abortion is unjust and unfair to pregnant women who are or whose spouses are employed by the federal government or who otherwise are dependent on the federal government for health care, and threatens their health and well-being and that of their families; and

"Whereas, Denial of abortion services to pregnant women who rely on the federal government for health care creates a two-tiered health care system where poor women are unable to afford a privately funded abortion and women with more resources are able to finance a private abortion; and

"Whereas, Medicaid recipients, Native American women, Peace Corps volunteers, federal employees and their dependents, military personnel and their dependents, and women in federal prisons are often unable to afford a privately funded abortion; and in the case of women in federal prisons, they are unable to leave prison to obtain abortion services; and

"Whereas, It is incumbent upon the Legislature of the State of California to request that Congress ensure that all women in our society have an equal opportunity to protect their reproductive health and to exercise their constitutional right to choose whether to terminate a pregnancy; and

"Whereas, There are two bills advancing in Congress that are each known as the Reproductive Health Equity Act, and that are designed to restore access to abortion services for women who are dependent on the federal government for their health care; and

"Whereas, The reproductive Health Equity Act would require the federal government to provide abortion services to women who receive Medicaid, Native American women, Peace Corps volunteers, federal employees and their dependents, military personnel and their dependents, and women in federal prisons; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to enact the Reproductive Health Equity Act to ensure that all women in our society have an equal opportunity to make reproductive health decisions; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of the resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-281. A joint resolution adopted by the Legislature of the State of California; to the Committee on Finance:

"ASSEMBLY JOINT RESOLUTION NO. 34

"Whereas, In California, between 1980 and 1991 the median sales price of a single-family home has escalated dramatically; and

"Whereas, In California, the percentage of people who can afford a first home has declined dramatically; and

"Whereas, In California, the average down payment for a home for a first-time buyer has significantly risen, presenting an insurmountable goal for many Californians; and

"Whereas, The dream of home ownership is fading for many Californians and others across the United States; and

"Whereas, The Legislature of the State of California and the United States Congress have shown the willingness and desire to help make home ownership attainable to those who seek to achieve it; and

"Whereas, A special type of savings account to encourage and assist individuals and families to accumulate funds for a down payment on the purchase of a first home, either in the form of an Individual Housing Account (IHA) or an existing Individual Retirement Account (IRA), which would provide either a federal tax deduction or credit for the amount deposited, with interest accumulating tax free, would greatly enhance the opportunity for greater home ownership; and

"Whereas, The law already permits a broad range of investment vehicles for IRA's and other similar accounts, and to most Americans, a house is their most significant, costly, and valuable investment; and

"Whereas, The Legislature of the State of California finds and declares that assisting those Californians who desire home ownership is both sensible and fair; now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact legislation that will provide tax incentives for individuals who save for a down payment on the purchase of a first home; and be it further

"*Resolved,* That the Congress create a new Individual Housing Account to allow individuals to save funds for the purchase of a first home, the amounts deposited to be deductible, and the income therein to accumulate tax free; and be it further

"*Resolved*, That the Congress modify Individual Retirement Accounts to allow their funds to be used for a down payment on the purchase of a first home; and be it further

"*Resolved*, That the Congress enact these savings incentives for the benefit of low- and middle-income first-time home buyers, and not for purposes of home refinancing or for other purchases of residential real estate; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-282. A joint resolution adopted by the Legislature of the State of California; to the Committee on Finance:

"SENATE JOINT RESOLUTION NO. 4

"Whereas, California has been experiencing a brutal crisis in the access of indigent people to health care; and

"Whereas, Preventive prenatal health care programs have been proven to be overwhelmingly cost-effective; and

"Whereas, Low-income women often begin prenatal care late in their pregnancies or have too few visits, because of a lack of money, transportation, or child care, or because clinics are often not open at convenient times; and

"Whereas, At least one other state has addressed this problem by successfully implementing a prenatal health care program using mobile outreach units; and

"Whereas, At least one California hospital has proposed a similar program, which would utilize a mobile health van to provide prenatal care to the target population in an effective and efficient manner; and

"Whereas, Since patients reached by such a program are usually Medi-Cal eligible, it is necessary that the program be approved for federal medicaid reimbursement by the Health Care Financing Administration; and

"Whereas, Although the administration allows satellite clinics to be certified for medicaid reimbursement and although at least one mobile health care program has been approved for reimbursement, the federal government lacks clear statutory authority to certify those programs for medicaid reimbursement; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to enact legislation or require the Health Care Financing Administration to adopt regulations permitting the certification of mobile prenatal health care van programs for reimbursement under the medicaid program; and be it further

"*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Director of the Health Care Financing Administration, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-283. A joint resolution adopted by the Legislature of the State of California; to the Committee on Finance:

"ASSEMBLY JOINT RESOLUTION NO. 9

"Whereas, When the United States Congress amended the Social Security Act in 1972 to increase retirement benefits to reflect cost-of-living increases, a technical flaw in the amended benefit formula overcompensated people who retired after 1972; and

"Whereas, Congress corrected its error by amending the Social Security Act in 1977 to bring benefits back to historical levels and phased in the reduction over five years, affecting individuals born between 1917 and 1926, the so-called "notch" years; and

"Whereas, The phase-in period has not provided a smooth transition, but has resulted in "notch babies" receiving as much as $3,000 per year less in benefits than people who have similar work histories but were born in 1916; and

"Whereas, Members of Congress have for several years tried to pass legislation that would establish a uniform benefit formula to treat those born in the "notch" years equitably; and

"Whereas, The Legislature of the State of California feels that the continued inequities in benefits received by persons born during the "notch" years undermines public confidence in the social security system and, consequently, affirms its commitment to the equitable distribution of social security benefits; now, therefore, be it

"*Resolved, by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California hereby respectfully memorializes the President and the Congress of the United States to enact appropriate legislation which would prospectively correct the "notch" in social security benefit payments for persons born between 1917 and 1926; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the chairpersons of the House and Senate Committees on Aging, and to each Senator and Representative from California, in the Congress of the United States."

POM-284. A resolution adopted by the Senate of the Commonwealth of Pennsylvania; to the Committee on Finance:

"SENATE CONCURRENT RESOLUTION NO. 98

"Whereas, The Federal Government has mandated that the states provide health care for the poor; and

"Whereas, The Pennsylvania Medicaid system meets that mandate by providing health care to the State's poor; and

"Whereas, The Medicaid program includes ever-growing numbers of eligibles and benefits which are mandated by the Federal Government; and

"Whereas, Those Federal mandates are driving up the costs of the Medicaid program, causing costs to the states to triple in the last ten years; and

"Whereas, Pennsylvania has utilized a Federally-allowable "pooling" mechanism to match the Federal contribution toward the costs of Medicaid; and

"Whereas, The Federal Health Care Finance Agency is proposing to prohibit states from engaging in "pooling"; and

"Whereas, The elimination of "pooling" has the potential for costing Pennsylvania one billion dollars over the next three years; and

"Whereas, Pennsylvanians cannot afford the rate of taxation which would be required to supplant that one billion dollars loss; therefore be it

"*Resolved (the House of Representatives concurring)*, That the General Assembly of the Commonwealth of Pennsylvania memorialize the Congress of the United States to reject these proposed rules of the Health Care Finance Administration; and be it further

"*Resolved*, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-285. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations:

"SENATE JOINT RESOLUTION NO. 29

"Whereas, The people of the Soviet Union have finally thrown off the yoke of totalitarianism after a failed Communist coup; and

"Whereas, Boris Yeltsin, the first democratically elected leader, was instrumental in turning back the forces of totalitarianism and in rejecting Communism in the Russian Republic; and

"Whereas, This is the 23rd anniversary of the Prague Spring in which the Soviet Union and the Warsaw Pact countries invaded Czechoslovakia in order to crush the liberalization drive of Alexander Dubcek; and

"Whereas, The Warsaw Pact no longer exists—the Eastern Block countries of Czechoslovakia, Poland, and East Germany have gained freedom from the tyranny of the Soviet system; and

"Whereas, The Republic of Armenia struggles to rid itself of the oppressive antifree market domination of the Soviet Union; and

"Whereas, The Republics of Estonia, Latvia, and Lithuania have declared themselves independent and are represented by democratically elected presidents; and

"Whereas, The United States of America has never recognized Stalin's forcible incorporation of Estonia, Latvia, and Lithuania into the Soviet Union; now, therefore, be it

"*Resolved by the Senate and the Assembly of the State of California, jointly*, That it is the sense of the California State Legislature that the United States should recognize Estonia, Latvia, and Lithuania as free and independent states, and support the other republics, such as Armenia, who are struggling to achieve freedom, self-government, and autonomy; and be it further

"*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the United States House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Governor of California."

POM-286. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations:

"ASSEMBLY JOINT RESOLUTION NO. 47

"Whereas, The United States has never acknowledged the incorporation of the Baltic republics into the Soviet Union due to the illegal nature of the Molotov-Ribbentrop agreement of August 23, 1939, and the subsequent hostile acquisition of land thereof: and

"Whereas, The peoples of Lithuania, Latvia, and Estonia have individually, and collectively, resisted the Communist domination of their homelands in the name of independence and democracy throughout 52 years of Soviet rule; and

"Whereas, These republics have maintained their own individual religions, languages, traditions, and literature throughout the Soviet occupation; and

"Whereas, These republics opposed the illegal coup attempt against Mikhail Gorbachev in August of 1991; and

"Whereas, These republics have been longtime supporters of democracy and independence; and

"Whereas, These nations have declared independence from the Soviet Union; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California supports Lithuania, Latvia, and Estonia in their struggle for independence from the Soviet occupation, and that the Legislature of the State of California respectfully memorializes the President and Congress of the United States of America to act immediately to extend full diplomatic recognition to the freely elected Baltic governments of Lithuania, Latvia, and Estonia; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-287. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations:

"SENATE JOINT RESOLUTION NO. 19

"Whereas, Seven soldiers of the Israel Defense Forces have been missing in action for several years in Lebanon: Yehuda Katz, Zechariah Baumel, and Tevi Feldman have been missing since 1982; Samir Assad has been missing since 1983; and Ron Arad, Yosef Pink, and Rachamim Levi-Alsheech have been missing since 1986; and

"Whereas, All evidence points to their being held in territory controlled by the Syrians by organizations linked with Syria and Iran; and

"Whereas, These Israeli POW's are being held incommunicado, and are deprived of all basic rights, such as contacts with their families and meetings with the International Red Cross—and this treatment constitutes a blatant violation of the Geneva Convention and a cruel disregard for the ordeal of their families and loved ones; and

"Whereas, Syria, Iran, and the organizations holding the Israeli POW's have refused to acknowledge responsibility for the fate of the POW's and have further refused to divulge any information as to the location or welfare of these individuals; and

"Whereas, POW's are now being exchanged following the Persian Gulf War, and it is important that the Israeli POW's not be forgotten; and

"Whereas, Discussions have resumed regarding the exchange of prisoners and western hostages; and

"Whereas, Recent developments indicate that the region is moving toward peace talks on the Israeli-Arab conflict; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California hereby urges the United States Department of State to seek the cooperation of Syria and Iran in compelling the organizations holding the seven Israeli POW's referred to in this resolution to do both of the following as a first step towards a prisoner exchange in the very near future:

(1) To grant immediate access to the seven Israeli POW's to the International Red Cross.

(2) To provide the seven Israeli POW's with all conditions required by the Geneva Convention; and be it further

"*Resolved,* That the Legislature also urges the Department of State to work with other western nations, and with middle eastern nations desirous of stability in the region, to support all efforts to secure the rights of the seven Israeli POW's referred to in this resolution—efforts which should include a full disclosure of all information relating to their welfare and to the conditions of their imprisonment and the ultimate release of the Israeli POW's as part of a general prisoner exchange; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President, the Vice President, and the Secretary of State of the United States, to the Speaker of the House of Representatives of the United States, and to each Senator and Representative from California in the Congress of the United States."

POM-288. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on the Judiciary:

"HOUSE CONCURRENT RESOLUTION NO. 218

"Whereas, The Legislature of the state of Louisiana, acting with the best intentions, has previously made application to the Congress of the United States of America for the calling of a constitutional convention for the limited purpose of proposing certain amendments to the Constitution of the United States of America; and

"Whereas, The best legal minds in the nation today are in general agreement that a convention, notwithstanding whatever limitation might be placed upon it by the call of said convention, would have within the scope of its authority the complete redrafting of the Constitution of the United States of America, thereby creating a great danger of the well-established rights of our people and to the constitutional principles under which we are presently governed; and

"Whereas, The Constitution of the United States of America, while it has been amended many times in the history of the nation and may yet be amended many times, has been extensively interpreted and has proven to be a basically sound document which protects the freedom of all Americans; and

"Whereas, There is no need for a new constitution, the adoption of which would create legal chaos in America and only begin the process of another two centuries of litigation over its interpretation by the courts; and

"Whereas, Such changes as may be needed in the present Constitution of the United States may be proposed and enacted by the well-established methods of amendment contained therein.

"Therefore, be it *Resolved* That the Legislature of Louisiana does hereby rescind any and all previous applications to the Congress of the United States made by the Legislature of the state of Louisiana pursuant to Article V of the Constitution of the United States of America for the calling of a constitutional convention for any purpose, limited or general.

"Be it further *Resolved,* That a copy of this Resolution be transmitted to the presiding officers of the Senate and the House of Representatives of the Congress of the United States of America, to the members of the Louisiana delegation to the Congress of the United States, and to the presiding officers of each house of the legislatures of the several states."

POM-289. A joint resolution adopted by the Legislature of the State of California; to the Committee on the Judiciary:

"ASSEMBLY JOINT RESOLUTION NO. 28

"Whereas, The Congress of the United States adopted the Immigration Reform and Control Act of 1986 (IRCA) to legalize millions of individuals who were residing permanently or temporarily in the United States without proper documentation; and

"Whereas, The act permitted the states to create and maintain education, health, and public assistance programs to assist individuals who were eligible for amnesty to transfer from undocumented to documented status; and

"Whereas, Congress appropriated $4 billion to fund the State Legalization Impact Assistance Grants (SLIAG) program to assist states in the creation and maintenance of these programs; and

"Whereas, Approximately 1.6 million immigrants currently reside in California, have applied for amnesty, and will become permanent residents of California; and

"Whereas, Approximately 75 percent of the 1.6 million amnesty applicants are functionally illiterate in English, having scored below the 215 level on the Comprehensive Adult Student Assessment System which is equivalent to a fifth grade level and is the literacy benchmark used by California's welfare reform program to indicate a student's readiness for preemployment training; and

"Whereas, The newly legalized population has a health profile which includes a high incidence of diabetes, hypertension, upper respiratory problems, at risk pregnancies, high rates of pregnancies, and other conditions which lead to life-threatening illnesses; and

"Whereas, The federal government through the Family Support Administration of the Department of Health and Human Services issued the SLIAG regulations more than eight months after the program was to have begun; and

"Whereas, This delay was compounded by a lack of guidelines to be followed by states and their subcontractors in dealing with proper documentation and cost tracking standards; and

"Whereas, The initial SLIAG federal regulations precluded states from spending SLIAG funds on outreach programs, and this resulted in much lower amnesty applicant participation in SLIAG programs; and

"Whereas, The amnesty applicant population is difficult to reach through traditional outreach programs and for this reason specially tailored programs had to be created to encourage this population to access SLIAG programs; and

"Whereas, The federal government issued regulations which permitted state governments to expend their SLIAG funds through 1994 and the State of California chose to use SLIAG funds over a minimum period of five years; and

"Whereas, The use of SLIAG funded programs has increased every year they have been in existence, and the total demand for these programs is expected to remain at a high level; and

"Whereas, Despite all these obstacles, California has drawn more than $962 million, or 75 percent, of its approximate $1.3 billion allocation, to date, in SLIAG funding and expects an upward trend in future expenditures; and

"Whereas, The level of spending of SLIAG funds has resulted in the impression that the newly legalized population is not in need of education, health, and public assistance services; and

"Whereas, This impression contradicts the experience in California where the newly legalized population is in great need of services to assist in its integration into the mainstream of society; and

"Whereas, The General Accounting Office recommended concurrence with congressional action to restore SLIAG funds for 1992 if states could demonstrate increased use of SLIAG moneys; and

"Whereas, The President has proposed to eliminate the allocation of $1.1 billion to the states for the SLIAG program, as proposed in the Federal Fiscal 1992 Budget; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to honor the commitment to restore previously deferred federal funding for the State Legalization Impact Assistance Grants program and to assist the amnesty population in the transition into the mainstream of American society; and be it further

"*Resolved*, That the Legislature of the State of California further memorializes Congress that the State of California approved and adopted a five-year program for spending its full SLIAG funding, and must accommodate 1.6 million, or more than 50 percent of the total amnesty population in the United States; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and the Vice President of the United States, the Secretary of Education, the Secretary of Health and Human Services, the Speaker of the House of Representatives, and each Senator and Representative from California to the Congress of the United States."

POM–290. A joint resolution adopted by the Legislature of the State of California; to the Committee on Labor and Human Resources:

"ASSEMBLY JOINT RESOLUTION NO. 40

"Whereas, the antiprogesterone steroid mifepristone, known as RU–486, has been approved and available in France since November of 1988; and

"Whereas, It is in keeping with basic medical standards to avoid surgical procedures whenever an equally effective noninvasive alternative is available; and

"Whereas, The medical community has identified RU–486 as a promising treatment for medical purposes, including the termination of early pregnancy, treatment of breast and brain cancer, endometriosis, AIDS, glaucoma, gynecological malignancies, osteoporosis, Cushing's disease, and other serious conditions facing women and all Americans; and

"Whereas, The American Medical Association, the American Public Health Association, the American College of Obstetricians and Gynecologists, the American Association for the Advancement of Science, the California Medical Association, the California Chapter of the American College of Obstetricians and Gynecologists, Los Angeles Medical Commission, and the California Conference of Local Health Officers have formally recognized the importance of RU–486 and support the testing of RU–486 in the United States; and

"Whereas, The Food and Drug Administration acted precipitously and without evidence that RU–486 was brought into the country illegally when it enacted the import alert against RU–486, and this import alert has thwarted the availability of RU–486 to the few scientific research studies being conducted in the United States with the drug; and

"Whereas, California is the largest state in the nation and should maximize its resources to help make this technology available to women; and

"Whereas, All American women and their families are entitled to the best medical research and this drug may be the solution to many conditions now predominantly affecting women; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California memorializes the Congress and the President of the United States to rescind the import alert imposed by the Food and Drug Administration and support the use of RU–486 for all appropriate research and, if indicated, clinical trials; and be it further

"*Resolved*, That the Legislature of the State of California urges the State Department of Health Services to use its statutory authority to approve the use of RU–486 in clinical trials as expeditiously as possible; and be it further

"*Resolved*, That the Legislature of the State of California encourages all qualified investigators, companies, and businesses which decide to test RU–486 to choose California as the site for clinical trials for all research associated with RU–486 and to submit the data from the clinical trials to the Food and Drug Administration and the State Department of Health Services; and be it further

"*Resolved* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the manufacturer of RU–486, Roussel UCLAF, 35 Boulevard des Invalides 75007, Paris France, to the Commissioner of the federal Food and Drug Administration, and to the State Director of Health Services."

POM–291. A joint resolution adopted by the Legislature of the State of California; to the Committee on Labor and Human Resources:

"ASSEMBLY JOINT RESOLUTION NO. 42

Whereas, Every American woman should consider herself at risk of breast cancer; and

"Whereas, Breast cancer remains the most common form of cancer in women, and ranks second only to lung cancer as the leading cause of cancer deaths among women; and

"Whereas, Breast cancer robs women of their security, their dignity, and valuable years of motherhood to the children they leave behind; and

"Whereas, 175,000 women were diagnosed with breast cancer in 1990 and 44,500 women will die from breast cancer this year; and

"Whereas, There is recognition and significant alarm over new statistical data indicating that breast cancer in the United States is rising at a rate of approximately 2 percent a year; and

"Whereas, While 30 years ago, breast cancer struck one in every 20 American women, today one out of nine American women will develop breast cancer in her lifetime; and

"Whereas, Of those women who contract breast cancer, one out of four will die from the disease, and this death rate represents a 24 percent increase since 1979; and

"Whereas, The annual direct medical costs of breast cancer to our society are $2 billion, more than $2,000 a year per woman living with breast cancer; and

"Whereas, The direct and indirect costs concerning a breast cancer diagnosis exact an economic toll of $8 billion a year. This figure is computed by the impact on the health system, the loss of work time, the loss of women employees, and the lives lost to a disease that bankrupts families emotionally and economically; and

"Whereas, Current breast cancer research is directed at detection and treatment, but basic research to prevent healthy women from ever getting breast cancer is virtually nonexistent; and

"Whereas, The total budget for the National Cancer Institute (NCI) has increased by only $23 million in inflation-adjusted dollars during the last decade, the lowest percentage increase among all the institutes of health; and

"Whereas, Due to the lack of funds, only 26 percent of the NCI breast cancer grant requests approved through the peer review process currently receive any money; and

"Whereas, The continuing rise in the lifetime risk of breast cancer incidence means that emphasis must be given to breast cancer when research grants are funded; and

"Whereas, The only effective means of protecting the health of American women is to conduct the critically needed basic breast cancer research as proposed on the federal level; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes Congress and the President of the United States to enact HR 2210, the Breast Cancer Basic Research Act, by Representative Mary Rose Oakar, which would allocate $50 million to the National Cancer Institute for breast cancer research; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM–292. A joint resolution adopted by the Legislature of the State of California; to the Committee on Labor and Human Resources:

"ASSEMBLY JOINT RESOLUTION NO. 37

"Whereas, The practice of replacing striking workers has increased dramatically since 1981; and

"Whereas, The right of workers to withhold their labor during negotiations has been an essential element of the collective bargaining process; and

"Whereas, Employee faith in the collective bargaining process is damaged by any undermining of this basic right, thereby increasing the probability of prolonged and disruptive labor disputes and increased economic hardship; and

"Whereas, An increasing number of employers in the 1980's relied upon a 1938 Supreme Court ruling that legalized the "replacement" of striking workers and a 1986 decision that authorized preferential treatment for strikebreakers, thereby disturbing the balance of power which had previously ensured fair and expedient labor negotiations; and

"Whereas, Thousands of workers in California have lost their jobs when they chose to exercise their rights and, in effect, their last practical recourse under the National Labor Relations Act and the Railway Labor Act; and

"Whereas, Proposed amendments to the National Labor Relations Act and the Railway Labor Act contained in H.R. 5 and S. 55 would make it unlawful to offer permanent employment or employment preference to an individual who would work during a strike; and

"Whereas, Approval of H.R. 5 and S. 55 would restore the right to strike to its historical status as a legitimate tool of the collective bargaining process; and

"Whereas, H.R. 5 and S. 55 would further prohibit employers from providing preferential benefits to workers who would cross the picket line to return to work and thus protect the rights of, and prevent retribution against, workers who participate in job actions; and

"Whereas, H.R. 5 and S. 55 are essential to restoring the integrity and purpose of the National Labor Relations Act's and the Railway Labor Act's time-tested process for the fair and equitable disposition of labor disputes; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the Congress of the United States to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes by limiting the hiring of permanent replacement workers during bona fide labor-management disputes and prohibiting employers from offering preferential benefits to those workers; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-293. A joint resolution adopted by the Legislature of the State of California; to the Committee on Labor and Human Resources:

"SENATE JOINT RESOLUTION NO. 27

"Whereas, Family planning clinics provide important access to health services for California's economically disadvantaged women; and

"Whereas, Federal Title X funds provide $12.2 million to California, financial assistance critical to over 200 family planning facilities statewide; and

"Whereas, The majority of women served by family planning clinics receiving Title X funding have no other alternatives for health care; and

"Whereas, California's family planning clinics are already experiencing significant financial stress as the result of below average reimbursement rates for services provided; and

"Whereas, California's law on "informed consent" requires physicians to advise their patients of all risks, benefits, and alternatives on any medical procedure, and any limits on informed consent would represent a violation of California law; and

"Whereas, California's physicians have a professional obligation to inform their patients of all their treatment alternatives, and any limits on this obligation would jeopardize the patient-physician relationship; and

"Whereas, The United States Supreme Court ruling of May 23, 1991, in the case of Rust v. Sullivan, upholds regulations adopted by the Secretary of Health and Human Services which prohibit family planning programs that receive Title X funds from providing abortion counseling or referral services to women; and

"Whereas, The people of California believe that the regulations adopted by the Secretary of Health and Human Services violate the fundamental rights to privacy and free speech, despite the United States Supreme Court's holding; and

"Whereas, Family planning providers might be forced out of moral obligation, the exercise of their right to free speech, and their adherence to California's law on informed consent, to turn down federal title X funding, thereby reducing the number of women served or closing family planning facilities; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly*, That the Legislature of the State of California expresses its deep concern over the United States Supreme Court ruling in the case of Rust v. Sullivan upholding the regulations prohibiting health care professionals from counseling their patients on, or providing referrals for, abortion, and strongly supports federal legislation clarifying original congressional intent that Title X funding be used to provide unbiased and accurate information on reproductive health care for economically disadvantaged women; and be it further

"*Resolved*, That the Legislature of the State of California strongly urges that the United States Congress enact clarifying legislation and the President of the United States sign the legislation into law; and be it further

"*Resolved*, That the Legislature of the State of California registers its alarm that the United States Supreme Court ruling undermines a woman's fundamental right to privacy, including her right to choose an abortion, and be it further

"*Resolved*, That the Legislature of the State of California reaffirms its support for protection of these rights for all women, including economically disadvantaged women, and be it further

"*Resolved*, That the Legislature of the State of California expresses its serious concern that the United States Supreme Court ruling limits the First Amendment rights of free speech of health care professionals, and be it further

"*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the President pro Tempore of the United States Senate, to each Senator and Representative from California in the Congress of the United States, to the Chief Clerk of the United States House of Representatives, to the Secretary of the United States Senate, and to the presiding officer of each house of the legislature of each of the other states in the Union."

POM-294. A joint resolution adopted by the Legislature of the State of California; to the Committee on Labor and Human Resources:

"SENATE JOINT RESOLUTION NO. 25

"Whereas, It is the intent of the Legislature to support and enhance the opportunity and ability of all persons with disabilities who reside within California to lead productive, independent, personally empowered, and contributing lives; and

"Whereas, The Department of Rehabilitation provides a specialized constellation of case management, counseling, and the purchase of goods and services and provides a variety of assistance to persons with disabilities who have independent living, employment, and employability needs; and

"Whereas, This vocational rehabilitation system was originated and defined in 1920 by federal law whose current form and funding is embodied in the federal Rehabilitation Act of 1973, the intent of which is to promote more independent and productive lives for persons with disabilities; and

"Whereas, Efforts to review and reform this original purpose have only led to minor changes in the service approach, philosophy, and funding patterns, despite evidence which indicates not only that persons with severe disabilities continue to experience 74 to 86 percent unemployment, major underemployment due to segregation and low expectation, and increasing waiting lists for services, but also that disabled youth and older persons are extremely underserved; and

"Whereas, With passage of the Americans with Disabilities Act of 1990, which sets forth a sweeping new and systematic declaration of human and civil rights for people with disabilities based on contemporary congressional findings and the assertion of cultural and societal values, dramatic increases in full participation and economic integration of all persons with disabilities will occur in America; and

"Whereas, No substantial effort has been exerted to look at the many areas of potential system improvements and economies that coexist between the public rehabilitation system, unemployment insurance, and workers' compensation in California that would lead to major benefits to the California economy; and

"Whereas, A revolution in technology, science, and support services exists that offers to expand the benefits to consumers of services and the public and private employer sector in California; and

"Whereas, Research from the last decade and the summing up of the best clinical and program practices has not been applied to the service delivery system in order to improve quality and economies to the consumer and tax paying public; and

"Whereas, The federal Rehabilitation Act of 1973 will be reauthorized by Congress by September 1991; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly*, That the Legislature of the State of California urges the California Congressional Delegation to support a two-year reauthorization process of the federal Rehabilitation Act of 1973 that will provide widespread local hearings to ensure maximum public input to focus on establishing a paradigm shift in the rehabilitation system service design in keeping with the spirit and letter of the Americans with Disabilities Act; and be it further

"*Resolved*, That the Legislature commission a study to be completed not later than September 1, 1993, and to be coordinated by the Senate Office of Research in consultation with the Department of Rehabilitation, which parallels the congressional reauthorization timetable that will provide the Legislature with recommendations on the administrative, programmatic and fiscal reorganization of the Department of Rehabilitation that will do all of the following:

"(a) Research and analyze cost-benefit data that currently exists.

"(b) Define performance standards and outcome measures for services to persons with disabilities.

"(c) Compare state-of-the-art service models and approaches to maximize the benefits and utilization of these best practices in serving people with disabilities.

"(d) Recommend appropriate levels of funding needed to meet the needs of disabled persons in service modes that are congruent with the modern mission of the department.

"(e) Install patterns of spending and utilization of federal funds that promote maximum success in achieving personal empowerment and productive independent living, including voucher systems and the creative mixing and matching of public and private funds.

"(f) Install service models that maximize economies consistent with the values, goals, and objectives of career-oriented support services and assessment approaches; and be it further

"*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

Mr. LOTT:

S. 2163. A bill to establish a Second National Blue Ribbon Commission to Eliminate Waste in Government; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

Mr. SARBANES:

S. 2164. A bill to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes; to the Committee on Finance.

Mr. BINGAMAN:

S. 2165. A bill to amend the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.) to establish the National Education Property Board, and for other purposes; to the Committee on Governmental Affairs.

Mr. KASTEN:

S.J. Res. 243. A joint resolution to designate the period commencing March 8, 1992 and ending on March 14, 1992, as "Deaf Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

Mr. GORE:

S. Con. Res. 87. A concurrent resolution expressing the sense of the Congress that the President of the United States should lead the United States delegation to the United Nations Conference on the Environment and Development; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SARBANES:

S. 2164. A bill to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes; to the Committee on Finance.

EXTENSION OF EMERGENCY UNEMPLOYMENT BENEFITS

• **Mr. SARBANES.** Mr. President, economic circumstances have made it necessary to seek another extension of unemployment benefits for American workers. The legislation I am introducing today addresses a serious and urgent problem that Congress and the President should resolve as soon as possible.

The bill would provide an additional 13 weeks of unemployment benefits for jobless workers in all States through June 13, 1992. With this bill and the Emergency Unemployment Compensation Program enacted in November, workers could be eligible for up to 59 weeks of benefits in high unemployment States or 52 weeks of benefits in all other States.

Over a million jobless workers were able to claim extended benefits under the EUC program that went into effect in November. More than half of them will run out of benefits again in February. Unless we act, they will have the safety net pulled out from under them in the midst of a prolonged recession.

To get the economy out of recession and put it on course for strong economic growth in the future, we need a comprehensive economy recovery and growth program. One of the basic elements of the package must be a further extension of unemployment insurance benefits.

Unemployment insurance is the first line of defense against recession. Benefits paid to workers accomplish two objectives. First, they help workers and their families in a period of distress. Second, they help slow the deterioration of the economy. They flow to the locations in the most economic distress, and they are spent immediately. Unemployment benefits are a well-timed, well-targeted countercyclical economic stabilizer.

Unfortunately, today's recession has overrun the first line of defense. The recession is in its 18th month—three times as long as the basic benefit period. The is no evidence that we are turning the corner, in fact, some key economic indicators are worse today than at any other time during the recession. In December, the unemployment rate was 7.1 percent. Nearly 9 million Americans are unemployed and many of them have exhausted their unemployment benefits. They are looking for work in a job market that is far worse than it was when they lost their jobs.

During the recession, the number of long-term unemployed has risen sharply. Eighteen months ago, about 600,000 people had been without work for longer than 26 weeks. By December, more than 1½ million people had been looking for work for more than 26 weeks. The number took a sharp rise just within the last 2 months.

Given the direction of the economy and the growing numbers of long-term unemployed, it makes sense to extend the number of weeks of unemployment insurance coverage. In the last two serious recessions, workers who remained unemployed for extended periods of time received a minimum of 52 weeks of unemployment benefits. Today in the midst of the longest recession in postwar history, we provide only a maximum of 39 weeks of benefits.

The bill I am introducing today adds another level of benefits to the Emergency Unemployment Compensation Act, which provides 13 or 20 weeks of benefits beyond the 26 weeks normally provided by State unemployment programs. The legislation would provide up to an additional 13 weeks in all States, through June 14, 1992. It also extends the authorization of the EUC program from June 13, 1992, through October 3, 1992.

In addition, the bill assures that the extended benefits trust fund will receive credit for the funding measures enacted as part of the EUC. Currently, the EB trust fund is being docked for the EUC benefits paid, but the fund is not being credited with the offsetting funding measures enacted in November.

I argued last year for an emergency declaration on the grounds that the funds had already been raised for the purpose of extended UI benefits. Instead of declaring an emergency, we enacted offsetting funding measures. The value of those measures should be credited to the trust fund.

The President's refusal to accept the unemployment bill Congress sent to him in August and again in October caused irreversible pain for countless numbers of families across the country. While they waited for an extension of benefits to take effect, many of them lost homes, were evicted from their apartments, had their cars reclaimed, and sank deeper in economic distress. This must not happen again. While the extension of unemployment benefits is a critical part of any economic package, it is a self-standing piece. It should be moved as quickly as possible and not embroiled in any other issues.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2164

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN AMOUNT OF EMERGENCY UNEMPLOYMENT BENEFITS.

(a) INCREASE IN BENEFITS.—

(1) Subparagraph (A) of section 102(b)(2) of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) is amended to read as follows:

"(A) IN GENERAL.—Except as otherwise provided in this paragraph—

"(i) IN GENERAL.—

"(I) In the case of weeks beginning during a high unemployment period, the applicable limit is 33.

"(II) In the case of weeks not beginning in a high unemployment period, the applicable limit is 26.

"(ii) REDUCTION FOR WEEKS AFTER JUNE 13, 1992.—In the case of weeks beginning after June 13, 1992—

"(I) clause (i) of this subparagraph shall be applied by substituting '20' for '33', and by substituting '13' for '26', and

"(II) subparagraph (A) of paragraph (1) shall be applied by substituting '100 percent' for '130 percent'.

In the case of an individual who is receiving emergency unemployment compensation for a week which includes June 13, 1992, the preceding sentence shall not apply for purposes of determining the amount of emergency unemployment compensation payable to such individual for any week thereafter beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act."

(2) Subparagraph (A) of section 102(b)(1) of such Act is amended by striking "100 percent" and inserting "130 percent".

(3) Subsection (c) of section 501 of such Act is amended—

(A) by striking "65" and inserting "130", and

(B) by adding at the end thereof the following new sentence: "Effective on and after June 13, 1992, the preceding sentence shall be applied by substituting '65' for '130'; except that, in the case of an individual who is receiving extended benefits under this section for June 12, 1992, this sentence shall not apply for purposes of determining the amount of extended benefits payable to such individual for any day thereafter in a continuous period for which the individual meets the eligibility requirements of this section and the Railroad Unemployment Insurance Act."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Subsection (e) of section 101 of such Act is amended by striking "in a 20-week period or 13-week period, as defined in section 102,".

(2) Subsection (c) of section 102 of such Act is amended—

(A) by striking "20-week" in paragraph (1) and inserting "high unemployment", and

(B) by striking "20-WEEK" in the subsection heading and inserting "HIGH UNEMPLOYMENT".

(3) Section 102 of such Act is amended by striking subsection (d).

(4) Subsection (e) of section 102 of such Act is amended to read as follows:

"(e) SPECIAL RULES.—

"(1) MINIMUM DURATION.—A high unemployment period shall last for not less than 13 weeks.

"(2) NOTIFICATION BY SECRETARY.—When a determination has been made that a high unemployment period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register."

(5) Paragraph (1) of section 102(g) of such Act is amended by striking "20-week period or 13-week period" and inserting "high unemployment period".

(6) Paragraph (2) of section 102(g) of such Act is amended by striking "20-week period" and inserting "high unemployment period".

(7) Section 106(b) of such Act is amended by striking "paragraph (3), (4), or (5)" and inserting "paragraph (3) or (4)".

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to weeks of unemployment beginning after the date of the enactment of this Act.

(2) TECHNICAL AMENDMENT.—The amendment made by subsection (b)(7) shall take effect as if included in the amendments made by section 3 of the Act entitled "An Act to provide for the termination of the application of title IV of the Trade Act of 1974 to Czechoslovakia and Hungary" (Public Law 102–182).

SEC. 2. EXTENSION OF PROGRAM.

(a) GENERAL RULE.—Sections 102(f)(1)(B), 102(f)(2), 106(a)(2), and 501(b) (1) and (2) of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) are each amended by striking "June 13, 1992" and inserting "October 3, 1992".

(b) CONFORMING AMENDMENT.—Subsection (a) of section 501 of such Act is amended by striking "June, 1992" and inserting "September 1992".

SEC. 3. TRANSFER OF FUNDS TO THE UNEMPLOYMENT TRUST FUND.

The Secretary of the Treasury shall transfer to the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund an amount equal to the amount of deficit reduction resulting from the provisions contained in title IV and title VI of the Emergency Unemployment Compensation Act of 1991. The amount of such deficit reduction shall be based on estimates made by the Office of Management and Budget pursuant to the Budget Enforcement Act of 1990 for the 5-fiscal year period beginning in fiscal year 1992. In the event no official estimate is required for any year in such 5-year period, the Office of Management and Budget shall make such estimates for such a year in a manner consistent with the Budget Enforcement Act of 1990.

SEC. 4. TREATMENT UNDER PAY-AS-YOU-GO PROCEDURES.

(a) DESIGNATION AS EMERGENCY.—The provisions of (and amendments made by) this Act shall be treated as provisions designated as emergency requirements by the President and the Congress under section 252(a) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) NEW BUDGET AUTHORITY, ETC. NOT CONSIDERED.—Any amount of new budget authority or outlays resulting from the provisions of (and amendments made by) this Act shall not be considered for any purpose under the Balanced Budget and Emergency Deficit Control Act of 1985.•

By Mr. KASTEN:

S.J. Res. 243. Joint resolution to designate the period commencing March 8, 1992, and ending on March 14, 1992, as "Deaf Awareness Week"; to the Committee on the Judiciary.

DEAF AWARENESS WEEK

• Mr. KASTEN. Mr. President, the voice of students at Gallaudet University was heard loud and clear in March 1988. Their victorious progressive social movement stands alone in the history of deaf America. As the fourth anniversary of these events nears, it is important that we commemorate that most important accomplishment—the installation of Gallaudet's first ever deaf president.

Today it is a great joy for me to once again introduce a resolution that provides national recognition to the historic "Deaf Awareness Week."

Designating March 8–14, 1992, as "Deaf Awareness Week" will not only educate able American citizens, but it will also bring enormous pride to the approximately 24 million who are hearing impaired. This week will symbolize ideals that have been realized over the past 4 years.

This special week will once again provide us with the opportunity to listen to our fellow citizens who are hearing impaired.

Let us continue to pay tribute to the outstanding efforts of the students, faculty, and alumni of Gallaudet University by commemorating "Deaf Awareness Week."•

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 2, a bill to promote the achievement of national education goals, to establish a National Council on Educational Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes.

S. 21

At the request of Mr. CRANSTON, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 21, a bill to provide for the protection of the public lands in the California desert.

S. 152

At the request of Mr. COATS, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 152, a bill to amend the Internal Revenue Code of 1986 to increase the personal exemption to $4,000.

S. 308

At the request of Mr. MITCHELL, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 308, a bill to amend the Internal Revenue Code of 1986 to permanently extend the low-income housing credit.

S. 642

At the request of Mr. COATS, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 642, a bill to amend the Internal Revenue Code of 1986 to increase the personal exemption for dependents of a taxpayer.

S. 643

At the request of Mr. COATS, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 643, a bill to amend the Internal Revenue Code of 1986 to increase the personal exemption for dependent children of a taxpayer who are 6 years old or younger.

S. 644

At the request of Mr. SIMON, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 644, a bill to amend the Budget Enforcement Act of 1990 to allow offsetting transfers among discretionary spending categories.

S. 701

At the request of Mr. COATS, the name of the Senator from Florida [Mr.

Mack] was added as a cosponsor of S. 701, a bill to amend the Internal Revenue Code of 1986 to increase the amount of the exemption for dependent children under age 18 to $3,500, and for other purposes.

S. 752

At the request of Mr. Smith, his name was added as a cosponsor of S. 752, a bill to amend the Internal Revenue Code of 1986 to make the allocation of research and experimental expenditures permanent.

S. 1009

At the request of Mr. Coats, the name of the Senator from Florida [Mr. Mack] was added as a cosponsor of S. 1009, a bill to amend the Internal Revenue Code of 1986 to increase the amount of the exemption for dependent children under age 18 to $4,000, and for other purposes.

S. 1257

At the request of Mr. Boren, the name of the Senator from Oklahoma [Mr. Nickles] was added as a cosponsor of S. 1257, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real estate activities under the limitations on losses from passive activities.

S. 1725

At the request of Mr. Dixon, the name of the Senator from Montana [Mr. Burns] was added as a cosponsor of S. 1725, a bill to authorize the minting and issuance of coins in commemoration of the quincentenary of the first voyage to the New World by Christopher Columbus and to establish the Christopher Columbus Quincentenary Scholarship Foundation and an Endowment Fund, and for related purposes.

S. 1774

At the request of Mr. Bryan, the names of the Senator from Maryland [Ms. Mikulski], the Senator from Mississippi [Mr. Lott], and the Senator from Montana [Mr. Burns] were added as cosponsors of S. 1774, a bill to establish a silver congressional commemorative medal for members of the United States Armed Forces who served in a combat zone in connection with the Persian Gulf conflict.

S. 1931

At the request of Mr. Stevens, the names of the Senator from Texas [Mr. Bentsen], the Senator from South Carolina [Mr. Thurmond], the Senator from Indiana [Mr. Lugar], the Senator from Colorado [Mr. Brown], the Senator from Illinois [Mr. Dixon], and the Senator from Arizona [Mr. DeConcini] were added as cosponsors of S. 1931, a bill to authorize the Air Force Association to establish a memorial in the District of Columbia or its environs.

S. 1966

At the request of Mr. Biden, the name of the Senator from Colorado [Mr. Brown] was added as a cosponsor of S. 1966, a bill to establish a national background check procedure to ensure that persons working as child care providers do not have a criminal history of child abuse, to initiate the reporting of all State and Federal child abuse crimes, to establish minimum guidelines for States to follow in conducting background checks and provide protection from inaccurate information for persons subjected to background checks, and for other purposes.

S. 2009

At the request of Mr. Packwood, the name of the Senator from Louisiana [Mr. Johnston] was added as a cosponsor of S. 2009, a bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities.

S. 2065

At the request of Mr. Dixon, the names of the Senator from North Dakota [Mr. Conrad] and the Senator from New York [Mr. D'Amato] were added as cosponsors of S. 2065, a bill to federalize the crime of child molestation for repeat offenders.

S. 2106

At the request of Mr. Cranston, the name of the Senator from Minnesota [Mr. Durenberger] was added as a cosponsor of S. 2106, a bill to grant a Federal charter to the Fleet Reserve Association.

S. 2157

At the request of Mr. Cranston, the name of the Senator from Pennsylvania [Mr. Wofford] was added as a cosponsor of S. 2157, a bill to limit the provision of United States foreign assistance, including security assistance, to developing countries whose military expenditures do not exceed more than 3.6 percent of their gross national product.

SENATE JOINT RESOLUTION 214

At the request of Mr. Riegle, the names of the Senator from Massachusetts [Mr. Kennedy], the Senator from Nevada [Mr. Reid], the Senator from Arkansas [Mr. Pryor], the Senator from Nebraska [Mr. Exon], the Senator from Connecticut [Mr. Lieberman], the Senator from Illinois [Mr. Simon], the Senator from Tennessee [Mr. Sasser], the Senator from Washington [Mr. Adams], the Senator from Minnesota [Mr. Wellstone], the Senator from South Dakota [Mr. Pressler], the Senator from Vermont [Mr. Jeffords], the Senator from Kansas [Mrs. Kassebaum], the Senator from Indiana [Mr. Coats], the Senator from Missouri [Mr. Bond], the Senator from Missouri [Mr. Danforth], the Senator from New Mexico [Mr. Domenici], and the Senator from Delaware [Mr. Roth] were added as cosponsors of Senate Joint Resolution 214, a joint resolution to designate May 16, 1992, as "National Awareness Week for Life-Saving Techniques."

SENATE JOINT RESOLUTION 228

At the request of Mr. D'Amato, the name of the Senator from North Dakota [Mr. Conrad] was added as a cosponsor of Senate Joint Resolution 228, a joint resolution to designate the week beginning February 23, 1992, as "National Manufacturing Week."

SENATE JOINT RESOLUTION 240

At the request of Mr. Specter, the names of the Senator from New York [Mr. Moynihan], the Senator from Connecticut [Mr. Dodd], the Senator from Ohio [Mr. Glenn], the Senator from New Jersey [Mr. Bradley], the Senator from Massachusetts [Mr. Kerry], the Senator from Maryland [Ms. Mikulski], the Senator from Connecticut [Mr. Lieberman], the Senator from North Dakota [Mr. Burdick], the Senator from Illinois [Mr. Dixon], the Senator from Ohio [Mr. Metzenbaum], the Senator from Delaware [Mr. Biden], the Senator from Nevada [Mr. Reid], the Senator from Florida [Mr. Graham], the Senator from Pennsylvania [Mr. Wofford], the Senator from Washington [Mr. Adams], the Senator from Nevada [Mr. Bryan], the Senator from Rhode Island [Mr. Pell], the Senator from Michigan [Mr. Riegle], the Senator from Delaware [Mr. Roth], the Senator from New Hampshire [Mr. Rudman], the Senator from Utah [Mr. Garn], the Senator from South Carolina [Mr. Thurmond], the Senator from Iowa [Mr. Grassley], the Senator from Florida [Mr. Mack], the Senator from South Dakota [Mr. Pressler], and the Senator from Alaska [Mr. Murkowski] were added as cosponsors of Senate Joint Resolution 240, a joint resolution designating March 25, 1992 as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE CONCURRENT RESOLUTION 17

At the request of Mr. Hatch, the names of the Senator from Arkansas [Mr. Bumpers], the Senator from Rhode Island [Mr. Chafee], the Senator from Alabama [Mr. Shelby], the Senator from Wisconsin [Mr. Kasten], and the Senator from North Carolina [Mr. Helms] were added as cosponsors of Senate Concurrent Resolution 17, a concurrent resolution expressing the sense of Congress with respect to certain regulations of the Occupational Safety and Health Administration.

AMENDMENT NO. 1479

At the request of Mr. Nickles the name of the Senator from Missouri [Mr. Bond] was added as a cosponsor of amendment No. 1479 proposed to S. 2, a bill to promote the achievement of national education goals, to establish a National Council on Educational Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes.

SENATE CONCURRENT RESOLUTION 87—RELATIVE TO THE PRESIDENT'S ATTENDANCE AT THE EARTH CONFERENCE

Mr. GORE submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 87

Whereas the United Nations Conference on Environment and Development presents an unique opportunity for community of nations to discuss options to arrest poverty and environmental destruction as we enter the 21st century;

Whereas, the United Nations has determined that the conference will be a meeting at the head of State and Governmental level: Now, therefore be it;

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President should—

(1) attend the United Nations Conference on Environment and Development in June, 1992, as the leader of the United States delegation.

Mr. GORE. Mr. President, I rise on this occasion to introduce a joint resolution calling upon the President of the United States to recognize the extraordinary importance of the U.N. Conference on Environment and Development that will be held in Brazil in June of this year, and to announce his intention to personally attend the so-called Earth summit.

Mr. President, I feel that President Bush should attend the Earth summit because it promises to be the single most important meeting ever held on the global environmental crisis and on ways that nations throughout our world can work together to successfully resolve this crisis.

The leaders of every other G–7 nation have already announced their intention to personally attend the Earth summit. I believe it is time for President Bush to do the same thing.

Mr. President, I want to emphasize that in introducing this resolution, I am not in any way, shape, or form attempting to make a partisan point. In fact, today in the other body, this same resolution is being introduced by my colleague, Congressman JOHN PORTER, a member of the Republican Party, and it has very strong bipartisan support, both in the Senate and in the other body.

Our purpose in introducing this resolution is, first of all, to urge the President to go to the Earth summit. But there is a second message in this resolution. We want to provide some degree of comfort to the President's political advisors by telling them that they do not have to worry about President Bush receiving any partisan criticism for leaving this country and going to Brazil for this extremely important meeting.

On some occasions during the past year, there has been a good deal of criticism directed at President Bush for paying less attention to the problems of our country than he has devoted to the many challenges that fall into his area of responsibility where foreign policy is concerned, and Congressman PORTER and I, and many of our colleagues in both parties, want to put the Congress of the United States on record as urging the President to attend the Earth Summit, partly to insulate him from any concern about criticism if he does attend.

I think he has to attend, Mr. President. Let me simply say that it is inconceivable to me that he would decide not to go to the Earth summit. There has been a very long planning period in nations throughout the world aimed at the Earth summit in Brazil. There are two important negotiations underway right now, one on climate change, and the other on biodiversity, aimed at completing treaties that will be signed at the Earth summit in Brazil.

A few weeks ago, Mr. President, I spent a week in Geneva at the negotiations leading up to the UNCED conference in Brazil. I wish to report to my colleagues that the negotiations are proceeding fairly well, although I must say that on some key points, the lineup is 139 countries on one side, and only one country on the other side; that one country being our own, because of positions adopted by the Bush administration.

I will go into more detail on those points in a formal report to the Senate on the preparations for UNCED and on the state of play in the negotiations for the climate change treaty and the biodiversity treaty. But on this occasion, I want to focus on this resolution.

I intend, incidentally, Mr. President, to seek a vote on this resolution even if it has to be offered as an amendment to some pending measure, because I think it is extremely important to get a vote. My colleague, Congressman PORTER, is also announcing his intention today to do everything possible to get a vote in the other body, as well.

The fact is the continued vitality of the Earth's life-support assistance and critical decisions that will affect the health and well-being of our citizens and the people around the world are in the balance, and it is critical Democrats and Republicans join together to ensure the success of the Earth summit. The President's commitment to this objective is, of course, imperative.

We are the natural leaders of the world in the United States of America. I do not mean for that to sound as a chauvinistic remark. I think it is simply a fact. The United States must lead and, within the United States, the President must lead.

I also want to point out that Congressman PORTER and I are not alone in sending this message to the President. In fact, we are merely amplifying the voices of many thousands of people around the country and around the world who have been making the same urgent request of Mr. Bush.

I even took the occasion, Mr. President, to privately advise President Bush's political campaign officials that if he does not attend, he is likely to suffer political embarrassment at a key moment. The California primary will take place right in the middle of the Earth summit. But it will not be just President Bush who suffers embarrassment; our country will suffer embarrassment. I just want to get this message across. It is imperative for him to be there, and many, many thousands of people are saying the same thing to him.

In fact, just yesterday, children from all parts of our Nation came to Washington to express their deep concern for the health of this planet, and they brought petitions with them. They are collecting a million signatures from children between now and Earth Day in April to convince President Bush to attend the Earth summit and to go there with a meaningful position.

These children tried their best to deliver the message to President Bush, but they were turned away at the White House. One of them said she understood fully, this 7-year-old girl who was just very cute, very precious. She said she understood he had an important speech on Tuesday night, and he probably had to memorize it.

In any event, the petitions will be delivered. Senator CHAFEE and I held a hearing yesterday at which the children presented their petitions and their CO_2 challenge, and we promised to make certain that the petitions would get to President Bush. These children delivered a simple and powerful message. The future of their planet and their own futures are in jeopardy, and we must do all that we can to stop the devastation and destruction now.

In addition to the urging of these children, we have heard a similar message time and again from Mr. Major, the leader of the United Kingdom; Mr. KOHL, the leader of Germany; the leaders of all nations in the European Community and the Scandinavian countries; and Japan.

All have urged President Bush to join with them and attend the Earth summit and work with them rather than work against the effort to successfully resolve the global environmental crisis.

We need action now to control our emissions of greenhouse gases. Scientists tell us that the threat to the planet's delicate climate balance builds as 1991 was the second hottest year in history in spite of the volcanic eruption at Mount Pinatubo, second to 1990 in breaking all the temperature records.

We need action now to stop the senseless destruction of forests, especially rain forests, throughout the year. That process of destruction is increasing and, in the process, thousands of species are lost forever, at a rate

1,000 times faster than at any point in the last 65 million years.

We need, Mr. President, to accelerate the phaseout of ozone-depleting chemicals. In fact, present law requires President Bush to accelerate the phaseout schedule whenever new significant evidence is brought forward about the destruction underway.

Within the past year we have had two significant reports. First, we found out that the process was occurring 200 percent faster than previously thought. Second, we now have evidence of ozone depletion in the summertime in northern latitudes.

For a long time, scientists have warned us of the possibility that the buildup of these ozone-depleting chemicals throughout the atmosphere of the entire Earth poses the threat of ozone depletion above populated areas. Now it is taking place in winter to a small degree, as much as 18-percent less ozone in the stratosphere above Washington, DC; in Colorado, New Hampshire, Tennessee, and other States represented in the Chamber here at this moment, and the threat of even worse damage lies ahead.

We have a right to expect President Bush to comply with the law, which does not give him the choice. It says he has to accelerate the phaseout. When is he going to act? When is the EPA going to act?

Mr. President, again this is only one of the steps which needs to be taken to protect the Earth's environment, and on this occasion I am concentrating on this resolution to urge the President to attend the Earth summit in Brazil. This resolution will come up for a vote very soon, one way or another. I urge my colleagues on both sides of the aisle to support it.

In closing, President Bush is, in my opinion, guilty of the greatest abdication of leadership and abdication of responsibility by refusing to give this environmental crisis his attention. I hope my colleagues will join me in calling for the leadership we need from President Bush now and will support this resolution.

I thank the Chair.

AMENDMENTS SUBMITTED

NATIONAL LITERACY ACT

METZENBAUM AMENDMENT NO. 1496

Mr. METZENBAUM proposed an amendment to the bill (S. 2) to promote the achievement of national education goals, to establish a National Council on Education Goals and an Academic Report Card to measure progress on the goals, and to promote literacy in the United States, and for other purposes, as follows:

At the appropriate place add the following new section:

SEC. . GENERAL ACCOUNTING OFFICE REPORT ON THE EFFECT OF TAX INCENTIVES ON LOCAL PUBLIC SCHOOL FINANCE.

(A) Within 180 days after the date of enactment, the Comptroller General of the United States shall prepare and submit to the chairman and ranking majority member of the Senate Committee on Labor and Human Resources a study on the nature and extent of tax abatements given by state and local governments to attract business and the extent to which such abatements:

(i) reduce the tax base available to support public elementary and secondary education in the jurisdiction granting the abatement;

(ii) reduce the funds available to support elementary and secondary schools in the jurisdiction granting the abatement; and

(iii) review the extent to which citizens in the state and local community granting the abatement realize the potential impact of the abatement on funding for local public schools.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON COURTS AND ADMINISTRATIVE PRACTICE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Courts and Administrative Practice of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Tuesday, January 28, 1992, at 2:30 p.m., to hold a hearing on H.R. 2450, a bill to amend title 28, United States Code, to provide for Federal jurisdiction of certain multiparty, multiforum, civil actions.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate, Tuesday, January 28, 1992, at 10 a.m. to conduct a hearing on the nominations of Daniel F. Evans, Jr., Lawrence U. Costiglio, William C. Perkins, and Marilyn R. Seymann to be Directors of the Federal Housing Finance Board.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

VIEWS ON REPATRIATION IN NICARAGUA

• Mr. REID. Mr. President, Mike O'Callaghan, former Governor of the State of Nevada, and now executive editor of the Las Vegas Sun, recently returned to Nicaragua where he has traveled several times before. His insight into the repatriation process of former Contras is very revealing, and I ask that a series of three articles he wrote upon his most recent return be printed in full in the RECORD.

The articles follow:

[From the Las Vegas Sun, Dec. 21, 1991]

BITTERSWEET RETURN TO NICARAGUA

(By Mike O'Callaghan)

JUIGALPA, NICARAGUA.—Returning to this area, where I arrived with three busloads of wounded Contras after the peace agreement last year, is both rewarding and depressing. It reminds me of eating bittersweet chocolate, each bite brings a new taste sensation.

Nicaragua Army-supported death squads, recompas, roam the hills north and east of Managua. They boldly strike in broad daylight with the knowledge that the national police and Sandinista-run army will not pursue or punish them. More about this bitter side of Nicaragua tomorrow.

The progress that many amputees and other wounded members of the Nicaraguan Resistance have made is the sweet side of what has happened during 1991.

The Organization of American States Commission, under the direction of Santiago Murray, working with the Nicaraguan Repatriation Institute, headed by Oscar Soyalbarro, who is better known as Commandante "Ruben" by his Contra followers, has made great progress.

I found my friend Jehu, still confined to a wheelchair, sitting in from of his own little home instead of the tent I left him in last year. Certainly his concrete house with three small rooms wouldn't pass other sanitary or engineering standards in our city. Nevertheless, his pride in having a home showed in his voice and eyes. He wanted me to tell Lus Vegan Dr. Lonnie Hammargren hello and reassure him he will soon be walking. Lonnie checked Jehu when he was hospitalized in Honduras before the ceasefire.

Amputees Cecillo Centeno ("Alex") and Jose Gregorlo Amnador ("Coyote") are two of three partners running a tiny store on the backside of this town. But a stone's throw away from them is amputee Luis Felipe Granados ("Punche") along with three partners operating a shoe-mendling shop. A neighboring carpenter shop is run by Ellos Miranda who is still recuperating from serious war wounds.

Fifteen miles off the main road between this town and Managua is a newly founded farming community of 28 wounded Contra combatants and their families. Just down the rutted dirt road from this group of 160 people is a larger, more prosperous Sandinistan-run cooperative. "We get along with them just fine," one of the men told me.

Serglo O'Connor and Carlos Garcia, who we still call "Chino," had taken me to see the new community. The homes with dirt floors are shelters the occupants treasure. Chino, a leg amputee who heads up the wounded veterans of the Resistance Forces, gave me added hope when saying, "We have talked to the Sandinista wounded and soon we will have a gathering." These men and women are tired of war and bloodshed.

Closer to Managua, near the town of Tipitapa, I watched former Contra combatants harvest a bumper crop of millet. Despite the drought, the hybrid seed brought in from Texas produced a crop beyond all expectations. Standing in the fields ready for harvest is a heavy sesame crop. The several dozen people involved in farming almost 2,000 acres will pay for the seed, all the expenses and still have enough to feed their families during the coming year.

Over on the Atlantic Coast, 20 fishing boats have been acquired by Santiago Murray and the OAS for the Miskito Indian fishermen who had their boats and homes destroyed during the reign of Daniel Ortega and his Sandinista government.

Yes, I found progress and hope among the returnees who have acquired land and have been involved in social and economic programs. The sad part of what I observed is the large number—about half—of the returning combatants are yet to receive land or adequate program help. An equal percentage of the widows and orphans left behind by their dead comrades also are waiting for their meager $20 monthly pensions while the Sandinista survivors have been receiving checks for more than a year.

I'll stop writing before moving into the bitter side of 1991 Nicaragua. The fruit and vegetable stands along the rural roads and in the city of Managua markets are weighted down with delicious produce. There is some economic progress and the streets and roads are crowded with vehicles and people. But the blood and terror of war haven't disappeared, and for some Nicaraguans it has increased.

[From the Las Vegas Sun, Dec. 22, 1991]

WHERE I STAND

(By Mike O'Callaghan)

LA TRINIDAD, NICARAGUA.—"We have more being killed in that area than we did during the war," Julio Escovio Moreno told me from his wheelchair. Julio, now a patient in the nearby Adventist Hospital, went on to say that the Sandinistas couldn't find him to shoot during the war "but now they have done it during peace."

They are the Nicaraguan Army death squads called recompas who have killed almost 200 returning Contra commanders and cadre during the past year. Lately they have included any person who had been resistance-oriented during the most recent war.

Julio knows the four militia men, from a Sandinista cooperative near Quilati in northern Nicaragua, who shot him three months ago. He has little hope that they will be punished although a Sandinista army captain took his statement several days after the attack.

Inside the hospital, I found a former resistance soldier who had been seriously wounded five days earlier when army-uniformed recompas stopped a civilian bus in which he was riding. Only he and two other former resistance men, who they killed immediately, were marked for death by the terrorists.

In a nearby bed was a rural policeman, also a former Contra, who, along with three other policemen, was ambushed by the recompas. He was first taken to the village of Wiwill, where infection set in after three days. Then he was taken to a large state hospital in Managua where the Sandinista doctors ignored him for another three days. He was infected enough for his leg to be amputated when his friends had him transferred up north to this hospital, where former Contra doctors have been fighting to save the limb.

Several times, wounded and sick members of the Nicaraguan resistance have related their bad and/or inadequate care by state-paid doctors. Too many cases have been documented for these charges to be ignored. It's difficult for me to even imagine this is a common happening, but I now have no doubts that many recent amputations and deaths are the result of Sandinista government doctors intentionally ignoring the combat returnees.

David Lopez, a physical therapist, told me, "I still am fearful after what happened November 26th." Lopez, a Chilean volunteer for the Pan American Development Foundation, was talking about the day recompas and several other uniformed soldiers took disabled resistance veteran Mario Vivas from a hospital transportation vehicle and killed him. Lopez tried to intervene, but one of the terrorists stuck an AK-47 automatic rifle in his belly and took off the safety.

Are David Lopez, and his beautiful wife going to leave Nicaragua? No, like several outsiders trying to heal the wounds of war, he intends to remain and hopes to complete his mission. But like most people working in this area, he has found the national police and the army a greater hindrance than help.

President Violeta Barrios de Chamorro's 1990 landslide election victory over then-ruling Sandinista strongman Daniel Ortega has been a short-lived win for her supporters. Soon after her win at the polls, she retained her son-in-law Antonio Lacayo as her top minister. Lacayo's close relationship with Sandinista Minister of Defense Gen. Umberto Ortega, Daniel's brother, resulted in his retention as general of the army. Also the national police remained in the control of the Sandinista party which had been rejected by the voters. Ruling musclo remains in the hands of the losers, to be abused 12 months later.

As a former member of the Carter Commission who closely watched the entire election and campaign, I have been shocked to see what has happened to the farmers and peasants who fought for their freedom from the Sandinista tyranny. Since that election, I have returned to help the amputees and war orphans, and participated in the peace negotiations between the Yatama (Indian) resistance forces and the government. A sweet election victory has been allowed to deteriorate into a reign of terror for many of the most helpless and needy returning veterans.

Last Sunday at Catholic Mass, I heard Cardinal Obando Bravo tell us that he would like to believe that the radio commentator was incorrect when calling Nicaragua "a nation of murderers."

Following Mass, I went to the office of the Nicaraguan Repatriation Institute in Managua and saw bullet holes in the building and a limb blown off of a tree in the yard by a rocket-propelled grenade. This didn't happen during the war but on November 8th, when the Sandinista mobs burned city hall, trashed a monument, destroyed an Organization of American States vehicles and burned several municipal vehicles.

Judging by what is happening in Nicaragua today, that radio commentator appears to be more right than wrong. This isn't an accurate view of the people of this nation. In reality, it is the Nicaraguan people who are the victims of the few who refuse to give up power they legally lost during the 1990 election.

The time is here for responsible U.S. leaders to tell Violeta, Umborto, his brother Daniel, and Antonio Lacayo that enough is enough. Army death squads in El Salvador couldn't be tolerated by this nation and neither can they be tolerated when being allowed and even supported by a government we recognize and have supported since the 1990 election.

Very simply, they must be told to knock it off or no more dollars from Uncle Sam. We must refuse to be in bed with a government that not only allows terrorism but also supports it.

[From the Las Vegas Sun, Dec. 25, 1991]

CHRISTMAS COMES TO NEEDY ORPHANAGE

(By Mike O'Callaghan)

SAN ISIDRO LIBERTADOR ORPHANAGE.—Here, on top of a hill, there are dozens of orphans who are having a happy Christmas because of some generous Las Vegans, I won't mention names, because the largest contributor wishes to remain anonymous.

During our visit last week, Christmas came to this orphanage and three others founded by the late Padre Rafael Maria Fubretto Michelli, who came to Nicaragua from Italy four decades ago.

Padre Fubretto's orphanages here and in northern rural areas house 160 children. Never have I seen such poverty in an institution where a child having his or her own bed feels blessed. Thanks to our friend Chino, Tim Brown, a senior State Department officer on leave, and I found our way from downtown Managua up a dirt trail to San Isidro Libertador.

We first entered a bare dining room where the cook, with two small babies, was waiting to hear what food would be available for the evening meal. Would it be rice and beans or would it be beans and rice? Just by chance that evening it would be beans with some beef ribs for flavor. It wasn't the night for milk which can only be afforded once a week.

Then we wandered through the old box-shaped huts that allow the wind, rain and sunlight to enter between gaps in the siding. Soon we found a German volunteer, Anje Christine Pape, a registered nurse. For weeks, she has been seeking financial support so the children could have something special for Christmas.

"What if you had enough money to buy things for the children. What would you buy?" I asked her. She paused momentarily and answered, "Food, wood to cook it with and toys." She quickly explained that even the diet of beans and rice requires firewood to cook it. We handed the wide-eyed young lady the money she needed.

The volunteer from Germany, called Anna by the children, then told us she would take the money and make certain that all 160 children in the four orphanages would have a variety of food, goodies and toys Christmas week. We didn't tell her that an even larger sum of money from the Silver State would be left with David Lindwell at the U.S. Embassy to set up provisions for additional food and milk during the coming months.

There are several concrete platforms where some of the box-shaped shelters had rested. What happened to them, did they just fall apart? No, they were blown away during several storms that have struck the hilltop.

Inside one hut, two girls were sleeping with all of their personal belongings resting at the foot of their beds. Both Maria Anna Cooper, 10, and Blanca Rosa Megilla, 14, informed me that they would, like most of the children, be here on Christmas day. Next door in a similar hut, several children gathered around their only television set and one child played with a small scooter, the only toy in sight.

Our next stop was at an empty chapel where benches are moved in from a classroom when services are held. During our visit, it was obvious that simple items like chairs, towels and lockers are all in the category of luxuries unavailable to the children.

Well, thanks to some Las Vegans, all of these children will have a special day and week to remember when their friend Anna passes out gifts before they enjoy the best meal of the entire year.

Thanks to these Las Vegans and my new friend Anna, my day here at home will also be more enjoyable.●

ANNOUNCING THE WINNERS OF THE "HEALTHY ME, HEALTHY MAINE" CONTEST

• Mr. COHEN. Mr. President, I am pleased to have this opportunity to congratulate the winners of the "Healthy Me, Healthy Maine" contest.

Last fall, my office sponsored a contest designed to encourage children in Maine to recognize the importance of good health, nutrition, and physical fitness. The response to the "Healthy Me, Healthy Maine" contest yielded over 2,700 creative poems, essays, and posters. Schoolchildren in grades K to 8 throughout the State of Maine participated in the contest, enthusiastically demonstrating their appreciation of healthy habits.

These young artists and writers have shown an impressive understanding of the elements of good health and the need to ensure a healthy environment for themselves, their peers, and for future generations. As third grader Jana Savage of Bangor writes, "If you keep healthy, your life will be longer and more enjoyable. Being healthy means having a healthy body, healthy mind, and healthy attitude."

Studies show that emphasizing health promotion and prevention strategies can reduce the risk of health problems that result from unhealthy behaviors, such as smoking, excessive use of alcohol, or improper eating habits. I believe we would all do well to heed these children's messages in our own lives.

I would also like to thank the judges of the "Healthy Me, Healthy Maine" contest: Ruth Sargent, a resident of Peaks Island, ME, who writes and illustrates children's books; Dale Duff, sportscaster for WLBZ–TV in Bangor; and Ed Miller, executive director of the Maine Lung Association in Augusta. These people have generously lent their time and talent to the difficult task of choosing the best entries in each category.

Finally, and most importantly, it is my pleasure to honor and congratulate the following young people for their winning entries in the "Healthy Me, Healthy Maine" contest.

In the poem category for the K to 2 division, first place was awarded to Andrew Jameson of Warren Primary School. Angie Hafford of Allagash Consolidated School was recognized as the second place winner, and was followed by Jennifer Hafford and Jodi Kelly, also from Allagash Consolidated, who tied for third place. Adam Sokoloski of the Lewis Libby School in Milford received an honorable mention for his poem.

Flora Brown of Chebeague Island School placed first in the grades 3 to 5 division for her poem about good eating habits. Also in this division, Jay Lester of the Frank I. Brown School placed second; Jonathan Schaming of the Presumpscot School in Portland placed third, and Robert McCollom of Chebeague Island School received an honorable mention.

Jaime Nye of Corinna Junior High School was awarded first place for her verse in the poetry category for grades 6 to 8. Suzanne Delafontaine, a student at Noble Junior High in Berwick, placed second in this division. Mandy Damon of Jay Junior High School won third place for her entry, and Jeffrey Harding of Emerson Junior High School in Bar Harbor tied with Kelly Prince of John R. Graham School in Veazie for honorable mention.

In the essay category for grades 3 to 5, Melissa Jo Fraser, a student at the Helen Hunt School in Old Town, won first place for her essay on physical fitness. Jana Savage, a third grader at Bangor's Vine Street School, was awarded second place honors; and Sarah Cotter Egerhei of Rangeley Lakes Regional School won third place. Honorable mention went to Elizabeth Owen of Prescott Memorial School in Washington.

Eighth grader Christopher Maguire of Sanford Junior High School won first place in the essay division for grades 6 to 8 for his prose about the role of protecting the environment in the promotion of good health. Andrea D'Auteuil of the Gray-New Gloucester School received second place recognition for her essay. Third place went to Geoff Halber, a student at the John R. Graham School in Veazie. Honorable mention was shared by Joelle Smith, a seventh grader at Jay Junior High School, and Melissa Stillberger, a seventh grader at Noble Junior High School.

Once again, I want to thank the judges, parents, teachers, and all of the young people who participated for their enthusiasm and creativity. The winning posters in all grade divisions are on display this week in the rotunda of the Russell Senate Office Building, and I hope that my colleagues will take advantage of this opportunity to view these children's efforts.•

SANGER HIGH SCHOOL NJROTC

• Mr. SEYMOUR. Mr. President, I am pleased to introduce into the record an article about the Sanger High School Naval Junior Reserve Officer Training Corps [NJROTC] which appeared in the November 1991 issue of Officer Review. This institution has been a constant source of pride for the City of Sanger, CA.

The NJROTC has dedicated itself to providing students with an alternative to drugs, violence, and crime. By placing a high value on education, discipline, citizenship, and community involvement, the NJROTC plays a substantial role in training the leaders of tomorrow.

Indeed, the wide variety of academic programs offered by the NJROTC has enticed more than 13 percent of the Sanger High student body to join the program. Their pursuit of excellence has resulted in the appointment of 23 students to our Nation's military academies. In 1985, eight students were appointed to the Naval Academy, an accomplishment that was acknowledged by President Ronald Reagan in a letter of congratulations to the unit. In addition, 32 of Sanger's cadets have received ROTC scholarships, while a number of graduating seniors have enlisted in the Armed Forces.

As a result of the commitment of individuals such as John Nicholson, a retired Navy captain and the commander of the unit, today's youth have the opportunity to improve themselves through the challenges posed by the Sanger program.

It gives me great pleasure to draw the attention of Senate to the accomplishments of the Sanger High NJROTC Program and I ask that a copy of the article from Officer Review appear in full at this place in the RECORD.

The article follows:

FRESNO CHAPTER MOWW SUPPORTS A HIGHLY SUCCESSFUL PROGRAM—HIGH ON NJROTC

(By JOC Dale Gamble)

High school students in California's San Joaquin Valley are receiving high tech academic instruction from a most unusual source—NJROTC. Students at Sanger High School do not regard the Naval Junior Reserve Officer Training Corps unit as a place to go just to march in formation with a rifle burying itself into their shoulders. Instead, they see this program as an avenue to the future. They have heard about record-setting appointments to the military academies, the numerous scholarships available through the program, and the credit given by graduating seniors who said how much their lives and changed because of NJROTC. They are enthusiastic about participating in the computer-oriented course with links of the Dow Jones, National Geographic Society, and even a direct communication line to NASA. Throughout the valley, students realize that this NJROTC unit is on the leading edge of technology and education, a combination which not only benefits them, but the Navy, as well.

Since 1976, Sanger High School's NJROTC cadets have gained enormous community and financial support. During this time, 13 percent of the total student population has enrolled in the unit, 23 have gone to one of the military academies (eight in one year to the U.S. Naval Academy), 32 of Sanger's cadets received ROTC scholarships to further their education, and a substantial number of graduating seniors enlisted in the armed forces. Over a four-year peak enrollment period between 1982 and 1986, 148 cadets left Sanger with either appointments or scholarships, or had enlisted. Fifty of the 148 joined the Navy.

The unit's most successful year was 1985. Referred to as "The Year of the Eight," six men and one woman obtained appointments to the U.S. Naval Academy, with yet another graduate headed for the academy's preparatory school. While other units have sent larger numbers, none have sent so many from the same high school. Each NJROTC unit can make only three nominations and not all get appointments. However, all three of Sanger's nominees achieved direct appointments that year. Four more were appointed by U.S. Representatives. This record-setting achievement was recognized by former President Ronald Reagan in a letter to the unit congratulating them for such an accomplishment by a single high school.

That now-famous year for Sanger also had an impact on later generations of cadets. Arturo Ybarra, a senior heading for the Naval Academy's prep school, and Midshipman Kevin Delano both acknowledge that when they heard about the eight seniors leaving for the academy, they knew the program was important to their future. Delano remembers being in eighth grade at the time, and convincing his parents not to move from Sanger because he wanted to be part of the NJROTC. Ybarra was in the seventh grade in 1985, and he, too, recalls how those eight seniors changed his direction in life. In 10 months, he hopes to enter the Naval Academy for a career as a Marine Corps officer.

The main objectives of the NJROTC program are to teach leadership and citizenship, influence behavior, mold personal discipline, and produce productive individuals. The NJROTC program affords an opportunity for secondary school students to learn basic elements and requirements for national security and personal obligations as an American. While not specifically a recruiting method, an interest in the military as a possible career is often fostered.

Sanger, like other units, bases its curriculum on Naval Science textbooks. Inside their single-floor, three-room building, the staff of four retired naval members instruct cadets on topics such as: military orientation, U.S. history, geopolitics, science (oceanography, meteorology and astronomy), and military science.

What makes Sanger's NJROTC unit so consistently successful is its revolutionary educational concept, which has earned it several honor school awards. On a personal crusade over the past 15 years to graduate highly functional seniors into society, has been retired Navy CAPT John L. Nicholson. Both Sanger's Citizen and Educator of the Year recipient, Nicholson has redirected the curriculum to emphasize academics linked with computers and other modern technologies. Starting in 1976 with one computer, an antiquated typewriter with a broken space bar and sticking keys and an enrollment of 43 cadets, Nicholson has expanded to 35 computers and an enrollment which has gone as high as 305. This school year's enrollment was 246 of 1,609 Sanger students.

Nicholson was not satisfied with just military drilling. In 1986, he initiated the change to modern technology. "In eight weeks, the Navy can teach someone how to execute left face and right face commands, cut their hair, and say 'Yes, sir.' But our problem is that only one out of four seniors can pass the ASVAB to be gainfully employed by the military. To me, it was obvious what we had to do. We have to teach reading, writing, math and cultivate thinking skills in order for them to pass any kind of entrance exam. If we spend four years with a student in a glorified boot camp, then we aren't getting a fully qualified student, we aren't getting a talented student who is able to deal with the high-tech that's in our Navy."

Nicholson and his staff do not ignore the military requirements of the NJROTC program. He still enjoys getting out on the field with uniformed cadets with the shined shoes because he knows how much it improves their sense of belonging and self-esteem.

One man who never had any experience with the NJROTC program is Sanger High School principal, Ronald Schiller. One of his basic educational philosophies has always been to expect the best of any program. When eight students left Sanger for the Naval Academy the first year he was the principal, Schiller knew his campus has a tremendous program available to the students.

"Students go to Nicholson because he sells an academic product, and they see a future there," said Schiller. "As a by-product, the students also see other things the military teaches, such as discipline and leadership. Not only does this unit attract students who may be interested in a military career, it also attracts students who are bound for Stanford, the University of California, or Harvard."

One such cadet who earned many offers to colleges and universities was a young Hispanic daughter of migrant field workers. As Nicholson recalled, she applied herself totally to the program, excelled in academics and became the unit's commandant. Upon graduation, she opted to go to Harvard—without using an ROTC scholarship.

Interest in Sanger's NJROTC unit has spread throughout the San Joaquin Valley, as noticed by two NRD San Francisco recruiters. PNC Glenn Burghardt and HT1 William Zamora both have observed the unit's extraordinary stimulation on teenagers living in towns between Manteos and Bakersfield. Each has heard comments, such as, "N-J was the cool thing to do," and they have noticed the large number of transfer requests to Sanger.

"Throughout my 10 years of recruiting and association with ROTC, I have noticed a recurring theme on applicants' essays about the reason they are pursuing a commission as a naval officer," remarked Burghardt, the district's NROTC recruiter. "Each wrote about how much Nicholson had changed their life by emphasizing academics and proving that they had great potential and wouldn't have to accept anything less than success."

While assigned to NRS Fresno North, Zamora worked the high school for 18 months and knows how much everyone wants to attend college. Taking advantage of the unit's modern approach to education and the Navy's leadership in high technology, he was able to get closer to the students.

"NJROTC allowed me to spend less time convincing students about Navy opportunities. Sanger's kids are generally afraid to talk with recruiters because they believe that once they join, they will never return home. With this program, everyone in Sanger, including the students and their parents, has a chance to understand what the Navy is about before making a decision about joining."

Just like other NJROTC staffs, Nicholson knows he and his staff are analogous to recruiters because of their shared endeavors and positions in the classroom. Nicholson spent 26 years in naval aviation, concluding his career after serving as commanding officer of the USS *Ranger* (CV 61). Assisting the captain are: a lieutenant commander, a master chief petty officer, and a chief petty officer, all with 20 or more years of active duty experience.

"If you look at it from a recruiting point of view, explained Nicholson, "NJROTC is preparing young people to be better qualified for life, which will ultimately benefit the Navy. We are preparing these young people to go into whatever they want to go into, which includes the military. We don't ignore the military requirements, but we do push the academics because if students can't pass the ASVAB, or get high enough scores for electronics or nuclear power training, then we haven't done our job here."

Navy awareness through NJROTC is the biggest positive factor for a recruiter. Students have spent up to four years associating with the Navy, and have learned a lot about naval history, as well as adapting to the behaviors expected of military members. In Sanger's case, many of the students are in the top echelon of academic achievement, including valedictorians, and are extremely well-qualified for military service, because of the sophisticated method of instruction given by Nicholson and his staff. Many cadets attribute the program as the single most influential factor in their decision to pursue a military career. Nicholson advocates total interaction between units and recruiters, suggesting it should start either in the freshman year, or in the first year of enrollment in NJROTC. A recruiter could conceivably have three years to cultivate a rapport, and by graduation day, the students do not feel threatened and are more appreciative of career opportunities available in the Navy•

THE MONTREAL PROTOCOLS

• Mr. MACK. Mr. President, I ask unanimous consent that the following article be printed in the RECORD.

This letter to the editor, written by then Secretary of Transportation Samuel Skinner, appeared in the November 25 edition of the Wall Street Journal. It is an excellent argument in favor of the Senate taking decisive action to approve the Montreal protocols:

SEEKING JUSTICE FOR KIN OF PAN AM 103 VICTIMS

Federal prosecutors have announced the indictment of two Libyan suspects in the bombing of Pan Am 103 in December 1988. Civilized people everywhere want the perpetrators of so unspeakably cruel and cowardly an act to be brought to justice, and soon.

Sadly, however, it will be a long time before the families of Pan Am 103 victims receive their own small measure of justice. Compensation that should be due them automatically as a result of an international air disaster will be paid only after years of grueling litigation, and then only if their lawyers are successful in proving Pan Am was somehow at fault in the Lockerbie tragedy. In a similar travesty, the families of the victims of the KAL 007 shoot-down have yet to receive a dime in compensation after eight years in the courts.

We need a better system—and it is available now, in two 16-year-old treaties called the Montreal Protocols. If ratified by the Senate, they would overhaul the hopelessly outdated rules on liability for international air accidents that were set in the 1929 Warsaw Convention, and provide a more humane response to those whose lives are shattered by such tragedies. The Senate Foreign Relations Committee has voted in favor of ratification four different times.

The main problem with the current rules is spelled out in the seldom-read fine print on every ticket: The airline's liability for injury or death is limited to a maximum of $75,000 per passenger.

The concept of limited liability was based on a simple trade-off. Recognizing how difficult it is to prove fault in an air tragedy, the world's airlines agreed to "strick liability"—automatic compensation of passengers or their estates, with a limit on the amount for the injury or death of any one passenger. And, the $75,000 limit applies only if the passenger was traveling to or from the U.S. For an American traveling from one foreign country to another, the maximum recovery is in the $10,000 to $20,000 range.

The Montreal Protocols would increase the liabilty of airlines everywhere to about $130,000 a passenger. More important, they would allow us to establish a "supplemental compensation plan" to ensure that U.S. citizens automatically get full compensation for all economic and noneconomic damages, and that they get it promptly. The artificial limits on recovery would be abolished, along with the all but insuperable burden of having to prove "willful misconduct" on the part of the airline.

The supplemental compensation plan would be established by the airlines and governed by Department of Transportation requirements. It would be funded by a modest surcharge—about $3—on every international ticket purchased in the U.S., but would provide benefits automatically in every case involving an American passenger, regardless of where the accident occurred, where the ticket was purchased or whether the surcharge was paid.

Unfortunately, the very trial lawyers who have made careers of litigating air-crash cases under the current, anachronistic system are opposing ratification of the Montreal Protocols. In fairness, it should be mentioned that the lawyers argue we should get rid of the Warsaw Convention altogether and just let them sue the airlines under the rules that cover most cases involving injury and wrongful death. Without the need to prove "willful misconduct" under the convention, they say, their batting average would soar.

I wish it were true. I've been a trial lawyer myself, and I don't like "strict liability" systems as a general rule. But our domestic legal system never has worked very well in international aviation cases, and it never will. In too many cases, U.S. courts would have trouble establishing jurisdiction, would have to apply the law of some other country, or would have great difficulty ascertaining the cause of an accident.

SAMUEL K. SKINNER,
Secretary of Transportation.

WASHINGTON.•

A BRIGHT IDEA FOR SAVING MONEY AND THE ENVIRONMENT

• Mr. KERRY. Mr. President, I rise today to place in the RECORD an excellent editorial by the Cape Cod Times in Hyannis, MA. The Cape Cod Times has been a leading voice for environmental protection in Massachusetts and I think the following editorial makes a very simple but important point about how we can both save money as consumers and help the environment.

The editorial follows:

[From the Cape Cod Times, Dec. 22, 1991]

A BRIGHT IDEA FOR SAVING MONEY, THE ENVIRONMENT

Despite all our troubles with the economy and the environment, we Americans are virtually ignoring light-bulb technology that can help substantially with both.

The technology can enable us to reap the benefits of huge energy savings. It permits conservation without sacrifice.

And it's not a matter of switching off the lights. It's a matter of switching bulbs.

The compact, low-energy fluorescent lightbulb is the state of the art in lighting, and it is enormously more efficient than the conventional incandescent bulb. Fluorescent bulbs, which now can be used in conventional lamps, last about 10 times as long as incandescent bulbs and use some 70 to 80 percent less electricity. They are in widespread use in other countries, but not here.

Why aren't American factories making them—and why aren't American consumers demanding them?

Fluorescent bulbs are appreciably more expensive, but the long-term savings in electricity to the individual consumer is two to three times the price of the bulb.

Were we to act collectively in installing such bulbs, the savings in energy would be extraordinary. If all Americans switched overnight to energy-efficient bulbs, we could save three-quarters of all the energy that goes into lighting nationwide—without having to do with less light. This translates into a potential $25 billion annual saving. It also means we could, if we wished, close down every nuclear power plant in the country and some power plants operating on fossil fuels as well.

Many U.S. lightbulb manufacturers produce compact fluorescents—but only overseas. Why? Because that's where the major markets are, says Matthew Patrick, director of the non-profit, Hyannis-based Cape and Islands Self-Reliance Corp. The only company tapping the small U.S. market with a factory in this country, says Patrick, is the German manufacturer Osram. This arrangement has us creating jobs, as well as our most efficient bulbs, in places where there is little benefit for Americans.

Why not bring some of those jobs home?

Why are American manufacturers not promoting their energy-efficient products, such as compact fluorescents, in the United States?

Why don't government and industry resume the efforts begun in the 1970s to educate the public about the benefits of energy efficiency, and inform the public about advances in technology?

And why aren't American consumers demanding these products?

Education is the key, especially where energy is perceived to be relatively cheap. Americans may pay less for a gallon of gasoline or a kilowatt hour of electricity than Europeans do, but there are attendant penalties, including environmental degradation and health and economic costs, in our profligate use of energy.

Indeed, the great majority of our environmental problems are energy-related.

According to Patrick, whose agency promotes, conservation, taking advantage of all state-of-the-art energy technology would enable this country to cut its energy use by one third to one half. Imagine what we—as individuals and as a nation—could do with the resulting savings of at least $130 billion.

Such savings would benefit individual household budgets, of course. They would make us far less dependent on imported oil. And they would benefit the environment by reducing the need to develop new energy sources and by reducing problems caused by energy byproducts and disposal.

These benefits require the public's cooperation, however, and that can come only through education. Given the shape of the economy and the burden of cleaning up the environment, it's a wonder that energy conservation no longer is a front-burner issue. With an election year upon us, it ought to—it must—become one.•

IN RECOGNITION OF DR. AND MRS. BRYAN L. CROW

• Mr. SEYMOUR. Mr. President, on Sunday, February 2, the congregation of the Garden Church in Anaheim Hills, CA, will honor their pastor and his wife, Dr. and Mrs. Bryan L. Crow, for their 30 years of ministry and service to church and community.

The church family is planning a time of recognition during the 9:30 a.m. worship service Sunday morning and a brief reception following the service to celebrate the occasion. I cannot be in Anaheim Hills on Sunday, but I would like to take this opportunity to extend my best wishes to my friends in Anaheim Hills and my heartfelt gratitude to Dr. and Mrs. Crow for the years of friendship our families have shared.

John Milton wrote, "Freely we serve, because we freely love." Certainly this is an apt description of the spirit of service and love the Crows have shared with the congregation of the Garden Church and the community of Anaheim Hills over the last 30 years.

I ask the Senate to join me in recognizing this milestone for the Crows, the Garden Church, and the community of Anaheim Hills.•

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

• Mr. SANFORD. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee received a request for a determination under rule 35 for John Gorman, a member of the staff of Senator MACK, to participate in a program in Venezuela, sponsored by the Government of Venezuela, from January 12–17, 1992.

The committee has determined that participation by Mr. Gorman in this program, at the expense of the Government to Venezuela, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Warren K. Erdman, a member of the staff of Senator BOND, to participate in a program in China, sponsored by the Chinese National Association of Industry and Commerce, from January 20–24, 1992.

The committee has determined that participation by Mr. Erdman in this program, at the expense of the Chinese National Association of Industry and Commerce, is in the interest of the Senate and the United States.●

UNITED STATES LOAN GUARANTEES TO THE STATE OF ISRAEL

● Mr. D'AMATO. Mr. President, I rise once again in support of the urgently needed $10 billion in loan guarantees to the State of Israel. Loan guarantees, being only guarantees, are vitally important for the resettlement of Soviet and Ethiopian Jewry. I remind my colleagues once again, that a commitment which we made to America's only friend in the Middle East, Israel, must be kept. For this reason, I wish to share with my colleagues a letter from the Conference of Presidents of Major American Jewish Organizations to President Bush, requesting that the loan guarantees be granted.

The letter follows:

JANUARY 13, 1992.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Now that the 120 day postponement for consideration of the refugee absorption loan guarantees has passed, we urge the Administration to proceed expeditiously in its deliberations and its discussions with Israel and to support the necessary legislation to be enacted by Congress.

We regard this vital humanitarian concern as a top priority. We are unanimous in our support for the loan guarantees. The deteriorating situation in the former Soviet Union underscores the urgency of prompt action.

We know that there is a longstanding commitment on the part of the United States to assure the successful absorption of Soviet and Ethiopian Jewish refugees in Israel. You personally played a vital role in obtaining freedom for these beleaguered people and you have made clear your commitment to helping them secure proper housing and employment so they may become productive citizens in their new homeland.

The most effective way to achieve this common goal is to enact quickly legislation which would provide the absorption loan guarantees to Israel.

Respectfully,

Conference of Presidents of Major American Jewish Organizations: Shoshana S. Cardin, Malcolm Hoenlein.

American Gathering/Federation of Jewish Holocaust Survivors: Benjamin Meed, Sam Bloch.

American Jewish Committee: Alfred H. Moses, David Harris.

American Sephardi Federation: Leon Levy, Suri Kasirer.

American Zionist Youth Foundation: Rabbi Joseph P. Sternstein, Donald Adelman.

Anti-Defamation League of B'nai B'rith: Melvin Salberg, Abraham H. Foxman.

B'nai B'rith: Kent E. Schiner, Dr. Sidney M. Clearfield.

Bnai Zion: Werner Buckold, Mel Parness.

Council of Jewish Federations: Charles Goodman, Martin Kraar.

Federation of Reconstructionist Synagogues and Havurot: Valerie Kaplan, Rabbi Mordechai Liebling.

Jewish Community Centers Assoc.: Lester Pollack, Arthur Rotman.

Jewish Institute for National Security Affairs: Sen. Rudy Boschwitz, Thomas Neumann.

Mercaz: Rabbi Matthew H. Simon, Renah L. Rabinowitz.

National Committee for Labor Israel: Jay Mazur, Yehuda Ebstein.

National Council of Jewish Women: Joan Bronk, Iris Gross.

National Federation of Temple Sisterhoods: Judith M. Hertz.

American Israel Public Affairs Committee: Mayer Mitchell, Thomas A. Dine.

American Jewish Congress: Robert Lifton, Henry Siegman.

Amit Women: Norma Holzer, Marvin Leff.

American Zionist Federation: Simon Schwartz, Karen Rubinstein.

Association of Reform Zionists of America: Norman D. Schwartz, Rabbi Eric H. Yoffie.

B'nai B'rith Women: Harriet J. Horwitz, Elaine K. Binder.

Central Conference of American Rabbis: Rabbi Walter Jacob, Rabbi Joseph Glaser.

Emunah Women of America: Sondra Fisch, Shirley Singer.

Hadassah: Deborah Kaplan, Beth Wohlgelernter.

Jewish Labor Committee: Lenore Miller, Martin Lapan.

Jewish National Fund: Ruth Popkin, Dr. Samuel I. Cohen.

Jewish War Veterans of USA: Albert L. Cohen, Herb Rosenbleeth.

Na'amat USA: Harriet Green.

National Conference on Soviet Jewry: Shoshana S. Cardin, Martin A. Wenick.

National Council of Young Israel: Chaim Kaminetsky, Rabbi Ephraim Sturm.

National Jewish Community Relations Advisory Council: Arden E. Shenker, Lawrence Rubin.

Rabbinical Assembly: Rabbi Irwin Groner, Rabbi Joel H. Meyers.

Religious Zionists of America: Rabbi Dr. Sol Roth, Israel Friedman.

Union of Councils for Soviet Jews: Pamela Braun Cohen, Micah H. Naftalin.

United Israel Appeal: Norman Lipoff, Herman Markowitz.

United Synagogue of Conservative Judaism: Alan J. Tichnor, Rabbi Jerome M. Epstein.

WIZO: Evelyn Sommer.

Women's League for Conservative Judaism: Audrey Citak, Bernice Balter.

Workmen's Circle: Harold Ostroff, Robert A. Kaplan.

Poale Agudath Israel: Rabbi Fabian Schonfeld, Rabbi Moshe Malinowitz.

Rabbinical Council of America: Rabbi Marc D. Angel, Rabbi Benyamin Walfish.

Union of American Hebrew Congregations: Melvin Merians, Rabbi Alexander M. Schindler.

Union of Orthodox Jewish Congregations of America: Sheldon Rudoff, Mandell I. Ganchrow, M.D.

United Jewish Appeal: Marvin Lender, Rabbi Brian L. Lurie.

Women's American Ort: Sandra Isenstein, Tehila Elpern.

Women's League for Israel: Trudy Miner, Dorothy Leffler.

World Zionist Org./American Section: Bernice Tannebaum, Zelig Chintiz.

Zionist Organization of America: W. James Schiller, Paul Flacks.●

MEASURE INDEFINITELY POSTPONED—S. 343

Mr. MITCHELL. Mr. President, I ask unanimous consent that calendar No. 96, S. 343, the high-performance computing bill, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

REGARDING A JOINT SESSION OF CONGRESS—HOUSE CONCURRENT RESOLUTION 267

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Concurrent Resolution 267 regarding the joint sssession of Congress just received from the House.

The PRESIDING OFFICER. Without objecton, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

H. CON. RES. 267

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, Janury 28, 1992, at 9 o'clock post meridiem, for the purpose of receiving such communication as the President of the United States shall be pleased to make to them.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 267) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION TO ESCORT THE PRESIDENT INTO THE HOUSE CHAMBER

Mr. MITCHELL. Mr. President, I ask unanimous consent that the President of the Senate be authorized to appoint a committee on the part of the Senate to join with the like committee on the part of the House of Representatives to escort the President of the United States into the House Chamber for the joint session this evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I will shortly ask unanimous consent that the Senate stand in recess until 8:30 p.m. this evening, and I ask that upon reconvening at 8:30 p.m., the Senate proceed as a body to the House of Representatives to receive the President's message; that upon conclusion of the President's speech, the Senate stand in recess until 11 a.m. on Wednesday, January 29; that following the prayer, the Journal of the proceedings be deemed approved to date; that following the time for the two leaders, there then be a period for morning business not to extend beyond 1 p.m., with Senators permitted to speak therein, with Senator NUNN recognized for up to 15 minutes, with the time from 11:30 a.m. until 12:30 p.m. to be under the control of the Republican leader of his designee, and that during the period between 12:30 p.m. and 1 p.m., Senators LAUTENBERG and WOFFORD be recognized for up to 10 minutes each, and Senator SIMON up to 5 minutes; that at 1 p.m. the Senate resume consideration of S. 12, the Cable Television Consumer Protection Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

REGARDING EL SALVADOR—SENATE RESOLUTION 248

Mr. MITCHELL. Mr. President, I now ask unanimous consent that when the Senate considers Senate Resolution 248, regarding El Salvador, that there be 10 minutes for debate on the resolution with the time equally divided and controlled in the usual form, and that no amendments or motions be in order to the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 8:30 P.M.

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate at this time, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 5:58 p.m., recessed until 8:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. WELLSTONE].

Mr. BINGAMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SHELBY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT SESSION OF THE TWO HOUSES—MESSAGE OF THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 176)

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the Hall of the House of Representatives for the joint session, and upon the conclusion of the joint session, the Senate will stand in recess until 11 a.m., Wednesday, January 29, 1992.

Thereupon, at 8:35 p.m., the Senate, preceded by the Secretary of the Senate, Walter J. Stewart, and the Sergeant at Arms, Martha S. Pope, proceeded to the Hall of the House of Representatives to hear the address by the President of the United States, George Bush.

(The address by the President of the United States, this day delivered by him to the joint session of the two Houses of Congress, appears in the proceedings of the House of Representatives in today's RECORD.)

RECESS UNTIL TOMORROW AT 11 A.M.

At the conclusion of the joint session of the two Houses, and in accordance with the order previously entered into, at 10 p.m., the Senate recessed until tomorrow, January 29, 1992, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate, January 28, 1992:

RESOLUTION TRUST CORPORATION

ALBERT V. CASEY, OF TEXAS, TO BE CHIEF EXECUTIVE OFFICER, RESOLUTION TRUST CORPORATION, (NEW POSITION), TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

FEDERAL HOUSING FINANCE BOARD

THE FOLLOWING NAMED PERSONS TO BE DIRECTORS OF THE FEDERAL HOUSING FINANCE BOARD, TO WHICH POSITIONS THEY WERE APPOINTED DURING THE LAST RECESS OF THE SENATE:

WILLIAM C. PERKINS, OF WISCONSIN, FOR A TERM OF 1 YEAR. (NEW POSITION)
LAWRENCE U. COSTIGLIO, OF NEW YORK, FOR A TERM OF 3 YEARS. (NEW POSITION)
MARILYN R. SEYMANN, OF ARIZONA, FOR A TERM OF 5 YEARS. (NEW POSITION)
DANIEL F. EVANS, JR., OF INDIANA, FOR A TERM OF 7 YEARS. (NEW POSITION)

LEGAL SERVICES CORPORATION

THE FOLLOWING NAMED PERSONS TO BE MEMBERS OF THE BOARD OF DIRECTORS OF THE LEGAL SERVICES CORPORATION FOR THE TERMS INDICATED, TO WHICH POSITIONS THEY WERE APPOINTED DURING THE LAST RECESS OF THE SENATE:

FOR TERMS EXPIRING JULY 13, 1992:
J. BLAKELEY HALL, OF TEXAS.
WILLIAM LEE KIRK, JR., OF FLORIDA.
JO BETTS LOVE, OF MISSISSIPPI.
GUY V. MOLINARI, OF NEW YORK.
JEANINE E. WOLBECK, OF MINNESOTA.

FOR TERMS EXPIRING JULY 13, 1993:

HOWARD H. DANA, JR., OF MAINE.
PENNY L. PULLEN, OF ILLINOIS.
THOMAS D. RATH, OF NEW HAMPSHIRE.
BASILE J. UDDO, OF LOUISIANA.
GEORGE W. WITTGRAF, OF IOWA.

HOUSE OF REPRESENTATIVES—*Tuesday, January 28, 1992*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Give us the grace, O God, to speak our words with the wisdom of the years, with a commitment to the truth, with a passion for justice, with a sensitivity to the needs of others and with discernment for the requirements of the Nation. Before we think or speak or act may our motives be genuine and righteous so all our energies will be directed to the welfare and good will of all people. To that end, gracious God, we pray Your blessing upon each of us. Amen.

CALL OF THE HOUSE

The SPEAKER. Pursuant to the order of the House of Wednesday, January 22, 1992, the House will now proceed to organizational business.

The Clerk will utilize the electronic system to ascertain the presence of a quorum.

Members will record their presence by electronic device.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 1]

Abercrombie
Ackerman
Allen
Andrews (ME)
Andrews (TX)
Annunzio
Anthony
Applegate
Armey
Atkins
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Blackwell
Bliley
Boehlert
Boehner
Bonior
Boucher
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Collins (IL)
Collins (MI)
Combest
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Darden
Davis
DeFazio
DeLauro
DeLay
Derrick
Dickinson
Dicks
Dingell
Dixon
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Fields
Fish
Flake
Foglietta
Foley
Ford (MI)
Ford (TN)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Holloway
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Johnson (CT)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
Lagomarsino
Lancaster
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Mineta
Mink
Moakley
Molinari
Montgomery
Moody
Moran
Morella
Morrison
Murphy
Murtha
Myers
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens (NY)
Oxley
Packard
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Roberts
Roe
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Stallings
Stearns
Stenholm
Stokes
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tanner
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Wilson
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (FL)
Zeliff
Zimmer

□ 1224

The SPEAKER. On this rollcall 374 Members have recorded their presence by electronic device.

Under the rule, further proceedings under the call are dispensed with.

APPROVAL OF JOURNALS OF JANUARY 22, 1992, AND JANUARY 24, 1992

The SPEAKER. The Chair has examined the Journals of January 22, 1992 and January 24, 1992 and announces to the House his approval thereof.

Pursuant to clause 1 of rule I, these Journals stand approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas [Mr. BARTON], come forward and lead the House in the Pledge of Allegiance?

Mr. BARTON of Texas led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2720. An act to extend for one year the authorization of appropriations for the programs under the Child Abuse Prevention and Treatment Act and the Family Violence Prevention and Services Act, and for certain programs relating to adoption opportunities, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2720) "An act to extend for 1 year the authorizations of appropriations for the programs under the Child Abuse Prevention and Treatment Act and the Family Violence Prevention and Services Act, and for certain programs relating to adoption opportunities, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. DODD, Mr. KENNEDY, Mr. ADAMS, Mr. HATCH, and Mr. COATS, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

S. 1056. An act to provide for an architectural and engineering design competition for the construction, renovation, and repair of certain public buildings, and for other purposes; and

S. Con. Res. 43. Concurrent resolution concerning the emancipation of the Baha'i community of Iran.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. GEPHARDT. Mr. Speaker, I offer a privileged resolution (H. Res. 328) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 328

Resolved, That a committee of two Members be appointed by the Speaker on the part of the House of Representatives to join with a committee on the part of the Senate to notify the President of the United States that a quorum of each House has assembled and Congress is ready to receive any communication that he may be pleased to make.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBERS OF COMMITTEE TO NOTIFY THE PRESIDENT, PURSUANT TO HOUSE RESOLUTION 328

The SPEAKER. The Chair appoints as members of the committee on the part of the House to join a committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled, and that Congress is ready to receive any communication that he may be pleased to make, the gentleman from Missouri [Mr. GEPHARDT] and the gentleman from Illinois [Mr. MICHEL].

NOTIFICATION TO THE SENATE

Mr. WHITTEN. Mr. Speaker, I offer a privileged resolution (H. Res. 329) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 329

Resolved, That the Clerk of the House inform the Senate that a quorum of the House is present and that the House is ready to proceed with business.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1230

LONGEVITY RECORD SET BY JAMIE WHITTEN

(Mr. FOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOLEY. Mr. Speaker, on January 6 our good friend and colleague, the gentleman from Mississippi [Mr. WHITTEN], served his 18,325th day in the House of Representatives, and today begins his 52d session serving as a Member of the House of Representatives. [Applause.]

Mr. Speaker, it was on January 6, 1963, that then Majority Leader Carl Albert addressed the Speaker of the House, John McCormack, to note that Carl Vinson had just exceeded the longevity record set by Sam Rayburn. However, Mr. Speaker, neither of them compares with the record of 50 years and 2 months service, nearly one-quarter of the history of this Republic that has been recorded, and served with greater distinction than the gentleman from Mississippi [Mr. WHITTEN].

Mr. Speaker, he has seen nine Presidents of the United States come and go, and, as Dean of the House, he has sworn in every Speaker for the last eight Congresses. He came here a month before Pearl Harbor and has participated in some of the greatest developments in our country's history.

Since 1949, except for a brief interregnum, he has been the chairman of the Subcommittee on Rural Development, Agriculture and Related Agencies of the Committee on Appropriations, the longest service of any subcommittee chairman of Appropriations in history. From that post he has fought for crop subsidies, rural electrification, soil conservation, and rural home loan programs to help transform rural America.

But his impact has extended far beyond agriculture. Indeed there are few areas of public life that do not bear his mark. He has used his power as chairman of the Committee on Appropriations to effect his philosophy that the Nation's wealth is not measured by money primarily, but by its human and physical assets.

We all know that Mississippi, especially the First District, has received its fair share of Federal help. But the gentleman from Mississippi [Mr. WHITTEN] has seen to it that the national programs do in fact have national impact, and he has probably helped just about every Member of this House with some special local need.

His influence comes from his position, but not just from his position. No one begrudges his power because a simple fact is that no Member here serves with greater grace or charm or gentleness or purpose than does the gentleman from Mississippi [Mr. WHITTEN].

Mr. Speaker, the newest Member of the House, the gentleman from Pennsylvania [Mr. BLACKWELL], has served for a little over 2 months. I hope he will not mind if I say publicly that, if he reaches the record of the gentleman from Mississippi [Mr. WHITTEN], he will reach it in the month of January 2042, and, if he should reach that greater period of service and become, of course, the most senior Member in history, I think he will find in looking back on his career that one of his greatest friends, and supporters and helpers, as he has been to all Members of this body, Democrat and Republican, has been the distinguished chairman of the Committee on Appropriations, the gentleman from Mississippi [Mr. WHITTEN].

Congratulations, Mr. Chairman. [Applause.]

DAILY HOUR OF MEETING

Mr. MOAKLEY. Mr. Speaker, I offer a privileged resolution (H. Res. 330) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 330

Resolved, That until otherwise ordered, the hour of meeting of the House shall be noon on Mondays and Tuesdays; 2 o'clock post meridiem on Wednesdays; 11 o'clock ante meridiem on all other days of the week up to and including May 15, 1992; and that from May 16, 1992, until the end of the second session, the hour of daily meeting of the House shall be noon on Mondays and Tuesdays and 10 o'clock ante meridiem on all other days of the week.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBERS OF ADVISORY COMMITTEE OF THE WHITE HOUSE CONFERENCE ON INDIAN EDUCATION

The SPEAKER. Pursuant to the provisions of section 5506(a) of Public Law 100–297, the Chair on April 25, 1991, designated the following members to the Advisory Committee of the White House Conference on Indian Education on the part of the House:

Mr. CAMPBELL of Colorado;

Mr. BARRETT of Nebraska;

Mr. Don Barlow of Spokane, WA;

Mr. Joseph Martin of Kayenta, AZ; and

Mrs. Kathryn D. Manuelito of Albuquerque, NM.

APPOINTMENT AS MEMBERS OF WHITE HOUSE CONFERENCE ON INDIAN EDUCATION

The SPEAKER. Pursuant to the provisions of section 5503(b) of Public Law 100–297, the Chair selects the following participants to the White House Conference on Indian Education on the part of the House:

Mr. BARRETT of Nebraska;

Mr. CAMPBELL of Colorado;

Mr. MILLER of California;

Mr. FALEOMAVAEGA of American Samoa;

Ms. Melvina Phillips of Huntsville, AL;

Ms. Anita Bradley Pfeiffer of Window Rock, AZ;

Mr. Leroy N. Shingoitewa of Tuba City, AZ;

Ms. Jane B. Wilson of Flagstaff, AZ;

Ms. Theresa Natoni Price of Mesa, AZ;

Ms. Isabelle Deschinney of Window Rock, AZ;

Mr. Jack C. Jackson of Window Rock, AZ;

Mr. Grayson Noley of Scottsdale, AZ;

Mr. Dean C. Jackson of Chinle, AZ;

Mr. Mitchell Burns of Scottsdale, AZ;

Mr. Matthew Levario of Scottsdale, AZ;

Ms. Kathryn Stevens of Phoenix, AZ;

Mr. Gilbert Innis of Phoenix, AZ;

Ms. Linda S. Santillan of Fremont, CA;

Mr. Orie Medicinebull of Auberry, CA;

Ms. Peggy Ann Vega of Bishop, CA;

Mr. Monty Bengochia of Bishop, CA;

Ms. Debra Echo-Hawk of Boulder, CO;

Ms. Josephine M. North of Hollywood, FL;

Mr. Billy Cypress of Miami, FL;

Mr. Adrian Pushetonegua of Tama, IA;

Mr. Terry D. Martin of Franklin, LA;

Mr. Thomas G. Miller of Cooks, MI;

Mr. John Hatch of Sault Ste. Marie, MI;

Ms. Sharon Kota of Port Huron, MI;

Mr. Paul Johnson of Haslett, MI;

Ms. Pam Dunham of East Lansing, MI;

Mr. Donald E. Wiesen of Clouet, MN;

Ms. Rosemary Christensen of Duluth, MN;

Ms. Donna L. Buckles of Poplar, MT;

Mrs. Karen Cornelius-Fenton of St. Ignatius, MT;

Ms. Bernadette Dimas of Poplar, MT;

Ms. Tracie Ann McDonald-Buckless of Ronan, MT;

Mrs. Janine Pease-Windy Boy of Lodge Grass, MT;

Ms. Jean Peterson of Las Vegas, NV;

Mr. Joseph Abeyta of Santa Fe, NM;

Ms. Genevieve R. Jackson of Kirtland, NM;

Mr. Paul Tosa of Jemez Pueblo, NM;

Ms. Mary T. Cohoe of Pine Hill, NM;

Mr. Melvin H. Martinez of Espanola, NM;

Mr. William A. Mitchell of Bombay, NY;

Ms. Michele Dean Stock of Great Valley, NY;

Mrs. Betty Jane Mangum of Raleigh, NC;

Ms. Wanda M. Carter of Charlotte, NC;

Mrs. Mary Jo Cole of Tahlequah, OK;

Mr. Jim Quetone of Tahlequah, OK;

Mr. Ray Henson of Talihina, OK;

Ms. Nita Magdalena of Shawnee, OK;

Mr. David M. Gipp of Mandan, ND;

Mr. Sylvester G. Sahme, Sr. of Warm Springs, OR;

Ms. LaVonne Lobert-Edmo of Salem, OR;

Mr. Anthony Whirlwind Horse of Pine Ridge, SD;

Ms. Sue Braswell of Nashville, TN;

Ms. Annette Arkeketa of Corpus Christi, TX;

Mr. Edward Sandoval, III of Fort Worth, TX;

Mr. Clayton J. Small of Chattaroy, WA;

Ms. Darlena Watt-Palmanteer of Nespelem, WA;

Ms. Letoy Eike of Seattle, WA;

Mr. Daniel Iyall of Spokane, WA;

Mr. David C. Bonga of Spokane, WA;

Ms. LaVerne Lane-Oreiro of Bellingham, WA;

Ms. Marion Forsman-Boushie of Indianola, WA;

Mr. Don A. Barlow of Spokane, WA;

Mr. Joseph Martin of Kayenta, AZ;

Mrs. Kathryn D. Manuelito of Albuquerque, NM;

Mr. Eddie Brown of Washington, DC;

Mr. Ed Parisian of Washington, DC;

Mr. Tim Wapato of Washington, DC;

Mr. John W. Tippeconnic III of Washington, DC;

Mr. Eddie Tullis of Atmore, AL;

Mr. Andrew Lorrentine of Bells, AZ;

Mr. Linus Everling of Washington, DC;

Mr. Roger Iron Cloud of Washington, DC; and

Ms. Kathleen Annette of Bemidji, MN.

□ 1240

APPOINTMENT AS MEMBERS OF COMMISSION ON BROADCASTING TO THE PEOPLE'S REPUBLIC OF CHINA

The SPEAKER. Pursuant to the provisions of 243(a)(2) of Public Law 102–138, the Chair appoints the following members to the Commission on Broadcasting to the People's Republic of China on the part of the House:

Mr. Ben J. Wattenberg of Washington, DC; and

Mr. Leonard H. Marks of Washington, DC.

APPOINTMENT AS MEMBER OF COMMISSION ON BROADCASTING TO THE PEOPLE'S REPUBLIC OF CHINA

The SPEAKER laid before the House the following communication from the Honorable ROBERT H. MICHEL, minority leader:

HOUSE OF REPRESENTATIVES,
Washington, DC, January 14, 1992.

Hon. THOMAS S. FOLEY,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: On November 22, 1991 I notified the President of my appointment of Mr. Steven Mosher of Upland, California, and Mr. James L. Tyson of Darien, Connecticut, to the Commission on Broadcasting to the People's Republic of China in accordance with the provisions set forth in Public Law 102–138.

Sincerely yours,

ROBERT H. MICHEL,
Minority Leader.

APPOINTMENT AS MEMBER OF NATIONAL ADVISORY COUNCIL ON THE PUBLIC SERVICE ACT OF 1990

The SPEAKER laid before the House the following communication from the Honorable BOB MICHEL, Republican leader:

HOUSE OF REPRESENTATIVES,
Washington, DC, January 27, 1992.

Hon. THOMAS S. FOLEY,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to Sec. 5(a)(2) of Public Law 101-363, I hereby appoint the gentlewoman from Maryland, Mrs. Morella, to serve as a member of the National Advisory Council on the Public Service Act of 1990.

Sincerely yours,

BOB MICHEL,
Republican Leader.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pending the return of the committee appointed to notify the President on the part of the House that the House and Senate are prepared to receive any communications from him, the Chair will receive 1-minute requests from the Members of the House.

TRIBUTE TO THE HONORABLE JAMIE WHITTEN, DEAN OF THE HOUSE AND DEAN OF THE MISSISSIPPI DELEGATION

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I thank the Chair for giving me this opportunity to speak.

I had the privilege of coming to the well of this Chamber on November 5, 1991, to announce that on that day the dean of our Mississippi delegation and the dean of this House, Congressman JAMIE WHITTEN, marked his 50th anniversary of service in the House of Representatives.

I would point out to my colleagues that the Speaker has talked about this today, but I thought that as the next ranking Member to Mr. WHITTEN on our Mississippi congressional delegation, I would also like to make brief comments.

It is my honor today to again come to the well to pay tribute to Mr. WHITTEN. On January 6, 1992, he broke the record of the late Congressman Carl Vinson of Georgia, and he has now become the longest serving American in the history of the House of Representatives. Mr. Vinson's record was 50 years, 2 months, and 13 days. Each day Mr. WHITTEN serves now will add to this, I believe, almost unbreakable record.

His colleagues in the Mississippi delegation are proud of Mr. WHITTEN, as are all his fellow Mississippians. The Mississippi Society of Washington will pay tribute to him on February 5 with a reception in his honor.

Mr. Speaker, let me say this: Mr. WHITTEN, I know I speak for all of our colleagues today when I say that we salute you for a lifetime of service not only to our State but to our great Nation.

TAX RELIEF AND JOBS CREATION SHOULD BE FEATURED IN STATE OF THE UNION MESSAGE

(Mr. PAXON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAXON. Mr. Speaker, in about 8 hours the President will enter this Chamber and deliver his annual State of the Union address to the Nation. I hope the President speaks forcefully over the heads of this Congress and directly to the American people. I am confident that he will tell America of the crucial need for tax relief and jobs creation, about the need for an increase in the personal exemption, tax credits for minor children, individual retirement accounts, a tax credit for firsttime home buyers and those who buy American cars, as well as cuts in capital gains and reestablishing investment tax credits to create jobs.

But the President cannot do it alone. If this Congress is serious about getting the economy growing again, it can act on economic growth, and do so now with no bickering and no gamesmanship.

Mr. Speaker, I urge the President to challenge Congress with a deadline, a solid date by which this Congress shall act on economic growth and job creation, and then America will see whether or not this Congress is serious about getting America back to work again.

THE CRUCIAL ISSUE OF HEALTH CARE

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, on January 14, along with many other Members of the House, I had a public forum at home, in Louisville, KY, on health care. Over 300 people attended my forum. Fifty people took the time to speak and deliver messages. We did not achieve a consensus on what should be done, but we established that there is a clear problem with health care in the United States.

Tonight, in a few hours, just a few feet from where I am now standing, the President will deliver his State of the Union Message. I hope that the President devotes a great deal of his time to the question of health care. I hope he features it. But I hope that what I have heard up to now is not the sum of his remarks tonight. I hope he does not recommend simply to give the people tax credits or some type of tax deduction and let the people go out in the health care market and fend for themselves.

I am very much for the free market. I think the unfettered, unregulated market system operates, for the most part, very well, but it does not operate well in the health care field.

I hope, therefore, Mr. Speaker, that the President does not just cut the people loose to sink or swim in the ocean of health care reform because I fear that too many of them may sink.

A COORDINATED EFFORT NEEDED IN THE WAR ON DRUGS

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, fighting the scourge of illegal drug abuse must be done at every level because the war on drugs cannot be won on only one battlefront.

Not only must our communities and schools work together to curb drug demand, but our Federal Government must work internationally to combat the problem of drug supply.

The importance of the drug summit to be held next month in San Antonio cannot be underscored. President Bush and the leaders of six Latin American nations will convene to coordinate their counternarcotics operations.

Supply reduction is the key to driving down drug use. The national drug control strategy concentrates on drug trafficking organizations and targets broad-based efforts in interdiction to prevent drugs from entering the United States.

An example of our progress can be seen in 1991 when Customs, the Border Patrol, and the Coast Guard made over 17,000 drug-related arrests, and seized 229,000 pounds of cocaine and 3,000 pounds of heroin.

The President's strategy can help us succeed in the war on drugs.

THE PROBLEM OF THE FEDERAL DEFICIT

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. President, we await your address to the Nation this evening. We await it and we anticipate that what we are going to hear, here in the Congress——

The SPEAKER. The gentleman from South Carolina will address the Speaker and not the President.

Mr. DERRICK. We look forward to working together with the administration to bring about a new economic policy for this country.

We would recall that as we went into the 1980's, we were the largest creditor Nation in the world. Today we are the largest debtor Nation. As we began the 1980's, we had a national annual deficit of some $60 billion. It now approaches $220 billion. As we began the 1980's, we had a debt that had been accumulated over a 200-year period of some $1 trillion. Today it approaches $4 trillion.

□ 1250

I say this to say that the policies of the 1980's have not worked. I ask not for a quick fix. The people of this country are not interested in a dollar-a-day tax refund. They are interested in being guaranteed that they are going to have jobs throughout the balance of this century and well into the 21st century.

THE HOUSE SPENDING ACCOUNTABILITY ACT

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, we are back here at the beginning of the second session of this Congress, but I would like to call the attention of Members to the last day of the first session.

Mr. Speaker, you may recall in our rush to get out of town we committed $25 billion to the Resolution Trust Corporation and $30 billion to the FDIC, both without a recorded vote. Fifty-five billion dollars was spent that last afternoon without a recorded vote so that we could return and hide and go wherever we wanted to go.

But that was only part of the story. In addition to that, in 1991 the House approved by voice vote $392 billion through appropriations conference reports, including $13 billion for two continuing resolutions and $65 billion in direct spending bills, all on voice votes. So I am suggesting that we get off to a much more accountable start in this, the second session.

Mr. Speaker, today I am introducing the House Spending Accountability Act, which would simply require that recorded votes must be taken on priority spending bills. The public deserves to know how we stand and how we vote.

TIME FOR A NEW AGENDA

(Mr. FROST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FROST. Mr. Speaker, tonight marks the real first day of the 12th year of the Reagan-Bush administration. We have had 11 years of a Republican philosophy that has taken the country into massive deficits and has resulted in the current economic hardships people feel all over this Nation.

It is time for a break from the past. It is time for a road map for the future.

I, along with the rest of the Nation, will be listening carefully to what President Bush has to say tonight in his State of the Union Address. The ball is in his court. He needs to provide the leadership to create jobs, to make our tax system more equitable and to guarantee health care for all our people. And he needs to get tough with the Japanese and our other trading partners who are harming American workers.

Once the President has presented his program, Democrats will be prepared to respond and to initiate our own proposals in those areas where he falls short.

Mr. Speaker, it is time to end the failed policies of the last 11 years. It's time for a new agenda—either from this President or from someone else.

CONGRESS SHOULD HEED PRESIDENT'S CALL FOR ACTION

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, tonight in this Chamber the President will deliver his State of the Union Address. We all know that the President is going to have a call for action, and action is what our country needs.

Mr. Speaker, I have just completed 47 townhall meetings throughout northeast Wisconsin. Over and over again Wisconsinites have told me what your constituents are telling you, that they want an end to the bickering and an end to political in-fighting here on Capitol Hill.

Mr. Speaker, the American people want solutions. They want united action by all branches of government, and they want our country's leaders to take action.

So when the President calls for action this evening, I hope that Members in this House will act without delay, and let us work with our President for the good of this country.

REPORT OF COMMITTEE TO NOTIFY THE PRESIDENT

Mr. GEPHARDT. Mr. Speaker, your committee on the part of the House to join a like committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled and is ready to receive any communication that he may be pleased to make has performed that duty.

Mr. Speaker, the President has asked the gentleman from Illinois [Mr. MICHEL] and me to report that he will be pleased to deliver his message at 9 p.m. tonight to a joint session of the two Houses.

JOINT SESSION OF CONGRESS—STATE OF THE UNION ADDRESS

Mr. GEPHARDT. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 267) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 267

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, January 28, 1992, at 9 o'clock post meridian, for the purpose of receiving such communication as the President of the United States shall be pleased to make to them.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

After consultation with the majority and minority leaders, and with their consent and approval, the Chair announces that tonight when the Houses meet in joint session to hear an address by the President of the United States, only the doors immediately opposite the Speaker and those on his left and right will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House.

Due to the large attendance which is anticipated, the Chair feels that the rule regarding the privilege of the floor must be strictly adhered to.

Children of Members will not be permitted on the floor, and the cooperation of all Members is requested.

AUTHORIZING THE SPEAKER TO DECLARE RECESSES AT ANY TIME ON TODAY, SUBJECT TO THE CALL OF THE CHAIR

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that it may be in order at any time today for the Speaker to declare recesses, subject to the call of the Chair, for the purpose of receiving in joint session the President of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of this week may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ADJOURNMENT FROM THURSDAY, JANUARY 30, 1992, TO MONDAY, FEBRUARY 3, 1992

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Thursday, January 30, 1992, it adjourn to meet at noon on Monday, February 3, 1992.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

COMMEMORATION OF THE 150TH ANNIVERSARY OF THE MACE

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute.)

Mr. GEPHARDT. Mr. Speaker, 150 years ago, when the 27th Congress gathered in the old House Chamber, the historic mace we have before us was used for the very first time on December 29, 1841.

This silver and ebony mace is the symbol of authority of the House of Representatives, and to quote our first Speaker, Frederick Muhlenburg: "A proper symbol of office" for the Sergeant at Arms.

The mace we honor today was commissioned in August 1841, by Speaker John White. It is an exquisite example of the silversmith's art, and remains a visible reminder that our National Legislature has roots in the traditions of the Roman Republic and the British Parliament.

During the 77th Congress, when the mace began its second century of use, an occasion which apparently went unnoticed and unrecognized, JAMIE WHITTEN had served a month and a half the first of his 25 terms, in the House, and Sam Rayburn had just begun his tenure as Speaker. Also present in the House during this time was Thomas D'Alesandro, a second term Member from Maryland and NANCY PELOSI's father, as well as John D. Dingell, father of Chairman JOHN DINGELL.

G.K. Chesterton once wrote:

> The disadvantage of men not knowing the past is that they do not know the present. History is a hill or high point of vantage, from which alone men see the town in which they live or the age in which they are living.

History is continuity, and celebrating history—especially the history of this institution—reminds us that we are part of a larger tradition of representative democracy. And it gives us an ideal to live up to as Congress confronts the issues before the American people today.

These are historic times in which we live, and an especially appropriate time to remember the strength and the vitality and, yes, the living history of this institution and its capacity for greatness.

Since 1841, this emblem of the authority of the House of Representatives has borne silent witness to the proceedings of this Chamber. We take great pride today in recognizing and celebrating its 150th year of service to the U.S. House of Representatives.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. GEPHARDT. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I thank the distinguished majority leader for yielding.

Mr. Speaker, I am honored to join the gentleman from Missouri [Mr. GEPHARDT] in commemorating the 150th anniversary of the mace, the symbol of authority and order in the House of Representatives.

It sometimes seems that in the House nothing is more ephemeral than permanency. There is a constant shift of allegiance in which Members form temporary alliances on new bills, new Members are elected, and old Members leave in one way or another.

But amidst the swirl of events, amidst the tumult and change, we can look to the right of the Speaker's chair and see the mace of the House of Representatives.

□ 1300

It reminds us of the continuity, the history, and the permanence of the House, yes, and of our Republic. If any of us ever gets the idea that he or she is irreplaceable, the mace tells us by its silent but eloquent presence that what matters is not the individual but the institution itself.

The mace and the authority it symbolizes is a striking and visible reminder of a great and invisible power, and that is the power of a free people to choose their own Representatives.

A symbol cannot command respect, but it can remind us by its very presence of ideas and realities that deserve our respect. That is what the mace does, every day we are in session.

I am glad to be able to join with the gentleman from Missouri [Mr. GEPHARDT], the distinguished majority leader, to pay tribute to the mace that I first saw, I guess as a Congressman on a January day 35 years ago.

Back then, as a freshman Member of this House, I was in awe of what the mace represented. Yes, and 35 years has not distinguished the sense of awe but only increased it.

Yet today, as I look behind me to determine whether I should address the Chair as "Mr. Speaker," the mace obviously is on its pedestal. If the mace is down below, the obvious salutation or at least beginning is "Mr. Chairman" for addressing the Committee of the Whole House. So good that we should honor in this institution that which gives us such authority.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman from Illinois [Mr. MICHEL] for this fine statement.

WORKING WITH THE PRESIDENT

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, every day I read the papers with renewed amazement. The world I grew up in is gone. The old concepts that formed our vision and controlled our actions have been swept away.

We now have an opportunity as remarkable as that given to the people who founded this country: To lead the United States during a time of rapid change into a future full of possibilities and promise.

The President tonight will outline his vision of that future, and detail his plan to lead us there. I look forward to hearing what the President has to say, and to working with him during this pivotal point in history.

The needs that must be addressed are clear to the people in Connecticut. As I stood with them in the unemployment lines and in town meetings, they asked for new initiatives to turn the economy around, create jobs, and provide businesses with the capital to invest in new enterprise.

People, with and without jobs, came to me with horror stories about the lack of adequate health care and the tremendous expense of the health care they do get.

Our economy needs to be prepared for global competition unlike any we have ever faced, through better education, fair trade laws that break down international barriers, reform of our banking industry, and a strong industrial policy.

I look forward to tonights message with great anticipation, hoping that the President will offer a vision of our future that addresses these pressing concerns, and that all Americans can follow.

A FAT-FREE FRANK

(Mr. THOMAS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of California. Mr. Speaker, there are calls for a new agenda, but some things just do not change. Polls show that incumbents are in trouble. Incumbent Members in the House are in trouble for one big reason, incumbent arrogance.

The most recent example is the shenanigans with the frank. Taxpayers are now learning and are becoming outraged that their dollars can be used to send campaign informational mailings to people who are outside the Member's district. It may be legal, but it is not right. Let me repeat that. It may be legal, but it is not right.

I am introducing a bill that removes the statutory support for this activity. This bill deserves our support. I hope Members will support it. Join me in a fat-free frank.

AMERICA IS TIRED OF READING GEORGE'S LIPS

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, for 3½ years now we have heard a lot of speeches by President Bush on what he is going to do. Isn't it about time he did some of it?

The President promised 30 million jobs in 8 years.

Now we have 2 million more Americans out of work than when he took office.

The President told us he wanted a comprehensive health care proposal, but it is disappearing even before his speech is given.

He has told us he was the Education President, but Federal aid for public education is half what it was a decade ago.

He declared war on drugs, but the streets are awash in cocaine and heroin.

Tonight, he comes back to the Hill for his fourth State of the Union address. He will tell us how he wants to revitalize the sagging economy.

Mr. Speaker, the American people are clamoring for action. They are tired of reading George Bush's lips. Lip service is all they have gotten out of Washington for too long.

They want the President and Congress to get down to business, especially now, when millions of Americans are feeling real pain from the recession.

That takes more than speeches. It takes the President and the Congress talking to each other, not past each other. It takes rolling up the sleeves and hard work; creative thinking and compromise to come up with a plan to get this country moving again.

STOP WASTEFUL GOVERNMENT SPENDING SUPPORT THOMAS FAT-FREE FRANKING

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, the congressional mailroom was very busy last week. In one 2-day period, 58 million pieces of mail were sent out. That is right. Fifty-eight million.

Some of this mail was legitimate constituent correspondence, but much was nothing more than thinly veiled campaign propaganda, sent at taxpayer expense into prospective new areas that Members might represent.

Yes, some Members are mailing not into their existing districts, but to potentially new areas.

The gentleman from California [Mr. THOMAS], ranking minority member of the Committee on House Administration, has introduced a bill to stop this unethical practice. The bill has already been endorsed by newspapers with as widely different editorial viewpoints as the New York Times and the Washington Times.

The bill is simple. Members of Congress will only be allowed to send updates and congressional newsletters to their existing constituents.

The House leadership is pushing for a 26-percent increase in Congress' own in-house budget this year. There is only one reason for such a huge increase. Some Congressmen are trying to use taxpayer money to be elected to new, post-redistricting districts. That is unethical, and we should make it illegal.

Support the Thomas fat-free franking bill.

THE PRESIDENT'S PROPOSAL ON HEALTH-CARE REFORM SIDETRACKED

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, what happened to the President's health care proposal? The President promised the country he would send to Congress a significant proposal to improve America's health care system.

Now we learn the President's budget is being rewritten and health care reform will be submitted at a later date. This is like the old "My dog ate my homework" defense. Just as it does not wash in school, it does not wash here.

This country is calling on its President to come up with a serious, long-term plan to get us through the decade. Not a short-term Band-Aid to get him through the election. Health care, jobs, tax fairness for the middle class, lowering the deficit—these are the issues that demand a well thought out State of the Union speech.

Tonight, Mr. Speaker, I hope President Bush will offer some serious long-term plans and not more politically motivated Band-Aids. If he is serious, Congress will be more than happy to help him. But, if tonight's speech is more of the same Republican help the rich, soak the rest leftovers, then Congress will as before fight for the middle class in this country.

SPEAKER'S SLUSH FUND

(Mr. SANTORUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANTORUM. Mr. Speaker, last Friday I received a call from one of my constituents, Jeff Nunes. He was furious. Jeff had read a story in one of our Pittsburgh newspapers that reported approval of $20,000 to put new marble floors on three House elevators. Mr. Speaker, this type of spending habit only serves to reinforce that the slush fund of the Speaker and some of the leaders on the other side of the aisle is being used for lavish spending, while many Americans are out of jobs, out of work, and out of any hope for recovery.

I am not here just to criticize this House's leadership, but to question the process used to authorize spending under the legislative branch appropriations bill. Here's another case where unspent funds from congressional accounts are being used and spent by the Speaker without the consent, much less even the knowledge of other Members of Congress.

This Speaker's slush fund is an embarrassment to the Congress.

Last fall I sponsored several bills and amendments that would improve the handling of such situations to prohibit the reprogramming of funds and to give the money that is used, that is not spent in congressional accounts, back to the Treasury to reduce the deficit, not to be spent on marble floors.

I also sponsored legislation that would open up books to the American public. The American public has a right to know and see how our money is being spent.

I would plead with the Speaker to eliminate this slush fund and allow for that money to be spent to reduce the deficit.

□ 1310

THE PRESS SHOULD CLEAN UP ITS ACT

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, this sleazy rag, the Star, that brings us stories about three-headed Martians and pregnant 94-year-old women is now setting the agenda for the Presidential race. This is a sad day for American journalism when the mainstream press sees fit to follow a tabloid that is forced to pay for their stories.

The star of the Star, Gennifer Flowers, has a massive credibility problem as well, yet her wild accusations and not the issues might tumble the candidacy of Gov. Bill Clinton, who has made the mistake of discussing the issues in the Presidential race.

Mr. Speaker, the press questions the credibility of politicians. The time has come for the press to look in the mirror and to clean up their act as well.

THE PRESIDENT'S FOURTH ANNUAL DRUG CONTROL STRATEGY

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I am pleased to take this opportunity to congratulate the President on the submission of his fourth annual drug control strategy.

Over the past year our Nation has been distracted by such dramatic events as the collapse of the Soviet Union, the freeing of the American hostages held in Lebanon and, of course, Operation Desert Storm. Now, President Bush's fourth strategy reminds us of the important matters at home—including our Nation's critical antidrug efforts.

President Bush is commended for the international attention he has focused on the drug war. In 1988, we spent about $4.6 billion in antidrug efforts, now the administration is requesting $13 billion in antidrug funding for fiscal year 1993, that is a tripling of Federal resources in the last 5 years.

But all of these expenditures will be meaningless unless all of us throughout our Nation commit ourselves to work for a drug-free nation—in our homes and our communities. Mr. Speaker, I look forward to working with our President and the Office of the National Drug Control Policy to make 1993 a victory year in our drug war and in drug abuse reduction.

PRESIDENT SHOULD ENFORCE U.S. TRADE LAWS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, every year the American people get more promises in the State of the Union Address. This year is no different. In 3 short years the promises of President Bush have gone from "Read my lips" to "Dial 911." But the problem with that, Mr. Speaker, is when the American taxpayers dial 911 they get a recording at the new world order instructing them to deposit a few more yen.

Mr. Speaker, I think the President would be wise to stop the promises and start enforcing the laws of America, especially the trade laws of this country as they deal with Japan and China, before the President goes down in history as the most popular one-term President of all time.

IN SUPPORT OF H.R. 967, BILL TO REPEAL THE SOCIAL SECURITY EARNINGS TEST

(Mr. GILCHREST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILCHREST. Mr. Speaker, I rise for two purposes. First, I am looking forward to the President's message tonight to the Nation. I look forward to supporting him on new health care provisions, an economic package, the education initiatives, and initiatives to preserve our environment.

Mr. Speaker, I also rise to support H.R. 967, a bill to repeal the Social Security earnings limit on senior citizens between the ages to 65 and 69. I urge the conferees in the Older Americans Act reauthorization bill to keep the Senate language. This policy is outdated and must be changed so seniors can meet their high costs of living and maintain financial independence.

Under current law senior between the ages of 65 of 69 who receive Social Security benefits and must work to make ends meet can only $10,200 before having to forfeit $1 in Social Security benefits for every $3 earned. While this policy may have worked well in the past, it no longer meets the needs of the economy nor the needs of senior citizens.

According to the U.S. Department of Labor, in January 1989, 61 percent of workers age 63 and older were working because they need the money. At the same time, the Department of Labor warns of shortages in the labor market. There is a demand for skilled, dependable workers.

Furthermore, other forms of income do not disqualify our Social Security benefits. Retired senior citizens who receive unearned income, like that from interest or dividends, in excess of the current earnings test do not have any limit on their Social Security benefits.

This type of inequity needs to be changed, Mr. Speaker. I look forward to these changes and I look forward to the President's speech.

FOCUSING ATTENTION ON AMERICA'S CHILDREN

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, in 1988, the President wrapped himself in the flag for the campaign. It looks like this year he is trying to wrap himself around America's children. Actually I would prefer the Captain Kangaroo act to the Rambo act.

I just want to say I think it was Members of this House and the Senate who voted for Kidsnet, that maybe finally got his attention. We all know if we feed America's children, if we immunize America's children and if we send them to Head Start they get off to a much better start. Unfortunately, the President promised to do those things in 1988 and then forgot to do it. Hopefully in his budget tonight he is going to remember.

The House and the Senate both passed the full funding for that in our Kidsnet. The President said he would veto the bill that that was in. Let us hope that he has rethought it, because over two-thirds of America's children eligible for Head Start still are not there. We know we have now 3 million more children in poverty than when he took over. We know the immunization rates are worse than many African and Latin American countries. That is shameful.

It is time we focus on America's children. Let us see more Captain Kangaroo from everybody.

FOREIGN FIRMS FLEECING THE AMERICAN TAXPAYER

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, foreign companies fleece the American taxpayer by not paying their fair share of taxes in the United States. Foreign companies—primarily but not all Japanese owe the United States Treasury a minimum of $35 to $50 billion in unpaid taxes for 1983–87 period, plus penalties, fines, and interest which would bring that tax bill to $150 billion. And then there are the next 4 years, what America could do with that money. The U.S. trade deficit could disappear. We could provide extended unemployment benefits for the unemployed—or apply part of the money to educate our young and repair our aging infrastructure.

But Mr. Hideo Takahashi, Assistant Director of International Economic Affairs for the Keidanren, objects to the U.S. effort to collect the taxes. He objects to requiring financial information from Japanese companies and their parent companies. American firms disclose this information in Japan and wherever it is required in the world—yet American companies still compete and pay their taxes. It is time to collect the unpaid taxes from all foreign firms—plus the interest, penalties, and fines. These foreign firms should stop fleecing American taxpayers by paying their fair share of taxes for the benefits received from this Nation.

INTRODUCTION OF THE INFRASTRUCTURE IMPROVEMENT AND JOB OPPORTUNITIES ACT OF 1992 AND THE QUALITY OF LIFE RESOLUTION

(Mr. HAYES of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES of Illinois. Mr. Speaker, as the President ponders his State of the Union Address, I encourage him to focus on the real needs of this Nation. Ask anyone in any city or town in this country and they will freely tell you the state of the Union. They will tell you that we are in need of rebuilding this Nation—the economy, the infrastructure, and housing. We need to provide jobs for the American worker.

There is a nationwide jobs emergency and this Government must immediately respond to the need. That is why today I will be introducing two legislative measures that will help set the national employment agenda, and that will help create jobs to build the infrastructure of this country, improve the quality of life, and return dignity to American workers. Common sense should tell us that the best way to decrease the deficit is to put people back to work—to increase our revenue by increasing the pool of taxpayers.

The first measure, the quality of life resolution, sets a policy statement for this Nation for full employment and the second measure, the Infrastructure Improvement and Job Opportunities Act of 1992 will create job opportunities at community-based jobs projects that renovate and rehabilitate the public infrastructure.

The state of the Union, Mr. Speaker, is apparent on every corner of every city and town, and those that are suffering can no longer be ignored. Mr. Speaker, I encourage my colleagues' support for the Infrastructure Improvement and Job Opportunities Act and the quality of life resolution, and look forward to their adoption.

□ 1320

THE FOURTH NATIONAL DRUG CONTROL STRATEGY

(Mr. RAMSTAD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAMSTAD. Mr. Speaker, I was pleased to see that yesterday, the President released his fourth national drug control strategy, proposing an increase in Federal funding for drug treatment programs to $2.3 billion for 1993.

Tragically, 5.5 million addicted people still need treatment, but providers have had to turn many of these people away. I applauded President Bush's proposed capacity expansion program, which would provide additional drug treatment slots for those who need them most.

In addition, we should consider providing vouchers to individuals seeking drug treatment without access to it. Vouchers would open even more doors for treatment to those in our society who can least afford it.

I urge my colleagues to include these elements of the President's drug control strategy as part of a comprehensive antidrug bill this year. Mr. Speaker, it is time to end America's addiction to drugs.

THE SEASON FOR SANTA CLAUS IS OVER

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, the President, we are told, is about to play Santa Claus in the State of the Union Message. He will over tax relief to everyone in sight in the misguided belief that that will get our Nation out of its economic depression.

Most economists say he is dead wrong. What the country needs, they say, is a massive infusion of Federal money into our physical and social infrastructure. That will achieve a number of essential goals. It would put millions back to meaningful work. It would stop the drain on the Treasury for costly assistance programs. It would repair our crumbling roads, bridges, sewage facilities, transportation, housing, education, and health systems. And, finally, it would give us the only realistic possibility of reducing the deficit.

Let us face it: We cannot pennypinch ourselves out of a $3.7 trillion national debt that was amassed for the most part by the Reagan-Bush administrations.

Only by putting millions of unemployed Americans back to work can we both reduce the national debt and rebuild and reinvigorate America.

The season for Santa Claus is over, and as former President Nixon once said, "We are all Keynesians now."

NASA NEEDS TO WAKE UP

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, a few days ago, NASA announced that it will begin setting up equipment this week in the Mojave Desert to look for space aliens. NASA will spend $100 million on this Star Trek-type project.

I think it is totally ridiculous that NASA would spend hard-earned taxpayer dollars in this way.

The Associated Press reported that there have been 50 similar projects, organized searches, since 1960, with nothing found so far.

The Congress has given NASA huge increases in recent years, over $5 billion in increases in just the last 5 years. If they are going to spend $100 million to try to find little green men in space, I think their budget should be cut.

Just think how many poor people could be helped with $100 million, or how much could be done for education.

The people at NASA need to wake up. They need to know that there is a recession going on with millions out of work. They surely do not need to take $100 million from American families to conduct a futile search for space aliens. I think it is just pitiful that they will arrogantly waste so much money in this way.

This project will help no one except for the bureaucrats at NASA.

INTRODUCTION OF JAPANESE TRADE RESOLUTION

(Mr. BRUCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRUCE. Mr. Speaker, I am sure you have followed the circus we are calling our trade policy with Japan. The President came back from Japan with promises that the Japanese would purchase $19 billion in auto parts and 20,000 cars. The President was scarcely back in the United States when we hear that those promises were in fact only targets. We found out that no guarantees could be made that those targets would be reached. And finally, to add insult to injury, the Speaker of the Japanese House told us that our workers were lazy and overpaid.

Well, the Speaker of the Japanese House obviously hasn't been to my district lately. Overpaid is probably the last word that comes to mind. The fact is, there are too many people looking for work, both in my district and across the country, to worry about being overpaid. Instead, they are worried about how they are going to feed their children and pay for their doctor's bills.

It is especially ironic that a Japanese official is making these claims because the Japanese are notorious for their unfair trade practices. They use import barriers to close other countries out of their markets while invading other markets with below cost products. Until now, we have allowed these practices, secure in the knowledge that our economy was a picture of health and vitality. Well, it doesn't take a genius to see that our economy is no longer so healthy. I believe our trade policies should reflect this change.

I will be introducing a resolution today which urges the President to get tough in negotiating with the Japanese. We can no longer rely on a smile and a handshake to produce open Japanese markets. Instead, we need to sit down and conduct tough negotiations in specific industries. This approach has worked in the past and will continue to work in the future if we take the initiative. It's time to stop exporting jobs and instead start taking care of our own.

HAIL TO THE REDSKINS—AGAIN

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, I rise to congratulate our beloved Washington Redskins on their 37–24 victory over the Buffalo Bills in Superbowl XXVI. This win was the perfect ending to a near-perfect season for the Washington area's hometown heroes.

In Sunday's game, as well as throughout the entire season, the team that featured a Mann, a Monk, and some Hogs displayed a tremendous amount of professionalism and sportsmanship. From coach "Golly Gee" Gibbs to MVP Mark Rypien, to "the Posse," the Redskins kept a low public profile and spent their time and energy preparing for their opponent.

After losing to the Dallas Cowboys in their 12th game, ending their hopes of finishing the regular season undefeated, the Redskins rebounded to finish the year with a record of 14–2, the best in the NFL. They breezed through the playoffs, and had little trouble finishing off the Bills—a formidable opponent—for their third title in 10 years under Coach Gibbs.

However, individual records have never been an important part of this team's makeup. Although players such as Rypien, wide receiver Gary Clark, tackle Jim Lachey, cornerback Darrell Green, and defensive end Charles Mann, to name a few, had superb seasons and are among the eight Redskins playing in the Pro Bowl. However, the team concept has always prevailed. The Redskins know that teams, not individuals, win championships, and it is a tribute to the coaching staff that these high-profile athletes are able to work together in reaching a common goal. No one epitomized this attitude more than long-time NFL veteran linebacker Matt Millen, who was placed on reserve—not eligible to participate—before the Super Bowl. Millen, a veteran of Super Bowls with two other teams did not complain when he was informed of his reserve status. Instead, he worked the sidelines during the game, rooting his teammates on to victory.

These are some of the reasons we cheer the Redskins week after week. Owner Jack Kent Cooke and Coach "Hey" Gibbs are quality individuals who surround themselves with outstanding players and coaches. Talent is crucial, but it must be molded into a smooth machine to win championships. With assistant coaches like "Torgy" Torgeson and Richie Petitbon, and with General Manager Charlie Casserly continuing to oversee operations, still another NFL championship is a very realistic possibility next year.

Let's all "Hail to the Redskins," and I look forward to seeing the Redskins next year in Pasadena for Super Bowl XXVII.

DO NOT SHIFT BURDEN BACK TO WORKING FAMILIES

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, it is our understanding that at the President's State of the Union Address this evening right here, he will be announcing that he is calling for the repeal of the luxury tax on yachts. Now he is arguing that by repealing this tax the boating industry will be invigorated, and more people will go back to work.

He will also argue that the yacht tax has not raised much revenue, if any, for the Federal Government.

Mr. Speaker, it is hard to argue over either of those points, but I think it is only fair to recount the history of why we increased the luxury tax on yachts.

I take us back about 15 months to a debate that took place in this Chamber when the Democrats stood for the proposition that in order to reduce the budget deficit in this country, the wealthiest people in this country should pay a higher tax rate. We called at that time for a surtax on the income tax of millionaires, and the White House told us that was totally unacceptable; we could not impose this surtax on the income tax of millionaires. They came back with an alternative. The alternative was a luxury tax on the toys of the millionaires, on their yachts, their private airplanes, their jewelry, their expensive imported cars. So that was our compromise.

Tonight now, if the President is going to repeal the luxury tax on yachts and take what little burden might have existed on the wealthy off of them, I hope he does not shift that burden back to the working families of America. They have had too much of that under the Reagan-Bush economic theory.

RELEASE OF THE FOURTH NATIONAL DRUG CONTROL STRATEGY

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, as the Republican chairman of the House Select Committee on Narcotics Abuse and Control, I welcome the fourth installment of the national drug control strategy, which updates America's comprehensive, coordinated, multiple-front battle plan on fighting and winning the war against drugs and I congratulate President Bush and drug czar Bob Martinez for their aggressive efforts to lead our Nation's struggle against narcotics.

I believe the Bush administration is entirely correct to focus our Nation's overall drug program on reducing the use of illegal substances through prevention, treatment and street level law enforcement; and to attack the supply of illicit narcotics through dismantling major drug organizations, both domestically and internationally, through seizing financial assets, destroying labs, airstrips and planes, and arresting the drug kingpins.

The administration has made a major funding commitment to the antidrug effort, increasing overall funding by 93 percent from $4.6 billion in 1988 to approximately $13 billion in fiscal year 1993. This figure includes $3.5 billion for State and local government drug control programs and a doubling of Federal treatment funds and prevention activities, since 1989.

But the figures that really count are those measuring consumption of drugs by American citizens. Since the administration took office, casual drug use has declined 13 percent. This continues an overall trend of decreased casual usage of 45 percent since 1985. The record is more mixed with hardcore use, which has increasingly become more of an inner-city, low-income, and minority-based problem. However, even in this group, use continues to decline among younger users. Thus for both casual users and hardcore addicts, the pipeline of those becoming involved in drugs continues to shrink. That means in future years, the problems associated with drugs, including crime and violence and drug addicted babies, hopefully will become more manageable.

Congress, although meeting the administration's overall budget request, has repeatedly failed to enact legislation that address very targeted fronts in our struggle against illicit substances. Specific legislation to require accountability in treatment and increase treatment capacity, H.R. 2810 for example, or to approve targeted education and treatment grants that would focus on the hardcore abuse problem, have languished in various committees and subcommittees for 3 years.

The Congress has also failed to enact air interdiction legislation proposed by the administration, which I introduced, which would make it a crime for a drug trafficking pilot to refuse a Coast Guard officer's order to land. This legislation is over 2 years old, and because of congressional inaction, our drug interdiction agencies are hampered in the performance of their duties because they do not have the necessary authority to carry out a full court press against the drug cartels.

Thus, some important progress has been made in the war against drugs. But we can and must do more. Now is not the time to give up; now is not the time to say we are on the wrong road; now is not the time to politicize the drug war with headline seeking press releases that are not based on the facts.

The fourth drug strategy points us in the right direction; and it is the manifestation of the leadership and commitment of this administration to end this scourge.

□ 1330

IT IS DISLOYAL AND TREASONOUS TO USE ILLEGAL SUBSTANCES

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, in my 15-year tenure on Capitol Hill, with a break after the reapportionment of 1982, I have spent now 13 years on the Committee on Narcotics Abuse and Control.

I want to associate myself with our excellent ranking minority member who just spoke and also congratulate the President for a 93-percent increase in just the 3 years he has been in office.

I want to congratulate Mr. Martinez, former Governor of Florida, who is doing an excellent job, and Bill Bennett, former Cabinet officer of Education who preceded him.

The one thing that Mr. Bennett and Mr. Martinez both say, and actually they are following the lead of our distinguished chairman here, the gentleman from New York [Mr. RANGEL], is that we are not going to surrender and cave in to screams from the far left and the far right that we are going to add to the alcohol problems of this country, alcohol abuse problems, legalization of every kind of narcotic substance across the board and then get the government in the business of controlling advertising, controlling the purity of certain drugs.

Now, $12.7 billion is a terrible chunk out of our big budget in this country to try and counter those Americans who do not realize in addition to personal self-destruction what a vicious act, an unpatriotic act it is, to rip their country apart and cause governments to be in danger of falling in Central and South America and people to die all up and down the line of the narcotics trafficking.

I went with the gentleman from New York [Mr. RANGEL] into Surinam. I went back myself to Ghana a few days later and to Trinidad to see the young American women who are used as mules and who are arrested on their very first trip from New York City and other cities, to see them rotting in jails in Jamaica and Trinidad, and that is a real tragedy. It is a disloyal, treasonous act to use illegal substances in this country, and let us get that clear.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McNULTY). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has been concluded on all motions to suspend the rules.

NATIONAL DEFENSE RESERVE FLEET SHIP DISPOSAL ACT OF 1992

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3512) to direct the Secretary of Transportation to dispose of certain vessels in the National Defense Reserve Fleet, as amended.

The Clerk read as follows:

H.R. 3512

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "NDRF Ship Disposal Act of 1992".

SEC. 2. DISPOSAL OF NATIONAL DEFENSE RESERVE FLEET VESSELS.

(a) DISPOSAL REQUIREMENT.—

(1) IN GENERAL.—Notwithstanding any other provision of law (other than paragraph (3)) and before April 1, 1997, the Secretary of Transportation shall dispose of all vessels that are in the National Defense Reserve Fleet on the date of the enactment of this Act and that—

(A) are not assigned to the Ready Reserve Force component of that fleet; and

(B) are not specifically authorized or required by statute to be used for a particular purpose.

(2) NOTIFICATION OF SECRETARY OF THE NAVY.—The Secretary shall notify the Secretary of the Navy of the intent of the Secretary to dispose of a vessel under this section, by not later than 90 days before the date of that disposal.

(3) LIMITATIONS ON DISPOSAL REQUIREMENT.—

(A) RETENTION FOR NATIONAL DEFENSE PURPOSES.—The Secretary shall not dispose of a vessel under this section if the Secretary of the Navy certifies to the Secretary within 30 days after receiving notification of the intent of the Secretary to dispose of the vessel, that—

(i) the vessel is militarily useful, and

(ii) retention of the vessel in the National Defense Reserve Fleet is necessary for national defense purposes.

(B) USE BY STATE OR FEDERAL AGENCY.—The Secretary is authorized to not dispose of a vessel otherwise required to be disposed of under this section if the Secretary certifies to the Congress that the vessel is needed for use by a State or Federal governmental agency.

(C) RECERTIFICATION REQUIRED AFTER ONE YEAR.—Notwithstanding subparagraphs (A) and (B), the Secretary—

(i) may dispose of a vessel after the one-year period beginning on the date on which the Secretary of the Navy makes a certification described in subparagraph (A) with respect to the vessel, unless the Secretary of the Navy makes a subsequent certification under that subparagraph with respect to the vessel; and

(ii) shall dispose of a vessel after the one-year period beginning on the date the Secretary makes a certification described in subparagraph (B) with respect to the vessel, unless the Secretary makes a subsequent certification under that subparagraph with respect to the vessel.

(D) ENDANGERED SPECIES ACT.—This section shall not be construed as superseding, or authorizing any activity prohibited by, the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

(4) METHOD OF DISPOSAL.—Except as provided in subsection (c), the Secretary shall dispose of vessels pursuant to this section—

(A) in accordance with section 508 or 510(i) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1158, 1160(i)); and

(B) in the case of vessels disposed of after 3 months after the effective date of this section, in accordance with the plan submitted by the Secretary under subsection (b).

(b) VESSEL DISPOSAL PLAN.—

(1) IN GENERAL.—The Secretary shall submit to the Congress a plan for disposing of vessels pursuant to this section, by not later than 3 months after the effective date of this section.

(2) CONTENTS.—The plan submitted under this subsection shall include—

(A) procedures to be followed in disposing of vessels, including procedures for notifying the Secretary of the Navy pursuant to subsection (a)(2);

(B) standards developed by the Secretary for—

(i) identifying vessels to be disposed of,

(ii) establishing the priority for disposing of each vessel so identified, and

(iii) making certifications under subsection (a)(3)(B);

(C) standards developed by the Secretary of the Navy for making certifications under subsection (a)(3)(A); and

(D) a preliminary schedule for vessel disposals which indicates the number of vessels, or percentage of the total number of vessels required to be disposed of, that will be disposed of each year.

(c) USE OF VESSELS FOR ARTIFICIAL REEF PROGRAM.—

(1) SELECTION BY SECRETARY.—The Secretary may select not more than 15 of the vessels required to be disposed of under this section, for transfer to States for establishing artificial reefs.

(2) APPLICATION AND USE BY STATE.—A State may apply to the Secretary for a vessel selected under paragraph (1), for use—

(A) as an artificial reef in accordance with the Act entitled "An Act to authorize appropriations for fiscal year 1973 for certain programs of the Department of Commerce and for other purposes", approved August 22, 1972 (16 U.S.C. 1220 et seq., hereinafter in this subsection referred to as the "Artificial Reef Act"); or

(B) for exchanging for another vessel to be used by the State for an artificial reef in accordance with this subsection.

(3) REQUIREMENT TO TRANSFER.—The Secretary shall transfer a vessel selected under paragraph (1) to a State which fulfills the requirements for that transfer under the Artificial Reef Act with respect to the vessel (or another vessel to be acquired by exchange under this subsection).

(4) VESSEL EXCHANGES.—

(A) APPROVAL REQUIRED.—A State may not exchange a vessel acquired (or to be acquired) under this subsection from the Secretary for another vessel unless that exchange is approved by the Secretary. The Secretary may not approve any such exchange before the effective date of regulations issued by the Secretary under subparagraph (B).

(B) TERMS AND CONDITIONS FOR APPROVAL.—The Secretary shall, by not later than 120 days after the date of the enactment of this Act, issue regulations which establish such terms and conditions for vessel exchanges under this subsection as the Secretary considers appropriate to—

(i) protect the interests of the United States, including requirements for undertakings with sureties under subparagraph (D); and

(ii) ensure that the use by a State for an artificial reef of a vessel acquired by the State through that exchange shall comply with the requirements applicable to use of obsolete ships for that purpose under the Artificial Reef Act.

(C) TREATMENT OF VESSELS ACQUIRED BY STATES BY EXCHANGE.—For purposes of this subsection and the Artificial Reef Act, a vessel acquired (or to be acquired) by a State by exchange under paragraph (2)(B) shall be treated as an obsolete ship.

(D) USE OF VESSEL EXCHANGED BY STATE.—A person that acquires a vessel from a State through an exchange under this subsection shall—

(i) scrap that vessel by not later than 6 months after the date of the exchange; and

(ii) enter into an undertaking with sureties, approved by the Secretary, to ensure that scrapping is carried out.

(d) DEFINITIONS.—For purposes of this section:

(1) NATIONAL DEFENSE RESERVE FLEET.—The term "National Defense Reserve Fleet" means that fleet maintained under section 11 of the Merchant Ship Sales Act of 1946 (50 App. U.S.C. 1744).

(2) SECRETARY.—The term "Secretary" means the Secretary of Transportation.

(e) EFFECTIVE DATE.—This section shall take effect on April 1, 1992.

SEC. 3. TECHNICAL CORRECTION.

(a) CORRECTION.—Section 11(b) of the Merchant Ship Sales Act of 1946, as amended by section 6 of the Act of October 13, 1989 (Public Law 101–115, commonly referred to as the "Maritime Administration Authorization Act of 1990"), is amended to read as if it had not been repealed by section 307(12) of the Coast Guard Authorization Act of 1989 (Public Law 101–225).

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective December 12, 1989.

The SPEAKER pro tempore. The gentleman from North Carolina [Mr. JONES] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. DAVIS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3512 is the National Defense Reserve Fleet Ship Disposal Act of 1991. It was introduced by Congressmen BROOMFIELD, WYDEN, DAVIS, LENT, and me on October 8, 1991. It directs the Secretary of Transportation to dispose of all vessels in the National Defense Reserve Fleet before January 1, 1997—unless they are assigned to the Ready Reserve Force component of that fleet, or are specifically authorized by statute to be used for a particular purpose.

This bill sets in place a plan and schedule to scrap those vessels that are no longer militarily useful, and provides a workable framework for the disposal of the obsolete components of the National Defense Reserve Fleet. The proceeds received for these vessels will be applied by the Maritime Administration to upgrade vessels for the Ready Reserve Force. H.R. 3512 is the product of two hearings and the recommendations of a General Accounting Office study of the fleet, and it has the support of the Department of Transportation.

When we filed the report on H.R. 3512, the cost estimate of the Congressional

Budget Office was not available. It is here now, and I would like to insert it in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, January 15, 1992.

Hon. WALTER B. JONES,
Chairman, Committee on Merchant Marine and Fisheries, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 3512, the NDRF Ship Disposal Act of 1991, as reported by the House Committee on Merchant Marine and Fisheries on January 3, 1992. The bill would affect direct spending and thus would be subject to pay-as-you-go procedures under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985. As a result, the estimate required under clause 8 of House Rule XXI also is attached. We estimate that any budgetary impact of H.R. 3512 would be negligible.

H.R. 3512 would require the Secretary of Transportation to dispose of certain vessels in the National Defense Reserve Fleet (NDRF) by January 1, 1997. Exempt from this requirement would be all ships within the Ready Reserve Force (RRF) component of the fleet as well as certain vessels deemed to be useful for military or other authorized purposes. Disposal of the ships would be governed by title V of the Merchant Marine Act of 1936 (relating to the sale of obsolete vessels for scrap) and would be carried out under a plan to be developed by the Maritime Administration (MARAD), which manages the NDRF on behalf of the U.S. Navy. Up to fifteen of the vessels may be transferred to qualified states for artificial reefs, as authorized by Public Law 92-402.

Presently there are about 135 ships in the NDRF that are not in the Ready Reserve Force, including 20-25 vessels of sufficient value to be upgraded to the RRF, used by other federal agencies, or made available to states for maritime training. Most of the remaining ships (including about 20 already on the inactive retention list) are in poor condition and will probably be scrapped under MARAD's existing ship disposal program. Initiated last year, this program calls for a phased reduction of the existing non-RRF fleet over the 1991-2000 period, mostly through direct sales on world scrap markets. (Some vessels would be donated to nonprofit organizations or used as artificial reefs.) Under existing law, the proceeds from the sale of obsolete vessels will be deposited in the Vessel Operations Revolving Fund, from which they will be available without further appropriation for the purposes of acquiring new NDRF vessels.

Based on information obtained from MARAD, CBO does not expect the enactment of H.R. 3512 to have any significant impact on the agency's program or budget. Because many of the provisions of H.R. 3512 reflect current Administration practices (including those regarding conveyance to states for artificial reefs), it appears that the same number of vessels would be disposed of under both the existing and mandated ship disposal programs. While it is possible that, under the bill's accelerated disposal schedule, some proceeds from scrap sales may be realized earlier, most or all of the change would probably be matched by faster spending on new vessels for the NDRF. Moreover, any savings on maintenance costs from the earlier disposal of existing NDRF vessels would be at least partially offset by additional expenses associated with new acquisitions.

Enactment of this legislation would have no impact on the budgets of state or local governments.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Deborah Reis, who can be reached at 226-2860.

Sincerely,
ROBERT D. REISCHAUER,
Director.

CONGRESSIONAL BUDGET OFFICE ESTIMATE[1]

The applicable cost estimate of this act for all purposes of sections 252 and 253 of the Balanced Budget and Emergency Deficit Control Act of 1985 shall be as follows:

[By fiscal year, in millions of dollars]

	1992	1993	1994	1995
Change in outlays	$0	$0	$0	$0
Change in receipts	NA	NA	NA	NA

Mr. Speaker, the bill presented incorporates several minor amendments from the original bill. It changes the effective date to April 1, 1992; provides more flexibility regarding the acquisition of obsolete vessels for artificial reefs; and makes a technical correction regarding the administration of the National Defense Reserve Fleet.

Finally, Mr. Speaker, let me compliment the original sponsor of this legislation, our colleague from Michigan, Mr. BROOMFIELD. He has done a fine job of identifying a problem, looking into it thoroughly, and working with my committee to produce an effective solution. He and Mr. WYDEN from Oregon deserve credit for their roles in this legislation.

Mr. DAVIS. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, I want to commend Chairman JONES for his able leadership throughout the consideration of H.R. 3512.

First, I want to make sure that everyone recognizes that this vessel disposal program being set up by H.R. 3512 involves the 116 vessels in the non-RRF portion of the National Defense Reserve Fleet. The overwhelming bulk of these vessels are over 45 years old and their usefulness has been severely questioned.

The subcommittee has held extensive hearings on the specific issue of what to do with the older NDRF ships. In addition, the committee received a GAO report on this same issue. While the GAO report concludes that most, if not all, of the NDRF vessels could be activated during a period of national emergency, these vessels are old, slow, difficult to crew, and incapable of carrying large amounts of cargo, and therefore are no longer needed as sealift assets.

The bill, which replaces H.R. 265 and sets up a disposal regime for the NDRF—non-RRF—ships, allows the Secretary of the Navy and the Secretary of Transportation to retain those vessels which should be retained for governmental uses. MarAd will prepare a plan for disposing of the NDRF ships that have not been assigned to the RRF; set aside by statute for a particular purpose or reserved for use by a State or Federal agency; or identified by the Navy as militarily useful vessels needed for the national defense, by January 1, 1997. The Navy must recertify annually any ships it wants retained.

This legislation gives the administration the latitude it needs to manage this disposal properly in a timely fashion.

It also sets aside 15 of these ships for possible donation to States for use as artificial fish reef. I want to thank Chairman JONES and the committee for including a provision which will facilitate the acquisition of vessels for the creation of artificial reefs in Great Lakes waters.

Finally I want to commend a fellow Member of the Michigan delegation and my close friend BILL BROOMFIELD. Mr. Speaker, without his persistence and diligence, we would not yet be to first base. Instead, largely because of BILL BROOMFIELD, we now have a real opportunity to correct a Federal program that seemed to have lost sight of its objective. Not only are we refocused, but we may even be able to save the Government some money.

Mr. JONES of North Carolina. Mr. Speaker, I yield 4 minutes to the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. Mr. Speaker, I, too, want to join in the praise for Chairman JONES who has shepherded this legislation and has been most gracious in all his efforts to help us work out this legislation.

I also want to commend our colleague, the ranking minority member, the gentleman from Michigan [Mr. DAVIS] as well, because this is truly a bipartisan bill.

I want to follow up on what the gentleman from Michigan [Mr. DAVIS] has said about the gentleman from Michigan [Mr. BROOMFIELD]. The fact of the matter is that this legislation is out here today because the gentleman from Michigan [Mr. BROOMFIELD] has bulldogged this issue for years and years, saying that this was a question of fairness for the taxpayers and for our national security. I want to join the gentleman from Michigan [Mr. DAVIS] in saluting the gentleman from Michigan [Mr. BROOMFIELD] who has made it possible for this legislation to be out here on the floor today.

Mr. Speaker, the fact is we are dealing with 116 vessels, virtually all of them that are older than I am. What we have is a set of cadavers that have long outlived their usefulness. It is time to scrap them and use those scarce dollars to build up a modern sealift capability.

Perhaps the most telling comment about these 116 vessels is that during the Persian Gulf war, rather than being able to rely on our own vessels and these ships, we were involved in a rent-a-ship program where we had to go out and lease foreign vessels, and not one of these ships that we are talking about here today was in a position to be reactivated and help to promote our national security during the Persian Gulf conflict.

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[1] An estimate of H.R. 3512 as reported by the House Committee on Merchant Marine and Fisheries on January 3, 1992. This estimate was transmitted by the Congressional Budget Office on January 15, 1992.

So this legislation in my view is long overdue.

I must tell our colleagues that during a time when resources are scarce, the essence of our national security must involve a modern capability that can move around the world quickly. These ships are not in any position to play a role in that kind of national security service.

So I join in our bipartisan efforts today and again commend Chairman JONES and the gentleman from Michigan [Mr. DAVIS] and particularly the gentleman from Michigan [Mr. BROOMFIELD]. Through our investigations in the subcommittee we were able to join Chairman JONES in this effort, and I want to thank my colleagues.

Mr. Speaker, I rise in support of this important piece of legislation. Before I begin my remarks, I just want to thank, and congratulate, two senior Members of this body—Chairman JONES and my honorable colleague from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD was the first to raise the alarm about waste and mismanagement in the maintenance of these inordinately expensive, and obviously unnecessary maritime cadavers within the National Defense Reserve Fleet. It was his doggedness and energy in the pursuit of saving the taxpayers' dollars that resulted in a hearing before my Small Business Subcommittee 2 years ago on this matter. Suffice it to say that we found gaping holes in the Maritime Administration's arguments for preserving that fleet. To its credit, the Maritime Administration has abandoned its earlier, untenable position and now supports this bill. I congratulate them for seeing the light.

Mr. BROOMFIELD is, of course, the primary author of the legislation before us, today, which liquidates this fleet in a timely, and cost-effective manner—one which will save millions of those hard-earned tax dollars.

Mr. JONES shepherded this bill through the Merchant Marine and Fisheries Committee, and now brings this legislation to the floor. His leadership has been painstaking, and the benefits will be felt by taxpayers across-the-board.

The object of this bill is approximately 116 Government-owned cargo vessels within the NDRF. Most of these ships are of World War II vintage—Victory ships. They are old, small, and slow-moving. For many, crews would have to be retrained to use near-extinct technology in order to activate these ships in the case of a national emergency.

That is, if they could be reactivated. A general Accounting Office report done at our behest indicated that many of these ships had been poorly maintained, and that in many cases key spare parts were nowhere to be found. Those problems obviously lead the Government to go the rent-a-ship route during the Persian Gulf war, when not one of these ships was reactivated, and yet scores of foreign flag vessels were leased to carry our war material and supplies.

To me, the gulf sealift was the litmus test for this oldest, but not boldest, portion of the NDRF. These 116 ships serve no earthly purpose under any conflict scenario. They are moored in places like Fort Eustis, VA; San Francisco, CA, and Beaumont, TX, soaking up about $10 million per year in ill-spent maintenance costs, and denying us an estimated $40 million in liquidated value.

There is no reason to continue this fleet. The aging ships lost their strategic value years ago. Let's do now what should have been done in an earlier Congress and begin liquidating these ships in a reasonable and efficient manner.

If I may address one more item, the amendment to be offered on the floor, today, allowing for the conditional exchange of some ships within the fleet for non-NDRF vessels seems to be an extremely reasonable and beneficial idea, and one which will benefit the taxpayer.

Mr. Speaker, I urge my colleagues to support the amendment, and the legislation, and I again thank Mr. JONES and Mr. BROOMFIELD for the strong leadership they've demonstrated on this important issue.

☐ 1340

Mr. DAVIS. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. BROOMFIELD] the principal author of this legislation.

Mr. BROOMFIELD. Mr. Speaker, this is a most appropriate time to bring this bill to the floor. Last month, we commemorated the 50th anniversary of the beginning of America's participation in World War II.

The ships we are discussing here today are veterans of that war. They fought the good fight. They served America well, and now it's time to muster them out with full honors.

I would like to thank the gentleman from North Carolina, Chairman JONES of the Merchant Marine and Fisheries Committee, as well as its ranking member, the gentleman from Michigan, BOB DAVIS. I would also like to thank the gentleman from New York NORMAN LENT, ranking member of the Subcommittee on Merchant Marine, for their work in bringing this bill to the floor. Special thanks also to the gentleman from Oregon RON WYDEN, for his help in focusing attention on this important issue in the Small Business Committee.

Also, great credit should go to Paul Russinoff, a former member of my staff, and to Terri Hauser, Karen Block, and Tim Lanigan of my present staff and to Rusty Johnston and Mark Rugge of the Merchant Marine Committee staff.

Some of my fellow Members might wonder why BILL BROOMFIELD, a Member normally associated with the Foreign Affairs Committee, has sponsored this bill and taken such an interest in seeing it become law.

My interest in the so-called ghost fleet stems from a call I got from an old friend, the late Bill Donaldson, the former mayor of Pontiac, MI. Bill told me about a number of World War II—era vessels that were being used for naval target practice and others that were being sunk as artificial reefs.

What concerned Bill was the sight of these ships being sent to the bottom of the ocean loaded down with a treasure chest of expensive equipment.

America's do-it-yourselfer, who spends his Saturday mornings at the hardware store, would not believe what was being thrown away: motors, band saws, lathes and vises, rotary pumps, and radar equipment were just some of the items.

What neither Bill nor I could understand is why these ships were being sunk with millions of dollars of this equipment on board. In an era when American taxpayers are being forced to cut back on the family budgets, there is no reason why Uncle Sam should be so wasteful with his.

I decided to look into the matter for myself, so I flew down to take a look at the ships that are part of the James River fleet.

What I found amazed me. Anyone who has driven by a farmhouse, and seen an old rusty hulk of a 1940 Hudson or Nash sitting up on blocks, can visualize what much of this reserve fleet looks like.

Grass is growing on the decks of some of these ships, paint is peeling off the hulls, and rusting materials and equipment lie everywhere.

Many of the brave men and women who served in our Armed Forces 50 years ago would be amazed—and depressed—at the sight of these ships.

Americans don't drive 50-year-old cars anymore, and I cannot imagine we are going to win any battles in 50-year-old ships. As I looked this fleet over, I began to wonder why we were keeping many of these ships at all.

That lesson was driven home to me at the start of the war against Iraq. Operation Desert Shield provided about as good a test case of these ships as anyone is likely to devise. Not one of them was used. And for a good reason. Not one of them would have made it across the ocean in time to supply our troops.

In fact, fewer than half of the ships in the more up-to-date Ready Reserve were called up for service in the Persian Gulf conflict, and only 14 of the 41 that were used made it to the gulf on time.

One senior Army official put it best: "The Ready Reserve," he said, "ain't ready."

If the Ready Reserve was late on arrival, the 100 or so ships in the World War II-era ghost fleet would have been dead on arrival. No military commander in his right mind would rely on these old World War II ships to get the goods to his troops.

For years the ghost fleet has been weathering the elements, gathering rust and costing the taxpayers millions of dollars. If ever there was a case for mercy killing, this is it.

While I favor a mustering out of the ghost fleet, let me say that I continue to be an outspoken advocate of a strong defense. Our sealift capacity is an important part of our military strength. I am definitely on the side of rebuilding our Nation's Merchant Marine.

But I do oppose wasting the taxpayer's money to maintain ships that cannot possibly serve when needed. Roughly half of the ships in our mothballed fleet were built in the World War II era.

The bill directs the Secretary of Transportation to dispose of all vessels that are in the National Defense Reserve Fleet that are not assigned to the Ready Reserve Force component of that fleet.

Specifically, the bill sets an up-or-out policy. A vessel must be upgraded to Ready Reserve Force status or it must be scrapped. An exception will be made if the Secretary of Defense states that a particular ship must be kept for national security reasons.

Proceeds from the sale of useless vessels will be used to make sure that the Ready Reserve Force is truly ready for the Nation's next emergency.

Disposing of the old wounded warriors will weed out our inventory of unusable vessels so that we can focus our efforts on the real deficiencies in our sealift capacity.

So I do not consider this bill merely a matter of sounding taps for a fleet from the past; I also consider it a matter of sounding reveille for a fleet of the future.

I urge my colleagues to vote for this important legislation.

Mr. LENT. Mr. Speaker, it is a pleasure for me to rise in support of H.R. 3512, the NDRF Ship Disposal Act of 1991.

The Merchant Marine and Fisheries Committee has worked on this legislation for the last couple of years to determine the best procedure for disposal of the older vessels being held in the National Defense Reserve Fleet [NDRF]. Currently, the NDRF is composed of 212 vessels, including 96 in the Ready Reserve Force [RRF] and, of course this legislation would not affect the RRF vessels. There are 71 victory class ships and 45 other older vessels in the non-RRF portion of the NDRF. It is these ships that we are talking about today.

After studying the excellent report that the committee received from the General Accounting Office, it appears that this legislation achieves the rational approach to the disposal of these older ships that we have been looking for. H.R. 3512 will allow the Federal Government, through the Secretary of Transportation and the Secretary of the Navy to make decisions on which ships should be retained and which ships should be scrapped.

The bill also would prevent the scrapping of any vessels that are assigned for use by either a Federal or State agency. So, if the Corps of Engineers or one of the State maritime academies are using ships that are officially considered to be in the NDRF, those ships will be retained until no longer needed. The Maritime Administration [Marad] will use its existing statutory authority to scrap those ships which are not needed and the agency can use either foreign or domestic scrapping companies for this purpose. The bill also sets aside 15 NDRF ships for possible donation to coastal States for use as artificial fish reefs.

After discussions with the original cosponsors of this legislation—Messrs. BROOMFIELD and WYDEN—and representatives from Marad, we have crafted a bill that meets everyone's objectives. I understand that the administration is prepared to sign this bill in its current form. It represents a sound economic approach to the disposal of these old ships and will provide the Government with funds to acquire additional ships that ultimately could be upgraded to RRF status. At the same time it will protect our national defense shipping needs by preserving those ships that might still be militarily useful.

I want to specifically thank our committee chairman, WALTER JONES, and our ranking member, BOB DAVIS, for their help in moving this bill through the committee. Also, it is a pleasure to acknowledge the hard work and perseverance of Congressman BILL BROOMFIELD—the original sponsor of this legislation—and Congressman RON WYDEN who worked with us in the development of this program.

Mr. Speaker, I urge all of our House colleagues to join with us in supporting this bill.

Mr. DAVIS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McNULTY). The question is on the motion offered by the gentleman from North Carolina [Mr. JONES] that the House suspend the rules and pass the bill, H.R. 3512, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

FLOWER GARDEN BANKS MARINE SANCTUARY DESIGNATION

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 3866) to provide for the designation of the Flower Garden Banks National Marine Sanctuary.

The Clerk read as follows:

Senate amendment: Strike out all after the enacting clause and insert:

TITLE I—NATIONAL MARINE SANCTUARY

FLOWER GARDEN BANKS NATIONAL MARINE SANCTUARY

SECTION 101. Notwithstanding section 304(b) of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1434(b))—

(1) the Secretary of Commerce shall, on January 17, 1992 (or as soon thereafter as is practicable), publish under that Act in the Federal Register a notice of designation of the Flower Garden Banks National Marine Sanctuary, as described in the notice of designation submitted to the Congress on November 20, 1991; and

(2) that designation shall take effect on January 17, 1992.

TITLE II—MERCHANT MARINE PROVISIONS

NON-VESSEL-OPERATING COMMON CARRIERS

SEC. 201. (a) SHORT TITLE.—This section may be cited as the "Non-Vessel-Operating Common Carrier Act of 1991".

(b) PROHIBITED ACTS.—Section 10(b) of the Shipping Act of 1984 (46 U.S.C. App. 1709(b)) is amended—

(1) in paragraph (14), by inserting ", insurance, or other surety" after "bond"; and

(2) in paragraph (15), by inserting ", insurance, or other surety" after "bond".

(c) SURETY FOR NVOCC'S.—Section 23 of the Shipping Act of 1984 (46 U.S.C. App. 1721), is amended—

*(1) in the section heading by striking "**bonding of**" and inserting in lieu thereof "**surety for**";*

(2) by amending subsection (a) to read as follows:

"(a) SURETY.—Each non-vessel-operating common carrier shall furnish to the Commission a bond, proof of insurance, or such other surety, as the Commission may require, in a form and an amount determined by the Commission to be satisfactory to insure the financial responsibility of that carrier. Any bond submitted pursuant to this section shall be issued by a surety company found acceptable by the Secretary of the Treasury.";

(3) by striking subsection (b) and redesignating subsections (c) through (e) as subsections (b) through (d), respectively;

(4) in subsection (b), as so redesignated—

(A) by striking "BOND" in the subsection heading and inserting in lieu thereof "SURETY";

(B) by inserting ", insurance, or other surety" after "bond"; and

(C) by inserting "under this Act" after "transportation-related activities"; and

(5) in subsection (d), as so redesignated—

(A) by inserting ", insurance, or other surety" after "bond"; and

(B) by striking "subsection (d)" and inserting in lieu thereof "subsection (c)".

(d) INTERIM RULES AND REGULATIONS.—The Federal Maritime Commission may prescribe interim rules and regulations necessary to carry out the amendments made by this section.

(e) CONFORMING AMENDMENT.—The item relating to section 23 in the table of contents in the first section of the Shipping Act of 1984 is amended by striking "Bonding of" and inserting in lieu thereof "Surety for".

(f) EFFECTIVE DATE.—This section shall become effective 90 days after the date of its enactment.

CLARIFICATIONS OF, AND LIMITATIONS ON, GAMBLING DEVICES PROHIBITIONS

SEC. 202. (a) TRANSPORT TO A PLACE IN A STATE, ETC.—Section 2 of the Act of January 2, 1951 (15 U.S.C. 1172; commonly referred to as the "Johnson Act"), is amended—

(1) by inserting before the first paragraph the following: "(a) GENERAL RULE.—";

(2) in subsection (a) (as so designated) by striking ", District of Columbia,";

(3) by inserting before the second paragraph the following: "(b) AUTHORITY OF FEDERAL TRADE COMMISSION.—"; and

(4) by adding at the end the following:

"(c) EXCEPTION.—This section does not prohibit the transport of a gambling device to a place in a State or a possession of the United States on a vessel on a voyage, if—

"(1) use of the gambling device on a portion of that voyage is, by reason of subsection (b) of section 5, not a violation of that section; and

"(2) the gambling device remains on board that vessel while in that State.".

(b) REPAIR, OTHER TRANSPORT, ETC.—Section 5 of that Act (15 U.S.C. 1175) is amended—

(1) by inserting before "It shall be unlawful" the following: "(a) GENERAL RULE.—";

(2) by inserting before the period at the end the following: ", including on a vessel documented under chapter 121 of title 46, United States Code, or documented under the laws of a foreign country"; and

(3) by adding at the end the following:

"(b) EXCEPTION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), this section does not prohibit—

"(A) the repair, transport, possession, or use of a gambling device on a vessel that is not within the boundaries of any State or possession of the United States; or

"(B) the transport or possession, on a voyage, of a gambling device on a vessel that is within the boundaries of any State or possession of the United States, if—

"(i) use of the gambling device on a portion of that voyage is, by reason of subparagraph (A), not a violation of this section; and

"(ii) the gambling device remains on board that vessel while the vessel is within the boundaries of that State or possession.

"(2) APPLICATION TO CERTAIN VOYAGES.—

"(A) GENERAL RULE.—Paragraph (1)(A) does not apply to the repair or use of a gambling device on a vessel that is on a voyage or segment of a voyage described in subparagraph (B) of this paragraph if the State or possession of the United States in which the voyage or segment begins and ends has enacted a statute, the terms of which prohibit that repair or use on that voyage or segment.

"(B) VOYAGE AND SEGMENT DESCRIBED.—A voyage or segment of a voyage referred to in subparagraph (A) is a voyage or segment, respectively—

"(i) that begins and ends in the same State or possession of the United States, and

"(ii) during which the vessel does not make an intervening stop within the boundaries of another State or possession of the United States or a foreign country.".

(c) BOUNDARIES DEFINED.—The first section of that Act (15 U.S.C. 1171) is amended by adding at the end the following:

"(f) The term "boundaries" has the same meaning given that term in section 2 of the Submerged Lands Act.".

TITLE III—IMPLEMENTATION OF MARITIME BOUNDARY AGREEMENT AMENDMENTS TO MAGNUSON FISHERY CONSERVATION AND MANAGEMENT ACT

SEC. 301. (a) PURPOSES.—Section 2(b)(1) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801(b)(1)) is amended by inserting ", and fishery resources in the special areas" immediately before the semicolon at the end.

(b) DEFINITIONS.—Section 3 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802) is amended—

(1) by redesignating paragraphs (24) through (32) as paragraphs (25) through (33), respectively; and

(2) by inserting immediately after paragraph (23) the following new paragraph:

"(24) The term 'special areas' means the areas referred to as eastern special areas in Article 3(1) of the Agreement between the United States of America and the Union of Soviet Socialist Republics on the Maritime Boundary, signed June 1, 1990; in particular, the term refers to those areas east of the United States-Soviet maritime boundary, as defined in that Agreement, that lie within 200 nautical miles of the baselines from which the breadth of the territorial sea of the Soviet Union is measured but beyond 200 nautical miles of the baselines from which the breadth of the territorial sea of the United States is measured.".

(c) UNITED STATES MANAGEMENT AUTHORITY.—(1) Section 101(a) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1811(a)) is amended by inserting "and special areas" immediately before the period at the end.

(2) Section 101(b) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1811(b)) is amended by inserting immediately after paragraph (2) the following new paragraph:

"(3) All fishery resources in the special areas.".

(d) FOREIGN FISHING.—Section 201 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821) is amended—

(1) in subsection (a)—

(A) by inserting "within the special areas," immediately before "or for anadromous species"; and

(B) by striking "beyond the exclusive economic zone" and inserting in lieu thereof "beyond such zone or areas";

(2) in subsection (e)(1)(E)(IV), by inserting "or special areas" immediately after "exclusive economic zone";

(3) in subsection (i)—

(A) by inserting "or special areas" immediately before the period at the end of paragraph (1)(A);

(B) by inserting "or special areas" immediately after "exclusive economic zone" in paragraph (2)(A); and

(C) by inserting "or special areas" immediately after "exclusive economic zone" in paragraph (2)(B); and

(4) in subsection (j)—

(A) by inserting ", special areas," immediately after "exclusive economic zone"; and

(B) by inserting ", areas," immediately after "such zone".

(e) INTERNATIONAL FISHERY AGREEMENTS.—Section 202 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1822) is amended—

(1) in subsection (b)—

(A) by inserting "or special areas" immediately after "February 28, 1977)"; and

(B) by striking "such zone or area" and inserting in lieu thereof "such zone or areas";

(2) in subsection (c)—

(A) by inserting "or special areas" immediately after "February 28, 1977)"; and

(B) by striking "such zone or area" and inserting in lieu thereof "such zone or areas"; and

(3) by adding at the end the following new subsection:

"(g) FISHERY AGREEMENT WITH UNION OF SOVIET SOCIALIST REPUBLICS.—(1) The Secretary of State, in consultation with the Secretary, is authorized to negotiate and conclude a fishery agreement with the Union of Soviet Socialist Republics of a duration of no more than 3 years, pursuant to which—

"(A) the Union of Soviet Socialist Republics will give United States fishing vessels the opportunity to conduct traditional fisheries within waters claimed by the United States prior to the conclusion of the Agreement between the United States of America and the Union of Soviet Socialist Republics on the Maritime Boundary, signed June 1, 1990, west of the maritime boundary, including the western special area described in Article 3(2) of the Agreement;

"(B) the United States will give fishing vessels of the Union of Soviet Socialist Republics the opportunity to conduct traditional fisheries within waters claimed by the Union of Soviet Socialist Republics prior to the conclusion of the Agreement referred to in subparagraph (A), east of the maritime boundary, including the eastern special areas described in Article 3(1) of the Agreement;

"(C) catch data shall be made available to the government of the country exercising fisheries jurisdiction over the waters in which the catch occurred; and

"(D) each country shall have the right to place observers on board vessels of the other country and to board and inspect such vessels.

"(2) Vessels operating under a fishery agreement negotiated and concluded pursuant to paragraph (1) shall be subject to regulations and permit requirements of the country in whose waters the fisheries are conducted only to the extent such regulations and permit requirements are specified in that agreement.

"(3) The Secretary of Commerce may promulgate such regulations, in accordance with section 553 of title 5, United States Code, as may be necessary to carry out the provisions of any fishery agreement negotiated and concluded pursuant to paragraph (1).".

(f) PERMITS FOR FOREIGN FISHING.—Section 204(a) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1824(a)) is amended—

(1) by inserting "within the special areas," immediately before "or for anadromous species"; and

(2) by inserting "or areas" immediately after "such zone".

(g) CONTENTS OF FISHERY MANAGEMENT PLANS.—Section 303(b)(1)(A) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1853(b)(1)(A)) is amended—

(1) by inserting "or special areas," immediately after "exclusive economic zone"; and

(2) by inserting "or areas" immediately after "such zone".

(h) PROHIBITED ACTS.—Section 307 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1857) is amended—

(1) in paragraph (1)(K), by inserting "or special areas" immediately after "exclusive economic zone";

(2) in paragraph (2)(B)—

(A) by inserting "within the special areas," immediately after "exclusive economic zone";

(B) by inserting "or areas" immediately after "such zone";

(3) in paragraph (3), by inserting "or special areas" immediately after "exclusive economic zone"; and

(4) in paragraph (4), by inserting "or special areas" immediately after "exclusive economic zone".

(i) ENFORCEMENT.—Section 311(b)(2) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1861(b)(2)) is amended by inserting "and special areas" immediately after "exclusive economic zone".

AMENDMENTS TO NORTHERN PACIFIC HALIBUT ACT OF 1982

SEC. 302. (a) DEFINITIONS.—(1) Section 2(c) of the Northern Pacific Halibut Act of 1982 (16 U.S.C. 773(c)) is amended to read as follows:

"(c) 'Exclusive economic zone' means the zone established by Proclamation Numbered 5030, dated March 10, 1983. For purposes of applying *this Act, the inner boundary of that zone is a line coterminous with the seaward boundary of each of the coastal States.".*

(2) Section 2 of the Northern Pacific Halibut Act of 1982 (16 U.S.C. 773) is amended by adding at the end the following new subsection:

"(h) 'Special areas' means the areas referred to as eastern special areas in Article 3(1) of the Agreement between the United States of America and the Union of Soviet Socialist Republics on the Maritime Boundary, signed June 1. 1990; in particular, the term refers to those areas east of the United States-Soviet maritime boundary, as defined in that Agreement, that lie within 200 nautical miles of the baselines from which the breadth of the territorial sea of the Soviet Union is measured but beyond 200 nautical miles of the baselines from which the breadth of the territorial sea of the United States is measured.".

(b) UNLAWFUL ACTS.—Section 7(b) of the Northern Pacific Halibut Act of 1982 (16 U.S.C. 773e(b)) is amended by striking "fishery conservation zone" and inserting in lieu thereof "exclusive economic zone and special areas".

AMENDMENTS TO THE FUR SEAL ACT OF 1966

SEC. 303. Section 101 of the Fur Seal Act of 1966 (16 U.S.C. 1151) is amended—

(1) by redesignating subsections (f) through (m) as subsections (g) through (n), respectively; and

(2) by inserting immediately after subsection (e) the following new subsection:

"(f) 'Jurisdiction of the United States' includes jurisdiction over the special areas defined in section 3(24) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802(24)).".

AMENDMENTS TO MARINE MAMMAL PROTECTION ACT OF 1972

SEC. 304. Section 3(14) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1362(14)) is amended to read as follows:

"(14) The term 'waters under the jurisdiction of the United States' means—

"(A) the territorial sea of the United States;

"(B) the waters included within a zone, contiguous to the territorial sea of the United States, of which the inner boundary is a line coterminous with the seaward boundary of each coastal State, and the outer boundary is a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured; and

"(C) the areas referred to as eastern special areas in Article 3(1) of the Agreement between the United States of America and the Union of Soviet Socialist Republics on the Maritime Boundary, signed June 1, 1990; in particular, those areas east of the United States-Soviet Maritime boundary, as defined in that Agreement, that lie within 200 nautical miles of the baselines from which the breadth of the territorial sea of the Soviet Union is measured but beyond 200 nautical miles of the baselines from which the breadth of the territorial sea of the United States is measured.".

RELATIONSHIP TO ENDANGERED SPECIES ACT OF 1973

SEC. 305. The special areas defined in section 3(24) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802(24)) shall be considered places that are subject to the jurisdiction of the United States for the purposes of the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

AMENDMENTS TO PACIFIC SALMON TREATY ACT OF 1985

SEC. 306. (a) DEFINITIONS.—Section 2 of the Pacific Salmon Treaty Act of 1985 (16 U.S.C. 3631) is amended—

(1) by redesignating subsections (h) through (j) as subsections (i) through (k), respectively; and

(2) by inserting immediately after subsection (g) the following new subsection:

"(h) 'Special areas' means the areas referred to as eastern special areas in Article 3(1) of the Agreement between the United States of America and the Union of Soviet Socialist Republics on the Maritime Boundary, signed June 1, 1990; in particular, the term refers to those areas east of the United States-Soviet maritime boundary, as defined in that Agreement, that lie within 200 nautical miles of the baselines from which the breadth of the territorial sea of the Soviet Union is measured but beyond 200 nautical miles of the baselines from which the breadth of the territorial sea of the United States is measured.".

(b) RULEMAKING.—Section 7(a) of the Pacific Salmon Treaty Act of 1985 (16 U.S.C. 3636(a) is amended by inserting "and special areas" immediately after "Exclusive Economic Zone".

NATIONAL SEA GRANT COLLEGE PROGRAM

SEC. 307. (a) DEFINITIONS.—Section 303(6) of the National Sea Grant College Program Act (33 U.S.C. 1122(6)) is amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by redesignating subparagraph (F) as subparagraph (G); and

(3) by inserting immediately after subparagraph (E) the following new subparagraph:

"(F) the special areas defined in section 3(24) of the Magnuson Fishery Conservation and Management Act (18 U.S.C. 1802(24)); and".

(b) INTERNATIONAL PROGRAM.—Section 3(a)(6) of the Sea Grant Program Improvement Act of 1976 (33 U.S.C. 1124a(a)(6)) is amended by inserting "and special areas" immediately after "exclusive economic zone".

EFFECTIVE DATES

SEC. 208. (a) IN GENERAL.—The amendment made by section 201(e)(3) takes effect on the date of enactment of this Act, and the amendments made by the other provisions of this title, except as provided in subsection (b), shall be effective on the date on which the Agreement between the United States and the Union of Soviet Socialist Republics on the Maritime Boundary, signed June 1, 1990, enters into force for the United States.

(b) AUTHORITY TO PRESCRIBE REGULATIONS.—The authority to prescribe regulations to implement the amendments made by this title shall be effective on the date of enactment of this Act, but no such regulation may be effective until the date on which the Agreement described in subsection (a) enters into force for the United States.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina [Mr. JONES] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. DAVIS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill carries a Senate amendment composed of four separate provisions—two of which are House bills that were passed in the closing days of the first session.

The first title contains the designation of the Flower Garden Banks Marine Sanctuary—a bill that the House passed under suspension on November 23, 1991. This designation has been requested by the administration.

Another title is the U.S.-Flag Cruise Ship Competitiveness Act which also passed under suspension on November 23, 1991.

This will permit U.S.-flag cruise vessels to offer gambling to their passengers when embarked on cruises on the high seas.

We had a lengthy discussion on the floor about this on November 23, 1991. I simply want the Members to understand that this will enable our U.S. vessels to operate on a level playing field with foreign flag cruise ships with respect to gambling.

In addition, we are accepting an amendment to Public Law 101-595, the statute imposing a bonding requirement on nonvessel-operating common carriers. The purpose of this statute is to ensure the financial protection of shippers and others who deal with NVOCC's and to ensure that NVOCC's comply with all the applicable requirements of the 1984 Shipping Act.

Enactment of Public Law 101-595 was greeted by predictions of financial hardship by certain NVOCC's, mainly ones which happen to be foreign-based companies. We were told that bonds would not be available, that the cost of a bond would be exorbitant, or that foreign commerce would be disrupted. As it turned out, of course, none of these predictions came true. In fact, bonds are readily obtainable, and I understand that a $50,000 bond can frequently be secured for $500 or less.

Nonetheless, there is merit to giving the Federal Maritime Commission more flexibility in the manner by which it makes sure that NVOCC's are financially responsible. These amendments allow that flexibility.

Of course, the fact that Congress is granting the Commission the authority to allow methods for financial security other than bonds does not mean that Congress is requiring changes in the present regulatory structure. The current rules are an effective way of ensuring financial responsibility by NVOCC's; if the FMC chooses to allow alternative methods, it must be careful to make sure that American shippers are afforded no less protection than provided by a bond. Also, the Commission should consider whether an alternative methods might impose added legal burdens on a claimant seeking to ensure a judgment against a NVOCC; alternative methods should be no more procedurally cumbersome for injured claimants than bonds are.

The Commission has a history of making sure that certain maritime industries show financial responsibly to protect their customers; for example, passenger vessels must demonstrate evidence of financial responsibility. The Commission should implement these new amendments taking full advantage of its experience in this area.

In summary, Congress expects that the FMC will make sure that NVOCC's demonstrate financial responsibility in ways that provide no less protection than exists of American shippers today.

Finally, this bill amends various fisheries laws to take into account the United States-Soviet Maritime Boundary Agreement that was signed on June 1, 1990.

Because of ensuing events in what was formerly the Soviet Union, I will offer a technical corrections resolution immediately after we dispose of this bill.

The resolution will simply substitute the word "Russia" for the U.S.S.R. in a number of provisions, and make a few other purely technical changes.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3866 provides, in title I, for the designation of the Flower Garden Bank Coral Reef as the first national marine sanctuary in the Gulf of Mexico. Although this designation is now no longer necessary, this bill provides a vehicle for a number of worthwhile measures.

Section 201 of title II will allow nonvessel-operating common carriers the option of proving financial responsibility using insurance or other surety. The current law only allows the posting of a bond which has proven to be costly to small businesses. This change to existing law will, in no way, diminish the level of financial responsibility required of NVOCC's.

Section 202 of title II would amend the Gambling Devices Act to allow gambling on U.S.-flag vessels if the principle use of the vessel is not the operation of a gambling establishment and if the gambling that is allowed begins when the vessel sails beyond a State's water. In essence, U.S.-flag vessels will be allowed the same privileges currently allowed or provided to foreign-flag operators. Nothing in this bill will harm existing foreign operators. Section 202 is virtually identical in legal effect to H.R. 3282, which passed the House under suspension on November 23, 1991, with the addition of provisions relating to the transportation of gambling devices.

Individual States are granted or delegated greater authority to enact legislation to prohibit gambling on cruises to nowhere and voyages between two points in the same State even if the vessel leaves State waters. However, nothing in H.R. 3866 or its limited delegations is to be construed as authorizing a State to enact statues which discriminate against U.S.-flag vessels.

The clear intent and purpose of this amendment to the Johnson Act is to allow those activities on U.S.-flag vessels to the same extent that they are currently allowed on foreign-flag vessels. For instance a State statute that authorized the use or possession of gambling devices on foreign-flag vessels but specifically prohibited that same activity on U.S.-flag vessels is beyond a State authority granted in title II of H.R. 3866. In contrast to the Hawaii statute concerning cruises to nowhere, which on its face is consistent with the provisions contained in H.R. 3866, the Florida statute (Law 1987, C87-225 §2; codified at title 44, §849.231(3)) would not be consistent with the provisions contained in H.R. 3866. The Florida statute unlike the Hawaii statute was enacted solely for the purpose of legalizing cruises to nowhere from its ports. Because of the provisions of the so-called Customs' seal (19 U.S.C. §1446; 29 CFR §§4.7–4.87), foreign-flag vessels are exempt by Federal law from State gambling device prohibiting on all voyages except for cruises to nowhere. The Florida statute, therefore, had no applicability except to these cruises. The statute excluded U.S.-flag vessels from the exemption because, at the time of enactment in 1987, the possession, transportation, and use of gambling devices was expressly prohibited on U.S.-flag vessels by the Federal Gambling Devices Act. Florida could not have passed a statute which contradicted Federal law or in other words allowed those activities on cruises-to-nowhere where the Federal law prohibited such activity. H.R. 3866 expressly removes the prohibition that sanctioned the Florida enactment. H.R. 3866, as passed by the Senate particularly with respect to changes to section 2 of the Johnson Act as they relate to transportation of gambling devices, goes even further than H.R. 3282 with respect to preventing discrimination against U.S.-flag vessels.

I want to thank Mr. John Keeney, Deputy Assistant Attorney General, Criminal Division, U.S. Department of Justice, and his chief assistant, Roger Adams, for their untiring efforts. Without their willingness to take a fresh look at these issues we would not be here today.

Finally, title III conforms domestic law with the U.S.-U.S.S.R. Maritime Boundary Agreement.

Mr. Speaker, I strongly support this legislation and urge the House to pass it.

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Mr. JONES of North Carolina. Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. ORTIZ].

Mr. ORTIZ. Mr. Speaker, I rise today in strong support of H.R. 3866, a bill incorporating several matters of importance to the Merchant Marine and Fisheries Committee and the maritime interests of our Nation.

I originally introduced H.R. 3866 on November 22, 1991, to provide for the expedited congressional approval of the Department of Commerce designation of the Flower Garden Banks National Marine Sanctuary.

This legislation was passed by the House on November 23, 1991, under suspension of the Rules.

H.R. 3866, as revised by the Senate, contains this designation and several other maritime and shipping matters which I strongly support.

By passing this bill today we can quickly bring these important and noncontroversial matters before the President for his signature without further delay.

At my request, the Flower Garden Banks were originally activated for sanctuary designation by congressional mandate as part of the 1988 amendments to the Marine Protection, Research, and Sanctuaries Act of 1972.

On Wednesday, November 20, 1991, the National Oceanic and Atmospheric Administration submitted their notice designating the Flower Garden Banks as this country's 10th national marine sanctuary.

At the administration's request, H.R. 3866 will expedite the period of congressional review and allow for final designation to be published as soon as practicable.

I would like to thank Chairman JONES and the ranking member, the gentleman from Michigan [Mr. DAVIS] for their leadership on this matter, and for working to ensure H.R. 3866's prompt consideration today.

In addition, I would like to express my thanks to the chairmen of the subcommittees of jurisdiction on this matter, the gentleman from Michigan [Mr. HERTEL] and the gentleman from Massachusetts [Mr. STUDDS] and also to the honorable gentleman from Louisiana [Mr. TAUZIN] for their support and leadership on this matter.

All interested parties have expressed their support for this expedited designation, and I know of no opposition to this bill. I urge all of my colleagues to join me in supporting H.R. 3866.

Mr. YOUNG of Alaska. Mr. Speaker, I rise in support of H.R. 3866 and urge its adoption by the House.

This bill was introduced by our colleague, Congressman ORTIZ, in November 1991 and was passed by the House on November 23. It was returned to the House from the other body with an amendment on November 27. Unfortunately, the House was unable to complete action on the bill before recess.

I wish to call particular attention to title III of this bill which implements the maritime boundary agreement between the United States and the Soviet Union. This agreement was signed in June 1990 and has been ratified by the Senate. H.R. 3866 amends several U.S. laws to conform them with the terms of the maritime boundary agreement.

I also wish to note that the bill itself does not affect any claims of jurisdiction on lands and waters of the United States. In fact, it provides for effective United States fisheries jurisdiction over certain special areas that are technically within the Exclusive Economic Zone of Russia.

Mr. Speaker, this is a good bill which accomplishes a number of worthy purposes and I urges its adoption.

Mr. HERTEL. Mr. Speaker, I support the final approval of the Flower Garden Banks National Marine Sanctuary. The bill before us, H.R. 3866, provides the final designation deadline for establishing the sanctuary boundaries. The Flower Garden Banks are located south of the Texas-Louisiana border at the edge of our Nation's Outer Continental Shelf, where some of our Nation's most interesting living coral reefs can be found. The East Flower Garden Bank is about 120 nautical miles southwest of Cameron, LA; and the West Bank is 110 nautical miles southeast of Galveston, TX.

With enactment of this legislation, the Flower Garden Banks National Marine Sanctuary will now be formally established. This legislation allows the National Oceanic and Atmospheric Administration to coordinate activities related to resource protection, research, and management in a fragile marine habitat for generations to enjoy.

I congratulate Mr. ORTIZ on this legislation, and I am pleased to support H.R. 3866 as returned to the House by the Senate.

Mr. LENT. Mr. Speaker, I rise in support of H.R. 3866. This legislation will permit U.S.-flag cruise vessels to offer gambling to their passengers when embarked on cruises on the high seas. Currently, foreign-flag cruise ships departing from U.S. ports offer gambling but it is against the law for a U.S. ship to have gambling onboard. This prohibition has limited opportunities for American interests to engage in the profitable cruise ship trade.

H.R. 3866 changes the law so that both American and foreign-flag cruise ships will operate under the same rules regarding gambling onboard.

By allowing U.S.-flag vessels to have gambling devices onboard we will open doors for U.S. companies to acquire cruise vessels. The revenues received from gambling operations will allow American interests to design and construct new cruise ships in American shipyards to begin competing with the foreign-flag operations.

In addition to providing increased ship construction opportunities for American shipyards, new U.S.-flag cruise ships will mean additional sealift capacity for carrying military troops and it will create jobs for American seafarers who are sorely needed as a result of the decline in our merchant marine. All of these benefits will accrue without any cost to the Federal Government.

Mr. Speaker, the Merchant Marine and Fisheries Committee very carefully crafted this legislation as an amendment to the so-called Gambling Devices Act. It will allow the possession and operation of gambling equipment on U.S.-flag vessels to the same extent that gambling is allowed on foreign-flag vessels. This bill does not affect in any way the current prohibitions in the Gambling Ship Act, which make it illegal to operate a vessel that is principally engaged in gambling as a floating casino.

This bill preserves the right of a coastal State to enact legislation that prohibits gambling on a vessel that operates from a port of that State even if the vessel sails from that port out into international waters and then returns to the same port. The committee was aware that a number of coastal States do not want gambling on vessels in their waters and this legislation retains the right of States to continue to prohibit gambling.

Mr. Speaker, the prohibitions contained in the Gambling Devices Act have represented an economic barrier to the growth of the U.S.-flag cruise ship industry. This legislation will remove that economic barrier and provide an incentive for American businesses to build ships and begin operating in this extremely lucrative cruise ship trade.

The Department of Justice supports this bill.

I want to thank the chairman of our committee, WALTER JONES, and our ranking member, BOB DAVIS, for their help in moving this legislation forward. Also, I want to make special note of the efforts of our colleague from Mississippi, GENE TAYLOR, because he has been the driving force behind this bill.

I urge my colleagues to join me in supporting this important legislation.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DAVIS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCNULTY). The question is on the motion offered by the gentleman from North Carolina [Mr. JONES] that the House suspend the rules and concur in the Senate amendment to H.R. 3866.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate amendment just concurred in.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AUTHORIZING CORRECTIONS IN ENROLLMENT OF H.R. 3866, FLOWER GARDEN BANKS NATIONAL MARINE SANCTUARY

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 268) to correct technical errors in the enrollment of the bill H.R. 3866.

The Clerk read as follows:

H. CON. RES. 268

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill (H.R. 3866) to provide for the designation of the Flower Garden Banks National Marine Sanctuary, the Clerk of the House of Representatives shall make the following corrections:

(1) Page 8, beginning at line 3, strike "United States-Soviet".

(2) Page 8, line 7, strike "the Soviet Union" and insert "Russia".

(3) Page 10, beginning at line 19, strike "the Union of Soviet Socialist Republics" and insert "Russia".

(4) Page 10, line 22, strike "the Union of Soviet Socialist Republics" and insert "Russia".

(5) Page 11, line 7, strike "the Union of Soviet Socialist Republics" and insert "Russia."

(6) Page 14, line 9, strike "United States-Soviet".

(7) Page 14, line 12, stike "the Soviet Union" and insert "Russia".

(8) Page 14, line 18, strike "and" and insert "or".

(9) Page 15, beginning at line 2, strike "the special areas" and all that follows through line 4, and insert the following: "the areas referred to as eastern special areas in Article 3(1) of the Agreement between the United States of America and the Union of Soviet Socialist Republics on the Maritime Boundary, signed June 1, 1990; in particular, those areas east of the maritime boundary, as defined in that Agreement, that lie within 200 nautical miles of the baselines from which the breadth of the territorial sea of Russia is measured but beyond 200 nautical miles of the baselines from which the breadth of the territorial sea of the United States is measured.'.".

(10) Page 15, beginning at line 26, strike "United States-Soviet Maritime" and insert "maritime".

(11) Page 16, line 4, strike "the Soviet Union" and insert "Russia".

(12) Page 16, strike line 9 and all that follows through line 14 and insert the following:

"SEC. 305. The Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) is amended by adding at the end the following:

'PLACES SUBJECT TO THE JURISDICTION OF THE UNITED STATES

'SEC. 19. For the purposes of this Act, the following areas are deemed to be places that are subject to the jurisdiction of the United States: The areas referred to as eastern special areas in Article 3(1) of the Agreement between the United States of America and the Union of Soviet Socialist Republics on the Maritime Boundary, signed June 1, 1990, in particular, those areas east of the maritime boundary, as defined in that Agreement, that lie within 200 nautical miles of the baselines from which the breadth of the territorial sea of Russia is measured but beyond 200 nautical miles of the baselines from which the breadth of the territorial sea of the United States is measured.'.".

(13) Page 17, line 1, strike "United States-Soviet".

(14) Page 17, line 4, strike "the Soviet Union" and insert "Russia".

(15) Page 17, line 8, strike "3636(a)" and insert "3636(a))".

(16) Page 17, line 12, strike "303(6)" and insert "203(6)".

(17) Page 17, strike line 21 and all that follows through line 23 and insert the following:

"'(F) the areas referred to as eastern special areas in Article 3(1) of the Agreement between the United States of America and the Union of Soviet Socialist Republics on the Maritime Boundary, signed June 1, 1990; in particular, those areas east of the maritime boundary, as defined in that Agreement, that lie within 200 nautical miles of the baselines from which the breadth of the territorial sea of Russia is measured but beyond 200 nautical miles of the baselines from which the breadth of the territorial sea of the United States is measured; and'.".

(18) Page 18, line 4, strike "208" and insert "308".

(19) Page 18, line 5, strike "201(e)(3)" and insert "301(e)(3)".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from

North Carolina [Mr. JONES] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. DAVIS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this concurrent resolution makes technical corrections to H.R. 3866, the bill that we just passed.

That bill contains a title implementing the United States-Soviet Union Maritime Boundary Agreement of June 1, 1990.

As we all know, there is no longer a Soviet Union. However, the boundary agreement is still valid—but now it is an agreement with Russia.

Therefore, in a number of places in the boundary title of the bill, the word "Russia" has to be inserted in place of the reference to the Soviet Union. These changes were suggested by the administration.

Also, this resolution corrects some reference problems in the Senate amendment.

I believe that the corrections made by the resolution have been cleared with our minority.

I urge the adoption of this concurrent resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this resolution. It is a technical measure made necessary due to the dramatic changes in the Soviet Union which occurred after Senate passage of the preceding bill. The resolution merely changes references in that bill to recognize the new Russian Republic.

I urge adoption of the bill.

Mr. DAVIS. Mr. Speaker, I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I, too, yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. JONES] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 268.

The question was taken.

Mr. DAVIS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

AMERICAN TECHNOLOGY PREEMINENCE ACT OF 1991

Mr. VALENTINE. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 1989) to authorize appropriations for the National Institute of Standards and Technology and the Technology Administration of the Department of Commerce, and for other purposes.

The Clerk read as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "American Technology Preeminence Act of 1991".

SEC. 2. DEFINITIONS.

As used in this Act—

(1) the term "high-resolution information systems" means equipment and techniques required to create, store, recover, and play back high-resolution images and accompanying sound;

(2) the term "advanced manufacturing technology" means numerically-controlled machine tools, robots, automated process control equipment, computerized flexible manufacturing systems, associated computer software, and other technology for improving manufacturing and industrial processes;

(3) the term "advanced materials" means a field of research including the study of composites, ceramics, metals, polymers, superconducting materials, materials produced through biotechnology, and materials production technologies, including coated systems, that provide the potential for significant advantages over existing materials;

(4) the term "Institute" means the National Institute of Standards and Technology;

(5) the term "Secretary" means the Secretary of Commerce; and

(6) the term "Under Secretary" means the Under Secretary of Commerce for Technology.

TITLE I—DEPARTMENT OF COMMERCE RESEARCH AND TECHNOLOGY

SEC. 101. SHORT TITLE.

This title may be cited as the "Technology Administration Authorization Act of 1991".

SEC. 102. STATEMENT OF POLICY.

Congress finds that in order to help United States industries to speed the development of new products and processes so as to maintain the economic competitiveness of the Nation, it is necessary to strengthen the programs and activities of the Department of Commerce's Technology Administration and National Institute of Standards and Technology.

SEC. 103. TECHNOLOGY ADMINISTRATION.

(a) FISCAL YEAR 1992.—(1) There are authorized to be appropriated to the Secretary, to carry out the activities of the Under Secretary and the Assistant Secretary for Technology Policy, $10,000,000 for fiscal year 1992, which shall be available for the following line items:

(A) Office of the Under Secretary, $2,000,000.

(B) Technology Policy, $4,000,000.

(C) Japanese Technical Literature, $1,500,000.

(D) Clearinghouse on State and Local Initiatives on Productivity, Technology, and Innovation, $1,000,000.

(E) National Technical Information Service, $1,500,000 to carry out the modernization plan described in section 212(f)(3)(D) of the National Technical Information Act of 1988 (15 U.S.C. 3704b(f)(3)(D)).

(2) Funds may be transferred among the line items listed in paragraph (1), so long as the net funds transferred to or from any line item do not exceed 10 percent of the amount authorized for that line item in such paragraph and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives are notified in advance of any such transfer.

(b) FISCAL YEAR 1993.—(1) There are authorized to be appropriated to the Secretary, to carry out the activities of the Under Secretary and the Assistant Secretary for Technology Policy, $10,000,000 for fiscal year 1993, which shall be available for the following line items:

(A) Office of the Under Secretary, $2,000,000.

(B) Technology Policy, $4,000,000.

(C) Japanese Technical Literature, $1,500,000.

(D) Clearinghouse on State and Local Initiatives on Productivity, Technology, and Innovation, $1,000,000.

(E) National Technical Information Service, $1,500,000 to carry out the modernization plan described in section 212(f)(3)(D) of the National Technical Information Act of 1988 (15 U.S.C. 3704b(f)(3)(D)).

(2) Funds may be transferred among the line items listed in paragraph (1), so long as the net funds transferred to or from any line item do not exceed 10 percent of the amount authorized for that line item in such paragraph and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives are notified in advance of any such transfer.

(c) OPERATING COSTS.—Operating costs for the National Technical Information Service associated with the acquisition, processing, storage, bibliographic control, and archiving of information and documents shall be recovered primarily through the collection of fees.

(d) REPORT AND CERTIFICATION TO CONGRESS.—Within 90 days after the date of enactment of this Act, the Secretary shall submit to Congress a report which—

(1) describes the Department of Commerce's response to the Inspector General's Report No. ATD–024–0–001;

(2) includes a revised detailed modernization plan for the National Technical Information Service;

(3) contains a business plan for the National Technical Information Service which includes detailed profit and loss analysis for groups of products and services and for major market segments; and

(4) certifies that the National Technical Information Service has—

(A) employed a chief financial officer who is a certified public accountant or equivalently experienced accountant with experience in the dissemination of scientific and technical information; and

(B) begun taking reasonable steps toward strengthening its accounting system in response to the Inspector General's report described in paragraph (1).

(e) TECHNICAL AMENDMENT.—Section 5422(a) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4603a(a)) and section 273(c)(4) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (15 U.S.C. 4603(c)(4)) are each amended by striking "Economic Affairs" and inserting in lieu thereof "Technology".

SEC. 104. NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.

(a) FISCAL YEAR 1992.—(1) There are authorized to be appropriated to the Secretary, to carry out the intramural scientific and technical research and services activities of the Institute, $210,000,000 for fiscal year 1992, which shall be available for the following line items:

(A) Electronics and Electrical Measurements, $33,700,000.

(B) Manufacturing Engineering, $13,500,000.

(C) Chemical Science and Technology, $22,000,000.

(D) Physics, $27,000,000.

(E) Materials Science and Engineering, $30,000,000.

(F) Building and Fire Research, $12,300,000.

(G) Computer Systems, $16,000,000.

(H) Applied Mathematics and Scientific Computing, $6,500,000.

(I) Technology Assistance, $11,000,000.

(J) Research Support Activities, $38,000,000.

(2)(A) Of the total of the amounts authorized under paragraph (1), $2,000,000 are authorized only for steel technology.

(B) Of the amount authorized under paragraph (1)(I)—

(i) $500,000 are authorized only for the evaluation of nonenergy-related inventions and related technology extension activities;

(ii) $250,000 are authorized only for Institute participation in the pilot program established under subsection (e); and

(iii) $2,700,000 are authorized only for the Institute's management of the extramural funding programs authorized under section 105.

(C) Of the total amount authorized under paragraph (1)(J), $7,565,000 are authorized only for the technical competence fund.

(b) FISCAL YEAR 1993.—(1) There are authorized to be appropriated to the Secretary, to carry out the intramural scientific and technical research and services activities of the Institute, $221,200,000 for fiscal year 1993, which shall be available for the following line items:

(A) Electronics and Electrical Measurements, $36,000,000.

(B) Manufacturing Engineering, $16,000,000.

(C) Chemical Science and Technology, $22,500,000.

(D) Physics, $28,700,000.

(E) Materials Science and Engineering, $39,400,000.

(F) Building and Fire Research, $12,000,000.

(G) Computer Systems, $20,600,000.

(H) Applied Mathematics and Scientific Computing, $6,300,000.

(I) Technology Assistance, $10,800,000.

(J) Research Support Activities, $25,000,000.

(K) Pay Raise, $3,900,000.

(2)(A) Of the total of the amounts authorized under paragraph (1), $2,000,000 are authorized only for steel technology.

(B) Of the amount authorized under paragraph (1)(I)—

(i) $500,000 are authorized only for the evaluation of nonenergy-related inventions and related technology extension activities;

(ii) $250,000 are authorized only for Institute participation in the pilot program established under subsection (e); and

(iii) $5,000,000 are authorized only for the Institute's management of the extramural funding programs authorized under section 105.

(C) Of the total amount authorized under paragraph (1)(J), $7,223,000 are authorized only for the technical competence fund.

(3) In addition to the amounts authorized under paragraph (1), there are authorized to be appropriated to the Secretary for fiscal year 1993 $34,800,000 for the renovation and upgrading of the Institute's facilities.

(c) TRANSFERS.—(1) Funds may be transferred among the line items listed in subsection (a)(1) and among the line items listed in subsection (b)(1), so long as the net funds transferred to or from any line item do not exceed 10 percent of the amount authorized for that line item in such subsection and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives are notified in advance of any such transfer.

(2) The Secretary may propose transfers to or from any line item listed in subsection (a)(1) or subsection (b)(1) exceeding 10 percent of the amount authorized for such line item, but such proposed transfer may not be made unless—

(A) a full and complete explanation of any such proposed transfer and the reason therefor are transmitted in writing to the Speaker of the House of Representatives, the President of the Senate, and the appropriate authorizing Committees of the House of Representatives and the Senate, and

(B) 30 calendar days have passed following the transmission of such written explanation.

(d) RELATION TO OTHER AUTHORIZATIONS.—Except for authorizations provided in the Omnibus Trade and Competitiveness Act of 1988 (Public Law 100–418; 102 Stat. 1448), the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.), and the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988 (15 U.S.C. 5101 et seq.), this Act contains the complete authorizations of appropriations for the Institute for fiscal years 1992 and 1993. This subsection shall not limit the authority of the Institute to accept funds appropriated to any other Federal agency or to perform work for others.

(e) PILOT PROGRAM.—Pursuant to the authorizations contained in subsections (a)(1)(I) and (b)(1)(I), the Secretary is authorized to pay the Federal share of the cost of establishing and carrying out a standards assistance pilot program under section 112 of the National Institute of Standards and Technology Authorization Act for Fiscal Year 1989 (15 U.S.C. 272 note). The purpose of the pilot program is to assist a country or countries that have requested assistance from the United States in the development of comprehensive industrial standards by providing the continuous presence of United States personnel on-site for a period of 2 or more years to provide such assistance and by providing, as necessary, additional technical support from within the Institute. Such funds shall be made available for such purpose only to the extent that matching funds are received by the National Institute of Standards and Technology from sources outside the Federal Government.

(f) CONSTRUCTION OF FACILITIES.—Section 14 of the National Institute of Standards and Technology Act (15 U.S.C. 278d) is amended by striking "herein:" and all that follows, and inserting in lieu thereof "herein.".

(g) FIRE AND BUILDING PROGRAMS.—The fire research and building technology programs of the Institute may be combined for administrative purposes only, and separate budget accounts for fire research and building technology shall be maintained. No later than December 31, 1992, the Secretary, acting through the Director of the Institute, shall report to Congress on the results of the combination, on efforts to preserve the integrity of the fire research and building technology programs, on the long-range basic and applied research plans of the two programs, on procedures for receiving advice on fire and earthquake research priorities from constituencies concerned with public safety, and on the relation between the combined program at the Institute and the United States Fire Administration.

(h) EDUCATIONAL PROGRAMS.—(1) Section 18 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–1) is amended by striking the period at the end of the first sentence and inserting in lieu thereof ", and to United States citizens for research and technical activities on Institute programs.".

(2) Section 17 of the National Institute of Standards and Technology Act (15 U.S.C. 278g) is amended by adding at the end the following new subsection:

"(d) For any scientific and engineering disciplines for which there is a shortage of suitably qualified and available United States citizens and nationals, the Secretary is authorized to recruit and employ in scientific and engineering fields at the Institute foreign nationals who have been lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act and who intend to become United States citizens. Employment of a person under this paragraph shall not be subject to the provisions of title 5, United States Code, governing employment in the competitive service, or to any prohibition in any other Act against the employment of aliens, or against the payment of compensation to them.".

(i) CORE PROGRAM FUNDING.—It is the sense of the Congress that the intramural scientific and technical research and services activities of the National Institute of Standards and Technology should share fully in any funding increases provided to the Institute.

SEC. 105. EXTRAMURAL PROGRAMS OF THE INSTITUTE.

(a) FISCAL YEAR 1992.—In addition to any sums otherwise authorized under this Act, there are authorized to be appropriated to the Secretary, to carry out the extramural industrial technology services programs of the Institute created under sections 25, 26, and 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278k, 278l, and 278n), $127,500,000 for fiscal year 1992, which shall be available for the following line items:

(1) Regional Centers for the Transfer of Manufacturing Technology, $25,000,000.

(2) State Technology Extension Program, $2,500,000.

(3) Advanced Technology Program, $100,000,000.

(b) FISCAL YEAR 1993.—In addition to any sums otherwise authorized under this Act, there are authorized to be appropriated to the Secretary, to carry out the extramural industrial technology services programs of the Institute created under sections 25, 26, and 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278k, 278l, and 278n), $127,500,000 for fiscal year 1993, which shall be available for the following line items:

(1) Regional Centers for the Transfer of Manufacturing Technology and Satellite Manufacturing Centers, $25,000,000.

(2) State Technology Extension Program, $2,500,000.

(3) Advanced Technology Program, $100,000,000.

(c) LIMITATION.—No funds are authorized under this section for any project under the extramural programs of the Institute which have not been competitively reviewed through the merit review processes required by the National Institute of Standards and Technology Act (15 U.S.C. 271 et seq.).

(d) AMENDMENTS TO EXTENSION PROGRAM.—Section 5121(b) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 278l note) is amended by striking paragraph (5).

(e) AMENDMENTS TO EXTENSION ACTIVITIES.—(1) Section 25(c)(6) of the National Institute of Standards and Technology Act (15 U.S.C. 278k(c)(6)) is amended by inserting before the period at the end the following: "except for contracts for such specific technology extension or transfer services as may be specified by statute or by the Director".

(2) Section 25(d) of the National Institute of Standards and Technology Act (15 U.S.C. 278k(d)) is amended to read as follows:

"(d) In addition to such sums as may be authorized and appropriated to the Secretary and Director to operate the Centers program, the Secretary and Director also may accept funds from other Federal departments and agencies for the purpose of providing Federal funds to support Centers. Any Center which is supported with funds which originally came from other Federal departments and agencies shall be selected and operated according to the provisions of this section.".

(f) ADVISORY COMMITTEE.—Section 5142(f) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4632(f)) is amended by striking "and 1990" and inserting in lieu thereof "1990, 1991, 1992, and 1993".

SEC. 106. SALARY ADJUSTMENTS.

In addition to any sums otherwise authorized by this Act, there are authorized to be appro-

priated to the Secretary for fiscal years 1992 and 1993 such additional sums as may be necessary to make any adjustments in salary, pay, retirement and other employee benefits which may be provided for by law.

SEC. 107. METRIC AMENDMENT.

(a) The Fair Packaging and Labeling Act (15 U.S.C. 1451 et seq.) is amended—

(1) in sections 4(a) (2), (4), and (5), 4(b), and 5(c)(1), by striking "weight" and inserting in lieu thereof "weight or mass";

(2) in sections 4(a)(5) and 5(d), by striking "weights" and inserting in lieu thereof "weights or masses";

(3) in section 4(a)(2), by inserting ", using the most appropriate units of the SI metric system as the primary system for measuring quantity" after "panel of that label"; and

(4) in section 4(a)(3)(A)—

(A) by striking "containing" and inserting in lieu thereof "that also displays the avoirdupois system of measure, and that contains" in clause (i);

(B) by inserting "that also displays the avoirdupois system of measure" after "random package" in clause (ii);

(C) by inserting "that also displays the avoirdupois system of measure" after "linear measure" in clause (iii); and

(D) by inserting "that also displays the avoirdupois system of measure" after "measure of area" in clause (iv).

(b) This section shall take effect 2 years after the date of enactment of this Act.

SEC. 108. TRANSFER OF FEDERAL SCIENTIFIC AND TECHNICAL INFORMATION.

(a) TRANSFER.—The head of each Federal executive department or agency shall transfer in a timely manner to the National Technical Information Service unclassified scientific, technical, and engineering information which results from federally funded research and development activities for dissemination to the private sector, academia, State and local governments, and Federal agencies. Only information which would otherwise be available for public dissemination shall be transferred under this subsection. Such information shall include technical reports and information, computer software, application assessments generated pursuant to section 11(c) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710(c)), and information regarding training technology and other federally owned or originated technologies. The Secretary shall issue regulations within one year after the date of enactment of this Act outlining procedures for the ongoing transfer of such information to the National Technical Information Service.

(b) ANNUAL REPORT TO CONGRESS.—As part of the annual report required under section 212(f)(3) of the National Technical Information Act of 1988, the Secretary shall report to Congress on the status of efforts under this section to ensure access to Federal scientific and technical information by the public. Such report shall include—

(1) an evaluation of the comprehensiveness of transfers of information by each Federal executive department or agency under subsection (a);

(2) a description of the use of Federal scientific and technical information;

(3) plans for improving public access to Federal scientific and technical information; and

(4) recommendations for legislation necessary to improve public access to Federal scientific and technical information.

SEC. 109. AVAILABILITY OF APPROPRIATIONS.

Appropriations made under the authority provided in this Act shall remain available for obligation, for expenditure, or for obligation and expenditure for periods specified in the Acts making such appropriations.

SEC. 110. REPORT ON FACILITIES NEEDS.

By March 1, 1992, the Director of the Institute shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives a report on what renovations and upgrades of Institute facilities are necessary over the next decade. The report shall include a ranking of facilities needs in order of priority, an estimate of costs, and the Director's plan for meeting these needs.

SEC. 111. BUY-AMERICAN PROVISIONS.

(a) RESTRICTIONS ON CONTRACT AWARDS.—No contract or subcontract made with funds authorized under this title may be awarded for the procurement of an article, material, or supply produced or manufactured in a foreign country whose government unfairly maintains in government procurement a significant and persistent pattern or practice of discrimination against United States products or services which results in identifiable harms to United States businesses, as identified by the President pursuant to subsection (g)(1)(A) of section 305 of the Trade Agreements Act of 1979 (19 U.S.C. 2515(g)(1)(A)). Any such determination shall be made in accordance with such section 305.

(b) PROHIBITION AGAINST FRAUDULENT USE OF "MADE IN AMERICA" LABELS.—If it has been finally determined by a court or a Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or an inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, that person shall be ineligible to receive any contract or subcontract from the Department of Commerce, pursuant to the debarment, suspension, and ineligibility procedures in subpart 9.4 of chapter 1 of title 48, Code of Federal Regulations.

(c) BUY-AMERICAN REQUIREMENT.—(1) The Secretary is authorized to award to a domestic firm a contract for the purchase of goods that, under the use of competitive procedures, would be awarded to a foreign firm, if—

(A) the final product of the domestic firm will be completely assembled in the United States;

(B) when completely assembled, more than 50 percent of the final product of the domestic firm will be domestically produced; and

(C) the difference between the bids submitted by the foreign and domestic firms is not more than 6 percent.

(2) This subsection shall not apply to the extent to which—

(A) in the opinion of the Secretary, after taking into consideration international obligations and trade relations, such applicability would not be in the public interest;

(B) in the opinion of the Secretary, after consultation with the Secretary of Defense, compelling national security considerations require otherwise; or

(C) the President determines that such an award would be in violation of the General Agreement on Tariffs and Trade or an international agreement to which the United States is a party.

(3) This subsection shall apply only to contracts made for which—

(A) amounts are authorized by this title to be made available; and

(B) solicitations for bids are issued after the date of enactment of this Act.

(4) The Secretary, before January 1, 1993, shall report to the Congress on contracts covered under this subsection—

(A) entered into with foreign firms pursuant to a determination made under paragraph (2) of this subsection; and

(B) awarded to domestic firms pursuant to paragraph (1) of this subsection, in fiscal years 1991 and 1992.

(5) For purposes of this subsection—

(A) the term "domestic firm" means a business entity that is incorporated in the United States and that conducts business operations in the United States; and

(B) the term "foreign firm" means a business entity not described in subparagraph (A).

TITLE II—ADVANCED TECHNOLOGY PROGRAM AMENDMENTS

SEC. 201. EMERGING TECHNOLOGIES RESEARCH AND DEVELOPMENT.

(a) SHORT TITLE.—This title may be cited as the "Emerging Technologies and Advanced Technology Program Amendments Act of 1991".

(b) FINDINGS AND PURPOSES.—(1) The Congress finds that—

(A) technological innovation and its profitable inclusion in commercial products are critical components of the ability of the United States to raise the living standards of Americans and to compete in world markets;

(B) maintaining viable United States-based high technology industries is vital to both the national security and the economic well-being of the United States;

(C) the Department of Commerce has reported that the United States is losing or losing badly, relative to Japan and Europe, in many important emerging technologies and risks losing much of the $350,000,000,000 United States market and $1,000,000,000,000 world market expected to develop by the year 2000 for products based on emerging technologies;

(D) it is in the national interest for the Federal Government to encourage and, in selected cases, provide limited financial assistance to industry-led private sector efforts to increase research and development in economically critical areas of technology;

(E) joint ventures are a particularly effective and appropriate way to pool resources to conduct research that no single company is likely to undertake but which will create new generic technologies that will benefit an entire industry and the welfare of the Nation;

(F) it is vital that industry within the United States attain a leadership role and capability in development, design, and manufacturing in fields such as high-resolution information systems, advanced manufacturing, and advanced materials; and

(G) the Advanced Technology Program, established under section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n), is the appropriate vehicle for the United States Government to provide limited assistance to joint development within the United States of new high technology capabilities in fields such as high-resolution information systems, advanced manufacturing technology, and advanced materials, and can help encourage United States industry to work together on problems of mutual concern.

(2) The purposes of this section are—

(A) to strengthen the Advanced Technology Program created under section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n), and to provide improved guidelines for the allocation of Advanced Technology Program funds appropriated under the authorizations contained in section 105 of this Act;

(B) to promote and assist in the development of advanced technologies and the generic application of such technologies to civilian products, processes, and services;

(C) to improve the competitive position of United States industry by supporting industry-led research and development projects in areas of emerging technology which have substantial potential to advance the economic well-being and national security of the United States, such as high-resolution information systems, advanced manufacturing technology, and advanced materials; and

(D) to support projects that range from idea exploration to prototype development and address long-term, high-risk areas of technological research, development, and application that are

not otherwise being adequately developed by the private sector, but are likely to yield important benefits to the Nation.

(c) ADVANCED TECHNOLOGY PROGRAM.—(1) Section 28(a) of the National Institute of Standards and Technology Act (15 U.S.C. 278n(a)), is amended by adding at the end the following new sentence: "In operating the Program, the Secretary and Director shall, as appropriate, be guided by the findings and recommendations of the Biennial National Critical Technology Reports prepared pursuant to section 603 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683).".

(2) Section 28(b)(1) of the National Institute of Standards and Technology Act (15 U.S.C. 278n(b)(1)), is amended by inserting "industry-led" immediately after "aid".

(3) Section 28(b)(1)(B) of the National Institute of Standards and Technology Act (15 U.S.C. 278n(b)(1)(B)), is amended by inserting "by means of grants, cooperative agreements, or contracts" immediately after "such joint ventures".

(4) Section 28(b)(2) of the National Institute of Standards and Technology Act (15 U.S.C. 278n(b)(2)), is amended to read as follows:

"(2) provide grants to and enter into contracts and cooperative agreements with United States businesses (especially small businesses), provided that emphasis is placed on applying the Institute's research, research techniques, and expertise to those organizations' research programs;".

(5) Section 28(d)(2) of the National Institute of Standards and Technology Act (15 U.S.C. 278n(d)(2)) is amended to read as follows:

"(2) In the case of joint ventures, the Program shall not make an award unless the award will facilitate the formation of a joint venture or the initiation of a new research and development project by an existing joint venture.".

(6) Section 28(d) of the National Institute of Standards and Technology Act (15 U.S.C. 278n(d)(7)) is amended—

(A) by striking paragraph (7);

(B) by redesignating paragraphs (8) and (9) as paragraphs (7) and (8), respectively; and

(C) by adding at the end the following new paragraphs:

"(9) A company shall be eligible to receive financial assistance under this section only if—

"(A) the Secretary finds that the company's participation in the Program would be in the economic interest of the United States, as evidenced by investments in the United States in research, development, and manufacturing (including, for example, the manufacture of major components or subassemblies in the United States); significant contributions to employment in the United States; and agreement with respect to any technology arising from assistance provided under this section to promote the manufacture within the United States of products resulting from that technology (taking into account the goals of promoting the competitiveness of United States industry), and to procure parts and materials from competitive suppliers; and

"(B) either—

"(i) the company is a United States-owned company; or

"(ii) the Secretary finds that the company is incorporated in the United States and has a parent company which is incorporated in a country which affords to United States-owned companies opportunities, comparable to those afforded to any other company, to participate in any joint venture similar to those authorized under this Act; affords to United States-owned companies local investment opportunities comparable to those afforded to any other company; and affords adequate and effective protection for the intellectual property rights of United States-owned companies.

"(10) Grants, contracts, and cooperative assignments under this section shall be designed to support projects which are high risk and which have the potential for eventual substantial widespread commercial application. In order to receive a grant, contract, or cooperative agreement under this section, a research and development entity shall demonstrate to the Secretary the requisite ability in research and technology development and management in the project area in which the grant, contract, or cooperative agreement is being sought.

"(11)(A) Title to any intellectual property arising from assistance provided under this section shall vest in a company or companies incorporated in the United States. The United States may reserve a nonexclusive, nontransferable, irrevocable paid-up license, to have practiced for or on behalf of the United States, in connection with any such intellectual property, but shall not, in the exercise of such license, publicly disclose proprietary information related to the license. Title to any such intellectual property shall not be transferred or passed, except to a company incorporated in the United States, until the expiration of the first patent obtained in connection with such intellectual property.

"(B) For purposes of this paragraph, the term 'intellectual property' means an invention patentable under title 35, United States Code, or any patent on such an invention.

"(C) Nothing in this paragraph shall be construed to prohibit the licensing to any company of intellectual property rights arising from assistance provided under this section.".

(7) Section 28(e) of the National Institute of Standards and Technology Act (15 U.S.C. 278n(e)) is amended to read as follows:

"(e) The Secretary may, within 30 days after notice to Congress, suspend a company or joint venture from continued assistance under this section if the Secretary determines that the company, the country of incorporation of the company or a parent company, or the joint venture has failed to satisfy any of the criteria set forth in subsection (d)(9), and that it is in the national interest of the United States to do so.".

(8) Section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n) is amended by adding at the end the following new subsections:

"(f) When reviewing private sector requests for awards under the Program, and when monitoring the progress of assisted research projects, the Secretary and the Director shall, as appropriate, coordinate with the Secretary of Defense and other senior Federal officials to ensure cooperation and coordination in Federal technology programs and to avoid unnecessary duplication of effort. The Secretary and the Director are authorized to work with the Director of the Office of Science and Technology Policy, the Secretary of Defense, and other appropriate Federal officials to form interagency working groups or special project offices to coordinate Federal technology activities.

"(g) In order to analyze the need for the value of joint ventures and other research projects in specific technical fields, to evaluate any proposal made by a joint venture or company requesting the Secretary's assistance, or to monitor the progress of any joint venture or any company research project which receives Federal funds under the Program, the Secretary, the Under Secretary of Commerce for Technology, and the Director may, notwithstanding any other provision of law, meet with such industry sources as they consider useful and appropriate.

"(h) Up to 10 percent of the funds appropriated for carrying out this section may be used for standards development and technical activities by the Institute in support of the purposes of this section.

"(i) In addition to such sums as may be authorized and appropriated to the Secretary and Director to operate the Program, the Secretary and Director also may accept funds from other Federal departments and agencies for the purpose of providing Federal funds to support awards under the Program. Any Program award which is supported with funds which originally came from other Federal departments and agencies shall be selected and carried out according to the provisions of this section.

"(j) As used in this section—

"(1) the term 'joint venture' means any group of activities, including attempting to make, making, or performing a contract, by two or more persons for the purpose of—

"(A) theoretical analysis, experimentation, or systematic study of phenomena or observable facts;

"(B) the development or testing of basic engineering techniques;

"(C) the extension of investigative finding or theory of a scientific or technical nature into practical application for experimental and demonstration purposes, including the experimental production and testing of models, prototypes, equipment, materials, and processes;

"(D) the collection, exchange, and analysis of research information;

"(E) the production of any product, process, or service; or

"(F) any combination of the purposes specified in subparagraphs (A), (B), (C), (D), and (E),

and may include the establishment and operation of facilities for the conducting of research, the conducting of such venture on a protected and proprietary basis, and the prosecuting of applications for patents and the granting of licenses for the results of such venture; and

"(2) the term 'United States-owned company' means a company that has majority ownership or control by individuals who are citizens of the United States.".

(d) EFFECTIVE DATE.—The amendments in subsection (c) shall take effect immediately upon enactment; however, the amendments shall not apply to applications submitted before the date of enactment of this Act.

(e) MANAGEMENT COSTS.—Section 2 of the National Institute of Standards and Technology Act (15 U.S.C. 272) is amended by adding at the end thereof the following new subsection:

"(d) In carrying out the extramural funding programs of the Institute, including the programs established under sections 25, 26, and 28 of this Act, the Secretary may retain reasonable amounts of any funds appropriated pursuant to authorizations for these programs in order to pay for the Institute's management of these programs.".

(f) COMPREHENSIVE REPORT.—The Secretary shall, not later than 4 years after the date of enactment of this Act, submit to each House of the Congress and the President a comprehensive report on the results of the Advanced Technology Program established under section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n), including any activities in the areas of high-resolution information systems, advanced manufacturing technology, and advanced materials.

TITLE III—AMENDMENTS TO THE STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980

SEC. 301. FEDERAL LABORATORY CONSORTIUM.

(a) Section 11(e)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710(e)(2)) is amended by inserting "senior" after "Consortium and a".

(b) Section 11(e)(6) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710(e)(6)) is amended by adding at the end the

following: "Such report shall include an annual independent audit of the financial statements of the Consortium, conducted in accordance with generally accepted accounting principles.".

(c) Section 11(e)(7)(B)(ii) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710(e)(7)(B)(ii)) is amended by striking "or 1991" and inserting in lieu thereof "1991, 1992, 1993, 1994, 1995, or 1996".

(d) Section 11(e)(8) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710(e)(8)) is repealed.

SEC. 302. COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS.

(a) Section 12(d)(1) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(1)) is amended by inserting "intellectual property," after "equipment," both places it appears.

(b) Within 6 months after the date of enactment of this Act, the Secretary shall report to the Congress on the advisability of authorizing a new form of cooperative research and development agreement which would permit Federal contributions of funds.

SEC. 303. RESEARCH EQUIPMENT.

Section 11 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710) is amended by adding at the end the following new subsection:

"(i) RESEARCH EQUIPMENT.—The Director of a laboratory, or the head of any Federal agency or department, may give research equipment that is excess to the needs of the laboratory, agency, or department to an educational institution or nonprofit organization for the conduct of technical and scientific education and research activities. Title of ownership shall transfer with a gift under the section.".

SEC. 304. DEFINITION OF FEDERAL AGENCY.

Section 4(8) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3703(8)) is amended by inserting ", as well as any agency of the legislative branch of the Federal Government" after "of such title".

SEC. 305. QUALITY IMPROVEMENT.

Section 17(f) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3711a(f)) is amended by adding at the end the following: "The Director is authorized to use appropriated funds to carry out responsibilities under this Act.".

SEC. 306. UNDER SECRETARY.

Section 5(c) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3704(c)) is amended—

(1) by redesignating paragraphs (13) and (14) as paragraphs (14) and (15), respectively; and

(2) by inserting after paragraph (12) the following new paragraph:

"(13) serve as a focal point for discussions among United States companies on topics of interest to industry and labor, including discussions regarding manufacturing and discussions regarding emerging technologies;".

TITLE IV—NATIONAL COMMISSION ON REDUCING CAPITAL COSTS FOR EMERGING TECHNOLOGY

SEC. 401. NATIONAL COMMISSION ON REDUCING CAPITAL COSTS FOR EMERGING TECHNOLOGY.

(a) ESTABLISHMENT AND PURPOSE.—There is established a National Commission on Reducing Capital Costs for Emerging Technology (hereafter in this section referred to as the "Commission"), for the purpose of developing recommendations to increase the competitiveness of United States industry by encouraging investments in research, the development of new process and product technologies, and the production of those technologies.

(b) ISSUES.—The function of the Commission shall be to address the following issues:

(1) How has the overall cost of capital paid by United States companies differed during the past decade from that paid by companies in other industrial economies such as Germany, Japan, and the United Kingdom?

(2) To what extent has the cost of capital faced by technology companies differed from the overall cost of capital in each of these nations during the same period?

(3) To what extent do high capital costs in general inhibit investment in projects with long-term payoffs, such as the development and commercialization of new technology?

(4) To what extent does the structure of the financial services industry in the United States affect the flow of capital to advanced technology investment, and to what extent do current practices in the equity markets raise the cost of capital and inhibit the availability of capital to fund research and development, purchase advanced manufacturing equipment, and fund other investments necessary to commercialize advanced technology?

(5) In what ways do Government regulations influence the cost of capital in the United States?

(6) To what extent have national differences in capital costs facilitated the foreign acquisition of technology-based United States companies?

(7) What macroeconomic and other policies would promote greater investment in advanced manufacturing techniques, in research and development, and in other activities necessary to commercialize and produce new technologies?

(8) What specific policies should the Federal Government follow in order to reduce the cost of capital for United States companies to levels that are near parity with those faced by the Nation's principal trading partners?

(c) MEMBERSHIP.—(1) The Commission shall be composed of 9 members who are eminent in such fields as advanced technology, manufacturing, finance, and international economics and who are appointed as follows:

(A) 3 individuals appointed by the President, one of whom shall chair the Commission.

(B) 3 individuals appointed by the Speaker of the House of Representatives, 1 of whom shall be appointed upon the recommendation of the minority leader of the House of Representatives.

(C) 3 individuals appointed by the President pro tempore of the Senate, 2 of whom shall be appointed upon the recommendation of the majority leader of the Senate and 1 of whom shall be appointed upon the recommendation of the minority leader of the Senate.

(2) Each member shall be appointed for the life of the Commission. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(d) PROCEDURES.—(1) The chairman shall call the first meeting of the Commission within 90 days after the date of enactment of this Act.

(2) Recommendations of the Commission shall require the approval of three-quarters of the members of the Commission.

(3) The Commission may use such personnel detailed from Federal agencies as may be necessary to enable it to carry out its duties.

(4) Members of the Commission, other than full-time employees of the Federal Government, while attending meetings of the Commission while away from their homes or regular places of business, shall be allowed travel expenses in accordance with subchapter I of chapter 57 of title 5, United States Code.

(e) REPORTS.—The Commission shall, within 1 year after the date of enactment of this Act, submit to the President and Congress a report containing legislative and other recommendations with respect to the issues addressed under subsection (b).

(f) CONSULTATION.—The Commission shall consult, as appropriate, with the Commission on Technology and Procurement established by section 505 of this Act.

(g) TERMINATION.—The Commission shall terminate 6 months after the submission of its report under subsection (e).

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for the fiscal years 1992 and 1993.

TITLE V—STUDIES AND REPORTS

SEC. 501. HIGH-RESOLUTION INFORMATION SYSTEMS ADVISORY BOARD.

(a) ESTABLISHMENT AND PURPOSE.—The Director of the Office of Science and Technology Policy shall establish within that office a High-Resolution Information Systems Advisory Board (hereafter in this section referred to as the "Board") to monitor and, as appropriate, foster the development of United States-based high-resolution information systems industries.

(b) DEFINITION.—As used in this title, the term "high-resolution information systems" means the equipment and techniques required to create, store, recover, and play back high-resolution images and accompanying sound.

(c) FUNCTIONS.—The board shall—

(1) collect and analyze information on the range of factors which will determine whether United States-based high-resolution information systems industries will develop and become competitive, including such factors as technology policies, specialized financial problems, international standards and foreign trade practices, Federal regulations and procurement policies, and licensing practices;

(2) identify areas where appropriate cooperation between the Federal Government and the private sector, including Government support for industry-led joint research and development ventures, would enhance United States industrial competitiveness in this area, and provide advice and guidance for such cooperative efforts;

(3) provide guidance on what Federal policies and practices, particularly in such areas as procurement and the transfer of federally-funded research, are necessary to help establish United States-based high-resolution information systems industries;

(4) provide advice on the coordination of Federal defense and civilian activities to maximize and assist with the transfer of technologies in the field of high-resolution information systems into commercial products; and

(5) generally develop recommendations for guiding Federal agency activities related to the development of United States-based high-resolution information systems industries.

(d) MEMBERSHIP AND PROCEDURES.—(1)(A) The Board shall be composed of 13 members, 7 of whom shall constitute a quorum.

(B) The Director of the Office of Science and Technology Policy, the Secretary, the Director of the Defense Advanced Research Projects Agency, and the Administrator of the National Aeronautics and Space Administration, or their designees, shall serve as members of the Board.

(C) The President, acting through the Director of the Office of Science and Technology Policy, within 90 days after the date of enactment of this Act, shall appoint as additional members of the Board—

(i) 5 members from the private electronics manufacturing sector, drawn from such sectors as semiconductors, display equipment, computers, consumer electronics, and telecommunications, with 1 member also representing labor;

(ii) 3 members from the private nonmanufacturing sector, including 1 representative from the transmission delivery the software industry, the entertainment industry, and the investment community; and

(iii) 1 member from academia.

At least 1 member appointed under this subparagraph shall be from small business.

(2) The Director of the Office of Science and Technology Policy or the Director's designee shall chair the Board.

(3) The chairman shall call the first meeting of the Board within 30 days after the appointment of members is completed.

(4) The Board may use such personnel detailed from Federal agencies as may be necessary to enable it to perform its functions.

(5) Members of the Board, other than full-time employees of the Federal Government, while attending meetings of the Board or otherwise performing duties of the Board while away from their homes or regular places of business, shall be allowed travel expenses in accordance with subchapter I of chapter 57 of title 5, United States Code.

(6) The Board shall submit a report of its activities once every year after its establishment to the President, the Committees on Science, Space, and Technology and on Energy and Commerce of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.

(e) LIMITATION ON FUNCTIONS.—Nothing in this section or any other provision of this Act shall be construed—

(1) to authorize the Board to investigate or provide advice or guidance with respect to standards or other regulations or policies related to the transmission, delivery, or receipt of broadcast television or cable television signals subject to regulation by the Federal Communications Commission under the Communications Act of 1934 (47 U.S.C. 151 et seq.); or

(2) to limit, modify, or affect in any manner the authorities, functions or responsibilities of the Federal Communications Commission or the National Telecommunications and Information Administration.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for the fiscal years 1992 and 1993.

SEC. 502. MAJOR SCIENCE AND TECHNOLOGY PROPOSALS.

The National Science and Technology Policy, Organization, and Priorities Act of 1976 is amended by adding at the end of title II the following new section:

"MAJOR SCIENCE AND TECHNOLOGY PROPOSALS

"SEC. 209. The Director shall identify and provide an annual report to Congress on each major multinational science and technology project, in which the United States is not a participant, which has a total estimated cost greater than $1,000,000,000.".

SEC. 503. BIENNIAL NATIONAL CRITICAL TECHNOLOGIES REPORT AMENDMENTS.

Section 603 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683) is amended—

(1) in subsection (a), by inserting ", but shall include the most economically important emerging civilian technologies during the 10-year period following such report, together with the estimated current and future size of domestic and international markets for products derived from these technologies" after "may not exceed 30";

(2) in subsection (b), by striking "national security and" and inserting in lieu thereof "national security or";

(3) by redesignating subsection (d) as subsection (e); and

(4) by inserting after subsection (c) the following new subsection:

"(d) Each such report shall include—

"(1) an identification of the types of research and development needed to close any significant gaps or deficiencies in the technology base of the United States, as compared with the technology bases of major trading partners; and

"(2) a list of the technologies and markets targeted by major trading partners for development or capture.".

SEC. 504. CRITICAL INDUSTRIES.

(a) IDENTIFICATION OF INDUSTRIES AND DEVELOPMENT OF PLAN.—The Secretary shall—

(1) identify those civilian industries in the United States that are necessary to support a robust manufacturing infrastructure and critical to the economic security of the United States; and

(2) list the major research and development initiatives being undertaken, and the substantial investments being made, by the Federal Government, including its research laboratories, in each of the critical industries identified under paragraph (1).

(b) INITIAL REPORT.—The Secretary shall submit a report to the Congress within 1 year after the date of enactment of this Act on the actions taken under subsection (a).

(c) ANNUAL UPDATES.—The Secretary shall annually submit to the Congress an update of the report submitted under subsection (b). Each such update shall—

(1) describe the status of each identified critical industry, including the advances and declines occurring since the most recent report; and

(2) identify any industries that should be added to the list of critical industries.

SEC. 505. RESEARCH, DEVELOPMENT, TECHNOLOGY UTILIZATION, AND GOVERNMENT PROCUREMENT POLICY.

(a) ESTABLISHMENT OF COMMISSION.—The Secretary, in consultation with the Administrator of the Office of Federal Procurement Policy, shall establish a Commission on Technology and Procurement (hereafter in this section referred to as the "Commission"), for the purposes of analyzing the effect of Federal Government procurement laws, procedures, and policies on the development of advanced technologies within the United States and making recommendations on how Federal policy could be changed to promote further the development of advanced technologies.

(b) ISSUES.—The Commission shall address the following issues:

(1) To what extent, if any, should Federal Government technology purchase strategies be used to give domestic suppliers a competitive advantage in new generations of existing technologies and in initial market penetration for new technologies?

(2) Under what conditions can Federal Government purchases of advanced technology-based products be based on performance specifications rather than on product specifications? Should Federal Government procurement first look to the commercial markets for products that will meet performance specifications before purchasing a unique product that has to be developed?

(3) How can the Federal Government procurement laws, practices, and procedures be used as a strategic tool to foster the use of emerging technologies?

(4) How can the Federal Government ensure that its suppliers adopt the principles embodied in the Malcolm Baldrige National Quality Award?

(5) Should Federal Government procurement practices include cooperative efforts between the supplier and the Federal entity to develop products so as to be more easily marketed on a commercial basis? Should a program for the exchange of technical personnel to foster innovation in product development be part of such practices?

(6) To what extent, if any, should Federal Government documents specify standards that are beneficial to domestic suppliers, aid the compatibility of advanced technologies, and speed the commercial acceptance of those technologies, and what would be the role of the Institute in such an effort?

(7) Should Federal Government procurement be linked to the Advanced Technology Program and to technology transfer activities so that specification development can incorporate the latest technical advances available?

(8) To what extent should worldwide, state of the art technology be required in Federal Government procurement?

(c) MEMBERSHIP AND PROCEDURES.—(1) The Commission shall be composed of 15 members, 8 of whom shall constitute a quorum.

(2) The Secretary, the Administrator of the Office of Federal Procurement Policy, the Director of the Office of Science and Technology Policy, the Secretary of Defense, and the Administrator of General Services, or their designees who serve in executive level positions, shall serve as members of the Commission.

(3) The Secretary shall appoint as members of the Commission, from among individuals not employed by the Federal Government—

(A) 4 members who are eminent in advanced technology businesses representing manufacturing and services industries, including at least 1 member representing labor;

(B) 3 members who are eminent in the fields of technology and international economic development; and

(C) with the concurrence of the Administrator of the Office of Federal Procurement Policy, 3 members who are eminent in the field of Federal Government procurement.

(4) The Secretary shall appoint a Commission chairman from among the members of the Commission. The chairman shall call the first meeting of the Commission within 90 days after the date of enactment of this Act.

(5) The Secretary and the Administrator of the Office of Federal Procurement Policy shall provide such staff as may be required by the Commission to carry out its responsibilities.

(6) Members of the Commission, other than full-time employees of the Federal Government, while attending meetings of the Commission or otherwise performing duties of the Commission while away from their homes or regular places of business, shall be allowed travel expenses in accordance with subchapter I of chapter 57 of title 5, United States Code.

(d) REPORTS.—(1) The Commission shall, within 1 year after the date of enactment of this Act, submit to the Secretary, the Administrator of the Office of Federal Procurement Policy, the President, and Congress a report containing preliminary recommendations with respect to the issues addressed under subsection (b).

(2) The Commission shall, within 2 years after the date of enactment of this Act, submit to the Secretary and Congress a final report containing final recommendations with respect to the issues addressed under subsection (b).

(e) CONSULTATION.—The Commission shall consult, as appropriate, with the National Commission on Reducing Capital Costs for Emerging Technology.

(f) TERMINATION.—The Commission shall terminate 6 months after the submission of its final report under subsection (d)(2).

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for the fiscal years 1992, 1993, and 1994.

SEC. 506. REPORT ON INFORMATION COLLECTION AND DISSEMINATION.

(a) REPORT.—Within 270 days after the date of enactment of this Act, the Secretary shall report to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate on the feasibility of establishing and operating a Federal Online Information Product Catalog (FEDLINE) at the National Technical Information Service which would serve as a comprehensive inventory and

authorizative register of information products and services disseminated by the Federal Government and assist agencies and the public in locating Federal Government information. Information protected from public disclosure shall not be included. In studying the concept, the Secretary, acting through the Under Secretary and the Director of the National Technical Information Service, shall consult with officials from appropriate Government agencies, including the Office of Management and Budget, the National Archives, the Government Printing Office, and the Institute, and with representatives of the public, for their views on the optimal composition and format of FEDLINE. Such report shall contain cost estimates and possible funding sources for establishing and operating FEDLINE and shall list any changes in law and regulation that would be required if FEDLINE were to be implemented.

(b) FUNDING.—The Director of the National Technical Information Service may retain and use all monies received, including receipts, revenues, and advanced payments and deposits, to fund obligations and expenses through the end of fiscal year 1993.

(c) ELECTRONIC FORMAT.—Section 212(e)(5) of the National Technical Information Act of 1988 (15 U.S.C. 3704b(e)(5)) is amended by inserting ", including producing and disseminating information products in electronic format" after "engineering information".

SEC. 507. NATIONAL QUALITY COUNCIL.

(a) ESTABLISHMENT AND FUNCTIONS.—There is established a National Quality Council (hereafter in this section referred to as the "Council"). The functions of the Council shall be—

(1) to establish national goals and priorities for Quality performance in business, education, government, and all other sectors of the nation;

(2) to encourage and support the voluntary adoption of these goals and priorities by companies, unions, professional and business associations, coalition groups, and units of government, as well as private and nonprofit organizations;

(3) to arouse and maintain the interest of the people of the United States in Quality performance, and to encourage the adoption and institution of Quality performance methods by all corporations, government agencies, and other organizations; and

(4) to conduct a White House Conference on Quality Performance in the American Workplace that would bring together in a single forum national leaders in business, labor, education, professional societies, the media, government, and politics to address Quality performance as a means of improving United States competitiveness.

(b) MEMBERSHIP.—The Council shall consist of not less than 17 or more than 20 members, appointed by the Secretary. Members shall include—

(1) at least 2 but not more than 3 representatives from manufacturing industry;

(2) at least 2 but not more than 3 representatives from service industry;

(3) at least 2 but not more than 3 representatives from national Quality not-for-profit organizations;

(4) two representatives from education, one with expertise in elementary and secondary education, and one with expertise in post-secondary education;

(5) one representative from labor;

(6) one representative from professional societies;

(7) one representative each from local and State government;

(8) one representative from the Federal Quality Institute;

(9) one representative from the National Institute of Standards and Technology;

(10) one representative from the Department of Defense;

(11) one representative from a civilian Federal agency not otherwise represented on the Council, to be rotated among such agencies every 2 years; and

(12) one representative from the Foundation for the Malcolm Baldrige National Quality Award.

(c) TERMS.—The term of office of each member of the Council appointed under paragraphs (1) through (7) of subsection (b) shall be 2 years, except that when making the initial appointments under such paragraphs; the Secretary shall appoint not more than 50 percent of the members to 1 year terms. No member appointed under such paragraphs shall serve on the Council for more than 2 consecutive terms.

(d) CHAIRMAN AND VICE CHAIRMAN.—The Secretary shall designate one of the members initially appointed to the Council as Chairman. Thereafter, the members of the Council shall annually elect one of their number as Chairman. The members of the Council shall also annually elect one of their members as Vice Chairman. No individual shall serve as Chairman or Vice Chairman for more than 2 consecutive years.

(e) EXECUTIVE DIRECTOR AND EMPLOYEES.—The Council shall appoint and fix the compensation of an Executive Director, who shall hire and fix the compensation of such additional employees as may be necessary to assist the Council in carrying out its functions. In hiring such additional employees, the Executive Director shall ensure that no individual hired has a conflict of interest with the responsibilities of the Council.

(f) FUNDING.—There is established in the Treasury of the United States a National Quality Performance Trust Fund, into which all funds received by the Council, through private donations or otherwise, shall be deposited. Amounts in such Trust Fund shall be available to the Council, to the extent provided in advance in appropriations Acts, for the purpose of carrying out the functions of the Council under this Act.

(g) CONTRIBUTIONS.—The Council may not accept private donations from a single source in excess of $25,000 per year. Private donations from a single source in excess of $10,000 per year may be accepted by the Council only on approval of two-thirds of the Council.

(h) ANNUAL REPORT.—The Council shall annually submit to the President and the Congress a comprehensive and detailed report on—

(1) the progress in meeting the goals and priorities established by the Council;

(2) the Council's operations, activities, and financial condition;

(3) contributions to the Council from non-Federal sources;

(4) plans for the Council's operations and activities for the future; and

(5) any other information or recommendations the Council considers appropriate.

SEC. 508. STUDY OF TESTING AND CERTIFICATION.

(a) CONTRACT WITH NATIONAL RESEARCH COUNCIL.—Within 90 days after the date of enactment of this Act and within available appropriations, the Secretary shall enter into a contract with the National Research Council for a thorough review of international product testing and certification issues. The National Research Council will be asked to address the following issues and make recommendations as appropriate:

(1) The impact on United States manufacturers, testing and certification laboratories, certification organizations, and other affected bodies of the European Community's plans for testing and certification of regulated and nonregulated products of non-European origin.

(2) Ways for United States manufacturers to gain acceptance of their products in the European Community and in other foreign countries and regions.

(3) The feasibility and consequences of having mutual recognition agreements between testing and certification organizations in the United States and those of major trading partners on the accreditation of testing and certification laboratories and on quality control requirements.

(4) Information coordination regarding product acceptance and conformity assessment mechanisms between the United States and foreign governments.

(5) The appropriate Federal, State, and private roles in coordination and oversight of testing, certification, accreditation, and quality control to support national and international trade.

(b) MEMBERSHIP.—In selecting the members of the review panel, the National Research Council shall consult with and draw from, among others, laboratory accreditation organizations, Federal and State government agencies involved in testing and certification, professional societies, trade associations, small business, and labor organizations.

(c) REPORT.—A report based on the findings and recommendations of the review panel shall be submitted to the Secretary, the President, and Congress within 18 months after the Secretary signs the contract with the National Research Council.

SEC. 509. REPORT ON A STRATEGY TO STIMULATE COMPETITIVE RESEARCH.

(a) IN GENERAL.—No later than 120 days after the date of enactment of this Act, the Director of the Office of Science and Technology Policy shall submit to Congress a report presenting a proposed strategy for improving the university research capabilities of those States which historically have received relatively little Federal research and development funding. The report shall particularly—

(1) analyze recent steps to use the National Science Foundation's Experimental Program to Stimulate Competitive Research as a model for similar programs in several other Federal departments and agencies which fund research and development; and

(2) examine the feasibility and advisability of using that Program as a model for Federal research and development agencies which do not currently have similar programs.

(b) ANALYSIS AND DISCUSSION.—The report shall include an analysis and discussion of—

(1) the geographic distribution of Federal research and development grants and contracts;

(2) current Federal efforts to stimulate competitive research; and

(3) the feasibility and advisability of new Federal programs to stimulate competitive research.

SEC. 510. INTERAGENCY COORDINATION.

The Secretary shall, within 180 days after the date of enactment of this Act, submit to the Committee on Science, Space, and Technology and the Committee on Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, a plan for coordination of Commerce Department efforts with other Federal agencies for activities related to high-resolution information systems, including research and development activities.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina [Mr. VALENTINE] will be recognized for 20 minutes, and the gentleman from Pennsylvania [Mr. WALKER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to bring H.R. 1989, the American Technology Preeminence Act of 1991, to the floor today as one of the first acts of the 2d session of the 102d Congress. By concurring in the Senate amendments, the House today will send this bill to the White House, where I am confident it will be signed.

According to a recent poll taken by the Council on Competitiveness, pessimism about our economic standing in the world is growing, and Americans are looking to the Federal Government to play a more active role with industry in restoring America's competitiveness. Voters are concerned about their declining standard of living and are fearful about this country's economic future.

The scientific and technological programs authorized in this bill are designed to help American companies meet the challenge of competing in a global market. Indeed, this bill may well be one of the most important pieces of legislation to stimulate American competitiveness that the Congress will consider this year. Among other provisions, the bill:

Authorizes a threefold expansion of the Department of Commerce's advanced technology program, an innovative grants program aimed at promoting U.S. industrial capabilities in critical technologies;

Strengthens the Malcolm Baldrige National Quality Award and the Federal Laboratory Consortium for technology transfer;

Authorizes the core programs of the National Institute of Standards and Technology at a pace which will double the program over the next 5 years, thereby providing increased technological and standards development support to the Nation's high-technology industries;

Creates a National Commission on Reducing Capital Costs for Emerging Technology to help solve the capital formation problems of small high-technology businesses;

Establishes a High-Resolution Information Systems Advisory Board which is modeled after the National Advisory Commission on Semiconductors;

Directs a study of the impact of Government procurement policy on research, development, and technology utilization; and

Directs the National Academy of Sciences to study international product testing and certification issues.

These are but a few of the most important provisions of this act which will provide the starting point for a more comprehensive evaluation of and response to our competitiveness problems.

H.R. 1989 passed the House on July 16, 1991, by a wide margin—296 to 122—and an amended version of the bill passed the Senate on November 27, 1991, by unanimous consent.

The bill before you results from a concerted effort on the part of Members of the House and Senate to reach a compromise on this important legislation. As such, the bill contains a few variations from the House-passed bill which are outlined in the attachment to my floor statement. Most of these changes are deletions since it was necessary to come forward with a stripped-down version to resolve the administration's objections and clear the Senate.

For example, the fiscal year 1991 budget authorization has been removed from the bill since it is no longer relevant; instead, the bill now includes authorization for fiscal years 1992 and 1993. The funding levels authorized for these programs are consistent with the administration's agreement to double NIST's intramural budget over the next 5 years.

In addition, the $10 million Technology Commercialization Loan Program, which is designed to facilitate the commercialization of advanced technologies and help this country remain competitive, the recoupment provision in the Advanced Technology Program, and the requirement in title IV that the Vice President be among those appointed to the Commission on Reducing Capital Costs for Emerging Technologies have all been removed because of administration objections.

Other revisions have been made in negotiations with the Senate relating to the National Quality Council provisions, fire safety, and lead paint.

I do not view most of these last minute concessions as the final word on the subjects they address. We merely have gone forward with a large number of programs and policies while postponing those which are less ripe until a later time.

Mr. Speaker, the American Technology Preeminence Act is critical to America's economic growth and national security. It deserves each and every Member's strong support.

AMERICAN TECHNOLOGY PREEMINENCE ACT OF 1991—H.R. 1989, AS AMENDED—CHANGES FROM THE HOUSE-PASSED BILL

SEC. 2. DEFINITIONS

The amended bill contains a "definitions" section as requested by the Senate.

TITLE I—DEPARTMENT OF COMMERCE: RESEARCH AND TECHNOLOGY

Technology Administration (Section 103)

A. The FY 1991 budget authorization has been removed from the bill since it is no longer relevant. The bill now includes annual authorizations of $10M for the Technology Administration for fiscal years 1992 and 1993.

B. A provision restricting the transfer of funds among Technology Administration programs and requiring advance notification to the Senate Committee on Commerce, Science, and Transportation and the House Committee on Science, Space, and Technology has been included at the request of the Senate.

National Institute of Standards and Technology (NIST) (Section 104)

A. For NIST's intramural programs, the bill authorizes $210M for FY 1992, as passed by the House, and $221,200,000 for FY 1993. A facilities budget of $34,800,000 is also authorized for FY 1993.

B. The bill includes the Senate language that the fire research and building technology programs may instead of shall be combined for administrative purposes only, and requires a report to Congress no later than December 31, 1992 on the results of that combination.

C. The amended bill deletes the House-passed provision authorizing NIST and the FAA to undertake a joint research program to develop an all fire-resistant aircraft cabin interior.

D. The amended bill includes $127,500,000 annually for FY 1992 and FY 1993 for NIST's extramural programs. The amended bill also includes Senate language stipulating that funds for the extramural programs must be competitively reviewed through the merit review processes required by the National Institute of Standards and Technology Act (15 U.S.C. 271 et seq.). The amended bill also includes Senate language permitting NIST, as part of its continuing technology extension responsibilities, to contract with existing Regional Manufacturing Centers to provide services, and permits NIST to accept other Federal funds to provide support for the Manufacturing Centers.

E. The $10M Technology Commercialization Loan Program has been dropped and the Advanced Technology Program has been increased from $90M to $100M for FY 1992.

F. The amended bill extends the National Advisory Commission on Semiconductors through FY 1993.

G. A Senate provision requiring NIST's Director to submit a report by March 1, 1992 to the House Science, Space, and Technology Committee and the Senate Commerce, Space, and Transportation Committee on needed renovations/upgrades of NIST facilities for the next decade, including a priority list, cost estimates, and an implementation plan, is included.

TITLE II—ADVANCED TECHNOLOGY PROGRAM AMENDMENTS

A. The amended bill includes the Senate language directing the Secretary and Director to be guided by the recommendations of the Biennial National Critical Technology Reports in operating the Advanced Technology Program.

B. The provision in the House-passed bill that the Federal government recoup funds from the profits of successful joint ventures has been dropped.

C. The bill includes Senate language authorizing the Secretary and "the Director" to coordinate with other Federal officials when reviewing private sector requests for awards under the Program, and to work with the "Director of the Office of Science and Technology Policy" and other Federal officials to form interagency working groups.

D. Senate language authorizing the acceptance of funds from other Federal agencies to support the Advanced Technology Program has been included in the amended bill.

TITLE III—AMENDMENTS TO THE STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980

A. In relation to Section 305, Quality Improvement, for the administration of the Malcolm Baldrige National Quality Award Program, the Senate language authorizing "the Director to use appropriated funds to carry out responsibilities under this Act" has been included in the bill.

TITLE IV—NATIONAL COMMISSION ON REDUCING CAPITAL COSTS FOR EMERGING TECHNOLOGY

A. The House-passed title establishing a National Commission on Reducing Costs for Emerging Technology to develop legislative recommendations to lower the cost of capital in the United States and to increase the competitiveness of U.S. industry by encouraging investment in quality, product and process improvements, and new product development and marketing has been amended by deleting the Vice President as the chair of the Commission.

TITLE V—STUDIES AND REPORTS

A. The House-passed provision establishing a National Quality Council to set national goals and priorities has been amended to require the Secretary of Commerce rather than the President to appoint the Council, and the White House Conference on Quality Performance in the American Workplace is no longer required to be an annual event.

TITLE VI—LEAD EXPOSURE HAZARDS

A. The House provision requiring NIST to implement a voluntary accreditation program to be used in the evaluation and detection of lead in paint films, soil, and dust, and requiring NIST to establish performance criteria and standards for lead paint encapsulants and strippers has been deleted.

□ 1400

Mr. Speaker, I reserve the balance of my time.

Mr. WALKER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, after 3 years of posturing and politicing, the Congress is finally going to respond to President George Bush's long-time call to invest in the future with passage of this bill.

Ever since President Bush's election in 1988, he has proposed and pushed for competitiveness research initiatives in such areas as semiconductors, superconductivity, advanced manufacturing and materials, chemical quality control, fiber optics, and other information technologies. Until today, however, Congress has not done its part by legislating on this domestic agenda.

It is quite ironic, I think, that on the very day of our President's third State of the Union Address, we will now clear for his signature a bill calling for the very domestic funding denied by the Congressional Appropriations Committees every year in the past. I must give a lot of credit in this regard to Congresswoman CONNIE MORELLA, who persisted and got the House to endorse the priority of the core program at the National Institute of Standards and Technology—its intramural in-house laboratory research. By adding language clearly stating this as Federal policy in the earlier House-passed version of this bill, we now bring back legislation for final passage that dedicates all new 1993 funding to the core program. It is the emerging technologies that the core research program supports, and technically advances, that can provide millions of good-paying, permanent American jobs in the year ahead.

Another breakthrough element of H.R. 1989 is the establishment of a blue ribbon commission to make legislative and tax recommendations to Congress within 1 short year to address the fundamental issue in international competitiveness, which is reducing the cost of capital. Congress should commit to enacting the resulting proposals, hopefully including investment credits and depreciation allowances, to spur private capital formation for the more rapid and effective commercialization of emerging technologies.

At the same time, I am quite pleased that an initial industrial policy provision has been dropped that would have made Government loans to centrally chosen companies for the development of their own commercial products. It is clearly inappropriate to tax Americans in support of private sector profits. Thanks to the support of virtually every House Republican upon initial consideration, and especially Science Committee members DON RITTER, SHERRY BOEHLERT, PAUL HENRY, DANA ROHRABACHER, and WAYNE GILCHREST, this misguided proposal has been killed, thus avoiding a veto.

I also want to commend our chairman for his willingness to drop this objectionable language and for his leadership in this process to formulate a good bill. He has been truly committed and worked very hard for its passage.

Finally, in addition to putting together a technology development bill that is both consistent with the Commerce Department's 1993 budget request and fiscally responsible by capping its grant programs at 1992 levels, Republican contributions include: Continued Federal support for the Boehlert State technology extension program; establishment of a National Quality Council by DON RITTER; and eligibility for joint production ventures, as being promoted by Judiciary and Science Committee member TOM CAMPBELL, under the Advanced Technology Program.

Mr. Speaker, this is the first step in adopting President Bush's procompetitiveness policy, and I wholeheartedly urge its unanimous adoption. But the balance of the President's national policy blueprint, including a permanent R&D tax credit, reduced capital gains rates, antitrust protection of joint production ventures, and product liability reform, will greatly reduce costs, legal uncertainty, and regulatory burdens. This comprehensive agenda is genuinely bold, and will create jobs, higher wages, and better, cheaper products. Let us, in this Congress, put the American people ahead of politics and act.

Mr. VALENTINE. Mr. Speaker, I reserve the balance of my time.

Mr. WALKER. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. LEWIS].

□ 1410

Mr. LEWIS of Florida. Mr. Speaker, I rise in support of H.R. 1989, the American Technology Preeminence Act, as amended. This bill will assist the United States in its drive to become more competitive in the world marketplace.

This bill is very similar to legislation that passed the House late last year.

H.R. 1989, as amended, provides funding for the Department of Commerce's Technology Administration and the National Institute of Standards and Technology, known as NIST, including the Advanced Technology Program.

The Advanced Technology Program was created by legislation in 1988, to assist private enterprise in developing and marketing new technologies. This is an area in which it is extremely important for our Nation to stress if we are to truly be competitive. Other countries, most notably Japan, have programs of this nature.

The April 1991 Office of Science and Technology Policy report entitled "National Critical Technologies," concluded that the key to future U.S. competitiveness involves a fundamental change in the way U.S. industry competes in the marketplace.

In addition, H.R. 1989, as amended, contains funding for other long-neglected programs which would enhance U.S. manufacturing technology and continue the Malcolm Baldrige Quality Award Program.

To conclude, H.R. 1989, as amended, could not have reached the floor without the leadership and support of the committee chairman, BROWN and ranking member, WALKER.

I also want to congratulate the subcommittee chairman, Mr. VALENTINE, for his hard work and guidance on this legislation, and certainly the gentlewoman from Maryland for her hard work on this legislation.

Mr. Speaker, this legislation is a good first step in correcting many of our Nation's competitiveness ills, so I urge my colleagues to support H.R. 1989, as amended, the American Technology Preeminence Act.

Mr. WALKER. Mr. Speaker, I yield 5 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Speaker, I rise in support of the conference report on H.R. 1989, the American Technology Preeminence Act. I have had the pleasure of supporting this bill in hearings on the subcommittee and committee levels, and on the House floor.

In these times of a global economy, American social and economic prosperity cannot be separated from technological preeminence. Government policies must play an active role in creating an economic environment in which new technologies are developed, perfected, and marketed worldwide.

The American Technology Preeminence Act is designed to advance American global competitivenss. H.R. 1989 broadly aids the economy, committing significant new Federal moneys—not to just one industry or technology—but to wide-ranging high-technology research, development, and procurement.

Also, H.R. 1989 greatly increases funding to the National Institute of Standards and Technology [NIST]. As the primary Federal Agency concerned with manufacturing, NIST has helped spur an American manufacturing renaissance that has brought quality American products and processes to the world.

NIST's competitiveness is a reflection of our own national competitiveness. Indeed, in our subcommittee hearings, Dr. John McTague, vice president of Ford Motor Co. cited NIST as a "crown jewel on which industry justifiably relies." As the flagship laboratory in applying U.S. science and technology to the marketplace, NIST acts as an invaluable ally to American private industry.

The American Technology Preeminence Act allocates $166 million directly to NIST in fiscal year 1991, and $210 million in fiscal year 1992. The act also directs an additional $117 million to NIST for extramural programs in fiscal year 1991 and $127 million in fiscal year 1992.

These dollars earmarked for NIST are invested in cutting-edge research in areas such as electronics, computers, communications, and industrial chemical technology and manufacturing. Spanning the spectrum from aircraft fire research to lead exposure studies to educational and pilot programs, this investment goes a long way in ensuring America's technological leadership in many areas of public health, safety, and the environment.

This act is a model of responsible Government spending. Not only does it make a significant, cost-effective commitment to American competitiveness, it also mandates buy-American provisions, strict cost accountability, and meticulous oversight mechanisms.

So many people have made important contributions in crafting this legislation and moving it forward—my colleagues on the Space, Science, and Technology Committee and their dedicated staffs, the many research and industry people who testified at the numerous hearings, and the dedicated professionals at both the Technology Administration of the Commerce Department and the National Institute of Standards and Technology.

I strongly support this legislation and look forward to its passage into law.

Mr. WALKER. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. VALENTINE. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Speaker, I rise in support of H.R. 1989, the American Technology Preeminence Act. I commend the Science, Space, and Technology Committee chairman, Mr. BROWN, ranking Republican member, Mr. WALKER, the subcommittee chairman, Mr. VALENTINE, and ranking Republican, Mr. LEWIS, for their hard work in developing this bill.

This bill reflects an emerging consensus in Congress and the administration of the need for a stronger Federal effort in technologies critical to our Nation's future competitiveness and the creation of jobs for our workers.

It is a significant step toward reorienting the Federal research and development and technology establishment toward critical needs in our private sector, toward that economic battleground worldwide so much focused on technology.

The technology initiatives contained in this bill can provide American companies with the technological advantage needed to compete more effectively against their often well-financed, government-supported foreign competitors.

Manufacturing is an essential yet often overlooked component of America's economic foundation. Furthermore, when we talk about the competitiveness of industry in this country, we are talking most fundamentally about manufacturing industry. Manufacturing is the primary link between the U.S. economy and the rest of the world, and is the sector of our economy most exposed to foreign competition. Eighty percent of our exports are merchandise exports, mainly manufactured products—315 billion dollars' worth of exports and millions of jobs.

As the primary Federal agency concerned with manufacturing, NIST has played an important role in the ongoing renaissance in American manufacturing. Continued support for this effort is vital.

Manufacturing really is the crown jewel of a modern industrial society. All of our major competitors know this. They nurture their manufacturing industries as if they were crown jewels. Too often we treat ours, the Federal Government and State governments treat ours, as some kind of millstone. We neglect the importance of manufacturing at our own peril.

The bill strengthens NIST's Advanced Technology Program, ATP. As a founder of the ATP, I believe the technological collaboration and innovation that will spur is essential both in the ability of the United States to compete, and, ultimately in determining the living standards of all Americans.

Yet even at the funding level contemplated by this bill, the Advanced Technology Program would still be a modest effort compared to similar programs of many of our major competitors.

The bottom line is that our American producers have made tremendous progress, but that the target is moving out there. To be great, American manufacturing is going to have to engage in a great deal of collaboration. This bill spurs collaboration amongst American industry.

People talk about things like flexible manufacturing. Now we hear the term "agile manufacturing."

□ 1420

This is all about companies getting together and maybe not for all time but to do things in the marketplace, to get in, to get out. And this bill helps to stimulate that collaborative mode which I think we need to admit the United States is not that accustomed to.

The bill contains provisions designed to address other competitiveness problems. It creates a high-resolution information systems board as well as a commission to examine the impact of the high cost of capital on American companies. Whether it increases quality or whether it is advanced technology, all of this is a long-range deal, manufacturing itself is a long-range proposition. And we need to be very, very firmly knowledgeable about our cost of capital versus our competitors and, of course, how to lower the cost of capital, how to make it easier to invest in the future of America, the future of American manufacturing.

Finally, the bill contains my legislation for establishing a national quality council to give national focus to the efforts to promote quality in America. The national quality council would help establish goals and priorities for quality in all major sectors of our economy, including private industry, government and education. When we think about the debate in recent weeks following President Bush's trip to Japan, it is quality in so many different ways, quality of our products, quality of our production, our workers' quality, management quality. This debate has hit a fever pitch, and in this bill we set up a national council to see where America is, where it is in this revolution to make workers far more competitive, and we evaluate where America is after periods of time. There is a White House conference on quality.

We seek to set goals, goals for America to attain higher levels of quality. Membership on the council would include leading quality luminaries with broad ties to the increasingly, rapidly growing community of quality organizations and practitioners.

The national quality council would be a focal point for bringing together the foot soldiers of America's quality revolution. We cannot mandate quality. We cannot set a one-size-fits-all standard.

But through the leadership of the quality council, we can try to create a climate that encourages the pursuit of perfection. Indeed, a culture of quality.

H.R. 1989 is an essential component of the Federal effort to promote the competitiveness of American industry and American workers. It also lays the groundwork for an increase in the number of high-value added, well-paying American jobs and Made in the USA.

The American Technology Preeminence Act represents a sound investment in our future economic well-being, and I urge my colleagues to support it.

Mr. VALENTINE. Mr. Speaker, I yield 2 minutes to the gentlewoman from Missouri [Ms. HORN].

Ms. HORN. Mr. Speaker, I rise in support of this legislation, the Senate amendments to the American Technology Preeminence Act.

This bill is very similar to the legislation passed by the Science, Space, and Technology Committee early last year and by the House last July. Although it does not contain the language to authorize loans for the commercialization of technology included in the House bill, as I would have preferred, it retains the other provisions important to helping the Commerce Department, through the National Institutes of Standards and Technology [NIST], move ahead in their technology programs.

We as a Nation must move forward in promoting advances in manufacturing the critical technology areas. This legislation represents a first step in helping NIST to aid our industries. It is also a continuation of Congress' initiative in increasing investment in our civilian sector. Since 1989, congressional leaders have called for improving the competitiveness of our manufacturing and industrial sector. The Advanced Technology Program [ATP], as well as other NIST programs, are a start in rebuilding our industries. In the world's new competitive climate, we must build on this progress so that all our domestic industries can produce quality products for domestic sales and export. This is a positive step to preserve and create good American jobs. It is an important step as we convert our large military sector to civilian commercial use.

In addition, this bill contains authorization for both fiscal year 1992 and fiscal year 1993. This is a good idea. I support multiyear authorizations of programs wherever feasible because they encourage longer term planning. Such multiyear planning is essential to sustain support of industrial growth and investment. This 2-year authorization represents a step in the direction of longer term commitments to industry and has my wholehearted support.

Mr. VALENTINE. Mr. Speaker, before I yield back the balance of my time, I yield myself 2 minutes simply to say in conclusion I express my appreciation and personal thanks to the gentleman from California [Mr. BROWN], chairman of the committee, and to the gentleman from Pennsylvania [Mr. WALKER], the ranking member of the full Committee on Science, Space, and Technology, and to the gentleman from Florida [Mr. LEWIS], the ranking Republican member of our subcommittee, and to the gentlewoman from Maryland [Mrs. MORELLA] and the gentleman from Pennsylvania [Mr. RITTER] and others who have shown interest in this matter.

This represents, I believe, a truly bipartisan effort on the part of both Democrats and Republicans on the Committee on Science, Space, and Technology to begin to initiate in the Congress legislation that will turn the competitiveness issue into a solution that can get America back on the track.

I believe that we will come to recognize, as I said earlier, this is one of the most important pieces of legislation adopted by the 102d Congress.

Mr. BROWN. Mr. Speaker, I rise in support of H.R. 1989, the American Technology Preeminence Act of 1991, as amended by the Senate. This legislation can have a significant positive impact on the future of the American economy. It is a very appropriate bill to be clearing for the President at a time when interest in the competitiveness of U.S. industry has never been higher.

The American Technology Preeminence Act is a broad-based bill which takes many important steps towards revitalizing U.S. manufacturing capabilities and nurturing U.S. high-technology companies.

The bill provides increased funding for the National Institute of Standards and Technology's [NIST] core research programs which support this country's industrial base.

It authorizes funding for key competitiveness programs of the Department of Commerce, such as the advanced technology program, which helps American companies in developing generic technologies with commercial promise.

The bill sets up a bipartisan commission charged with examining ways to deal with the high cost of capital that U.S. industry must pay and a commission to look into ways to advance U.S. high technology through changes in Government procurement policies.

It establishes a high resolution information systems board to bring together industry and government leaders to build the technology base for a U.S. high-resolution information systems industry. These technologies will be among the world's most important in the next century.

Other provisions of the bill include amendments to the Stevenson-Wydler Act to encourage the transfer of technology from our national laboratories to the private sector, authorization of studies to address technology policy issues, and the establishment of a national quality council to set national goals for quality performance in all sectors of the Nation.

Mr. Speaker, the scientific and technological programs authorized in this important legislation are essential to maintaining U.S. preeminence as a leader in an increasingly technological world. I urge my colleagues to support the American Technology Preeminence Act of 1991.

Mr. MINETA. Mr. Speaker, I rise today in support of the Senate amendments to the American Technology Preeminence Act. I congratulate my colleagues, Chairman BROWN and Chairman VALENTINE for their hard work on this important legislation.

Mr. Speaker, we must make technological leadership a national priority. We must confront the challenges that we will face during the 1990's and beyond.

Although the American Technology Preeminence Act will help us to achieve this goal, I am disappointed because the Senate version of the bill before us today is, in fact, a compromise that does not include a very important provision that was approved by the House of Representatives.

Mr. Speaker, small companies are our laboratories for the new technologies that our Nation will need in the future.

But today, these same small companies face great barriers when bringing their ideas to the marketplace and commercializing their innovations.

The House version of the American Technology Preeminence Act contained an amendment that I offered to help support U.S. businesses in the increasingly competitive world market.

The provision, the Technology Commercialization Loan Program, would have provided low-cost capital to help high-technology companies overcome the tremendous barriers they face in raising capital.

Unfortunately, Mr. Speaker, this provision is no longer in the bill.

The administration opposed the Technology Commercialization Loan Program so vehemently that it had to be deleted for the bill to survive.

Mr. Speaker, high-technology and electronics industries are driving the global economy. Our future will be determined by how well we compete in these industries into the next century. Our competitors in Europe and the Pacific rim understand this, which is why they have invested so heavily in these industries.

In the United States, however, the President talks about growth, but fails to take action. Meanwhile, the economy falters and the unemployment rates continue to rise.

The Technology Commercialization Loan Program was strongly supported by numerous leading industry associations. Despite overwhelming support, however, the administration opposed the provision.

Very soon I will introduce the Technology Commercialization Loan Program as a standalone bill that will provide patient, low-cost capital to help U.S. companies move ideas from the lab to the marketplace. Senator ROCKEFELLER, who supported the amendment last year, will introduce the measure in the Senate.

Mr. Speaker, our economic future depends on promoting our critical high-technology industries. The bill that I will introduce in the House and that Senator ROCKEFELLER will introduce in the Senate to provide technology commercialization loans will foster these critical industries.

Until the administration recognizes the value of our critical high-technology industries, our Nation will continue to lose economic ground to our competitors. Americans need more from the administration than just talk about economic growth—they need action. Technology commercialization loans will provide such action.

Mr. HENRY. Mr. Speaker, I rise in support of H.R. 1989, the American Technology Preeminence Act, as amended.

In the next decade and beyond, no other factor contributing to our Nation's economic growth will be more important than our ability to translate scientific knowledge into improved methods of production. For decades we have been the world leader in basic research. Yet we have failed to devote equal resources to the application of that research. The legislation before us will help reverse that.

However, I want to remind my colleagues on the floor today that we aren't going far enough with this proposal. Germany and Japan have increased the share of their GNP's devoted to commercialization to 2.8 percent and 2.6 percent respectively. In the past 20 years, the United States has only devoted 1.3 percent of GNP to such activity.

I am greatly discouraged that the Senate amendment freezes the funding levels for the NIST extramural programs—particularly the Advanced Technology Program [ATP] which awards technology development grants to commercial firms. Why, at a time when the Carnegie Commission on Science and Technology recommends increasing ATP's budget to about half of the total NIST budget itself, do we want to freeze spending for this crucial program? This program could very well be deemed the jobs creation program of the 1990's.

I am also disappointed that an agreement couldn't be worked out on the commercialization loan issue. And for the record, I want to clarify my position. In committee, I supported the rather modest Mineta commercialization loan proposal. In fact, I continue to believe that it is time for our Federal Government to directly support private sector commercialization efforts. However, when the bill reached the House floor, it was apparent that the loan provision would kill the overall NIST authorization and threaten other vital advanced technology programs. Additionally, the loan proposal became entrenched in partisan bickering when the majority leader interjected himself into the debate. Therefore, I opposed the Mineta amendment on the floor.

Although a commercialization loan program will not be part of the legislation we are considering today, I want to remind my colleagues that it is an issue we need to revisit. The cost and risk of bringing a product to commercialization stages often prevent companies from doing so. It's no longer a matter of picking winners and losers. It's a matter of creating or not creating jobs.

Call it what you will, but this country needs an industrial policy. And the American Technology Preeminence Act establishes a base from which we should move forward in this regard.

Mr. VALENTINE. Mr. Speaker, I yield back the balance of my time.

Mr. WALKER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCNULTY). The question is on the motion offered by the gentleman from North Carolina [Mr. VALENTINE] that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 1989.

The question was taken.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. VALENTINE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1989.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 5, rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed today, in the order in which that motion was entertained.

Votes will be taken in the following order:

House Concurrent Resolution 268, by the yeas and nays; and

H.R. 1989, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote on this series.

☐ 1430

AUTHORIZING CORRECTIONS IN ENROLLMENT OF H.R. 3866, FLOWER GARDEN BANKS NATIONAL MARINE SANCTUARY

The SPEAKER pro tempore (Mr. MCNULTY). The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 268.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. JONES] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 268, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 390, nays 0, not voting 44, as follows:

[Roll No. 2]

YEAS—390

Abercrombie
Ackerman
Alexander
Allard
Allen
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Atkins
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Blackwell
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Darden
Davis
DeFazio
DeLauro
DeLay
Derrick
Dickinson
Dicks
Dingell
Dixon
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Holloway
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Murphy
Murtha
Myers
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens (NY)
Oxley
Packard
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Poshard
Price
Pursell

Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tanner
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wolf
Wyden
Wylie
Yates
Yatron
Young (FL)
Zeliff
Zimmer

NAYS—0

NOT VOTING—44

Aspin
AuCoin
Bustamante
Carr
Coleman (TX)
Cunningham
Dannemeyer
de la Garza
Dellums
Donnelly
Dooley
Dymally
Edwards (OK)
English
Feighan
Frank (MA)
Hastert
Hochbrueckner
Jefferson
Kleczka
Lantos
Lent
Levine (CA)
Lloyd
McCurdy
McDade
Miller (WA)
Morrison
Mrazek
Nagle
Oakar
Olin
Owens (UT)
Porter
Ridge
Sabo
Scheuer
Schiff
Swett
Tauzin
Torricelli
Wise
Wolpe
Young (AK)

□ 1454

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McNULTY). Pursuant to the provisions of clause 5, rule I, the Chair announces he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules on which the Chair has postponed further proceedings on today.

AMERICAN TECHNOLOGY PREEMINENCE ACT OF 1991

The SPEAKER pro tempore. The pending business is the question of suspending the rules and concurring in the Senate amendment to the bill, H.R. 1989.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. VALENTINE] that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 1989, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 392, nays 1, not voting 41, as follows:

[Roll No. 3]

YEAS—392

Abercrombie
Ackerman
Alexander
Allard
Allen
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Atkins
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Blackwell
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Byron
Callahan
Camp
Campbell (CA)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Darden
Davis
DeFazio
DeLauro
DeLay
Derrick
Dickinson
Dicks
Dingell
Dixon
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Holloway
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oberstar
Obey
Olver
Orton
Owens (NY)
Oxley
Packard
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tanner
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wolpe
Wyden
Wylie
Yates
Yatron
Young (FL)
Zeliff
Zimmer

NAYS—1

Penny

NOT VOTING—41

Aspin
AuCoin
Bustamante
Campbell (CO)
Coleman (TX)
Cunningham
Dannemeyer
de la Garza
Dellums
Donnelly
Dooley
Dymally
Edwards (OK)
English
Feighan
Frank (MA)
Hastert
Hochbrueckner
Jefferson
Lancaster
Lantos
Lent
Levine (CA)
McCurdy
McDade
Miller (WA)
Mrazek
Oakar
Olin
Ortiz
Owens (UT)
Porter
Sabo
Scheuer
Schiff
Swett
Tauzin
Torricelli
Wise
Wolf
Young (AK)

□ 1508

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1330

Mr. STALLINGS. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1330.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from Idaho?

There was no objection.

PERSONAL EXPLANATION

Mr. PORTER. Mr. Speaker, I am dismayed that the bells did not ring in my office announcing rollcall votes and I was not present and voting on rollcall Nos. 2 and 3.

I was meeting in my office with three Israeli immigrants and no bells were heard until five rang, at which point I advised my visitors that I would have to go to vote and quickly wound up our conversation. I then turned on my TV to see how much time was left in the vote and found the floor clock showing that all time had expired.

The bells have never failed to ring before, but my failure to vote on these two rollcalls was unavoidable. I have asked that the clocks in my office be immediately repaired so that this will never happen again.

Had I been present and voting on these two rollcalls, I would have voted "aye" in each instance.

PERSONAL EXPLANATION

Mrs. LLOYD. Mr. Speaker, on the previous vote I was conducting a hearing of the Committee on Science, Space, and Technology Subcommittee in room 2318 of the Rayburn Building. Mr. Speaker, the bells did not go off in our hearing room.

Consequently, Mr. Speaker, I missed the vote, and the gentleman from Michigan [Mr. WOLPE] and the gentleman from the State of Washington [Mr. MORRISON] also missed the vote.

Mr. Speaker, had we been present, we would have voted "aye."

PERSONAL EXPLANATION

Mr. WOLPE. Mr. Speaker, if it is necessary, I independently indicate that I would have voted "aye" if I had been present at the last vote. The bells did not function in our committee room.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3769

Mr. BENNETT. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 3769.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 194

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of House Resolution 194.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

□ 1510

INTRODUCTION OF RTC CLARIFICATION BILL

(Mr. HOYER asked and was given permission to address the House for 1 minute.)

Mr. HOYER. Mr. Speaker, a couple of weeks ago, a gentleman stood up during a health care town meeting that I hosted, and told me that he was losing his health insurance coverage because the savings and loan that he had retired from, failed. He said that he would be able to continue his health care coverage for 3 months, at the exorbitant and unaffordable cost of over $1,700.

It appears as if employees of this savings and loan and others who may fail in the future, will not be able to continue their health insurance coverage as intended by Congress.

Mr. Speaker, the town meeting that I held, was one of 285 held throughout the country by my Democratic colleagues in the House. While Members on both sides of the aisle make decisions about how to best address health care concerns, how can we not be responsive to the over 700 employees of Perpetual Savings Bank who have not only lost their jobs but who may be in jeopardy of having their health insurance lapse while the RTC tries to duck their responsibility.

In just a short period of time terminal illnesses can be diagnosed, women can become pregnant, and children with congenital defects can be born. None of these conditions would be picked up by a subsequent insurance provider because they would be considered preexisting conditions. Clearly, Mr. Speaker, this is not consistent with congressional intent.

Mr. Speaker, when Congress passed the Federal Deposit Insurance Corporation Improvement Act of 1991, it was clear that there was no distinction between the Resolution Trust Corporation and the Federal Deposit Insurance Corporation as receiver.

I am introducing legislation today, that tells RTC in no uncertain terms, that they have the same obligation as the FDIC to provide a group health plan to former employees of failed banks and thrifts meeting Employee Retirement Income Security Act [ERISA] requirements. This law is not subject to interpretation, and is in fact, law.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. DERRICK). The Chair will now recognize Members for special orders until 5:30 p.m., at which time the Chair will declare the House in recess.

TEMPORARY INVESTMENT TAX CREDIT RESTORATION ACT OF 1992

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. GALLEGLY] is recognized for 5 minutes.

Mr. GALLEGLY. Mr. Speaker, in order to spur industrial growth and expansion and produce an early turnaround in our stagnant economy, I introduce today the Temporary Investment Tax Credit Restoration Act of 1992. This legislation will reinstate the 10-percent investment tax credit on an incremental basis for 2 years, retroactive to January 1, 1992. In offering this proposal on behalf of myself and Representatives BAKER, DOOLITTLE, RAMSTAD, HORTON, BLAZ, PACKARD, HUNTER, LOWERY, and LAGOMARSINO, I join many economists and businessmen in urging an immediate short-term stimulus to the economy which will encourage American industry and agriculture to build for the future and enable this country to compete better in the global economy.

With our economy still in recession, we must take prompt and sensible measures to stimulate national recovery and improve our competitive position in world trade. Insufficient investment is certainly one underlying cause for our economy's sluggish productivity growth and declining competitiveness. Investment spending in Japan, for example, where the economy is just over one-half that of the United States, is a much greater share of that nation's GNP than investment spending in the United States. U.S. investment in productive manufacturing equipment has fallen from an average increase of 4 to 5 percent during the 1950's, 1960's and 1970's to just 1.6 percent for the 1980's. American industry must retool now for the technology explosion, job growth, and competitive global expansion of the 1990's and beyond.

Evidence shows that the investment credit does indeed raise investment spending. According to the American Council for Capital Formation, purchases of equipment by industry have grown far faster during periods when the credit was in effect than when it wasn't. An investment tax credit has been enacted three times since January 1962. It was initiated under the Kennedy administration as a means of sparking economic recovery after a recession, and it worked. As a permanent credit, it was eliminated finally in the 1986 tax reform effort amidst criticisms that it created distortions in investment decisions. During that period, however, the credit was an effective cyclical stabilizer and a powerful investment stimulus.

I propose that the credit be revived for 2 years so that it will provide what economist Robert Eisner calls "a big bang for the buck" without excessive costs or long-term distortions. Companies will be encouraged to accelerate their spending, rather than to put off plans for industrial expansion, thereby giving the economy a quick start and wage earners and consumers a psychological boost. Although estimates of its immediate cost vary, its intermediate-range impact will be to produce millions in tax revenues emanating from the recovery it helps to engender and the additional jobs it will spawn. Moreover, the cost of the credit will be reduced by making it apply only to a company's investment in manufacturing and other productive equipment properties, including farm equipment and computer software, that exceeds its previous spending on such equipment over the previous 4-year base amount. If in 2 years the economy still needs a strong shot in the arm, the credit can be extended or again be made permanent as it was until 1986.

Mr. Speaker, our economy is in trouble, and the American people remain pessimistic about it and their future. A temporary incremental investment tax credit will provide the push that industry and consumer need. The time for action, rather than partisan politics, is long overdue. I urge my colleagues to support this bill and the House to approve the 10-percent investment tax credit now.

Let's make the investment tax credit part of our campaign to jump start America.

THE ASSASSINATION OF JOHN F. KENNEDY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. STOKES] is recognized for 5 minutes.

Mr. STOKES. Mr. Speaker, earlier today I sent a Dear Colleague letter to my colleagues in the House expressing my concern for the letters and telephone calls which have recently been generated by media interest and concern over the records pertaining to the assassination of President John F. Kennedy. As the former chairman of the House Select Committee on Assassinations, I want my colleagues to know my position on this matter.

The House Select Committee on Assassinations was constituted on September 17, 1976, during the second session of the 94th Congress. Its original chairman was Thomas N. Downing who retired at the end of that Congress. The committee was recreated on February 2, 1977, during the 95th Congress with Congressman HENRY GONZALEZ being appointed as its new chairman. Shortly thereafter, he resigned the chairmanship and on March 8, 1977, I was appointed to chair this committee.

Under the House resolution creating this committee, we were authorized and directed to: "* * * conduct a full and complete investigation surrounding the assassination and death of President John F. Kennedy * * *."

Our committee completed its investigation and on March 29, 1979, filed a final report with the House of Representatives.

In addition to the final report, 12 volumes of evidentiary material relating to this investigation were filed with the House of Representatives, printed by the Government Printing Office, and then made available to the American public.

Moreover, in our public presentation of the evidence, we held approximately 18 days of public hearings from August through December 1978, as well as 2 days of public policy hearings. During the public hearings, the committee received evidence on the issues we had identified to fulfill the legislative mandate.

Evidence was heard on the following: First, the facts and circumstances surrounding the death of President Kennedy, and the connection if any between President Kennedy, those facts and circumstances and the accused assassin, Lee Harvey Oswald; second, the question of whether there was a conspiracy in the case; and third, the performance of the various Federal agencies including the FBI, the CIA, the Secret Service, the Warren Commission, and others.

Prior to our committee running out of both time and money, we released everything we had the time and resources to release. All of our other records were placed in the National Archives under a House of Representatives rule requiring such unpublished records to be sealed for 50 years.

There is considerable public debate about these records including accusations that these records, if released, would contain evidence of Government coverup or complicity of Government agencies in the assassination of President Kennedy. I can assure my colleagues that nothing could be further from the truth.

However, I deem it important to not have the good work of our committee impugned by such accusations. Our committee attempted to conduct its investigation into the assassination of the President and to present the results of that investigation to the Congress and the American people in a thorough and dignified manner in keeping with the memory of this great leader. Accordingly, I am in the process of drafting a resolution which will affect the release of these and other documents now under seal bearing upon the assassination of President Kennedy. Properly drafting such a resolution is taking time because it involves both House and Senate records, as well as the records of other Government agencies. This process involves a fairly complicated area of record designation.

I am committed to the principle that Americans are entitled to know the truth about the assassination of President Kennedy and feel that Congress should totally allay all fears of the American people in this regard.

It is my intention to seek original cosponsors of my resolution as soon as it is prepared. I hope that all of my colleagues will provide me with the opportunity to seek their support at that time.

□ 1520

CURRENT LEVEL OF SPENDING AND REVENUES FOR FISCAL YEARS 1992–1996

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, on behalf of the Committee on the Budget and as chairman of the Committee on the Budget, pursuant to the procedures of the Committee on the Budget and section 311 of the Congressional Budget Act of 1974, as amended, I am submitting for printing in the CONGRESSIONAL RECORD the official letter to the Speaker advising him of the current level of revenues for fiscal years 1992 through 1996 and spending for fiscal year 1992. Spending levels for fiscal years 1993 through 1996 are not included because annual appropriations acts for those years have not been enacted.

This is the second report of the 102d Congress for fiscal year 1992. This report is based on the aggregate levels and committee allocations for fiscal years 1992 through 1996 as contained in House Report 102–69, the conference report to accompany House Concurrent Resolution 121.

The term "current level" refers to the estimated amount of budget authority, outlays, entitlement authority, and revenues that are available—or will be used—for the full fiscal year in question based only on enacted law.

As chairman of the Budget Committee, I intend to keep the House informed regularly on the status of the current level.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, January 28, 1992.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: To facilitate enforcement under sections 302 and 311 of the Congressional Budget Act, as amended, I am herewith transmitting the status report on the current level of revenues for fiscal years 1992 through 1996 and spending estimates for fiscal year 1992, under H. Con. Res. 121, the Concurrent Resolution on the Budget for Fiscal Year 1992. Spending levels for fiscal years 1993 through 1996 are not included because annual appropriations acts for those years have not been enacted.

The enclosed tables also compare enacted legislation to each committee's 602(a) allocation of discretionary new budget authority and new entitlement authority. The 602(a) allocations to House Committees made pursuant to H. Con. Res. 121 were printed in the statement of managers accompanying the conference report on the resolution (H. Report 102–69).

Sincerely,

LEON E. PANETTA,
Chairman.

Enclosures.

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1992 CONGRESSIONAL BUDGET ADOPTED IN H. CON. RES. 121

REFLECTING COMPLETED ACTION AS OF JANUARY 22, 1992

[On-budget amounts, in millions of dollars]

	Fiscal years	
	1992	1992–1996
Appropriate level:		
Budget authority	1,269,300	6,591,900
Outlays	1,201,600	6,134,100
Revenues	850,400	4,832,000
Current level:		
Budget authority	1,274,190	NA

REFLECTING COMPLETED ACTION AS OF JANUARY 22, 1992—Continued

[On-budget amounts, in millions of dollars]

	Fiscal years	
	1992	1992–1996
Outlays	1,204,743	NA
Revenues	853,364	4,829,000
Current level over(+)/under(−) appropriate level:		
Budget authority	+4,890	NA
Outlays	+3,143	NA
Revenues	+2,964	−3,000

NA—Not applicable because annual Appropriations acts for those years have not been enacted.

BUDGET AUTHORITY

Any measure that provides new budget or entitlement authority, that is not included in the current level estimate for fiscal year 1992, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 121, to be exceeded.

OUTLAYS

Any measure that provides new budget or entitlement authority, that is not included in the current level estimate for fiscal 1992, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 121, to be exceeded.

REVENUES

Any measure that would result in a revenue loss that is not included in the current level revenue estimate and exceeds $2,964 million for fiscal year 1992, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 121. Any measure that would result in a revenue loss that is not included in the current level revenue estimate for fiscal years 1992 through 1996, if adopted and enacted, would cause revenues to be less than the appropriate level for those years as set forth in H. Con. Res. 121.

DIRECT SPENDING LEGISLATION

[Fiscal years, in millions of dollars]

House Committee	1992			1992–96		
	BA	OLS	NEA	BA	OLS	NEA
Agriculture:						
Appropriate level	0	0	0	3,720	3,540	4,716
Current level	−2	−2	−1	−1	−1	(1)
Difference	−2	−2	−1	−3,719	−3,539	−4,716
Armed Services:						
Appropriate level	0	0	0	0	0	0
Current level	0	−7	−7	0	−83	−83
Difference		−7	−7		−83	−83
Banking, Finance and Urban Affairs:						
Appropriate level	0	0	0	0	0	0
Current level	28	28	0	177	177	0
Difference	+28	+28		+177	+177	
District of Columbia:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
Education and Labor:						
Appropriate level	0	0	56	0	0	20,153
Current level	−46	−46	0	0	4	0
Difference	−46	−46	−56		+4	−20,153
Energy and Commerce:						
Appropriate level	−46	−46	−56	0	+4	−20,153
Current level	0	0	0	0	0	0
Difference						
Foreign Affairs:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
Government Operations:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
House Administration:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
Interior and Insular Affairs:						
Appropriate level	0	0	0	0	0	0
Current level	−2	−2	0	5	5	0
Difference	−2	−2		+5	+5	
Judiciary:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	16	16	16
Difference				+16	+16	+16
Merchant Marine and Fisheries:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	(1)	0	0	(1)
Difference			(1)			(1)
Post Office and Civil Service:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
Public Works and Transportation:						
Appropriate level	16,358	0	0	117,799	0	0
Current level	18,514	0	0	113,048	0	0
Difference	+2,156	0	0	−4,751	0	0
Science, Space, and Technology:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
Small Business:						
Appropriate level	0	0	0	0	0	0
Current level	0	0	0	0	0	0
Difference						
Veterans' Affairs:						
Appropriate level	0	0	484	0	0	6,811
Current level	0	5	378	0	19	2,182
Difference	0	+5	−106	0	+19	−4,629
Ways and Means:						
Appropriate level	0	0	0	0	0	620
Current level	4,330	4,330	5,430	4,152	4,152	5,892
Difference	+4,330	+4,330	+5,430	+4,152	+4,152	+5,272
Permanent Select Committee on Intelligence:						
Appropriate level	0	0	0	0	0	0
Current level	(1)	(1)	(1)	(1)	(1)	(1)
Difference	(1)	(1)	(1)	(1)	(1)	(1)

[1] Less than $500,000.

DISCRETIONARY APPROPRIATIONS, FISCAL YEAR 1992

[In millions of dollars]

	Revised 602(b) subdivisions		Latest current level		Difference	
	BA	0	BA	0	BA	0
Commerce-Justice-State-Judiciary	21,070	20,714	21,029	20,708	−41	−6
Defense	270,244	275,222	269,860	275,038	−384	−184
District of Columbia	700	690	700	690	0	0
Energy & Water Development	21,875	20,770	21,875	20,720	0	−50
Foreign Operations	15,285	13,556	14,262	13,200	−1,023	−356
Interior	13,102	12,050	13,105	12,198	3	148
Labor, Health & Human Services, & Education	59,087	57,797	59,085	57,832	−2	35
Legislative	2,344	2,317	2,343	2,310	−1	−7
Military Construction	8,564	8,482	8,563	8,433	−1	−49
Rural Development, Agriculture, & Related Agencies	12,299	11,226	12,299	11,223	0	−3
Transportation	13,765	31,800	13,762	31,799	−3	−1
Treasury-Postal Service	10,825	11,120	10,824	11,119	−1	−1
VA-HUD-Independent Agencies	63,953	61,714	63,942	61,711	−11	−3
Grand total	513,113	527,458	511,649	526,981	−1,464	−477

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, January 22, 1992.

Hon. LEON E. PANETTA,
Chairman, Committee on the Budget, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, this letter and supporting detail provide an up-to-date tabulation of the on-budget current levels of new budget authority, estimated outlays, and estimated revenues in comparison with the appropriate levels for those items contained in the 1992 Concurrent Resolution on the Budget (H. Con. Res. 121). This report, my first for the 2d session of the 102d Congress, is tabulated as of close of business January 21, 1992. A summary of this tabulation follows.

[In millions of dollars]

	House current level	Budget resolution (H. Con. Res. 121)	Current level +/− resolution
Budget authority	1,274,190	1,269,300	+4,890
Outlays	1,204,743	1,201,600	+3,143
Revenues:			
1992	853,364	850,400	+2,964
1992–96	4,829,000	4,832,000	−3,000

Sincerely,
ROBERT D. REISCHAUER,
Director.

PARLIAMENTARIAN STATUS REPORT, 102D CONGRESS, 2D SESSION, HOUSE ON-BUDGET SUPPORTING DETAIL FOR FISCAL YEAR 1992

[As of close of business Jan. 21, 1992]

	Budget authority	Outlays	Revenues
ENACTED PRIOR TO 102d CONGRESS			
Revenues			850,405
Permanent appropriations	784,794	723,520	
Outlays from prior year appropriations	0	234,906	
Offsetting receipts	(186,675)	(186,675)	
Total previously enacted	598,120	771,751	850,405
ENACTED 1ST SESSION			
Appropriation legislation:			
Agriculture (P.L. 102–142)	51,219	36,382	
Commerce-Justice (P.L. 102–140)	21,425	16,016	
Offsetting receipts	(119)	(119)	
Defense (P.L. 102–172)	269,911	176,492	
District of Columbia (P.L. 102–111)	700	690	
Energy and Water (P.L. 102–104)	21,875	12,961	
Interior (P.L. 102–154)	12,466	8,098	
Labor, HHS, Education (P.L. 102–170)	183,044	146,857	
Offsetting receipts	(39,658)	(39,658)	
Legislative branch (P.L. 102–90)	2,309	2,063	
Military construction (P.L. 102–136)	8,563	2,931	

PARLIAMENTARIAN STATUS REPORT, 102D CONGRESS, 2D SESSION, HOUSE ON-BUDGET SUPPORTING DETAIL FOR FISCAL YEAR 1992—Continued

[As of close of business Jan. 21, 1992]

	Budget authority	Outlays	Revenues
Transportation (P.L. 102–143)	14,302	12,217	
Treasury-Postal Service (P.L. 102–141)	19,695	17,027	
Offsetting receipts	(6,079)	(6,079)	
Veterans, HUD (P.L. 102–139)	80,941	42,469	
Emergency supplemental for humanitarian Assistance (P.L. 102–55)		(1)	
Dire emergency supplemental appropriations, 1991 (P.L. 102–27)		511	
Disaster relief supplemental appropriations, 1992 (P.L. 102–229)	113	(154)	
Other spending legislation:			
Extending IRS deadline for Desert Storm troops (P.L. 102–2)			(5)
Veterans' education, employment and training amendments (P.L. 102–16)	(1)	(1)	
Higher education technical amendments (P.L. 102–26)	(56)	(56)	
Veterans' Health Care Personnel Act (P.L. 102–40)		(1)	
Veterans' housing and memorial affairs (P.L. 102–54)		5	
Veterans' Benefits Improvement Act (P.L. 102–86)	(2)	(2)	
Intelligence Authorization Act, fiscal year 1991 (P.L. 102–88)	(1)	(1)	(1)
Veterans' educational assistance amendments (P.L. 102–127)		(1)	
Extend Most Favored Nation status to Bulgaria (P.L. 102–158)			(2)
Unemployment compensation (P.L. 102–164)	3,825	3,825	2,600
Provide MFN status to Czechoslovakia and Hungary (P.L. 102–182)	505	505	(17)
Intelligence Authorization Act, fiscal year 1992 (P.L. 102–183)	(1)	(1)	
Defense Authorization Act (P.L. 102–190)		(7)	
Extend MFN status to the Soviet Union (P.L. 102–197)			(22)
James Madison Memorial Act (P.L. 102–221)		(1)	
Tax Extension Act (P.L. 102–227)			405
San Carolos Indian Irrigation Project Divestiture Act (P.L. 102–231)	(2)	(2)	
RTC Refinancing Act (P.L. 102–233)	25	25	
Food, Agriculture, Conservation and Trade Act Amendments (P.L. 102–237)	(2)	(2)	
Intermodal Surface Transportation Efficiency Act (P.L. 102–240)	18,514	(590)	
Coast Guard authorization (P.L. 102–241)	(1)	(1)	
Deposit Insurance Reform and Protection Act (P.L. 102–242)	3	3	
Discretionary estimating adjustment	(233)	(5,823)	
Total appropriation and other spending legislation	663,286	426,586	2,959

PARLIAMENTARIAN STATUS REPORT, 102D CONGRESS, 2D SESSION, HOUSE ON-BUDGET SUPPORTING DETAIL FOR FISCAL YEAR 1992—Continued

[As of close of business Jan. 21, 1992]

	Budget authority	Outlays	Revenues
CONTINUING RESOLUTION AUTHORITY P.L. 102–145			
Foreign Operations (expires March 31, 1992)	14,034	5,496	
Offsetting receipts	(41)	(41)	
Total continuing resolution authority	13,992	5,454	
MANDATORY ADJUSTMENTS			
Entitlement authority and other mandatory adjustments required to conform with current law estimates in budget resolution	(1,208)	950	
ENACTED 2D SESSION			
Total current level	1,274,190	1,204,743	853,364
Total budget resolution	1,269,300	1,201,600	850,400
Amount Remaining:			
Over budget resolution	4,890	3,143	2,964
Under budget resolution			

[1] Less than $500 thousand.

[2] This act increased the current law estimate for veterans compensation by $3 million and is included in the Veterans-HUD appropriations bill.

Note: Numbers may not add due to rounding.

LT. GEN. WILLIAM H. RENO RETIRES AFTER 31 YEARS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, I want to recognize the service of Gen. William H. Reno, who will retire from the U.S. Army, at the end of January 1992. He currently serves as the Deputy Chief of Staff for Personnel, U.S. Army.

Lieutenant General Reno was graduated from the U.S. Military Academy in 1961, and was commissioned a second lieutenant in the Corps of Engineers. His career was marked by command and staff assignments of consistently increasing levels of responsibility in the United States and overseas. He served two tours in the Republic of Vietnam. Subsequent assignments included duty with the 9th Infantry Division, the Army's Training and Doctrine Command, and the Department of the Army. In 1988, he began an assignment as the Chief of Program Analysis and Evaluation, impacting favorably on every facet of the total Army for years to come. At such a critical time in our history, General Reno applied the much-needed detailed analysis of programs and initiatives to ensure the Army and the Nation was being well served.

In August 1990, General Reno became the Army's chief personnel officer when he was appointed as the Deputy Chief of Staff for Personnel. What a dynamic time to assume so important a position. Saddam Hussein's forces had just invaded nearby Kuwait. General Reno faced a complex and seemingly contradictory task of simultaneously planning for and executing the largest buildup of forces since World War II and the eventual drawdown of that same Army by more than 25 percent in only 5 years. This buildup also included the largest mobilization of National Guard and Reserves since World War II. Throughout it all, General Reno ensured that Army policy was efficient, practical and reflective of a sincere concern for the well-being of the soldiers and their families.

Thanks in no small part to General Reno, the U.S. Army is the best Army in the world and the very best it has ever been. Throughout his entire career, he took his role as a professional soldier seriously. His measure of achievement has been nothing less than unfailing service to this Nation and his Army. There has been no greater, more trusted steward of the Nation's resources than Gen. Bill Reno. The Army will have difficulty in filling his shoes and but will be richer for his years of devoted service. The Army today is composed of the brightest, best trained; and ready soldiers that we have ever had. He can be proud of their accomplishments and share in the credit. He has been mainstay of the Army leadership for many years. The Nation and the Army will miss him.

THE ECONOMIC CHALLENGE FACING CONGRESS AND THE ADMINISTRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. GEPHARDT] is recognized for 60 minutes.

Mr. GEPHARDT. Mr. Speaker, tonight the President will deliver his State of the Union Address to the Congress and to the American people.

This afternoon, I am joined by some of the great leaders in the House to discuss the situation confronting our country on this day of the President's third State of the Union Address.

These last 3 years have been filled with events we deemed unimaginable in our lifetimes. After spending trillions of dollars, after losing over 100,000 precious American lives, the nations of Eastern Europe, and the Republics of the former Soviet Union have finally been liberated and their peoples emancipated.

The sacrifice of three generations of Americans have been validated, and new horizons of open societies and open markets lie before us.

This is our historic moment: Communism is dead, the hammer and sickle has been lowered, the cold war is over, and we won.

Under normal circumstances, these triumphs would occasion celebrations of incredible proportions, and rightly so.

But in the cities I have been visiting, and in the hearts of people I have met along the way, there is consternation not celebration, there is fear and not rejoicing. How could something that went so right be greeted with emotions that feel so wrong?

Our people feel we are living in an era of economic decline. Economic strength is the fundamental measure of a nation's power, both at home and abroad, and other nations are exhibiting greater strength and vitality than we are.

At home, our people are finding it more and more difficult to raise their families, educate their children, walk their streets with security, and save for the future.

Our people play by the rules, but the system isn't working for them. Our people try to take care of themselves, but they cannot afford quality health care.

Our people make high-quality products, but their Government isn't fighting foreign trade barriers.

Our people want equal opportunity, but official policy is dedicated to helping only the rich. Our people would do anything to help their children, but they find diminishing opportunity for the next generation in comparison to the chances they had.

These are the anxieties and apprehensions that the President must address this evening. His speech cannot be a political speech; it cannot simply be a slogan to get him past the next election.

His speech must be a visionary, bold, and comprehensive speech, designed to get America moving into the next century—more prosperous and united than we are today.

If he offers such a speech, I know we are prepared to respond positively and promptly. If he does not, congressional Democrats will stand and fight for what we believe, solutions that make sense for the American people, especially our working families.

If you had to boil it down, what I think we need to hear tonight is a speech about respect, reform, renewal, and reality:

Respect for the middle-class;

Reform for our country as we make the transition from the cold war to the new economic competition; and

Renewal of the contract between government, our people and business, and reality—no more gimmicks, smoke and mirrors, or cooking the books.

Our first challenge is to clear away the wreckage of Reaganomics and to restore respect for the middle class.

The experiment in supply-side economics has been tried, tested, and run its course—and the experiment failed. In the 1980's, hard-pressed, middle-class working families in this country saw their incomes go down, their taxes go up, and their Government benefits cut.

At the same time, the most privileged Americans saw their incomes go up and their taxes go down.

As the middle class got crushed between rising prices and falling incomes, American economic strength suffered.

Respect for the middle class isn't a political slogan, it is an economic policy—we cannot have a strong country if the people who work for a living cannot support their families.

Democrats are looking to the President for a comprehensive strategy to raise the incomes and the aspirations of people who work. That means a significant tax cut for the middle class paid for by increasing taxes on the rich.

That means opening up the doors to college opportunity for moderate-income people.

That means offering a sweeping reform of the health care system, so that costs are cut, health care profiteering stops, and people who lose their jobs keep their health care coverage.

We need a new experiment—in trickle-up or bubble-up economics. We need to say that our economic strength begins with creating new opportunities for middle-class people to improve their living standards.

With the end of the cold war, we must act anew and think anew; we need reform and renewal. Today, our challenges are economic, not military.

When the President went to Tokyo, as he did this month, you could see the outlines of the new world order in fresh relief.

What counts is not the number of men and women under arms, what counts is how many people are working. What matters is not megatons, but megabytes. What matters is not the accuracy of our missiles, but the efficiency of our supercomputers.

This means we need investments in people, and investments in education and research. We need a tough, hard-headed trade policy that fights as hard to reduce barriers to American exports as we fought in the cold war to reduce the number of missiles pointed at the United States.

I would like to see bold, new policies in the area of competitiveness, research and development. I would like to see a massive training and retraining initiative.

I would like to see a recognition on the part of the President that the world has changed.

Finally, we need a strong dose of reality across the board. I hope the press reports are wrong, and the President does not use phony economic numbers in his budget.

For years, the Republicans have claimed that cutting taxes for the rich produces money for the Federal Treasury. The last time I checked, America is running the largest deficits in our history.

If the President's program is predicated upon using tax cuts to make the deficit look smaller, or to ladle on more tax cuts for the rich, he will be making a big mistake.

We need reality in the defense budget. A defense program must be built upon the remaining threats we face. Any extra money must not be used to cut taxes for the rich, it must be used to invest in America's economic strength.

The President's budget should not assume Congress will make further deeper cuts in the Medicare Program to pay for other initiatives. I urge the President tonight to unveil an honest, reality-based economic program.

America needs change. America needs an economic revival. America needs a new, long-term, comprehensive plan to get this country moving forward again.

This year, especially, this year, Band-Aids are not enough. We cannot accept short-term political fixes; we need a long-term program that will restore America's leadership and strength into the next century.

We need more than a Presidential speech—we need Presidential follow-through. We need a dedication on the part of the President to work hard to produce real results for American people.

We hope the President unveils such a program tonight. If he does, he can expect our cooperation. But if his program falls short, if the reality doesn't meet the rhetoric, Democrats in Congress will move—swiftly and intelligently—to put a real program together that meets our needs.

With the end of the cold war, this is America's moment. This should be our time to celebrate. It should also be the time we get to work—building a new, more prosperous country that fulfills the dreams of America's working families as we enter the 21st century.

□ 1530

Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. SYNAR].

Mr. SYNAR. Mr. Speaker, I thank the gentleman from Missouri for yielding and commend him for his remarks. I think as we anticipate the speech tonight, it is clear that the American public is viewing this Chamber and this night as a very important night for not only the next 6 months, but for the decade of the 1990's.

As the gentleman from Missouri [Mr. GEPHARDT] stated, I do not think any of us on this side of the aisle intend to be critical, because I think all of us realize the importance at this time in our Nation's history, particularly with the economic problems that we face, that it is critical that we come more than halfway to meet this President in a bipartisan fashion to deal with the issues that face this country.

I must say though that after having waited for 3 years, I think all of us who have looked for some type of strategy on the economy with respect to energy, with respect to jobs, with respect to trade, with respect to competition, that the expectation level of tonight's speech is very high. That is because there has been so much silence by this administration over this 3 years with respect to this very important agenda which now we are faced with having to deal with in such a short time.

Second, as the gentleman from Missouri pointed out, all of us who have had the opportunity to visit our districts, as I have in Oklahoma over the last 2 months, have come to the realization that our people are concerned and scared and fearful of the future.

In visiting with people, whether it be in Claremore, OK, or Musgokee, the message was very clear that they sent to me as an opportunity for me to address the Nation, which is that if we can find money for the Kurds, for the Turks, and for the Soviet Union, we can find money for Oklahomans and people from Missouri and this whole country.

I think tonight's presentation by the President and how we deal with it has to be more than just a speech, because I think the American public is tired of just rhetoric and photo opportunities. I think they expect tomorrow for us to address with substance and with action the issues which concern them.

I look forward to the President's remarks tonight. As the gentleman from Missouri [Mr. GEPHARDT] said, I think we enter tonight's speech, as well as tomorrow's actions, with anticipation that together as a nation, Democrats and Republicans, we can work for all people.

As I was traveling around in Oklahoma during the last 2 months it became clear to me also that Oklahomans were concerned about three major issues which the gentleman addressed in his remarks.

The first is they are interested in hearing tonight from the President as to what he has planned for jobs, particularly in the area of training and education. Because as they have watched the massive layoffs that have occurred at General Motors, at IBM, and at the United Technologies, they realize that our country is going through a restructuring and that that restructuring will require education. It will require retraining of our workers so we can anticipate the new competition and the new jobs that will be there. They are looking forward to hearing from the President tonight on what strategy he has for new jobs.

They are also concerned about health care. As the gentleman knows from his own town meetings that he had in St. Louis, as well as the ones I had in northeastern Oklahoma, Americans came out in mass numbers to tell us about the problems they are faced with concerning health care. Whether it is the small businessman who has had to drop his health care insurance for himself and his employees because of the skyrocketing costs, or the elderly couple who cannot afford their medicine, or the young couple that cannot find an OB/GYN to deliver their baby, it is clear Americans want the President to address health care in this country tonight and how we can get a handle on the expansive costs that we have seen.

The gentleman is aware that just last year we spent in this country $739 billion on health care. We estimate unless we reverse the cost increases, that that number could go to $817 billion this year.

Oklahomans, people from Missouri, and Americans in general want to know what this President and this Congress has to do to try to deal with this issue.

Finally, not necessarily in a parochial nature, but I think Oklahomans want to know about energy.

At this time last year we had 500,000 of our best and brightest young men and women situated 5,000 miles away defending a basic resource which we have a tremendous abundance of in our own country.

I think Oklahomans and people in this country want to know how we can ever again avoid sending that kind of manpower that far away to defend this basic resource.

I hope the President will address the Nation tonight and say he does want to complete an energy strategy before the election that will promote the types of things that will ensure that we will have oil and gas drilling in our own country, that we will rely on our own resources here, and we will promote an energy security that this Nation does not have now, and it will ensure a better and brighter future for all of us.

So all of us, as we anticipate in the next couple of hours the President's speech, look at it with great interest.

I want to express my thanks to the gentleman from Missouri [Mr. GEPHARDT] for taking this hour out to kind of lay the tone for what I think will be the Democratic response to whatever the President presents tonight, and that is one of cooperation. But very simply, we believe it is more than just a speech, it is more than rhetoric. We have a responsibility to back that up, starting tomorrow, in a bipartisan active movement to help the country.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman from Oklahoma [Mr. SYNAR] for a very fine statement.

Mr. Speaker, I yield to the gentleman from South Carolina [Mr. DERRICK].

Mr. DERRICK. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the speech that we are to hear tonight is one of the most significant that I have anticipated and which I will have heard in my 18 years in Congress. At this time last year we were anticipating what would be done in the Persian Gulf. Hundreds of thousands of our men and women were overseas. It was very important to the future of this country, to the future of the world, and to the future of our supply of fuel.

□ 1540

Tonight's speech, I think, we are not talking about what is going to happen to this country in the next 6 months or the next year or the next 2 years. We want to hear what is going to happen to our economic base way into the next century, into the 21st century.

After the Second World War, our country had everything that was worth having in the world. We had the industrial capacity. We had the gold. We had the Armed Forces. We had the technology. We had the expertise in any field that one wanted to name. And I suppose for about 20 or 25 years we in this country could build what we wanted to and sell it generally for what we wanted to charge for it.

We also had a government that could kind of spend what it wanted to because there were increasing and increasing revenues coming in to the Government. Quite frankly, our Government in many areas became soft and inefficient and, quite frankly, our private sector in many areas, primarily management, as I see it, became soft and uncompetitive.

Here a few years back, 15 years or so, we once again found ourselves, as we had in earlier days, in a very competitive situation. We could no longer afford the luxury of a government that was not efficient, nor can we any longer afford the luxury of a private sector that is not efficient and competitive.

After the Second World War, we made many decisions about the defense of the free world. These decisions were correct and the correctness of those decisions has been borne out in the last 2 or 3 years. But what we neglected to do or our forbearers neglected to do was to say, "When you become able to protect yourselves and protect the free world, we no longer accept that responsibility." And we can no longer accept that responsibility. We can no longer afford to devote 7 or 8 percent of our gross national product to national defense while countries who are taking jobs away from us daily and competing with us throughout the world devote less than 1 percent of their gross national product to their national defense, and we filling in that bill.

One of the things that I would like to hear tonight is not so much how much are we going to cut out of the defense budget but what is it going to take to defend this country and to keep our citizens safe and to remain a leader in the free world, working together with our allies.

The people in this country are not interested, in my opinion, in a tax cut of $1 a day or 60 cents a day or $2 a day, depending on what bracket they are in. They see through that, and it means very little. They see it as a political ploy, as a way to get elected.

The people of this country want to see a plan that is going to guarantee our economic well-being, guarantee our free market process, guarantee jobs for our people throughout the latter part of this decade and into the 21st century. I hope the speech that we hear tonight will give the leadership that this country needs with the opportunity of the Congress to implement that leadership, not on a short term, not on a quick fix.

The primary reason, quite frankly, or one of the primary reasons that we are here today in the economic morass that we find ourselves in is because of the quick fixes and the political expediency of the 1980's.

This is a great nation, the greatest nation in the world. But it was built on the bedrock of a strong economic base. And because of past policies, primarily in the 1980's, not limited to the 1980's but more recently in the 1980's, we find our standard of living, my children's generation are the first generation in the history of this country that do not have a right to expect a higher standard of living than their mothers and their fathers did.

This is un-American. This is not part of what our great country is about.

I would say, as we listen tonight and we stand here in great anticipation of hearing not a quick fix, not something that is going to win the election for either party in this year but a solid bedrock foundation for economic expansion of this country into the 21st century.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman very much for his statement and would simply add that often, in my town hall meetings, people will ask, will not a particular tax cut solve our problem or a particular public works program or a particular education program. I often like to relate this story, because I think it helps people get a sense what it is going to take, of Tom Landry, when he was coach of the Dallas Cowboys and they were winning championship after championship, kind of like the Washington Redskins just did.

The press used to love to ask Tom Landry, did not the Cowboys have a magic playbook. The press thought that he must have some secret plays that the other team did not anticipate, and that is why he was able to score so many points.

And he used to love to answer the question because he would say, "The Dallas Cowboys do not have a secret playbook."

In fact, he said "Everybody knows the four or five plays that we have. We have always run just the plain basic four or five plays we have always had." He said, "That isn't the reason we win. The reason we win," he said, "is because we execute fundamentals better than anybody else."

Whenever I talk or think about economics and job and income and economic strength, I think of that story because I really think in this case football is just like economics. There is no quick fix. There is no one button that we can push. There is no one program that we can pass. There is no one tax cut that we can put in place. There is no one program that we can implement that will get us out of the long-range problem of economic decline that we have been in now for 10 to 15 years.

Income is going down. Generations are feeling like they are not going to do as well as the last, et cetera, et cetera, all the things we know, all the things we hear from our constituents.

What we need to start saying and doing are increasing our ability in the fundamentals of economic growth. We are never going to be as good as everybody in the world on everything, but we have to have improvements in the area of capital formation and savings, research and development, energy, education and training, trade policy, the policy of making our health care system strong and competitive, in all these areas we have to see improvement. And they have to be attacked simultaneously by the President and by the Congress together and by the American people.

If we can mount that kind of an effort, even in the next year, 2 years, we will see tangible results in the years that follow that. And that is what I think the gentleman has talked about, and that is what we hope is said tonight, and that is what we want to work on in the days ahead.

Mr. GEJDENSON. Mr. Speaker, will the gentleman yield?

Mr. GEPHARDT. I yield to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, I commend the gentleman from Missouri [Mr. GEPHARDT], the majority leader, again for taking time to focus on where we are as a nation. And while my football knowledge is not as great as the majority leader's, I think the point that he makes, there is no silver bullet, oftentimes the campaign or the debate that leads to the campaign has its miraculous, simplistic solution that is going to revive the economy and put us back in the place of prominence that we were economically.

□ 1550

It is a process of dealing with very basic, fundamental aspects of our economy, and it seems to me that as a nation what we tried to do over the last decade is miracle formulas that would work overnight, supply side economics, programs that were going to miraculously balance the budget, enrich the

Nation, and do it all without any pain or effort. As somebody who keeps trying to lose weight, in the same sense, it does not work without pain or effort.

We have spent the last 50 years paying for the defense of Western Europe and Japan. The argument was, for much of that time, that we cannot let the Germans and the Japanese take the lead in this, even though they have the most robust economies, because, after all, they were the enemy in World War II. Their aggression is what started World War II, so it would be improper to ask them to take the main line confrontation efforts against the Soviet Union, so we spent the money. Now we are spending about $150 billion a year. Last week the President, within 2 days, said do not look in his budget for lots of programs to start things in this economy. The following day he said that he has $645 million to help the Soviet Union out, help Russia out and the republics that have now replaced the Soviet Union.

Frankly, I am not against that. What I am against is maintaining 140 billion dollars' worth of manpower, weapons, and bases to defeat the Soviet Union militarily, to have the American taxpayers carry that burden, and at the same time carry the burden of feeding them. We have to make up our minds, do we want to defeat them and invade them, or prevent the potential invasion from them, or are we going to help revive them to be democratic governments who can sustain themselves. We cannot afford to do both.

Second, the account book does not start today. We have paid the bill for 50 years. For 50 years American taxpayers spent more money in Western Europe and Japan than we did in Bangladesh on the hungry or in Ethiopia or anyplace that there was a disaster around the world. We spent more money on these wealthy nations and their defense because we believed in their democratic forms of government, and we thought that was important to the world.

It is now their turn to play a greater role in that. So we have got to get relieved of some of that burden. I have argued for some time the President ought to either get half the money from the Europeans and the Japanese and use that to revive our economy, or we ought to bring those troops home. Just simply bringing the troops home will increase activity economically in this country. One economist said it could replace as much as 40 percent of what has been lost in the economy.

Then we have to look at some of the things that the majority leader has led the fight on here for so long, protecting our domestic industries. You know, we have had this great debate in the early eighties. Every time we came up with a bill to give us a fair shot at survival, "Oh, no, you guys are protectionists." I was, I guess, heartened to some degree, but it was too late and there was not enough of it. The President finally went to Japan and said, "Gee, it is not exactly a level playing field."

As they had done so many times in the past, they made some agreements there that they later said did not actually exist. They have done that on chips, they have done that on autos before. We are doing the same thing to the automotive industry and the automotive parts industry that happened to the electronics industry.

I know the majority leader knows some of those numbers better than I do, but apparently the Japanese are losing money in a lot of their domestic automobile sales and their European sales, but they have this protective market in Japan where they can make the profits and that will lead to the end of the American automobile industry.

I would like to hear from him about some of those facts. What we have to do here is more than cut defense spending. If we cut defense spending in the midst of this depression or recession, and the President finally agrees it is a recession, and it is the longest recession, longer than the Great Depression. In my State it is a depression. The insurance industry is on its back, the banking industry is dead, the real estate industry is dead, and now they are talking about shutting down what is left of our manufacturing in defense without even a replacement.

It seems to me that the administration is saying to those people who won the cold war for us, those that invested their efforts and talents to build this great Nation, that "You are disposable. We do not need you anymore."

The President supported a $500 billion conversion bill last year. The administration today is still sitting on $50 million of the $200 million that the majority leader led the effort on for conversion in the United States and diversification of American industry.

How can we not take a look at helping our industries revive themselves in this time?

It just seems to me that what this administration seems to be saying is what the Ford administration said to New York City: "It is just tough. It is too bad. It is your problem."

Mr. GEPHARDT. The gentleman, I think, has raised one of the critical points here, and that is if we are to have economic success in the kind of world we are in today, it is going to take not only executing the fundamentals of economic success and growth better than we have, it is probably also going to take a set of policies between the private and the public sector, the Government and our private companies, that will allow us to both go through this transition from a cold war economy to a hot economic war economy, and at the same time give our vital strategic industries the chance to be able to compete in the realistic world in which they exist.

Let me go back to the issue of trade, and let us talk for a moment about automobiles. General Motors announced at the end of the year 75,000 people will get the pink slip in the next 2 years; 21 plants will be closed. There is a good reason for it. GM has lost 10 percent of the American market in the last few years. It is real simple. In the last 12 months 50 percent of the cars sold at retail in the United States were foreign cars. Only Ford has had their market share go up by three points. Chrysler's share is down as well.

We can say all we want about the quality of American cars, the efforts of our workers, the efforts of our managers. I am the first to admit that there are times in the past when our products were not as good as they should be.

I think it is important to note that quality has gone way up. Measures have been taken by both workers and managers. We are much more competitive today. That is why to my constituents I have been saying, "Try American; maybe not buy American, that is up to you, but try American. Give it another look."

But in the midst of all of this, we have people saying "You cannot get tough on trade. You cannot try to get a level playing field. It is all our fault. Blame America first. Look for all the problems here."

I am willing to look for our share of problems, but is it not time that we had what some would call an industrial policy to see that we can have success in automobiles? And to people who say "Let us not do any of that, the Government cannot cooperate with the private sector," I simply say "I have a question: Do you think we can give up the automobile industry? If you do, we do not have anything to talk about. If you do not, then let us talk about what it is going to take to save it. If my ideas are not good or your ideas, what are somebody else's ideas? Tell us something. Let us have a debate. Let us have a discussion of how we are going to do this. Is it trade policy?"

I am told that when we take cars to Japan, just for a for instance, they add about 13,000 dollars' worth of costs that we do not put on their cars coming here. Maybe we have not moved the wheels to the right. Maybe our quality is not what it should be. But it is darned hard to talk an auto executive or an autoworker into doing all of that investment to try to sell something that is going to cost $13,000 more in that market than their products coming here. So these are the policies that need to be examined.

Mr. GEJDENSON. I think we ought to take a minute for the American people to understand that what happens here is each car has to be individually inspected and alloy samples taken from the rims. If we started doing that to Japanese cars coming here we could not have enough. We might have full employment just from the inspectors watching them. If we slowed theirs down, if we raised the price of theirs, they would not be competitive in this country.

The place to look in the mirror is why have our trade policies not given our workers a level playing field. There is imperfection here. There is no imperfection, though, in the other country.

So many of these policies are tied together. We have not had an energy policy for a dozen years. I saw a gentleman, the gentleman from Oklahoma [Mr. SYNAR] talking about that for a moment. We spent tens of billions of dollars and American lives at risk to free Kuwait, partly because of its energy richness, and the Western world's dependence on that energy.

□ 1600

If we spent 10 percent of that on energy independence and energy research and development, we would reduce the trade deficit. We would make the country stronger and richer, high-speed rail giving people an option besides airplanes and cars.

We are going to spend $30 billion, and I hope the administration will cut some of that tomorrow, but the plan now is about $28 billion for the operation and maintenance of facilities in Europe. We ought to bring those dollars home, help the State and local governments who are in absolute economic desperate straits from Connecticut to California, and the problem with the States is that they have to raise taxes. They cannot run a deficit. They lay people off, thereby accelerating the recession, the depression that we are in. Help them out.

Take the other money and spend it on renewable energy, on energy conservation, on expanding our national parks, on a high-speed rail system on each of the coasts, and maybe out to Chicago, to do economic development work.

Again, the President says he has got $645 million to feed Russia. I am for helping those people, but for God's sakes, the same administration sits on $50 million for the Economic Development Administration to give my workers a chance.

Rumors are tomorrow he shuts down the sub program, and all of these other programs. From a national security standpoint there can be debate. There is no question about that. But from an economic standpoint and from economic justice, it is wrong to leave these communities and these individuals languishing.

We need the kind of program that will start this country again, and it is not going to be done through some halfhearted effort.

The difference between this and other recessions is that our financial institutions have been devastated by the 1986 tax act, by all of those things along the way that took value from real estate and banking, and the fact is that we are now a debtor nation rather than a creditor nation. We have spent time on this floor speaking about that.

I would hope for our part here that the majority leader and the Speaker would lead an effort to engage the administration, and I am hopeful that the President has adopted the agenda that we have spoken about on this floor so often. I sense that the President recognizes that what he has done to date has been inadequate, and I hope that he comes here with more than just, you know, a halfhearted kind of sampling of showing some compassion and putting people to work.

We need a high-presence program to give America confidence and to put American workers back to work. I would hope that the majority leader and the Speaker would do what they have always done and try to get our colleagues on the other side of the aisle to join us to put Americans to work. Let us take some of that money we have been spending, and we have been spending $140 billion a year in Europe, and let us take some of that money and build a high-speed rail system on the east coast and west coast to give the defense workers new places to use their skills and talents. Let us take a look at building the kind of subway cars that they talked about in California for the rest of the cities in this country so that they can buy them made here, whether it is a Sikorsky in my State or the helicopter folks in other States, with the electronics and the sheet-metal capabilities to give our workers a chance to bid on those projects. And let us not see any more instances where Americans are the low bidder and somebody else is chosen for that contract.

The Europeans in EC 1992 have said that if you want to sell to a European public organization, to a government, to a state, to a nation, to a local government, you have got to have a European presence. We have got to do some of that to revive our economy. We have got to give Americans a job. We have got to give Americans some hope for the future, and then we need to make sure that we invest in education and health care so that we are the kind of competitive nation that can take on our economic adversaries as well as we have taken on our military adversaries.

I would again commend the majority leader for bringing us together.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman for his statement. Obviously he has made the point that there are fundamentals of economic growth and success. They have to be addressed together, not singly, not alone, and there is no magic button, no silver bullet. We have to do it all at the same time. It is a piece of one cloth. That is the kind of bold, comprehensive, long-term set of ideas that we hope are there tonight and that we want to work on.

I thank the gentleman for his statement.

I yield to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I think what the gentleman from Connecticut has just spoken about points out the symptoms of what the majority leader has actually been talking about for quite a long time.

Unfortunately, and I say that in the most positive sense of the word, unfortunately, this administration and the last one have had no vision for the average little Joe, the average man, the average woman, the average family in this country. They have pursued policies which, in their vision, were going to enrich the country, but, in effect, have only enriched a very small few of Americans, leaving the vast majority of Americans out in the cold. They have pursued these policies diligently through 12 years now, 12 years of the Reagan-Bush administration. All we have gotten at the end of 12 years is the rich who have gotten richer by every calculation of every economist in this country, and the poor who have gotten poorer by every calculation of those same economists, and the middle class who have been rent apart and whose assets and earning power have been reduced, paying the burden for that very widening of the assets gap to the wealthy. That is what has happened. Nobody can deny it anymore. It is out there.

The President, unfortunately, chose for the first 10 months of last year to even avoid talking about the recession that existed, because it did not square with the predictions, the rosy scenarios that were painted all during these years. The 1980's, why, they were magnificent. You can chart and calculate the growth in so many areas in this country.

The problem was, as the gentleman well knows, it did not trickle down. What trickled down was the beginning of the end of the infrastructure of this country, shipping jobs overseas, changing the way that America gathers its wealth and produces its GNP, by switching jobs from the high-pay manufacturing, highly technologically advanced, to the service industry, to the menial, to the lower pay. We lost the chip industry. We lost the electronics industry. We have lost the car industry to a large degree.

The majority leader well knows there is now one, only one, steel plant left in this country that makes beams, girders, for high-rise buildings, one plant left in the whole United States that makes the structural beams that are the framework and backbone and support of the high-rise buildings in this country where we build more high rises than any other country in the world, or used to.

These are intolerable things, and there has been no vision of how to change it.

The gentleman from Connecticut talked about an energy policy. What about every policy? The infrastructure has been allowed to deteriorate. If it was not for the Congress and, frankly, Democratic-led initiatives, although a lot of Republicans to their credit joined in because they saw the dangers, we would not have been able to pass some of the bills that we passed to keep this country glued together: Highway bills, road bills, spending money on the infrastructure which, according to the Reagan people, is a dirty word. If you spent money domestically, somehow you were cheating the military, but that is all past.

There is still no vision. We have yet to hear, and if I am wrong, I would certainly ask the majority leader to correct me. We have yet to hear enunciated a vision for this country. The President goes off to the Far East hat in hand, not wanting to beg, but appearing that way, but, "Let us sell some more cars."

Mr. Speaker, I do not want their largesse. I do not want charity from Japan. I want fairness. I do not want a guarantee that we can sell one car in Japan, but they ought to have the guts to open their markets so that we can make an attempt to sell cars to the average Japanese. Do not keep us out. That is what the Japanese Government does.

The vision on trade has been as lacking as the vision everywhere else, and the end product of all of this has been that Americans have suffered.

Oh, wealthy Americans did well in the 1980's, but in the 1990's, the poor Americans and the middle-class Americans are now paying the price.

□ 1610

Educational facilities closed to many Americans because they cannot afford to get in. Jobs lost by many Americans because their industries moved overseas or offshore because the economy is in recession, bad recession.

Health care, for many Americans nonexistent, for many Americans they are uninsured, scared to death that their kids or their wives or their mothers or fathers are going to have an illness that robs them of every asset, every dime they have been able to put away and save.

There is a pervasive uncertainty about the future of this country among Americans today. We have got to change that perception, and it is going to take the President to help the Congress or the Congress to help the President, whichever way you want to do it. I am just afraid that tonight we are not going to hear a vision for the rest of the decade in this country, that the majority leader and I tomorrow are going to have to get up hopefully with the Democrats and the Republicans and make it work here, because all we are going to get is warmed over Reaganomics, warmed over trickle-down theories. Give them a capital gains tax cut. Whatever business wants, give it to them. He has already unveiled some of that. He has talked about the capital gains cut and about changing the rules and regulations so that business can do business. That is what we heard in 1981. Cut the taxes on the rich. They will deliver the jobs. Take away the regulations from business. They will deliver the jobs.

Well, the majority leader knows what happened in the eighties. All we did was run the money around the upper circles of this country so that one rich person could buy some other rich person's business, adding debt each time they went around that circle. And in the end, who is paying the bill? The workers in those businesses.

Macy's, one of the oldest, biggest names in retailing, just filed for bankruptcy, and who knows what will happen with so many others.

GM, 75,000 laying off.

IBM, 20,000 laying off.

Texas Instruments, 6,000 laying off.

It is a terribly sad time in this country. Voltaire once said, "Where there is no vision, the people perish."

Well, the American people are vibrant and strong individually, but their opportunities are perishing and the future for their children does not look that bright. We need that vision. We need a policy for this country to go into the 21st century, and it has not been forthcoming.

I pray that tonight the President stands up, eschews politics, sets aside the short-term gain that he needs politically because his numbers in the polls are sinking like a rock, and stands up and enunciates a vision, a real vision, and talks about building up this country once again.

I know the majority leader has been doing that for many years. I hope the President is going to join the majority leader in doing that tonight, because if he does not, the country and its future are going to be even less assured than they are right now, and I think Americans want a leader in the White House for America.

Mr. Speaker, I thank the gentleman for yielding to me.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman for his statement.

Mr. Speaker, I yield now to the gentleman from Indiana [Mr. VISCLOSKY].

Mr. VISCLOSKY. Mr. Speaker, I thank the gentleman for yielding to me.

There has been a lot of discussion during this special order about fundamentals, about having a vision for America. Also, the gentleman from South Carolina in his remarks talked about persistence and followthrough, and most recently the gentleman from Florida talked about steel.

I would like to emphasize steel in the concept of persistence in terms of followthrough after this evening's remarks.

I am not so concerned about what the President says this evening. I am sure it will make most of us feel good in terms of what the verbiage will be all about. In a sense, it takes me back to November 4, 1988, when then-candidate and Vice President George Bush wrote to the late Senator John Heinz and said:

> I support the domestic steel industry. I support an extension of the VRA's and I support activities and negotiations to eliminate unfair trading practices in steel.

When those words were spoken and written several days after the last Presidential election, I think most people in the steel community believed that what the President was really talking about was the 5-year extension that was then pending in the U.S. Congress and supported by the industry and by steel workers across this land.

What turned out to happen after the election took place is that the President only supported a 2½-year extension of the VRA program. To give the President his due in terms of trying to negotiate an end to unfair steel practices, but here we are 63 days before the lapse of the 2½-year extension of VRA's and no end in sight in terms of those negotiations and certainly a world as we see it toward the end of this year or next year where unfair trade practices will persist in terms of steel.

After then-candidate George Bush makes his commitment to the steel industry, what happened during the next 3 years? Well, 22,900 steel workers lost their jobs, and this month we saw 690 more steel workers at the USX South Chicago steel plant lose their jobs. This month, Inland Steel, which has their sole production facility in my congressional district, indicated they are going to terminate jobs for a quarter of their work force, or another 3,500 jobs after the fundamental commitment of then-candidate George Bush who helped the domestic steel industry.

I am sure that the President will come before us again tonight and express his caring in terms of the plight that many Americans feel and that American industry feels in terms of the needs that present themselves to society. I hope the approach is fundamental, but my grave concern is what happens next month and what happens in March, in April, in May and in June.

They will hear that he cares, but I think what my unemployed steel workers will hear is what the President told David Frost in an interview on January

3, and that is, "I will do anything to get elected."

So I agree with the majority leader that we ought to listen and hear the President out. I hope that he does exhibit that vision for America and talks about the fundamentals.

I would hope that he talks about steel, but my grave concern is that the American people and that we in this Chamber keep our eye on the ball and make sure that there is followthrough by the administration, but my concern is that the statements of 1988 will simply see themselves repeated in the 1992 elections.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman for his statement.

I would reinforce what the gentleman says about the steel industry and again say the answer in the steel industry is, yes, trade measures like the voluntary restraints which have allowed us through what I call a quasi-industrial policy to save our industry against predatory competition severe price cutting and dumping by other countries that almost drove us out of the steel business entirely, but also a whole range of fundamental economic measures that we need to undertake to make sure we have a strong steel industry.

As the gentleman well knows, the greatest user of steel in the United States is the automobile industry. If the automobile industry is in a depression as it is today and plants are being closed and jobs are being lost, capacity is being down sized, there can be no result but a severe negative impact on the domestic steel industry.

So there are intertwining relationships between industries. We need a program that buttresses and reinforces and strengthens all of our vital and strategic industries so that they can work together, that they can feed on one another and reinforce one another, that the synergies that exist in our economy can continue to exist and be strengthened of themselves.

We need education and training. We need savings and investment. We need a sensible fiscal policy, research and development for the latest technology, health care proposals so we can be competitive with other countries and contain the costs of health care as they have done with their universal coverage and cost containment measures, and other things as well.

The bottom line is that what we need tonight and in the days ahead, a speech and then follow-through on putting together the fundamental elements of economic growth and success in this society. If the President will do it, we will cooperate. If it is a short-term fix and it does not fill the bill, we will try to exert leadership as we have in the past here in the Congress. We will reach out to Members on the other side. We will ask for cooperation, but most important, we are bound and determined here to see that this economy of America, which is the bedrock of our strength, goes forward in a positive manner. That is what we are committed to and that is what we will be focusing on hopefully with the President and with the people and our good colleagues on the other side in the days ahead.

Mr. Speaker, I thank the gentleman for his fine statement.

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AFTER THE PRESIDENT'S STATE OF THE UNION ADDRESS, THEN WHAT WILL HAPPEN?

The SPEAKER pro tempore (Mr. DERRICK). Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I listened with considerable interest to my colleagues on the Democratic side talk about the upcoming State of the Union this evening and how they were going to react to it, including one or two of them who had sort of prejudged it sight unseen. And I could not help but wonder what the American people, watching and listening and trying to understand this Congress and this city, must make of all of us.

Let me suggest that we are at a very interesting turning point: This evening at 9 o'clock the President of the United States will make a report to the country on the state of the Union, something which is required by the Constitution and which originally was done in writing.

George Washington came up and spoke once, he decided he did not like the way Congress dealt with him—we were meeting in New York at that time, over 200 years ago—and he never came back. From then until Woodrow Wilson, Presidents tended to send their messages to Congress in writing, and they were read by a clerk.

Beginning with Woodrow Wilson, we went to the modern speech, and then of course in modern times of television, the speech has been a major spectacle, with coverage on all the networks and probably the largest single viewership other than inauguration.

And I think it is important to put it in context. This is not the acceptance speech at the Republican convention; this is not a campaign speech by the nominee of the party, this is a report on the state of the Union by the President of the United States.

Now, only one person serves as President at a time, only one person has won the election to be President, and under our system that President bears a tremendous responsibility.

I believe when President Bush comes here tonight, he is going to outline a fairly broad, sweeping program. He is going to move us toward what I regard as a necessary revolution to replace the welfare state.

He is going to suggest in education, in health, in housing, in the economy, in a variety of areas, very substantial changes. And I think it is fascinating and I wish I had had a chance to have a dialogue with our friends on the Democratic leadership because the question for the last 3 months has been, "Does President Bush have a program?"

Now, based on the briefings I have been through, I am confident that, at the end of the State of the Union tonight, that question will be answered; the President will have outlined a program. He will have shown where we need to go to get out of the recession, he will have shown where we need to go to change education dramatically so that our children can compete with Germany and Japan.

He will have shown us major changes in health to move toward a better system, accessible to everyone.

I believe by 10 o'clock tonight we will know that President Bush has a program. Then a new question will emerge. After 3 months of our good friends on the Democratic Party relaxing and throwing pot shots at the President, saying, "Well, When is he going to act? When is he going to act? What is he going to be for?", will be over.

Now, as of 10 o'clock tonight the question will be, "What are the Democrats who control Congress going to do about the President's program? Are they going to put the country first? And help pass a program? Help get the economy out of recession? Help create jobs? Move rapidly?"

Or, are they in fact going to listen to their campaign strategists and try to insure that we stay in recession as long as possible so the Democratic candidates have a better chance this fall?

I think what we should look for is not some kind of dumb, simpleminded confrontation. The Democrats are not going to run out and say, "Oh, well, let's not pass anything." They are going to say something very different.

They are going to say, "You know we would like to do it soon, but we have to think about it. We have to study it. We have to amend it."

Or, "Maybe we can't quite pass it in the form it is to be signed, maybe we will have to make sure it gets vetoed."

It will be kind of like quicksand, "Just won't quite get passed, won't quite get to the floor, won't quite ever become law."

Gee, if we are sitting around here in July or August and lots of people are unemployed and the economy still has not recovered, then the Democrats may go to their convention in New York City and they will blame—who? They will blame George Bush. They will say the President "hasn't done anything."

But I do not think the country is that foolish, I do not think the country is that unsophisticated. I think the country, partly, frankly, because of C-SPAN, has a tremendous capacity to watch this building, and the country is very good at going to bottom lines.

Please do not tell me what subcommittee it is in, do not tell me that you have held 37 hours of hearings, do not tell me you are going to get around to it someday. Have you passed a signable program?

Now, I hope the President is going to give a very short time limit for passing a program to get out of the recession, to create jobs and to put Americans back to work. I hope he is going to give a 30-day, 45-day at the most, deadline.

First of all the Senate Finance Committee and the House Committee on Ways and Means have had hearings. I testified at one myself in December, and I know the majority leader did.

So we have had hours of hearings, we have had witnesses, we have had a time for talking about what to do.

Tonight the President is going to propose something. I would think that by next week the Committee on Ways Means could be in a markup; we could pass a bill possibly by the end of next week, certainly by the beginning of the following week. I would think that the Senate could then take it up. I would hope that we would in fact be in a position to pass a final bill to be sent to the President to be signed by him to create jobs, to increase the speed and the recovery of the American economy, certainly by the end of February, so that Americans could go back to work.

I think it is important to understand where we are at in that sense, because we are going to pass an unemployment extension, and I support that. We are going to continue to help people who do not have a job. But if we give them 13 more weeks, does that not mean that Congress had better act in that timeframe to insure that when their unemployment once again runs out, that we are in a position that they actually can get a job rather than come back and say, "Now let's extend it again"?

You may think I am making something up. But let me suggest this: I initially introduced, along with Senator PHIL GRAMM, the Economic Growth Act in July of last year. The very first time that an unemployment bill came up on the House floor, I tried to amend that unemployment bill, to add to it an Economic Growth Act to create jobs. We had estimates from private economists that our bill would have created somewhere between 1 million and 2 million new jobs.

We said at that time, in August, before the recess, we said if all you do is extend unemployment and you do not pass the kind of tax cuts that are necessary to create jobs, we are going to be right back here ending up in a situation where we have to extend unemployment again.

That it not what people want. Most people I have talked to who are unemployed, they may need a Government check to keep their house, they may need a Government check to feed their family, but what they want is a job.

What they want is an opportunity to work. They want to get off unemployment by getting a job in a recovery so that the economy is growing again.

Five times between July and November we tried to bring to the floor an economic growth bill to create jobs. Five times the Democratic leadership blocked us.

We went to the Committee on Rules, we tried to amend the rule. We tried to offer a motion to recommit. We did all of the parliamentary maneuvers which were possible for the minority party to try to bring to the floor a jobs bill.

The last time was the last weekend we were in session. The entire House Republican Party strongly supported a jobs bill. We were blocked by the Democrats.

Now, the question, starting tonight, is going to be very simple: The President of the United States, in response to the recession, is going to propose a series of steps that will create jobs, that will put people back to work, that will speed up the economy, and he is going to propose that the Congress move quickly.

Now, my guess is, on the other side of the aisle there is a grave danger their first act is going to be to leave; after all, there is a February break coming up. We will have been here for 2 weeks, "cannot stay around too long, might get exhausted, let us go home."

I would say at least for this particular Member I would oppose having a recess in February unless we have a commitment to pass a Jobs and Economic Growth Act before the end of the month.

I would not want to leave here at the beginning of February, having only been in session a few days, if we do not have an absolute public commitment in both the House and the Senate by the Democratic leadership to pass a jobs bill.

But let us look at what is apparently on the schedule. From what I have seen so far, there is no current proposal to bring up a jobs bill for markup next week in the Committee on Ways and Means or to bring it to the floor.

Instead, the major item we have heard so far from the Democratic leadership for next week is a special committee to investigate the so-called October surprise question, but to investigate it only in the narrowest and most partisan way.

☐ 1630

Let me explain briefly. At the time when the House ought to be focused on creating jobs, at a time when the House ought to be focused on cutting spending, apparently the Democratic leadership will come to the House next week to suggest spending between 1 and 2 million additional dollars to set up a select committee to investigate the question of whether or not Jimmy Carter lost the election in 1980 because of some deal with Iran by Ronald Reagan.

Now forget the fact that every public figure who has ever been involved has said flatly that it is not true, that it is all phony; forget the fact that we are talking about 11 years ago in an election which I thought President Carter lost in large part because we had 23-percent interest rates, 13-percent inflation, and an economy that was disintegrating. Forget all that.

This particular committee has two peculiar aspects. First, it has been narrowly drawn, only to look at the Reagan campaign and not to look at the Carter administration, even though every outside expert has said, "You cannot understand the dynamics of 1980 without looking at the diplomacy of the Carter administration." Well, the Democrats are literally going to spend $2 million, sort of a gift by the taxpayers against their wishes, give that to the Democratic National Committee to investigate only the Reagan campaign and specifically exclude the Carter administration.

Second, this money is apparently coming from some kind of contingency fund which the Speaker apparently controls, which is large enough, spending a million to 2 million out of it, and yet to the best of my knowledge it has never been audited. No one on my side of the aisle seems to know how much money is in it, and it is apparently just a political fund sitting there to be used to pay for things.

Now I would suggest, if we have $2, $5, $10, $15, $20 million stashed away somewhere in the Capitol, that it would be better off to give that back to the Treasury as a part of reducing the deficit. But I think it tells us something about the mindset of the Democratic leadership.

The very first week after the State of the Union, all we have heard so far is not an effort to create jobs and get out of the recession, but rather it is an effort to be very narrowly partisan and to spend $1 to $2 million of the taxpayers' money on what most people would regard as wasteful Government spending.

Let me go one step further. I believe that we have to recognize in terms of foreign trade, which is a topic my friends in the Democratic Party were talking about a while ago, that there are two truths: First, Japan's door is too closed, and we should kick it in; and, second, some United States companies simply do not compete very hard, and they have got to be a lot better at competing. Both are true.

I would suggest that the President's proposals tonight will almost certainly include some tax cuts which will increase the ability of American business to buy new equipment, to be more competitive, to be better at being in the world market, to export more, and to create more American jobs selling to foreigners, and what I would suggest is that, if our friends from the Democratic Party truly want to be more competitive in the world market, that they will have a chance tonight to do in fact precisely that by helping pass the President's program to give our manufacturers a chance to move towards more modern equipment, newer factories, and a better ability to compete.

But that requires passing the bill. It requires bringing to the floor something which the President would sign.

Mr. Speaker, I am glad to yield to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Speaker, I thank the gentleman from Georgia [Mr. GINGRICH] for yielding to me.

Mr. Speaker, as the gentleman knows, this is a fresh start to the second session of this Congress, and I think the gentleman from Georgia is in the well setting up Congress again for failure. The suggestion somehow is always: Blame Congress first.

I hope, and I think the gentleman would hope, that this would be a new year and a new approach. I think the American people are sick of all the fighting. They want us to join hands and confront the very serious problems facing this country. I do not want the Congress to fail, and I do not want the President to fail. I would like to see us have a fresh start and do some things together, but the gentleman's comments presuppose that Congress is at fault, and Congress will be at fault, and Congress will fail.

It is interesting that I hear the gentleman discussing this economic problem as one problem. I view it as two problems, not necessarily unrelated, but nonetheless two problems.

The first is a business cycle that is in contraction rather than expansion, and the question is: How can we jumpstart it? That is the lexicon that is used. How can we jumpstart the economy to promote growth in the short term?

But the issue is not between now and the next election. We are going to see expansion. The business cycle is a contraction and expansion cycle. The question is not the next election. The question is the next decade for this country. When will we and what will we do to develop policies to put this country on track for the next decade to be able to compete successfully?

I respect the notion that we need to do something. And I hope that most of us will extend our hand of cooperation to join the President to try to create jobs in the short term. But I think by far the more important question facing this country and its future is: What will we do as Americans to put ourselves back on track to be able to compete in the next decade and the next two decades with shrewd, tough, smart international competitors?

Now, Mr. Speaker, the gentleman from Georgia [Mr. GINGRICH] has not discussed that tonight. He is talking mostly about what we will do in the next 30 days.

Mr. GINGRICH. Mr. Speaker, I have given a series of speeches in what I call the necessary revolution, replacing the welfare state in order to be competitive. I will be glad to talk about long-term change. I was simply making the point that one of the building blocks to long-term change is going to be to pass an economic growth program.

The gentleman from North Dakota [Mr. DORGAN] is on the Committee on Ways and Means. I believe they passed out today the unemployment proposal.

Mr. DORGAN of North Dakota. The gentleman is correct.

Mr. GINGRICH. It was done in 1 day. We were able to get together on a bipartisan basis. I am supportive of that, as is the gentleman from Illinois [Mr. MICHEL]. I think it is called the Rostenkowski-Michel bill.

Mr. DORGAN of North Dakota. The gentleman is correct.

Mr. GINGRICH. So, it is bipartisan.

I am simply suggesting that on our side all we have heard for next week is, and I am not trying to be negative, I am just reporting. All I have heard for next week is an extraordinarily partisan decision on scheduling to bring in a very one-sided investigatory committee, and then, second, I have heard no report yet, no signs, no signals, that the Committee on Ways and means will be called into markup. I have heard no reports yet that Senator MITCHELL is going to agree to bring up anything in the other body, and all I am saying is, given the track record of the last 3 years, it is time to suggest, and I hope Congress does not fail. I would love nothing better than to have the Speaker call the gentleman from Illinois [Mr. MICHEL] and say, "Hey, let's have a scheduling conference. Let's get it out in the open, and let's set a commitment that we will pass a bill by March 1," and my colleagues will hear me come to the floor, and I will praise the Democratic leadership for that commitment, and I will be delighted to be able to get a bill through the Congress and to the President.

But the gentleman from North Dakota [Mr. DORGAN] and I both know, and he is much more of an expert on taxes than I am because he serves on the Joint Committee on Taxation, but there is not going to be anything new offered tonight which will require 60 hours of hearings.

I mean we all know all the basic provisions, and we know where his party stands, and we know where my party stands, and we will find out where the country stands, and we could easily mark up next week, and come to the floor the week after, and, if we had a fair rule, and either have a bipartisan bill, which is unlikely, but possible, or have a bill offered by the liberals, and have a bill offered by the conservative coalition, and see who wins. But get it out in the open, and then send the bill to the other body, have some kind of time limit agreed to in the Senate, and get it back here by the last week of February, and by March 1 have something passed.

Now my guess is that confidence in the consumer—the Michigan survey that is so famous—that confidence would skyrocket, that the business community would begin to make investments if they got that kind of public commitment.

Mr. Speaker, I yield to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Speaker, my sense is that the fear deep in the gut of most Americans is that this country is seriously off track. I am not talking about for February and March. I am talking about in the long term.

Mr. GINGRICH. I agree with the gentleman.

Mr. DORGAN of North Dakota. And that Washington is full of a bunch of windbags that by and large do not want to do much about it. They live in the White House and in Congress, but the people do not have confidence that the fundamental problems are problems we are going to confront.

We talk about trade. As the gentleman knows, it is true that our friend, George Will, wrote a piece in the Washington Post called Xenophobes, the Protectionists, the Blaming-Japan-First Crowd. Well, there is just as big a crowd around here that is the blame-America-first crowd. How can we compete in markets that we cannot reach? How can we sell a product in a market that is closed to us?

So, there are a whole series of things we have got to do to put the country back on track.

Mr. GINGRICH. Sure.

Mr. DORGAN of North Dakota. Yes, we have got to build the best products in the world. But, if we cannot get them into other markets will not be able to sell them or compete.

Mr. GINGRICH. I agree with the gentleman.

Mr. DORGAN of North Dakota. So, we have got to do a whole range of those kinds of things in order to put the country back on track. We have got a crushing, crippling Federal debt that is mortgaging the future of everybody in this country, and the American people, I think, deep down inside believe that is the kind of problem that will prevent this country from realizing its potential.

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The question for the President and for this Congress is this: When will you look it in the eye and do something about it? When we decide to do that and exhibit all the pain and agony of doing it, then I think you will see confidence in this country soar.

Mr. GINGRICH. Let me take that example. My guess is—and maybe we can actually work out something that is bipartisan here—my guess is that on our side of the aisle there will be a tremendous willingness to take the cuts in defense which are coming, and I believe that tonight the President is going to announce much larger in cuts in defense spending than we would have expected 2 months ago, and on our side of the aisle, the Republican side of the aisle, you would find tremendous willingness to agree that those cuts should either be applied to the deficit or should go back to the American people as tax cuts. And I think you could even work out a compromise on our side where we could get a bipartisan agreement to apply them only to the deficit.

But I can report to you from the newspaper reports that a number of Democrats have already stepped up and said, "No, no, we can't lower the deficit when we cut defense. We have got to shift it to the welfare side, we have got to spend more money through government."

I would be delighted to have a bipartisan coalition pledging that when we cut defense, it will not go to the welfare state. But do you think, realistically, the Democrats would tolerate that?

Mr. DORGAN of North Dakota. Realistically we are a lot better off, instead of speaking to an empty room, to try to figure out how we can develop a bipartisan coalition to reduce the deficit and do what is necessary to improve the country. But I happen to have my own strong feelings about how we reduce defense spending and use that money. I think a major part of it ought to go to deficit reduction because I think the deficit is the crippling impediment that limits all of our futures. Unless and until we look that squarely in the eye, the American people are not going to have any confidence that this country can realize its potential.

The reason I stood up is that I think that Members have gone back home to their districts, Republicans and Democrats, and they have heard sobering views of how people see this town, the President, and the Congress, and realize the people want something different. They do not want business as usual any more; they want this Congress to take some bold action to deal with fiscal policy and with this country's problems.

Mr. GINGRICH. I agree.

Mr. DORGAN of North Dakota. And until and unless we demonstrate we are going to do that, they are not going to have confidence in the future.

Mr. GINGRICH. But does that not inevitably mean that we have to cut wasteful Government spending?

Mr. DORGAN of North Dakota. Yes, absolutely. But again let me state the reason I stood up. You and I, Mr. GINGRICH, have had this discussion off and on for a decade. As I listen to you, it is business as usual, and it is this: "You Democrats, you're the big problem. I anticipate you're going to be the problem in the future and you certainly have been in the past. That is my message."

My point is that that is not the way we are going to solve any problems, because you need Democrats and we need Republicans to put this country back on track.

Mr. GINGRICH. What would you say if you were a Republican and five times last year you tried to bring an economic growth bill to the floor and five times the Democratic leadership stopped you? Is it not fair to say, "Wait a second, guys"?

What would you do if you were a Republican and you wanted to schedule a markup in the Ways and Means Committee next week on the President's proposals, and you know the Democratic leadership does not want to do it?

All I am saying is that the Democrats who have controlled the House since 1954, have an obligation either to work with us and be bipartisan or to be prepared to have us come out here and suggest they are not doing their job. I would much rather be bipartisan, but I have not seen a single step of that kind, other than the unemployment bill today, which I think is a good sign, and I am supportive of it. I have encouraged Congressman MICHEL to cosponsor it. I said, "I will help to get it through the Congress as fast as possible." I am eager to see us pass that on a bipartisan basis.

And if your leadership wanted to come over and say, "Let's have a bipartisan effort to cut spending," I would be willing to do it. If they came over and said, "Let's have a bipartisan schedule to pass an economic growth act," I would be willing to do it.

My only reason for citing the Democratic leadership is that my experience in the first session of this Congress was that they were very partisan in their scheduling, that they refused to pass an economic growth program, and that they were not willing to allow us to have a chance to bring ideas to the floor that we think the American people want. I will be glad to talk about one or two very long-term ideas with you, and if you can help us get your leadership to schedule them, I think you would find that my side is very willing to be bipartisan this year.

Mr. DORGAN of North Dakota. Let me just say this in fairness to the leadership: They certainly can speak for themselves, but you know that what was attempted at the end of the last session would not have met any test that you would expect it to meet, to come up with a series of very significant proposals that were not even reduced to writing and then suggest that they have got to be scheduled for floor action in 24 or 48 hours. The fact is you would not have sat by. You would have exhibited a persecution complex here on that kind of an issue.

Mr. GINGRICH. Wait a second. Senator GRAMM and I initially introduced the Economic Growth Act in July. It was scored by Treasury as being budget neutral, and Treasury and the Bush administration were willing to support it. The President supported it in the Senate in September, and we were very prepared to bring it up. Senator GRAMM got 39 votes in the Senate because he did get it to the floor. That was a bill that was around for 5 months, and it was scored by Treasury.

Mr. DORGAN of North Dakota. How was it scored by the Congressional Budget Office and the Joint Tax Committee?

Mr. GINGRICH. The Joint Tax Committee is a joke. They have no concept about the American economy.

Mr. DORGAN of North Dakota. How was it scored by the Congressional Budget Office?

Mr. GINGRICH. I do not think it was scored by them. In fact, by the way, on the House Republican proposal in the last 2 weeks or the last week of the session, the Joint Tax Committee—and I thought this was totally outrageous propaganda—the Joint Tax Committee said, "Of the 13 provisions you have, we cannot score 11 of them. We do not have a model which explains them." Therefore, everything that was said on the floor by Democrats citing the Joint Tax Committee was 2 out of the 11 provisions.

On the Gramm-Gingrich bill, we went to Treasury, and we spent 4 months writing the bill. It was scored by experts, and I would point out that I believe it is correct to say that the bill which came out of the Ways and Means Committee today uses OMB scoring, and the last unemployment bill used OMB scoring. And if you use OMB-Treasury scoring, the Gramm-Gingrich bill was budget neutral and in fact paid for itself.

That bill could have been brought up. I am not saying you ought to vote for it and you ought to pass it. I am just saying that in simple decency, in the name of bipartisanship, you at least ought to bring it to the floor.

Mr. DORGAN of North Dakota. Let me just make this observation: The hood ornament on your proposal has been—and is always—a capital gains cut, believing that the engine of economic progress is to give the rich a little something and somehow the rest will be better off. The fact is that you know and I know that the proposals as scored would have been a net budget loser and would have increased the budget deficit in order to give the rich a very significant tax cut in this country. We have dealt with this before. We have had votes on this in this Congress, and you know that. This is not a new issue.

Mr. GINGRICH. And it passed the House.

Mr. DORGAN of North Dakota. It sure did.

Mr. GINGRICH. And the Senate Democratic leadership deliberately killed it 1989.

Mr. DORGAN of North Dakota. They did indeed.

Mr. GINGRICH. I am just pointing that out to you.

Mr. DORGAN of North Dakota. That was the democratic process.

Mr. GINGRICH. It was the democratic process in the sense that strangulation in the Senate is legitimate if you can get away with it. But the fact is that in a democratic process the President elected by all the people favored it, 264 Members of the House favored it, a majority of the Senate favored it, and it was procedurally killed. That is exactly why I am standing here saying this. You are making my point. The reason I am standing here, if I might proceed for a second, and saying this is to make the case that when the President comes in tonight, with 8.5 million unemployed, during a recession, and he makes a set of proposals, I am perfectly willing for Senator MITCHELL to schedule his bill and the President's; I am perfectly willing for Speaker FOLEY to schedule his bill and the President's; but let us get them to the floor. Let us get them to a vote. You know and I know that if it comes up in the Senate, it is going to pass, and if it comes up over here, my bet is that it is going to pass here.

Mr. DORGAN of North Dakota. I would only ask this of you: I think it is time for all of us to take a deep breath and wait a little bit before we get the big guns out and start firing ammunition across everybody's bow. This is the first day of the session. This country is in deep trouble. The President is going to come here tonight, and at least I am going to listen to him with an open mind. I hope some of his recommendations, some of which I have heard, are going to meet with my approval and the approval of a broad majority of my colleagues.

But it seems to me that it serves no interest for us to decide that we are right back in business as usual and we will just kick the slats out of everybody and somehow we will have a big political fight.

Mr. GINGRICH. No, I am not for kicking the slats out of everybody. I know this is very hard for Democrats to understand, because you have run the House for 5 years longer than Castro has run Cuba. It is very hard for us to appreciate that, being in the minority.

Mr. DORGAN of North Dakota. And it is very hard for us to appreciate your having the White House. You have had it almost a quarter of a century except for 4 years.

Mr. GINGRICH. Well, we had 4 years of Jimmy Carter, and we thought that was enough.

Mr. DORGAN of North Dakota. That was 4 years, yes, but you have had it for nearly a quarter of a century.

Mr. GINGRICH. But let me explain the difference between being on your side of the plantation and being on our side of the plantation. You are saying this is the first day of the session. That is right. But I woke up as the Republican whip, and what do I learn? I learn that there is a multimillion dollar contingency fund I have never seen, which has never been audited, and which we have no understanding of, and I learn that we are spending $5,000 or $6,000 on elevators, to put marble floors in them, something I did not approve and Mr. MICHEL did not approve, and nobody on the Republican side touched that.

☐ 1650

I learned that next week you are going to bring up—not you personally—the Democratic leadership has decided without consultation they are going to bring up an October surprise bill written narrowly to totally favor the Democrats, basically the Democratic National Committee's fishing expedition, with no ability to look into the Carter administration.

Then you come to me and say, "Now, let's not jump the gun."

Mr. DORGAN of North Dakota. You will find 100 things to be upset about. You always have and probably always will. I understand that.

Mr. GINGRICH. If we were doing that to you, would you not be a little upset?

Mr. DORGAN of North Dakota. I am telling you the White House does it to us every day, all the time. I can cite chapter and verse.

Mr. GINGRICH. The White House has no unaudited funds. We have an Intelligence Committee which audits the White House.

Mr. DORGAN of North Dakota. The only point I make tonight is we in Congress and this President have got to find a way to work together to put the country back on track. If we fall back into the same wagon run of partisan politics, we lose, and the American people lose.

Mr. GINGRICH. I agree with you. I am saying I hope in the next day or two Speaker FOLEY and Senator MITCHELL will set a schedule that I think will be good for America. I hope they tell us publicly, yes, we are going to pass a bill by March 1, or by March 10. That is all I am suggesting.

I think every American has a reasonable right to say to the Congress, "Don't take a break in February. Don't go wandering off until you have decided how you are going to help the economy."

We left here in November without passing a bill to help the economy. We saw the economy not recover. We saw unemployed citizens with an additional 3 months of being in pain, losing money, in some cases losing their home.

Then we return and we are now in a situation where I have seen in newspapers suggestions that the Democrats might get around to passing a bill in July.

Now, that is crazy. You cannot go to the unemployed people of America, to those Americans who are worried, and say to them, "The President is going to give you an address on January 28, and maybe we will get it passed by July." And this is an emergency?

I think we owe it to unemployed Americans, we owe it to the American business community, we owe it to those who create jobs, to pass an Economic Growth Act within the next 30 days.

I think Congress ought to announce publicly the schedule. We ought to know what dates the Committee on Ways and Means will mark up in the House. We ought to know what date it is going to come to the floor of the House. We ought to know what date the Senate Finance Committee will mark up and what date it will come to the floor of the Senate. We ought to know what the target is for the conference committee to report out a bill and send it to the President.

Hopefully, particularly as my friend from North Dakota said if we can work together in a bipartisan manner, work and try to solve this particular problem in such a way that we could all take a sense of pride that we were helping American workers and helping people get off of unemployment and creating an opportunity for jobs for everyone. Hopefully in that setting we could actually have a very positive bipartisan effort over the next 30 days, and I think we could restore confidence. I would like nothing better than to see a bipartisan effort that would truly be helpful.

My friend was making the point we have to deal with long-term problems. I think, frankly, cutting wasteful Government spending is a very big part of long-term problems.

I ran into an article in Reader's Digest this month that is so astonishing that I wanted to share it as an example for all of my colleagues in the Congress of the scale of problems we are faced with.

There was an article in the January Reader's Digest entitled "How Unions Stole the Big Apple." by Rachel Flick. The subhead is: "Public employee unions have brought a great American city to its knees. Could it happen where you live?"

This article, which I am going to read in the RECORD, is a perfect example of the kind of wasteful Government spending which could be cut out, which would actually improve public service, improve the quality of life in our biggest cities, save money for the taxpayer, lower the deficit, and make us more able to compete in the world market.

Let me read the article, "How Unions Stole the Big Apple," by Rachel Flick. It goes as follows:

When principal Perry Sandler of New York City's Intermediate School 145 learned that custodian Al DeCiantis would be assigned to his school, he called DeCiantis' former school. The other principal could not have been happier that the man was leaving. DeCiantis, Sandler would find out, "goes by the contract"—the four words that strike dread in the heart of every New York public-school principal.

The custodians' work rules—thanks to Local 891 of the International Union of Operating Engineers—require DeCiantis to sweep only every other day and to mop only three times a year. Cafeteria floors must be mopped just once a week, even though the cafeteria at I.S. 145 handles five lunch shifts a day and serves as a classroom after that. In those classes, says Sandler, "the kids pretty much learn around filth." In the rest of the school, squads of students and teachers pick up trash the custodian won't.

For work like this, New York's school custodians average $57,000 per year.

Let me stop for a second and repeat that, because it is so extraordinary. The work rules for New York City's public schools require the janitor to sweep every other day and to mop three times—not a week, not a month, not a quarter—a year. Three times a year.

For sweeping every other day, for mopping three times a year, they are paid $57,000 a year.

The next time you hear a big city mayor tell you they haven't raised taxes enough on the middle class, on hard-working Americans, the next time you hear big city mayors ask you when is the Government in Washington going to send us more money, just ask yourself, do you want your taxes raised to subsidize a $57,000-a-year janitor who sweeps every other day and mops three times a year?

Let me go on.

With part-time contracts at other public schools, some boost their salaries as high as $80,000 and pad them with taxpayer-subsidized equipment—from weed-cutters to Jeeps—that after five years is theirs to keep.

Custodians are not the only New York City employees whose union-negotiated contracts beggar and infuriate taxpayers. By 1990, there were 353,000 people, from police officers to teachers, on the city payroll. Their collectively bargained labor contracts cost the city $13.3 billion a year. That's bigger than the budgets of 47 states.

By May 1990, a $3.5-billion budget deficit threatened the city with bankruptcy. Yet even in this emergency, public-employee unions resisted efficiencies, refusing—in the words of Teamster leader Barry Feinstein—"to be cowed by the fiscal crisis." The bottom line as one city manager sees it: "The unions have a stranglehold on New York."

How have public-employee unions brought one of America's great cities to its knees?

1. Contracts that guarantee bloat. According to the independent Citizen Budget Commission, in 1989 New York was forced to employ nearly 40 percent more workers per capita than other large cities to do the same work.

Let me emphasize that point. According to the Citizens Budget Commission, in 1989 the city of New York had 40 percent more workers to do the same volume of work as other major cities. Forget the fact that the other major cities are not very efficient—that is, that Detroit, Cleveland, Philadelphia, and Washington, DC, are not themselves very efficient. You are talking about 40 percent more workers than the already inefficient cities. These are folks who want to raise our taxes to ship the money to New York.

Ten years ago, for example, three men rode on New York City's garbage trucks. Two could do the job, and eliminating the third would save $30 million a year. But the Uniformed Sanitationmen's Association was opposed. To bring the union around, New York made a deal that plagues it to this day.

The city promised to kick back 25 percent of the savings from two-man trucks to the remaining workers. Today, those bonuses cost taxpayers $16.5 million per year. And New York promised that it would reduce the number of garbage trucks it sent out each day unless the union agreed.

In 1986, New York added recycling trucks to its sanitation force. Because the union would not agree to the number of regular trucks being cut back, many sanitation routes became substantially lighter and briefer. Today many $40,000-a-year sanitation workers finish their work in as little as four hours and spend the rest of their salaried day lifting weights and relaxing.

Let me emphasize. Reader's Digest is asserting the $40,000 a year sanitation workers work 4 hours a day. Now why should I raise taxes on a $25,000 a year worker in Georgia in order to subsidize a $40,000 a year worker who is working 4 hours a day?

Let me go on.

Maximum time off. The average New York City employee works considerably less time than his private-sector counterpart. An entry-level worker gets three weeks of paid vacation his first year on the job. That's on top of 12 days' sick leave and 12 holidays. Most private sector workers get only seven to nine holidays. After 15 years, city employees get a total of 51 days off.

☐ 1700

Yet giving every employee just 1 day off costs taxpayers $4.2 million.

New York City teachers have even more generous schedules. And because the school year is short, an estimated 40 percent have second jobs.

Alexander Levy began teaching English in New York City's public schools in 1963. His salary when he retired this year was $52,750. For this he worked 180 days a year, 6 hours and 20 minutes per day, including lunch and preparatory periods. This schedule left him time for second jobs in the afternoons and summers.

In 1978 Levy took a year's sabbatical to work on his doctorate. In 1983 he took a second sabbatical to travel the country developing a private student counseling business that he ran while teaching. Through both sabbaticals, the city continued to pay Levy 60 to 70 percent of his salary.

Levy took a retirement incentive that gave him pension credit for 3 more years of work than he put in. As a retiree, he is thus entitled to $40,800 a year. For life. He is 55.

3. Resisting discipline. In 1989, the United Parcel Service complained to New York City's Department of Investigation that its trucks were getting billed for parking tickets they never received. In an undercover investigation, the DOI observed traffic enforcement agents writing phantom tickets while they loitered in restaurants or browsed through luxury stores.

How could city employees have ignored their duties so brazenly? For one thing, those in charge of watching the traffic agents are members of the same union. Not surprisingly, investigators found that the traffic agents' supervisors made "infrequent and ineffectual field visits." What's more, even to reprimand a worker, an agency must serve him with written charges. The employee is entitled to a hearing, to representation by his union or a lawyer and to call witnesses in his behalf.

4. Protecting their turf. Unionized city employees don't just object to private competition—they fight it. Last June the Astoria Pool, a public swimming pool in the Borough of Queens, was getting a badly needed coat of paint from the Mayor's City Volunteer Corps. The CVC organizes teenagers, many of them school dropouts, to work on city projects for carfare, lunch money and work experience.

But before the CVC could finish the pool, Al Carrozza, president of Local 1969 of the Civil Service Painters' Union, appeared on the scene and told the youths that the work they were doing was dangerous and illegal. The volunteers "stopped right way," says John Ciaffone, Assistant Commissioner of the Parks Department. The job then had to be finished by unionized employees.

Unions do not shy from strong-armed tactics. Last August, the New York City Transit Authority was ordered to pay $1 million in damages because its unionized members had harassed a private van service that competed with public transportation. The service's "crime": vans that offered bathrooms, TVs and phones, carrying 800 commuters a day for a lower fare than city buses.

5. Illegal strikes. Walkouts by public employees are unlawful, but they happen and are so disruptive that the mere threat of one can frighten city officials into costly concessions.

On August 13, 1990, members of the Corrections Officers Benevolent Association went on strike and blockaded the bridge leading to the city's 9-jail complex on Riker's Island. The union blockade snarled traffic for miles and trapped health and corrections officers on duty inside the jails. On its second day, inmates and guards clashed, and blood was shed.

Mayor Dinkins was furious at what "sure in blazes" looked like a violation of the law against strikes. Nevertheless, he swiftly compromised with the union, and the walkout and blockade ended. Police were never called, and the no-strike law was never invoked.

Other unions observed this outcome with interest. Just under two months later, on October 1, the teachers' contract was due to ex-

> pire. The Mayor, already fearing a recession, had pledged no-wage increases above 1.5 percent. But United Federation of Teachers President Sandra Feldman threatened to strike. Again Dinkins yielded, granting the 85,000 UFT employees a 5.5-percent pay hike. Soon Dinkens found it impossible to deny to other unions what he had given the teachers. Last January Dinkins granted the Teamsters and District Council 37 a wage and benefit hike of 5 percent over 15 months.
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> Those agreements were reached with unions that helped elect and can certainly help defeat the Mayor. "Mr. Mayor, labor put you in" a union protester's sign warned Dinkins outside City Hall last June. "Labor can put you out."
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> When the City and its unions strike such deals, the taxpayer is forced to pick up the bill. Last year, New Yorkers experienced the highest single year tax hike in City history. Even New York Governor Mario Cuomo, a longtime union friend, is growing impatient. Writing in The New York Times, Cuomo protested that wage hike plans for public employees would come out of the hides of "poor and working class people."
>
> Union leaders say they want to pay for wage hikes by raising taxes on "the rich." But the wealthiest 7 percent already pay 50 percent of the City's personal income taxes. In July, New York Times columnist A. M. Rosenthal warned that if extorted further, the affluent would flee New York, taking their taxable dollars with them. "Expecting them to go on paying ever more to live in a smelly, dangerous city that gives them ever less is not boosterism," he wrote. "It's arrogance."
>
> New York taxpayers may finally have reached their limit. "Put succinctly," says Allen J. Proctor, Executive Director of the State Financial Control Board, "New York's economy cannot generate enough tax revenues to pay for its current mix of city services."
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> 26 States, the District of Columbia and thousands of localities have passed collective bargaining laws enabling their employees to organize. As labor's influence in the private sectors has eroded, it has thrown its money and manpower into recruiting public employees. By 1990, 36.5 percent of public sector workers carried union cards, compared with just 12 percent in the private sector. Since 1983, membership in public employee unions has climbed more than 13 percent, to nearly 6.5 million.
>
> Many American cities, New York among them, have learned the basic difference between unionizing a public versus a private work force. If a private sector manager negotiates too generous a contract with his employees, a more efficient competitor will put him out of business. The government has no competitors, and public employee unions know that—and business and individual taxpayers are stuck with the tab.
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> No American city is as tightly controlled by its unionized workforce as New York. But as employee unions gain strength in other cities, their members' political clout will grow with them, putting those cities at risk of the tragic financial decisions New York has made. That's why many forward-looking localities are moving to transfer a broad range of public services to private contractors.
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> A survey of 82 cities in 34 states found that each city had privatized something; 97 percent were happy they had done so; 100 percent had saved money—an average of about 25 percent; and 45 percent said the work done by contractors was better.

Let me stop for a second. Of those cities that privatized work, 100 percent had saved money on the privatized work and 25 percent was the average savings, 25 percent less.

If my choice is to cut Government spending by 25 percent for the same work or to raise taxes by 25 percent, I know which way I would personally rather go and that is to cut wasteful Government spending. Let me go on quoting from the article.

> Phoenix privatized trash collection as early as 1978. Its own sanitation department bid for the work alongside the independents. At first, the department lost the right to collect trash in fully half the city. But by 1987 it had beaten the contractors at the efficiency game. By then, the city had saved $16.2 million.
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> In 1989 Chicago privatized the towing of abandoned cars. As a result, says Mayor Richard M. Daley, "A service that cost Chicago millions has netted more than $1.2 million over the last year." In 1990 Daley privatized parking ticket collections and gained taxpayers 12 million. Chicago has also successfully privatized some drug abuse treatment and janitorial services.
>
> Last July Mayor Dinkins suggested for the first time that some privatization might make sense for New York City. The American Federation of State, County and Municipal Employees promptly attacked the idea, but the battle has been joined. If real reform emerges from the fray, the city's economic crisis may have provided a valuable lesson to all America.

The point of the Reader's Digest article in January, "How Unions Stole the Big Apple," is very simple. We in this Congress are faced with a challenge of replacing the welfare state across-the-board, of going to workfare as it affects people who are getting money without working for it, of insisting on efficient, effective contracts in city government, if we are going to send Federal money to cities, on rethinking the entire Federal bureaucracy to make it more effective.

I hope this can be done on a bipartisan basis. I hope that we can pass the President's economic growth plan as quickly as possible to put people back to work, to get out of the recession.

I hope we can work together on a dramatic, indeed, I would say a revolutionary budget this spring. So that we can truly reform the system to truly cut out wasteful Government spending. And I think if we can do that, we can establish the base for an America to be prosperous and successful in the world market and we can ensure that our children have the kind of prosperity that Americans have had in our lifetime.

□ 1710

TRIBUTE TO THE LATE SCOTT DOUGLASS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. PELOSI] is recognized for 5 minutes.

Ms. PELOSI. Mr. Speaker, I heard that the President's budget was being reconsidered. In light of that I would like to make a pitch to the President to put a higher number in there for biomedical research for AIDS. Dr. Fauci, whom President Bush called a hero in the debates, as you may recall, requested $1,329,000,000, and the request that the President put in the budget is $873 million; considerably less, in fact one-third less, than Dr. Fauci's request. This comes at a time when scientists say this is the year we must push President Bush and the Congress to support further research.

We have marked a milestone this past week with the 200,000th case of AIDS; 100,000 cases of AIDS took 7 years. Now in just 2 years we have an additional 100,000 cases of AIDS, 137 new cases per day, 5.7 an hour, 1 every 10 minutes.

In San Francisco, we have 11,600-plus cases, and one of those is my good friend Scott Douglass. I rise, Mr. Speaker, in honor of Scott Douglass. Scott Douglass died at age 34. He was an aide to President Carter when he was 19 years old, and President Carter said of him last week that he was deeply impressed by Mr. Douglass' intelligence, his youthful exuberance, and his integrity. "Scott," the President said, "has remained very close to me and my family, and is a very special friend."

On behalf of my constituents and many of Scott's friends in San Francisco, I want to extend our gratitude to President Carter for his kind remarks, our condolences to his mother, Norma Douglass, his sister, Cynthia Wells, and Nancy Allen, of Roanoke, and also on his behalf to request that the President increase the AIDS budget.

HONORING W.R. "WITT" STEPHENS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. THORNTON] is recognized for 60 minutes.

Mr. THORNTON. Mr. Speaker; today all of the Members of the House of Representatives from the State of Arkansas have joined in requesting this special order to commemorate the life and accomplishments of W.R. "Witt" Stephens of Arkansas.

On February 1, 1973, we held a special order to note my uncle's remarkable career as he retired from his position as president and chairman of the board of the Arkansas Louisiana Gas Co. to rejoin his brother, Jack, in their many enterprises.

While president of ARKLA, Witt accepted the traditional responsibilities to stockholders, employees, and consumers, but he also created a new program to provide an opportunity for a fourth group of people—those who, in Witt's words, "need a boost just to get to a place where thay can start making it on their own."

As I remarked to my colleagues in the House on that occasion nearly 20 years ago, my uncle Witt Stephens was not withdrawing into retirement but moving toward new goals and the acceptance of new challenges.

He had pledged to continue working for the economic development of our region and for a higher quality of life, better jobs, better training, and better opportunities for the young, the unemployed, and those who need help.

Much has been written about Witt Stephens' business successes. His father, A.J. Stephens, known as Papa to all the family, believed in the value of hard work and that anyone's word should be his bond. He told Witt that, "Poverty is nothing to be proud of, or ashamed of, but to be gotten rid of as quickly as conveniently possible."

Starting with a few thousand dollars earned by selling belt buckles for the National Craft Co., Witt established W.R. Stephens Investment Co. in 1933. From 1946, he and his brother, Jack, were partners in the firm which not only achieved remarkable success, but also played a significant role in the startup or expansion of such companies as Federal Express, Systematics, Alltel, Tyson Foods, and Wal-Mart, among many others.

In 1959, Witt Stephens was Fortune magazine's cover story in an article which stated that he, ". . . is generally counted by Arkansas businessmen and politicians as one of the outstanding natural wonders of their State. For one thing," noted Fortune, "his career presents the gratifying spectacle of a local country boy who has made good."

Father George Tribou, a frequent guest at Witt's famous lunches, said at Witt's memorial services that he knew Witt as a family man, as Witt Jr.,'s father, and as a friend, and that it was not enough to say that Witt was a country boy who came to town and made good. Rather, "He was a country boy who came to town and was good."

Dr. Billy White, pastor of the Second Baptist Church in Little Rock and Witt's minister, suggested that those who had measured Witt's accomplishments by his business achievements missed the mark.

Papa would agree, pointing out that success is not measured by the attainment of an objective but in the quality of the journey. He often told all the family that:

It's not who you are born
But how do you live.
Not how much do you have,
But how much do you give.
These are the measures
That determine the worth
Of anyone's life,
Regardless of birth.

While Witt Stephens' business successes are well known, his generosity in support of education and health care programs has not been so widely reported. He provided substantial support to the Baptist Medical Center, St. Vincent's Hospital, and the University of Arkansas medical science campuses in Little Rock. He also made significant endowments to many Arkansas colleges and universities, and celebrated individual excellence by rewarding outstanding teachers and students.

By the measure suggested by Papa, we have all been enriched by Witt Stephens' life.

Mr. Speaker, I yield to my colleague, the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman for yielding. I want to join this evening to honor a great citizen of our Nation and our State, W.R. "Witt" Stephens, whom all of us knew as a person of remarkable business acumen by his enormous success that he is widely known throughout the State, but for those of us involved in politics, we also must observe his political prowess which was widely acknowledged and respected.

I was on several occasions honored to have been invited to his famous business luncheon or luncheons, political fora, at Stephens, Inc., which became legendary throughout the State as a forum for thoughtful discussion on the subject of political matters and public policy and virtually everything else that went on around the State.

I recall specifically the first luncheon that I attended back in 1971, when Mr. Witt began to describe what he would call the forthcoming energy crisis. He told about how the organization of petroleum exporting countries was organizing themselves into a cartel that would offer the potential for managing and manipulating the world oil supply, and how the United States, having no energy policy and an unbridled consumption of oil and other energy products, was playing into the trap that was being set by OPEC.

□ 1720

Being a young Congressman, I was somewhat skeptical at that time, because everyone knew Mr. Witt was in the gas business, and I thought, "Uhhuh, here's a guy trying to raise the price of gas." But little did I know that this would become true, and in 1973 and 1974 when this country was gripped with the Arab oil boycotts that ultimately raised the price of energy over the next several years by about 400 percent that set forth a tidal wave of inflation that ran through the entire spectrum of the economy over the next 10 years, every time that Witt said something after that, I listened very carefully, because what he was trying to do was to raise an issue of public policy concern that would draw some attention from people engaged in public policy to offer insight on a subject that he was informed about in hopes of finding a long-range solution to the energy crisis which he forecast as coming true.

If we had listened to the words of Mr. Witt back in 1971, we would not be facing the economic crisis that we face today, because just during the decade of the 1980's, the Department of Commerce has reported that this Nation consumed $1,200,000,000,000 in foreign energy purchases during the decade of the 1980's, and that what made it even worse is that we had to borrow money from foreigners in order to buy the energy from foreigners. Oh, how I wish that we had listened to the words of Mr. Witt, because the speech of the President who will address the Nation on the State of the Union this evening would be a different speech entirely.

I believe that at the roots of our economic crisis is the failure to establish a national energy policy that has sapped the energy and the vitality of our economy, as your Uncle Witt was trying to describe to us.

I have observed many people have noticed Mr. Witt's achievements and his contributions to the state of the Nation, and one that I would like to insert as an appendage to my remarks was written by our dear friend, and the person that we all admire, a circuit judge on the U.S. Court of Appeals, Judge Richard Arnold, who has contributed to an article published on the editorial page in the Arkansas Democrat-Gazette on December 5, 1991, captioned "Mr. Witt," and, Mr. Speaker, I am inserting that at this point in the RECORD.

MR. WITT

W.R. Stephens left us on Monday. We are sad at the loss of a friend, but we rejoice in a life well lived. A few thoughts come to mind about Mr. Witt.

He was best known to the public as a giant of business, a financial genius, the man who could sell anything—Bibles, or belt buckles, or bonds. This reputation was deserved. No one person did more to build the economy of Arkansas in the second half of this century. His role matched that of Harvey Couch in the first half.

Other traits and qualities, perhaps, were more important. To begin with, Mr. Witt was, and had, a lot of fun. He saw the humor of the human condition. He was interested in everything and loved to talk about it. Every day a group of friends would come to lunch. The host reveled in the talk. Politics, sports, history, people, religion were the topics. Nothing was out of bounds. The problems of the world were settled every day. The next day they needed settling again.

The sparkling salons of 18th-century Paris had nothing on Mr. Witt's luncheon table. Two names stand out among the guests: Ike Murry, politician, raconteur, humorist, businessman, who has now welcomed his friend into Paradise; and Henry Woods, judge and polymath, source of Arkansas political history without peer, unerring commentator on current affairs.

But Mr. Witt wasn't about just talk, marvelous as it was. Loyalty was his long suit—to Arkansas, to friends, to family—above all, to family. The prayer customarily said before lunch by his son contained the words, "Bless our family. Bless our friends."

"Family and friends," the father would say, "that covers it all."

Nor was he a fair-weather friend. He was loyal even—perhaps especially—to friends in trouble. There was no such thing as a lost soul to him. Those convicted of crime were to be helped, not spurned. He believed in the dignity of every human being—even the man who kidnapped and almost killed him, and whom Mr. Witt later helped many times.

It is hard to find the right words to describe Mr. Witt. Kindness, benevolence come close. The image of the financial octopus controlling a state—propagated by those who did not know him—was a false image. As a husband, a father, a partner, a fellow citizen, he wanted most to encourage the freedom and independence of others. All you needed was a handshake. The phrase, "put it in writing," never had to be said. His business successes were well-known. Less so were his benefactions. He ran a public utility at a handsome profit, but would never cut off heat in winter to a customer who asked him for help. He had a genuine talent for friendship, with big shots and biscuit cookers, governors and the down-and-out.

Volumes could be, and one hopes will be, written about him. But if they miss the central role of faith in his life, they will miss the mark. A Bible (the King James version, of course) was always on his desk. At lunch, the conversation would often turn to God. Who will be saved? Why? How hard will it be to get through that needle's eye? On one occasion about two weeks before his last illness he asked, "What will the life after death be like? (Not, please note, whether there is one, but what will it be like?) The guests tried to answer. One, the Rev. Dr. Billy White of Second Baptist Church, Mr. Witt's pastor, gave the best answer: The old body will be done away, but the person will survive, recognizing others and being recognized as an individual child of God. Mr. Witt seemed to like that. He wanted to see his father, A.J. Stephens (like his son, once a member of the Arkansas House of Representatives), again. He had a sure and certain hope, and those present that day believe he has not been disappointed.

One word sums up the character of the man. That word is love. He had a heart of flesh. He loved people, and they loved him. What's more, he could show it, either in deed or in word, simply by saying to a friend, "I love you." When you got a letter signed, "Your friend, Witt," you knew he meant it. It was not just a pleasant phrase. God is love, and God was in Witt Stephens.

St. John of the Cross said that in the end we shall be judged on love. If this is true, Mr. Witt does not fear the judgment.

Mr. THORNTON. Mr. Speaker, I thank the gentleman for his comments.

Mr. Speaker, I now yield to my distinguished colleague, the dean of our Arkansas congressional delegation, the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise today to pay tribute to Mr. Witt Stephens, who was one of a kind and truly a great citizen in the State of Arkansas. I had the honor of knowing him for over 25 years and treasured his advice and wise counsel. Even though we wore different political party labels, I always found his ideas sound and many times inspirational.

He was a man who looked to the future not only for our State but for the betterment of its individual citizens. When he was chairman of the Arkansas Louisiana Gas Co., back in the late 1960's, I would often pass through Little Rock en route to my district on Friday afternoons and find Mr. Witt holding court in the Coachman's Inn and I treasure the conversations we had at those roundtable coffee house meetings.

Shortly before Mr. Witt died, I had the pleasure of visiting with him on two separate occasions. In the last months before his passing I had been unable to attend luncheons that he had asked me to so I am particularly pleased that I had those last discussions with him because he was a man who always left you feeling good about yourself, with his upbeat attitude and inspirational personality.

I know he was especially proud of his younger brother Jack, who joined him in the family business. As partners, Jack and Witt Stephens built an empire that has touched many lives.

I would also like to mention his four children—Elizabeth, Pam, Frances, and Witt Jr.—his six grandchildren and five great-grandchildren. I know they were a source of great pride and pleasure to Mr. Witt.

Incidentally, just last spring Witt Jr. was honored as the most outstanding student of the College of Business upon his graduation from the University of Arkansas. I feel that I should also mention that we take pride that Mr. Witt's nephew Ray Thornton is one of our distinguished colleagues.

The Stephens family have long been advocates of the University of Arkansas. In fact, Witt Sr. and Jack were among the early supporters of the Razorbacks athletic program. There have been many articles written about Mr. Witt and the unusual Stephens family. I am including one of them with my remarks.

Mr. Speaker, at this time I submit excerpts from an article in Arkansas Business on Witt Stephens by Mr. Leroy Donald.

[From the Arkansas Business, Dec. 9, 1991]

EXCERPTS FROM "REMEMBERING MISTER WITT"

(By Leroy Donald)

For all his wealth and power, Mister Witt belonged to the "biscuit cookers," a term he used for residential customers who used his Arkla gas to cook.

The term has become a synonym for the little man everywhere.

He was Arkansas' own, a son of Grant County, a hard-driving businessman who was known in every community in his state and, of necessity, by every politician from city council members to governors.

A colorful character, he reveled in his country-boy ways, a lot of them put on for pure show.

He could snooker a New York broker every time, it was claimed, and some of the greatest of the many anecdotes on Mister Witt revolved around Wall Street meetings.

* * * * *

Stephens was an unabashed capitalist, never ashamed of making money. He probably had few waking moments when he was not thinking of some way to do so.

One of his favorite sayings about wealth was, "My daddy told me poverty wasn't anything to be ashamed of, but to be got rid of as soon as conveniently possible."

* * * * *

He started his business career in the 1920's, operating a shoe-shine stand and a roasted peanut business in downtown Sheridan, mostly on Saturdays.

The rest of the time as a youth he was a farm laborer, picking cotton, baling hay and tending livestock.

In 1927, his father called Witt's attention to an advertisement in a national publication about openings for novelty jewelry salesmen for the National Craft Co. of Providence, R.I. Mister Witt responded to the ad and proceeded to saturate Sheridan and other towns in the area with novelty jewelry, mostly belt buckles.

When he enrolled a short time later in the old Citizen Military Training Corps and was assigned to Fort Leavenworth in Kansas, he took his sample kit and order forms.

And one of the great Witt Stephens legends was born.

He persuaded the paymaster's squad to permit him to set up a desk at the end of the pay line, where he sold buckles for $3.50 each. This gave him the appearance of acting in an official capacity. Most of the recruits meekly forked over the $1 down payment, which also was his commission on each buckle.

He made $2,600 in two days.

In later years, Stephens claimed his career as a salesman was anchored in that experience.

The jewelry company was so impressed with Stephens that it made him a regional sales manager, and he began working the Southwest. He added Bibles to his line.

But the Great Depression worsened, and Witt Stephens headed home. He was 26 years old.

His father, who served in the Legislature, had counseled his children to participate in politics. During one of his discussions with his son, the elder Stephens talked about the sad condition of the state's finances after total default of the bonded indebtedness...[C]onvinced the state's bonds, especially improvement and school-district bonds, would become marketable when the nation's economy improved...Stephens moved to Little Rock and obtained a sales job with a bond house. Three months later, he established the W.R. Stephens Investment Co., the foundation on which his wealth and personal reputation as a trader were built.

From 1933 until 1945, Stephens traded in all kinds of property, acquiring bank stock, farms, livestock, automobiles and even a hotel in Prescott. Mister Witt also involved himself in all kinds of political activities and enlarged his profile as an entrepreneur by visiting every bank, courthouse and city hall in Arkansas.

The public relations effort served him well the rest of his life.

In 1940, he aligned himself with Homer M. Adkins and gave time and money for the successful Adkins campaign for governor. It was this venture, he later conceded, that convinced him politics was good for business as well as fun.

It was during the Adkins administration (1941–44) that the state's credit was restored by the refunding of defaulted highway debts.

In 1945, Stephens acquired Arkansas Oklahoma Gas Co., a small, financially troubled utility serving Fort Smith and the surrounding area. He renamed it the Fort Smith Gas Corp. and subsequently established Stephens Production Co., an oil and gas exploration firm, on the utility's limited reserves. Later, the utility was named Arkansas Oklahoma Gas Corp.

Stephens' legend began to spread nationwide as he made appearances before Securities and Exchange Commission examiners. A consummate actor, he confounded government experts with his ignorant-country-boy act.

One of the great, perhaps apocryphal, stories involves his first visit to the SEC, when he was buying the Fort Smith company. The commission's staff was trying to prove Stephens was not financially able to take over the company.

"You need $150,000 up front to complete this deal," an examiner told him. "Do you have access to that much?"

Mister Witt, it is said, reached in his pocket and pulled out a cashier's check. Then, he said in his best Grant County drawl, "I figured you would ask that, so I just brung it with me."

During the next decade, Stephens was busy on several fronts, most notably the oil and gas industry and Arkansas politics. He enlarged the gas utility and added to the holdings of the production company.

Stephens learned that Cities Service Co. has been directed by the government to divest itself of two gas utilities, one of them being Arkansas Louisiana Gas Co. Most of Arkla's customers were in Arkansas, although the company also served Louisiana and east Texas.

Witt and Jack set about acquiring the publicly held Arkla stock and in the fall of 1954 succeeded in gaining control of the utility. Two years later, Witt Stephens was elected to the Arkla board. He later was named chairman of the board and president of the company.

He turned the investment company over to his brother and a few trusted associates, retaining supervision of his utility properties and oil and gas production.

At the time, Stephens Inc. had a multimillion-dollar inventory and a portfolio that included majority stocks in at least four Arkansas banks and holdings in 28 others.

Under Mister Witt's management, Arkla acquired two other utility companies, extending operations into Kansas, Oklahoma, and south Texas.

From 1956 through 1972, Arkla expanded from a conventional utility to a manufacturing and processing company. Basing his planning largely on the utilization of natural gas and other natural resources found in Arkansas, Stephens directed Arkla into fertilizer, chemical, cement, plywood and applicance manufacturing.

He spotted some gas lamps outside a restaurant in New Orleans and felt home owners would like them in their yards. He re-established gas lighting for both decorative and utilitarian purposes across Arkansas.

Stephens also prodded Arkla researchers to create the now nationally known and used outdoor gas grill.

Along the way, he was instrumental in bringing manufacturing and processing plants to many Arkansas towns.

Despite his affinity for politics, Stephens ran for only one public office, as a Democrat for state representative from Grant County. He served two terms beginning in 1961. Although Stephens had enough pledges to become House speaker, he declined.

Stephens served two years as chairman of the State Hospital Board, an appointment by Gov. Orval E. Faubus.

When Faubus first ran for governor in 1954, Stephens backed incumbent Francis Cherry. After that, he became one of Faubus' chief backers . . . Beginning in the early 1940's, Stephens participated in every gubernatorial and senatorial campaign—and many lesser races—as a fund-raiser and occasionally as the entire finance committee. He made a point to have every member of the Arkansas House and Senate to lunch at least once every two years in his private dining room.

The Stephens Inc. dining room was the scene for meetings with bankers, industrialists, coaches, nationally acclaimed athletes, media representatives, jurists, farmers and just friends.

It was in his dining room that Stephens raised funds for the presidential campaigns of Jimmy Carter and John Glenn. Until recent years, he was a yellow-dog Democrat.

After his 1973 retirement from Arkla, Stephens expressed interest in running for governor. Even though there was substantial favorable response, he abandoned the idea when family and friends convinced him such a contest would be chancy and exhausting.

Mister Witt was a favorite source of copy for three generations of reporters and was highly accessible. (He once owned 29 percent of the Arkansas Gazette). Reporters from East Coast newspapers and magazines were awed by his grasp of economics and loved his down-home expressions.

Not all his dreams came to pass.

When Stephens learned in 1968 that the famed London Bridge was to be dismantled, he proposed buying it and reassembling it at an Arkansas River crossing near London in Pope County. A company was formed, but the project was never feasible from an engineering standpoint. The bridge ended up in Arizona.

More recently, Stephens and his brother sought unsuccessfully to acquire the merging First National and Commercial National Banks of Little Rock through a stock tender.

Stephens observed after one such failure, "You can't win 'em all. We'll try something else."

A short time after the abortive bank bid, the brothers gained control of Worthen Banking Corp., the holding company for several banks, including what is now Worthen National Bank of Arkansas in Little Rock.

When Mister Witt turned Stephens Inc. over to his brother in 1957 and went to Arkla, he also decided farming was a better deal than he thought in his youth.

He started putting together acreage, including that which embraced his birthplace near Prattsville. He developed a farm of almost 2,500 acres on which he had almost 1,000 cattle.

It was his habit to leave the downtown Little Rock office after lunch with his friends and drive to the farm. It wasn't unusual for Stephens to take a visitor or two with him and put them to work rounding up cattle, picking vegetables from his garden or mending fences.

Stephens would spend most Saturdays at his home in Prattsville, holding court with Grant County residents on the front porch and eating midday dinners of vegetables grown on his farm.

Following retirement from Arkla, Stephens acquired several thousand acres of ranch and farmland in other Arkansas counties . . . He was a regular donor to many charities and was the co-chairman of the Baptist Medical Center's building fund campaign. Although Witt Stephens eschewed publicity when it came to his private philanthropies, his gift giving was legion.

Also legion were the stories about him. Some weren't true. But most were.

Mister Witt was a legend in the truest sense of the word.

Mr. THORNTON. Mr. Speaker, I thank the gentleman for his comments.

I yield to my distinguished colleague, the gentleman from Arkansas [Mr. ANTHONY], who represents the Fourth Congressional District, where Grant County is located.

Mr. ANTHONY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to say thank you to my colleague, the gentleman from Arkansas [Mr. THORNTON], who several years ago decided to vacate the Fourth Congressional District to let another young, ambitious politician take a crack at following him to Congress.

Successfully having been elected in 1978, I became good friends with your uncle, Mr. Witt.

Grant County, out of 23 counties in the Fourth Congressional District, is the second smallest, but in terms of notoriety in the State of Arkansas, is one of the largest because of the presence of Witt Stephens and the fact that he bragged so much about being from Grant County, Sheridan being the county seat. He has a family farm and a lovely home in Prattsville.

His son Witt, Jr., was in Sheridan speaking to the Rotary Club not long ago, and it appears that he has inherited his father's sense of humor. He said that his father often told him that if you are good when you die, you will go to Grant County; if you are really good, you will go to Prattsville.

Unlike my colleague, the gentleman from Arkansas [Mr. ALEXANDER], I got to know him not from being Witt the entrepreneur who started off from meager circumstances to become one of the most wealthy individuals in the United States, a dedicated husband, a very fine father, but I got to know Mr. Witt from a friendship standpoint, someone who would look out and see a young politician and want to get to know him better. I had the privilege, with my wife, of going to his farm on numerous occasions. When I say this, a lot of people probably will not understand how good it is, but to have fried okra, fresh peas, good country smothered steak, more iced tea than you can imagine, but then to hear his sage advice and how he would just very easily pump into you the ideals of being a good straightforward politician and a good public servant.

So I say to my good colleague, the gentleman from Arkansas [Mr. THORNTON], the Stephens family is a family that has a strong reputation in the State of Arkansas, especially from the entrepreneurial standpoint, but I will always remember Witt Stephens from the standpoint of taking time to visit with and help encourage a young politician along the way and know that he also came from a line of legislators, his father having served in the State legislature, he back in the 1960's saying that he would like to follow in his father's footsteps, and ran and served a couple of terms in the State legislature, thought about running for Governor and decided not to.

Mr. Speaker, at this point in the RECORD I am including some excerpts from the Sheridan Headlight dated December 11, 1991, entitled, "A Man Called Witt * * *" by Jim Lancaster.

EXCERPTS FROM "A MAN CALLED WITT * * *"

(By Jim Lancaster)

Second Baptist Church Pastor, Billy White, spoke to a gathering of over 1000 people who loved and admired "MR. WITT." The pastor searched for words and metaphors to describe the man and his life and said, "A great tree has fallen from the Arkansas forest, and a lonely emptiness is left."

Father George Tribou, a Catholic Priest, eulogized Witt with humorous stories and experiences about him. He visualized Witt's entrance into eternity with Witt meeting St. Peter at heaven's gate and trying to sell him a belt buckle.

The funeral service was a "classy" but simple event, with the family and mourners at times breaking into laughter at the stories told about a man who had touched so many lives. It was uplifting and positive, as Witt would want it. The congregation sang "Count Your Blessings" and read the 23rd Psalm. The burial was at Philadelphia Cemetery at Prattsville, not far from Witt's farm and birthplace.

Without question, Witt Stephens was Grant County's most famous native son. Among those attending Witt's funeral were the most influential and powerful people of Arkansas and America. Governors, former Governors, Senators, University Presidents, Sports Coaches, Highway Commissioners, Bankers and Corporation Presidents attended. Pastor White even read a letter to Witt's family from evangelist Billy Graham, who was Witt's friend too.

Although he had worldwide interests, Witt maintained his love for Grant County. His, son, Witt Jr., recently spoke at the Sheridan Rotary Club and said his father had always told him, "If you're good and treat people right, when you die, you'll go to Grant County—and if you're really good, you'll go to Prattsville." Witt's good humor seems to be inherited by his children.

Father Tribou said at the funeral that the media always saw Witt as a financier and business giant—and what the media couldn't see was Witt the husband, Witt the father, Witt the brother, and Witt the friend.

Witt had many friends in Grant County, in fact, he considered every citizen his friend. In some way he touched the life of nearly every family in the County. And when people talked about his wealth and power, Witt frequently told his friends in high places, "I'm just a farmer from Grant County," and made them believe that Prattsville and Grant County must be the most wonderful place in the world.

Witt's mother was Ethel Pumphrey Stephens and his father was A.J. Stephens, affectionately known in the County as "Uncle Jack."

The character and determination of Witt's family was molded by the hardship of farm life in the early 20th century. The following is a quote from Ray Thornton's book, "A.J. Stephens, as Remembered by His Family":

". . . Jack and Ethel built a small house a couple of hundred yards away from Ethel's childhood home near Prattsville. The house consisted of one large room with a woodburning fireplace and a small side room attached. Into this small house on December 17, 1904, their first child, Albert Jennings, was born. . . . The next time an infant cry from the Stephens cabin greeted the dawn, on September 14, 1907, heralded the birth of a second boy, given the name of Wilton Aubert, later changed to Wilton Robert, and soon shortened to WITT."

When Witt became wealthy, he fulfilled a dream by building his parents a big, beautiful home in Prattsville with a pond in front.

Witt's brothers, Albert and Jack, and his sisters, Wilma, Jewell and Lois, all became remarkable people—each with their own strengths, and perhaps influenced positively by the farm life in a greater way than any of them ever imagined.

Witt's competitive spirit emerged while he was a child and lasted until his death. Whether picking cotton, playing basketball, selling belt buckles, selling bonds or politicking—he worked harder than anyone else, and therefore outperformed everyone else.

Throughout his business life, he related decisions to the farm, and he managed his business as he managed the farm—overcoming hardships and ever grateful for the experience and lessons those hardships taught him. . . . Through the years Witt brought many of his powerful friends and associates to his Prattsville farm. There, he proudly fed them garden vegetables and meat grown on the farm. Peas, okra, green beans and blueberries grown in his garden were canned and frozen while in season, so he could feed them to visitors instead of gourmet foods. . . . Witt's friends from the area visited him at the farm too, and were usually invited to lunch at his big table. Grant County people who needed a job often came to see him, and were usually helped if he felt they would work hard and do a good job if he recommended them.

In the 1950's when the Grant County leadership approached Witt about bringing some industry to the county to give some folks a job, Witt responded. His brother, Albert, was one of the original organizers of the Grant County Industrial Development Corporation. . . . With Witt's help, more than 500 new jobs were created in Sheridan, and Sheridan became the model of a small town in industrial development. He frequently talked with corporate executives about their plants that were not doing well. He told them that if they would move their plant to Grant County, Arkansas, we would show them some people that will work and do you a good job.

Witt's father served in the Arkansas Legislature as Representative from Grant County. One of Witt's ambitions was to serve in the legislature as had his father. In the '60's, Witt was elected to a couple of terms as Grant County Representative. . . . He considered running for Governor, but decided he would have to give up too many business interests to run. So he became a powerful force in deciding who would be a good governor, and then helping them to get elected.

His political ambition was realized too, by seeing his nephew, Ray Thornton, elected to the Congress of the United States.

Perhaps Witt's most unusual trait was his vision for the future. . . . His vision was centered in the power of the family and the influence of the church.

When asked what makes Grant County so great, he would usually say, "Good people, good families and good churches."

A man called "Witt" made a difference.

Mr. THORNTON. Mr. Speaker, I have enjoyed the privilege of knowing my Uncle Witt for more than 60 years. One of my earliest memories was that of believing he was letting me drive his first car, "Buckles" on the road from Leola to Prattsville.

My mother is now papa and mama's oldest surviving child, and I know she would want me to express our love for Witt's wife and children—Bess, Elizabeth, Pam, Frances, and Witt Jr.—and all of the members of the family.

We can fully understand that what has been well begun will require constant effort and vision to continue. My uncle's life was successful, but we know, whether in a family or in a nation, that from every success arises a greater challenge.

During the last weeks of his life, my uncle, through long hours of hard work, broke his own lifetime record of commissioned sales. Those around Witt were always amazed at his energy, his boundless appetite for books, and his curiosity about that the future might hold.

He was troubled by those who were always predicting the decline of America, and he wrote and circulated to friends and associates his own timeless observations about America's future. I would like to quote him for the RECORD:

Through the 200 years of American History, this country has been constantly besieged by bad news. If the early settlers had believed things were as bad as they sounded they would have given up the fight to settle the New World and sailed back to England, and the dream of freedom would have perished.

From that day to the present the people of this Nation have listened to the bad news for a while, then they turned their backs on that which was bad, placed their faith in God and faced toward that which was good.

Down through the years, through a tragic Civil War, two worldwide wars, a series of smaller conflicts, recession and the Great Depression of the 1930's we have heard again and again the words of citizen Tom Paine, "These are the times that try men's souls." In every case the people rejected the bad news and overcame whatever obstacle was facing them at that time.

Once again, we are put to the test. Everything we hear is bad. We are smothered with a never-ending succession of newspaper, radio and television reports on Watergate, drug abuse, crime in the streets, decadent morals and lack of honest and competent leadership. If citizen Tom Paine were alive today, he could well utter again his famous quotation.

It is impossible to lock your door against the invasion of the news media into every nook of your home and office. They don't make the news, they merely report it. Tell it as it is. We have the option of acceptance or rejection. We can bemoan what is happening in our world, wring our hands and cover our heads, or we can reject the bad and look about us to the good.

When I was a boy on a small farm in Grant County, news wasn't as quickly available as it is today and reached us mainly by word of mouth. A "drummer" would come by or one of our neighbors returned from a trip to Little Rock or Memphis and we saw the news through their eyes. Mostly it was about what was bad in the big cities or throughout the country.

After listening a while, my father would say, "That's enough bad news for one day. Let's go to work." America has heard enough bad news for a while. Now is the time to go to work. Turn your back on the bad news and look around you at what is good. You don't need to look far. Your family, your children, your friends and neighbors, they are good.

We live today in the greatest country the world has ever known, filled with opportunities which never existed before. The highest standards of living, more leisure time, better health services, better schools, more jobs, finer homes and freedom to enjoy these wonders.

This is indeed the time to turn our backs on the bad news and face the future with thankfulness.

I have never known a greater man. We will miss him a lot, but he would tell us it is time to go to work.

□ 1730

RECESS

The SPEAKER pro tempore (Mr. DERRICK). Pursuant to the order of the House of today, the House will stand in recess until approximately 8:40 p.m.

Accordingly (at 5 o'clock and 31 minutes p.m.) the House stood in recess until 8:40 p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 8 o'clock and 39 minutes p.m.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
January 28, 1992.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, the Clerk received at 6:42 p.m. on Tuesday, January 28, 1992, the following message from the Secretary of the Senate: That the Senate agreed to H. Con. Res. 267 without amendment.

With great respect, I am
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

JOINT SESSION OF THE HOUSE AND SENATE HELD PURSUANT TO THE PROVISIONS OF HOUSE CONCURRENT RESOLUTION 267 TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The Speaker of the House presided.

The Doorkeeper, the Honorable James T. Molloy, announced the Vice President and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort the President of the United States into the Chamber:

The gentleman from Missouri [Mr. GEPHARDT];

The gentleman from Michigan [Mr. BONIOR];

The gentleman from Maryland [Mr. HOYER];

The gentleman from California [Mr. FAZIO];

The gentleman from Texas [Mr. BROOKS];

The gentleman from Illinois [Mr. MICHEL];

The gentleman from Georgia [Mr. GINGRICH];

The gentleman from California [Mr. LEWIS];

The gentleman from Oklahoma [Mr. EDWARDS]; and

The gentleman from Texas [Mr. ARCHER].

The VICE PRESIDENT. The President of the Senate, at the direction of that body, appoints the following Senators as a committee on the part of the Senate to escort the President of the United States into the House Chamber:

The Senator from Maine [Mr. MITCHELL];

The Senator from Kentucky [Mr. FORD];

The Senator from Arkansas [Mr. PRYOR];

The Senator from Illinois [Mr. DIXON];

The Senator from Virginia [Mr. ROBB];

The Senator from Georgia [Mr. FOWLER];

The Senator from South Dakota [Mr. DASCHLE];

The Senator from Kansas [Mr. DOLE];

The Senator from Wyoming [Mr. SIMPSON];

The Senator from Mississippi [Mr. COCHRAN];

The Senator from Oklahoma [Mr. NICKLES];

The Senator from Wisconsin [Mr. KASTEN];

The Senator from Texas [Mr. GRAMM]; and

The Senator from South Carolina [Mr. THURMOND].

The Doorkeeper announced the ambassadors, ministers and Chargé d'Affaires of foreign governments.

The ambassadors, ministers, and Chargé d'Affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Chief Justice of the United States and the Associate Justices of the Supreme Court.

The Chief Justice of the United States and the Associate Justices of the Supreme Court entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 9 o'clock and 2 minutes p.m., the Doorkeeper announced the President of the United States.

The President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the Congress, I have the high privilege and the distinct honor of presenting to you the President of the United States.

[Applause, the Members rising.]

THE STATE OF THE UNION ADDRESS BY THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102–176)

The PRESIDENT. Mr. Speaker, Mr. President, distinguished Members of Congress, honored guests, and fellow citizens: Thank you very much for that warm reception. You know, with the big buildup this address has had, I wanted to make sure it would be a big hit, but I couldn't convince Barbara to deliver it for me.

I see the Speaker and the Vice President are laughing. They saw what I did in Japan and they are just happy they are sitting behind me.

I mean to speak tonight of big things; of big changes and the promises they hold, and of some big problems and how together we can solve them and move our country forward as the undisputed leader of the age.

We gather tonight at a dramatic and deeply promising time in our history, and in the history of man on earth.

For in the past twelve months the world has known changes of almost biblical proportions. And even now, months after the failed coup that doomed a failed system, I am not sure we have absorbed the full impact, the full import of what happened. But communism died this year.

Even as President, with the most fascinating possible vantage point, there were times when I was so busy managing progress and helping to lead change, that I didn't always show the joy that was in my heart.

But the biggest thing that has happened in the world in my life—in our lives—is this: By the grace of God, America won the Cold War.

I mean to speak this evening of the changes that can take place in our country now that we can stop making the sacrifices we had to make when we had an avowed enemy that was a Superpower. Now we can look homeward even more, and move to set right what needs to be set right.

I will speak of those things. But let me tell you something I've been thinking these past few months. It's a kind of rollcall of honor. For the Cold War didn't "end"—it was won.

And I think of those who won it, in places like Korea, and Vietnam. And some of them didn't come back. Back then they were heroes, but this year they were: victors.

The long rollcall—all the G.I. Joes and Janes, all the ones who fought faithfully for freedom, who hit the ground and sucked the dust and knew their share of horror.

This may seem frivolous—I don't mean it so—but it's moving to me how the world saw them.

The world saw not only their special valor but their special style—their rambunctious, optimistic bravery, their do-or-die unity unhampered by class or race or region. What a group we've put forth, for generations now—from the ones who wrote "Kilroy was Here" on the walls of German stalags, to those who left signs in the Iraqi desert that said, "I Saw Elvis." What a group of kids we've sent out into the world.

And there's another to be singled out—though it may seem inelegant. I mean a mass of people called The American Taxpayer. No one ever thinks to thank the people who pay a country's bills, or an alliance's bills. But for half a century now the American people have shouldered the burden, and paid taxes that were higher than they would have been to support a defense that was bigger than it would have been if imperial communism had never existed.

But it did.

It doesn't anymore.

And here is a fact I wouldn't mind the world acknowledging: The American taxpayer bore the brunt of the burden, and deserves a hunk of the glory.

And so, now, for the first time in 35 years, our strategic bombers stand down. No longer are they on 'round-the-clock alert. Tomorrow our children will go to school and study history and how plants grow. And they won't have, as my children did, air raid drills in which they crawl under their desks and cover their heads in case of nuclear war. My grandchildren don't have to do that, and won't have the bad dreams children had once, in decades past. There are still threats. But the long, drawn out dread is over.

A year ago tonight I spoke to you at a moment of high peril. American forces has just unleashed Operation Desert Storm. And after forty days in the desert skies, and four days on the ground, the men and women of America's Armed Forces, and our allies, accomplished the goals that I declared, and that you endorsed: We liberated Kuwait.

Soon after, the Arab world and Israel sat down to talk seriously, and comprehensively, about peace—an historic first. And soon after that, at Christmas, the last American hostages came home. Our policies were vindicated.

Much good can come from the prudent use of power. And much good can come of this: A world once divided into two armed camps now recognizes one sole and pre-eminent power: the United States of America.

And they regard this with no dread. For the world trusts us with power—and the world is right. They trust us to be fair, and restrained, they trust us to be on the side of decency. They trust us to do what's right.

And I use those words advisedly. A few days after the war began I received a telegram from Joanne Speicher, the wife of the first pilot killed in the Gulf, Lt. Commander Scott Speicher. Even in her grief she wanted me to know that some day, when her children were old enough, she would tell them "* * * that their father went away to war because it was the right thing to do."

She said it all. It was the right thing to do.

And we did it together. There were honest differences right here, in this Chamber. But when the war began, you put partisanship aside, and supported our troops.

This is still a time for pride—but this is no time to boast. For problems face us, and we must stand together once again and solve them—and not let our country down.

Two years ago I began planning cuts in military spending that reflected the changes of the new era. But now, this year, with imperial communism gone, that process can be accelerated.

Tonight I can tell you of dramatic changes in our strategic nuclear force. These are actions we are taking on our own—because they are the right thing to do.

After completing 20 planes for which we have begun procurement, we will shut down further production of the B-2 bomber. We will cancel the small I.C.B.M. program. We will cease production of new warheads for our sea-based ballistic missiles. We will stop all new production of the Peacekeeper missile. And we will not purchase any more advanced cruise missiles.

This weekend I will meet at Camp David with Boris Yeltsin of the Russian Federation. I have informed President Yeltsin that if the Commonwealth—the former Soviet Union—will eliminate all land-based multiple warhead ballistic missiles, I will do the following:

We will eliminate all Peacekeeper missiles. We will reduce the number of warheads on Minuteman missiles to one, and reduce the number of warheads on our sea-based missiles by about one-third. And we will convert a substantial portion of our strategic bombers to primarily conventional use.

President Yeltsin's early response has been very positive, and I expect our talks at Camp David to be fruitful.

I want you to know that for half a century, American presidents have longed to make such decisions and say such words. But even in the midst of celebration, we must keep caution as a friend.

For the world is still a dangerous place. Only the dead have seen the end of conflict. And though yesterday's challenges are behind us, tomorrow's are being born.

The Secretary of Defense recommended these cuts after consultation with the Joint Chiefs of Staff. And I make them with confidence. But do not misunderstand me:

The reductions I have approved will save us an additional 50 billion dollars over the next five years. By 1997 we will have cut defense by 30 percent since I took office. These cuts are deep, and you must know my resolve: This deep, and no deeper.

To do less would be insensible to progress—but to do more would be ignorant of history.

We must not go back to the days of "the hollow army". We cannot repeat the mistakes made twice in this century, when armistice was followed by recklessness, and defense was purged as if the world were permanently safe.

I remind you this evening that I have asked for your support in funding a program to protect our country from limited nuclear missile attack. We must have this protection because too many people in too many countries have access to nuclear arms, and I urge you again to pass the Strategic Defense Initiative, SDI.

There are those who say that now we can turn away from the world, that we have no special role, no special place.

But we are the United States of America, the leader of the west that has become the leader of the world, and as long as I am President I will continue to lead in support of freedom everywhere—not out of arrogance, not out of altruism, but for the safety and security of our children.

This is a fact: Strength in the pursuit of peace is no vice; isolationism in the pursuit of security is no virtue. Now to our troubles at home. They are not all economic, but the primary problem is our economy. There are some good signs: Inflation, that thief, is down; and interest rates are down. But unemployment is too high, some industries are in trouble, and growth is not what it should be.

Let me tell you right from the start and right from the heart: I know we're in hard times, but I know something else: This will not stand.

My friends in this Chamber: We can bring the same courage and sense of common purpose to the economy that we brought to Desert Storm. And we can defeat hard times together.

I believe you will help. One reason is that you're patriots, and you want the best for your country. And I believe that in your hearts you want to put partisanship aside and get the job done—because it's the right thing to do.

The power of America rests in a stirring but simple idea: That people will do great things if only you set them free.

Well, we're going to set the economy free, for if this age of miracles and wonders has taught us anything, it's that if we can change the world, we can change America.

We must encourage investment. We must make it easier for people to invest money and create new products, new industries, and new jobs. We must clear away the obstacles to growth—high taxes, high regulation, red tape, and yes, wasteful government spending.

None of this will happen with a snap of the fingers—but it will happen. And the test of a plan isn't whether it's called new or dazzling. The American people aren't impressed by gimmicks; they're smarter on this score than all of us in this room. The only test of a plan is: Is it sound and will it work?

We must have a short term plan to address our immediate needs, and heat up the economy.

And then we need a longer term plan to keep the combustion going, and to guarantee our place in the world economy.

There are certain things that a President can do without Congress—And I am going to do them.

I have this evening asked major cabinet departments and federal agencies to institute a 90-day moratorium on any new federal regulations that could hinder growth. In those 90 days major departments and agencies will carry out a top to bottom review of all regulations, old and new—to stop the ones that will hurt growth, and speed up those that will help growth.

Further, for the untold number of hard working, responsible American workers and businessmen and women, who've been forced to go without needed bank loans: The banking credit crunch must end. I won't neglect my responsibility for sound regulations that serve the public good, but regulatory overkill must be stopped.

And I have instructed our government regulators to stop it.

I have directed cabinet departments, and federal agencies, to speed up progrowth expenditures as quickly as possible. This should put an extra 10 billion dollars into the economy in the next 6 months. And our new transportation bill provides more than 150 billion dollars for construction and maintenance projects that are vital to our growth and well being. That means jobs building roads, jobs building bridges, and jobs building railways.

I have this evening directed the Secretary of the Treasury to change the federal tax withholding tables. With this change, millions of Americans from whom the government withholds more than necessary can now choose to have the government withhold less from their paychecks. Something tells me a number of taxpayers may take us up on this one.

This initiative could return about 25 billion dollars back into our economy over the next 12 months—money people can use to help pay for clothing, college, or to get a new car.

Finally, working with the Federal Reserve, we will continue to support monetary policy that keeps both interest rates and inflation down.

Now, these are the things I can do. And now, members of Congress, let me tell you what you can do for your country. You must pass the other elements of my plan to meet our economic needs.

Everyone knows that investment spurs recovery.

I am proposing this evening a change in the alternative minimum tax, and the creation of a new 15 percent investment tax allowance. This will encourage businesses to accelerate investment and bring people back to work.

Real estate has led our economy out of almost all the tough times we've ever had. Once building starts, carpenters and plumbers work and people buy homes and take out mortgages.

My plan would modify the Passive Loss Rule for active real estate developers. And it would make it easier for pension plans to purchase real estate.

For those Americans who dream of buying a first home, but who can't quite afford it, my plan would allow first time home buyers to withdraw savings from I.R.A.'s without penalty—and provide a five thousand dollar tax credit for the first purchase of that home.

And finally, my immediate plan calls on Congress to give crucial help to people who own a home, to everyone who has a business, or a farm, or a single investment.

This time, at this hour, I cannot take No for an answer: You must cut the capital gains tax on the people of our country.

Never has an issue been more demagogued by its opponents. But the demagogues are wrong, they are wrong, and they know it.

Sixty percent of the people who benefit from lower capital gains have incomes under 50 thousand dollars. A cut in the capital gains tax increases jobs and helps just about everyone in our country.

And so I am asking you to cut the capital gains tax to a maximum of 15.4 percent.

And I'll tell you, those of you who say, "Oh no, someone who's comfortable may benefit from that." You kind of remind me of the old definition of the Puritan, who couldn't sleep at night worrying that somehow someone somewhere was out having a good time.

The opponents of this measure—and those who've authored various so called soak-the-rich bills that are floating around this chamber—should be reminded of something: When they aim at the big guy they usually hit the little guy. And maybe it's time that stopped.

This then is my short term plan. Your part, Members of Congress, requires enactment of these common sense proposals that will have a strong effect on the economy—without breaking the budget agreement and without raising tax rates.

While my plan is being passed and kicking in, we've got to care for those in trouble today. I have provided up to 4.4 billion dollars in my budget to extend federal unemployment benefits. I ask for Congressional action right away, and I thank the committees.

And let's be frank. Let me level with you.

I know, and you know, that my plan is unveiled in a political season. I know, and you know, that everything I propose will be viewed by some in merely partisan terms. But I ask you to know what is in my heart: My aim is to increase our nation's good. I am doing what I think is right; I am proposing what I know will help.

I pride myself that I am a prudent man. I believe that patience is a virtue, but I understand that politics is, for some, a game—and that sometimes the game is to stop all progress and then decry the lack of improvement.

But let me tell you: far more important than my political future—and far more important than yours—is the well being of our country. Members of this Chamber are practical people, and I know you won't resent some practical advice: When people put their party's fortunes—whatever the party, whatever side of the aisle—before the public good, they court defeat not only for their country, but for themselves. And they will certainly deserve it.

I submit my plan tomorrow. I am asking you to pass it by March 20th. And I ask the American people to let you know they want this action by March 20th.

From the day after that, if it must be: the battle is joined.

And you know, when principle is at stake I relish a good fair fight.

I said my plan has two parts, and it does. And it is the second part that is the heart of the matter. For it's not enough to get an immediate burst—we need long term improvement in our economic position.

We all know that the key to our economic future is to ensure that America continues as the economic leader of the world. We have that in our power.

Here, then, is my long term plan to guarantee our future.

First, trade: We will work to break down the walls that stop world trade. We will work to open markets everywhere.

In our major trade negotiations I will continue pushing to eliminate tariffs and subsidies that damage America's farmers and workers. And we'll get more good American jobs within our own hemisphere through the North American Free Trade Agreement, and through the Enterprise for the Americas Initiative.

But changes are here, and more are coming. The workplace of the future will demand more highly skilled workers than ever—more people who are computer literate, and highly educated.

We must be the world's leader in education. We must revolutionize America's schools.

My America 2000 strategy will help us reach that goal. My plan will give parents more choice, give teachers more flexibility, and help communities create New American Schools.

Thirty states across the nation have established America 2000 programs. Hundreds of cities and towns have joined in.

Now Congress must join this great movement: Pass my proposals for New American Schools.

That was my second long term proposal, and here is my third:

We must make common sense investments that will help us compete, long term, in the marketplace.

We must encourage research and development. My plan is to make the R and D tax credit permanent, and to provide record levels of support—over 76 billion dollars this year alone—for people who will explore the promise of emerging technologies.

Fourth, we must do something about crime, and drugs.

It is time for a major, renewed investment in fighting violent street crime. It saps our strength and hurts our faith in our society, and in our future together.

Surely a tired woman on her way to work at 6 in the morning on a subway deserves the right to get there safely. Surely it's true that everyone who changes his or her life because of crime—from those afraid to go out at night to those afraid to walk in the parks they pay for—surely these people have been denied a basic civil right.

It is time to restore it. Congress, pass my comprehensive crime bill. It is tough on criminals and supportive of police—and it has been languishing in these hallowed halls for years now.

Pass it. Help your country.

Fifth, I ask you tonight to fund our H.O.P.E. housing proposal—and to pass my Enterprise Zone legislation, which will get businesses into the inner city. We must empower the poor with the pride that comes from owning a home, getting a job, becoming a part of things.

My plan would encourage real estate construction by extending tax incentives for mortgage revenue bonds and low income housing.

And I ask tonight for record expenditures for the program that helps children born into want move into excellence: Head Start.

Step six—we must reform our health care system. For this too bears on whether or not we can compete in the world.

American health costs have been exploding. This year America will spend over 800 billion dollars on health. And that's expected to grow to 1.6 trillion by the end of the decade. We simply cannot afford this.

The cost of health care shows up not only in your family budget, but in the price of everything we buy and everything we sell. When health coverage for a fellow on an assembly line costs thousands of dollars, the cost goes into the products he makes—and you pay the bill.

We must make a choice.

Now, some pretend we can have it both ways. They call it Play or Pay—but that expensive approach is unstable. It will mean higher taxes, fewer jobs and, eventually, a system under complete government control.

Really, there are only two options: We can move toward a nationalized system—which will restrict patient choice in picking a doctor and force the government to ration services arbitrarily. And what we'll get is patients in long lines, indifferent service, and a huge new tax burden.

Or we can reform our own private health care system—which still gives us, for all its flaws, the best quality health care in the world.

Well, let's build on our strengths.

My plan provides insurance security for all Americans—while preserving and increasing the idea of choice. We make basic health insurance affordable for all low income people not now covered. We do it by providing a health insurance tax credit of up to $3,750 for each low income family. The middle class gets help too. And, by reforming the health insurance market, my plan assures that Americans will have access to basic health insurance even if they change jobs or develop serious health problems.

We must bring costs under control, preserve quality, preserve choice, and reduce the people's nagging daily worry about health insurance. My plan, the details of which I will announce very shortly, does just that.

Seventh, we must get the federal deficit under control.

We now have in law enforceable spending caps, a requirement that we pay for the programs we create.

There are those in Congress who would ease that discipline now. But I cannot let them do it—and I won't.

My plan would freeze all domestic discretionary budget authority—which means "No more next year than this year." I will not tamper with Social Security, but I would put real caps on the growth of uncontrolled spending. I would also freeze federal domestic government employment.

With the help of Congress, my plan will get rid of 246 programs that don't deserve federal funding. Some of them have noble titles, but none of them is indispensable. We can get rid of each and every one of them.

You know, it's time we rediscovered a "home truth" the American people have never forgotten: This government is too big and spends too much.

I call upon Congress to adopt a measure that will help put an end to the annual ritual of filling the budget with pork-barrel appropriations. Every year, the press has a field day making fun of outrageous examples—a Lawrence Welk museum, a research grant for Belgian Endive.

We all know how these things get into the budget. Maybe you need someone to help you say No. I know how to say it. And I know what I need to make it stick. Give me the same thing 43 Governors have: The line item veto, and let me help you control the spending.

We must put an end to unfinanced federal government mandates. These are the requirements Congress puts on our cities, counties and states—without supplying the money. If Congress passes a mandate, it should be forced to pay for it, and to balance the cost with savings elsewhere. After all, a mandate just increases someone else's burden—and that means higher taxes at the state and local level.

Step eight: Congress should enact the bold reform proposals that are still awaiting Congressional action—bank reform, civil justice reform, tort reform, and my national energy strategy.

Finally: We must strengthen the family—because it is the family that has the greatest bearing on our future. When Barbara holds an AIDS baby in her arms, and reads to children, she's saying to every person in this country "Family matters."

I am announcing tonight a new Commission on America's Urban Families.

I have asked Missouri's Governor John Ashcroft, to be Chairman, a former Dallas Mayor in Dallas, Annette Strauss, to be co-chair. You know, I had Mayors, leading Mayors from the League of Cities in the other day at the White House and they told me something striking. They said that every one of them, Republican or Democrat, agreed on one thing: That the major cause of the problems of the cities is the dissolution of the family.

They asked for this Commission, and they were right to ask, because it's time to determine what we can do to keep families together, strong and sound.

There's one thing we can do right away: ease the burden of rearing a child. I ask you tonight to raise the personal exemption by five hundred dollars per child for every family. For a family with four kids, that's an increase of two thousand dollars. This is a good start, in the right direction, and it's what we can afford.

It's time to allow families to deduct the interest they pay on student loans. I am asking you to do just that. And I'm asking you to allow people to use money from their I.R.A.'s to pay medical and education expenses—all without penalties.

And I'm asking for more. Ask American parents what they dislike about how things are going in our country, and chances are good that pretty soon they'll get to welfare.

Americans are the most generous people on earth. But we have to go back to the insight of Franklin Roosevelt who, when he spoke of what became the welfare program, warned that is must not become "a narcotic" and a "subtle destroyer" of the spirit.

Welfare was never meant to be a lifestyle; it was never meant to be a habit; it was never supposed to be passed from generation to generation like a legacy.

It's time to replace the assumptions of the welfare state, and help reform the welfare system.

States throughout the country are beginning to operate with new assumptions: That when able-bodied people receive government assistance, they have responsibilities to the taxpayer. A responsibility to seek work, education, or job training—a responsibility to get their lives in order—a responsibility to hold their families together and refrain from having children out of wedlock—and a responsibility to obey the law.

We are going to help this movement. Often, state reform requires waiving certain federal regulations. I will act to make that process easier and quicker for every state that asks our help.

And I want to add, as we make these changes and work together to improve the system, that our intention isn't scapegoating or finger pointing. If you read the papers or watch TV you know there's been a rise these days in a certain kind of ugliness, racist comments, anti-semitism, an increased sense of division.

Really, this is not us. This is not who we are. And this is not acceptable.

And so you have my plan for America. I am asking for big things—but I believe in my heart you will do what's right.

You know, it's kind of an American tradition to show a certain skepticism toward our democratic institutions. I myself have sometimes thought the aging process could be delayed if it had to make its way through Congress.

You will deliberate, and you will discuss, and that is fine.

But, my friends: the people cannot wait. They need help now.

There is a mood among us. People are worried, there has been talk of decline. Someone even said our workers are lazy and uninspired.

And I thought, really. Go tell Neil Armstrong standing on the moon. Tell the men and women who put him there. Tell the American farmer who feeds his country and the world. Tell the men and women of Desert Storm.

Moods come and go, but greatness endures.

Ours does.

And maybe for a moment it's good to remember what, in the dailyness of our lives, we forget:

We are still and ever the freest Nation on Earth—the kindest Nation on Earth—the strongest Nation on Earth—

And we have always risen to the occasion.

We are going to lift this nation out of hard times inch by inch and day by day, and those who would stop us had better step aside. Because I look at hard times and I make this vow: This will not stand.

And so we move on, together, a rising nation, the once and future miracle that is still, this night, the hope of the world.

Thank you. God bless you. God bless our beloved country

[Applause, the Members rising.]

At 9 o'clock and 57 minutes p.m., the President of the United States, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The Members of the President's Cabinet.

The Chief Justice of the United States and the Associate Justices of the Supreme Court.

The Ambassadors, Ministers, and Chargé d'Affaires of foreign governments.

JOINT SESSION DISSOLVED

The SPEAKER pro tempore (Mr. HOYER). The Chair declares the joint session of the two Houses now dissolved.

Accordingly, at 10 o'clock p.m., the joint session of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

MESSAGE OF THE PRESIDENT REFERRED TO THE COMMITTEE OF THE WHOLE HOUSE ON THE STATE OF THE UNION

Mr. McCURDY. Mr. Speaker, I move that the message of the President be referred to the Committee of the Whole House on the State of the Union and ordered printed.

The motion was agreed to.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GOSS) to revise and extend their remarks and include extraneous material:)

Mr. DREIER of California, for 60 minutes each day, today and on January 29.

Mr. DELAY, for 60 minutes each day, today and on January 29 and February 4, 5, and 6.

Mrs. BENTLEY, for 60 minutes each day, today and on January 29 and 30, February 4, 5, 6, 18, 19, 20, 25, 26, and 27.

Mr. GALLEGLY, for 5 minutes, today.

Mr. DORNAN of California, for 5 minutes each day, today and on February 4, 5, 6, 18, 19, 20, 25, 26, and 27.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. STOKES, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. BONIOR, for 60 minutes, today.

Mr. BRUCE, for 60 minutes, today.

Mr. OBEY, for 60 minutes, today.

Mr. GEPHARDT, for 60 minutes each day, on March 4, 5, 11, 12, 24, 25, 31 and April 1, 8, 9, 15, 22, 29, and 30.

Mr. BRUCE, for 60 minutes each day, on January 29 and 30.

Mr. TORRES, for 60 minutes each day, on February 25, 26 and March 10, 11, 17, 18, 24, 25, 31 and April 7, 8, 28, and 29.

Mr. GONZALEZ, for 60 minutes each day, on January 29, 30, February 3, 6, and 7.

Mr. OBEY, for 60 minutes each day, on January 29 and 30, February 3, 4, 5, 6, 7, 18, 19, 20, 21, 24, 25, 26, 27, 28, March 2, 3, 4, 5, 6, 9, 10, 11, 12, 13, 16, 17, 18, 19, 20, 23, 24, 25, 26, 27, 30, and 31.

(The following Member (at the request of Mr. VISCLOSKY) to revise and extend his remarks and include extraneous material:)

Ms. PELOSI, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GOSS) and to include extraneous matter:)

Mr. MICHEL.

Mr. PURSELL in three instances.

Mr. GALLO.

Mr. GALLEGLY in three instances.

Mr. MACHTLEY in six instances.

Mr. BROOMFIELD in four instances.
Ms. ROS-LEHTINEN.
Mr. PACKARD in three instances.
Mr. HORTON.
Mrs. BENTLEY.
Mr. OXLEY.
Mr. LAGOMARSINO.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. PALLONE.
Mr. TORRES.
Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. LANTOS in two instances.
Mr. ROE.
Mr. GLICKMAN.
Mr. CLEMENT.
Mr. MAZZOLI in six instances.
Mr. SLATTERY.
Mr. TRAXLER in three instances.
Ms. OAKAR.
Mr. DOWNEY.
Mr. TALLON.
Mr. SMITH of Florida.
Mr. CARDIN.
Mr. RAHALL in two instances.
Mr. KANJORSKI.
Mr. FALEOMAVAEGA.
Mr. MONTGOMERY.
Mr. MATSUI in two instances.
Mrs. BOXER.
Mr. LIPINSKI.
Mr. HERTEL.
Mr. SKELTON.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 36. An act entitled the "New York City Zebra Mussel Monitoring Act of 1991"; to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

S. 2131. An act to repeal section 618 of the Resolution Trust Corporation, Refinancing, Restructuring and Improvement Act of 1991; to the Committee on Banking, Finance and Urban Affairs.

S. Con. Res. 43. Concurrent resolution concerning the emancipation of the Baha'i community of Iran; to the Committee on Foreign Affairs.

ADJOURNMENT

Mr. McCURDY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 1 minute p.m.), the House adjourned until tomorrow, Wednesday, January 29, 1992, at 2 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2530. A letter from the Director, Congressional Budget Office, transmitting the CBO's Final Sequestration Report for Fiscal Year 1992, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-587); to the Committee on Appropriations.

2531. A letter from the Deputy Secretary of Defense, transmitting DOD's audit of merged and surplus accounts; to the Committee on Armed Services.

2532. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to repeal the requirement to convert chromium and manganese ores held in the National Defense Stockpile into high carbon ferrochromium and high carbon ferromanganese; to the Committee on Armed Services.

2533. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend title 37 and title 10, United States Code, to prohibit transporters from asserting liens on personal property of members of the Armed Forces while it is being transported at Government expense; to the Committee on Armed Services.

2534. A letter from the Secretary of the Air Force, transmitting notification relating to an extension of a contract; to the Committee on Armed Services.

2535. A letter from the Secretary of Housing and Urban Development, transmitting the biennial President's Report on National Urban Policy, pursuant to 42 U.S.C. 4503(a); to the Committee on Banking, Finance and Urban Affairs.

2536. A letter from the Secretary of Housing and Urban Development, transmitting the Department's ninth annual report on the Congregate Housing Services Program covering fiscal year 1990, pursuant to 42 U.S.C. 8007(b); to the Committee on Banking, Finance and Urban Affairs.

2537. A letter from the President, Export-Import Bank, transmitting a statement, pursuant to section 2(b)(3) of the Export-Import Bank Act of 1945, with respect to a transaction involving a medium-term financial guarantee to support United States exports to the Union of Soviet Socialist Republics; to the Committee on Banking, Finance and Urban Affairs.

2538. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-122, "District of Columbia World Cup Soccer Ticket Sales Promotional Amendment Act of 1991," and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2539. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-121, "Medicaid Spousal Maintenance Needs Allowance Increase Act of 1991," and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2540. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-120, "Use of Consumer Identification Information Act of 1991," and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2541. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-119, "Hugh A. Johnson, Jr., Park Designation Act of 1991," and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2542. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-116, "Redistricting Procedure Amendment Act of 1991 Clarification and Free Clinic Assistance Program Act of 1986 Extension Amendment Act of 1991," and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2543. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-125, "Merchant's Assistance Program Temporary Amendment Act of 1991," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2544. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-126, "District of Columbia Income and Franchise Tax Act of 1947 Temporary Amendment Act of 1991," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2545. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-123, "District of Columbia Real Property Credit Line Deed of Trust Clarification Amendment Act of 1991," and report pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2546. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-124, "Merchant's Civil Recovery for Criminal Conduct Temporary Act of 1991," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2547. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-117, "Closing of a Public Alley in Square N-6120, S.O. 88-339, Act of 1991," and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2548. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-118, "Health-Care Decisions Amendment Act of 1991," and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2549. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-127, "Voter Roll Maintenance Act of 1991," and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2550. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Audit of the District Government's Contributions to the Morris Fitzgerald Memorial Tennis Stadium," pursuant to D.C. Code, section 47-117(d); to the Committee on the District of Columbia.

2551. A letter from the Commissioner for Rehabilitation Services, Department of Education, transmitting the annual report of the Rehabilitation Services Administration on Federal activities related to the administration of the Rehabilitation Act of 1973, fiscal year 1990, pursuant to 29 U.S.C. 712; to the Committee on Education and Labor.

2552. A letter from the Secretary of Education, transmitting final regulations—Student Assistance General Provisions, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

2553. A letter from the Secretary of Education, transmitting final regulations—State System for Transition Services for Youth With Disabilities, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

2554. A letter from the Secretary of Education, transmitting a copy of final regulations—Federal, State, and Local Partnership for Educational Improvement, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

2555. A letter from the Chairman, National Commission for Employment Policy, transmitting three reports related to the effectiveness of the Employment Service in serving dislocated workers, pursuant to 29 U.S.C. 1662c; to the Committee on Education and Labor.

2556. A letter from the Chairman, National Commission for Employment Policy, transmitting a copy of a report entitled, "Coordinating Federal Assistance Programs for the Economically Disadvantaged: Recommendations and Background Materials," pursuant to 29 U.S.C. 1775; to the Committee on Education and Labor.

2557. A letter from the Chairman, National Commission for Employment Policy, transmitting its report on the JTPA Education-Coordination Set-Aside Program; to the Committee on Education and Labor.

2558. A letter from the Secretary of Agriculture, transmitting the annual Horse Protection Enforcement Report for fiscal year 1990, pursuant to 15 U.S.C. 1830; to the Committee on Energy and Commerce.

2559. A letter from the Secretary of Health and Human Services, transmitting the biennial report of the Agency for Toxic Substances and Disease Registry covering the period from January 1, 1989, through December 31, 1990, pursuant to Public Law 99-499, section 110(10) (100 Stat. 1641); to the Committee on Energy and Commerce.

2560. A letter from the Chairperson, Advisory Panel on Alzheimer's Disease, transmitting its third annual report, pursuant to 42 U.S.C. 679; to the Committee on Energy and Commerce.

2561. A letter from the Chairman, Consumer Product Safety Commission, transmitting its report on the results of their study of the feasibility of a user fee from entities subject to the Consumer Product Safety Act, pursuant to Public Law 101-608, section 119 (104 Stat. 3122); to the Committee on Energy and Commerce.

2562. A letter from the Assistant Secretary for Fossil Energy, Department of Energy, transmitting notification of the designation of an additional candidate site for the expansion of the Strategic Petroleum Reserve; to the Committee on Energy and Commerce.

2563. A letter from the Chairman, Federal Energy Regulatory Commission, transmitting the Commission's report on Government dam use; to the Committee on Energy and Commerce.

2564. A letter from the Secretary, Federal Trade Commission, transmitting the 1991 annual report on the current practices and methods of cigarette advertising and promotion, pursuant to 15 U.S.C. 1337(b); to the Committee on Energy and Commerce.

2565. A letter from the Secretary, Federal Trade Commission, transmitting the 1991 annual report on the current practices and methods of cigarette advertising and promotion, pursuant to 15 U.S.C. 1337(b); to the Committee on Energy and Commerce.

2566. A letter from the Secretary, Interstate Commerce Commission, transmitting notification that the Commission has extended the time period for issuing a final decision in Docket No. 40365, National Starch & Chemical Corp. versus The Atchison, Topeka & Santa Fe Railway Co. et al., by 91 days to April 6, 1992, pursuant to 49 U.S.C. 11345(e); to the Committee on Energy and Commerce.

2567. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the fourth "Annual Report to Congress—NASA Progress on Superfund Implementation in Fiscal Year 1991," pursuant to Public Law 99-499, section 120(e)(5) (100 Stat. 1669); to the Committee on Energy and Commerce.

2568. A letter from the Secretary of Health and Human Services, transmitting a report on the Drug Abuse Treatment Waiting List/Period Reduction Grant Program, pursuant to Public Law 101-374, section 2(d); to the Committee on Energy and Commerce.

2569. A letter from the Administrator, Agency for International Development, transmitting the Private Sector Revolving Fund's annual report for fiscal year 1991, pursuant to 22 U.S.C. 2151f(h); to the Committee on Foreign Affairs.

2570. A letter from the Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. 01-92, concerning a proposed Memorandum of Understanding Cooperative Project with the Ministers of Defense of Spain and Italy, pursuant to 22 U.S.C. 2767(f); to the Committee on Foreign Affairs.

2571. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to Thailand for defense articles and services (Transmittal No. 92-14), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2572. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting Presidential Determination No. 92-9 relating to assistance to Yugoslavia and a justification for the determination, pursuant to 22 U.S.C. 2601(c)(3); to the Committee on Foreign Affairs.

2573. A letter from the Director, Defense Security Assistance Agency, transmitting the price and availability report for the quarter ending December 31, 1991, pursuant to 22 U.S.C. 2768; to the Committee on Foreign Affairs.

2574. A communication from the President of the United States, transmitting a report on the activities of U.S.-U.S.S.R. Standing Consultative Commission during calendar year 1991, pursuant to 22 U.S.C. 2578; to the Committee on Foreign Affairs.

2575. A communication from the President of the United States, transmitting, a report on the status of efforts to obtain compliance by Iraq with the resolutions adopted by the United Nations Security Council, pursuant to Public Law 102-1, section 3 (105 Stat. 4) (H. Doc. No. 102-179); to the Committee on Foreign Affairs and ordered to be printed.

2576. A letter from the Deputy Assistant Secretary of Defense (Personnel Support, Families and Education), transmitting a report on the audit of the American Red Cross for the year ending June 30, 1991, pursuant to 36 U.S.C. 6; to the Committee on Foreign Affairs.

2577. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2578. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2579. A letter from the Administrator, Agency for International Development, transmitting notification to continue the support for the activities of PVO's in Haiti; to the Committee on Foreign Affairs.

2580. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the President intends to exercise his authority under section 614(a)(1) of the Foreign Assistance Act providing startup funding to the OAS civilian mission to Haiti; to the Committee on Foreign Affairs.

2581. A letter from the Executive Director, Japan-United States Friendship Commission, transmitting the Commission's annual report for fiscal year 1991, pursuant to 22 U.S.C. 2904(b); to the Committee on Foreign Affairs.

2582. A letter from the Secretary of Commerce, transmitting the 1992 Annual Foreign Policy Report to Congress (January 21, 1992 to January 20, 1993); to the Committee on Foreign Affairs.

2583. A letter from the Director, Office of Management and Budget, transmitting OMB estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 1995 resulting from passage of H.R. 1776 and S. 543, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-582); to the Committee on Government Operations.

2584. A letter from the Director, Office of Management and Budget, transmitting its second annual report on civil monetary penalty assessments, collections, and status of receivables for fiscal year 1991, pursuant to Public Law 101-410, section 6 (104 Stat. 892); to the Committee on Government Operations.

2585. A letter from the Secretary of Commerce, transmitting the semiannual report on the activities of the Department's Office of Inspector General for the period April 1, 1991 through September 30, 1991 and management report, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2586. A letter from the Secretary of Commerce, transmitting the semiannual report on the activities of the inspector general for the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2587. A letter from the Secretary of Education, transmitting a report concerning surplus Federal real property disposed of to educational institutions in fiscal year 1991, pursuant to 40 U.S.C. 484(o)(1); to the Committee on Government Operations.

2588. A letter from the Secretary of Health and Human Services, transmitting the semiannual report of the inspector general for the period April 1, 1991 through September 30, 1991 and management report, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2515, 2526); to the Committee on Government Operations.

2589. A letter from the Secretary of Transportation, transmitting the semiannual report of the inspector general for the period April 1, 1991 through September 30, 1991 and management report, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2590. A letter from the Secretary of the Treasury, transmitting the U.S. Government Annual Report for the fiscal year ended September 30, 1991, pursuant to 31 U.S.C. 331(c); to the Committee on Government Operations.

2591. A letter from the Director, ACTION, transmitting copies of new or altered systems of records, pursuant to 5 U.S.C. 552a(r); to the Committee on Government Operations.

2592. A letter from the Director, Administrative Office of the U.S. Courts, transmitting the actuarial reports on the Judicial Retirement System, the Judicial Officer's Retirement Fund, and the Judicial Survivors' Annuities System for the calendar year ending December 31, 1990, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

2593. A letter from the Secretary, American Battle Monuments Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2594. A letter from the Appalachian Regional Commission, transmitting the semiannual report of activities of the inspector general covering the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2595. A letter from the Director, ACTION Agency, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2596. A letter from the Chief of Staff, U.S. Nuclear Waste Negotiator, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2597. A letter from the Chairman, Commission on Agriculture Workers, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2598. A letter from the Chairman, Commodity Futures Trading Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2599. A letter from the Director, Congressional Budget Office, transmitting the report on unauthorized appropriations and expiring authorizations, pursuant to 2 U.S.C. 602(f)(3); to the Committee on Government Operations.

2600. A letter from the Consumer Safety Product Commission, transmitting the semiannual report on activities of the inspector general covering the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2601. A letter from the Chairman, Defense Nuclear Facilities Safety Board, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2602. A letter from the Bureau of Naval Personnel, Department of the Navy, transmitting the 1990 annual report for the Navy Nonappropriated Fund Retirement Plan of employees of Civilian Morale, Welfare and Recreation, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

2603. A letter from the Department of Justice, transmitting the annual report under the Federal Managers' Financial Integrity Act for 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2604. A letter from the Deputy Assistant to the President for Management and Director of Administration, transmitting the annual report under the Federal Managers' Financial Integrity Act for 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2605. A letter from the Deputy Secretary of Defense, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2606. A letter from the Administrator, Environmental Protection Agency, transmitting the semiannual report of the Office of Inspector General covering the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2607. A letter from the Equal Employment Opportunity Commission, transmitting the semiannual report of the inspector general for the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 8E(h)(2) (102 Stat. 2525); to the Committee on Governmental Operations.

2608. A letter from the President, export-Import Bank of the United States, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2609. A letter from the Chairman, Farm Credit Administration, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2610. A letter from the Chairman, Federal Communications Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2611. A letter from the Chairman, Federal Election Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2612. A letter from the Director, Federal Emergency Management Agency, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2613. A letter from the Chairman, Federal Labor Relations Authority, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2614. A letter from the Chairman, Federal Maritime Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2615. A letter from the Director, Federal Mediation and Conciliation Service, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2616. A letter from the Chairman, Federal Mine Safety and Health Review Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2617. A letter from the Federal Retirement Thrift Investment Board, transmitting the semiannual report of activities of the inspector general covering the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2618. A letter from the Chairman, Federal Trade Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2619. A letter from the Comptroller General, General Accounting Office, transmitting a report entitled "1991 budget Estimates: What Went Wrong" (GAO/OCG-92-1); to the Committee on Government Operations.

2620. A letter from the Administrator, General Services Administration, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2621. A letter from the Administrator, General Services Administration, transmitting a report covering the disposal of surplus Federal real property for historic monument, correctional facility, and airport purposes for fiscal year 1991; description of negotiated disposals of surplus real property having an estimated value of more than $15,000, pursuant to 40 U.S.C. 484(o); to the Committee on Government Operations.

2622. A letter from the General Services Administration, transmitting the semiannual report on the activities of the Department's inspector general for the period April 1, 1991, through September 39, 1991, pursuant to Public Law 95-452, section (b) (102 Stat. 2526); to the Committee on Government Operations.

2623. A letter from the Chairman, Interstate Commerce Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2624. A letter from the Secretary, Mississippi River Commission, Corps of Engineers, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1991, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

2625. A letter from the Acting Archivist, National Archives, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2626. A letter from the Chairman, National Commission on Responsibilities for Financing Postsecondary Education, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2627. A letter from the National Commission on Responsibilities for Financing Postsecondary Education, transmitting the semiannual report of activities of the inspector general covering the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2628. A letter from the National Credit Union Administration, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2629. A letter from the Chairman, National Endowment for the Arts, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2630. A letter from the Chairman, National Endowment for the Humanities, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2631. A letter from the Chairman, National Labor Relations Board, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2632. A letter from the Chairman, National Mediation Board, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2633. A letter from the Director, National Science Foundation, transmitting notice of a revised Federal records system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2634. A letter from the Director, National Science Foundation, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2635. A letter from the chairman, Occupational Safety and Health Review Commission, transmitting the annual report under the Federal managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2636. A letter from the Commissioner, Office of Navajo and Hopi Indian Relocation, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2637. A letter from the Deputy Director, Office of Navajo and Hopi Indian Relocation, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2638. A letter from the Director, Office of Personnel Management, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2639. A letter from the Office of Personnel Management, transmitting the semiannual report under the inspector general for the period of April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2515, 2526); to the Committee on Government Operations.

2640. A letter from the President, Overseas Private Investment Corporation, transmitting the annual report under the Federal Manager's Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2641. A letter from the Chairman, Oversight Board of the Resolution Trust Corporation, transmitting its annual report on the status of its audit and investigative coverage; to the Committee on Government Operations.

2642. A letter from the Administrator, Panama Canal Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2643. A letter from the Panama Canal Commission, transmitting the semiannual report of activities of the inspector general covering the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2644. A letter from the Director, Peace Corps, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2645. A letter from the Railroad Retirement Board, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2646. A letter from the Resolution Trust Corporation, transmitting the semiannual report of activities of the inspector general covering the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2647. A letter from the Secretary of Treasury, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2648. A letter from the Secretary of Treasury, transmitting the semiannual report of activities of the inspector general for the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2515, 2526); to the Committee on Government Operations.

2649. A letter from the Secretary of Agriculture, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2650. A letter from the Secretary of Commerce, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2651. A letter from the Secretary of Defense, transmitting the semiannual report of the inspector general for the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (96 Stat. 750, 102 Stat. 2526); to the Committee on Government Operations.

2652. A letter from the Secretary of Education, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2653. A letter from the Secretary of Housing and Urban Development, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2654. A letter from the Secretary of Labor, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2655. A letter from the Secretary of Labor, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2656. A letter from the Secretary of Labor, transmitting the semiannual report of activities of the inspector general of the Pension Benefit Guaranty Corporation covering the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2657. A letter from the Secretary of State, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2658. A letter from the Secretary of Transportation transmitting the annual report under the Federal Managers' Financial Integrity Act for 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2659. A letter from the Secretary of Veterans Affairs, transmitting the semiannual report of activities of the inspector general covering the period April 1, 1991 through September 30, 1991, and management report, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2660. A letter from the Director, Selective Service, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2661. A letter from the Administrator, Small Business Administration, transmitting the semiannual report of the inspector general for the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2662. A letter from the U.S. Commissioner, Susquenanna River Basin Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2663. A letter from the Director, U.S. Information Agency, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2664. A letter from the Director, U.S. Arms Control and Disarmament Agency, transmitting the annual report under the Federal Mangers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2665. A letter from the U.S. Commission on Civil Rights, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2666. A letter from the Chairman, U.S. Consumer Product Safety Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2667. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2668. A letter from the Chairman, U.S. Equal Employment Opportunity Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2669. A letter from the President, U.S. Institute of Peace, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2670. A letter from the U.S. Institute of Peace, transmitting the semiannual report of activities of the inspector general covering the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2671. A letter from the Chairman, U.S. International Cultural and Trade Center Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2672. A letter from the Chairman, U.S. International Trade Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2673. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2674. A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2675. A letter from the Chairman, U.S. Postal Service Board of Governors, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1991, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

2676. A letter from the Administrator, U.S. Small Business Administration, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2677. A letter from the Director, U.S. Trade and Development Program, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2678. A letter from the Director, U.S. Soldiers' and Airmen's Home, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2679. A letter from the Director of Financial Services, Library of Congress, transmitting a balance sheet, statement of income and expenditures, and supporting schedules of transactions for the Capitol Preservation Fund for Coins, Sales Surcharges, and Gift and Sales of Art, Property, and Money for the period of April 1, 1991 through December 31, 1991; to the Committee on House Administration.

2680. A letter from the Clerk of the House, transmitting a list of reports pursuant to clause 2, rule III of the Rules of the House of Representatives, pursuant to rule III, clause 2, of the Rules of the House (H. Doc. No. 102-180); to the Committee on House Administration and ordered to be printed.

2681. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2682. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

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2686. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(B); to the Committee on Interior and Insular Affairs.

2687. A letter from the Acting Deputy Assistant Secretary, Department of the Interior, transmitting a draft of proposed legislation to amend the Helium Act Amendments of 1960 to authorize Federal agencies to purchase helium from the private sector, and for other purposes; to the Committee on Interior and Insular Affairs.

2688. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2689. A letter from the Chairman, National Indian Gaming Commission, transmitting its 1991 annual report, pursuant to Public Law 100-497, section 7(c) (102 Stat. 2471); to the Committee on Interior and Insular Affairs.

2690. A letter from the Inspector General, Department of the Interior, transmitting a copy of a final audit report entitled "Accounting for Fiscal Year 1989 and 1990 Reimbursable Expenditures of Environmental Protection Agency Superfund Money, U.S. Fish and Wildlife Service," Report No. 92-I-262, dated December 1991, pursuant to 31 U.S.C. 7501 note; to the Committee on Interior and Insular Affairs.

2691. A letter from the Secretary of the Interior, transmitting the 1992 update to the national plan for research in mining and mineral resources and the 1992 report on the Mineral Institute Program of the U.S. Department of the Interior, pursuant to 30 U.S.C. 1229(e); to the Committee on Interior and Insular Affairs.

2692. A letter from the Staff Director, U.S. Sentencing Commission, transmitting a report entitled, "The Federal Sentencing Guidelines: A Report on the Operation of the Guidelines System and Short-Term Impacts on Disparity in Sentencing, Use of Incarceration, and Prosecutorial Discretion and Plea Bargaining," pursuant to 28 U.S.C. 994 note; to the Committee on the Judiciary.

2693. A letter from the Chairman, Copyright Royalty Tribunal, transmitting its annual report for the fiscal year ending September 30, 1991, pursuant to 17 U.S.C. 808; to the Committee on the Judiciary.

2694. A letter from the Secretary of Health and Human Services, transmitting the annual report on the State Legalization Impact Assistance Grant Program for fiscal year 1989, pursuant to Public Law 99-603, section 204; to the Committee on the Judiciary.

2695. A letter from the Clerk, Supreme Court of the United States, transmitting a letter relating to amendments to the Federal Rules of Civil Procedure; to the Committee on the Judiciary.

2696. A letter from the Clerk, U.S. Claims Court, transmitting the court's report for the year ended September 30, 1991, pursuant to 28 U.S.C. 791(c); to the Committee on the Judiciary.

2697. A communication from the President of the United States, transmitting his determination that sanctions will not be imposed against Venezuela and Vanuata at this time, pursuant to 22 U.S.C. 1978(b) (H. Doc. No. 102-182); to the Committee on Merchant Marine and Fisheries and ordered to be printed.

2698. A communication from the President of the United States, transmitting his determination that sanctions will not be imposed against Costa Rica, France, Italy, Japan, and Panama at this time, pursuant to 22 U.S.C. 1978(b) (H. Doc. No. 102-183); to the Committee on Merchant Marine and Fisheries and ordered to be printed.

2699. A letter from the Acting Secretary, Department of Transportation, transmitting a plan for licensing operators of uninspected Federally documented commercial fishing industry vessels, pursuant to 46 U.S.C. 7101 note; to the Committee on Merchant Marine and Fisheries.

2700. A letter from the Acting Secretary of Transportation, transmitting a draft of proposed legislation to authorize reimbursement of travel and subsistence examinations of foreign vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

2701. A letter from the Assistant Secretary, Department of the Interior, transmitting a draft of proposed legislation to rename the Klamath Forest National Wildlife Refuge; to the Committee on Merchant Marine and Fisheries.

2702. A letter from the Chairman, Migratory Bird Conservation Commission, transmitting the annual report of activities for the fiscal year ended September 30, 1991, pursuant to 16 U.S.C. 715b; to the Committee on Merchant Marine and Fisheries.

2703. A letter from the Director, Office of Personnel Management, transmitting a report evaluating the need to extend interim geographic adjustments to Federal General Schedule employees in additional geographic areas; to the Committee on Post Office and Civil Service.

2704. A letter from the Administrator, Environmental Protection Agency, transmitting a report on discharges of minimum pollutants into navigable waters, pursuant to Public Law 100-4, section 516(b) (101 Stat. 86); to the Committee on Public Works and Transportation.

2705. A letter from the General Counsel of the Department of Transportation, transmitting an amendment to the lease of the metropolitan Washington airports between the United States acting by and through the Secretary of Transportation and the Metropolitan Washington Airports Authority; to the Committee on Public Works and Transportation.

2706. A letter from the Administrator, General Services Administration, transmitting an informational copy of a lease prospectus, pursuant to 40 U.S.C. 606(a); to the Committee on Public Works and Transportation.

2707. A letter from the Assistant Secretary for Conservation and Renewable Energy, Department of Energy, transmitting notification that the report on the Automotive Technology Development Program should be ready for submission by the end of the year, pursuant to 42 U.S.C. 5914; to the Committee on Science, Space, and Technology.

2708. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the 1991 annual report on the performance of its industrial application centers and on the ability to interact with the Nation's small business community, pursuant to 15 U.S.C. 648(f); to the Committee on Small Business.

2709. A letter from the Fiscal Assistant Secretary, Department of the Treasury, transmitting the final monthly Treasury statement of receipts and outlays of the U.S. Government for fiscal year 1991, pursuant to 31 U.S.C. 331(c); to the Committee on Ways and Means.

2710. A letter from the Director, the Office of Management and Budget, transmitting OMB's final sequestration report to the President and Congress for fiscal year 1992, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-587) (H. Doc. No. 102-181); to the Committee on the State of the Union of the Whole House and ordered to be printed.

2711. A letter from the Secretary of Health and Human Services, transmitting a report on the study of reimbursement policies for clinical diagnostic laboratory travel allowance and specimen collection, pursuant to Public Law 100-647, section 8421; jointly, to the Committees on Ways and means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. House Concurrent Resolution 229. Resolution to insure that full restitution and reimbursement is made to the United States Coast Guard for its costs in the response to the oilspill in the Arabian Gulf; and to instruct the United Nations to earmark a percentage of the moneys collected for the United Nations Compensation Fund toward Arabian Gulf oilspill and Kuwaiti oil well spill cleanup and environmental restoration; with an amendment (Rept. 102-425, Pt. 1). Ordered to be printed.

Mr. CLAY: Committee on Post Office and Civil Services. H.R. 3209. A bill to amend title 5, United States Code, to ensure that the level of compensation for a Federal employee ordered to military duty during the Persian Gulf conflict is not less than the level of civilian pay last received; to allow Federal employees to make up any Thrift Savings contributions forgone during military service; to preserve the recertification rights of senior executives ordered to military duty; and for other purposes; with amendments (Rept. 102-426). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

[Introduced January 3, 1992 and referred January 28, 1992]

By Mr. CONDIT:

H.R. 4086. A bill to amend the Internal Revenue Code of 1986 to restore the deduction for interest on indebtedness incurred to acquire a new American-made automobile; to the Committee on Ways and Means.

By Mr. JOHNSON of South Dakota:

H.R. 4087. A bill to authorize the adjustment of the boundaries of the South Dakota portion of the Sioux Ranger District of Custer National Forest, and for other purposes; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

By Mr. MONTGOMERY:

H.R. 4088. A bill to require the Secretary of Veterans Affairs to establish a program with respect to concerns owned and controlled by socially and economically disadvantaged veterans; to the Committee on Veterans' Affairs.

By Ms. SLAUGHTER:

H.R. 4089. A bill to amend the Internal Revenue Code of 1986 to make permanent the provisions permitting tax-exempt treatment for certain qualified small issue bonds; to the Committee on Ways and Means.

By Mr. TRAFICANT:

H.R. 4090. A bill to require that Government-held information pertaining to the assassination of John F. Kennedy be made available to the general public; jointly, to the Committees on Government Operations, House Administration, and the Judiciary.

H.R. 4091. A bill to amend title 11, United States Code, to provide protections to pensions and other employee benefits in bankruptcy cases; to the Committee on the Judiciary.

H.R. 4092. A bill to amend the Internal Revenue Code of 1986 to allow individuals a credit against income tax for State sales taxes and interest paid in connection with the purchase of a new American-made passenger vehicle; to the Committee on Ways and Means.

By Mr. MATSUI:

H.J. Res. 388. Joint resolution designating the month of May 1992 as "National Foster Care Month"; to the Committee on Post Office and Civil Service.

Ms. SNOWE (for herself, Mr. DYMALLY, Mr. HORTON, Ms. NORTON, Mr. PANETTA, Mr. TOWNS, Mr. LENT, Mr. ANDREWS of Maine, Mr. GEKAS, Mr. MCNULTY, Ms. PELOSI, Mr. JONTZ, Mr. RANGEL, Ms. MINK, Mr. DE LUGO, Mr. SCHAEFER, Ms. HORN, Mr. FAZIO, Mr. JEFFERSON, and Mr. KOSTMAYER):

H.J. Res. 389. Joint resolution to designate February 6, 1992, as "National Women in Sports Day"; to the Committee on Post Office and Civil Service.

By Mr. LANTOS (for himself, Mr. BROOMFIELD, Mr. BONIOR, Mr. GILMAN, and Mr. SWETT):

H. Con. Res. 264. Concurrent resolution to express the sense of the Congress that the president should recognize the independence of the Republic of Kosova and extend full United States diplomatic recognition; to the Committee on Foreign Affairs.

By Mr. PENNY:

H. Res. 323. Resolution expressing the sense of the House of Representatives that the United States should take steps to reduce worldwide military expenditures, to reduce international arms transfers, and to stop the spread of weapons of mass destruction in order to promote peace and security and to ensure that more funds are available for social programs and economic development; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. TRAFICANT:

H. Res. 324. Resolution directing the Committee on the Judiciary to investigate the conduct of the Department of Justice in the case of John Demjanjuk, Sr.; to the Committee on Rules.

[Introduced January 22, 1992 and referred January 28, 1992]

By Mr. BUNNING (for himself and Mr. EMERSON):

H.R. 4093. A bill to amend the Food, Agriculture, Conservation, and Trade Act of 1990 to provide that a single Federal agency shall be responsible for making technical determinations with respect to wetland or converted wetland on agricultural lands; jointly, to the Committees on Agriculture and Public Works and Transportation.

By Mr. GILMAN:

H.R. 4094. A bill to establish a schedule of preventive health care services and to provide for coverage of such services in accordance with such schedule under the Medicare Program, the Federal Employees Health Benefits Program, and the health programs administered by the Department of Veterans Affairs, and for other purposes; jointly, to the Committees on Energy and Commerce, Ways and Means, Veterans' Affairs, and Post Office and Civil Service.

By Mr. ROSTENKOWSKI (for himself, Mr. DOWNEY, Mr. GEPHARDT, Mr. PICKLE, Mr. RANGEL, Mr. STARK, Mr. FORD of Tennessee, Mr. GUARINI, Mr. RUSSO, Mr. MATSUI, Mr. DORGAN of North Dakota, Mrs. KENNELLY, Mr. COYNE, Mr. ANDREWS of Texas, Mr. LEVIN of Michigan, Mr. MOODY, Mr. MCDERMOTT, Mr. OBEY, Mr. MAZZOLI, Mr. STUDDS, Mr. AUCOIN, Mr. WISE, and Mr. BORSKI):

H.R. 4095. A bill to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes; to the Committee on Ways and Means.

By Mr. DELLUMS:

H.R. 4096. A bill to amend title 11, District of Columbia Code, to increase the maximum amount in controversy permitted for cases under the jurisdiction of the Small Claims and Conciliation Branch of the Superior Court of the District of Columbia, and to authorize the Corporation Counsel for the District of Columbia to conduct criminal prosecutions of certain juvenile defendants; to the Committee on the District of Columbia.

By Mr. GREEN of New York (for himself, Mr. RANGEL, and Mr. MCGRATH):

H.R. 4097. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of cooperative housing corporations; to the Committee on Ways and Means.

By Mr. HUNTER:

H.R. 4098. A bill regarding the importation of Japanese motor vehicles into the United States; to the Committee on Ways and Means.

By Mr. MARLENEE (for himself, Mr. SMITH of Oregon, and Mr. DUNCAN):

H.R. 4099. A bill to minimize the impact of Federal acquisition of private lands on units of local governments, and for other purposes; to the Committee on Government Operations.

By Mr. GEPHARDT (for himself, Mr. LEVIN of Michigan, Mr. DINGELL, Mr. BONIOR, Mr. FORD of Michigan, Mrs. COLLINS of Illinois, Ms. KAPTUR, Mr. KILDEE, Mr. CONYERS, Mr. TRAXLER, Mr. APPLEGATE, Mr. BEVILL, Mr. CARR, Mr. SMITH of Florida, Mr. HAYES of Louisiana, Mr. HERTEL, Mr. MURTHA, Mr. LAFALCE, Mr. HALL of

Ohio, Mr. WOLPE, Mr. HAYES of Illinois, Mr. JONTZ, Mr. NOWAK, Ms. COLLINS of Michigan, Mr. OWENS of New York, Mr. MOODY, Mr. GEJDENSON, Mr. POSHARD, Mr. GUARINI, Mr. KLECZKA, Mrs. PATTERSON, and Mr. MARTINEZ):

H.R. 4100. A bill to assure mutually advantageous international trade in motor vehicle and motor vehicle parts, an enhanced market for the interstate sale and export of domestically produced motor vehicles and motor vehicle parts, and the retention and enhancement of U.S. jobs; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. PASTOR:

H.R. 4101. A bill to expand the boundaries of the Saguaro National Monument, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. RAMSTAD:

H.R. 4102. A bill to extend until January 1, 1995, the existing suspension on certain plastic web sheeting, and to correct the description of such sheeting; to the Committee on Ways and Means.

By Mr. SLATTERY:

H.R. 4103. A bill to ensure adequate disclosure of information regarding yields of mutual funds; to the Committee on Energy and Commerce.

By Mr. THOMAS of California (for himself, Mr. MICHEL, Mr. GINGRICH, Mr. DICKINSON, Mr. ROBERTS, Mr. WALSH, Mr. BARRETT, Mr. BEILENSON, Mr. FRANK of Massachusetts, Mr. BARTON of Texas, Mr. BLILEY, Mr. BOEHNER, Mr. CRANE, Mr. DORNAN of California, Mr. GOSS, Mr. KYL, Mr. MARTIN of New York, Mr. RIDGE, Mr. SENSENBRENNER, Mr. SHAYS, Ms. SNOWE, Mr. UPTON, Mr. WOLF, and Mr. ZELIFF):

H.R. 4104. A bill to prohibit Members of the House of Representatives from making franked mass mailings outside their congressional districts and to prohibit payment from official allowances for mass mailings by Members of the House of Representatives outside their congressional districts; jointly, to the Committees on Post Office and Civil Service and House Administration.

By Mr. BILIRAKIS (for himself, Mr. NEAL of North Carolina, Mr. FEIGHAN, and Mr. PORTER):

H.J. Res. 390. Joint resolution designating March 25, 1992, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy;" to the Committee on Post Office and Civil Service.

By Mr. DORGAN of North Dakota (for himself, Mr. GIBBONS, Mr. CRANE, Mr. ANDREWS of Texas, Mr. CAMPBELL of Colorado, Mr. GRANDY, Mr. JENKINS, Mr. JOHNSON of South Dakota, Mr. JONTZ, Mr. KOPETSKI, Mr. MCGRATH, Mr. OLIN, Mr. PENNY, and Mr. RUSSO):

H. Con. Res. 265. Concurrent resolution urging the President to seek agreement with the European Community regarding a 1-year suspension of operation of the grain export subsidy programs of the United States and the Community; jointly, to the Committees on Foreign Affairs and Ways and Means.

[Introduced January 24, 1992 and referred January 28, 1992]

By Mr. CONDIT:

H.R. 4106. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for adoption expenses; to the Committee on Ways and Means.

By Mr. CRANE (for himself and Mr. GIBBONS):

H.R. 4107. A bill to amend the Internal Revenue Code of 1986 to extend the treatment under section 936 of such Code to income from investments in Caribbean Basin and certain other countries; to the Committee on Ways and Means.

By Mr. DEFAZIO:

H.R. 4108. A bill to direct the Archivist of the United States to make available for public use the records of the Warren Commission; to the Committee on Government Operations.

By Mr. GLICKMAN:

H.R. 4109. A bill to amend the Internal Revenue Code of 1986 to increase to 6 years the maximum required period of continuation coverage under an employer-provided group health plan; to the Committee on Ways and Means.

By Mr. HUCKABY:

H.R. 4110. A bill to amend the Internal Revenue Code of 1986 to provide tax relief for middle-income taxpayers and to encourage investment in businesses; to the Committee on Ways and Means.

By Mr. LAFALCE:

H.R. 4111. A bill to amend the Small Business Act to provide additional loan assistance to small businesses, and for other purposes; to the Committee on Small Business.

By Mr. MARLENEE:

H.R. 4112. A bill to amend title 10, United States Code, to authorize the use of Armed Forces insignia on State motor vehicle license plates issued to members of the Armed Forces and veterans; to the Committee on Armed Services.

By Mr. ORTIZ:

H.R. 4113. A bill to permit the transfer before the expiration of the otherwise applicable 60-day congressional review period of the obsolete training aircraft carrier U.S.S. *Lexington* to the city of Corpus Christi, TX, for use as a naval museum and memorial; to the Committee on Armed Services.

By Mr. SCHUMER:

H.R. 4114. A bill to amend title 11 of the United States Code to permit governmental entities that hold certain interests with respect to pension benefits payable by the debtor to be appointed to creditors' and equity security holders' committees; to the Committee on the Judiciary.

By Mr. STARK:

H.R. 4115. A bill to encourage States to provide partial unemployment benefits to individuals whose workweeks have been reduced under employer plans providing for shortened workweeks in lieu of layoffs; to the Committee on Ways and Means.

By Mr. SWIFT:

H.R. 4116. A bill to authorize appropriations for the Federal Election Commission for fiscal year 1993; to the Committee on House Administration.

By Mr. GONZALEZ (for himself and Mr. HOCHBRUECKNER):

H. Res. 325. Resolution to provide for the release for public use of records of the former Select Committee on Assassinations; to the Committee on House Administration.

By Mr. DEFAZIO:

H. Res. 326. Resolution requiring that the records of the Select Committee on Assassinations of the 94th and 95th Congresses be made available for public use; to the Committee on House Administration.

By Mr. JOHNSON of Texas (for himself, Mr. BROOMFIELD, and Mr. HASTERT):

H. Res. 327. Resolution calling for the immediate release of all hostages still held in Lebanon, and welcoming home all American hostages released from Lebanon; to the Committee on Foreign Affairs.

By Mr. YATRON (for himself and Mr. FASCELL):

H. Con. Res. 266. Concurrent resolution expressing the sense of the Congress with respect to United States participation in the United Nations Conference on Environment and Development [UNCED]; to the Committee on Foreign Affairs.

[Introduced January 28, 1992 and referred January 28, 1992]

By Mr. HOYER:

H.R. 4118. A bill to clarify that the provisions of the Federal Deposit Insurance Corporation Improvement Act of 1991 relating to the continuation of health care benefits for employees of failed banks and thrift institutions are applicable to the Resolution Trust Corporation; to the Committee on Banking, Finance, and Urban Affairs.

By Mr. BENNETT (for himself and Mr. JAMES):

H.R. 4119. A bill to authorize the Secretary of Transportation to carry out a highway construction project to replace or repair the Fuller Warren Bridge in Jacksonville, FL; to the Committee on Public Works and Transportation.

By Mr. BRYANT:

H.R. 4120. A bill to reduce the financial contributions of the United States to the defense of member nations of NATO (other than the United States) and Japan and to use amounts available because of those reductions to support law enforcement and education efforts in the United States; jointly, to the Committees on Armed Services, the Judiciary, Education and Labor, and Appropriations.

By Mr. GALLEGLY (for himself, Mr. BAKER, Mr. DOOLITTLE, Mr. RAMSTAD, Mr. HORTON, Mr. BLAZ, Mr. PACKARD, Mr. LOWERY of California, Mr. HUNTER, and Mr. LAGOMARSINO).

H.R. 4121. A bill to amend the Internal Revenue Code of 1986 to encourage investments in new manufacturing and other productive equipment by providing a temporary investment tax credit to taxpayers who increase the amount of such investments; to the Committee on Ways and Means.

By Mr. HAYES of Illinois (for himself, Mr. CLAY, Mrs. COLLINS of Illinois, Mrs. COLLINS of Michigan, Mr. DELLUMS, Mr. DIXON, Mr. DYMALLY, Mr. MFUME, Ms. NORTON, Mr. OWENS of New York, Mr. PAYNE of New Jersey, Mr. SANDERS, Mr. SAVAGE, Mr. TOWNS, Mrs. UNSOELD, Ms. WATERS, and Mr. WHEAT):

H.R. 4122. A bill to guarantee a work opportunity for all Americans and for other purposes; to the Committee on Education and Labor.

By Mr. HORTON (for himself, Mr. PENNY, Mr. LEWIS of California, Mr. CLINGER, Mr. HASTERT, Mr. SHAYS, Mr. SCHIFF, and Mr. ZELIFF):

H.R. 4123. A bill to establish a 2-year pilot program requiring performance standards and goals for expenditures in certain Federal Government programs to be included in the Federal budget, and for other purposes; to the Committee on Government Operations.

By Mr. JACOBS:

H.R. 4124. A bill to amend the Poultry Products Inspection Act to require the slaughter of poultry and the processing of poultry products in accordance with humane methods; to the Committee on Agriculture.

By Mr. KOPETSKI:

H.R. 4125. A bill to amend the Internal Revenue Code of 1986 to provide a variable capital gains deduction, and to provide for a carryover basis of property acquired from a decedent; to the Committee on Ways and Means.

By Mr. MILLER of California (for himself and Mr. DEFAZIO):

H.R. 4126. A bill to require the Western Area Power Administration to amend all long-term power service contracts to include provisions requiring the implementation of integrated resource planning; to the Committee on Interior and Insular Affairs.

By Mr. PACKARD (for himself, Mr. HUNTER, Mr. LOWERY of California, Mr. CUNNINGHAM, and Mr. GALLEGLY):

H.R. 4127. A bill to amend the Internal Revenue Code of 1986 to allow home buyers to make tax-free withdrawals from individual retirement accounts and certain other retirement plans for the purpose of acquiring a principal residence; to the Committee on Ways and Means.

By Mr. REGULA:

H.R. 4128. A bill to distribute a portion of the Outer Continental Shelf natural gas and oil receipts to coastal States and coastal counties as impact assistance, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

By Mrs. ROUKEMA:

H.R. 4129. A bill to amend section 1012 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 to authorize local governments that have financed a housing project that has been provided a financial adjustment factor under section 8 of the U.S. Housing Act of 1937 to use 50 percent of any recaptured amounts available from refinancing of the project for housing activities; to the Committee on Banking, Finance and Urban Affairs.

Mr. SANTORUM (for himself Mr. KASICH, Mr. DELAY, Mr. MILLER of Washington, Mr. GINGRICH, Mr. WEBER, Mr. ROHRABACHER, Mr. DUNCAN, and Mrs. JOHNSON of Connecticut):

H.R. 4130. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for contributions to a medical savings account, and for other purposes; to the Committee on Ways and Means.

By Mr. SARPALIUS:

H.R. 4131. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for interest on any loan used to purchase a new American-made highway vehicle; to the Committee on Ways and Means.

By Mr. SKAGGS:

H.R. 4132. A bill to extend until January 1, 1997, the existing suspension of duty on certain infant nursery intercoms and monitors; to the Committee on Ways and Means.

By Ms. SLAUGHTER of New York (for herself, Mr. WYLIE, Mr. BUSTAMANTE, Mr. GONZALEZ, Mr. PRICE, Mr. LAFALCE, Mr. MOAKLEY, Mr. RHODES, Mr. HORTON, and Mr. DURBIN):

H.R. 4133. A bill to extend until April 1993 the demonstration project under which influenza vaccinations are provided to Medicare beneficiaries; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. CUNNINGHAM (for himself, Mr. HUNTER, and Mr. GALLEGLY):

H.R. 4134. A bill entitled, "The California-Mexico Border Drug Trafficking Reduction Act"; to the Committee on the Judiciary.

By Mr. DONNELLY (for himself and Mr. NEAL of Massachusetts):

H.R. 4135. A bill to amend the Internal Revenue Code of 1986 to provide a temporary investment tax credit for investments in certain productive equipment; to the Committee on Ways and Means.

By Mr. MONTGOMERY (for himself, Mr. ERDREICH, Mr. FROST, Mr. HORTON, Mr. EMERSON, Mr. LANCASTER, Mr. HUTTO, Mr. EVANS, Mr. QUILLEN, Mr. BUNNING, Mr. CALLAHAN, Mr. BURTON of Indiana, Mr. MOAKLEY, Mr. NATCHER, Mr. THOMAS of Georgia, Mr. HERTEL, Mr. VANDER JAGT, Mr. MURPHY, Mr. ROGERS, Mr. ROWLAND, Mr. DONNELLY, Mr. GUNDERSON, Mr. MCEWEN, Mr. ESPY, Mr. YOUNG of Florida, Mr. OWENS of New York, Mr. GOODLING, Mr. FAWELL, Mr. WHITTEN, Mr. ANDERSON, Mr. HAMMERSCHMIDT, Mr. DARDEN, Mr. WALSH, Mr. SMITH of Iowa, Mr. PERKINS, Mr. KENNEDY, Mr. STENHOLM, Mr. BOEHLERT, Mr. GONZALEZ, Mr. HASTERT, Mr. MARTINEZ, Mr. WILSON, Mr. KLUG, Mr. HATCHER, Mr. JONES of Georgia, Mr. DE LA GARZA, Mr. JENKINS, Mr. PARKER, and Mr. GINGRICH):

H.J. Res. 391. Joint resolution to designate the week beginning on Sunday, August 16, 1992, as "National Convenience Store Appreciation Week"; to the Committee on Post Office and Civil Service.

By Mr. TALLON:

H.J. Res. 392. Joint resolution designating February 1-7, 1992, as "Travel Agent Appreciation Week"; to the Committee on Post Office and Civil Service.

By Mr. GEPHARDT:

H. Con. Res. 267. Concurrent resolution providing for a joint session of Congress to receive a message from the President on the State of the Union; considered and agreed to.

By Mr. JONES of North Carolina:

H. Con. Res. 268. Concurrent resolution to correct technical errors in the enrollment of the bill H.R.3866; considered and agreed to.

By Mr. DELLUMS:

H. Con. Res. 269. Concurrent resolution expressing the sense of the Congress regarding the U.N. peace plan in the western Sahara; to the Committee on Foreign Affairs.

By Mr. HAYES of Illinois:

H. Con. Res. 270. Concurrent resolution expressing the sense of the Congress that the Federal Government should promote maximum employment, production, and purchasing power to protect and improve the quality of life in the United States; to the Committee on Education and Labor.

By Mr. TORRES:

H. Con. Res. 271. Concurrent resolution expressing the sense of the Congress that the policy of mutual targeting of strategic nuclear weapons by the United States and the Commonwealth of Independent States no longer reflects the nonhostile relationship which exists between these political states, nor serves to further their strategic interests; to the Committee on Foreign Affairs.

By Mr. GEPHARDT:

H. Res. 328. Resolution providing for a committee to notify the President of the assembly of the Congress; considered and agreed to.

By Mr. WHITTEN:

H. Res. 329. Resolution to inform the Senate that a quorum of the House has assembled; considered and agreed to.

By Mr. MOAKLEY:

H. Res. 330. Resolution providing for the hour of meeting of the House; considered and agreed to.

By Mr. BRUCE (for himself, Mr. DINGELL, and Ms. KAPTUR):

H. Res. 331. Resolution expressing the sense of the House of Representatives regarding the opening of Japanese markets, and for other purposes; to the Committee on Ways and Means.

By Mr. GUNDERSON (for himself, Mr. GINGRICH, Mr. EDWARDS of Oklahoma, Mr. KYL, Mr. ROHRABACHER, Mr. GOSS, Mr. RIGGS, Mr. SANTORUM, Mr. ROTH, Mrs. BENTLEY, and Mr. THOMAS of California):

H. Res. 332. Resolution to amend the Rules of the House of Representatives to require a recorded vote upon final passage of legislation that would make an appropriation or provide a direct spending authority or new credit authority; to the Committee on Rules.

By Mr. RAHALL:

H. Res. 333. Resolution expressing the sense of the House of Representatives with respect to the need for a program of loan guarantees for States and local government; to the Committee on Government Operations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

321. By the SPEAKER: Memorial of the House of Representatives of the State of Florida, relative to condominium homeowners of federally insured properties that have structural defects; to the Committee on Banking, Finance and Urban Affairs.

322. Also, memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative of Ukraine's independence; to the Committee on Foreign Affairs.

323. Also, memorial of the House of Representatives of the State of Florida, relative to Haiti; to the Committee on Foreign Affairs.

324. Also, memorial of the Senate of the Commonwealth of Pennsylvania, relative to Medicaid; jointly, to the Committees on Energy and Commerce and Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

[Introduced January 22, 1992 and referred January 28, 1992]

By Mr. LAFALCE;

H.R. 4105. A bill for the relief of Noco Energy Corp.; to the Committee on Ways and Means.

[Introduced January 24, 1992 and referred January 28, 1992]

By Mr. FROST;

H.R. 4117. A bill for the relief of Maria Adriana Lopez; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 53: Mr. CRAMER, Mr. TORRICELLI, Mr. LANTOS, Mr. SARPALIUS, Mr. MFUME, Mr. BONIOR, Mr. BREWSTER, Ms. NORTON, Mr. DOOLEY, Mr. ANDREWS of Maine, Mr. CUNNINGHAM, Mr. HEFNER, Mr. HALL of Texas Mr. WHEAT, Mr. COX of California, and Mr. CONYERS.

H.R. 64: Mr. JAMES.

H.R. 75: Mr. HAYES of Louisiana and Mr. TRAFICANT.

H.R. 78: Mr. WALKER.

H.R. 98: Mr. HANCOCK, Mr. MCCANDLESS, Mr. EMERSON, Mr. MCDERMOTT, Mr. TOWNS, Mr. EVANS, Mr. CONYERS, Mr. YOUNG of Florida, Ms. COLLINS of Michigan, Mrs. MINK, Mr. MCMILLEN of Maryland, Mr. SKELTON, Mr. MCCLOSKEY Mr. SAVAGE Mrs. KENNELLY, Mr.

Jacobs, Mr. Jefferson, Mr. Flake, and Mr. Campbell of California.

H.R. 106: Mr. Lent, Mr. Rhodes, and Mr. Hubbard.

H.R. 191: Mrs. Lowey of New York.

H.R. 246: Mr. Allard, Mr. Riggs, Mrs. Johnson of Connecticut, and Mr. Gilchrest.

H.R. 251: Mr. Neal of North Carolina and Mr. Richardson.

H.R. 258: Mr. Traficant.

H.R. 259: Mr. Lewis of Florida and Mr. Traficant.

H.R. 303: Mr. Stearns, Mr. Clement, Mr. Darden, Mr. Sarpalius, and Mr. Faleomavaega.

H.R. 304: Mr. Lewis of Florida, Mr. Clement, and Mr. Traficant.

H.R. 309: Mr. Gunderson.

H.R. 318: Mr. Engel.

H.R. 327: Mr. Cox of Illinois.

H.R. 371: Mr. Durbin, Mrs. Bentley, and Mr. Guarini.

H.R. 384: Mr. Sanders and Mr. Hayes of Louisiana.

H.R. 415: Mrs. Johnson of Connecticut and Mr. Gallegly.

H.R. 423: Mr. Emerson.

H.R. 528: Ms. Norton and Mr. Beilenson.

H.R. 576: Mr. Foglietta, Mr. Brewster, Mr. Manton, Mr. Hatcher, Mr. Traxler, and Mr. Gilchrest.

H.R. 585: Mr. Gilchrest.

H.R. 608: Mr. Lancaster, Mr. Hobson, Mr. Alexander, and Mr. Sanders.

H.R. 609: Mr. Towns, Mr. Martinez, Mrs. Unsoeld, Mr. Clement, and Mr. Kolter.

H.R. 642: Mr. Engel.

H.R. 643: Mr. Sharp.

H.R. 659: Mr. Markey.

H.R. 668: Mr. Ackerman.

H.R. 709: Mr. Schumer.

H.R. 710: Mr. Fawell, Mr. Roybal, and Mr. Aspin.

H.R. 722: Mrs. Lowey of New York, Mr. Traficant, Mr. Clement, and Mr. Martin.

H.R. 723: Mrs. Lowey of New York, Mr. Traficant, and Mr. Clement.

H.R. 786: Mr. Andrews of Maine, Mr. Barnard, Mr. AuCoin, and Mr. Manton.

H.R. 793: Mr. Pallone, Mr. Berman, Mr. McDade, Mr. Traficant, Mr. Erdreich, Mr. Kennedy, Mr. Studds, and Mr. Richardson.

H.R. 843: Mr. Downey.

H.R. 875: Mr. Miller of California and Mr. Studds.

H.R. 888: Mr. Peterson of Florida, Mr. Moody, Mr. Frost, Mr. Geren of Texas, Mr. Eckart, and Mr. Brown.

H.R. 916: Mr. Wise, Mr. Faleomavaega, Mr. Gilchrest, and Mr. Fascell.

H.R. 951: Mr. Lehman of Florida, Mr. Hoyer, and Mr. Neal of Massachusetts.

H.R. 962: Mr. Torres.

H.R. 967: Mr. Boucher and Mr. Rose.

H.R. 978: Mr. Bacchus.

H.R. 1004: Mr. Nussle.

H.R. 1063: Mr. Peterson of Minnesota and Mr. Richardson.

H.R. 1110: Ms. Horn and Mr. Hayes of Illinois.

H.R. 1161: Mr. Guarini and Mr. Panetta.

H.R. 1200: Mr. Anthony.

H.R. 1212: Mr. James.

H.R. 1238: Mr. Durbin.

H.R. 1240: Mr. Lipinski and Mr. Wolpe.

H.R. 1251: Mr. Manton and Mr. Matsui.

H.R. 1252: Mr. Manton.

H.R. 1253: Mr. Manton and Mr. Matsui.

H.R. 1259: Mr. Visclosky.

H.R. 1300: Mr. Brown.

H.R. 1306: Mr. Jacobs, Mr. Downey, and Mrs. Unsoeld.

H.R. 1335: Mr. Sarpalius.

H.R. 1374: Mr. Pickett.

H.R. 1389: Mr. Porter and Mr. Blaz.

H.R. 1396: Mr. Gallegly.

H.R. 1398: Mr. Boucher.

H.R. 1414: Mr. LaFalce.

H.R. 1418: Mr. Gillmor.

H.R. 1423: Mr. Beilenson.

H.R. 1473: Mr. Costello, Mr. Fazio, Mr. Houghton, Ms. Slaughter, Mr. Neal of Massachusetts, Mr. Hayes of Louisiana, Mr. Stearns, Mr. Reed, and Mr. Jefferson.

H.R. 1481: Mr. Kolter and Mr. Rowland.

H.R. 1502: Mr. Leach, Mr. Franks of Connecticut, Mr. McMillen of Maryland, Mr. McCloskey, Mr. Hoyer, and Mr. Roe.

H.R. 1509: Mr. Dixon, Mr. Bilbray, Mr. Ewing, Mr. Kolter, Mr. Riggs, Mr. Ramstad, Mr. Thomas of Georgia, Mr. Kopetski, Mr. Coleman of Texas, Mr. Parker, Mr. Aspin, Mr. Miller of Ohio, Mr. Stearns, Mr. Taylor of Mississippi, Mr. Edwards of Oklahoma, Mr. Hubbard, Mr. Kleczka, Mr. Jacobs, Mr. Hall of Texas, and Mr. Grandy.

H.R. 1536: Mr. Hobson, Ms. Norton, and Ms. Pelosi.

H.R. 1541: Mr. McNulty and Mr. English.

H.R. 1552: Mr. Studds.

H.R. 1565: Mr. Young of Florida.

H.R. 1566: Mrs. Schroeder.

H.R. 1598: Mr. Walsh, Mr. Skeen, Mr. Engel, and Mr. Derrick.

H.R. 1601: Mr. Leach.

H.R. 1602: Mr. Torres, Ms. Slaughter, and Mr. Vento.

H.R. 1623: Mr. Blaz, Mr. Vander Jagt, Mr. Boehlert, Mr. Downey, Mr. Cunningham, and Mr. McCollum.

H.R. 1624: Mr. Blaz, Mr. Vander Jagt, and Mr. Boehlert.

H.R. 1633: Mr. Kolter, Mr. Borski, Mr. Sarpalius, Mr. Mavroules, and Mr. Inhofe.

H.R. 1653: Mr. Kopetski.

H.R. 1663: Mr. Campbell of California, Mr. Rhodes, Mr. Peterson of Florida, and Mr. Lancaster.

H.R. 1715: Mr. Engel.

H.R. 1750: Mr. Levine of California.

H.R. 1771: Mr. Clinger, Mr. Moran, Mr. Spence, and Mr. Tanner.

H.R. 1774: Mr. McCloskey and Mr. Edwards of California.

H.R. 1791: Mr. Atkins.

H.R. 1820: Mr. Traxler, Mr. Miller of Ohio, Mr. Lehman of California, Mr. Owens of Utah, Mr. McNulty, and Mr. Panetta.

H.R. 1882: Mr. Schiff, Mr. Ray, Mr. Kostmayer, Mr. Martinez, Mr. Yates, Mrs. Schroeder, Mr. Ireland, Mr. Oxley, Mr. Costello, Mr. Gilchrest, and Mr. Kyl.

H.R. 1898: Mrs. Boxer, Mr. Dreier of California, Mr. Gillmor, Mr. Herger, Mr. Machtley, Mr. Pickett, Mr. Rowland, Mr. Smith of Oregon, Mr. Stearns, and Mr. Emerson.

H.R. 1956: Mr. Engel.

H.R. 1992: Mr. Fish, Mr. Cunningham, and Mr. Kildee.

H.R. 2008: Mr. Dornan of California and Mr. Gallegly.

H.R. 2029: Mr. Gilchrest.

H.R. 2070: Mr. Ramstad, Mr. Aspin, Mr. Geren of Texas, Mr. Jefferson, Mr. Dellums, Mr. Dickinson, Mr. Blaz, Mr. Pickett, Mr. Slattery, Mr. Peterson of Minnesota, Mr. Staggers, Mr. Cardin, Mr. Oberstar, Mr. Murphy, Mr. Hubbard, Mr. Hammerschmidt, and Mr. Skeen.

H.R. 2082: Mr. Gilchrest.

H.R. 2083: Mr. Owens of Utah, Mrs. Unsoeld, and Mr. Olver.

H.R. 2089: Mr. Swett, Mr. Engel, Mr. Kildee, and Mr. Campbell of California.

H.R. 2152: Mr. Gilchrest and Mr. Jacobs.

H.R. 2197: Mr. Martinez.

H.R. 2248: Mr. Feighan, Mr. Kanjorski, Mr. Luken, Mr. Spratt, Mr. Espy, Mr. Matsui, Mr. Franks of Connecticut, Mr. Dickinson, Mr. McCloskey, Mr. Williams, Mr. Lagomarsino, Mr. Kasich, and Mr. Coleman of Texas.

H.R. 2309: Mr. Dooley, Mr. Engel, Mr. Kopetski, and Mr. Matsui.

H.R. 2336: Mr. Martin.

H.R. 2363: Mr. Coleman of Texas, Mr. Waxman, Mr. Mrazek, Mr. Hastert, Ms. Horn, and Mr. Harris.

H.R. 2377: Mr. Panetta.

H.R. 2383: Mr. Engel and Mr. McCollum.

H.R. 2385: Mrs. Bentley, Mrs. Morella, Mr. Engel, Mr. Foglietta, and Mr. Houghton.

H.R. 2386: Mr. Torres and Ms. Slaughter of New York.

H.R. 2410: Mr. Owens of Utah and Mr. Lowery of California.

H.R. 2463: Mr. Lightfoot, Mr. Callahan, Mr. Livingston, and Mr. Hayes of Louisiana.

H.R. 2486: Mr. Livingston.

H.R. 2535: Mr. Kildee and Mr. Lipinski.

H.R. 2540: Mr. Downey, Mr. Clement, and Mr. Quillen.

H.R. 2541: Mr. Downey and Mr. DeFazio.

H.R. 2553: Ms. Molinari, Mr. Doolittle, and Mr. Bereuter.

H.R. 2561: Ms. Collins of Michigan, Mr. Gaydos, Mr. Towns, Mr. Russo, Mr. Kolter, Mr. Torricelli, Mr. Pastor, and Mr. Evans.

H.R. 2567: Mr. Engle.

H.R. 2580: Mr. Martinez, Mr. Weiss, and Mr. Donnelly.

H.R. 2600: Mr. Vento.

H.R. 2643: Mr. Dreier of California, Mr. Fields, Mr. Dornan of California, and Mr. Crane.

H.R. 2675: Mr. Feighan.

H.R. 2755: Mr. McCloskey, Mr. Dorgan of North Dakota, Mr. Blackwell, Mr. Skaggs, and Mr. DeFazio.

H.R. 2766: Mr. Duncan, Mr. Oxley, Mr. Walsh, Mr. Sangmeister, Mr. McMillan of North Carolina, Mr. Ravenel, Mr. Zeliff, Mr. Spence, Mr. Hayes of Louisiana, and Mr. Spratt.

H.R. 2779: Mr. DeFazio.

H.R. 2781: Mr. DeFazio.

H.R. 2782: Mr. Kopetski, Mr. Lantos, Ms. Slaughter of New York, Mr. Sanders, Mr. Martinez, Mr. Andrews of New Jersey, Mr. Dymally, and Mr. Blackwell.

H.R. 2815: Mr. Gillmor.

H.R. 2819: Mr. Clinger, Mr. Roemer, Mr. Wise, Mr. Hertel, Mr. Murphy, Mr. Fazio, Mr. Abercrombie, Mr. Wolpe, Mr. Bruce, and Mr. Bonior.

H.R. 2833: Mr. Camp.

H.R. 2872: Mr. Sundquist and Mr. Jefferson.

H.R. 2880: Ms. Slaughter of New York, Mr. Guarini, Mr. Roybal, Mr. Kolter, Mr. Oberstar, Mr. English, Mr. Matsui, Mr. Swett, and Mr. Engel.

H.R. 2881: Mr. Yates.

H.R. 2884: Mr. Kildee.

H.R. 2890: Mr. Rogers, Mr. Blaz, and Mr. Engel.

H.R. 2898: Mr. Levin of Michigan, Mr. Camp, and Mr. Kopetski.

H.R. 2912: Mr. DeFazio.

H.R. 2945: Mr. Camp and Mr. Abercrombie.

H.R. 2964: Mr. Hyde, Mr. McGrath, and Mr. Lagomarsino.

H.R. 2966: Mr. Huckaby, Mrs. Lloyd, Mr. Hancock, Mr. Klug, Mr. Hefley, and Mr. Panetta.

H.R. 3011: Mr. Eckart, Ms. Norton, Mr. Murtha, Mr. Hefley, and Mr. Miller of California.

H.R. 3022: Mr. Moran.

H.R. 3026: Mr. PALLONE, Mr. FAZIO, Mr. ROYBAL, and Mr. PANETTA.

H.R. 3037: Mr. DICKINSON and Mr. COUGHLIN.

H.R. 3050: Mr. FRANK of Massachusetts, Mr. KOLTER, Mr. TOWNS, Mr. LIPINSKI, Mr. FOGLIETTA, Mrs. BOXER, and Mr. EVANS.

H.R. 3070: Mr. DICKINSON, Mr. ROGERS, and Mr. HEFLEY.

H.R. 3071: Mr. GALLO, Mr. SANGMEISTER, Mr. ABERCROMBIE, Mr. LEHMAN of California, Mr. ESPY, Mr. GILCHREST, Mr. MCCURDY, Mr. WELDON, Mr. PACKARD, Mr. SMITH of Oregon, Mr. EVANS, Mr. GOSS, Mr. HEFLEY, Mr. THOMAS of Wyoming, Mr. RAVENEL, Mr. MCMILLEN of Maryland, Mr. HUGHES, Mr. HOAGLAND, and Mr. KOPETSKI.

H.R. 3082: Mr. DWYER of New Jersey, Mr. FOGLIETTA, Mr. MARKEY, Mr. PAXON, Mr. KOPETSKI, Mr. GUNDERSON, and Mr. BLILEY.

H.R. 3098: Ms. PELOSI.

H.R. 3124: Mrs. MEYERS of Kansas.

H.R. 3138: Mr. COSTELLO, Mr. FRANK of Massachusetts, Mr. LENT, Mr. SERRANO, Mr. MCGRATH, Mrs. LOWEY of New York, Mr. NEAL of Massachusetts, Mr. HOCHBRUECKNER, Ms. DELAURO, Mr. MATSUI, and Mr. HUGHES.

H.R. 3146: Mr. SHAYS.

H.R. 3160: Mr. FLAKE, Mr. KOPETSKI, Mr. LUKEN, Mr. MATSUI, Mr. SCHUMER, Mr. SIKORSKI, and Mr. TOWNS.

H.R. 3164: Mr. COLEMAN of Texas, Mr. SCHAEFER, Mr. GINGRICH, Mr. MATSUI, Mr. CLEMENT, Mr. RAMSTAD, Mr. WOLPE, Mr. DARDEN, Mr. RITTER, Mr. DICKINSON, Mr. JOHNSON of South Dakota, Mr. DIXON, Mr. ENGEL, Mr. DEFAZIO, Mr. LEWIS of California, Mr. DOOLITTLE, Mr. HUNTER, and Mr. FALEOMAVAEGA.

H.R. 3173: Ms. ROS-LEHTINEN.

H.R. 3185: Mr. THOMAS of Wyoming, Mrs. ROUKEMA, Mrs. BOXER, and Mr. DEFAZIO.

H.R. 3195: Mrs. UNSOELD and Mr. MINETA.

H.R. 3209: Mr. ESPY, Mr. MARTINEZ, Mr. TRAXLER, and Mr. KILDEE.

H.R. 3216: Mr. BARNARD, Mr. RITTER, and Mr. BEREUTER.

H.R. 3221: Mr. PAXON, Ms. DELAURO, Mr. GRANDY, Mr. KOLTER, Mr. BARRETT, Mr. HOYER, and Mr. RAMSTAD.

H.R. 3222: Mr. MFUME, Mr. NEAL of Massachusetts, Mrs. MINK, Mr. KOLTER, MR. DICKINSON, Mr. GORDON, Mr. MILLER of California, Mr. CUNNINGHAM, Mr. RIGGS, Mr. YOUNG of Alaska, Mr. WEBER, and Mr. WYDEN.

H.R. 3231: Mr. JOHNSON of South Dakota.

H.R. 3253: Mr. FASCELL, Mr. KOLTER, Mr. BLACKWELL, Mr. GILCHREST, Mr. TRAFICANT, Mr. MCMILLEN of Maryland, and Mr. PAYNE of New Jersey.

H.R. 3312: Mr. DARDEN and Mr. YOUNG of Alaska.

H.R. 3317: Mr. FLAKE, Mr. LAFALCE, Mr. BILBRAY, and Ms. KAPTUR.

H.R. 3349: Mr. GEREN of Texas, Mr. JEFFERSON, Mr. GILMAN, and Mr. MARTIN.

H.R. 3360: Mr. JEFFERSON.

H.R. 3373: Mr. SANGMEISTER, Mr. KOLTER, Mr. PALLONE, Mr. GORDON, Mr. RAY, Mrs. BYRON, Mr. JOHNSTON of Florida, Mr. HARRIS, Mr. ROEMER, Mr. HASTERT, Mr. GINGRICH, Mr. POSHARD, Mr. PAYNE of Virginia, Mr. OXLEY, Mr. GUNDERSON, Mr. VISCLOSKY, Mr. SABO, Mr. WALKER, Mr. LAFALCE, Mr. DAVIS, Mr. DICKS, Mr. CAMPBELL of California, Mr. NEAL of North Carolina, Mr. SKELTON, Mr. KILDEE, Mr. MAVROULES, Mr. NUSSLE, Mr. CRAMER, Mrs. MINK, and Mr. EVANS.

H.R. 3393: Mr. MORAN.

H.R. 3417: Mr. BLILEY.

H.R. 3423: Mr. DEFAZIO, Mr. FAZIO, and Mr. MRAZEK.

H.R. 3424: Mr. DEFAZIO, Mr. FAZIO, and Mr. MRAZEK.

H.R. 3429: Mr. LIPINSKI and Mrs. MORELLA.

H.R. 3438: Mr. BEILENSON.

H.R. 3439: Mr. BEILENSON.

H.R. 3440: Mr. BEILENSON.

H.R. 3442: Mr. BEILENSON.

H.R. 3454: Mr. HASTERT, Mr. SKELTON, Mr. MCCLOSKEY, Mr. NEAL of North Carolina, and Mr. WOLPE.

H.R. 3471: Mr. GINGRICH.

H.R. 3475: Ms. NORTON, Mr. OLVER, and Mrs. MEYERS of Kansas.

H.R. 3476: Mrs. MEYERS of Kansas.

H.R. 3479: Mr. PASTOR.

H.R. 3513: Mr. THOMAS of California.

H.R. 3515: Ms. OAKAR, Mr. OLVER, Mr. FRANKS of Connecticut, and Mr. PETRI.

H.R. 3518: Mr. LIPINSKI.

H.R. 3526: Mr. KOPETSKI, Mr. FOGLIETTA, Mr. STARK, Mr. VENTO, and Mr. RAHALL.

H.R. 3537: Mr. RITTER.

H.R. 3542: Mr. ECKART.

H.R. 3544: Mr. ALEXANDER, Mr. MILLER of California, Mr. OBERSTAR, Mr. MARTINEZ, Mr. MOLLOHAN, Mr. TRAXLER, Ms. PELOSI, Mr. RAHALL, Mr. HEFNER, Mr. GONZALEZ, Mr. FAZIO, and Mr. BEVILL.

H.R. 3545: Mr. BRUCE, Mr. SCHEUER, Mr. BURTON of Indiana, and Mr. SYNAR.

H.R. 3553: Mr. MINETA, Mr. SANGMEISTER, Mr. BEVILL, Mr. CARR, Mr. LANCASTER, Mr. BLAZ, Mr. WOLPE, Mr. DEFAZIO, Mr. SCHEUER, Mr. FRANK of Massachusetts, Mr. FLAKE, Mr. SOLARZ, and Mr. MURTHA.

H.R. 3554: Mrs. LLOYD, Mr. BROWN, and Mr. ESPY.

H.R. 3555: Mr. SWETT and Mr. RIDGE.

H.R. 3557: Mr. KOPETSKI.

H.R. 3602: Mr. JOHNSON of South Dakota, Mr. BATEMAN, Mr. BLILEY, Mr. PICKETT, and Mr. LIVINGSTON.

H.R. 3605: Mr. DUNCAN.

H.R. 3612: Mr. FRANK of Massachusetts, Mr. DORGAN of North Dakota, Mr. PETRI, Mr. GUARINI, Mr. MAVROULES, Mr. HOCHBRUECKNER, Mr. PETERSON of Minnesota, Mr. LAGOMARSINO, Mr. REGULA, Mrs. BOXER, Mr. KENNEDY, Ms. NORTON, and Mr. KOSTMAYER.

H.R. 3613: Mr. YATES, Ms. SNOWE, Mr. HOCHBRUECKNER, Mr. DWYER of New Jersey, Mr. SWIFT, Mr. WEISS, Mr. PENNY, Mr. ESPY, Mr. KOSTMAYER, Mr. FLAKE, Mr. WILLIAMS, Mr. DICKS, Mr. MATSUI, Mr. LEHMAN of Florida, Mr. TOWNS, Mr. RAHALL, Mr. JACOBS, Mr. MCDERMOTT, and Mrs. UNSOELD.

H.R. 3620: Mr. VANDER JAGT.

H.R. 3634: Mr. LAGOMARSINO.

H.R. 3636: Mr. LEHMAN of California, Mr. PEASE, Mr. BRUCE, Mrs. MORELLA, and Mr. TORRICELLI

H.R. 3654: Mr. ALEXANDER, Mr. ANDERSON, Mr. ATKINS, Mr. AUCOIN, Mr. BEVILL, Mrs. COLLINS of Illinois, Mr. DEFAZIO, Mr. DICKS, Mr. DONNELLY, Mr. DOWNEY, Mr. EMERSON, Mr. ESPY, Mr. FAZIO, Mr. FEIGHAN, Mr. FLAKE, Mr. FORD of Tennessee, Mr. FRANK of Massachusetts, Mr. FUSTER, Mrs. COLLINS of Illinois, Mr. GEJDENSON, Mr. GUARINI, Mr. HAYES of Louisiana, Mr. JACOBS, MR. JEFFERSON, Mr. JONTZ, Mr. KILDEE, Mr. LAROCCO, Mr. LEHMAN of California, Mr. LEHMAN of Florida, Mr. MCCLOSKEY, Mr. MCMILLEN of Maryland, Mr. MARTINEZ, Mr. MFUME, Mr. NEAL of Massachusetts, Ms. NORTON, Mr. OWENS of Utah, Mr. PAYNE of New Jersey, Mr. SCHUMER, Mr. SERRANO, Mr. SHARP, Mr. SLATTERY, Mr. STALLINGS, Mr. TALLON, Mr. THORNTON, Mr. TRAFICANT, Mr. VALENTINE, Mr. WALSH, Mr. MORAN, Mr. FASCELL, Mr. FISH, Mr. GORDON, Mr. JOHNSTON of Florida, Mr. SMITH of Florida, Mr. STENHOLM, and Mr. TOWNS.

H.R. 3655: Mr. SANGMEISTER and Mr. HOUGHTON.

H.R. 3656: Mr. SMITH of Oregon, Mr. SANGMEISTER, and Mr. DE LUGO.

H.R. 3677: Ms. KAPTUR, Mr. COLEMAN of Texas, Ms. NORTON, and Mr. LEWIS of Florida.

H.R. 3681: Mr. TRAXLER.

H.R. 3690: Mr. Applegate, Mr. SABO, and Mr. HUGHES.

H.R. 3702: Mr. RUSSO, Ms. DELAURO, and Ms. PELOSI.

H.R. 3705: Mr. BEREUTER.

H.R. 3740: Mr. LAGOMARSINO, Mr. HUBBARD, and Mr. MARTINEZ.

H.R. 3753: Ms. NORTON and Mr. NEAL of North Carolina.

H.R. 3758: Mr. STARK, Mr. DEFAZIO, Mr. FAZIO, and Mr. LEVINE of California.

H.R. 3782: Mr. KLECZKA, Mr. JONTZ, Mr. MINETA, Mr. FAZIO, Mr. WHEAT, Mr. SLATTERY, Mr. PRICE, Mr. STARK, Mr. EDWARDS of California, Mr. FOGLIETTA, Mr. MARTINEZ, Mr. MARKEY, Ms. SLAUGHTER, Mr. DOWNEY, Mr. WAXMAN, Mrs. UNSOELD, Mr. MOODY, Mr. WYDEN, Ms. DELAURO, and Ms. LONG.

H.R. 3783: Mr. DIXON, Mr. COX of Illinois, Mrs. LOWEY of New York, Mr. VANDER JAGT, and Mr. FRANK of Massachusetts.

H.R. 3801: Mr. VALENTINE, Mrs. LLOYD, Mr. GINGRICH, Mr. MONTGOMERY, Mr. SOLOMON, Mr. JENKINS, Mr. DICKINSON, and Mr. RAVENEL.

H.R. 3803: Mr. DORGAN of North Dakota.

H.R. 3808: Mr. ANDREWS of Maine, Mrs. MEYERS of Kansas, Mr. ZELIFF, Mr. HYDE, Mr. PERKINS, Mr. JEFFERSON, Mr. NEAL of North Carolina, Mr. TORRES, and Mr. MARTINEZ.

H.R. 3809: Mr. ZELIFF and Mr. LEHMAN of Florida.

H.R. 3816: Mr. LEHMAN of California, Mr. HORTON, Mr. COLEMAN of Texas, Ms. SLAUGHTER of New York, Mr. ERDREICH, and Mr. BRUCE.

H.R. 3822: Mr. RAMSTAD.

H.R. 3832: Mr. HAYES of Illinois, Ms. NORTON, Mr. TOWNS, Mr. VENTO, Mr. WOLPE, Mr. MARTINEZ, Mr. JEFFERSON, Mrs. MINK, and Mr. SCHEUER.

H.R. 3836: Mrs. UNSOELD.

H.R. 3841: Mr. SPENCE, Mr. DICKINSON, and Mr. BOUCHER.

H.R. 3844: Mr. SCHEUER, Mr. MOAKLEY, Mr. PENNY, Mr. KENNEDY, and Mr. YATES.

H.R. 3846: Mr. BORSKI.

H.R. 3848: Mr. KOLBE and Mr. RHODES.

H.R. 3864: Mr. SCHIFF, Mr. DEFAZIO, Mr. RAHALL, Mr. GUARINI, Mr. GLICKMAN, Mr. TALLON, Mr. PERKINS, Mr. JEFFERSON, Mrs. JOHNSON of Connecticut, and Mr. DICKINSON.

H.R. 3871: Ms. MOLINARI, Mr. OWENS of Utah, Mr. HORTON, Mr. WILSON, Mr. LANCASTER, Mr. MARTINEZ, and Mr. RITTER.

H.R. 3878: Mr. ABERCROMBIE, Mr. ANDREWS of New Jersey, Mrs. COLLINS of Illinois, Mr. COSTELLO, Mr. DE LUGO, Mr. FRANK of Massachusetts, Mr. MCCLOSKEY, Mr. MARTINEZ, Mr. MILLER of California, Ms. NORTON, Mr. OWENS of New York, Mr. RAHALL, Mr. SANDERS, Mr. SAWYER, and Mr. VENTO.

H.R. 3886: Mr. JEFFERSON, Mr. KOPETSKI, and Mr. FOGLIETTA.

H.R. 3891: Mr. DORNAN of California and Mr. DANNEMEYER.

H.R. 3904: Ms. NORTON, Mr. EDWARDS of California, Mr. LEVIN of Michigan, Mr. JEFFERSON, Mr. BERMAN, Mrs. LLOYD, Mr. OWENS of Utah, and Mr. EVANS.

H.R. 3908: Mrs. LLOYD.

H.R. 3922: Mr. EVANS and Mrs. MORELLA.

H.R. 3923: Mr. LAGOMARSINO and Mr. GALLO.

H.R. 3939: Ms. NORTON, Mr. BEILENSON, Mr. VENTO, Ms. KAPTUR, Mr. PALLONE, Mr. YATES, Mr. DELLUMS, Mr. BROWN, Mr. STARK, Mr. BONIOR, Mr. LIPINSKI, Ms. PELOSI, Mr. RAVENEL and Mr. HENRY.

H.R. 3943: Mr. McGrath, Mr. Livingston, Mr. Coyne, Mr. Hoagland, and Mr. Erdreich.

H.R. 3961: Mr. Stark.

H.R. 3975: Mr. Jefferson, Mrs. Lowey of New York, Mr. Conyers, Mr. Bonior, Mr. Wolpe, Mr. Mrazek, Mr. Waxman, Mr. Frost, Mr. Abercrombie, Mr. Foglietta, Mr. Perkins, Mr. Bruce, Mr. Feighan, Mr. Brown, Mr. Payne of New Jersey, Mr. Kopetski, Mr. Bryant, Mr. Skaggs, Mr. Williams, and Mr. Smith of Florida.

H.R. 3994: Mr. Scheuer, Mr. Annunzio, Mr. Berman, Mr. Manton, and Mr. McGrath.

H.R. 4002: Mr. Schumer, Mr. Mrazek, Mr. Owens of Utah, Mr. Beilenson, Mr. Horton, Mr. Faleomavaega, Mr. Levine of California, Mr. Hamilton, Mr. AuCoin, Mr. Glickman, Mr. Ritter, Ms. Ros-Lehtinen, Mr. Scheuer, Mrs. Morella, Mr. Lehman of Florida, Mr. Bacchus, Mr. Engel, Mr. Evans, Mr. Kleczka, Mr. Kopetski, Mr. Skaggs, and Mr. Manton.

H.R. 4010: Mr. Goodling.

H.R. 4013: Mr. Bruce, Mr. Murphy, Mr. Callahan, Mr. Durbin, Mr. Costello, Mr. Mrazek, Mr. Volkmer, and Mr. Gaydos.

H.R. 4025: Mr. Blaz, Mr. Huckaby, Mr. Johnson of South Dakota, and Mr. Condit.

H.R. 4031: Mr. Kolbe.

H.R. 4032: Mr. Gillmor, Mr. Kleczka, Mr. McCloskey, and Mr. Sensenbrenner.

H.R. 4045: Ms. Slaughter, Ms. Norton, Mrs. Morella, Ms. Pelosi, Mr. Coyne, and Mr. Neal of North Carolina.

H.R. 4050: Mr. Camp, Mr. Henry, Mr. Pursell, and Mr. Davis.

H.R. 4051: Mr. Kolter, Mr. Goodling, Mr. Foglietta, Mr. Horton, and Mr. Faleomavaega.

H.R. 4077: Mr. Sharp and Mr. Chandler.

H.R. 4083: Mr. Moody, Mr. Costello, Mr. Dorgan of North Dakota, Mr. Matsui, Mr. Obey, Mr. Vento, and Mr. Wilson.

H.R. 4095: Mr. Wise and Mr. Borski.

H.J. Res. 3: Mr. Dickinson.

H.J. Res. 107: Mr. Hammerschmidt, Mr. Hefner, Mr. Applegate, Mr. Hall of Texas, and Mr. Gunderson.

H.J. Res. 159: Mr. Cunningham and Mr. Vander Jagt.

H.J. Res. 237: Mr. Hefner, Mr. Gingrich, and Mr. Darden.

H.J. Res. 239: Mr. McMillen of Maryland and Mr. Gilchrest.

H.J. Res. 293: Mr. Ray, Mr. Gillmor, Mr. Mollohan, Mrs. Byron, and Mr. Mrazek.

H.J. Res. 318: Mr. Bennett, Mr. Durbin, Mr. Gekas, Mr. Lightfoot, Mr. Saxton, Mr. Ford of Michigan, Mr. Sabo, Mr. Coughlin, Mr. Cramer, Mr. Olver, Mr. Darden, Mr. Barnard, Mr. Lewis of Florida, Mr. Ireland, Mr. Coble, Mr. Natcher, and Mr. Bevill.

H.J. Res. 343: Mr. Applegate, Mr. AuCoin, Mr. Bacchus, Mr. Barnard, Mr. Bennett, Mrs. Bentley, Mr. Broomfield, Mr. Cardin, Mr. Costello, Mr. Cramer, Mr. Cooper, Mr. Dorgan of North Dakota, Mr. Edwards of Oklahoma, Mr. Gingrich, Mr. Hall of Ohio, Mr. Hansen, Mr. Hastert, Mr. Jones of Georgia, Mr. Kleczka, Mr. Lancaster, Mr. Lehman of California, Mr. Matsui, Mr. Miller of Ohio, Mr. Oberstar, Mr. Oxley, Mr. Pallone, Mr. Perkins, Mr. Reed, Mr. Sabo, Mr. Sangmeister, Mr. Schumer, Mr. Skaggs, Mr. Synar, Mr. Whitten, Mr. Wolf, Mr. Wolpe, Mr. Young of Alaska, Mr. Carr, Mr. Doolittle, Mr. Lagomarsino, Mr. Rowland, Mr. Hertel, and Mr. Bruce.

H.J. Res. 357: Mr. Duncan.

H.J. Res. 358: Mr. Inhofe, Mr. Smith of Oregon, Mr. Doolittle, Mr. Studds, Mr. Fazio, Mr. Walsh, Mr. Oberstar, and Mr. McCloskey.

H.J. Res. 375: Mr. Conyers and Mrs. Unsoeld.

H.J. Res. 378: Mr. Jefferson, Mrs. Lloyd, Mr. Hamilton, Mr. Towns, Mr. Levin of Michigan, Mr. Mineta, Mr. Hertel, Mr. Serrano, and Mr. DeFazio.

H.J. Res. 388: Mr. Espy, Mr. Downey, Mr. Jones of North Carolina, Mr. McMillen of Maryland, Ms. Norton, Mr. Martinez, Mr. Guarini, Mr. Hughes, Mrs. Collins of Illinois, Mrs. Johnson of Connecticut, Mr. Bevill, Mr. Peterson of Florida, Mr. Payne of New Jersey, Mr. Skeen, Mr. Savage, Mr. Faleomavaega, Mr. Moran, and Mr. Kopetski.

H. Con. Res. 89: Mr. Manton.

H. Con. Res. 160: Mr. Engel.

H. Con. Res. 180: Mr. Scheuer.

H. Con. Res. 192: Mrs. Lowey of New York, Mr. Dickinson, and Mr. Nussle.

H. Con. Res. 210: Mr. Martinez and Mr. Tauzin.

H. Con. Res. 211: Mr. Campbell of California, Mr. Emerson, Ms. Norton, Mr. Martinez, Mr. Dicks, and Mr. Weldon.

H. Con. Res. 212: Mr. Eckart, Mr. Feighan, Mr. Frank of Massachusetts, Mr. Slattery, Mr. McGrath, Mr. Gallegly, Mrs. Kennelly, Mr. Cardin, Ms. DeLauro, Mr. Gallo, Mr. Houghton, Mr. Hunter, Mr. Dornan of California, Mr. Peterson of Florida, Mr. Mavroules, Mr. Conyers, Mr. Guarini, Mr. Traficant, Mr. Dannemeyer, Mr. Murtha, Mr. Richardson, Mr. Campbell of California, Mr. Marlenee, Mr. Oxley, Mrs. Boxer, Mr. Weldon, Mr. Carper, Mrs. Roukema, Mr. Russo, Mr. Swett, Mr. Taylor of North Carolina, and Mr. Borski.

H. Con. Res. 221: Mr. Martinez, Mr. Campbell of California, and Mr. Fawell.

H. Con. Res. 224: Mr. Martinez, Mr. Bonior, Mr. Coleman of Missouri, Mr. Regula, Mr. Hayes of Illinois, Mrs. Roukema, Mrs. Boxer, Mr. Slattery, Mr. Abercrombie, Mr. Stokes, Mr. Bliley, Mr. Wolpe, Mr. Inhofe, Mr. Swett, Mr. Stallings, Mr. Dicks, Mr. Guarini, Mr. Washington, Mr. Oxley and Mr. Owens of Utah.

H. Con. Res. 227: Mr. Scheuer.

H. Con. Res. 232: Mr. Jefferson, Mr. Lipinski, Mr. Levine of California, Mr. Waxman, Ms. Slaughter of New York, Mr. Kostmayer, Mr. LaFalce, Mr. Martinez, and Mr. Foglietta.

H. Con. Res. 233; Mr. Broomfield, Mr. Hansen, Mr. Guarini, Mr. Dickinson, Mr. Hyde, Mr. Schulze, Mr. Neal of North Carolina, Mr. Roe, Mr. McCollum, Mr. Rinaldo, and Mr. Bateman.

H. Con. Res. 239; Ms. Slaughter of New York, Mr. Porter, Mr. Wolf, Mr. Martinez, Ms. Oakar, and Mr. Lantos.

H. Con. Res. 245: Mrs. Bentley, Mr. Johnson of South Dakota, Mr. Towns, and Mr. Jontz.

H. Con. Res. 246: Mr. Vento, Mr. Dorgan of North Dakota, Mr. Savage, Mr. Bacchus, Mr. Cardin, Mr. Scheuer, Mr. Martinez, Mr. Bonior, Mr. McCloskey, Mrs. Patterson, Ms. Pelosi, Mr. Kostmayer, Mr. Edwards of California, Mr. Durbin, Mr. Gejdenson, Mr. Nowak, Mr. Skaggs, and Mr. Bilbray.

H. Con. Res. 252: Mr. Bustamante and Mr. Gordon.

H. Res. 180: Mr. Towns.

H. Res. 204: Mr. Gilchrest, Mr. Cunningham, and Mr. Engel.

H. Res. 215: Mr. Goss.

H. Res. 233: Mr. Brewster.

H. Res. 234: Mr. Kleczka and Mr. Bateman.

H. Res. 244: Mr. Paxon and Ms. Slaughter of New York.

H. Res. 257: Mr. Martinez.

H. Res. 271: Mr. Gejdenson, Mr. Gilman, Mr. Kopetski, and Mr. Wyden.

H. Res. 297: Mr. Upton.

H. Res. 302: Mr. Guarini, Mr. Kolter, Mrs. Lloyd, and Mr. Lancaster.

H. Res. 311: Mr. Kolbe, Mr. Gillmor, Mr. Smith of Texas, and Mr. Goss.

H. Res. 314: Mr. Kolter, Mr. Schiff, and Mr. McCloskey.

H. Res. 315: Mr. Gillmor, Mr. McCloskey, and Mr. Sensenbrenner.

H. Res. 322: Mr. Cox of Illinois, Mr. Bacchus, Mr. LaRocco, Mr. Guarini, Mr. Applegate, Mr. Horton, Mr. Bateman, Mr. Kleczka, and Mr. Walsh.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1330: Mr. Stallings.

H.R. 3769: Mr. Bennett.

H. Res. 194: Mr. Costello.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the clerk's desk and referred as follows:

136. By the SPEAKER: Petition of the Common Council of the city of Buffalo, relative to a ban on all cigarette advertising; to the Committee on Energy and Commerce.

137. Also, petition of Jerry Wiley, citizen of St. Paul, IN, relative to a bill of impeachment; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

REGULATE THE MEDIUM, LIBERATE THE MESSAGE

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. TRAXLER. Mr. Speaker, I would like to bring to the attention of my colleagues the following article "Regulate the Medium, Liberate the Message" by Lawrence K. Grossman, former president of NBC News and of the Public Broadcasting Service. This insightful article about media manipulation by business conglomerates appeared in the Columbia Journalism Review in the November/December 1991 issue.

REGULATE THE MEDIUM, LIBERATE THE MESSAGE

(By Lawrence K. Grossman)

Early in the morning of Tuesday, October 20, 1987, I received an angry phone call from Jack Welch, the hard-nosed chairman of GE, who had recently bought NBC. I was president of NBC News at the time and Welch was calling to complain about the way we were reporting the previous day's sudden stock market plunge. He thought our pieces were undercutting the public's confidence in the market, which would certainly not help the stock of NBC's new parent company. He felt no qualms about letting his news division know that he thought NBC's reporters should refrain from using depressing terms like "Black Monday" to describe what had happened to the stock market the day before. NBC reporters were never told about their chairman's problem.

This year, GE, through NBC, was allowed to acquire 100 percent ownership of FNN, cable's number-one consumer news and business service. It then promptly closed down FNN, merging it into CNBC, GE's newer and smaller financial cable program service, giving it a monopoly position in the field. In addition, a GE Financial Services' subsidiary—GE Capital—plays a major role in financing cable operators and other communications businesses. And there is hardly a weekend public affairs program on television, from The McLaughlin Group to Meet the Press to This Week With David Brinkley, that is not accompanied by GE commercials.

GE also underwrites public broadcasting public affairs programs, including the financial series Marketplace, which is broadcast weekday evenings on American Public Radio. Meanwhile, along with the owners of ABC and CBS, NBC is lobbying Congress and the Federal Communications Commission to end long-standing limits on network ownership of TV stations, programs, and cable franchises so that GE can expand its media holdings and investments still further and make what it now owns even more valuable.

In the understated words of Yale law professor Stephen Carter, "We are moving into a world . . . in which the information is controlled increasingly by those who are not totally disinterested in the outcomes produced by the system."

As we head into the twenty-first century, GE's expanding media ownership and control are symptomatic of what is happening to the nation's entire communications industry. While the number of TV channels and media outlets is burgeoning, ownership and control of our mainstream media, both print and electronic, are becoming increasingly concentrated.

In the cable industry, ten cable operators now own the systems that reach the majority of the nation's subscribers. The top cable companies also own controlling interests in most of the major cable program services and in some of the production companies whose product they carry on their systems. In 1985, while trying unsuccessfully to develop an NBC Cable News channel to compete against CNN, I was advised that in order to get our news service on their franchises we would have to offer the biggest cable operators either a piece of the company or preferential price treatment. Monopoly cable operators control dozens of television channels into the home and are capable of stifling any program service they do not own.

Today, a few conglomerates, which have no direct accountability to the American public, wield extraordinary power over the ideas and the information the public can receive. That problem did not exist 200 years ago when the First Amendment was added to the Constitution to protect the individual printer, pamphleteer, and soapbox orator from the oppressive hand of government. Now, by contrast, the new communications technologies require that government work hand in glove with media companies in the allocation of broadcast frequencies, cable franchises, and satellite paths. Far from being independent and wary of one another, government officials and communications companies have become largely interdependent. The companies make large campaign contributions to help elect the public officials who decide the communications policies that directly affect the companies' bottom line.

To deal with the growing problem of media concentration, while still preserving the libertarian principles of the First Amendment, we must make an important distinction between the message, which should be entirely free of all government interference and control, and the medium, on which reasonable limits of ownership should be imposed. Twenty-four years ago the Justice Department, on antitrust grounds, opposed an FCC decision that would have allowed conglomerate ITT to acquire ABC, a move that undoubtedly saved ABC as an independent broadcaster.

Today, the biggest cable system owners should not be allowed to own the dominant cable program services they choose for their systems. Newspaper owners should not be permitted to own television stations in the same communities. A single corporation should not be able to control all or even most of the mainstream media in any one market. GE should certainly not be allowed to own both NBC and the only national financial cable news service. Nor, following the ITT-ABC precedent, should GE—one of the nation's largest defense contractors, financial service companies, consumer product producers, and advertisers—have ever been permitted to own and control NBC, one of the nation's most powerful broadcasters. It is time to break up the growing concentration of media ownership by returning to strict enforcement of the antitrust laws.

To further stimulate press diversity in the century ahead, all of the artificial barriers that the government has erected to protect existing media franchises from additional competition should be removed. Competing cable systems should be allowed to serve customers in the same markets. Direct satellite channels should be given permission to solicit subscribers in competition with cable. Telephone companies should be encouraged to interconnect every home with fiber optic networks capable of delivering hundreds of additional television channels and sophisticated new communications services. In operating their fiber optic networks, the phone companies should be held to their traditional common carrier role, exercising no control over content and offering access to all on a first-come, first served basis.

The more information outlets we have that are either owned by many different interests or operated in a manner that opens them up to a multitude of voices, the better off our democracy will be. Competition, rather than monopolization, should characterize our national communications marketplace.

The "underlying premise" of the First Amendment, said the Supreme Court in Associated Press v. United States, was that the press would foster "the widest possible dissemination of information from diverse and antagonistic sources." It is time to return to that principle. The more sophisticated our print and telecommunications technology becomes, the simpler and more unambiguous our First Amendment protection should be.

Our national communications policy for the next century should ensure that:

1. The press, whether print or electronic (or more likely, a convergence of the two), will be totally free of government regulation, a principle contrary to the practice of the past three-quarters of a century, during which the broadcast press was licensed and regulated while the print press was left largely unrestricted and totally unregulated.

2. There will be no prior restraint on what can be published or broadcast, except in the rarest instances, during war or other crisis, when publication would create an imminent and irremediable danger to life and limb.

3. There will be no licensing of who may publish, broadcast, sell, or distribute any information. Everyone should have the right to publish in any medium without prior government approval.

4. There will be maximum diversity of ownership and control of all media to foster "an uninhibited marketplace of ideas in which truth will ultimately prevail, rather than to countenance monopolization of that market" (Red Lion Broadcasting Co. v. FCC).

5. There will be universal access to all information that is considered essential for an informed public. Thomas Jefferson said in a postscript to his much-quoted comment that he would prefer newspapers without government to a government without newspapers. "But I mean that every man should receive

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

those papers and be capable of reading them." The principle that essential information should be available to everyone in this information-centered age is critical to a successful democracy. Increasingly, the public is being required to pay for programs and program services that once were available to all. As more channels come on stream, there is a growing dichotomy between the information that is available to the rich and what is available to the poor. No one should be deprived of the opportunity to receive important information because he or she cannot afford to subscribe to the new multichannel video services.

To honor the principle of universality, we need a policy of strong support for public television and radio, whose role is to offer information, education, and culture for the benefit of all the people. The proliferation of outlets, by itself, will not provide the programming that our civilization needs but the marketplace cannot support. The existence of these programs has until now depended on FCC regulations that required commercial broadcasters, in order to retain their station licenses, to operate as public trustees and to provide such programs in the public interest. With the deregulation of broadcasting, public subsidy of public broadcasting remains the only alternative.

In return for deregulation, commercial broadcasters, cable operators, and satellite distributors, who use the public airwaves and receive immensely valuable monopoly or near-monopoly franchises, should pay a spectrum-use tax, a cable franchise fee, or at least a transfer tax on the sale of station licenses and cable franchises. The income from these special assessments can help support public broadcasting.

Broadcast licenses, cable franchises, and cellular phone frequencies cost their original owners nothing, and then are bought and sold in the marketplace for hundreds of millions of dollars. They are the most lucrative giveaways in the nation's history. A 1 or 2 percent spectrum and franchise tax on broadcast and cable revenues, a modest payback in return for deregulation, will produce up to a billion dollars that could help public broadcasting provide vital information and much-needed cultural and arts programming to all the people.

It is time that the commercial broadcasters and cable operators stop getting a free ride at the public's expense. Ranchers, lumber companies, and off-shore drillers pay a share of their income for their use of public lands and waters. Truckers are taxed to help pay for the upkeep of the roads and highways they travel on. Similarly, instead of being given away, unused spectrum frequencies should be auctioned off, with the proceeds going to help public television and radio provide what is in increasingly short supply—educational children's programming, minority-interest fare, public affairs documents, and programs devoted to culture and the performing arts. (In Great Britain, the Conservative government has decided to partly deregulate commercial broadcasting and at the same time auction off all existing commercial television franchises, a policy far more radical than anything proposed here.)

Democracy will best be served in the twenty-first century by returning to the eighteenth-century idea of an independent and totally unregulated press, a press that is controlled by many different owners, a press that offers access to many different voices, and a press that makes available essential public affairs, educational, and cultural programming to all our citizens.

A TRIBUTE TO LETTY WICKLIFFE

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. PURSELL. Mr. Speaker, every once in a while, a community pauses to recognize those residents who have added to the fabric and quality of life in a significant and long lasting way.

One such individual in Ann Arbor, MI, is Letty Wickliffe, whose mother was a native Ann Arborite and whose father was a former slave and Civil War veteran.

Letty was born on January 25, 1902, in Ann Arbor and in a few days will be celebrating her 90th birthday. Her productive adult years have earned her the rightful title of respected community leader.

Undaunted by sometimes overt and other times subtle racial prejudice in Ann Arbor, Letty emerged as an energetic and dynamic leader whose words and actions matched her commitment to a truly harmonious city.

Letty's Ann Arbor neighborhood is a model area where diversity flourishes. Many city leaders have sought Letty's leadership on issues ranging from education, she holds a degree in education from the University of Michigan, to community activities, recreation, housing, and city services. Letty has had a positive impact on these issues and many others.

More importantly, Letty Wickliffe has had an impact on the people of her neighborhood, her city, and her political party, she is a lifelong Republican. There are few people who have come in contact with Letty and not come away feeling as though she genuinely cared about them, celebrating their successes and soothing their disappointments.

Letty Wickliffe is unique—a true believer in the can-do spirit and one who has never hesitated to roll up her sleeves and get a job done.

Last year, Letty was featured in a video depicting the lives of three prominant black women of Ann Arbor. To this tribute I add my own, and ask my colleagues to join me in recognizing the achievements of this grand lady.

SALUTE TO NSWSES

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. GALLEGLY. Mr. Speaker, I rise today to honor a vital branch of our Armed Forces for the work it does for our national defense, and for the work it does for their community.

Recently, the Naval Ship Weapons Systems Engineering Station, Port Hueneme, was presented with the city of Oxnard's 1991 Human Relations Award for its outstanding efforts to reach out to and assist its community.

From its commissioning in 1963, the station, located in my congressional district, has required the recruiting of a professional work force with the engineering and scientific educational backgrounds capable of meeting the challenges of the rapid advance of technology at sea. It was also necessary to find the logisticians, administrators, and clerical personnel to support the station's mission. This path has taken NSWSES into a dedicated involvement and commitment to area employment and educational programs, which has grown into a significant commitment and involvement with the community.

As part of that commitment, the station sponsors an ambitious and aggressive equal employment opportunity program, which most recently added the award of two scholarships to local women students.

The station also sponsors the Naval Employment Information Center, which this year placed 1,210 persons into Navy jobs at the bases at Port Hueneme and Point Mugu. By offering counseling, testing and assistance with applications, the NEIC has assisted all comers, but especially women, minorities, and veterans.

In addition, the station was recently commended as being one of five Naval Sea Systems Command field activities that showed significant progress toward accomplishing the Navy's affirmative employment goals, with its largest gains in the hiring of Hispanics and women.

Mr. Speaker, I am proud of the accomplishments of NSWSES, and I ask my colleagues to join me in saluting Capt. R.D. Williams III, the commanding officer, and the entire facility for a job well done.

TRIBUTE TO DAVID FRIEDMAN

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate David Friedman who is being honored by the Boy Scouts of America with the Rhode Island Good Scout Award.

David Friedman is a successful entrepreneur. His hard work and determination serves as a role model for younger Boy Scouts. David's business career began as a salesman for Paramount Foundation and Restaurant and Supply Corp. With his thirst for success, David was soon made partner and, in 1967, purchased the business for himself.

David's success continued as he acquired land occupied by Rhode Island's old mill buildings. David had the foresight to realize that these precious relics of the industrial revolution were worth preserving and that they could be updated to suit present day business needs. Mills such as Geneva Mills, Wanskuck Mills, Davol Rubber Co., Rhode Island Cardboard, and General Wire are examples of David's initiative.

In addition to refurbishing the historic mill district, David Friedman has felt strongly about improving Rhode Island colleges. With his keen business intuition, David acquired property on a 135-acre industrial park now known as Harborside Park. With this land, David introduced and developed the Johnson and Wales Culinary Arts School. The culinary arts school is recognized as one of the best of its kind in the country.

Finally, David Friedman has served his community through his involvement in assorted organizations, such as the Jewish Federation of Rhode Island, of which he is a member of the board of directors. He also serves on the board of trustees for the Jewish Home for the Aged and is a corporation member of Cranston General Hospital. David's willingness to share his business abilities and personal zeal is an example we should all watch carefully.

David, congratulations for an honor well earned. You have distinguished yourself in business and volunteer organizations. I wish you all the best in your future endeavors.

A SALUTE TO IONE BIGGS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. STOKES. Mr. Speaker, I rise today to pay tribute to Mrs. Ione Biggs, an outstanding social activist and community volunteer from the 21st Congressional District of Ohio.

For the better part of her 75 years, Mrs. Biggs has fought for the forlorn and the oppressed, articulating her concerns both at home and abroad. She has worked as a Cleveland policewoman and as a deputy clerk in Cleveland Municipal Court for 30 years. In recent years, Mrs. Biggs has devoted most of her energy to the cause of peace, attending conferences on peace and disarmament in Sweden, Holland, Denmark, and the former Soviet Union.

But, despite her involvement abroad, it is in Cleveland where Mrs. Ione Biggs has her roots and where she has attempted to effect the most social change. As president of the Cleveland-based organization of Women Speak Out for Peace and Justice, Ione Biggs has been instrumental in heightening public awareness of pertinent social issues. Last month marked the completion of Mrs. Biggs' 4-year tenure as president of this esteemed organization.

Mr. Speaker, Ione Biggs' contribution to women's groups and peace groups all over the city of Cleveland and all over the world is surpassed by few. She is true champion and pioneer of social activism whose efforts will continue to result in positive change on both a local and global level.

I am extremely proud to have a constituent like Ione Biggs and would like to share with my colleagues the following article in the Cleveland Plain Dealer newspaper concerning Ione and her many achievements.

[From the Cleveland Plain Dealer, Jan. 6, 1992]

ACTIVISM NOT DAMPENED: AT 75, WOMAN KEEPS UP QUIET FIGHT FOR OPPRESSED

(By Ted Wendling)

CLEVELAND.—Dec. 23, better known as Two Shopping Days Before Christmas, was one of those grim days when downtown was teeming with teeth-gritting procrastinators.

Those who were unfortunate enough to be inching their cars down Ontario St. that day seemed oblivious to the small throng of people who had gathered on the site of the Gateway project to demand jobs and to protest recent cuts in welfare benefits. Not a single honk of support greeted their banners and speeches.

But there, shivering in a muddy, puddled parking lot, stood Ione Biggs, just as she has stood at similar rallies for the forlorn and the oppressed for the better part of her 75 years.

And no, she was not in the least bitter.

"I'm not going to criticize people who are trying to bring joy to their friends and relatives," she said when asked whether she was frustrated that the group's message was not reaching a populace preoccupied with last-minute Christmas shopping. "At the same time, they can get on the telephone or write a letter to the governor.

"This (welfare cuts) is going to cause so much hardship to so many people. At a time when there are no jobs, there has to be some other way."

Last month, Biggs' friends threw a party to celebrate her completion of four years as president of Women Speak Out for Peace and Justice. During the ceremonies, incoming President Pearl Simon quipped, "She's not just a fair-weather friend. When you go out with Ione, you can be sure the weather will be bad."

And so it was on Dec. 23, a dreary, steel-gray day when Biggs could just as easily have stayed home and left the protesting to others.

"She is a wonderful person," Simon said. "She's genuine. She's the real thing. There's no money in it. There's no stardom. Working for a better world is her life."

Unlike many other social activists, Biggs doesn't subscribe to the "squeaky wheel" theory. Her message is rarely strident; in fact, it sometimes borders on understatement.

"We feel that human rights were violated in the Persian Gulf war," Biggs said, stating one unpopular cause championed by Women Speak Out. "But we don't try to be aggressive in our peace work. We try to educate people.

"We feel that there's got to be citizen action. People must get involved in things like this."

Having worked as a Cleveland policewoman ("I was badge No. 3024") and 30 years as a deputy clerk in Cleveland Municipal Court, Biggs in recent years has devoted most of her energy to the cause of peace, attending conferences on peace and disarmament in Sweden, Holland, Denmark and the Soviet Union. But it is in Cleveland where she has her roots and where she has attempted to effect the most social change.

"We think globally, but since we can't push buttons everywhere, we work locally," she said. "We contribute to women's groups and peace groups all over the city.

The speeches had ended, the folk singers were done, and Biggs began getting fidgety. All the while she had been talking about causes and issues, her questioner kept trying to steer the conversation back to her own career and achievements.

"I'm sorry," she said. "I have to go now."

She put on her gloves and fastened the top button of her coat. It was cold outside, there were other rallies to attend and, as this day would attest, Ione Biggs is certainly no fair-weather friend.

INTRODUCTION OF THE INFRASTRUCTURE IMPROVEMENT AND JOB OPPORTUNITIES ACT OF 1992 AND THE QUALITY OF LIFE RESOLUTION

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. HAYES of Illinois. Mr. Speaker, as the President ponders his State of the Union Address, I encourage him to focus on the real needs of this Nation. For the last decade this country has been slowly falling into an economic catastrophe—nearly 9 million Americans are unemployed and 1.6 million have exhausted their unemployment compensation benefits. The current recession has showered our Nation with families that are struggling to put food on the table and pay the rent. Imagine the frustration and despair that the working fathers and mothers endure when they cannot provide food or shelter for their children, or must choose between medicine or other bare necessities. At times it seems as if this administration believes that human suffering cannot exist on American soil. People are homeless and hungry and this administration's response up until a few weeks ago was that "the recession will be over soon."

Ask anyone in any city or town in this country and they will freely tell you the state of the Union. They will tell you that we are in need of rebuilding this Nation—the economy, the infrastructure and housing. I am certain the public would be quick to tell our President that the needs for refurbishing, rehabbing and rebuilding are right here on U.S. soil. Our cities and States are suffering. We must ask why the leadership of this country, including leaders in the Congress, are so quick to support phenomenal levels of spending to help new and emerging democracies abroad, when democracy is not even guaranteed here in America. My priorities simply never change—we need to preserve democracy right here at home. We need to provide jobs for the American worker.

There is a nationwide jobs emergency and this Government must immediately respond to the need. That is why today, the very day that our President will tell us of his plan for this country, I will be introducing two legislative measures that will help set the national employment agenda, and that will help create jobs to build the infrastructure of this country, improve the quality of life and return dignity to American workers. Common sense should tell us that the best and most long-lasting way to decrease the deficit is to put people back to work—to, in fact, increase our revenue by increasing the pool of taxpayers.

The first measure, the quality of life resolution, sets a policy statement for this Nation for full employment and the second measure, the Infrastructure Improvement and Job Opportunities Act of 1992 will create job opportunities at community-based jobs projects that renovate and rehabilitate the public infrastructure including this Nation's roads and bridges, public housing, public schools and historic sites. Each jobs project will be selected by a local district executive council. The projects will provide employment training and support services for American workers. Over 2 million people are currently eligible to participate.

The Bush administration's economic policies are clearly creating persistent high poverty and increasing the gap between the haves and have nots. Not only have the rich gotten richer, but the poor have slipped so far behind that any real recovery at times seems uncertain. With shortfalls in minimum wage, the spiraling cost of health care and the diminishing coverage of unemployment insurance, those living in poverty continue to lose out under our current economic system. This is the state of the Union and it must be addressed.

We need to know the true condition of our country—conditions which real people experience everyday. Those that are suffering because of the economy and this country's lack of direction must be recognized as part of the 1992 forecast. The quality of life is deteriorating as drugs, homelessness, and crime are on the rampage. The leaders of this country must remember that rhetoric is fine, but it does nothing to ensure that Americans have decent housing, adequate health care, quality education or a decent job at a decent wage. Investment in the citizens of this country is my primary concern and a critical starting point is a decent paying job.

As the first international union leader to be elected to Congress, I have spent a lifetime working for ordinary people. I have heralded the cause for full employment for over 50 years. Jobs are certain to be one of the major issues addressed by this Congress, in part because many of us in the Congress have maintained the vigil for a jobs bill over the years. The President and others have just miraculously happened upon the issue. The state of the Union, Mr. Speaker, is apparent on every corner of every city and town, and those that are suffering can no longer be ignored. Mr. Speaker, I encourage my colleagues' support for the Infrastructure Improvement and Job Opportunities Act and the quality of life resolution, and look forward to assisting in the battle to create a comprehensive jobs bill. Thank you.

INTRODUCTION OF LEGISLATION TO EFFECT HOME BUYER MARKET

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. PACKARD. Mr. Speaker, the housing market is a cornerstone of this Nation's economic stability. According to the National Association of Home Builders, the total housing starts in 1991 were under 1 million, the lowest since 1945.

As my colleagues are certainly aware, low interest rates alone will not stimulate the housing market. The housing slump is affecting not only first time home buyers, but many families as well. Due to the current market, they cannot sell their existing residence and thus cannot build or move into a larger home. Without being able to cash in on the equity built up in their home, they will not have the assets to build or purchase a new home. Southern California, which contains some of the least affordable real estate markets in the Nation has suffered a great deal as a result of the continually soft market.

Therefore, I am introducing legislation which will allow the use of funds from individual retirement accounts, 401(k) accounts, and 403(b) accounts to be used for the purchase of a primary residence. By waiving the penalty and tax from withdrawal of money from these types of accounts, this bill will encourage an infusion of capital into the housing market. It will open up the first time home buyer market, and allow growing families to move into larger residences.

I urge my colleagues to join me in spurring a strong and extended economic recovery by providing incentive to first time home buyers and growing families.

TRIBUTE TO GLENN BRENNER

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MAZZOLI. Mr. Speaker, upon our return to Washington following the end of the district work period, we were all saddened to learn of the death of WUSA–TV sportscaster Glenn Brenner.

Glenn was quite a character. He was, first of all, a brilliant sportscaster, but more importantly, a genuinely good human being. He's the kind of guy you would like to have for a son, a brother, or as a friend—which he was to all.

He appealed to the kid in all of us. Even those who have no interest in sports whatsoever were drawn to him, and his death is so personal and deeply felt by people from all walks of life.

Glenn Brenner kept things in perspective. Sports is an important part of most Americans' lives, but it should not be an overriding presence as some would have it. Glenn Brenner and his broadcasts reflected these sensible priorities.

With his quick, incisive wit, Glenn could puncture the most self-absorbed egos. But any criticism he may have delivered was well-placed and right on target. The victims of his barbs could proudly wear the criticism as a badge of honor.

I didn't know Glenn Brenner personally, but feel as if I did. Everyone felt that way about him. His personality, warmth, and inimitable sense of humor endeared him to this community and everyone he met. The testimonies of those who knew him best confirm to all of us that Glenn, the TV person, was Glenn the human being. No disguise; what you saw is what you got.

We will miss his familiar back-and-forth, and the unscripted exchanges with his broadcast colleagues at channel 9—Sonny Jurgensen, Gordon Peterson, Maureen Bunyan, Ken Mease, and so many others. We will remember him always with a smile.

I know that I join with all my colleagues in the House in expressing our deepest sympathies and condolences to Glenn's family at this difficult time.

MATTIE GOODLETT AND CLARENCE STEWART; REFLECTING THE SPIRIT OF COMMUNITY ACTION

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mrs. LOWEY of New York. Mr. Speaker, I rise today to pay tribute to two people whose lives reflect the spirit of community action. Mattie W. Goodlett and Clarence A. Stewart of New Rochelle, NY, exemplify those qualities that are best about community service. They are being honored for their many significant contributions at the Martin Luther King community action program breakfast. It is appropriate that they should be recognized on Dr. King's birthday, for their actions epitomize what he believed.

Since the early 1930's, Mattie Goodlett has been making a difference in New Rochelle by serving as an example of one whose values and esteem for education have guided those around her. Mrs. Goodlett is a living illustration of one who cares and who has devoted her time and efforts to improving the lives of her neighbors. Her community has responded generously to her contributions by citing her accomplishments through numerous prestigious community awards, such as the Citation of Distinguished Service and the Certificate of Appreciation from the city of New Rochelle. Mrs. Goodlett has maintained an active membership in the NAACP for over 50 years. She has received the Inter-religious Council Award and the United Negro College Fund Certificate of Appreciation. These honors are but a few of many. For 30 years, she was devoted to the success of the New Rochelle Child Care Program. Since her retirement in 1975, from her position as supervisor of the Dr. Martin Luther King, Jr., Child Development Center, Mattie Goodlett has remained an important leader in New Rochelle.

As a professional social worker, Clarence A. Stewart, Sr., has had a distinguished career. At the Westchester County Division of Child Welfare Services, he developed the special children's services, currently known as preventative and protective services, home maker services, and the county's first family day care program. He eventually moved on from Child Welfare Services to continue his career with the Mount Vernon Board of Education until 1991, when he retired. Although it is evident by his career choice that Mr. Stewart has always been concerned about the circumstances of others, he has expanded his interest in the community by giving of his free time to many civic activities, including his 10-year service on the New Rochelle Child Care Center Commission. In 1986, he completed a 2-year term as a member of the Child Care Commission of the State of New York. He is currently a member of the board of directors of the Martin Luther King, Jr., Child Development Center in New Rochelle. Mr. Stewart is devoted to his family and has been an inspiration to many.

I am pleased to join many others in congratulating and thanking these two dedicated individuals for all they have meant to our community. New Rochelle is a better place because of their generosity and commitment.

TRIBUTE TO ANNE BELMORE

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate Anne Belmore for her nomination as Outstanding Young Rhode Islander by the Rhode Island Junior Chamber of Commerce.

Each year the United States Junior Chamber of Commerce recognizes outstanding young Americans for their achievements and contributions to their community, States and country. These individuals have exhibited excellence in business, politics, art, science, and other assorted categories. Anne Belmore is a nominee for the Rhode Island affiliate of the United States Junior Chamber of Commerce.

Anne Belmore is the coordinator for the Bristol Substance Abuse Task Force. She strongly believes that a drug and alcohol free society should be the country's top priority today. Anne has shown her intent to make our country safe from the destructive effects of alcohol and drugs in many ways. She has worked with the "Youth to Youth" group and does a monthly call-in television show on substance abuse. Anne has established and oversees a drug advisory program with the Bristol schools and the surrounding community. She regularly speaks at schools and day care centers with the belief that children are never too young to learn about drugs. Anne also works with parents of teenagers on an awareness of alcohol program. Finally, Anne has established a Portuguese Advisory Board to the Bristol Substance Abuse Task Force. Anne's commitment to drug education makes her an excellent nominee for the Rhode Island Junior Chamber of Commerce Outstanding Young Rhode Islander award.

Anne, through your hard work with the Substance Abuse Task Force and your efforts to educate students on the dangers of drugs and alcohol, you have exemplified the Jaycee Creed: "That Service To Humanity Is The Best Work Of Life." I congratulate you on your nomination and wish you all the best in your future endeavors.

NATIONAL OPTICIANS MONTH

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. DINGELL. Mr. Speaker, under the auspices of the Opticians Association of America, opticians across the country are celebrating January 1992 as National Opticians Month. I am particularly proud that one of my constituents, Daniel J. Donahue of Monroe, MI, is president of the National Association for Opticians.

As science makes it possible for us to live longer, good vision makes our longer lifetimes more enjoyable. As vital partners in the eyewear delivery system, opticians provide eyeglasses and contact lenses to the 60 percent of all Americans who need help with their vision.

Dispensing opticians are the eyewear experts. Through formal education programs, voluntary national certification, mandatory licensing in many States, and programs of continuing education, the Nation's dispensing opticians acquire the skill and competence to guide eyewear customers through the literally thousands of choices of frames and lenses. The eyewear consumer can be assured of just the right combination to fit the need for vision correction and the wearer's image at the same time. Additionally, dispensing opticians are important parts of the Nation's small business community and provide the competitive balance that keeps eyewear within the means of all our citizens.

I am pleased to recognize the essential role played by dispensing opticians in the pursuit of the best possible sight for all Americans, and to congratulate Dan Donahue and the association's membership on their accomplishments.

A TRIBUTE TO JUDGE JOSEPH HOWARD

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MFUME. Mr. Speaker, I rise today to honor a proud man and a judge who has struggled the past 34 years to ensure that liberty and justice for all become more than just words. Judge Joseph Clemens Howard, by his own admission a black man first and then a judge, has endeavored to transform the judicial systems of Baltimore and Maryland into such in which the accused are judged by the consequences of their conduct and not the color of their skin.

Judge Howard was born in Des Moines, IA in 1922 to an African-American father and a Sioux mother. He enlisted in the Army in June 1944 at the end of his sophomore year at the University of Iowa, and served in the Philippines and Okinawa. After his honorable discharge as first lieutenant in September 1947, he returned to the University of Iowa, completing his undergraduate studies in 1950.

He pursued the study of law at Drake University, where he became the first person of African ancestry admitted into the Phi Alpha Delta Legal Fraternity in 1952. While at Drake he married Gwendolyn London in 1955.

Upon his arrival at Baltimore, he found employment as a probation officer of the Supreme Bench. He was admitted into the Maryland Bar in 1959 and joined his brother's law firm of Howard & Hargrove.

In 1964 he became assistant State's attorney. It was during his tenure in this office that he first challenged the judicial system with his charge of a double standard in rape sentencing. In 1967, as chief of the trial section in the State's attorney's office, he issued a 32-page report detailing the discrepancies in black and white rape sentencing and in the treatment of rape victims.

In November 1968, Judge Howard became the first African-American elected Associate Judge of the Supreme Bench of Baltimore City. While on the bench he issued a study challenging the inequalities in courthouse employment practices.

Judge Howard's commitment to exposing discrimination in the judicial system aroused the ire of his colleagues on the bench. He has been labeled everything from black radical to black power advocate. To these labels, Judge Howard has responded, "They can call me a lot of things, but not unjust." This is the source of his strength, he cares not how people judge him, but that justice be served.

On January 16, 1979, President Jimmy Carter nominated Judge Howard to the U.S. District Court for the District of Maryland. The Senate confirmed his nomination on October 5, 1979.

On the Federal bench, his efforts to counter prejudice have not wavered. He has worked with various committees to improve conditions for minorities in the judiciary. Through the courthouse personnel committee, for example, he has worked to increase minority employment.

Judge Joseph Howard's contributions to the Baltimore and Maryland judicial systems have been essential in establishing a basis for change. His accomplishments in the State's attorney's office, on the Supreme Bench of Baltimore City, and in the Federal Court have served to inspire people and their leaders to continue to fight for justice and equality, not only in the courts, but in the full political spectrum of their communities.

While we will miss the voice of this grand champion of justice, it soothes us to know he has spent his career inspiring a generation of admirers who will now eagerly take up his fight. In this way, Judge Howard's good works will live on, and the seeds he has sown over 34 years will continue to bear fruit, season after season.

ROYAL HIGHNESS CROWN PRINCE EL HASSAN BIN TALAL OF JORDAN

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. RAHALL. Mr. Speaker, I am honored to present here, after my introductory remarks, an impressive address by His Royal Highness, Crown Prince El Hassan Bin Talal of Jordan, presented to the Conference of the American-Arab Anti-Discrimination Committee in Amman, Jordan on December 12, 1991.

I was privileged to travel privately to the Middle East in mid-December, where I also spoke before the conference. The thrust of my remarks before the Conference was to urge all participants in the Middle East peace talks to continue their commitment to the success of that conference, and to urge their patience with the process only now just began. I stressed that this is a historic occasion, it is unprecedented, and for those reasons alone could require weeks, months, perhaps even years, to bring forth agreement among the parties involved.

The Middle East peace talks, brought to reality by the awesome resolve of President Bush and his Secretary of State, James Baker, must go forward, and it is our responsibility, and certainly our hope, that all obstacles, real and artificial, will be identified in a timely fashion and removed from the path to a lasting and just peace in the Middle East. We have before us, for the first time in our lifetimes at least, the opportunity to see all nation states in the region receive recognition of their sovereignty, recognition of the human rights of all the peoples in the region, and the assurance that the national boundaries of all countries in the region will be secured.

During my travels, I was honored to be received by the King of Jordan, many of his government's ministers and deputies, and was received as well in the homes of private businessmen held in high esteem for their commitment to peace, to democracy, and with a willingness to engage in commerce with their brother nations throughout the region and abroad.

Also during my travels, both in Jordan and again in Lebanon, where I met with its President, his ministers, and with the press, I learned that the civilians there were deeply aware of, and committed to, the Middle East peace talks then being conducted in Washington, DC. The country of Lebanon has great stakes in the outcome of the peace talks, along with all other nation states in the region, and stands ready to continue the talks to their conclusion which, they pray, will see an end to the occupation of Lebanon.

Finally, Mr. Speaker, I visited the Palestinian refugee camps. There too, to my astonishment, I found that those who are helplessly entrenched in those camps were deeply aware of the ongoing peace talks in Washington, and poignantly hopeful that the outcome of those talks will see their return to what, to them, is their homeland, too. They know their history, and they know they must no longer allow themselves to be considered as invisible, nor shall they permit themselves to be called transients in their own land.

The history of the Palestinians, Mr. Speaker, reads like a scripted nightmare written down and continually acted out. War came, and more than 300,000 Palestinians from the West Bank and Gaza left their homes to escape that war, to save themselves and their families. But in September 1967, after the war had ended, a census was taken by Israeli military authorities in the newly occupied territories, and those 300,000 Palestinians who were not there to be counted were thereafter no longer considered residents of their homeland. Those few who were counted were issued with identity cards confirming that they were indeed residents but allowed to remain on sufferance only. This has gone on, and continues to go on, for more than 25 years.

You may come away from the Palestinian refugee camps with a sense of melancholy, and certainly a sense of helplessness, but you will also come away deeply impressed by an attitude of hope in that place of deprivation and want. Hope that emanates from their hearts and minds. The Palestinian people, who are just like you and me—families with children, people with hope for a regular life, a home, an education for themselves and their children, and some dignity and quality of life—will not rest until this is made possible for them.

Yes, Mr. Speaker, the Palestinians in those refugee camps know about the Middle East peace talks, and they have a stake in their outcome.

Mr. Speaker, I am now pleased to present the address of His Royal Highness, Crown Prince El Hassan Bin Talal of Jordan, and recommend its reading to my colleagues in the House of Representatives.

ADDRESS OF HIS ROYAL HIGHNESS, CROWN PRINCE EL HASSAN BIN TALAL TO THE AMERICAN-ARAB ANTI-DISCRIMINATION COMMITTEE CONFERENCE

It is an opportunity for me to speak at rather a difficult moment in the context of current events, where so much is up in the air, where expectation is so ripe. I would like to speak directly to the issue, but at the same time, I think it incumbent on me at these very difficult times to express my personal satisfaction and, on behalf of you all, our honor and pride at the presence among us of Jim Abourezk, Nick Rahall, and all the many triple ADC members in the U.S. who, particularly in this trying period, make us feel that we are represented at the people-to-people level (where it matters) across the length and breadth of the U.S. So, I think a big hand is in order for them.

Ladies and gentlemen, "true peace is not merely the absence of tension; it is the presence of justice". These are the words of a man who lived—and died—for peace, for the end of discrimination and for the beginning of an age of tolerance, cooperation and understanding between peoples and nations. Although he died nearly a quarter of a century ago, his words remains singularly relevant in 1991, and I believe them especially apt today. For your deliberations at this conference—indeed, all of your endeavours—surely owe a great debt to the spirit and wisdom of Dr. Martin Luther King. I would like to take this opportunity to honour the memory of one who did so much to promote the ideals of non-violence, peace and true justice, and who showed how those ideals might one day become realities.

Distinguished delegates, Dr. King's dictum about the nature of peace is nowhere more applicable than in the Middle East. For almost two decades now, there have been no major wars between the Arab States and Israel. Yet neither has there been peace. In the occupied territories, all the features that one would expect to be present in a state of peace—stability, security, respect for personal and political rights—have been markedly absent. As the intifada goes into its fifth year, distribution of resources continues to be characterized by blatant injustice. This is, of course, to say nothing of the total blanket disregard of legitimate and basic human rights, such as the right to self-determination.

And I would like to take this opportunity here, to say to Israeli spokesmen once again: Jordan is, but it is not Palestine. The right to self determination for Palestinians is a right that this political lineage of Hashemites has promoted, has articulated, has sacrificed and died for over eight or nine long decades of this century. The disengagement of two years ago, however, was not a disengagement from the land of Palestine, but a disengagement that gave once again, as in the act of union of 1951, the right to the Palestinian people to exercise fully and freely their political choice. As we look at that—in the corridor of the State Department I think we realize, all of us, what it is that is at stake; a clear recognition of our distinct identity, the State of Jordan and the people of Palestine.

There is not war, but there is no peace, by any criteria. Applying Dr. King's analysis, no only is justice absent, but tension is everpresent. How then may we define this situation? It is a situation that must end, one that cannot be sustained indefinitely: That much we may safely say. But as ever, the difficult questions concern not the situation to be transformed, but the nature of its replacement.

The international peace conference held in Madrid on 30 October 1991 marked a watershed in the history of our troubled region, and pointed the way towards such a replacement. After decades of false dawns, futile initiatives, representatives of all parties concerned with the conflict gathered together, in the hope of laying the groundwork for a long-term and sustainable resolution to the conflict. It is the hope of Jordan that all parties to the process will continue down the long and difficult path to peace in the spirit of open exchange and communication. The fact that we have reached this stage at all owes much to that spirit, and we believe it alone to be capable of fulfilling our mutual desire for peace, security and mutual enrichment.

It has always been Jordan's aim to help bring about a peaceful and equitable resolution to the Palestine question and the concomitant Arab-Israeli conflict. We believe that the former lies at the heart of the latter, and that progress towards peace hinges on a comprehensive resolution of that question. It must be pointed out here that when we speak of resolving the Palestine question, we are employing a term that denotes the provision of both material and non-material human needs associated with the development, identity and autonomy of the individual and of groups with which the individual identifies.

Among the central objectives of any state purporting to act in the interests of those living under its regime are the provision of food, basic health, and purpose for all. These objectives are so fundamental to the human condition that they may be classed as minimum requirements which people may legitimately expect of states. The facts on the ground indicate that Palestinians in the occupied territories are discriminated against on a daily basis in respect of these requirements, in flagrant violation of international laws. Injustice is thus being perpetrated against the personal, national and political rights of Palestinians at the most basic levels.

With respect to the first of these requirements, I would draw your attention to a few statistics on water in the occupied territories. Since 1967, Palestinians have been prevented from drilling artesian wells for irrigation purposes. As a result, the proportion of Palestinian farmland under irrigation has declined from 27 percent to only 4 percent. Some 80 percent of water from the mountain aquifers, underground reserves beneath the hills of the West Bank, is taken by Israel. West Bank villages account for about 1 percent of all the water used in Israel. The Israeli allocation of water resources, naturally scarce in the first place, is discrimination of the most basic kind.

But although the statistics are in themselves cause for grave concern, it is the absence of the third requirement—purpose—that is most worrying. Palestinians in the occupied territories are not provided with any tools of participation, are not accorded the respect necessary to form and manifest their collective will. Purpose requires participation. Participation provides people with an opportunity to manage their own affairs, and makes their identity an object of the state's respect. The collapse of the political systems of Eastern Europe that heralded this decade graphically demonstrated that the power of human needs of identity and autonomy—of participation—is far greater than military power. In the case of Israel, its failure to supply its Palestinian population with adequate supplies of water is therefore but a sympton—though an extremely troubling one—of its failure to provide purpose and participation, which would require involving or consulting that population at the most human level of resource allocation.

It was therefore heartening to note President Bush's call, in his congressional address of 6 March 1991, for the legitimate political rights of the Palestinians in their own homeland to be a major item for the agenda of the peace conference. At last, the Palestinian national struggle for identity has been rewarded. It has taken decades, but Palestinians are now the masters of their own destiny. In the interests of reaching a resolution to this conflict, which underpins all regional confrontations, Jordan has always demonstrated flexibility as to the modalities and format of peace talks. We welcomed the inclusion of the Palestinians, and willingly provided an umbrella for their participation: The joint delegation. At Madrid, all parties indicated both their willingness to continue negotiations, and their commitment to the ultimate objective: A just and lasting peace for all. As events unfold in Washington, as we make every effort to facilitate the goal of peace, we trust that history will vindicate our endeavors. But the path is likely to be as difficult as it will be long, and if we are to attain that elusive objective, certain factors must be borne in mind.

From the co-sponsors of the talks, skillful mediation will be required; and sensitive, pragmatic use of the influence available to them will be needed to bridge the gulf that separates the parties on fundamental issues of substance. Questions must now be raised about the co-sponsorship of the Soviet Union, in the wake of the declarations of Russia, the Ukraine and Byelorussia of their Commonwealth of Slavic States. It is our hope that the impetus from Moscow as well as Washington can be sustained, in whatever form. And I would like to refer here specifically to a statement by a prominent Soviet academician only a few days ago in London, where it became perfectly evident that independent foreign policies are to be expected by the states of that union. There are issues to be discussed that will require balanced mediation, and perhaps given this, more than one mediator will be required. As always, however, it is impossible to predict the outcome of events in the Soviet Union. The pace of international change seems to have accelerated dramatically in the last three years. We can but hope that among the dividends of this rapid transformation will be even greater impetus for peace in our region, the kind of true peace that Dr. King spoke of and worked towards.

Israel, for its part, must accept the cardinal principle of international law that the acquisition of territory by war is inadmissible. Jordan, working within the framework of the UN charter and seeking always to uphold the provisions of international law, has attempted to lay the foundations for many peace initiatives. The basis of our efforts has always been the will of the international community, embodied in UN Security Council Resolutions 242 and 338. They provide the groundwork for a practicable formula for ending the conflict in our region, by calling for the exchange of territory for peace while safeguarding the security of all states in the region, including Israel. I would like to mention here the "security dilemma", a concept of recent political science. It relates to a situation in which two or more states are locked in an arms race with the motive of enhancing their security. With each step up in the arming process, however, the other side responds with a higher threshold of commitment, ensuring continuous incremental escalation. Thus, the pursuit of security paradoxically leads only to greater insecurity.

In a sense, this is the dilemma facing Israel today. It wishes to guarantee its security, but that will never be possible under the present conditions. The gulf war merely underlined that fact, for neither did Israel's weapons of mass destruction deter attack by Iraq, nor did its illegal possession of territory hold supposed strategic value. In these days of sophisticated ballistic technology, there can only be one sure guarantee of security.

The return of the territories occupied in 1967 is absolutely integral to the peace process, and any attempt to depict it otherwise can only be based on disrespect for the legitimacy of international law. There is no other basis for the resolution of the conflict. Only if the will of the international community and the primacy of international law are upheld—and seen to be upheld—can the peoples of the region enjoy the results of peace, and live in dignity, prosperity and true security. The peace we seek goes beyond a state of non-belligerency to one of trust, coordination, and fruitful cooperation over issues such as water, arms control, refugees and the environment. Let me make it clear—this is not a soft option for Jordan. Jordan stands by the principles I referred to, and which you have heard time and again from his majesty, and I would like to make very clear that when we speak of a process, in reality, we are no better or worse than the Europeans who initiated treaties that only sought the confidence building—evolved decade by decade, generation by generation. I am not speaking of the here, and the tomorrow and the next year. I am speaking of a vision of peace. These issues are increasingly pressing, and must be addressed soon. But there is a great deal of ground to make up if the traditional barriers between the sides are to be lowered.

Perhaps the most vital element of the peace process currently in motion is the implementation of measures to build public confidence on both sides. The most urgent and central of these is a freeze on settlement construction in the occupied territories. Congressman Rahall, may I say how worried we feel, with all due respect to the slump in the building industry in the U.S. that this silver lining may be offering hope for that potential lobby—as indeed the development of further massive military sales programmes provides hope and tangible profit for the military sales lobby.

Ladies and gentlemen, I may be dwelling on the issues, but I am not here to be an after-dinner speaker. You asked for a keynote address, and by God you're going to get one.

Such a freeze would be a mark of good faith and a valuable contribution towards the breakdown of psychological barriers that exist for both parties. Indeed, all parties must refrain from actions which may undermine the continuation of the process. This opportunity has been nearly half a century in coming; we believe that none of the parties wish to wait so long for another opportunity, and that they will therefore act only in our common best interests.

Israeli settlements in the occupied territories do not only violate international law, but underline the primacy of war as an instrument of Israeli foreign policy. Jewish acquisition of land in Palestine has served as the basic vehicle of nation-building. Moreover, the question of settlements has repercussions beyond the occupied territories. It impinges directly on Jordan's national security, and the social, economic and environmental interests of our population.

If you will permit me to say: To those Jordanians and others who ask "why should Jordan get involved anyway?" 60% of the land today, 100% of the land tomorrow and 100% of the people of the people on your doorstep the day after. That is what, (in Arabic) "what business is it of ours".

I mentioned earlier some figures relating to the allocation of water in the West Bank. It is appropriate here to review briefly the history of relations between Jordan and Israel with respect to water. After Israel took control of the River Jordan by diverting its flow in 1964, Jordan began to build a dam on the River Yarmouk. This was deliberately destroyed by Israeli soldiers in the last hours of the 1967 war; and later plans to build a dam further up the Yarmouk have met only with Israeli intransigence. We believe that such policies are conducive only to continued confrontation, and the furtherance of the psychological barriers and material iniquities that characterise relations between the sides in the conflict. We believe that now is an appropriate time, and that his would be an appropriate area, for the implementation of confidence building measures on the part of Israel.

I should like to make some observations at this point concerning the effect upon Jordan of the mass displacement of people that has taken place in the Middle East since Iraq's invasion of Kuwait in 1990, last year, and it seems to be a very long year away. I have been saying for several weeks: Happy new day or happy new week! Jordan's position differs in several respects from that of other countries which have received displaced people during the recent crisis. This displacement, in the case of the UK would have been equivalent to 7 million people on the shores of England—10% of our population.

In addition to accommodating large numbers of displaced migrant workers and professions who were en route to their home countries, Jordan has had to cope with up to 300,000 of its own "returnees" from Kuwait, Iraq and other Gulf States. This amounts to an increase of 10 percent on a population that already comprised the world's highest proportion of refugees to indigenous population; at one quarter. I would add briefly that the term "returnee" had no real significance for many of these involuntary migrants, as most of them had been away from Jordan for decades. Their home, on any reasonable construction of the word, was the country which they were obliged to leave. This massive influx placed a tremendous strain on Jordan's ability to provide education, jobs, housing, health care and municipal and public services.

I would also like to ask—off the text, but on the record—who stands to gain from pressure on Jordan from the West, from the south, the south-east, at a time when we are expected to proceed boldly towards peace and stability while carrying so many burdens. Jordan is, but it is not Palestine.

I am proud to tell you today that Jordan rose to that challenge, when many of you were watching CNN and the build up to the Gulf crisis, I hope it is not false modesty to remind you, that many of us were digging latrines in the desert. We paid that price, we rose to that humanitarian challenge, and thank goodness, with no loss of life due to negligence. Drawing on the same spirit and determination with which the challenges of the 1948 and 1967 crises were turned ultimately to human advantage. But I cannot deny that a tremendous strain has been placed on Jordan, the effects of which continue to be felt. However, these effects and these pressures will never deter us from honouring the principles for which our forefathers stood and fell, giving the most precious contribution of all. Yes, there is a peace dividend. Yes, there is a price of peace. Yes, the parties look to heavy investment. It is estimated that the cost of safeguarding the current standard of living is $4.5 billion. I would ask you to compare this figure with Israel's request for $10 billion in housing loan guarantees alone for the influx of a comparable number of Soviet Jews.

Ladies and gentlemen, if it is clear that there are great disparities in the region, the nature of the challenges for the future is equally clear. It is for such reasons that Jordan regards multilateral negotiations on regional issues to be of paramount importance. These issues are by their very nature transnational, and must be addressed collectively. This includes not only the regional players, but the international community at large. The region will never know true peace unless the prevailing disparities are eliminated. We see the problems of the region as fundamentally inter-related, and we view a cooperative global framework for the resolution of our inter-connected regional crises as the only approach likely to succeed. Our basic renewable commodity in this country is not oil, but thinking. Our thinking has proceeded along the lines of the regional conference on security and cooperation put forward in Europe (the Helsinki process), and it is this paradigm that I wish to put forward to you as the best chance for lasting peace in the Middle East.

In the past, questions of demography, resources and ideology have been addressed almost exclusively through the dimension of military security. But reliance on this dimension has not, as yet, produced a situation of true peace, security and stability in the region. For example, border disputes have in the past been settled by military force. In the gulf alone there have been no fewer than twenty-two active border disputes since 1990. This has in turn fueled military spending, leading to massive military debts as eager suppliers of arms compete for customers. The inter-relation between energy, arms and debt is plain to see in this context. It is an enduring and telling irony that the five permanent members of the UN Security Council, empowered to uphold peace around the world, together account for approximately 90 percent of the world's arms trade. This over-emphasis on the military dimension has given rise to what may be termed the political economy of despair.

We in Jordan seek to take another approach. It is an innovative, even ambitious, approach, but a brief parallel with developments in Europe will serve to illustrate why we believe it to be the only one with a chance of ultimate success. Europe, like the Middle East, was plagued by war and internal rivalry for centuries. It is only now proceeding down the path of integration and cooperation. Europeans view this process, the regional conference on security and cooperation, as the most likely to yield lasting resolutions satisfactory to all. This is a belief shared by Jordan.

By way of illustration, in the case of border disputes, we would favour peaceful negotiation with ultimate recourse to the international court of justice, and the implementation of a regional environmental plan. To take another example, rather than dealing with the scarce resource of water through hydraulic wars, we advocate a regional water plan that would ensure fair distribution for all.

In essence, then, our vision is of a Middle Eastern Helsinki process, a conference on security and cooperation for the Middle East. We believe that such a model would eliminate the political economy of despair. Democratisation, freedom of expression, human rights and greater awareness of a reliance on the political and economic dimensions of security provide a route towards the alternative political economy of peace, security and progress. The participation of states with a similar experience in conflict resolution is of course imperative to assist the countries of the Middle East in overcoming their difficulties.

We are aware that this vision requires the laying aside of dogma, of prejudice, of traditional hostilities. But we must learn tolerance for different ideologies. All ideologies have certain common points, together with their differences. We must develop the breadth of vision to identify and build upon these common points, while remaining firm in our demand that every government respect those universal rights of human beings and fulfill those universal requirements I spoke of earlier. These requirements, like so many of the challenges of today's world, go beyond questions of national strategy or ideological labels. They form the starting point of a humane discourse that appreciates the common ground and moves towards a constructive dialogue. We hope that such a process will occur in the Middle East, and we are pledged to do our utmost towards it.

But such a process is hollow unless there are individuals, organisations and governments committed to rectifying conditions of injustice, maintaining public awareness, and championing the causes of peace and equality, such as the American-Arab Anti-Discrimination Committee. Your work in providing legal assistance for victims of discrimination is much needed; your efforts to disseminate salient information equally so. Perhaps most important is your work with the media, for in the forum provided by the international media, the power of individuals and organisations to promote ways of thinking based on equality and respect can be used to best effect.

Conditions that we must hope are now drawing to their inevitable end, conditions that each and every one of you may play a part in alleviating.

"As long as there is poverty in the world, I can never be rich, even if I have a billion dollars. As long as diseases are rampant and millions of people in this world cannot expect to live more than twenty-eight or thirty years, I can never be totally healthy—I can never be what I ought to be until you are what you ought to be. This is the way our world is made. No individual or nation can stand out boasting of being independent. We are interdependent".

Thank you ladies and gentlemen.

TRIBUTE TO LITE RAIL GALLERY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MATSUI. Mr. Speaker, I rise today to honor the Lite Rail Gallery on the occasion of their latest event. From February 3 through March 6, 1992, the Lite Rail Gallery in Sacramento will be hosting "Gathering: an Asian American Women Artist's Association Juried Exhibition."

The AAWAA was founded in 1989 by two women from the San Francisco Bay area, Florence Wong of Sunnyvale, and Betty Kano of Berkeley. The group has grown to include 75 members whose purpose is "to come together to share, to encourage and to support one another." AAWAA, while united in purpose, is a diverse group of artists, with a great range of backgrounds, ages, experiences, and styles of expression. Members are involved in visual and performance arts, music, design, video, and literature.

Mr. Speaker, I appreciate the opportunity to commend the Lite Rail Gallery for their exhibit honoring the talents of the women of the AAWAA. The organization contributes a rich array of perspectives to American art, and I ask my colleagues to join me in extending to the Light Rail Gallery best wishes as it hosts this important exhibition.

TRIBUTE TO RICHARD A. LIDINSKY

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. CARDIN. Mr. Speaker, today I rise to pay special tribute to a man who has played a key role in the shaping of a modern Baltimore City. This man is Richard A. Lidinsky, the former executive secretary to the mayor and deputy comptroller and clerk to the board of estimates.

Since 1947, Mr. Lidinsky has used his unique abilities in the public arena to build a prosperous and successful Baltimore. Mr. Lidinsky, who recently retired after a 44-year career in the public sector, has been a key player in the development of an economically sound and successful Baltimore.

As deputy comptroller and clerk to the Board of Estimates, Mr. Lidinsky has served under eight mayors and Baltimore's legendary watchdog comptroller, Hyman A. Pressman. As clerk of the board of estimates, he has overseen the office that handles all of Baltimore City's expenditures and contracts, making the renaissance of Baltimore's neighborhoods, downtown, and inner harbor a reality.

While Mr. Lidinsky has never run for elected office, his public career spans from the administration of Mayor Thomas J. D'Alesandro, Jr., to Mayor Kurt L. Schmoke, Baltimore City's first elected black mayor. Mr. Lidinsky played an important role in the revitalization of Baltimore City in the administrations of Mayor Thomas J. D'Alesandro III, and Mayor William Donald Schaefer.

Known as "Mr. Richard" to a legion of friends and admirers, Richard Lidinsky has always remained a gentleman; able to remain above the political fray. As a religious man who attends daily mass, he was often called upon to give the opening prayer at city council meetings.

Baltimore is lucky to have had the many years of Mr. Lidinsky's public service. I fear it will be a long time before our city is graced by the presence of someone of Richard Lidinsky's personal and professional qualities. Mr. Speaker, I hope that you and my colleagues will join me and the citizens of Baltimore in paying tribute to this very special public servant.

REAGAN'S RIGHT STUFF

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MICHEL. Mr. Speaker, given the importance of the end of communism in the Soviet Union and Eastern Europe, there has been relatively little analysis of how this historic event came about. There are many causes of the dissolution of Soviet communism, but surely one of them was the indomitable spirit of President Ronald Reagan. He called the Soviet Union an evil empire. His critics scolded him. He was right. They were wrong. The fall of communism didn't just happen. It was caused, and President Reagan was among those who helped bring it about.

At this point I want to insert into the RECORD "Reagan's Right Stuff" by Gary Hoitsma, in the Washington Times, January 22, 1992.

REAGAN'S RIGHT STUFF

One of the most remarkable aspects of the extraordinary demise of Soviet communism during the past year has been the speed with which these truly historic events happened. The failed coup in August. The banning of the Communist Party. The independence of the Baltic States and the other Soviet republics. The rise of Boris Yeltsin. The fall of Mikhail Gorbachev and, concurrently, the end of the Soviet Union. All told, the unequivocal triumph of freedom.

These events came about so fast and furiously that had anyone suggested them as much as a year ago, he would not have been believed. Had he suggested them 10 years ago, he would have been ridiculed as a hopeless romantic, if not a stupid simpleton.

And, of course, he was. Ask Ronald Reagan. More than any other prominent American, Mr. Reagan consistently and accurately predicted the fall of communism and the ultimate victory of the West in the Cold War. And all the while he was doing it, all throughout his presidency, his speeches and words about the Cold War and the battle between freedom and communism were ignored or disparaged by the prevailing leaders of sophisticated opinion. Now that events have proven him to have been right, it is amazing how little credit he has received.

So just for the record, here is a brief sampling from former President Reagan's first term in office:

May 17, 1981: "The West won't contain communism, it will transcend communism. It won't bother to . . . denounce it, it will dismiss it as some bizarre chapter in human history whose last pages are even now being written."

June 8, 1982: "The march of freedom and democracy . . . will leave Marxism-Leninism on the ashheap of history."

June 23, 1982: "So the era ahead of us is one . . . that I firmly believe will end in the triumph of the civilized world and the supremacy of its beliefs in individual liberty, representative government, and the rule of law under God."

July 19, 1982: "To all those who are denied freedom, we send a message today: Your cause is not lost. You are not forgotten. Your quest for freedom lives in your hearts and in our hearts. God willing, we will see a day when we shall speak together of the joys of freedom. . . ."

Feb. 22, 1983: "History is not a darkening path twisting inevitably toward tyranny, as the forces of totalitarianism would have us believe. Indeed, the one clear pattern in world events . . . is in the opposite direction."

March 23, 1983: "My fellow Americans, tonight we're launching an effort [the Strategic Defense Initiative] which holds the promise of changing the course of human history. There will be risks and results take time. But I believe we can do it."

Aug. 23, 1983: "There's a democratic revolution going on in this world. It may not grab the headlines, but it's there and its growing. The tide of history is with the forces of freedom. . . . That's the real message, and that's the overwhelming news story of our time, even though it seldom makes the front page."

Dec. 9, 1983: "Totalitarianism on the left, just like Nazism before it, will be discarded by a disgusted humanity. Much depends on us, but we can be confident that the tide of history is indeed running on the side of freedom."

Feb. 6, 1984: "In the political world, the cult of the state is dying, so, too, the romance of the intellectual with state power is over. . . . Believe me, there are great days ahead . . . for the cause of human freedom."

March 2, 1984: "This is our moment. Let us unite, shoulder to shoulder, behind one mighty banner for freedom. And let us go forward from here not with some faint hope that our cause is not yet lost; let us go forward confident that together we will be victorious."

May 24, 1984: "The tide of the future is a freedom tide."

June 27, 1984: "It may seem an impossible dream to think there could be a time when Americans and Soviet citizens of all walks of life travel freely back and forth, visit each other's homes, look up friends and professional colleagues, work together in all sorts of problems, and, if they like felt like it, sit up all night talking about the meaning of life and the different ways to look at the world. . . . I don't believe it's an impossible dream, and I don't believe you believe that, either."

July 4, 1984: "For a while, the doctrine of Marx and Lenin seemed something new and revolutionary. And some among us said, 'Well, that's an idea. We should look at it.' Well, all for a while. Times have changed. Man has moved on, and more and more we can see that the tide of the future is a freedom tide."

Oct. 12, 1984: "With regard to the future, you ain't seen nothin' yet." In a nutshell, Mr. Reagan was right. He understood—more accurately than most—the forces at work pushing the West toward victory in the Cold War. That he deserves immense credit for articulating his vision with unmatched eloquence and clarity—even in the face of constant belittling—is undeniable. That he will ever see it in his lifetime is—unfortunately—highly doubtful.

FULLER WARREN BRIDGE REPLACEMENT

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. BENNETT. Mr. Speaker, on November 27, 1991 this body approved a $151 billion surface transportation bill. This legislation focused attention on the growing needs of American infrastructure. In all 50 States there are roads, bridges, and highways which have been deemed deficient and are in desperate need of repair or replacement. Just a week ago, that need became real to me and my constituents when the Florida Department of Transportation was forced to close the Fuller Warren Bridge in downtown Jacksonville, FL. Engineers inspecting the bridge discovered seven large cracks and closed the bridge for repair.

While this may seem like just one more local bridge project clamoring for attention, it is not. You see, the Fuller Warren is the bridge which Interstate 95 uses to cross the St. Johns River in Jacksonville and moves motorists into and out the city. The bridge was constructed 100 percent by local funds and, despite the fact that it was incorporated into the Interstate Highway System in 1969, only local funds were used for the repair of the Fuller Warren through 1989. Since that time, State funds have been used for repair. However, never have Federal dollars been spent on this vital link in the Interstate System. Anyone that has been to Florida on I–95 has traveled over this bridge. My east coast colleagues would recognize this bridge as the gateway to Florida. The closing of this bridge does not just affect the citizens of Jacksonville, but rather citizens up and down the eastern seaboard. When the Florida DOT prohibited vehicle traffic on the Fuller Warren, tourist and commercial traffic came to a standstill, causing hours of costly delays. The closing of the Fuller Warren Bridge all but closes the road to Florida whether your mission is to ship goods or visit the State.

When it was built in 1954, the Fuller Warren was designed to carry 50,000 vehicles per day. The bridge capacity is now double that and carries 100,000 vehicles per day. Because of the great needs met by the Fuller Warren Bridge and the excess capacity it is now straining to support, I am today introducing legislation to authorize the Secretary of Transportation to carry out a highway construction project to replace or repair the Fuller Warren Bridge in Jacksonville. Such a project will help meet the commercial and transportation needs of those far beyond our city and will have positive impacts across the country.

TRIBUTE TO LIONEL REMILLARD, JR.

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate Lionel Remillard, Jr., for his nomination as "Outstanding Young Rhode Islander" by the Rhode Island Junior Chamber of Commerce.

Each year the U.S. Junior Chamber of Commerce recognizes outstanding young Americans for their achievements and contributions to their community, States, and country. These individuals have exhibited excellence in business, politics, art, science, and other associated categories. Lionel Remillard is a nominee for the Rhode Island affiliate of the U.S. Junior Chamber of Commerce.

Lionel Remillard's greatest achievements come from his civil work for the city of Woonsocket. A lawyer by trade, Lionel has become involved in assorted organizations through his extraordinary fundraising and legal expertise. Lionel was the first president of the Milk Fund, Inc., an organization which provides milk all year-round to Greater Woonsocket's impoverished children, their families, and the elderly. He raised a record $93,000—plus 10 percent—in a 1-month drive for the organization in 1988 and has consistently acquired volunteers and monetary contributions for the milk fund. Lionel is also the founder of the Woonsocket Freedom Fund and the Woonsocket Columbus 500 Commemorative Committee, both of which are designed to signify the importance of liberty and happiness to the city of Woonsocket. Finally, in 1988 and 1989, Lionel was president of the Woonsocket Junior Chamber of Commerce and is still very active in the organization. Lionel's commitment to important local organizations makes him an excellent nominee for the Rhode Island Junior Chamber of Commerce Outstanding Young Rhode Islander Award.

Lionel, through your hard work and steadfast commitment to helping the Woonsocket community, you have exemplified the Jaycee Creed: "That Service To Humanity Is The Best Work Of Life." I congratulate you on your nomination and wish you all the best in your future endeavors.

THE 125TH ANNIVERSARY OF ST. JAMES CATHOLIC PARISH

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. TRAXLER. Mr. Speaker, I rise today to salute the 125th anniversary of St. James Catholic Parish in Bay City, MI. This joyous celebration lauds over a century of service to St. James parishioners and the Bay City community.

Since the first St. James Church was erected on the present site in 1868, the parishioners have remained steadfast in their commitment and have persevered through the loss of two churches to fire. They continue to worship today in a beautiful, modern church dedicated in 1980.

The Reverend Henry Schutjes, a European missionary was sent to preach in the Saginaw area during the lumber era around the time of the Civil War. He founded several Catholic churches in the Saginaw Valley and was a strong believer in Catholic education. Through his efforts, the first St. James Church was built on the site of the present church in 1867, and the parish was established a year later. An elementary school and high school, the first parochial coeducational high school in the United States, opened its doors in 1873, and since then, thousands of students have passed through this educational system. St. James High School merged with other parochial schools in Bay City in 1968, to form All Saints Central High School, but St. Judes Grade School continues to be recognized today for its excellence in education.

Over its 125-year history, many young men and women have answered the call to religious life. More than 70 women have entered the convent and close to 24 men have become ordained ministers. The parish can be proud of them and the environment which fostered their vocations.

Nine pastors have very ably led the generations of St. James parishioners through adversity and good times, coping with building and rebuilding programs, changes brought about by the Second Vatican Council, and demographic and economic changes in the community. This dedication has allowed St. James Catholic Church to continue its presence and mission in the Bay City area.

Please join me in commemorating this celebration of 125 years and congratulating the congregation whose steadfast faith and commitment have brought St. James Parish to this milestone. May St. James Church and its parishioners continue to provide spiritual inspiration and leadership to the Bay City community for another century.

SALUTE TO JOE ADAMS

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. GALLEGLY. Mr. Speaker, I rise today to honor a true point of light in our national firmament, Joe Adams of Sunland-Tujunga, CA. For if anybody in this Nation can be said to have become involved in their community, it is Joe.

Joe has been working to make the Sunland-Tujunga area a better place to live since he moved there in 1953, after growing up in Minnesota.

Among his many accomplishments, Joe has been involved with such community groups as the chamber of commerce; the Concerned Citizens of Sunland-Tujunga, which he founded; the Foothill Area Boosters Association for the Los Angeles Police Department; the Elks Club; and the American Association of Retired People.

He helped create the day at the races and annual golf tournament for the chamber, was president of the local AARP chapter for 3 years, and perhaps most memorably was the chairman of the fundraising drive in 1970, that enabled an 8-year-old girl dying from cancer to meet her idol, Elvis Presley.

Mr. Speaker, voluntarism has always been a cornerstone of our Republic. And as our Nation returns to the values that helped make it great in the first place, I ask my colleagues to join me in saluting Joe Adams for his selfless commitment to his community.

BEN SPADARO: DEDICATED TO COUNTRY AND COMMUNITY

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mrs. LOWEY of New York. Mr. Speaker, I rise today to pay tribute to a man who embodies the spirit of the Veterans of Westchester County and throughout our Nation. Ben Spadaro has dedicated the last 28 years to the service of veterans, the last 7 as Westchester County Coordinator of the Veterans Service Agency. In Ben Spadaro our veterans have had a strong and effective voice, a forceful, and successful advocate.

Ben, a Westchester native, is an Air Force veteran who, after serving his country, began a lifetime of service to his community. Though he has used much of his talent as an advocate for fellow veterans, Ben Spadaro has also devoted time to such groups as the Little League, the Red Cross, Lawrence Hospital, and the American Legion, to name a few. In each instance, many individuals have benefited, many lives have been enriched.

Ben has always found time to serve as a leader in providing the veterans of Westchester with a greater voice in our community, a voice that has led to an improved quality of life for everyone. Since Ben Spadaro assumed the position of coordinator of veteran affairs, Westchester veterans have known that they have always had a friend to whom they could turn in times of need.

Ben will leave a tremendous void when he retires from county service. However, we all know that his retirement will not be an end to his distinguished public service. Instead, this transition in his life will present new opportunities for Ben to devote time and energy to those causes that are so important to Westchester and our Nation.

XEROX NAMED COPIER OF THE YEAR

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. HORTON. Mr. Speaker, in these times of a slumping economy, corporate layoffs, and declining consumer confidence, Americans have increasingly questioned our ability to compete with Japan and other nations in the world marketplace. To those who say American business cannot cut the mustard, to those who say that the American work force is inferior, that our products are inferior and destined to remain that way I say that you are dead wrong.

A little over 2 years ago, President Bush presented Xerox with the Malcolm Baldrige National Quality Award. Xerox was one of only two companies to win the award, which Congress established to recognize outstanding American companies who have implemented total quality strategies and have significantly improved customer satisfaction.

At the time, then-chairman and chief executive officer David Kearns noted that "a focus on quality had enabled Xerox to halt erosion and begin to regain market share from the Japanese." But, Mr. Kearns went on to say, "Our quality journey is far from over. Receiving this award * * * provides further motivation to all Xerox people to continue to intensify their efforts to improve quality and to better serve our customers." And he was right.

Earlier this month, Buyers Laboratory Inc. [BLI], the Nation's oldest office products testing organization, awarded the Xerox 5100 copier—the first unit designed and manufactured by Xerox Corp. in the United States for worldwide export—as the "Most Outstanding Copier Overall" for 1991.

The award was among three major honors, including "Copier Line of the Year," which Xerox received. The annual awards recognize high quality, superior performance, and technical innovation. Award selection is based on BLI's rigorous testing and evaluation of office equipment. BLI tests copiers in various categories. It evaluated more than 40 models in 1991, including copiers from all major Xerox competitors. Evaluation includes analysis of factors such as copy quality, reliability, ease of use, productivity, and operating costs.

Commenting on the 5100 as copier of the year, BLI said it had "unprecedented reliability," and performed more than 400,000 copies between service checks. In addition, the remote interactive communications [RIC] capability of the machine provided "nearly seamless uptime * * * alerting service technicians of possible problems before they became apparent to the user." BLI also noted the image quality of the 5100, saying that it was "nearly faultless * * * the pinnacle of analog machines."

In selecting the Xerox copier line, including the Xerox 5102, 5014, 5028, 5034, 5046, 5052, 5065, 1090, and 5090 copiers and the DocuTech Production Publisher, BLI stated: "Xerox copiers consistently demonstrated that they are unbeatable in several areas: copy quality, ease of use, productivity, and technology. In addition, the Xerox total satisfaction guarantee is unprecedented."

This is the second consecutive year BLI has honored Xerox with its "Product Line of the Year" Award. The DocuTech Production Publisher, an industry-leading, high-speed digital publishing system, received a special "Most Outstanding Technical Achievement" Award.

Xerox has demonstrated that if you put the customer first and you make quality a priority it is possible for American corporations and American workers to compete and to make the best products in the world. This commitment to excellence is and remains a national priority.

TRIBUTE TO THE PLYMOUTH-CANTON MARCHING BAND

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. PURSELL. Mr. Speaker, I rise today to mention the outstanding accomplishment of an outstanding group of musicians in my home district, a total of 189 musicians, to be exact. I am speaking of the first-place, national championship, Plymouth-Canton Centennial Educational Park [CEP] Marching Band.

The CEP Band has won, for the second year in a row, the Bands of America Grand National Marching Band Competition—making them the No. 1 high school band in the country, 2 years running.

Under the direction of Glen Adsit, the CEP Band has marched in numerous competitions and shows. Their many hours of hard work and practice have paid off in many ways, including the national title and winning the Michigan State Championship for 6 of the last 8 years.

At a time when so much emphasis is placed on athletic competition, I believe it is equally important to note an accomplishment such as this, which takes no less dedication, talent, and execution. As the members of the band can testify, winning a national title is the culmination of a team effort where everyone must give 100 percent.

Mr. Speaker, it is with a sense of pride that I offer this tribute to the CEP Band and ask my colleagues to join me in congratulating the band members, parents, and supporters on winning the national title for the second year in a row.

IN OBSERVANCE OF DR. MARTIN LUTHER KING, JR., DAY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MAZZOLI. Mr. Speaker, on January 20, 1992, we in America paused to mark the anniversary of the birthday of the Reverend Dr. Martin Luther King, Jr.

With a sense of great pride, I join my fellow Americans in paying tribute to his memory as a peacemaker and as an individual who made a difference in the human and civil rights struggle.

Dr. King had a lasting impact on the effort to guarantee civil rights for all. And, while his tireless labors achieved many advances in the battle for equality, much is yet to be done.

The approval of the Civil Rights Act of 1991 and the President's signing the bill into law, I believe, are steps in the right direction. I was proud to have been a cosponsor of this important legislation and to work for its passage.

Dr. King's dream is not limited to ending the evil of discrimination. It extends to recognizing the dignity and worth of all people, and to alleviating the human suffering from unemployment, a lack of medical care, and the like.

I join my colleagues and all Americans in making a commitment to making Dr. King's dream come true.

LEGISLATION TO ELIMINATE THE EARNINGS TEST

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. PACKARD. Mr. Speaker, I ask today that my colleagues join with me to eliminate the earnings test on Social Security benefits. I am the sponsor of H.R. 1575 to correct the injustice that seniors suffer from.

Retirement is something to look forward to; the golden years for men and women who have worked hard all of their lives. And yet many senior citizens benefits are being eroded by age-discriminatory legislation. Under current earnings test restrictions, seniors over the age of 65 to 69 who make more than $10,200 per year must forfeit $1 for every $3 they earn over the limit.

H.R. 1575 would remove this limit. We must encourage those who are willing to continue working during their later years, not penalize them. For too long, the Federal Government has discouraged those 65 and older from working by limiting the amount of money they can make while receiving the benefits that are rightfully theirs.

In addition, during these tough economic times, I'm sure my colleagues will agree that repeal of the earnings test would be a sound ingredient to any economic growth package that Congress may consider in the future. Senior citizens are a valuable resource in America. These men and women have contributed to the economic prosperity of this country, and we should not penalize them for wanting to continue to work.

I urge my colleagues to support this bill so that we can correct the corrosive effects of the Social Security earnings test.

TRIBUTE TO LT. COL. RICHARD MOORE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MATSUI. Mr. Speaker, I rise to pay tribute to Lt. Col. Richard Moore, a dedicated officer, on the occasion of his retirement from the U.S. Air Force. It is a special honor to salute such a remarkable leader, who made a great contribution to the McClellan Air Force Base and the Sacramento community.

Lieutenant Colonel Moore represents the finest tradition of military officers and the excellence of McClellan Air Force Base. His distinguished military career began over 20 years ago when, after graduating from Park College with a B.A. in mathematics, he chose to serve his country in the U.S. Air Force. In 1974, Lieutenant Colonel Moore completed his M.S. in logistics management at the Air Force Institute of Technology.

Lieutenant Colonel Moore applied his education to improving aircraft communication and electronic systems, transforming McClellan Air Force Base into an award-winning facility. Under his leadership, the Sacramento Logistics Depot was awarded the 1989 Air Force Installation Excellence Award for its facility upgrades and improved plant layout design. His innovative ideas and dedication to quality improvement were again acknowledged when McClellan Air Force Base was honored with the President's Award for Quality and Productivity.

Mr. Speaker, it is with great pride and enthusiasm that I speak on behalf of Lieutenant Colonel Moore. He has been an invaluable resource to McClellan Air Force Base and the Sacramento community, and his contributions will not be forgotten.

INTRODUCTION OF THE INFRASTRUCTURE IMPROVEMENT AND JOB OPPORTUNITIES ACT OF 1992 AND THE QUALITY OF LIFE RESOLUTION

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. HAYES of Illinois. Mr. Speaker, as the President ponders his State of the Union Address, I encourage him to focus on the real needs of this Nation. Ask anyone in any city or town in this country and they will freely tell you the state of the Union. They will tell you that we are in need of rebuilding this Nation—the economy, the infrastructure, and housing. We need to provide jobs for the American worker.

There is a nationwide jobs emergency and this Government must immediately respond to the need. That is why today I will be introducing two legislative measures that will help set the national employment agenda, and that will help create jobs to build the infrastructure of this country, improve the quality of life, and return dignity to American workers. Common sense should tell us that the best way to decrease the deficit is to put people back to work—to increase our revenue increasing the pool of taxpayers.

The first measure, the quality of life resolution, sets a policy statement for this Nation for full employment, and the second measure, the Infrastructure Improvement and Job Opportunities Act of 1992 will create job opportunities at community-based jobs projects that renovate and rehabilitate the public infrastructure.

The state of the Union, Mr. Speaker, is apparent on every corner of every city and town, and those that are suffering can no longer be ignored. Mr. Speaker, I encourage my colleagues' support for the Infrastructure Improvement and Job Opportunities Act and the quality of life resolution, and look forward to their adoption.

TRIBUTE TO BRENDA CLEMENT

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate Brenda Clement for her nomination as Outstanding Young Rhode Islander by the Rhode Island Junior Chamber of Commerce.

Each year the U.S. Junior Chamber of Commerce recognizes outstanding young Americans for their achievements and contributions to their community, States, and country. These individuals have exhibited excellence in business, politics, art, science, and other assorted categories. Brenda Clement is a nominee for the Rhode Island affiliate of the U.S. Junior Chamber of Commerce.

Brenda's greatest achievements come from her civic work for the city of Pawtucket. She is the president of "Pride" in Pawtucket, a non-profit organization committed to promoting civic pride. Brenda is also president of the Pawtucket Citizens Development Corp. [PCDC] which was originally an advisory board under former Mayor Brian Sarault, but has now become an independent organization that fights for fair housing. In addition to her position at PCDC, Brenda is a board member of the Affordable Housing Association as well as the Pawtucket Zoning Board of Appeals. Finally, Brenda has recently become a member of the Pawtucket City Council where she can continue her work of enhancing the Pawtucket community. Brenda's commitment to establishing fair and affordable housing in Pawtucket makes her an excellent nominee for the Rhode Island Junior Chamber of Commerce Outstanding Young Rhode Islanded Award.

Brenda, through your hard work and steadfast commitment to helping the Pawtucket community, you have exemplified the Jaycee creed: "That Service To Humanity Is The Best Work of Life." I congratulate you on your nomination and wish you all the best in your future endeavors.

A TRIBUTE TO BLACK AVIATORS

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MFUME. Mr. Speaker, I rise today to commemorate the history of African-Americans in aviation. In the early 1900's black people were denied the opportunity to learn aviation here in the United States. Their dreams of flying were shattered because of the horrible reality of racial discrimination. Over the years, these men and women were able to conquer the barriers established by racism to achieve their greatest desire: becoming aviators.

Many of these African-Americans realized that their dreams would never come to pass here in the United States so they pursued their training in Europe. One of these pioneers was Bessie Coleman who became the first licensed African-American pilot in the United States. In 1922; John W. Green, Jr., made history becoming one of the first black aviators trained by white airmen here in the United States.

After earning their wings, Americans of African ancestry were still not allowed to defend this Nation in time of war, nor were they able to participate in any meaningful way in the field of aeronautics. Black aviators used this time to prove their skills by performing as stunt pilots in air shows and by flying long distances across the country and throughout the world. However, it wasn't until 1939 that the first training program for African-Americans was established by the Civil Aeronautics Authority. The Civilian Pilot Training Program was established to train additional pilots in the event of an emergency during World War II. This program was offered at six black colleges on the East Coast and two flying schools in the Midwest.

Three years later, the U.S. Government decided to allow black airmen to participate in the defense of this Nation and established two segregated military units, as a result of pressure from civil rights leaders. On March 22, 1941, the 99th Fighter Squadron was formed, which was a separate, all black Army Air Corps. Tuskegee Army Air Field at Tuskegee Institute in Alabama was the training site. In 1943, the first all black paratrooper company, the 555th Parachute Infantry Company also entitled Triple Nickles was formed.

The all black military units proved that they could fly in combat as well as any other group. In 1948, President Harry S. Truman signed Executive Order 9981 which combined the segregated branches into one force. The U.S. Air Force was the first branch of the military to integrate in 1949. After World War II, large numbers of African-Americans were trained in the military.

The civil rights movement of the 1960's and the following decade of affirmative action were the two eras in which opportunities in aviation flourished. More African-Americans were able to work for commercial airlines, participate in general aviation, venture into aircraft design, and teach other student pilots to fly; 1970 also symbolizes the year in which the first black-owned airline in the United States was formed, Air Atlanta.

Mr. Speaker, I am honored to pay tribute to these men and women who fought so long for the right to fly. The Maryland Aviation Administration has decided to honor the great aviators of America with an exhibit spotlighting contributions made by African-Americans in the field of aviation. The exhibit is entitled, "Blacks in Aviation: Then and Now." We, in Maryland, are especially proud to serve as the host State for such an important exhibition. I hope that it will not only enlighten those who see it, but educate those who may not have been aware of the many fine contributions made by African-Americans in the field of aviation.

IN RECOGNITION OF 100 YEARS OF SERVICE: THE YONKERS' YWCA

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mrs. LOWEY of New York. Mr. Speaker, the YWCA of Yonkers, NY has provided its neighbors with many services throughout its rich history. This year, this fine institution celebrates its 100th anniversary. The YWCA has grown from a small association focusing almost exclusively on the concerns of young women into a multiservice organization which has a variety of programs for individuals in all walks of life.

The YWCA of Yonkers has done a remarkable job in being able to change with the times, attending to the needs of people living in our increasingly complex society. The Yonkers Y has evolved into a dynamic organization whose enterprises encompass a wide range of activities including child care, summer day camps, educational and career exploration programs, therapeutic recreation, arts instruction, health and fitness programs, and many, many other worthwhile endeavors. Time and again, the YWCA of Yonkers has seen challenges and has responded creatively and effectively. In each instance, the Y has served to enhance the quality of life for the entire Yonkers community.

The Yonkers YWCA has been a place of sharing, of fun and laughter, of compassion, of revitalizing the body and the spirit. Its legacy is one of fellowship, a compelling foundation upon which to build a promising future. I am pleased to have this opportunity to commend the YWCA of Yonkers and to offer my sincere congratulations for 100 years of outstanding service to the community. I look forward to many opportunities to work together.

THE STATE OF BLACK AMERICA 1992

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. STOKES. Mr. Speaker, once again the National Urban League has given us a definitive and fact-filled report on the social and economic status of African-Americans. Their 1992 report "The State of Black America" is particularly important in this Presidential election year as it provides critical facts, analyses, and suggested solutions to problems that many prefer to ignore. Unfortunately, Mr. Speaker, much of our national political dialogue remains mired in the misguided, mythical policies of the 1980's that are the real causes of much of the national economic disaster that so many are experiencing in 1992. We were told in 1980, 1984, and 1988 that we could ignore our inner cities, our national infrastructure, our health care needs, and our educational system, spend unlimited amounts on defense, and, at the same time, slash taxes for the wealthy and balance the Federal budget.

In some other era, this concoction would have been called economic nonsense. In the 1980's it was known as Reaganomics. Now, the chickens have come home to roost. Tragically the African-American community once again bears the brunt of foolish and unsound national policy. This is the underlying message of the Urban League's 1992 report.

Mr. Speaker, I would like to address several specific parts of the excellent report and to highlight some of its recommendations.

The 1990 black unemployment rate for Cleveland, OH was 15.1 percent while the corresponding rate for whites was 3.4 percent. Unemployment for both races increased throughout 1991 to the point that Cleveland was cited as having one of the worst unemployment problems among major American cities. At the same time, we know that Cleveland has great need to rebuild and repair its water system, many of its bridges and roads, and to further modernize and maintain its transportation system as do many other cities. Cleveland and other cities need new low and moderate income housing. We need new and renovated public buildings.

So, Mr. Speaker, we have work that needs doing. We have work that, if done, would be an economically sound investment that would actually stimulate other economic activity. We have an available work force. Our situation in Cleveland is the exact situation that the Urban League finds throughout our Nation; work to be done in rebuilding the Nation's public health system and willing, able, and abundant workers to do it; work to be done in educating our young people and willing, able, and abundant numbers of people capable of being teachers.

Why, with all that needs doing, with all the people capable of performing that work, are so many of our citizens unemployed and increasingly desperate?

The answer is as painful as it is simple: For 12 years we have followed national policies that have consciously and intentionally ignored pressing domestic needs while being primarily focused on the further enrichment of the wealthiest among us. Some called this "conservatism" but by whatever name, the results are obvious: An out of control budget deficit, massive business failures, record trade imbalances, a growing homeless population, along with the already cited disasters in the health, education, employment, and infrastructure fields.

The Urban League's State of Black America report points a way out of our problems if we only have the will. Just as communism has failed in Europe and around the world, so has conservatism failed in the United States. Conservatism has divided and polarized the races, conservatism has us as a nation questioning our will and ability to compete in any field other than military affairs. Conservatism has created debt, narrowed our rights, and obscured our vision. We really do need a United States "Marshall Plan" to put our people to work rebuilding our Nation.

Mr. Speaker, we owe the Urban League a great debt for helping us chart our way out of the situation we are in. "The State of Black America 1992" teaches us once again, that we do not advance as a nation until all of us have the opportunity to advance as individuals. This is the lesson that conservatism has forgotten.

TRIBUTE TO JOAN GOODALL EDWARDSEN

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate Joan Goodall Edwardsen for her nomination as Outstanding Young Rhode Islander by the Rhode Island Junior Chamber of Commerce.

Each year the U.S. Junior Chamber of Commerce recognizes outstanding young Americans for their achievements and contributions to their community, States and country. These individuals have exhibited excellence in business, politics, art, science and other assorted categories. Joan Goodall Edwardsen is a nominee for the Rhode Island affiliate of the U.S. Junior Chamber of Commerce.

Joan Goodall Edwardsen is co-host of the morning radio show "Jones and Joan" on WSNE. Through WSNE, Joan has promoted assorted special events to aid the Rhode Island community. Last April, Joan became involved in the Providence Recycling Art Contest, in which students from 16 of Providence's elementary schools participated. She has also assisted in events to aid organizations such as the March of Dimes, Big Sisters Association, Rhode Island Project/AIDS, the Higher Education Fund, Rhode Island Women's Network, and the Rhode Island Rape Crisis Center. In 1991 Joan was honored with the Advocacy Award for her work at Rhode Island Project/AIDS. Joan's consistent interest and involvement in these organizations clearly demonstrates her commitment to the Rhode Island community and makes her an excellent nominee for the Rhode Island Junior Chamber of Commerce Outstanding Young Rhode Islander award.

Joan, through your hard work with WSNE and your efforts to promote involvement in activities to strengthen our community, you have exemplified the Jaycee Creed: "That Service To Humanity Is The Best Work Of Life." I congratulate you on your nomination and wish you all the best in your future endeavors.

RAHALL SAYS "CHARITY BEGINS AT HOME"

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. RAHALL. Mr. Speaker, today I am introducing a sense-of-the-House resolution, to be known as the "Charity Begins at Home" resolution, calling for enactment and implementation of legislation providing $10 billion in U.S. loan guarantees on behalf of Americans, to be used at the discretion of our financially strapped State, city, and county governments, for unmet domestic needs.

As you all know, between today and the end of March, when the continuing resolution allowing foreign aid authorizations to be spent will expire, the House and Senate will meet in conference to agree on and adopt a final version of H.R. 2621, the foreign aid spending bill for fiscal year 1992, and beyond. When the Senate acts on the bill, the first order of business will be to attach approval, in some form, of the $10 billion in loan guarantees requested by the Israeli Government last year.

As you know the President requested, and I supported him as did many of you, that we delay consideration of Israel's $10 billion loan guarantee request for 120 days, in order to assure that the Middle East peace talks would get underway without the loan guarantees becoming an obstacle. While there are many reasons for Members of Congress to either support or oppose the $10 billion in Israeli loan guarantees, one of the most basic, gut-level reasons for opposing them are that we do not provide the same kind of support for American housing and infrastructure needs at the State, city, and county levels, where projects ready to go are languishing on the drawing boards. Let's let the dirt begin to fly at project sites across America, generating jobs all along the way, by approving $10 billion in loan guarantees—for America! Our banks, who have imposed a credit crunch, will loosen up and loan money to State and local governments if such loans are backed by the full faith and credit of the U.S. Government.

Our States, cities, and counties have endured for 18 months, and continue to endure, a deep recession. They continue to see unemployment rates rise nationwide to the point where there are more than 10 million unemployed in the United States. For more than a decade they have had no other recourse than to continue to raise State and local taxes to meet domestic needs because Federal funding for such needs have dwindled and dried up. We have seen companies go bankrupt, banks and savings and loan institutions go belly up, and investment capital disappear.

My resolution says that charity begins at home, but it also calls for a level playing field between America and Israel when it comes to helping obtain added funds for housing, infrastructure and human needs. In short, my resolution says if we approve $10 billion in loan guarantees for Israel, we must also approve $10 billion in loan guarantees for America. It's that simple. If you agree, and wish to cosponsor, please call me or Ms. Kyle at extension 53452.

TESTIMONY BEFORE WAYS AND MEANS COMMITTEE CONCERNING THE U.S. ECONOMY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MAZZOLI. Mr. Speaker, on December 6, 1991, I testified before the House Ways and Means Committee and recommended some steps Congress and the President should take to improve the health of the domestic economy in both the short and long term.

I ask that my comments be made part of the RECORD:

STATEMENT OF CONGRESSMAN RON MAZZOLI

Mr. Chairman and Members of the Committee: Thank you for allowing me the opportunity to share my views on the state of the U.S. economy and legislative initiatives which may bring the economy back on track.

I hope the issues raised here in these hearings will act as the cornerstone for a comprehensive economic growth package to be developed early in 1992. I also hope that these hearings can be distinguished by cooperation and amity. We serve no useful purpose to the American people by measuring the debate on who can score the most political touchdowns.

In my view, Mr. Chairman, we are here today because of the irresponsible economic policies of the go-go '80s. Under the past two Administrations, the rich got richer, the poor got poorer, and the middle-class was asked to tighten its belt to where there were no more loops left. Ivan Boesky, Michael Milken, leveraged-buyouts, corporate takeovers, and debt financing dominated America's economic landscape. And, the American people are left holding the bag.

I believe in these proceedings we should look long-term and the short-term regarding economic growth and tax fairness. I have listened over the past year to the leaders in my community and in the Commonwealth of Kentucky regarding their thoughts on economic growth. In Kentucky, we have a Governor-elect, the honorable Brereton Jones, who knows that a strong national economy means opportunities for Kentucky in education, industry, small business enhancement, and new capital. I look forward to working with him and the Kentucky General Assembly when it convenes in January.

I have also listened to Louisville Mayor Jerry Abramson and Jefferson County Judge/Executive David Armstrong about federal initiatives and programs which best serve our community, such as the tax incentives we have extended for six months. I will touch upon those later.

Let me begin, Mr. Chairman, by addressing the charge that the Congress recessed without doing anything to help the economy. This Congress passed a very important transportation and infrastructure bill which will spend, eventually, $150 billion and put million of Americans back to work.

The Highway bill is a public investment in America—for Americans—and something we have done now to help boost the economy. I ask unanimous consent to place in the record an article by economist Robert Kuttner from Business Week in which he argues that public investment gives 100% return and it benefits the private sector. I hope the Committee will look closely at similar public investment as part of a comprehensive economic growth package.

Mr. Chairman, I want to move on to another component of economic recovery: middle-class tax relief and fairness. If we believe what some economists are saying, the way out of the recession is through consumer spending. Whatever the case may be, a middle-income tax cut is the right thing to do. Middle-income Americans, more than ever, are having real difficulties meeting their basic needs.

I am happy to be an original cosponsor of Chairman Rostenkowski's tax relief bill, H.R. 3730, which should put needed money in the pockets of over 90 million Americans, and it is a bill which will pay for itself. I believe H.R. 3730 should be a central item in any comprehensive economic growth package considered by Congress.

Mr. Chairman, I was proud to support your efforts to extend for six months the so-called tax extenders. Several of these tax extenders have been invaluable assets to my community, including the mortgage revenue bond program, the low-income housing tax credit, the targeted jobs tax credit, the employer-provided education assistance, and the research and development tax credit.

I understand, Mr. Chairman, that next year the Committee may consider which tax breaks to make permanent and which to eliminate. I look forward to working with the Committee in this endeavor, and I will be ably assisted by affordable housing advocates in my District, especially in the area of low-income housing.

As to the long-term, the President wants to reduce significantly the rate on capital gains as part of his growth package. Alternatives would be to index gains for inflation and to target the rate reduction by type of capital asset, length of time the asset is held and time of purchase of the asset. For my part, I support the inclusion of some sort of favorable capital gains treatment as part of a growth-incentive and tax fairness package.

Another long-term component I would like to see resurrected is the investment tax credit which was terminated by the 1986 Tax Act. My field representative, John Kilroy, who is active in the business community, has told me on numerous occasions that we need this tax credit for investment in machinery and equipment. This investment incentive just may be the cure we need to reinvigorate our manufacturing base.

Mr. Chairman, I support the restoration of the Individual Retirement Account (IRA) and the expansion of its uses. During my town hall meetings in the Louisville community this past summer, restoring IRAs always received strong support. I am also an original cosponsor of H.R. 1406, the Super IRA bill introduced by the distinguished gentleman from Texas, Rep. Jake Pickle. The Super IRA bill has 260 cosponsors in the House and 76 in the Senate, and it is showing up in nearly every proposed growth package on the Hill.

It is obvious that enacting Super IRA legislation cannot be done by itself, but through this comprehensive growth package we are discussing. This country has to improve its savings rate for the long-term to provide our industries with the necessary capital to meet the competitive challenges of the next century.

The components of a comprehensive economic growth package I have focused on today may not be the entire equation to stimulate the economy and push it toward sustained growth. I'll leave that in the able hands of this Committee. However, I do believe strongly in middle-income tax relief, IRAs, and tax incentives to help housing and business opportunities as proven elements for growth.

Again, thanks for allowing me to offer my views and I look forward to the work of the Committee.

THE 75TH ANNIVERSARY OF THE KIWANIS CLUB OF BAY CITY, MI

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. TRAXLER. Mr. Speaker, I rise to salute the Kiwanis Club of Bay City, MI, as it celebrates its 75th anniversary on January 27, 1992. Bay City is located in my congressional district, and is home to a wonderful group of outstanding citizens in the Kiwanis Club. I certainly am proud and privileged to be affiliated with an exceptional group of business and professional men and women whose definition of a successful life includes serving others.

The Kiwanis Club of Bay City was chartered on January 27, 1917. It was the fifth club in the Michigan District and the 39th club chartered internationally. Kiwanis was founded in Detroit, MI, January 21, 1915. The original name was The Benevolent Order of Brothers. Within a year, the name had been changed to Kiwanis, taken from an Indian term "nun keewanis" which, roughly translated, means "self-expression." The purpose of the organization is to provide community service and today Kiwanis serves the needs of over 79 countries around the world through more than 8,000 clubs like our local club.

This worldwide service organization for men and women desiring personal involvement in the leadership and improvement of their communities believes that as a group we can achieve what we cannot do individually. This is our motto and the cornerstone of Kiwanis, "We Build." Over the past 75 years, thousands of volunteer hours and thousands of dollars have been returned to the community by hundreds of Kiwanians.

The Bay City Kiwanis Club hosted the district convention in 1934. New clubs were sponsored by the Bay City club which is included Tawas in 1945, Standish in 1954, Ki-West Bay City in 1959, and Caseville in 1967. There have been three Michigan District Governors from the Bay City club. These included Art Cansfield in 1946, M.J. "Andy" Anderson in 1952, and E.F. "Pete" Fletcher in 1964. Michigan District Lieutenant Governors from the Bay City club include Seth Babcock in 1925, Walt Rechlin in 1927, Joe Kerr in 1931, Stewart Polvrie in 1935, Art Cansfield 1942, M. J. Anderson 1948, Ben Boutell 1952, E.F. Fletcher 1960, Carter Combs 1965, Ralph Hudson 1969, Richard Nelsen 1981, and William Dawson, our current Lieutenant Governor-elect.

In terms of community service projects, the club has consistently supported such programs as the Fellowship of Christian Athletes, Boys and Girls Club of Bay City, Boy Scouts, Girl Scouts, Special Olympics, provision of 4-H Fair Awards. Since 1985, we have maintained a $10,000 Kiwanis Scholarship Program through Bay Area Community Foundation. We also sponsored outstanding local high school sophomores for leadership training through the Hugh O'Brien Youth Foundation. One of our most enduring projects continues to be a sponsorship of a baseball team originally begun in 1932, in the American Legion League, and continuing today the Northwest Little League here in Bay City.

A 75th anniversary is a significant event and I would like to take a moment to acknowledge the current president, David J. Corcoran. His name will be listed along with the first Kiwanis Club of Bay City president, Homer E. Buck, a former postmaster in Bay City. Please join me in celebrating the 75th anniversary of the Kiwanis club of Bay City, and wishing many more years of success and good will.

THE FEDERAL PROGRAM PERFORMANCE ACT OF 1992

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. HORTON. Mr. Speaker, today I and seven of my colleagues introduced the Federal Program Performance Act of 1992, an innovative piece of good Government legislation which would build upon the advances made in the Chief Financial Officers Act of 1990 and increase the accountability and effectiveness of the Federal Government.

Americans have many different conceptions of their Federal Government—as a provider of certain services, as a defender of freedom, and as a protector of territorial boundaries. But in recent years Americans have been inundated with so much disheartening news about Government deficits, scandals, and waste that they have come to view Washington's monolithic departments and agencies as poor performers. To date, Congress has not systematically explored ways of determining how the Federal Government has performed year to year and of constructively using this information.

The time has arrived for Congress to take an intelligent, reasoned step toward a yearly requirement that: First, the Government set goals for its own performance, and at the end of the year compare how it performed with how it wanted to perform, and second, this result be reported to the Congress, the President, and the people so that lessons can be learned and necessary policy and administrative changes made. Therefore, I drafted the Federal Program Performance Act of 1992, which would institute such a requirement of performance measurement and reporting but account for the emerging nature of knowledge in this area by mandating a 2-year pilot program in selected Federal programs. At the end of this period, the Office of Management and Budget would report to Congress and the President on the success of the pilot project and would outline a plan for a permanent performance measurement and reporting on a broader scale.

We hear all the time that the pie of Federal Government money is shrinking, that Federal programs will have to get by with less. Reducing waste is a logical response to this reality. Finding how a program is performing its intended mission is perhaps the most important link in the chain of determining how to make a program work the best it can. As it stands now, this information is lacking. My bill would start the ball rolling toward changing that.

Mr. Speaker, I and my cosponsors hope that our colleagues will join us in supporting this timely and essential bill.

SALUTE TO DEPUTY DEENA ROSEN

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. GALLEGLY. Mr. Speaker, I rise today to honor an outstanding law enforcement officer, Los Angeles County Sheriff's Deputy Deena Rosen, who has retired after more than 21 years of service to the residents of the county.

Deputy Rosen graduated from the L.A. County Sheriff's Academy in 1970. She began her career at Sybil Brand Institute for Women, where she was instrumental in establishing the first high-power housing area for female prisoners. In fact, the first female inmates housed there were the women followers of Charles Manson.

In February 1974, Deputy Rosen transferred to the newly opened Crescenta Valley station, becoming the first female deputy assigned to patrol there. After 4 years there, she was transferred to Special Investigations in 1978, where she worked criminal intelligence assignments in both traditional and nontraditional organized crime, antiterrorist investigations, and criminal intelligence liaison in the Antelope and San Gabriel valleys. Her last assignment was detective, Division Headquarters, where she was a member of a joint Federal task force investigating and prosecuting corruption in law enforcement.

Mr. Speaker, Deputy Rosen retired during the congressional recess, but she will be honored by her former colleagues at a retirement dinner on February 7. I ask my colleagues to join me in saluting her for her dedication to law enforcement and in wishing her well.

COMMEMORATING THE 50TH ANNIVERSARY OF THE BOMBING OF PEARL HARBOR

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. SKELTON. Mr. Speaker, I was a member of the congressional delegation attending the ceremonies commemorating the 50th anniversary of the Japanese bombing of Pearl Harbor in early December. Of the various speeches made on that occasion, one of the very finest was delivered by Congressman BOB STUMP of Arizona. He spoke at the ceremony centered upon the various battleships and those who died in them on December 7, 1941. Congressman STUMP represented the State of Arizona and I include his address as follows:

REMARKS BY HON. BOB STUMP

Governor Waihee, Members of Congress, Governors, survivors of Pearl Harbor, ladies and gentlemen.

It is a great honor to represent governor Fife Symington and the people of the great State of Arizona on this momentous occasion.

As a young sailor in 1943, I was stationed on Ford Island, overlooking the U.S.S. Arizona—what a privilege to return to the site where our nation's heritage was given a rebirth through the sacrifices of our fathers, brothers, friends and shipmates.

Their memorial is not the ceremony we conduct here today. It is not in the silent, cool chambers of a sunken vessel, nor solely in the words of ceremony.

Their memorial is in the joyful hearts of the children of Gdansk, in the joy of the oppressed as they stream over a crumbled wall, and in the tearful reunion of free Estonians.

Their memorial is in the democratic election of the St. Petersburg mayor, and yes, in an entire world that says to the fallen of the U.S.S. Arizona * * * "Your sacrifice for freedom and democracy is now complete."

The world embraces the cause for which you died, the American idea that all men—all men—are created equal and endowed by their creator with the right of life, liberty, and the pursuit of happiness.

To the memories of those we honor, you could not have known when you took your oath and accepted the uniform of your country that you would be among the first to face tyranny's most vicious effort to snuff out freedom's flame.

But you did, and we are here to again say "thank you." Thank you on behalf of a grateful state, on behalf of a nation that cherishes her liberty, and on behalf of a more peaceful world.

"U.S.S. Arizona" is a name synonymous with courage, heroism and sacrifice. On December 7, 1941, the world was awakened to your message that freedom is not free, that the cause of America is right, and that you would not permit tyranny to prosper.

This December 7, 1991, your sacrifice is undiminished. The American idea is still the hope of the world, and tyranny has collapsed because of what you did here.

Today, we remember your loss, but we rejoice in the legacy you lovingly preserved.

May God bless the memory of those who perished here—

May God bless the United States of America.

TRIBUTE TO PAMELA KOPPLIN

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate Pamela Kopplin for her nomination as Outstanding Young Rhode Islander by the Rhode Island Junior Chamber of Commerce.

Each year the U.S. Junior Chamber of Commerce recognizes outstanding Young Americans for their achievements and contributions to their community, States and country. These individuals have exhibited excellence in business, politics, art, science and other assorted categories. Pamela Kopplin is a nominee for the Rhode Island affiliate of the U.S. Junior Chamber of Commerce.

Pamela Kopplin's greatest achievements come from her commitment to educate Rhode Island's youth. Pamela is treasurer of Volunteers in Newport Education, an organization of 200 volunteers who help 8,500 students through customized tutoring programs. She also helps Johnson and Wales students study hotel management. Last June, Pamela was elected president of the Newport Rotary Club. Since her election, she has made it possible for four Rogers High School seniors to attend the monthly Rotary meetings as well as become guests of a Rotarian working in their chosen field. Pamela's participation in the Rotary program, along with the Volunteers in Newport Education, has made it possible for students to excel in school and follow their interests. Her commitment to education makes Pamela an excellent nominee for the Rhode Island Junior Chamber of Commerce Outstanding Young Rhode Islander award.

Pamela, through your hard work as treasurer of the Volunteers in Newport Education and your efforts to help educate students, you have exemplified the Jaycee Creed: "That Service To Humanity Is The Best Work Of Life." I congratulate you on this nomination and wish you all the best in your future endeavors.

A SALUTE TO FORMER CONGRESSMAN RALPH H. METCALFE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. STOKES. Mr. Speaker, I rise today to bring to the attention of my colleagues a recent paper authorized by Philip A. Grant, Jr., a professor of history at Pace University in New York. Professor Grant has written an outstanding paper entitled "The Congressional Career of Ralph H. Metcalfe of Illinois" which he delivered at the Illinois History Symposium in Springfield, IL, last month.

Mr. Speaker, I am pleased to include this superlative text in the CONGRESSIONAL RECORD and I hope that my colleagues will take the time to review his work:

THE CONGRESSIONAL CAREER OF RALPH H. METCALFE OF ILLINOIS

On February 20, 1970 Democratic Congressman William L. Dawson of Chicago announced that he would not seek reelection to a fifteenth term. Dawson, a member of the House of Representatives from Illinois' First Congressional District since 1943, for twenty years had been Chairman of the Committee on Government Operations. Outranked in seniority by only thirteen of his four hundred and thirty-five colleagues in the House, Dawson was also the senior Black serving in Congress.[1]

Within days after Dawson announced his decision to retire, two prominent Democrats launched their candidates for their party's congressional nomination. These two gentleman, Ralph H. Metcalfe and A.A. "Sammy" Rayner, would each wage intensive four week campaigns prior to the March 17 House primary.

Metcalfe, fifty-nine years of age, was a graduate of Marquette University. An accomplished athlete, Metcalfe had excelled as a member of the United States track team at the 1936 Olympics. Between 1949 and 1952 he had served as Illinois Athletic Commissioner. Since 1955 Metcalfe had occupied the post of Alderman from Chicago's Third Ward, and at the time he began his quest for a seat in Congress was in the midst of his second year as President *pro tempore* of the Chicago City Council.

The primary race between Metcalfe and Rayner was by every standard a spirited one. While Metcalfe and Rayner were in basic agreement on national issues, they differed quite substantially in their attitudes toward the political climate in Chicago itself. Metcalfe, who for many years had been a local supporter of Democratic Mayor Richard J. Daley, stressed his experience in government and his dismay at the violent tactics of various street gangs in Chicago. Rayner, who had twice engaged in unsuccessful primary bids against Congressman Dawson, denounced the conduct of the Chicago police force and applauded the gangs as a legitimate social force in the city's impoverished Black community. Metcalfe strove to portray himself as a mainstream liberal Democrat and a responsible public servant, while Rayner, expressing contempt for Mayor Daley and the political structure of the Cook County Democratic Party, proudly described himself as a militant.[2]

Inasmuch as Congressman Dawson had always prevailed in primary races with the wholehearted assistance of the tightly disciplined Democratic organization, it was generally anticipated that Metcalfe would triumph in the primary. While Rayner had boundless energy and was a dynamic public speaker, he had polled only 30.1% of the primary vote in 1964 and 38.1% of the primary ballots in 1968. The key question was whether Metcalfe would win the primary contest by a convincing margin, thereby suggesting that Mayor Daley retained the confidence of the bulk of the Black population in the First District.

On primary day approximately sixty thousand Democrats availed themselves of the opportunity to choose between Metcalfe and Rayner. The early returns indicated that Metcalfe was faring well in all parts of the First District and was attracting a minimum of two-thirds of the popular vote. By midnight it was certain that Metcalfe had defeated Rayner by a resounding majority. The official result of the primary contest was as follows: Metcalfe, 42,575 (71.1%) Rayner 17,346 (28.9%).

The fact that Metcalfe won the primary by more than forty-two percentage points established that the Daley organization remained the dominant political force in the First District.[3]

Illinois' First Congressional District, consisting of seven wards on the South Side of Chicago, was heavily Black in its racial composition and overwhelmingly Democratic in terms of party registration. During the decade between 1935 and 1945 the district has been represented by the only Black in Congress. According to the Census of 1970, the district had a Black proportion of 88.9% within its boundaries. No Republican candidate had been elected from the First District since 1932, and in his five final general election campaigns between 1960 and 1968 Dawson's share of the popular vote had averaged 78.8%. In the presidential election of 1968 Richard M. Nixon, the Republican nominee, had attracted a mere 9.2% of the vote in the district. In addition to being predominately Black and Democratic, the district contained many low income inhabitants and was populated largely by individuals who did not own the homes or apartments in which they resided. The First District had the third lowest per capita income of the twenty-four districts in Illinois and 77.8% of its citizens were tenants rather than homeowners.[4]

In the 1970 general election Metcalfe's Republican opponent was Janet Roberts Jennings, a thirty-seven year old teacher and former aide to the late Republican Senator Everett M. Dirksen. Two years earlier Jennings had secured only 15.4% of the vote when she challenged Congressman Dawson. Jennings in 1970 conducted a token campaign, undoubtedly suspecting that no Republican could possibly carry the First District. On election night Metcalfe assumed an insurmountable lead over Jennings. The final figures from the First District were:[5] Metcalfe, 93,272 (90.8%); Jennings, 9,287 (9.2%).

Metcalfe was sworn in as a member of the House of Representatives on January 3, 1971. A few days later he was appointed to the Committee on Interstate and Foreign Commerce, a panel on which he would serve continuously throughout his tenure on Capital Hill. In addition to his official committee assignment Metcalfe promptly joined in the Congressional Black Caucus.[6]

During his first term in the House, Metcalfe was conspicuously at odds with the domestic and foreign policies of Republican President Richard M. Nixon. Defying the

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[1] Footnotes at end of article.

President's wishes, Metcalfe firmly opposed both the Supersonic Transport (SST) and the extension of the military draft. Like his fellow liberal Democrats, he favored an increase in the prevailing federal minimum wage, the strengthening of the Equal Employment Opportunity Commission (EEOC), additional funds for the United States Office of Education, proposed constitutional amendments guaranteeing equal rights for women (ERA) and assuring the right to vote for eighteen year old citizens, and overriding all of Nixon's vetoes. Metcalfe also sharply differed with Nixon on the wisdom of continuing the Vietnam War, repeatedly voting for measures to hasten American withdrawal from Southeast Asia. Concurring with the priorities of the Congressional Black Caucus, Metcalfe endorsed a series of demands that the President reverse his neglect of the problems of poor people and racial minorities.[7]

In November 1972 President Nixon won Illinois and forty-eight of the forty-nine other states, gaining reelection by the largest numerical majority in American political history. Notwithstanding the facts that Nixon carried Illinois by 874,707 votes and Cook County by 171,039 votes, Congressman Metcalfe handily defeated his Republican opponent, Louis H. Coggs. The election statistics in the First District were:[8] Metcalfe, 136,765 (91.4%); Coggs, 12,877 (8.6%).

Consistent with the thrust of his legislative record during his first term, Metcalfe remained adamant in his fundamental disagreement with President Nixon's policies. Metcalfe favored reducing levels of defense spending, prohibiting aid to Turkey, passing the War Powers Bill to restrict the President's authority on overseas troop deployment, and mandating a specific date for the withdrawal of American troops from Vietnam. On major domestic issues he supported an increase in the government's commitment to mass transit, public financing of presidential elections, eliminating windfall profits for oil companies, imposing stricter controls on automobile emissions, and the adoption of the Judiciary Committee's recommendation that President Nixon be impeached. In addition to voting to override all of the President's vetoes, Metcalfe opposed the confirmation of Nixon's choice for Vice-President, House Republican Leader Gerald R. Ford.[9]

By the beginning of the congressional election campaigns of 1974 President Nixon had resigned in disgrace and was succeeded by Vice-President Ford. The Democrats, surmising that the Republican Party had been severely damaged by the prolonged Watergate scandal, hoped to wrest at least two dozen House seats from the Republicans. When all the ballots were tabulated the Democrats in 1974 registered a net gain of forty-three seats. Among the two hundred and ninety-one Democratic victors was Congressman Metcalfe, who was re-elected by 70,802 votes (93.7%).[10]

During the period between January 1975 and November 1976 the Democratic Congress and President Ford clashed on numerous occasions. Indeed Ford vetoed a total of thirty-six bills, many of which the House attempted to override with Metcalfe's unqualified support. Metcalfe's hostility toward the Ford Administration was just as pronounced as had been his disenchantment with the Nixon Administration. While Ford served in the White House, Metcalfe voted to end the oil depletion allowance, provide emergency financial assistance to New York City, require comprehensive disclosure of lobbying activities, prevent the deregulation of natural gas, and forbid both economic and military aid to South Vietnam. As an activist member of the Interstate and Foreign Commerce Committee, he was also deeply involved in behalf of bills to authorize the development of synthetic fuels, initiate a federal no-fault insurance program, and control toxic substances.[11]

Perhaps the most noteworthy development of Metcalfe's political career was his estrangement from Mayor Daley. By the time Metcalfe was serving his third term in the House, he was charging that the Mayor condoned police brutality and was completely insensitive to the problems afflicting Chicago's Black community. In 1976 Daley and his organization endorsed Erwin A. France, a Black, to oppose Metcalfe in the Democratic primary. Metcalfe scored an emphatic victory over France, outpolling his challenger 56,101-22,028 (72.1%). Metcalfe's well-publicized primary triumph was widely interpreted as a severe rebuff to the once omnipotent Daley organization.[12]

In the general election of 1976 Metcalfe was opposed by A. A. "Sammy" Rayner, who had switched to the Republican Party. Metcalfe easily disposed of Rayner, winning re-election to a fourth term by 116,485 votes (92.3%). Based on the cumulative results of four primary races and four general election contests, it seemed that Metcalfe was invincible in the First District.[13]

By 1977 Metcalfe had advanced to the posts of ranking Democrat on the Consumer Protection and Transportation Subcommittees of the Interstate and Foreign Commerce Committee. Deriving advantage from his seniority and joined by a growing number of Black Democrats in the House, Metcalfe was anxious to cooperate with the new Democratic Administration of President Jimmy Carter.

While reserving a degree of independence, Metcalfe was quite supportive of Carter's policies. In 1977 and 1978 he voted for the Common Site Picketing Bill, the creation of a Consumer Protection Agency, a sweeping measure to regulate strip mining, an expanded Legal Services Corporation, the Humphrey-Hawkins Full Employment bill, and a proposed constitutional amendment granting congressional representation for the District of Columbia. Predicated on his longstanding opposition to Pentagon spending, Metcalfe opposed the B-1 Bomber and the Defense Procurement Authorization and the Defense Department Appropriation Bills of 1978. Most of Metcalfe's efforts in 1977 and 1978 were directed toward finding an effective solution to the vexing energy crisis, a task primarily within the jurisdiction of the Interstate and Foreign Commerce Committee.[14]

In March 1978 Metcalfe was renominated without opposition to a fifth term in the House of Representatives. Since his G.O.P. opponent again would be A. A. "Sammy" Rayner, his re-election in November was considered virtually certain. Unfortunately, Metcalfe unexpectedly died on October 10, 1978, thus ending a comparatively brief congressional career.

Since Metcalfe did not possess sufficient seniority, there was no likelihood that he could have attained the chairmanship of a standing committee. He did, however, rise to the position of tenth ranking Democrat on the forty-three member Interstate and Foreign Commerce Committee. While serving on the committee, he became steadily involved in the complex process of seeking solutions to such problems as no-fault insurance, toxic waste, synthetic fuel development, and the awesome challenges posed by the energy crisis plaguing the nation. It would be an exaggeration to assert that Metcalfe was a dominant figure on the Interstate and Foreign Commerce Committee, but it would be entirely reasonable to conclude that he worked diligently and constructively with his fellow committee Democrats to produce an impressive number of meaningful legislative proposals.

As a Black Democrat from one of the least affluent districts in the United States, Metcalfe favored an agenda geared to improve the plight of poor and disadvantaged Americans. His support for the Equal Employment Opportunity Commission, the Legal Services Corporation, the Humphrey-Hawkins Full Employment Bill, and a large number of other measures to promote social justice and racial equality established his belief that the national government had a genuine responsibility to address the shortcomings of the country's domestic situation. During Metcalfe's eight years on Capitol Hill the number of Blacks in the House grew from twelve to sixteen, and, as a member of the Congressional Black Caucus, he strove to dramatize a more compassionate approach to inequities within the nation.

While Metcalfe began his congressional career as an apologist for Mayor Daley, he eventually became a harsh critic of Daley and his organization. Elected to the House in 1970 with the blessing of the Daley organization, Metcalfe in 1976 had to withstand a primary challenge engineered by Daley himself. By the end of his fourth and final term in Congress, Metcalfe had become an experienced legislator with close ties to the House Democratic leadership, an independent spokesman for a large portion of Chicago's Black citizenry, and a political figure with an unblemished record of electoral success.

FOOTNOTES

[1] Maurine Christopher, *America's Black Congressmen* (New York: Thomas Y. Crowell, 1971), pp. 185–193; Bruce A. Ragsdale and Kathryn A. Jacob (eds.), *Biographical Directory of the American Congress, 1774–1989* (Washington: United States Government Printing Office, 1989), p. 885; United States Congress, *Congressional Directory, 1970* (Washington: United States Government Printing Office, 1970), pp. 49, 238–250, 267; *Times*, New York, N.Y., February 21, 1970, p. 15.

[2] *Congressional Quarterly*, March 6, 1970, pp. 706–707; *Times*, New York, N.Y., March 15, 1970, p. 48.

[3] *America Votes, 1970* (Washington: Congressional Quarterly, Inc., 1971), p. 101; *Times*, New York, N.Y., March 18, 1970, p. 22; March 19, 1970, p. 27.

[4] *Congressional Districts in the Nineteen Seventies* (Washington: Congressional Quarterly, Inc., 1974), pp. 55–56; Kenneth C. Martis, *The Historical Atlas of United States Congressional Districts, 1789–1983* (New York: Macmillan Publishing Company, 1982), pp. 168–203; *Guide to U.S. Elections* (Washington: Congressional Quarterly, Inc., 1985), pp. 932, 937, 942, 947, 952, 957, 962, 967, 972, 977, 982, 987, 992, 997, 1002, 1007, 1012, 1018.

[5] *Congressional Quarterly*, July 24, 1970, p. 1850; October 16, 1970, p. 2509; November 6, 1970, p. 2773; *Guide to U.S. Elections*, p. 1023.

[6] United State Congress, *Congressional Directory, 1971* (Washington: United States Government Printing Office, 1971), pp. 48, 273.

[7] *Congress and the Nation, 1969–1972* (Washington: Congressional Quarterly, Inc., 1973), pp. 167–168, 225–232, 501, 503, 505–510, 600–602, 717–718, 720–723, 915–923, 925–930, 1003–1006, 27a–29a, 32a–35a, 38a–40a, 44a–47a.

[8] *America Votes, 1972* (Washington: Congressional Quarterly, Inc., 1973), pp. 104–105, 113.

[9] *America at the Polls, 1973–1976* (Washington: Congressional Quarterly, Inc., 1977), pp. 86–87, 155–165, 293–295, 508–512, 522–524, 847–851, 866–867, 890–890, 927–929, 949, 988–995, 1016–1018, 1020–1023, 1028–1030, 1032–1035; *Almanac of American Politics, 1974* (Boston: Gambit, 1973), pp. 262–264,

[10] *America Votes, 1976* (Washington: Congressional Quarterly, Inc., 1977), p. 110.

[11] *Congress and the Nation, 1973–1976*, pp. 91–95, 267–269, 270–272, 311–313, 441–446, 494–497, 840–843, 895–900,

1039–1042, 1044–1047, 1052–1055, 1058–1061, 1118–1124; *Almanac of American Politics, 1976* (New York: E. P. Dutton and Company, Inc., 1975), pp. 267–270.

[12] *America Votes, 1976* (Washington: Congressional Quarterly, Inc., 1977), p. 119; *Congressional Quarterly*, March 6, 1976, p. 511; March 20, 1976, p. 608.

[13] *American Votes, 1976*, p. 116.

[14] *Congress and the Nation, 1977–1980* (Washington: Congressional Quarterly, Inc., 1981), pp. 133–136, 140–141, 355–356, 402–403, 415–417, 468–485, 544–549, 717–719, 838–839, 1011–1013, 1016–1019, 1024–1027, 1030–1033.

TRIBUTE TO FAUN PLATT OF TIPTON, MI

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. PURSELL. Mr. Speaker, I rise today to mention the 90th birthday of a truly outstanding woman in my home district—Mrs. Faun Platt of Tipton, MI.

I have known Faun for many years, and believe her community involvement and volunteer service over the years stands as an example of the difference one person can make.

A former school teacher, Faun attended college at Illinois Normal, Michigan State, and Siena Heights. She has served as a juvenile probation officer and juvenile county agent, and is the past president of both the Adrian Womens Club and the County Federation of Womens Clubs.

Faun also became involved in politics, serving in numerous capacities, including being a member of the State Central Committee and attending three national conventions. She also remains active at the Tipton Community Church, where she has taught Sunday school and participates in the women's fellowship.

Currently, Faun is active with the senior citizen's center and the Tecumseh Orchard Terrace Board.

The mother of two sons, Faun now has five grandchildren and seven great grandchildren. She also keeps busy with music, baking, and entertaining.

Mr. Speaker, Faun Platt celebrated her milestone birthday with her friends and family on January 12, and I wish to take this opportunity to ask my colleagues to join me in congratulating her.

MR. IACOCCA SPEAKS OUT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. DINGELL. Mr. Speaker, the recent trade trip to Japan by President Bush and certain business executives, including Chrysler CEO Lee A. Iacocca, underscored the magnitude of our strained trade relationship with Japan. I know Mr. Iacocca and his corporate colleagues began the trade venture on a most optimistic note. Yet, these captains of industry returned with a realistic sense of just how much work has to be done before the playing field is really leveled between the United States and Japan.

Upon his return from Japan on January 10, Mr. Iacocca gave a report to the Economic Club of Detroit. It is an honest, blunt, and noteworthy commentary on the trip that I commend to all of my colleagues:

PREPARED REMARKS BY L.A. IACOCCA, CHAIRMAN OF THE BOARD, CHRYSLER CORP.

Thank you, Joe. It's always good to hear one of your bosses say something nice about you. In fact, these days it's nice to hear anybody say something nice about you! But, Joe has been a member of our board now for about two years, and he has really thrown himself into the car business. Especially the way we do it at Chrysler. Maybe you've noticed—he's even doing his own TV commercials now!

But Joe, I gotta tell you, I think that battery you mentioned is just about dry. I've had a tough four days: A day to fly over, a day to fly back, and in between a brutal schedule of meetings and dinners designed to kill you just in case the jet lag didn't do the job!

The Japanese are terrific hosts. But they can wear you out. And you can forget what you went for. That didn't happen this time, though.

This was a historic trip, and let me start by saying that President Bush set a very important precedent. He took some heat here and in Japan for dragging along a business delegation. The Japanese didn't know what to make of it, except something had changed.

What's changed is that economics finally made it to the front of the plane along with the generals and admirals and all the Foggy-Bottom types. In the past, we weren't even invited to ride coach. The President just tore a page from Japan's book. Their leaders have always taken business people on missions like this because they've always put economics first.

Now we're doing that. The Cold War is over. The Soviet threat is gone. Now we can start taking care of business, like Japan has been doing for the past 45 years. I think the trip served notice on that. Seeing American government and business arm in arm for the first time ever sent the Japanese a message. And I think they got it.

They got it. They didn't like it. They fought it. (Boy, did they fight it!) And they made a start in dealing with it. But only a start. Frankly, from a Detroit perspective, a weak start—but a start.

The Big Three told the President that there should be a 20 percent reduction in the bilateral deficit in '92, going down another 20 percent a year for the following five years until things are balanced. For 1992, it would have meant $8 billion off the total deficit. That translates to about 180,000 Americans going back to work.

That's pretty much what I told the Japanese in a speech there back in 1985. I said their trade surplus with the U.S. was going to backfire. It was then $37 billion. Now it's $41 billion, so you know how well they took my advice.

But this time the President was there, too. And I think they listened better.

Back in '85, I said they could take that deficit down any way they wanted: Sell us less or buy more—their call.

We weren't specific this time, either. But with autos and parts 75 percent of the problem, you'd have to assume that they'd be the major part of the solution.

Hell, I didn't go to Japan to help open the rice market. The last time I looked, we don't grow any rice in Detroit. Correcting the deficit has to be done mainly in auto trade. There's no other way.

The Japanese know that as well as we do. And they're going to fight it every inch of the way, believe me. They have this industry targeted, and they're not about to take us out of their gunsights.

The auto parts commitment looks good on paper, but we can't sort out how much of the increase they promised will come from their keiretsu suppliers here.

And on autos, we got promises to make their dealers available to American imports. Again, a start. But they wouldn't touch the bigger issue—the flood of vehicles they're sending into this market. And if they're serious about closing the auto deficit, that's where they have to start.

I don't want to get into specifics. It's too soon. I literally saw the auto agreements late Thursday afternoon in Tokyo, and I've been on an airplane most of the time since. I need some time to sort things out, but I'll agree with the quotes I saw from Red Poling and Bob Stempel this morning: Too little, way too little!

This trip didn't resolve this country's trade problems with Japan. Nobody expected it to. (You can't resolve in three days problems that have developed over 20 years.) But it did help bring those problems to a head. And frankly, that's been long overdue.

The President applied pressure—lots of pressure. Now Congress will have its crack. Dick Gephardt, John Dingell, the Levin brothers, Lloyd Bentsen and others have a bill in to force the 20 percent deficit reduction that the Big Three were suggesting. So, stay tuned!

It's important that we use all the leverage we have because without persistent outside pressure the Japanese will not move at all. And why should they? They're winning! They're beating our brains in. So we'll have to move them.

We have to because we can't handle the sheer size of the imbalance—$41 billion in one year with one country * * * over $400 billion in a decade.

And the pattern is still the same: We ship them food and chemicals and raw materials—just like a colony. And they ship us value added cars, and machine tools and electronics and all the high-tech stuff where the good, high paying jobs are—just like a mother country.

We can't handle the unemployment that deficit causes, or the closed plants and lost tax base, or the insidious Japanese economic and political power within the United States that comes with it.

In this city, of course, we've got a special problem. The Big Three sold less than 15,000 vehicles in Japan last year. (Hell, the Japanese transplants in this country sold more cars in Japan than that!) By contrast, Japan sold about 3.8 million cars and trucks here.

They say it's because our stuff is junk. I don't think so. I wonder if there's another reason. Like maybe because my Jeep Cherokee costs $12,000 more in Japan than it does here because they won't accept our certification, and everything has to be inspected, and there's a maze of red tape and distribution costs not designed to protect the Japanese consumer, but to keep us out!

If they don't like our cars, then you'd think they could take some American parts and help shave the auto trade deficit. They haven't done that, either. America sells less than $2 billion worth of parts a year to Japan, but we sell $22 billion worth to the rest of the world.

It's funny, isn't it? Those parts are good enough for Mercedes and BMW, but not good enough for Isuzu and Daihatsu.

We're getting stiffed. And when Detroit gets stiffed on autos, then America gets stiffed on trade—period. That's because cars are America's rice. Any argument for protecting Japan's rice farmers is an argument for completely shutting Japan out of our auto market.

Now, I don't want to do that. And I don't know anyone who does. I'm called a protectionist, but I'm really a free trader. The thing I want to protect is free trade. And the way you do that is to retaliate against those who don't believe in it.

And if there's anyone here who thinks for a second that Japan practices free trade, I've got some S&L's I'd like to sell you.

Japan has no use for free trade. It certainly has never practiced fair trade. No, what Japan practices is predatory trade. Let me give you an example of how that works.

We recently got some research from a major American financial institution. You'd know the name but they asked us not to use it because they do some business in Japan, and they got some of the numbers from their clients there.

According to their study, Japan lost $11.7 billion in North America from 1987 through 1990 in autos. (No 1991 numbers yet.) That comes as a surprise to the average American who thinks Japan must be making a ton of dough in this market. But no, they lost almost $12 billion. How could they stand the pain? No problem. They made $36.4 billion during the same period in their own protected home market.

You see, they operate from a sanctuary. They have almost no competition at home and they won't allow any foreign competitor to be a factor in their market. In total, all foreign auto makers from all over the world have only three percent of the Japanese market. In Europe, foreign companies have 15 percent, and in the United States they have a whopping 35 percent of our car and truck market.

Well, when you operate from a sanctuary—when your market is closed and the other guy's is wide open—that gives you some neat options. You can gouge your own consumers (if they'll stand for it, and the Japanese consumers do), keep all your people employed, and use some of the profits to grab big chunks of the other guy's market.

And that's what's happening. They are simply taking about one-third of their enormous profits from their protected sanctuary at home and subsidizing their market share grab here. That's ugly mercantilism at its worst.

It's a good strategy. They get full employment * * * they get huge profits overall * * * and when they control this market (and they're getting closer every day) they'll call all the shots and will get their investment back—in spades!

Sure, American consumers get a break—for a while. But Japanese consumers get an even bigger one: you see, they all have jobs. Remember—the most useless consumer is an unemployed consumer.

One way they give Americans a break is through "dumping," and we have laws against that. It's obvious that it's going on, but it's hard as hell to prove because their real costs are camouflaged within their keiretsu arrangements. And even when you can prove it, why bother?

The Commerce Department found Japan guilty of dumping minivans last month, and Toyota immediately declared victory because our government said Toyota wasn't cheating by much! They break our laws, but only by a little, so that's okay. I'm sure Toyota expects the same slap on the wrist Toshiba got a few years ago for selling submarine technologies to the Soviets. (Back when there were Soviets.)

The case isn't closed, though. Now commerce wants to look at those Japanese books and see if the actual costs they provided are as high as they claim. (And if they are real, then Japan's reputation for efficient, low-cost production goes right down the toilet.)

But, so far, the Japanese would have to be stupid not to keep breaking our laws—and the Japanese are not stupid.

And now, the EC has capped Japan's sales there at 16 percent through the end of the century. (Without Japan complaining, by the way.) That leaves the U.S. and Canada as the only free market for autos on the entire planet * * * the only dumping ground left for Japan's excess auto capacity.

The Japanese have almost 7 million units of excess auto capacity (75 percent of world overcapacity) and now almost all of it is targeted at us!

But the problem is even deeper than dumping, and targeting and scoffing at our laws.

It's time that we came to understand in this country that Japan's economic structure is as different from ours as ours is from Cuba's. Oh, it has all the trappings of free enterprise, but it is different * * * fundamentally different.

Their closed home market * * * business-government collaboration through MITI to penetrate foreign markets * * * an export/import bank set up to fund that market penetration * * * the keiretsu * * * banks holding most of the corporate equity * * * deliberate inefficiencies like distribution and agriculture * * * the second-class status of the consumer * * * and even a form of government which is really more of a bureaucracy than a democracy. All of these not only make Japan different, many of them are patently illegal in our country.

They have a managed economy in Japan, pure and simple. It may be economically irrational by everything we learned in school, but it works and works well for one simple reason: Because they have the giant American market as a dumping ground and a pressure relief valve.

Among other things, that means they don't have recessions. They're just not allowed there. The only time they've had negative growth since we helped them recover from the war was in 1974, but that was due to the OPEC oil shock not the business cycle. We're in our eighth recession since the war, but Japan has been immune.

Let me ask you—do you think we'd be in a recession right now if we had a completely open market roughly twice the size of ours to sell into, and if we had an endless web of formal and informal barriers that kept those people out of our market? Do you think we'd be closing plants and laying people off?

Recessions are bad news for America, and terrible news for this city. But U.S. recessions have been terrific news for Japan. That's when they've grabbed most of our market.

Over the past few years, we Americans have not only had to deal with a recession, but a war too. They haven't had either of those burdens to worry about in Japan. It's just been business as usual, and that included grabbing another 9 share points of our car market while we weren't looking. That's what they've gained since car sales began to soften here in 1988.

It happens every time our economy hits the wall. OPEC One in the early 70's—four quick points. OPEC Two, '79–'81 (the one that almost killed Chrysler)—eleven points. And now nine more points when we hit our third recession, plus Desert Storm!

That seems to be the pattern—they gain a point a year in the good years * * * a point a quarter in the bad ones * * * 10 more points every recession. That's a recipe for taking the whole U.S. auto market in just a few more downturns!

And I, for one, am fed up hearing from the Japanese (and some Americans, too) that all our problems in this industry are our own damn fault. We don't have idiots running General Motors, Ford and Chrysler or our suppliers. Our workers are not lazy and stupid.

I won't do a commercial here, but take a look at the new Dodge Viper at the show * * * at the new Jeep Grand Cherokee * * * and the new LH cars coming next summer—the Dodge Intrepid and Eagle Vision. I'll put them against anything in the World! (It's too damn bad that this trip to Japan on unfair trade is obscuring the fantastic new products coming from Chrysler and all of Detroit in 1992. They are world class!)

Sure, the Japanese make good products, too, and they're the economic force to be reckoned with in the world today. But let's not be too impressed. Any one of the Big Three would be geniuses too if we operated from the same closed sanctuary * * * if we had a huge, wide open market like the United States to sell into * * * if the government ran interference for us * * * if we could prohibit our dealers from selling foreign cars * * * if we had company unions and sweetheart deals with our banks and our suppliers * * * and if American consumers wouldn't squawk about paying six times the world price for rice and $12,000 more than U.S. sticker price for a Jeep.

And we'd also be heroes if we had the same cost of capital over the years. The cost of capital in Japan has historically been as little as half of ours. It's about equal now, but you can bet that's a temporary problem they'll correct.

Chrysler just spent a billion dollars each on a new tech center and a new inner-city assembly plant. If I were in Japan at the time I contracted for those facilities, I could have built them both for the same billion!

So let's not be so hard on ourselves. The Japanese aren't geniuses, except when it comes to manipulating our own laws and our own market for their ends.

I picked up FORBES Magazine a couple of years ago and saw a quote that tells it all. It was by Hideo Morita, the son of Akio Morita of Sony. His father, as you know, likes to lecture us poor, dumb Americans on what it takes to succeed in business these days.

Here's what his son said.

"My father's generation knew that they were playing by different rules from the West when it came to trade, but they pretended they didn't understand the rules. That's why they won."

By the way, I met Akio Morita this week in Tokyo for the first time, and I think we liked each other. One good thing American and Japanese business leaders did this week was talk to each other. Maybe we should be doing more of that.

But, ladies and gentlemen, I think it's time to make Japan not only understand the rules, but to play by them. And it might even be time to change some of those rules.

That won't be easy. I've been dealing with the Japanese for a long time, and I have immense respect for their ability to win at the negotiating table. One way they do it, of course, is to hire away our negotiators. In recent years, one-third of our top trade negotiators have quit to become foreign lobbyists, most of them for the Japanese. So when we send someone over there to bring home the bacon for us, we don't know if the trip will turn into a job interview.

There are also a few other things we should have learned by now when it comes to dealing with Japan.

First, our problems with Japan are unique. We trade with about 200 countries all over the world, but two-thirds of our deficit is with one single nation—Japan.

So we have a separate and distinct trade problem between ourselves and Japan. And that probably means we need a separate and distinct set of trade rules for Japan than we have for everybody else.

Second, we have to deal both with Japan's closed market and Japan's business practices that affect this country. I'm talking about things like the keiretsu, dumping, and control of key technologies. Focusing only on opening up the Japanese market would be a mistake. We can get snookered if we spend all our energy prying it open but by then our companies are too weakened to take advantage of it.

Third—and this comes from bitter experience—be careful what you ask for because you might get it.

We twisted Japan's arm to quit artificially depressing the yen. Beginning with the Plaza Accord in 1985, they finally stopped. The yen doubled in value. That should have promoted an explosion of exports for us and cut down on imports.

We thought the currency swing would even out the trade. Guess what—since then we've run up almost $300 billion in red ink with Japan, and that translates to about 7 million jobs. So something is rotten—and not in Denmark—but in Japan!

The currency swing would have helped if Adam Smith's theories worked in a world of managed trade. But they don't. They're totally irrelevant. We went from zero to 40,000 units in Europe in just a couple of years, but had a helluva time getting to one thousand in Japan. In that big market we should be selling at least 25,000!

Honda has sold 400 Cherokees for us so far. They got generous this week. They promised to triple Jeep sales to 1,200 by 1994. And triple the dealers from 100 to 300. That means by 1994 each of those dealers will sell one Jeep every three months! Wow. How did we get so lucky?

We also told Japan that if it wanted to sell in this market, it should manufacture in this market. That turned out to be a mistake. Our mistake was taking them at their word when they said transplants would replace built-up imports under the so-called "voluntary" restraints. (Nothing in writing, of course, because it was "voluntary.") They reneged, and about 70 percent of the transplant capacity became incremental.

Since those quote "restraints" in 1981, seven transplant facilities have opened and a net of nine Big Three assembly plants have closed. (General Motors' announcement a few weeks ago will change that ratio considerably.) In those ten years, our auto deficit with Japan has gone from $14 billion to $30 billion * * * every new job created has cost two old ones * * * and every new dollar contributed to America's economy drove out two old ones.

We also find ourselves with a helluva competitive disadvantage because the average transplant worker is 12 years younger and the cost of his labor is $12 an hour less. That's because all the new Japanese plants except Mazda in Flat Rock were built in cornfields. The younger work force uses less health care and they're at least 20 years away from collecting pensions.

The location of the plants also allowed the Japanese to duck any of the responsibilities of urban America. The Big Three work force is 21 percent minority. The transplants have only about 5 percent minorities. When you drive by our new Jefferson North plant, keep in mind that no Japanese company would ever consider building that plant.

So the lesson in dealing with Japan is that you have to focus on results not on process. If you let them decide on the process (and the timetable), you will never see results. At least not the results you were looking for.

And one of the results we must insist on is employment.

The content of every Japanese import represents about 1 percent American jobs. For the transplants, it represents about 48 percent. But for the Big Three it's about 88 percent. It's pretty obvious where our priorities should be if the objective is to get Americans back to work. Ford, General Motors and Chrysler (and their suppliers) create American jobs. The Japanese don't.

President Bush said it right when he started his trip: The issue is jobs * * * jobs * * * jobs.

Finally, we have to beware of the ancient art of Oriental patience. (And it is an art!) They don't solve problems in Japan, they manage them.

The Japanese are masters at making you peel the onion. You get through one layer and you're looking at another one just like it. One year we negotiated on oranges, the next beef, the next tomato puree, and even ravioli, yet! And in the end we're further and further behind.

I used to believe myself that the Oriental "long view" was a great virtue and something we could learn from the Japanese. I was wrong. It's not a virtue at all, it's a weapon and we have to disarm them if we're going to get anywhere at all.

We need to use our own weapon; good old-fashioned American impatience. That means demanding a solution to the problem now. And retaliating now if we don't get it. We've already shown all the patience anyone could ask—45 years of patience. First, we helped them rebuild. Then, we defended them. Then, when they were fully recovered, we continued to allow them open access to our market while they shut us out of theirs. We even had to listen to such crazy and insulting excuses as our skis aren't right for their snow and our construction companies don't understand their dirt.

Japan has a set of standard excuses every time they're called to task.

They say they create jobs in this country. Not true. Net-Net, they cost us jobs by the tens of thousands.

They say Japan is unique and deserves special treatment. I say Japan has had a free ride long enough.

They say they're changing. They're not. The only changes that will take place in U.S.-Japan trade relations are those that we force them to make.

They say if you criticize Japan you must be a racist. That's just a weak attempt to cut off the criticism.

And finally, they say all the problems are our fault. That's like blaming our army and our navy for Pearl Harbor because they weren't ready. Japan targets this market and particularly this industry, especially when our defenses are down (like in a recession) and we deserve what we get—that's the way that argument goes.

No, we don't have to show any more patience toward Japan. None. That's a trap. And we don't have to listen to any more phony excuses from Japan. We've heard them all for too long.

It's also sad to hear Japan's propaganda mouthed over and over by some American editorial writers and columnists, including some in this city, which is hurting so badly right now. And it's ironic because none of them have ever faced even a single minute of foreign competition in their entire lives. (Not even fair foreign competition!)

We have local pundits telling the Big Three how to compete in the global automobile market, when they can't even compete with the paper down the street. They rail against protectionism while they live under the protection of a JOA—the ultimate irony!

The standard line is that Japan's protectionism hurts Japan more than us. Tens of thousands of people in this city and this industry just went through a Christmas season wondering if they'd have jobs when they came back. Most of them are still wondering. Tell them the Japanese are just hurting themselves! (And tell those who've already lost their jobs.)

The Japanese and their Chrysanthemum Club apologists in this country (I call them "economic pacifists") are always warning against "quick fixes." As a result, we get no fixes at all. I've got news for them—it's high time for some quick fixes, and they should then be followed by more permanent repairs.

Now, I'm getting into the question time, so let me wrap up.

If I sound a little hot under the collar about what Japanese trade and economic policies are doing to this country and this city, I am. Our argument, of course, is with those Japanese policies, not the Japanese people. And with our own policies that have tolerated those Japanese policies. Both must be changed and changed fast mainly in our own self-interest, but in the long run for the good of the Japanese as well.

I warned them back in 1985. I said "you guys are protecting the wrong market. You're protecting your market in Japan when you should be protecting your market in America."

They didn't listen. Forty percent of everything Japan ships comes here. When American workers are out of a job. Japan's customers are out of a job. They haven't seemed to catch on to that yet.

In their own self-interest, the Japanese have to truly open their market, back off on their penetration of this one, and reform their whole economic structure to align it with ours and that of the rest of the world.

That would mean some severe problems for them. Maybe they would even have to taste recession for the first time * * * deal with unemployment * * * close some plants * * * and accept some of the responsibilities, the pain and the dislocation that comes with living in a global economy.

I think the real test of the value of the President's trip this week will be whether or not Japan finally accepts some of those realities and responsibilities.

Before the trip, some of the Japanese press was speculating on what quote "souvenirs" would have to be offered to placate the Americans this time. I resented reading that. I know we've been soft on Japan in the past, but I don't think we're going to keep selling our economic independence for a few beads and trinkets. And I don't think the $400 million Japanese lobby in this country is going to keep American resentment in check much longer.

I'm optimistic after this trip. Naturally, I'll wait to see the results, and I've been disappointed before. But this trip was more than show. I know, some people both here and in Japan said that Stempel, Poling and I were being used. We were called, among other things, "window dressing," "clowns," and "potted plants."

Well, I can't speak for anybody else, but if I can help convince the Japanese that Americans won't tolerate their predatory, mercantilistic attack on this industry and this market any longer, then I'll be glad to sit around like a potted plant all day long.

But if they keep pretending they don't understand the rules * * * if it turns out that they stiffed the President of the United States and sent him home with only a few "souvenirs."

RICHARD A. LIDINSKY RETIRES FROM OVER 43 YEARS OF SERVICE IN CITY GOVERNMENT

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mrs. BENTLEY. Mr. Speaker, on January 29, 1992, I will have the distinct honor and pleasure of attending a retirement dinner for a close friend and long time associate, Richard A. Lidinsky.

On December 24, 1991, Richard Lidinsky officially retired from more than 43 years of devoted service to Baltimore City government. Richard began work as executive secretary to the mayor in 1947 for then mayor of Baltimore City, Thomas D'Alesandro, Jr. He only left city government for 3 short years from 1959 to 1962 when he served as administrative assistant to Congressman Edward A. Garmatz. In 1962, he returned to city government as deputy comptroller and clerk to the board of estimates and served in that position until his retirement in December 1991.

To invest over four decades of one's life to one particular employer reflects a great deal of devotion and satisfaction with one's place in life. Richard has served under eight mayors and was well known for his loyalty and integrity.

A lifelong resident of Baltimore, Richard always has been seen as a permanent fixture in the city. Born in Baltimore in 1920, he graduated from Baltimore City College and later from University of Baltimore Law School. Married for 46 years to the former Angela Miller, Richard is the proud father of four children. He has a strong sense of community and has always been active in numerous civic and community affairs.

Without a doubt, Richard Lidinsky has a great wealth of character and spirit. In his case, success does not just carry a professional connotation.

Not only has Richard demonstrated a great deal of commitment and dedication to his work and family, but he has also given of his time and energy as a member of the board at Bon Secours Hospital and Mercy Hospital. In addition, he was former president of the Young Men's Bohemian Democratic Club, seventh ward, Baltimore City and was active in Baltimore City Retirement Board and Baltimore City Pension Board while serving as comptroller. He is active in charitable causes such as Little Sisters of the Poor and has been active in church affairs at St. Wenceslaus Church, the ethnic home and church of the Czechoslovakian community.

Typical of his character, upon his retirement, Richard offered to work as an unpaid consultant to the city. It appears that Richard's dedication to the city has superseded the lure of an easy retirement. Since his retirement, he has worked nearly every day imparting his knowledge and experience in service to Baltimore.

While it does not reflect our usual concept of retirement, Richard is not your ordinary person. His hard work and dedication truly is commendable. A strong family man, active in his church and community, Richard Lidinsky personifies the American dream and American work ethic.

Mr. Speaker, my fellow colleagues, it is with utmost respect and admiration that I congratulate Richard Lidinsky upon his retirement from over 43 years of devoted service to Baltimore City government. May he have continued success and happiness in the years ahead.

THE 150TH ANNIVERSARY OF THE MACE

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Ms. PELOSI. Mr. Speaker, I rise today to join my colleagues in celebrating the 150th anniversary of the historic mace. The ebony and silver mace used by the House of Representatives is one of our most cherished symbols. It is the symbol of authority of this body and one of the oldest and most important symbols of our Nation's democracy.

The sesquicentennial anniversary of the mace marks a historic occasion for the House of Representatives. It also marks an important occasion for my family. I am particularly proud to be a Member of the House during this 150th anniversary of this silver mace. Fifty years ago, my father, Thomas D'Alesandro, was also a Member of this House, as a Representative from Maryland. I appreciate the majority leader, Mr. GEPHARDT acknowledging my father in his remarks. When I was sworn in as a Member of Congress in 1987 my father was here to celebrate this honor. To me, the mace is a symbol of my family's continuing service, as well as this institution's continuity. In becoming a Member I became a colleague of my father's. Each of us who serves in this body shares the privilege of calling every other Member who has ever served here our colleague. The mace symbolizes this line of colleagues which stretches across the history of our Nation.

I am proud to be serving in the House today, 150 years after the 27th Congress gathered in the old House Chamber to use the mace for the very first time.

A SALUTE TO THE CUYAHOGA COUNTY BAR ASSOCIATION ANNUAL PUBLIC SERVANTS MERIT AWARD RECIPIENTS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. STOKES. Mr. Speaker, on February 26, 1992, the Cuyahoga County Bar Association will host its 46th Annual Public Servants Merit Awards luncheon. The event recognizes the exceptional work and contribution of selected county court system employees with the presentation of the Franklin A. Polk Public Servants Merit Award.

Mr. Speaker, I am proud to salute the Cuyahoga County Bar Association and this year's six public service recipients. I also am pleased to take this time to recognize the man for whom these awards are given. For 40 years Franklin Polk chaired the Cuyahoga County Bar Association's Annual Public Servants Awards luncheon and although Attorney Polk passed away last year, he will always be remembered for his great love of public servants and his commitment to recognize their contributions.

This year's honorees are: Donald M. Corrigan; Kenneth Rudolph Glenn; M. Richard Odom; Colin Alfred Sheehan; Sharon L. Streich; and Raymond L. Knight and at this time, I am pleased to share the accomplishments of these six individuals with my colleagues.

Mr. Speaker, Donald M. Corrigan serves as deputy clerk for the Cuyahoga County Probate Court. He is a graduate of Lakewood High School and received a B.A. from Cleveland State University. Mr. Corrigan also served in the U.S. Army and received an Honorable Discharge in 1963. He has been employed as a machine operator, sales clerk, and tow motor inspector.

Mr. Corrigan is an active member of the Democratic Party and has assisted in election campaigns of judicial and nonjudicial candidates. He is also a member of the Cuyahoga County Golf Association and the Ridgewood Men's Golf Association and is the past president and secretary of the Cuyahoga County Golf Association. In his spare time, he enjoys playing golf and various card games.

For the past 10 years, Kenneth Rudolph Glenn has served as deputy chief probation officer for the Cuyahoga Adult Probation Department. His career with the Court of Common Pleas spans over 25 years. Mr. Glenn previously served as a social worker for the State of Ohio Department of Youth Services and he played professional basketball for the Harlem Globetrotters.

Mr. Glenn graduated from East Technical High School, received a B.A. degree in sociology from Niagara University and a M.S. in criminal justice administration from Mercyhurst College. He and his wife, Betsey, are the parents of two children, Kevin Glenn and Andrew Kopf.

In 1986, Mr. Glenn was appointed to the Ohio Attorney General Victim's Assist Board and is the past president of the Community Action Against Addiction. He is also a member of the American Correctional Association, the Ohio Correctional and Court Service Association and in his spare time, enjoys traveling, golf, fishing, and painting.

M. Richard Odom is a detention officer at the Juvenile Court. His work for the court spans over 15 years having previously served as an assistant supervisor of transportation, financial analyst, activities worker, and child care worker.

A graduate of Shaker Heights High School, Mr. Odom will receive his B.A. in sociology from Cleveland State University in June 1992. He and his wife, Joanne, are the proud parents of M. Richard Odom, II, Matthew R. Odom, Lisa Y. Harris, Cheryl L. Hill, and Adrienne Prince.

Mr. Odom enjoys playing a variety of sports, listening to jazz, playing cards, and spending time with his three grandchildren.

Colin Alfred Sheehan has worked as a supervisor at the Cleveland Municipal Court since 1974. His service to the Cleveland Municipal Court spans nearly 25 years, having served as a deputy bailiff prior to his appointment as supervisor. Mr. Sheehan is a graduate of West High School and has received a certificate from the Cuyahoga County Sheriff's Department, the U.S. Marshall's Service, and the Ohio Peace Officer Training Council. He and his wife, Joan, are the parents of Colin Kelly Sheehan (deceased), Kevin Robert Sheehan, Colleen Roberta Sheehan, and William Thomas Sheehan.

Mr. Sheehan is an avid sports enthusiast and physical fitness guru. One can still find him playing basketball and volleyball, swimming, and walking. In his spare time, Mr. Sheehan also enjoys cooking and interior decorating.

Sharon L. Streich has spent nearly 25 years working at the Domestic Relations Court. She is currently the director of administrative services at the court. She was previously employed with Ridgewood Country Club and Central National Bank.

A native of Cleveland, Ms. Streich is a graduate of Byzantine Catholic High School. She and her husband, George, are the parents of Edward Jacob Streich.

Ms. Streich considers herself an avid Cleveland Browns enthusiast who enjoys playing golf in her spare time and spending time with her husband and son.

Raymond L. Knight is the supervisor of the archives department at the county clerk of courts. He has previously worked at the Aluminum Co. and Apex Manufacturing Co.

Mr. Knight is a graduate of East Technical High School. He has also served in the U.S. Army, receiving an honorable discharge in 1947. During his service in the Army, Mr. Knight became a boxing champion.

Mr. Knight and his wife, Joy, are the parents of Raymond L. Knight, Jr., Clerance B. Knight, Larry Knight, Carol Knight, Patricia Knight, Kevin Knight, and Kenneth Knight. He was the former president of the old 12th Ward Democrat Club and in his spare time, he enjoys fishing and gardening.

Mr. Speaker, it is a special honor for me to join in the salute to these exemplary public servants. Employees such as Mr. Corrigan, Mr. Glenn, Mr. Odom, Mr. Sheehan, Mrs. Streich, and Mr. Knight make the system work for all of the residents of the Cleveland metropolitan area.

I join the Cuyahoga County Bar Association and the chairperson of the annual award luncheon, Mercedes Spotts, in paying tribute to the 1992 Public Service Award recipients.

HONORING A LIFE OF DEDICATION TO INTERNATIONAL SERVICE, DUMOND PECK HILL

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. FASCELL. Mr. Speaker, a friend of mine and former chief counsel to the House Committee on Foreign Affairs, Dumond Peck Hill, died recently and I would like to honor the memory of this man who dedicated much of his life to international service.

Although Peck Hill left a position in Government many years ago, he continued to participate both professionally and on a volunteer basis in people-to-people programs linking countries and their leaders.

One organization to which he was particularly close was the Partners of the Americas. Partners recently voted to have its Volunteer of the Year Award—the highest recognition given annually to Latin, Caribbean, and U.S. citizens who excel in volunteer efforts—carry Dumond Peck Hill's name forever.

Partners, which was very important to Peck Hill, is the private sector successor to the Alliance For Progress, founded by the Kennedy administration to link U.S. leaders and institutions with their counterparts in 31 Latin and Caribbean countries.

Last year, I was pleased to host this organization when it celebrated its 25th anniversary in the hearing room of the House Committee on Foreign Affairs. Peck Hill served as the Partners legal counsel for 20 of those 25 years and it was a credit to him that the organization can point to a fine record of growth and management in its many programs.

We will miss Peck Hill, but we know that his many contributions to international service will live on in the work he did for organizations such as Partners of the Americas.

I feel honored to have known and worked with him.

EXPLANATION OF REMOVAL OF NAME AS COSPONSOR OF H.R. 1330

HON. RICHARD H. STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. STALLINGS. Mr. Speaker, today I removed my name as a cosponsor of H.R. 1330, the Comprehensive Wetlands Conservation and Management Act of 1991. I support many of the provisions in the bill, such as those which would allow the Corps of Engineers to delegate wetlands protection to the States, and those which would require compensation to owners of wetlands if a permit for use was denied, consistent with other Federal takings.

However, recent field tests using the legislation's proposed definition show that 60 to 85 percent of the remaining wetlands in Idaho would no longer be classified as a wetland. In fact, known waterfowl production areas such as the Roswell Slough and the Centennial Marsh would not fit the new definition. Given this new information, I cannot cosponsor this legislation as it is currently drafted.

In developing the definition of a wetland we should be focusing our efforts on balancing the rights of small businessmen and landowners against the unquestionable value of wetlands to the ecosystem. Unfortunately, as with so many important issues facing our country, politics seem to be getting in the way of developing a comprehensive long-term policy. I am concerned about this, and I appreciate the many Idahoans who have taken the time to express their opinions and concerns about the future of Federal wetlands policy.

On December 19, the four Federal agencies involved in the 1991 wetlands identification manual issued proposed rules, beginning the process of codifying the 1991 manual into formal agency regulations. I do not support the unscientific and arbitrary regulations that are currently being proposed by the administration. I believe we need a single wetlands definition that is scientifically based, defensible and measurable.

In an effort to restore science to the wetlands debate, I recently voted for an amendment which would have required the National Academy of Sciences to conduct an independent review of the science and methodology of determining what constitutes a wetlands area. While this amendment failed narrowly, it would have provided significant scientific underpinnings for the development of a wetlands delineation manual. While some criticize the delay yet another study would have caused, I believe that without additional nonbiased science to base a decision on, the politicizing of this issue could put a legislative solution at least a year down the road, and possibly more.

Many felt we reached a good compromise on wetlands when we drafted the swampbuster provisions in the 1985 farm bill. The established procedures for implementing swampbuster were specifically designed to apply to wetlands on agricultural lands, and were accepted widely by farmers. conservationists, the administration, and Congress. I supported this effort, and am very disappointed by the administration's decision to change the regulations on this program. In contacts with Idaho farmers, the Soil Conservation Service, the Idaho Department of Fish and Game, and others in our State, there is strong agreement that this program has been successful and generated very little controversy.

Last year I supported funding for the water quality incentives and wetlands reserve programs. I believe these programs and others like them will help America's farmers make significant strides toward resource conservation during the next decade. The alternative could be a regulatory approach which would be difficult to understand and possibly counterproductive for both America's farmers and the environment.

Idaho, like other arid Western States, has already lost the majority of its historic wetlands. Yet they provide significant benefits to the people and economy of this State. Wetlands in Idaho reduce runoff siltation and pollution into our waterways by holding back floodwater. They help in holding water from snow melt, which provides groundwater recharge benefits for fish, wildlife, native vegetation, and farming.

Mr. Speaker, I remain optimistic that we can work together to reach a sensible framework to identify and delineate wetlands in this country. The 1985 farm bill shows that it is possible.

THE TWISTED POLITICS OF TRADE

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. OXLEY. Mr. Speaker, I commend to my colleagues the following article, "The Twisted Politics of Trade." Authored by Robert J. Samuelson, the piece gives, in my view, an accurate analysis of the trade issue.

[From the Washington Post, Jan. 22, 1992]

THE TWISTED POLITICS OF TRADE

(By Robert J. Samuelson)

Politics and economics have rarely been so much at odds as they are now on trade. Everyone's preaching economic nationalism. "America First," says Pat Buchanan. "Jobs, jobs, jobs," said President Bush of his recent trip to Japan. We must guard "our goal" (a hockey analogy), warns Sen. Bob Kerrey. If we practice what these guys preach, we may ultimately harm our economy's strongest sector; exports.

Contrary to popular belief, America is not an export weakling. Since 1985, our exports have nearly doubled from $219 billion to an estimated $422 billion in 1991. (December figures aren't yet in.) We may now be the world's largest exporter. In 1990, Germany was top with 12.1 percent of the global total. We were second (11.6 percent), and Japan was third (8.5 percent). However, our exports rose in 1991, and Germany's fell. We shouldn't now give other countries an excuse to block our exports by embracing protectionism or "managed trade."

Our politicians are doing just that. President Bush mouths the rehetroic of fair trade and drifts toward managed trade. In Tokyo, he correctly pushed Japan to change practices that discriminate against imports. For example, Japan imports only 4 percent of its paper even though it is a high-cost producer. But Bush went too far in seeking special trade deals for U.S. industry. Pressuring Japan to buy 20,000 U.S. cars or $10 billion of auto parts is managed trade that could easily backfire.

To see why, consider a more extreme scheme backed by House Majority Leader Richard Gephardt. He proposes legislation that would require Japan to eliminate its trade surplus with the United Sates over five years. Otherwise, we would impose sharp cuts in Japanese car imports.

Great. The United States now has an estimated $17 billion trade surplus with the European Community. Does Gephardt naively think that the Europeans wouldn't demand the same of us? Of course they would. World trade cannot flourish on the basis of mandated trade balances between individual countries. Trade prompts countries to specialize in what they do best. In turn, specialization makes it hard to balance the trade between two countries. Suppose Country A sells gizmos to Country B and buys widgets from Country C. Even if its total trade is balanced, it may have a surplus with Country B and a deficit with Country C.

What Gephardt endorses is pure protectionism. If adopted, it would reduce trade and everyone's economic growth. Managed trade involves similar, through subtler, dangers. It would set trade goals in individual industries by diplomacy. We delude ourselves if we think we could perpetually extract concessions from other countries without giving anything in return. Sooner or later, we would face pressures to limit our exports in exchange for other countries' limits. This is senseless policy of penalizing our strong industries and rewarding our weak industries.

But the popular appeal of these approaches is increasing, because many Americans believe two myths. The first is that our trade deficit has contributed to the recession and weak economy. Quite the opposite: sharp declines in the deficit (from a peak of $152 billion in 1987 to $102 billion in 1990 to about $65 billion in 1991) have been a stimulus to the economy. Unfortunately, it hasn't been enough to offset fully the drag of lackluster consumer spending.

The second myth is that the United States is fundamentally "uncompetitive." Not so. In the 1980s, two things happened. First, intense foreign competition forced U.S. companies to become more efficient. Manufacturing productivity rose at a 3.5 percent annual rate: the best gains since the early 1950s. Second, the dollar's exchange rate declined sharply from its artificially high levels of the early 1980s. These changes have made many U.S. industries low-cost producers.

Their health is obscured by the troubles of the American auto industry. Its immediate problems stem mostly from the weak economy and poor sales. But the Big Three would like to cure their slump by forcing—through legislation or a diplomatic deal—Japanese carmakers to cut U.S. sales. Other manufacturers are worried they'll suffer from this protectionism. Listen to what Dexter Baker—head of the National Association of Manufacturers and chief executive of a chemical company—said recently at a press conference. In effect, he told the automakers to get lost.

Q. Congress is considering a variety of legislation, particularly in the field of auto imports. Are you going to oppose [these bills]?

A. You bet.

Q. That's bad for the rest of American manufacturing?

A. Absolutely. Absolutely.

Q. And you will be arguing with the Big Three automakers and others?

A. Well, they're important members of our organization, but we don't think protectionism is the way to go.

With luck, our trade deficit could disappear by 1995, argues Stephen Cooney of the NAM. We should be working urgently to expand free trade, because we are in a great position to benefit. Instead of begging for special treatment, President Bush should have pushed Japan to make concessions in global trade negotiations (the Uruguay Round). Unfortunately, he merely gave lip service to the trade talks. These may fail, because both Europe and Japan are clinging to protectionism for farm products.

All Americans favor America first. But a slogan is not a policy. An open trading system serves our interests. In the 1980s, the U.S. economy was powered heavily by a consumer buying boom, which was one reason for our huge imports. Now, consumer spending has slowed. Exports and related investments are engines of growth. If protectionism rhetoric inspires protectionism policies, Americans will be among the first victims.

HONORING MR. YOSHIO C. NAKAMURA ON THE OCCASION OF HIS RETIREMENT FROM RIO HONDO COMMUNITY COLLEGE

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. TORRES. Mr. Speaker, I rise today to recognize a special individual, Mr. Yoshio C. Nakamura. Mr. Nakamura is retiring from public service work after 29 years of employment at Rio Hondo Community College, and will be honored at a special retirement dinner on January 29, 1992.

Mr. Nakamura received his bachelor of fine arts and master of fine arts degrees from the University of Southern California. He has studied at Stanford University, UCLA, UC Riverside, Whittier College, and the Otis Art Institute.

Mr. Nakamura began his career as a teacher with the Whittier School District. In 1963 he joined the staff of Rio Hondo College as a professor of art and served in that capacity until 1973. He served as dean of community services from 1973–1983; dean of community and student services from 1983–1985; vice president of community and student services from 1985–1991, and vice president of community service and institutional development from 1990 to present.

As a staff sergeant in the United States Army, 442d Regimental Combat Team/Japanese-American Unit, he was decorated with the Bronze Star, Presidential Unit Citation with oak leaf cluster, and European Theater Ribbon with three battle stars.

He has published numerous articles on a variety of subjects, ranging from teaching guides for use at all levels of educational services, to a "how to manual" for helping community college trustees utilize community services.

During my tenure in Congress, Mr. Nakamura has been instrumental in assisting me with the preparation of my annual business expo conference. He has dedicated countless hours to working on my business expos and his personal touch has been appreciated by the thousands of individuals who have attended throughout the years. Indeed, because of Mr. Nakamura's efforts, my business expos have always been resounding successes.

Mr. Speaker, on January 29, 1992, administrators, former students, civil leaders and dear friends will be gathered to honor Mr. Yoshio Nakamura for his tremendous and unselfish contributions to the field of education and to our community. I ask my colleagues to join me in saluting this exceptional man for his outstanding record of educational service to the young people of my district and the State of California.

KAY PARDEE, DADE SUPER TEACHER

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, every school district has those teachers who stand out and Ms. Kay Pardee is one of those teachers. Her devotion to her students speaks for itself. She presently devotes herself to teaching the third grade at Pinecrest Elementary School. The Miami Herald recently recognized her as one of Dade County's super teachers in a recent article by staff writer, Jon O'Neill. That article follows:

Kay Pardee wants her students to love learning as much as she loves teaching. And that's a lot.

Pardee, 43, has been working at Pinecrest Elementary for almost 23 years, yet every day is a new adventure. She is filled with ideas designed to make learning fun while at the same time pushing her kids to their academic limits.

"Her classroom is a magic place," said Pardee's boss, principal Bonnie Wheatley. "She is a premier teacher who has retained her enthusiasm and interest. There's no burnout as far as she is concerned."

"I love doing this," said Pardee, who teaches third grade. "It's the only job where you get a daily payoff watching the faces of your students. It's never the same, there are no ruts."

Pardee makes sure of that. Monday, she gave her math class a break from the routine by having them play the card game "War"—with a twist. Each student drew two cards, then multiplied their face values. The kid with the highest total got to keep the cards.

When the class read the book that inspired the TV show Little House on the Prairie, they made models of the house and churned their own butter. When they study anatomy, they make life-size paper bodies to work with.

The kids love it.

"She's nice and she makes things interesting," said David Thornton, 8. "When we did book reports, we made boxes with drawings on the outside and a clue on the inside. Then everybody had to guess what book we read. It's fun."

For discipline, Pardee uses buttons labeled ICMM for "I Can Manage Myself." When kids misbehave, they lose the buttons. If they keep them all week or all term, they get rewards like stickers or boxes of raisins.

"I think it makes them responsible for their own behavior," Pardee said. "I want to help them build their own self-esteem and let them know they can decide how well they can do."

Student Elke Van Breemen, 9, has never lost her ICMM button. That's because she enjoys her class and her teacher.

"She's very kind and she always helps you," Elke said. "She makes you do a lot of work, but in a nice way. She never shouts at you."

Pardee has had a lot of time to develop her teaching style. Born in Upland, Calif., she moved to Miami when she was 4. As a child, she used to play teacher with her sisters, right down to giving them homework. By the time she was a senior at Coral Gables High, Pardee was sure she wanted to be a teacher.

She got a bachelor's degree in education at the University of Miami, then got a master's in reading there. She started at Pinecrest, 10250 SW 57th Ave., in 1969 and—except for a two-year stint as a reading specialist—has been there ever since.

She has seen a lot of students during the past two decades, and sometimes the biggest thrill is seeing them again.

"I had a former student come in one time and tell me she was starting to intern as a teacher," Pardee said. "Then she said: 'It's because of you that I decided to go into teaching.' You can't get much more of a reward than that."

Mr. Speaker, I commend Kay Pardee for her contribution to teaching in south Florida. She is a model educator. I commend the leadership of principal Bonnie M. Wheatley and vice principal Lamonte Haynes for making Pinecrest Elementary School a place where teachers like Kay Pardee can thrive.

A THOUGHTFUL SUGGESTION FOR CONGRESSIONAL REFORM

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. BROOMFIELD. Mr. Speaker, during the recess I spent some time with an old friend and colleague, Chuck Chamberlain, a fellow Michigander and former member of the House.

Chuck mentioned an article he had seen, written by Norman Ornstein, a resident scholar at the American Enterprise Institute. The article put forth what I feel is a fine idea for reforming one area of congressional rules, and a very controversial area at that.

Mr. Ornstein's suggestion is to change the ethics committees of both Houses of Congress "to consist of former members and staff, appointed by leaders for fixed terms."

This suggestion has at least two virtues: One, by appointing "outsiders" it eliminates a conflict, or at least a perceived conflict of interest in the deliberations of the Ethics Committees; two, by appointing those who have served in Congress, Members who are called before the Ethics Committees can be assured that their cases are being heard by people who have more than a superficial understanding of their plight.

Service on the Ethics Committees is perhaps one of the most difficult assignments a Member can have. I am sure that the many fine Members who are currently serving on these committees would welcome this change.

As Mr. Ornstein puts it:

The lawmakers who now serve on the ethics panels—including some of the best, most honorable and most conscientious we have—would be freed from that thankless and onerous task and able to spend much more time on productive policy pursuits.

There are many thoughtful and civic-minded former members who would like a chance to serve their Nation once again.

I believe this suggestion merits serious consideration by my colleagues and ask that the column by Norman Ornstein be reprinted in the RECORD.

[From the Washington Post, Nov. 28, 1991]

LET FORMER CONGRESSMEN JUDGE

(By Norman Ornstein)

The Senate Ethics Committee's reprimand of Senator Alan Cranston puts a painful and rather bizarre end to the saga of the Keating Five. But it does not end the dilemma the Senate—and the House—face while dealing with investigation and punishment of violations of congressional ethics. No matter what they do, they get criticized and vilified. The verdicts are either too easy, reflecting the desire of members to protect their own, no matter how egregious the conduct, or too tough, reflecting partisan, personality or ideological motives to "get" the miscreant.

We have had more than our share of highly publicized examples in the past few years, from Gus Savage, Jim Bates, "Buz" Lukens and Speaker Jim Wright in the House to the Keating Five and Sens. Durenberger and D'Amato in the Senate. Currently, we have the investigations into leaks in the Senate, and the sergeant-at-arms bank in the House. We don't know what will come next, but most assuredly something, and someone, will emerge before long. Each time, the House or Senate Ethics Committee, or a related designated group, investigates and deliberates, surrounded by an atmosphere of suspicion and skepticism. No wonder finding members to serve on the ethics panels is about as easy as recruiting vacationers to Beirut.

The problem starts with the fact that the congressional ethics committees have a built-in conflict of interest. When colleagues investigate, judge, prosecute and punish each other, there will always be suspicion about their actions. The judges, after all, are peers and friends (or rivals) of the judged. They are together with them daily, often on an intimate basis and in an interdependent fashion. The outcomes of their actions do more than affect the accused: They can shape the judges' own careers and policy or political preferences. That inherent conflict is precisely why Congress passed the "Special Prosecutor" law for the executive branch—to avoid the taint that would come from executive officials investigating allegations of wrongdoing by one of their own.

In particularly touchy and controversial situations, the two congressional ethics committees have tried to resolve this ethics dilemma by taking on an independent investigator, like Richard Phelan in the Jim Wright case and Robert Bennett for the Keating Five. That has not worked well. Special counsels may have ambitions and political motives of their own, as Phelan demonstrated, or may find, as Bennett did, that their work does not prevent the ethics committees from dividing politically or being accused of the same old conflicts of interests.

The solution for Congress is not to create special prosecutors for itself; that would not be appropriate under the Constitution, which gives Congress, in Article I, Section V, the responsibility to police the conduct of its own. Neither would it be suitable to create ethics committees consisting of those who are removed from Congress and who do not understand the nature and working of an inherently political body.

There is a way out, however, that strikes the right balance: Change the Senate and House ethics committees to consist of former members (and staff) appointed by leaders for fixed terms. Former lawmakers understand Congress and its members but are removed from the conflict of interest that comes with judging one's contemporary colleagues.

Many former members, to be sure, have their own conflicts of interest, including those who lobby Congress or otherwise do business directly with it. But we have available loads of others, including some of the most impressive and experienced citizens in the country, who run businesses, practice law, write, teach or engage in other productive pursuits. Who among us could exceed the integrity, patriotism, sensitivity and credibility of people like Edmund Muskie, Howard Baker, James Pearson and Charles McC. Mathias from the Senate, or Barber Conable, John Y. McCollister, Bill Brodhead and John Brademas from the House? There are dozens of others who would be just as appropriate. The same is true of high-quality former members of the staff; the ethics committees also have responsibility for overseeing and policing the conduct of staffers.

If we have ethics panels made up of former legislators and staffers, they could consider any charges or complaints of wrongdoing or misconduct by lawmakers or employees, investigating and adjudicating them, then making recommendations to the appropriate house of Congress for the final judgment it is required to make under the Constitution.

Lawmakers wouldn't have to worry about losing control; it would be their most respected and esteemed former colleagues, free from their own political ambitions or self-interest, making judgments. Outsiders might criticize their verdicts but could not make any charges stick that it was the foxes guarding the chicken coops (or the chickens judging the foxes). The lawmakers who now serve on the ethics panels—including some of the best, most honorable and most conscientious we have—would be freed from that thankless and onerous task and able to spend much more time on productive policy pursuits. And at least one area where Congress is regularly pilloried could be removed from the list.

THE POWERFUL WORDS OF SAMUEL J. LEFRAK

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. SOLARZ. Mr. Speaker, I rise today to pay tribute to a friend, a proud New Yorker, a distinguished leader of the business community, and a dedicated public servant, Dr. Samuel J. LeFrak.

Dr. LeFrak is chairman of the LeFrak Organization, one of the world's leading building firms. In New York, such landmarks as LeFrak City, Battery Park City, and Kings Bay Housing stand as monuments to his professional success. Yet his contributions to our city and our Nation extend far beyond his corporate endeavors.

Dr. LeFrak is a leading advocate for the homeless. He is also the sponsor of a scholarship program that sends gifted New York children to participate in the yearly American Academy of Achievement Program which brings talented youngsters together with prominent Americans. At last year's academy meeting, Dr. LeFrak was given the honor of presenting the keynote address at the United Nations. His speech, while directed at the 500 high school honorees in the audience, has a powerful message for all of us. I commend Dr. LeFrak's words to my colleagues.

ACCEPTING THE CHALLENGE OF A CHANGING WORLD

(By Samuel J. LeFrak)

Ladies and gentlemen, distinguished guests.

Cicero once said: "I approve of a youth who has something of the old man in him. *** as I approve of the old man who has something of the youth in him. He who follows this rule may be old in body but can never be old in mind."

Welcome and congratulations to all of you honorees and over-achievers here today: past and present *** young and old *** in mind and body.

You deserve the world's applause and recognition for what you have achieved and for what you will be achieving.

The hallowed halls of this great building are most appropriate for today's meeting because this is a sacred place. Alone among the institutions of international politics, the United Nations is the preeminent forum where words—not guns—are the weapons of choice for settling disputes and avoiding war.

One of the greatest strengths of our democracy is that we can, on occasion, act like a community. We can become a group, sharing its strengths to overcome our weakness, a group accepting diversity as a precious source of creativity and using conformity as a ladder for communication. It is always reassuring to have a visible manifestation of this idealistic concept. Thus, I predict that we are on the threshold of the Golden Age of the United Nations.

Indeed, all of us here today who experienced the glory and victory of Operation Desert Storm also witnessed the global cooperation which brought about the downfall of an aggressor state.

Through rapid communications, high technology, and reason, a relentless and immediate focus on Saddam Hussein's madness rallied the world behind the United States and leaders like President George Bush and U.N. Ambassador Thomas Pickering.

Truly, the "Global Village" is a reality; and the microcosm of this volatile reality is here at the United Nations. We are one world! One people!

It was for just such purposes that this complex of buildings and its altruistic doctrines were created forty years ago: to study, evaluate, and respond quickly to world strife with practical solutions.

Today, as we approach the 21st century, the scope of changes taking place compels us to resolve international issues at an even faster pace than before.

Instant TV replay of shattering events like Tienamin Square and the Kurdish disaster are immediate reflections of global problems that must be solved at once.

My remarks today, therefore, will be addressed to you: the next generation of young, bold leaders who must yet confront and unravel the monumental conflicts that have plagued mankind throughout the modern era *** a generation that must reshape the future of the world as we enter a new millennium.

And I must say that I am happy to be here to speak to such an outstanding group of overachievers.

For you are not a lost generation! Or a silent generation! Or an indifferent generation! You are a concerned and committed generation. And I, for one, believe adult America should be proud and thankful that you, young America—youthful America—is concerned for our country, dedicated to genuine understanding of world problems and fearless in your determination to be a part of the solutions we seek.

Never before has youth been so informed, assertive, articulate and well educated. Poetry and art, philosophy and science, religion, politics, economics, and the environment will be affected by you. It is you who must eventually cure cancer, homelessness, AIDS, and the common cold, lay out blight-proof and smog-free cities, enrich the underdeveloped world, and write "the end" to poverty and war.

As we stand on the threshold of the Twenty-first Century, our ability to survive and flourish as a civilization will depend upon your enthusiasm, creativity and hard work. For you are the future explorers, scientists, artists, inventors, and innovators who must change the way we live. Many of you someday may even return here to the United Nations to represent our great country as its diplomats and world statesmen.

For it is your generation that will be called upon to correct the effects of this vast explosion of technology, rapid communication, and knowledge *** to satisfy our growing needs for education, health, culture, and improved living conditions. Your mission, therefore, is to accept the challenge of a swiftly changing world.

No other generation of Americans has ever had so great an opportunity and so great a responsibility.

Chekhov said we live today to improve tomorrow. Albert Einstein summed up the challenge. He said the most incomprehensible thing about the world is that it is comprehensive.

Any attempt to understand international relations today therefore must begin by considering the speed with which the modern world has been unmoored from its own past. An exuberant new vitality has stirred the human species, altering patterns of life set in the daybreak of civilization. Moved by ideals of individual dignity and worth, millions of people in countries around the world have questioned and changed age-old hierarchies of power and influence. Empires have disappeared, new nations have been born. There is today the technical paucity to do down with poverty, disease and homelessness.

A wise man once wrote: "The worst sin toward our fellow creatures is not to hate them but to be indifferent to them." Indifference can no longer be tolerated. Throughout history there has been no better time than now to correct the world's inequities.

Only one choice faces us. And that is to act! The 80-year old Voltaire, when told that a tree he favored would take 40 years to bloom, said to his gardener, "Well, then, plant it this afternoon."

As we look to the next century, shortages, poverty, upheavals, environmental disasters seem all too possible. How can we survive, much less prosper, in a complex and turbulent world?

We should remember that the Chinese ideograph for "crisis" is composed of two picture-characters: one means "danger" and the other means "opportunity."

I stress the significance of the word "crisis." For each disappointment, each disaster, each crisis offers us a window of opportunity to advance science and culture, to extend human kindness and caring to others less fortunate...to keep bright the torch of reason and concern in a world too often dark with despair and doubt.

More than 125 years ago, a group of French painters decided to break from the artistic traditions they inherited. These rebels became known as the Impressionists. From the beginning, critics denounced them as if they were attacking the very basis of French life, instead of merely trying to capture the effects of light as they saw it.

It took twenty years for their works to become popular, and, by that time, the movement had come to an end . . . but not without having achieved a permanent and honored place in world history.

Seventy-five years ago new ideas were being broached and old frontiers were being breached in music, literature, and science. Debussy was paving the way for the sounds of 20th Century music and audiences more than once broke up concerts with noisy demonstrations and riots. Men like James Joyce and T.S. Eliot were bringing a new realism to fiction and poetry in a society that had grown all too satisfied with the old ways of viewing the world. In physics, Ernest Rutherford was beginning to unlock the secrets of the atom. And soon afterward, Sigmund Freud would open new windows on the inner conflicts of man.

In short, this period was much like our own, but with one significant difference—and this difference has a vital bearing on you young people gathered here today. For you, the intellectual vanguard of your generation, are the Impressionists of today.

Recall for a moment the work of one distinguished innovator born more than 300 years ago: Galileo. In a dramatic demonstration, Galileo climbed to the top of the leaning Tower of Pisa and dropped objects of varying weights to the ground to prove that the mass of an object had no effect on its velocity under free-fall conditions.

Yet for two thousand years, man had believed the reverse because Aristotle, the great Greek philosopher, had said so! Before Galileo, no one had asked for proof or sought to disprove Aristotle's theory.

Today, we are moving through a period of splendid hope. We are on the verge of a Second Age of Enlightenment. New horizons, new challenges, new opportunities abound. Your commitment to balancing business needs with environmental concerns, in seeing that higher education addresses real-world issues and problems, and in attempting new forms of artistic and social expression, represent democratic areas where truth and absolute freedom exist with no holds barred.

You seek to bring new flavor into our lives. You ask to be directed and guided in a manner that will not turn you into carbon copies of previous generations, for you are tomorrow's leaders. Yet, the proliferation of knowledge required today by our highly technical society demands that you think fast, run fast, write fast, and act fast.

You are a generation of Galileos poking holes in the Aristotles of the older generation. However, you face difficulties Galileo did not encounter, for, after all, no one's life then depended upon relative velocities of falling objects. In a sense, mankind could afford to wait two thousand years for Galileo.

However, today's world being what it is, we cannot afford to wait 2,000 or 500 or even 50 years for answers to problems facing our society. This urgency will create added burdens and tensions. But you cannot let this deter you from your intended course.

Moreover, do not expect to have only one crucial confrontation with truth as Galileo did. Your problems will not lend themselves to simple solutions. You will have to take that lonely walk up hundreds of towers; and even then the results will often create contradiction and uncertainty.

Consider for a moment the radical and turbulent changes you have lived through in just a few short years.

We've seen man land on the moon; the Berlin Wall torn down; the winds of change blowing throughout the world; Russia forsaking Communism and moving toward the West; peace talks abound; China evolving toward a market economy.

We saw the United Nations band together to destroy an unjust and cowardly enemy threatening world peace. We saw American forces in a desert war use modern technology to defeat an enemy within a relatively short period of time. We hailed a dauntless General Norman Schwarzkopf. And applauded a brilliant general staff under the command of General Colin Powell. Victory brought us together. Made us proud. Gave us strength and hope. Yes, even the "flag-burners" were denounced! And a tremendous swell of American patriotism was reborn!

Now a new world order faces us today. New dreams. New aspirations. New challenges. The international community seeks our help, guidance, direction, and cooperation.

And with whom does all this new hope and promise reside?

With you . . . America's greatest resource: its young, bright leaders and scholars.

No one knows, no one can be sure, what great talent lies within you. The reinforcement and nourishment you derive from the academic world is only the foundation upon which you must build the superstructure of your future lives.

Historically, our past generations have depended upon hard work and resourcefulness. It was this resourcefulness that helped our forefathers develop America. Their ingenuity and enterprise enabled our people to enjoy those luxuries we now take for granted.

The entire world is now looking for your help, your resourcefulness, your ingenuity, and for this reason you must be ready to lead.

For better or for worse, the world today is committed to accelerating change—radical, wrenching, erosive of both traditions and old values. You, its inheritors, have grown up with rapid change and are better prepared to accommodate this change than any young men and women in history.

With your skeptical, yet humanistic outlook, your disdain for fanaticism, and your scorn for the superficial, you will infuse the future with a new sense of morality, a contemporary ethical concept that will further enrich our society and keep our great nation paramount in the eyes of the world.

Mark Twain once said to another group of overachievers: "You have won your places, not by heredities, and not by family influence or extraneous help, but by the natural gifts that God gave you at your birth, made effective by your very own energies."

So, remember this well—your energies and abilities have brought you this far. It is even more important that you rely on these same energies and abilities from this point on! Each of you can make something of yourselves because by your very presence here today you have proven that you have within yourselves the ability, the desire, and aspirations to reach for the stars.

But now the responsibility is yours. You have demanded it. It is up to you to know all. It is up to you to dare all.

Tomorrow's challenges are the greatest reason for your existence. You are the hope for our future.

God Bless You . . . and God Bless our Wonderful Country!

Thank you.

DIFFERENT CENTURY RULERS SET SIMILAR REFORMS IN MOTION

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. BENNETT. Mr. Speaker, the very able and much published Marine Gen. James D. Hittle, retired, has written an interesting piece in the January 27 Navy Times. I submit it for inclusion in the CONGRESSIONAL RECORD. The analogy he draws between today and the Russian events of a century and more ago is startling to say the least.

[From the Navy Times, Jan. 27, 1992]

DIFFERENT CENTURY RULERS SET SIMILAR REFORMS IN MOTION

(By Brig. Gen. James D. Hittle)

Alexander II is known as the "Czar Liberator." So far, Mikhail Gorbachev is not called "Communist Liberator" but it could take only the passage of time for his policies to be seen in clearer perspective. Just as Alexander II received his well-deserved nickname, Gorbachev, for his historic contributions, deserves recognition for the forces he set in motion.

Alexander II (1818–1881) and Gorbachev lived in different centuries and under different political systems. Yet, whatever their respective motives, through both of their periods of power run some basic similarities.

Each came to power inheriting accumulated problems of their predecessors. Alexander, when he became czar in 1855, found himself ruling a vast nation wallowing in an economic and political quagmire of serfdom that was virtually a form of slavery, outmoded political methods, censorship and an economic system unprepared for the industrial revolution. Moreover, Russia was being financially drained by the Crimean War. Alexander, like Gorbachev in his time, faced the unpleasant choice of accepting and continuing the policies of the Russia he inherited or facing up to the harsh reality of what was going on.

The Crimean War basically was a conflict between Russia and the Western powers—England and France—aligned with Russia's old antagonist, Turkey. In this sense, there were basic parallels between the Crimean War and Gorbachev's Cold War.

What Alexander II did regarding the Crimean War and what Gorbachev did regarding the Cold War underlines the realism of both. Alexander II accepted the Western peace terms, thus, in effect, surrendering. Gorbachev, about a century later, threw in the towel, too, ending a potentially explosive, and extremely expensive, confrontation with the West.

Another intriguing parallel is how, after the end of the Crimean War and again following the Cold War, Russia reopened the window to the West.

There followed, under Alexander's rule, revitalization of a previously moribund railway system, expansion of banking and hospitals and extensive improvements in education. Western technology, then as now, was to play a major role in the transformation of Russia.

But perhaps it was the kind of reform policies that Alexander II and later Gorbachev initiated that so clearly marked the changes they were bringing about.

Alexander, in 1861, liberated the millions of serfs. His objective was to provide them with shelter and fields to till. To do this required some breaking up of the huge land holdings. Gorbachev, in the next century, sought to stimulate agriculture by providing rented land to the individual farmer, largely at the expense of the collective farm system. In each of these instances, Alexander's and Gorbachev's policies were only partially successful. It was the land-owning nobles and gentry who opposed and partially blocked Alexander's efforts. Gorbachev's opposition was the entrenched bureaucracy whose authority and privileges are largely based on the collective system.

Both rulers initiated farsighted changes in the lives of the Russian people. Alexander stopped the heavy restrictions on religious activities. Gorbachev started opening the churches. Also, under each, censorship was relaxed. Alexander put an end to special taxes levied on the Jews. Gorbachev permitted the emigration of Jews.

On military personnel matters there is another striking parallel between what happened under the czar and the communist leaders. After both the Crimean and the Cold War there were heavy cuts in Russian military forces, with widespread termination of military careers and resulting dissatisfaction and dissension.

The relaxation of censorship under Alexander fostered political discussion and the growth of political journalism. Later, under the communists, journalism was rigidly controlled, and opposing political discussion forbidden. Gorbachev returned the country to a policy of openness, providing freedom to speak and write, even critically, about government policy.

The parallels of their respective rules extended even to their removal from power. Alexander was killed by a bomb thrown by a disgruntled student. Gorbachev's authority really ended with the brief, but futile coup. From the moment of his capture and the three—day loss of the nuclear control "black box," his power went into a tailspin.

As historical figures, both Alexander II and Mikhail Gorbachev stand tall in their respective centuries and in their roles affecting not only Russia but world events. Each in his time initiated transitions of epic proportions. Alexander II started the transition of the Russian empire from a semi-feudal to an early industrial and capitalist nation. Gorbachev set in motion vast forces that ended the Cold War, broke down the Berlin Wall, freed Eastern Europe and brought down the communistic Soviet Union. And, as so often happens, those whose reforms are the engines of transitions do not end up under happy circumstances. Both Alexander and Gorbachev paid a high price for their glasnost and perestroika.

In the end both were victims of their own liberalizing policies. Mikhail Gorbachev, now in eclipse and discard, must occasionally remember what Alexander II once said to his friend Prince von Bismarck: "It was never possible to stop liberal developments at the right time."

TRIBUTE TO WARREN BROOKES

HON. LAMAR S. SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. SMITH of Texas. Mr. Speaker, clarity is a valued commodity in our world that often seems clouded by confusion. Warren Brookes helped us navigate through that cloud. He passed away in December, and we will all miss the lucid reasoning he brought to our world.

Warren stood out among his colleagues. Not tossed about by the political storms that rage in our Capital, he was anchored by his beliefs. Those beliefs led him toward the truth as he saw it.

Mr. Speaker, the following article from the Washington Times is a fitting tribute to Warren that I wanted to share with my colleagues:

WARREN BROOKES

The story goes that the popular CBS news program "60 Minutes" was looking to do a story on Warren Brookes, whose reporting was making life miserable for those who argue that more government can cure everything from acid rain to hair loss. In a town where journalistic success is measured by TV appearances, a lot of reporters would have welcomed the national spotlight. Not Mr. Brookes, not the man known to many here simply as "Warren."

Instead, the columnist encouraged the show's producers to take a closer look at the government's idea of acid-rain clean-up. The show took his advice, and what followed was a prime-time reminder of what the columnist had long argued: The Clean Air Act wasn't really going to clean up very much, but the economy would pay an enormous price. So it has, and so it will.

Well, the environmental president and his handpicked choice to run the Environmental Protection Agency, William Reilly, can breathe a little easier now knowing that they don't have Warren to kick their programs around any more. He died suddenly, unexpectedly last week after a brief illness. He leaves behind many friends at The Washington Times, where his column appeared, and a legacy of puncturing this city's conventional wisdom.

Unlike a lot of reporters in Washington, Warren actually crunched some of the numbers spewing out of the federal government. When they didn't add up, he dared to say so. He showed that Washington's beloved fuel-economy standards were killers, but that apples were not. He threw cold water on global warming. He made clear just how taxing taxes could be. He let the air out of the so-called Massachusetts Miracle.

He also followed the facts where they led him. If that meant breaking ranks with conservatives and saying something nice about Rep. John Dingell—say, on the allegations of scientific fraud involving Rockefeller University President David Baltimore—he would. But no dumb idea was safe. Following news of his death, Mr. Dingell released a statement praising the columnist's analysis and writing. "We didn't always see eye to eye," he said, "but I always received fair treatment at his hand, and I regarded him as a friend. I hope God is good to him." A spokesman for the congressman added that Warren was more interested in ideas than personalities: "It was never personal with him." From Vice President Quayle, whom Warren visited over Christmas, came this praise: "He was a wonderful person, a great reporter and a dear friend. I will miss him."

The columnist's success was based on more than hard work. It started from an almost religious premise that Washington's materialistic outlook on life made it incapable of understanding the people it was supposed to govern. Government measures well-being in terms of quarterly GNP figures. Warren measured it in terms of energy, imagination and faith. Where Washington saw limits, scarcity and death, Warren saw a limitless God in whom all things—even life everlasting—were possible. From a few loaves and fishes could come not just progress but miracles. In his 1982 book. "The Economy in Mind," which is excerpted today in the space opposite, he quoted Pope John Paul II: "Whatever the miseries or suffering that afflict man, it is not through violence, the interplay of power and political systems, but through the truth concerning man, that he journeys toward a better future." (His emphasis.) Christ Jesus himself rejected the finite material world, wrote Warren, when he said, "In the world ye have tribulation, but be of good cheer; I have overcome the world."

Unfortunately, Warren, added, some people have taken to worshipping a different god—a god of entropy, of finitude, of limits. This new religion, he said, "must accept all of the unspiritual premises these limits imply, from environmental extremism to zero population growth, from abortion to the 'right to die.'"

His own unshakable faith made Warren skeptical of the limits implicit in environmentalism, protectionism, anti-immigration fervor and in so much of what passes for policy in Washington. It made him a great reporter—much as it would embarrass him to hear this—who will be much missed. Washington has lost a journalist, The Times a good friend and the nation that rare public servant. But Warren's ideas live on, confirming his belief in how few limits in life there really are.

SIU-CREWED TUGS SAVE SIX FOUNDERING ON VIOLENT LAKE ERIE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Ms. OAKAR. Mr. Speaker, in these times of daily accounts of personal failings, it is with great pride that I rise today to share with you the personal heroics of several Greater Clevelanders, all seamen and all members of the Seafarers International Union. They risked personal injury and possible death to save the lives of their fellow seamen late last year on the stormed-tossed waters of Lake Erie.

Unfortunately, the American worker has been the object of scorn and ridicule in recent weeks. I am proud to say that the selfless efforts of the men profiled here typify the work ethic which has helped to make the Greater Cleveland area the proud community it is today. The account of their brave efforts is contained in the following story which was written for a future issue of Seafarers Log, the official publication of the Seafarers International Union.

SIU-CREWED TUGS SAVE SIX FOUNDERING ON VIOLENT LAKE ERIE

The SIU-crewed tugboat Wisconsin completed a daring rescue of six boatmen drifting on a tugboat and barge on choppy Lake Erie minutes before nightfall.

Around 2:30 p.m. on December 14, the dispatcher at the Great Lakes Towing office in Cleveland received a distress call from a non-union tugboat, the Paddy Miles, towing the barge loaded with a crane. A second tug, the

Hamm Thomas, also pulling the barge from Rocky River—less than 10 miles west of Cleveland—sunk shortly after entering Lake Erie. Its two-man crew safely scrambled aboard the barge.

Deckhand/Engineer Ed Fike was at home when he received a call to report to the 90-foot Wisconsin. "I asked myself what I was going out for," the 31-year SIU member told a reporter for the Seafarers Log. Weather conditions included 10 to 12-foot seas, 35-mile-per-hour winds gusting as high as 60 and temperatures dropping to 30 degrees.

"Then I heard people needed rescued and I changed my mind immediately," Fike recalled.

The 48-foot Miles had lost all power and its tow line when it called for help. Both the tug and barge were drifting to the east. News reports noted the only available Coast Guard rescue vessel, a 41-footer, was not rated for seas higher than eight feet.

When the Wisconsin caught up with the barge, it was 1.5 miles east of the mouth of the Cuyahoga River in downtown Cleveland.

"We made a pass for the rig and got a line on it," Fike said.

Because of the high seas and icy conditions, the cable slipped off the cleat.

"We re-rigged a line and went after it again. Considering the heavy seas, everything went really well," the deckhand added. One of the four men on the deck of the Miles caught the line and secured it for towing. The Wisconsin pulled the barge within the Cleveland breakwall where the Idaho, another SIU-crewed Great Lakes Towing vessel, was waiting. The Wisconsin returned to the lake to save the Miles.

"It was getting close to dark," Fike remembered. "We didn't have much time left." The Miles had drifted within 1,000 feet of the breakwall and was headed for it. The Wisconsin pulled alongside the smaller tug and secured a tow line on the first try.

The whole rescue took approximately two hours. Fike said he talked briefly with those who were rescued, but "it was so cold and we were so wet, all we wanted to do was get warm and dry." However, one of those saved by the Great Lakes Towing tugs remembered them with a Christmas card. It read:

> To the Heroes: Thank you for coming to the rescue in a life-threatening situation. Your determination and professionalism will not be forgotten. (signed) Russ Maher, Willowick, Ohio.

Other SIU crewmembers involved in the rescue included Deckhands Ray Smith on the Wisconsin and Tim McKenna aboard the Idaho. All three received plaques and letters of commendation from Great Lakes Towing. The company also recommended the trio, as well as the captains and engineers on the Wisconsin and Idaho, for Coast Guard recognition. Finally, the television show "Rescue 911" has contacted the company about doing a story on the rescue.

CULTURAL COLLISION

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, as our colleagues may have been aware, Senator HATFIELD and I—on a bipartisan basis—were able to solicit the support and endorsement of our distinguished Members in both the Senate and the House to officially designate the year 1992 as the "Year of the American Indian" (S.J. Res. 217, H.J. Res. 342, Public Law 102–123, signed by the President on December 4, 1991). Although only symbolic, this gesture is important in the eyes of many American Indians because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues we as a Congress have been struggling with for over 200 years. In further explanation of this issue I am providing a recent article from the National Journal for my colleagues' consideration.

CULTURAL COLLISION

The Native American lobby may have found a secret ally in a long-time nemesis. It hopes to share the spotlight in this year's commemoration of the 500th anniversary of Christopher Columbus's historic voyage.

Representatives of Indian tribes have argued aggressively—and with some success—that observations of Columbus's 1492 landing serve as a forum for a reappraisal of the history of Native American cultures and of the status of Indians in contemporary society. The ultimate goal is to parlay the quincentennial hoopla—which will reach a peak on Oct. 12—into pro-Indian social legislation and land policies.

The Native Americans confront a monumental task. Generations of American schoolchildren have been taught that Columbus's arrival opened their country to the advances of European culture and technology. The Indians hope to turn that story on its head; they argue that their ancestors had already established sophisticated civilizations and that Columbus's so-called gifts were devastating: the eventual death of 90 per cent of the indigenous population—as a result of what many Indians regard as genocide—and the institution of slavery.

On the ceremonial front, at least, the Indians have scored a substantial victory. In large measure, 1992 has officially been transformed from the celebration of Europe's discovery of a new world to a commemoration of an encounter between two old worlds.

Some traditionalists call that rewriting history. But Rep. Ben Nighthorse Campbell, D-Colo., a Cheyenne who is the only American Indian in Congress, responds: "Hell, we didn't have a chance to help write it in the first place. We're just trying to set the record straight."

Expanding the record hasn't been easy. Before they could even begin their campaign, Indian leaders had to revise their approach to politics, persuasion and the press. When Congress, in 1984, began to discuss plans for a quincentennial jubilee celebration, the Native American community reacted in traditional fashion: Many Indians ignored it, some protested loudly and largely ineffectually, but most greeted the plans with silent resentment.

"In Indian country, when we don't like something, we stay at home," said Suzan Shown Harjo, a Cheyenne and Hodulgee Muscogee, who is national coordinator of the Washington-based 1992 Alliance, a clearinghouse founded in mid-1990 for Native American responses to the quincentenary. "It took a long while for many of us to really see the pressing need for our involvement in 1992."

Actully, it took about five years. By 1989, however, Indians had begun contacting the planners of quicentennial events to seek recognition of the Native American perspective. State, local and church officials were also asked to lend their support for a more balanced presentation of early American history. And Indians began to plan a variety of alternative events of their own.

Perhaps most important, Native Americans began to cultivate the press. "We learned to play the media game," said Sandra Toineeta a Lakota, who is the American Indian consultant to the New York City-based National Council of Churches and coordinator of the council's 1992-related activities. "It is a media event, so the media had to pick up on it."

CONVERGENCE OF FORCES

It can't be said that the Indians mounted a well-oiled lobbying operation to influence the Columbus commemoration. In fact, they still disagree among themselves over how to proceed this year. Harjo's Alliance, for example is by no means a typical umbrella coalition of like-minded interest groups. The major Native American organizations, such as the National Congress of American Indians in Washington, the Association of American Indian Affairs in New York City and the Boulder (Colo.)-based Native American Rights Foundation, go their separate ways, albeit they all hammer away at basically the same themes.

"I wish I could point to someone who orchestrated this, but there's nobody who can really take credit for it," said La Donna Harris, executive director of Americans for Indian Opportunity in Washington. "There has been no major institutional change [in the country], but rather a new sense of awareness that's come mostly because people like ourselves [in the native American leadership] have said: 'Wait a minute. This really isn't a celebration. You don't have the full story.'"

A combination of outside factors helped the Indians get their message across. Timing was crucial. The nation's changing ethnic makeup, fed by new patterns of immigration, moved issues such as multicultural education to the front burner in the 1980s. Also, the 1960s generation, weaned on a diet of inclusiveness, had come of age and assumed positions of authority in schools, churches and some political offices. Many of them were receptive to the ideas the Indians were pushing.

"Independent ideas coming from many different groups sort of coalesced," said Alicia M. Gonzalez, director of the Smithsonian Institution's office of quincentenary programs.

Other interests clamoring for a place on the quincentennial stage bolstered the Indian's efforts. A major assist, for example, came from Hispanics, a population bloc with its own Columbus-related political agenda and its own claims to indigenous ancestry.

Ironically, Native Americans may have received their biggest boost unintentionally from the Christopher Columbus Quincentenary Jubilee Commission, the official body established by Congress in 1984 to plan a traditional Italian-centered—Columbus Day-parade-writ-large—celebration. Lack of funds, mismanagement and scandal sidetracked the commission, delaying and perhaps precluding lavish preparations for festivities.

The recession has also kept some corporate backers from their checkbooks, as has their fear of investing in projects that could turn out to be controversial because of the stir raised by the Indians.

A lack of consensus among historians has contributed to the debate over how the quincentenary should be commemorated, whether as a glorification of European explorers or a repudiation of rapacious slave traders. In the main, the federal agencies that have the money to mount major exhibitions and produce television documentaries—the Smithsonian Institution and the Library of Congress, for example—are playing it down the middle by adopting the encounter-of-two-cultures theme.

Predictions vary greatly as to how the year's celebratory events will unfold. In some cases, Native American mourning services will be held simultaneously, or there may be heckling by Indians, like that at some Columbus Day parades last October. Among the major events will be Columbus (Ohio)'s ambitious April–October Ameriflora festival, a horticultural and theatrical exposition budgeted at $53 million. Most such observations are expected, at least minimally, to acknowledge Native Americans in a positive way.

The main hope within Native American circles is that it not be all over when it's over. "A lot of people in the Indian community worry that this is going to be a five-minute shot in the arm for Indian problems and everybody is going to forget it after 1992," Campbell said. "Everybody will go back to business as usual, and the Indian people will still be suffering the way they did before."

POLITICAL AGENDAS

However the 1992 events turn out, Indians, Hispanics and other groups have already assured that the quincentenary will differ greatly from what Congress had in mind when it created the Columbus jubilee commission eight years ago.

Like the annual Columbus Day parades in big cities such as Boston, Chicago and New York, the quincentenary jubilee was initially envisioned by many as an excuse for a yearlong celebration of Italian heritage. Nearly half of the public members named to the 30-member federal commission were prominent Italian-Americans.

"I don't think anybody viewed this as anything more than another significant chronological anniversary to 'do' in the same way all the other commemoratives had been done," said Robert B. Blancato, now the director of institute and public policy for the National Italian-American Foundation in Washington, who at the time worked for then-Rep. Mario Biaggi, D-N.Y., one of the act's sponsors.

"As far as an Indian person being a full member of the [national quincentenary] commission, I don't think that occurred to them collectively at the very beginning," said Bill Ray, a Klamath Indian who is a member of the Oregon Commission on Indian Services. Thanks to pressure from Native American, Hispanic and church groups, Ray was named to the commission last month. He had served as an honorary member and chairman of its Native American Advisory Committee since 1989.

The political turn of events has even surprised the academic world, where vociferous argument has been going on for decades, if not centuries, about what kind of a person Columbus was, where his ship actually made landfall, the exchange of foods and diseases that resulted from the encounter, the full extent of the indigenous civilizations and the reasons for their demise.

We thought there would be much more [in the way of] vigorous intellectual debates [as 1992 approached]. Those haven't taken place," said Franklin W. Knight, a professor of Latin American and Caribbean history at the Johns Hopkins University in Baltimore and an adviser to various projects to observe the quincentenary. "What we have are a lot of polemical debates."

A hard core of Italian-Americans is determined to proceed along traditional lines. Columbus: Countdown 1992, a private, nonprofit organization based in New York City, for example, has commissioned portraits of 15th century navigators, published books about Columbus and the Italian Renaissance and produced a video of a puppet play about Columbus.

"I say it's the discovery of America by the Europeans, and it's the logical extension of the Renaissance," said Anne Paolucci, an English professor at St. John's University in New York City and founder of the Countdown organization. "The native populations, when they get on their soap opera boxes and start spouting off these days, they're saying what amounts to 'When did you stop beating your wife?' To accuse Columbus and the people who came with him of all these things [slavery, genocide, etc.] is really a sin."

But some larger Italian-American organizations have changed their tune. Though Blancato of the National Italian-American Foundation complained that the "media has given [the quincentennial critics], in our assessment, an undue amount of attention," he said the foundation has made overtures to Native American and Hispanic critics to work together on projects of mutual interest, such as health care and education. "We're looking for avenues for dialogue for the future," he said.

Organized Hispanics got an early appreciation of the public relations opportunities presented by the quincentenary. Both as immigrants and as descendants of indigenous populations taught the language of Spanish conquerors, most Hispanics in this country have long been treated as second-class citizens. Now, they'd like to use the quincentenary to showcase their history and the contributions of the ancestors.

"We saw 1992 as an opportunity to tell the rest of the world and the American people about how American we were, how integral we were to the development of this nation and how important we continue to be," said Raul Yzaguirre, president of the Washington-based National Council of La Raza, one of the largest Hispanic advocacy organizations. "Lewis and Clark [in 1804–06] found American Indians speaking Spanish and with Spanish artifacts," he noted.

But in 1985, it looked as if the Hispanics would be left out of the quincentenary just as they say they were ignored in the American bicentennial blowout in 1976. "All of a sudden, instead of the focus being on the opening of a new world by a Spanish civilization, it was the discovery of America by one individual," Yzaguirre said. "It was an Italian event." So the Hispanics organized their own National Hispanic Quincentennial Commission, with Yzaguirre at its helm.

Because so many Hispanics have Indian ancestry, Yzaguirre said his organization developed close working ties with Native American groups. But some Hispanic advocates are suspicious of the receptivity that has been given to the Indians' demands for recognition.

"There are people who realize that Hispanics are going to be very powerful very soon—the largest minority group within the next 20 years—and so what they are doing is a very sophisticated version of Hispanic bashing," said Barbara A. Tenenbaum, editor in chief of the *Encyclopedia of Latin American History* and vice president of the Hispanic quincentennial commission. "Native Americans are not going to be a power in this country ever, so it's safe to advocate their cause. It's not as though the quincentenary is being used to say all Europeans were disgusting, only that the Spanish were rotten."

Native Americans insist they don't want to be played off against the Hispanics; they simply want their rights as citizens and the dignity of human beings, which begins with the accurate recounting of history. To the Indians, therefore, the quincentenary presented the biggest challenge, but ultimately the biggest prize.

Some observers interpret the change in Native American lobbying tactics on the quincentenary as part of their coming of age in American society.

"It is a reflection very largely of the greater organization and consciousness and capacity to move in American society of spokesmen for the American Indians," said William H. McNeill, University of Chicago historian and a vice chairman of the national quincentennial commission. "There are now enough educated persons who have no handicap in discoursing in English and explaining their dissatisfaction with the traditional image."

Harjo and other Indian leaders describe an evolution from the frustration-provoked violence of American Indian Movement activists in the 1970s to a more calculated effort to work through mainstream institutions such as the schools, the news media, the museums and the sports world. "There are fewer than two million Indians in this country, and we can't tell our story to everyone one by one," Harjo said. Every summer, Harjo urges high school principals at an institute held at Harvard University to change history curriculums. She also solicits support at sportswriters' meetings for ending the use of Indian names for athletic teams.

A segment of the Indian community still believes violence, or at least disruption of quincentennial activities, is the only way to capture public attention. But the mainstream participants disavow that course as counterproductive. "Whatever the results, they would be short-lived," Ray said. "We're looking for more longterm awareness."

Over the long term, he said, the tribes want to build a constituency for such Native American priorities as Indian land claims, freedom of religious practices legislation and the return of bones and religious objects by museums, as well as social programs to improve Indian education and combat alcoholism and high suicide rates.

The Indians had an early and powerful ally in the National Council of Churches, which adopted a strong resolution in May 1990 denouncing church participation or acquiescence in observations honoring what it described as genocide against indigenous people and the institution of slavery. The resolution called on its 32 member denominations to refrain from celebrating the quincentenary and instead to engage in activities of reflection and repentance.

"It was a highly controversial resolution at the beginning, but they hung in with it and took the punches with it," said Council of Churches' consultant Toineeta. "And now many of the denominations have adopted resolutions with similar flavor."

The council's resolution lists African-Americans among the victims of the 1492 encounter but does not emphasize their plight. In fact, surprisingly little attention has been focused on the whole aspect of slavery. A probable reason is the absence of black voices in the general clamor over the quincentenary.

In 1984 and 1985, black organizations reacted to the initial quincentennial plans in a manner similar to that of Native Americans, John Herbert, the Library of Congress's quincentenary coordinator, recalled. "They asked, 'Why should we celebrate?'" Hebert said. Unlike the Indians, however, who have taken a "very forceful and vocal and demonstrative position, I have not seen a similar sharpening of focus from African-American society," he said. "There hasn't been the same follow-up that says 'What we will do instead is this.'"

SHAPING THE STORY

Although Native American activists say that the film documentaries and museum exhibits developed for the quincentennial are not sufficiently pro-Indian, most such efforts have taken pains to acknowledge the cultures Columbus encountered in 1492. There have also been fewer re-creations of the event than many observers had expected.

"We thought we would be overwhelmed by movies and television programs about Columbus, and that certainly has not yet happened," Johns Hopkins's Knight said. "I heard talk about three movies, but I don't know of any of them in advanced production." The recession, the disarray of the quincentenary commission and fear of arousing controversy are generally given as reasons why such projects have had difficulty attracting financial support.

Knight was an adviser to the only television series that has aired so far, the seven-part *Columbus and the Age of Discovery*, produced by WGBH in Boston and shown on PBS last October. The documentary used the disputed word *discovery* "because this is what it was," Knight said. "Everybody discovered something about themselves, about others and about the wider world."

Some television critics complained that the series, which took pains to include European, Native American, African, Asian and Middle Eastern perspectives, was boring.

But advocates on all sides agreed it presented a balanced picture. During the course of filming from 1986–88, Knight said, Indians interviewed in several countries expressed increasing political interest in how the Columbus story was being presented. The National Endowment for the Humanities (NEH) contributed $650,000 toward the production's $6.5 million budget.

But the NEH rejected a request for financial aid by an independent filmmaker, Yanna Kroyt Brandt, for his proposed four-part series called *1492—A clash of Visions*. NEH deputy chairwoman Celeste Colgan said it was turned down because its script characterized the Aztecs as "very benign" in contrast with "the rapaciousness and greed of the Spanish conquistadors." She added that "the word genocide was applied to Columbus in a way that our national council members felt was really troubling."

Complaints about NEH financing decisions have also come from those who wish to honor Columbus's role in history. "It's so sad to see the energy expended on confrontation when here we are working on a shoestring," the pro-Italian Paolucci of St. Johns University said. "We have no grant money, no nothing. How we manage, I don't know."

Colgan said the NEH's goal in awarding grants was to avoid presentations that are "directed at persuading an audience to a particular political, philosophical, religious or ideological point of view or advocate a particular program of social action."

Two museum exhibitions mounted in Washington—the National Gallery of Art's recently completed *Circa 1492: Art in the Age of Exploration* and the Smithsonian's *Seeds of Change*—epitomize the emphasis on objectivity and balance (Harjo called them "safe and boring"). *Seeds of Change* is only one of more than 100 quincentenary events the Smithsonian plans, but it is the centerpiece of the institution's commemorative calendar.

"Very sensitive issues were being dealt with," the Smithsonian's Gonzalez acknowledged. "So [the institution] tried to discuss it in as objective a way as possible." One way that was done was by emphasizing disease as a major killer of the indigenous population rather than violent acts by European discoverers and colonizers. "If you want to get away from genocide, it's easier to talk about disease," said James Axtell, a humanities professor at the College of William and Mary in Williamsburg, Va., and chairman of the American Historical Association's Columbus Quincentenary Committee.

But Gonzalez doesn't interpret the encounter or the institution's depiction of it as totally neutral. "You can't deny that there was a deliberate intent [to destroy or at least weaken the native cultures]," she said. "Every group approached us," she said. "Many groups came ready to battle. In the end, we worked with many of them."

Hebert of the Library of Congress criticized the Smithsonian show for not hitting hard enough at the problem of slavery in a segment that focused on the development of the sugar trade. "That was hardly really a response, to damn one product rather than the process" he said. Hebert said the library is planning an exhibit, *1492, An Ongoing Voyage*, that will present manuscripts and other archival items in which slavery will be given greater stress.

Some scholars, such as Axtell, worry that the politics of the quincentenary could prove counterproductive to the aims of the Indians and others. "I see dangers in the abrupt kind of moralizing that's going on, using little pieces of information from the past for political or moral purposes" he said. "It treats the Indians like nothing but victims, passive helpless victims who just got run roughshod over. And they weren't that; they were much stronger."

To many Native Americans, the real reason for dwelling on this issue is not the past but the future. "there's certainly the historical perspective," Ray said. "but the real important thing for tribes today is what do we do now. We have crucial issues that the tribes have to face. What can be done to help them solve those problems?"

TRIBUTE TO DR. JOHN H. GIBBONS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. BROWN. Mr. Speaker, as chairman of the Technology Assessment Board, I am pleased to call to your attention the singular honor recently received by Dr. John H. Gibbons, Director of the Office of Technology Assessment. On behalf of the OTA, Dr. Gibbons accepted the Officer's Cross of the Order of Merit from the Federal Republic of Germany. The medal, issued only by the President of the Federal Republic, honors those whose work has contributed significantly to Germany. It is only rarely awarded to non-Germans.

The German Bundestag recently established an office modeled after OTA. The special scientific unit performs assessments, monitors scientific and technological developments, and integrates its work into the parliamentary process. OTA has also assisted efforts to establish similar agencies in Western Europe and Asia.

In accepting the award, Dr. Gibbons said, "we all appreciate the profound influence that science and technology are having on the course of history. There is a new sense of global community, not only among scientists, but also among policymakers and others. A key issue is how our leaders can make wise decisions in an age increasingly driven by technological change."

As the complex technological issues Congress brings to OTA for analysis become increasingly international in nature, from telecommunications and space exploration to adequate energy supply and nuclear waste disposal, the establishment of close contacts with other nations can provide the agency with an invaluable network of information sources for crafting thoughtful and comprehensive public policy options. Congress can be extremely proud of Dr. Gibbons' leadership at the Office of Technology Assessment.

THE NEED FOR ANTISECRECY LEGISLATION IN FEDERAL COURTS

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. SMITH of Florida. Mr. Speaker, in 1984, a California jury ruled for a plaintiff who complained that the manufacturer of silicone breast implants failed to warn of the potential for severe side effects. Why have so few people heard about what today is a major health concern for thousands of women?

Because the court issued an order that prohibited the plaintiff from telling anybody—even the Food and Drug Administration—what she learned.

Today, courts can still prohibit the disclosure of certain information, and they may approve secrecy agreements that seal a case's files after settlement—even if that information could save another person's life.

While these orders settle a dispute between the two parties, they also prevent anybody else from seeing information on defective products that may be injuring people every day. The present system, in essence, condones the withholding of lifesaving information from average citizens.

We must correct this imbalance in our judicial system. In April 1991, I introduced H.R. 2017, the Federal Litigation in the Sunshine Act. This bill would make it difficult for courts to conceal information on a public hazard.

The December 1991 issue of a ABA Journal contains an interesting article that reinforces my argument for disclosure legislation. It is entitled "Secrecy Versus Safety—Restoring the Balance."

I urge my colleagues to read the article, which follows my comments. If they agree that at times the safety of society overrides the need for secrecy, then I hope that they will cosponsor H.R. 2017.

If we do not change the present situation, then who knows what health problem, known to a few today, will become a serious problem in 10 years.

SECRECY VERSUS SAFETY—RESTORING THE BALANCE

(By Bob Gibbins)

In 1984, a San Francisco federal court case set the stage for a display of the potential of protective orders to delay government regulation and conceal threats to public health. It provides a potent look at the workings of secrecy in litigation—and clearly reflects why determined action is essential to restore balance to America's justice system. (For another view, see Arthur Miller's "Private Lives or Public Access," August 1991 *ABA Journal*, page 64.)

That case, *Stern v. Dow Corning Corp.* (U.S. Dist. Ct., N.D. Cal., No. C83-2348), involved silicone breast implants used in reconstructive surgery. The jury rendered a verdict for the plaintiff on her complaint that the manufacturer committed fraud and failed to warn of the potential for severe side effects. The case was settled while on appeal.

After *Stern* was concluded, a protective order demanded by the implant manufacturer remained in force. It prohibited the plaintiff's attorneys and expert witnesses from telling government regulators or anyone else what the discovery documents showed about safety tests of the product.

Even at a 1988 U.S. Food and Drug Administration hearing held to consider requiring implant manufacturers to demonstrate safety, a *Stern* attorney subject to that protective order was unable to disclose information about clinical or animal tests.

A medical school professor who examined more than a dozen breast implant litigation files has been similarly prohibited, by protective orders in every case, from sharing his knowledge of tests with FDA or congressional investigators. Here is an example of a publicly funded inquiry of a possibly dangerous product; yet a medical school professor is legally gagged through a process funded by taxpayers.

The protective-order strategy was used by several manufacturers, and it bought them time. Manufacturers produced and sold implants for at least six years after the *Stern* verdict, until the FDA took its first look at the companies' clinical data in 1991.

The agency concluded that no test results submitted by any manufacturer demonstrated the safety of implants, and one manufacturer has since recalled its entire line and announced its withdrawal from the breast implant market. But while the FDA vacillated and numerous product liability cases were settled with confidentiality "agreements" and protective orders, 150,000 new patients received implants each year.

Secrecy devices have been used increasingly in litigation during the past decade. A comprehensive new study of products liability litigation involving punitive damages awards revealed a marked increase in the use of confidential settlements after 1986. Conducted by professors Michael Rustad of Suffolk University Law School and Thomas Koenig of Northeastern University, the study examined a quarter-century of data.

Recent litigation involving the prescription sleeping medication Halcion further shows how secrecy, along with lax pharmaceutical regulation, multiplies consumer risks. In 1989 a blanket protective order was entered in *Grundberg v. The Upjohn Co.* (U.S. Dist. Ct., D. Utah, No. C89-274), a case that alleged severe, unpredictable mood changes caused by this drug now used by several million Americans. The *Grundberg* protective order effectively made all documents produced by the defendant confidential and required their return or destruction following the conclusion of the lawsuit. But shortly after *Grundberg* was settled, Halcion's manufacturer acknowledged that clinical data submitted to the FDA during the drug approval process were incomplete.

As it stands, the *Grundberg* protective order leaves an unknown number of patients and doctors wondering what caused side effects. Considering that the plaintiff in *Grundberg* had killed her own mother (although charges against her were dismissed because of involuntary intoxication with Halcion), access to complete information is crucial. A consumer organization is now asking the court to modify the protective order.

Other examples of the threat posed by secrecy are, unfortunately, not hard to come by:

A patient with a Shiley artificial heart valve is unable to learn of the danger that the device's mechanism may fracture. She dies when the valve fails, and her husband later learns that the manufacturer secretly settled litigation brought by other victims years before.

In part through that practice, the company avoids the notoriety that could have led to earlier warning of patients and/or withdrawal of the valves from the market.

A congressional investigative report ("The Bjork-Shiley Heart Valve: Earn as You Learn." House Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, 2/90) cites "numerous instances" of deaths that might have been avoided had patients and doctors been aware of the danger earlier. *Barbee v. Shiley, Inc.* (claim was settled in 1989 without filing complaint).

The widow of a police officer killed in the crash of a traffic-control plane is denied discovery of evidence of the airplane's design defect because of a confidential settlement "agreement" in another case. The aircraft type is still in use. *Turnberger v. Cessna Aircraft Co.*, Broward City., Fla., 17th Jud. Cir. Ct., No. 83-12392.

A scientist who herself suffered a potentially fatal allergic reaction to a painkiller—later withdrawn from the market—discovers that other victims were similarly affected several years earlier but were sworn to secrecy. She also discovers that some confidential settlement "agreements" even prohibited discussion of adverse reactions in scientific journals. *Davis v. McNeilab, Inc.*, U.S. Dist., Ct., D.C., No. 85-CV-3972 (case settled in 1986).

While private matters having no public impact and true trade secrets justify confidentiality, it is inconsistent with the impartial administration of justice for a publicly created and maintained legal system to help hide responsibility for misconduct.

Events that lead to litigation often have an impact well beyond the immediate parties, and that impact can be deadly. In today's age of mass manufacturing and distribution, a dispute brought before a court can involve a potentially life-threatening hazard that already may have affected thousands of citizens, and may affect even more in the future.

Confidentiality "agreements" in products liability cases can keep information about the dangers of defective products from coming to the attention of government regulators, the news media and others who could alert the public.

And in medical negligence cases, the doctors alleged to have caused an injury may well have other patients undergoing the same procedures. Secret settlements and sealed files can enable physicians to keep practicing without having to account for substandard care. The same concerns apply to injurious behavior in other professions.

In fact, in all types of tort litigation, both the deterrent and compensation functions of the civil justice system can be stifled by secrecy. Beyond leaving past victims ignorant of the cause of their injuries and future victims vulnerable, secrecy also can make it more difficult for victims to prepare and prove their cases.

Secrecy can make it more likely that critical evidence will be concealed or destroyed without ever being discovered.

A legal system that functions in this way is out of balance, which is why there is growing support for changes in court rules and procedures to eliminate unwarranted secrecy. Those who advocate such change seek a fairer balance between privacy and property rights on one side, and public health and safety on the other. Restoring lost balance also could help to reduce injuries and resulting litigation.

The imbalance in the tort litigation system is rooted in abuses of otherwise legitimate rights. The litigation playing field was level when the Federal Rules of Civil Procedure and other similar reforms of litigation practice were inaugurated in the 1930s. The system at that time provided protection for truly personal information (the reasons why a divorce was sought, or why child custody was refused) and true trade secrets (chemical formulae, manufacturing methods, details of distribution networks).

Some segments of the legal community now attempt to protect classes of information that go well beyond the original plan. They are advised to misuse the "trade secret" and "privacy" labels, claiming special protection for information never intended to have confidential status under the rules of civil procedure, and claiming corporate privacy rights never recognized by American law.

From this attempt to expand the idea of protected information into new areas, there has developed a well-known arsenal of devices intended to protect wrongdoers:

"Agreements" that prohibit disclosure of the compensation paid in a settlement, the names of the parties, and sometimes even the fact that litigation occurred;

Sealed court files that can conceal the very existence of the lawsuit;

Protective orders that require the return or destruction of discovery information after the termination of the litigation, and prohibit sharing discovery material with other attorneys handling similar cases or with government agencies; and

Prohibitions against attorneys handling similar cases in the future.

New secrecy strategies are still emerging. In medical malpractice cases, for instance, negotiated dismissals of individual physicians have been used to keep the doctors' names out of the federal government's data bank of malpractice verdicts and settlements, thus thwarting an important public policy.

Secrecy proponents argue that confidentiality makes litigation go more smoothly and promotes early settlement, and indeed it may—when the advocates of secrecy get their way.

But secrecy also can delay the resolution of litigation, consume large amounts of lawyers' time, and strain the courts' capacity to move cases toward a conclusion—as shown by a recent federal court opinion in *Wauchop* v. *Domino's Pizza, Inc.* (U.S. Dist. Ct., S.D. Ind., No. S90-496). The plaintiffs in *Wauchop* sought information on the corporation's promise to deliver food by car in 30 minutes or less, arguing that the policy may have led to an auto collision.

The defendants demanded that much of the discovery material requested by the plaintiffs be protected against further disclosure. The court concluded that secrecy was not justified for most categories of the material, but the defendants' demand for a protective order forced the court to read motions, review and analyze numerous discovery requests, and render its conclusions in an opinion and order more than 30 pages long. The judge properly lamented that the federal rules on discovery "should be self-executing through the cooperation of counsel."

To stabilize this out-of-balance system and counteract the harm secrecy can cause, this country needs a strong presumption of openness for court proceedings and records.

We need adequate procedures to ensure that the trial judge will consider the public's interest in information that would be concealed under a proposed protective order. Advocates of secrecy argue that existing procedures already allow courts to consider the public interest as part of the exercise of judicial discretion, but widespread approval of protective orders and confidentiality "agreements" suggests that the public interest has not been made a routine part of the courts' calculus.

The Association of Trial Lawyers of America acted in 1989 to focus attention on the multiple problems caused by secrecy. ATLA's Board of Governors passed a resolution encouraging:

Courts to scrutinize requests for secrecy and grant them only when information sought to be protected is a true trade secret or can qualify for some other privilege;

Courts to allow sharing of discovery material with attorneys handling similar cases, regulatory agencies and professional boards;

Courts to liberally grant relief from preexisting orders and "agreements" that unfairly impose secrecy; and

Attorneys to resist secrecy demands that preclude sharing information with regulatory agencies and other lawyers, and discouraging them from agreeing to proposed secrecy orders.

By now eight states have joined the movement away from secrecy. Some of this initiative has come from judges themselves. In 1990, the Texas Supreme Court was the first court to amend its rules to recognize a presumption of openness for all court proceedings, and to establish procedures to be followed for any request to seal court files.

Court rules with a similar focus on openness have been adopted by the New York State Administrative Board of the Courts, the San Diego County Superior Court, and the Delaware Supreme Court and Chancery Court.

In 1990, a different approach was taken by Florida, which passed legislation that identified a class of dangers as "public hazard," and prohibited concealment of such hazards through judicial processes.

Narrower mechanisms have been adopted in several other states. These include specific procedures to be followed in disclosing discovery materials to attorneys handling similar cases (adopted in Virginia in 1989), and standards for confidentiality regarding litigation by and against state government (adopted in North Carolina, Florida and Oregon).

Other bills and proposed court rules are under consideration in many states, most based on either the Texas or Florida models, and usually with the support of consumer, labor, environmental, senior citizen or media organizations.

The mechanics of the new measures aside, an obvious question is what the new rules and procedures change, and what they leave underchanged.

The new mechanisms give no one any new substantive rights of action. They cannot engender new cases. Nor, in any known case, do they expose strictly personal information or reveal genuine trade secrets to the public.

The changes do, obviously, give judges new duties of review in a number of situations. But once it becomes clear that requests for secrecy will be measured against the public interest, the number of secrecy demands should decrease, so that the net result is the same or better than what has been observed in the past.

The same effect should be noticeable in terms of the cost of litigation. Market forces can be expected to work against satellite litigation when clients realize that demands for unjustified secrecy will not succeed, and that they may be penalized.

Perhaps most importantly, the new measures do not infringe on judicial discretion. Indeed, they depend on judges to exercise discretion as much as the former rules ever did. They provide standards to be met by litigants, like many other written standards of proof, and prescribe what the results will be if the judge determines that the standards have not been met.

There is at least some evidence of improvement already. An ATLA member who practices in Minnesota, where no legislation has yet been passed on secrecy, recently observed a dramatic reversal of the Shiley heart valve manufacturer's previous use of secrecy demands, as well as judges' awareness of the issue of secrecy and the potential it has for harm.

These developments suggest that secrecy advocates' dire warnings about increased satellite litigation and diminished access to information are exaggerated. Their predictions imply that America's judges would allow the courts to slow to a crawl, and that members of the bar and the public would accept dramatic increases in litigation costs. Experienced judges and trial lawyers, however, will not tolerate such a result.

The goal here is to have a safer society. One way to attain that goal is to create mechanisms designed to help protect us all.

ANNIVERSARY OF THE MASSACRE OF LITHUANIAN NATIONALISTS IN VILNIUS

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. PALLONE. Mr. Speaker, I would like to commemorate the first anniversary of the Soviet crackdown in Lithuania. On January 13, 1991, 14 Lithuanian nationalists were killed in Vilnius by Soviet troops. The Lithuanians died resisting the Soviet attempt to seize the Lithuanian radio and TV center and the Vilnius TV tower.

One year later, thousands of Lithuanians gathered in a vastly different country to pay tribute to their 14 compatriots. Tears mixed with pride as President Landsbergis, now head of the independent nation of Lithuania, addressed the crowd in the early morning hours.

The crackdown in the streets of Vilnius was truly the beginning of the end for the Soviet Union. The killings in Vilnius caused a shower of criticism to rain down on former Soviet President Mikhail Gorbachev, which lead to the resurgence of the hard-line element, setting the stage for the unsuccessful August coup. The coup, in turn, lead to the ultimate downfall of the Soviet system. As President Landsbergis said in a special address to the Lithuanian parliament, "The Soviet world was defeated here."

Mr. Speaker, the Lithuanian people who fought the giant Soviet military machine in the streets of Vilnius deserve a large share of the credit for bringing an end to the Soviet Union. This small nation stood up to the Soviet violence. Lithuania's bravery was ultimately rewarded in September, when Lithuania and the other Baltic States received international and Soviet diplomatic recognition.

Today, Lithuania faces many challenges. Soviet troops remain on Baltic soil. Those responsible for the massacre have not yet been brought to justice. Lithuanians and their friends still feel the loss of the 14 who gave their lives so courageously. We are proud, Mr. Speaker, of their struggle and of the hard-won freedom Lithuania and the other formerly Soviet-dominated States enjoy today.

VA HOSPITALS DELIVER OUTSTANDING HEALTH CARE

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MONTGOMERY. Mr. Speaker, it's time the American public was given the true picture of the state of veterans' health care in this country. So-called studies and media investigative reports of VA medicine in the recent past have stimulated a tremendous amount of negative publicity and, in the process, have done a tragic disservice to a fine health care system and to the constituency it serves.

No one is in a better position to gauge the quality of care delivered by VA than its health care personnel and patients, and the Veterans' Affairs Committee hears from them daily. I'd like to share with my colleagues the words of a recent patient of our fine veterans' hospital here in Washington—Walt Kennedy, minority Sergeant at Arms for the House—regarding the wonderful care he received.

HOUSE OF REPRESENTATIVES,
Washington, DC, December 10, 1991.

Hon. G.V. MONTGOMERY,
Rayburn House Office Building,
Washington, DC.

DEAR SONNY: First off I want to express my deep appreciation for your kind wishes during my recent hospitalization and convalescence. In times such as I recently experienced it is a friendship such as yours that means so much.

I mentioned to you my high regards for the treatment accorded me at the VA Medical Center in Washington. I did so because I am upset at the trashing from numerous areas that hit at these hospitals. I thought you might be interested in letters I have written to Secretary Derwinski and the Director of the hospital. These units deserve better than is usually given them.

With best wishes for a most happy Christmas Season and New Year, I am

Respectfully,

WALTER P. KENNEDY,
Minority Sergeant at Arms.

HOUSE OF REPRESENTATIVES,
Washington, DC, November 18, 1991.

Hon. EDWARD DERWINSKI,
Secretary, Department of Veterans Affairs, Washington, DC.

DEAR ED: Within these past few weeks it has been necessary for me to be hospitalized. During a recent angiogram two blockages in a heart artery were diagnosed and inasmuch as I had by-pass five years ago angioplasty was recommended. With the choice of any hospital in this area available to me I chose the VA Medical Center primarily because I know of the outstanding physicians in cardiac care who are practicing at the hospital. I refer to Doctors Fletcher, Singh and Papademetriou.

I had the angioplasty performed and initially it was successful. However, about 14 hours later during the early morning hours one of the blockages seemed to explode and while every effort was made to reopen the artery I suffered a heart attack. For the next ten days or so I was carefully shepherded back to good health and herein is the purpose of this letter.

As you know I can look with critical eye on all aspects of the hospital operation but Ed, I can not help but express my amazement at the professionalism I witnessed in every area. The cooperation between all in the medical backup, nurses, aides, interns, etc., was superb. The attitudes of all were cheery and helpful and this atmosphere certainly helped in my speedy convalescence. But not only was the attitude in my case alone, I noted it among each and every patient and these patients remarked to me in conversation how friendly and warm all of the personnel were as they performed their duties.

In addition, the hospital itself had a cheery look, clean and organized and I must say no small commendation must go to the Director, Mr. Williams.

Your VA hospitals do not have the public relation people selling it to the public and to the legislative branch but I for one can personally attest to all I have stated and more with regard to your flagship hospital in Washington. I would be ever so grateful if you would, in my behalf, extend to all in the hospital who were so professional and kind to me my personal gratitude and appreciation.

Also Ed, because I feel so strong in this regard I am taking the opportunity of forwarding a copy of this letter to Chairman Montgomery of the House Committee on Veterans Affairs.

With all best personal wishes, I am

Sincerely,

WALTER P. KENNEDY,
Minority Sergeant at Arms.

Mr. Speaker, I'm sure many of my colleagues have seen news reports and articles which have maligned the VA health care system and, in my opinion, have unduly alarmed its current and potential patient population. It concerns me greatly that such reports will be accepted at face value and will be the sole basis upon which many veterans, and Americans in general, will form their opinions of our veterans' medical facilities and the dedicated people who staff them.

The most recent study to have criticized VA medicine—instigated by a congressional subcommittee—was shown by two prestigious schools of public health to have used a seriously flawed methodology in reaching its conclusions. As a result, 30 VA hospitals were unfairly and inaccurately labeled as substandard and are fighting to regain their prestige.

This is not to say that our veterans' hospital system doesn't have problems. No health care system as massive as the VA is going to be perfect. But veterans and their families should rest assured that the health care they receive from the thousands of diligent VA professionals across the country is at least on a par with, if not better than, that offered by the private sector.

The VA, which operates the Nation's largest health care delivery system, treats 1.1 million patients a year in its 172 hospitals and records more than 20 million outpatient visits annually at its 356 clinics.

VA is affiliated with 104 medical schools and 59 dental schools. More than half of all practicing physicians—both in the Government and private sectors—have received at least part of their professional education in the VA health care system. Each year, approximately 100,000 health professionals receive training in VA medical centers. VA physicians are recognized as some of the best; they have to be, otherwise, these affiliations would not be maintained. The medical schools simply would not tolerate any type of substandard training environment. Furthermore, every VA facility has met the strict accreditation criteria of the Joint Commission on the Accreditation of Healthcare Organizations.

While VA has consistently worked to maintain the quality of its care, it had not done as good a job of monitoring that quality, but the Congress has corrected that. In addition, we have strengthened the role of the medical inspector and expanded the responsibilities of the inspector general.

Mr. Speaker, the truth is that the VA health care system is sound and provides exceptionally good care. The following letters from Mrs. Creed McClure of Tullahoma, TN, further illustrate this point.

JANUARY 16, 1992.

Hon. GILLESPIE V. MONTGOMERY,
Chairman, Committee on Veterans' Affairs, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN MONTGOMERY: On October 31, 1991, my husband, Creed McClure, passed away at the Alvin C. York Medical Center, Murfreesboro, Tennessee.

I mentioned to our mutual friend, Nat I. Washburn, that I wanted to express my sincere appreciation to you, since you give so much of your time and concern to the Veterans' programs.

Words are inadequate to express my gratitude to the Administration, staff, doctors, nurses and aides for the wonderful professional care he received. Since his illness necessitated long-term treatment, I felt most fortunate to have had him in the Veterans' hospital in Murfreesboro.

Creed was a patient in the 5A-North Building. The staff, doctors, nurses and aides were so very caring and concerned. Particularly was I impressed by the professionalism of Ms. Elizabeth Barnes and Mrs. Violet Jennings, although the entire group was wonderful to both him and me.

As I have previously written you, I am most grateful for the time you contribute to veterans' affairs and that my husband and I have been among the fortunate recipients of your concern.

With my best wishes for your continued success in all you do, I am

Very respectfully yours,

Mrs. CREED D. MCCLURE.

JANUARY 16, 1992.

Mr. BRIAN HECKERT,
Director, Alvin C. York Medical Center, Murfreesboro, TN.

DEAR MR. HECKERT: On October 31, 1991, my husband, Creed McClure, passed away after having been a patient in your hospital for two and one-half years.

Words are inadequate to express my sincere appreciation to the administration, staff, doctors, nurses, aides and particularly, the people of 5A North for his professional care. Because his illness necessitated long-term treatment, I felt I was most fortunate to have had him in your hospital.

The people of 5A North were most caring and concerned! I was particularly impressed by the professionalism of Ms. Elizabeth Barnes and Mrs. Violet Jennings, although the entire group was wonderful to both him and me. I shall be eternally grateful to them.

You have a tremendous, never-ending task, and I wish you well in all your decisions and endeavors. The American people should be forever grateful to you and all the VA hospitals everywhere. I am one of those people!

Very respectfully yours,

Mrs. CREED D. MCCLURE.

Mr. Speaker, I am confident that, with improved funding levels, we will sustain the high caliber of VA direct medical care which Walt Kennedy, Mr. and Mrs. McClure, and hundreds of thousands of others have experienced, as well as the VA scientific research program, which benefits veterans and nonveterans alike.

WHEN PRESIDENT'S SPEECH IS OVER, LEGISLATING WILL BEGIN

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. GALLO. Mr. Speaker, tonight the President will again discharge his constitutional duty of reporting to the Congress on the state of the Union and recommending to it such measures as he may consider important to the well-being of our Republic.

The American people look to the President to provide the leadership and vision necessary to define and meet the problems and the possibilities that confront our Nation. I have every confidence that President Bush will meet this challenge boldly and confidently.

But when the President's speech is over, the television lights have been dimmed, and the last instant analysis has been aired, the hard, gritty work of legislating will begin. This is the challenge to which we in this House will have to rise. The American people expect it; duty demands it.

Over the course of the last 2 months, as I have talked with people in every corner of my district, no message has been made more clear to me than this: Do something to get our country moving again. The people of my district are sick of the politicking, tired of the posturing, and weary of the finger-pointing that seems to be substituting for governing in Washington lately.

This House is composed of an impressive collection of talented, dedicated, thoughtful, and sincere men and women. But sometimes it seems that its total is less than the sum of its parts. If we can turn that equation around, we can meet the challenges that confront us and make the American people proud of their Government and confident of their future.

In the coming weeks we will be debating the merits of various specific proposals designed to put our country firmly on the path to economic growth and prosperity. I will not take the time here to discuss those proposals in great detail—there will be time for that soon. But one thing for which there is no more time is delay. We must begin our work, and we must begin it now.

But, in acting quickly, we must avoid the temptation for a quick-fix driven more by election timetables than by responsible policymaking. The message in our current economic difficulties is that we have some underlying fundamental problems that will not be solved with a Band-Aid.

Among the fundamental and long-term actions I believe we must take are these:

We have to change the Tax Code to encourage capital formation and investment by lowering the capital gains tax rate;

We must take action to stimulate savings by expanding IRA's and allowing savers to earn tax free interest;

We have to encourage research and development into the technologies that will enable us to compete in an increasingly competitive world by making the R&D tax credit and allocation rules permanent;

We must take action to stimulate the Nation's real estate sector, including enacting passive loss reform;

We have to reform our banking system so that it serves as an engine of growth, not a brake;

We should permanently authorize small-issue industrial development bonds, one of the most effective tools we have for encouraging industrial growth;

We must not raise taxes.

In sum, we must eliminate those policies that inhibit the creative energy of the American people and restrict their incentives to participate in daring growth. We must make sure that we are rewarding those who would stride confidently into the future, not those who would stand pat.

The world in which we live today is vastly different from the one in which we lived when the 102d Congress first convened. We now live in a world with just one military superpower but with many aspiring economic superpowers.

Unless we recognize that a changing world requires us to reinvigorate our own economic machine, we will find ourselves swept aside by the dynamic tides of change that are sweeping the globe. These tides are empowering people in every corner of the Earth to achieve for themselves what their flawed governments never had any hope of being able to achieve for them.

Mr. Speaker, let us begin our work. Time—and tides—wait for no one.

CONGRATULATIONS TO ALICE BENOIT, R.N.

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. DOWNEY. Mr. Speaker. It is with mixed feelings that I announce the retirement of Alice M. Benoit, R.N., the energetic nurse who has become almost an institution within not only the Rayburn Building, but also all over the Capitol. Alice Benoit will be leaving us on January 31, and with her she takes memories of over 24 years of service to Congress and its employees. My feelings are mixed because we will miss Alice, but we know that she will be enjoying a much more relaxed and leisurely lifestyle from now on, which is something to which we all aspire.

During Alice's tenure as an employee of the attending physician's office, she has treated literally thousands of patients, including Members of Congress, staffers, interns, pages, and visitors to the Capitol. She has given medical advice and treatment, provided medical referrals, handled emergencies, given allergy shots, blood pressures, and temperature readings, and sometimes just provided a friendly and soothing word to people when they needed it. Alice's cheerful demeanor and ability to accept and often laugh at life's challenges will be long remembered and sorely missed.

Alice is originally from St. John's, NF, Canada, and served as a nurse with the U.S. Army Air Corps from 1945 to 1949. She became an American citizen in 1948 in Mobile, AL, and married an Air Force pilot, Gene Benoit. When Gene was transferred to Wheelus Air Base in Tripoli, Lybia, North Africa, Alice worked as a civilian occupational nurse in Tripoli. Upon returning to the States, she worked as a public health nurse at various facilities in and around the Nation's Capital. Alice and her family were also stationed in Mexico City where she served as the head nurse at the American Embassy, once having the honor of personally meeting President John F. Kennedy during an official visit to Mexico City. Finally, Alice found her way to us directly from Bethesda Naval Hospital, where she worked as an R.N. As you can see, Alice's career has been extremely busy, and far from boring.

There is no doubt that someone who has been here on Capitol Hill for nearly a quarter of a century has many vivid memories and stories to tell. When Alice began working on the Hill, Lyndon Johnson was in the White House, miniskirts, go-go boots and bell bottoms were in style, and many Members of Congress here today were still in college or high school.

However, Alice has been blessed with the ability to grow with the times, and she has met many wonderful people who have helped her—and vice versa—along the way. She has always been professional and courteous, but most of all, she has been a friend to so many of us.

I know that it will be difficult for many of us to walk by her office in Rayburn and not hear her lighthearted humming.

She has provided a bright and optimistic attitude in a place where life is often taken too seriously, and has kept so many of us and our staffs healthy during stressful times.

I personally am envious of Alice now that she will have time to take it easy for a change. I wish her all the best and hope that she will not be a stranger to these hallowed halls for long.

I know that my colleauges join me in bidding her an affectionate and fond farewell, and congratulating Alice on this remarkable achievement. I join her family—her husband Gene, her daughter Moya and son-in-law Steve, and her son, Mark and daughter-in-law Toi in wishing her good health and happiness for many, many years to come.

TRIBUTE TO THE GUIDE DOGS FOR THE BLIND

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mrs. BOXER. Mr. Speaker, I rise to pay tribute to the Guide Dogs for the Blind on the occasion of its golden anniversary.

Guide Dogs for the Blind is a remarkable organization in San Rafael, CA, that for 50 years has trained purebred dogs to be dog guides. It is one of the oldest programs of its type in the Nation. Located 20 miles north of the Golden Gate Bridge, its training campus includes a kennel complex, a spacious student dormitory, veterinary clinic, and administration building.

Guide dog training was quickly increased to serve qualified blind civilians after it began as a program to help World War II blind veterans. Since 1942, more than 6,000 men and women have received guide dogs and training free of charge.

Today, over 300 dogs-in-training begin their careers in guide dog kennels. Guide dogs entrusts the training of its puppies to 4-H Club members in the Western United States.

Guide Dogs for the Blind maintains its own breeding stock and uses only three breeds for guide dog work—German Shepherds, Golden Retrievers, and Labrador Retrievers. These breeds were selected for their medium size, even temperament, and short to medium-length coats. Every guide dog is a purebred, registered with the American Kennel Club.

Guide Dogs for the Blind now have graduates leading active and productive lives all over the United States and Canada. They're working in teaching, counseling, computers, media, and music, among many others. Guide Dogs for the Blind should rightfully be proud that their graduates enjoy the benefit of increased mobility through the use of these special dogs.

Mr. Speaker, I feel privileged to represent Guide Dogs for the Blind in California's Sixth

Congressional District, and I know my colleagues will want to join in congratulating the Guide Dogs for the Blind on the occasion of its 50th anniversary, and to express our hearty appreciation for its extraordinary record of service to the disabled community.

HOOVER POWER PLANT ACT AMENDMENTS OF 1992

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. MILLER of California. Mr. Speaker, I am pleased to introduce along with Representative DEFAZIO, the Hoover Power Plant Act amendments of 1992. This legislation updates and strengthens the energy conservation provisions included in the Hoover Power Plant Act of 1984. The bill will encourage the efficient use of federally subsidized power provided to customers of the Federal Western Area Power Administration [WAPA]. The wise use of this valuable resource will both reduce energy costs and protect the environment.

Under the bill, all WAPA firm power customers are required to conduct a balanced electric power planning process which considers both demand and supply side options for increasing power supplies. This type of planning is commonly referred to as "integrated resource planning" or "least-cost planning."

The experience of the past decade has revealed that a balanced planning process which gives full consideration to both demand and supply side power options is the key to achieving improvements in the efficiency of electricity use. This is the case because careful analysis of both supply and demand power alternatives often demonstrates that efficiency improvements are both the least expensive and most environmentally benign power supply available to an individual utility.

This legislation is needed because WAPA and many of its customers have lagged far behind their utility colleagues in other parts of the Nation in the area of integrated resource planning and efficiency improvements. Some of the more ambitious energy efficiency efforts have been undertaken over the past decade by California utilities and by WAPA's counterpart in the Northwest, the Bonnevile Power Administration [BPA].

For example, between 1981 and 1990, BPA's efficiency programs have added about 300 megawatts of direct energy savings to BPA's energy supply at the cost of approximately 2 cents per kilowatt-hour. Over the past 8 years, Southern California Edison and Pacific Gas and Electric have achieved about 2,000 megawatts of savings through efficiency improvements.

All of the above mentioned savings were achieved largely because of requirements that were imposed on investor-owned utilities by State regulators and on BPA through the Northwest Power Act. Unfortunately, WAPA has failed to provide this type of leadership.

Despite the fact that WAPA's Energy Conservation Program has been in existence for over 10 years and has cost $21 million, Western is unable to provide any verifiable estimate of the amount of energy saved due to its program. WAPA customers are able to comply with its current requirements by conducting token 1970's era energy efficiency measures such as putting flyers in utility bills and conducting a limited number of residential energy audits.

It must be noted that a number of Western customers have embarked upon ambitious integrated resource planning and efficiency programs. For example, the Sacramento Municipal Utility District [SMUD] plans to achieve up to 600 megawatts of energy savings over the next 10 years. However, the efficiency activities of SMUD and others have resulted more from leadership demonstrated at the utility level rather than from Western's extremely limited efforts.

WAPA is presently considering a revision of its Energy Conservation Program. Unfortunately, the proposal it has issued is a continuation of its rather feeble effort in this area. For example, WAPA would not require its customers to actually comply with their integrated resource plans. This could result in the planning process becoming a meaningless bureaucratic exercise.

In addition, Western has also failed to propose a requirement that its customers accurately compare the costs of various energy options. If these plans do not accurately compare costs, they will have little value and could be used to justify the acquisition of expensive power options when lower cost options are available.

The receipt of low-cost federally subsidized power is a privilege. WAPA and its customers have an obligation to the Nation to use increasingly scarce Federal hydropower resources in the most efficient manner possible. The Hoover Power Plant Act amendments of 1992 establish a framework for the most efficient use possible of this valuable resource.

I insert a copy of the attached section-by-section analysis of the bill at this point in the RECORD.

SECTION-BY-SECTION ANALYSIS OF HOOVER POWER PLANT ACT AMENDMENTS OF 1992

SEC. 1. SHORT TITLE

SEC. 2. AMENDMENT OF HOOVER POWER PLANT ACT

Designation of Hoover Power Plant Act Amendments of 1992 as Title II of Hoover Power Plant Act of 1984.

SEC. 201. DEFINITIONS

"Integrated resource planning" means a comparison of all practicable energy efficiency and energy supply options to identify the *least-cost option* for providing electric service.

"Least-cost-option" means an option for providing electric service which will minimize life-cycle system costs, and environmental costs, of providing such service.

SEC. 202. CONTRACTS TO REQUIRE INTEGRATED RESOURCE PLANNING

Requires that Western Area Power Administration [WAPA] amend all firm power contracts to require purchasers to implement integrated resource planning within three years of enactment.

Requires that WAPA, within 180 days after enactment, prescribe a methodology to be used by WAPA customers for determining quantifiable environmental costs as part of their integrated resource plans.

SEC. 203. TECHNICAL ASSISTANCE

WAPA shall provide technical assistance to utilities to conduct integrated resource planning and comply with the requirements of this title.

SEC. 204. INTEGRATED RESOURCE PLANS

(a) REVIEW BY WAPA.—Each purchaser shall submit an integrated resource plan to WAPA 12 months after their contract is amended. A revision of such plan shall be submitted every 3 years.

(b) CRITERIA FOR APPROVAL.—WAPA shall approve an integrated resource plan if it accurately compares life-cycle system costs and environmental costs for energy supply options; designates that the least-cost supply option is acquired; and, to the maximum extent practicable, minimizes adverse environmental effects of energy supply acquisitions.

(c) USE OF OTHER INTEGRATED RESOURCE PLANS.—Where a purchaser is implementing integrated resource planning under a program responding to Federal, State, or other initiatives, WAPA shall make due allowance for the incorporation of such elements within the least-cost plan required by this title.

(d) COMPLIANCE WITH LEAST-COST PLANS.—Each purchaser shall fully comply with its least-cost plan. WAPA shall review each purchaser's implementation of its least-cost plan at least once every 2 years to determine if the purchaser is in compliance with the plan. If WAPA finds the purchaser out-of-compliance, the Administrator shall impose either a surcharge on all power purchased from WAPA by the purchaser or a reduction in power allocation.

(e) ENFORCEMENT.—

(1) NO APPROVED PLAN.—If an integrated resource plan for any purchaser is disapproved by the Administrator and a revised plan not resubmitted within 9 months the Administrator shall impose a surcharge of 20 percent of the purchase price on all power obtained by that purchaser. The surcharge shall remain in effect until the plan is approved. If the plan is not approved for more than one year, the surcharge shall increase to 30 percent for the second year, and to 40 percent thereafter until the plan is approved.

(2) FAILURE TO COMPLY WITH APPROVED PLAN.—Identical surcharges shall be imposed whenever the Administrator determines that a purchasers activities are not consistent with its integrated resource plan.

(3) REDUCTION IN POWER ALLOCATION.—In lieu of imposing a surcharge under paragraphs (1) or (2) the Administrator may reduce a utility's power allocation. If the reduction is for the first year of a violation, the reduction shall be 10 percent of the power allocation otherwise available, for the second year the reduction shall be 20 percent and for each year thereafter the reduction shall be 30 percent.

(4) SUITS TO REQUIRE ENFORCEMENT.—Any person may bring an action against the Administrator in Federal District Court to require the Administrator to immediately approve or disapprove a plan; or impose a surcharge or power allocation whenever such surcharge is mandated in accordance with paragraphs (1), (2), and (3).

(5) APPEALS.—Any person subject to a surcharge or reduction in power allocation may appeal the imposition of such penalty within 30 days.

(f) LEAST-COST PLANNING COOPERATIVES.—With the approval of WAPA, purchasers may form least-cost planning cooperatives for the purposes of complying with this title.

SEC. 205. CONSERVATION PURCHASE

WAPA may purchase, at fair market value, firm energy savings directly produced from a utility demand side management initiative carried out by a purchaser.

WAPA may only purchase energy savings if these savings are sold at fair market value or utilized to forego electric power generation in a manner which will reduce adverse environmental effects related to hydroelectric power operations.

SEC. 206. MISCELLANEOUS PROVISIONS

(a) ENVIRONMENTAL IMPACT STATEMENT.

(b) PROHIBITION ON BLENDING OF POWER PRICES.

(c) REGULATIONS.

(d) ANNUAL REPORTS.

(e) FUNDING.—The Administrator shall adjust WAPA rates for the sale of electric energy to the extent necessary to cover all costs incurred under this title.

CHANNEL DEFENSE FUNDING INTO HEALTH CARE PROGRAMS

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. BLACKWELL. Mr. Speaker, as I read last Thursday's Washington Post on the train ride from Philadelphia, I was ecstatic to read that the President has announced steps to cut the Nation's entire force of nuclear-tipped MX intercontinental ballistic missiles. In addition, Mr. Bush has called for a scaling back of the B–2 Bomber Program. All in all, these much-needed cuts will save our country billions of dollars in defense spending.

No one can deny that the B–2's strategic nuclear objective has been diminished as the now-defunct Soviet Union no longer poses the overt threat that it once did. The President has obviously acknowledged this fact. As we stand at a major crossroads in our Nation's history, we now have an opportunity to channel the money saved from these defense cuts to fight the very real wars that exist right here on our own soil, in our own backyards. Indeed, the time has come for this administration to acknowledge another blatant and obvious fact.

Mr. Speaker, there are 37 million Americans without health insurance. I know that it has been echoed in the halls of this chamber in the past, but it must be repeated. Adequate health care should be a right, not a privilege. I will repeat the statistic that the lack of health insurance is not merely a problem for the poor, as 80 percent of those persons without medical insurance are members of working families. For me, my constituents, and many of my colleagues, this is simply unacceptable.

As the President addresses the Nation tonight, I urge him to consider the many encouraging steps we could take. Let's take these funds and gear them toward preventive health care. Long-term care. Healthy start to curb our Nations' atrocious rate of infant mortality. The list goes on and on Mr. Speaker.

Now that the iron curtain has been lifted, and the people of Eastern Europe are free from the shackles of oppression, it is time for us to free the citizens of our own country from the clenching fear of inadequate health care. The time to act is now.

HONORING MILDRED C. BIRD FOR 25 YEARS OF SERVICE TO BLOOMINGDALE, NJ

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. ROE. Mr. Speaker, it is with distinct pleasure and great pride that I rise today to pay special tribute to Mildred C. Bird, who after 25 years of dedicated service to the borough of Bloomingdale, NJ, will retire. A career in public service can be a rewarding and satisfying experience. Certainly those who have worked along side and been assisted by this marvelous lady have experienced her commitment and professionalism. Millie will be honored at a special dinner on Sunday, February 1 at the lovely Wayne Manor, exactly 25 years to the day that she was appointed municipal clerk of the borough.

She was born in Mount Marion, NY, and after being voted "Most All-Around Senior" by her high school classmates, she went on to work in New York City for the next several years. After a move to Clifton, NJ, and the borough of Bloomingdale shortly thereafter, she assumed her role as municipal clerk and began her long and productive career. Millie has been extremely active in her profession holding the titles of registered municipal clerk in the State of New Jersey and certified municipal clerk in the International Institute of Municipal Clerks. She was named acting administrator of Bloomingdale in June 1987 and was named administrator in August 1989.

Locally, Millie served in every position upon the Passaic County Municipal Clerk's Association executive committee, including that of president and chairman of the groups 25th anniversary festivities. She also acted as an adviser from the county association to the State association before being elected to the State's executive committee, where she served in a variety of positions including president. Millie also participated in the first certified municipal clerks' course at Syracuse University, which is now taught at approximately 35 other universities and colleges, including Rutgers.

Always active in her community and willing to pledge her time and effort, Millie worked on both the borough's 50th Anniversary and National Bicentennial Committees. She has also served on the borough's Board of Health and was chairman of its United Way affiliate. In addition, she has been an active member of the United Methodist Church. Millie was also instrumental in the establishment, and was an auxiliary member, of the Bloomingdale VFW Memorial Post 9458, which has just celebrated its 25th anniversary.

Mr. Speaker, I am sure that you and all my colleagues in the House join with me and Millie's husband Donald, her two sons, Edward and Alan, her two grandsons, Michael and Jeffrey and all her friends in commending her for her outstanding service.

Mr. Speaker, seldom will you find a citizen who is so giving of their time and so devoted to doing their very best in everything in which they are involved. Mildred Bird has served her community these many years and deserves our praise, our gratitude and our very warmest wishes for a happy and healthy retirement.

CIVILIAN CONSERVATION CORPS HELPED "BUILD" AMERICA

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. CLEMENT. Mr. Speaker, today I want to pay tribute to a group that helped "build" America during the 1930's and 1940's—the Civilian Conservation Corps [CCC].

In April the CCC celebrates its 59th anniversary, and I'd like to ask my colleagues to mark this noteworthy occasion. Our Nation owes a debt of gratitude to this remarkable organization and the men who served in the CCC and helped build roads, dams, parks and buildings throughout our great Nation. The legacy of the CCC lives today, and their work and contributions will be evident for generations to come.

On April 5, 1933, during the historic "One Hundred Days" of Franklin Roosevelt's first term, the U.S. Congress enacted as part of the New Deal legislation the "Civilian Conservation Corps Relief and Reforestation Act.

The CCC was created as an emergency relief measure to alleviate high levels of youth unemployment. The CCC workforce had the task of mitigating the depletion of America's natural resources. In FDR's first statement about the CCC he proposed that it be "used in work, not interfering with normal employment and confining itself to forestry, the prevention of soil erosion, flood control and similar projects." By midsummer of its first year of existence, CCC had hired 300,000 unemployed young men who were working in 1,500 CCC camps throughout the country. During its peak year in 1935 the CCC employed a half million men located in 2,600 camps in all 48 States and U.S. territories—including 4 Tennessee camps.

Enrollees had to be unemployed single males between the ages of 18–25, and later included 225,000 World War II veterans. They earned $30 per week and were required to send $25 home to their families. CCC workers received room and board, clothing and educational opportunities.

The CCC: Built or preserved more than 1,000 national, State, county and city parks. Built 3,740 fire towers. Built 97,000 miles of truck roads. Spent more than 4 million man-days fighting fires. Planted more than 2 billion trees. Arrested erosion on more than 20,000 acres and spent more than 1 million man-days protecting life and property during the 1937 floods in New England and the Ohio and Mississippi River valleys.

The CCC: Restored man-made drainage systems which affected 84 million acres of agricultural land. Rescued more than a million sheep in the 1936–37 blizzards in Utah. And, taught more than 40,000 illiterates how to read and write.

The first Tennessee CCC camp opened in May, 1933 with the establishment of Camp Cordell Hull in Unicoi County.

For administrative purposes the CCC was divided into nine corps areas. Tennessee was part of the 4th Corps area, and was part of District C along with portions of western North Carolina and north Georgia, Alabama and Mississippi.

Approximately 70,000 Tennesseans served in the CCC in Tennessee and as far away as the west coast. By 1941 in Tennessee the CCC had built 98 lookout towers and houses; erected nearly 4,000 miles of forest telephone lines; built 1,496 miles of minor roads; constructed 387,208 check dams and planted over 36 million trees for erosion control; almost 27 million for reforestation and 554,457 pounds of hardwood seeds; spent 134,811 man-days fighting forest fires and another 122,033 man-days in fire prevention work.

CCC boys helped build the first State parks in Tennessee including Montgomery Bell, Meeman-Shelby Forest, Natchez Trace, Chickasaw, Pickett, Reelfoot, Frozen Head, Norris Dam, the Grundy County Lakes and Recreational Area [South Cumberland], Big Ridge, T.O. Fuller, Nathan Bedford Forest, Booker T. Washington, Harrison Bay, Cove Lake, Pickwich Landing and Cumberland Mountain. CCC work included building retaining walls, trail shelters, vacation cabins, benches and picnic tables, boat houses, contact stations, water systems and even dams for park lakes. At Norris Dam State Park and Big Ridge the CCC also engaged in historic preservation work.

The CCC legacy in America and in Tennessee is one of hard work, accomplishment and pride. At least 85 percent of the CCC employees went on to serve in World War II.

I believe the public service concept of CCC should be re-examined and could be utilized to help solve some of the domestic economic problems confronting our country today.

I want to thank Mr. Robert Griffin of Howenwald, TN, Mr. Cecil Flowers of the National Association of Civilian Conservation Corps Alumni in Jackson, TN, who helped me gather information about this outstanding group of people, and the authors of several articles about CCC that I used to prepare these remarks.

Mr. Speaker, today I ask my colleagues in the U.S. House of Representatives to join me in saluting and paying tribute to the thousands of Tennesseans who served in the CCC and to a group of young men whose contributions to our Nation went far beyond building roads and dams. These young men played an integral role in the history of our Nation and personified the American spirit of hard work, public service and pride.

A TRIBUTE TO HON. JOHN ANTON BLATNIK

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. ANDERSON. Mr. Speaker, I rise today to pay homage to Congressman John Anton Blatnik, former representative of Minnesota's eight Congressional District who died on December 17, 1991. If I may echo the February 1974, words of Hubert H. Humphrey spoken upon the occasion of John Blatnik's retirement, "History has a way of shrinking to proper size the episodes which capture the public's attention for a fleeting moment. And it has a way of raising to proper size the acts of wisdom, of vision, and of courage." Long before Chairman Blatnik's death, American history began to construct a favorable perspective immortalizing this honest and decent man. Now that he has passed, I offer these words to help insure that the final perspective is true to form.

To those not from Minnesota, names such as Hubert Humphrey, Walter Mondale, and Eugene McCarthy, are more easily recognized. However, even those from Minnesota may not recall that when John Blatnik was first elected to the House in 1947, Hubert Humphrey was mayor of Minneapolis, Walter Mondale was a 20-year-old student at Macalester College, and Eugene McCarthy was a young economics professor at the College of St. Thomas. While each of these men contributed substantially to the betterment of the body politic, to this day none has acquired or exercised more power, nor had a more enduring impact on Minnesota or the Nation, than John Blatnik.

The son of an immigrant iron miner from Yugoslavia, he was a first-generation American. I can vividly remember John coming out to visit the fishing town of San Pedro in my congressional district. Like much of Chairman Blatnik's district, San Pedro has a strong Yugoslavian influence. My fondest memories involve the two of us traveling to various Slav community meetings in San Pedro and singing songs from the Yugoslavian homeland. While it was no small task for him to teach me, a Norwegian, Slav songs, I was always grateful for his patience. I am convinced it was from his visits to my district that I solidified the Slav vote in my district.

It was out of his immigrant upbringing, and his searing memories of the Great Depression, that he established his reputation as an extraordinary conciliator. As a newly elected Congressman in the early 1970's, I had the distinct pleasure of learning John Blatnik's superb legislative skills during his 3-year tenure as the chairman of the Committee on Public Works and Transportation. Never was his savvy more visible than in 1972, 3 years after I arrived, when Chairman Blatnik successfully crafted and guided into law, the Federal Water Pollution Control Act. After suffering a heart attack during intensive deliberations over the bill, many believed the strain of this endeavor was the main contributor to his attack. However, characteristic of the man, he never quit. Thanks to his unending devotion, Americans are able to enjoy our Nation's water resources, free from the massive pollution so characteristic of the early 1970's.

Upon learning of John Blatnik's death, I, as true of all that knew him, was filled with a great sense of loss. For us, his name creates deep feelings of respect, admiration, and unending commitment to public service. Those that reside in the Eighth Congressional District of Minnesota, however, must feel the loss of this great leader much more. John Blatnik loved his district, and most importantly, loved the people that lived there. His long-time friend Hubert Humphrey once stated, "There are a lot of junior world savers around, but John has been a giant and a Santa Claus for his district." After John suffered a heart attack in the early 1970's, Senator Humphrey also offered his view of the cause when he remarked, "He worked his heart out for his constituents."

Mr. Speaker, public servants will come and go. Many we remember, some we will forget. John Anton Blatnik, we will never forget. In his memory I offer these fond words: "Praise be to God for the dedicated men and women who without fear or favor work for the health and welfare of mankind, who will not see the full fruition of their efforts in this lifetime, but, thank God, their works do follow them".

SANCTIONS AGAINST IRAQ SHOULD BE MAINTAINED UNTIL ALL KUWAITIS ARE RETURNED

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. WELDON. Mr. Speaker, I rise today to inform my colleagues about a most impressive and important group of people who were here in Washington last week. A Kuwaiti humanitarian delegation, made up of leading private citizens from all over Kuwait, has come to Washington to share their views about life in post-war Kuwait.

As chairman of the House Task Force on Kuwait, I have had the good fortune to enjoy close relationships with Kuwaiti Ambassador Al-Sabah, as well as with private groups and citizens in Kuwait. It was truly a privilege to meet with these individuals.

Let me say from the outset that this is a private, completely independent delegation with no ties at all to the ruling Al-Sabah family. Included in the delegation was the head of the Kuwaiti Sociologists Association, the Kuwaiti Medical Society, the Kuwaiti Accountants Association, the Kuwait Lawyers Society, the Kuwaiti Literary Association, the Kuwaiti Engineers Society, the Kuwaiti Pilots and Flight Engineers Society, the Kuwaiti Economists Society, the Kuwaiti Graduates Society, and the Kuwaiti General Laborers Union. These are the private sector leaders, a broad cross-section of Kuwaiti society. In fact, many of these men and women are active within nascent opposition political movements in Kuwait.

Yet they are not here in Washington to criticize the ruling family or score political points. Their primary concern, like all Kuwaitis, is the safe return of all prisoners of war still being held in Iraq. The Kuwait Association to Defend War Victims, which cosponsored the delegation, estimates that there are close to 2,000 Kuwaitis still being held in Iraqi prisons. The Association works closely with the International Red Cross to track the status of all POW's. These Kuwaitis have now been in Iraqi jails for over a year.

Last year I introduced House Resolution 217, which calls on Saddam to release immediately all Kuwaiti prisoners of war. The legislation mandates that all sanctions currently in place against Iraq be maintained until all Kuwaitis are returned. I would urge all my colleagues to co-sponsor this legislation, which promotes basic human rights and simple justice. For the sake of the thousands of Kuwaiti children whose families have been torn apart, I ask my friends on both sides of the aisle to lend their support to this important effort.

TRIBUTE TO LYUN JOON KIM

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. DYMALLY. Mr. Speaker, I rise to honor one of the world's great educators and champions of international understanding—Dr. Lyun Joon Kim, founder and chairman of the board of trustees of Hanyang University, Seoul, Korea. His contributions to religion, education, human rights and music have been recognized by many universities in Canada, France, Israel, Korea, Taiwan, and the United States, all of whom have conferred honorary degrees upon him.

An examination of the degrees he holds, honoris causa, from institutions of higher education in this country, attests to the breadth of his interests and accomplishments. From Shaw University in North Carolina and Southern Illinois University he has received doctorates of literature. These were a fitting recognition of leadership in education as a man who has been a major force in founding schools such as the Dong-A Polytechnic School, the Hanyang Engineering College, the Hanyang Technical College, the Hanyang Girls Junior and Senior High School, and the Hanyang Women's Junior College. They could also be said to commemorate his role as president and publisher of the daily Daihan Ilbo in Seoul from 1960–1973.

The University of Toledo granted him the honorary degree of doctor of humane letters in 1983. Dr. Lyun Joon Kim is the very embodiment of all that degree embodies. As a humanitarian he has awarded thousands of scholarships to Korean students. He has championed the poor and assisted those whose human rights have been abused. Since 1965, Dr. Kim has been chairman of the International Human Rights League of Korea, and since 1984, he has been president of the countrywide organization. He is a hero of his people because of his opposition during World War II to the Japanese attempts to take over the technical college which he founded.

If Dr. Kim had never engaged upon his remarkable life of public service, he still would deserve our tribute today because of his extraordinary musical genius. Central Michigan University is but one of those institutions which have conferred upon him the degree of doctor of music. He learned to play the violin at the age of 8. He has composed some 3,800 pieces of music earning him the title of the Schubert of Asia. His musical works have been presented at concerts held in Seoul and Chongju, Korea; Tokyo, Japan; Taipei, Taiwan; Bonn, Munich, Tubingen, Dusseldorf, Iserlohn, and Bochum, Germany; Tel Aviv in Israel; Rouen and Paris in France; and in the United States in Carnegie Hall and Atlanta, GA. Tubingen University at its 500th aniversary celebration in 1979, recognized Dr. Kim with the Outstanding Composition Award.

Throughout his life Dr. Kim's actions have been inspired by his deep commitment to Christianity. His deep faith has been recognized by the doctor of divinity degrees given him by Southwest Baptist University and Faith Theological Seminary. His religious conviction has been manifested through the sacred music he has composed and his lifelong work for Christian harmony. Since 1963, he has been the publisher of Kidok Kyo Sinmun—the Union Christian Press. In 1984, he was given the International Award by the National Religious Broadcasters in Washington, DC.

Mr. Speaker, in Dr. Lyun Joon Kim we have in one man a musical genius and one of the most venerable educators it has been my pleasure to honor. I am sure my colleagues will wish to join with me in wishing him many more fruitful years of service to humanity.

HOUSE SPENDING ACCOUNTABILITY ACT

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. GUNDERSON. Mr. Speaker, today, along with a number of my colleagues, I will be introducing the House Spending Accountability Act, a bill which would require that recorded votes be taken on priority spending bills. Congress must be held accountable for the money it spends. It is outrageous that last year the House passed billions in taxpayer dollars without recorded votes.

For example, last November, the House passed a $30 billion measure to re-fund the Federal Deposit Insurance Corporation [FDIC]. This 437 page measure would protect deposits in commercial banks by granting the FDIC a $30 billion line of credit with the Treasury to cover losses in failed banks. And, how did this bill pass? By voice vote!

I was disgusted that the House would allow a bill of this magnitude to be approved without a recorded vote. It is no wonder the American people are fed up with the way Congress does business.

The House Spending Accountability Act would require a recorded vote on legislation that would make an appropriation, provide direct spending, legislation that doesn't require an appropriation, or authorize new credit authority, a line of credit from the Treasury.

Last year, six appropriation conference reports and two continuing resolutions, totaling $392.8 billion, passed by voice vote. In addition, the House approved by voice vote $64.2 billion in new credit and direct spending bills. It is time the House be held accountable to the taxpayers for the funds it spends.

THE 50TH WEDDING ANNIVERSARY OF DR. AND MRS. WILL HAYES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. LAGOMARSINO. Mr. Speaker, I rise to recognize an event that took place while this body was in recess for the holidays. Last New Year's Eve, two long-time constituents and dear friends, Will and Barbara Hayes, celebrated their 50th wedding anniversary in Santa Barbara.

Will and Barbara met in Hawaii while Will was instructing invasion survival tactics to military personnel for the Red Cross. After experiencing the bombing of Pearl Harbor, Will knew life would be different. He returned to California for the Christmas holidays, where he married Barbara at her parent's home in Fullerton on December 31, 1941. Barbara still jokes that Will married her on the last day of the year just to get the full year's marital tax deduction.

Will and Barbara Hayes have been exemplary citizens, dedicating much of their lives to community service in Santa Barbara. During World War II, Will was commissioned as an ensign in the Coast Guard, and at the end of the war, he accepted an assistant professor position at the University of California, Santa Barbara campus. Over his career, Will has been named college dean, faculty president, president of Rotary, foreman of the grand jury, and president of the board of trustees for the Santa Barbara Public Library. Barbara started the Humpty Dumpty Nursery School, which she directed for more than 20 years and has since become a Santa Barbara landmark. Their marriage has been blessed with four sons, all of whom have continued the family tradition of community.

Not only am I proud to include these outstanding people as my constituents, I am especially proud to include them among my friends. I ask my colleagues to join me in wishing Will and Barbara Hayes a very happy anniversary, with many happy years to come.

RECOGNIZE CROATIA AND SLOVENIA AS INDEPENDENT STATES

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. LANTOS. Mr. Speaker, today I rise and ask my colleagues to join me in urging the President to recognize the Republics of Croatia and Slovenia as independent states. It is high time that the United States joins the European Community in extending full diplomatic recognition to these two war-torn Republics.

With the Communist Serbian Government in control of the Federal Government, Slovenia declared its independence in June 1991. The following morning, the Communist Serbian-dominated Federal army invaded Slovenia. Upon declaring independence, Croatia was faced with the same consequence.

In keeping with our 200-year democratic traditions, the United States must assist these Republics as they strive to instill the democratic values which we cherish as their own. Our forefathers fought for the right of self-governance and liberty. Today the United States should help these Republics accomplish this task by extending the hand of diplomatic recognition. Time is of the essence. The Communist-dominated Serbian Army has already encroached on over one-third of Croatian territory and has shown no intention of pulling back.

The world has witnessed the Federal army join forces with Serbian guerrillas in an effort to destroy Croatia. This is an army that was originally placed on duty as a peace-keeping force. However, according to reports by the Helsinki Watch, Communist Serbian forces have committed outrageous acts of aggression and human rights violations against Croatians.

Helsinki Watch reports: "The Serbian-led Federal army is accused of the summary execution of civilians; the indiscriminate and disproportionate use of force against civilian targets; the torture and mistreatment of detainees; disappearances and the taking of hostages; and the forced displacement and resettlement of civilians." Further, Serbia violated the 15th cease-fire agreement reached under U.N. auspices by shelling Croatian towns. It appears that Serbia will not cease fighting until Croatia is destroyed.

Mr. Speaker, the United States must take a stand. In the interest of peace and stability in the Balkans, and for the cause of furthering both democracy and human rights, our Government must recognize the independence of Croatia and Slovenia.

COMEDIAN JAY LENO TO CHEER UP THE UNEMPLOYED

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. LIPINSKI. Mr. Speaker, I am pleased to stand up before you to commend comedian Jay Leno for doing his part to help the unemployed in these difficult times. Mr. Leno will be performing four free shows for the out-of-work at the Zaines comedy clubs in Chicago this February 13 and 14. In doing so, Mr. Leno will be bringing some sunshine into the lives of the unemployed.

Today, Americans everywhere are finding themselves out of work. Since the start of the recession in July 1990, 1.9 million jobs have been lost. Last year, 25 million people—20 percent of the workforce—were unemployed at some time. Job cuts now average 2,600 a day. Last month, for instance, General Motors, Xerox, and IBM released 100,000 employees from their payrolls.

According to an Associated Press poll, two out of three Americans say the economy is getting worse but think the Government can do something about it. As Members of Congress, we cannot ignore this plea for help.

As a comedian, Mr. Leno is doing his part by giving unemployed Americans the humor they need to escape their problems if only for a moment. We should be inspired by Mr. Leno's efforts and do our part as lawmakers by helping the unemployed get back to work.

FIGHTING TO PRESERVE THE 169TH

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mrs. JOHNSON. Mr. Speaker, last Thursday, I learned that the Connecticut National Guard will lose 909 authorized positions by September 1, 1992, and will lose another 2,054 in 1993, according to orders recently issued by the National Guard Bureau, as part of its Operation Quicksilver plan. A sizable reduction was expected, and generally regarded as unavoidable and a sign of more peaceful times. But no one imagined that a decision of such importance to our communities would be blatantly unfair and disregard the service tradition of historic units like the 169th.

Under the current proposal, by 1993 Connecticut will have lost 49 percent of its force, while the average cut nationwide will be only 19 percent. While every American can understand that in times of budgetary constraints and a reduced threat of military strike we should make every effort to reduce U.S. troop strength, it is outrageous that the National Guard Bureau ignored key issues such as regional equity, excellence of service, and history when proposing these cuts.

Among the specific units targeted for elimination in 1992 is the 1st Battalion, 169th Infantry which currently has 590 soldiers serving in Manchester, New Britain, Danielson, Enfield, and Rockville, CT. The 169th was first called up by Commander-In-Chief George Washington in 1777 and helped repel the Redcoats from Saratoga. It later distinguished itself again in the War of 1812, The Spanish-American War in 1898, and in 1917 was dispatched to France to battle the German Army.

Our units rank high in readiness and mission accomplishment, as is evident in recent evaluations and statistical information. In May of last year, the Connecticut National Guard was selected as one of the finalists in the nationwide Army Community of Excellence Program for 1991 and sent delegates to the Pentagon on May 23, 1991, to collect the award. I am proud of the history of excellent service the 169th has provided on behalf of the State of Connecticut, and I will be saddened to see its proud tradition come to an abrupt end.

No one is asking the National Guard Bureau to make an exception for Connecticut's National Guard. Instead we in the Connecticut Delegation are calling for a more equitable troop reduction plan, knowing that Connecticut is prepared to assume its fair share of troop reductions. Our great State of Connecticut remains prepared to support the President and the Secretary of Defense in their efforts to act responsibly in the face of reduced military threats and urgent budgetary pressures. But we will pursue every avenue to reverse the unfair, ill-advised action recently taken.

INTRODUCTION OF LEGISLATION TO EXTEND HEALTH BENEFIT COVERAGE TO RECENTLY UNEMPLOYED INDIVIDUALS

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. GLICKMAN. Mr. Speaker, the Consolidated Omnibus Budget Reconciliation Act of 1985 [COBRA], requires employers to allow former employees to continue to purchase their health benefits under their former plan for 18 to 36 months after the end of their employment. The former employee pays the full cost of the coverage, including a 2 percent fee to cover the employer's administrative costs.

Recently, I hosted a town hall meeting addressing health care. Several of my constituents mentioned that because of the current economic problems it has become difficult to secure a replacement job, and soon their option to purchase health benefits under COBRA would expire. I do not believe it is right for these people to be both jobless and unprotected in the event they need medical benefits.

With this in mind, I am introducing legislation today to extend COBRA coverage to 60 months. The intent of Congress enacting the continuation of health benefits provision in COBRA was to ensure no American went without health coverage while between jobs. The strong economy at that time caused Congress to believe 18 months would be sufficient for a terminated employee to find new work.

But the current tough economic times are keeping a greater number of people unemployed for longer than 18 months. Since Congress has extended unemployment benefits, and may do so again in the coming weeks, we also should extend the amount of time former employees may hold onto health coverage while unemployed.

This bill is a small, but important first step in helping our constituents survive these tough economic times, and will provide the security of continued health insurance to those who do not have the security of a job. I urge my colleagues to support this legislation.

TRIBUTE TO JOSÉ FERRER

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. SERRANO. Mr. Speaker, it is with great sadness that I rise today to mourn the death of José Ferrer, one of Puerto Rico's most gifted sons. Mr. Ferrer brought much joy to the lives of people all over the world through his rich, diverse artistic talents. He was world-renowned for his unique acting, directing, and producing abilities on stage as well as on screen.

Born in Santurce, PR, Mr. Ferrer's interest in show business began while he was a student of architecture at Princeton University. Following his graduation in 1933, Mr. Ferrer worked both on-stage and behind the scenes with small theatrical companies in New York. Soon, he was performing on Broadway.

Mr. Ferrer's outstanding work in the theater, in his capacity as actor, director, producer, and even author, brought him much deserved acclaim. In 1952 alone, his outstanding performance in, and direction of, several plays won him an Antoinette Perry (Tony) Award, a Donaldson Award, the Page One Award for dramatic art from the New York Newspaper Guild, and the Variety New York Drama Critics Poll for directing and acting. Mr. Ferrer won both a Tony Award and a Donaldson Award several years earlier for his widely acclaimed stage performances in "Cyrano de Bergerac" and "Othello," respectively. Mr. Ferrer also was awarded the American Academy of Arts and Letters Gold Medal for Speech in 1949.

Mr. Ferrer's artistic abilities were not limited to the stage. In 1948 he appeared in his first film, for which he received a Motion Picture Academy Award nomination. Mr. Ferrer was actually awarded the Oscar 2 years later for his magnificent performance in "Cyrano de Bergerac." Here again, in the film industry as on Broadway, Mr. Ferrer proved himself to be an exceptional actor, director, and producer whose work was highly acclaimed all over the world. In 1950 he was awarded the Linguaphone Institute Annual Award for diction in films and 2 years later he received the Federation of Motion Picture and Stage Actors of Cuba Annual Award for Acting.

Mr. Ferrer was, and his memory will continue to be, a great source of inspiration to everyone, but particularly to those individuals with mixed cultural backgrounds. Although Mr. Ferrer lived in mainland America for the greater part of his life, he was heavily influenced by his Hispanic heritage. This cultural combination resulted in a unique artistic style which characterized Mr. Ferrer's work and distinguished it from that of other artists. As Mr. Ferrer himself once said, "I am an American who is in many ways unlike an American." The product of two cultures, Mr. Ferrer demonstrated that both influences could be successfully balanced and combined so as to enable an individual to contribute in an entirely unique way to society.

In addition to obtaining numerous awards praising his individual artistic work, Mr. Ferrer was the first actor to receive two very prestigious awards commending his contributions to the arts as a whole. In 1967, Mr. Ferrer was awarded a plaque from the Organizations of American States "as a symbol of New World culture whose notable dramatic talent and distinguished contribution to the theater have greatly increased its prestige," and in 1985, he received the National Medal of Arts from President Reagan. Mr. Ferrer was an internationally celebrated Hispanic whose dedication to, and success in, the work he loved qualify him as an exemplary role model for Hispanics everywhere.

This remarkable Puerto Rican will always be remembered for his nearly six decades of invaluable contributions to the dramatic arts. Although Mr. Ferrer is no longer with us, films such as "Moulin Rouge," "The Caine Mutiny," "Joan of Arc," and "Ship of Fools," not to mention the unforgettable "Cyrano the Bergerac," will allow us to relive our enjoyment of his work and enable future generations to experience the immense talent of Mr. Ferrer. Mr. Speaker, please join me today in paying tribute to an exceptionally gifted and outstanding member of the Puerto Rican community whose death constitutes a significant loss for us all, José Ferrer.

HONORING HOUSE PAGE MICHAEL CONNORS

HON. GARY A. CONDIT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. CONDIT. Mr. Speaker, I rise today to praise one of my constituents, Michael Connors, who served as a House Page over the last 6 months. He was part of the page class which departed on January 24, 1992.

This fine young man from Turlock, CA served this House honorably and with distinction. He accepted every challenge that was presented to him with eagerness. During the latter part of his tenure with us, he was assigned to the Democratic cloakroom where he worked tirelessly around the clock, especially during late November, to make sure that Members were being served. It was always a pleasure to see him in the cloakroom or to talk to him on the phone concerning floor activities. I will miss Michael, as will the members of my staff who came to rely on him for getting messages to me. We practically considered him as part of our staff.

I wish this young man the best of wishes as he continues his education. I am confident that he will make a valuable contribution to our society in whatever endeavor he chooses to pursue.

INTRODUCTION OF LEGISLATION RESTORING INVESTMENT TAX CREDIT

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 28, 1992

Mr. DONNELLY. Mr. Speaker, tonight, President Bush proposes his solution to stimulate the economy. Today, I am introducing legislation to provide an investment tax credit which will go a long way toward that goal.

My bill would allow a 10 percent tax credit for increases in investment by businesses. Most importantly, equipment qualifying for the credit must be made in the U.S.A. In addition, the credit would be available only if the equipment is new. Furthermore, the investment must be in equipment that is both an integral part of manufacturing or production, as well as an increase in investment and not merely replacement of existing capital stock. The time has come to restore America's manufacturing base.

Mr. Speaker, my bill will also provide a tax credit to stimulate the sale of real estate held by the Resolution Trust Corporation or the Federal Deposit Insurance Corporation. Billions of taxpayer dollars are wasted while the Federal Government sits on this idle property. A temporary 5 percent tax credit is available to any RTC or FDIC property that is used in manufacturing or production.

Mr. Speaker, the time has come for action, not rhetoric. I think that solving this recession will require us to get back to the basics—and make fundamental, basic decisions about our economy. It was based on manufacturing—production—hard work. Consumer spending will not be the answer to this recession. Restoring America's manufacturing base will.

At this point in the RECORD I am submitting a technical description.

SUMMARY OF DONNELLY INVESTMENT TAX CREDIT PROPOSAL

The bill would allow a 10 percent tax credit for increases in investment by businesses. A credit is a direct reduction in tax liability; a taxpayer with $5,000 in tax liability with $10,000 in qualified investments could reduce his tax to $4,000 because of the credit.

The credit would be available only if the equipment: (1) was made in the United States; (2) was new property for the taxpayer; (3) was an integral part of manufacturing, production or farming; (4) was an increase in investment and not merely replacement of existing capital stock.

The credit would generally not be available for real estate (unless it is RTC/FDIC property, as described below).

The credit would be temporary, and would expire after December 31, 1995.

An additional 5 percent credit would be available for real estate owned by the Federal Deposit Insurance Corporation or the Resolution Trust Corporation if: (1) the property is used as an integral part of manufacturing; production or farming; (2) the property is not owned by an owner, director, or substantial shareholder of a failed bank or thrift; (3) The FDIC or RTC (as the case may be) certifies that the availability of the credit does not negatively effect real estate prices in the surrounding community; and (4) The FDIC or RTC (as the case may be) certifies that it is not possible to sell the property without the credit.

If the taxpayer disposed of the property prior to the end of its useful life, a portion of the tax credit claimed would have to be repaid to the Federal Government.

HOUSE OF REPRESENTATIVES—*Wednesday, January 29, 1992*

The House met at 2 p.m.

Dr. Russell F. Blowers, senior minister, East 91st Street Christian Church, Indianapolis, IN, offered the following prayer:

Father God, as surely You endowed us with certain unalienable rights You also laid on us certain unalienable responsibilities. And so we pause to ask You for wisdom, and to praise You for being the one God without whom we can do nothing enduring and significant.

Father, may this be a House of prayer where men and women called to the ministry of Government are not reluctant to consult with You.

Let it be a House where there is creative conflict, but not a House divided.

Those of us who stand in this room only infrequently thank You for these Americans in this Congress who take inordinate quantities of flak and who know both the agony and the ecstasy of leadership. May they be encouraged in knowing there is a great cloud of witnesses, past and present, cheering them on as well as holding them accountable for their stewardship of power.

And at the end of the day, Father, may the Members of this House have the satisfaction of something attempted, something done, something changed, something sustained, for the benefit of the people and for the glory of Your name.

We pray through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The Chair will ask the gentleman from Illinois [Mr. DURBIN] if he would kindly come forward and lead the membership in the Pledge of Allegiance.

Mr. DURBIN led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

WELCOME TO DR. RUSSELL F. BLOWERS

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, Dr. Russ Blowers is a native of Ohio and has been the senior minister of the East 91st Street Christian Church in Indianapolis since September 2, 1951. He is a graduate of Ohio University, BSC, and of Christian Theological Seminary, master of divinity. Milligan College conferred an honorary doctor of divinity on him in 1974. Dr. Blowers is a World War II veteran, having served with the 8th Air Force in England and Germany.

He and Mrs. Blowers, Marion, are the parents of two sons: Phillip, a Marion County deputy prosecuting attorney, in Indianapolis, and Paul, a Ph.D. from the University of Notre Dame and professor at Emmanuel School of Religion in Tennessee.

Russ Blowers has more than 30 years experience in radio and television, and for 12 of those years served as the host of a daily live TV program, "The Chapel Door," on WISH-TV. He has traveled extensively in Europe, the Middle East, Southeast Asia, East Africa, and has hosted seven tours to the Holy Land. He is the author of two books, and is a frequent writer for various Christian publications.

Some of his vital involvements are:

President, 1975 North American Christian Convention;

Board of trustees, Milligan College;

Board of trustees, Emmanuel School of Religion;

General chairman, Billy Graham Central Indiana Crusade;

Board of directors, Food for the Hungry International;

Board of directors, Christian Missionary Fellowship;

Chairman, British-American Fellowship Committee;

Member, board of regents, Springdale College, England;

First president, Indiana Christian Convention, 1985;

Adjunct professor, Kentucky Christian College;

Member, publishing committee, Standard Publishing Co.;

Member, board of directors, Christianville, Haiti;

Vice president, World Convention of Christian Churches and Churches of Christ, 1988–92;

Chaplain, 55th Fighter Group, 8th Air Force; and

Castleton Rotary Club.

East 91st Street Christian Church was organized in 1924, and in 1977 moved to its present 25-acre facility at 6049 East 91st Street, Indianapolis, IN. The membership numbers 3,300. In August 1991, the congregation occupied its new original structure. Over 40 percent of its 1992 budget of $2.3 million is designated for missions and new church planting.

Mr. Speaker, I am very proud he is my pastor. I think he is one of the great religious men of America.

BUDGET OF THE U.S. GOVERNMENT FOR FISCAL YEAR 1993—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102–178)

The SPEAKER pro tempore (Mr. THORNTON) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

1. THE BUDGET MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I am pleased to present the Budget of the United States Government for Fiscal Year 1993.

In the State of the Union message, which I delivered yesterday, I presented to the Congress and the Nation a comprehensive agenda for economic growth. I stated that we must not only get the economy moving again in the short term, but also set America firmly on the path toward long-term economic growth and competitiveness.

I emphasized in that message the importance of; stimulating the investment necessary to create jobs, addressing problems related to real estate and health care, improving America's capacity to compete in a global economy, eliminating unnecessary Federal regulation, and accomplishing these objectives in a way that brings the deficit under control. I outlined specific incentives for investment, savings, and homeownership; tax relief for families; investments in the future; and proposals for reform in areas ranging from health to education.

This document translates the agenda for growth into a set of specific budget and policy recommendations. These are summarized in the Introduction and presented in detail in the chapters and appendices which follow.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

I have asked the Congress to lay aside partisanship and to join me in enacting this growth agenda promptly. To that end, I pledge my full cooperation.

GEORGE BUSH.

THE WHITE HOUSE, *January 29, 1992.*

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3252

Mr. KOSTMAYER. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Texas [Mr. WILSON] be removed from the list of cosponsors of H.R. 3252. I make this request at the request of the gentleman from Texas [Mr. WILSON].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2966

Mr. RHODES. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 2966, the Petroleum Marketing Practices Act.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

DEFINING MOMENT IN STATE OF THE UNION ADDRESS

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, there was a defining moment in the State of the Union last night when President Bush admonished Congress and the American people not to begrudge wealthy Americans another tax break.

The President proposed his beloved capital gains tax break and wanted the people of this Nation not to be like the Puritan who would lie awake at night worrying that someone else was having a good time.

Well, there is no doubt that the Republican capital gains tax cut will give the rich a good time in America. Sixty-five percent of that tax break will go to people making over $200,000 a year.

But the President was wrong if he thinks Americans are lying awake worrying about the rich having a good time. Families across America are lying awake worried about whether they can keep their jobs, pay their mortgages, send their kids to school, and avoid bankruptcy over medical bills.

While the President offers families with kids a tax break this year of $37.50, he wants to give an $18,000 tax break to Americans earning over $200,000 a year. Whoever designed the President's economic recovery plan does not have a clue when it comes to understanding the problems facing American families today.

PREVENTIVE HEALTH CARE

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, our Nation continues to be burdened by preventable illness, injury, and disability. Health promotion and disease prevention offer the opportunity to contain health care costs, to prevent the premature onset of disease and disability, and to help all Americans achieve healthier, more productive lives.

Last night, our President called for national health care reform during his State of the Union Address. While the President continues to work on an effective strategy to heal our Nation's health care system, I would like to take this opportunity to urge that we include preventive health care in any health reform plan.

Experts have concluded that to achieve the Nation's health care goals, all Americans need access to basic preventive services which range from prenatal care, maternal care, and women's health to the basic monitoring of child development. Additionally, immunizations for childhood diseases and for vulnerable adults; demonstratively effective basic screening to detect health problems, tailored to age and risk factors; and education and counseling on nutrition, exercise, smoking, drugs and alcohol, and injury prevention all need to be included.

Mr. Speaker, I would like to inform my colleagues, that I have introduced a preventive health care measure which will provide all of these services. My bill, the Comprehensive Preventive Health Care Act of 1992, H.R. 4094, provides periodic health exams, screenings and services under the Medicare Program, under the Federal Employees Health Insurance Program, the Department of Veterans Affairs Medical System, and through a demonstration project involving 50 of our Nation's health clinics.

It is essential to include preventive health care in any national health care proposal. People need to be educated about prevention as an effective alternative to avoidable, costly acute care. Moreover, practicing preventive health care has been demonstrated to be cost effective.

Accordingly, I urge my colleagues to take a close look at H.R. 4094 and I invite you to join in my effort to produce a healthier Nation.

□ 1410

A DEAFENING SILENCE

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, I listened to the President last night with tremendous anticipation. I listened for a broad plan, for a bold vision. What I heard was a deafening silence.

There was no plan to restore fairness to our tax system or to aid the working middle class, the victims of a grueling recession.

There was no attempt to offer comprehensive health care reform, to control the obscene cost, or provide access for the 33 million Americans shut out of our current system.

There was no understanding of the financial pain that people are in, of the struggle it has become for families to pay their bills, or of the fear that the American dream is fading.

What I heard was the same message of tax cuts for the wealthy and trickle-down hopes for everyone else.

I heard the stale recipes that led this economy to recession delivered by a President who, now that the cold war is over, has lost his guiding light.

The President did offer a deadline of March 20 for Congress to pass an economic recovery package, and though he offered no such package himself, I accept his deadline and urge my colleagues to do so as well.

It is time for Congress to come together, to provide the vision that was not offered last night, and to show the working middle class that, although their voices do not reach the White House, they reverberate throughout this Chamber.

THE PRESIDENT HAS GIVEN US A BLUEPRINT FOR ECONOMIC RECOVERY

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. The President of the United States has put forth a package to restore confidence and health to the American economy. Now it is our turn to act and act quickly. The American people are waiting.

They are waiting for results, not the rhetoric we are hearing from the Democratic side of the aisle.

Incentives are going to be in place which not only give us a short-term boost, but are good for the long term, too. That is what we need.

Families, businesses, students, children, workers, the unemployed, home buyers, home builders investors, senior citizens, all get a boost.

Mr. Speaker, we have gotten a blueprint for economic recovery and growth; agenda for job security and job creation, and so much more.

The ball is now in our court. If the Democratic majority that controls both Houses of Congress stonewalls now in the hope of weakening this

President by keeping the economy down on the road to the November election, they will be courting disaster and the voters of the United States, the American voters, will skewer politicians who seek to keep the economy mired in stagnation for primarily political purposes.

The people demand that Congress get off its duff and do the right thing. Let us give them action for a change.

THE PRESIDENT'S SPEECH

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, last night was my 15th State of the Union Message, and while I found things in the President's speech that I agreed with and found things that I disagreed with, it is always thrilling for me as the Representative of a half million Kansans to be in this room at a time of historic significance, a time the Constitution provides that the President shall have the opportunity to address the people in this Chamber.

Saying that, there is one particular omission in his State of the Union Message that I feel compelled to talk about today.

The President basically acknowledged in his speech that there is no fundamental problem with our health care system. He wants to keep it the same way.

Oh, yes, he says:

> Let's tinker with it a little bit at the sides, but let's not look at the system and see why it is so much out of kilter and make that kind of fundamental change.

Does he not recognize that the spiraling cost of medical care makes folks afraid to lose their job? It drains their resources if they have lost their jobs? It makes them sick if they have no resources? Does he not realize that the cost of health care is draining the ability of working American families to provide decent affordable and quality health care for themselves and their families?

This country cannot tolerate the status quo on health care. It cannot tolerate Presidential tinkering on our health care crisis.

REPEAL THE SOCIAL SECURITY EARNINGS TEST

(Mr. ALLARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLARD. Mr. Speaker, I rise today in strong support of repealing the Social Security earnings test. This is an issue of basic fairness to millions of seniors who have worked hard for many years only to find that their Social Security benefits are simply not enough to get by on. Penalizing their earnings is no way to reward their years of service.

Those who support the repeal realize most people are on the lower end of the benefits scale because they had low earnings in their preretirement years. Those retirees should not be disadvantaged now for those uncontrollable circumstances. In fact, it should provide a strong incentive for Congress to modify the law and provide them with an option currently denied them. The opportunity to work and be self-sufficient. There are not many opportunities like this where Congress could act and instantly provide so many people with an option to help themselves.

Repealing the earnings limit would not be a free giveaway. It would be an option for many retired people who find they need to supplement their income. It would be fair treatment for an important group of Americans. Please join me in working to repeal the Social Security earnings limit.

CHILDREN ARE STILL HAVING NIGHTMARES

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, in his speech last night, President Bush said that because of the end of the cold war, children will not have bad dreams about nuclear attack that children had in decades past.

The President should know that children are still having nightmares, and what they fear is closer to home—if they have a home.

Because of the Reagan-Bush policies, children of some jobless Americans go to sleep hungry, homeless, and without hope. Federal policies of the last 11 years make our country guilty of child neglect.

How could this happen?

Mr. Speaker, I saw one clue last night in the President's speech. He said that he had just heard something striking from the Nation's mayors, that the major cause of the problems of the cities is the dissolution of the family.

Striking, he said. It may be news to the President of the United States, but it is something that too many American children know from the day they are born: Poverty hurts families.

The President's solution? To appoint a commission. After 11 years, a commission. We already know the problem. Let us act now to end the nightmare and restore the American dream for all of America's children.

THE PRESIDENT'S CHALLENGE TO CONGRESS

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, when I was looking through some of the reaction to the President's State of the Union Message, I was struck by the comments of the chief executives of America's big three auto makers.

I had noticed last night that there was no specific proposals for the auto industry, but all three auto executives were genuinely supportive of the President's message.

Lower personal income taxes will mean more money in the pockets of potential car buyers; investment incentives will mean more new plants and equipment, greater productivity, and more jobs.

The great virtue of the President's program is that it is not pork barrel for the few but real economic promise for the many.

The President has offered a comprehensive program in a spirit of cooperation. His speech was characterized not by sound bites but by sound policy.

The ball is now in our court. Congress has two options: It can poke along, postpone, and obstruct, and then use the recession as a cudgel in the 1992 election; or it can make a good faith effort to work with the administration to enact a strong recovery program.

The President had some strong words for those who put politics before policy. "When people put their party's fortunes before the public good," he said, "they court defeat not only for their country but for themselves."

In all of my experience in this House, I know that when Congress wants to enact legislation quickly, it can. Yesterday, when Ways and Means considered the latest extension of unemployment benefits, it took less than 15 minutes. But I also know that when Congress wants to delay, it will.

The American people will not be deceived. They are hurting, they want help, and they are looking to us.

There is no reason Congress cannot enact the President's entire economic program before March 20. I urge my fellow Members to act and act now.

HONESTY, PLEASE, MR. PRESIDENT

(Mr. SKAGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKAGGS. Mr. Speaker, we are all trying today to make sense out of the President's speech last night. At a couple of important places, words like "devious" came to mind. Let us just say the President had to have been disingenuous in the way he talked about deadlines and about the deficit.

First, deadlines. I am confident this House will move quickly to pass legislation addressing the country's weak economy. But it is a little ironic for this President to be posturing about prompt action and drawing a line in the sand at March 20. Is this the same George Bush who dawdled for months, at one point calling the legislation we passed garbage, before accepting the fact that millions of out-of-work Americans needed an extension of unemployment coverage? And was it this same President who just last month was still burying his head and denying the economy had problems?

And the deficit. It is impossible to make sense of a speech that, on the one hand, quite properly warned of the great obligation we all face to constrain the deficit, and on the other, spreads forth an array of tax cuts and credits before a troubled and hungry land, but says nothing about how we will make up the lost revenue. We are talking real money here, as much as $150 to $200 billion added to the deficit over 5 years. Are we supposed to be so gullible that we do not see the silent hand of voodoo, trickle-down, supply-side Reaganomics?

Above all else, the American people, facing tough times, have a right to expect fundamental honesty. I am sorry they were so disappointed last night.

ACCEPTING THE CHALLENGE

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, President Bush challenged Congress to pass his growth agenda. I accept that challenge. Let's work together and enact the economic and domestic strategy this country needs. Let's enact the President's budget and let's do it by March 20.

Americans need health care, a good education, and safe streets. Our country needs a national energy strategy that protects the environment while ensuring energy security. Legislation addressing these issues has already been introduced in the House, and I urge my Democratic colleagues who control Congress to act on it.

Americans need jobs and a healthy economy—a cut in the capital gains tax means more investment and more jobs, tax relief for the middle class, especially for families and seniors, means more money in everybody's pockets. This legislation has already been introduced; let's pass it.

The President also included my own proposal to allow first-time home buyers to withdraw funds from IRA's for a down payment. I know that this legislation is already before Congress because I first introduced it over 10 years ago.

We must act on these bills now. The American people do not need any more partisan politics. They need solutions, and they need them now.

GREAT SPEECH, WRONG AUDIENCE

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, we all heard a great speech last night. Great speech. Wrong audience.

The speech belonged on the floor of the Republican National Convention, not the well of the House of Representatives.

The times demand leadership and the President gave us partisanship. The times demand innovation and the President gave us a list of his golden oldies that did not rock the House the last time around.

President Bush has not changed a bit. The same old "do it my way or no way" George Bush came to the well last night.

He said: Pass my capital gains tax cut, even though it has been rejected; pass my national energy strategy, which needed a tune up before it ever got to the Hill; pass my comprehensive crime bill.

Even as I speak, he and his Senators are sitting on the crime bill this House passed November 27.

He has a nerve giving this Congress until March 20 to pass his program.

It took him and a committee 2 months to write the darn speech—though there was little new in it.

He said the battle is joined if we don't meet his arbitrary deadline.

Mr. Speaker, the President sounded charge last night, and he knows it. Since he seems to like ultimatums so much, I have one for him.

He and the GOP Senators have until March 20 to end their filibuster on the crime bill.

March 20, Mr. Speaker, that is the deadline or the American people will know that it was President Bush and the Republicans who killed the crime bill.

LET US FORGET ABOUT POLITICS AND GO TO WORK

(Mr. HEFLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFLEY. Mr. Speaker, we have all been back in our districts for the last 2 months, and we all heard pretty much the same kinds of things, I think. The people out there are telling us they want us to come down here and forget about politics and go to work, forget about what will get the President reelected or what will get one of his opponents elected, but to go to work on the needs and problems of this country. They are saying, "What we want is leadership in the White House, we want a forceful leader, a bold leader, and that is exactly what they got last night. They want someone with vision, they want someone who can see what the needs of this country are and will lay it out and say, "This is what the country needs and I want the Congress to produce that." That is exactly what we got last night, laid out with a great many specifics.

They want a President with compassion. Again, we saw that last night, as the President recognizes the problem and laid out for us both short-range and long-range ways to fix that problem.

And they want it done. They do not want us to fool with it all year long, they do not want us to play with it while people are hurting. The President gave us that also by saying he wanted it done by March 20.

Now, Mr. President, I hope you will have the resolve to use the veto pen and to insist that Congress perform as it should perform.

STATE OF THE UNION ADDRESS: WARMED-OVER REAGANOMICS

(Ms. WATERS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WATERS. Mr. Speaker, it is time for the leadership of this House to come to the conclusion that the President of the United States cannot and will not provide the bold leadership necessary to reverse the decline of America.

The American people were looking for leadership last night, and they got warmed-over Reaganomics. How many times must the old trickle-down theory be tried and fail? Americans want jobs.

The President did not have a bold and innovative jobs program, the President failed to admit our jobs have been exported to Third World countries for cheap labor, and that foreign countries are keeping their people employed with the manufacture of goods and services which they sell to us while our businesses cannot crack the doors of foreign markets.

No jobs program, incoherent trade policy; the American people will not be tricked or fooled or be made to feel guilty because they demand a domestic program and a fair trade policy.

Yes, Mr. President, we salute the soldiers of Desert Storm, but those same soldiers need jobs. Job training, educational opportunities, and decent quality of life.

STATE OF THE UNION: A PROGRAM FOR ECONOMIC GROWTH IN AMERICA

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, last night, President Bush set out a program for economic growth in America with sincerity and conviction.

The President strongly believes what he is proposing is right and will move the economy forward. I also believe what the President is proposing is right.

The President has asked Congress for early action on simple, straightforward measures designed to create jobs in a civilian economy. These are not one-shot rebates or make-work welfare programs. They benefit all Americans. They are coupled with prudent reductions in defense spending made possible by the collapse of communism around the world.

Congress should at least pass the President's immediate program and give it a chance. The American people deserve no less, beyond those immediate initiatives, the American people deserve congressional action as well on the other nine points of President Bush's domestic agenda. They represent a clear vision of action for America's future.

At this critical point in history, having won the cold war, surely we can rise to the occasion, pull together, and win the battle at home.

PRESIDENT'S STATE OF THE UNION MESSAGE: NO WHOLE CLOTH, ONLY BAND-AIDS

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, the major problems facing this country and the American working men and women require solutions made out of whole cloth. But, unfortunately, when addressing the problems, the President did not talk about industrial policy that would provide American jobs, he did not talk about a trade policy to strengthen American industry, he did not talk about any policy when it came to health care for all Americans. He did not tell us how he was going to put all Americans back to work, those who are unemployed.

No whole cloth at all, Mr. Speaker, only Band-Aids, that is what we got from the President, President Bush. That is what we got since 1981 from Reagan-Bush, Band-Aids, not whole cloth.

And, Mr. Speaker, God bless the guest chaplain today who said that the Members in this Chamber have certain inalienable obligations, because it is true we do. We have to protect Americans. The President, in his speech last night, did nothing of the sort. He is protecting the old, tired, rich who once again, through his policies, will grow richer while American men and women do not have jobs.

I remember Claude Pepper in this well making a speech and saying, "When you go to bed at night, just remember hopefully you will have done something to make one American's life better." After the speech last night, I do not think the President slept well last night.

□ 1430

DEMOCRATS HAVE ABSOLUTELY NO CONCEPT OF WHAT DRIVES OUR ECONOMY

(Mr. DeLAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DeLAY. Mr. Speaker, I do not know where the Democrats were last night. It is amazing to me that they did not even hear what the President said. In fact, while he was in the Chamber, most of them were sitting over there absolutely amazed that the President of the United States wants to lead us down the road of economic growth. Yet they come in here all day long talking about the President is for the rich, and they have absolutely no concept of what drives this engine called the economy for the American people.

Mr. Speaker, the gentleman from Illinois was talking about the President had no clue, that capital gains was for people that made over $200,000. Well, let me tell my colleagues something. Who are the $200,000? It could be the mom and pop operators that have been doing their job, building a little small business, creating jobs, working in the community, are ready to retire and want to sell their business. All these years they have been making $60,000, $70,000, $80,000, but they sell their business, and they have to report on their income tax that they make over $200,000.

Mr. Speaker, those people ought to have a break in taxes for doing a good job for America, and what do the Democrats want to do? They want to go into recess. They do not want to work the rest of this week, the rest of next week, and then they want 2 weeks off for recess while not even considering the March 20 deadline.

AMERICA'S FORGOTTEN ALLIES: THE VETERANS OF THE SOUTH VIETNAMESE ARMY

(Mr. PETERSON of Florida asked and was given permission to address the House for 1 minute.)

Mr. PETERSON of Florida. Mr. Speaker, last night Members of this body witnessed a historic event. It was not President Bush's State of the Union Address. It occurred in the Cannon caucus room when for the first time ever, Vietnam veterans of the House, Senate, and the administration joined together to honor America's forgotten allies: the veterans of the South Vietnamese Army and its political prisoners.

Although the United States is slowly coming to grips with the aftermath of the Vietnam war, few here have sought to examine the impact of the war on the South Vietnamese themselves. In the war against North Vietnam, the South Vietnamese suffered a casualty rate 50 times that of the United States; 254,000 soldiers died. Tens of thousands perished in North Vietnamese concentration camps from malnutrition, disease, and mistreatment.

Among those honored last night were a group of several hundred recently arrived South Vietnamese who were imprisoned in reeducation camps by the Communists after 1975. Many of these people were the best young soldiers, politicians, and artists of South Vietnam. Some had fought a decade on the battlefield, only to be incarcerated for 13 years and longer.

I want to thank all those who made this tribute possible, particularly Mr. Jim Webb, former Secretary of the Navy, Members of Congress, the administration, and the entire Vietnmanese community. The outpouring of support exhibited by all those who participated in this reception was both a welcome reminder of the good will that exists inside a free society and an example of our commitment and hopes for democratic improvements in Vietnam.

CORRECTING THE DAMAGE CAUSED BY THE 1986 TAX REFORM ACT

(Mr. HANCOCK asked and was given permission to address the House for 1 minute.)

Mr. HANCOCK. Mr. Speaker, last night in his State of the Union Address, the President said the aging process might be slowed down if it had to make its way through Congress. He was being polite because, in reality, it would come to a dead stop altogether.

It seems everyone has a plan to get the economy going again, and I have a few of my own, but what they all have in common is their aim to correct the damage caused by the 1986 Tax Reform Act.

Mr. Speaker, in 1986 the economy started going downhill. We discouraged business and individuals from investing in America and saving for their future. At hearing after hearing here in Washington and for the last several months in southwest Missouri I have asked Government experts, business leaders, and individuals if our problems did not begin in 1986. They all emphatically said, "Yes."

Mr. Speaker, we must act decisively, and that means Congress admitting it made some mistakes 6 years ago with a tax reform act. In my opinion the President's initiative would correct some of these mistakes, and it should be done by the March 20 deadline.

OUR SENIOR CITIZENS MUST BE INCLUDED IN THE ECONOMIC RECOVERY PROGRAM

(Mr. ANDREWS of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS of New Jersey. Mr. Speaker, last night we heard the President respond to months and months of calls by Democrats for a middle-class tax cut. It is good that he is. Last night we heard the President call for us to consider a cut on taxes on investment. I hope we do. I think there is a lot to merit that. Last night we heard the President say we are probably all going to work together very soon to extend unemployment benefits again, and I am very optimistic that we will.

However, Mr. Speaker, I did not hear anybody talking last night, nor have I heard anybody talk yet today, about helping senior citizens who have been left out of this economic recovery package, specifically with respect to the notch legislation that is pending.

Mr. Speaker, we have an unfair situation in this country where people who work next to each other for 40 years, paid the same amount into the system for 40 years in Social Security, made the same amount of money, get radically different benefits from the Social Security System.

Now is the time to fix the notch problem. Not only would it be a fiscal stimulus; it would be a return to fairness at a time when we very desperately need it.

Mr. Speaker, I say to my colleagues, "Let's include America's senior citizens in the economy recovery program that comes out of this Congress and goes to the President's desk. Let's make sure they're included as well."

INTRODUCTION OF H.R. 4140 ENCOURAGING A UNITED STATES-JAPAN FREE TRADE AGREEMENT

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, we have had some fascinating commentary here on the speech that President Bush delivered right behind us, and it seems to me that from our side of the aisle that most of us seem to think it was pretty good, and on that side they think it was not so good, and that does not bode too well for a March 20 deadline because we happen to be in the minority here.

A lot of issues have been discussed, Mr. Speaker, but I think one of the key ones that needs to be underscored, which the President mentioned last night, is this issue of trade and our desire to initiate greater exports, and we clearly are going to benefit the American consumer if we can move in the direction of free trade.

Over the break I had the opportunity to meet with a number of automobile dealers, California agriculture people, and a wide range of other industries, and it seems to me that, as we deal with the $42.7 billion trade deficit with Japan, the wisest thing we could do is to proceed with a United States-Japan free trade agreement.

So, Mr. Speaker, today I have introduced H.R. 4140, which is designed to encourage the President to proceed with a United States-Japan free trade agreement so that, rather than establishing protectionist barriers, we can eliminate them all the way across the board, and I encourage my colleagues to cosponsor it.

AMERICAN RAIL CAR INDUSTRY COMPETITIVENESS ACT OF 1992

(Mr. DIXON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DIXON. Mr. Speaker, today I am introducing the American Rail Car Industry Competitiveness Act of 1992, to revitalize this most important and vital, but ailing American industry.

There is an expanding market in the United States and worldwide for the manufacture of rail cars for rapid transit systems. Significant amounts of Federal funds are being spent to assist local areas in the acquisition of rail cars to develop these systems. Unfortunately, the vast majority of these funds support more foreign rail car suppliers than our very own domestic manufacturers.

The American Rail Car Industry Competitiveness Act seeks to increase opportunities for American firms and universities, including historically black colleges and universities, to engage in rail car design, research, and development through a program of Federal financial assistance.

It also provides Federal tax incentives to encourage private investment in the domestic rail car industry and accelerates depreciation of U.S. plant and equipment purchases.

The bill would provide funds for vocational training and education programs to assist skilled workers and technicians previously employed in industries with declining labor markets.

Mr. Speaker, this legislation would create opportunities for public-private partnerships designed to make the domestic rail car industry more competitive, create jobs, and promote economic growth and development in the United States.

Let us work to improve America's competitiveness. Please join Representatives ROYBAL, LEVINE, BOXER, WATERS, MOORHEAD, DYMALLY, JERRY LEWIS, BERMAN, MARTINEZ, ANDERSON, and me and become a cosponsor of this legislation.

THE OVERREGULATION OF OUR ECONOMY

(Mr. DUNCAN asked and was given permission to address the House for 1 minute.)

Mr. DUNCAN. Mr. Speaker, no human being could have come into the Chamber last night and satisfied everyone or given everybody everything they wanted, but there were many good things in the President's State of the Union Address. I was especially pleased though that he talked about the overregulation of our economy.

Mr. Speaker, governmental interference with free enterprise, excessive regulation, is destroying many thousands of jobs and costing the taxpayers billions. Most people who work for the Federal Government are good people, but we have too many Federal regulators who use their positions to harass and intimidate rather than to help. All of us who work in the Government need to remember that ours is supposed to be a Government of, by, and for the people, and not of, by, and for the bureaucrats. Our Federal Government should not be out to get people in business. Federal regulators should not have a policeman mentality. Instead, everyone who works for the Federal Government should be out trying to help businesses survive and growth stronger.

Our economy is based on risk. If we place business men and women in such straitjackets that they are either afraid or unable to take any chances, our economy will never recover from the recession, and, in fact, it will get worse.

WHERE IS THE LEADERSHIP?

(Mrs. MINK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MINK. Mr. Speaker, sadly I must join my colleagues this afternoon and express my extreme disappointment with the President's State of the Union Address. He still does not seem to understand that there are millions of people hurting out there in the country.

Mr. Speaker, this is not a matter of partisan disagreement. It is a failure to comprehend what is wrong with our country, that we cannot talk about tax credits and investment credits and all of these complicated measures, which maybe in the long run will bring some good. What we have to do is come forward with an aggressive jobs program to put these people back to work. If we could do that, we would not need to be talking about a $4.4 billion unemployment compensation bill to add to the deficit of this country.

□ 1440

Mr. Speaker, it seems to me that the President has completely missed the point and forgotten the main responsibility of the Chief Executive of this country, and that is to provide leadership. To put an arbitrary deadline on the Congress when he has failed over the last 6 months or longer to understand what ails this country simply is mind-boggling. He offered us no solution in the health area. He left completely empty the agenda for education of our young people.

Mr. Speaker, I rise today to express my extreme disappointment in President Bush's State of the Union Address. He still doesn't seem to understand that people are hurting, that they're afraid of what the future will bring. For the last 2 years, as the economy has gotten worse, as more and more people have become unemployed, this President has practiced the politics of denial. Last night, it didn't appear as if anything had changed.

Our economy is in crisis, and I had hoped, as the American people had hoped, that the core of the President's speech would be jobs. But we heard no immediate plan for putting people back to work. Instead, we were delivered a rehash of the same proposals we have been hearing for the last 12 years.

George Bush's only jobs program is a highway bill that he fought against for 3 years and that Congress had already enacted last session. His idea for getting the economy going is to stop regulation and give the rich a tax break with a reduction in the capital gains tax—in other words, stop worrying about the environment, stop worrying about the health and safety of our workers, stop being concerned about the access that disabled people have to businesses and entertainment venues, and decrease the tax burden on wealthy Americans. This is just the latest Republican version of the trickle down theory—no different than what we have been hearing for the last 12 years.

President Bush says that 60 percent of the people who will save money if his capital gains tax cut is passed make under $50,000 per year. That may be true, but how much do they save? A far more important statistic is that two-thirds of this proposed tax cut would go to the richest 1 percent of the population.

Where will the American people get the message of hope that we can find a way out of these economic doldrums? Last night we learned that we can't expect it from the President, so it's going to have to come from us. We in the Democratic Party are going to have to pledge ourselves to building a jobs program of our own, and then we will have to repeat the process pushing the President until he relents. He vetoed unemployment compensation until we forced him to open his eyes. Now we must do the same thing with American jobs.

The President also took no initiative in offering a solution for the crisis in health care. I am troubled when I consider what he meant when he said that he supports health security for all Americans. He condemned the single payer plan, and he alleged that pay or play would hurt business incentive—what does that leave? All he talked about was high quality, choice of physicians and hospitals, and tax credits for the people who can afford to purchase health care. Again, he has left it up to us.

I will say that I appreciate some of his long-term solutions. It is good to hear him say that he supports the funding for Head Start that we have been asking for all year. It is also heartening that he now supports mortgage revenue bonds and the low income housing tax credit. His plan for IRA's, investment credits, enterprise zones, and tax credits will also be good in the long term. But these are not solutions to the immediate crisis, and they won't create one new job this year. The 4-year-old getting Head Start is not going to create a job in America, neither is allowing a family to deduct the interest on a student loan.

I also think that we should be happy that President Bush is moving forward in arms negotiations with the Soviet Union, and go further, he is willing to cut defense spending. But the cuts need to go further, and it is crushing that he will not bring down the firewall between domestic and defense spending—that he will not consider using defense cuts to fund a jobs program.

It is clear after last night's speech that American jobs still do not come first for this President. With every step he takes it seems that the needs of working Americans are not foremost in his mind. His trade policy, he says, is what's best for the Americas, but not America. Apparently, he still wants policies like fast track, which will transplant jobs across the border. Defense cuts, he says, are what's best for America, but we can't use the savings to help meet people's needs. Security in health care, he says, is what's best for America, but he opposes our programs which make health insurance available to everyone. He looks at hard times and says, "This will not stand." But there he stands with his head in the sand.

The American people need jobs, they need leadership, and they need a reason to hope. We learned last night that they're not going to get it from President Bush, so they're going to have to get it from us.

OVERCHARGING THE MEDICARE PROGRAM

(Without objection, Mr. BURTON of Indiana was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, we are all concerned about wasteful Government spending, and yesterday I found out that we are wasting $20 million per year in the overbilling of Medicare.

Producers of self-blood glucose monitors have been offering mail-in rebates to their customers. The average retail cost of a monitor is $100 and the average mail-in rebate is $50. Medicare reimburses 80 percent of $100 equals $80 because it never learns of these rebates.

But, Medicare should only be reimbursing 80 percent of $50 equals $40. This practice overcharges Medicare $40 per monitor for a total of more than $20 million per year.

The Medicare antikickback statute prevents medical suppliers from defrauding and misbilling the Government.

To conform with the law, two leading monitor manufacturers—Boehringer Mannheim Corp. and Miles Labratories—have ended their mail-in rebates. However, one major manufacturer, Lifescan, a Johnson and Johnson company, is continuing to offer their rebate as well as throw in discount airline fares with its sales. Their actions violate the law and undermine fair competition.

Therefore, I contacted the inspector general at HHS and have been promised that this company's practice will immediately be examined. I have also contacted the company demanding that they comply with the law.

I hope this company will comply voluntarily, but if not, I will continue to pursue their waste of taxpayers' money.

TEN YEARS OF SUCCESS MARKS ANNIVERSARY OF TRAVEL AND TOURISM GOVERNMENT AFFAIRS COUNCIL

(Mr. TALLON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALLON. Mr. Speaker, I rise today to commend the work of an organization that works closely with the Congressional Travel and Tourism Caucus, which I chair.

The Travel and Tourism Government Affairs Council is celebrating 10 years of success in providing insight and information on the collective views of the immense travel and tourism industry in this country.

Bringing together so many diverse interests is a daunting task, yet the Government Affairs Council has successfully met the challenge of representing the views of an industry with divergent interests that cut across nearly all legislative jurisdictional lines.

I congratulate the Council on its 10th anniversary, and I look forward to many more years of cooperation and success.

TAX CREDIT FOR FIRST-TIME HOMEBUYERS IS HIGHLIGHT OF STATE OF THE UNION ADDRESS

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Ohio. Mr. Speaker, President Bush was hardly through giving his State of the Union Address before many colleagues on the majority side began criticizing the President for bringing up the same economic ideas he has proposed in the past. But does the majority party ever stop to think that these proposals can only be effective in jump starting this economy, if approved by congressional action? It is not the President who has been slow in reacting to our economic problems, it is Congress. The President can only make recommendations, but if Congress fails to act then these proposals go nowhere. How many times have minority Members tried to bring up an economic growth package, only to be turned down by the party that controls Congress?

One of the President's new proposals included a tax credit for first-time home buyers. Last session, I introduced similar legislation that not only provides tax incentives for America's middle class to buy their first home, it would also include tax breaks for purchasing a new American-made automobile. H.R. 4005 calls for the granting for multiyear tax credits of 20 and 30 percent respectively to eligible taxpayers when purchasing a home or a new automobile.

Clearly, a number of proposals have been offered, both by the administration and by Members of Congress to get our economy back in high gear. It is time Congress got in gear and started acting on them, instead of trying to politicize these issues with an eye toward the November elections.

PRESIDENT CHALLENGED IN HIGH STAKES POKER GAME ON THE BUDGET

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, the poker game over the budget has begun.

For months, Members of this body urged prompt action to help American families and to get our economy moving again. We put some big chips on the table—like tax cuts for the middle class, national health insurance, and all-important college aid—but we found no partner in the White House.

Now, the President says he will play. He says he understands the plight of the American people during this recession. And last night, he laid some chips on the table.

Now we should raise the President. Because this is a high-stakes poker game—one on which millions of Americans are depending.

The President is betting his political future that modest change and tinkering with the status quo are enough to win this hand.

But the American people expect more. Unless we act now to fundamentally change the state of our economy, the President's poker hand will not stand.

The President should put more on the table for American families, rather than gamble away our Nation's future.

AMERICAN PEOPLE REJECT POLITICS AND PARTISANSHIP, DEMAND ACTION ON THE ECONOMY

(Mr. KYL asked and was given permission to address the House for 1 minute.)

Mr. KYL. Mr. Speaker, last night the President asked for bipartisan cooperation to help get our economy moving again. The answer given by most of the Democrats speaking here today has been a carping, partisan, naysaying political response.

The American people do not care about the politics; they want action.

For months Democrats demanded that the President do something about the economy. "Give us a plan," they said, refusing to allow a vote on Republican plans. Now that President Bush has spoken, they say, "Forget it. We're not going to even consider your plan, not now, not by March 20, not ever."

Visitors from my State who watched the State of the Union speech last night and who observed the reaction of Members of Congress told me today they could not believe the blatant partisanship. I challenge my colleagues to cut the rhetoric, put aside partisanship for just a few weeks, and work together for the sake of the American people.

As the President said, "The people will do great things if you set them free."

Mr. Speaker, let us get to work to reduce the burden of regulation, litigation, and taxation. Let us pass his economic growth plan.

PRESIDENT'S PLAN FAVORS SPECIAL INTERESTS, NEGLECTS WORKING AMERICANS

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, last night Americans needed a bold plan to put them to work and rebuild our greatness. But all they got was a campaign speech. Instead of a vision for the next century, the President gave us nothing but a worn-out strategy to win the next election. Instead of a cannon shot calling on Americans to take up economic arms, all we got was a pop gun.

The President's idea of an economic recovery plan is to recite a litany of lobbyist wishes. From capital gains tax cuts to changes in real estate rules, the President made one point abundantly clear: that the high and mighty can expect the Bush administration to feather their nests.

Leadership is more than the sum of special interests. For too long, the party in power at the White House has been addicted to tax cuts. But like any drug that is used too much, it starts to take its toll on the body, and loses its invigorating powers.

It is time to heal the Nation, to wean it from its dangerous dependence on destructive supply-side policies. Penny ante political proposals must give way to fundamental change. We need long-term investments in our people, our industries, and our infrastructure. Our people are ready to work for a better future, if only the President has the vision and daring to take us there.

REPEAL THE SOCIAL SECURITY EARNINGS LIMITATION

(Mr. McCANDLESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCANDLESS. Mr. Speaker, there is a chance this year for Congress to repeal the Social Security earnings limitation for those 65 and older, an issue that is of great importance to the seniors of our country. The conference committee on the Older Americans Act, H.R. 2967, will be meeting shortly, and the only item left to be decided is the amendment added in the Senate to repeal the earnings limit for those aged 65–69.

I have worked for the limitation repeal ever since first coming to Congress in 1983, and I strongly believe that it is time to get rid of this rule which is a remnant of the depression years.

Efforts to repeal the limitation have continually met with opposition from those who believe that repeal would be too costly. I don't buy that. One estimate of the economic effect of repeal, by two former Treasury Department economists, found that abolishing the earnings limit would result in a net increase of $140 million in Federal revenue. This is based on the expectation that many seniors would immediately take the opportunity to earn more money, with no penalties attached, and the Federal Income Tax generated would add up to a substantial increase in revenue.

Mr. Speaker, I urge the conferees on H.R. 2967 to keep the Senate amendment. The Social Security earnings limitation is age discrimination, pure and simple, and it is time to get rid of it.

☐ 1450

MAKE THE AMERICAN DREAM LIVE AGAIN

(Mr. STALLINGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STALLINGS. Mr. Speaker, the U.S. economy entered its first recession in 8 years during the summer of 1990. Today, the recession lingers on and Americans are increasingly concerned about our sagging economy.

For too long, the general public has been told to wait—that the economy would improve on its own. Waiting has brought us a 7-percent unemployment rate, a 13-percent poverty rate, the lowest productivity rate since World War II, and the highest Federal debt ever recorded.

The time for waiting is over. The overriding challenge facing the Congress in 1992 is to restore economic growth and prevent more Americans from losing their jobs.

As the second session of the 102d Congress begins, we need to launch an aggressive agenda for change.

We need to reexamine our priorities in response to the dramatic changes that continue to take place abroad.

We need to restore tax fairness for middle-class working families.

We need to provide tax incentives to encourage business investment and home ownership.

We need to change the budget agreement to permit greater flexibility in establishing national spending priorities.

And we need to reform our health care system.

To achieve these goals, Congress must seek common ground with the President. But we must also commit to stand our ground when the basic principles of fundamental justice are at stake.

With hard work, cooperation, and bold leadership, we can make the American dream live again for working Americans and their families.

LET CONGRESS GET TO WORK AND GET SOMETHING DONE

(Mr. ZELIFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ZELIFF. Mr. Speaker, I was excited last night when I read the President's speech. I was with the President when he went up to New Hampshire about a week-and-a-half ago. I know that the President listened, absorbed, understood, and came back to Washington, and, together with many of us, worked hard and pulled together the tools which are needed to put Americans back to work.

Mr. Speaker, I am particularly pleased to see a 15-percent investment tax allowance in his program. This idea was first introduced by John F. Kennedy in 1962, and I will give due credit. But it is the single best tool we need to put people back to work. In my view, it is something we all ought to get behind. It will create jobs and get America moving.

Capital gains reduction will free up much needed capital, especially needed by small business and entrepreneurs to invest in creating jobs.

The $5,000 tax credit to first-time home buyers is a grand slam home run. It will help young couples with limited resources to get started in real estate. This will help the realtors, help the homebuilders, and will help clear out some of that inventory that unfortunately is bogging down our banking system.

Mr. Speaker, I look forward to working with my friends on the other side. Let us get to work, let us get something done, and let us not let down the American people.

DEMOCRATS HAVE NO ALTERNATIVES TO PRESIDENT'S PROPOSALS

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to read from papers.)

Mr. GUNDERSON. Mr. Speaker, let me read a quote from the President's speech to Congress last night where he said:

> When people put their party's fortunes before the public good, they court defeat, not only for their country, but for themselves, and they will certainly deserve it.

As I sit here and listen to my colleagues on the other side of the aisle, I am distressed by the partisanship that is surfacing today. One of our colleagues from New York suggested that the President said, "Do it my way or no way at all."

Well, I have to suggest that the President in 1989, in 1990, in 1991, and now again in 1992, has submitted proposals for economic growth in this country. The Democratic Congress has rejected these three times already, but not come up with an alternative.

When you look at crime, when you look at energy, when you look at educational reform, you have seen fit as the majority party to reject the President's initiatives, but you have not seen fit to bring forth an alternative of your own.

We have the gentlewoman from California who says our jobs are being exported to Third World nations. Yes, she is right. But why is that happening? It is because we have the highest cost of capital of any industrialized nation in the world.

DEMOCRATS COMPLAIN AND PLAY POLITICS WHILE AMERICAN ECONOMY SINKS AND PEOPLE SUFFER

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, President Bush has challenged the liberal Democrats who control both Houses of Congress to put up or shut up. Let us see his growth package passed or an alternative enacted by March 20. The American people are tired of the political rhetoric and incessant whining.

We have been drenched with the gush and drool of liberal politicians trying to shift blame for our country's economic woes. Who passes the laws anyway?

Do not tell us you are concerned about the unemployed when you play rich versus poor politics when the President is trying to increase the level of job-creating investment.

Do not talk about competitiveness and job creation when the liberal program last year was higher taxes, more mandates, more regulations, a striker replacement bill that encouraged work stoppages, mandated benefits that will close marginal businesses, a quota bill that is a bonanza for lawyers and a nightmare for employers.

The President has presented his program. Now let us see if those who control the House and the Senate can do anything but complain and play politics while our economy sinks and our people suffer.

SMALL BUSINESS WILL SAVE AMERICA

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, if America will save small business, small business will save America. That phrase is especially appropriate in light of last night's State of the Union Address.

In order for us to save small business, we must use President Bush's moratorium on Federal regulations as an opportunity for departments and agencies to comply with the Regulatory Flexibility Act.

The 1981 Regulatory Flexibility Act forces Federal agencies to consider the impact of proposed rules on small business. It also gave these agencies 10 years in which to determine which rules should be continued, amended, or rescinded according to the goals of the act.

Unfortunately, many regulatory agencies have not even begun this review process. It is high time they started fulfilling their obligation to small business under the law.

As the President said last night:

> The power of America rests in a stirring but simple idea: that people will do great things if only you set them free.

So will small business. Set small business free. Give them the choice and the tools to guide their own destinies.

Yes, Mr. Speaker, if America will save small business, small business will save America.

CONGRESS SHOULD PUT ASIDE PARTISANSHIP AND DO WHAT IS RIGHT FOR AMERICA

(Mr. WALKER asked and was given permission to address the House for 1 minute and to read from papers.)

Mr. WALKER. Mr. Speaker, the critics of the President's State of the Union Message seemed to be saying he did not go far enough. If we assume for a moment they are right, why should that stop us from acting?

The fact is that the President gave us a lot to do between now and March 20.

Let us at least do that much. If we have to work 7 days a week between now and March 20 to get done what the President asked, let us at least show that we are willing to go that far.

If there is more to do after March 20, fine, let us look at some other ideas after putting the President's program in place. Then if the President's programs is not working by this fall, his critics can blame him for the failure.

What is not acceptable is to suggest that the President did not go far enough so we will do nothing. What is not acceptable is for Congress to allow the economy to continue to deteriorate and then blame the problem on the President. What is not acceptable is for Congress to allow millions of Americans to suffer while Congress refuses to act.

The President asked us to act in a bipartisan way to help America. I am known as a pretty strong partisan in this House. I am willing to put aside partisanship to what is right for this country. I would like to think that others are willing to do the same. The speeches thus far today do not give me much hope, but hope does spring eternal.

UNREALISTIC REGULATIONS WILL COST CENTRAL FLORIDA JOBS

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, last night President Bush ordered an intense 90-day review of regulations and programs that slow economic growth.

This is one of the most important steps we can take to spark our economy.

I know of 3,000 jobs in central Florida that are about to be sent to Japan because of unrealistic Federal regulations.

Gates Energy of Gainesville produces 90 percent of rechargeable battery cells for U.S. space vehicles and satellites. To produce battery cells, Gates and other manufacturers work with cadmium.

The Occupational Safety and Health Administration recently proposed a 95-percent reduction in the cadmium work place standard—from 200 micrograms of cadmium dust per cubic meter of air to 5 in a short period. Industry competitors in Japan operate safely at a 50-microgram standard.

While our industry could meet the 50-microgram standard, it doesn't have the technology to reduce cadmium dust levels to 5 in this period. By requiring this impossible standard OSHA is effectively exporting jobs.

I urge OSHA officials to lower the cadmium work place standard to a level that is safe, but saves jobs for Americans.

□ 1500

PRESIDENT'S PROPOSALS LANGUISH IN CONGRESS

(Mr. LEWIS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of California. Mr. Speaker, when the President addressed the Nation last night, he stood at the crossroad. From it, he could see the new path ahead, and in response, he proposed major initiatives to move the country and our economy forward.

But from the crossroad, he could also look behind him and see all that he had proposed in the last 3 years, including education, crime, energy, budget, and housing initiatives languishing in Congress.

Now he has again called on Congress to rise to the challenge and join him in a constructive effort to improve the quality of American life. If the road behind is our guide, the prognosis for assistance from this body is not good.

To the critics I say this: "Don't criticize the President for inaction when you hold his proposals hostage. Don't hold him accountable for the proposals of his you never passed."

I hope the road ahead is more productive.

THE PRESIDENT'S AGENDA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. GUNDERSON] is recognized for 5 minutes.

Mr. GUNDERSON. Mr. Speaker, I would like to take a few moments of our time today to focus on the President's State of the Union Address from last night. I think one of the most unfair criticisms given to this President has been the criticism that he has no agenda.

I think if we are going to make that criticism, we ought to take the time to look at the facts. So I have taken a little of my personal time to literally go through the President's speech from last night and to share with Members the agenda and the vision that he has laid out for the Congress of the United States.

In terms of the military, he has suggested that there be at least 5 things: that we cancel the B-2, that we cancel the small ICBM's, that we cease production of the sea-based ballistic missiles, that we stop production of the Peacekeeper, and that there be no more advanced cruise missiles. All of this is part of a 5-year, additional $50 billion cut in defense above and beyond, Mr. Speaker, the $100 billion cut in defense in the 5-year budget agreement agreed to 14 months ago.

In the area of regulations, the President has also suggested five initiatives. First of all, that there be a 90-day moratorium on new regulations; second, that all agencies and departments review all regulations that presently exist as to whether they will or will not hurt economic growth and, if they will, obviously to modify them; third, that he take the necessary steps to end the credit crunch; fourth, that we speed up those pro-growth initiatives that have already been passed and signed into law in terms of the implementation timetable, and fifth, that we change the tax withholding tables to provide more spendable income to the American people immediately.

In the area of growth, the President has suggested six different initiatives: a 15-percent investment tax allowance; second, a modification of passive loss; third, the IRA's for first-time home purchasers; fourth, a $5,000 tax credit for the first time a person purchases a home, and fifth, a capital gains tax initiative.

In addition to these five incentives for growth, recognize the reality of recession today, the President had advocated a $4.2 billion extension in unemployment compensation benefits.

The President also laid out a 27 point agenda in terms of what this Congress needs to do over the long term to make America competitive in the international economy and to improve the quality of life here at home. Let me read to my colleagues that 27 points agenda as related in the State of the Union.

First of all, that we ought to work with the administration in ratifying and implementing a GATT agreement when such is achieved; we would do the same in a North American free trade agreement, and third, we would pursue as well a continual expansion of the Enterprise for the Americas.

Fourth, the President asked the Congress to quickly pass his educational reform proposals. Fifth, the President asked that we would make permanent the R&D tax credit. Sixth, the President asked that we would authorize and appropriate the $76 billion in R&D funds that are part of his proposal. Seventh, that we would pass the long-standing crime legislation that has been waiting in these halls of Congress for action. Eighth, that we would pass Secretary Kemp's HOPE initiative. Ninth, that we would pass Secretary Kemp's enterprise zones. Tenth, that we would extend the mortgage revenue bonds for low-income housing. Eleventh, that we would expand Head Start. Twelfth, that we would reform health care. Thirteenth, that we would freeze domestic spending. Fourteenth, that we would freeze government employment. Fifteenth, that we would eliminate 246 nonessential government programs. No. 16, that we would eliminate the pork barrel projects. No. 17, that we would include no more congressional mandates on State and local government. Eighteen, that we would complete some form of banking reform.

Nineteen, that we would pursue the President's civil justice reform. No. 20, that we would pursue the President's tort reform. No. 21, that we would enact the President's national energy strategy. No. 22, that we would work with the President on a new commission of America's urban families. No. 23, that we would raise the personal exemption by $500 per child. No. 24, that we would deduct the insurance on student loans or allow families to do such. No. 25, that we would allow the use of an IRA for educational expenses. No. 26, that we would use an IRA for medical expenses, and No. 27, that we would pursue with the President and the States comprehensive welfare reform.

Mr. Speaker, I simply give my colleagues this list of 43 initiatives to show them that, yes, indeed there is quite an agenda for the Congress in the State of the Union message of the President.

IF THE PRESIDENT IS THE CAPTAIN OF THE SHIP OF STATE, CONGRESS IS THE CREW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, on several occasions I have heard our colleagues in the House refer to the President as the captain of the ship of state and that whatever goes wrong in the country is, therefore, the President's fault if he is not a proper captain. There is some truth to that. The President is the one elected national leader that we have.

If the President is, in fact, in office when something goes wrong, the President bears a share of the responsibility.

☐ 1510

However, it is also true that no captain sails a ship without a crew. The crew could rightly be described as the Members of the U.S. Congress, and if the crew cooperates with the captain, the fact is that the ship will probably sail pretty well. If the crew mutinies, the fact is that the ship is in trouble.

Now, what if the crew decides to mutiny over the direction that the ship is traveling? The chances are the ship will stall and be left adrift at sea. That is the danger that we now face.

If the President is, as some of my colleagues described him, the captain of the ship of state, what we have heard here so far is a crew that is about to mutiny. We have heard from a number of our colleagues who have come before us and suggested that they do not like the direction in which the captain wants to sail the ship, and so, therefore, they are not willing to do much of anything, or they are willing to try to overthrow the captain and move the ship in a different direction. That would be a tragedy, because at that point the chances are that the ship of state will be adrift.

I expressed that concern, because the captain does, in fact, need the Congress to act in a responsible manner. The President asked us last night to act as Americans, to understand the needs of the country, to understand that there are millions of people in this country who are suffering because of policies that were made wrongly in this town.

Some of the members of the President's administration have admitted that they misread signals last year that led them to believe that the economy was going to recover. They now understand that that was a misreading, and that there is a need now to act. Many in the Congress seem to want to say, "Well, the President missed it last year, and so, therefore, let us, let America continue to suffer this year."

What a tragedy that would be. What a horrible way to enter a political year. Far better that we do what the President suggested of us, that we act in a bipartisan manner for at least the first few weeks of 1992 and put in place a program that has some chance of putting Americans back to work, of achieving economic growth and establishing the primacy of America in the international marketplace. That would at least move us part of the direction.

If some of my colleagues do not believe that the President has asked us to do enough, we have got a chance to do more. After March 20, we have months of congressional session left. We can go back and do the extra things that my colleagues would like us to do, but let us at least do as much as the President wants us to do.

Many will say, "Well, we cannot get all of that accomplished that the President wants to do between now and March 20." Why not? Why not? We could work 7 days a week if need be in order to get the country straightened out. I think the country would appreciate it. I think Americans would like to see this Congress working hard to achieve as much of the President's program as possible. We could do that. I think we would get a lot of it done.

For example, next week we are going to take up the unemployment bill. It was passed out of committee today. We are going to have it on the floor next week, and I assume that by the end of next week, it will be on the President's desk ready to be signed.

The same thing could be done on the economic program. With a great deal of fanfare, this House spent the month of December looking at economic growth packages, the hearings have been held, and there is no reason now not to move the legislation. The President's program could be brought to the floor, and by the time we go home, if we go home on our recess for Lincoln Day, that package could be enacted.

There are some elements of the President's package that we have yet to see—the health plan, for example—and I expect the President will have that here within a matter of a few days. We might have to take until March 20 to get that done, because we have to review it a little bit. But we can do that plan as well.

The other items on the President's agenda such as education have been on this Hill for months and could be taken up. We have a duty to act, and the captain of the ship asked us to be a good and faithful crew. it is time we get to work.

THE PRESIDENT'S ECONOMIC GROWTH PACKAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. RINALDO] is recognized for 5 minutes.

Mr. RINALDO. Mr. Speaker, last night, we heard President Bush present a very forceful, comprehensive plan for reviving our Nation's economy, and putting Americans back to work.

Because many of the President's proposals have already been drafted, we have a great opportunity to enact this program by March 20. To do so, however, we will have to change our usual modus operandi. This week's legislative schedule is the kind of workweek that provides a lot of material for comedians but is not appreciated by American workers. They have to be on the job all day, every day. We were in session for a few hours yesterday, but no more legislative business has been scheduled until next week. Furthermore, we have a recess coming up that is scheduled to last for at least 5 working days.

Mr. Speaker, this is no time for us to be going on vacation. Many of my constituents are out of work, and they expect us to be on the job making every effort to revive the economy. I am urging the leadership to cancel the February recess and keep us in session so that work on the President's economic recovery plan can be completed in the 52 days between now and March 20.

Last night, the President called on us to show the same unity of spirit and purpose with which we addressed the situation in the Persian Gulf last year. I would remind my colleagues that President Bush is not the only political figure whose rating have dropped in public opinion polls since the end of the war. Reports about check bouncing, unpaid restaurant bills, fixed parking tickets, and other offenses have seriously damaged this institution in the eyes of the American people. We can redeem ourselves only if we demonstrate to our constituents a serious bipartisan effort to put an economic revitalization plan into effect.

IN SUPPORT OF THE PRESIDENT'S ECONOMIC RECOVERY PACKAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. SOLOMON] is recognized for 60 minutes.

Mr. SOLOMON. Mr. Speaker, it has been my privilege to serve in this House for 14 years. I came here a few years before former President Ronald Reagan, and it was my privilege to work with that great President on putting through a program that has literally turned this world around.

In 1979, before he took office, countries were falling like dominoes throughout the world to communism, and because of his peace-through-strength movement and because he stood up to the Soviet empire—as a matter of fact, he called it an evil empire—we were able to rally the rest of the free world behind his efforts to bring an end to communism. Now the result of all that is democracy breaking out all over the world.

A major part of that effort included George Bush, who was Vice President for those 8 years and now is President. Last night, I had the privilege to listen to him very carefully. I did so because in my own area of the Northeast, we have suffered through a recession. We still suffer. And we need help to create jobs and to rebuild the economy.

I think President Bush's speech was totally realistic. There was no pie-in-the-sky rhetoric. I have been one who has criticized our President when I thought it was necessary. I stood on this floor and opposed him for his wanting to renew most-favored-nation treatment for China.

□ 1520

So I am not afraid to stand up to a Member of my own party, but when I say there was no pie-in-the-sky rhetoric, I really mean that.

While still protecting America, he is seeking reasonable cuts in our defense budget with the savings to be applied to reducing the deficit, where they should be. He isn't offering more pork barrel spending, which this Congress has a habit of promoting every year, year after year, he is working to stimulate the economy and create private sector jobs. I think he gave us a plan that will cut Government waste, cut Government spending, take less money out of our pockets, give investment tax credits to business and industry, made it easier for older people to sell their homes which they held for years and years, and to keep the profit from selling those homes. He is working to make it a lot easier for young people to buy a home and to meet the mortgage payments on that home.

Mr. Speaker, he put in place an immediate moratorium on antigrowth regulations which stifle American ingenuity, American business and industry.

The President challenged Congress to enact his plan by March 20, 7 weeks from now. That is a long time, and if Congress does not act, it ought to be held responsible by the American people. Congress to the man ought to be thrown out of office if the President's program in not enacted.

He certainly has my support.

Mr. Speaker, at this time I yield to the gentleman from New Jersey [Mr. SAXTON], a very distinguished Member of this House.

Mr. SAXTON. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, as I sat here in the Chamber during the 1-minute speeches, I was reminded of some things that occurred during the break back in the southern part of New Jersey. As I crisscrossed the State in my district, I met with literally dozens of groups to talk about matters of economic concern. I met with chamber of commerce groups, Rotary groups; one of the last groups I had the pleasure of meeting with were representatives from the trade unions in the southern part of our State.

The message from each of those groups was different in some respects, but in one respect the message was always the same. Congress should get back into session, stop the political bickering, do something about the economy, and each group was waiting to see what the President was going to say.

As I listened to the 1-minute speeches today, I could not help but think how disappointed those people back in the southern part of my State must be to have heard the criticism of what the President has proposed.

As the President said last night, that has got to be for one of two reasons, either people do not understand why it is that the President has made these proposals, or they take some great delight in demagoging the issues and trying to make the President look bad. It has to be one or the other.

So I thank my colleague for yielding to me this afternoon so that I can at least make my attempt to convey my understanding as to why the President has structured this program the way he has.

I have looked for some time, with the help of my staff and with the help of other organizations in this town and organizations back in New Jersey, to try to see what it is that is necessary to be done in this recession to help us get out of it, why we got here and what it is that is needed to get out. I did not do that, or I tried not to do it in a vacuum. I tried to look at what has been done in the past by other Presidents, by other Congresses in different times and different decades. As I looked back through modern history I found that there has been something in the neighborhood of six recessions since 1950. I looked to see what it was that caused them and I looked to see what it was that was developed in the way of policy in order to get out of those recessions.

I would point back with some envy, I guess in a way, to a bipartisan effort that happened over the decades to help us recognize what causes economic downturns and how it is that we get out of them.

When I looked back at the recession that occurred at the end of the 1950's and into the early 1960's, I found that there was a young man at the time who was President who had some ideas about what caused the recession and about what it was that was necessary to bring it to an end. His name was John Kennedy. John Kennedy's policies, ironically, are not all that much different than what we heard suggested last night. John Kennedy said in his State of the Union Address in 1963:

> I am convinced that the enactment this year of tax reduction and tax reform overshadows all of the domestic problems in this country.

That is certainly true today.

He said:

> For we cannot leave for long the cause of peace and freedom if we ever cease to set the pace at home. I am not talking about giving the economy a mere shot in the arm to ease some temporary complaint. This tax cut will increase the purchasing power of American families and business enterprises all across our country.

After that speech he made some proposals. He suggested that we make it possible for our tax system to put more tax dollars back into the pockets of Americans so they could buy consumer goods and he reduced taxes.

He also reduced taxes on business. He suggested that we cut the corporate tax rate from 52 to 48 percent. It is not a big deal, 4 percent, but you tell any entrepreneur in this country that we can cut the tax rate by 4 percent, put more money into the business and make it expand, and it worked.

He also instituted for the first time, or expanded the existing investment tax credit and broadened it, again to make business expand.

You heard those ideas last night. So when the press says there is nothing original here, that is right. Who needs to reinvent the wheel?

President Bush is taking a lesson from history.

You and I just lived through what has been described by many as the longest period of economic prosperity in peacetime in the history of our country. Again we can look at the history of what happened there. We found ourselves in a situation where the economy had become stagnant in the late 1980's, in the late 1970's. You can remember double-digit inflation. You can remember 21 percent interest rates. You can remember unemployment rates that reached 10½ percent, significantly higher than we have today, and a man by the name of Ronald Reagan, a Republican this time, said:

> I know what to do to solve these problems. We need to put some incentive back into our

work force and into our investment force by encouraging it with incentives in our Tax Code.

Ronald Reagan made some suggestions and this Congress at the time, controlled by Democrats, so it was a bipartisan effort, passed some tax reforms back in the early 1980's that reduced income taxes again, put some money back into the pockets of Americans so they could spend it on consumer goods, reduced the maximum capital gains tax rate from 28 to 20 percent, indexed individual income tax brackets and did another series of things, among them allowing a 25-percent tax credit for research and development.

You heard those ideas last night, and the reason you heard those ideas is because it happens to be a policy that works.

The charts that I have here on my left show what happened during the early years of the Reagan Presidency. We came out of the late 1970's, and we can see that this dotted line on the bottom shows economic growth in terms of percentage of growth and GNP.

This blue line represents growth and jobs, job creation.

During the early 1980's we can see if we look at this chart that the economy had pretty much bottomed out. Things were bad. Double-digit inflation, high rates of unemployment, high interest rates; but when the Reagan tax cuts went into effect, into full effect in 1983, the first year we saw a turnaround in gross national product growth, a 6.9-percent growth, and we saw that growth take place through most of the rest of the decade, and jobs grew and people went back to work.

That is what George Bush, our President, looked at. He looked at history in 1963 and saw what somebody else said in very similar economic times. He looked at what was wrong with our country in 1978, in 1979, and in 1980, and saw what Ronald Reagan suggested and what this House agreed to and what the Senate agreed to. He looked at what happened during the period of the 1980's, growth in GNP, growth in our economy and the creation of hundreds of thousands, millions of jobs.

He also looked at something else. These were positive turns in our economy. He also looked at something else that happened and perhaps we have learned lessons from recent history as well as the early 1980's and the early 1960's, because just as good tax policy creates a good economy, bad tax policy can create a bad economy.

□ 1530

We were doing great through the first half of the 1980's up into 1987 and partway through 1988, but then in 1986 something happened. Something happened to begin to turn us around. In 1986 we voted for tax reform. That is what we called it, but it was a tax; in reality it was a tax increase, because in 1986 we increased the maximum rate on capital gains back up to 28 percent, just reversed what had happened in 1980; we eliminated the investment tax credit altogether we cut the value of depreciation allowances so that people had to depreciate their capital assets over a longer period of time. We created corporate and individual alternative minimum taxes. We heard that mentioned last night.

We restricted IRA investments. We heard that mentioned last night. We enacted strict foreign tax provisions. We hear that mentioned last night.

And when those tax policies, those tax increases finally took full effect in 1988, you watched that dotted line start to level off, and unfortunately we were not finished with bad tax policy because in the Budget Reconciliation Act in 1990 we increased or extended 25 more taxes—25.

We increased the individual income tax rate, we phased out the personal exemption, we limited the itemized deductions, increased the excise tax on motor fuels, increased taxes on tobacco, on alcoholic beverages, and created a luxury tax. You heard that mentioned last night.

We increased the airport trust fund excise taxes, and I could go on and on. There are 25 taxes that this House increased.

If you look at what happened in 1990, when those taxes took effect, we did not have a leveling out anymore; we went south. Our economy—I stood here, right here as did my colleague, the gentleman from New York [Mr. SOLOMON], during that tax debate during October 1989, and said that if you enact these tax increases our economy is going to go south. Well, our economy went south.

George Bush knows that. He knows why. And that is why he suggested some changes to bad tax policy, because bad tax policy makes a bad economy and good tax policy makes for a good economy.

Last night he suggested a $5,000 tax credit for first-time home buyers. That is good tax policy. He suggested the use of IRA's without penalty for first-time home buyers. That is good tax policy.

He suggested an increase in personal exemptions, to increase personal exemptions for children by $500. That is good tax policy. He suggested that we use IRA's for education and medical benefits. And that is good tax policy.

He suggested a 15-percent increase in investment tax allowance; and that is good tax policy.

He suggested the excise tax on boats and airplanes be repealed. That is good tax policy.

He suggested modifying the passive loss rules for real estate investment. He suggested reducing capital gains from 28 to 15.4 percent. And that is good tax policy.

And while I am on the last one, I listened to the 1-minute's with great interest and listened and remembered what the President said last night, that this issue provides an opportunity for demagoguery like no other issue. And we heard some more of it today.

But I would just like to remind my friends from the other side of the aisle that we are in a global economic environment and we compete with other countries that know what good tax policy is.

Did you know that in Germany, South Korea, Hong Kong, Belgium, Italy, and the Netherlands—some of our major competitors—there is no capital gains tax?

Guess what; in Japan it is under 2 percent. So we can look to other countries with whom we are having a difficult time competing today for some lessons as well.

I quoted John F. Kennedy earlier. And let me do it once more. On capital gains tax, he said:

> The tax on capital gains directly affects the ease or difficulty experienced by new ventures in obtain capital and thereby the strength and potential for a growth of the economy.

Let me quote one other person, somebody you heard a lot about lately, former Senator Paul Tsongas. He said of the capital gains tax:

> The capital gains differential is a weapon, a powerful weapon in the battle to be competitive. That bill, which lowered capital gains tax rates did more for the economy of my State than anything I did as a Congressman.

Think of it, a Senator saying that it did more for his State than anything that he had done as a Congressman.

Then there is our good friend and colleague, JAKE PICKLE. JAKE said:

> I regret that capital gains has been couched as a party issue. John Kennedy and Lyndon Johnson advocated a lower capital gains tax rate, and I find it hard to believe this has suddenly become a partisan issue. A capital gains tax will help lower the cost of capital and help business attract investors and create new jobs.

And so we can look to our friends in the House for lessons on this issue as well.

I would like to make one other point. Some of the folks on the other side of the aisle have missed the point, because one of the major criticisms of our effort to put incentives back into the Tax Code and cut taxes, one of the major criticisms is that we cannot afford to do it because we need the revenue.

Beginning in 1984, the same year the economy turned around, I have another chart which shows what happened to Federal revenues. When the economy got better in 1983 and 1984 and people went back to work and started to bring paychecks home, guess what else they did; they started to pay income taxes again. And when they started to pay income taxes, we saw the revenue line begin to go up.

During those years between 1983 and 1990, our revenues increased by approximately $60 billion a year. And so the revenue argument does not hold water.

Well, somebody would say, the next question, "Well, we have got a terrible deficit, so it must be Reagan's fault." Well, I think we played a role there too. I have another chart that covers the same years. And here is the red line, and I made it that way on purpose. It shows what kind of spending we did during the same time that our revenues increased by an average of $60 billion a year. And when we look at those two lines together, the red line and the blue line, we can see that we started the decade of the 1980's with a relatively small deficit and ended the decade with a big deficit. But it is not because we did not have a growth in revenues. We had good growth in revenues because our economy was good, because people were working, because people were paying taxes. But the other thing the President said last night is, he suggested a freeze on discretionary spending.

So you can see that the President's suggestions on good tax policy and spending have a very good, firm, logical rationale to support them.

Mr. Speaker, I call on my colleagues on both sides of the aisle, we have got a lot of work to do. BOB WALKER, our colleague from Pennsylvania, suggested that we stay here and forgo our break. And I agree. We need to iron out the differences between us.

The President would like his package passed the way it is. If I had my druthers, I might change some things in it. But it is a pretty good package.

So I hope that we can work as Republicans and Democrats. That is what the people in the trade unions told me; that is what the senior citizens, my senior citizens told me; that is what my Rotarians told me; that is what my chamber of commerce people told me; that is what my business groups with whom I visited told me. That is what America wants to have happen.

We need to get busy; we need to stay here until the job is done and pass, I hope, the President's growth package.

I thank the gentleman.

Mr. SOLOMON. I just want to thank the gentleman for a really excellent historical presentation of how we got into this deficit situation. As a matter of fact, if he will leave that chart there for a minute, we will look at the one on the bottom which shows Federal outlays from 1981 to 1992.

☐ 1540

Mr. Speaker, a lot of people are under the impression that a President, whoever he might be, has the ability to spend money, to raise taxes, to raise spending. The truth of the matter is he cannot. Only this Congress can authorize the expenditure of money, and, if one looks at that chart there and they look at what has happened to the outlays of Government spending in that period of time, I think they would see where that responsibility really lies.

As a matter of fact, if we really want to dramatize how bad things are, let's look back to the early 1970's. President Richard Nixon tried not to spend the money that Congress appropriated, and the Congress of the United States took him before the Supreme Court. I think the gentleman in the chair, the gentleman from Arkansas [Mr. THORNTON], might even have been here back in those days; I am not sure. But the Supreme Court ordered the President of the United States to spend every nickel that was appropriated, even if he did not need it, even if the programs did not need the money.

Now that is how we got into the mess that we are in here today, and if the American people really want to hold somebody responsible for these deficits, I would suggest that they go back and look at the 13 appropriation bills that pass the House every year; those are the 13 bills that provide for the functioning of Government. Look at all of these massive programs; see how their Congressman voted on each of those 13 appropriation bills.

Now I say to the ladies and gentleman out in the hinterlands, "I challenge you to check up on your Congressman, and if he is one of those who has continued to vote to raise outlays by astronomical amounts over these last 10 years, then I think it's time for a new face here."

The gentleman from New Jersey [Mr. SAXTON] really outlined what the President was asking for last night in terms of the national defense budget. As my colleagues know, we do have to, I think, be extremely careful about how we cut that budget.

First of all, we, as the President does, have the responsibility to provide for the safety of this Nation and also to provide leadership in the free world. A lot of people say, "Well, we can go beyond the $50 billion cut that the President asked for last night, and we can cut it $100 billion." And then some other people of equal standing in the other party say, "No, I think we can cut it $150 billion." That means cutting it in half.

When I travel around the United States and overseas, and even to the Persian Gulf, I look at the young men and women serving abroad, whether they are regular military, or whether they were the National Guard or Reserves. These are some of the finest young men and women that I have ever seen in my life, and, as my colleagues know, they come from an all-volunter military. We have not had a draft in this country for over a decade now. We have depended on the voluntarism of Americans to support our military, to protect America. And I say to my colleagues, "When we look at these young men and women coming from the inner cities of America, from the suburbs, from out in the rural areas such as I represent, and we look at these young people, and we see what happens to them after their military career is over, we know they get something in their military careers that is missing even from our schools today."

Mr. Speaker, one of the big problems we have in America today in our educational system is the fact that we have so many children there who come from broken homes, who come from one-parent homes, who sometimes come from no-parent homes. Our teachers have to spend most of their time with these young kids who may be 6 and 7 and 8 and 9 years old, teaching them hygiene, teaching them how to accept authority, teaching them discipline, and not even getting around to educating them in the academic sense. And my colleagues know that is really what has happened. I talk to so many of the young men when they go into the military. As my colleagues know, not only is the military an honorable career, but my colleagues know that young people learn those things they might never have gotten at home: they learn discipline, they learn how to be polite, they learn how to be courteous, they even learn to pick up a little religion. And they come out of the military, whether they put in 2 years, 3 years, or 20 years, as good citizens. These are kids coming from broken homes who never had any guidance.

And where do they go? They go back to where they came from, and they serve as examples to all other Americans. And so I ask, "Do you know, if we cut our defense budget by $150 billion—do you know what happens? We have no more military, we have no people serving in our armed services, and what do you think happens to all these young men and women?" That is why we have to be very careful.

The truth of the matter is, the President's program announced last night will stimulate investment to create jobs. It bolsters real estate values and increases home sales, and that is about a third of our whole economy right there. It helps Americans to meet the cost of raising a family and affording health care and education. It enhances America's ability to compete globally. It cuts wasteful Government spending and reduces the Federal deficit.

But more than that, the President said, "No more mandates on local governments." That will liberate the States, all 50 of them, and thousands of counties, and cities, and towns and villages. This Congress, year after year, has passed legislation mandating costs on these State and local governments, and these smaller governments have no choice but to raise taxes. Nine times out of ten the taxes they are raising are property taxes, and that is what is happening to our country today.

The President has already taken the action he can implement by Executive order. He can do it immediately, and he has already started doing it by permanently reforming Federal income tax withholding tables to increase the take-home pay by $175 to $600 for over 90 million Americans. Now some people will say that is cutting taxes for the rich. Ninety million Americans are rich? He is implementing a 90-day regulatory review, and he has put a moratorium on agencies' antigrowth regulations that have stymied businesses and industries throughout the country so that we cannot even compete with other industrialized nations. He has asked to ease the credit crunch through responsible bank regulations.

We have got situations in my hometown and throughout my district where local bankers are so intimidated by all these regulators looking over their shoulders that they are afraid to give good law-abiding citizens with good credit ratings the credit they need because some regulator is going to come in there and say, "Well, you shouldn't have given him that much."

I have a constituent who has a little construction company with about 30 employees. He has had a line of credit with a bank for $50,000 for 20 years, and all of a sudden the bank says, "I can't loan you that $50,000, even though you paid your loan for 20 years. I can't give it to you unless you put up $50,000 in collateral." Well, who in the world needs credit if they have to put up the same amount of money that they are trying to borrow?

As my colleagues know, that is what is wrong today. And that is what President Bush is working to stimulate the economy.

Now there is a lot he cannot do alone; we talked about that before. Only Congress can cut capital gains taxes. The President cannot do that. Only you and I, Mr. Speaker, can do that. Only the Congress can give investment tax credits to these businesses and industries we are talking about.

International Business Machines, one of the biggest corporations in the world, is having difficulty today because there is no more investment tax credit. We took it away back in 1986, and we have seen the economy go downhill ever since. Let us reinstate that, and then the IBM's, and the GE's, and small businessmen with their innovative ideas will be able to reinvest their earnings, reinvest it for research, and development and experimentation.

That is what is needed today to make us competitive. Only the Congress can do that. The President cannot do that. And I could go down the whole litany of recommendations that the President gave us last night, and who could argue with these?

□ 1550

We need to work together, in a bipartisan effort, because we cannot afford to just keep giving unemployment checks month after month after month. My people do not want that. They want jobs. They want permanent jobs for the long range. That is why I hope we can all get together and we can put partisan words aside.

I really think we have to do what the President asked for us to do last night, and that is to work together. We can vary whether we are going to cut that capital gains tax by 15 percent or 19 percent. That does not matter. The point is that we do it. The same with all of the other recommendations, because we all know, as John F. Kennedy knew, that this kind of tax cut is what will revive the economy.

So I would say to Members on both sides of the aisle, let us do what is right for the American people. Let us put our politics aside, and once we get this economic growth package together and get it passed and the economy begins to move again, then we can go back to playing politics if we think that is necessary. Let us do it and let us do it now, by March 20, like the President asked us to do. The people need jobs.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DUNCAN) to revise and extend their remarks and include extraneous material:)

Mr. KYL, for 5 minutes, today.

Mr. GUNDERSON, for 5 minutes, today.

Mr. RIGGS, for 60 minutes each day, on February 4 and 18.

Mr. SAXTON, for 5 minutes, today.

Mr. ZIMMER, for 5 minutes, today.

Mr. GINGRICH, for 60 minutes each day, on February 18, 19, 20, 21, 24, 25, 26, 27, and 28, March 2, 3, 4, 5, 6, 9, 10, 11, 12, 13, 16, 17, 18, 19, 20, 23, 24, 25, 26, 27, 30, and 31, and April 1, 2, 3, 6, 7, 8, 9, 10, 27, 28, 29, and 30.

Mr. BEREUTER, for 5 minutes, today.

Mr. WALKER, for 5 minutes, today.

Mr. RIGGS, for 5 minutes, today.

(The following Member (at the request of Mr. STALLINGS) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. RINALDO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DUNCAN) and to include extraneous matter:)

Mrs. BENTLEY.

Mr. ZIMMER.

Mr. BURTON of Indiana in two instances.

Mr. EWING.

Mr. GINGRICH.

Mr. PURSELL.

Mr. SOLOMON.

(The following Members (at the request of Mr. STALLINGS) and to include extraneous matter:)

Mr. NEAL of Massachusetts.

Mr. HOYER.

Mr. BRYANT.

Mr. SKELTON.

Mr. SLATTERY.

Mr. GLICKMAN in two instances.

Mr. KANJORSKI.

Mr. ORTON.

Mr. HAMILTON.

Mr. ECKART.

ADJOURNMENT

Mr. SAXTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 52 minutes p.m.), the House adjourned until Thursday, January 30, 1992, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2712. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of January 1, 1992, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 102–184); to the Committee on Appropriations and ordered to be printed.

2713. A letter from the Deputy Secretary of Defense, transmitting certification that the current Future Years Defense Program fully funds the support costs associated with the Avenger, pursuant to 10 U.S.C. 2306(h)(3); to the Committee on Armed Services.

2714. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to Venezuela, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking, Finance and Urban Affairs.

2715. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to the Kingdom of Morocco, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking, Finance and Urban Affairs.

2716. A letter from the Assistant Attorney General—Civil Rights Division, Department of Justice, transmitting a report on the activities of the Interagency Coordinating Council, pursuant to 29 U.S.C. 794c; to the Committee on Education and Labor.

2717. A letter from the Secretary of Education, transmitting a notice of Final, Interpretations and Designation of Critical Foreign Languages, Foreign Languages Assistance Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

2718. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to Thailand for defense articles and services (Transmittal No. 92-13), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2719. A letter from the Assistant Secretary of State for Economic and Business Affairs, transmitting a report on the criteria for bilateral loans from the U.S. Government, pursuant to Public Law 102-138, section 197; to the Committee on Foreign Affairs.

2720. A letter from the Comptroller General, General Accounting Office, transmitting the GAO personnel assigned to congressional committees for fiscal year 1991, pursuant to 31 U.S.C. 719(a); to the Committee on Government Operations.

2721. A letter from the Comptroller General, General Accounting Office, transmitting the list of all reports issued or released in December 1991, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

2722. A letter from the Chairperson, Department of the Navy Retirement Trust, transmitting the 1990 annual report for the Navy Exchange Service Command Retirement Plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

2723. A letter from the Acting Chief Executive Officer, Farm Credit System Insurance Corporation transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2724. A letter from the Acting Chief Executive Officer, Farm Credit System Insurance Corporation, transmitting its annual report on the status of audit and investigative coverage for fiscal year 1991; to the Committee on Government Operations.

2725. A letter from the Executive Director, Marine Mammal Commission, transmitting the annual report under the Federal Manager's Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2726. A letter from the Director, Office of Management and Budget, transmitting a report entitled, "Managing Information Resources: Ninth Annual Report Under the Paperwork Reduction Act of 1980", pursuant to 44 U.S.C. 3514(a); to the Committee on Government Operations.

2727. A letter from the Secretary of Agriculture, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2728. A letter from the Secretary of Health and Human Services, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2729. A letter from the Chairperson, The Martin Luther King, Jr. Federal Holiday Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2730. A letter from the Assistant Secretary for Land and Minerals Management, Department of the Interior, transmitting a report on 11 compensatory royalty agreements relating to oil or gas which were entered into during fiscal year 1991 involving unleased Government lands, pursuant to 30 U.S.C. 226(g); to the Committee on Interior and Insular Affairs.

2731. A letter from the Administrator, General Services Administration, transmitting a report on the need and feasibility of constructing a Federal building on Pivers Island, NC, for the Cooperative Institute for Fisheries Oceanography and other Federal entities in the area; to the Committee on Public Works and Transportation.

2732. A letter from the Secretary, Department of Veterans Affairs, transmitting their report on furnishing contract care and services to eligible veterans; to the Committee on Veterans' Affairs.

2733. A letter from the Assistant Secretary for Import Administration, International Trade Administration, transmitting the annual report on the activities of the Foreign Trade Zones Board for fiscal year 1990, pursuant to 19 U.S.C. 81p(c); to the Committee on Ways and Means.

2734. A letter from the Secretary of Health and Human Services, transmitting a report the current system under which skilled nursing facilities receive Medicare payment, pursuant to Public Law 101-508, section 4008(k); to the Committee on Ways and Means.

2735. A letter from the Director, Congressional Budget Office, transmitting the CBO's Sequestration Preview Report for fiscal year 1993, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-587); jointly, to the Committee on Appropriations and the Budget.

2736. A letter from the Comptroller General, transmitting the financial audit of the Office of thrift Supervisions's 1989 financial statements (GAO/AFMD-92-11); jointly, to the Committees on Banking, Finance and Urban Affairs and Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 4095. A bill to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes; with an amendment (Rept. 102-427). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DIXON (for himself, Mr. Roybal, Mr. Levine of California, Mrs. Boxer, Ms. Waters, Mr. Moorhead, Mr. Dymally, Mr. Lewis of California, Mr. Berman, Mr. Anderson, Mr. Mfume, Mr. Miller of California, and Mr. Martinez):

H.R. 4136. A bill to revitalize the American rail car industry by the establishment of a Federal grant and loan program for research and development, by the creation of economic incentives to encourage investment in rail car design and engineering activities, and by the expansion of vocational training opportunities in the rail car industry; jointly, to the Committees on Science, Space, and Technology, Ways and Means, Education and Labor, and Public Works and Transportation.

By Mr. PETERSON of Florida:

H.R. 4137. A bill to amend the Internal Revenue Code of 1986 to provide tax relief and encourage economic recovery; to the Committee on Ways and Means.

By Mrs. SCHROEDER:

H.R. 4138. A bill to provide that former spouses of certain retired members of the uniformed services shall be eligible to receive a survivor annuity based upon the service of those members, and for other purposes; to the Committee on Armed Services.

By Mr. SMITH of Texas:

H.R. 4139. A bill to amend the Immigration and Nationality Act to entitle persons born on or before May 24, 1934, to acquire U.S. citizenship through their U.S. citizen mothers; to the Committee on the Judiciary.

By Mr. DREIER of California:

H.R. 4140. A bill to encourage the negotiations of a free-trade agreement between the United States and Japan; to the Committee on Ways and Means.

By Mr. KANJORSKI:

H.R. 4141. A bill to promote economic development and recovery through the efficient use of excess and surplus heavy equipment and construction materials in rebuilding our national infrastructure, to establish a system of State-certified equipment centers to assist State surplus property agencies on making excess and surplus heavy equipment and construction materials available to counties, local governments, and eligible nonprofit entities, and for other purposes; jointly, to the Committees on Government Operations, Armed Services, Foreign Affairs, and Banking, Finance and Urban Affairs.

By Mr. LEVINE of California (for himself, Mr. Brown, Mr. Ritter, Mr. Berman, Ms. Kaptur, Mr. Torres, and Mrs. Bentley):

H. Res. 334. Resolution expressing the sense of the House of Representatives on the sale of 40 percent of McDonnell Douglas' commercial aircraft division to the Taiwan Aerospace Corp.; jointly, to the Committees on Banking, Finance and Urban Affairs, Energy and Commerce, and Foreign Affairs.

By Mr. YATRON (for himself and Mr. Bereuter):

H. Con. Res. 272. Concurrent resolution expressing the sense of the Congress that all parties to the Convention on International Trade in Endangered Species [CITIES] should withdraw all reservations to the convention regarding listed species prior to the eighth conference of the parties to be held in March 1992; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 608: Mr. Pallone, Mr. Staggers, and Mr. Quillen.

H.R. 609: Mr. Savage and Mr. Blaz.

H.R. 713: Mr. Traficant, Mr. Jefferson, Mr. Dickinson, and Mr. Quillen.

H.R. 722: Mr. AuCoin.

H.R. 723: Mr. AuCoin.

H.R. 784: Mr. Feighan, and Mr. Cox of Illinois, and Mr. Dooley.

H.R. 840: Mr. Andrews of Maine, Mr. Lagomarsino, Mr. Geren of Texas, and Mr. Studds.

H.R. 888: Mr. Grandy and Mr. Frank of Massachusetts.

H.R. 962: Ms. Pelosi and Mr. Blaz.

H.R. 967: Mr. OBERSTAR.

H.R. 1067: Mr. STEARNS and Mr. ORTON.

H.R. 1147: Mr. HOUGHTON and Mr. GEJDENSON.

H.R. 1154: Mr. CUNNINGHAM, Mr. WYDEN, and Mr. OWENS of Utah.

H.R. 1245: Mr. SAWYER, Mr. RIDGE, Mr. SCHULZE, Mr. LENT, Mr. MCEWEN, Mr. CARPER, Ms. SLAUGHTER, Mr. DOWNEY, and Mr. BLACKWELL.

H.R. 1346: Mr. BLACKWELL.

H.R. 1430: Mr. MAVROULES.

H.R. 1472: Mr. PANETTA, Mr. ANDREWS of Maine, Mr. ALEXANDER, Mr. SAWYER, and Mr. HALL of Texas.

H.R. 1536: Mr. PAXON.

H.R. 1538: Mr. GILCHREST.

H.R. 1566: Mr. LEHMAN of California.

H.R. 1800: Mr. DICKINSON.

H.R. 1860: Mr. GORDON and Mr. STALLINGS.

H.R. 2008: Mr. SCHAEFER.

H.R. 2104: Mr. SMITH of New Jersey and Mr. JONES of North Carolina.

H.R. 2447: Mr. IRELAND, Mr. LOWERY of California, Mr. DICKS, Mr. JOHNSON of South Dakota, Mr. JENKINS, Mr. SPENCE, and Mrs. BOXER.

H.R. 2565: Mr. GAYDOS and Mr. BORSKI.

H.R. 2598: Mr. VANDER JAGT, Mr. SARPALIUS, Mrs. ROUKEMA, Mr. MRAZEK, Mr. PURSELL, Mr. ESPY, Mr. LEWIS of Florida, and Mr. PARKER.

H.R. 2719: Mr. HORTON, Mr. PAYNE of New Jersey, Mr. RANGEL, Mr. JEFFERSON, Mr. DELLUMS, Mr. SPENCE, Mrs. BOXER, Mr. EVANS, Mr. FROST, Mr. DWYER of New Jersey, Mr. BRUCE, Mrs. LOWEY of New York, and Mr. BUSTAMANTE.

H.R. 2872: Mr. COX of California.

H.R. 2889: Mr. TRAXLER and Mr. BRUCE.

H.R. 2898: Mr. JOHNSON of South Dakota, Mr. ENGEL, Mr. VALENTINE, and Mr. AUCOIN.

H.R. 2943: Mr. LAGOMARSINO and Mr. DE LUGO.

H.R. 2966: Mr. RITTER, Mr. PETRI, Mr. ANTHONY, and Mr. SKELTON.

H.R. 3130: Mr. HAYES of Louisiana.

H.R. 3138: Ms. PELOSI and Mr. ACKERMAN.

H.R. 3141: Mr. COLEMAN of Texas and Mr. SMITH of Texas.

H.R. 3142: Mr. ROHRABACHER, Mr. HAMMERSCHMIDT, and Mr. STAGGERS.

H.R. 3205: Mr. ENGEL.

H.R. 3236: Mr. FEIGHAN, Mr. MARKEY, Mr. HUTTO, Mr. MARTINEZ, and Mr. ENGEL.

H.R. 3239: Mr. PENNY.

H.R. 3247: Mr. DAVIS.

H.R. 3427: Mr. BUSTAMANTE.

H.R. 3432: Mr. LEVINE of California and Mrs. BOXER.

H.R. 3473: Mr. CONYERS.

H.R. 3516: Mr. JOHNSON of Texas.

H.R. 3535: Ms. OAKAR, Mr. FORD of Tennessee, Mr. ORTIZ, Ms. NORTON, Mr. TORRES, Mr. PASTOR, Mr. DE LA GARZA, Mr. SERRANO, Mr. BUSTAMANTE, Mr. BLAZ, and Mr. SAVAGE.

H.R. 3544: Mr. CONYERS, Mr. WISE, Mr. NOWAK, Mr. KOPETSKI, Mr. KANJORSKI, Mr. DIXON, and Mr. BROWN.

H.R. 3578: Mr. WELDON, Mr. MINETA, Mr. PANETTA, and Mr. NEAL of North Carolina.

H.R. 3636: Mr. ROEMER, Mr. HENRY, and Mr. GUARINI.

H.R. 3654: Mr. COLEMAN of Texas, Mr. COOPER, Mr. DERRICK, Mr. ERDREICH, Mr. JONES of North Carolina, Mr. MCDERMOTT, Mr. PARKER, Mr. STAGGERS, Mr. TAYLOR of Mississippi, Mr. DURBIN, and Mr. FROST.

H.R. 3661: Mr. BUNNING.

H.R. 3677: Mr. MARTINEZ.

H.R. 3725: Mr. MINETA.

H.R. 3736: Mr. RITTER, Ms. SLAUGHTER, Mr. MARTINEZ, Mr. RAY, Mr. LAGOMARSINO, Mr. VOLKMER, Mr. STAGGERS, Mr. HORTON, Mr. JONES of North Carolina, Mrs. UNSOELD, Mr. BRUCE, Mr. ENGLISH, Mr. EMERSON, Ms. SNOWE, Mr. BUSTAMANTE, and Mr. TORRES.

H.R. 3740: Mr. FRANK of Massachusetts.

H.R. 3748: Mr. CAMPBELL of California, Mr. CARPER, Mr. WAXMAN, Mr. YATES, and Mr. MORAN.

H.R. 3849: Mr. CUNNINGHAM, Mr. EVANS, Mr. CRANE, and Mr. MARTINEZ.

H.R. 3874: Mr. WISE.

H.R. 3887: Mr. NAGLE.

H.R. 3891: Mr. MACHTLEY.

H.R. 3961: Mr. EDWARDS of California.

H.R. 3967: Mr. PETRI, Mr. LEWIS of Florida, Mr. SENSENBRENNER, Mr. STEARNS, Mr. WELDON, and Mr. DORGAN of North Dakota.

H.R. 3971: Mr. HEFNER, Mr. LANCASTER, Mr. HUCKABY, Mrs. MINK, Mr. HAYES of Louisiana, and Mr. CHAPMAN.

H.R. 3975: Mr. HORTON, Mr. RAHALL, Mr. JOHNSTON of Florida, Ms. HORN, and Mr. PETERSON of Minnesota.

H.R. 3989: Mr. DYMALLY, Mr. KLECZKA, Mr. GUARINI, Mr. CONYERS, Mr. HANSEN, Mr. JONTZ, Mr. TORRES, Ms. PELOSI, Mr. BILBRAY, Mr. MCNULTY, Ms. COLLINS of Michigan, Mr. RANGEL, Mr. BOUCHER, Mr. KOLTER, Mr. FAZIO, Mr. HORTON, Mr. JEFFERSON, Mr. LAFALCE, Mr. TOWNS, Mr. MAVROULES, Mr. OWENS of New York, Mr. YATES, Mr. SCHUMER, Mr. JONES of North Carolina, Mr. LEHMAN of Florida, Mr. COLEMAN of Texas, Ms. NORTON, Mrs. COLLINS of Illinois, Mr. VENTO, Mrs. SCHROEDER, Mr. SAVAGE, Mr. EVANS, and Mr. EMERSON.

H.R. 3990: Mr. DYMALLY, Mr. MCDERMOTT, Mr. TRAFICANT, Ms. PELOSI, Mr. DOWNEY, Mr. LEVINE of California, Mr. FAZIO, Mr. JEFFERSON, and Mr. EVANS.

H.R. 3992: Mr. DYMALLY, Mr. KLECZKA, Mr. GUARINI, Mr. CONYERS, Mr. HANSEN, Mr. JONTZ, Mr. TORRES, Ms. PELOSI, Mr. BILBRAY, Mr. MCNULTY, Ms. COLLINS of Michigan, Mr. RANGEL, Mr. BOUCHER, Mr. KOLTER, Mr. FAZIO, Mr. HORTON, Mr. JEFFERSON, Mr. LAFALCE, Mr. TOWNS, Mr. MAVROULES, Mr. OWENS of New York, Mr. YATES, Mr. SCHUMER, Mr. JONES of North Carolina, Mr. LEHMAN of Florida, Mr. COLEMAN of Texas, Ms. NORTON, Mrs. COLLINS of Illinois, Mr. VENTO, Mrs. SCHROEDER, Mr. SAVAGE, Mr. EVANS, and Mr. EMERSON.

H.R. 4016: Mr. BLAZ, Mr. KOPETSKI, Mr. BILBRAY, Mr. KOSTMAYER, Mr. KOLTER, and Mr. BROWN.

H.R. 4077: Mr. SENSENBRENNER.

H.R. 4080: Mr. BROOMFIELD, Mr. JOHNSON of Texas, Mr. GOODLING, Mr. MCEWEN, Mr. HYDE, Mr. MARTINEZ, Mr. LENT, Mr. SMITH of New Jersey, Mr. HORTON, and Mr. EMERSON.

H.J. Res. 240: Mr. THOMAS of Wyoming, Mr. ARCHER, Mr. DICKINSON, and Mr. RAMSTAD.

H.J. Res. 256: Mr. JOHNSON of South Dakota and Mr. BEILENSON.

H.J. Res. 302: Mr. SCHEUER.

H.J. Res. 390: Mr. ANDERSON, Mr. ANNUNZIO, Mr. COBLE, Mr. DINGELL, Mr. FUSTER, Mr. MCNULTY, Mr. NEAL of Massachusetts, Mr. OWENS of Utah, Mr. RITTER, Mr. SKEEN, Mr. STARK, Mr. LENT, Mr. TOWNS, Mr. BENNETT, Mrs. BENTLEY, Mrs. PATTERSON, Mr. ROWLAND, Mr. SHAYS, Mr. MRAZEK, Mr. BROOMFIELD, Mr. KILDEE, Mr. HAMILTON, Mr. AUCOIN, Mr. QUILLEN, Mr. MCMILLEN of Maryland, Mr. ROYBAL, Mr. YATRON, Mr. KOSTMAYER, Mr. SCHEUER, Mr. STALLINGS, Mr. MAVROULES, Mr. LEWIS of California, and Mr. MORAN.

H. Con. Res. 218: Mr. DICKINSON.

H. Con. Res. 244: Mr. HUGHES, Mr. JONTZ, Mr. WAXMAN, and Mr. TRAFICANT.

H. Con. Res. 263: Mr. FASCELL, Mr. HAMILTON, Mr. KOSTMAYER, Mr. SCHEUER, Mr. MCDERMOTT, Mr. FRANK of Massachusetts, and Mr. KOPETSKI.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2966: Mr. RHODES.

H.R. 3252: Mr. WILSON.

SENATE—*Wednesday, January 29, 1992*

(Legislative day of Friday, January 3, 1992)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. Our prayer to the Almighty Lord of Hosts will be led by the Senate Chaplain, the Reverend Dr. Richard C. Halverson.

Dr. Halverson, please.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

God setteth the solitary in families * * *.—Psalm 68:6.

Gracious Father in Heaven, from every State in the Nation, every continent of the world, and 150 nations, people are gathering in Washington at the invitation of the Senate and House prayer breakfasts. Tomorrow morning more than 4,000 will meet at the National Prayer Breakfast, a microcosm of the world, participating in spiritual fellowship with our national leaders.

Gracious God, as this gathering demonstrates that we are all one family under God, cover the meeting with Your presence and blessing. Bind the people together in love, understanding and acceptance. As they disperse, may the benefits of their being together be shared in every place to which they return. And as hosts, may our leadership enjoy a special sense of God's providential intervention in national affairs. May the common faith, so powerfully manifest at the breakfast, continue in the lives of political leadership at every level of government during this crucial national election year.

In the name of Jesus, Light of the world, Wisdom of the nations. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, and Members of the Senate, the Senate will be in morning business pursuant to a previous order until 1 p.m. today, at which time the Senate will resume consideration of the cable television bill. I encourage all Senators who intend to offer amendments to that bill to be prepared to do so today. It is my hope that we can make substantial progress on that bill during the day. The managers will be present and, following brief opening remarks at 1 p.m., will be ready to receive amendments.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time and all of the leader time of the distinguished Republican leader.

Mr. President, I now yield the floor.

The PRESIDENT pro tempore. Without objection, the time of the two leaders will be reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein.

The PRESIDENT pro tempore. The Senator from Georgia [Mr. NUNN] is recognized.

SUPPORTING OUR MEN AND WOMEN IN UNIFORM

Mr. NUNN. Mr. President, yesterday I spoke about the contributions our men and women in uniform and their families have made in winning the cold war, both in actual combat and in their day-to-day jobs worldwide.

Today, I want to recall for my colleagues the investments we have made in supporting our military personnel and their families over the last 40 years.

Mr. President, the Constitution vests the Congress with the power to raise and support our Armed Forces and our militia. I think it is fair to say that throughout the period of the cold war, the Congress has fulfilled this very important constitutional responsibility. No other military force has been as well equipped, as well trained, as well provided for, and as combat ready as the Armed Forces of the United States over the last 40 years.

From the Korean war until today, the United States has maintained the largest peacetime military force in our history. During this period 23 million Americans have served in uniform, and our military has changed from one raised under a policy of conscription, as we call it, to a force that today is composed entirely of volunteers.

From the Korean war until 1973, the United States relied on a combination of volunteers and draftees to meet our military personnel requirements. Under conscription, the military services maintained a youthful, first-term force built around a relatively small core of career personnel. That has changed dramatically. In 1969, however, largely as a result of the social and political pressures growing out of the Vietnam war, President Nixon organized a panel to develop a plan to eliminate conscription and move to an all-volunteer military force. The draft ended in June 1973, and today's all-volunteer force was born.

Before the cold war, the pay and benefits for military personnel were based on the principle that adequate compensation, in pay or in kind, should be provided to clothe, house, and feed our military personnel. Consistent with this principle, Congress provided a military pay and benefits package that included three components. The first component consisted of basic pay, a nontaxable basic allowance for quarters if Government housing was not provided, and a nontaxable basic allowance for subsistence if food was not provided. Aside from a few hazardous duty and foreign duty pays, this is what military personnel received in their pay checks. Congress supplemented this first component of cash pay with leave and discount shopping benefits in military exchanges and commissaries. And finally, Congress provided a third component of postservice compensation in the form of retirement pay and veteran's benefits.

In the 1950's and 1960's before the transition to an all-volunteer force, Congress made modest improvements to military pay by providing cost-of-living pay raises, adding new incentive pays, and for the first time authorizing guaranteed medical care for the dependents of military personnel and for military retirees under the civilian health and medical system of the uniformed services, and that was in 1966. Mr. President, compared to the compensation and benefits Congress provides our men and women in uniform today, the pay and benefits in the 1950's and 1960's was austere, but it was adequate to support a military force under conscription.

The decision to shift to an all-volunteer military force in 1973 meant that the military services would be competing for recruits in the civilian labor market. To make this shift successful, in 1971 Congress increased the basic pay and allowances of military personnel by 14.2 percent, and authorized substantial enlistment and reenlistment bonuses for enlisted personnel. Congress then followed up with authority for targeted incentive pays for specialized skills to help the military attract and retain aviators, nuclear qualified personnel, and military doctors and dentists. These increases in military compensation made military pay more comparable to private sector pay, particularly for first-term military personnel, so that the military services could attract and retain enough qualified volunteers to fill the ranks.

By the late 1970's, 6 years after the end of the draft, the All Volunteer Force was in very considerable difficulty. The Pentagon had underestimated the difficulty in manning the military services with volunteers. Rather than trying to make the necessary changes, the Defense Department consistently put the best face on an All Volunteer Force that was not meeting minimum quality standards. Military pay had also dropped almost 8-percent below comparable private sector pay. By 1979, the Defense Department was not recruiting and retaining sufficient numbers of qualified personnel to man the military services. All of the services missed their recruiting goals, and in 1980 almost half (45 percent), of all recruits in the Army did not have a high school diploma. The morale of the military was going down very substantially. It was clear that heroic measures were needed to save a dying patient.

I remember that period very well because I was the chairman of the Manpower Subcommittee of the Armed Services Committee. I began working on this problem with Senator WARNER. We found serious problems in military pay and benefits. Although there had been large pay increases at the beginning of the All Volunteer Force in late 1971, subsequent pay increases for military personnel did not keep up with pay increases in the private sector or with inflation. This situation was compounded by a similar, growing gap between military housing allowances and the cost of housing in certain areas of the country. We also found that certain incentive pays, such as sea pay, submarine duty pay and pay for military doctors and dentists, were out of phase with the private sector.

As a result of our review, Senator WARNER and I introduced comprehensive legislation in 1979 to address the deficiencies in the military compensation system. This legislation resulted in an immediate increase in military pay and allowances of 12.7 percent during President Carter's administration in 1980. This 12.7-percent increase was followed up by another raise during the first year of President Reagan's administration in 1981 of 14.3 percent. These two raises brought military pay to a level comparable to the salaries and wages paid in the private sector, and went a long way toward restoring the ability of the military services to recruit and retain quality people to serve in uniform.

The Nunn-Warner legislation also established a nontaxable variable housing allowance to take care of the growing gap between the military housing allowance and the actual cost of housing. This variable housing allowance remains one of the largest and most important single increases in benefits for military members and their families since the beginning of the All Volunteer Force. Today this allowance is based on local housing costs and reimburses military personnel living in high cost areas for their out-of-pocket housing expenses.

Finally, this legislation increased the incentive pays for sailors in recognition of the rigors of sea duty, including long periods of family separation and performance at high operational tempo, and for doctors and dentists in recognition of the compensation they could command in the private sector.

In addition to these changes in military compensation, Congress also enacted minimum quality standards for recruits entering the military services. These quality standards helped refocus the Defense Department's recruiting programs away from just filling the ranks and toward attracting high quality young people into the military services.

Congress directed the military services to settle for less people, if necessary, rather than letting the quest for numbers drive down the overall quality of the personnel.

Taken together, these changes in military pay and benefits and the congressional emphasis on recruit quality standards helped breathe life back into the All Volunteer Force. The changes in compensation improved the quality of life for all military members and their families, and coupled with the increased emphasis on personnel quality allowed the Pentagon once again to recruit and retain sufficient numbers of high quality people for the military services.

Another major improvement in military benefits enacted by the Congress was the Montgomery GI bill. The Vietnam-era GI bill was allowed to lapse in 1977. It was replaced by a less attractive, contributory postservice education benefit termed VEAP, the Veteran's Educational Assistance Program. This reduction in postservice education benefits may have contributed to the recruiting problems of the late 1970's. The original VEAP was modified several times by the Congress to increase its attractiveness, but by 1984 it was obvious that it needed to be replaced by a postservice education benefit that would be more effective in attracting high quality recruits. In that year, Congress passed the Montgomery GI bill, a contributory postservice education benefit that has proven to be very effective in attracting high quality recruits.

Mr. President, the results of this commitment to the well-being of our military members and their families should be clear to everyone. Their dedication, their professionalism, and their sacrifices have helped bring about the successful conclusion of the cold war, and most recently the resounding military victory in the Persian Gulf, and countless other victories in our Nation's campaign for peace, freedom, and economic opportunity throughout the world.

Today the competition for the defense dollars is fierce—and it is probably going to get worse in this session—both inside and outside the Department of Defense. As we debate the size of the Defense budget for this year and the future, there is another point that should be clear to everyone: maintaining a quality military force of any size requires a compensation system that is fair and equitable to military members and their families.

In large part, Congress has kept the faith with out military members and their families in the past and we must continue to do so in the future. Both the military members who remain in the service and also those who decide to leave.

I will be making at least two more speeches on this subject, and in the next remarks I will make to the Senate I will discuss the safety net of compensation and benefits that Congress has authorized for military members who will be leaving the services over the next several years as a result of the reduction in the size of our military services.

Mr. President, I think it is important for people to realize that as we debate additional cuts in the defense budget—and we will and should. The threat has changed, there is no doubt about that. The question is how much and how fast we will make these cuts and whether we will retain the kind of quality personnel, equipment, and readiness we need to maintain and preserve peace in the world.

Mr. President, I think we should keep in mind that the track we are on now, before we make any additional cuts, we are going to see about 100,000 military personnel per year go out of the military, and that is a net figure. The turnover each year is normally about 200,000 people. You have to have fresh people coming into the military. The whole military system is based not on going out and hiring people at the sergeant or the major level but having people grow up in the system to become leaders, both officers and enlisted. So the net figure of additional people who are going to be getting out of the military—not because that is their choice but because of the pressure on the defense budget—is going to be an additional 100,000 per year each year for the next several years beyond the normal 200,000 people who would normally be retired or who would voluntarily leave the military.

So we are already going to be releasing more military people for the next several years without any additional defense cuts that are being talked about now. We are going to be releasing more military personnel per year than are being talked about in the much, and I think understandably, concerned automobile industry in America that is having to lay off an awful lot of people.

So I hope we will put this in perspective. There is a downside in terms of the human beings involved unless we handle it carefully, unless we handle it with equity, and unless we help them find meaningful opportunity. But there is also an up side.

I will speak more to this subject in my later remarks this week or next week, but I want to point out this morning that we have an enormous potential pool of well-trained, well-qualified people that are available for other positions both in the public and private sector. These are topnotch people.

I want to see these people that come out of the military gainfully employed not just for their sake, although that is enormously important as I have made clear, but also for the sake of our Nation.

I cannot think of a better use of some of these military people than in education. We are all talking about how we improve education. I do not think there is a single bill we could pass on education this year that would be as important as finding ways to channel qualified military people into key areas of education, like math and science.

I thank the Chair. I will have more remarks on this subject at a later date.

Mr. SIMPSON addressed the Chair.

The PRESIDENT pro tempore. The Senator from Wyoming [Mr. SIMPSON].

Mr. SIMPSON. Mr. President, we now are under the special order. I yield 10 minutes of the allotted 1-hour time to Senator DOMENICI of New Mexico.

Mr. DOMENICI addressed the Chair.

The PRESIDENT pro tempore. How much time is yielded?

Mr. SIMPSON. Ten minutes, Mr. President.

The PRESIDENT pro tempore. The Senator from New Mexico [Mr. DOMENICI] is recognized for 10 minutes.

MILITARY PERSONNEL

Mr. DOMENICI. Mr. President, I thank the minority whip for arranging this session this morning.

Before I talk about the President's proposals for this country, I want to associate my remarks with those of the distinguished Senator from Georgia regarding the military personnel. I truly believe we are ignoring that asset as we, in a rather willy-nilly manner, talk about dramatic cuts in defense. This is a tremendous asset. We ought to think a little bit about how it may be better used in this American system than just start a chopping action, reducing our manpower in the military in a willy-nilly and not a rather orderly manner. I want to associate myself with his remarks.

THE STATE OF THE UNION ADDRESS

Mr. DOMENICI. Mr. President, last night was a very special day in the life of the United States because the President of the United States delivered for us his State of the Union Address. I do not think there is anyone who watched that State of the Union Address who can say today that the President was not forceful, and that he did not make a series of proposals that clearly will help get the American economy going again.

It was my privilege to be there and, obviously, it was my privilege to discuss some of the issues contained in that address before the President made them. I find that this speech that the President made is deserving of Members, Democrat and Republican in this U.S. Senate and in the House; of their attention; it is deserving of their absolute deliberate handling of it so that we can put something in place quickly to begin to move the recession upward so we have economic growth.

Let me start by suggesting to the Members of the Senate that there are many economists who are saying there are already in place a series of stimuli that will cause the American economy to recover. That is hard for a lot of people to understand or believe. But I would just paraphrase.

Dr. Reischauer, who is about as neutral an economist as we have around, is the man that directs the Congressional Budget Office; in a sense selected by the majority, by the Democratic majority to do that job. Within the past 10 days, he has testified before the Budget Committee.

He has suggested, Mr. President, that if we do nothing except stay the course right now, the third quarter of this year should see a growth in the economy of about 3½ percent. In other words, a turn around and a setting on a new path of upward growth of the American economy.

With that GNP growth, soon to be called GDP growth—it is hard for me to get that, but that is the new name—setting that on a growth path means people will begin to go back to work, and businesses large and small will begin to hire.

Having said that, it is incumbent upon us to assure the American people that we are going to do everything possible in the short term to help the recovery of the American economy. The American economy is the source of Americans' material dreams. It is the opportunity arrangement that we have with our people that the economy will grow and they have opportunities to participate. So we ought to focus on it first and not be led astray by cliches or notions of grandeur about how we ought to have the American economy under control.

It seems to me that some will not be happy until there is a long litany of programs that the Congress of the United States adopts directing and handling the American economy. Well let me suggest there is nothing worse for the American success and American dreams fulfilled and for opportunity for the American people, nothing more dangerous than to have Congress managing this recovery.

Some are saying already, and we have not heard the full text of what the majority party is going to say about the President's proposals, but some are already saying there are no new ideas. Some are saying it is not enough. Well, I think those who are saying there are no new ideas are really saying there are no new spending programs. That is what they are saying. No new ideas to those who are critical of the President's proposals means there are no giant American programs that we can spend money on to help with this recession.

The American people are not dumb. They understand that more spending on new programs will add to the deficit and, believe it or not, they understand implicitly that it will not help the American economy or address issues of unemployment for Congress to invent some new spending programs.

Obivously we should extend unemployment compensation. That is a the American way to handle unemployment as best we can while recovery takes place and Americans go back to work. We are going to do that and do it in a bipartisan manner, and let us hope that sets us over in the right track.

The American people are not dumb, Mr. President. They do not want the deficit to get bigger. In fact, in the midst of this recession, almost every poll says the American people say the worst problem we have is the American deficit.

So I submit the President's ideas of stimulating the economy with targeted tax treatment and not letting Government run away with expenditures and, yes, Mr. President, believe it or not for the first time, suggesting that there should be a cap on the entitlement programs, except for Social Security, is a dramatic idea. We should spend some time trying to get that done. For these huge new expenditures are not expenditures in the appropriations bills for domestic spending. They are in the entitlements, and we never have been able to get a handle on them.

He is suggesting that in some way we cap them. I look forward to a discussion with the administration and with the Members on the other side as to how we might do that.

I wanted to make another point. There are many saying that the President of the United States has done nothing about this recession over the past. I want to say that what really happened is that the Congress of the United States did nothing about this recession. Why?

These are the suggestions that the President of the United States made last year, none of which were adopted by the Congress of the United States, and almost every single one is thought by most economists in the United States to be good for American growth.

Here they are: A tax-free family savings account; IRA withdrawals; reduced tax for long-term capital gains; permanent tax credit for R&D; new incentives to create jobs in our inner cities, and lo and behold they were all suggested last year and the Congress did none of them. Having said that, Mr. President, it seems to me that the President is right on in his message.

Real estate. Some look at real estate and think of grandeur and rich people. Real estate and real estate transactions include every home and household in America, because houses are part of the real estate of this country. And the bottom is falling out of that real estate, and the President of the United States in this speech—and the real estate community in America and the homeowners will understand—is suggesting that we have to stabilize that real estate in the United States so that there is no longer a drain on banks, so banks can lend money for commerce.

Those who say he does not have enough in this plan, I would look at those carefully. The three or four major proposals for stabilizing and encouraging new home buying, stabilizing real estate prices, and encouraging new home buying, if those are not good for the American economy and for our people, then I do not know what is.

And he is suggesting that we change how we tax new equipment. He is suggesting that we have a 15-percent upfront deduction allowance for new equipment that you want to buy, if you are in business and put in place for growth. That is in lieu of the investment tax credit. I believe it will be a good stimulus and we ought to do it, and we ought to do it quickly.

The capital gains differential, we heard about all we should hear about it. It is not a tax benefit for the rich. It is what America needs to catch up and get even with our adversaries in the community of free nations that are in competition with each other. None of our big competitors in the world markets tax capital gains as we do. They have a major differential which encourages people to invest more, to invest more in plant and equipment and in business. They are doing it. We are not.

We should change the Tax Code of the United States to begin to catch up with them. Some say we should catch up with Japan. Yes, we should catch up with Japan by doing what they do regarding the investment of capital in their economy. There is no doubt that savings and investments are the foundation of a capitalist society, and we are doing poorly on both sides of that; and in both of those efforts by our people, we should fix that, and the President's suggestion is at least a good step in that direction.

Mr. President, there are many other things to say. With the whip's permission, I ask him to yield 1 minute and I will be through.

Mr. SIMPSON. I yield an additional 1 minute.

The PRESIDENT pro tempore. The Senator from New Mexico is recognized for an additional minute.

Mr. DOMENICI. Mr. President, I will wrap this up by saying that I truly believe we ought to give the President what he has asked for. We ought to do it in a timely manner with reference to stimulating this economy, because to wait beyond that and to complicate the issue is to do nothing.

I think the majority party has a lot to think about. If they want to delay this and dally around and come up with their own ideas, they better be good ones, and they better measure up against the basic attitudes and credentials of the President of the United States' suggestion. I would not like to be in their shoes with an American economy that is floundering, and they are suggesting we should wait, and that we should not do what the President asks that we do on behalf of the people in this country.

I yield the floor.

Mr. SIMPSON. I thank the Senator from New Mexico. I yield 3 minutes to the senior Senator from South Carolina.

The PRESIDENT pro tempore. The Senator from South Carolina [Mr. THURMOND] is recognized for 3 minutes.

PRESIDENT BUSH'S STATE OF THE UNION ADDRESS

Mr. THURMOND. Mr. President, I want to thank our assistant Republican leader for arranging this time to speak on the President's State of the Union Message. I also want to commend the able Senator from New Mexico for the remarks he just made on this subject.

Mr. President, last night, President Bush delivered a strong, substantive State of the Union Message to the Nation in which he unveiled a bold program to put America on the road to a brighter future.

The President set forth a comprehensive budget plan, which included an aggressive program for economic recovery. I am especially pleased that he proposed initiatives to help relieve the tax burden on families, encourage investment and home ownership, and provide for improved healthcare for all Americans.

The economic plan he outlined is a two-pronged approach, focusing on both short-term relief and long-term development. These proposals build on actions he has already taken to help boost the economy, including lowering of interest rates and accelerating federal spending, both of which should yield results in the near future.

As part of his long-term plan, the President spoke forcefully on the need for the Presidential power of line-item veto, a power which I had as Governor of South Carolina, and which 43 other Governors currently possess. Line-item veto is one of the most valuable tools for pruning out-of-control Government spending, and there is no reason we should hesitate to provide our Nation's Chief Executive with this authority.

In addition to his economic proposals, the President called for a crackdown on the Nation's burgeoning crime problem, and asked the Congress to pass his tough anticrime package. I introduced this measure in the last session of this Congress, and shall continue to fight for its passage. The American people deserve to walk the streets without fear, and the only way to reach that goal is to implement this strong proposal.

Although we all know there is no quick-fix for many problems which face our Nation, the President has proposed a solid, practical agenda to deal with many of our most pressing issues. He has suggested a plan to help this country get back on its feet economically, and stay there, and he has challenged the Congress to pass his short-term growth proposals by March 20. We can meet that deadline if we work together.

Mr. President, the ball is now in our court, the court of the Congress. If those of us in the Congress are serious about wanting the best for our Nation, we will stop trying to assign blame for these hard economic times and take action upon the President's plan without delay. I pledge to do all I can to see that the President's plan is implemented, and I urge my colleagues on both sides of the aisle to do the same.

Mr. President, in his message last night the President did not mention the constitutional amendment to mandate a balanced budget. I feel this is essential. In talking with the President today, he stated that he did not mention that, but he strongly favors it. He said he favored it in the past and he favors it now.

During the 1980's, we passed such a constitutional amendment through the Senate and sent it to the House. The House of Representatives turned it down. Their leaders in the House at that time, the Speaker and the majority leader, got up and led the movement to kill that constitutional amendment to balance the budget, a mandated balanced budget. We should pass this constitutional amendment.

I do not know of any other way we can force the Congress to curtail spending. For 30 years, the Congress has spent more than it has taken in. Only one time in 30 years have we balanced the budget. The Congress has to be forced to balance the budget.

The only way I know to make the Congress do it is a constitutional amendment to mandate a balanced budget. Additionally, giving the President the power of the single line-item veto would help to balance the budget.

Some say the President would veto projects sought by Members who are not in his party. That would be unwise. Whoever the President is, regardless of party, I think we ought to have that single-item veto. This balanced budget constitutional amendment and single-item veto, in my judgment, would do more than anything else to keep this budget balanced. I would hope that soon we could take up this constitutional amendment to balance the budget.

Senator SIMON and I have worked on it this Congress. I have worked on this matter for 25 years. We have brought it to the floor and it is now on the calendar.

The majority leader has failed to bring it up. We have been after him to bring it up. Unless he brings it up right away, we may offer it as amendment to legislation on the floor in order to get action.

We should pass this constitutional amendment—which mandates a balanced budget—and send it on to the House and give them another shot at it. I have a feeling that now, under the strenuous circumstances in which we are in today, the House may consider it favorably. I wish to thank the assistant minority leader.

Mr. SIMPSON. Mr. President, I thank our senior colleague from South Carolina who is indeed one of the most revered and splendid Members of this Chamber. We thank him for his great interest in this issue. As a chief executive of a State in the past, we should heed his good counsel.

The PRESIDENT pro tempore. The Senator from Wyoming is recognized for such time as he may require, with the time under his control.

Mr. SIMPSON. I thank the Chair.

Mr. President, like the rest of my colleagues, I had the distinct honor and privilege of listening to the President in his State of the Union Address last night, as most all of us did.

There has been a perception I think pressed upon America this year that the President rendered his State of the Union Address at a time of grave crisis; that these are perilous times and that we are greatly in need of bold national leadership. It seems to me that that essence was slightly exaggerated and from where it sprung is not necessary to assess.

But if that is the case, then we are, indeed, fortunate to have George Bush sitting in the White House. Crisis, trial, danger, tribulation—nothing new to this man. He has faced down all forms of crisis of equal and much greater magnitude in the past.

When the American people expect the most of George Bush, he always has delivered the best. That is the way he is—always has been. From being shot down during combat during the Second World War, losing an infant child to cancer at a time of his early marriage; being called every name in the book throughout an entire period of public life; and things of greater and lesser magnitude, George Bush has been unwavering. He is unflappable. He is a leader. He proved that again and again and again to all of us.

He has led a distinguished and inspiring life in the service of his country in so many different capacities—a Member of the House of Representatives, Ambassador to People's Republic of China, Director of the CIA, Vice President of the United States, President of the United States, always inspiring in the past through today.

And so I say that George Bush is now embarked upon the most rambunctious and difficult period of his life, and that is the next few months until the election in November. He knows that. We know that. The Democrats know that. The Republicans know that. That is what is ahead. And he does not shirk from that at all. He loves the spirit of combat. He gives as good as he gets. And he will do that again.

And in July, the other party will select their nominee for President, and their nominee for Vice President. And then the battle will be joined and the private lives of those people will be spread upon the pages for weeks on end. And it will be remarkable in the years to come if we can get anyone to run for President or Vice President of the United States of America with what is happening today with regard to this obsessive and almost overweening and ghoulish and macabre and dizzying prying into their personal lives which, in my mind, have not much to do with their abilities if those things have not been too closely equated with the present time.

I need not remind my colleagues that 1 year ago at this time, the shadow of war hung over this country. Saddam Hussein of Iraq had swallowed whole the small nation of Kuwait, unleashing unspeakable brutalities upon that country, and moreover had imperiled our country's energy lifeline. Those times cried out for intelligent, creative, and most importantly—courageous leadership. And our President saw us through those perilous waters.

Though some tried to portray it as otherwise, it was not a crisis of the President's making. The conflicts which gave rise to the aggression against Kuwait long predated the Bush Presidency. Yet, we turned to the President and said—you lead. You do it. Many here didn't want any part of it—and he did.

The situation today is very similar. From what I have read and heard during the last few weeks, one would think that George Bush had been voting on congressional budgets for the last dozen years. As the chairman of the appropriations committee pointed out last week, in all of his distinguished tenure here in the Senate, no Presidential budget had passed the Congress: "In the final analysis, it is the Appropriations Committees and the Budget Committees and the congressional leadership that make the decisions." We know that to be so.

There has been enough recrimination and accusation about that situation—however, one thing is clear. Everyone has now turned—including everyone who is responsible for that deficit—and said get us out of this, Mr. President. You do it. Not us—you must lead us. Tell us what you plan to do.

Our President demonstrated last night that he is prepared to do exactly that. He will lead, as he has always done. However, there is an element present that was lacking in many of the tasks our President carried out in war. Whereas in war, the President has the sole authority to command—in economic matters, the Congress must respond. We in this Chamber must pass the legislation which will effect the President's program.

And that, Mr. President, is the challenge before this body. The President has indicated that the time is here for congressional action—he has called upon us to pass his program by March 20.

Now we will find out if the Congress shares the President's determination to take the necessary action.

Our President has taken a clear look at this Nation's economic predicament, and he has correctly diagnosed our problems. They must be addressed on two fronts—we must enact measures which will increase this country's long-term economic growth—and we must give the average American some immediate form of financial relief.

All too often, those aims run counter to one another. Short-term relief, particularly if it exacerbates the deficit, only means long-term misery. It is to the President's credit that he has proposed a plan which succeeds in meeting both objectives.

There is now a program before this Congress which would mean tax relief for millions or Americans, and an important stimulus—a long-term growth stimulus, not a short-term jump—to the economy.

This program would provide relief to homebuyers. I need not tell my colleagues of the large role of a depressed real-estate market in the current recession. Under this plan, buyers of their first home would receive an income tax credit of 10 percent of the purchase price. They could also make a penalty-free withdrawal from their individual retirement account of up to $10,000. This means crucial help for Americans as they work to secure their most important real asset—and relief for a sagging real estate market.

This program would provide incentives to save and invest. It would create a new flexible individual retirement account which could be withdrawn penalty-free if held for 7 years. That is long-term investment which we need to create capital. The plan would make permanent the tax credit for research and experimentation—that important engine of national productivity. The plan would reduce the capital gains tax rate to 15 percent—putting an end to America's losing position in the competition to attract the world's capital.

It is high time that the capital gains tax reduction ceased to be a controversy. Let us tell the American public the truth—as stated by President John F. Kennedy—"The tax on capital gains directly affects * * * the ease or difficulty experienced by new ventures in obtaining capital, and thereby the strength and potential for growth of the economy."

As our Nation saves and invests, so will capital be formed, and so will our economy grow. Without a spur for savings and investment, little else this Congress can do for the economy will matter. For too long our economic incentives have been to borrow and to spend, and not to invest—and we are facing the consequences of that. This problem must be addressed—by reducing capital gains taxes, by sweetening IRA's and other investment vehicles, by making it easier to invest in research, to buy a home—we must, in this Congress, attack this problem on every front.

It is my hope that this Congress will, as the President has done, prove equal to the task at hand. The President has urged us to enact not only a budget and tax program, but to pass other legislation which will add strength to our Nation—to pass a tough and effective crime bill, to complete action on education legislation, and to provide extended unemployment benefits for those in need.

I also wish to note that whether or not this Congress delivers, the President will do everything possible under executive power to strengthen our country's economy. He has already announced that he will continue the effort to eliminate foreign trade barriers, that he will accelerate Federal spending wherever possible, and that he will continue to alleviate the credit crunch by adding to the money supply.

He is going to do all that he can—will we? That's the question that I ask. I am an optimist. I believe that we can—and I believe that we will. The great body politic will stand for no less.

We are, after all, the servants of the public. If we conduct ourselves in the months to come as if we have forgotten that, I am certain the electorate will remind us in November. We have told the public that the time has come for action—so now we must act.

I thank my colleagues and I yield the floor.

Let me, Mr. President, yield 5 minutes to the Senator from California, that much of my time under my control.

The PRESIDENT pro tempore. The Senator from California [Mr. SEYMOUR] is recognized for 5 minutes.

Mr. SEYMOUR. Thank you, Mr. President.

A CHALLENGE TO ACT

Mr. PRESSLER. Mr. President, I rise this morning to speak of challenge. In the State of the Union Address to the American people last night, President Bush expressed a similar theme. He challenged all Federal agencies to intensely and completely review all regulations and to eliminate those which stifle economic growth. He challenged President Yeltsin to continue the process begun by President Gorbachev and work with the United States to further reduce our two countries' nuclear arsenals. He challenged Americans to rethink and reform old views regarding education, health care, welfare, housing, employment, and the legal system.

Finally, and most important, Mr. President, President Bush challenged the U.S. Congress. He challenged you and he challenged me. He said it all when he told us that, "far more important than my political future and far more important than yours, is the well-being of our country."

I could not agree more. I accept the challenge and urge each of my colleagues to do the same.

President Bush offered a plan and he challenged us to act on that plan by a date certain, March 20, 1992. Let us demonstrate to the American people that Congress is up to that challenge.

I have just come from a meeting with President Bush and other Republican Senators here in the Capitol, in which the President discussed details of his plan. I am sure he plans a similar meeting with Democratic Senators. I think he has presented an excellent starting point. The burden is now on Congress to act by March 20. If we do not adopt his plan, we should have another plan finished by March 20, but we should vote up or down on these matters and get them into law by March 20. This is vital in our efforts to help our country recover.

Far too long, Members of Congress have chosen reaction over action. Far too long, Congress has searched harder for someone to blame than for practical, workable solutions to the problems of this Nation. The American people are now suffering the consequences of that inaction.

The U.S. Congress, as an institution, is not making decisions as it should. Our huge Federal debt, I believe, is largely the fault of Congress. We must take responsibility in this body. We must take a portion of the blame for the huge Federal debt. This Congress does not make decisions effectively. Not only does it no longer function as the Founding Fathers intended, in some instances it no longer functions, period.

But it does not have to be that way. The solution is not that difficult to understand, but it seems almost impossible to achieve. Enough of the rhetoric, enough of the partisan politics, enough of business as usual. We can no longer afford the luxury, not even in an election year.

Quite simply, Mr. President, it is time for Congress to act decisively. Let me repeat that word, because it is none that has been lost in these Halls too long: "Decisively." We must act and we should do it by March 20. I think that date certain, set by the President, is a very healthy thing.

This is the challenge, to act decisively. We must act to help the middle class. We must act to help the farmer, the rancher, the home buyer, the family, the working man.

We must act to create new investments and jobs, and to restore our country's vitality. And, above all, we must act to reduce the paralyzing national debt.

Mr. President, as the result of the wisdom of the American people, we have a Republican President and a Democratic Congress. I know there is much partisanship. But I think the time has come for us to work together between now and March 20, in a nonpartisan way, to develop a recession-fighting package. The President has given us a plan to create jobs and to stimulate the economy. There are sections in it involving real estate and passive gains and losses; there are sections involving changes in the capital gains tax designed to stimulate the creation of jobs. If this Congress chooses to adjust, or make changes in some of these proposals, fine. But let us act on them by the end of March, allow the President to sign them into law and have them on the books by the first of April. I believe the American people will be very disappointed if we do not.

President Bush has done his job. He has made the proposals. Now it is up to the Congress to accept them or reject them. But let us not dawdle along for months. The President made the point last night that he has had a crime control bill in the Halls of Congress for several years. I have supported the President's crime bill. But it has not passed. The streets of Washington, DC, are a reflection of that.

The inability of our institutions to make decisions is hurting our country. Certainly, Congress is a prime example. I say this as a Member of Congress and a critic of Congress. I am a critic of the way we make decisions here. We need to improve this process substantially and set a better example for the rest of the American people.

I believe President Bush worked terribly hard on his proposals and his message. I looked at him this morning and I saw a man who is doing everything he can for his country in these difficult times. Now it is up to Congress, to those of us here, to act.

We have the opportunity to set an example for other institutions in this Nation. Institutions which, like Congress, no longer seem capable of making decisions. I believe that these institutional failures have not only led us into this recession, but may have permanently lowered our standard of living. I have already mentioned the inability of Congress to make decisions the way it should. Congress is not alone. Many of our corporate executives are abusing the system by taking salaries that are much too high, much higher than their Japanese counterparts. Boards of directors and corporate presidents have often formed cozy relationships that set a very bad example for working people who are being asked to cut back.

I also feel that our local school boards and some of our other local institutions are not facing up to some of the problems we face in education.

Indeed, all institutions in American society, must do better, from Congress to corporate presidents to labor to local institutions. History tells us that sometimes it takes a war or a depression to bring people together in a common fight against a shared problem. Let's not wait for such an occurrence. I think the President's speech last night can be the start of bringing us together to fight this recession.

Mr. President, I hope this Congress acts by March 20. As one Member of the Senate, I am prepared to act in a bipartisan manner. We will have to make some compromises, but I think our President has done an excellent job of laying out a blueprint.

Mr. President, I yield the floor.

A MESSAGE OF HOPE AND OPTIMISM

Mr. SEYMOUR. Mr. President, last night's State of the Union Message was a message of hope and a message of optimism. I know there are those that say it was too little too late, that it is not good enough.

But I thought there were two components that were extraordinarily important. I would like to underscore them, Mr. President, so that Members of this body and Members of Congress will remember them when the debate begins and we attempt to truly reach a bipartisan solution. Those two points that I would underscore were: No. 1, no new taxes; No. 2, it does not break the budget agreement.

As this debate proceeds, I am going to stand and cheer for other ideas, new ideas, that we can enact to give our economy a badly needed kick in the pants and to help the people of California—7.7 percent of them being unemployed; those who are fearful of losing their jobs—so that their needs can truly be addressed.

So I will be standing and cheering. But the yardstick has to be no new taxes and no break in the Federal budget agreement.

Beyond that, Mr. President, I would like to bring into focus something extraordinarily important, historic, I think, in precedents being set in the President's speech as he talked about the need to assist the housing and real estate economy.

Real estate, to most people, they say, "Oh, that is something that only the rich benefit from. It must be large developers. It is not the little person."

I think we need to understand, Mr. President, the importance of what was spoken about last night regarding ideas and programs to help the real estate economy, and to promote home ownership.

First of all, we need to understand, Mr. President, that real estate represents 20 percent of our Nation's GNP. And, second, and probably more important than that, Mr. President, we need to recognize and understand that if we take the balance sheet, the assets and the liabilities and the net worth of our Nation, two-thirds of our assets are in real estate and most commonly, most commonly for the average American, those assets are in their home.

This is one of the things that I always hear when I go back home to California. Those people are really afraid. They are scared because their single greatest asset is the equity in their home and they have seen real estates values flatten and decline. And they wonder whether or not their financial security for retirement, their nest egg, is going to be there when they need it.

So those components of last evening's message from the President that deal with real estate and particularly housing were truly good news—not just for Californians but for all Americans.

No. 1, a reduction in capital gain tax rate. I know there are those that say, "Well, that is a tax break for the rich." But recall what the President said in his message, and he was right. Over half of the people that will benefit from a reduction in the capital gain tax are people that earn $50,000 a year or less. They are small business owners, they are homeowners waiting to unlock their capital and put that capital to work somewhere else. And so a capital gain tax reduction is critical.

No. 2, for first-time home buyers, the President's budget is a home buyer's dream. Interest rates are at an all-time low. The President's proposal to give a $5,000 tax credit for the first-time home buyer will help many realize the American dream of homeownership. And the super IRA legislation that will permit up to a $10,000 penalty-free withdrawal from an IRA account to be used to help purchase a first home will further promote this American dream and boost our economy. And, yes, a partial repeal of the 1986 Tax Reform Act is needed.

The RTC is getting such a large inventory of properties that they will end up being the largest, single property owner in the country if we continue the trend of closing banks, taking their assets in real estate, and giving it to RTC.

So the repeal of the passive loss provisions of the 1986 Tax Reform Act will help stop the bleeding, will help stop banks' doors from being closed, stop the inventory growth of the RTC, and make those assets—which are currently tied up—start working for America again.

Of course, it was good news to hear the President say he is going to aggressively pursue pension funds as to their investment in real estate. You see, Mr. President, over the next couple of years, 400 billion dollars' worth of what is called mini-perm loans, short-term loans, are going to come due and the banks are not rewriting them. If something is not done, that is $400 billion of potential foreclosure. Two-thirds of the assets of this country are too important to let them go down the drain.

Pension funds now control over $1.9 trillion in investment capital. If we can encourage some of those pension funds to be invested into mortgages and the real estate economy we will be strengthening the balance sheet of this country.

Finally, Mr. President, I touch on the fact that the President called for an extension of the low-income housing tax credit and mortgage revenue bond programs. These are programs that have been proven to help those who are at the very lowest rung of our economic ladder get a piece of the American dream. We need to make them permanent.

All in all, Mr. President, I look forward to working in a bipartisan fashion for a quick passage of the economic growth package the President outlined last evening. He has sent us the necessary blueprint to enact economic stimulation. Let's get to work to help this Nation's economy get moving again.

Mr. President, I yield the floor.

Mr. SIMPSON. Mr. President, I yield 7 minutes of the controlled time to the Senator from Alaska [Mr. MURKOWSKI].

The PRESIDENT pro tempore. The Senator from Alaska [Mr. MURKOWSKI] is recognized for 7 minutes.

THE PRESIDENT'S CALL FOR A NATIONAL ENERGY STRATEGY

Mr. MURKOWSKI. Mr. President, I thank the Chair and my distinguished colleague from Wyoming.

Let me, first of all, share with you the vision of our President in his address to the Nation last night. I think the President outlined his vision for America and challenged Congress to work with him to address the needs of working men and women.

The President advanced bold initiatives, broad initiatives, covering education, a tough crime package, health care, banking reform, and many, many others. Today I would like to comment on the President's notation with regard to the necessity of Congress enacting a national energy strategy.

We are all aware of the action taken by this body in a filibuster where the U.S. Senate has gone on record as not choosing to debate the merits of an energy policy for this Nation. Yet all of us would agree that it is necessary, it is mandatory, it is vital that this country have an energy policy.

Enactment of a national energy strategy is, and continues to be, a top priority of our President for two very simple reasons. The energy security of this Nation and the long-term stability of our economy.

Mr. President, we are told that last year some 500,000 Americans lost their jobs. Many of these jobs are effectively being exported overseas. Our OPEC dollars that go for oil are exporting U.S. jobs overseas, in the sense that we could develop oil reserves domestically.

Mr. President, recession has gripped our Nation. The trade deficit is $100 billion a year.

I would like to take a few moments to suggest a very simple, a very meaningful step toward addressing our Nation's economic problem. The step is the cornerstone of the President's national energy strategy. That is opening up the Arctic National Wildlife Refuge to oil and gas leasing. Developing the coastal plain of ANWR would create a substantial economic impact in the United States.

Let us look at the jobs issue, Mr. President. Consider the merits of what could potentially be one of the largest single job projects in the United States, the exploration and development of the coastal plain of ANWR.

The Wharton Econometric Forecasting Associates studied the economic impact of developing ANWR and projected that by the year 2005 development could create 755,000 new jobs in this country. These are jobs spread through every State in the Nation—80,000 in California alone, 60,000 in Texas, 34,000 in Florida, even 2,000 in tiny Delaware.

Mr. President, I ask unanimous consent that the specifics outlining the details for the various States be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MURKOWSKI. Mr. President, these are real jobs, jobs for American men and women, unemployed workers looking for jobs—not handouts—jobs like engineers, welders, truckers, manufacturers, steelworkers, construction workers of all types. That is why labor supports opening ANWR. That is why the National Association of Manufacturers, the American Mining Congress, the Associated Builders and Contractors, the National Grange, and the U.S. Chamber of Commerce all support opening ANWR.

Mr. President, I ask unanimous consent a letter by the AFL-CIO, and the other unions be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

Mr. MURKOWSKI. The economy. We talk about jump starting the economy.

But what have we done? Late last session, this body killed, as I indicated, a bipartisan energy bill which included opening the coastal plain of ANWR to oil and gas exploration and development. The benefits we lost by that action need to be identified, Mr. President. The entire national energy strategy would have had economic benefits to the Nation of over $500 billion.

The Wharton study projected that ANWR development alone would boost the U.S. gross national product by $50.4 billion. ANWR development would provide billions of dollars in taxes and royalties to Federal and State governments each year. These are real dollars.

Some may ask what is the proof of these numbers. Are they real? Well, we have some proof. Prudhoe Bay has been producing 20 to 25 percent of the total crude oil produced in this country for the last 10 years. Since 1977, Alaska North Slope oil companies have made direct purchases of supplies and services from every State totaling in excess of $47 billion. The total contribution to the U.S. economy to date from the existing Prudhoe Bay oil development is $300 billion. ANWR development, could be similar in that magnitude.

Unlike other proposals to stimulate the economy, the huge boost resulting from ANWR development can be realized without costing the U.S. Government one red cent. In fact, lease sales, bonus bids, and royalties will actually raise billions for the Federal Treasury.

American dependence on imported oil is once again over 50 percent. We are sending our dollars overseas. They are OPEC dollars. We are sending our jobs overseas. In 1990, our Nation spent $54.7 billion on imported oil. That is more than half of our total trade deficit for imported oil.

It is more than we spent on all Japanese goods. I hear cries of alarm about the import of Japanese cars.

Mr. President, imported oil expenditures are more than two times what we spend on imported Japanese automobiles. How could ANWR development affect the balance of trade? One hundred and eighty billion dollars would not be sent overseas. Imagine what $180 billion would do to the U.S. economy. On the other hand, imagine what $180 billion would be used for in oil-exporting countries like Iraq and Iran.

With ANWR development, oil imports would stay below 50 percent of U.S. consumption. Without ANWR, oil imports could be as high as 70 percent in the year 2010.

Mr. President, without new domestic areas of potential oil discovery available for exploration, the petroleum industry will increasingly spend their exploration and development budgets in foreign countries. Unfortunately, this is already happening. Domestic oil production and capital investment are already declining. Some in Congress suggest we help the Soviets get their oil industry back on line. Charity begins at home, Mr. President. We should help get our own domestic oil industry stimulated, providing jobs in this country.

So in closing, let me ask, why did this body refuse to consider a national energy policy? Why did this body refuse to consider opening the coastal plain of ANWR? Because self-serving elitists want to reserve ANWR as their exclusive playground: 154 affluent visitors per year outweighed 755,000 jobs; 154 visitors per year outweighed $50.4 billion in GNP; 154 affluent visitors outweighed $180 billion to be spent in America.

Mr. President, I think this is a disgrace. Who do Members of this body represent? The hardworking men and women of America or the affluent few—and I mean few—rich enough to afford a $5,000 trip to the coastal plain?

The people of Alaska stand ready to do our part to get our national economy moving again. Working men and women in every State of the Nation need our help. We must make the tough decisions for the vast majority of Americans. The President has outlined his plan for enacting a meaningful national energy strategy. The American people demand action on this plan by Congress.

And for those in the environmental community who do not think we have the ability of opening up ANWR safely, I say advanced American technology and science to do the job safely is greater now than ever before. We can meet the challenge, Mr. President. Just give us a chance.

I thank the Chair. I thank my colleague from Wyoming.

I yield the floor.

EXHIBIT 1.—*States ranked by jobs created by opening the Coastal Plain of Alaska's North Slope*

State:	*Jobs created by opening Coastal Plain*[1]
California	80,000
Texas	60,000
New York	48,000
Alaska	38,300
Pennsylvania	34,300
Florida	34,000
Illinois	33,000
Ohio	31,900
Michigan	25,000
New Jersey	22,000
Massachusetts	20,000
North Carolina	19,300
Virginia	19,000
Georgia	18,000
Indiana	15,500
Louisiana	14,800
Missouri	14,100
Maryland	14,000
Wisconsin	14,000
Minnesota	13,400
Tennessee	13,000
Kentucky	12,200
Washington	12,000
Oklahoma	11,300
Connecticut	11,000
Alabama	10,000
Arizona	10,000
Colorado	10,000
South Carolina	9,400
Kansas	7,100
Oregon	7,000
West Virginia	7,000
Iowa	6,600
Mississippi	6,000
Arkansas	5,500
New Mexico	5,000
Nevada	5,000
Utah	4,600
Nebraska	4,000
New Hamsphire	4,000
Maine	3,400
Rhode Island	3,000
Wyoming	3,000
Hawaii	2,700
District of Columbia	2,500
Idaho	2,400
Montana	2,100
Delaware	2,000
North Dakota	1,800
South Dakota	1,800
Vermont	1,700
Total	755,700

[1] Job numbers come from a study prepared in May 1990 by Wharton Econometrics Forecasting Associates entitled "The Economic Impact of ANWAR Development." The Wharton study is based upon the Department of the Interior's high estimate of 9.2 billion barrels of oil being produced on the Coastal Plain area of the Arctic National Wildlife Refuge.

BP/ARCO North Slope expenditures by State (1980 through June 1991)

	Millions
Alaska	4,904.3
Washington	1,350.9
Oregon	209.0
California	3,006.7
Idaho	85.8
Nevada	9.7
Montana	3.7
Wyoming	15.7
Utah	157.0
Arizona	9.7
North Dakota	9.9
South Dakota	1.2
Nebraska	75.8
Colorado	291.6
New Mexico	40.5
Minnesota	81.0
Iowa	39.3
Kansas	85.6
Oklahoma	517.4
Texas	6,747.6
Wisconsin	186.9
Illinois	217.6
Missouri	89.9
Arkansas	53.9
Louisiana	172.2
Michigan	84.7
Indiana	51.1
Ohio	98.4
Kentucky	13.9
Tennessee	5.9
Mississippi	2.4
Alabama	6.9
Florida	30.6
Georgia	105.0
South Carolina	44.0
North Carolina	47.8
Virginia	5.2
West Virginia	2.0
Pennsylvania	1,594.5
New York	679.6
Vermont	1.6
New Hampshire	6.0
Maine	6.1
Massachusetts	59.9
Rhode Island	7.0
Connecticut	24.9
New Jersey	61.3
Delaware	120.6
District of Columbia	10.4
Maryland	33.5
Hawaii	4.6

These dollar figures include $10.5 billion spent during the period 1980–1986 by BP Exploration, ARCO, and Conoco and 10.9 billion spent by BP Exploration and ARCO from 1987 to mid-1991.

They exclude all taxes and royalties, foreign purchases, and payments that could not be allocated to a single state. They also exclude all pre-1980 oil development expenditures.

EXHIBIT 2

BUILDING AND CONSTRUCTION TRADES DEPARTMENT,
Washington, DC, November 1, 1991.

Dear SENATOR: We, the undersigned unions, urge your support for Title VII of S.1220, the National Energy Security Act, which permits exploration and development of the Arctic National Wildlife Refuge.

Recent events serve as a stark reminder of the economic exposure that America faces in its burgeoning dependency on imported oil. This energy issue is not new to the Nation's policymakers. It has been dealt with since the OPEC oil embargoes of the 1970's, when American economic growth suffered from wrenching international energy disruptions that were felt for years. Confronted by significant fuel shortages, Congress wisely permitted opening up Alaska's North Slope for energy development to restore marketplace equilibrium.

Prudhoe Bay development and the construction of the Trans-Alaska Pipeline have proven immensely beneficial to the Nation. These fields now represent 25 percent of domestic production. Both facilities were built by skilled American working men and women under a project labor agreement. At the time, the Pipeline was the largest construction project ever undertaken. Today, with more technologically-advanced production procedures available and the application of a similar project agreement covering all construction work, conditions are in place for maintenance of ANWR'S environmental integrity.

As the yields at Prudhoe Bay decline in the near future, our country needs a new, major source as only ANWR can provide. From both political and national security standpoints, we can reduce our reliance for our energy lifeblood on countries in unstable regions of the world, which are free to turn off production to satisfy their own political or economic interests.

The benefits of ANWR development, however, go far beyond merely serving as a counterbalancing mechanism to be utilized in maintaining reasonableness in the international energy marketplace. Title VII is especially important because it creates economic benefits in all fifty states at no cost to the Federal government. Its enactment would provide significant benefits as well to the Nation, to consumers, and to America's working people. Workers from nearly every facet of the American economy would be called upon to support the drilling, construction, transportation and industrial activities directly associated with ANWR development. Job creation projection estimates range between 235,000 and 735,000 depending on the volume of recoverable energy deposits.

Federal revenue receipt increases are also generated. Bonus bid lease sales covering less than one-half of the Coastal Plain's acreage would bring in $3.1 billion for the Federal Treasury. An additional $35 billion in new Federal revenues from bonus bids, royalty, rental and corporate income taxes will be generated over the life of the field. Huge savings will be manifest in our international balance of payments through reductions in our energy imports.

National security improvements are significant. ANWR development will provide opportunities for maritime industry segments that were critical to providing strategic sealift to the Middle East during Operation Desert Shield/Storm. A fleet of nearly 50 new double-hulled tankers will be required to transport this oil between Alaska and the lower-48 states and Hawaii. All these vessels must be built in domestic shipyards and be manned by American merchant mariners. Undertaking action that enhances the industry's contributions to the Nation's sealift needs without incurring additional Federal cost, especially during a period of declining defense budgets, is certainly desirable.

As representatives of millions of working men and women, we believe ANWR development represents sound national energy policy. The rationale for recovering energy from the ANWR coastal plain is no less valid than was the need for opening up Prudhoe Bay and constructing the Trans-Alaska Pipeline. Inclusion of ANWR language as part of S.1220 will provide demonstrable benefits to the whole nation that far outweigh any potential risk. We, therefore, urge you to vote to permit S. 1220 to be debated on the Senate floor and to support adoption of Title VII authorizing ANWR exploration and development.

Sincerely,

Michael Sacco, President, Seafarers International Union of North America.

Robert A. Georgine, President, Building and Construction Trades Department.

William G. Bernard, General President, International Association of Heat and Frost Insulators and Asbestos Workers.

Charles W. Jones, International President, International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers.

J.J. Barry, International President, International Brotherhood of Electrical Workers.

Jake West, General President, International Association of Bridge, Structural and Ornamental Iron Workers.

Frank Hanley, General President, International Union of Operating Engineers.

Vincent J. Panepinto, General President, Operative Plasterers' and Cement Masons' International Association of the United States and Canada.

William A. Duval, General President, International Brotherhood of Painters and Allied Trades.

Earl J. Kruse, International President, United Union of Roofers, Waterproofers and Allied Workers.

William J. McCarthy, General President, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America.

Marvin J. Boede, General President, United Association of Journeyman and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada.

Everett A. Treadway, General President, International Union of Elevator Constructors.

Sigurd Lucassen, General President, United Brotherhood of Carpenters and Joiners of America.

C.E. De Fries, President, Marine Engineers, Beneficial Association, National.

Raymond McKay, President, Marine Engineers Beneficial Association, District 2.

Mr. SIMPSON. Mr. President, I yield 5 minutes to the Senator from Indiana.

The PRESIDENT pro tempore. The Senator from Indiana [Mr. COATS] is recognized for 5 minutes.

THE PRESIDENT'S SPEECH

Mr. COATS. Mr. President, I thank the floor leader for the time and the opportunity to come to the floor to address a portion of the President's address to the Nation last evening. In my opinion, the President gave a very strong speech, outlining his agenda for leading this country into the years ahead, and I was pleased with a great deal of what he proposed.

For one who has been advocating that we look not only at short-term economic stimulus to provide jobs and get our economy moving again in the short-term, but also long-term initiatives designed to make this country competitive, not just in 1992 and 1993, but throughout the decade of the nineties and beyond, the combination of short-term stimulus and long-term structural changes necessary to make our Nation competitive, I thought, was an important contribution to the debate and provides an important guideline for this Congress as we move forward now in enacting this legislation.

I trust that we will meet the President's deadline by March 20; that we will make whatever necessary changes are possible in order for this body and the House of Representatives to work these proposals through the legislative process. The American people cannot afford to have us grind down in the usual procedural delays that so often accompany our legislative process, and if we can push forward and meet that March 20 deadline set by the President, the country will be the winner.

I was particularly pleased that the President addressed all of this in the context of the desire to acknowledge and recognize and do something about the current status of the typical American family. Those of us in the process of raising children and those of my colleagues who have already been through that experience understand that raising children today is not an easy process, and never has been.

But there are financial strains today on the family that were not present in years past, partly because the Tax Code recognized since 1948 that the value of raising children, the cost of raising children, had provided a basis for compensating Americans with children, families with children, for the costs of raising those children. It was done through a procedure called the personal exemption, a deduction that each family is allowed to take for each family member each year when they fill out their tax form and send it to the Government on April 15.

The value of that exemption has not kept pace with the increase in the cost of living or the increase in the cost of raising a family. In 1986, I was proud to be part of an effort in the Congress to double the exemption from $1,000 to approximately $2,000, and index it for inflation. Many at the time said, well, that ought to do it. Actually, that was just a good and important step, but only a first step, toward bringing equity back into the personal exemption in terms of how families were treated.

In 1948, Congress, recognizing the cost of raising children, allowed for a $600 exemption. By 1986, that exemption had only risen to the level of $1,000, while the value of that exemption would have, if it had kept pace with inflation and the cost of living, been several times that amount. Was 1986 an important step? Yes, it was. It was a recognition that personal exemption was the primary way in which the Federal Government recognized, at least from an economic standpoint, the importance of the family.

In his speech last evening, the President reiterated that importance by saying that we should further increase that personal exemption. The President's proposal of $500 per dependent, while it did not go as far as the legislation that I had introduced earlier, or as far as we ultimately need to go, in recognition of the additional tax incentives needed to stimulate the economy, in recognition of the deficit which we are currently facing, is still a very important step.

And so I commend the President for not only recognizing the value of the family in today's society and recognizing that a strong economy means strong, healthy American families, but also in following up his recognition with specific recommendations. The recommendation for a $500 personal exemption increase per dependent is very important to families today struggling to make ends meet, to pay the mortgage, buy the shoes, send their kids to school, and meet all those expenses that today's typical family has to meet.

In combining the $500 increase with the first-time home buyer tax credit, with the ambitious and bold and comprehensive health plan that the President will be introducing in the next couple of weeks, with the penalty-free withdrawals from IRA, with a Commission to study today's family, all of this is a very important recognition in an area to which I think we have paid far too little attention.

So I applaud the President's move in this regard, and look forward to working with my colleagues to not only recognize the importance of the family, but to follow that up with specific recommendations as to how we at the Federal level can at least improve the economic wherewithal of the family and begin to address some of the very basic problems facing today's family, in understanding the importance of a strong family for a strong America.

Mr. President, I thank the leader for the time and yield back any time I have left.

Mr. SIMPSON. I yield 4 minutes to the Senator from Idaho.

The PRESIDENT pro tempore. The Senator from Idaho is recognized for 4 minutes.

THE PRESIDENT'S ADDRESS

Mr. CRAIG. Mr. President, let me say, as my colleague from Indiana leaves the floor, I appreciate his leadership on issues of the family, his continued introduction of legislation as it relates to exemptions to hold whole the family. He is to be complimented. I am a cosponsor of a variety of those approaches.

I am pleased our President saw that leadership last night in DAN COATS, and took that issue to the American people to broaden the bases of support that it needs on the floor of the Senate to deal with that issue.

So my congratulations to my colleague from Indiana.

There was another issue last night—before I get into the text, Mr. President, of what our President said—that is so fundamentally important. At the desk at this very moment is Calendar item No. 102. I introduced it last session. It is called the President's crime package.

This body dealt for months in trying to reconfigurate a very simple approach toward dealing with crime in this Nation that our President came forward with a good number of months ago, and that is to look at those who perpetrate the crime, the criminals, and to deal with them in a way that the law-abiding citizens of the country would expect them to be dealt with—strong and immediate.

So that package is before the Senate. We ought not be able to duck and we ought not be able to run on that issue, Mr. President. It is Calendar item 102 at the desk at this moment, the President's crime package.

Our President, last night, I believe, hit a home run. He dealt with and put before the American people the issues about which they have been concerned, that all of us have been concerned about for a good number of months and he brought it home where it ought to be, right here to this Chamber and to the Chamber on the other side of the Capitol, to the United States Congress, that has foot-dragged on this issue and sought to place blame on someone other than themselves for the last 12 months for the deepening recession in this country.

We should have known in 1986 when we changed the Tax Act and we began to take away the incentive from the working men and women and the producers of our economy, as we did in 1986, and then to have the audacity to raise taxes in the face of a recession, as the budget agreement of 1990 did. Not only did we do it to the tune of about $60 billion a year but, collectively, States of this Nation did the same. So every year, starting this year, we were pulling an additional $120 billion a year out of the economy for public programs. It helped drag down and it helped lengthen and deepen a recession that was already underway.

Was it wise judgment? I did not think it was. I voted no, and a good many others did. Hindsight is a marvelous thing, but reality is reality. That is why our President last night talked about incentives for growth, putting back into our tax structure some of those kinds of incentives, and he would not let us walk away, as we cannot walk away, from holding spending down.

Those spending caps which were arrived at in that budget agreement were valuable and are valuable today. We have to live with them. It is all part of the combination that the American public, the producers of our society, deserve to have, Mr. President, if we are to provide for our citizens through public policy, where need be, the kind of growth stimulus this country deserves to have.

There are no quick fixes. Reality is simple. We have to look for the long term, and in looking for the long term, the President's package deserves to be brought to the floor, debated and passed by the Congress. It is fundamentally important to all of us, fundamentally important to the future strength and well-being of our country.

I yield back the remainder of my time.

Mr. SIMPSON. I thank the Senator from Idaho. I certainly join him in remarks about our colleague from Indiana. Senator COATS has been instrumental in legislation to attempt to increase the personal exemption and has worked closely on the issues of families with dependent children. He should be commended by all of us.

Mr. President, I yield the remainder of the allotted time to my distinguished colleague, the senior Senator from Mississippi.

The PRESIDENT pro tempore. The Senator from Mississippi is recognized, and he has 4½ minutes remaining.

LEADER OF THE AGE

Mr. COCHRAN. Mr. President, I thank the distinguished Republican whip, the Senator from Wyoming, for yielding me this time. I congratulate him on bringing to the attention of the Senate the positive reaction to the President's remarks last night in the State of the Union Address through the remarks that were made by several Republican Senators.

One phrase which was used by the President last night struck me as particularly appropriate. He mentioned the United States in the context of being the leader of the age, and it is a fact, Mr. President, that we overlook sometimes when focusing on our problems and the difficulties we face, the challenges we are trying to overcome, that the United States is the preeminent power and leader in the world today. It is truly the leader in so many respects: In diplomatic initiatives, it brings countries together, it builds coalitions to right wrongs, to seek to redress grievances where they exist in the international community, with a recognition of what is right and what is good for mankind.

It seems to me, too, in the world of international economic relations, it must be recognized in spite of our recession, in spite of the fact that it is taking us a while to get back into a pattern of growth which has been characteristic of the United States in recent years, we still are the world's preeminent economic power.

A couple of years ago a poll was taken asking the American people who they thought was the world's No. 1 economic power. Fifty-four percent of those questioned said it was Japan; only 29 percent said it was the United States. They were wrong. It was then the United States and it is now the United States. These are not just conclusions. These are facts. The President correctly identified the United States last night as the leader of the age.

The United States has a greater economic output than the combined economic output of Japan, West Germany, France, Italy, and Canada. The fact is that, if you measured our economic strength by gross domestic product, in 1990, the value of goods and services produced domestically in the United States was $5.4 trillion. Compare that with the $2.1 trillion gross domestic product in Japan or the $1 trillion gross domestic product in West Germany.

These are accurate figures, Mr. President. These are not exaggerated. These are facts. The United States is by far the strongest economic power in the world today, and we ought to be happy about that. We ought to be proud of that, and we ought not to take action now, either in policymaking or legislative, that would undermine the economic strength of the United States and our ability to grow out of our economic problems now, to continue an upward path of positive growth which has begun even though figures show that the growth is very modest. Figures that I heard reported in the news this morning indicate growth rather than recession.

We have problems, and we should not ignore them. The President did not ignore them in his speech last night. He identified correctly many of them which require action, immediate action. He challenged the Congress to take action by March 20 on an economic stimulus package which I hope will be well received by the Congress lead to a positive response by Congress.

If we consider the improvements in our trade deficit, we see another area of strength in the U.S. economy.

The facts show that our trade deficit is the lowest it has been in 8 years.

Mr. President, our trade prospects are encouraging in every area of the world. I ask unanimous consent that a recent article by Robert J. Samuelson that appeared in the Washington Post be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 22, 1992]

THE TWISTED POLITICS OF TRADE

(By Robert J. Samuelson)

Politics and economics have rarely been so much at odds as they are now on trade. Everyone's preaching economic nationalism. "America First," says Pat Buchanan. "Jobs, jobs, jobs," said President Bush of his recent trip to Japan. We must guard "our goal" (a hockey analogy), warns Sen. Bob Kerrey. If we practice what these guys preach, we may ultimately harm our economy's strongest sector: exports.

Contrary to popular belief, America is not an export weakling. Since 1985, our exports have nearly doubled from $219 billion to an estimated $422 billion in 1991. (December figures aren't yet in.) We may now be the world's largest exporter. In 1990, Germany was top with 12.1 percent of the global total. We were second (11.6 percent), and Japan was third (8.5 percent). However, our exports rose in 1991, and Germany's fell. We shouldn't now give other countries an excuse to block our exports by embracing protectionism or "managed trade."

Our politicians are doing just that. President Bush mouths the rhetoric of free trade and drifts toward managed trade. In Tokyo, he correctly pushed Japan to change practices that discriminate against imports. For example, Japan imports only 4 percent of its paper even though it is a high-cost producer. But Bush went too far in seeking special trade deals for U.S. industry. Pressuring Japan to buy 20,000 U.S. cars or $10 billion of auto parts is managed trade that could easily backfire.

To see why, consider a more extreme scheme backed by House Majority Leader Richard Gephardt. He proposes legislation that would require Japan to eliminate its trade surplus with the United States over five years. Otherwise, we would impose sharp cuts in Japanese car imports.

Great. The United States now has an estimated $17 billion trade surplus with the European Community. Does Gephardt naively think that the Europeans wouldn't demand the same of us? Of course they would. World trade cannot flourish on the basis of mandated trade balance between individual countries. Trade prompts countries to specialize in what they do best. In turn, specialization makes it hard to balance the trade between two countries. Suppose Country A sells gizmos to Country B and buys widgets from Country C. Even if its total trade is balanced, it may have a surplus with Country B and a deficit with Country C.

What Gephardt endorses is pure protectionism. If adopted, it would reduce trade and everyone's economic growth. Managed trade involves similar, though subtler, dangers. It would set trade goals in individual industries by diplomacy. We delude ourselves if we think we could perpetually extract concessions from other countries without giving anything in return. Sooner or later, we would face pressures to limit our exports in exchange for other countries' limits. This is a senseless policy of penalizing our strong industries and rewarding our weak industries.

But the popular appeal of these approaches is increasing, because many Americans believe two myths. The first is that our trade deficit has contributed to the recession and weak economy. Quite the opposite: sharp declines in the deficit (from a peak of $152 billion in 1987 to $102 billion in 1990 to about $65 billion in 1991) have been a stimulus to the economy. Unfortunately, it hasn't been enough to offset fully the drag of lackluster consumer spending.

The second myth is that the United States is fundamentally "uncompetitive." Not so. In the 1980s, two things happened. First, intense foreign competition forced U.S. companies to become more efficient. Manufacturing productivity rose at a 3.5 percent annual rate: the best gains since the early 1950s. Second, the dollar's exchange rate declined sharply from its artificially high levels of the early 1980s. These changes have made many U.S. industries low-cost producers.

Their health is obscured by the troubles of the American auto industry. Its immediate problems stem mostly from the weak economy and poor sales. But the Big Three would like to cure their slump by forcing—through legislation or a diplomatic deal—Japanese carmakers to cut U.S. sales. Other manufacturers are worried they'll suffer from this protectionism. Listen to what Dexter Baker—head of the National Association of Manufacturers and chief executive of a chemical company—said recently at a press conference. In effect, he told the automakers to get lost.

Q. Congress is considering a variety of legislation, particularly in the field of auto imports. Are you going to oppose [these bills]?

A. You bet.

Q. That's bad for the rest of American manufacturing?

A. Absolutely. Absolutely.

Q. And you will be arguing with the Big Three automakers and others?

A. Well, they're important members of our organization, but we don't think protectionism is the way to go.

With luck, our trade deficit could disappear by 1995, argues Stephen Cooney of the NAM. We should be working urgently to expand free trade, because we are in a great position to benefit. Instead of begging for special treatment, President Bush should have pushed Japan to make concessions in global trade negotiations (the Uruguay Round). Unfortunately, he merely gave lip service to the trade talks. These may fail, because both Europe and Japan are clinging to protectionism for farm products.

All Americans favor America first. But a slogan is not a policy. An open trading system serves our interests. In the 1980s, the U.S. economy was powered heavily by a consumer buying boom, which was one reason for our huge imports. Now, consumer spending has slowed. Exports and related investments are engines of growth. If protectionist rhetoric inspires protectionist policies, Americans will be among the first victims.

The PRESIDENT pro tempore. The time allotted the Senator has expired.

Mr. COCHRAN. Mr. President, I thank the Chair.

The PRESIDENT pro tempore. The Senator from New Jersey [Mr. LAUTENBERG] is recognized for 10 minutes.

Mr. LAUTENBERG. I thank the distinguished President pro tempore.

NEEDED: BOLDER AND STRONGER LEADERSHIP

Mr. LAUTENBERG. Mr. President, last night President Bush reported on the State of the Union. He came at a critical time with our Nation in economic crisis, millions of Americans out of work, millions more teetering on the edge.

It is a time of great pain and fear for many and a time of despair about the future of our country.

The people of our Nation are looking for leadership, and they want it from the President and from the Congress. They want us to help pull them out of this recession and to increase our competitiveness and productivity. They want us to put people back to work and to build for our future. They want us to get the economy back on track.

We must take bold action to fundamentally shift the course of our Nation, to fully acknowledge the profound changes that have taken place around the world, and to refocus our energy and resources on our problems here at home.

I want to work with the President on that effort. I agree with him this is no time for partisanship, and I wish the speech last night had reflected that just a little more clearly. I agree that we need to put politics aside and to do what is best for our country.

My assessment of the President's speech, shared without partisan rancor and in the interest of contributing to the debate, is that it should have been bolder.

It should have provided stronger leadership in setting out an economic plan for our country—to reverse course in this recession and truly put us on the path to economic strength. Last night, I did not hear the bold plan I hoped for.

On many points, there is little disagreement between the President and Congress. Congressional leaders have introduced legislation, which I support and have cosponsored, to extend tax incentives for research, savings, education, housing, and economic development.

We need to make permanent the R&D tax credit, the mortgage revenue bond program, the low income housing tax credit, and the tax exclusion for employer-provided educational assistance. We also need to let more Americans make deductible IRA contributions, and permit penalty-free withdrawals for home purchases, education, and other important needs.

We need to forge new partnerships between business and Government to develop new technologies and new products, and to create new markets and new jobs. There are those who choke on the words industrial policy. So, let them call it industrial partnership. But, America's businesses and America's workers are in a fight for their lives with competitors backed by the power and the resources of their governments. We need to do the same—in computers, in biotech, in transportation, in aerospace, in a host of critical technologies.

We support excellence in education and worker retraining. Just yesterday, we passed a Democratic education bill designed to promote new and innovative schools. We need to invest more resources now in our children's education because we are falling behind the Japanese and the Germans in educational performance. Their children attend school 240 days per year compared to ours who go 180.

We support a more aggressive trade policy, that will end unfair trade practices and break down nontariff barriers the Japanese and others erect against our products. One of America's greatest strengths is our invention, our ingenuity. And it is time we stopped foreign companies from stealing our ideas, our patents, and intellectual property.

We support deficit reduction, elimination of wasteful spending, and action against crime and drugs. In fact, it is a few Senators of the President's party who are holding up action on the crime bill.

President Bush's speech was at times inspiring and uplifting. But it did not include a bold plan for action. It did very little to offer hope for the unemployed worker, for the family with crushing debts and health bills to pay, for the small business person close to bankruptcy, for the college student unable to pay tuition. We can do better.

We can cut defense deeper and use the savings to invest in America. We need to stop subsidizing the security of our allies, and start securing the economic future of the American people. Our allies have lived under the American defense umbrella for almost 50 years. While we were protecting their security, they were investing in their future and are beating us in the marketplace.

We need a comprehensive overhaul of our health care system, not the changes at the margins discussed last night. The administration is clearly having trouble articulating a health care policy. It even had to stop the printing presses yesterday to further debate the issue.

But, the President's remarks last night did little to address the real problems in our health care system: spiraling health care costs; massive medical bills faced by many Americans—even working Americans with health insurance—for so-called preexisting conditions or other health expenses not covered by most policies; the lack of affordable, long-term care for the elderly; the declining health of our children.

We need to restore fairness to the Tax Code. The relative tax burden of middle-income Americans has increased dramatically over the last decade, while their purchasing power has remained stagnant or declined. After-tax family incomes for middle-income families have dropped by 8 percent since 1977, whereas the top 1 percent, with average incomes of over $675,000, have seen their after-tax incomes increase by 136 percent.

And most urgently, Mr. President, we need to get our people back to work. Now.

To do that, we are going to need a short-term economic stimulus to create jobs quickly and get the economy moving again. The best way to do that, in my judgment, is to invest in our Nation's infrastructure.

I note that the distinguished occupant of the President's chair, the President pro tempore, agrees wholeheartedly in the many discussions that we have had about the Nation's infrastructure and the requirements that we put more into that. That can create jobs now. It will also make our country more competitive and productive in the future—which is essential if we are to regain our economic leadership in the world.

Mr. President, in the Budget Committee we have heard compelling testimony about the benefits of an infrastructure development program. Mayors have told us that projects are sitting on the shelf, starving for funds, ready to begin on a moment's notice. And authoritative analysts report that investments in infrastructure can create jobs soon and yield dramatic increases in long-term productivity.

By any objective measure, Mr. President, our country lags far behind other industrial countries in infrastructure investment. We spend one-quarter of 1 percent of our total economic output on infrastructure. Japan spends 23 times as much. Twenty-three times as much.

Mr. President, the need for investment in infrastructure would exist even if we were not in a recession. But with our economy in such desperate shape, with unemployment continuing to creep up, and with no end in sight to this recession, it is also a compelling economic program.

Mr. President, for every 1 percent increase in unemployment, our deficit goes up by about $35 billion. And the costs in human terms are staggering—loss of a family home, loss of a family car, a premature end to a promising education, a child whose medical needs are not met, a family who turns to crime or the drug trade for income, State and local cutbacks in education, and other services to people, a senior citizen or child care center closed.

We need a plan to put our people back to work. Soon. We need the welfare rolls reduced and the payrolls expanded. We need those salaries circulating through the economy as a stimulus and those tax revenues back in our Government coffers so we can reduce the deficit.

Mr. President, over the next weeks and months we will consider a number of proposals to stimulate the economy in the near term. Tomorrow, I intend to lay out a proposal to provide a short-term stimulus to the economy—to create jobs now and build for the future—through an increase in investment in our infrastructure. I plan to hold early hearings on this proposal by the Appropriations Subcommittee on Transportation, which I chair.

This is a serious proposal. It is not a make-work program. It is a plan to target resources to projects that are on the books, ready to go. It is a plan that will yield two results: the creation of jobs and long-term improvements in productivity. These are improvements that can serve as a base for continued economic growth.

We are talking about making productive investments in basic transportation infrastructure: highways, bridges, airports, transit, and rail.

We consulted with mayors, industry groups, and State transportation officials. We know that the needs are there, and the projects are ready to go. Our goal is to get them going.

The times demand action. Immediate action. Bold, dramatic action. Mr. President, nothing less will do.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum having been suggested, the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PRESIDENT BUSH'S STATE OF THE UNION ADDRESS

Mr. PRYOR. Mr. President, I would like to say to the distinguished occupant of the chair, the distinguished Senator from West Virginia, that I watched the President's speech last night with great interest. I came to the Congress in 1967 with then-Congressman Bush, and I had great respect for him then, as I do now.

Mr. President, I can say that I truly believe that his speech last evening probably was a reflection of the trouble that this Presidency is in at this time. I regret saying that. I have tried to be a basic supporter of the President in many of his policies, but I find that this administration and its policies are in a great deal of trouble and in extreme disarray.

Mr. President, I think one of the areas of the message last night that was a little bit troublesome for me was the attempt to sell the people—the President's attempt to have the people of our country believe that there is going to be a massive hiring freeze out there, which will cure and solve the deficit problem.

For the past 10 years, both President Reagan and President Bush have taken great glee in gloating about the fact that we have, in some of our agencies, fewer employees than we had in 1980. I am not saying that that is all that bad. I think that our Government could be leaner and meaner. I think that we could be more efficient, in many instances, with fewer employees.

But, Mr. President, the case and the issue does not stop there, because we must go beyond that. We must take a look at the total dollars it takes to run each individual agency, not just the number of Federal employees who carry out the programs which affect all of our people.

For example, we have seen the rise in the use of private consultants in our Federal system. An increase, Mr. President, in these past 10 years by 10, maybe 15, in some cases 20 percent. The Department of Energy today has thousands of fewer Federal employees, civil servants, Mr. President, but the Department of Energy today has basically become a conduit through which to hire private consultants and private contractors. Billions of dollars of the American taxpayers are being spent today on contractors and private consultants. They do not have to abide by the laws of ethics and standards of conduct with which Federal employees must comply. Basically, they are not accountable to the taxpayers or to the Congress of the United States. Once we appropriate the money and they are hired—many, many times with little or no competition, with little or no competitive bidding procedures and no civil service rules to comply with—these private consultants make much more, much more, in salary and benefits than that Federal employee who often sits next to them at that desk, Mr. President. I think this is the real story, not simply how many civil service employees but rather how many dollars it takes to run each of these agencies and what those dollars are spent on.

Also, I am wondering if the President's edict about no new hirings is just going to apply to just the rank and file. Today, we have a tremendous workload out there in the ASCS offices in the Department of Agriculture. Farmers cannot get their loan applications processed. Is the backlog going to get worse because of the hiring freeze?

Look at the Food and Drug Administration. They cannot bring onto market the new drugs that we so desperately need because they do not have the manpower to process these drug applications to do the necessary research.

Look all across the spectrum of the Federal Government and we see more and more private contractors and private consultants being hired. The work is not getting done any better but it is costing us more.

Mr. President, I have a feeling that once all of the dust has settled, we are going to see that what this President meant was that when it comes to lower grade employees and midlevel employees, we are not going to hire anymore. We are going to freeze that.

But at the top, Mr. President, at the very top, what is going to happen?

Let us just take a look at these, what I call schedule C employees. Here is a computer list as of October 1, 1991, Mr. President, of the thousands of schedule C employees. Here are the schedule C employees in our Government making $30,000, $40,000, $50,000, $60,000 a year and more. These are the deputy assistants, the associate deputy assistants, all throughout the Federal Government. Most of these are not out in the field, handling the Social Security recipients' claim and the like. Mr. President, most of these jobs are right here in Washington, DC. Is that freeze going to apply to these higher-level political appointees?

I am not maintaining that we need more Federal employees. I hope we will have fewer employees where it makes sense. But I am just hoping that those that we need, we can hire. And those private contractors and schedule C employees that we do not need and who get their positions on who they know rather than what they know. I think, Mr. President, that is where the moratorium should come because today that is where the real dollars are being expended.

Mr. President, here is another little book. This is known, although it has a brown cover, printed in 1988, as the "Plum Book." And Mr. President, this is a very, very coveted book because these are the highest paid jobs that the President can appoint people to—the Assistant Legal Adviser for European and Canadian Affairs, the Assistant Legal Adviser for Human Rights Refugee Affairs, Assistant Legal Adviser for Treaty Affairs, the Deputy Assistant Secretary for Energy Consumption, the Director of Office of the Analysis for Western Europe, on and on and on. These are the President's people.

Are any of these positions going to be kept vacant? Does that freeze apply to these top-level bureaucrats that the President controls?

Mr. President, just recently my staff did a little study on what the Government's watchdogs, the IG's were up to. We found that the Department of Agriculture paid a contractor to study whether certain tasks of the U.S. Department of Agriculture should be performed by contractors. They paid someone to study this. But the inspector general of the Department of Agriculture, instead of criticizing this very questionable use of a contractor to study whether they should hire a contractor or not, they paid a third contractor $3,000 to audit the first contractor's study. This goes on and on. They churn these contracts daily.

As we sit here, I imagine that we are spending millions and millions of dollars granting contracts to contractors and private consultants. Do they have a license? Of course they do not have a license. Every one who does business with the Federal Government, except contractors and consultants, has to have a license—an architect to build a building, a doctor to practice medicine at the VA, a nurse. But not a consultant; not a contractor.

This is why, Mr. President, later on, I am going to introduce legislation requiring that any consultant or any contractor who applies to do any business with the Government of the United States of America must be licensed. Here is what they are going to say, "Oh, this is going to create another bureaucracy."

I do not know what it is going to create, Mr. President. But I think, first, we need to have qualified people doing the work of the Federal system in Government.

As for another contractor we looked at in that study—we went over to the Labor Department, not far from the U.S. Department of Agriculture, and found this one in about the first 5 minutes.

Here, the inspector general at the Labor Department used a consultant to evaluate the Labor Department's use of contractors. It goes on all the time.

Some friend probably walked in the door and said, "I think you need to make a study; and you give me so many thousand, and we will make it and it is done." Little or no competition. Little or no bidding. And little or no real need to spend taxpayers dollars on this. The inspector general simply awarded a contract to look at the effectiveness of contracting. The inspector general awarded that contract for $60,000—$60,000—to accomplish this task. That was an easy morning's work, Mr. President.

To make the situation even worse, this particular contract, to look at efficiency of contracting, resulted in an overrun of $18,000. So ultimately that contract was $78,000, paid by the Department of Labor; that is, paid by the taxpayers. Is the President going to put this type of spending in the deep freeze?

Mr. President, I ask unanimous consent to proceed for 5 additional minutes. I see no additional speakers on the floor.

The PRESIDENT pro tempore. Without objection, morning business will be extended for 5 additional minutes, and the Senator from Arkansas is recognized.

Mr. PRYOR. Finally, Mr. President, we sent our very efficient investigators over to the Department of Energy. The Department of Energy also uses contractors to audit other Government contractors. And, the Department of Energy was ignorant of the fact that one of these contractors that they hired offers seminars to other Government contractors on how to defend yourself against Government audits.

In other words, when the inspector general gets after a contract and says you have abused this contract, you are charging too much, you are not being honest, you have a conflict of interest, they use a contracting firm that offers seminars on how to beat the system.

Mr. President, that is prevalent throughout the entirety of the federal system of government. I have talked about this abuse for years and years on the floor of the U.S. Senate. Has it gotten any better? Mr. President, it has not. In fact it has gotten worse.

Last night, when I saw our President up there saying we are going to freeze the number of employees, I can tell you, Mr. President, the contractors and the consultants downtown and around this beltway were jumping up and down with joy and glee, simply because they knew there is going to be a Federal hiring freeze and that freeze did not apply to them.

I think that is what the American people have to watch for is not the number of people, but the number of dollars it takes to deliver the services of this Government. If we are going to have a freeze, let's not limit it to the rank-and-file employees. Let's apply it across the board.

Mr. President, I see the very, very distinguished Senator from Hawaii who is now on the floor. The very distinguished Senator and my friend from Hawaii has announced he is getting ready to take up the cable bill. So, with that announcement having been made, Mr. President, I yield the floor.

REMARKS ON S. 2

Mr. DOLE. Mr. President, there is no question that there is a need for strong education reform. I am afraid, however, that the Senate has not taken advantage of this situation to demonstrate strong leadership.

The President's America 2000 bill was sent to the Congress on May 22, 1991. Since that time, Republican efforts to create a bipartisan measure have met with little success. Secretary Alexander, Senator KASSEBAUM and other officials have met with Senator KENNEDY and committee Democrats dozens of times. It is only in the last week that compromises were reached on a few issues, while others were cast to the wayside. The results are barely adequate.

WHAT WE HAVE ACCOMPLISHED

Through compromise, we were able to agree upon a few key issues:

On New American Schools, a State may establish these schools by using up to 25 percent of its share of S. 2's $850 million. Some say, however, that through compromise the New American School concept is only recognizable in name. In its current form, the program does not have a separate authorization nor does it allow private school participation.

On the national education goals panel, compromise reconstitutes the panel and also creates the National Educations Standards and Assessments Council. This second action will ensure world-class academic standards by developing a voluntary national system of assessment. In an increasingly interdependent global economy, a strong education system will be necessary in maintaining our edge over our competitors.

On regulatory flexibility, or ed flex, we cut the redtape and as a result children learn. This compromise provided 300 school districts, concentrated in six States, the right to seek waivers from Federal rules if they can demonstrate that academic performance will improve.

AND WHERE WE GO FROM HERE

There were also areas where compromise could not be attained.

On the controversial issue of choice, we moved from $230 million in new choice authorizations, as well as changes to chapters 1 and 2 of the Elementary and Secondary Education Act, to a $30 million demo program targeted to lower income parents. The intention of the demonstration program, as is the case with all demos, is to test the validity of a given concept. In this case, it was choice and providing parents and opportunity to send their children to the very best school possible—public or private. Unfortunately, Senator HATCH's demonstration amendment failed. Given greater support for this concept in the House, it is hoped that this issue will receive proper consideration during conference.

S. 2 IS A START

As I stated earlier, the Senate has missed an opportunity to lend its leadership to education reform. Fortunately, the President, Secretary Alexander and many tireless educators have been hard at work. The newspapers will tell you how dramatic this grassroots effort is and will point out that the country is already moving forward on education reform such as America 2000 activities. Already, 30 States, including my own State of Kansas, and hundreds of communities have announced, or will soon announce, their participation in America 2000. Numerous Governors, educators, businessmen and women, and other concerned citizens—Republicans and Democrats—are working to carry out this far-reaching reform.

The President has proposed a four-track strategy:

For today's students, we must radically improve today's schools by making all 110,000 of them better and more accountable for results.

For tomorrow's students, we must reinvent schools to meet the demands of a new century with a new generation of American schools.

For those of us already out of school and in the work force, we must keep learning if we are to succeed in today's world.

For schools to succeed, we must look beyond our classrooms to our communities and families. The quality of our schools depends on the commitment of our communities. Each of our communities must become a place where learning can happen.

While S. 2 does not directly address the four-track strategy, the measure is a start. But let's not fool ourselves—there is still plenty to be done. It is my hope that Senators understand these issues and the need for bold reform.

Thank you, Mr. President.

NATIONAL GIRLS AND WOMEN IN SPORTS DAY

Mr. DOLE. Mr. President, I rise in support of Senate Joint Resolution 239, introduced by the distinguished Senator from Oregon [Mr. PACKWOOD] designating February 6, 1992, as "National Girls and Women in Sports Day."

Recently in this Chamber, we debated and passed historic civil rights legislation which will help allow women and minorities equal opportunity to compete in the workplace. This equality of opportunity should extend not just to the workplace, however. Women in our Nation should be able to compete just as freely in the realm of athletics. They should be able to go as far as their ability and determination will take them.

Already, women in this country have achieved great things in the world of sports. My own State of Kansas is fortunate to be the home of Lynnette Woodard, who was the first woman to be a member of the celebrated Harlem Globetrotters. Throughout her career, Lynnette has encouraged young women, with words and through example, to be the best athletically and physically they can be. I believe this body should do all it can to help make such achievement possible, and for that reason, I encourage my colleagues to support "National Girls and Women in Sports Day" again this year.

TRIBUTE TO JOHN A. BLATNIK

Mr. DURENBERGER. Mr. President, I rise today in memory of former Representative John A. Blatnik of Minnesota. Congressman Blatnik served Minnesota's Eighth District from 1947 to 1974. During John's 27 years in office, his work concentrated in the areas of civil rights and labor legislation. But, perhaps one of his most noteworthy projects was the St. Lawrence Seaway which, as a result, expanded the Midwest's trade to international commerce.

John's leadership didn't stop at the St. Lawrence Seaway. In 1971, he chaired the Public Works Committee where he fought for an expansion of Federal water and air pollution legislation. We also have him to thank for the monumental interstate highway program. But, if I were to name one thing that made John a leader, it was his ability to initiate policy. Politics for John did not end with policy; rather, he put his politics into practice by employing numerous Minnesotans in public works programs. Unfortunately, due to prolonged heart problems, John retired from the House in 1974. Congressman JIM OBERSTAR, John's chief of staff, succeeded him in office.

Perhaps John's vigor for life and his method of putting political ideas into practice came from his birthplace in northern Minnesota. Growing up in Chisholm, a small iron range town, he developed a sense of importance for the Civilian Conservation Corps which he later served as an education advisor. Politics, however, was not the only way he expressed his dedication to Minnesota.

After he graduated in 1935 from Winona State Teachers College, John enriched his home State by teaching in a one-room school. He later taught high school chemistry, and served as an assistant county school superintendent before entering World War II.

John's words and actions reflect those of the people he served and cared for. He was a man who experienced life's problems, found solutions to the problems, and tried to implement the solutions. John will indeed be missed by both his colleagues and the people of Minnesota.

I ask unanimous consent that a copy of Congressman Blatnik's obituary in the Washington Post be printed in the CONGRESSIONAL RECORD.

There being no objection, the obituary was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 18, 1991]

EX-REP. JOHN BLATNIK DIES; LIBERAL LEADER

(By Richard Pearson)

Former representative John A. Blatnik (D-Minn.), the former chairman of the Public Works Committee who served in Congress from 1947 to 1974, died of cardiac arrest Dec. 17 at his home in Forest Heights, Md.

During his entire career, he was a loyal friend of such liberal causes in the House as civil rights and labor legislation. He was a champion of what became the St. Lawrence Seaway, which opened up much of the Midwest to seaborne commerce. He also was one of five authors of the landmark interstate highway program.

From his seat on Public Works, he was an early, familiar and at times seemingly forlorn voice for increased federal water and air pollution legislation. He was an early chairman of the liberal and influential Democratic Study Group and was a leader of liberal Democrats who sought to reform House procedural rules in the 1960s.

He became Public Works chairman in 1971, and during the 92nd and 93rd congresses received mixed reviews as its leader. Many of his more liberal critics claimed he did little to rein in the committee's traditional pork-barrel philosophy and paid less attention to environmental matters than they had hoped. But, as a politician who came to maturity during the Depression, and as representative of a far-from-wealthy district, he never lost sight of the importance of public works in economic development.

Mr. Blatnik was the only Democrat to win election to the House from Minnesota in 1946. He enjoyed enormous popularity with his constituents, usually winning between 70 and 75 percent of the vote in his elections. After suffering heart problems for several years, he announced in 1974 that he would not run for reelection. He was succeeded in the House by his chief aide, James L. Oberstar (D).

Mr. Blatnik resigned from the House in December 1974. Since that time, he had worked as a part-time political consultant here.

John Anton Blatnik was born Aug. 17, 1911, in Chisholm, Minn. He graduated cum laude in education from Winona State Teachers College in Minnesota in 1935. He also did graduate work in public administration at the University of Minnesota and the University of Chicago.

Before World War II, he taught in a one-room school and was a Civilian Conservation Corps education adviser, high school chemistry teacher, and assistant to a county school superintendent.

During the war, he served with the Army Air Forces and the Office of Strategic Services in the Mediterranean theater. Because he spoke Slovenian, he was chosen to do liaison work, behind German lines, with Yugoslav partisan forces. He helped the partisans rescue downed Allied fliers. He ended the war with two Bronze Stars, an Air medal and the rank of captain.

Mr. Blatnik, who had won election to the Minnesota State Senate in 1940, officially served in that body through the war and until he entered Congress. His 8th District included the state's northeast corner, the area near Lake Superior and the iron-mining territory of the Mesabi Range, and at one time stretched to the Twin Cities suburbs.

During his early years in Congress, he became recognized as something of an authority on the Balkans and worked on questions involving natural resources, public welfare and social legislation. He made the headlines in the late 1950s, when as a Government Operations subcommittee chairman he blasted cigarette companies for false advertising claims concerning their new filters.

His marriage to the former Gisela Hager ended in divorce.

Survivors include his wife, the former Evelyn Castiglioni, of Forest Heights; three children by his first marriage, Thomas H., Stephanie A., and Valerie Blatnik, all of Arlington; and a brother, Frank P., of Duluth, Minn.

HONORING THERESA A.E. HAMILTON

Mr. RIEGLE. Mr. President, during my years in Congress, one of my most important—and also most enjoyed—responsibilities has been nominating young Michiganders to our Nation's four service academies. In making these nominations, I have been fortunate to have the extraordinary assistance of the able and dedicated members of my Service Academy Screening Committee. Their hard work helps ensure that we send our finest young men and women to become this Nation's future military leaders.

One member of the committee stands out as a true representative of the American ethic and spirit. Her name is Theresa A.E. Hamilton. She has been committed to this effort for an incredible 21 years.

Ms. Hamilton's personal accomplishments are remarkable. She was America's first African-American WAVE—earning her an important place in the history of the United States. Her active service to her country and her commitments to the educational system, her community and her church have won her wide admiration. She brought to the Committee her considerable skills as teacher, administrator, political and social activist, and member of the U.S, military. Her leadership and experience have added a special dimension to the Academy Screening Committee.

Ms. Hamilton has been a positive influence in the lives of thousands of young adults. Her philosophy of "reaching your highest potential and accepting responsibility" is a conviction that she has impressed upon her young friends by her own example and through the guidance, support and leadership she generously offers.

Ms. Hamilton believes that "serving mankind is our dividend for living." This is not just a phrase to her; it is a testament to her own life. It has been an honor and a great pleasure to work with her. We will miss her on the committee and wish her well in her future endeavors.

BETTY ROPER: A LEADER IN SOUTH CAROLINA BROADCASTING

Mr. HOLLINGS. Mr. President, our Senate session tomorrow will accomplish what wild horses otherwise could not: preventing me from going to Columbia for the induction of Betty Roper into the South Carolina Broadcasters' Hall of Fame.

Betty and I have known each other for more decades than either of us cares to admit, and I can tell you there is not a more dynamic woman in the State of South Carolina. She is being honored tomorrow principally because she is a leader and pioneer within South Carolina's broadcasting industry. But South Carolinians outside the industry know her better as an outstanding community leader, a shrewd businesswoman, a first-rate politician in the best sense of the word, and a tireless champion of economic development in Clarendon County. I will never forget her leadership, as chairman of the Clarendon County Council, in orchestrating local relief and recovery efforts in the wake of Hugo.

Mr. President, Betty Roper is a wonderful friend, a valued ally, and a superb leader in the South Carolina broadcasting industry. I extend my congratulations on the occasion of her induction to the Broadcasters' Hall of Fame—an honor she richly deserves.

TRIBUTE FOR BESS LOMAX HAWES

Mr. PELL. Mr. President, it is with the greatest pride that I rise today to salute an outstanding American who, for the past 15 years, has served this Nation by her commitment to the arts. Her service has enriched all our lives.

I am speaking of Bess Lomax Hawes who will be honored on January 31, 1992 by the National Endowment for the Arts, where she has worked with much distinction these past 15 years. On January 31, Ms. Hawes will receive the accolades of her colleagues at the Endowment and from members of the National Council on the Arts as she retires from the agency.

Mr. President, Bess Lomax Hawes was born in Austin, TX in 1921. Her father, John Lomax, grew up in the late 1800s in west Texas on a spur of the Chisholm Trail. He grew up admiring the songs, tales, and other lore of the hard-working cowboys of the Lone Star State. John Lomax went on to become a professor of English at the University of Texas, a banker, the director of the

Archive of American Folksong at the Library of Congress, and a pioneer in collecting American folklore. He championed the worth and dignity of American folk artists. He was a great discoverer and preserver of that part of our national character that is uniquely American.

John Lomax passed on his love of folk art to his four children; and Bess, the youngest, and her older brother Alan, made careers out of that admiration for grassroots America. Alan Lomax collected and preserved the best of American folk art, sharing it with the Nation through recordings, radio, publications, and later television that made great American folk artists such as Jelly Roll Morton, Huddie "Leadbelly" Leadbetter, and Roscoe Holcomb a valued part of our national heritage.

Bess Lomax Hawes also possessed the foresight to see that the future of American culture and life lay in the minds, hands, and voices of ordinary Americans. She had the wisdom to bring this to the attention of a broad audience. As a member of the Almanac Singers, along with her husband, Butch Hawes, Woody Guthrie, Pete Seeger, and others, she pioneered the folk song revival that attracted millions of Americans to Afro- and Anglo-American song. He authored "Charlie on the MTA" which was recorded by the Kingston Trio and became an American song favorite. She produced films like "Georgia Sea Island Singers," "Pizza Pizza Daddy-O" on black children's games, and "Say, Old Man, Can You Play the Fiddle?" on a Missouri fiddler living in California. In 1972, with Bessie Jones, she coauthored "Step it Down: Games, Plays, Songs and Stories From the Afro-American Heritage." That work is still a standard of folklore literature.

But, Mr. President, perhaps her most profound, far-reaching, and long-lasting contributions to American culture would come later. In 1975 and 1976, Bess Hawes' work on the Smithsonian Bicentennial Festival of American Folklife played an important role in setting the stage for a new national effort to identify, assist, and celebrate the extraordinary diversity of American folk art. In 1977, she joined the National Endowment for the Arts and developed its initial efforts at supporting American folk arts into a full-fledged discipline program at the agency. Through her vision and personal dedication, a national network of support for folk artists was created at the State and local levels. Her idea of a program to recognize our Nation's most outstanding traditional artists became reality when, in 1982, the National Heritage Fellowships were created. Ten years later, they remain the Nation's highest honor for our folk artists.

Mr. President, the efforts of the Lomax family to make American folk expression a central part of our national life already spans nearly the entire 20th century. And Bess Lomax's work will surely live on far into the 21st century. She has helped change the face of American life. She has recognized and helped tens of thousands of our Nation's folk artists, thereby enriching our own perception of our selves as Americans.

Mr. President, I appreciate this opportunity to present a brief profile of a woman who has devoted herself to the arts, who has preserved and gained recognition for an important segment of our national cultural heritage. She has immeasurably improved our whole world through these contributions. I am certain all of my colleagues join me in this salute to Bess Lomax Hawes on the occasion of her retirement from Government service with the National Endowment for the Arts and for her brilliant career in the traditional arts.

TRIBUTE TO CHIEF JUSTICE VINCENT L. McKUSICK

Mr. COHEN. Mr. President, while the rule of law in our society seeks to ensure protection from human capriciousness, we must never forget that the purpose of law is to serve humanity. Justice may be blind, but she cannot remain deaf to the cry of the heart.

This is a tremendous responsibility but one that we expect our judges to carry out with confidence, intelligence, and sensitivity. We trust that our judges will never lose their own humanity when clothed in that black robe and will never forget the great goals that their administration of justice has the capacity to reach.

It is in that spirit that I call to the attention of my colleagues the distinguished career of one of Maine's finest legal minds, Vincent L. McKusick, the chief justice of the Maine Supreme Judicial Court.

As a judge, Chief Justice McKusick has never lost touch with the people the law is intended to serve, and as a public servant, he has devoted his every energy to giving the people of Maine a high court in which they can be confident. He will retire next month, after nearly 15 years at the helm of the supreme court.

Chief Justice McKusick's incisive and often historic opinions and his deep understanding of and respect for the law have earned him a solid reputation as a superb judge. Throughout his legal career, he has displayed integrity, fairness, intelligence and judiciousness. His decisions on the high court have been well-reasoned and artfully articulated.

Also noteworthy is Chief Justice McKusick's leadership in efforts to improve court procedures and facilities and to expand the court staff in order to cope with the supreme court's growing caseload. In 1976, the year before Chief Justice McKusick first took office, 279 cases were filed with the court. Just last year, the number of cases had reached a record 646 cases. Chief Justice McKusick's careful preparation for the future will undoubtedly have a lasting impact upon Maine's highest court.

A recent Bangor Daily News profile of Chief Justice McKusick and the paper's subsequent editorial, along with a Lewiston Sun-Journal editorial, pay wonderful tribute to his extensive contributions to the fair and efficient delivery of justice in Maine's Supreme Court.

Mr. President, I ask that the text of those articles be entered into the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Bangor Daily News, Jan. 13, 1992}

CHIEF JUSTICE McKUSICK TO STEP DOWN

(By Jerry Harkavy)

PORTLAND.—Nearly 15 years after he left private practice to become chief justice of the Maine Supreme Judicial Court, Vincent L. McKusick looks ahead with enthusiasm to what he terms "my third career."

Lean and spry at age 70, McKusick said he intends to remain active in the law but "just how, I don't know." He has ruled out the idea of hearing cases part-time as an active retired judge but suggests that teaching is "a real possibility."

McKusick's second seven-year term of the court expired last September, but Gov. John R. McKernan extended it for six months, delaying his retirement until Feb. 28. McKernan is expected to nominate a new chief justice within a few weeks.

The law court's workload has risen sharply during McKusick's tenure, from 280 cases the year before he took office to 646 cases this past year. He says that without alternate mechanisms to resolve conflicts, the burden has fallen upon the courts.

"Society looks to the courts to do a lot more than in the past—and correctly so," he says, citing increased litigation in such diverse areas as child abuse, the environment and, most recently, real-estate foreclosures and other fallout from the recession.

Among his regrets is the lack of public awareness and sympathy for the needs of the courts as evidenced by the defeat of two statewide bond issues for construction of new court facilities.

Unlike schools, "the courts have no natural constituency," says McKusick, who is concerned about the cumulative impact of budget cuts that began two years ago and have left three vacancies on the courts.

McKusick's tenure over the judiciary has been marked by a modernization of court procedures that streamlined the flow of cases allowing the justices to handle the growing workload more efficiently.

Efforts to move the court to Augusta—Maine is the only state where the supreme court is located outside the capital—have been set aside because of the budget crunch, but McKusick thinks the move eventually will be made.

As his stewardship of the court draws to a close, McKusick's impact on the law is being assessed by Maine's legal community as it prepares to honor him for his accomplishments.

The Maine State Bar Association plans a banquet and ball Friday night to celebrate

McKusick's retirement. Earlier in the day, a panel moderated by L. Kinvin Wroth, former dean of the University of Maine School of Law, will examine the court's work during the McKusick years.

The Maine Law Review devoted nearly all of its most recent issue to the McKusick legacy, mixing tributes from such luminaries as Chief Justice William H. Rehnquist of the U.S. Supreme Court with lengthy articles about McKusick's development of rules of civil procedure and his contributions to structural changes within Maine's court system.

McKusick was reluctant to characterize the court's thinking during his tenure or say which of the more than 700 opinions he authored have had the greatest impact, suggesting it would be more appropriate for others to offer that assessment.

In a Maine Law Review article Portland attorney Eric Herlan described McKusick's common law jurisprudence as "Law as Integrity," a methodology that goes beyond particular precedents and draws upon general principles embodied in the legal tradition.

Herlan, a former law clerk for the chief justice, cited McKusick's landmark majority opinions that upheld cottage owners' right to the intertidal zone on Moody Beach in wells and allowed discontinuation of life-sustaining medical treatment in Maine's first "right-to-die" case.

McKusick's final weeks on the court will allow him to attend the National Conference of Chief Justices, of which he is a past president, deliver the annual "State of the judiciary" speech to the Legislature and draft a bill that would reinstitute mandatory retirement for judges who turn 71.

Mandatory retirement was dropped in 1984 as part of a change in judicial pensions, but McKusick says judges and the governor who must decide whether to reappoint them would benefit if it were brought back.

"When a judge finishes a seven-year term at age 68, the governor doesn't have to worry about whether he's going to have his buttons at 75. And similarly, for the judge who reaches the end of his term at 68, his changes of reappointment are increased," the chief justice said.

His own feelings on stepping down from the bench are shared by anyone who retires from a job he truly enjoys, he said.

"As he approahces the day, he's absolutely confident that he's indispensable, that he's at the height of his mental and physical powers, that of course he can't leave, they're unable to operate without him.

"That's why I think a mandatory retirement age is necessary," he said.

A Harvard Law School graduate who had clerked for Learned Hand and Felix Frankfurter, McKusick was a partner in one of Portland's most prestigious law firms but had no experience as a trial judge when Gov. James B. Longley picked him to head the law court in 1977.

"I had practiced law for 25 years, with great satisfaction," he recalled, "I had squeezed all the satisfaction out of it I could, and when I got to the bench I was confident it extended my working life in the sense of working at full throttle. . . .

"It's good to change, and maybe I'll be working at full throttle in my third career."

[From the Bangor Daily News, Jan. 14, 1992]

VINCENT L. MCKUSICK

Maine Chief Justice Vincent L. McKusick is going to retire next month, but before he leaves the bench he has a message for Maine: Society's greatly increased demand on the courts must be matched with commensurate resources and funding, or the system will not continue to function.

His words should be considered seriously. In his 15 years as chief justice of Maine's Supreme Judicial Court, Mr. McKusick has spoken with intelligence and understanding on the vast range of topics that delineate the human condition. His rulings will positively affect the state for decades to come.

The chief justice made historic rulings in such well-known cases as the Moody Beach decision and in Maine's first right-to-die case, and has been a perceptive commentator on countless issues of our time, including the death penalty. On the last count, he arrived at his decision for both philosophical and practical reasons. To "warehouse these people for life," he said, is "nowhere near as expensive" as the cost of going through the required appeals process.

What characterized his tenure, however, was the improvements he instigated to move cases through the court system more efficiently. Modernizing court-system procedure, lobbying for more clerks to handle the explosion in the number of cases and seeking new court facilities were just a few of the ways he led a system that must deal with a heavier burden each year.

One important way for the state to show its appreciation to Chief Justice McKusick is to follow through on some of his unfilled requests for expanded court services. Another is to enlarge alternative-sentencing programs that are shown to reduce recidivism.

A lucid and compassionate thinker is about to leave the employ of the state, but Maine can continue his work by showing more support for the court system he served so nobly.

[From the Lewiston Sun-Journal (ME)]

GOING WITH HONOR

The retirement of Chief Justice Vincent L. McKusick will leave Maine's highest court with a formidable void.

As of Feb. 28, the state's top jurist will hang up his robe after presiding over the Maine Supreme Judicial Court since 1977. It's only fitting that McKusick's retirement is being commemorated by the Maine Law Review.

While he may step down from the bench next month, his impact on Maine will be felt for generations to come. He has written more than 700 opinions, and his forthright approach will, no doubt, be emulated by many.

His philosophy of devoting 100 percent and not looking back carried him through 25 years of practice in a Portland law firm before he was appointed chief justice. That, in itself, is a story.

McKusick's grasp of Maine law became renowned during his years in private practice—so much so that he was appointed chief justice with no previous experience on the bench. Gov. James Longley recognized all the requisite characteristics to bestow the title of honor, and McKusick lived up to every expectation.

The legal community and Maine's entire judicial system may be at a loss once McKusick retires, but his 14 years on the bench will serve as a shining example for years to come.

PRESIDENT'S NUCLEAR INITIATIVES

Mr. PELL. Mr. President, President Bush is on the right track in his decision to cancel unilaterally several very expensive nuclear weapons programs which have become superfluous in the new strategic environment. But I believe we can cut strategic nuclear systems even deeper. Russian President Yeltsin's announcement of cuts today suggests that further reductions in these systems on both sides are possible.

The new package goes beyond the President's September proposal to negotiate the elimination of land-based strategic missiles with multiple warheads. The new package offers significant reductions in the strategic triad when taken together with the B–2 cancellation and should have an attractiveness to the Russians that could be the basis of a successful negotiation. I believe the administration is now demonstrating a greater realism regarding both our own economic crisis and the diminution of the former Soviet threat.

These are encouraging developments, but I believe that both we and the Russians can do more. President Yeltsin today announced that he would match President Bush's cuts in strategic nuclear systems. Let's keep the momentum going by proposing another round of cuts in these systems to be matched by the Russians.

Mr. President, the Foreign Relations Committee will soon be considering the START Treaty. The cuts in strategic systems announced yesterday and today by Presidents Bush and Yeltsin go beyond the requirements of the START Treaty. Accordingly, it may be advisable to adjust this treaty to reflect and lock in the new realities. More importantly, however, the Senate's consideration of START should be aimed at encouraging even deeper reductions. Moscow appears to be in a serious weapons cutting frame of mind, and we should take advantage of that to reduce nuclear weapons to the lowest level possible.

While I welcomed President Bush's announcement of cuts in strategic nuclear weapons, I was troubled by his unyielding stance on the very expensive and increasingly unnecessary SDI Program. Taken together with reports that the administration is backing away from the 1972 Antiballistic Missile Treaty, it would seem that the administration is still pursuing a program beyond what the ABM Treaty allows in pursuit of the chimera of what the President describes as a program to protect our country from limited nuclear missile attack. While on the surface, this goal appears attractive, any such deployment would be in truth a dubious proposition at best and would threaten to squander tens of billions of dollars.

It would make far more sense to redouble our efforts to halt the proliferation of nuclear weapons and the missiles to deliver them. At the same time, we should recognize the changes in the strategic nuclear environment, including, in particular, the possible elimination of MIRV'd land-based missiles, and determine whether the planned Grand Forks, ND, ABM deployments to protect those MIRV'd missiles merits continued support.

In the meantime, we can continue research and development in the ballistic missile defense arena, continue to adhere to the ABM Treaty and pursue deeper cuts in strategic weapons. If the case can be made in future years that are affordable and effective defenses against limited nuclear attacks, we can take the necessary action. But now is not the time, while both sides are greatly reducing offensive nuclear weapons, to move precipitously with regard to ballistic missile defenses.

NEWLY INDEPENDENT COUNTRIES' CITIZENSHIP LAWS SHOULD REFLECT CSCE PRINCIPLES

Mr. PELL. Mr. President, during a recent trip to the former Soviet Union, I gained a heightened awareness of difficulties that have arisen with the proposed laws on citizenship in some of the newly independent countries. One such law is Latvia's draft law on citizenship. With its discriminatory residency requirements and its exclusion of certain groups from the process, the law has raised reservations among many human rights groups.

Under the draft law, citizenship appears likely to be a requirement for owning most kinds of property. Belarusan officials, in particular, expressed their concern that ethnic Belarusans who have lived in Latvia for many years would be frozen out of the citizenship process, and by extension, would not be able to own property. Ethnic Russians, the largest minority in Latvia, would also be adversely affected were this draft law—which still is at an early stage in the process—to be adopted.

Obviously, the process of building a new set of laws will be a slow and difficult one for many of the newly independent states of the former Soviet Union. Most of these states are either new members—or on their way to becoming members of the Commission on Security and Cooperation in Europe [CSCE]. Accordingly, I believe it important that as the new countries draft their citizenship laws, they respect the CSCE principles, especially with regard to equal rights for minorities. As member of CSCE, we have a responsibility to press them on this issue.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Is there further morning business? There being no further morning business, morning business is closed.

CABLE TELEVISION CONSUMER PROTECTION ACT

The PRESIDENT pro tempore. The Senate will resume consideration of S. 12, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 12) to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and so forth and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDENT pro tempore. The Senator from Hawaii [Mr. INOUYE].

Mr. INOUYE. Mr. President, I rise today in support of S. 12, the Cable Television Consumer Protection Act of 1991.

Mr. President, before I proceed with my remarks, I want to thank all of the Senators on the committee for all of their work on this legislation, particularly the author of this bill, Senator DANFORTH, and the chairman of our committee, Senator HOLLINGS. I also want to thank Senators FORD, GORE, GORTON, LIEBERMAN, and METZENBAUM for their contributions to the measure.

The bill we are considering today is very similar to S. 1880 which, as you recall, was approved by the Commerce Committee in June 1990 by a vote of 18 to 1.

The focus of this bill, S. 12, like S. 1880, is to address consumers' problems with rates and services while at the same time promoting competition. The 1984 Cable Act, which ironically was coauthored by the chairman of this committee, Mr. HOLLINGS—and I had the privilege of being one of the cosponsors—was designed to help promote competition in the video marketplace by relaxing many of the regulatory restrictions on the cable industry. It became known as the Cable Deregulation Act. This 1984 act has achieved many of its objectives.

Over the past 7 years, the cable industry has grown dramatically and today we find that most of America is wired to receive cable. Almost 90 percent of the homes in the country are covered by cable systems, and over 60 percent of these homes subscribe to cable service. System capacity has increased. The average cable system today offers about 36 channels and this number is steadily increasing.

So it is no longer the fledgling industry that existed in 1984. Programming choices have also grown significantly since the act was passed and today it is the dominant video distribution medium.

But I believe that the cable industry has begun to take advantage of its popularity. In certain instances, I most respectfully suggest that rate increases have been excessive and, for many systems, customer service has been abominable.

Programmers have argued that they cannot get carried on cable systems without relinquishing control of their product. In addition, competing video distributors allege that these programmers refuse to deal with them. In general, it appears that the cable industry now possesses undue market power which is used to the detriment of consumers, programmers, and competing video distributors. These concerns are addressed by this legislation.

As chairman of the Communications Subcommittee, I knew last Congress that we had to address these matters expeditiously, and I immediately began a series of hearings. In the last 3 years, my subcommittee held 13 hearings on cable-related issues. We listened to over 50 hours of testimony from 113 different witnesses. Out of this exhaustive examination, an overwhelming majority of the committee concluded that legislation was necessary to correct these problems.

These conclusions are reflected in the legislation we are considering today.

Incidentally, the bill passed the committee by a vote of 16 to 3.

This legislation has two goals: To promote competition in the video industry and to protect consumers from excessive rates and poor customer service where no competition exists. This legislation also addresses the concerns of consumers, programmers, and competitors about the market power of the cable industry. At the same time, it continues to permit the cable industry to grow and bring to the American public a new array of programming and other services. So, we believe this bill represents a balanced package.

For the record, let me now summarize the major provisions of the legislation.

On cable rates, S. 12 gives the FCC authority to regulate basic rates in the absence of effective competition. Effective competition is defined as the availability of a competitive multichannel video distributor to a majority of cable subscribers, and to which 15 percent have actually subscribed.

It requires the FCC to establish national guidelines and to ensure that any cities that choose to regulate basic rates do so only within the FCC guidelines.

Currently, the FCC is only empowered to regulate the basic tier of programming services. In an effort to circumvent legislation, many cable systems have retiered to move programming services out of the basic tier.

The basic tier is generally made up of those programs that many can get for free: ABC, NBC, CBS. At this moment, the cable industry does not pay for those programs.

But yet, you and I are charged for those programs. As noted in the Wall Street Journal, the edition of January 15, 1992, many cable systems have created tiers that only contain three broadcast signals and C-SPAN; three major networks and C-SPAN, four channels.

However, less than 10 percent of subscribers actually purchase this limited basic tier. Thus, if the only tier that is regulated is this limited basic, very few subscribers would be protected; 90 percent not protected.

To ensure that the regulation in this bill is meaningful, S. 12 requires that if less than 30 percent of the subscribers take the basic tier, the FCC's guidelines will apply to the next most popular tier to which 30 percent subscribe.

This we believe will ensure meaningful regulation of cable rates and cut off the cable industry's efforts to circumvent the intent of the bill.

In addition, S. 12 includes what could be called a "bad actor" provision.

This bill gives the FCC authority to regulate rates for tiers of programming other than basic, if it receives a complaint that makes a prima facie showing that a particular rate increase is unreasonable, and

This will give the FCC the authority to regulate in individual cases where cable operators impose excessive increases on subscribers.

Mr. President, I want to note that S. 12 does not permit regulation of programming services offered on a perchannel basis, such as HBO and Showtime.

The need for this provision and this legislation is bolstered by the July 1991 survey of cable television rates and services by the General Accounting Office.

This GAO report demonstrates that S. 12 is needed now more than ever. Cable rates for the most popular basic cable tier of programming have increased 61 percent since deregulation went into effect in 1986, while the rates for the lowest priced tier increased by 56 percent.

During the same 4½-year period, the cost of consumer goods only rose by only 17.9 percent; 17.9 percent for the cost of consumer goods, and over 60 percent for cable.

This problem of excessive rate increases is not limited to one part of the country or to the major cities. Mr. President, it is happening all over the United States.

Just for the record, I would like to cite a few examples so we get a flavor of what I mean by rate increases.

Since 1986, cable rates have increased in Indianapolis, IN, 163 percent; in Kansas City, KA, 112 percent; in Portland, OR, 150 percent. This is while the cost of living went up 16.9 percent, and the cable rates went up 150 percent in Portland; in Shreveport, LA, 289 percent; in Bergenfield, NJ, 372 percent; in Cincinnati, OH, 152 percent, and in December of last year in this city, it went up another 43 percent.

Finally, Mr. President, in our own backyard, the backyard of Congress of the United States, Montgomery County, MD, rates have increased since 1986 by 1364 percent.

According to GAO, "The average monthly rates for the lowest priced basic cable service increased by 9 percent, from $15.95 to $17.34 per subscriber" from December 1989 to April 1991.

During this same period, one would assume that because of the hike in rates, the subscriber would receive more channels. That is a logical conclusion.

But the report shows that during that same period, the average number of channels offered on the lowest priced tier decreased by one channel: pay more but receive less.

Much has been made of the fact that this bill allows the FCC to regulate more than the basic tier.

But recent practices of the cable industry demonstrate that the consumer would not be protected if only the basic tier were regulated.

In fact, in many communities, consumers are paying more today for the basic tier and getting fewer channels than they received in 1986.

In my city, in Honolulu, my constituents paid $12 for 30 channels in 1986.

Today, they pay $12.95 not for 30 channels, but for 14 channels, less than half of what they received in 1986. On the island of Maui, consumers paid $11.56 for 34 channels in 1986. And today, they pay $14.95 for nine channels. They pay more for less than a third of what they had 5 years ago.

Mr. President, this is true in other parts of the country as well. In East Bay, CA, in 1986 consumers paid $9.95 for 26 channels. In 1991, they paid $20.40 for 21 channels.

In Naples, FL, in 1986 consumers paid $9.66 for 30 channels. Today, they pay $15.95 for 11 channels.

Mr. President, I could go on and on. But on again I come back to our backyard, Montgomery County, subscribers receive one-fifth the number of channels they received in 1986 and pay over five times more.

This is a consumer bill. All of us here have at one time or another, in the last 6 months, made eloquent statements and speeches about how we must protect the consumer. Last evening, the President of the United States spoke eloquently on what he plans to do to protect the consumers of the United States, to give them a fair break.

The cable industry has recently been touting the availability of its new low-priced basic tiers. That has been advertised. Yet, when GAO employees posing as consumers called 17 of the systems with the new low-priced tiers, 8 of those systems did not even inform GAO of the existence of those tiers. They do not want consumers to buy those tiers. They do not make that much money.

The report also demonstrates that the FCC's June effective competition decision does not address the problem of runaway cable rates. The FCC ruled that effective competition exists when there are six over-the-air broadcast signals up from three. This will permit local authorities to regulate the rates for basic cable service when there are fewer than six over-the-air broadcast systems. According to the GAO report, under this definition, 80 percent of cable subscriber rates would not be subject to rate regulation.

Finally, Consumer Reports magazine recently found that cable rates have increased at a rate almost triple the rate of inflation since deregulation.

As a result, consumer satisfaction with cable is lower than any service industry. Any why has this occurred, Mr. President? I think the reason is rather obvious. It is cable's market power. An August 6, 1991, staff study released by the Department of Justice concluded that 50 percent of the cable rate increases since deregulation are a result of cable's market power. As a result, the bill, S. 12, also includes provisions to promote competition to cable and to reduce cable's market power.

Now let us turn to access to programming. The access to programming provisions in this bill are designed to encourage competition. I have been told by all of my colleagues at one time or another that competition is the essence of the free enterprise system. We are all for competition. But, Mr. President, you will hear speakers tell you that competition is not good for the consumer.

These provisions provide others with access to programming owned by cable operators. For mutichannel video distributors, it also prohibits these cable programmers from discriminating in the price, terms, and conditions. This is identical to the provision that was in S. 1880 last Congress. In addition, this provision prohibits cable operators from requiring a financial interest in programming as a condition of carriage and would ensure that satellite distributors of programming do not discriminate against home satellite dish owners.

By this I mean we have found that cable operators would tell a programmer, "You want to show your program on my company time? You may do so if you give us 51 percent interest in your company." If that is free enterprise, I do not want any part of it, Mr. President.

Let us get to retransmission consent. This has been a matter of some controversy, retransmission consent. These provisions give broadcasters the right to control the use of signals by cable operators. In addition, the bill retains what has been called a traditional must carry. Earlier this month, Mr. Jim Mooney, president of the National Cable Television Association, was quoted in Communications Daily as stating that the cable industry can live with either retransmission consent or must carry. This is precisely what this bill requires. Broadcasters—and I am speaking of local broadcasters, not NBC in New York or CBS in New York or ABC in New York; I am talking about channel 9 here, channel 4, or channel 7—these local network broadcasters must choose either to accept must carry on their local cable systems and waive their retransmission rights or to keep their retransmission rights and wave must carry.

On the issue of retransmission consent, I want to respond once again to the cable industry's campaign of misinformation about its effect on consumers' cable rates. The cable industry has attempted to mislead consumers through newspaper ads, bill stuffers, and advertisements on their systems. All of us have seen this. I have received these circulars in my bill. One fallacy they promote is that S. 12 will allow the TV networks to add a "20-percent surcharge to cable subscribers' bills." I hope that the NCTA will study the measure. Nothing could be further from the true intent and effect of S. 12. Mr. Mooney's admission that the cable industry can live with retransmission consent further demonstrates the disingenuous nature of these allegations.

Mr. President, we believe that the retransmission consent provisions of this bill are straightforward. They simply provide that when a local system forgoes the option of must carry protection, it may utilize its retransmission rights to negotiate with the local cable system over the terms and conditions of its carriage on the system. In other words, broadcasters will have the option of being treated like any other cable programmer. At this moment, cable operators negotiate with cable programming services for the right to carry these program services. Gone are the days when the broadcasters received their revenues from advertisers and cable received their revenues solely from subscribers. Today, as we all know, cable competes with broadcasters for local and national advertising.

Cable has also asserted that retransmission will cause cable rates to increase. The GAO report states that the price per channel of programming for the lowest-priced tier increased 55 cents in the past year, and this lowest-priced tier is the tier of programming that contains over-the-air broadcast signals—ABC, NBC, CBS—which cable operators today receive for free. These cable companies are not paying for any of these signals. They just pluck them off the air. But when they retransmit to us, we pay for it. Thus, subscribers are paying an average of 58 cents per channel for broadcast programming that is free to cable. Cable does not have to pay for the production of these programs. They do not have to pay for the news format. They get it free.

The retransmission provisions of S. 12 will permit local stations, not national networks, as I have indicated, to control the use of their signals, and they do not contain any formula for retransmission fees or surcharges.

On the contrary, the committee report specifies that in its proceeding implementing retransmission consent, the FCC must ensure that local stations' retransmission rights will be implemented with due concern for any impact on cable subscribers' rates.

Mr. President, to eliminate any doubt on this issue, we will soon be offering a managers' amendment to the bill to make certain that retransmission consent does not result in rate increases. In addition, the FCC is also required to regulate the rates for the basic tier—this is the tier that contains the broadcast signals—to make certain that those rates remain reasonable. Thus, the FCC has a clear mandate to ensure that retransmission does not result in harmful rate increases that we have seen flourishing throughout this Nation.

Moreover, the bill is completely silent on what the negotiations between cable operators and broadcasters may entail. Mr. President, they may negotiate for money or for nonmonetary consideration, such as channel position. For example, those of us who have been using free television all our lives, we know that channel 4 is NBC, channel 5 is Metromedia, channel 7 is ABC, and channel 9 is CBS, but when you get on cable, it depends on the cable company.

And they can change it at will. Now that could be one of the items that the local broadcast company would like to negotiate. Maybe the NBC affiliate would say let us go back to our old number, channel 4 so no one will be confused. It could also involve joint advertising, promotional opportunities, and other forms of competition.

Finally, on this issue of retransmission, it has been asserted that S. 12 will impinge on the rights of program producers and that it conflicts with the cable compulsory license. Mr. President, that is not true. The committee report states "that nothing in this bill is intended to abrogate or alter existing program licensing agreements between broadcasters and program suppliers or to limit the terms of existing or future licensing agreements.

In other words, this provision in no way limits the rights of program producers to control the use of their product.

As to the effect on the compulsory licenses, it amends the Communications Act but it does not alter the Copyright Act or the applicability of the compulsory license. That matter comes with the jurisdiction of the Judiciary Committee, and it is my understanding that the Registrar of Copyrights, at the request of the Judiciary Committee, is reviewing the compulsory license and a report is due in February.

Mr. President, there has not been a comprehensive review of the cable compulsory license in many years, so I believe a review is long overdue and I wish at this time to commend Senator DECONCINI for initiating the process.

So in brief may I say that S. 12 will benefit all TV viewers whether they subscribe to cable or not by helping to restore a local television marketplace that functions competitively. Competition is good. It has not hurt free enterprise.

Instead of causing the blackout of television signals, it will eliminate the cable industry's present absolute power over the signals it provides or denies to its subscribers.

Instead of driving up rates as we have seen over the past 4½ years, S. 12 will ensure that the FCC or local governments maintain control over these rates in the absence of effective competition to local cable systems.

Mr. President, we all recognize that this measure is not without controversy. The cable industry and the administration oppose the bill. The cable industry obviously believes that the bill is not needed and it will argue that it will stifle the industry's growth.

The administration has also taken the position that we should permit the telephone companies to provide cable services as well as own and control programming.

The issue of telephone entry into cable is one that the committee is considering separately from this legislation. In fact, we are now in the process of holding a hearing on the bill submitted by Senator BURNS on this issue next month.

Telephone entry in many ways is much more controversial than this bill, and it may interest you to know, Mr. President, it is opposed by the cable industry.

Mr. President, before I close, I just want to note that in the last week, in the last few days, we have experienced a blitz by the cable industry seeking support for the so-called alternative or substitute. At this moment, Mr. President, none of us in the U.S. Senate have seen the text of this substitute and so we are at a loss as to how to argue for or against it.

This measure has been on the desk here since June of last year. We have given the ultimate maximum opportunity for one and all to study, choose, digest this measure and at the last moment, at the 11th hour, this alternative and substitute is up. However, we have been advised about some of the provisions that we should anticipate in this bill and what we know about it leads us to believe that it will do nothing to protect consumers.

On rate regulation it is our understanding that the substitute will allow the FCC to regulate the basic tier and defines that tier narrowly to include the local broadcast signals, C-SPAN I and II, and public access channels. That means that cable systems will not be subject to any effective regulation since many cable systems have already changed their programming offerings to create just such a broadcast tier.

According to the Wall Street Journal, when cable systems retier, often less than 10 percent of cable subscribers will actually take this tier. Thus the substitute would regulate a tier consumers do not want. Moreover, the bulk of the programming in this tier will be the broadcast signals, programming that is now available over the air for free.

Our bill, in contrast, will give the FCC the authority to protect consumers against excessive rates for the most popular tier of programming. And it is impossible for Congress to protect against all the creative ways that cable operators will find to avoid regulation. Therefore, it is imperative that the FCC have the authority to step in to protect consumers against future abuses, and we believe that S. 12 will provide that protection and the substitute does not.

The authors of the substitute claim that their bill, the one that we have not seen, would promote competition. Yet they delete the most important procompetitive provisions in S. 12, access to programming and nondiscrimination provisions. For many years, Mr. President, we have worked to ensure that the 3 million Americans primarily in rural America have the ability to receive programming via home satellite dishes.

The committee has found that cable operators who own program services have consistently denied dish owners and other multichannel video services programming or made the programming available at prices much higher than those paid by cable operators.

The access to programming provisions will ensure that satellite dish owners and wireless cable subscribers will have access at reasonable prices, like any one of us.

S. 12 does not require cable programmers to give their programming away for free or even to make it available at the discount rate. It only requires that it be made available and that the price not be discriminatory. And discounts of this amount are not unheard of.

When cable first began, we gave cable operators the broadcast programming for free. That was in the cable deregulation bill. S. 12 could have imposed a much harsher remedy for the cable industry in order to free up programming.

For instance, we required the networks to divest ownership of their diverse companies through the financial interest and syndication groups.

We are not requiring cable operators to divest ownership of their programming interests. In other words, we believe S. 12 takes a reasonable approach to the problem of access.

The supporters of the alternative contend that they have provisions designed to promote competition. Mr. President, I suggest that a cursory examination of these provisions show that there is absolutely no foundation for that contention.

Let us go to expansion of the rural telephone exemption. The act currently permits telephone companies to provide cable in communities with fewer than 2,500 residents. The substitute will raise that exemption to 10,000. In many States with large rural populations, cable systems already serve those communities with less than 10,000 people. Moreover, the substitute does not prohibit telephone companies from buying out the existing cable systems. Thus, some communities, instead of getting competition, will just get a new monopoly owner.

Lifting the multiple ownership rules. This provision will lift an FCC rule that limits the number of broadcast stations one company can own to 12 AM, 12 FM, and 12 TV stations.

This provision has nothing to do with competition. It will simply permit further concentration of ownership in the broadcast industry and thus reduce the diversity of views available on the air waves.

Mr. President, we await the introduction of the alternative or the substitute. We would like to study that, but we have not had the opportunity. So I wish to urge all of my colleagues to read the GAO report and to look beyond the rhetoric being employed by the cable industry. I urge all of my colleagues to vote against the substitute and support S. 12.

So, Mr. President, if I may at this juncture, I will offer the managers' amendment to the bill. This managers' amendment contains technical changes and the retransmission provision, which I referred to in my statement. I understand that this amendment is acceptable to the author of this measure, Senator DANFORTH.

AMENDMENT NO. 1498

(Purpose: To make perfecting amendments)

Mr. INOUYE. Mr. President, with the approval of the author of this measure, I send to the desk an amendment to make perfecting amendments.

The PRESIDENT pro tempore. The Chair understands that the amendment is to the committee substitute.

Mr. INOUYE. Yes, sir.

The PRESIDENT pro tempore. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] proposes an amendment numbered 1498.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

Strike all on page 66, line 11, through page 67, line 14, and insert in lieu thereof the following:

"(20)(A) the term 'local commercial television station' means any full power television broadcast station, determined by the Commission to be a commercial station, licensed and operating on a channel regularly assigned to its community by the Commission that, with respect to a particular cable system, is within the same television market as the cable system (for purposes of this subparagraph, a television broadcasting station's television market shall be defined as specified in section 73.3555(d) of title 47, Code of Federal Regulations, as in effect on May 1, 1991, except that, following a written request, the Commission may, with respect to a particular television broadcast station, include or exclude communities from such station's television market to better effectuate the purposes of this Act);

"(B) where such a television broadcast station would, with respect to a particular cable system, be considered a distant signal under section 111 of title 17, United States Code, it shall be deemed to be a local commercial television station upon agreement to reimburse the cable operator for the incremental copyright costs assessed against such operator as a result of being carried on the cable system;

"(C) the term 'local commercial television station' shall not include television translator stations and other passive repeaters which operate pursuant to part 74 of title 47, Code of Federal Regulations, or any successor regulations thereto;

On page 68, line 3, strike "and" and insert in lieu thereof "or".

On page 86, line 24, insert "any one" immediately before "service".

On page 87, lines 3 through 4, strike "or any person having other media interests".

Strike all on page 87, line 6, through page 88, line 11, and insert in lieu thereof the following:

CUSTOMER SERVICE

SEC. 10(a) Section 632(a) of the Communications Act of 1934 (47 U.S.C. 552(a)) is amended—

(1) by inserting "may establish and" immediately after "authority";

(2) by striking ", as part of a franchise (including a franchise renewal, subject to section 626),"; and

(3) in paragraph (1), by inserting immediately after "operator" the following: "that (A) subject to the provisions of subsection (e), exceed the standards set by the Commission under this section, or (B) prior to the issuance by the Commission of rules pursuant to subsection (d)(1), exist on the date of enactment of the Cable Television Consumer Protection Act of 1991".

(b) Section 632 of the Communications Act of 1934 (47 U.S.C. 552) is amended by adding at the end the following new subsection:

"(d)(1) The Commission, within 180 days after the date of enactment of this subsection, shall, after notice and an opportunity for comment, issue rules that establish customer service standards that ensure that all customers are fairly served. Thereafter the Commission shall regularly review the standards and make such modifications as may be necessary to ensure that customers of the cable industry are fairly served. A franchising authority may enforce the standards established by the Commission.

"(2) Notwithstanding the provisions of subsection (a) and this subsection, nothing in this title shall be construed to prevent the enforcement of—

"(A) any municipal ordinance or agreement, or

"(B) any State law,

concerning customer service that imposes customer service requirements that exceed the standards set by the Commission under this section.

Strike all on page 94, line 3, through page 95, line 19, and insert in lieu thereof the following:

"(b)(1) Following the date that is one year after the date of enactment of this subsection, no cable system or other multichannel video programming distributor shall retransmit the signal of a broadcasting station, or any part thereof, without the express authority of the originating station, except as permitted by section 614.

"(2) The provisions of this section shall not apply to—

"(A) retransmission of the signal of a noncommercial broadcasting station;

"(B) retransmission directly to a home satellite antenna of the signal of a broadcasting station that is not owned or operated by, or affiliated with, a broadcasting network, if such signal was retransmitted by a satellite carrier on May 1, 1991;

"(C) retransmission of the signal of a broadcasting station that is owned or operated by, or affiliated with, a broadcasting network directly to a home satellite antenna, if the household receiving the signal is an unserved household; or

"(D) retransmission by a cable operator or other multichannel video programming distributor of the signal of a superstation if such signal was obtained from a satellite carrier and the originating station was a superstation on May 1, 1991.

For purposes of this paragraph, the terms 'satellite carrier', 'superstation', and 'unserved household' have the meanings given those terms, respectively, in section 119(d) of title 17, United States Code, as in effect on the date of enactment of this subsection.

"(3)(A) Within 45 days after the date of enactment of this subsection, the Commission shall commence a rulemaking proceeding to establish regulations to govern the exercise by television broadcast stations of the right to grant retransmission consent under this subsection and of the right to signal carriage under section 614, and such other regulations as are necessary to administer the limitations contained in paragraph (2). The Commission shall consider in such proceeding the impact that the grant of retransmission consent by television stations may have on the rates for basic cable service and shall ensure that rates for basic cable service and shall ensure that rates for basic cable service are reasonable. Such rulemaking proceeding shall be completed within six months after its commencement.

"(B) The regulations required by subparagraph (A) shall require that television stations, within one year after the date of enactment of this subsection and every three years thereafter, make an election between the right to grant retransmission consent under this subsection and the right to signal carriage under section 614. If there is more than one cable system which serves the same geographic area, a station's election shall apply to all such cable systems.

"(4) If an originating television station elects under paragraph (3)(B) to exercise its right to grant retransmission consent under this subsection with respect to a cable system, the provisions of section 614 shall not apply to the carriage of the signal of such station by such cable system.

"(5) The exercise by a television broadcast station of the right to grant retransmission consent under this subsection shall not interfere with or supersede the rights under section 614 or 615 of any station electing to assert the right to signal carriage under that section.

"(6) Nothing in this section shall be construed as modifying the compulsory copyright license established in section 111 of title 17, United States Code, or as affecting existing or future video programming licensing agreements between broadcasting stations and video programmers.".

Strike all on page 101, lines 5 through 7, and insert in lieu thereof the following:

"(A) any such station, if it does not deliver to the principal headend of the cable system either a signal of −45 dBm for UHF signals or −49 dBm for VHF signals at the input terminals of the signal processing equipment, shall be required to bear the costs associated with delivering a good quality signal or a baseband video signal;

Strike all on page 108, line 20, through page 109, line 5, and insert in lieu thereof the following:

"(3) The signal of a qualified local noncommercial educational television station shall be carried on the cable system channel number on which the qualified local noncommercial educational television station is broadcast over the air, or on the channel on which it was carried on July 19, 1985, at the election of the station, or on such other channel number as is mutually agreed on by the station and the cable operator. The signal of a qualified local noncommercial educational television station shall not be repositioned by a cable operator unless the operator, at least 30 days in advance of such repositioning, has provided written notice to the station and to all subscribers of the cable system. For purposes of this paragraph, repositioning includes deletion of the station from the cable system.

On page 112, lines 3 through 9, insert "or 615" immediately after "614" each place it appears.

On page 113, lines 3 through 5, strike "For purposes" and all that follows through "unreasonable.".

On page 69, line 7, strike "Rederal" and insert in lieu thereof "Federal".

On page 78, add "and" at the end of line 7.

Strike all on page 96, lines 24 through 25, and insert in lieu thereof "local commercial television station; and".

On page 98, line 7, strike "carriers" and insert in lieu thereof "carries".

Mr. DANFORTH addressed the Chair.

The PRESIDENT pro tempore. The Senator from Missouri [Mr. DANFORTH].

Mr. DANFORTH. The amendment is acceptable on this side.

The PRESIDENT pro tempore. The question is on agreeing to the agreement.

The amendment (No. 1498) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DANFORTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM addressed the Chair.

The PRESIDENT pro tempore. The Senator from Ohio [Mr. METZENBAUM] is recognized.

Mr. METZENBAUM. Mr. President, today the Senate finally considers legislation aimed at reining in the monopoly power wielded by the cable industry. I congratulate Senators INOUYE, DANFORTH, and HOLLINGS for their leadership in bringing this measure to the floor. This action is welcome and long overdue.

From the moment the 1984 Cable Act became law, consumers have been at the mercy of an unregulated monopoly. The 1984 Cable Act stands as a monument to the folly of knee-jerk deregulation.

The act was built on the absurd premise that deregulating local monopolies would lead to lower prices and more competition. That worked as badly as our deregulation of the airline and telephone industries. In both instances, the public suffered. I regret to admit that I supported deregulation of those two industries, but I oppose deregulation of cable.

The results of cable deregulation have been a disaster: Higher rates, poor customer service, more vertical integration, and excessive concentration. Complaints about cable come from every part of the country: from Ohio, from California, Tennessee, West Virginia, as well as here in Washington, DC.

Customer service in the cable industry is as bad as it could possibly be. Breakdowns occur with regularity. Customers frequently complain about being unable to reach their cable company by telephone. Telephone inquiries often are answered by an automated system more complicated than useful. And when a human being is finally reached, the response is frequently indifferent and uncooperative.

If a service person actually comes to your home, it is often a nice guy who knows little about solving your problem. I know that the cable companies are delivering bad service at an ever escalating price, because I hear complaints from consumers all over the country, and because I am a customer myself.

In most industries, Mr. President, if service was bad, or the price was too high, you could switch to another company; but the normal rules of the market do not apply to the cable industry. Today, 99 percent of consumers who want cable have no opportunity to choose among competing cable companies. And for the last 5 years, almost every cable system in the country has been exempt from rate regulation by the cities. That occurred because we here in the Congress made it possible and, unfortunately, we did so at the behest of many of the city leaders themselves.

But the bottom line is that virtually no cable system is subject either to competition or regulation. There are no constraints on the prices charged for cable service. Consumers are completely unprotected. It is no wonder that cable rates have soared since deregulation took effect in 1987.

According to the General Accounting Office, cable rates nationwide have increased by over 60 percent since deregulation, more than three times the rate of inflation. Millions of cable consumers have been subjected to rates of over 100 percent since deregulation.

Two years ago, a representative of the Consumer Federation of America testified at a hearing held by my antitrust subcommittee that cable consumers were being overcharged by as much as $6 billion annually. Unfortunately, Mr. President, in this industry, members tell a great deal of the story. In Dayton, OH, rates have gone up 106 percent since deregulation. In Cincinnati, some subscribers have experienced hikes of 152 percent since deregulation. In Youngstown, rates are up 80 percent. The story is the same around the country: Lynchburg, VA, 122 percent; New York City, 95 percent; Albuquerque, NM, 116 percent; Hollywood, FL, 106 percent; Santa Ana, CA, 140 percent.

I will not put Members of this body to sleep by reciting all of the increases across the country, but the list goes on and on.

Why have cable TV rates risen at such an alarming rate? Because the cable industry can hike them with impunity. There is no competitor to undercut them, and there is no regulator to restrain them. An economist with the Department of Justice estimated that about half of cable's profits are the result of its monopoly power. In other words, 50 percent of cable's net revenues are the direct result of the unregulated monopoly power which we have given this industry.

The cable television monopolies have had one long party for the last 5 years, and it has cost consumers billions of dollars in overcharges. It is time for Congress to say that the party is over.

It is my understanding that some Senators will be offering a substitute for S. 12. This substitute would cripple—literally cripple—the effort to protect consumers from abuses by the cable monopolies, and so it apparently has the blessing of the cable industry. I say apparently because Monday's Washington Post and Tuesday's Wall Street Journal both have stories which say that while the cable industry is telling Senators to support the substitute, it is saying privately in internal memos that it would oppose S. 12, even if the substitute passes.

I think that is another example of the arrogance of the cable monopolies and their lobbyists here in Washington. They are not interested in seriously negotiating a solution to cable's monopoly problems.

They urge Senators to support a substitute bill which would gut cable reform, and then they say privately that they will not even support the bill if their sham substitute passes.

The substitute will not reform cable's monopoly abuses. In fact, the substitute should be called "the Cable Television Monopoly Maintenance Act." It is a gift to the cable monopolies and a slap in the face to consumers. I hope that this body overwhelmingly defeats the substitute.

If the Senate supports the substitute, we will be telling the country that we are less interested in protecting consumers and far more interested in protecting the special privileges enjoyed by an industry with a powerful lobby here in Washington. I will have much more to say on the substitute when it is offered, but I firmly believe that a vote for the substitute is a vote for the cable monopolies and a vote against consumers.

Mr. President, the cable industry has not been content with simply raising consumer prices at will. It also has sought to stifle potential competition from alternative multichannel technologies such as wireless cable and the satellite dish industry.

A key part of the cable industry's strategy is to control the popular cable program channels which are carried on systems around the country. Ten of the 15 most popular basic cable networks are owned or controlled by multisystem cable operators. Let me repeat that: 10 of the 15 most popular basic cable networks are owned or controlled by the big cable companies. Multisystem cable operators control virtually all of the regional sports networks around the country, which have been siphoning sports programming from free TV to cable. And cable companies also control four of the five top pay movie services.

This vertical integration has led some operators to discriminate in favor of programming in which they have equity interests. It also has harmed the viability of cable's potential competitors. Representatives from both wireless cable and the satellite dish business have testified to my Antitrust Subcommittee that the cable industry's control over programming as seriously hampered their ability to do business. The big cable companies frequently have refused to sell program channels they control to these potential competitors, or have done so only on unfair or discriminatory terms.

Let me give you an example. A distributor of programming to home satellite dish owners recently testified that he had to pay 460 percent more for programming than a comparable cable company. Wireless cable operators are shut out from Turner Network Television. And some wireless operators are subjected to "red-lining." This occurs when a cable programmer refuses to allow a wireless operator to distribute a channel to customers who live in areas already served by a cable company. That is monopolistic, anticompetitive and yes, anticonsumer. It is a direct effort to prevent head-to-head competition, the bulwark of the entire free enterprise system.

The cable industry has taken other steps to stifle potential competition. It has invested heavily in new technologies like direct broadcast satellite [DBS] in order to prevent that technology from competing head-to-head with cable companies. Two years ago, I, along with Senators GORE, LIEBERMAN, AND SPECTER, sent a letter to the Justice Department urging them to look at the potential anticompetitive consequences of cable's move into DBS. News reports indicate that both the Justice Department and State antitrust authorities are investigating whether the cable industry has attempted to blunt competition from alternative technologies like DBS and wireless cable. I am pleased to see that cable's move into DBS is being closely examined, but I wish the antitrust enforcement officials would move with greater speed.

There are other examples of abusive business practices by cable. TCI, the Nation's largest cable operator, employed a so-called negative option in order to launch its new pay movie service, Encore. TCI put Encore on all of its cable systems and notified its subscribers that they would be charged $1 per month for the new service. Customers who did not wish to receive Encore had to contact TCI and tell the company not to charge them for a program channel which they had never ordered. In other words TCI's attitude was: We are automatically entitled to more money from our customers; our subscribers have an affirmative duty to tell us that they do not want to pay more money for something which they did not request.

How absurd. How arrogant. Only a monopoly could act so arrogantly toward its customers. Fortunately, TCI halted this practice after a lawsuit challenging it was filed by the States.

Mr. President, TCI is the largest cable company in the country, providing service to about one out of every five cable subscribers in the country. It is exhibit No. 1 in the case for reregulation of the cable industry. An article in Monday's Wall Street Journal details the various ways in which TCI has tried to suppress competition and dominate the cable industry. Senator GORE already has placed this article in the RECORD, and I urge my colleagues to look at it.

Mr. President, abusive marketing and business practices are a direct result of the kid-gloves regulatory treatment accorded the cable industry. We should not be surprised by these tactics. Cable is an industry which is accountable to neither competition nor regulation.

While I believe S. 12 begins to move us in the right direction, although not nearly far enough, I am advised that the bill will be attacked by supporters of the cable industry. They may insist that cable lacks monopoly power. But that view is not even shared by the cable industry. Viacom, one of the top vertically integrated cable companies in the country, filed a lawsuit against another big cable company, Time-Warner. In its suit Viacom stated that:

> Each cable operator is a monopolist in its local market or possesses a monopoly share approaching 100 percent.

The suit went on to allege that Time-Warner had "abused monopoly power" in local cable television markets throughout the country.

TCI filed a brief in a tax matter in which it asserted that:

> A cable operator serving a city has a monopoly in the sense that customers desiring cable service will have no choice regarding the provider of that service.

TCI's brief went on to say that;

> There is no goodwill in a monopoly. Customers return, not because of any sense of satisfaction with the monopolist, but rather because they have no other choices.

Mr. President, that is arrogance that is cocky. That is absurd, if we here in the Senate permit it to continue. The American people have no protection unless we in Congress step into the breach on their behalf.

Since 1988, my Antitrust Subcommittee has been chronicling the anticompetitive and anticonsumer abuses of the cable industry. We have held three hearings, put out a report on the programming access problems faced by cable's potential competitors, and kept a close eye on the growing vertical integration and horizontal concentration within the industry. Nearly 3 years ago I introduced—along with Senators GORE and LIEBERMAN—the first bill in Congress aimed at reregulating the cable industry. This year I introduced two cable bills aimed at protecting consumers and promoting competition in cable. I am also an original cosponsor of the bill before us today, S. 12—and I am pleased to say that this legislation incorporates a number of ideas contained in my bills.

The bill we are considering would regulate rates for basic cable service in areas where cable is not subject to effective competition. The bill defines effective competition as another multichannel provider such as a second cable system or a wireless cable system.

In anticipation of cable reform legislation, many operators are shifting popular cable channels—such as ESPN, TNT, and USA—off the basic tier in order to prevent such networks from being regulated. This retiering is an obvious effort by cable to shield the most popular cable program channels from any kind of price accountability. S. 12 contains two provisions designed to blunt the anticonsumer impact of retiering. First, the bill states that if fewer than 30 percent of a cable system's customers take only the basic tier, the Commission and local franchising authorities may regulate the tier of service which is taken by at least 30 percent of subscribers. Thus, operators will not be able to escape rate regulation simply by creating a minimal basic tier composed solely of over-the-air broadcast channels. The bill also allows cities and consumers to file rate complaints with the FCC whenever rates for channels on higher tiers of service are unreasonable. I urged the inclusion of both these provisions and I am most pleased to see that the managers of the bill and the committee have included them in the bill.

The other key component of the bill is the program access provisions. Under the bill, vertically integrated cable programmers like HBO, Showtime, and TNT are forbidden from "unreasonably refusing to deal" with alternative technologies such as wireless cable and the satellite dish industry. The bill also instructs the FCC to issue rules limiting horizontal concentration and vertical integration in the industry.

This bill is not perfect. I do not believe the managers would claim that it is. It does not go nearly as far as I think it should. I think the regulatory responsibilities should be shared more evenly between the FCC and local authorities. I am concerned that the FCC will be too kind to the cable industry and too tough on consumers. I also believe that there is more that we could do to prevent retiering.

But on the whole, the bill is a good piece of legislation worthy of the Senate's support. The bill gives consumers and competitors the opportunity to hold the cable industry accountable for anitconsumer and anticompetitive behavior. And for that, the sponsors of this bill—Senators HOLLINGS, INOUYE, and DANFORTH—are to be congratulated.

There are some who say that prospects for enactment of a cable bill are bleak because neither the industry nor the White House want legislation. But I can not believe that Congress will turn its back on consumers simply because the cable industry has a powerful lobby here in Washington. As for the White House, I do not believe that the President, who is in serious political trouble, will turn his back on millions of Americans who are being subjected to billions of dollars in overcharges by the cable monopolies.

The cable industry opposes S. 12 for one reason, and one reason only: The bill begins to rein in the power of an industry which is an unregulated monopoly. That may cause distress to an industry which has grown accustomed to wielding monopoly power; but it will bring much-needed relief to consumers.

By passing this legislation, Congress can say to the cable industry: The party is over. You can not raise prices at will or unfairly stifle competition. It is time to play by the same rules which govern everyone else.

I yield the floor.

The PRESIDING OFFICER (Mr. DIXON). The Senator from Washington.

AMENDMENT NO. 1499

(Purpose: To prohibit cable operators from charging subscribers for services and equipment not affirmatively requested by name)

Mr. GORTON. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Washington [Mr. GORTON] proposes an amendment numbered 1499.

Mr. GORTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> At the appropriate place, insert the following new section:
>
> SERVICES AND EQUIPMENT NOT AFFIRMATIVELY REQUESTED
>
> SEC. . Section 623 of the Communications Act of 1934 (47 U.S.C. 543), as amended by section 5 of this Act, is further amended by adding at the end the following new subsection:
>
> "(i) A cable operator shall not charge a subscriber for any service or equipment that the subscriber has not affirmatively requested by name. For purposes of this subsection, a subscriber's failure to refuse a cable operator's proposal to provide such service or equipment shall not be deemed to be an affirmative request for such service or equipment.".

Mr. GORTON. Mr. President, I have listened with great care to the remarks of my distinguished friend and colleague from Ohio, and I wish him to know that this first amendment goes to precisely one of the concerns which he raised, the so-called negative option. I would like to inquire through the President whether my friend and colleague from Ohio would like to be considered a cosponsor of that amendment.

Mr. METZENBAUM. Indeed, I am happy to join my colleague.

The PRESIDING OFFICER. Without objection, the RECORD will show cosponsorship by the distinguished Senator from Ohio.

Mr. GORTON. Mr. President, for the last several years I have worked with my distinguished colleague from Missouri, my friend from Hawaii, and many other members of the Senate Committee on Commerce, on the bill which we have before us today and on its many predecessors.

Since the bill was reported by a vote of 16 to 3 last May, however, two new developments have come to my attention which are the subject of this amendment and of the one which will immediately follow it. Since both have been agreed to, I am going to speak to both of them at the same time, and then we can deal with them without another speech.

This first amendment, the one before the Senate right now, is in response to a marketing ploy which TCI employed in the State of Washington, and elsewhere, last year.

TCI launched a new movie channel called Encore. The company expected that 60 to 70 percent of all TCI subscribers would take this new service.

This marketing expectation was dependent upon a simple premise that the consumer either would not realize that he or she had begun to subscribe to Encore, or that he or she would not bother to prevent charges from accruing to the account. You might ask, how could a consumer be unaware of purchasing a new service? The answer is quite simple. Under TCI's plan, the cable subscriber would have automatically purchased the service unless that subscriber called TCI and physically canceled it.

This practice, which was much more common in a number of areas when I was attorney general of the State of Washington, is known as a negative option. It has been abandoned by most businesses under most circumstances, sometimes voluntarily and sometimes under the pressure of States' attorneys general offices. Its success relies on the fact that most customers do not scrutinize their junk mail with great care, and they do not look at bill inserts with great care, and they just simply throw away the negative option which they received.

So the first amendment I am offering, one which is before us right now, will prevent any cable company from offering services or equipment by means of using a negative option. At the suggestion of the Washington State attorney general's office, I broadened the amendment from its original language pertaining to video programming to include both services and equipment. The attorney general's office made the suggestion because TCI apparently had tried previously to market its entertainment guide by the use of a negative option. This amendment will make it clear that Congress does not want the public duped into paying for any cable service program, service, equipment, or anything else, without consciously knowing they are purchasing that service and making a decision to do so.

The second amendment, which will follow on the first one, addresses the issue of subscriber privacy. Several months ago, I learned that in some cable systems, anyone can gain access to a cable subscriber's billing account simply by knowing the subscriber's telephone number.

For instance, in Spokane, served by Cox Cable, anyone can call the main number and talk to Nadine—an automated voice, by the way—who will be more than happy to tell the caller if your neighbors have been paying their bills on time, provided, of course, that you are able to supply your neighbor's phone number. Nosy neighbors serviced by Viacom in Seattle can gain such a similar service just as easily.

My second amendment would require cable systems take appropriate steps to ensure that only a subscriber can gain access to his or her account. A simple means to accomplish this would be to assign a personal identification number known only to the subscriber.

Mr. President, I have discussed these amendments with both the majority and minority managers, and I believe they have been accepted. I will ask first for the acceptance of the first one, and then ask that the second be read and accepted without further interruption.

The PRESIDING OFFICER. Is there any further discussion concerning the first amendment offered by the distinguished Senator from Washington? The Senator from Hawaii.

Mr. INOUYE. Mr. President, I have had the opportunity to discuss this matter with the author of the amendment and the manager of this side, and find no objection. We are prepared to support it.

Mr. DANFORTH. Mr. President, it is acceptable on this side.

The PRESIDING OFFICER. Is there any further discussion concerning the first amendment offered by the distinguished Senator from Washington?

If not, the question is on agreeing to the amendment.

The amendment (No. 1499) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1500

(Purpose: To protect the privacy of cable television subscribers)

Mr. GORTON. Mr. President, I ask for the immediate consideration of my second amendment.

Mr. INOUYE. Mr. President, we have looked over the second amendment, and we find it acceptable.

Mr. DANFORTH. It is acceptable on this side.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 1500.

Mr. GORTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

PROTECTION OF SUBSCRIBER PRIVACY

SEC. . Section 631(c)(1) of the Communications Act of 1934 (47 U.S.C. 551(c)(1)) is amended by inserting immediately before the period at the end the following: "and shall take such actions as are necessary to prevent unauthorized access to such information by a person other than the subscriber or cable operator".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1500) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PACKWOOD. Mr. President, as most people know, I plan to offer an amendment to this bill. And I must confess, the amendment is not quite drafted. It is in the legislative counsel's office. As it was initially drafted, it would have been out of order.

I have no intention of delaying this bill. I agree to go ahead; I will not filibuster. I do not like the bill, but my amendment would make it acceptable. I do not physically have it in my hand. For those Members who want to see it, I have a summary of what I think will be 98 percent of the amendment. I do not think the 2 percent is going to be a relevant factor.

Having said that, that is just in the form of an announcement. I am trying to deal in good faith. I just physically do not have the amendment to present.

With that, although I see the Senator from Mississippi, I have some comments. But if he wants to talk now, he may go ahead. I will yield the floor for the moment.

The PRESIDING OFFICER. The Senator from Oregon yields the floor.

The Senator from Mississippi is recognized.

Mr. LOTT. Mr. President, I rise with mixed emotions about this legislation, S. 12. I will have an amendment to offer in a moment. I would like to make some general comments first, and then I will offer that amendment.

I remember years ago, in the early eighties, maybe in the late seventies, when I was serving in the other body, people from the cable industry in my State of Mississippi would come by to visit with me and ask for recognition, in effect, of their industry, and ask for support in trying to provide broadcast accessibility to Mississippi. Many areas in our State could not get television stations because they were too far off. We could not get any coverage at all if we did not have cable. And then, of course, subsequently, the satellite dishes helped.

But I viewed them at that time as a rising, innovative industry that could provide service and information to people in my rural State. I viewed them as the underdogs. I was sympathetic to them and wanted to help them. I thought it was going to be good for cable to provide another vehicle of information beyond just the three networks.

So over the years, I clearly did support the cable industry, and I did support the 1984 Cable Communication Policy Act, which set in motion what I think has been truly a revolution.

The cable industry, in response to that legislation, and in the spirit of entrepreneurship and innovation, developed and delivered to the American consumer a diversity and depth of programming that had previously not been imagined. They have done a magnificent job.

As I listen to much of the debate today, I feel like they are being accused of being such bad boys. I acknowledge that there have been areas in which they made mistakes. They have done things they should not have done, and they should have done some things better. I think it is important to take a minute here and look at what they have done.

Just this past year, we received a live view of the world that we could not have even imagined just a few years ago. We were there in the Persian Gulf. We watched it night after night. It was incredible what we saw.

My wife and I like to watch some of the programs on wildlife. There are so many options now. You can sit there with that control device and move from channel to channel to channel, and it is a great education process. It is a very positive thing for America, and I think that revolution has only begun. Ten years from now, we will be much further down the road because of modern technology that is coming along. Cable will have to change itself rapidly, because developments are going to be getting ahead of them if they do not: Fiber optics, what the telephone industry can offer, and many new things that are in the process.

The industry has created 100,000 jobs since the 1984 act was passed. There has been a tremendous explosion in cable groups and services that they are providing. So I think we need to say, first of all, a great thanks to the cable industry for what they have done.

Have they made some mistakes? Absolutely. In some areas, the service has been atrocious. We have all experienced it. I have experienced it. I have had my television cable hookup flick off because of one bolt of lightning; it is off 30 minutes, an hour, longer.

There have been instances when I would call a particular cable company's office and get either an answering machine or no answer. There have been instances when the people in my State of Mississippi were not happy that they could not get service from another station, maybe even in another State, which they had been used to watching in the past.

There have been instances where the rates have gone up way too fast. But we must remember that rates had been artificially held down by regulations and controls before 1984.

I was involved as a young lawyer many years ago in trying to get a cable franchise, working with a city trying to explain to them what it was all about. They did not understand. They did not want to hear it, but, if they did want to hear it, they were looking for revenue for their particular city.

I think, clearly, there have been problems with rates, but there have been some reasons for it. Once we deregulated them, they did go up in their rates, some of them a legitimate amount, some of them too far. But they have been improving that now. As an industry, they are providing better service, better assessability. They are getting a grip on rates. The increase in rates has slowed down.

I am for competition. Let us open it up. Let us let everybody get in there and provide service. That is the answer. Competition will hold those rates down.

I understand the need for program access. I think that while there is a right of proprietary ownership, there is also a right for that programming to be available. I have heard some instances where one cable station quit carrying a program, but when a competitor tried to get that program, even though it was not being carried, it was being denied. That is wrong. That is the kind of problems we have had.

I will vote for all kinds of new competition and for opening up the process, but if we start reregulating, if we start going back to what we had before 1984, I fear we are going to "shoot the goose that laid the golden egg." Regulation and reregulation is never the answer.

I have learned over the years that regulation is not pure and perfect. I voted to deregulate the airline industry. If I could take that vote back, I would take it back. And I voted for deregulating trucking. I think it has had some benefits. But, generally speaking, we should err on the side of not having reregulation and controls that stifle competition, expansion, growth, and development, and that is what this is going to lead to, I fear.

What is driving all of this? One is some anger by consumers and by Congressman and Senators because of the excessive rates in some cases and an arrogance, in some instances, by the cable owners. When we have gone to them and said, "You are not providing the right service" or "there is a problem here," they have said. "That's tough. We don't have to answer to you guys any more." That is what made Congressmen and Senators mad.

The other thing is broadcasters want an opportunity to be able to negotiate a fee for retransmission. Everybody has pretty much signed off on that, as I understand. The cable people and the broadcasters have an understanding. I think a provision of that nature is in both bills. That is really the engine that has been pulling this thing. But behind this engine is lined up a whole bunch of cars that are going to cause more trouble.

Now, one of the things that really bothers me is an area that I am going to offer an amendment with regard to—subscriber bill itemization. First of all, do we want the cities and municipalities to deal with a very complicated industry and set the rates? On what basis? Would politics come into play? Would the needs of the city come into play beyond just being able to have the people offered this service? The fact is sometimes the rates have gone up because of hidden, unidentified increases in fees or taxes which the cable has to pay and the cable company passes on to the consumers, and it is not explained. So I will have an amendment that will at least say the cable companies can identify on the bills those fees and taxes charged that drive up the rates. At least let the people know. Let us at least have openness in billing. I think that would be an important improvement, but it is one of the types of problems I see still existing in S. 12.

Now, there is another problem. And it is really related to turning this whole thing back over to the cities. I realize in S. 12 there is a process whereby the FCC can take that rate-setting back. There is a process where it can give it to the cities. But when you look at the history, the record of the cities and municipalities in this area, I think it is one of the things that led us to the problems we had before 1984. There are many horror stories of how the rates were set, how the franchises were granted. In one instance, in Sacramento, the applicant had to promise to plant 20,000 trees in order to win the local cable franchise. Do we want that? In several cities, including, I understand, Miami and Chicago, the cities extracted early up-front payments of several million dollars in anticipated franchise fees from the local cable companies. That is no way to be doing this business.

Should we be sensitive to broadcasting problems? Absolutely. Do we want to make sure that satellite dish owners have access, an opportunity to get what is provided by cable and broadcasting? Absolutely. Let us do that. But, also, in the process, let us not put the cable companies in such a bind they are not going to be able to move forward and make progress, or pay the bills they already owe because they have improved their system so much.

I do not think this legislation is ready for final action. I did not think so when it came out of committee even though I voted for it. I said at the time I think this is a mistake; we have not massaged it enough.

Now, I know the distinguished Senator from Missouri and the outstanding leader from Hawaii will say we have been working on this thing for 3 years. You can work on it 10 years. If you do not get it where it is ready to be voted on, you need longer. Maybe somewhere between S. 12 and the present substitute there is the Holy Grail we are looking for in this area. I think what we are going to do, though, if we pass this bill without some amendments and without further consideration, is mess up everything; there are going to be, in my opinion, a lot of losers and not many winners.

Let us look at what we can do to further find a middle ground, a common ground that will allow the cable industry to continue to grow and improve the way they have done the last 8 years, at the same time assisting them in curing some of the abuses that they have had to deal with and I think they are dealing with now.

AMENDMENT NO 1497

(Purpose: To permit cable operators to itemize on subscriber bills not only franchise fees, but also other taxes and regulatory costs.)

Mr. LOTT. Having said that, Mr. President, I would like to offer my amendment that I have at the desk dealing with the subscriber bill itemization to give the cable companies an opportunity to itemize these so-called hidden costs, to explain to the people what is involved in the charges so they will know it is not just the cable company jacking up the prices.

I understand the managers of this bill are willing to accept the amendment. I would like to offer the amendment at this time.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] proposes an amendment numbered 1497.

Mr. DANFORTH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SUBSCRIBER BILL ITEMIZATION

SEC. . Section 622(c) of the Communications Act of 1934 (47 U.S.C. 542(c)) is amended to read as follows:

"(c) Each cable operator may identify, in accordance with standards prescribed by the Commission, as a separate line item on each regular bill of each subscriber, each of the following:

"(1) The amount of the total bill assessed as a franchise fee and the identity of the franchising authority to which the fee is paid.

"(2) The amount of the total bill assessed to satisfy any requirements imposed on the cable operator by the franchise agreement to support public, educational, or governmental channels or the use of such channels.

"(3) The amount of any other fee, tax, assessment, or charge of any kind imposed by any governmental authority on the transaction between the operator and the subscriber.".

Mr. INOUYE. Mr. President, I have had the opportunity to discuss this matter with the author of the amendment. There is nothing in this law that would prohibit carrying out of the intent of this amendment. However, I believe this amendment will clarify that. So we support it.

Mr. DANFORTH. Mr. President, while I, of course, had hoped the speech of the Senator from Mississippi endorsing the legislation would be perhaps somewhat more enthusiastic than it turned out to be, his amendment is acceptable on this side.

The PRESIDING OFFICER. Is there further discussion regarding the amendment offered by the distinguished Senator from Mississippi?

Mr. LOTT. Mr. President, I thank the distinguished Senator from Missouri for his remarks. Passage of this amendment will certainly encourage me to consider it further and in his usual inimicable way he will find ways to make progress in the passage of this legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1497) was agreed to.

Mr. LOTT. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1501

(Purpose: To provide for designation of channel capacity for commercial programming from a qualified minority programming source)

Mr. INOUYE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] proposes an amendment numbered 1501.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 83, between lines 20 and 21, insert the following new subsection:

(d) Section 612 of the Communications Act of 1934 (47 U.S.C. 532) is amended by adding at the end the following new subsection:

"(i)(1) Notwithstanding the provisions of subsections (b) and (c), a cable operator required by this section to designate channel capacity for commercial use may use any such channel capacity for the provision of programming from a qualified minority programming source (if such source is not affiliated with the cable operator), if such programming is not already carried on the cable system. The channel capacity used to provide programming from a qualified minority programming source pursuant to this subsection may not exceed 33 percent of the channel capacity designated pursuant to this section. No programming provided over a cable system on July 1, 1990, may qualify as minority programming on that cable system under this subsection.

"(2) For purposes of this subsection—

"(A) the term 'qualified minority programming source' means a programming source which devotes significantly all of its programming to coverage of minority viewpoints, or to programming directed at members of minority groups, and which is over 50 percent minority-owned; and

"(B) the term 'minority' includes Blacks, Hispanics American Indians, Alaska Natives, Asians, and Pacific Islanders.".

Mr. INOUYE. Mr. President, this amendment carries out an intent that all of us support. This is to encourage, to enhance, and to promote carriage of minority programs. I have discussed this matter with the manager, Mr. DANFORTH, and he, I believe, supports it.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. That is correct, Mr. President. It is acceptable.

The PRESIDING OFFICER. Is there any further discussion regarding this amendment?

The question is on agreeing to the amendment.

The amendment (No. 1501) was agreed to.

Mr. INOUYE. I move to reconsider the vote.

Mr. DANFORTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

AMENDMENT NO. 1502

(Purpose: To add a subsection to section 614 of the Communications Act of 1934 as amended by this bill)

Mr. BREAUX. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. BREAUX] proposes an amendment numbered 1502.

On page 103, after line 24, add the following:

"(g) Nothing in this section shall require a cable operator to carry on any tier, or prohibit a cable operator from carrying on any tier, the signal of any commercial television station or video programming service that is predominantly utilized for the transmission of sales presentations or program-length commercials.

Mr. BREAUX. Mr. President, the cable legislation that is pending before the Senate is going to be hotly debated on the question of rate regulation, the question of the involvement of the local communities in helping to determine rates that are fair. The cable bill also says that cables that carry broadcast signals to local communities must ensure that the public has access to all of the local broadcast stations.

One of the provisions that is in the chairman's bill, I think in a substitute that will be offered to that, is a provision that basically requires that cable operators set aside channels on their cable system to carry the local affiliates, to ensure that the people in a community have ABC, NBC, CBS, the Fox network, the public television, and the other public broadcast stations on that cable system. So when you turn on your cable system at night you can get the local news, you can get your local stations, you can get the networks, and you can be fully tuned in to what is happening in commercial television.

I think that is good. I think that is appropriate. I think that is proper.

There is one feature that disturbs me a great deal. It is something that is relatively new; that is broadcast stations that really broadcast commercials 24 hours a day. All of us flipping through our cable channels or our television channels have come across these broadcast stations that say, well, we are the shopping network type of program, 24 hours a day. You turn them on and they are selling the zircon rings, food shoppers, dresses and everything that you can possibly imagine. People watch them. People purchase those products. And I think that is totally appropriate and proper.

The thing that concerns me, however, and the thing that my amendment addresses, is to raise the question of whether this is something that must be carried by cable systems. My amendment certainly does not prohibit a cable system from carrying these 24-hour stations that broadcast commercials on a 24-hour-a-day basis. If they want to carry them, if the public demands this type of programming, so be it. They have the right to do it.

But what the legislation says in the main bill pending before the Senate at this time, the main thrust of that dealing with this is that there are certain things that cables have to carry. There is no discretion. That is the must-carry provision in the legislation.

I object to that because I do not think that these types of 24-hour stations that do nothing but broadcast commercials ought to be given that greater privilege of the must-carry status.

They will argue that, well, these stations are meeting the public interest because the public wants to see this. I would suggest that the public interest standard that communications legislation governed for years went much further than that. As an example, when we talked about the privilege of having a broadcast license which, after all the spectrum belongs to the public—it does not belong to any person—there were certain standards that communication policies and communications acts set up in order to make sure that these people who had a broadcast license, served the needs of the public. They talked about public interest. They talked about promoting diversity of views.

We talked about keeping people informed. Your local broadcast TV station in the city of Chicago or anywhere in Illinois or in Louisiana goes through a great deal of time and effort and planning to meet the public needs of a community, to meet that public interest test. They have local news, sometimes three times in an evening and several times in the morning and perhaps one time at noon. They have local features on the local community.

These stations give access and time to charitable organizations within the community to try and promote events in the local community. All of this is done by these local broadcast stations in order to meet this public interest test, this public standard of serving the needs of the community, because after all they have been given something, the spectrum, the ability to broadcast over the public airwaves. So, therefore, it is appropriate and proper that they be required to meet some public need and necessity in the public community.

As I have said before, these stations that we all are familiar with are being broadcast now. They have a vast listening audience. No one that I can think of has any difficulty in finding one of these channels. Many cable companies run them because they want to, because there is a market for them.

I would suggest to this body that when we give the must-carry privilege to a broadcast station, we have to be a little bit more selective than giving it to any station and every station in America.

I would suggest that a station that broadcast commercials 24 hours a day or maybe 23 hours a day, interspersed with the reprogramming of the same so-called public interest program, does not meet that test. They provide no weather, they provide no local news, they provide no local coverage of current events within a community. The only thing they do is run commercials. Some people like that. Some people will sit in front of a television set at 3 o'clock in the morning and watch them sell zircon rings for $29.95 plus shipping, and the shipping cost sometimes costs more than the product they are buying.

There are groups and organizations in this country that are very concerned about what is happening. The Consumer Federation of America, who support this amendment, among others, are very concerned that what is happening is that people are buying television stations just to run commercials 24 hours a day or 23 hours a day and now, lo and behold, this legislation says that not only are they going to have the right to broadcast, they are going to have to broadcast, they will have to carry.

I would suggest that is a step in the wrong direction. Should they be able to broadcast? That is the FCC's determination. But here, in determining whether they have to be carried on a cable network and have to be carried by every cable network, I think is going far too far.

I am really concerned that if we say to these stations that you have to be carried, what are we telling all of those other local television stations that spent a great deal of time, a great deal of effort, and a great deal of money putting in a local news department, putting in weather men and women, putting in people who do nothing but make sure their station meets the public need and necessity of their local communities?

Why do they not all just go to 24-hour commercials, if that is the way to make money? The heck with the public interest, the heck with what is good for the community. I can make money and the cable companies have to carry my station that does nothing but broadcast commercials. Why do all of us not just do that?

Is that the direction in which we are headed? Is that what we want for communications systems in this country, all to be commercial stations running nothing but commercials?

My amendment says, Mr. President, very simply, that nothing in this act shall require a cable operator to carry on any tier, or prohibit a cable operator from carrying on any tier, the signal of any commercial television station or video programming service that is predominantly utilized for the transmission of sales presentations, or program-length commercials.

What we are talking about is a program that consists of nothing but commercials. My distinguished chairman of the subcommittee was generous and fair in allowing a separate hearing on this issue. We had folks who owned these 24-hour-a-day commercial stations that broadcast commercials come and testify and to try and make their point as to why we should give them the special privilege of must-carry. They worked hard at trying to convince the committee. Certainly, they did not convince this Senator that they were appropriately conferred a must-carry status. They tried to make the case that, "Well, we serve the public interest, because we do not run commercials all of the time. Sometimes we have as much as an hour out of 24 hours that is devoted to something else."

Mr. President, it was almost to the point of being ridiculous, in this Senator's opinion, that they would argue that a station that reserves 1 hour out of 24 for talking about or showing a program with a veterinarian discussing heart worms was a public service. Yet, we see examples of these commercial stations that at 2 o'clock in the morning will run a public service program of a veterinarian talking about heart worms in animals and saying, "Well, we met our public interest test. We do not run commercials all of the time. By golly, just last week, we had 3 hours in the whole week talking about heart worms."

Mr. President, I suggest that that does not meet the public interest standard, the public interest test. No one can argue, I think, with a straight face and say these types of stations are providing the diversity of public interest, local community information, that I think is required. And I think that the Communications Act used to require, before this FCC got involved with it, what a local population really demands, and what the public is entitled to, because, after all, we are talking about the public airwaves. They cannot argue to this body that, well, we have different commercials so, therefore, there is diversity. We do not just sell zircon rings; we sell clothes and radios. That is not the diversity we are talking about—23 hours a day of nothing but commercials, although they may be different commercials. That is not the diversity that the Communications Act, since the 1930's, talked about.

We were trying to encourage stations that use the public airwaves to meet the public interest. I think that it is not sufficient to say that, well, because people like to watch these 24-hour-a-day commercial stations, they now are justifiably given a higher status in the legal spectrum of being deserving of must-carry status.

Regardless of how anybody feels about the legislation before us, whether you are for the committee substitute, or whether you are for the substitute that will be offered, as I understand it, later, I think we can find a common interest here in saying that no matter what we do on this cable legislation, let us not make the mistake and open the door so that all of our local TV stations around this Nation will proceed to convert to nothing more than stations that run commercials almost nonstop 24 hours a day.

Without my legislation, my amendment to the committee bill, I think that we will see the foot-in-the-door type of an approach. We will be sending the signal that we do not care about local diversity; we do not care about local news; we do not care about local interest programming for a station. Do not do that anymore.

All of you have been worried about this for so long, to meet this public interest test, and that is not necessary. Just run commercials and do it on a 24-hour-a-day basis, and we will protect you. We will elevate your status in the legal system to must-carry.

I think that is wrong. Thirteen cosponsors of this legislation also think that it is wrong. Senators BENTSEN, BIDEN, HEFLIN, DASCHLE, SHELBY, WOFFORD, ROTH, SPECTER, KASTEN, SYMMS, LOTT, BURNS, COATS, all agree that these stations ought to have the right to exist; they ought to have a right to broadcast their signals. But when you are requiring cable companies to carry ABC, and NBC, and CBS, and Public Television, and other things that are covered by must-carry, there is a limit. There is a limit. It should not be just carte blanche, that anybody that goes out and buys a station can get must-carry status.

It is clear in my mind that what is happening is that some of the folks who have these shopping stations, who want to broadcast 24 hours a day, are now going out around the country and buying basically low-powered stations just so they can stick their foot in the door of this bill. So that once they grab that license, which is a public item, that is a public airway, and once they pay money for it, now they can say: You have to carry us, cable company. There has to be a must-carry provision that applies to us. I think that is wrong, Mr. President.

I know there will be others who want to talk on this, and I certainly have no difficulty in having this set aside, if the substitute is prepared to be offered or if other amendments come in. The chairman asked for amendments to be brought to the floor and offered, and I am doing that now. This amendment will be considered at some point as an amendment to either—which it is now—the committee substitute, or perhaps to the substitute that will be offered. At the appropriate time, I will ask for the yeas and nays and would be prepared to do that when there are more Members on the floor. At the present time, I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I have the greatest respect for my friend, the junior Senator from Louisiana. We served together in the other body and have worked closely together here on many different issues. But I have to say to my colleagues in the Senate, and to my friend from Louisiana, that he is wrong on this issue. This amendment is a clear case of content regulation.

Mr. President, should Congress be determining what the public watches on television sets in the privacy of their living rooms? I do not think so. We here inside the beltway should not become police officers for the rest of the Nation for what they can or cannot watch.

There are lots of advertisements that I think are pretty bad that I wish were not on when I want to watch a sporting event or some other program on television. But I do not think that the Presiding Officer, or any other Senator, should have the right to determine what can or cannot be advertised.

This amendment offered by the junior Senator from the State of Louisiana makes a subjective judgment based on content. What will be next? This network does, in fact, spend a great deal of its time having people—Vanna White, for example, is one of the stars of this network. She sells things on this program, and she has a big audience.

I have been advised at one time she was ill and numerous phone calls came in and said, "Where is Vanna?" Now what right do we have to say that she cannot be on this program? And that is, in effect, what we are doing.

Mr. BREAUX. Will the Senator yield?

Mr. REID. I am happy to yield.

The PRESIDING OFFICER. The Senator yields for a question from the Senator from Louisiana.

Mr. BREAUX. How does the Senator interpret that anything in my amendment prohibits Vanna White from being on a broadcast TV station? She can go on a TV station and let them broadcast as many times as they want. I am not preventing Vanna White—I never want to prevent Vanna from being on television.

Mr. REID. Well, the Senator would unintentionally be doing that because this television network that the Senator is, in effect, trying to ban from the must-carry provision is different than any other and exempting it from must-carry would prevent her from being on the cable systems. She could still do her program, but it would not be in keeping with the rest of the law that governs all other TV networks.

Mr. BREAUX. If the Senator would further yield, we are not talking about only one network. Any network that predominantly just broadcasts commercials would be prohibited from getting must-carry.

The point I am making and asking the Senator to respond to is, we are not telling anybody they cannot broadcast commercials on TV stations 24 hours a day. All the amendment says is that a station that does predominantly nothing but commercials should not be elevated to must-carry status. They can still have their television station. They can still broadcast 24 hours a day.

Mr. REID. But that, Mr. President, is the whole point of my opposition to the amendment. Why should this network be treated any differently than any other? Why should there be this exemption? I mean, are we going to determine it on the basis of how good the advertisements are or how good the programming is to sell a product? Or what period of time is used during a program to sell a product?

The amendment offered by the Senator from Louisiana makes a subjective judgment on content. What will be next? Will we, the U.S. Senate and the House of Representatives, decide that religious programming should be banned from cable access? Will we want to take children's cartoons off the air? Or only certain kinds of cartoons?

Mr. President, I do not really think this is different than book burning—maybe a little different in degree, but the same principle. We are saying, "We don't like this programming so nobody else should watch it either." And that is wrong.

I believe, contrary to what has been put forward, that this amendment will jeopardize the constitutionality of must carry. Content regulation is a clear assault on the first amendment. In fact, the amendment currently before us approaches a bill of attainder. We are taking away the right of access from a legitimate business.

This is a legitimate business. It may be different than NBC or ABC or C-SPAN, but it is something that millions and millions of people watch and they like to watch. If they do not like it, they can turn it off, switch channels.

Cable operators are the gatekeepers to America's living rooms. Cable is in more than half of the households in this country, and that percentage is growing. If it is not on cable, more than half the people will not see it.

For example, TCI and Comcast, two very large cable operators, control their own version of a home shopping type program called QVC. This puts these large cable companies in direct competition with the Home Shopping Network. Of course, they do not want to carry it.

Channel 14, a black station right here in Washington, carries Home Shopping. TCI will not carry channel 14 as a result. Therefore, this local station, predominantly owned by African-Americans, can only reach less than half their audience. This is not right.

Many local stations carry program-length advertising. For example, many real estate businesses have half-hour shows to display the houses they have for sale. They buy the time. That is what the whole program is about.

Now I personally am not much into watching those kinds of programs. I am not really much into watching these home shopping programs. I do not think I have ever watched one for more than a minute or two. But I can turn the channel, as I do, or I can turn off the TV set.

I should have the right, if I want to watch a real estate presentation for a half-hour, hour, or 15 minutes, or I should be able, if I care to, Mr. President, to watch Home Shopping for as long as I want or as short a period of time as I want. There should not be an exception to this one network because of the type of programming it is.

Who are we going to go after next? Local stations need this revenue to survive. The Home Shopping Network employs 6,000 people nationwide and is affiliated with about 80 stations beyond the 12 they own. In this economy, should we be legislating more people out of work? I think not. Home Shopping Network is a legitimate, a viable, and a good business.

We should be creating jobs here in Congress, according to what we were told last night in the Chamber across the Hall. And I agree with what President Bush said. We should not be eliminating jobs.

The Home Shopping Network should be treated like any other broadcaster. They meet all the FCC criteria with regard to public service. They are a legitimate business, they provide a service people want, and they deserve to be treated fairly.

People have a right to choose what they watch. If we do not provide must-carry for Home Shopping we will be limiting their choice without their consent. This, I think, is unfair. It is not right. And some would say it is unconscionable.

This amendment, Mr. President, should be defeated.

I yield the floor.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I rise to say that I feel very strongly that this amendment by my colleague from Louisiana would not be in the best interests of broadcasting.

What happens, I think we all know, is that when a cable company owns a part of a shopping network, that network is allowed on the air—I think that is the case in the District of Columbia—but the other ones are not or other competition. I think what we are doing here is that we are ensuring competition.

Now, a cable company can own a part of a shopping network and, if that is the case, then they will let that one on the air but no other. And that is really what we are talking about here in the baldest of terms.

So by virtue of this legislation, the competition would also be on the air. And a network, if owned in part by the cable TV, could not be favored. I think that is what it really boils down to.

So we want that competition. I think the bill, as written, is very good in this area, and I strongly oppose this amendment.

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX Mr. President, I just want to make a couple of comments. I do not want to interfere with anybody else's desire to be recognized, and I will be happy to yield in just a moment.

I want to put a statement in the RECORD from the Consumer Federation of America. They do not have an ax to grind in this. They do not represent a cable company. They do not represent a network. They do not represent a broadcast station. But they are concerned about the interests of the American people.

The Consumer Federation, in support of what we are trying to do—and I will submit their letter for the RECORD—says they are very concerned that the scarce public resource that we are talking about, the public airways, is being used for full-time home shopping. "In exchange for the free use of this resource, broadcasters agree to serve as 'public trustees,' and promise to place the public's needs ahead of their own."

That is what stations who get broadcast licenses are supposed to follow, that type of standard, a public interest standard, not just their pocketbook standard.

And that is why you see the Consumer Federation of America, which does not have an ax to grind, they do not have a dollar in this fight, they do not have an economic interest in this fight, but they do have an interest. That interest happens to be the American consumer. That is why they support what we are trying to do along with other groups and organizations, like the Media Access Project which watches what is coming out over the airways; National Cable Television Association, which does have an interest in this; Small Rural Cable TV Association—in support of this.

The only other point I would make is that we are not trying to keep these companies that have 24-hour commerical broadcasts, broadcasting one ad after the other, off the cable system. My amendment says nothing in the bill shall require or deny a station, which does nothing but broadcast commercials, from being on a cable network.

What we are saying is let us be neutral. Many cable systems already carry these shopping type of programs. Some of the cable systems carry more than one. They do it because they think it is the right thing to do. It serves the needs of the people.

My point is that we should not make them do it. We should not mandate them doing it. They have the right to negotiate with a cable company to get on their system. If they do not, they can just broadcast, just like any other broadcast station that is not on a cable system.

My amendment is supported by the Consumer Federation of America and other interest groups that do not have a dog in this fight, from an economic standpoint. The reason they support this amendment is because it does serve the public interests. After all, we are talking about communications. We are talking about the public interest because we are talking about the public airwaves.

I think the bottom line is that nothing in my amendment prohibits a home shopping type of program from being on the cable system. It just says the cable system does not have to require them to have space on that cable system.

Mr. GRAHAM. Will the Senator yield for a question?

Mr. BREAUX. I will be happy to.

Mr. GRAHAM. Reading the amendment, it states:

> Nothing in this section shall require a cable operator to carrying on any tier, or prohibit a cable operator from carrying on any tier, the signal of any commercial television station or video programming service that is predominantly utilized for the transmission of sales presentations or program-length commercials.

Would that require the cable operator to apply a consistent standard? That is, if there were, let us say, three channels which came under the definition of "predominantly utilized for the transmission of sales presentations or program-length commercials," they would have to include all three? Or could the cable operator say I will carry two but not all three? Or one but not all three?

Mr. BREAUX. As long as the cable operator, under my amendment, has the right to carry a station or a broadcast signal that is predominantly a 24-hour-a-day commercial broadcast station, that does nothing but broadcast commercials, that cable operator has the right to decide to carry them or not carry them.

They would also, in my interpretation, have the right to decide which they would want to carry or which they would not want to carry.

Mr. GRAHAM. So the Senator is saying, in my hypothetical, if there were three stations that met the definition, the cable operator could decide that he would carry A and B but not C?

Mr. BREAUX. He could carry none of them, he could carry one of them, or he could carry all of them.

Mr. GRAHAM. If the theory is that there is something perverse about this type of broadcasting that does not warrant it being given the status of must-carry, why should the cable operator be able to make two decisions: First, whether he wants to carry any or all of that type of programming; and, then, second, the right to pick and choose among similar cable operators?

Mr. BREAUX. I think the theory behind the bill—and others may be able to speak to that—requiring must-carry for the networks, NBC, ABC, CBS, public television, or what have you, is that these programs on those stations meet the public interest, meet the public necessity, meet the standards by which a normal station is given a broadcast license: Serving the public interest, local community's interest, with a diversity of programming which includes everything that occurs in the local community, news, weather, sports, plus entertainment programming. It is a diversity coming from those type of networks and those type of signals.

Therefore, must-carry is appropriate for those type of signals that meet that spectrum of public interest requirements.

My amendment says that a station which does nothing but broadcast commercials 24 hours a day is not a station that is deserving of a requirement that it must be carried.

They can be carried or they do not have to be. But they should not be forced to be carried.

Mr. REID. Will the Senator from Florida yield for a question?

Mr. GRAHAM. Could I continue to ask a couple of more questions of the Senator from Louisiana?

Mr. REID. Of course.

Mr. GRAHAM. My concern is what we have really done here is we have put the individual cable operator in the position of exercising economic discrimination. The allegation has been made that the effect of this would be that those over-the-air or cable-generated predominantly advertising channels which have an economic affiliation with the cable system are going to be preferred, and that those that do not have an affiliation with the cable system will be precluded.

It would seem to me that, as the Senator explains the amendment, it would allow that type of economic discrimination.

Mr. BREAUX. I would respond by saying to the Senator from Florida, two points essentially. No. 1, they can do that already. Cable companies decide right now, without must-carry, what type of programming they put on. Many cable companies put programs that they produce on their cable systems. So it is already the current system where they make an economic decision on what they are going to show.

If they have an interest in the program, they may be more inclined to show that program. If it is a cable program that has a great deal of interest in their community, that they do not own, they would probably also put that one on their cable system.

My point is that it is wrong for this Congress to force a cable company to put on their system a station that does not in any stretch of the imagination meet the traditional public interest, public need and necessity test.

If they want to do it, let them do it. But do not make them to it. And that is why the Consumer Federation of America says this is the wrong thing to do and they support this amendment.

Mr. REID. Will the Senator from Florida yield for a question?

Mr. GRAHAM. Mr. President, I request the floor for purposes of yielding to a question and then making a statement.

The PRESIDING OFFICER (Mr. GORE). The Senator from Florida is recognized.

Mr. GRAHAM. I yield to the Senator from Nevada.

Mr. REID. Under the amendment as it has been submitted, does the Senator know whether a company that offered 12 hours and not 23 hours, or whatever the case might be, would they be subject to this discriminatory legislation?

Mr. GRAHAM. The language of the amendment states "* * * is predominantly utilized for the transmission of sales presentations or program-length commercials." The word "predominantly" is not defined.

Mr. REID. Predominantly could mean different things to different people, could it not?

Mr. GRAHAM. I suppose it could even mean a plurality of time. Let us say you broadcast 10 hours of commercials, 6 hours of weather, and 6 hours of other programming, that since the predominant—the plurality of your time would be in commercials, that you would be potentially subject to this definition.

Mr. BREAUX. Will the Senator from Florida yield back to me so I can elaborate on that point?

The intent of "predominantly utilized for the transmission of sales presentations or program-length commercials," the purpose in defining it that way is to give the Federal Communications Commission, which enforces these rules and standards, the direction from the Congress to what is intended.

As far as the exact number of hours, the Federal Communications Commission could be involved in determining what is predominantly a commercial broadcast station.

There is flexibility in there for fairness. But I think it is clear what we are trying to accomplish, and the FCC sees no problem with taking that definition and applying it to the circumstances that are in effect in the business today.

Mr. REID. If I could—I recognize the Senator from Florida has the floor—it seems to me, and I am asking the Senator from Florida if he might agree, that this is very typically what we do—that is, the Congress does. We pass a law that says "predominant" and then we ask the administrative agency to define what we mean when we do not know what we mean.

Mr. GRAHAM. That would be true except, in this case, unless there is something beyond what is printed in the amendment, it looks to me as if the judgment is going to be made not by a governmental agency such as the FCC, but will be made by the cable operator as to whether the program is "predominantly utilized for the transmission of sales presentations," and then the judgment having determined it meets that standard, whether to keep it off the air or not. I do not see a directive for the FCC to generate a consistent standard of regulation that can be used to make that determination on predominantly utilized.

Mr. REID. I was responding to the answer from the sponsor of the amendment.

I will ask the Senator from Florida one additional question. There is no dispute TCI and Comcast are large cable operators and control their own version of a home-shopping-type program with no limited hours. It is called QVC. Under this amendment, they could do anything they want to do, but yet this network would be discriminated against. Is that your understanding?

Mr. GRAHAM. Mr. President, that appears to be the way the amendment is structured. You do not have to apply a consistent standard. If you think that your viewers should be screened from having to view any of these programs, that is one issue.

But what, as I gather, is going to occur here is the cable operator will pick and choose which channels to allow on the air and which to shut down, and there is going to be a strong economic incentive to only allow on the air those channels in which the cable operator has an economic interest.

Mr. REID. I appreciate the Senators yielding for questions.

Mr. GRAHAM. Mr. President, I believe that we have here a clear case of economic discrimination. The Senator from Louisiana correctly points out that the current law allows cable operators to do exactly what they would be allowed to do if his amendment were adopted. That is the reason that we are considering this legislation, is dissatisfaction with the current law.

One of the aspects of that dissatisfaction with the current law is the fact that cable operators are not currently required to provide access to their systems to all of the FCC-licensed stations within their broadcast area. That is one of the significant objectives of this legislation, an objective that would be compromised if this amendment were to be adopted.

Second, we are not talking here about rogue, pirate television stations. All of these stations have an FCC license or they would not be operating over the air unless they were licensed and regulated pursuant to FCC standards. I assume, thereby, that the FCC has applied its consistent standards of public interest in granting and continuing the license to these stations.

I believe that we are going down a very slippery slope if Congress now has to say we are going to establish another set of standards and values on program content beyond that which we have previously assigned the FCC to make. As the Senator from Nevada suggested, if today the judgment is that we should keep off the air a station that broadcast predominantly these 30-minute programs of people telling you how to sell real estate, or how to make a fortune in the gold market, or all of the other areas, stations that have that as their predominant programming, tomorrow are we going to say that our standards of religion are such that we should preclude a particular sect from having access to the must-carry provision, that we are going to put them at a secondary and inferior status in terms of our own standards of what is appropriate content?

I believe that we made a wise judgment in placing this standard with the Federal Communications Commission requiring them, through a very open and arduous process, to establish standards for broadcast licensees and then to enforce those standards. And we would be making a serious error if we were to impinge upon that judgment.

I believe that the issue was raised in the letter from the Consumer Federation about the limitation on numbers of channels. The fact is the technology of most cable TV systems today is of a massive explosion of the ability to deliver channels. The company that I am particularly familiar with in Florida has indicated that they are about to put on several channels reserved for pay-for-view in order to take advantage of that new market opportunity.

I do not believe that there is any reasonable issue here that cable TV capacity is going to be strained by enforcing a consistently applied, must-carry provision for all of the FCC- licensed programs within the particular area.

Finally, Mr. President, I return to the very serious issue of economic exclusion and the congressional involvement in program content. We are about to establish a legislative standard that is extremely vague, a service that is predominantly utilized for the transmission of sales presentations or program-linked commercials.

Just recently, we celebrated a 40th anniversary in America. It was the 40th anniversary of the NBC program "Today." There were many critiques written of the 40-year experience of "Today." One of the recurring criticisms of the "Today" program was that throughout its period, it has been excessively—I think the term was used somewhere between puffery and pandering, in the sense that it promoted the programs and interests of the National Broadcasting Co. in its own program content.

Are we going to say that a program like the "Today" show would fall under the category of being essentially a sales presentation or program-linked commercial for its own network because of someone's characterization of its propensity to use its content to advance the interests of the network? I believe that would be a serious error for the Congress to involve itself in that issue.

Mr. President, we are moving in a proper path in terms of assuring access to cable TV for all legitimate FCC-licensed broadcasters. We should not compromise the attainment of that objective by the adoption of this amendment.

The PRESIDING OFFICER. Who seek recognition? The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I would like to direct a question to the author of the amendment when he returns to the floor.

Let me, first of all, add a few remarks. I am very much concerned about the precedent this type of amendment would create. Is it now time for Congress to begin to regulate what Americans choose to watch? I think not. This amendment is clearly subjective content regulation.

As I understand, the networks affected directly by this amendment are considered by the FCC to be regular stations licensed by the FCC and meeting all the FCC qualifications. The argument being made here today is that limited spectrum should not be taken up by home shopping services.

I could ask the same question, whether the 1,000th rerun of "Happy Days" should take up spectrum space. The must-carry provisions in S. 12 have been carefully drafted. To single out these stations alone for exclusion of must-carry provisions would make these very provisions subject to constitutional challenge.

I would like to ask the author of the amendment two questions: First, would carriage of any over-the-air station under S. 12 jeopardize in any way the carriage of other cable services?

Mr. BREAUX. Mr. President, I would respond to the Senator by saying there is a limited number of channel space available on cable systems, which is one of the reasons why I am offering my amendment. If we have to require that ABC, NBC, CBS, public television, and others be carried on the cable system, and also require that we carry stations that do nothing but broadcast commercials, I am very concerned that the space on these cable systems will not be sufficient.

So you may see a cable system carrying 24 hours of commercials, and eliminating public television, or NBC, for that matter.

It is one of the reasons why the amendment is being offered. We should not force a cable system to carry a station that does nothing but broadcast commercials.

Mr. PRESSLER. But is it not true that there are a vast number of slots available? For example, in the District of Columbia the cable channels, I do not believe, have ever been filled, as far as I can tell from my cable which I receive at home.

Mr. BREAUX. That is true in some areas. In many areas it is not true.

Mr. PRESSLER. In what areas is it not true?

Mr. BREAUX. Crowley, LA, my hometown.

Mr. PRESSLER. It has been my observation that there is spectrum available in most cable situations.

Mr. BREAUX. That is simply not true. The spectrum is getting smaller and smaller as we have more and more programming and stations and networks that are being formed on a day-to-day basis. I would offer my amendment if there was unlimited space on the spectrum for a cable company. I would offer my amendment if a cable had 100 channels and it only had 5 being used. I do not think we ought to elevate the status of the station that broadcasts nothing but commercials to a must-carry status. It is the public interest we are talking about, which I do not think we meet.

Mr. PRESSLER. I think the principle that no cable services would be taken off the air is a true principle; is that not correct?

Mr. BREAUX. In some cases, yes, and in other cases, no.

Mr. PRESSLER. Let me ask my friend how he would deal with the cable monopoly situation. I note the Wall Street Journal had a long article the other day about TCI. I ask unanimous consent that the Wall Street Journal article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wall Street Journal, Jan. 27, 1992]

Cable Cabal: How Giant TCI Uses Self-Dealing, Hardball To Dominate Market

(By Johnnie L. Roberts)

Englewood, Colo.—In many ways, Tele-Communications Inc. is a classic tale of bootstrap entrepreneurship. From a tiny company struggling in the scrubland of West Texas. TCI has built itself into the world's biggest cable-television enterprise. One of every five American cable users is wired into TCI in one way or another, and about 20% of the industry's entire revenue flows to this behemoth.

To many of its rivals and customers, through, TCI represents not the best but the worst in American business—a monopolistic, strong-arm bully, they say, that squeezes other cable operators, denies free competition to programmers and flagrantly disrupts the plans of rivals. The "ringleader" in the "cable Cosa Nostra" is what Sen. Albert Gore Jr. of Tennessee calls TCI. Contends Mel Cohen, the mayor of Morganton, N.C., where TCI operates a cable system: "TCI is trying to crush our city government."

TCI, which owns more than 1,000 cable systems, is also very tightly controlled. Bob Magness, TCI's founder and chairman, and John C. Malone, its chief executive, built and dominated the company in part through internal self-dealing, an investigation by The Wall Street Journal shows. In one case, the two sold to TCI a group of Utah cable systems the company apparently already owned.

GETTING CONTROL

Their stock transactions—often only partially disclosed in federal filings and usually unavailable to other shareholders—may or may not have violated securities laws; the law prohibits corporations from withholding important information from shareholders. But the objective of the dealings appears clear. Through these and other transactions, the two men built one of the most influential and feared companies in the television industry, and granted themselves effective control over it. Many contend that consumers ultimately paid the price, as TCI worked to squelch competition in the cable industry.

TCI emphatically denies engaging in any questionable transactions with its top two officers, or anyone else for that matter. Any suggestion that "when we paid Magness and Malone shares we were paying them for assets we already owned is false," a spokesman says. He cautions, however, that the denials and elaborations are based on the "collective recollection" of TCI executives, and that he didn't consult Messrs. Magness and Malone, who declined to be interviewed specifically about the transactions. Further, the company says it was unable to retrieve records from storage that bear on the internal stock dealings.

The spokesman says allegations the company is a bully in the market are also false. He says TCI just tries to offer the best service at the best possible price, amid rising competition.

For his part, Mr. Malone does say in an interview that, in general, TCI's transactions with its top officials are merely a way of supplementing salaries and teaching top brass about different aspects of the cable business. "TCI has one of the lowest, if not the lowest, salary structures in corporate America," he said. The deals have "allowed us to build wealth over time."

Messrs. Magness and Malone are paid a bit under $500,000 a year each and control a combined 36% of shareholder votes in TCI. When TCI spun off some assets into a company called Liberty Media Corp.—a move designed to answer charges that TCI had become too dominant—the two executives quickly acquired 56% of the voting shares of that company, too. The market value of their combined holdings is nearly $700 million.

The accumulation of that wealth and the sheer girth of TCI will undoubtedly draw the interest of the U.S. Senate this week, as lawmakers begin debating whether the cable industry has become monopolistic and whether additional regulation is needed. TCI and Liberty Media operate in 48 states and dwarf their next-largest rival, Time Warner Inc. TCI alone generates cash flow of $1.7 billion a year—more than ABC, CBS, NBC and the Fox network combined. Annual revenue approaches $4 billion. TCI and Liberty owns stakes in four of the top 10 cable channels and have an interest in nine of the top 25, including Cable News Network, Turner Broadcasting System, Turner Network Television, the Discovery Channel and Black Entertainment Television.

The company's critics say TCI's vertical integration—ownership of both the local cable systems and the channels that provide programming for those systems—gives it unfair power and is one of the best arguments for greater regulation of the industry. The company's outside shareholders, however, couldn't be happier. A dollar invested in TCI stock in the mid-1970s is worth more than $800 now. TCI has "given us a tremendous return," says Keith Hartman, with Associated Communications Corp., an investment company in Pittsburgh. Associated's $7 million investment in TCI in 1979 has swelled to well over $300 million. If TCI were sold today it would probably fetch at least $15 billion.

No shareholder has benefited more than Bob Magness, a cigar-chomping, rough-hewn rancher who started TCI with the purchase of a single system in Memphis, Texas. At age 68, he is worth over $500 million. For all his wealth, Mr. Magness eschews the life style of the rich and famous. For two decades he has lived in a modest ranch house atop a plateau overlooking Denver. "You go to his house for dinner and everyone takes his shoes off, more or less," says Rudy Wunderlich, a friend. The cable magnate has been known to shift a cigar to a corner of his mouth, resting it there while eating a T-bone steak. "He ain't very happy in a tuxedo," another friend says.

These days, Mr. Magness spends little time on TCI's day-to-day affairs. He raises horses and collects Western art, passions he pursued with his first wife and business partner, Betsy. She died in 1985, and he has since remarried.

He formed his cable company in 1956. As lore has it, Mr. Magness, a short and rugged Oklahoman, sold some cattle for funds to buy the franchise in Texas. (A franchise is the right to build and operate a cable system, and is usually awarded by local authorities.) From there, he and Betsy began collecting cable systems in Montana, Nevada, Colorado and Utah.

FINDING SUPPORT

By the mid-1960s, Mr. Magness needed backers. He found two in Salt Lake City—the Gallivan family, which owns the local newspaper, Salt Lake City Tribune, and the Hatch family, owners of local television station KUTV. (The family isn't related to that of Sen. Orrin Hatch.)

The investment by the Hatch family would prove problematic years later, when the federal government barred "cross-ownership" of local TV stations and cable systems in the same community. But with the families' help, Mr. Magness incorporated TCI in 1968 and took it public in 1970.

By 1973, though, TCI was flirting with bankruptcy: Mr. Magness, it seemed, lacked the skill to build and manage TCI as a modern enterprise. So he turned to Mr. Malone, a young Connecticut native and Yale-educated financial virtuoso who was then the president of a TCI supplier.

Shortly after taking over as TCI's president, Mr. Malone summoned TCI's impatient lenders to a meeting, the story goes, and gave them an ultimatum: either back off or take over the company. The lenders backed off, and TCI was able to refinance. Its quest for expansion resumed, fueled by mountains of new debt.

Today, Mr. Malone, age 50, is cable's most visible and formidable figure. He crafted the industry's $560 million rescue of Ted Turner's debt-laden business in 1987, which enabled TCI to gradually take a 25% stake in Turner Broadcasting System Inc.

Yet for all of his influence, the soft-spoken, Mr. Malone remains a stranger to many in the field. Says cable broker Bill Daniels, who shares a skybox atop Denver's Mile High Stadium with Mr. Malone: "I just don't know anyone close to him."

Mr. Malone, who holds two master's degrees and a doctorate in operations research, has served as TCI's strategic thinker and financial alchemist, deftly managing the company as a portfolio of cable assets and buying, shifting, marrying and decoupling them in ways that boosted their value. More than any other industry executive, Mr. Malone pulled the financial community onto the cable bandwagon, getting Wall Street to focus on the business's surging cash flow.

But that higher profile had a downside: it increased the chances that TCI might become a target of corporate raiders.

That risk grew in 1979 as Salt Lake City's Hatch family prepared to sell off its sizable stake in TCI to comply with the ban on cross-ownership. "With the Hatches gone.

[Mr. Malone] felt the company was more vulnerable," says James Hoak Jr., a former executive at Heritage Media, a TCI-owned group of cable systems.

What to do? TCI started to address the problem in 1979 by creating a new class of stock, Class B shares, that had 10-to-1 voting power over the more widely held Class A shares. Now TCI had only to find a way to get the bulk of the Class B shares into friendly hands—such as those of Messrs. Magness and Malone.

Thus began a series of transactions so complex they almost seemed designed to befuddle. First, the Hatch family's TCI stake was acquired by an investment concern called Tele-Communications Investment Inc., which after the transaction controlled 24% of TCI Class B voting stock and 43% of the weaker Class A shares. Through a previous transaction, TCI owned half of that investment company, so TCI's management thus controlled half of the investment company's vote. But TCI management apparently was looking for a way to gain an even tighter grip on TCI.

Messrs. Magness and Malone embarked on a bout of labyrinthine self-dealings that ultimately would have TCI pay them a huge chunk of the super-voting shares. In one case, the dealings involved four separate companies with almost the exact same name—two owned by Messrs. Magness and Malone, two owned by TCI—and the swapping of Utah cable franchises and systems among them.

BACK AND FORTH

Acting through small subsidiaries, TCI first bought up franchises around Salt Lake City. Then TCI transferred the franchises—it isn't exactly clear how—to separate Magness and Malone companies with almost the same names as the TCI units. Later, TCI bought the Magness and Malone entities—even though TCI had owned some of the franchises in the first place.

The price: nearly one million of the super-voting Class B shares, which TCI paid to Messrs. Magness and Malone over five years. The stock, amounting to 13% of all shareholder votes by early 1991 and worth about $140 million at the time, essentially gave the two top executives enough voting power, when added to their existing stakes, to block any move they didn't like.

Records don't make it clear, but it appears the transactions could have gone one of at least two ways: Messrs. Magness and Malone paid only a small sum for TCI's Utah franchises and sold them back at a huge profit; or the pair received the franchises free and sold them back to the company. Either way, the transfers weren't disclosed to the Securities and Exchange Commission.

What is known about the transactions is this:

The deals began in 1979. Because of the cross-ownership ban, and because the Hatch family stake in TCI hadn't yet been sold. TCI couldn't pursue any new cable systems in the Salt Lake City market, the company said in public filings. TCI nonetheless wanted the unawarded Utah franchises in "friendly hands," Mr. Malone recalled in an interview.

So the TCI board urged Messrs. Magness and Malone to form their own private company to pursue the Utah franchises, with the idea that TCI would ultimately buy the properties from the executives. They and their immediate kin set up a new entity: Community Cable of Utah Inc.

APPLYING FOR FRANCHISES

TCI, it turns out, had a subsidiary that used that same name as a trade name. Through last subsidiary, and despite the ban on cross-ownership, TCI had already applied for and received quite a few Utah cable franchises, government records show.

For example, in 1979 the towns of Spanish Fork, Sandy, Salem, and Payson City all awarded franchises to a TCI subsidiary known as Community Cable of Utah Inc. But this Community Cable of Utah, records show, was registered in Nevada. The Magness and Malone-owned Community Cable was incorporated in Utah and was, legally, a separate and unrelated entity.

All of these franchises, however, would end up belonging to Messrs. Magness and Malone. Records don't make clear how this happened.

In February 1981, after the Hatch family stake in TCI had been sold, TCI acquired Messrs. Magnese and Malone's Community Cable of Utah, paying them and their family members 360,000 Class B shares of TCI. The company's assets, listed in disclosure documents, included at least one of the very same franchises and the system built under it—Sandy—that TCI's Community Cable unit had acquired a few years earlier. The assets also included 260,000 shares of Class A stock.

TCI executives give contradictory accounts of how TCI's Sandy franchise ended up as the property of Messrs. Magness and Malone. First, Bernard Schotters, a TCI spokesman, said the franchise had belonged to the two executives to begin with, but that Sandy officials insisted on naming the TCI subsidiary as the official owner.

Then, he and another spokesman, Robert Thomson, revised the explanation to say that TCI, indeed, had first owned the Sandy franchise, but had "assigned" it to another Magness and Malone entity, Community Television of Utah. In return, Messrs. Magness and Malone "paid" TCI by granting TCI the right of first refusal to buy the Sandy property back.

But local records show that Community Television of Utah isn't owned by Messrs. Magness and Malone—it is yet another unit of TCI. The various explanations, moreover, contradict a filing TCI made with Sandy officials in the late 1980s: In it, TCI said it had received the Sandy franchise back in 1979, when TCI was telling shareholders that it was federally barred from doing so because of the crossover restrictions. Today, in explaining its past actions, TCI says it was wrong to tell shareholders that it couldn't own a franchise; in fact, TCI says, it was permitted to seek a franchise, but not to own and operate the cable system built under the franchise.

TCI and its two top officers and their families, who now were flush with the additional 360,000 Class B shares, then repeated the self-dealing. What they gained, again, was greater control of TCI itself. Here's how it worked:

In selling their Community Cable to TCI, the two men held back five cable systems covering 12,000 homes in central Utah. TCI never identified the specific systems in public filings. But records indicate they were the franchises that had been granted to TCI's Community Cable of Utah through a 100%-owned TCI unit. In any case, Messrs. Magness and Malone now owned them and shifted them into yet another new entity with the same name, TCI says today. This version of Community Cable of Utah was registered in Colorado.

In April 1983, they exchanged the five systems for a 21% stake in a new TCI company formed to make acquisitions. TCI valued the assets of their Community Cable of Utah at $3.8 million. The acquisition company, meanwhile, went on to buy another cable system.

In December 1985, TCI bought out the two men's stake in the acquisition company. The price: 600,000 shares of Class B stock in TCI, worth almost $23 million. On the same day, TCI paid them another 50,000 Class B shares, valued at $1.9 million, to acquire another 21% stake the two men had in yet another TCI entity, which had purchased a cable system in Buffalo, N.Y. That 21% stake had cost the two just $210,000 only a year earlier, according to TCI proxy statements.

TCI's two spokesmen, Messrs. Thomson and Schotters, provide contradictory explanations for the turn of events.

First, Mr. Schotters said TCI itself obtained most of the live Utah franchises in question—despite TCI's earlier claim, in proxy statements, that it wasn't allowed to do so. He said TCI, it turns out, was allowed to seek franchises—it just couldn't build and own the systems. Messrs. Magness and Malone did the building outside of the TCI corporate umbrella with TCI financing, he said. But he added that TCI isn't sure whether it ever transferred ownership of the systems to the two men.

Later, the TCI spokesmen said the Magness and Malone company had been awarded at least two of the franchises involved by Utah authorities. But local records show all five Utah franchises were directly awarded to TCI's subsidiary. TCI can't explain whether it transferred the rights to its top two executives—or when, or for what price.

Combined and adjusted for stock splits, the more than one million Class B shares that TCI paid Messrs. Magness and Malone over the years became 10.5 million Class B shares as of January 1991—before Liberty Media was spun off—with almost $140 million and equal to about 13% of all TCI shareholder votes.

Today the Magness and Malone combined holdings give the two veto power over any decisions at both TCI and Liberty Media, thanks in part also to substantial payment of Class B shares they've received under their employment contracts.

PLAYING TOUGH

As the two men built their empire, leaving behind this maze of dealings, they were slowly developing a reputation for hardball tactics with local governments and rivals. Six years ago, for example, TCI began waging war on Morganton, N.C., population 28,000.

The battle was over the company's cable franchise in Morganton, which was expiring and which the town council decided not to renew. Service was "atrocious," Mayor Mel Cohen charges today, and the town began studying whether to build its own cable system.

TCI argued that government ownership would be illegal and countered by suing Morganton, asking $35 million in damages. The town won, but TCI has been appealing the decision ever since, continuing to collect $1.3 million a year in local cable revenues. At one point, TCI offered to sell the system to a buyer group. But the town balked after learning one of the buyers was partly owned by TCI.

Then last year, TCI hired a lobbying firm that formed "Citizens Opposed to City-owned Cable." The group gathered petition signatures to force a vote by citizens on whether the cable system should be owned privately or by the government. Morganton officials contend there was a catch: The petition included a measure—drafted by TCI—that would have virtually guaranteed TCI a lifetime franchise if the vote was in favor of private enterprise. The local board of elections rejected it, and another court battle was on.

Undeterred, TCI targeted Mayor Cohen and an incumbent town councilman for defeat in elections last Oct. 8, the mayor says. The TCI-funded citizen group ran as many as three newspaper ads a day in the three weeks preceding the election. One pictured two buzzards sitting on an electric line and read: "Morganton politicians are sitting high on the perch."

WINNING THE ELECTION

All told, TCI spent about $144,000 on the campaign—dwarfing the $400 to $600 the incumbents say they each spent to get re-elected. In the end, the mayor and the councilman both were re-elected.

TCI's Mr. Thomson generally confirms the events in Morganton but says he expects the two sides to settle the dispute. "We anticipate calmer heads will prevail," he says.

TCI has played a similar form of hardball with its rivals. Its source of power lies in the fact that the sheer size of its systems can make or break a new channel—and keep a rival channel from reaching many American households. That size also gives it enormous leverage in demanding lower prices from independent channels.

The company's move into programming began in earnest in 1979 when it invested $180,000 in a start-up called Black Entertainment Television. From the mid-1980s on, TCI acquired stakes of 5% to 50% in American Movie Classics, the Discovery Channel, the Family Channel, and Turner Broadcasting and its three cable outlets, Cable News Network, Turner Network Television and Superstation TBS.

Critics say TCI displayed its power last year when it fought to win control of the Learning Channel, an award-winning educational channel that was 51%-owned by troubled Financial News Network Inc.

FNN was bound for bankruptcy-court proceedings, and it put the Learning Channel up for sale. Several bidders emerged, including the Public Broadcasting System, the Lifetime cable channel—and Discovery Channel, 49%-owned by TCI.

Initially, analysts estimated the Learning Channel might be worth $80 million or more. But as FNN's woes worsened, offers dropped. Lifetime offered $40 million, out-bidding TCI's Discovery, and began negotiating a final deal. Then TCI elbowed in. TCI's Mr. Malone suddenly decided that the Learning Channel had declined in quality, and he ordered TCI's local cable systems—which accounted for as many as one-third of the channel's total subscribers—to dump the service.

That, of course, made the Learning Channel a less attractive property to the bidders at Lifetime, which is owned by Capital Cities/ABC Inc., Viacom Inc. and Hearst Corp. Executives from Hearst and ABC descended on Mr. Malone in Denver and pleaded with him to keep the Learning Channel on TCI systems, according to officials with Lifetime. They outlined plans to improve the channel and pledged to freeze the rate paid by TCI systems for the channel for two years.

But Mr. Malone said TCI couldn't promise it would carry the redone channel if the sale went through, according to people familiar with the meeting. Today Mr. Malone says he had worried that a bankruptcy judge might force TCI to continue carrying the channel. He also says that, in his opinion, Lifetime's revival plans weren't firm. "We wanted to put them on notice that we have no obligation to carry" the channel, he says. He also said TCI was concerned that the Learning Channel would raise its rates after it was acquired by Lifetime.

Lifetime soon abandoned its bid. A short-time later, the Learning Channel got another buyer—TCI's Discovery Channel, which snapped up the Learning Channel for $31 million. After making some programming changes, TCI decided it was fine after all, keeping it on many, though not all, TCI systems. TCI's chief operating officer, J.C. Sparkman, says that TCI "had nothing to do with whether Lifetime or Discovery" acquired the Learning Channel, and that TCI did nothing untoward during the bidding.

GETTING ON THE SYSTEM

Another rival has also complained about TCI's extensive control over both the medium and the message. Home Shopping Network's chief executive, Roy M. Speer, charged in testimony to congressional subcommittees last year that TCI "systematically refuses" to carry Home Shopping on TCI systems because of its own sizable stake in a rival channel, QVC. (Liberty now holds the QVC stake.)

Home Shopping managed to sign up only 3.7% of TCI's subscriber base, although its sign-up rate was 47% for most other top cable operators, the service said in a 1990 filing with the Federal Communications Commission. Home Shopping said TCI was thus depriving it of hundreds of millions of dollars in revenue and was increasing its costs.

Mr. Speer declined to be interviewed. But in his testimony he detailed years of alleged discrimination by TCI. TCI's Englewood, Colo., system once told Home Shopping it couldn't carry the network because it competes with QVC, Mr. Speer said. In 1988, TCI directed two systems it had acquired in Pasco County, Fla., to cancel Home Shopping and replace it with QVC, he said. In April 1990, TCI's top California manager told Home Shopping there was "no way" his systems could carry it, given that TCI had a stake in QVC, Mr. Speer charged.

TCI denies it discriminates against Home Shopping but declines to comment further. In a letter last summer to Sen. Daniel K. Inouye of Hawaii, TCI said it believes it is Home Shopping's largest carrier, accounting for one-quarter of Home Shopping's viewers.

The fortunes of QVC, meanwhile, are soaring. While Home Shopping Network posted an $8.9 million loss on one-time charges in its most recent fiscal year, QVC reported almost $5 million in profit in the first half on $391 million in sales, which were up almost 22%.

If TCI can be hard on rivals, it sometimes is no more gentle with consumers. Last summer it launched Encore, a low-priced movie channel, using the "negative option"—subscribers all had to pay extra for it unless they explicitly told TCI they didn't want it. The company figured that putting the burden on customers to say no promised to corral 80% of TCI households for Encore. It also says it had to use the strategy because of technical limitations in many of its cable systems. A Texas newspaper called the strategy "sneaky," others said it was anti-consumer, and a judge halted it. At least 10 states sued, and TCI had to abandon the gimmick nationwide.

But the setback was something of an exception. Usually TCI gets its way. In 1985, for example, when General Electric Co.'s NBC network set plans for an all-news cable channel, officials assumed it "couldn't happen without TCI," recalls Lawrence K. Grossman, president of NBC News at the time. But in the end, TCI merely played NBC off against CNN, whose programming the cable company was already carrying. According to Mr. Grossman, TCI used a proposed alliance with NBC to get price breaks from CNN, and then backed away from the NBC proposal.

Several years later, NBC tried again. By this time, TCI had taken a stake in Turner Broadcasting. To win TCI's support, NBC promised that its new channel, CNBC, would focus on business and finance instead of running an all-news format that would compete with Cable News Network, say people familiar with the transaction. NBC also agreed to pay TCI $20 million for a fledgling TCI channel called Tempo. Sen. Gore, in a 1989 Senate hearing on media ownership, called that payment a "shakedown" by TCI.

NON-COMPETE PROVISION

NBC Chairman Robert Wright and TCI scoffed at the shakedown allegation, and TCI denied it had forced NBC to avoid competing with CNN. But Mr. Wright testified that most cable companies "required, if you will," a non-compete provision and said it "wasn't exactly what we would have preferred." TCI and NBC have since joined in several business ventures.

Afraid that TCI's dual role in owning cable systems and channels would prompt the federal government to try to break up the company, Messrs. Magness and Malone conceived a plan that would appear to do just that—while letting them retain total control of the empire.

Last year TCI spun off $605 million of assets in the form of a new company, Liberty, and sold Liberty to TCI shareholders by giving them the option of swapping some of their TCI shares for shares in the new company. But TCI set up Liberty as a second vertically integrated company with cable systems of its own.

What's more, Liberty purports to be an independent company, but it employs mostly TCI people, has Mr. Malone as its chairman, and has five TCI executives on its board of six directors.

"This so-called spinoff should be renamed 'All in the Family,'" said a critical staff report to the Senate Commerce Committee.

Liberty shares have more than tripled in price from an original $230 to $770 a share in less than a year of trading. The swift rise has some analysts wondering whether the appreciation is warranted. "It is ridiculously overvalued," contends Frederick A. Moran, president of Moran Asset Management Inc., a money management company. He recently advised clients to dump Liberty shares.

Messrs. Magness and Malone own 56% of Liberty's shareholder votes and were able to grab such a dominant stake because many other shareholders in TCI didn't elect to participate in the swap.

EXPANDING INFLUENCE

Under Mr. Malone's control, Liberty has been especially generous to him; he owns 164,000 shares worth $126 million. Records show he obtained 100,000 Liberty shares through options in lieu of salary in one fell swoop, even though his contract at the time limited him to 20,000 shares a year for the next five years. In October, Liberty directors let Mr. Malone exercise all of the options at once.

Exercising the option cost Mr. Malone $25.6 million, but he had to put up only $100,000 in cash, according to Liberty fillings with the SEC. Moreover, Mr. Malone raised the money by selling part of his personal stake in Liberty's QVC channel back to Liberty. He gave the company a $25.5 million note for the rest of the stock, with a low annual interest rate of 7.54%. Mr. Malone later paid off part of the debt by giving Liberty some of his TCI stock.

> To lessen their risk when Liberty was spun off, Messrs. Magness and Malone structured the deal to insulate themselves from any losses, even if it meant damaging Liberty itself. Under the terms they set—which weren't available to Liberty's outside shareholders—Liberty must arrange the purchase of stakes held by the two executives and the Gallivan family, the early TCI backer, at a guaranteed price if these shareholders are ever forced by regulators to divest. The guaranteed price is an average of the stock's price over a specific trading period.
>
> "The actions [Liberty] may be required to take in order to satisfy such obligations . . . could have an adverse effect on the company's business, financial condition and prospects," the company warned in SEC filings.

Mr. PRESSLER. If a monopoly such as that owns a portion of the shopping network, what is to prevent it just adding to its monopoly? How would my colleague deal with the monopoly issue? The cable monopoly would never allow any other shopping network onto its system if they owned a portion or had some economic relationship with another shopping network. This is exactly what they are doing now in many systems.

Mr. BREAUX. My amendment does not in any way affect antitrust laws. We do not amend the Antitrust Act. Nothing is changed in existing antitrust laws. If they are violating antitrust laws by doing that now, they will be violating it after my amendment. I suggest that a cable company would put a competitive home-shipping type of program on if the public demanded it, if they thought they could make money doing it. If they thought they would not make money doing it, they would not put it on. Nothing in my amendment affects antitrust laws. If it is illegal today, it would be illegal after the amendment is adopted.

Mr. PRESSLER. Nothing in the amendment affects the antitrust laws, that is true, but under the current system a monopoly has complete control to block out anybody else. That is exactly what is happening. I suggest to my friend that, indeed, this amendment will add to the monopoly problem.

Mr. BREAUX. If that is illegal today, it would be illegal tomorrow. If it is legal today, it is still legal after my amendment. My amendment does not affect that. If what they are doing is an antitrust violation, it is illegal and they should be prosecuted for it, but this amendment does not touch that.

Mr. PRESSLER. Mr. President, in conclusion, I am in disagreement with my friend on that point because I think his amendment will add to the monopoly problem substantially. The large cable companies which own a part of shopping networks will just allow those networks on the air, and, unless S. 12 passes, other competitors do not have a chance. There would be no competition. I am also totally puzzled by the stand of the Consumer Federation of America. It seems to me that the more competition, the more alternatives for the consumers. I yield the floor.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I think the arguments against this amendment have been pretty well made. I do not know whether Senator GRAHAM, of Florida, intends to offer a second-degree amendment or not. I strongly oppose the present amendment in the form it takes right now for the reasons already given by other Senators.

First of all, in connection with the colloquy just engaged in by Senator PRESSLER and Senator BREAUX, I am not sure how efficacious the antitrust laws are under this situation. I am a long way from practicing law and much less antitrust law. I am not sure that a unilateral refusal to deal would constitute a good antitrust case.

But in the point of fact what is being done right now and what was pointed out by the Wall Street Journal article that was just put in the RECORD is a very real problem. It is a problem which does lock out a competitor in the home shopping area. TCI, which is the largest of the cable companies, according to the article in the Wall Street Journal, "'Systematically refuses' to carry Home Shopping on TCI systems because of its own sizable stake in a rival channel, QVC." That is the quote from the Wall Street Journal article.

So in point of fact without must-carry applying to the home shopping stations, the home shopping stations will have no access to TCI cable companies. I do not know if they have a good antitrust case or not. I do know that even the best antitrust case takes years to get through the courts.

The second point, which is a broader point and a very important point, does have to do with content regulation and does have to do with whether we on the floor of the Senate want to make qualitative distinctions among various kinds of TV programming. Do we want to say that if there is such a thing as must-carry, then that must-carry privilege extends to certain kinds of television content and not to other kinds of television content? That is what this amendment would do. It would say that there is certain content of television programming that we do not like and that we want to treat differently from other kinds of television programming. That, to me, is a highly questionable process for the Senate to enter.

For those two reasons, I oppose the amendment that has been offered by the Senator from Louisiana.

Mr. BREAUX. Will the Senator yield for a question? The Senator raised the question, and I think the Senator from South Dakota also referenced TCI company which is Telecommunications, Inc. This issue, as both Senators will remember, was raised in our hearings in the committee. The question I would like to ask is that the information I have—it may be the Senator's information is different. If it is, I think we ought to have it on the record. The letter from TCI to Senator PRESSLER says:

> We believe TCI is Home Shopping Network's largest cable affiliate. Home Shopping Network has access to over 60 percent of the TCI subscribers. On TCI's owned and operated system and on the Storia system that TCI manages, Home Shopping Network programming may be seen by 3.5 million subscribers out of a total of 6.8 million.

That is, 60 percent plus of TCI subscribers get Home Shopping Network. The reference was made on the floor that somehow TCI is preventing Home Shopping Network from competing on their system. This letter says just the opposite, that 60 percent of the TCI subscribers get Home Shopping Network over their cable system. Is that incorrect information?

Mr. DANFORTH. Mr. President, responding to the Senator, I can simply read from the Wall Street Journal article, which has been placed in the RECORD. And I will read the article.

This is a quote:

> Another rival has also complained about TCI's extensive control over both the medium and the message. Home Shopping Network's chief executive, Roy M. Speer, charged in testimony to congressional subcommittees last year that TCI "systematically refuses" to carry Home Shopping on TCI systems because of its own sizable stake in a rival, QVC. (Liberty now holds the QVC stake.)
>
> Home Shopping managed to sign up only 3.7% of TCI's subscriber base, although its sign-up rate was 47% for most other top cable operators, the service said in a 1990 filing with the Federal Communications Commission. Home Shopping said TCI was thus depriving it of hundreds of millions of dollars in revenue and was increasing its costs.
>
> Mr. Speer declined to be interviewed. But in his testimony he detailed years of alleged discrimination by TCI. TCI's Englewood, Colo., system once told Home Shopping it couldn't carry the network because it competes with QVC. Mr. Speer said. In 1988, TCI directed two systems it had acquired in Pasco County, Fla., to cancel Home Shopping and replace it with QVC, he said. In April 1990, TCI's top California manager told Home Shopping there was "no way" his systems could carry it, given that TCI had a stake in QVC, Mr. Speer charged.
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> TCI denies it discriminates against Home Shopping but declines to comment further. In a letter last summer to Sen. Daniel K. Inouye of Hawaii, TCI said it believes it is Home Shopping's largest carrier accounting for one-quarter of Home Shopping's viewers.
>
> The fortunes of QVC, meanwhile, are soaring. While Home Shopping Network posted an $819 million loss on one-time charges in its most recent fiscal year, QVC reported almost $5 million in profit in the first half on $391 million in sales, which were up almost 22%.

That is really all I know. I would say that however the facts turn out, without having must-carry available to Home Shopping, the fate of Home Shopping is really in the hands of TCI or other cable companies. And, therefore, it is a matter of simply relying on the good graces of the cable operator.

I might say as a general rule that those who say that we should not pass this legislation, that there should be no possibility of regulating the cable companies or no meaningful possibility of regulating the cable companies, are saying very much the same thing. They are saying that cable companies should be trusted; that cable companies will do the right thing without being hemmed in in any way either by competition or by regulation.

I think that the story in the Wall Street Journal 2 days ago shows what all of us know intuitively, and what all of us know intuitively is that if there is a monopoly that is unregulated, that monopoly is going to be abusive. That is what is at stake, I think, in this amendment.

Mr. BREAUX. Of course, that is the whole thrust of the bill of the chairman and the ranking minority member—to regulate cable companies. I am all for a degree of regulation. I think it is appropriate. But the point about Home Shopping Network not being able to make it without must-carry, I ask the Senator, the figures when we had them before the committee showed that they had grown from net sales of $160,000 in net sales in 1986 to nearly $1 billion in net sales in 1990. They did that without must-carry.

Before we start crying for Home Shopping Network not having must-carry, they are doing very well. I think the Senator would have to agree with those kind of net sale figures. That is without must-carry.

Mr. DANFORTH. Of course this is disputed in the article that I just read from. I would simply say that it is an abuse, in the opinion of this Senator. It is an abuse for a cable operator to be able to say we will accept a program from our affiliate company, QVC, and run that on our cable, and we will exclude a competitor.

For those who believe, as I believe, that competition is the real answer, not regulation, the point is we should open the door for competition. And under the present state of affairs, competition can be precluded by the operation of the cable company.

It is not the intention of the sponsors of this legislation to regulate for the joy of regulation. That is not the intent. As a matter of fact, under the law that we have, the ability of a municipality to regulate rates sunsets if there is another multichannel provider.

Similarly, the whole reason for providing in the legislation what is not provided in the substitute, namely for nondiscrimination in the case of vertical integration, and the case of providing some limits on horizontal expansion by cable companies—the whole purpose of those provisions which are in the bill and not in the substitute—is to increase competition and to provide for a vital competitive system.

Some people who claim that they are taking the conservative position by being against any and all regulation, it seems to me, myself, therefore, say that what they are for is a competitive marketplace. But if we end up passing legislation that does not further the cause of a competitive marketplace and which has a severely stunted regulatory system such as in the proposed substitute, they are asking for a system which is simply a continuation of the status quo, namely unregulated monopoly.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I would like to point out that the letter sent to me, also, I believe, says that a subsidiary of TCI owns over 20 percent of QVC. It is true, as my friend says, that TCI does carry Home Shopping on many of its affiliates. But the point is wherever they want to control, they can exercise their monopoly power. They can, and they do.

I think this is the significant point that we must remember.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

Mr. BREAUX. Mr. President, I rise because I thought that there were other speakers on the amendment who are on the floor.

Mr. PRESSLER. Mr. President, I wish to speak on the main bill. I have a short statement if I can do that.

The PRESIDING OFFICER. The Senator from Louisiana has the floor.

Does the Senator seek recognition?

Mr. BREAUX. I seek recognition.

Do other Senators seek to speak on the amendment?

Mr. BURNS. Mr. President, I have a short comment on this amendment.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I would just, in this debate on this particular amendment, say I am supportive of the amendment as it is offered by the Senator from Louisiana. Whenever you take a level playing field, and whenever we start talking about regulation and deregulation and this type of thing, I would say then QVC would, under the must-carry rule, have sort of the best of both worlds.

They have over-the-air shopping, and have been allowed to take advantage of the cable operation as well. Maybe we would have to go out, and if Home Shopping Network wanted to purchase a station, they could not be denied the purchase of that station just because of content.

I am a broadcaster, and I think probably we went through this same debate whenever we were talking about children's TV, that there were many of us in the Congress that did not like 30-minute-long commercials. In both—the children's programming and the commercials—the program content was just basically one long commercial.

I just do not believe that this fulfills the traditional and accepted format of broadcasting as we know it in this country; in other words, offering local broadcast news, weather reports, emergency conditions, and items like this that broadcast companies usually offer to a community.

So I support the amendment, because of the fact that I have a big problem with seeing not only 30-minute-long commercials but also hour-long commercials, and it would probably disrupt the traditional broadcast as we know it in our own local communities.

I congratulate the Senator from Louisiana for the amendment, and I yield the floor.

Mr. BREAUX. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I rise for the purpose of explaining a second-degree amendment that I will offer. I want to give an explanation before offering it.

Mr. President, the issue here is who should decide on the appropriateness of an FCC licensed over-the-air station, to secure the benefits of the must-carry provisions in S. 12.

The amendment which has been offered says that decision should be made by the cable operator under a potentially economically discriminatory set of circumstances. That is, that the cable TV operator could elect to allow one or more, but not all of the programs that have a similar, predominantly advertising, format to their content.

I believe that that clearly raises the specter of; A, economic discrimination by the cable operator to the benefit of a cable channel or over-the-air channel, with which they have an economic tie; B, involves the Congress in a very serious issue of content determination beyond that which has already been reached by the FCC.

Therefore, Mr. President, I will offer a second-degree amendment which would direct the FCC within 90 days to commence the process of reviewing broadcast television stations—whose programming consists predominantly of sales presentations—to determine whether they are serving the public interest, convenience, and necessity. The Commission shall take into consideration in the viewing of such stations, the level of competing demands for the channels allocated to such stations, and the role of such stations in providing competition to nonbroadcast services offering similar programming. In the event that the Commission concludes that one or more of such stations are not serving the public interest convenience, and necessity, the Commission shall allow the licensees of such stations as reasonable period within which to provide different programming, and shall not deny such stations a renewal expectancy due to their prior programming.

AMENDMENT NO. 1503 TO AMENDMENT NO. 1502

(Purpose: To require an inquiry by the Federal Communications Commission concerning broadcast television stations whose programming consists predominantly of sales presentations)

Mr. GRAHAM. Mr. President, I believe that this amendment would keep this issue where it should be, and that is before the FCC, which will be applying a consistent, not an economically discriminatory, standard. Therefore, I send to the desk a second-degree amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes an amendment numbered 1503 to Amendment No. 1502.

Mr. GRAHAM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

USE OF CERTAIN TELEVISION STATIONS

SEC. . Within 90 days after the date of enactment of this Act, the Federal Communications Commission shall commence an inquiry to determine whether broadcast television stations whose programming consists predominantly of sales presentations are serving the public interest, convenience, and necessity. The Commission shall take into consideration the viewing of such stations, the level of competing demands for the channels allocated to such stations, and the role of such stations in providing competition to nonbroadcast services offering similar programming. In the event that the Commission concludes that one or more of such stations are not serving the public interest, convenience, and necessity, the Commission shall allow the licensees of such stations a reasonable period within which to provide different programming, and shall not deny such stations a renewal expectancy due to their prior programming.

Mr. GRAHAM. Mr. President, the amendment is as I described it. It directs the FCC to commence an inquiry to determine whether broadcast television stations which consist predominantly of sales advertising are serving the public interest, convenience, and necessity, and provides for steps that would be followed, should the FCC—in a consistently applied administrative procedure, subject to judicial review—reach a determination that those standards of public interest, convenience, and necessity are not in fact being maintained.

Mr. BREAUX. Will the Senator yield for a question?

Mr. GRAHAM. Yes.

Mr. BREAUX. This amendment says basically that the FCC shall make an inquiry whether the stations are meeting the public interest, convenience, and necessity test.

Is it the intent of the Senator in offering this that that inquiry shall make a determination that they are in fact meeting that test and describing how they are meeting that test?

Mr. GRAHAM. The FCC, under its standards of licensure, will make a judgment as to whether the station is serving the public interest, convenience, and necessity on the basis upon which stations are licensed. If a station is found to meet those standards, then it would qualify as a must-carry station under the provisions of S. 12.

Mr. BREAUX. If the Senator will yield, this is the point I am making on the amendment: is it the interpretation of the author that they can come back and say yes, without spelling out how they are meeting the public interest, convenience, and necessity.

Mr. GRAHAM. The FCC has, as a core part of its responsibility, to make judgments under congressional authorization, as to which licensees meet those standards of public interest, convenience and necessity, and they would be required under this inquiry to determine—determine being a word of administrative and legal significance—to make a determination that a station whose programming consists predominantly of sales presentations are meeting the public interest, convenience, and necessity test. The answer to the question is yes.

Mr. BREAUX. Would the author of the amendment agree to a unanimous-consent amendment to his amendment which would say after the word necessity: "and how they are doing so"?.

Mr. GRAHAM. I think that is subsumed in the word determine. The FCC has to make a determination, which is a legal finding, that a station which consists predominately of sales presentation is serving the public interest, convenience, and necessity.

Mr. BREAUX. So it is the author's intent that it would be a requirement that they would spell out what they are doing that meets these public tests?

Mr. GRAHAM. That they would make a determination, as they would in any other case of making such a finding, and that it would be a publicly arrived at and a publicly available statement of the basis upon which they would reach that judgment.

Mr. BREAUX. Mr. President, this amendment completely eliminates my amendment. Of course, I am sure that is the intent of the author to do that. It is not surprising, and I respect him for it.

The problem with the amendment of the Senator from Florida is that this FCC, as lackadaisical as they have been in approving broadcast licenses, has already made that determination. They made the determination that these stations that do nothing but broadcast commercials 23 hours a day are meeting the public interest and necessity test. That is how they got the license in the first place. That is the problem.

The FCC has already approved the licenses for these local broadcast stations, allowing them to do nothing but broadcast commercials 23 hours a day; and in order to give them the license, they had to make the determination that they are meeting the public interest and necessity test. This FCC has already done that. And that is the reason why we have a problem. I suggest that a television station that uses the public air waves is supposed to meet the public interest tests and public necessity test, because it is the public air waves, and it is not meeting that standard when the only thing they do is broadcast commercials 23 hours out of a 24-hour period.

My amendment says that at least do not elevate them further by giving them must-carry status. We should not say that a station that does not have weather, does not have sports, does not have local news, does not have national news, does not have international news, stock market reports, music, any kind of discussion of any type of value other than we are selling these rings, and these dresses, and suits, and shoes, should have to be elevated to a must-carry status. Should a cable company have the right to carry them if they want to? Of course. Does my amendment prohibit them? Of course, it does not.

What we are doing now is saying, without my amendment, that a cable company absolutely has to carry a station that does nothing but broadcast 23-hour-a-day commercials, even if that means that they will have to knock out other programming that has valid entertainment or public value.

I just think that when you see the Consumer Federation of America saying how concerned they are that these full-time home shopping stations would be elevated to must-carry status, that is wrong. I think that is why you see these groups that do not have any economic interest in this battle supporting this amendment.

We could argue all day long about the three broadcast networks that have these home shopping networks. But we all know, quite frankly, they are making millions of dollars doing this. Some what to put the others out of business. They want to be the only survivor.

When you have interest groups that have no economic dog in this fight, like

Consumer Federation, you see that we truly are talking about the public interest. And the public interest is served by saying that they should not be elevated to must-carry status.

With all due respect to my good friend from Florida, who says I am going to offer a substitute that will require the FCC to make this determination as to whether these stations meet the public interest and necessity test, this FCC—which so many Members have severe complaints about, which is the reason why we have a cable bill up here for many Members—is not qualified to make that decision.

They have already made it. They said that is a public interest and necessity station that meets all the requirements. I would like to see them specifically tell this Senator and all of us how a station that does 23 hours a day of commercials, interspersed with one 60-minute slot on heartworms and a veterinarian's recommended cure, is meeting the whole public interest and necessity test.

Is this what public interest is all about? I suggest that it is a lot more than that and, therefore, the substitute amendment should be defeated.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I support the second-degree amendment offered by the Senator from Florida. I think it is the more prudent way to proceed, to allow the FCC to study this matter, rather than adopting the Breaux amendment which I think is a big step toward content regulation.

I ask for the yeas and nays on the Graham amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

AMENDMENT NO. 1503, AS MODIFIED

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I ask unanimous consent to modify the amendment which I have submitted in the form that is currently at the desk.

The PRESIDING OFFICER. The Senator has a right to modify the pending amendment.

The amendment (No. 1503), as modified, is as follows:

In the pending amendment, on line 2 beginning with "nothing" strike through line 7 and insert the following:

Within 90 days after the date of enactment of this Act, the Federal Communications Commission shall commence an inquiry to determine whether broadcast television stations whose programming consists predominantly of sales presentations are serving the public interest, convenience, and necessity. The Commission shall take into consideration the viewing of such stations, the level of competing demands for the channels allocated to such stations, and the role of such stations in providing competition to nonbroadcast services offering similar programming. In the event that the Commission concludes that one or more of such stations are not serving the public interest, convenience, and necessity, the Commission shall allow the licensees of such stations a reasonable period within which to provide different programming, and shall not deny such stations a renewal expectancy due to their prior programming.

Mr. GORE. Mr. President, I rise to support the second-degree amendment. I do so, in part, because I share our colleague's concern about the failure of the Federal Communications Commission to ensure that owners of local broadcast licenses meet reasonable public interest standards.

It is a fact that the FCC has, over the past 13 years, totally abandoned the principle that holders of licenses for precious broadcast spectrum perform in a manner that is in the public interest. Year after year the Reagan-Bush administrations, through their FCC appointees, have whittled away at this principle, established so firmly in the 1934 Communications Act and bipartisan actions until 1981.

Abandonment of protections for children, abandonment of the fairness doctrine, proposals to auction off radio spectrum to the highest bidder, the list goes on and on.

Mr. President, the amendment by our colleague from Florida approaches this problem from the right direction. I am troubled that the practical effect of the Breaux amendment would be to further stifle competition, to further enhance the monopoly powers of most vertically-integrated and most anticompetitive, intimidating cable company—TCI.

The natural effect of the Breaux amendment would be to deny cable carriage to a home shopping service which has had no choice but to acquire a local broadcast license in order to be carried by these cable companies intent to keep an independent shopping service off the air.

Whether or not you like home shopping channels on cable, you have to be skeptical about the motivations of a company such as TCI and its subsidiary shopping service, in refusing to carry a competitor.

I eagerly support the second-degree amendment to force the FCC to strengthen the public interest standard for local broadcasters, whether for mostly commercial programming, such as home shopping channels, or for any other local broadcaster.

But to use the must-carry rules to give a competitive advantage to a cable-owned channel against one which has avoided the acquisitive clutches of companies such as TCI is simply wrong.

I urge our colleagues to support the Graham second-degree amendment to the Breaux amendment.

Mr. DANFORTH. Mr. President, I ask for the yeas and nays on the Graham amendment.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. DANFORTH. Mr. President, Senator DOLE would like to speak for about 3 or 4 minutes on an unrelated subject, and I believe he is expected on the floor momentarily.

Mr. LEAHY. Will the Senator from Missouri yield?

Mr. DANFORTH. Yes.

Mr. LEAHY. Mr. President, I tell my colleagues who are waiting for the distinguished leader, I do have an amendment that I understand is acceptable.

I am wondering if, in the 3 or 4 minutes we are waiting, the managers and the distinguished Senator from Florida would be willing to entertain a unanimous-consent request to set aside the pending matter to allow my amendment—and I assure the managers I will take no more than 3 or 4 minutes.

Mr. INOUYE. No objection.

Mr. LEAHY. I make that unanimous-consent request.

The PRESIDING OFFICER. Without objection, the pending first-degree and second-degree amendments are temporarily set aside, and the Senator from Vermont is recognized for the purpose of offering an amendment.

AMENDMENT NO. 1504

(Purpose: To amend the Communications Act of 1934 to require cable television operators to provide notice and options to consumers regarding the use of converter boxes and remote control devices, and to assure compatibility between cable systems and consumer electronics)

Mr. LEAHY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Vermont [Mr. LEAHY] proposes an amendment numbered 1504.

Mr. LEAHY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 111, between lines 21 and 22, insert the following:

NOTICE AND OPTIONS TO CONSUMERS REGARDING CABLE EQUIPMENT

SEC. . The Communications Act of 1934 (47 U.S.C. 151 et seq.) is amended by adding after section 624 the following new section:

"NOTICE AND OPTIONS TO CONSUMERS REGARDING CONSUMER ELECTRONICS EQUIPMENT.

"SEC. 624A. (a) This section may be cited as the 'Cable Equipment Act of 1992'.

"(b) The Congress finds that—

"(1) the use of converter boxes to receive cable television may disable certain functions of televisions and VCRs, including, for example, the ability to—

"(A) watch a program on one channel while simultaneously using a VCR to tape a different program or another channel;

"(B) use a VCR to tape consecutive programs that appear on different channels; or

"(C) use certain special features of a television such as a 'picture-in-picture' feature; and

"(2) cable operators should, to the extent possible, employ technology that allows cable television subscribers to enjoy the full benefit of the functions available on television and VCRs.

"(c) As used in this section:

"(1) The term 'converter box' means a device that—

"(A) allows televisions that do not have adequate channel tuning capability to receive the service offered by cable operators; or

"(B) decodes signals that cable operators deliver to subscribers in scrambled form.

"(2) The term 'VCR' means a videocassette recorder.

"(d)(1) Cable operators shall not scramble or otherwise encrypt any local broadcast signal, except where authorized under paragraph (3) of this subsection to protect against the substantial theft of cable service.

"(2) Notwithstanding paragraph (1) of this subsection, there shall be no limitation on the use of scrambling or encryption technology where the use of such technology does not interfere with the functions of subscribers' televisions or VCRs.

"(3) Within 180 days after the date of enactment of this section, the Commission shall issue regulations prescribing the circumstances under which a cable operator may, if necessary to protect against the substantial theft of cable service, scramble or otherwise encrypt any local broadcast signal.

"(4) The Commission shall periodically review and, if necessary, modify the regulations issued pursuant to this subsection in light of any actions taken in response to regulations issued under subsection (i).

"(e) Within 180 days after the date of enactment of this section, the Commission shall promulgate regulations requiring a cable operator offering any channels the reception of which requires a converter box to—

"(1) notify subscribers that if their cable service is delivered through a converter box, rather than directly to the subscribers' televisions or VCRs, the subscribers may be unable to enjoy certain functions of their televisions or VCRs, including the ability to—

"(A) watch a program on one channel while simultaneously using a VCR to tape a different program on another channel;

"(B) use a VCR to tape two consecutive programs that appear on different channels; or

"(C) use certain television features such as 'picture-in-picture';

"(2) offer new and current subscribers who do not receive or wish to receive channels the reception of which requires a converter box, the option of having their cable service installed, in the case of new subscribers, or reinstalled, in the case of current subscribers, by direct connection to the subscribers' televisions or VCRs, without passing through a converter box; and

"(3) offer new and current subscribers who receive, or wish to receive, channels the reception of which requires a converter box, the option of having their cable service installed, in the case of new subscribers, or reinstalled, in the case of current subscribers, in such a way that those channels the reception of which does not require a converter box are delivered to the subscribers' televisions or VCRs, without passing through a converter box.

"(f) Any charges for installing or reinstalling cable service pursuant to subsection (e) shall be subject to the provisions of Section 623(b)(1).

"(g) Within 180 days after the date of enactment of this section, the Commission shall promulgate regulations relating to the use of remote control devices that shall—

"(1) require a cable operator who offers subscribers the option of renting a remote control unit—

"(A) to notify subscribers that they may purchase a commercially available remote control device from any source that sells such devices rather than renting it from the cable operator; and

"(B) to specify the types of remote control units that are compatible with the converter box supplied by the cable operator; and

"(2) prohibit a cable operator from taking any action that prevents or in any way disables the converter box supplied by the cable operator from operating compatibly with commercially available remote control units.

"(h) Within 180 days after the date of enactment of this section, the Commission, in consultation with representatives of the cable industry and the consumer electronics industry, shall report to the Congress on means of assuring compatibility between televisions and VCRs and cable systems so that cable subscribers will be able to enjoy the full benefit of both the programming available on cable systems and the functions available on their televisions and VCRs.

"(i) Within 1 year after the date of enactment of this section, the Commission shall issue regulations requiring such actions as may be necessary to assure the compatibility interface described in subsection (h).".

Mr. LEAHY. Mr. President, this is a bill that is long overdue. Thanks to the concerted efforts of the distinguished floor managers, Senators INOUYE and DANFORTH, Senator HOLLINGS and others including Senators GORE, METZENBAUM, and LIEBERMAN, we are now within reach of passing a bill that can bring relief to beleaguered cable consumers and a much needed boost to competition.

THE CABLE MONOPOLY

Let there be no mistake. The root of the problem in the cable industry is that cable is an unregulated monopoly, and you do not need to be a rocket scientist to know that that means trouble. It means prices on a one-way ticket up. It means service that ranges from mediocre to worse. It means cable companies that can treat you any way they want with no fear of a competitor that will sell you a better product and no fear of a cop on the beat to keep the monopoly in line.

Just ask the citizens of Vermont, where cable rates rose 48 percent between 1986 and 1990; or the citizens of Newark, NJ, where cable rates rose 130 percent in that period; or the citizens of Jefferson City, MO, where rates rose 186 percent.

The industry's voluntary actions and self-imposed service standards do not change a thing. An unregulated monopoly will, as sure as the Sun rises, revert to form—raising prices and cutting corners with no fear of a competitive response. And you can bet that if the threat of this bill had not been hanging over cable's head for the past 2 years, we would not have seen even the modest steps that cable is so quick to boast about.

THE CABLE BILL—S. 12

S. 12 is a good bill that strikes the right balance between regulation and competition. It regulates rates only as long as a cable system is a monopoly, phasing out regulation as soon as bona fide competition takes hold. It encourages competition by telling programmers that are controlled by cable operators that they must sell their programming to cable competitors at a fair price. If competitors like satellite and wireless cannot get fair access to crown jewel programming like TNT, CNN, or Showtime, then competition is doomed.

THE CABLE SUBSTITUTE

Cable, meanwhile, is supporting a Trojan horse substitute, hoping to derail this legislation. The substitute itself is flatly unacceptable. It would gut the rate regulation provisions of S. 12 and eliminate the procompetitive provisions that guarantee programming to satellite and wireless.

Meanwhile, cable acts as if requiring it to make its programming available at a fair price to potential competitors is a monstrous injustice. But the industry has a short memory. In 1976, if Congress had not granted cable the right to transmit broadcast programming for a small fee, the industry never would have made it out of the cradle. Cable was able to grow precisely because it was given access to programming that others created. Now that the shoe is on the other foot, cable operators howl at the idea that they should make programming available to upstart competitors.

Nor is there a God-given right for cable to be vertically integrated in the first place. Congress could—and perhaps should—have proclaimed long ago that cable operators could not own or control programmers. If cable systems and cable programmers had remained in separate hands, many of the anticompetitive problems we now face could have been avoided. But given the vertically integrated world we live in now, with most top programmers owned by cable operators, the least we can do is demand that cable's competitors have access to programming on fair terms. To do less is to consign those competitors to defeat and America's consumers to the whims of monopoly power.

CABLE EQUIPMENT BILL

Mr. President, the main thing that the absence of competition allows a monopoly to do is ignore the best interests of its customers. We all know that when competition is lively and vigorous, companies leapfrog each other to provide consumers the best and most user-friendly choices. Look at computers. Look at long distance telephone service. Look at televisions and VCR's. But when the consumer is captive, monopolies can do what is best for monopoly and let the customer be damned.

That is exactly what has happened in the world of cable equipment. Cable operators have every right to try to protect the security of their premium programming. But they show little regard for their customers when they choose a means of protection that will sabotage the customer's television and VCR. Thanks to the converter box, you will not be able to watch a program on one channel while taping another; or tape two consecutive programs on different channels; or take advantage of the picture-in-picture feature on your new cable-ready TV; or even use the TV's remote control unit. In other words, you will not be able to use any of those features you paid for. But as far as the cable company is concerned, that is your hard luck.

It is not as though scrambling were the only way for cable operators to protect their premium channels. Other means of signal protection exist such as trapping. Moreover, there are new technologies on the drawing board now that may make it possible for companies to scramble without disabling the functions of televisions and VCR's. But with no need to beat out competitors or satisfy regulators, cable has had no incentive to worry about the customer's problems—and will continue to have no incentive unless we provide it.

In November, I introduced legislation to begin correcting the cable equipment problem and I am today offering the substance of my bill as an amendment to S. 12.

My amendment is designed to create more user-friendly connections between cable systems on the one hand and televisions and VCR's on the other so that consumers will actually get to use the TV and VCR features they paid for.

It would provide an incentive to cable operators to use technology that does not interfere with the functions of televisions and VCR's;

It would require cable operators to give customers the option of having all unscrambled channels connected directly to a cable-ready TV or VCR, avoiding the converter box wherever possible;

It would require cable operators to allow customers to buy their own remote control units from any source rather than having to pay $3 or $4 a month—month after month, year after year—for a remote control that probably does not cost more than $30; and

It would direct the FCC, in consultation with representatives of the cable and consumer electronics industry, to devise a means of assuring that cable systems and televisions and VCR's will connect in a compatible manner that allows consumers to get the benefit of the programming available on cable and the features available on televisions and VCR's.

The effort to create a user-friendly connection between cable systems and consumer electronics is more important now than ever before. New technologies that are beginning to come on line—such as digital compression, which packs more programs onto a single channel—will force more and more consumers to rent converter boxes and lose the full benefits of their televisions and VCR's. The time to insist on new standards that will create a consumer-friendly environment for years to come is now.

CONCLUSION

President Bush has been bending over backward lately to show that he understands times are tough and that he cares about hard-pressed average Americans. Here is an opportunity to show it. I realize, of course, that our country's economic problems are much bigger than cable television. But 55 million cable households have been paying too much to get too little for too long. Every month, year in and year out, they are getting ripped off by inflated cable bills. Instead of trying to gut this legislation, instead of promising to veto it, instead of standing up for America's No. 1 unregulated monopoly, let the White House show it cares by standing up for the American consumer.

Mr. LEAHY. Mr. President, I ask unanimous consent that the distinguished Presiding Officer, Senator GORE, be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. I yield to the Senator from Hawaii.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I have had the opportunity to discuss this measure with the author of the bill, and we are prepared to accept it.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. DANFORTH. The amendment is acceptable, Mr. President.

Mr. GORE. Mr. President, I want to offer my strong support to the Senator from Vermont for his amendment. He was among the first to realize that the practice of local cable scrambling would be a devastating blow to television consumers everywhere.

Cable-ready televisions and video recorders have been a real boon for consumers, but that technology is in serious jeopardy.

It is obvious what is going on here, cable operators don't like consumers having some control over the cable signal once it comes into their homes, so they plan to require that the consumer completely rewire his home and then rent a decoder box from the cable company, in some cases at an outrageous price.

Moreover, it is patently clear to those of us concerned about the siphoning of programming from free, over-the-air television to fit cable's pay-per-view strategy. The Congress must soon take a very close look at this corporate strategy, one that may be inherently anticonsumer. I for one plan to ask the chairman of the Commerce Committee, and the chairman of the Communications Subcommittee to hold hearings this year on the program siphoning issue, in particular the problem of sports siphoning.

For now, Mr. President, Senator LEAHY'S amendment is a solid step in the right direction, to slow this aggressive effort by the cable companies to render obsolete millions of televisions and video recorders in their pursuit of new cash-flow.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 1504) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. I thank the distinguished Senator from Florida for his courtesy and the distinguished managers of the bill for their typical and well-established courtesies.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, if indeed, we are waiting for a few minutes, I ask unanimous consent to make a statement on S. 12.

The PRESIDING OFFICER. The Senator is entitled without unanimous consent to speak on the bill.

The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, I rise in support of S. 12, the Cable TV Consumer Protection Act. This legislation represents a fair and comprehensive approach to the problems faced by millions of consumers. I want to thank Senator DANFORTH for his personal leadership on this issue. And without the guidance of Chairman HOLLINGS and Senator INOUYE, consideration of this important consumer legislation would not have been possible.

This bill contains many provisions I have included to prohibit cable television operators from discriminating against smaller cable operators, or other multichannel video programming distributors, with regard to price, terms, conditions, or availability of programming.

Small, independent cable operators, home satellite dish distributors, and wireless cable operators have had to compete for years against the larger cable television operators for programming on an unfair playing field. The vertically integrated multisystem operators [MSO's] have long had a lock on programming. Outsiders find there is no way to join the MSO/video programmer club.

The cable giants have a strangle hold on programming and will not let go.

Access to programming is a serious problem for rural South Dakotans. Some programmers have absolutely refused to make programming available to those home satellite dish distributors who serve rural backyard dish consumers. Discriminatory pricing and refusals to deal with rural home satellite dish owners penalize consumers in the smallest towns and the farms and ranches in south Dakota and America. Today, satellite dish consumers pay 500 percent more for television programming than consumers using other technologies.

Sections 640 and 641 of this bill comprehensively address this problem by ending the practices of discriminatory pricing and refusals to deal with rural home satellite dish consumers. These sections are by far the most important portions of this bill. They will foster competition. Let me explain exactly what these sections will do.

First, national programmers affiliated with cable operators would be barred from refusing to deal with other multichannel video providers. They would be required to deal with groups of small and independent cable operators which form purchasing groups, on terms similar to those given to the giant cable systems. These provisions are procompetition.

Let me just say, that if all States had cable operators like my friends in South Dakota, we would not be here today. The problem we face, however, is that large cable TV operators have created a unregulated monopoly—a monopoly accountable to no one which competes with no one. S. 12 is needed to increase competition and restrain cable rates.

As a Republican, I favor vigorous and effective competition as opposed to regulation. Consumers favor competition as well. In Milbank, SD, we have two competing cable TV operations. As a result, cable subscribers in Milbank pay 50 percent less for their cable service than surrounding communities.

I, too, had shared the desires of Senator DANFORTH and Chairman HOLLINGS to examine closely any serious proposals or alternative approaches. The alternative legislation that I understand will be offered later in the debate, however, says nothing about program access for many of South Dakota's small and independent cable operators and rural home satellite dish owners across America.

This bill also contains a carriage option provision, which I support. The must-carry provisions of S. 12 are very clear. Implementation of local signal carriage rules is essential for the preservation and further development of services which local broadcasters have initiated.

I urge my colleagues to support our efforts to bring competition to the cable marketplace.

What we have now is an unregulated monopoly. We want to have competition. Indeed, there have been many good things done by the cable industry. They have wired our Nation in part. There are positive aspects. But we can have an even more positive outcome with the passage of this legislation.

Mr. President, I ask unanimous consent to have an editorial from the Wakonda Times printed in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wakonda (SD) Times, Jan. 16, 1992]

CABLE TV INDUSTRY NEEDS COMPETITION

It's the business of business to make money, and it's difficult, even un-American to complain when a business succeeds and is profitable. Indeed, the more profitable the better, according to the great American tradition.

There are some exceptions. We regulate the profits of those industries that clearly monopolize the marketplace. For the most part, this regulation focuses on utilities, such as the telephone company, natural gas and electric suppliers where the demand is inelastic. That is, the price can skyrocket but consumer use remains stable.

And in some instances, such as natural gas, it is beneficial to a community to have but one supplier. Duplicating the distribution system of a natural gas pipeline would be an inconvenience (torn up streets, for example) and inefficient.

The South Dakota Public Utilities Commission oversees regulated industries. It sets a reasonable profit margin to protect consumers—approximately 12 percent—and carefully scrutinizes the companies financial records to determine if they are being run efficiently and in the best interest of consumers.

Which brings us to the cable TV industry.

It is arguable whether cable TV is a "necessary" industry for consumers. Laska Schoenfelder, a member of the PUC, compares cable TV to the telephone. While most people could get along without telephones or cable TV, they are inclined to retain those services once they are accustomed to them.

There is little argument, however, on the issue of whether cable TV is a monopoly. In South Dakota, only one city, Milbank, has two competing companies.

We don't know for sure whether these monopoly companies are gouging their customers. Since cable TV is unregulated, they do not have to disclose their financial records or defend their profit margins to any public body.

This unusual situation—an unregulated monopoly selling a much sought after service—has created some interesting facts and figures, and raises an interesting question.

Why are the rates of South Dakota's largest cities so similar? The companies serving Huron, Brookings, Mitchell, Aberdeen, and Sioux Falls charge between $19 and $20 per month for basic service. Yankton and Vermillion get similar service for $22.

In that one instance where there is competition, in Milbank, cable TV subscribers there get a nearly identical package as Vermillion subscribers, but for $10.45 a month less, a savings of almost 50 percent.

Another interesting example is Beresford, where cable TV service is provided by the city. Subscribers there get 22 channels for $12.55. That's a good price by South Dakota standards. Furthermore, the Beresford cable TV systems pays its own way and also provides a tidy profit ($90,000 in 1991) for the city.

However, as we reported last week, state law currently does not allow most municipalities to enter the cable TV business. That law should be changed. If there is anything the TV industry needs in South Dakota, it's at least the possibility of competition.

Furthermore, in a city like Vermillion which is property tax poor and sees many of its sales tax dollars drained off by malls in Sioux City and Sioux Falls, cable TV could be a service that the city could provide at reasonable rates and also produce a profit to fund city services, such as police and fire protection, that are not revenue producing in themselves.

One thing is for certain, the cable TV industry needs more competition and more accountability.

AMENDMENT NO. 1503, AS MODIFIED

The PRESIDING OFFICER (Mr. LAUTENBERG). The Senator from Missouri.

Mr. DANFORTH. Mr. President, the minority leader is not present on the floor. I do not know of anyone who wants to speak on this amendment further, and therefore it would be my suggestion we proceed to vote on the Graham amendment.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I ask unanimous consent that the letter I earlier referred to from the Consumer Federation of America be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONSUMER FEDERATION OF AMERICA,
Washington, DC, June 19, 1991.

Hon. DANIEL INOUYE,
Senate Communications Subcommittee, Washington, DC.

DEAR SENATOR INOUYE: I am writing on behalf of the Consumer Federation of America (CFA) to express our position on full-time, over-the-air home shopping stations. We commend you and your Subcommittee colleagues for examining the public interest obligations of broadcasters, including home shopping licensees.

CFA is concerned about the use of a scarce public resource—the public's airwaves—for full-time home shopping. In exchange for the free use of this resource, broadcasters agree to serve as "public trustees," and promise to place the public's needs ahead of their own. Home shopping broadcasters turn that obligation on its head. The vast majority of their "programming," is nothing more than the offering of goods for sale. It does not benefit the public. On the constitutional hierarchy, such commercial speech falls far below the value placed on speech about issues and ideas. Even the worst entertainment programming has some artistic merit, and is preferable to non-stop sales pitches.

The FCC has been unwilling to address this problem. Far from placing limits on such overcommercialization, the Commission has recently interpreted the new Children's Television Act of 1990 as exempting home shopping formats from the commercial time limits imposed on programs directed at children.

Unfortunately, the FCC's approach to full-time over-the-air home shopping is a small part of a much larger problem. Continued congressional acquiescence will send the wrong message to the FCC. We therefore urge you to take steps to require the FCC to allocate limited broadcast spectrum to broadcasters that serve the public's interest and not their own.

Sincerely,

GENE KIMMELMAN,
Legislative Director.

Mr. BREAUX. Mr. President, I move to table the pending amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment, as modified, of the Senator from Florida [Mr. GRAHAM]. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY], are necessarily absent.

The result was announced, yeas 33, nays 64, as follows:

[Rollcall Vote No. 10 Leg.]

YEAS—33

Baucus
Bentsen
Biden
Boren
Bradley
Breaux
Bumpers
Burns
Coats
Cochran
Daschle
Dixon
Durenberger
Ford
Heflin
Helms
Johnston
Kassebaum
Kasten
Lott
Nickles
Nunn
Pryor
Roth
Sanford
Shelby
Simon
Smith
Specter
Symms
Wellstone
Wirth
Wofford

NAYS—64

Adams
Akaka
Bingaman
Bond
Brown
Bryan
Burdick
Byrd
Chafee
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
DeConcini
Dodd
Dole
Domenici
Exon
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Hollings
Inouye
Jeffords
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Packwood
Pell
Pressler
Reid
Riegle
Robb
Rockefeller
Rudman
Sarbanes
Sasser
Seymour
Simpson
Stevens
Thurmond
Wallop
Warner

ANSWERED "PRESENT"—1

Mack

NOT VOTING—2

Harkin
Kerrey

So the motion to lay on the table the amendment (No. 1503) as modified, was rejected.

Mr. GRAHAM. Mr. President, I ask unanimous consent to vitiate the yeas and nays which have been ordered on the second-degree amendment.

Mr. HELMS. Mr. President, reserving the right to object.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Reserving the right to object, the Senator may not wish to vitiate the yeas and nays yet, because I have a second-degree amendment which I send to the desk.

I have no objection.

The PRESIDING OFFICER. The second-degree amendment is pending at this time.

Mr. GRAHAM. I renew my unanimous-consent request to vitiate the yeas and nays on the second-degree amendment.

The PRESIDING OFFICER. Without objection, the request to vitiate the vote is agreed to.

AMENDMENT NO. 1503 TO AMENDMENT NO. 1502

Mr. GRAHAM. Mr. President, I ask for a rollcall vote on the second-degree amendment.

The PRESIDING OFFICER. Would the Senator repeat his request?

Mr. GRAHAM. If there is no further debate on the second-degree amendment, I ask for a rollcall or a voice vote on the second-degree amendment.

The PRESIDING OFFICER. Thank you. Is there any further debate?

If not, the question is on agreeing to the amendment.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I wonder if I might use 5 minutes of my leader time.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE STATE OF THE UNION ADDRESS

Mr. DOLE. Mr. President, last night, George Bush came through in the clutch. Despite all the high expectations, and all the hype, and all of last night's standard partisan criticism, the President delivered an extraordinary State of the Union Address.

It had real substance, real vision, and real solutions for real people. The fact is, the President is the only one in town with a comprehensive plan for America—for the economy, for American workers, and for the free world.

Now that they have heard from the President, the American people are waiting to hear from Congress. The President is right—Congress should not keep them waiting.

This morning, President Bush demonstrated his commitment to getting the job done for America—and getting it done quickly—by coming to Capitol Hill to meet with the leaders of Congress, on both sides of the aisle, and both sides of the Capitol.

I can report today that after the President's meeting with Republican Senators, our side is strongly behind the President and his ambitious agenda. I was impressed by our group's extraordinarily high level of unity, optimism, and enthusiasm to get to work.

We told the President we're ready to roll up our sleeves and help him meet his March 20 deadline for enactment of his economic program. Some critics may not think the deadline is important, but I can tell you, President Bush is committed to it and so are we.

As I have said before, the American people are in no mood for business as usual from Congress. They want action, they want it quickly, and they will be watching Congress to make sure we deliver. Now it is time for Congress to live up to some high expectations, for a change.

Mr. President, I thank my colleagues. I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I ask unanimous consent that I might be allowed to proceed for not more than 5 minutes as if in morning business.

Mr. GRAHAM. Mr. President, reserving the right to object, the pending business, I believe, is the second-degree amendment on the Breaux first-degree amendment. Is that correct? I believe that the objection to a voice vote on that second-degree amendment has now been removed. I would ask that we proceed with the pending business.

The PRESIDING OFFICER. The Senator from Nebraska has the unanimous-consent request. Is there an objection to that?

Mr. EXON. I have made a request for 5 minutes as if in morning business to respond to the statement that has just been made by the Republican leader.

Mr. GRAHAM. If the Senator will just hold for 10 seconds, and allow us to have the voice vote on the second-degree amendment, then I would have no objection.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Is there further discussion about the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 1503) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GRAHAM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EXON addressed the Chair.

ORDER OF PROCEDURE

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I ask unanimous consent to proceed as if in morning business for no longer than 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE STATE OF THE UNION ADDRESS

Mr. EXON. Mr. President, I just listened to my good friend from Kansas, the Republican leader, imploring everyone to get behind the President's effort. I guess a meeting was held with the President today by some of the members of the Republican Party, and it is not surprising that they pledged to get behind the President's efforts.

I, too, want to work with the President, as I think all on this side do. But I would simply say that I would like to start out by saying that I have taken a look at the defense numbers and I am fearful that many Members of the House and Senate and the public at large, when they heard the announcement that $50 billion was going to be slashed from the defense budget from the President's lips last night, automatically assumed that since we have had a defense budget in the range of $290 to $295 billion in outlays in 1992, that $50 billion would drop it down into the $240 to $245 billion range.

I advise all now that I am not ready to accept the President's proposals for lots of reasons; not the least of which is that the peace dividend that everyone assumes was announced last night is not a peace dividend.

The facts of the matter are that in 1992 we had outlays of about $295 billion in the 050 defense part of the budget. Under the President's budget proposal that was submitted to us today, after taking into consideration the $50 billion slash, the outlays in 1997 will be $289 billion. That, therefore, turns out to be less than a 3-percent reduction in outlays for defense by the year 1997.

That certainly, in my opinion, Mr. President, is not going to pay for the whole mass of programs that the President announced last night that are obviously going to cost in the billions and billions and billions of dollars. The assumption was that the "peace dividend" was going to pay for these programs, so that we could agree that the President will not further raise the deficit. Nothing could be further from the truth as reality will eventually show.

The $50 billion that the President announced last night in slashes in defense was not from the present defense numbers. At least $46 of the $50 billion was a cancellation of programs that were in the works, programs that are going to be canceled, most of which I agree with from what the President told us last night. But it is not going to create a peace dividend to pay for the program and reduction in revenues that the President outlined.

So before people jump on the bandwagon, before people say, oh, yes that is a very great program and we could take that $50 billion as a peace dividend and cash in on it on all of these good programs, I think we should take a look at the numbers. I would only suggest caution.

I thank the Chair. I thank my colleagues.

Mr. HOLLINGS addressed the Chair.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, there will be ample opportunity for a full debate on the substance of the proposals made last evening by the President here in the Senate.

We welcome those proposals, and we will, of course, accord them the careful consideration to which they are entitled. It is not my intention at this time to debate the substance of those proposals. I will do so at an appropriate time, when they are before the Senate.

I would like to address the subject which has been raised by the distinguished Republican leader, my friend and colleague, about prompt action to deal with the recession, and to encourage recovery and long-term growth.

I told the President this morning that we would act promptly. We will act as promptly as possible. We will move forward to deal with the very serious problems facing our economy, in an attempt to encourage job creation, recovery from the recession, and sustained long-term growth, which is the objective and the goal we all share. We will do so, not because of any deadline, but rather, because it is what is needed in our country.

When we talk about promptness in responding to the recession, we must keep in perspective the circumstances which have led us to this day. There has been a very lengthy delay in responding to this recession, a delay of 21 months, caused entirely by the President's inaction on the subject. For a full 18 months, President Bush and his administration denied that the country was in recession. Until just a few months ago, the President stated, and repeated over and over again, that there was no recession.

Since it was the administration's position that there was no problem, they, of course, offered no solution. Finally, when it was obvious to all Americans that the country was indeed in recession—in the longest recession since the Second World War—the President acknowledged the existence of the recession. But at that point he asked the Congress and the American people to wait for 3 months, until he figured out what to say and what to propose last evening.

We honored that request. The President did then take 3 months to figure out what to say and what to propose and made his proposal last evening, and accompanied it with the demand for action and a deadline, unilateral, not the basis of any consultation or discussion with any member of the congressional leadership, as far as I know—certainly not with myself.

So, Mr. President, I want to make clear that we want to act, we intend to act, and we will act, not because of this so-called deadline, but because it is the right thing to do. It is what the economy needs. It is what the country needs.

I hope that, in the course of the coming months, we will have the opportunity to debate fully and carefully each and every one of the proposals made, to evaluate them in the light of current circumstances, and where we disagree—as is inevitable in the democratic process—to have the opportunity to offer constructive alternatives. We look forward to that debate, we look forward to action, and we look forward, most of all, to improving the status of the economy and the well-being of the American people.

I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate continued with the consideration of the bill.

Mr. HOLLINGS. Mr. President, I rise in support of the Cable Television Consumer Protection Act of 1991. Passage of this bill is necessary to respond to the needs of the cable consumer in the ever-changing world of communications.

I have followed the communications industry for decades and am continually impressed by its progress and achievements. Who would have thought a decade ago that over half of the American public would be willing to pay to watch television? After all, we had the best television in the world, and we could receive it for free. Yet, it is clear that the public sees something special in cable television—over 60 percent of American homes now subscribe to cable, and people are willing to pay a significant amount to receive it.

This tremendous growth in the cable industry has produced much of value. Most cable subscribers have access to 36 channels, and this amount is steadily increasing. Many systems already offer twice as many channels as before enactment of the Cable Communications Policy Act of 1984—the 1984 act. This increase in capacity has been accompanied by a great increase in the programming that is offered, and here too, more is on the horizon.

This growth also has produced significant problems, however, and these problems cannot go unnoticed. Cable is no longer an optional luxury; it has become an integral part of the communications network and will even more so in the future as more information and entertainment programming are transmitted via fiber optic cables. In recent years, the cable industry has taken advantage of this privileged position as the sole distributor of America's programming. The Commerce Committee has been presented with mountains of evidence of unreasonable rate increases, customer service problems, and various anticompetitive market practices. I know that certain of these problems are the result of bad actors, but nonetheless, we cannot ignore these problems.

Recently, I learned of a situation in my own State of South Carolina involving two communities next door to one another, served by the same cable company. The citizens of one community are paying more for much less service than those in the other community—in Greer, SC, Cencom Cable provides 36 channels of programming for $23.95, while in Mauldin, SC, customers pay $25.95 for only 21 channels of programming. This problem is not limited to one community. A recent constituent, who in the last 3 years has lived in three different communities in the Myrtle Beach area, informed me that in one community she was charged $15 per month for 45 channels, in another community 13 miles away she was charged $15 per month for 25 channels, and in a third community she was charged $20 per month for 14 channels. She has a right to be outraged and frustrated. Everyone is frustrated, but there is little that the local authorities can do about these discriminatory practices once the franchises are awarded. We must ensure that these examples of abuse can be corrected.

There is more here than just isolated actions by certain bad actors. The cable industry is no longer a second-class video distributor that only retransmits broadcast programming. It now serves more than half of American homes, and that amount is increasing. Furthermore, it has de facto exclusive franchises. It appears well on its way to becoming the dominant video distributor, and we must be attentive to the problems that monopolies create.

When the cable debate first began 4 years ago, I was skeptical of the need for new legislation. The 1984 act seemed to have succeeded in achieving many of its goals. However, I have become convinced that there is a need to adjust the environment in which cable operates. S. 12 responds to the legitimate needs of consumers for lower and more reasonable rates, better customer service, and the need for greater competition. S. 12 does not overturn the 1984 act; it is a reasonable bill intended to address the legitimate concerns about the provision of cable service.

Last Congress, under the leadership of Senator INOUYE, the chairman of the Communications Subcommittee, the Commerce Committee began to examine what should be done to address abuses by the cable industry and the concerns raised by consumers. The committee carefully and deliberately compiled an extensive record through numerous hearings and meetings. The committee then drafted legislation that represented a true consensus of the committee's members.

In fact, that legislation was reported by the committee by a vote of 18 to 1. The legislation we are considering today is very similar to that bill. Like its predecessor, it, too, was approved last year with the strong committee vote of 16 to 3. Bipartisan support. Straight across the board.

This legislation reflects my concerns and those of my colleagues about the need to have some control over rates and to ensure that customers are properly served. While we want to encourage the continued growth of programming, the increase in channel capacity, and the development of new technologies, we must prevent monopolistic practices.

The cable industry has made several arguments against the bill. First, it has been asserted that the cable industry is not a monopoly. Cable systems argue that they face some competition from over-the-air broadcasters and from video rental stores. However, most often there exists no multichannel competitor, and most people subscribe to cable because of the wide group of satellite-delivered signals carried by their local cable operator. Even the cable industry recognizes this fact. Recently Warner Cable sued the city of Niceville, FL, to stop the city from following through on a proposal to build its cable system to compete with the Warner system. This company did not want competition. With this dominance comes monopolistic abuses of consumers.

Even the largest cable operator in the country says cable is a monopoly. In a brief filed in Federal Court, in a 1989 case, TCI versus Commissioner of the Internal Revenue Service, TCI said:

> The value of a cable franchise follows from the protection from competition that it provides the holder. Since the holder will have a monopoly, the prospective cable operator would be able to generate a cash flow that would result in a supernormal return on his investment * * *.

Some contend that consumers have other choices, and that they do not have to subscribe to cable. Again, even the cable industry does not see it that way. Quoting once more from TCI's brief before the court, TCI stated:

> There is no good will in a monopoly. Customers return not because of any satisfaction with the monopolist, but rather because they have no other choices.

In addition, it has been asserted that cable subscribers are no longer complaining of poor service and high rates. However, everywhere I travel in South Carolina, I hear complaints about cable's treatment of its customers, complaints that the cable industry is concerned about payment coming first and the customer last. In 1990 alone, cable rates across the country rose an average of 13.1 percent, more than twice the rate of inflation.

Last year, in response to congressional action on cable legislation, the cable industry suddenly came to life and instituted voluntary customer service standards. Voluntary standards are nice, but they are only voluntary and cannot be relied upon to protect the consumer. So far these standards do not seem to be working. One of my constituents wrote to tell me that he notified the cable company that he wanted to terminate his service because of the constant rate increases. The company did not respond for 6 months. He finally cut the cable himself because he was afraid that he would be charged with stealing the cable operator's programming. So much for voluntary service standards.

S. 12 requires that the FCC adopt minimum standards that will apply to all cable operators. The need for such standards is further evidenced by the activities of one cable operator in signing up customers for a new service, the infamous Encore Channel, without their knowledge, and then simply sending a bill to the customers for the service they did not order in the first place. This kind of behavior cries out for correction.

It has been argued that S. 12 will allow cities to micromanage cable marketing and practices. This is not a valid argument. S. 12 requires the FCC to adopt national standards for regulation of basic cable rates and permits the cities to regulate those rates only within the national guidelines. Moreover, the bill permits the FCC, but not the cities, to regulate rates for tiers of programming other than the basic tier only if a prima facie case is made that a rate increase is unreasonable. Moreover, there is no regulation of programming services offered on a per channel basis, such as HBO and Showtime.

Turning to the access to programming provisions of this legislation, S.

12 prohibits vertically integrated cable programmers from unreasonably refusing to deal with other multichannel video distributors. I must say that I had some reservations about these provisions. I recognize that cable operators created many of the program services that are available today when no one else would. However, I also recognize that there are times when steps must be taken to help promote competition in the marketplace. For example, in the late 1950's cable operators were given the right to carry broadcast stations for free, in part, to help stimulate competition to broadcast stations. In the 1970's, in another attempt to stimulate competition, the FCC adopted the financial interest and syndication rules which limit the ability of the networks to own and control programming. In the 1990's we find that competition to cable is stifled by the inability of competitors to obtain programming. Two communities in South Carolina have recently faced this very problem. In those communities, Orangeburg and Bennettsville, the existing cable operators have entered into exclusive agreements with certain program services, and, as a result, the competing cable operators cannot get access to those services. This is frustrating the development of competition, necessitating the access to programming provisions in S. 12.

Congress passed the 1984 act in order to spur the development of an exciting and necessary technology. I supported that legislation—Senator INOUYE and I were the original cosponsors in order to deregulate cable—and the goals of that legislation seem to have been realized. The cable industry is well on its way to being fully grown and is capable of standing up to anybody. Now Congress must act to meet the future needs and goals of our national communications policy. In 1992, that means meeting the desires, and protecting the rights of consumers, while still encouraging the growth of an industry that provides a service which the public wants. S. 12 does just that.

I believe that we need S. 12. It establishes national guidelines for rate regulation and customer service, promotes competition in the multichannel video marketplace, and ensures consumers continued access to their local broadcast signals. The most ironic aspect of the cable industry's opposition to floor consideration of this legislation is that many of the provisions in this legislation are the result of the Commerce Committee's discussions with the cable industry last Congress when we were considering S. 1880. Ironically, S. 12 contains some of the provisions that the cable industry agreed with only 2 years ago.

The bill we are considering today seeks the proper balance among the competing objectives of protecting consumers and encouraging competition, while at the same time permitting the cable industry to grow and prosper.

It represents a substantial effort on the part of all the members of the committee. And I particularly thank and hail the work of both Senator INOUYE and Senator DANFORTH for their leadership and hard work on this bill.

I urge my colleagues to support this very important legislation.

And, by way of emphasis, Mr. President, it was Senator INOUYE and myself who led the way for cable over many, many years. I authored the pole attachment bill. We went into the telephone companies and said no use to get the rights of way. We went into the cities and said no use to get addtional rights of way. And we led the way for the expansion of the cable industry and its prosperity. And there are no regrets about it.

I like to see people make money. I like to see more programming. But when the cable industry runs advertisements that these regulations are going to increase cable rates and that we are trying to run them out of business, they are misleading the public. They have been absolutely unreasonable throughout this process. We have invited them to work with us and they have declined all of our offers. They want a license to continue taking advantage of consumers through their monopoly power. I urge my colleagues to support this important consumer legislation.

I thank the Chair, and yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

AMENDMENT NO. 1505 TO AMENDMENT NO. 1502

(Purpose: To provide notice to cable subscribers before they receive unsolicited sexually explicit programs)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1505 to amendment No. 1502.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end add the following new section:

SEC. . Section 624(d) of Communications Act of 1934 (47 U.S.C. 544(d)) is amended by adding the following new paragraph:

"(3)(A) If a cable operator provides a "premium channel" without charge to cable subscribers who do not subscribe to the "premium channel(s)", the cable operator shall, not later than 60 days before such "premium channel" is provided without charge—

"(i) notify all cable subscribers that the cable operator plans to provide a "premium channel(s)" without charge, and

"(ii) notify all cable subscribers when the cable operator plans to provide a "premium channel(s)" without charge, and

"(iii) notify all cable subscribers that they have a right to request that the channel carrying the "premium channel(s)" be blocked, and

"(iv) block the channel carrying the "premium channel" upon the request of a subscriber.

"(B) For the purposes of this paragraph, the term "premium channel" shall mean any pay service offered on a per channel or per program basis, which offers movies rated by the Motion Picture Association as X, NR–17 or R."

Mr. HELMS. Mr. President, I have been advised that the managers of the bill would accept this amendment, so I will not go into a great deal of detail. Yet, I want to make clear the purpose of the amendment.

The pending amendment will provide protection for children, and entire families, now being assaulted—and I use that word advisedly—assaulted by unsolicited sexually explicit movies on cable television.

Mr. President, why is this legislation needed? Well, recently, premium movie channels—for example HBO and Cinemax—have discovered a rather crafty marketing technique known as free weekends. Here is how it works.

HBO offers all cable subscribers free access to its movies for one weekend. They figure it is sort of like a sample of soap; people will try it and then they will buy it.

But the problem is that millions of families refuse to subscribe to these movie channels because they do not want their children to be exposed to the violence, the disgusting dialog, and the sexually explicit scenes so prevalent on HBO and other movie channels. In essence, the programmers want to do an end run around these decisions made by families who do not want this kind of material piped into their homes. That is the reason they do not subscribe to HBO or Cinemax—they know what is on there.

HBO, and Cinemax, for example, end up peddling their garbage where and when it is not wanted.

Just imagine, if you will, Mr. President, a mother who is watching television with her 7-year-old daughter. She believes she has taken the necessary precautions because her family does not subscribe to the movie channels. But she flips the channel and all of a sudden she is assaulted by scenes from a movie called "Slave Girls From Beyond Infinity." This happened, Mr. President.

Even worse, many young children will be exposed to these movies without the knowledge of their parents. Parents often do not know that the free weekend is available on their set.

A great many of the movies presented on movie channels are R-rated. As a matter of fact, during one recent HBO free weekend, 33 percent of the movies were rated R.

I am informed that a few of the movies border on soft core pornography.

Mr. President, the pending amendment will require that the programmers and the cable companies respect the subscribers' decision not to subscribe to the movie channel. So the pending amendment simply keeps a nonsubscribing family from being offended by unsolicited movies. The cable company must notify its subscribers that a so-called free weekend is coming up, and, further, that any subscriber wishing to do so has the right to require the cable company to block the undesired channel.

The subscriber must call the cable company and ask that the channel be blocked or that the cable company provide a lockout device.

I should point out that current law already gives cable subscribers the right to have a channel blocked if it is obscene or indecent. So this amendment merely makes sure that subscribers will be notified of these rights. You would be surprised how many subscribers do not know that they have that right.

Mr. President, this amendment does not prohibit free weekend promotions. Furthermore, it applies only to channels that carry X-rated or R-rated movies, so it does not apply to channels like the Disney Channel.

Some people, obviously, want to view these types of movies, which is why they subscribe to these premium movie channels. And that is OK. This amendment does not prevent their receiving the free weekends.

If a subscriber wants the free weekend, he or she does not have to do anything at all. It will come automatically, as it does now.

Mr. President, some may say I am trying to impose censorship—they always say that sort of thing—thereby endangering the protections of the first amendment.

The Supreme Court spoke just this week on the constitutionality of another little piece of legislation that I offered in this Chamber regarding Dial-a-Porn. The Supreme Court let stand the opinion by the appellate court, which found our Dial-a-Porn to be constitutional.

Mr. President, some may ask if there is any constitutional problem with this amendment. It is constitutional to allow a subscriber to voluntarily request that his line be blocked. This is already current law. The amendment merely requires cable operators to notify subscribers of their right.

This is similar to a law that allows people to prevent sexually explicit ads from entering their homes. The Supreme Court found that law to be constitutional in *Rowan* v. *United States Post Office*, 397 U.S. 728 (1970).

Mr. President, I ask unanimous consent that a letter addressing the constitutional issue be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. Mr. President, the amendment simply seeks to protect unsuspecting families and their children from ambush by these so-called premium channels. In a sense, it guarantees that such families will not be in danger of what I regard as a sneak attack. The amendment requries that families be forewarned about undesirable and unwanted programming.

Mr. President, I think the amendment speaks for itself. I am willing to have it approved on a voice vote, if that is the wish of the managers of the bill.

EXHIBIT 1

AMERICAN FAMILY
ASSOCIATION LAW CENTER,
Tupelo, MS, January 23, 1992.

Senator JESSE HELMS,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR HELMS: Recently American Family Association brought to your attention a concern that had been expressed by several individuals concerning the presentation of promotional material on cable television. I would like to take this opportunity to submit additional information on this issue.

The proposed regulation has as its foundation a requirement of notice to cable subscribers that promotional material will be forthcoming on the cable system. This notice requirement is analogous to that required for individuals disseminating sexually oriented material through the mails. On such mailed matter the person sending the material must mark on the outside of the envelope that the advertisement is sexually oriented. 39 U.S.C. sec. 3010. A notice to cable subscribers in advance of the promotional period serves the same purpose.

Secondly, the proposal would allow the cable subscriber the ability to prevent unwanted material from entering his home through the promotional periods. The ability to prevent offensive and unwanted material from intruding into the home was addressed by the Supreme Court in *Rowan* v. *United States Post Office*, 397 U.S. 728 (1970), in the context of certain mail matters. I would direct you specifically to the Court's discussion regarding the rights of the householder in relationship to the rights of the sender of unwanted material. The Court stated:

"Weighing the highly important right to communicate, but without trying to determine where it fits into constitutional imperatives, against the very basic right to be free from sights, sounds, and tangible matter we do not want, it seems to us that a mailer's right to communicate must stop at the mailbox of an unreceptive audience." 397 U.S. at 736–37.

The same relationship between the rights of the cable subscriber and that of the cable operator exists. The cable subscriber who chose not to receive material presented on the premium channels retains that right to prevent such material from being shown in his home even if that material is delivered at no additional cost. The *Rowan* Court went on to state that "Nothing in the Constitution compels us to listen to or view any unwanted communication, whatever its merit; we see no basis for according the printed word or pictures a different or more preferred status because they are sent by mail. The ancient concept that 'a man's home is his castle' into which 'not even the king may enter' has lost none of its vitality, and none of the recognized exceptions includes any right to communicate offensively with another." 397 U.S. at 737.

The cable companies may continue to offer the promotional periods for the premium channels. They should, however, be required to give the subscribers notice of such upcoming periods and afford the subscriber a reasonable opportunity to continue to prevent the material from being disseminated into his home. The burden to the cable company is minimal and does not infringe upon its rights to communicate under the First Amendment.

Thank you for your attention to this matter. If I can be of assistance to you, please do not hesitate to contact me.

Sincerely,

PEGGY M. HODGES,
Legal Counsel.

The PRESIDING OFFICER (Mr. WIRTH). The Senator from Hawaii.

Mr. INOUYE. Mr. President, I have conferred with the author of the amendment. I have studied the amendment and I am prepared to accept it.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I would like to take a moment to again compliment the distinguished Senator from North Carolina for moving into an area that clearly did need addressing. I think this is an amendment all Members can support. We have checked with the leadership on our side, on the committee, and we are prepared to accept the amendment also.

The PRESIDING OFFICER. Is there further debate? The Senator from North Carolina.

Mr. HELMS. Mr. President, I ask unanimous consent that the distinguished Senator from South Carolina [Mr. THURMOND], be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I rise in strong support of the amendment offered by my colleague from North Carolina, Senator HELMS. This amendment should be a noncontroversial amendment. I support S. 12, the underlying measure, and strongly believe this amendment is an important addition to the bill.

This amendment ensures that cable subscribers will not be subjected to unsolicited sexually explicit movies on cable premium channels. Many premium "pay" channels on cable television have discovered a new marketing technique commonly referred to as "free weekends." This occurs when they remove the blocks from their subscriptions which permits free access to movies for a weekend. In other words, cable subscribers whose signals are always blocked when they turn to pay channels will find that they are being provided the programs free of charge. Obviously, the marketing goal is to hook the viewer into subscribing once the free weekend is over.

The problem with the free samples of premium pay channels is that many families do not subscribe to these channels because programs and movies are aired which contain vulgar language and sexually explicit scenes. Nevertheless, the pay channels have decided for the customer that they should have access to this programming.

Mr. President, the Helms amendment places a reasonable limit upon the current practice of unsolicited free weekend. The amendment simply requires that before a cable company can provide subscribers with free premium pay channels, it must first notify the cable subscribers of their plan to do so, inform them that the free channels can be blocked, and block the line if requested to do so. This would apply only to the those premium pay channels which offer X, R, or NR-17 rated movies.

Critics of this amendment may claim that by simply turning the channel, opponents of free weekend can avoid the sexually explicit programming they find offensive. Yet, this ignores the fact that this explicit material is entering the privacy of another's home completely unsolicited. Furthermore, children cannot be monitored every minute of the day.

Mr. President, I am satisfied that this provision passes constitutional muster since it is similar to current law regulating the mailing of unsolicited sexually explicit advertisements. That law was upheld by the Supreme Court in 1970.

Mr. President, I find troubling much of what we, as a Nation, watch on television. In fact, I feel there is far too much violence and sex on television. However, many people do choose to watch this material. Nevertheless, the rights and desires of those who find these pay channels to be offensive must be respected. If they have made the decision not to subscribe to a particular premium service, then they should have an opportunity to prevent the unsolicited airing of this material in their home.

For these reasons, I urge my colleagues to support this important amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1505) to amendment No. 1502 was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BENTSEN. Mr. President, I rise in support of pending legislation introduced by my distinguished colleague from Missouri, Senator DANFORTH: The Cable Television Consumer Protection Act of 1991 (S. 12). For several years now, I have received many complaints about the cable industry—primarily about high rates and poor service. The Senator from Missouri has tirelessly led the fight to enact legislation that would address these important concerns. Mr. President, I thank my colleague from Missouri and the chairman of the Commerce Committee—Senator HOLLINGS—for their efforts in bringing this issue before us.

Throughout my career, I have emphasized the importance of encouraging and maintaining competition in the marketplace as the best way to ensure that both consumers and business are treated fairly. I have also worked to encourage our Nation's businesses to develop and improve those technologies that will increase the access of all Americans to valuable information about our rapidly changing society. Without a doubt, the development of the cable industry in this country has played an important role in this regard. Millions of Americans—an estimated 54 million households—now rely on cable television as a major source of information and entertainment.

In 1984, Congress sought to establish a national policy to guide the development of the cable industry by enacting the Cable Communications Policy Act. It was then determined that the Federal Government, along with State and local governments, had important roles to pay in the development of national cable policy. In the absence of competition for cable operators, Congress decided that these entities, along with the Federal Communications Commission, were responsible for ensuring that the public interest in reasonable rates and quality service was protected. In so doing, they were also responsible for continuing the growth and development of the cable industry.

As a result of the 1984 act, the cable industry has flourished and has substantially changed the way the American public makes use of the broadcast media. It is estimated that cable service is available to over 90 percent of the Nation's households, and the cable industry now earns billions in annual revenue. Thus, cable television has clearly become the dominant medium for video distribution in this country. However, Mr. President, it must be admitted that the 1984 act did not stimulate effective competition in the cable industry.

As a result of its tremendous growth, the cable industry has acquired considerable market power that is often harmful to consumers and competing video distributors. Specifically, consumers have, in many instances, been forced to accept substantial increases in the rates charged to them for cable service. It is clear from numerous congressional hearings and studies that, over the past several years, average cable rates have increased dramatically—well beyond the underlying rate of inflation. Moreover, the quality of customer service is a constant source of consumer complaints. Also, video programmers are often leveraged out of control over their product, while competing video distributors find it difficult, if not impossible, to acquire any real market strength.

I know that the cable industry has recently made an effort to address some of these concerns, as my distinguished colleague from Oregon, Senator PACKWOOD, has noted. These efforts, however, do not eliminate the need for Federal regulation of this industry—especially since real competition still does not exist.

In most of our Nation's communities, cable companies have no real competition—in fact, it has been determined that only 53 of the approximately 11,000 cable communities in this country have a second competing cable franchise. There is no significant competition from other multichannel video providers like wireless cable and direct broadcast satellite systems. This clear lack of competition, combined with the recent record of rate increases and service complaints, demands governmental intervention to encourage fair competition and protect the rights of consumers.

Without this intervention, the rights of consumers will remain substantially unprotected.

Without this intervention, cable rates will continue to escalate well beyond the rate of inflation.

Without this intervention, many Americans will find themselves unable to afford cable service.

And, finally, without this intervention, overall customer service and technical standards in the provision of cable services will not improve.

The legislation introduced by my friend from Missouri goes a long way toward addressing these concerns. This bill directs the FCC to establish, within certain guidelines, minimum standards for rate regulation, customer service, and technical requirements, that will operate in the absence of effective competition. Further, local governments are given the authority to enforce these standards against local cable companies as necessary and appropriate.

The bill addresses widespread concerns about concentration and vertical integration in the cable industry. It also requires that all competitors of cable companies be given equal access to programming.

The bill also contains provisions designed to preserve the public interest in access to important local news, public affairs, and entertainment programming—while providing broadcasters the opportunity to receive fair compensation from cable operators for the retransmission of their signals.

In sum, the pending legislation is necessary to satisfy the Government's compelling obligation to protect the rights of consumers where market forces are insufficient. I would prefer not to create a new system of Federal regulations—but, history tells us that where competition does not exist, the rights of consumers will ultimately be trampled upon. Thus, enacting this legislation is an appropriate action for Congress to take—until effective competition takes root in the cable industry.

I urge my colleagues to support the passage of the pending legislation.

Mr. ADAMS. Mr. President, I rise in strong support of the cable television consumer protection legislation, S. 12.

Thanks to a jump start from Congress in the 1984 Cable Communications Policy Act, cable TV has become a fixture in many American homes. Cable has also established a stranglehold over consumer pocketbooks. In more than 99 percent of the markets, only one cable company exercises control. Thanks to this system, rates have increased by more than 60 percent nationwide.

Here is a typical example of what has happened in Washington State. Late last year, a man from Tacoma sent me a cartoon in which someone reads a Christmas card to another: "At this joyous time of year we offer you this verse * * * expect another rate increase on January first." The second person replies: "I hate getting Christmas cards from the cable company!" The man from Tacoma also included a copy of his Christmas card: It was a notice from his local cable company raising rates on January 1, 1992. He circled the new monthly basic rate and inscribed "Again!?"

With unemployment at 9 million people and the economy in a chronic recession, any rate increase has a harmful effect on American households. Rate increases have an especially harmful impact on persons on fixed incomes. Cable TV has become a lifeline to the world for many senior citizens. As the National Council of Senior Citizens points out, seniors on fixed incomes find it hard and harder to pay the skyrocketing cable rates.

Shocking rate increases for individual households since the 1984 Cable Communications Policy Act was enacted make the rate regulations section of S. 12 the most important provision in this bill. I have appended to my statement figures from the Consumer Federation of America showing cable rate increases in Washington State. The average rate increase since 1986 for our five markets was 85 percent.

Another significant section provides for what is known as must-carry. I am an ardent supporter of public television. The must-carry provision is essential to protect public television and the rights of small independent commercial stations. Without this, these stations could be swept off cable or be saddled with obscure channel positions on the cable dial.

The must-carry provision also guarantees the actual distribution of public television and small independent commercial TV stations. One station in Washington, KCJ channel 17 in Yakima, has been trying for 2 years to get picked up by cable. This is the only locally owned, commercial television station not on cable. It also happens to be the only Hispanic station, which serves the large and growing Hispanic population in the Yakima Valley. This bill would help KCJ and Hispanic viewers in the valley.

The retransmission consent provision of S. 12 requires more equity in the business relationship between local TV broadcasters and the cable companies. This provision takes a balanced approach. I believe some local affiliates of major TV networks when they predict their financial future is uncertain at best under cable deregulation. I do not want to see local TV stations fall into bankruptcy like many of our deregulated airlines.

Finally, the access to programming provision is designed to stimulate new forms of transmitting, such as high-definition satellite-transmitted TV and audio. This section will help U.S. industry pioneer new forms of communication. Clearly, this would also enhance our international competitiveness.

A Washington State senator recently wrote me that he receives annually hundreds of letters from cable television customers complaining about poor service, increasing rates, and a lack of choice. A mayor of a major city in the State of Washington recently wrote me the following note:

> For the past 2½ years City staff has been engaged in refranchising negotiations with our local cable operator. We have discovered that few of the public benefits envisioned by the supporters of the 1984 Cable Act have come to fruition, and the process of crafting a franchise which meets the community's future cable-related needs and interests is frustrated for all sides involved.

The mayor goes on to point out that not only do he and his city council endorse S. 12, but so do the National League of Cities, the U.S. Conference of Mayors, and the National Association of Counties. Many local elected officials would like to see an even tougher bill. Wherever possible, we should fashion as strong a consumer bill as possible.

S. 12 also looks to future competition, especially from new wireless cable systems. Section 6 of S. 12 provides competitors of the existing cable system with fair access to programming. The Skyline Entertainment Network, a wireless system in Spokane, WA, claims that big cable system operators will try to maintain their monopolies by trying to weaken or eliminate the fair access provision in the bill. Skyline and a similar wireless system in Yakima, WA, are good examples of the type of new systems that section 6 will encourage.

In conclusion, Mr. President, let me repeat: S. 12 is a good bill. We need to restore reasonable regulation, balance, and sanity to today's cable marketplace. S. 12 will help us accomplish this.

According to the Consumer Federation of America the following figures illustrate the extent of cable rate increases in the State of Washington:

BREMERTON—TCI CABLEVISION OF WASHINGTON

1986—$11.95 for basic service (25 channels) (Nation Wide Cablevision Inc.)

Dec. 1991—$19.20 for limited basic (26 channels); $20.55 for expanded basic (31 channels).

Feb. 1992—$20.20 for limited basic (26 channels); $22.55 for expanded basic (31 channels).

Increase: December 1991—61% for similar offering.

Increase: February 1992—69% for similar offering.

Note: There will be a 5% rate increase for limited basic service and a 10% increase for expanded basic service in February 1992.

PULLMAN—CABLEVISION

1986—$9.45 for basic (22 channels).

Dec. 1991—$6.23 for limited basic (12 channels); $20.55 for expanded basic (33 channels).

Increase: 117% for similar but expanded offering.

SEATTLE—TCI CABLEVISION OF SEATTLE INC.

1986—$10.55 for basic (14 channels) (Group W Cable of Seattle).

Nov. 1991—$20.00 for basic (35 channels).

Increase: 90% for basic service.

SPOKANE—COX CABLE SPOKANE

1986—$11.00 for basic (35 channels).

Dec. 1991—$19.91 for basic (33 channels).

Increase: 81% for basic service.

TACOMA—TCI CABLEVISION OF TACOMA INC.

1986—$12.95 for basic (32 channels) (Group W of Tacoma).

Dec. 1991—$20.03 for limited basic (26 channels); $21.03 for expanded basic (31 channels).

Feb. 1992—$22.03 for expanded basic (33 channels).

Increase: December 1991—62% for similar offering.

Increase: February 1992—70% for similar offering.

Note: There will be a 5% rate increase for expanded basic service in February 1992.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1502, AS AMENDED

Mr. INOUYE. What is the pending business, Mr. President?

The PRESIDING OFFICER. The pending question is the amendment by the Senator from Louisiana, as amended and further amended.

Mr. INOUYE. Mr. President, I ask unanimous consent that the rollcall requested on that amendment be vitiated and that we take it up immediately.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The PRESIDING OFFICER. Is there further debate on the amendment of the Senator from Louisiana?

The question is on agreeing to the amendment.

The amendment (No. 1502), as amended, was agreed to.

Mr. HELMS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1506

(Purpose: To provide for carriage of closed caption transmission)

Mr. INOUYE. Mr. President, in behalf of the Republican leader, Mr. DOLE, I am pleased to send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. DOLE, proposes an amendment numbered 1506.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 97, lines 11 through 12, strike "and accompanying audio" and insert in lieu thereof ", accompanying audio, and Line 21 closed caption".

On page 108, line 2, strike "and accompanying audio" and insert in lieu thereof ", accompanying audio, and Line 21 closed caption".

On page 63, line 21, strike "(27)" and insert in lieu thereof "(28)"; and on page 71, strike all on line 2, and insert in lieu thereof the following:

"(27) the term 'Line 21 closed caption' means a data signal which, when decoded, provides a visual depiction of information simultaneously being presented on the aural channel of a television signal; and".

Mr. DOLE. Mr. President, just over a year ago Congress passed the Television Circuitry Act which will require that all television sets beginning in July 1993 must be capable of providing closed captioning. There are approximately 20 million television sets sold annually. As a result of this act, more than 24 million Americans who are hearing impaired will be able to access television coverage via captioning.

With passage of the Americans With Disabilities Act and more recently the installation of closed captioning of Senate floor proceedings, Congress has become more sensitized to the needs of hearing-impaired citizens who deserve and want to take part in the democratic process. We must go one step further to ensure that the same consideration is given to all cable viewers. The amendment I am offering today will provide greater guarantees of captioning—which is so vital to hearing-impaired viewers—by ensuring that cable television scrambling does not interfere with the provision of captioning coverage.

Mr. INOUYE. Mr. President, this amendment is a very simple one. It just says that cable will also provide closed captioning as networks do at the present time. This is to accommodate those with special disabilities.

Mr. LOTT. Mr. President, certainly there is no objection on this side of the aisle to the distinguished Republican leader's amendment. As is always the case he is very sensitive to those with disabilities and wishes to have this available for those persons with hearing impairment.

I think it is certainly commendable and something we should do. So we would be happy to accept this amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1506) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. INOUYE. I ask unanimous consent that the distinguished Senator from North Carolina be permitted to speak as though in the morning hour on a subject other than the matter before us.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FISCAL YEAR 1993 BUDGET OF THE U.S. GOVERNMENT

Mr. SANFORD. Mr. President, I thank the distinguished chairman for his courtesy and want to take this brief time to talk about the budget that we received late last night or early this morning.

For nearly 5 years now I have stood in this Senate to talk about the seriousness of debt and debt coverup, attempting to get the President and many of my colleagues to pay more attention to debt.

The Federal debt is the single most serious threat we face in this country today. It is a fundamental part of our economic downturn; not the only reason, but a significant reason. It is like the Berlin Wall holding back badly needed reforms to create more jobs and train more workers, and to strengthen our future.

The President's budget estimates that we will owe $316 billion in interest on that debt in fiscal 1993, making interest the largest single entitlement in the Federal budget. We could eliminate all defense spending in 1993 and not save enough money to pay our interest on the obligation for that year, interest that is rapidly consuming the Federal budget.

One reason our debt has grown so large over the past decade is the debt coverup. If the people do not know, the people cannot act. The President's deficit numbers do not reflect the annual increase in the public debt. And when the budget numbers are fully reported they are reported in ways that most people simply cannot understand.

The budget proposed by the President today is a perfect example of this. The numbers are all there, but you have to know what to look for and how to find it. I serve on the Budget Committee. I have carefully reviewed the President's budget proposals each year I have served in the Senate, and I probably understand these budgets as well as anyone else. But this budget proposed today takes the cake. The accounting is so creative that I am not sure what they have done.

Table 2-3 on page 25 of the President's budget lists the creative variety of deficits and numbers. It might be construed as deficits. That misleads the public and misrepresents the real problem of the debt.

For fiscal year 1993 it lists deficits at $352 billion; deficit excluding interest, $138 billion; deficit excluding deposit insurance and interest, $62 billion; deficit on an accrual basis, $333 billion. I do not know why these last three deficits are listed or what they mean.

Next the President's budget lists Social Security reserves and interest separately, and at the bottom below that it has a figure of $90 billion, in the place that you would think the deficit would be listed. I asked several people to look at this table and tell me what the deficit is. And they have answered $90 billion. Well, that is not so. That $90 billion is one more example of coverup.

Most of the interest in trust fund surpluses they use to mask the true size of our annual deficits, and that is not the deficit.

This table on page 25 is more of the President's budget tomfoolery.

None of the deficit figures listed on page 25 of the President's budget reflect the amount they will add to the debt in 1993. The real deficit, the amount of money we will spend that must be borrowed is not listed anywhere on that page where deficits are listed. To get that figure, the annual debt increase, the true deficit, the accounting deficit, you must turn to page 289 of the President's budget and figure it out.

If you take the time to do this, you will see that the President estimates that we will add $464 billion to the debt in fiscal year 1993, and that is a deficit of $464 billion that we face, not $352 billion, or $138 billion, or $333 billion, or $90 billion; but our deficit for the coming year will be $464 billion, almost half-a-trillion dollars.

I might also point out that the total interest owed on the Federal debt is also not listed in this table. A much smaller interest figure, net interest, is listed. Net interest does not include any interest we pay or owe, that is, to Social Security and other trust funds. But we owe it. We have put IOU's in to cover it. We have to pay it back.

So it is easy to see that, once you find the figures, this is a large part of the coverup that has kept the American public from knowing just how serious our deficit and debt situation is. In case anyone is interested and wants to find the total interest, you must turn to the appendix of the President's budget. Total interest for fiscal year 1993 comes to $316 billion, almost exactly $100 billion more than the net interest figure listed on page 25—more of the coverup.

Mr. President, this tomfoolery is deceitful and dishonest and needs to be outlawed. I propose just that.

Three years ago, almost to the day, I introduced S. 101, the Honest Budget Act, to require an honest accounting of the Federal budget, that the operating account within that budget be balanced. I reintroduced that legislation a year ago, and entitled it the Honest Balanced Budget Act, because we can have an honest budget, and we can get at balancing the budget right now.

The central point of this legislation is a new, but honest, definition of the Federal deficit, one so simple that it should not be disputed. No accountant disputes it. In fact, accountants would insist on this as a definition of deficit. S. 101 defines a deficit as the annual increase of the Federal debt subject to the statutory limit. Nothing more, nothing less. It includes gross interest, which is an honest figure, not net interest, which deceives and excludes the use of trust fund reserves for coverup. No fudging with off-budget maneuvers, no creative accounting, no tomfoolery, just clear, straightforward, honest accounting that any American can understand.

S. 101 keeps the unified budget, but also requires a more businesslike presentation that more clearly exposes our fiscal problems.

The unified budget is split into three easily understood parts. Social Security and all Federal retirement program spending and receipts are listed apart from the general operating spending and receipts. They are in a column of their own, where we can see what they are, where they cannot be used for coverup. All of those funds, those trust funds, are not our money. We merely are the trustees. All payments to those retirement programs, both employer payments transferred from general operating revenue, and earmarked trust fund revenue, are included in that accounting, that trust money.

S. 101 also requires that all interest obligations be clearly listed in a debt and interest account, separate from retirement, separate from general operating accounts. Also clearly listed here is the annual debt and the annual debt increase; the real deficit and the real debt are there for everybody to see. I expect everybody to get agitated and excited about wondering why we do not do something about them.

All other general revenue receipts and spending are listed in an operating account that must be balanced each year. With the exception of this balanced budget requirement, S. 101 simply requires us to account for Federal spending in a way that exposes honestly and simply the fiscal problem of debt and interest that we have faced now year after year for a decade.

If we apply these accounting changes to the President's budget proposal for 1993, we see a clear and honest deficit of $464 billion—almost a half trillion dollars—and a total interest obligation of $316 billion, a hefty surplus in our trust fund, and a somewhat manageable general operating shortfall that can be managed and balanced. The President, Members of Congress, and the American public would have a better picture of the problem and a better understanding of what must be done if we ever hope to pull ourselves out of what now seems to be a bottomless pit.

Be honest. That is the message. It is a fairly fundamental principle of American Government. Thank you.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate continued with the consideration of the bill.

Mr. HOLLINGS. Mr. President, I want to thank you for your outstanding leadership on legislation. I am particularly pleased to note that this bill will guarantee viewers access to programming services of their local public television stations.

Mr. INOUYE. I thank the chairman, for his kind words. I, too, am pleased that this legislation will require cable carriage for all distinct local public television signals. Public stations provide critical services to their communities, and the Government has a substantial interest in seeing that these services reach the viewers who have paid for them—not only with their Federal, State, and local tax dollars but, in many cases, through their own voluntary contributions.

Mr. HOLLINGS. Mr. President, I have a statement relative to the unique services provided by local public stations and to the substantial government interest that will be served by giving them must-carry status with their local cable systems.

Mr. President, this statement is an addition to the excellent report of the Senate committee on S. 12. Although the report contains a discussion of the need for carriage of local broadcast signals on cable systems and why carriage requirements are constitutional, it does not fully address the unique reasons why carriage of public television signals serves an important governmental interest and is constitutional.

Public television serves important governmental interests which are in addition to and distinct from those served by commercial broadcast stations. For nearly 40 years, Mr. President, the Federal Government has recognized the need for, and has supported public television—as an alternative to commercial television—to meet the Nation's educational, informational and cultural needs. As early as 1952, the FCC set aside 242 channels in the spectrum for the exclusive use of public television. In the Public Broadcasting Act of 1967, Congress found that "it furthers the general welfare to encourage public broadcasting services" and that "it is necessary and appropriate for the Federal Government to complement, assist and support a national policy that will effectively make public broadcast services available to all citizens of the United States." Since 1972, Congress and the executive branch have cooperated in efforts to fund public television, with an investment of $2.3 billion.

This substantial congressional support constitutes only a small portion of the total public investment in the system. Over two-thirds of all public television stations are licensed to State and local government agencies, public colleges and universities, school districts and other public groups which have provided public service programming at a State and local taxpayer investment of $3.9 billion since 1972. But the largest source of support for public television has come from the American people who have contributed a total of $5.1 billion in the last two decades.

Public television takes on even greater importance today as this country refocuses its efforts to improve the Nation's schools. Public television stations bring top-quality instruction to more than 29.5 million elementary and secondary students in 70,000 schools in virtually every school district in the country. In addition, the stations, in conjunction with the PBS Adult Learning Service, have enabled 1.4 million adults to study for college degrees from their homes. The stations have also prepared thousands of out-of-school adults to earn the equivalent of a high school certificate through telecourse programs, and have in place 500 literacy tasks forces throughout the country helping people learn to read. Public television stations also serve as catalysts to mobilize local community organizations and volunteers to address national problems such as teenage use of alcohol and drugs, racial harmony, domestic violence, child care, AIDS, the environment, and other critical social issues.

These are some of the less known services provided by public television. Many of you are undoubtedly aware of public television's other educational and entertainment jewels, including its unmatched children's programming like "Sesame Street," "Mister Rogers' Neighborhood," "Reading Rainbow" and "3-2-1 Contact"; its distinctive news and public affairs programming like "The MacNeil/Lehrer News Hour" and "Frontline," and its distinguished documentaries such as "Nova" and "National Geographic Specials." Public television's recent presentation of the "The Civil War" captured the intellect and emotion of the entire Nation, and is now being used by teachers to bring life into classroom courses on the Civil War.

In my own State, Mr. President, public television is vitally important, particularly in the role it plays in bringing educational opportunities to South Carolina's rural schools. South Carolina Educational Television serves more South Carolinians than any other educational institution: over 515,000 schoolchildren, over 7,000 college students, over 25,000 medical personnel and 6,500 law enforcement personnel, judges and magistrates. It is a member of a consortium of public television stations that deliver educational programming to 600 schools in over 20 States on a live, interactive basis directly by satellite. Through this consortium high school students in predominately rural schools can take advanced, college placement courses that would otherwise be unavailable to the students, such as Japanese, Russian, physics and probability and statistics, from some of the best teachers in the country. South Carolina ETV also runs "The Children's Place," a State agency-sponsored day care center that functions as the production center for the Nation's most widely used training tapes for early childhood educators.

South Carolina ETV has also served as a valuable community resource by involving local community organizations and volunteers in addressing serious local issues. For example, South Carolina ETV sponsored an outreach program on teenage drinking and driving and provided a bank of phones staffed by drug and alcohol abuse counselors to handle calls. Most recently it launched a nationwide outreach campaign focused on children and their families with the documentary, "All Our Children with Bill Moyers."

These are just snippets of public television's vital contribution to South Carolina. These outstanding public services are duplicated throughout the United States. Public television is fulfilling Congress' goal of providing a source of high quality alternative telecommunications services for all citizens of the Nation as well as promoting the broader national goal of educational excellence. The Government has a substantial interest in ensuring that these services remain fully accessible to the widest possible audience.

They must carry rules for public television, contained in section 615 of S. 12, are needed to ensure that the American public has access to this public service programming which it, along with Congress, has supported for the last three decades. The FCC, in its cable report, recommended adoption of must carry rules for public television because of its unique services and the Government's expressed interest in its viability. The National Cable Television Association has also endorsed these rules.

Unfortunately, Mr. President, cable operators are continuing to drop public television stations from cable systems. The committee report on S. 12 sets out in great detail evidence which demonstrates that cable operators have dropped broadcast stations from cable systems in the absence of must carry rules. I would like to supplement that excellent report with additional evidence demonstrating noncarriage of public television stations. The 1988 FCC cable carriage report referred to in the committee report, made separate findings related to public television drops and switches. Cable systems reported 463 instances of noncarriage of public television stations affecting 153 stations and 541 instances of channel shifting affecting 182 stations.

It is my understanding that the drops and switches are continuing. Since the beginning of 1991 alone, the Association of America's Public Television Stations has received reports from numerous stations that have been dropped or switched. Many of the dropped stations were licensed to public colleges and universities—the stations most likely to carry more instructional and educational programming.

The committee report clearly explains why cable viewers do not, as a practical matter, have the option of receiving a dropped station over the air. Very simply, noncarriage of a station results in cable viewers being cut off from that station. The committee report recognized that how cable operators exercise their gatekeeping power depends on the type of broadcasting station involved. Public television stations are uniquely vulnerable to noncarriage. As we all know, Mr. President, cable systems are for-profit enterprises and naturally seek to carry programming which maximizes dollars and audience. Public television, in fulfilling its mandate to serve those audiences not served by commercial enterprises, carries much programming that cable systems find economically unattractive.

The impact of noncarriage is particularly devastating to public television stations. The largest single source of funding for public television is from private individual contributions. When a local cable system drops a public television station, its contributions from its cable viewers are in jeopardy. Without the key financial support from its cable audience, a public television station can easily slip below the level of viability required to continue to provide service to its broadcast audience. Stations not only lose audience and contributors, they also lose paying enrollees to their college telecourses, and elementary and high school students are deprived of their instructional programming. I was amazed to learn that 69 percent of the public television stations that provide instructional programming to schools distribute that programming via cable.

I understand there are concerns that these must carry rules are unconstitutional based on two prior court decisions. Mr. President, the committee report contains an excellent analysis of why must-carry rules for all broadcast stations—including public television stations—are constitutional. I would only note some additional arguments that are available in applying the O'Brien test to the must carry rules for public television. First, the Government has substantial interests, in addition to those which support carriage rules for all broadcast signals, in the carriage of public television signals. I have just discussed these interests in some detail. They include: Ensuring that public television can continue to serve the important Government interest of advancing the educational goals of the Nation through the delivery of educational, informational and cultural programming; and preserving the substantial investment of Congress, local governments, and individual subscribers in public television. The rules will further these interests by ensuring that cable operators will not be permitted to continue acting as unfettered gatekeepers of this important public service.

Second, different facts demonstrate that the proposed rules for public television are narrowly tailored to accomplish the Government's objectives with minimal effect on cable systems. I understand from data compiled by the Association of America's Public Television Stations that if mandatory carriage of all qualified local public stations were required, 84 percent of the Nation's cable systems would only be required to carry one public service; 13 percent might have to carry two services; and 3 percent of all systems might be required to carry two or more services, and these are found in seven of the largest television markets. However, the burden on cable systems may be even less under the proposed rules. They require that cable systems carry only qualified local public stations that request it, and do not require that systems carry duplicative programming services.

This minimal regulation surely is justified to further the Government's substantial interest in making sure that all Americans have access to the quality educational and informational programming which they support through their direct contributions as well as through their state and federal tax dollars.

CLARIFICATION OF SECTION 615(i)(2)

I would also like to clarify paragraph (2) of subsection (i). This provision which is similar to the "network non-duplication" provisions of subsection (f), is designed to address the relationship between the act and Federal copyright law. In some instances, a qualified public television station may meet the definition of a local station under subsection (k)(2) of the act, while simultaneously qualifying as distant under section 111 of the Copyright Act—and therefore triggering the payment of copyright royalties. This situation could arise, for example, if a public television station's principal community reference point is within 50 miles of the cable system's principal headend but more than 35 miles away from any point in the cable community. A cable operator is not required to add any such public television station under this legislation unless the station agrees to reimburse the operator for the incremental costs assessed against the system under copyright law with respect to the carriage of such station.

Paragraph (2) thus creates a very limited exception to the general rule against payment for carriage. It is applicable only to stations that are local under this act but distant under the Copyright Act; only to stations that are required to be carried on the cable system; and only to stations that were not carried as of January 1, 1990. Moreover, these provisions are not mandatory and may be waived by the system operator.

In those cases in which a cable operator may seek reimbursement from a public television station under this subsection, it may seek to collect only the operator's incremental copyright costs. Under the Copyright Act, the percentage of gross receipts that a cable operator pays for carrying distant television station tends to decline with the total number of distant signals carried. Thus, the additional copyright costs actually resulting from later added stations will often be less than those from stations carried previously. It is my understanding that use of the term "incremental" in this paragraph, indicates that the amount of reimbursement should be computed at the marginal cost actually attributable to the addition of that particular station.

REGARDING A FORMAL CEASE-FIRE IN EL SALVADOR

Mr. INOUYE. Mr. President, in behalf of the majority leader, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of Senate Resolution 248 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

A resolution (S. Res. 248) expressing the sense of the Senate regarding the signing on January 16, 1992, of the agreements for a formal cease-fire in El Salvador, and for other purposes.

The PRESIDING OFFICER. Under the previous order, there is to be 10 minutes of debate evenly divided on this resolution.

The Senator from Minnesota.

ADDITIONAL COSPONSORS

Mr. DURENBERGER. Mr. President, I ask unanimous consent that Senators WARNER, DECONCINI, GRAHAM of Florida, KENNEDY, WALLOP, CHAFEE, and HATFIELD be added as cosponsors of this resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURENBERGER. Mr. President, I further ask unanimous consent that any other Senators who wish to cosponsor the resolution be permitted to do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

AMENDMENT NO. 1507

Mr. DURENBERGER. Mr. President, I send to the desk an amendment making minor technical corrections, and ask unanimous consent that it be agreed to. It is my understanding it has been cleared on both sides of the aisle.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. DURENBERGER] proposes an amendment numbered 1507.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 14 strike the words "commit itself," and insert in lieu thereof "remain committed."

On page 3, line 20, strike the words "commit itself," and insert in lieu thereof "remain committed."

On page 3, line 24, strike the words "commit itself," and insert in lieu thereof "remain committed."

The PRESIDING OFFICER. The amendment is in order, notwithstanding the previous order. Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 1507) was agreed to.

Mr. DURENBERGER. Mr. President, I ask for the yeas and nays on the resolution.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DURENBERGER. Mr. President, I do not often use this word on the Senate floor but today it fits. It is with joy that I lay the resolution before the Senate. It commemorates the signing of the agreement earlier this month to end hostilities in the country of El Salvador.

Seventeen years ago, before I ever dreamed of setting foot in this Chamber, I had my first direct experience with the war in El Salvador. Near the time when they were hosting the Miss Universe Pageant in 1975, the Minister of Tourism was kidnaped near the place where my 12-year-old son Charlie was going to stay with my friends. The Minister was ransomed for a million dollars, and then later killed. That was my introduction to the brutal conflict in El Salvador.

I have been going to El Salvador since 1971. My involvement was business with a St. Paul, MN, company which had roots in a 1964 earthquake which ravaged a paint and adhesive plant in San Jose, Costa Rica.

Since 1964, the Costa Ricans and people in El Salvador, Nicaragua, and the rest of the Central American countries have produced a number of people who have risen in the ranks of my former company and one of whom, a resident of Costa Rica, is now president of this American company, which is nearly a billion-dollar-a-year company.

So I make trips to the region, to all the countries of Central America, in my previous life and quite a number since then, as many of my colleagues have. And through many trips to the region, dozens of votes on the floor, and my responsibility in a policy-making position on the Select Committee on Intelligence, I have seen and heard and learned about the country and its people. And all of that education has heightened my appreciation of what has been accomplished this year and what it means.

Czechoslovakia's play wright President Vaclav Havel described the changes in Eastern Europe in terms that are just as appropriate to the recent history of El Salvador:

> It was a drama so thrilling and so tragic and so absurd that no earthling could have written it.

Any one who has followed the events of the last 20 years in El Salvador can testify to its absurdity and its tragedy. We are fortunate and thankful today to also testify to the thrilling possibilities for the Salvadoran people in a future without armed conflict.

I am joined in this effort by the chairman and ranking Republican of the Foreign Relations Western Hemisphere subcommittee, Senators DODD and LUGAR. We are also joined by Senators PELL, DOLE, MITCHELL, CRANSTON, KASSEBAUM, SANFORD, ROBB, MCCAIN, LEAHY, WARNER, DECONCINI, GRAHAM, KENNEDY, WALLOP, and others.

It has been said that "peace is not mere absence of war, but is a virtue that springs from force of character." This resolution recognizes the courage of the Salvadoran people on the difficult path to peace. It notes that many challenges still remain in order to implement the accords' many far-reaching provisions, consolidate the hard-won peace, and futher strengthen democracy and democratic institutions. And finally, this resolution emphasizes that the United States has an enduring interest in assisting El Salvador with this process.

Mr. President, it is an understatement to say that it is remarkable that after 12 years of bitter civil war and 20 months of intense negotiations, the Government of El Salvador and the FMLN signed a definitive peace treaty on January 16, with the cease-fire to take effect this Saturday, February 1.

The U.N.-brokered negotiations have yielded far more, however, than just an end to the war. Truly dramatic and profound changes affecting critical aspects of Salvadoran society have also been negotiated. It is important for us to appreciate just how far-reaching the agreements actually are.

First, not only will the cease-fire end the fighting, but it will be monitored and verified by the United Nations and the international community, both of which will have a deep role in ensuring compliance.

Second, a new civilian national police force will be created to perform internal security functions that are now largely performed by elements of the Armed Forces.

Third, various of the Government's paramilitary organizations will be eliminated. National intelligence functions will be placed securely under civilian control.

Fourth, military doctrine will be reoriented. The Government will cease compulsory military service, while the FMLN will cease its practice of forced recruiting.

Fifth, commissions have been created to review the human rights records of military officers as well as to investigate notorious cases of past human rights abuses. United Nation human rights observers have already been in El Salvador for about 6 months to monitor and oversee El Salvador's human rights practices and ensure adherence to international standards.

Sixth, significant judicial, electoral, and constitutional reforms were agreed upon, many of which have already been approved and enacted.

Mr. President, it is important that we consider the lessons we can learn from these events, as we face a world of uncertainty. What were some of the factors and decisions which led to this outcome?

Well, probably the most important lesson is that people make a difference. From a 1972 election stolen from Jose Napoleon Duarte, the El Salvadoran people in 1979 revolted against General Romero. They revolted against the murder of Cardinal Archbishop Romero. They have had six or seven elections in that country and millions and millions of people, probably 90 percent of the eligible voters, consistently have gone to vote.

So people do make a difference. People from this country make a difference. People from Minnesota who spent a lot of time in El Salvador as missionaries, as friends, as volunteers have made a big difference.

When Jose Napoleon Durate was elected in 1984, the entrenched society in El Salvador considered him too far to the left to be a valuable mediator. And so, try as he might, his Presidency ended, and he later died of cancer.

But the one person who has probably made the most difference and for whom we can attribute the finality of this success is President Alfredo Cristiani. Alfredo Cristiani had his detractors and critics. They came from the other side. They said he was nothing more than a stooge of the extreme right. As the phrase goes, never has the opposite of the truth been so precisely stated.

Alfredo Cristiani was a volunteer in the political arena, if you will, in a party called ARENA. He was not anybody's stooge. He was his own person, as is his wife and his family. And they have demonstrated that repeatedly.

These talks which Cristiani stuck to, succeeded in large measure as well because of the active mediation and participation of U.N. Secretary General Perez de Cuellar and his personal representative, Alvaro de Soto.

Mr. President, the success of the Salvadoran peace process is also a vindication of the United States policy of continued engagement in El Salvador over the past 12 years. Many critics of U.S. policy have long argued that U.S. aid prolonged the war and thwarted a settlement.

But those who demanded that the United States wash its hands of El Salvador and simply walk away were never willing to take responsibility for what almost inevitably would have resulted—a savage unrelenting, and endless war, with profound consequences for a nascent democracy.

Assistant Secretary of State Bernie Aronson said it all in October when he said:

> United States assistance ensured that those seeking to rule El Salvador through violence and intimidation, on both the left and the right, did not prevail, while Salvadoran society slowly, painfully, but deliberately created authentic democratic institutions, opened political space, and created new mechanisms to defend human rights and the rule of law.

There is no question that we made mistakes along the way. It was always tough to strike the proper balance between defending a democratic government against guerrilla insurgents and demanding respect for human rights in the middle of a civil war. But I believe the key to U.S. policy over the past 12 years is that we have remained engaged.

Bipartisanship was essential to that engagement. Each major step forward in our constructive policies toward El Salvador was substantially bipartisan. We can never expect the world to get a clear message from the United States when they hear two messages at once. Our ability to come together on a policy is in the best historic tradition of politics stopping at the water's edge.

As our policy matured, we have learned to understand the Salvadoran situation in Salvadoran terms. As long as we saw it primarily as a cold war proxy fight between East and West, irrelevant information clouded our policy judgment. Eventually, we came around to a bipartisan understanding, shared by both the Congress and the administration, of the difference between symptoms and root causes, and good policy came of it.

And now, with the war over, El Salvador is at a crossroads. The agreement signed in Mexico City on January 16 was not the end of the road for El Salvador. President Christiani stated in an address to his nation, "We should not see it as the end of the conflict. We should see it as the beginning of the process of consolidating peace and democracy, respect for human rights, and national reconciliation."

There is no doubt it will take tremendous effort on El Salvador's part to consolidate the peace, fully implement the far-reaching accords, restructure its society, and rebuild the country.

Mr. President, United States policy toward El Salvador is also at a crossroads. For years, United States policy has been characterized by alternating cycles of panic and neglect. Just as El Salvador must strengthen the center and diminish the extremes, so too must we in this country strive to achieve a sustainable level of engagement, in which we minimize our own extremes, in this case, panic and neglect.

In December 1980, I urged my Senate colleagues to realize that once panic sets in after the period of neglect, "it is too late, [and] we rush to treat symptoms rather than causes." If we now commit ourselves to sustain engagement, we will avoid the tragic mistakes of neglect, which seem always to lead to panic.

Such a United States and international approach to the many challenges facing our friends in El Salvador will dramatically increase our prospects for long-term success.

As this resolution notes, the United States should remain committed to providing appropriate assistance to the Government and people of El Salvador that promotes the process of reconstruction, reconciliation, and further strengthening of democracy and democratic institutions.

We should also remain committed to seeking and encouraging other members of the international community to contribute materially to this process in El Salvador.

Notwithstanding the rhetoric of United States in the early 1980's, the root causes of the war in El Salvador had much less to do with the cold war threat of a Communist beachhead in Central America than with the long and sorry history of political repression, authoritarian rule, social injustice, poverty, malnutrition, disease, illiteracy, and many other ills.

Now with the war over, the people of El Salvador can focus their considerable energies and talents on resolving many of these problems which still exist. That will be the challenge for El Salvador. And it is in the United States interest that we help El Salvador further establish a more just, democratic, and stable society, in which individual freedoms are protected, human rights guaranteed, and productive energies set free.

Mr. President, with this resolution, I believe we will send an important message to the people of El Salvador that we appreciate their struggle to reach this point, and that we are committed to assisting in the long-term process of reconciliation, reconstruction, and strengthening of democracy.

It has been said, Mr. President, that success has a thousand parents, but defeat is an orphan. I want to thank the leaders of the administration, especially Bernie Aronson and Jim Baker, whose building of relationships and constancy are examples to us all. I want to thank many of my colleagues who have worked and learned together over the years to develop U.S. policy toward the region. I want to thank countless others in religious and business communities who informed our debate.

Mr. President, I also want to thank many people in my own State of Minnesota who, over the years, have added so much to my understanding of the problems of El Salvador.

Hundreds of them have traveled to El Salvador. Many of them have lived there and not only identified with the suffering of the people, but they have worked to relieve it.

But especially I want to pay tribute to a small group of people from the community of St. Martin who for the last 2 or 3 years now have come to my office in Minnesota, in Minneapolis, not to pour blood on it and chain themselves to it, which so many protestors do. They came every Thursday afternoon about 4 o'clock and spent an hour praying for me, praying for all the Representatives of the people in this Chamber, praying for the President of the United States, and the people in El Salvador in hopes that the day of peace would come.

So I rejoice with those people and with millions of others that our prayers have been answered.

I have also benefited immeasurably from the sound advice, experience, and insights of Rev. Phil Anderson, who for a number of years served as the Lutheran World Federation representative in San Salvador. The same can be said for the contributions of Archbishop Roach and Lutheran Bishop Lowel Erdahl.

Mr. President, I strongly urge my colleagues to support this measure and commit themselves to the work that lies ahead.

Mr. DODD. Mr. President, today I am happy to join with my colleagues Senator DURENBERGER, Senator LEAHY, and others in offering this resolution in support of the recently concluded El Salvador peace agreement. At long last we can join with the people of El Salvador in rejoicing in the fact that a 12-year chapter of bloodshed and tragedy—a very sad chapter in the history of that country—is finally drawing to a close.

As my colleagues know, the official signing ceremony of these historic accords took place in Mexico City, on January 16, with Mexico's President, Carlos Salinas De Gortari, graciously acting as the host. The President of El Salvador, Alfredo Cristiani and the leadership of the Farabundo Marti National Liberation Front [FMLN] came together at the Chapultepec Castle to sign these U.N.-mediated peace agreements, as the international community looked on.

The New York accords are intended to produce a permanent cease-fire to the armed conflict, national reconciliation, and national reconstruction in that country. These accords are an extensive collection of documents that spell out in elaborate detail, the terms, conditions, and wide-ranging commitments each side has made in order to achieve these objectives. These accords address such matters as cease-fire arrangements; the dismantlement of the FMLN military structure, and the reincorporation of its members into civil society; the downsizing and reform of the Salvadoran military; the establishment of a so-called truth commission to look into past human rights abuses, the creation of a new professional national civilian police force, as well as other measures designed to address pressing social and economic issues. The compliance of both parties with the terms of these agreements is to be verified by the United Nations. These final agreements, when taken together with the September framework agreements, the April agreement on constitutional reforms and the human rights accord of July 1990, clearly provide a detailed roadmap to peace in El Salvador.

The national debate that raged for more than a decade in this country over the appropriate direction of United States policy toward El Salvador is over. Twelve years of war and nearly $5 billion of United States assistance geared to funding a military solution to the conflict in El Salvador was unable to accomplish what less than 2 years of U.N.-mediated talks have. The success of these negotiations once again demonstrates that the political track to resolving civil conflicts is far more productive and far less costly than the military track. The U.S. Congress, particularly people like PAT LEAHY, JOE MOAKLEY, and JOHN MURTHA, played a very critical role in helping to shape the outcome of that national debate.

I believe that we owe a very special thanks to former U.N. Secretary General Javier Perez de Cuellar and to his personal representative to the negotiations, Alvaro DeSoto, for their determined and tireless efforts to broker an agreement. Clearly the parties to the negotiations must also be commended. During the course of these negotiations both sides demonstrated that they were truly committed to finding a political solution to their deep-seated differences.

Finally, President Cristiani deserves special praise, for his task was by far the most difficult. I recall that even before being formally sworn into office following his election, he committed himself to finding a political settlement to the conflict. Some doubted his sincerity. I was not one of those, although I was doubtful that certain elements of Salvadoran society would permit him to do so. President Cristiani has demonstrated enormous political courage and deserves our full support and that of the international community as he moves forward to implement all phases of this agreement.

Mr. President, I urge all of my colleagues to support the pending resolution.

Mr. PELL. Mr. President, I am pleased to be an original cosponsor of Senate Resolution 248, submitted by Senators DURENBERGER, MITCHELL, DOLE, DODD, LUGAR, LEAHY, and others. The purpose of the resolution is to support the January 16 signing of a ceasefire agreement for El Salvador.

The world is hopeful that this long-awaited agreement will end—once and for all—a conflict that has ravaged Central America for years. Born in the throes of the cold war rivalry between the United States and the Soviet Union, the civil war in El Salvador resulted in thousands of deaths and countless human rights abuses. It is a tribute to the efforts of the United Nations and to the resiliency of the Salvadoran people that such a costly and bloody war could end in a negotiated settlement.

Now that the fighting has ended, our task is to ensure that the peace agreement is respected, that the Salvadoran people are reconciled, and that the rehabilitation of El Salvador's war-torn economy, infrastructure, and political system takes place. This will require a vigorous and concerted effort on behalf of the international community, and the resolution puts the Senate squarely on record in support of such an effort.

I commend Senator DURENBERGER for his endeavor to forge a bipartisan coalition to introduce the resolution. El Salvador has proven to be one of the most bitter, divisive political issues of our time. In my view, it is especially important that the U.S. Government move beyond such partisan rancor as it looks to a new era in the political development of Central America.

Mr. President, I am especially pleased to be joining Senators DODD and LEAHY as original cosponsors of this resolution, as it is my sincere opinion that they, perhaps more than any other Members of the U.S. Congress, have worked tirelessly and effectively to promote peace in El Salvador. At the conclusion of my remarks, I would ask unanimous consent that an op-ed piece by Robert White be printed in the RECORD. The piece makes special note of the efforts of Senator DODD and other Members of Congress on El Salvador, and I am pleased to bring it to my colleagues' attention.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 16, 1992]

RENEWAL IN EL SALVADOR

(By Robert E. White)

The more prolonged, bloody and senseless the war, the harder it is it to end. The peace agreement writing finish to the conflict in El Salvador—which is to be signed today in Mexico City—was achieved against high odds. There is plenty of credit to go around.

Praise first for both Salvadoran delegations. The FMLN revolutionary movement had the wit to comprehend that in President Alfredo Cristiani, El Salvador had found an authentic statesman willing to defy hard-liners in order to make peace. Decorations to extraordinary merit to U.N. Secretary General Javier Perez de Cuellar and his chief negotiator, Alvaro de Soto, whose patient and creative diplomacy had to overcome not only profound distrust between the warring parties but also a campaign of detraction from Washington.

High marks for U.N. Ambassador Thomas Pickering and Assistant Secretary of State Bernard Aronson, who, without perceptible high-level support from their own government, persuaded the Salvadoran delegation to make required concessions, Diplomats from Mexico, Colombia, Venezuela and Spain played an equally praiseworthy role as counselors to the FMLN delegation. Yet the highest praise must be reserved for the Senate and House of Representatives, particularly Sen. Christopher Dodd (D-Conn.) and Rep. Joseph Moakley (D-Mass.), for sending a clear signal to the White House that funding for the Salvadoran military was finished. Without that firm message, the Bush administration would never have summoned the political will to end the war on the basis of compromise.

The U.N.-sponsored agreement writes a tardy finish to one of the most disgraceful chapters in the history of U.S. foreign policy. On the debit side of the ledger, there is also an ample supply of blame to parcel out.

Even before taking office, advisers to President Reagan decided to stake out first foreign policy claim in El Salvador. They chose this weak, obscure Central American country for demonstration purposes. A quick, decisive crushing of the Salvadoran insurgents was to serve as the international equivalent of the breaking of the air-controllers' strike. "Mr. President, this is one you can win," declared then-secretary of state Alexander Haig. It took 10 years, 75,000 murdered people and a million Salvadoran emigrants to pry U.S. policy loose from this delusion.

It would be convenient to place the blame for the disaster of El Salvador squarely on Regan administration appointees who were long on obsession and short on common sense. Yet every administration enters office with its quota of ideologies. it is the job of the intelligence community to blunt uninformed zeal with sober, compelling and sustained analysis. In this basic responsibility the CIA failed. Instead of supplying objective reports that should have served as a basis for leading our country out of the Salvadoran morass, the CIA under William Casey put intelligence at the service of policy and provided justifications for ever-deeper involvement.

Throughout the decade, Washington Steadfastly ignored opportunities for honorable and constructive disengagement. From the beginning, the revolutionary leaders made repeated offers to negotiate. The Reagan administration denounced these proposals as attempts by guerrillas to shoot their way into power—to win at the bargaining table what they could not on the battlefield. "No power sharing" became the watchword of U.S. policy.

Yet on New Year's Eve, with full U.S. approval, the government of El Salvador signed a peace agreement that has as its basis the redistribution of power. The army is no longer to exercise any internal police function but will continue its role to external defense. The dreaded security forces are abolished. In their place will be created a national police force in which former FMLN combatants will have a significant presence at all levels.

Power is also shared with the United Nations. A U.N. observer force stationed throughout the country has the mandate of verifying governmental compliance with its treaty commitment to respect human rights. The United States, Mexico, Venezuela, Colombia and Spain will act as guarantors of the agreement.

One of the chief deficiencies of the peace agreement is the failure to provide for prosecution of military officers and FMLN commanders responsible for grave abuses of human rights. This impunity could encourage future assassinations by military death squads unwilling to abide by an accord that effectively writes the army out of the new national power equation. If this occurs, the very fabric of the agreement could unravel, with peace as the first casualty.

If it is possible to discover a saving grace and hope for the future in this sorry history, it is to be found in the unmatched capacity of the Salvadoran people to learn from their suffering, to put hatred aside and to work for the common good. The most striking metaphor for this national spirit of renewal can be found in the transformation of former major Roberto d'Aubuisson from an apostle of violence to advocate of peace and reconciliation. El Salvador may yet prove worthy of its name.

Mr. WARNER. Mr. President, I rise today as a supporter and cosponsor of Senate Resolution 248, a resolution observing the recently signed peace accords regarding El Salvador.

On January 16, 1992, the formal signing of the United Nations sponsored El Salvador peace accords took place in Mexico City, Mexico. This agreement, we all hope, has brought to a close the bloody 12-year civil war that devastated El Salvador and cost an estimated 75,000 lives. The signing of the peace accords was the culmination of over 2 years of intense negotiations between the Salvadoran Government and the Faribundo Marti National Liberation Front [FMLN].

The United Nations, in particular former Secretary General Javier Perez de Cuellar and his chief negotiator throughout the talks, Alvaro de Soto, and Latin American and Spanish diplomats all deserve high praise for their crucial roles in the talks. It was through their efforts, coupled with pressure from the U.S. State Department, in particular U.N. Ambassador Thomas Pickering and Assistant Secretary of State Bernard Aronson, that forced the Salvadoran Government and the FMLN to enter into serious and sincere negotiations. Salvadoran President Alfredo Cristiani also deserves tremendous credit for his efforts, without which there would have been no chance for peace.

The role of Congress in the Salvadoran peace accords should not be overlooked. In the fall of the 1990, I supported legislation to withhold 50 percent of the United States military aid to El Salvador contingent on certain restrictions that applied to both the Salvadoran Government and the

FMLN. This legislation, the first withholding of United States military aid to El Salvador, passed both Houses of Congress and was signed into law by President Bush. I strongly supported the 50 percent withholding because I felt it established a framework for a fair and balanced approach to resolving the long and bloody conflict that was tearing El Salvador apart. I had previously had an extensive visit to El Salvador and firmly believed that the time had come to reevaluate our policy and move forward. This new policy sent a strong signal to all parties concerned that Congress and the American people were frustrated with the status quo.

Now, as outlined in Senate Resolution 248, we should concentrate our efforts on the rebuilding and reconstruction of war torn El Salvador. I look forward to working with the State Department and my colleagues in the Senate to achieve that goal.

Mr. DURENBERGER. Mr. President, what time remains?

The PRESIDING OFFICER. All time has expired.

Mr. DURENBERGER. I ask that the resolution be agreed to.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the resolution.

The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr. KERREY], and the Senator from Tennessee [Mr. SASSER] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. SASSER] would vote "aye."

Mr. SIMPSON. I announce that the Senator from Virginia [Mr. WARNER] is necessarily absent.

The PRESIDING OFFICER (Mr. SIMON). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 11 Leg.]

YEAS—96

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Wellstone
Wirth
Wofford

NAYS—0

NOT VOTING—4

Harkin
Kerrey
Sasser
Warner

So the resolution (S. Res. 248), as amended, was agreed to, as follows:

S. RES. 248

Whereas the people of El Salvador have suffered 12 years of civil war, violence, and destruction, affecting an entire generation of Salvadorans and virtually every sector of society;

Whereas peace and reconciliation will permit the Salvadoran people to exert their productive capabilities in efforts to restructure their society, rebuild their economy, and further strengthen democracy;

Whereas El Salvador has achieved through negotiations a peaceful resolution to years of bloody and destructive armed conflict;

Whereas the government of President Alfredo Cristiani has successfully fulfilled its promise to the people of El Salvador made on its first day in office that it will bring peace to the country;

Whereas the January 16, 1992, signing of the formal ceasefire agreements represents not only the end of the armed conflict but the beginning of a process to consolidate peace and democracy in El Salvador;

Whereas the Salvadoran people have declared February 1, 1992, the date of the beginning of the formal cease-fire, to be National Peace Day;

Whereas the success of the Salvadoran negotiating process, with the active and indispensable contribution of the United Nations, can provide a model for the resolution of other conflicts around the world;

Whereas the United States has played a significant role in El Salvador during the years of crisis; and

Whereas the people of El Salvador and its neighbors in Latin America will be the primary beneficiaries of peace: Now, therefore, be it

Resolved, That (a) the Senate hereby—

(1) commends and congratulates all parties to the negotiations, the former United Nations Secretary General Javier Perez de Cuellar, and the Salvadoran people for their persistence, commitment, and dedication to the task of achieving peace;

(2) extends particular praise to President Cristiani for the courage and determination of his personal efforts to bring peace to El Salvador;

(3) commends and congratulates the governments of Colombia, Mexico, Spain, and Venezuela for their important contribution as "friends" of the United Nations Secretary General in support of the negotiating process; and

(4) encourages the Salvadoran people and all sectors of Salvadoran society to commit themselves to the long-term process of consolidating peace, democracy, and economic and social development.

(b) It is the sense of the Senate that—

(1) the United States should remain committed to providing appropriate assistance to the government and people of El Salvador that promotes the process of reconstruction, reconciliation, and further strengthening of democracy and democratic institutions;

(2) the United States should remain committed to seeking and encouraging other members of the international community to contribute materially to this process in El Salvador; and

(3) the United States should remain committed to cooperating with United Nations efforts to monitor compliance with the peace agreements in El Salvador and other efforts pertaining to the United Nations role in postwar El Salvador.

Mr. INOUYE. I move to reconsider the vote.

Mr. DURENBERGER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I have discussed the status of the current bill with the managers, with the distinguished Republican leader, and with Senator PACKWOOD, who is a principal author of a proposed substitute amendment, and, as a result of that discussion, there will be no further rollcall votes this evening.

Senator PACKWOOD indicated his intention to offer his substitute amendment at 11 a.m. tomorrow, when the Senate returns to consideration of the pending bill. And the managers advise that it is their belief we can dispose of that amendment and all other amendments of which they are now aware and, hopefully, complete action on the bill tomorrow. That means there will be votes during the day, and as Senators know from our prior practice and from the written notice I have provided to each Senator prior to now, Thursday is the day on which we can expect a session in the evenings and votes. So it is my hope we can complete action on the bill tomorrow as I have just stated and described.

The managers, Senator INOUYE, Senator DANFORTH, Senator PACKWOOD, and Senator DOLE are here. The statement I made arises out of discussions I had with them on this point.

I will be pleased to yield now to Senator PACKWOOD.

Mr. PACKWOOD. Here is what I have been able to find out. The Senator from Hawaii has been very generous with me, giving me the time I need. I am prepared to start tomorrow. I cannot get a UC with limits on time. This is one we will spend more time trying to get a UC than if we just start.

Mr. MITCHELL. I thank the Senator for that. I think the best way to proceed is to proceed. I expect then when we conclude this evening——

Mr. PACKWOOD. I might say to the leader that this may require me not to attempt to have a vote on the luxury boat tax. But he has no interest in that. It does not matter.

Mr. MITCHELL. I will be there, I assure the Senator of that. I will be there voting on that matter whenever it arises. But I hope we will be able to complete action on this bill tomorrow. In any event, we will begin and proceed with that intention.

Mr. JOHNSTON. Mr. President, will the majority leader yield to me?

Mr. MITCHELL. Yes.

Mr. JOHNSTON. I wonder, Mr. President, if I may ask unanimous consent that it be in order for me to introduce a bill at this point and proceed for 3 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. GORE. Reserving the right to object, if I might make a brief inquiry of the Senator from Oregon before he leaves the Chamber. Might it be possible later this evening for the amendment the Senator intends to propose tomorrow to be printed in the RECORD so that we might be able to see what is included in the amendment? I will not object to any UC, and, if it is a burden, I will just take it as it is. But it would be helpful to some of us who have been waiting to see it. I do not think there will be any UC anyway.

Mr. PACKWOOD. I will tell you what I will do, Mr. President. I gave to the manager of the bill—here is what happened. I had it drafted, and it was subject to a point of order. It was in the legislative counsel's office, and I passed around the amendment as it would read, but it was in the old form.

I will put it into the RECORD but give the Senator a copy of what it was when it was subject to a point of order and assure him as it comes it will be no different.

Mr. GORE. As long as the substance of it is clear and accessible for us to look at. I thank my colleague very much.

The amendment is as follows:

On page 54, beginning with line 8, strike out all through line 21 on page 56 and insert in lieu thereof the following:

TITLE I—SHORT TITLE, FINDINGS, STATEMENT OF POLICY, AND DEFINITIONS

SEC. 101. SHORT TITLE.

This Act may be cited as the "Cable Television Competition Act of 1992".

SEC. 102. FINDINGS.

The Congress finds and declares the following:

(1) In the early 1980s, the development of the cable television industry in the United States stalled. The industry's plans to wire the Nation's largest cities were in disarray. Overdesigned and uneconomical cable systems were not attracting subscribers in sufficient numbers, largely because of inadequate programming. At the same time, important cable programming services were failing because of low ratings and low revenues. Cable faced a dilemma: It could not attract additional subscribers and increase revenues without new and innovative programming, yet it could not afford to develop such programming without additional subscribers and increased revenues.

(2) In 1984, the Congress moved to deal with this crisis in a comprehensive manner. The Cable Communications Policy Act of 1984 was designed to encourage the growth of cable systems and cable programming efforts for the benefit of consumers through the elimination of unnecessary and burdensome regulation by local franchising authorities.

(3) As the Federal Communications Commission stated in its 1990 report on the cable television industry, the Cable Communications Policy Act of 1984 has achieved much of what Congress intended. Prior to 1984, cable service was available to only 70 percent of American homes, and less than 60 percent of cable subscribers were served by systems with at least 30 channels. Today, cable service is available to 90 percent of American homes, and 90 percent of cable subscribers are served by systems with at least 30 channels. Since 1984, the cable television industry has invested over $5.1 billion in plant and equipment, and annual investment in basic cable programming has more than tripled.

(4) The cable television industry's programming efforts since deregulation have been of particular benefit to consumers. Prior to 1985, there were approximately 40 cable networks available to subscribers. Today, more than 70 cable networks are available to subscribers, and plans are being made to launch more than a dozen new networks in the near future. Through these networks, cable television offers consumers a diverse range of specialized programming options, including gavel-to-gavel coverage of the proceedings of Congress, home shopping services, music videos, 24-hour news reporting, classic movies, and documentaries. Cable television enables a consumer to pick the programming that best meets his or her individual needs and desires.

(5) The growth of the cable television industry since deregulation was fully implemented in 1986 has not been free of controversy. State and local franchising authorities and cable subscribers have complained about rate increases and poor customer service. The cable television industry's competitors have argued that the industry's financial strength, vertical integration into programming, and statutorily-mandated access to both distant and local broadcast signals have given the industry an unfair advantage in the video marketplace.

(6) Although some cable operators have clearly abused the freedom of action afforded them by the Cable Communications Policy Act of 1984, much of the current criticism of the cable television industry is misdirected.

(7) In particular, the debate over cable rates is misleading. In 1972, when the Federal Communications Commission affirmed the legality of local rate regulation, the average price of basic cable service was $5.85. At the end of 1989, it was $16.33—6 percent less than the $17.33 consumers would have paid if cable rates had simply kept up with increases in the Consumer Price Index (CPI). The substantial rate increases in excess of the CPI since full deregulation at the end of 1986 primarily reflect years of excessive local rate regulation that kept both rates and investment in better programming and additional services artificially low. Finally, the latest General Accounting Office survey of cable rates indicates that increases in the so-called "bottom line" measurement of cable rates—the average monthly subscriber bill—have moderated substantially over the past two years. In 1990, the "bottom line" increased less than the overall rate of inflation.

(8) In the words of the Federal Communications Commission, today's video marketplace is a "highly dynamic sector in the midst of transition," where relatively new technologies such as cable television and home videotape machines have strongly challenged the formerly dominant broadcast television industry, and even newer technologies such as direct broadcast satellite service are waiting in the wings. In such a dynamic environment, it is difficult to distinguish long-term systemic problems from short-term transitory ones.

(9) The record now before the Congress does not justify massive re-regulation of cable rates; abrogation of the traditional rights of video programmers to control the use of the video programming they develop; or imposition of additional restrictions on cross-ownership, horizontal growth, and vertical integration in the cable industry. In fact, all three of these approaches have the very real potential of crippling the growth of cable programming and service options without significantly benefiting consumers. They also raise serious constitutional questions under the First Amendment.

(10) To the maximum extent, priority should be placed on encouraging competition in the video marketplace rather than re-regulating cable television.

(11) At the same time, in light of increasing importance of cable service to consumers nationwide, the Federal Communications Commission, in accordance with the universal service policy of the Communications Act of 1934, should be authorized to ensure reasonable access to cable systems—

(A) by regulating the rates charged for basic service by cable systems not subject to effective competition, and

(B) by establishing customer service and technical standards for all cable systems.

On page 56, redesignate paragraph (8) as paragraph (12) and renumber the next eleven paragraphs in the section accordingly.

On page 62, beginning with line 1, strike out all through line 9 on page 63 and insert in lieu thereof the following:

SEC. 103. STATEMENT OF POLICY.

It is the policy of the Congress in this Act to—

(1) build upon on the substantial success of the Cable Communications Policy Act of 1984 in addressing current concerns over the cable industry's conduct and trends in the video marketplace as a whole;

(2) continue, through market-oriented means, to encourage the cable industry and other video programmers and video programming distributors to provide, in an efficient and effective manner, the widest possible diversity of information sources and services to the public;

(3) further the interests of consumers by enhancing competition in the video programming market by reducing the regulatory burden on the cable industry's competitors, particularly the broadcast television industry;

(4) utilize, to the fullest extent, the expertise of the Federal Communications Commission to monitor changes in the video marketplace and determine whether administrative or legislative action, particularly action to further reduce regulation, is needed to respond to such changes; and

(5) avoid imposing additional regulation on the cable industry or any other video programmer or video programming distributor unless such regulation is clearly necessary to protect the interest of the public.

On page 63, beginning with line 10, strike out all through line 11, and insert in lieu thereof the following:

SEC. 104. DEFINITIONS.

(a) Section 602 of the Communications Act On page 71, beginning with line 3, strike out all through line 22 on page 93 and insert in lieu thereof the following:

(i) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by amending paragraph (4), as so redesignated, to read as follows;

"(4) the term 'basic cable service' means any service tier which includes retransmitted local television broadcast signals; public, educational or governmental access channels; or video programming services providing comprehensive, gavel-to-gavel coverage of the proceeding of either House of Congress;".

TITLE II—EXPANDING COMPETITION IN THE VIDEO MARKETPLACE THROUGH REDUCED REGULATION

SEC 201. ELIMINATION OF THE RESTRICTION ON MULTIPLE OWNERSHIP OF BROADCAST STATIONS.

In order to encourage the development of regional broadcast operations and networks and enhance the ability of the broadcast industry as a whole to compete with the cable television industry and other video programming distributors, the regulation adopted by the Federal Communications Commission to limit the total number of broadcast stations in any service that can be owned, operated, or controlled by a party or group of parties under common control (47 C.F.R. 73.3555(d)) is hereby repealed.

SEC. 202. EXPANSION OF THE RURAL EXEMPTION TO THE CABLE-TELEPHONE CROSS-OWNERSHIP PROHIBITON.

Section 613(b)(3) of the Communications Act of 1934 (47 U.S.C. 533(b)(3)) is amended by striking "(as defined by the Commission)" and inserting after the period the following: "For the purposes of this paragraph, the term 'rural area' means a geographic area that does not include either—

"(A) any incorporated place of 10,000 inhabitants or more, or any part thereof; or

"(B) any territory, incorporated or unincorporated, included in an urbanized area (as defined by the Bureau of the Census as of the date of the enactment of the Cable Television Competition Act of 1992).".

SEC. 203. FRANCHISE REFORM.

(A) Franchise Renewals.—Section 626 of the Communications Act of 1934 (47 U.S.C. 546) is amended—

(1) in subsection (a), by inserting "written" before "request" and by inserting at the end of the subsection the following: "Commencement of proceedings under this section by the franchising authority on its own initiative or timely submission of a written request by the cable operator specifically asking for the commencement of such proceedings is required for the cable operator to invoke the renewal procedures set forth in subsections (a) through (g). In accordance with the provisions of subsection (j), the franchising authority may on its own initiative commence proceedings under this subsection during the 6-month period after the tenth anniversary of the current franchise term.";

(2) in subsection (b)—

(A) by inserting the following new paragraph at the beginning of the subsection:

"(1) The franchising authority shall have 1 year from the date it commences on its own initiative proceedings under subsection (a) or from the date it receives a timely written request from the cable operator specifically asking for the commencement of such proceedings to complete such proceedings. This period may be extended by mutual agreement between the franchising authority and the cable operator.";

(B) by renumbering the following paragraphs accordingly;

(C) by deleting "a proceedings" in paragraph (2), as renumbered, and inserting in lieu thereof "proceedings under subsection (a)"; and

(D) by inserting "reasonable" before "date" in paragraph (4), as renumbered;

(3) in subsection (c), by inserting "pursuant to subsection (b)" before the first comma, by deleting "completion of any proceedings under subsection (a)" and inserting in lieu thereof "date of submission of the cable operator's proposal pursuant to subsection (b)", by inserting "cable" before the third occurrence of "operator", and by inserting", throughout the franchise term" after "whether";

(4) by amending subsection (d) to read as follows:

"(d)(1) Any denial of a proposal for renewal which has been submitted in compliance with subsection (b) shall be based on one or more adverse findings made with respect to the factors described in subparagraphs (A) through (D) of subsection (c)(1), pursuant to the record of the proceeding under subsection (c).

"(2) A franchising authority may not base a denial of renewal on a failure to substantially comply with the material terms of the franchise under subsection (c)(1)(A) or on events considered under subsection (c)(1)(B) in any case in which such failure to comply or such events occur.

"(A) after the effective date of this title and before the date of enactment of the Cable Television Competition Act of 1992 unless the franchising authority has provided the cable operator with notice and the opportunity to cure, or

"(B) after the date of enactment of the Cable Television Competition Act of 1992 unless the franchising authority has provided the cable operator with written notice and the opportunity to cure.

"(3) A franchising authority may not base a denial of renewal on a failure to substantially comply with the material terms of the franchise under subsection (c)(1)(A) or on events considered under subsection (c)(1)(B) in any case where it is documented that the franchising authority—

"(A) has waived its right to object, or has effectively acquiesced, to such failure to comply or such events prior to the date of enactment of the Cable Television Competition Act of 1992, or

"(B) has waived in writing its right to object to such failure to comply or such events after the date of enactment of the Cable Television Competition Act of 1992."; and

(5) at the end of the section, by inserting the following new subsections:

"(i) Notwithstanding the provision of subsections (a) through (h) of this section, any lawful action to revoke a cable operator's franchise for cause shall not be negated by the initiation of renewal proceedings by the cable operator under this section.

"(j) Notwithstanding any other provision of law, a franchising authority may establish as part of any franchise or franchise renewal granted after the date of enactment of the Cable Television Competition Act of 1992, a provision permitting such franchising authority to commence the process set forth in subsections (a) through (g) of this section during the 6-month period immediately following the tenth anniversary of the current franchise term, regardless of the duration of such franchise or franchise renewal beyond such date. Nothing in this subsection shall be construed to prohibit a cable operator from seeking renewal under subsection (h).".

(b) Multiple Franchises.—(1) Section 621(a) of the Communications Act of 1934 (47 U.S.C. 541(a)) is amended—

(A) by striking "1 or more" in paragraph (1);

(B) by adding at the end of paragraph (1) the following: "No franchising authority shall grant an exclusive franchise to any cable operator or unreasonably refuse to award to an applicant an additional competitive franchise with terms substantially equivalent to those granted the incumbent cable operator. Any applicant whose application for an additional competitive franchise has been denied by a final decision of a franchising authority may appeal such final decision pursuant to the provisions of section 635."; and

(C) by adding at the end thereof the following new paragraph:

"(4) In awarding a franchise, the franchising authority shall allow the applicant's cable system a reasonable period of time to become capable of providing cable service to all households in the geographic area within the jurisdiction of such franchising authority.".

(2) Section 635(a) of the Communications Act of 1934 (47 U.S.C. 555(a)) is amended by inserting "621(a)(1)," immediately after "section".

(c) No Prohibition Against a Local or Municipal Authority Operating as a Multichannel Video Programming Distributor.—Section 621 of the Communications Act of 1934 (47 U.S.C. 541) is amended by adding "and subsection (f)" before the comma in paragraph (b)(1) and by adding the following new subsection at the end thereof:

"(f) No provision of this Act shall be construed to—

"(1) prohibit a local or municipal authority that is also, or is affiliated with, a franchising authority from operating as a multichannel video programming distributor in the geographic area within the jurisdiction of such franchising authority, notwithstanding the granting of one or more franchises by such franchising authority, or

"(2) require such local or municipal authority to secure a franchise to operate as a multichannel video programming distributor.".

SEC. 204. MONITORING COMPETITION IN THE VIDEO MARKETPLACE.

(a) Biennial Report Required.—Starting in 1993, the Federal Communications Commission shall prepare and submit to the President and Congress biennial reports regarding the level of competition in the video marketplace. Such a report shall be submitted not later than 60 days after the convening of each new Congress.

(b) Content of Report.—(1) Each report submitted pursuant to this section shall examine, among any other factors deemed appropriate by the Federal Communication Commission, changes in—

(A) the structure of the domestic and international video marketplace, including ownership and joint venture patterns, vertical and horizontal consolidation, and marketing and pricing approaches;

(B) the viewing and buying habits of the general public;

(C) video programming production and distribution technology; and

(D) the legislative and administrative regulatory structure that shapes the video marketplace.

(2) Each report submitted pursuant to this section shall discuss the impact of the factors set forth in paragraph (1) on the level of competition in the video marketplace and shall make specific recommendations regarding administrative and legislative steps that could be taken to reduce the regulation of, and enhance competition within, the video marketplace.

TITLE III—AMENDMENTS TO THE CABLE COMMUNICATIONS POLICY ACT OF 1984 AND OTHER MATTERS

SEC. 301. REGULATION OF CABLE RATES.

(a) Section 623 of the Communications Act of 1934 (47 U.S.C. 543) is amended to read as follows:

SEC. 623. REGULATION OF CABLE RATES.

"(a) SCOPE OF RATE REGULATION AUTHORITY.—No Federal agency or State shall regulate rates for provision of cable service or installation or rental of equipment (including remote control devices) used for the receipt of such service except to the extent provided under this section and section 612. No franchising authority shall regulate rates for provision of cable service, provision of any other communications service provided over a cable system to cable subscribers, or installation or rental of equipment (including remote control devices) used for the receipt of such services except to the extent provided under this section, section 612, and section 621.

"(b) RATE REGULATION BY THE COMMISSION.—(1) If the Commission finds that a cable system is not subject to effective competition, the Commission shall determine and prescribe just and reasonable rates for the provision on such system of basic cable service and the installation or rental of equipment (including remote control devices) used for the receipt of such service. The Commission shall further ensure that such cable system, in the provision of programming services offered on a per channel or per program basis, does not unreasonably or unjustly discriminate against subscribers who subscribe only to basic cable service or otherwise penalize such subscribers for choosing to subscribe to a regulated service tier.

"(2) Within 180 days after the date of enactment of the Cable Television Competition Act of 1992, the Commission shall promulgate procedures, standards, requirements, and guidelines to establish just and reasonable rates to be charged by a cable system not subject to effective competition for basic cable service and for the installation or rental of equipment (including remote control devices) used for the receipt of such service.

"(3)(A) Except as provided in subparagraph (B), no provision of this Act shall prevent a cable operator from adding or deleting from a basic cable service tier any video programming.

"(B) No cable operator shall delete from a basic service tier retransmitted local television broadcast signals; public, educational, or governmental access channels; or video programming services providing comprehensive, gavel-to-gavel coverage of the proceedings of either House of Congress: *Provided however*, That a cable operator may move such signals, channels, and services to a common basic service tier.

"(c) RATE REGULATION BY A FRANCHISING AUTHORITY.—(1) Within 180 days of the date of enactment of the Cable Television Competition Act of 1992, the Commission shall promulgate regulations to authorize a franchising authority, if it so chooses, to implement subsection (b)(1) in lieu of the Commission and in a manner consistent with the procedures, standards, requirements, and guidelines established pursuant to subsection (b)(2).

"(2) Upon petition by a cable operator, the Commission shall review the implementation of subsection (b)(1) by a franchising authority. If the Commission finds that such franchising authority has acted inconsistently with the procedures, standards, requirements, and guidelines established pursuant to subsection (b)(2), it shall grant appropriate relief and, if necessary, revoke such franchising authority's authorization to implement subsection (b)(1).

"(d) CONSIDERATION OF RATE INCREASE REQUESTS.—A cable operator may file with the Commission, or a franchising authority authorized to regulate rates pursuant to subsection (c), a request for a rate increase in the price of a basic cable service tier or in the price of installing or renting equipment (including remote control devices) used in the receipt of basic cable service. Any such request upon which final action is not taken within 180 days shall be deemed granted.

"(e) EFFECTIVE COMPETITION DEFINED.—For the purposes of this section, a cable system shall be considered subject to effective competition if—

"(1) one or more independently-owned multichannel video programming distributors offer service, in competition with such cable system, to at least 50 percent of the homes passed by such cable system, and

"(2) at least 10 percent of such homes subscribe to such service.

"(f) DISCRIMINATION PROHIBITED.—(1) A cable operator shall have a rate structure for the provision of cable service that is uniform throughout the geographic area covered by the franchise granted to such cable operator.

"(2) No provision of this title shall be construed to prohibit any Federal agency, State, or franchising authority from—

"(A) prohibiting discrimination among subscribers to any service tier; or

"(B) requiring and regulating the installation or rental of equipment to facilitate the reception of cable service by hearing-impaired individuals.".

SEC. 302. CUSTOMER SERVICE STANDARDS AND REQUIREMENTS.

Section 632 of the Communications Act of 1934 (47 U.S.C. 552) is amended—

(1) in subsection (a), by inserting "may establish and" immediately after "authority";

(2) by amending subsection (b) to read as follows:

"(b) ENFORCEMENT POWERS OF FRANCHISING AUTHORITY.—A franchising authority may enforce—

"(1) any provision, contained in any franchise, relating to requirements described in subsection (a), to the extent not inconsistent with this title;

"(2) any customer service standard established by the Commission pursuant to subsection (d); or

"(3) any customer service requirement that exceeds the standards established by the Commission pursuant to subsection (d) but only if such requirement—

"(A) exists as part of a franchise or franchise renewal on the date of enactment of the Cable Television Competition Act of 1992; or

"(B) is imposed by—

"(i) a municipal ordinance or agreement in effect on the date of enactment of the Cable Television Competition Act of 1992, or

"(ii) a State law."; and

(3) by adding at the end the following new subsections:

"(d) ESTABLISHMENT OF CUSTOMER SERVICE STANDARDS BY THE COMMISSION.—The Commission, within one year after the date of enactment of the Cable Television Competition Act of 1992, shall, after notice and an opportunity for public comment, prescribe and make effective regulations to establish customer service standards to ensure that all cable subscribers are fairly served. Thereafter, the Commission shall regularly review the standards and make such modifications as may be necessary to ensure that cable subscribers are fairly served.

"(e) COMMISSION REVIEW OF A FRANCHISING AUTHORITY'S ENFORCEMENT OF CUSTOMER SERVICE STANDARDS AND REQUIREMENTS.—Upon petition by a cable operator, the Commission shall review the enforcement by a franchising authority of customer service standards and requirements under subsection (b). If the Commission finds that such franchising authority has acted inconsistently with the authorization granted by subsection (b), it shall grant appropriate relief.".

SEC. 303. MINIMUM TECHNICAL STANDARDS AND TESTING REQUIREMENTS.

Section 624(e) of the Communications Act of 1934 (47 U.S.C. 544(e)) is amended to read as follows:

"(e) ESTABLISHMENT AND ENFORCEMENT OF MINIMUM TECHNICAL STANDARDS BY THE COMMISSION.—(1)(A) The Commission shall, within one year after the date of enactment of the Cable Television Competition Act of 1992, prescribe and make effective regulations that establish minimum technical standards, and requirements for testing such standards, to ensure adequate signal quality for all classes of video programming signals provided over a cable system, and thereafter shall periodically update such standards and requirements to reflect improvements in technology.

"(B) The Commission shall establish guidelines and procedures for complaints or petitions asserting the failure of a cable operator to meet the standards or requirements established pursuant to this subsection and may require compliance with and enforce any such standard or requirement. The Commission shall also establish procedures and guidelines for the enforcement of such standards and requirements by a franchising authority.

"(C) The Commission, upon a determination that such action is required in the public interest, may modify or waive any standard or requirement established pursuant to this section upon petition from a cable operator or franchising authority.

"(2) Neither a State nor political subdivision thereof nor a franchising authority shall establish or enforce any technical standards or testing requirements in addition to, or different from, the standards or requirements established by the Commission.

"(3) Upon petition by a cable operator, the Commission shall review the enforcement of minimum technical standards and testing requirements by a franchising authority. If the Commission finds that such franchising authority has acted inconsistently with the procedures and guidelines established pursuant to paragraph (1)(B), it shall grant appropriate relief.".

SEC. 304. HOME WIRING.

Section 624 of the Communications Act of 1934 (17 U.S.C. 544) is amended by adding at the end the following new subsection:

"(g) Within 120 days after the date of enactment of this subsection, the Commission shall prescribe rules and regulations concerning the disposition, after a subscriber to a cable system terminates service, of any cable installed by the cable operator within the premises of such subscriber.".

On page 93, beginning with line 23, strike out all through line 24 and insert in lieu thereof the following:

SEC. 305. RETRANSMISSION CONSENT.

(a) Section 325 of the Communications Act

On page 95, beginning with line 20, strike out all through line 21 and insert in lieu thereof the following:

SEC. 306. CARRIAGE OF LOCAL BROADCAST SIGNALS.

Part II of Title VI of the Communications On page 111, beginning with line 22, strike out all through line 23 and insert in lieu thereof the following:

SEC. 307. JUDICIAL REVIEW.

Section 635 of the Communications Act of On page 112, beginning on line 14, strike out all through line 26 on page 116 and insert in lieu thereof the following;

SEC. 308. DIRECT BROADCAST SATELLITE SERVICE.

(a) MR. PRESIDENT, REQUIREMENTS.—(1) The Federal Communications Commission shall require, as a condition of any provision, initial authorization, or renewal thereof, for a direct broadcast satellite service providing video programming, that the provider of such service reserve a portion of its channel capacity, equal to not less than 4 percent nor more than 7 percent of such capacity, exclusively for nonduplicated, noncommercial education and informational programming.

(2) Such provider may utilize for any purpose any unused channel capacity required to be reserved under this section pending the actual use of such channel capacity for nonduplicated, noncommercial educational and informational programming.

(3) Such provider shall meet the requirements of this section by leasing capacity on its system upon reasonable terms, conditions, and prices based only on the direct costs of transmitting programming supplied by national educational programming suppliers, including qualified noncommercial educational television stations, other public telecommunications entities, and public or private educational institutions. Such provider shall not exercise any editorial control over any video programming provided pursuant to the section.

(b) STUDY PANEL.—There is established a study panel which shall be comprised of one representative each from the Corporation for Public Broadcasting, the National Telecommunications and Information Administration, and the Office of Technology Assessment, selected by the head of each such entity. Such study panel shall, within 2 years after the date of enactment of this Act, submit a report to the Congress containing recommendations on—

(1) methods and strategies for promoting the development of programming for transmission over the channels reserved pursuant to paragraph (1);

(2) methods and criteria for selecting programming for such channels that avoid conflicts of interest and the exercise of editorial control by a direct broadcast satellite service provider; and

(3) identifying existing and potential sources of funding for administrative and production costs for such programming.

(c) DEFINITION.—As used in this section, the term "direct broadcast satellite system" includes—

(1) any satellite system licensed under part 100 of title 47, Code of Federal Regulations, and

(2) any distributor using a fixed service satellite system to provide video service directly to the home and licensed under part 25 of title 47, Code of Federal Regulations.

SEC. 309. SEPARABILITY.

If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application as to which it is held invalid, shall not be affected thereby.

SEC. 310. EFFECTIVE DATE.

Except as otherwise specified in this Act, the requirements of this Act shall be effective 60 days after the date of enactment of this Act. The Federal Communications Commission may promulgate such regulations as it determines as necessary to implement such requirements.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana?

Mr. PRESSLER. Mr. President, reserving the right to object, and I shall not object.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. I have two amendments to this bill that have been agreed to by both sides. If I could offer those either immediately or right after.

Mr. INOUYE. Mr. President, if I may respond.

The PRESIDING OFFICER. I believe the majority leader actually has the time.

Mr. MITCHELL. Mr. President, I yield to the Senator from Hawaii.

Mr. INOUYE. I thank the leader. We are prepared to take up the amendment immediately after this colloquy.

The PRESIDING OFFICER. The question is the unanimous-consent request of the Senator from Louisiana. If there is no objection, the request is granted.

MEASURE HELD AT DESK

Mr. JOHNSTON. Mr. President, I ask unanimous consent it be in order for me to introduce a bill, that it be held at the desk until the majority leader moves to advance it in accordance with the rules.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, the bill I send to the desk on behalf of myself and the Senator from Wyoming, Mr. WALLOP, is the same bill as S. 1220, with the exception of four sections which have been deleted. Those four sections are the so-called ANWR or Arctic national wildlife drilling section; the corporate average fuel efficiency section, the CAFE section; the WEPCO section, dealing with an exception to the Clean Air Act; and a used oil provision. Otherwise, this bill is identical to S. 1220.

Mr. President, we have not yet secured full consent from all the parties involved as to exactly how we are going to proceed. but Senator WALLOP and I send this bill up to the desk and the majority leader later will begin to invoke the provisions.

I believe it is rule XIV of the rules under which a bill may be held at the desk and advanced immediately to the calendar.

We are not asking for any extraordinary provisions other than the ability to get it on the calendar. This will neither waive the motion to take up the right to filibuster, the right to amend, or any of those kinds of things.

It is our hope, Mr. President—frankly, it is my expectation—that a comprehensive energy package as just sent to the desk will be considered, and expeditiously so, early next week. It is my hope, Mr. President, that it will be supported on both sides of the aisle, and that we will have what constitutes a very far-reaching and very comprehensive and very effective, very balanced national energy policy.

The CAFE we hope, we trust, will not be included here, and not considered; the ANWR provisions and the other two provisions we hope will not be at all even considered as part of this package. But the rest of this bill does constitute a very extensive, balanced, effective national energy policy.

We look forward, if we get these agreements, to considering this early next week and passing it early next week.

Mr. President, I thank the majority leader. I thank my colleague from Wyoming, Senator WALLOP and all others involved in the negotiations thus far, which have been very, very successful up to this point.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

ORDER OF PROCEDURE

Mr. GRASSLEY. I ask unanimous consent to speak for 4 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX BENEFITS FOR HIGHER EDUCATION

Mr. GRASSLEY. Mr. President, now that President Bush has delivered his State of the Union Address, I am sure many Members of this body will take the opportunity to comment on the President's economic plan and his vision of a new America. Several Republican Members of this body did that earlier today.

However, in the meantime, and as a member of the Senate Finance Committee, I am going to have the opportunity to make my own comments, and I am going to do that later on. But at this point, I wanted to take a few minutes to address a very specific provision of the President's plan that I have a particular interest in and have been supporting for a long time.

The specific provision I am referring to is the one to restore the interest deduction on student loans.

Mr. President, since 1987, I have sponsored legislation to restore the interest deduction on student loans. It has been a long struggle and, unfortunately, one that is not over yet. But, up to this year, I have never had the administration's support. It is extremely encouraging to finally be getting that support.

Last Friday, Senator BOREN joined me in introducing a new version of my past legislation. The new bill is an improvement on the previous legislation because it gives taxpayers a choice between a credit or a deduction and nonitemizers will be helped along with itemizers.

Earlier last December, as members of the Finance Committee, both Senator BOREN and I participated in a series of hearings regarding an economic growth package. At that time, Senator BOREN and I stressed the need to address our Nation's long-term needs by including a restoration of tax benefits for higher education in an economic growth package. We subsequently contacted President Bush emphasizing this need. It is very satisfying to see that the President listened to these concerns and agreed to include a restoration of these education benefits in his new economic plan.

Mr. President, there is just no question that more needs to be done for individual taxpayers to help them with their specific educational needs. By phasing out the interest deduction on student loans in 1986, Congress effectively imposed an additional tax on individuals who are attempting to better themselves or their families through higher education.

Mr. President, the present law precluding interest deductions or credits for higher education is neither fair nor productive, and it is time to make an adjustment. We all agree that education is a national investment which will be a determining factor in the future of America. A well-educated work force is vitally important if we are to compete effectively in the international marketplace. Restoring tax benefits for higher education is an expression of the value we place on education and its role in maintaining the position of the United States as the leader of the free world.

There is strong support for restoring these benefits in Congress. The President has now joined our effort. It is now time for the congressional leadership to get on board and join us in supporting the education and future of America by adjusting the Tax Code to provide assistance to Americans for reasonable educational expenses.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate resumed consideration of the bill.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, I have two amendments that I believe have been agreed to on both sides.

AMENDMENT NO. 1508

(Purpose: To amend section 21)

Mr. PRESSLER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from South Dakota [Mr. PRESSLER] proposes an amendment numbered 1508.

Mr. PRESSLER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all on page 113, line 22, through page 116, line 14, and insert in lieu thereof the following:

DIRECT BROADCAST SATELLITE SERVICES

SEC. 21.(a) The Federal Communications Commission shall, within one year after the date of enactment of this Act, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report analyzing the need for, and the form, nature, and extent of, the most appropriate public interest obligations to be imposed upon direct broadcast satellite services in addition to what is required pursuant to subsection (b)(1). The report shall include—

(1) a consideration of the national nature of direct broadcast satellite programming services;

(2) an evaluation of a phase-in of such public interest obligations for direct broadcast satellite services commensurate with the degree to which direct broadcast satellite services have become a source of effective competition to cable systems; and

(3) an analysis of the Commission's authority to impose such public interest obligations recommended in the report without further legislation.

(b)(1) Notwithstanding its report to be provided pursuant to subsection (a), The Federal Communications Commission shall require, as a condition of any provision, initial authorization, or authorization renewal for a direct broadcast satellite service providing video programming, that the provider of such service reserve a portion of its channel capacity, equal to not less than 4 percent nor more than 7 percent, exclusively for nonduplicated, noncommercial, educational, and informational programming.

(2) A provider of such service may utilize for any purpose any unused channel capacity required to be reserved under this subsection pending the actual use of such channel capacity for noncommercial, educational, and informational programming.

(3) A direct broadcast satellite service provider shall meet the requirements of this subsection by leasing, to national educational programming suppliers (including qualified noncommercial educational television stations, other public telecommunications entities, and public or private educational institutions), capacity on its system upon reasonable prices, terms, and conditions, taking into account the nonprofit character of such suppliers. The direct broadcast satellite service provider shall not exercise any editorial control over any video programming provided pursuant to this subsection.

(c) There is established a study panel which shall be comprised of a representative of the Corporation for Public Broadcasting, the National Telecommunications and Information Administration, and the Office of Technology Assessment selected by the head of each such entity. Such study panel shall within two years after the date of enactment of this Act submit a report to the Congress containing recommendations on—

(1) methods and strategies for promoting the development of programming for transmission over the public use channels reserved pursuant to subsection (b)(1);

(2) methods and criteria for selecting programming for such channels that avoids conflict of interest and the exercise of editorial control by the direct broadcast satellite service provider;

(3) identifying existing and potential sources of funding for administrative and production costs for such public use programming; and

(4) what constitute reasonable prices, terms, and conditions for provisions of satellite space for public use channels.

(d) As used in this section, the term "direct broadcast satellite service" includes—

(1) any satellite system licensed under part 100 of title 47, Code of Federal Regulations; and

(2) any distributor using a fixed service satellite system to provide video service directly to the home and licensed under part 25 of title 47, Code of Federal Regulations.

Mr. PRESSLER. Mr. President, this amendment will take America's public television stations into the 21st century. The amendment ensures that the quality programming provided by our local public broadcasters will be available to consumers via direct broadcast satellite.

The DBS provider will be required to lease to the national educational program suppliers capacities on its DBS satellite based on reasonable terms. In the future this will require that the FCC ensure 4 to 7 percent of DBS channel capacity to be made available to educational and informational programming.

Mr. President, as you know, high-powered DBS is a promising near-term competitor to cable. DBS already is available in Europe and Japan and should be coming to American viewers in early 1994 with the scheduled launch of two competing DBS services, sharing the same satellite, one provided by Hughes Communications, Inc. and the other by U.S. Satellite Broadcasting owned by Stanley Hubbard, a true visionary in the communications field. DBS will offer home viewers over 100 channels of diversified programming, including pay per view and "niche" programming, available through small, easy to install dishes which can be mounted on a window.

Consumers will be able to purchase all the electronics needed for DBS at consumer electronics stores and have the whole system operational and installed for less than $700. The small size of the receivers will enable urban Americans to receive direct satellite-to-home TV in much the same way as many Americans in my home State of South Dakota have been receiving it over the large C-band home satellite dishes. The much lower cost of DBS receivers and electronics should be attractive to people living in rural and mountainous areas who do not yet own home satellite dishes. DBS also may be the swiftest means to bring high definition television to the American viewers, again as is happening in Japan.

I have several technical amendments necessary to ensure that the procompetitive provisions of section 6 do not create unintended burdens for DBS. Several minor language changes will safeguard against DBS being inadvertently placed at a competitive disadvantage. I believe that these amendments, which I intend to offer en bloc, are acceptable to the chairmen of the committee and the subcommittee, Senators HOLLINGS and INOUYE, to the ranking minority member, Senator DANFORTH, and to Senator GORE, who has long been a leader in direct-to-home satellite broadcasting issues.

Mr. PRESSLER. I urge adoption of the amendment.

Mr. INOUYE. Mr. President, I am authorized to speak in behalf of the manager of the Republican side, Mr. DANFORTH. He and I have consulted on this matter, and we support the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1508) was agreed to.

Mr. PRESSLER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1509

Mr. PRESSLER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

> The Senator from South Dakota [Mr. PRESSLER] for himself and Mr. MCCAIN, proposes an amendment numbered 1509.
>
> On page 79, line 21, insert before the period at the end the following: ", without any obligation or the direct broadcast satellite distributor or the programmer to pay the costs necessary for C-band distribution".
>
> On page 80, line 14, immediately after "A", insert "fixed service".

Mr. PRESSLER. Mr. President, as many know, high-powered DBS is a promising near-term competitor to cable. DBS already is available in Europe and Japan and should be coming to American viewers in early 1994.

With a scheduled launch of two competing DBS services sharing the same satellite, one provided by Hughes Communication, Inc. and the other by U.S. Satellite Broadcasting owned by Stanley Hubbard, a true visionary in the communications field, DBS will offer home viewers over 100 channels of diversified programs including pay-per-view and niche programming available through small, easy-to-install dishes that can be mounted on a window.

Consumers will be able to purchase all the electronics needed for DBS at consumer electronic stores and have the whole system operational, installed for less than $700.

The small size of the receivers will enable urban Americans to receive direct satellite-to-home TV in much the same way as many Americans in my home State of South Dakota have been receiving it over large C-Band home satellite dishes. The much lower cost of DBS receivers and electronics should be attractive to people living in rural and mountainous areas who do not yet own home satellite dishes. DBS also may be the swiftest means to bring high-definition television to the American viewers again, as it is happening in Japan.

I have several technical amendments necessary to ensure that the procompetitive provisions of section 6 do not create an unintended burden for DBS, several minor language changes that will safeguard against DBS being inadvertently placed in a competitive disadvantage.

Mr. President, I urge adoption of the amendment.

Mr. INOUYE. Mr. President, the managers of this bill, S. 12, are in support of the amendment.

Mr. MCCAIN. Mr. President, I join my colleague from South Dakota in cosponsoring this amendment which addresses the need to foster competition and a fair marketplace. Only a fair, competitive marketplace will eliminate the problems facing consumers in receiving video programming in the home.

Competition is the cornerstone of our free-market system. It is the determining factor in whether consumers will receive quality service at a fair cost. The amendment just offered will assist would-be video service providers in giving consumers all of the options available.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1509) was agreed to.

Mr. PRESSLER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I believe that concludes our business for this evening and, with the concurrence of the leader, we are prepared to return tomorrow morning at 10 o'clock, at which time we will consider the Packwood-Kerry, et al., substitute. We hope that we will be able to resolve all matters by the afternoon.

HONORING THE WASHINGTON REDSKINS' SUPER BOWL VICTORY

Mr. MITCHELL. Mr. President, Sunday was a great day for the people of Washington. On that day, residents of Maryland, Virginia, and even people as far away as West Virginia, all became honorary citizens of Washington, DC.

We all joined to watch the Washington Redskins cap a superb season with a Super Bowl victory over the Buffalo Bills. The Redskins made a superb recovery after a shaky start. Mark Rypien led the Skins to a 14-and-2 regular season record, and 3 more wins in the playoffs. He directed the Redskins' offense to a decisive victory with 18 completions for 292 yards and 2 touchdowns. He earned his status as Most Valuable Player in the Super Bowl.

Joe Gibbs showed his usual coaching genius, guiding his team to its third Super Bowl victory in the last 10 years. This should earn coach Gibbs an eventual spot in pro football's Hall of Fame.

We also should pay tribute to the Buffalo Bills, who had an outstanding season and made their second great Super Bowl appearance.

Yesterday, over 75,000 people turned out to welcome the Redskins back home. That was a fitting welcome, and one that I think the Senate should endorse in its own way.

I therefore, on behalf of myself, Senators DOLE, SARBANES, MIKULSKI, WARNER, and ROBB, submit a resolution honoring the Washington Redskins for their magnificent season, their tremendous victory, and I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 253) congratulating the Washington Redskins' Super Bowl XXVI victory.

HAIL TO THE REDSKINS

Mr. SARBANES. Mr. President, on Sunday, during Super Bowl XXVI, people from the entire metropolitan region became, as the majority leader just said, Washingtonians, whether they live or work in Maryland, Virginia, or the District. Yesterday, on The Mall, over 75,000 of these fans joined in cheering the Redskins—the hometown team, Super Bowl champions, the best team in football.

To coach Joe Gibbs, quarterback Mark Rypien, the hogs, the posse, the national defense, the entire team, and most of all to the tens of thousands of loyal, even fanatical fans, I join in offering my heartiest congratulations on a season to remember, and third Super Bowl championship in the past 10 years.

Hail to the Redskins, world champions. I ask unanimous consent that an editorial from yesterday's Washington Post on "Team Washington" be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 28, 1992]

TEAM WASHINGTON

For much of the year, as someone pointed out recently, if you ask a person in this metropolitan area where he's from, he may say Rockville, or perhaps Lanham, Southeast, Seat Pleasant, Arlington or Fairfax. But in football season it's different: Then, he'll be sure to let you know, he's from Washington.

This is a truth too little noted by the various out-of-towners (some of whom have actually taken up residence here) who, every time the Redskins get into the Super Bowl, go through a familiar song-and-dance about their being the favored team of the Washington elite—the rich, the glamorous and the powerful.

They should take a look at who turns up on the Mall today. If any of the elite are there to honor the victorious Redskins, they'll hardly be noticed in a sea of people whose chief idea of glamour is to dress up in whatever combination of burgundy and gold they can assemble and perhaps top it off with an artificial hog snout. This will be very much a Washington crowd, which is to say a crowd not all that different from one that would assemble in Buffalo on such an occasion or in Kansas City or Cleveland—people who couldn't even get access to a game ticket this season, let alone a seat in the owner's box.

Nor do they differ much from fans everywhere in the qualities they admire in the home team. Yes, people here want a winner, which the Redskins were on a grand scale. But it makes it a lot better when the thing is done with class, as it was here this season—quietly (for pro football anyway), professionally, unselfishly. The Redskins have been an organization with plenty of the kind of people willing to do what's needed, even if it often means filling a role a good bit less prominent than the one they might have in mind. Some of the greatest heroes of this team were the semi-anonymous men who won the long, hard struggles at the line of scrimmage. And even the famous figures—Joe Gibbs, Mark Rypien, Art Monk—tended to be the sort who squirm in the spotlight.

For this city and its environs—a vast array of diverse neighborhoods—they've been something in common and as good an excuse as could be wanted to stage today's big get-together on the Mall. It's been that way all year with the Redskins; they've helped take our minds off our troubles and divisions, and maybe even done a little to alleviate them. In that sense, it's a shame the football season doesn't last year round.

The PRESIDING OFFICER. Is there any debate?

The question is on agreeing to the resolution.

The resolution (S. Res. 253) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

Whereas The Washington Redskins were victorious in Super Bowl XXVI;

Whereas The Buffalo Bills are to be congratulated for their outstanding season and second straight Super Bowl appearance;

Whereas Coach Joe Gibbs and his coaching staff put together an almost flawless game plan;

Whereas The Washington metropolitan area including all of Maryland and Virginia join in the pride of our local heroes: Now, therefore, be it

Resolved, That the Senate congratulates Jack Kent Cooke, Coach Joe Gibbs, and the entire Redskins organization for their outstanding season, flawless playoff record and magnificent victory in Super Bowl XXVI.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. FORD. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

BUDGET OF THE GOVERNMENT OF THE UNITED STATES FOR FISCAL YEAR 1993—MESSAGE FROM THE PRESIDENT—PM 100

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations and the Committee on the Budget:

1. THE BUDGET MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I am pleased to present the *Budget of the United States Government for Fiscal Year 1993*.

In the State of the Union message, which I delivered yesterday, I presented to the Congress and the Nation a comprehensive agenda for economic growth. I stated that we must not only get the economy moving again in the short term, but also set America firmly on the path toward long-term economic growth and competitiveness.

I emphasized in that message the importance of: stimulating the investment necessary to create jobs, addressing problems related to real estate and health care, improving America's capacity to compete in a global economy, eliminating unnecessary Federal regulation, and accomplishing these objectives in a way that brings the deficit under control. I outlined specific incentives for investment, savings, and homeownership; tax relief for families; investments in the future; and proposals for reform in areas ranging from health to education.

This document translates the agenda for growth into a set of specific budget and policy recommendations. These are summarized in the Introduction and presented in detail in the chapters and appendices which follow.

I have asked the Congress to lay aside partisanship and to join me in enacting this growth agenda promptly. To that end, I pledge my full cooperation.

GEORGE BUSH.

THE WHITE HOUSE, *January 29, 1992*.

NATIONAL DRUG CONTROL STRATEGY—MESSAGE FROM THE PRESIDENT—PM 101

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on the Judiciary:

To the Congress of the United States:

I am pleased to transmit today for the consideration of the Congress and the American people the 1992 National Drug Control Strategy, in accordance with section 1005 of the Anti-Drug Abuse Act of 1988 (Public Law 100-690; 21 U.S.C. 1504).

This is the Fourth National Drug Control Strategy, and it lays out a comprehensive plan for Federal drug control activities for Fiscal Year 1993 and beyond. The principal goal remains unchanged from the previous three Strategies: to reduce the level of illegal drug use in America.

We are fighting a two-front war against drugs. The first front is against casual drug use, and I am pleased to report that significant progress is being made here, particularly among our Nation's youth. Casual drug use is still too high, however, and this Strategy rightly continues to stress efforts to reduce it. The second front, against hard-core drug use, poses a more difficult challenge. Progress here is slower. There are still too many neighborhoods, families, and individuals who suffer the consequences of drug use and drug-related crime. To address this problem, the Strategy proposes a variety of carefully targeted and intensified efforts. I urge the Congress to expedite their enactment.

The war on drugs is vital to our country's economy, international competitiveness, and security. Previous Strategies have enjoyed bipartisan political and funding support in the Congress. I ask for your continued support in this critical endeavor.

GEORGE BUSH.

THE WHITE HOUSE, *January 29, 1992*.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources:

Report to accompany the bill (S. 1696) to designate certain national forest lands in the State of Montana as wilderness, to release other national forest lands in the State of Montana for multiple use management, and for other purposes (Rept. No. 102–255).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs:

Albert V. Casey, of Texas, to be Chief Executive Officer, Resolution Trust Corporation.

(The nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

Mr. JOHNSTON (for himself and Mr. WALLOP):

S. 2166. A bill to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

Mr. D'AMATO (for himself and Mr. MOYNIHAN):

S. Res. 252. A resolution relating to the status of Israeli prisoners of war (POWs) and missing in action (MIAs), and for other purposes; to the Committee on Foreign Relations.

Mr. MITCHELL (for himself, Mr. DOLE, Ms. MIKULSKI, Mr. ROBB, Mr. WARNER, and Mr. SARBANES):

S. Res. 253. A resolution congratulating the Washington Redskins on their Super Bowl XXVI victory; considered and agreed to.

ADDITIONAL COSPONSORS

S. 267

At the request of Mr. REID, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 267, a bill to prohibit a State from imposing an income tax on the pension or retirement income of individuals who are not residents or domiciliaries of that State.

S. 665

At the request of Mr. THURMOND, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 665, a bill to amend the Tariff Act of 1930 to require that certain revenues attributable to tariffs levied on imports of textile machinery and parts thereof be applied to support research for the modernization of the American textile machinery industry.

S. 815

At the request of Mr. BROWN, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 815, a bill to amend the Public Health Service Act to provide for the establishment of an Office of Medical Insurance and to establish a self-insurance fund to provide coverage for successful malpractice claims filed against health service providers utilized by community and migrant health centers, and for other purposes.

S. 995

At the request of Mr. GORE, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 995, a bill to amend the Internal Revenue Code of 1986 to provide tax relief for working families by providing a refundable credit in lieu of the deduction for personal exemptions for children and by increasing the earned income credit, and for other purposes.

S. 1423

At the request of Mr. DODD, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1834

At the request of Mr. LOTT, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1834, a bill to amend the Social Security Act to clarify the Medicare geographic classification adjacency requirements.

S. 1838

At the request of Mr. PRYOR, the names of the Senator from South Dakota [Mr. DASCHLE] and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1838, a bill to amend title XVIII of the Social Security Act to provide for a limitation on use of claim sampling to deny claims or recover overpayments under Medicare.

S. 1851

At the request of Mr. ROCKEFELLER, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1851, a bill to provide for a Management Corps that would provide the expertise of United States businesses to the Republics of the Soviet Union and the Baltic States.

S. 2009

At the request of Mr. PACKWOOD, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 2009, a bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities.

S. 2070

At the request of Mr. MOYNIHAN, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 2070, a bill to provide for the Management of Judicial Space and Facilities.

S. 2085

At the request of Mr. PRYOR, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 2085, a bill entitled the Federal-State Pesticide Regulation Partnership.

SENATE JOINT RESOLUTION 233

At the request of Mr. BIDEN, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Washington [Mr. ADAMS], the Senator from Hawaii [Mr. AKAKA], the Senator from North Dakota [Mr. BURDICK], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of Senate Joint Resolution 233, a joint resolution to designate the week beginning April 12, 1992, as "National Public Safety Telecommunicators Week."

SENATE CONCURRENT RESOLUTION 43

At the request of Mr. DODD, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of Senate Concurrent Resolution 43, a concurrent resolution concerning the emancipation of the Baha'i community of Iran.

SENATE CONCURRENT RESOLUTION 70

At the request of Mr. SANFORD, the names of the Senator from Vermont [Mr. JEFFORDS] and the Senator from Wisconsin [Mr. KOHL] were added as cosponsors of Senate Concurrent Resolution 70, a concurrent resolution to express the sense of the Congress with respect to the support of the United States for the protection of the African elephant.

SENATE RESOLUTION 109

At the request of Mr. RIEGLE, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of Senate Resolution 109, a resolution exercising the right of the Senate to change the rules of the Senate with respect to the "fast track" procedures for trade implementation bills.

SENATE RESOLUTION 248

At the request of Mr. COHEN, his name was added as a cosponsor of Senate Resolution 248, a resolution expressing the sense of the Senate regarding the signing on January 16, 1992, of the agreements for a formal ceasefire in El Salvador, and for other purposes.

At the request of Mr. DIXON, his name was added as a cosponsor of Senate Resolution 248, supra.

At the request of Mr. DURENBERGER, the names of the Senator from Virginia [Mr. WARNER], the Senator from Arizona [Mr. DECONCINI], the Senator from Florida [Mr. GRAHAM], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Wyoming [Mr. WALLOP], the Senator from Rhode Island [Mr. CHAFEE], and the Senator from Oregon [Mr. HATFIELD] were added as cosponsors of Senate Resolution 248, supra.

SENATE RESOLUTION 249

At the request of Mr. D'AMATO, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of Senate Resolution 249, a resolution expressing the sense of the Senate that the United States should seek a final and conclusive account of the whereabouts and definitive fate of Raoul Wallenberg.

SENATE RESOLUTION 252—RELATIVE TO THE STATUS OF ISRAELI PRISONERS OF WAR AND MISSING IN ACTION

Mr. D'AMATO (for himself and Mr. MOYNIHAN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 252

Whereas the Syrian Arab Republic is a party to the Geneva Convention Relative to the Treatment of Prisoners of War (hereafter in this resolution referred to as the "POW Convention");

Whereas parties to the POW Convention are obligated under Article 118 to release and repatriate POWs without delay after the cessation of hostilities and under Article 120 to honorably bury, if possible according to the rites of the religion to which they belonged, POWs who died in captivity and to respect, maintain, and permanently mark their graves;

Whereas the unresolved fates of Ron Arad, Yehuda Katz, Zachavy Baumel, Tzvi Feldman, Joseph Fink, and Rachamim Alsheh, Israeli prisoners of war and missing in action (POWs/MIAs), remain a source of deep rancor between Syria and Israel;

Whereas the Israeli POW/MIA issue, if allowed to fester, could poison the current peace talks: Now, therefore, be it

Resolved, That the Senate urges the Government of Syria—

(1) provide the strictest accounting of all Israeli POWs/MIAs;

(2) immediately release and repatriate any living Israeli prisoners of war in its custody or the custody of its proxies in Lebanon, and

(3) recover and return to Israel with appropriate military honors the bodies of Israeli soldiers interred in Syria or in formerly Syrian-controlled areas of Lebanon.

• Mr. D'AMATO. Mr. President, I rise to submit with my good friend and fellow New Yorker Senator MOYNIHAN a resolution calling upon the Government of Syria to account for, and where necessary release and repatriate, Israeli prisoners of war and missing in action.

The unresolved fates of Ron Arad, Yehuda Katz, Zachavy Baumel, Tzvi Feldman, Joseph Fink, and Rachamim Alsheh, Israeli prisoners of war and missing in action—POW's/MIA's—are a source of such deep rancor between Syria and Israel that it could poison any peace agreement between the two.

As a party to the Geneva Convention Relative to the Treatment of Prisoners of War, Syria is obligated under article 118 to release and repatriate POW's without delay after the cessation of hostilities and under article 120 to honorably bury, if possible according to the rites of the religion to which they belonged, POW's who died in captivity and to respect, maintain, and permanently mark their graves.

Americans are all too familiar with the anguish of POW's/ MIA's. Arguably, this issue more than any other has shaped United States-Vietnam relations. Such deep antagonism may mean little when two nations are separated by the Pacific and at peace, but Israel and Syria share a common border and are technically still at war.

If a permanent peace is to be achieved, Syria must abide by its international obligations and settle the mystery surrounding the fates of Ron Arad, Yehuda Katz, Zachavy Baumel, Tzvi Feldman, Joseph Fink, and Rachamim Alsheh.

I hope my colleagues will see fit to join in cosponsoring our resolution.•

SENATE RESOLUTION 253—CONGRATULATING THE WASHINGTON REDSKINS ON THEIR VICTORY IN SUPER BOWL XXVI

Mr. MITCHELL (for himself, Mr. DOLE, Mr. SARBANES, Ms. MIKULSKI, Mr. ROBB, and Mr. WARNER) submitted the following resolution; which was considered and agreed to:

S. RES. 253

Whereas the Washington Redskins were victorious in Super Bowl XXVI;

Whereas the Buffalo Bills are to be congratulated for their outstanding season and second straight Super Bowl appearance;

Whereas, Coach Joe Gibbs and his coaching staff put together an almost flawless game plan;

Whereas the Washington metropolitan area including all of Maryland and Virginia join in the pride of our local heroes; Now, therefore, be it

Resolved, That the Senate congratulates Jack Kent Cooke, Coach Joe Gibbs, and the entire Redskins organization for their outstanding season, flawless playoff record and magnificent victory in Super Bowl XXVI.

AMENDMENTS SUBMITTED

CABLE TELEVISION CONSUMER PROTECTION ACT

LOTT (AND BURNS) AMENDMENT NO. 1497

(Ordered to lie on the table.)

Mr. LOTT (for himself and Mr. BURNS) submitted an amendment intended to be proposed by him to the bill (S. 12) to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and to restore the right of local regulatory authorities to regulate cable television rates, and for other purposes, as follows:

At the appropriate place in the bill, insert the following:

SUBSCRIBER BILL ITEMIZATION

SEC. . Section 622(c) of the Communications Act of 1934 (47 U.S.C. 542(c)) is amended to read as follows:

"(c) Each cable operator may identify, in accordance with standards prescribed by the Commission, as a separate line item on each regular bill of each subscriber, each of the following:

"(1) The amount of the total bill assessed as a franchise fee and the identity of the franchising authority to which the fee is paid.

"(2) The amount of the total bill assessed to satisfy any requirements imposed on the cable operator by the franchise agreement to support public, educational, or governmental channels or the use of such channels.

"(3) The amount of any other fee, tax, assessment, or charge of any kind imposed by any governmental authority on the transaction between the operator and the subscriber.".

INOUYE AMENDMENT NO. 1498

Mr. INOUYE proposed an amendment to the bill S. 12, supra, as follows:

Strike all on page 66, line 11, through page 67, line 14, and insert in lieu thereof the following:

"(20)(A) the term 'local commercial television station' means any full power television broadcast station, determined by the Commission to be a commercial station, licensed and operating on a channel regularly assigned to its community by the Commission that, with respect to a particular cable system, is within the same television market as the cable system (for purposes of this subparagraph, a television broadcasting station's television market shall be defined as specified in section 73.3555(d) of title 47, Code of Federal Regulations, as in effect on May 1, 1991, except that, following a written request, the Commission may, with respect to a particular television broadcast station, include or exclude communities from such station's television market to better effectuate the purposes of this Act);

"(B) where such a television broadcast station would, with respect to a particular cable system, be considered a distant signal under section 111 of title 17, United States Code, it shall be deemed to be a local commercial television station upon agreement to reimburse the cable operator for the incremental copyright costs assessed against such operator as a result of being carried on the cable system;

“(C) the term ‘local commercial television station’ shall not include television translator stations and other passive repeaters which operate pursuant to part 74 of title 47, Code of Federal Regulations, or any successor regulations thereto;

On page 68, line 3, strike “and” and insert in lieu thereof “or”.

On page 86, line 24, insert “any one” immediately before “service”.

On page 87, lines 3 through 4, strike “or any person having other media interests”.

Strike all on page 87, line 6, through page 88, line 11, and insert in lieu thereof the following:

CUSTOMER SERVICE

SEC. 10(a) Section 632(a) of the Communications Act of 1934 (47 U.S.C. 552(a)) is amended—

(1) by inserting “may establish and” immediately after “authority”;

(2) by striking “, as part of a franchise (including a franchise renewal, subject to section 626),”; and

(3) in paragraph (1), by inserting immediately after “operator” the following: “that (A) subject to the provisions of subsection (e), exceed the standards set by the Commission under this section, or (B) prior to the issuance by the Commission of rules pursuant to subsection (d)(1), exist on the date of enactment of the Cable Television Consumer Protection Act of 1991”.

(b) Section 632 of the Communications Act of 1934 (47 U.S.C. 552) is amended by adding at the end the following new subsection:

“(d)(1) The Commission, within 180 days after the date of enactment of this subsection, shall, after notice and an opportunity for comment, issue rules that establish customer service standards that ensure that all customers are fairly served. Thereafter the Commission shall regularly review the standards and make such modifications as may be necessary to ensure that customers of the cable industry are fairly served. A franchising authority may enforce the standards established by the Commission.

“(2) Notwithstanding the provisions of subsection (a) and this subsection, nothing in this title shall be construed to prevent the enforcement of—

“(A) any municipal ordinance or agreement, or

“(B) any State law,

concerning customer service that imposes customer service requirements that exceed the standards set by the Commission under this section.

Strike all on page 94, line 3, through page 95, line 19, and insert in lieu thereof the following:

“(b)(1) Following the date that is one year after the date of enactment of this subsection, no cable system or other multichannel video programming distributor shall retransmit the signal of a broadcasting station, or any part thereof, without the express authority of the originating station, except as permitted by section 614.

“(2) The provisions of this section shall not apply to—

“(A) retransmission of the signal of a noncommercial broadcasting station;

“(B) retransmission directly to a home satellite antenna of the signal of a broadcasting station that is not owned or operated by, or affiliated with, a broadcasting network, if such signal was retransmitted by a satellite carrier on May 1, 1991;

“(C) retransmission of the signal of a broadcasting station that is owned or operated by, or affiliated with, a broadcasting network directly to a home satellite antenna, if the household receiving the signal is an unserved household; or

“(D) retransmission by a cable operator or other multichannel video programming distributor of the signal of a superstation if such signal was obtained from a satellite carrier and the originating station was a superstation on May 1, 1991.

For purposes of this paragraph, the terms ‘satellite carrier’, ‘superstation’, and ‘unserved household’ have the meanings given those terms, respectively, in section 119(d) of title 17, United States Code, as in effect on the date of enactment of this subsection.

“(3)(A) Within 45 days after the date of enactment of this subsection, the Commission shall commence a rulemaking proceeding to establish regulations to govern the exercise by television broadcast stations of the right to grant retransmission consent under this subsection and of the right to signal carriage under section 614, and such other regulations as are necessary to administer the limitations contained in paragraph (2). The Commission shall consider in such proceeding the impact that the grant of retransmission consent by television stations may have on the rates for basic cable service and shall ensure that rates for basic cable service are reasonable. Such rulemaking proceeding shall be completed within six months after its commencement.

“(B) The regulations required by subparagraph (A) shall require that television stations, within one year after the date of enactment of this subsection and every three years thereafter, make an election between the right to grant retransmission consent under this subsection and the right to signal carriage under section 614. If there is more than one cable system which serves the same geographic area, a station's election shall apply to all such cable systems.

“(4) If an originating television station elects under paragraph (3)(B) to exercise its right to grant retransmission consent under this subsection with respect to a cable system, the provisions of section 614 shall not apply to the carriage of the signal of such station by such cable system.

“(5) The exercise by a television broadcast station of the right to grant retransmission consent under this subsection shall not interfere with or supersede the rights under section 614 or 615 of any station electing to assert the right to signal carriage under that section.

“(6) Nothing in this section shall be construed as modifying the compulsory copyright license established in section 111 of title 17, United States Code, or as affecting existing or future video programming licensing agreements between broadcasting stations and video programmers.”.

Strike all on page 101, lines 5 through 7, and insert in lieu thereof the following:

“(A) any such station, if it does not deliver to the principal headend of the cable system either a signal of −45 dBm for UHF signals or −49 dBm for VHF signals at the input terminals of the signal processing equipment, shall be required to bear the costs associated with delivering a good quality signal or a baseband video signal;

Strike all on page 108, line 20, through page 109, line 5, and insert in lieu thereof the following:

“ (3) The signal of a qualified local noncommercial educational television station shall be carried on the cable system channel number on which the qualified local noncommercial educational television station is broadcast over the air, or on the channel on which it was carried on July 19, 1985, at the election of the station, or on such other channel number as is mutually agreed on by the station and the cable operator. The signal of a qualified local noncommercial educational television station shall not be repositioned by a cable operator unless the operator, at least 30 days in advance of such repositioning, has provided written notice to the station and to all subscribers of the cable system. For purposes of this paragraph, repositioning includes deletion of the station from the cable system.

On page 112, lines 3 through 9, insert “or 615” immediately after “614” each place it appears.

On page 113, lines 3 through 5, strike “For purposes” and all that follows through “unreasonable.”.

On page 69, line 7, strike “Rederal” and insert in lieu thereof “Federal”.

On page 78, add “and” at the end of line 7.

Strike all on page 96, lines 24 through 25, and insert in lieu thereof “local commercial television station; and”.

On page 98, line 7, strike “carriers” and insert in lieu thereof “carries”.

GORTON (AND METZENBAUM) AMENDMENT NO. 1499

Mr. GORTON (for himself and Mr. METZENBAUM) proposed an amendment to the bill S. 12, supra, as follows:

At the appropriate place, insert the following new section:

SERVICES AND EQUIPMENT NOT AFFIRMATIVELY REQUESTED

SEC. . Section 623 of the Communications Act of 1934 (47 U.S.C. 543), as amended by section 5 of this Act, is further amended by adding at the end the following new subsection:

“(i) A cable operator shall not charge a subscriber for any service or equipment that the subscriber has not affirmatively requested by name. For purposes of this subsection, a subscriber's failure to refuse a cable operator's proposal to provide such service or equipment shall not be deemed to be an affirmative request for such service or equipment.”.

GORTON AMENDMENT NO. 1500

Mr. GORTON proposed an amendment to the bill S. 12, supra, as follows:

At the appropriate place, insert the following new section:

PROTECTION OF SUBSCRIBER PRIVACY

SEC. . Section 631(c)(1) of the Communications Act of 1934 (47 U.S.C. 551(c)(1)) is amended by inserting immediately before the period at the end the following: “and shall take such actions as are necessary to prevent unauthorized access to such information by a person other than the subscriber or cable operator”.

INOUYE AMENDMENT NO. 1501

Mr. INOUYE proposed an amendment to the bill S. 12, supra, as follows:

On page 83, between lines 20 and 21, insert the following new subsection:

(d) Section 612 of the Communications Act of 1934 (47 U.S.C. 532) is amended by adding at the end the following new subsection:

“(i)(1) Notwithstanding the provisions of subsections (b) and (c), a cable operator required by this section to designate channel capacity for commercial use may use any such channel capacity for the provision of programming from a qualified minority programming source if such source is not affiliated with the cable operator), if such programming is not already carried on the cable system. The channel capacity used to provide programming from a qualified minority programming source pursuant to this subsection may not exceed 33 percent of the channel capacity designated pursuant to this section. No programming provided over a cable system on July 1, 1990, may qualify as minority programming on that cable system under this subsection.

"(2) For purposes of this subsection—

"(A) the term 'qualified minority programming source' means a programming source which devotes significantly all of its programming to coverage of minority viewpoints, or to programming directed at members of minority groups, and which is over 50 percent minority-owned; and

"(B) the term 'minority' includes Blacks, Hispanics, American Indians, Alaska Natives, Asians, and Pacific Islanders.".

BREAUX AMENDMENT NO. 1502

Mr. BREAUX proposed an amendment to the bill S. 12, supra, as follows:

On page 103, after line 24, add the following:

"(g) Nothing in this section shall require a cable operator to carry on any tier, or prohibit a cable operator from carrying on any tier, the signal of any commercial television station or video programming service that is predominantly utilized for the transmission of sales presentations or program-length commercials.

GRAHAM (AND BRYAN) AMENDMENT NO. 1503

Mr. GRAHAM (for himself and Mr. BRYAN) proposed an amendment to amendment No. 1502 proposed by Mr. BREAUX to the bill S. 12, supra, as follows:

At the appropriate place, insert the following new section:

USE OF CERTAIN TELEVISION STATIONS

SEC. . Within 90 days after the date of enactment of this Act, the Federal Communications Commission shall commence an inquiry to determine whether broadcast television stations whose programming consists predominantly of sales presentations are serving the public interest, convenience, and necessity. The Commission shall take into consideration the viewing of such stations, the level of competing demands for the channels allocated to such stations, and the role of such stations in providing competition to nonbroadcast services offering similar programming. In the event that the Commission concludes that one or more of such stations are not serving the public interest, convenience, and necessity, the Commission shall allow the licensees of such stations a reasonable period within which to provide different programming, and shall not deny such stations a renewal expectancy due to their prior programming.

LEAHY (AND GORE) AMENDMENT NO. 1504

Mr. LEAHY (for himself and Mr. GORE) proposed an amendment to the bill S. 12, supra, as follows:

On page 111, between lines 21 and 22, insert the following:

NOTICE AND OPTIONS TO CONSUMERS REGARDING CABLE EQUIPMENT

SEC. . The Communications Act of 1934 (47 U.S.C. 151 et seq.) is amended by adding after section 624 the following new section:

"NOTICE AND OPTIONS TO CONSUMERS REGARDING CONSUMER ELECTRONICS EQUIPMENT.

"SEC. 624A. (a) This section may be cited as the "Cable Equipment Act of 1992'.

"(b) The Congress finds that—

"(1) the use of converter boxes to receive cable television may disable certain functions of televisions and VCRs, including, for example, the ability to—

"(A) watch a program on one channel while simultaneously using a VCR to tape a different program or another channel;

"(B) use a VCR to tape consecutive programs that appear on different channels; or

"(C) use certain special features of a television such as a 'picture-in-picture' feature; and

"(2) cable operators should, to the extent possible, employ technology that allows cable television subscribers to enjoy the full benefit of the functions available on television and VCRs.

"(c) As used in this section:

"(1) The term 'converter box' means a device that—

"(A) allows televisions that do not have adequate channel tuning capability to receive the service offered by cable operators; or

"(B) decodes signals that cable operators deliver to subscribers in scrambled form.

"(2) The term 'VCR' means a videocassette recorder.

"(d)(1) Cable operators shall not scramble or otherwise encrypt any local broadcast signal, except where authorized under paragraph (3) of this subsection to protect against the substantial theft of cable service.

"(2) Notwithstanding paragraph (1) of this subsection, there shall be no limitation on the use of scrambling or encryption technology where the use of such technology does not interfere with the functions of subscribers' televisions or VCRs.

"(3) Within 180 days after the date of enactment of this section, the Commission shall issue regulations prescribing the circumstances under which a cable operator may, if necessary to protect against the substantial theft of cable service, scramble or otherwise encrypt any local broadcast signal.

"(4) The Commission shall periodically review and, if necessary, modify the regulations issued pursuant to this subsection in light of any actions taken in response to regulations issued under subsection (i).

"(e) Within 180 days after the date of enactment of this section, the Commission shall promulgate regulations requiring a cable operator offering any channels the reception of which requires a converter box to—

"(1) notify subscribers that if their cable service is delivered through a converter box, rather than directly to the subscribers' televisions or VCRs, the subscribers may be unable to enjoy certain functions of their televisions or VCRs, including the ability to—

"(A) watch a program on one channel while simultaneously using a VCR to tape a different program on another channel;

"(B) use a VCR to tape two consecutive programs that appear on different channels; or

"(C) use certain television features such as 'picture-in-picture';

"(2) offer new and current subscribers who do not receive or wish to receive channels the reception of which requires a converter box, the option of having their cable service installed, in the case of new subscribers, or reinstalled, in the case of current subscribers, by direct connection to the subscribers' televisions or VCRs, without passing through a converter box; and

"(3) offer new and current subscribers who receive, or wish to receive, channels the reception of which requires a converter box, the option of having their cable service installed, in the case of new subscribers, or reinstalled, in the case of current subscribers, in such a way that those channels the reception of which does not require a converter box are delivered to the subscribers' televisions or VCRs, without passing through a converter box.

"(f) Any charges for installing or reinstalling cable service pursuant to subsection (e) shall be subject to the provisions of Section 623(b)(1).

"(g) Within 180 days after the date of enactment of this section, the Commission shall promulgate regulations relating to the use of remote control devices that shall—

"(1) require a cable operator who offers subscribers the option of renting a remote control unit—

"(A) to notify subscribers that they may purchase a commercially available remote control device from any source that sells such devices rather than renting it from the cable operator; and

"(B) to specify the types of remote control units that are compatible with the converter box supplied by the cable operator; and

"(2) prohibit a cable operator from taking any action that prevents or in any way disables the converter box supplied by the cable operator from operating compatibly with commercially available remote control units.

"(h) Within 180 days after the date of enactment of this section, the Commission, in consultation with representatives of the cable industry and the consumer electronics industry, shall report to the Congress on means of assuring compatibility between televisions and VCRs and cable systems so that cable subscribers will be able to enjoy the full benefit of both the programming available on cable systems and the functions available on their televisions and VCRs.

"(i) Within 1 year after the date of enactment of this section, the Commission shall issue regulations requiring such actions as may be necessary to assure the compatibility interface described in subsection (h).".

HELMS (AND THURMOND) AMENDMENT NO. 1505

Mr. HELMS (for himself and Mr. THURMOND) proposed an amendment to amendment No. 1502 proposed by Mr. BREAUX to the bill S. 12, supra, as follows:

At the end add the following new section:

SEC. . Section 624(d) of Communications Act of 1934 (47 U.S.C. 544(d)) is amended by adding the following new paragraph:

"(3)(A) If a cable operator provides a "premium channel" without charge to cable subscribers who do not subscribe to the "premium channel(s)", the cable operators shall, not later than 60 days before such "premium channel" is provided without charge—

"(i) notify all cable subscribers that the cable operator plans to provide a "premium channel(s)" without charge, and "(ii) notify all cable subscribers when the cable operator plans to provide a "premium channel(s)" without charge, and

"(iii) notify all cable subscribers that they have a right to request that the channel carrying the "premium channel(s)" be blocked, and

"(iv) block the channel carrying the "premium channel" upon the request of a subscriber.

"(B) For the purposes of this section, the term "premium channel" shall mean any pay service offered on a per channel or per program basis, which offers movies rated by the Motion Picture Association as X, NR–17 or R."

DOLE AMENDMENT NO. 1506

Mr. INOUYE (for Mr. DOLE) proposed an amendment to the bill S. 12, supra, as follows:

On page 97, lines 11 through 12, strike "and accompanying audio" and insert in lieu thereof ", accompanying audio, and Line 21 closed caption".

On page 108, line 2, strike "and accompanying audio" and insert in lieu thereof ", accompanying audio, and Line 21 closed caption".

On page 63, line 21, strike "(27)" and insert in lieu thereof "(28)"; and on page 71, strike all on line 2, and insert in lieu thereof the following:

"(27) the term 'Line 21 closed caption' means a data signal which, when decoded, provides a visual depiction of information simultaneously being presented on the aural channel of a television signal; and".

SIGNING OF A CEASE-FIRE IN EL SALVADOR

DURENBERGER AMENDMENT NO. 1507

Mr. DURENBERGER proposed an amendment to the resolution (S. Res. 248) expressing the sense of the Senate regarding the signing on January 16, 1992, of the agreements for a formal cease-fire in El Salvador, and for other purposes, as follows:

On page 3, line 14, strike the words "commit itself," and insert in lieu thereof "remain committed."

On page 3, line 20, strike the words "commit itself," and insert in lieu thereof "remain committed."

On page 3, line 24, strike the words "commit itself," and insert in lieu thereof "remain committed."

CABLE TELEVISION CONSUMER PROTECTION ACT

PRESSLER AMENDMENT NO. 1508

Mr. PRESSLER proposed an amendment to the bill S. 12, supra, as follows:

Strike all on page 113, line 22, through page 116, line 14, and insert in lieu thereof the following:

DIRECT BROADCAST SATELLITE SERVICES

SEC. 21. (a) The Federal Communications Commission shall, within one year after the date of enactment of this Act, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report analyzing the need for, and the form, nature, and extent of, the most appropriate public interest obligations to be imposed upon direct broadcast satellite services in addition to what is required pursuant to subsection (b)(1). The report shall include—

(1) a consideration of the national nature of direct broadcast satellite programming services;

(2) an evaluation of a phase-in of such public interest obligations for direct broadcast satellite services commensurate with the degree to which direct broadcast satellite services have become a source of effective competition to cable systems; and

(3) an analysis of the Commission's authority to impose such public interest obligations recommended in the report without further legislation.

(b)(1) Notwithstanding its report to be provided pursuant to subsection (a), the federal Communications Commission shall require, as a condition of any provision, initial authorization, or authorization renewal for a direct broadcast satellite service providing video programming, that the provider of such service reserve a portion of its channel capacity, equal to not less than 4 percent nor more than 7 percent, exclusively for nonduplicated, noncommercial, educational, and informational programming.

(2) A provider of such service may utilize for any purpose any unused channel capacity required to be reserved under this subsection pending the actual use of such channel capacity for noncommercial, educational, and informational programming.

(3) A direct broadcast satellite service provider shall meet the requirements of this subsection by leasing, to national educational programming suppliers (including qualified noncommercial educational television stations, other public telecommunications entities, and public or private educational institutions), capacity on its system upon reasonable prices, terms, and conditions, taking into account the nonprofit character of such suppliers. The direct broadcast satellite service provider shall not exercise any editorial control over any video programming provided pursuant to this subsection.

(c) There is established a study panel which shall be comprised of a representative of the Corporation for Public Broadcasting, the National Telecommunications and Information Administration, and the Office of Technology Assessment selected by the head of each such entity. Such study panel shall within two years after the date of enactment of this Act submit a report to the Congress containing recommendations on—

(1) methods and strategies for promoting the development of programming for transmission over the public use channels reserved pursuant to subsection (b)(1);

(2) methods and criteria for selecting programming for such channels that avoids conflict of interest and the exercise of editorial control by the direct broadcast satellite service provider;

(3) identifying existing and potential sources of funding for administrative and production costs for such public use programming; and

(4) what constitute reasonable prices, terms, and conditions for provision of satellite space for public use channels.

(d) As used in this section, the term "direct broadcast satellite service" includes—

(1) any satellite system licensed under part 100 of title 47, Code of Federal Regulations; and

(2) any distributor using a fixed service satellite system to provide video service directly to the home and licensed under part 25 of title 47, Code of Federal Regulations.

PRESSLER (AND McCAIN) AMENDMENT NO. 1509

Mr. PRESSLER (for himself and Mr. McCAIN) proposed an amendment to the bill S. 12, supra, as follows:

On page 79, line 21, insert before the period at the end the following: ", without any obligation on the direct broadcast satellite distributor or the programmer to pay the costs necessary for C-band distribution".

On page 80, line 14, immediately after "A", insert "fixed service".

WELFARE DEPENDENCY MEASUREMENT AND ASSESSMENT ACT

MOYNIHAN AMENDMENT NO. 1510

Mr. FORD (for Mr. MOYNIHAN) proposed an amendment to the bill (S. 1256) to direct the Secretary of Health and Human Services to develop and implement an information gathering system to permit the measurement, analysis, and reporting of welfare dependency, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Welfare Dependency Act of 1992".

SEC. 2. FINDINGS.

The Congress finds that welfare dependency has reached threatening levels:

(1) In the period since 1960 the average annual caseload of the aid to families with dependent children (AFDC) program under title IV of the Social Security Act has quintupled.

(2) In 1990 there were on average almost twice as many households receiving aid to families with dependent children payments as the number of households and individuals receiving unemployment compensation benefits.

(3) nearly one-quarter of children born in the period 1967 through 1969 were dependent on welfare (AFDC) before reaching age 18. For minority children this ratio approached three-quarters.

(4) At any given time one-quarter of school children are from single parent families, or households with neither parent. The National Assessment of Educational Progress has documented the educational losses associated with single parent or no parent households.

(5) Only one-quarter of father-absent families receive full child support and over one-half receive none.

(6) The average aid to families with dependent children benefit has declined by more than one-third since 1960.

(7) The burden of welfare dependency is an issue of necessary concern to women, who in overwhelming proportion are the heads of single parent families.

(8) The rate of welfare dependency is rising. However, the statistical basis on which to assess this national issue is wholly inadequate, much as the statistical basis for addressing issues of unemployment was inad-

equate prior to the Employment Act of 1946, which required the creation of the annual economic report of the President and the development of unemployment rates.

SEC. 3. CONGRESSIONAL POLICY.

The Congress hereby declares that—

(1) it is the policy and responsibility of the Federal Government to reduce welfare dependency to the lowest possible level, and to assist families toward self-sufficiency, consistent with other essential national goals;

(2) it is the policy of the United States to strengthen families, to ensure that children grow up in families that are economically self-sufficient and to underscore the responsibility of parents to support their children;

(3) the Federal Government should help welfare recipients as well as individuals at risk of welfare dependency to improve their education and job skills, to obtain access to necessary support services, and to take such other steps as may assist them to meet their responsibilities to become financially independent; and

(4) it is the purpose of this Act to aid in lowering welfare dependency by providing the public with generally accepted measures of welfare dependency so that it can track dependency over time and determine whether progress is being made in reducing welfare dependency and enabling families to be self-sufficient.

SEC. 4. DEVELOPMENT OF WELFARE DEPENDENCY INDICATORS, RATES, AND PREDICTORS.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this Act as the "Secretary") shall develop indicators, rates, and predictors of welfare dependency.

(b) DEVELOPMENT.—The Secretary shall—

(1) develop—

(A) indicators and rates related to the level of welfare dependency in the United States; and

(B) predictors that are correlated with welfare dependency;

(2) assess the data needed to report annually on the indicators, rates, and predictors, including the ability of existing data collection efforts to provide such data and any additional data collection needs; and

(3) not later than 2 years after the date of enactment of this Act, provide an interim report containing conclusions resulting from the development and assessment described in paragraphs (1) and (2), to—

(A) the Committee on Ways and Means of the House of Representatives;

(B) the Committee on Education and Labor of the House of Representatives;

(C) the Committee on Finance of the Senate; and

(D) the Committee on Labor and Human Resources of the Senate.

(c) CONSIDERATIONS.—In developing the indicators, rates, and predictors, the Secretary shall consider the complexity of patterns of welfare dependency and self-sufficiency attainment, and the external factors, including the economy, that affect welfare dependency.

SEC. 5. ADVISORY BOARD ON WELFARE DEPENDENCY.

(a) ESTABLISHMENT.—There is established an Advisory Board on Welfare Dependency (referred to in this Act as the "Board").

(b) COMPOSITION.—The Board shall be composed of 12 members with equal numbers to be appointed by the House of Representatives, the Senate, and the President. The Board shall be composed of experts in the fields of welfare research and statistical methodology, representatives of State and local welfare agencies, and organizations concerned with welfare issues.

(c) VACANCIES.—Any vacancy occurring in the membership of the Board shall be filled in the same manner as the original appointment for the position being vacated. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

(d) DUTIES.—Duties of the Board shall include—

(1) providing advice and recommendations to the Secretary on the development of indicators, rates, and predictors of welfare dependency, and the identification of data collection needs and existing data collection efforts, described in section 4(b)(2); and

(2) providing advice on the development and presentation of the annual report on welfare dependency indicators, rates, and predictors required under section 6.

(e) TRAVEL EXPENSES.—Members of the Board shall not be compensated, but shall receive travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(f) DETAIL OF FEDERAL EMPLOYEES.—The Secretary shall detail, without reimbursement, any of the personnel of the agency to the Board to assist the Board in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(g) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, United States Code, the Board may accept the voluntary services provided by a member of the Board.

SEC. 6. ANNUAL WELFARE DEPENDENCY REPORT.

(a) PREPARATION.—The Secretary shall prepare an annual report on welfare dependency in the United States. The report shall attempt to identify indicators, rates, and predictors of welfare dependency and trends in dependency, and provide information and analysis on the causes of dependency.

(b) COVERAGE.—The report shall include analysis of families and individuals receiving assistance under means-tested benefit programs, including the program of aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and the Supplemental Security Income program under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or as general assistance under programs administered by State and local governments.

(c) CONTENTS.—Each report shall set forth—

(1) for each of the means-tested benefit programs described in subsection (b)—

(A) current trends in the number and rates of recipients and the characteristics, including age, sex, marital status, presence of children, labor force participation, and disability, of the recipients; and

(B) total expenditures;

(2) the proportion of the total population receiving each of the programs and patterns of multiple program participation and recipiency duration;

(3)(A) characteristics of each such program, including total expenditures broken down by Federal and State shares, gross income limit, need standards, and maximum potential benefit by State; and

(B) a description of the interactions among the programs;

(4) in the case of the second, or a subsequent, report, changes in the information described in paragraphs (1) through (3) from the previous year, and trends in program participation;

(5) annual numerical goals for recipients, and expenditures, within each program and within significant subgroups within the population, for the calendar year in which the report is transmitted and for each of the following 4 calendar years, which goals shall, consistent with other essential national goals, reflect the objectives of—

(A) reducing welfare dependency to the lowest possible level; and

(B) increasing family self-sufficiency at or above the Federal poverty level to the greatest extent possible.

(6)(A) the programs and policies as the Secretary, in consultation with the Board, determines are necessary to meet the goals for each of the 5 years; and

(B) such recommendations for legislation, which shall not include proposals to reduce eligibility levels or impose barriers to program access, as the Secretary may determine to be necessary or desirable to reduce welfare dependency; and

(7) interim goals for reducing the proportion of children, and families with children, who are recipients of aid to families with dependent children to 10 percent of families with children, adjusted for economic conditions.

(d) SUBMISSION.—The Secretary shall submit such a report not later than 3 years after the date of the enactment of this Act, and annually thereafter, to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. The report shall be transmitted during the first 60 days of each regular session of Congress.

Amend the title so as to read: "An Act to direct the Secretary of Health and Human Services to develop and implement an information gathering system to permit the measurement, analysis, and reporting of welfare dependency rates.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on January 29, 1992, at 10 a.m. to hold a hearing on legislation to further extend unemployment compensation benefits for jobless Americans.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. FORD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, January 29, 1992, at 2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., January 29, 1992, to receive testimony on two of the Federal Energy Regulatory Commission's pending natural gas rulemakings: First, the notice of proposed rulemaking [NOPR] regarding pipeline service obligations in docket No. RM91-11-000, the so-called mega NOPR; and second, order No. 555 concerning revisions to regulations governing authorizations for the construction of natural gas pipeline facilities.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate, Wednesday, January 29, 1992, at 10 a.m. to conduct a hearing on the nomination of Alan Greenspan to be Chairman and member of the Board of Governors of the Federal Reserve System.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

A TRIBUTE TO THE HISPANIC ENTREPRENEURSHIP PROGRAM

• Mr. WIRTH. Mr. President, over the years it has been my pleasure to recognize the achievements of many community leaders in Colorado, including Hispanic Coloradans who are making a real difference in the political and economic future of the Hispanic community.

Today, I want to recognize a remarkable young woman who, still in her twenties, has a long list of achievements to her credit. Stephanie Herrera, currently the Colorado Hispanic League's vice president, is also the founder and president of the U.S. Hispanic Junior Chamber of Commerce.

I first met Ms. Herrera several months ago, and was immediately impressed with her leadership skills. She is an up-and-coming young professional woman, and a fine example of the kind of aggressive and articulate leader the Hispanic community is generating across the Nation.

I also want to recognize Mr. Andres Salazar, who was hired by the Hispanic Chamber of Commerce and directed the highly successful Colorado Hispanic Entrepreneurship Program. This program fast tracks young Hispanic business leaders into 2-year degrees in entrepreneurship. Mr. Salazar worked hard to get community colleges in Colorado to support this innovative program, and I commend it to each of my colleagues as an example for other States.

These two individuals, along with other leaders in the Hispanic business community—including my good friend, George Autobee, a Vietnam veteran and successful businessman who has inspired many Coloradans with his spirit, good humor and get things done attitude—are building a foundation for progress in the Hispanic community. Combining educational opportunities with financial and business expertise is not a new idea. It is an old idea that works very well, and is precisely the kind of investment we should be making on a grander scale.

I commend these individuals for their outstanding dedication and for their commitment to the Hispanic community. Their work enriches us all.•

CLASS, STYLE, AND PRIDE IN WEBSTER, NY

• Mr. D'AMATO. Mr. President, I rise today to speak on behalf of a group of individuals who exude class, style, and pride, the Webster High School Marching Band. They brought recognition to New York State when they were selected, from among hundreds of marching bands, to participate in the annual Fiesta Bowl celebration in Phoenix, AZ, New Year's Week. The Fiesta Bowl celebration is one of the most prestigious competitions and parades in the country. The Webster High School Marching Band competed against top bands from all over the country in front of a panel of national judges and won first place in the Fiesta Bowl Parade and other honors.

During the week between Christmas and New Years over 200 students, staff, and parents of the Webster High School Marching Band traveled to Phoenix as the northeast United States representative to compete against the top marching bands in the country in the Pageant of Bands and the Fiesta Bowl Parade. After a second place finish in the band pageant, they performed before a live parade attendance of over 300,000 and a national TV audience of millions and won the parade competition by defeating over 20 bands from around the country. What's most amazing about this achievement is that after the normal end of the marching band season in early November, the weather permitted only minimal outdoor practice for the band to remain focused on the intricate moves and complex music that is required at this level of competition.

It takes a lot of dedication and perseverance to attain such a high level of performance. Band members practice for long hours and travel by bus to competitions on weekends. Band members load, unload, and assemble band equipment. Once at an event, the band has 15 minutes to get out there and really perform.

High level performance, both marching and instrument playing, is just part of the many intricacies that are involved in getting to a major national competition. It's not just the band members and their director, Paul Maginn, that brought the Webster High School Marching Band to the Fiesta Bowl, but the combined efforts of parents, boosters, and many community organizations.

To all of these very special people: band members, directors, staffers, parents, boosters, and members of the greater-Rochester community, I thank you for all of your efforts. I would like to commend Paul Maginn for doing a superb job of preparing the Webster High School Marching Band for the competition in Arizona. Mr. Maginn will be leaving the band and will be replaced by Steve Landgren, who will be taking over as the new band director. I am proud that such fine individuals come from New York State. I salute the Webster High School Marching Band for their valiance and their success. Congratulations on your achievement. You are among the best of the best. Best wishes for a future filled with continued success.•

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

• Mr. SANFORD. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee received a request for a determination under rule 35 for Elizabeth Gardner, a member of the staff of Senator BIDEN, to participate in a program in France, sponsored by the Franco-American Foundation and the German Marshall Fund, from February 8-16, 1992.

The committee has determined that participation by Ms. Gardner in this program, at the expense of the Franco-American Foundation and the German Marshall Fund is in the interest of the Senate and the United States.•

PROVISION OF SERVICES TO BANKCARD ASSOCIATION MEMBERS

• Mr. GARN. Mr. President, I would like to ask permission to insert into the CONGRESSIONAL RECORD the following memo from the Bankcard Holders of America which I referenced in my statement of January 21, 1992. The statement concerned the efforts of section 471 of the Federal Deposit Insurance Corporation Improvement Act of 1991 and the memo was inadvertently left out.

The memo follows:

BANKCARD HOLDERS OF AMERICA,
To: Sen. Metzenbaum.
From: Elgie Holstein, Executive Director.
Re: Provision of Services to Bankcard Association Members.
Date: November 19, 1991.

Bankcard Holders of America is an eleven-year-old national consumer protection organization focusing exclusively on consumer credit issues. For example, we strongly support Sen. D'Amato's proposed limit on credit card interest rates.

The purpose of this memo is to inform you of our strong opposition to any weakening of section 1133 of the Senate's banking reform legislation. As you know, that section would require bankcard associations to continue to provide services to failed financial institutions after any change in their ownership. The provision is intended to reinforce service guarantees we believe Congress included in FIRREA, but which Visa has chosen to ignore.

Bankcard Holders of America believes that there is inadequate competition in the credit card marketplace, resulting in exorbitant rates and fees charged to consumers. We filed an amicus brief on behalf of consumers in Sears' lawsuit against Visa, in which Sears is challenging Visa's refusal to provide its franchise services to a bank acquired by Sears. That institution, Mountain West Financial Services, did enjoy Visa's franchise services under its former ownership.

We believe an important opportunity to enhance competition in the credit card marketplace would be lost if section 1133 were weakened in any way. Sears' intention, frustrated by Visa's refusal to provide its services, is to market a low-interest-rate, no-annual-fee credit card. We believe that such cards—particularly when offered by major financial institutions—can have a dramatic and desirable impact in terms of encouraging competition in the credit card industry. We urge you to support section 1133 as currently drafted.

If you have any questions, please feel free to call me at 703-481-1205.●

PROJECTS WITH INDUSTRY

● Mr. COHEN. Mr. President, as one who has for many years supported legislation to improve the rights of the disabled, I am intimately aware of the many challenges that disabled individuals face in the workplace.

Therefore, I am pleased to draw your attention to a special program in my home State of Maine, the Projects With Industry, that does much to assist disabled job seekers in finding jobs and in learning what special challenges they may confront in the workplace.

As reporter Dale McGarrigle states in the Bangor Daily News article, "Disabled find new life in workplace," Projects With Industry has helped over 44 people in its first year of operation. Sheila Dean of Orono, who is profiled in the piece, is one of the program's remarkable success stories. Dean has been confined to a wheelchair since birth. Through Projects With Industry, Dean found professional guidance, a support system, and most importantly, a job.

Mr. President, I ask that the text of the article be entered into the RECORD.

The article follows:

[From the Bangor Daily News, Oct. 24, 1991]

DISABLED FIND NEW LIFE IN WORKPLACE

(By Dale McGarrigle)

Sheila Dean knew she wanted to work, but she wasn't sure where to start. "I was tired of sitting at home," said the Orono resident. "But I had no clue how to go about finding a job."

Dean, 26, also faced another obstacle. She is confined to a wheelchair, the result of spina bifida, which has left her paralyzed from the waist down since birth.

But the Brownville Junction native found the answer to her dilemma in the organization Projects With Industry.

A division of Phoenix Industries of Bangor, Projects With Industry is a program designed to train individuals with disabilities to seek, find and keep jobs. It is funded by a five-year grant from the U.S. Department of Education.

Dean was one of the 44 people served by PWI in its first year of operation. She found the experience beneficial.

"It was a lot of help," Dean said. "They held workshops to let people know what challenges they'd face in the workplace, how to interview, how to find a job and what to do once you found a job."

She also urged others with disabilities to contact PWI.

"They are very helpful and supportive," she said. "The staff will bend over backward to help you find a job and follow up afterward."

Dean has been one of the program's success stories. She now works full time at the Air Force National Guard Base as a switchboard operator.

"She has fit right in from day one," said Master Sgt. Linda Duncan, Dean's boss. "She's been wonderful to work with."

Dean is also one of four people who will receive a recognition award for superior performance from Gov. John R. McKernan, at a PWI function Thursday morning. Others receiving awards are Dawna Cornett of Orono and Shawn Piscioniere and Pat Curtis, both of Bangor.

Dean understands well the problems faced by the disabled in the workplace. She looked for an office job from February until she was hired in July.

"The depression came with applying for jobs and getting nothing," she said. "It was getting frustrating, because everyone I had gone through the program with had gotten hired."

She also observed tentativeness by employers to hire those with disabilities.

"There were times when I'd call up to request an interview," she said. "Then I'd ask if the building is accessible. They'd ask 'Why?' I'd tell them I was in a wheelchair. That made people nervous."

The Guard didn't hesitate to modify the office setup for Dean, moving some equipment, making the bathroom accessible, adding some lowered tables and building a wheelchair ramp.

"No one made a big deal out of it," Dean said. "That was the nice thing here."

Dean is glad she hooked up with PWI and found her job.

"It's been a big boost to my self-esteem, knowing I could make it on my own," she said. "This is perfect for me. I get to talk on the phone, and see men in uniform.●

IMPLEMENTATION OF THE AMERICANS WITH DISABILITIES ACT

● Mr. DURENBERGER. Mr. President, last Sunday was an important landmark for 43 million Americans. America began keeping the promise it made 18 months ago when the ADA, the Americans with Disabilities Act, was signed into law.

Seventeen percent of the population—1 in 6 Americans—is challenged by some kind of disability. For these Americans, barriers still exist to simple activities that most of us take for granted: Eating at a restaurant; going to a movie; riding a bus; visiting a doctor; shopping for groceries.

But that will all change. January 26 was the effective date for portions of the ADA that affect public accommodations and services. That means that from now on, millions of public facilities across America will be accessible to the disabled in ways that they had not been before.

State and local governments—and their instrumentalities—will not be able to discriminate on the basis of a disability. Disabled citizens will be able to participate in and benefit from the same services, programs, and activities that all other Americans enjoy.

Services open to the public that are run by the private sector will also comply with the ADA. New buildings will be constructed to be fully accessible. Existing physical barriers will be removed where readily achievable. And efforts will be made to assist the disabled in communication.

This means that we will see a lot more ramps and curb cuts for wheelchairs. Tables, chairs, and racks may be rearranged in restaurants, theaters, and retail stores. There will be raised letters or Braille by elevator buttons. Note takers, interpreters, or telecommunication devices will be provided for the hearing impaired. Some activities will be relocated to fully accessible locations.

In other words, many simple daily activities will no longer be a Herculean task for 43 million Americans.

And in another 6 months, we will begin dismantling barriers that have hit the disability community the hardest—unnecessary obstacles in the workplace. Two-thirds of the disabled population do not have jobs. Most of these people want to work and are extremely capable, but many employers have discriminated against them simply because they are disabled.

Wasting the talents of the disabled community is not only wrong from a moral standpoint; it costs the Federal Government billions of dollars each year in Social Security benefits and lost income tax revenues.

In July of this year, the portion of the ADA affecting employment will go into effect. This will require employers to make reasonable, relatively inexpensive accommodations to give disabled people access to the workplace. Employers will also not be able to discriminate against disabled employees who can perform the essential functions of a job.

The cost of making society accessible to all Americans will be minuscule compared to the payoff. In exchange for the removal of some physical barriers and the installation of reasonable accommodations, the business community will receive increased consumerism from the disabled community. We will pay less in Social Security benefits. And we will be widening our pool of human resources and increasing American competitiveness.

A disability becomes disabling because of the barriers we erect to major life activities. I believe that history will record the process that began last Sunday—breaking down unnecessary barriers—as progress toward taking the "dis" out of disability. We owe 43 million of our relatives, friends, and neighbors nothing less.

Mr. President, I ask that a list of addresses and phone numbers that provide information about the implementation of the ADA be printed at the conclusion of my remarks.

The information follows:

ADA INFORMATION RESOURCES

For a copy of the regulations or more specific information about the Public Services and Public Accommodations requirements of the ADA, please write to: Office on the Americans with Disabilities Act, Civil Rights Division, U.S. Department of Justice, P.O. Box 66118, Washington, D.C. 20035–6118.

Or call on weekdays between 11 a.m. and 5 p.m. EST: (202) 514–0301 (Voice); (202) 514–0381 (TDD); (202) 514–0383 (TDD).

For information on the ADA requirements regarding employment: Equal Employment Opportunity Commission, 1801 L Street NW., Washington, DC 20507, (202) 663–4900 (Voice), 1–800–800–3302 (TDD).

Other resources: Disability Rights, Education and Defense Fund ADA Hotline: 1–800–466–4ADA (Voice and TDD); The Architectural and Transportation Barriers Compliance Board, 1111—18th Street NW, Suite 501, Washington, D.C. 20036, 1–800–USA–ABLE (Voice and TDD).

POLISH ROMAN CATHOLIC UNION OF AMERICA MICHIGAN STATE BALL

• Mr. RIEGLE. Mr. President, the Polish Roman Catholic Union of America [PRCUA] is the oldest Polish-American fraternity in the United States. It was established in 1873 in the spirit of brotherhood to unite and assist Polish immigrants. Today the PRCUA, which has developed into a dynamic fraternal beneficent society, has over 90,000 members and is operating in 24 States. I am proud to report that in Michigan there are more than 10,000 members.

Thirty-six years ago, through the foresight and determination of Marian Siwula, a PRCUA State-director, the PRCUA Michigan School of Dance was organized. Recognizing the need for children to be introduced to and educated in the traditions, heritage, and culture of their ancestors, Mrs. Siwula was determined to make dance training available that young people would both enjoy and appreciate.

Mrs. Siwula took that thought to Mr. Joseph Drobot, then a PRCUA supervisor and later the 23d national president of the organization. She then enlisted the services of Shirley Hojnacki, an aspiring teacher of dance who was to be the first teacher of the PRCUA Michigan Dance School. Together these three individuals organized the West Side PRCUA Dance School and located it in the former Graystone Theater on Michigan Avenue near Springwells in Detroit.

The seed planted 36 years ago continues to flower to this day. The first PRCUA Dance School is still in operation but is now known as the Wieliczka Dance School—named after the famous Polish salt mines. In addition there are 11 other schools in the metropolitan area. The sister schools include "Opole" of Warren, "Halka" of Detroit, "Gwiazda" and "Polskie Maki" of Hamtramck, Wyandotte Polish School of Wyandotte, "Tatry" and "Syrena" of Dearborn Heights, "Piastowie" of Dearborn, "Polonijny" of Garden City, "Mala Polska" of Troy, and Pope John Paul II Ensemble of Sterling Heights. Altogether, more than 800 students are enrolled, and the numbers are increasing annually.

The purpose of the PRCUA schools continues to be to instill within young people in Michigan the pride and knowledge of the Polish-American heritage. Through song, dance, language, and art, the students become more aware and appreciative of their heritage and grow in their appreciation of other nationalities and cultures as well. The students are also taught to be good Americans, good Poles, and good Catholics through participation and visibility in both religious and civic activities within their respective communities throughout the calendar year.

Reaching out to touch lives is the slogan for all members of the fraternal congress. Over the last 36 years, community service has always played an important role in the education of the PRCUA students. Performing at nursing and convalescent homes and special fund raisers for the needy were and still are a priority in the schools. Over the years the students have been involved in collections for the less fortunate—especially for the people of Poland and for the poor of our own metropolitan area. Other projects included fund raisers for kidney and liver transplants for children and providing assistance for the Sarah Fisher Home and needy families during the seasonal holidays.

The alumni members of the Michigan PRCUA are productive, educated, and contributing members of society. They provide our State with professionals in almost every career. From doctors, lawyers, and engineers to actors, musicians, artists, and writers they enrich our State.

On Saturday, February 15, 1992, 23 graduating seniors, representing the Polish Roman Catholic Union of America, will be honored and presented at the first annual Michigan State ball. Organized by State Director Shirley Galanty, with the enthusiasm of all school directors, every effort is being made to acknowledge, honor, and present graduates who have earned the respect of the community for their considerable and outstanding accomplishments as Polish-Americans. Their many talents, personal and academic achievements, as well as community service projects, have made this a better world for us all.

As Senator of the State of Michigan, I salute the PRCUA, its officers, teachers, graduates, and students and commend the organization for subsidizing and supporting educational and cultural endeavors for young people in Michigan. I also recognize that the programs of the PRCUA are the result of not only the hard work of those directly involved with the organization but also to the efforts of many parents.

The programs of the PRCUA are built on the determination of a people to preserve their Polish-American heritage for their children and for future generations. These efforts enhance the lives of all Michigan residents, adding to the beauty of our multicultural mosaic. May this first gathering on February 15, 1992, be only a beginning—a symbolic continuum of the pride in Polish-American values—for these are the same values which have brought the winds of freedom to all of Eastern Europe.•

BLOCKADE STRANGLING ARMENIA

• Mr. SIMON. Mr. President, for many months the Republic of Azerbaijan has illegally blockaded the Republic of Armenia, and has recently stepped up its assault on the Armenian enclave of Nagorno-Karabakh. The situation is getting worse every day.

Many Armenians have still not recovered from the severe earthquake that left 25,000 dead and 500,000 homeless. Yet on top of this ongoing tradegy, Azerbaijan has prevented trains and trucks from delivering food and fuel, and has cut oil and gas pipelines into Armenia. Military attacks on Armenians in Nagorno-Karabakh are increasing daily.

We must speak out forcefully against what Secretary Baker last month called Azerbaijan's aggressive policy against Armenians. We have to let the Azerbaijani authorities know the friendship and good will of the United States depends on their adherence to basic principles of human rights and respect for interntional law. I urge my colleagues to speak out against these hostile Azerbaijani policies.

Mr. President, I ask that a Chicago Tribune story of January 20, 1992, entitled "Blockade Strangling Armenia," be entered into the RECORD in full.

The article follows:

BLOCKADE STRANGLING ARMENIA

(By Michael McGuire)

Ana Hartoonian can do little but watch carefully as her two small sons, bundled in layers of clothing, warm their hands above the only heat source in their icy apartment: an electric hot plate.

A few blocks away at the American University of Armenia, administrator Ashot Ghazarian has discovered that keeping the bathroom lights on night and day will stop the toilets from freezing solid.

And at the Republican Hospital across town, where patients now must arrange for their own drugs, Dr. Vartan Hagopian performs complicated operations while hoping there won't be another power failure before he sews up the patient. The hospital has neither anesthetics nor pain-deadening morphine, Hagopian said.

Armenians struggling to keep warm and fed during one of the coldest winters in memory have had to deal with the added burden of a blockade imposed by neighboring Azerbaijan in a centuries-old dispute over Nagorno-Karabakh, a mountainous Armenian-populated enclave inside Azerbaijan.

Since Sept. 12, Azerbaijan has stopped trains carrying food, fuel and other necessities from entering land-locked Armenia.

Oil and gas pipelines crossing the Caucasus Mountains through Azerbaijan to Armenia have been severed. Another pipeline bringing in natural gas from Russia is being tapped by Georgians suffering shortages of their own. The threat of civil war in Georgia makes future supplies even more uncertain.

"It (the city) is in a catastrophic situation," Yerevan's mayor, Hampartsoum Kalstian, said last week as the temperature dipped to 10 degrees.

Kalstian had returned to his office from a tour of several city districts where the supply of water to homes and power stations had been interrupted overnight by frozen pumps and water mains.

Throughout this city of 1.4 million, illustrations of warship and inconvenience were visible everywhere.

"Our people are able to live with this. We know it's not the government's fault," said author Vardges Petrossian. "There is an Armenian proverb: 'Hope outlives man.' In other words, Armenians would die before they give up."

At least 80 percent of the factories and industrial shops are closed and all construction has ceased because of the disruption of energy supplies, raw materials and spare parts.

Officials estimate that 1 million tons of consumer goods and industrial and medical supplies that would have filled 28,690 rail cars were stopped by the blockade.

Meat production is reported down 1,800 tons and milk 1,200 tons.

Only 48 percent of public housing is being heated, and then only for a few hours each day. Hotels and restaurants are without heat or hot water. Hospitals have frequent power failures.

"We've become accustomed to talking at the table looking through the fog from our breath," said a Yerevan journalist.

Officials say 50 to 55 deaths are being reported each day, compared to 40 to 43 last winter.

All of the city's schools and other educational institutions have been closed for lack of heat and won't reopen until the weather warms up toward spring.

Officials have announced that Yerevan's electrical power would be shut off for eight hours each day, up from four hours earlier in the week.

The mayor said only 2 million cubic meters of natural gas is coming in daily through neighboring Georgia, but Armenia needs 15 million cubic meters a day.

Automobile traffic is at a virtual standstill, and buses run infrequently because of lack of gasoline and spare parts.

And one of the blockade's more emotional calamities can be found atop Tsitsernakaberd Hill: the eternal flame commemorating the death of an estimated 1.5 million Armenians in the Turkish deportations of 1915–1918 has been snuffed out for lack of fuel.

"Incredible," said Hovik Eordekian, an editor whose family had sought sanctuary in Lebanon. "It's the first time since it was lit in 1965 that the flame has gone out. It's a dramatic symbol of the blockade."

Despite the hardships, there were few signs of unrest.

"Armenians are a far-sighted people," said Ara Sahakian, secretary of Armenia's parliament, noting that people did not want to add to the government's crisis. "They are patient. But there is a limit."

Dr. Hagopian said his patients try to comfort him when he laments the lack of heat, the power outages and shortages of medicines. "They say—on the operating table—'Don't worry. Things will get better,'" he said.

The parliament has been preoccupied with passing laws relating to Armenia's status as an independent state for the first time since 1828, when eastern Armenia became part of the Russian empire and western Armenian remained under Turkish control.

Armenia became part of the Soviet Union in 1920, but was the first to rise against Soviet power in 1988 when an estimated 1 million Armenians demonstrated in Yerevan after a series of attacks on Armenians in the Azerbaijani city of Sumgait.

Some foreign aid has reached the capital by air. Some $1.5 million worth of aid, the first of a promised $15 million U.S. aid package, was flown to Armenia earlier this month.

A Boeing 707 jet chartered by the United Armenian Front arrived recently carrying 40 tons of medical, agricultural, construction, electrical and food supplies valued at $698,253. It was sent by groups in the United States and France.

An Armenian scientist called Azerbaijan's blockade an attempt at "economic genocide." And an educator called it "criminal behavior" but said he wasn't surprised.

"After the earthquake in 1988 (which claimed 25,000 lives and left 500,000 homeless), we shipped prefabricated housing through Azerbaijan. But we found the Azeris had smashed much of it," he said.

"It was useless—and these were houses intended for earthquake victims."•

WELFARE DEPENDENCY ACT

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar 305, S. 1256, a bill to direct the Secretary of Health and Human Services to develop and implement an information-gathering system to permit the measurement, analysis, and reporting of welfare dependency.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1256) to direct the Secretary of Health and Human Services to develop and implement an information gathering system to permit the measurement, analysis, and reporting of welfare dependency.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Welfare Dependency Act of 1991".

SEC. 2. FINDINGS.

The Congress finds that welfare dependency has reached threatening levels:

(1) In the period since 1960 the average annual caseload of the aid to families with dependent children (AFDC) program under title IV of the Social Security Act has quintupled.

(2) In 1990 there were on average almost twice as many households receiving aid to families with dependent children payments as the number of households and individuals receiving unemployment compensation benefits.

(3) Nearly one-quarter of children born in the period 1967 through 1969 were dependent on welfare (AFDC) before reaching age 18. For minority children this ratio approached three-quarters.

(4) At any given time one-quarter of school children are from single parent families, or households with neither parent. The National Assessment of Educational Progress has documented the educational losses associated with single parent or no parent households.

(5) Only one-quarter of father-absent families with child support due receive full child support and over one-half receive none.

(6) The average aid to families with dependent children benefit has declined by more than one-third since 1960.

(7) The burden of welfare dependency is an issue of necessary concern to women, who in overwhelming proportion are the heads of single parent families.

(8) The rate of welfare dependency is rising. However, the statistical basis on which to assess this national issue is wholly inadequate, much as the statistical basis for addressing issues of unemployment was inadequate prior to the Employment Act of 1946 and the creation of the annual economic report of the President.

(9) Hourly wages of nonsupervisory and production workers are at their lowest real value at any time since 1965, complicating the task of reducing welfare dependency.

SEC. 3. CONGRESSIONAL POLICY.

The Congress hereby declares that—

(1) it is the policy and responsibility of the Federal Government to reduce welfare dependency to the lowest possible level, and to assist families toward self-sufficiency, consistent with other essential national goals;

(2) it is the policy of the United States to strengthen families, to ensure that children grow up in families that are economically self-sufficient and to underscore the responsibility of parents to support their children;

(3) the Federal Government should help welfare recipients as well as individuals at risk of welfare dependency to improve their education and job skills, to obtain access to necessary support services, and to take such other steps as may assist them in becoming financially independent; and

(4) it is the purpose of the Welfare Dependency Act to aid in lowering welfare dependency by providing the public with generally accepted measures of welfare dependency so that it can track dependency over time and determine whether progress is being made in reducing welfare dependency and enabling families to be self-sufficient at or above the Federal poverty guideline, and also to determine the adequacy of welfare benefits.

SEC. 4. DEVELOPMENT OF WELFARE DEPENDENCY INDICATORS AND PREDICTORS.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this Act as the "Secretary") shall develop indicators and predictors of welfare dependency, based on recommendations of the Advisory Board on Welfare Dependency established in section 5.

(b) DEVELOPMENT.—The Secretary shall—

(1) develop—

(A) indicators related to the level of welfare dependency in the United States; and

(B) predictors that are correlated with welfare dependency;

(2) assess the data needed to report annually on the indicators, and predictors, including the ability of existing data collection efforts to provide such data and any additional data collection needs; and

(3) not later than 2 years after the date of enactment of this Act, provide an interim report containing conclusions resulting from the development and assessment described in paragraphs (1) and (2), to—

(A) the Committee on Ways and Means of the House of Representatives;

(B) the Committee on Education and Labor of the House of Representatives;

(C) the Committee on Finance of the Senate; and

(D) the Committee on Labor and Human Resources of the Senate.

(c) CONSIDERATIONS.—In developing the indicators and predictors, the Secretary shall consider the complexity of patterns of welfare dependency and self-sufficiency attainment, and the external factors, including the economy, that affect welfare dependency.

SEC. 5. ADVISORY BOARD ON WELFARE DEPENDENCY.

(a) ESTABLISHMENT.—There is established an Advisory Board on Welfare Dependency (referred to in this Act as the "Board").

(b) COMPOSITION.—The Board shall be composed of 12 members with equal numbers to be appointed by the House of Representatives, the Senate, and the President. The Board shall be composed of experts in the fields of poverty and welfare research, representatives of State and local public welfare recipients, and organizations representing welfare recipients.

(c) VACANCIES.—Any vacancy occurring in the membership of the Board shall be filled in the same manner as the original appointment for the position being vacated. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

(d) DUTIES.—Duties of the Board shall include—

(1) providing advice and recommendations to the Secretary on the development of indicators and predictors of welfare dependency, and the identification of data collection needs and existing data collection efforts, described in section 4(b)(2); and

(2) providing ongoing advice on the development and presentation of the annual report on welfare dependency indicators and predictors required under section 6.

(e) TRAVEL EXPENSES.—Members of the Board shall not be compensated, but shall receive travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(f) DETAIL OF FEDERAL EMPLOYEES.—The Secretary shall detail, without reimbursement, any of the personnel of the agency to the Board to assist the Board in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(g) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, United States Code, the Board may accept the voluntary services provided by a member of the Board.

SEC. 6. ANNUAL WELFARE DEPENDENCY REPORT.

(a) PREPARATION.—The Secretary, in consultation with the Board, shall prepare an annual report on welfare dependency in the United States. The report shall attempt to identify indicators and predictors of welfare dependency and trends in dependency, and provide information and analysis on the causes of dependency.

(b) COVERAGE.—The report shall include analysis of families and individuals receiving assistance under means-tested benefit programs, including the program of aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and the medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), or as general assistance under programs administered by State and local governments.

(c) CONTENTS.—Each report shall set forth—

(1) for each of the means-tested benefit programs described in subsection (b)—

(A) current trends in the number of recipients and the characteristics, including age, sex, marital status, presence of children, labor force participation, and disability, of the recipients; and

(B) total expenditures;

(2) the proportion of the total population receiving each of the programs and patterns of multiple program participation and recipiency duration;

(3)(A) characteristics of each such program, including total expenditures broken down by Federal and State shares, gross income limit, need standards, maximum potential benefit by State and the number of recipients below the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)); and

(B) a description of the interactions among the programs;

(4) in the case of the second, or a subsequent, report, changes in the information described in paragraphs (1) through (3) from the previous year, and trends in program participation;

(5) annual numerical goals for recipients, and expenditures, within each program and within significant subgroups within the population, for the calendar year in which the report is transmitted and for each of the following 4 calendar years, which goals shall, consistent with other essential national goals, reflect the objectives of—

(A) reducing welfare dependency to the lowest possible level; and

(B) increasing family self-sufficiency at or above the Federal poverty level to the greatest extent possible;

(6)(A) the programs and policies as the Secretary, in consultation with the Board, determines are necessary to meet the goals for each of the 5 years; and

(B) such recommendations for legislation, which shall not include proposals to reduce eligibility levels or impose barriers to program access, as the Secretary may determine to be necessary or desirable to reduce welfare dependency; and

(7) interim goals for reducing the proportion of children, and families with children, who are recipients of aid to families with dependent children to 10 percent of families with children, adjusted for economic conditions.

(d) SUBMISSION.—The Secretary shall submit such a report not later than 3 years after the date of the enactment of this Act, and annually thereafter, to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. The report shall be transmitted during the first 60 days of each regular session of Congress.

AMENDMENT NO. 1510

(Purpose: To provide a substitute amendment)

Mr. FORD. Mr. President, on behalf of Senator MOYNIHAN, I send a substitute amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. MOYNIHAN, proposes an amendment numbered 1510.

Mr. FORD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Welfare Dependency Act of 1992".

SEC. 2. FINDINGS.

The Congress finds that welfare dependency has reached threatening levels:

(1) In the period since 1960 the average annual caseload of the aid to families with dependent children (AFDC) program under title IV of the Social Security Act has quintupled.

(2) In 1990 there were on average almost twice as many households receiving aid to families with dependent children payments as the number of households and individuals receiving unemployment compensation benefits.

(3) nearly one-quarter of children born in the period 1967 through 1969 were dependent on welfare (AFDC) before reaching age 18. For minority children this ratio approached three-quarters.

(4) At any given time one-quarter of school children are from single parent families, or households with neither parent. The National Assessment of Educational Progress has documented the educational losses associated with single parent or no parent households.

(5) Only one-quarter of father-absent families receive full child support and over one-half receive none.

(6) The average aid to families with dependent children benefit has declined by more than one-third since 1960.

(7) The burden of welfare dependency is an issue of necessary concern to women, who in overwhelming proportion are the heads of single parent families.

(8) The rate of welfare dependency is rising. However, the statistical basis on which to assess this national issue is wholly inadequate, much as the statistical basis for addressing issues of unemployment was inadequate prior to the Employment Act of 1946,

which required the creation of the annual economic report of the President and the development of unemployment rates.

SEC. 3. CONGRESSIONAL POLICY.

The Congress hereby declares that—

(1) it is the policy and responsibility of the Federal Government to reduce welfare dependency to the lowest possible level, and to assist families toward self-sufficiency, consistent with other essential national goals;

(2) it is the policy of the United States to strengthen families, to ensure that children grow up in families that are economically self-sufficient and to underscore the responsibility of parents to support their children;

(3) the Federal Government should help welfare recipients as well as individuals at risk of welfare dependency to improve their education and job skills, to obtain access to necessary support services, and to take such other steps as may assist them to meet their responsibilities to become financially independent; and

(4) it is the purpose of this Act to aid in lowering welfare dependency by providing the public with generally accepted measures of welfare dependency so that it can track dependency over time and determine whether progress is being made in reducing welfare dependency and enabling families to be self-sufficient.

SEC. 4. DEVELOPMENT OF WELFARE DEPENDENCY INDICATORS, RATES, AND PREDICTORS.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this Act as the "Secretary") shall develop indicators, rates, and predictors of welfare dependency.

(b) DEVELOPMENT.—The Secretary shall—

(1) develop—

(A) indicators and rates related to the level of welfare dependency in the United States; and

(B) predictors that are correlated with welfare dependency;

(2) assess the data needed to report annually on the indicators, rates, and predictors, including the ability of existing data collection efforts to provide such data and any additional data collection needs; and

(3) not later than 2 years after the date of enactment of this Act, provide an interim report containing conclusions resulting from the development and assessment described in paragraphs (1) and (2), to—

(A) the Committee on Ways and Means of the House of Representatives;

(B) the Committee on Education and Labor of the House of Representatives;

(C) the Committee on Finance of the Senate; and

(D) the Committee on Labor and Human Resources of the Senate.

(c) CONSIDERATIONS.—In developing the indicators, rates, and predictors, the Secretary shall consider the complexity of patterns of welfare dependency and self-sufficiency attainment, and the external factors, including the economy, that affect welfare dependency.

SEC. 5. ADVISORY BOARD ON WELFARE DEPENDENCY.

(a) ESTABLISHMENT.—There is established an Advisory Board on Welfare Dependency (referred to in this Act as the "Board").

(b) COMPOSITION.—The Board shall be composed of 12 members with equal numbers to be appointed by the House of Representatives, the Senate, and the President. The Board shall be composed of experts in the fields of welfare research and statistical methodology, representatives of State and local welfare agencies, and organizations concerned with welfare issues.

(c) VACANCIES.—Any vacancy occurring in the membership of the Board shall be filled in the same manner as the original appointment for the position being vacated. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

(d) DUTIES.—Duties of the Board shall include—

(1) providing advice and recommendations to the Secretary on the development of indicators, rates, and predictors of welfare dependency, and the identification of data collection needs and existing data collection efforts, described in section 4(b)(2); and

(2) providing advice on the development and presentation of the annual report on welfare dependency indicators, rates, and predictors required under section 6.

(e) TRAVEL EXPENSES.—Members of the Board shall not be compensated, but shall receive travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(f) DETAIL OF FEDERAL EMPLOYEES.—The Secretary shall detail, without reimbursement, any of the personnel of the agency to the Board to assist the Board in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(g) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, United States Code, the Board may accept the voluntary services provided by a member of the Board.

SEC. 6. ANNUAL WELFARE DEPENDENCY REPORT.

(a) PREPARATION.—The Secretary shall prepare an annual report on welfare dependency in the United States. The report shall attempt to identify indicators, rates, and predictors of welfare dependency and trends in dependency, and provide information and analysis on the causes of dependency.

(b) COVERAGE.—The report shall include analysis of families and individuals receiving assistance under means-tested benefit programs, including the program of aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and the Supplemental Security Income program under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or as general assistance under programs administered by State and local governments.

(c) CONTENTS.—Each report shall set forth—

(1) for each of the means-tested benefit programs described in subsection (b)—

(A) current trends in the number and rates of recipients and the characteristics, including age, sex, marital status, presence of children, labor force participation, and disability, of the recipients; and

(B) total expenditures;

(2) the proportion of the total population receiving each of the programs and patterns of multiple program participation and recipiency duration;

(3)(A) characteristics of each such program, including total expenditures broken down by Federal and State shares, gross income limit, need standards, and maximum potential benefit by State; and

(B) a description of the interactions among the programs;

(4) in the case of the second, or a subsequent, report, changes in the information described in paragraphs (1) through (3) from the previous year, and trends in program participation;

(5) annual numerical goals for recipients, and expenditures, within each program and within significant subgroups within the population, for the calendar year in which the report is transmitted and for each of the following 4 calendar years, which goals shall, consistent with other essential national goals, reflect the objectives of—

(A) reducing welfare dependency to the lowest possible level; and

(B) increasing family self-sufficiency at or above the Federal poverty level to the greatest extent possible.

(6)(A) the programs and policies as the Secretary, in consultation with the Board, determines are necessary to meet the goals for each of the 5 years; and

(B) such recommendations for legislation, which shall not include proposals to reduce eligibility levels or impose barriers to program access, as the Secretary may determine to be necessary or desirable to reduce welfare dependency; and

(7) interim goals for reducing the proportion of children, and families with children, who are recipients of aid to families with dependent children to 10 percent of families with children, adjusted for economic conditions.

(d) SUBMISSION.—The Secretary shall submit such a report not later than 3 years after the date of the enactment of this Act, and annually thereafter, to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. The report shall be transmitted during the first 60 days of each regular session of Congress.

Amend the title so as to read: "An Act to direct the Secretary of Health and Human Services to develop and implement an information gathering system to permit the measurement, analysis, and reporting of welfare dependency rates.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1510) was agreed to.

The PRESIDING OFFICER. Without objection, the substitute amendment, as amended, is agreed to.

Mr. FORD. Mr. President, I ask unanimous consent that the bill, S. 1256, be set aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILL READ THE FIRST TIME—S. 2166

Mr. FORD. Mr. President, I ask that S. 2166, introduced earlier today by Senator JOHNSTON, be read for the first time.

The PRESIDING OFFICER. The clerk will state the bill by title.

Mr. FORD. Mr. President, I ask unanimous consent that the bill be read for the second time.

The PRESIDING OFFICER. is there objection?

Mr. PRESSLER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The bill will lay over 1 legislative day pursuant to rule XIV.

ADJOURNMENT FOR 30 SECONDS

Mr. FORD. Mr. President, I ask unanimous consent that the Senate stand in adjournment for 30 seconds; that when the Senate reconvenes, the call of the calendar be waived, no motions or resolutions come over under the rule; that the morning hour be deemed to have expired following the second reading of the bills and joint resolutions that have been read for the first time, and that the Journal of the proceedings be approved to date.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, the Senate, at 6:47 p.m., adjourned for 30 seconds; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SIMON].

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

BILL READ FOR THE SECOND TIME AND PLACED ON CALENDAR—S. 2166

The PRESIDING OFFICER. The bill will be stated by title for the second time.

The assistant legislative clerk read as follows:

A bill (S. 2166) to reduce the Nation's dependence on imported oil to provide for the energy security of the Nation, and for other purposes.

Mr. FORD. Mr. President, I object to further proceedings on this bill.

The PRESIDING OFFICER. Objection having been heard, the bill will be placed on the Senate Calendar pursuant to rule XIV.

WELFARE DEPENDENCY ACT

Mr. FORD. Mr. President, the pending business now, I believe, is Calendar 305, S. 1256.

The PRESIDING OFFICER. The Senator is correct.

Is there any debate on the bill?

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, the distinguished acting majority leader has just called up S. 1256, the Welfare Dependency Act of 1991.

Mr. President, although the occasion is a quiet evening in the Senate, this event is not a small one. We hope to the contrary it will mark the beginning of our Government's effort to measure and to understand the problem of dependency in our country.

President Bush, in his State of the Union Message last night, spoke of welfare. He spoke of a consensus among the Democratic and Republican mayors of the Conference of Mayors, and that the problems of families were central to the problems of cities.

For some 5 years on the Committee on Finance, the Subcommittee on Social Security and Family Policy, we have been looking into this question and have come to the judgment that in the post-industrial age that we are entering, dependency has become a problem very much in the nature that unemployment was a problem during the industrial age that we associate with the 19th and the early 20th century.

Unemployment came upon the world misunderstood and immeasurable. People just did not know what do with this business cycle which suddenly would put people out of work, and people were standing around amid vast amounts of disorder, dislocation, misery.

In the 19th century, we referred to these as panics and, indeed, panic was what spread through the land. We did not know what it was. We did not know whether individuals were to blame or whether some other hidden forces were responsible. John Maynard Keynes and Schumpeter had not come along, statistical measures had not yet been developed.

In 1921—if I have the date correct—President Harding in the aftermath of the recession of that year, in the course of it, held a large White House conference on the subject and he made an interesting remark. He said that when a large number of people are out of work, unemployment results. And that is about as much as anybody knew.

And the first measurement of an unemployment rate was done by Alvin Hansen of Harvard University on a WPA grant about 1938. The statistics of sampling were getting to the point where you could do this.

The Employment Act of 1946 created the Council of Economic Advisers, and the Joint Economic Committee, and established the Economic Report. And the object of that report was to talk about how you get to—they did not say "full employment"—the largest level of employment compatible with other concerns.

The first thing to do was to learn to measure it. And if you look at that report—we will be receiving the most recent edition in a few days now—you will find the unemployment rate. The Presiding Officer follows these matters very closely, I know this. Actually, the unemployment rate in the United States did not begin until 1948.

Back then, we measured unemployment every 10 years in the spring of 1930 and the spring of 1940. The Great Depression did not exist, does not exist in our official statistics.

Thirty years ago, I became an Assistant Secretary of Labor in the Kennedy administration. I can tell you that the unemployment rate in those days when it came out was the object of great scrutiny. The chamber of commerce wanted to know whether it was too high; The AFL-CIO wanted to know whether it was too low.

A great deal of effort was expended before we got to the point where we are today, where we knew how to do it. Today, if there are adjustments, we make adjustments. But the process is understood.

We do not understand that process as regards the subject of welfare, welfare dependency, single parent, dependent children.

Last night, the President, meaning no harm and with perfect good faith, cited President Roosevelt on the issue of the debilitating, demoralizing aspects of being dependent on welfare, and read as if he was talking about welfare as you and I understand it. But that was not the case at all.

"Americans are the most generous people on Earth," said President Bush last night. "But we have to go back to the insight of Franklin Roosevelt who, when he spoke of what had become the welfare program, warned that it must not become a narcotic and a subtle destroyer of the spirit."

Actually, that was from President Roosevelt's State of the Union Address of 1935, before the Social Security Act was enacted. He was talking about home relief for unemployed men. The unemployment rate was probably about 25 percent then.

Francis Perkins would say that the typical AFDC recipient was a West Virginia miner's widow. And that gradually would fade away, wither away, as the survivors insurance under Social Security came into effect. Back then many widows were on this program. Not so today. But there is an enormous population of children in single parent families.

We have, with the cooperation of the very able officials, Secretary Barnhart and Secretary Gary in the Department of Health and Human Services, developed a welfare dependency rate. We can say to you with confidence that of children born in 1967, 1968, 1969, nearly one-quarter were on welfare before they reached age 18, nearly three-quarters of minority children, 72 percent. We project that of children born in 1980, going on a third, 30.2 percent, will have been on welfare before age 18.

And so what we would like to do with this legislation is to start to measure this subject, find out what its predictors are, what its indicators are. Break it down. We no longer have just one unemployment rate. We can tell you how many unemployed have just entered the labor market, how many people have lost their jobs, how many people have left their jobs to get a new one, how many people have been out of work for 6 weeks, how many have been out for 6 months. It will take time to do this kind of statistical analysis. But we are going to learn to measure. We are going to learn to say to people who want to talk about it, here are the facts, the agreed-upon numbers, the predictors, the indicators.

Those first economic reports that follow the Employment Act of 1946 were pretty thin affairs. As I said earlier, it was not until 1948 that the Federal Government could publish an unemployment rate. We know how to do that now. We know how to disaggregate. You know, people who are just entering the labor market, people returning, people changing jobs, people losing their jobs because the plant closed, and so forth.

I am happy to say this measure has unanimous support in the Senate. I hope we can go to the House and find equal interest in getting our numbers together, learning about the single most important fact of the life of children in our country today, which is that at the end of three centuries of unprecedented growth a third of our children will be paupers before they turn 18. It shows in every aspect of our life and it has to be attended to, just as unemployment had to be attended to.

I said a quarter of the cohort born in the late 1960's. A quarter of the population was unemployed in 1935, when President Roosevelt made the statement that President Bush cited last night. That does not happen anymore. We have learned. The social learning required took place.

We hope that with this act, which is modeled directly on the Employment Act of 1946, we will begin the same kind of inquiry and develop a welfare dependency rate. And the legislation calls for the Secretary of Health and Human Services to advise Congress and the President on how that rate can be brought down.

Mr. MOYNIHAN. Mr. President, if there are no further Senators wishing to speak, I urge the passage of the bill.

The PRESIDING OFFICER. (Mr. KOHL). If there is no further debate, the bill, as amended, is deemed read for the third time and passed.

So the bill, S. 1256, as amended, was deemed read the third time and passed as follows:

S. 1256

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Welfare Dependency Act of 1992".

SEC. 2. FINDINGS.

The Congress finds that welfare dependency has reached threatening levels:

(1) In the period since 1960 the average annual caseload of the aid to families with dependent children (AFDC) program under title IV of the Social Security Act has quintupled.

(2) In 1990 there were on average almost twice as many households receiving aid to families with dependent children payments as the number of households and individuals receiving unemployment compensation benefits.

(3) Nearly one-quarter of children born in the period 1967 through 1969 were dependent on welfare (AFDC) before reaching age 18. For minority children this ratio approached three-quarters.

(4) At any given time one-quarter of school children are from single parent families, or households with neither parent. The National Assessment of Educational Progress has documented the educational losses associated with single parent or no parent households.

(5) Only one-quarter of father-absent families receive full child support and over one-half receive none.

(6) The average aid to families with dependent children benefit has declined by more than one-third since 1960.

(7) The burden of welfare dependency is an issue of necessary concern to women, who in overwhelming proportion are the heads of single parent families.

(8) The rate of welfare dependency is rising. However, the statistical basis on which to assess this national issue is wholly inadequate, much as the statistical basis for addressing issues of unemployment was inadequate prior to the Employment Act of 1946, which required the creation of the annual economic report of the President and the development of unemployment rates.

SEC. 3. CONGRESSIONAL POLICY.

The Congress hereby declares that—

(1) it is the policy and responsibility of the Federal Government to reduce welfare dependency to the lowest possible level, and to assist families toward self-sufficiency, consistent with other essential national goals;

(2) it is the policy of the United States to strengthen families, to ensure that children grow up in families that are economically self-sufficient and to underscore the responsibility of parents to support their children;

(3) the Federal Government should help welfare recipients as well as individuals at risk of welfare dependency to improve their education and job skills, to obtain access to necessary support services, and to take such other steps as may assist them to meet their responsibilities to become financially independent; and

(4) it is the purpose of this Act to aid in lowering welfare dependency by providing the public with generally accepted measures of welfare dependency so that it can track dependency over time and determine whether progress is being made in reducing welfare dependency and enabling families to be self-sufficient.

SEC. 4. DEVELOPMENT OF WELFARE DEPENDENCY INDICATORS, RATES, AND PREDICTORS.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this Act as the "Secretary") shall develop indicators, rates, and predictors of welfare dependency.

(b) DEVELOPMENT.—The Secretary shall—

(1) develop—

(A) indicators and rates related to the level of welfare dependency in the United States; and

(B) predictors that are correlated with welfare dependency;

(2) assess the data needed to report annually on the indicators, rates, and predictors, including the ability of existing data collection efforts to provide such data and any additional data collection needs; and

(3) not later than 2 years after the date of enactment of this Act, provide an interim report containing conclusions resulting from the development and assessment described in paragraphs (1) and (2), to—

(A) the Committee on Ways and Means of the House of Representatives;

(B) the Committee on Education and Labor of the House of Representatives;

(C) the Committee on Finance of the Senate; and

(D) the Committee on Labor and Human Resources of the Senate.

(c) CONSIDERATIONS.—In developing the indicators, rates, and predictors, the Secretary shall consider the complexity of patterns of welfare dependency and self-sufficiency attainment, and the external factors, including the economy, that affect welfare dependency.

SEC. 5. ADVISORY BOARD ON WELFARE DEPENDENCY.

(a) ESTABLISHMENT.—There is established an Advisory Board on Welfare Dependency (referred to in this Act as the "Board").

(b) COMPOSITION.—The Board shall be composed of 12 members with equal numbers to be appointed by the House of Representatives, the Senate, and the President. The Board shall be composed of experts in the fields of welfare research and statistical methodology, representatives of State and local welfare agencies, and organizations concerned with welfare issues.

(c) VACANCIES.—Any vacancy occurring in the membership of the Board shall be filled in the same manner as the original appointment for the position being vacated. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

(d) DUTIES.—Duties of the Board shall include—

(1) providing advice and recommendations to the Secretary on the development of indicators, rates, and predictors of welfare dependency, and the identification of data collection needs and existing data collection efforts, described in section 4(b)(2); and

(2) providing advice on the development and presentation of the annual report on welfare dependency indicators, rates, and predictors required under section 6.

(e) TRAVEL EXPENSES.—Members of the Board shall not be compensated, but shall receive travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(f) DETAIL OF FEDERAL EMPLOYEES.—The Secretary shall detail, without reimbursement, any of the personnel of the agency to the Board to assist the Board in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(g) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, United States Code, the Board may accept the voluntary services provided by a member of the Board.

SEC. 6. ANNUAL WELFARE DEPENDENCY REPORT.

(a) PREPARATION.—The Secretary shall prepare an annual report on welfare dependency in the United States. The report shall attempt to identify indicators, rates, and predictors of welfare dependency and trends in dependency, and provide information and analysis on the causes of dependency.

(b) COVERAGE.—The report shall include analysis of families and individuals receiving assistance under means-tested benefit programs, including the program of aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and the Supplemental Security Income program under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or as general assistance under programs administered by State and local governments.

(c) CONTENTS.—Each report shall set forth—

(1) for each of the means-tested benefit programs described in subsection (b)—

(A) current trends in the number and rates of recipients and the characteristics, including age, sex, marital status, presence of children, labor force participation, and disability, of the recipients; and

(B) total expenditures;

(2) the proportion of the total population receiving each of the programs and patterns of multiple program participation and recipiency duration;

(3)(A) characteristics of each such program, including total expenditures broken down by Federal and State shares, gross income limit, need standards, and maximum potential benefit by State; and

(B) a description of the interactions among the programs;

(4) in the case of the second, or a subsequent, report, changes in the information described in paragraphs (1) through (3) from the previous year, and trends in program participation;

(5) annual numerical goals for recipients, and expenditures, within each program and within significant subgroups within the population, for the calendar year in which the report is transmitted and for each of the following 4 calendar years, which goals shall, consistent with other essential national goals, reflect the objectives of—

(A) reducing welfare dependency to the lowest possible level; and

(B) increasing family self-sufficiency at or above the Federal poverty level to the greatest extent possible;

(6)(A) the programs and policies as the Secretary, in consultation with the Board, determines are necessary to meet the goals for each of the 5 years; and

(B) such recommendations for legislation, which shall not include proposals to reduce eligibility levels or impose barriers to program access, as the Secretary may determine to be necessary or desirable to reduce welfare dependency; and

(7) interim goals for reducing the proportion of children, and families with children, who are recipients of aid to families with dependent children to 10 percent of families with children, adjusted for economic conditions.

(d) SUBMISSION.—The Secretary shall submit such a report not later than 3 years after the date of the enactment of this Act, and annually thereafter, to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. The report shall be transmitted during the first 60 days of each regular session of Congress.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. FORD. Mr. President, I ask unanimous consent that we return to morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW

Mr. FORD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand adjourned until 10 a.m., Thursday, January 30; and that, when the Senate reconvenes on Thursday, January 30, the journal of proceedings be deemed to have been approved to date; the call of the calendar be waived, and no motions or resolutions come over under the rule; that the morning hour be deemed to have expired; I further ask unanimous consent that the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business, not to extend beyond 11 a.m., with Senators permitted to speak therein; with the following Senators recognized to speak: Senators NUNN and DASCHLE for up to 15 minutes each; Senators LEVIN and SEYMOUR for up to 10 minutes each; and Senator CRANSTON for up to 5 minutes; that at 11 a.m., Thursday, the Senate resume consideration of S. 12, the cable bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FORD. Mr. President, I would like, on behalf of the majority leader and the managers of the cable bill, to announce for the information of the Senator that on tomorrow, Thursday, at 11 a.m., Senator PACKWOOD is expected to offer his substitute amendment, and that other amendments are expected to be offered during the day. Therefore, rollcall votes are anticipated and could occur into the evening.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. FORD. Mr. President, if there is no further business to come before the Senate today, and if the acting Republican leader has no further business, I now ask unanimous consent the Senate stand in adjournment as previously ordered.

There being no objection, the Senate, at 7:05 p.m. adjourned until Thursday, January 30, 1992, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate January 29, 1992:

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE. THE OFFICERS IDENTIFIED WITH AN ASTERISK ARE NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE.

JUDGE ADVOCATE GENERAL'S CORPS

To be colonel

ROBERT F. GANZALES, [redacted]

To be lieutentant colonel

RICHARD G. TOTTEN, [redacted]

To be major

*MICHAEL J. FUCCI, [redacted]

CHAPLAIN CORPS

To be major

*WALTER E. DREW, [redacted]

MEDICAL CORPS

To be major

*MICHAEL A. RANDOLPH, [redacted]

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE.

To be lieutenant colonel

ARMY

FRANCISCO B. IRIARTE, [redacted]
MARK N. ROCHLIN, [redacted]
DONALD T. STUCK, [redacted]

IN THE NAVY

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE MEDICAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

MASON X. DANG
KARLYNA L. DELGER
JACKIE S.DHERMY
AMALIA B. DIGAN
JEFFREY J. DYER
LAURA M. DYER
JEROME G. ENAD
JOHNATHAN T. FLEENOR
MARK A. FONTANA
MICHAEL I. FREW
MARY E. GALASSO
SAWSAN GHURANI
MICHAEL N. HABIBE
WILLIAM M. HALL
ROBERT A. HARRIS
DANIEL J. HERBERT
CHARLES R. HOWSARE
PAUL D. KANE
CON Y. LING
JASON D. MAGUIRE
MELISSA A. MASQUELIER
SCOTT T. MAURER
GREGORY H. MCKINNIS
JOSEPH P. MCMAHON
SHARON M. MILLER
ALLEN O. MITCHELL
JOHN B. NEWMAN
SANDOR S. NIEMANN
JOHN D. O'BOYLE
MAUREEN E. O'HARA
DAVID A. OLIVER
JAMES R. PATE
TODD B. PETERSON
KENNETH G. PUGH
TIMOTHY R. QUINER
JASON R. ROSS
MICHAEL S. ROUNDY
CHERYL A. SAMPSON
CATHERINE E. SIMPSON
ROBERT E. STAMBAUGH
TERRY A. STAMBAUGH
CHRISTOPHER P. STOLLE
DAWN E. SULLIVAN
JOHN M. TRAMONTI
SAMUEL K. TSANG
MELANIE R. WAITE
ROBERT O. WOODBURY
JON S. WOODS

IN THE NAVY

THE FOLLOWING NAMED NAVAL RESERVE OFFICERS TRAINING CORPS PROGRAM CANDIDATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

BRUCE W. GLASKO
DAVID A. PETERSON
CHARLES A. WHITECOTTON

THE FOLLOWING NAMED DISTINGUISHED NAVAL GRADUATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

STEVEN P. BALTHAZOR
BRIAN K. BARTLETT
WILLIAM M. BAULKMAN
SCOTT M. BROWN
LAWRENCE A. COBLE
CHARLES COMEAU
STEVEN CORDES
DAVID E. LINEBACK
RAYMOND G. MORRISON
GREGORY S. NICHOLS
SIL A. PERRELLA
WILLIAM H. SCHOTANUS
NEIL A. SZANYI
JEFFREY R. YOUNG

THE FOLLOWING NAMED U.S. NAVAL OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE MEDICAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

WALTER S. BEW
ALISA J. BLITZ-SEIBERT
WILLIAM C. BRUNNER
ROY J. CARLS
DAVID T. CARPENTER
CHRISTOPHER D. CLAGGETT
JEFFREY B. COLE
GLEN C. CRAWFORD

IN THE NAVY

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT COMMANDER IN THE LINE OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

COMMANDER, LINE, USN, PERMANENT

PAUL R. COX

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE LINE OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, LINE, USN, PERMANENT

GRACE E. ALLINDER
GERALD R. ANDERSON
DAVID S. ANGRISANI
BARRY C. BRATTON
STEPHEN S. CAMPBELL
VINCENT J. CORONA
WILLIAM L. CRAVER, JR
KEVIN J. CRONIN
WILLIAM F. DANELLA
ALAN K. DEWITT
PHILIP K. DOUGHERTY
JEFFREY DUERRWAECHTER
MICHAEL L. DUNN
STEPHEN R. EDSON, III
STEVEN J. GASPAROVICH
MICHAEL K. GLEASON
JUAN M. GRADO
PHILLIP J. GUZINSKI
RICHARD P. HAJEK
JOHN R. HALEY
DANIEL J. HARRIGAN
LEWIS E. HARTMAN, III
GARY E. HENDRICKSON
FREDERIC A. HENNEY, JR
ALAN L. HENSLEY
TIMOTHY C. HINES
MARK W. KAMINSKI
THOMAS S. KING
MIKAL E. KISSICK
HOWARD E. KOTH
ERNEST K. LATIMORE
DAVID A. LENNOX
CHARLES E. LOWE
GARRY R. MACE
JOHN J. MARALDO
JOHN J. MARSHALL
ROBERT T. MCCAMPBELL
ROBERT P. MCLAUGHLIN, JR
ROBERT C. MEYERS
TERRY T. MILLER
JEFFREY L. MORMAN
JONATHAN D. MOSIER
WILLIAM J. MOYER, JR
MARI C. OBNINSKY
CHARLES P. OTOOLE
JOHN F. PATTEN, II
MARK J. PETERS
GARY D. POE
BOBBY J. RIVERS
MARK R. SCHAEFER
MARK R. SCHERBERGER
JOSEPH C. SCHROEDER
DANIEL R. SEESHOLTZ
LINDA W. SHEDLOCK
RICHARD J. SHY
THEODORE H. B. SMYTHE, II
GERALD L. SOCHA
PHILLIP M. TINSLEY
BRIAN R. TOON
PAUL H. WALL, III
DAVID L. WEGNER
JEFFREY J. WILLIS
GARY L. WOLFE

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT CAPTAIN IN THE MEDICAL CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

CAPTAIN, MEDICAL CORPS, USN, PERMANENT

KARL G. BAER
JOHN F. CARSON
PAUL J. CHRISTENSON
JAY D. HARVIEL
STEPHEN L. HOFFMAN
DENNIS G. HOOPER
LARRY K. MILLER
CALVIN L. POLLAND
PERRY W. STAFFORD
GEORGE C. WILSON
EVELINA YUNAN

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

COMMANDER, MEDICAL CORPS, USN, PERMANENT

RICHARD J. ACKERMANN
JOHN F. ALBURGER
BRYAN S. APPLE
RICHARD W. ASHBURN
CHARLES R. AUKER
MARK W. AUSTIN
KEVIN G. BERRY
PHILIP B. BESHANY
CRAIG E. BISCHOFF
BILL N. BOSWELL
JOHN T. BRAUN
TERESA M. BRENNAN
JOE P. BRYAN
STEVEN L. BUCKLEY
PATRICIA L. BUSS
WILLIAM L. CODY
MARGARET L. COHEN
WILLIAM R. CORSE
MICHAEL D. COURTNEY
LANCE E. CROPP
CHRISTOPHER G. CUNNINGHAM
CRAIG L. CUPP
TERESA A. DARCY
JAMES R. DEVOLL
ROBERT J. DHAEM
JAMES P. DORMAN
ROBERT P. DRISCOLL
MARK EDWARDS
THOMAS F. GIESECKE
DANIEL L. GRIFFEN, III
JAMES A. GRIGGS
LARRY K. GRUBB
DAVID M. HARLAN
JAMES M. JOHNSTON
ELAINE M. KAIME
DAVID A. KALLMAN
EDWARD M. KILBANE
EUGENE S. KILLEAVY
PATRICK J. LANIGAN
RAYMOND B. LEIDICH
DAVID LEIVERS
RICKY LOCKHART
SEAN R. LOGAN
HUGH P. MADDEN
EVERETT F. MAGANN
MICHAEL P. MALANOSKI
STEPHEN V. MAWN
BRIAN R. MCDONALD
WILLIAM A. MCDONALD
KEVIN W. MCNEELY
JOHN K. MEHL
PAULA J. MELONE
JOHN E. MURNANE
JONATHAN C. NESBITT
DALE C. NEWTON
JEFFREY M. OGORZALEK
MARSHA G. PIERDINOCK
CHRISTOPHER RAMOS
KIRBY G. RIDGWAY
KENNETH J. RILEY
GEORGE RODELSPERGER
ELLESTON C. RUCKER
ELISABETH J. RUSHING
BARBARA A. SCHIBLY
SAUL S. SCHWARZ
DAVID G. SCOTT
RANDALL V. SELLERS
THOMAS J. STILLWELL
RICHARD A. SUMMA
JEFFREY M. SWALCHICK
WILLIAM TAYLOR
MICHAEL A. TURNER
WILLIAM A. WALKER
PETER J. WEIMERSKIRCH
WALTER R. WEISS
THOMAS G. WESTBROOK
LAURA WILLIAMS
ROGERS L. WORTHAM

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, SUPPLY CORPS, USN, PERMANENT

THOMAS W BOONE
PAUL F. BRAUN
JOE E. FAULKNER
RICHARD F. GONZALEZ
WILLIAM T. SWAIN
JEFFREY L. SWANSON

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT CAPTAIN IN THE CHAPLAIN CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

CAPTAIN, CHAPLAIN CORPS, USN, PERMANENT

GEORGE C. PAUL

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT COMMANDER IN THE CHAPLAIN CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

COMMANDER, CHAPLAIN CORPS, USN, PERMANENT

DONALD W. AVEN
ROBERT P. BELTRAM
ROBERT N. EDWARDS
WAYNE T. WEINLADER

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE CHAPLAIN CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, CHAPLAIN CORPS, USN, PERMANENT

ALAN T. BAKER
ROGER R. BOUCHER
THOMAS E. BRAITHWAITE
LEWIS E. BROWN
DONALD E. BUCHANAN
BASIL P. CONGRO
ROBERT D. CROSSAN
THEOFANIS J. DEGAITAS
NEAL J. DESTEFANO
JOHN S. EVANS
MARK E. FARRIS
ROBERT S. FEINBERG
JAMES R. FISHER, JR
JON C. FREDRICKSON
LUIS F. GARCIA
MICHAEL W. HAMILTON
FREDERICK A. HILDER, JR
ROBERT C. HRDLICKA
GERALD H. JONES
MARK A. JUMPER
RONNIE C. KING
THOMAS G. KLAPPERT
LANCE P. KRZYWICKI
MICHAEL E. LAVELLE
THOMAS J. LOVE, JR
HOWARD L. MARSHALL
CHARLES P. MCGATHY
MICHAEL P. MONAHAN
MICHAEL G. ORR
DALE W. PARKER
DAVID P. REMY
GEORGE A. RIDGEWAY
ERICH M. SCHAEFER
JOHN C. SMITH
STEPHEN J. STAVOY
LYNN WAGNER
WANDA L. WEIDMAN

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, CIVIL ENGINEER CORPS, USN, PERMANENT

CHARLES E. CASSIDY
TIMOTHY M. SMITH

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT CAPTAIN IN THE DENTAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

CAPTAIN, DENTAL CORPS, USN, PERMANENT

LARRY J. DERMODY

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE MEDICAL SERVICE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, MEDICAL SERVICE CORPS, USN, PERMANENT

RICKEY D. ADAMS
STEPHEN T. AHLERS
PAUL G. ANJESKI
JOHN D. BELL
SOMPONG CHIA
HARRY G. CHURCHILL, JR
RICHARD O. CLARK
LEE L. CORNFORTH
IRVE B. DENENBERG
GREGORY P. ERNST
RAYMOND A. FRITZ, JR
THOMAS A. GASKIN
MICHAEL G. GELLES
JOSEPH P. GOMES
PHILIP M. HOLMES
MANUEL F. LLUBERAS
WILLIAM J. MEA
PAMELA A. MURPHY
JUDITH A. ROBERTSON
ROBERT K. ROGERS
JOHN K. SCHMIDT
PAUL R. SCHRATZ, JR
RONALD N. SHULL
GARY E. TETREAULT
RICKY D. TOYAMA
LYNDA E. WALLS

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT COMMANDER IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

COMMANDER, NURSE CORPS, USN, PERMANENT

CAROL S. R. BOHN
LEAH S. FEYH
JEANNETTE A. LIVELY
WENDY L. LUM
SANDRA R. OKATANROSA

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, NURSE CORPS, USN, PERMANENT

MELINDA T. BAKER
ELIZABETH J. BRUMFIELD
CESAR P. CABALFIN
SAMUEL E. DIXON
PATRICIA G. LONG
MARYLYN MADDENMADDOX
JOSEPH F. MURRAY
BONNY C. SCHOFIELD
KATHERINE A. SURMAN
DANETTE M. SVOBODNY
VALDYNE M. VIERS
CATHY L. WAGSTAFF

IN THE NAVY

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, LINE, USN, PERMANENT

JOHN GEOFFREY SPEER

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, LINE, USN, PERMANENT

EUGENE JOSEPH AGER
DEAN FREDERICK AKER
ROGER DALE ALBERS
STUART JAMES ALEXANDER
ANNIE BELLE ANDREWS
CARLOS EMILIO APONTE
RUSSELL JON ARIZA
EVERETTE KEITH ASTON
ROSS EDWARD AVERY
GARY ROBERT AYERS
ERIC ROBERT BACHMANN
ROBERT HIRAM BARR, II
PATRICIA ANN BARROWS
ROBIN CLAIRE BEDINGFIELD
ALAN DEAN BERGMAN
TODD JOSEPH BERHOW
JOEL THOMAS BILES, JR
PATRICK JOSEPH BINDL
ROBERT MILTON BLAIR
ROBERT JAMES BLANCHARD
GORDON FORREST BLEDSOE
JOHN ADDISON BREAST
FREDERICK ELLIOTT BREAUX
TIMOTHY ROLAND BRIDGES
GERARD DAVID BROSKUS
MICHAEL ANDREW BROTHERS
ROBERT DAVID BROWN
CHRISTOPHER KEITH BURGESS
BARRY BARTON BUSS
RAYMOND PAUL BUTTS
JAMES WALTER BYERLY
BRUCE LUTHER CALDWELL
JOSEPH HENRY CAPPER
JOHN WILKINS CARTER
BRIAN PATRICK CASEY
DAVID EARL CASHER
DEBORAH MARIE ZUVER CASHMAN
CORWIN DUNBAR CHAMBERLAIN
MARK ANTHONY CHAVES
DONNA ANITA CHERRY
BERNARD JOSEPH COLACICCO
DENNIS RAY CONKLIN
DAVID PATRICK CONNELLY, III
DEBRA ROOB COSTELLO
BETTY LEAH CRAIG
GARY DEAN CRASE
FREDERICK HILL CRAWFORD
MATTHEW WARD DANEHY
KEVIN THOMAS DAVIS
DAVID DEWAIN DAVISON
DANIEL FITCH DEBUCHANANNE
MICHAEL EDMOND DEVINE
VITOR JOAO SOUSA DIAS
PAUL ANDREW DICKERSON
STANTON WILLIAM DIETRICH
DAVID ANTHONY DOBIS
DANA ALLAN DOBRENCHUK
BRUCECECIL DOLEZAL
PETER ANTHONY EAGLE
ANTHONY JOHN EGGERT, JR
PHILLIP CHARLES EHR
CHARLES EVANS EMDE
CHRISTOPHER CHARLE ENGSTROM
JEFFREY DONALD ETTER
PATRICK RICHARD FALLEY
MICHAEL BURTON FARRELL
BRIAN A. FAZZONE
MICHAEL LLOYD FICHTNER
THOMAS FLATLEY
GLEN DANIEL FOLTZ
MARIE FRIERSON
ROBERTO LUIS FUENTES
JOHN MARTIN FUHRY
DALE GREGORY FULLER
ANDREW LOUIS GAGNON
SHANE GARRAUN GAHAGAN
JOSEPH EDWARD GARDNER
BRIAN ROBERT GATES
RODNEY JAY GIBSON
STEPHEN EDWARD GOZZO
CATHERINE MARIE GRAHAM
GLENN M. GRAM
WILLIAM DAVID GREEN
KEVIN FRANCIS GREENE
SUMAPORN P. GUERRERO
ROBERT GEORGE HAHN
RICHARD PETER HAJEK
RANDY DALE HALDEMAN
PETER HALL
KRAIG ALLEN HAMEL
MARY ELIZABETH HANSON
MICHAEL FLOYD HARDIN
MICHAEL WILLIAM HARKLEROAD
HOWARD DANIEL HART
JOSEPH MICHAEL HART, III
JEFFREY MOORE HARVEY
CHARLES ALLEN KERR HAZARD
ANDREW ALBERT HEAL
DOUGLAS PETER HENCHEN
JOHN EDWIN HERBERT
BRYAN EDWARD HERDLICK
MICHAEL PERRY HIETT
JON ANTHONY HILL
PAUL KEVIN HIMEBAUGH
TIMOTHY LEE HOBBS
JOHN MCCORMICK HODGES, III
ROBERT SCOTT HOSPODAR
GEORGE NELSON HUGHES
BRICK ROGER IMERMAN
CHARLES ALBIN JENNINGS
TROY DUANE JENSEN
BRYAN DOUGLAS JOHNSON
DARREN ANTHONY JOHNSON
JOSEPH CARL JOHNSON
KEVIN ROBERT JOHNSON
PHILLIP ANDREW JONES
VORESA ELIZABETH JONES
KEVIN JOSEPH KEILTY
JOHN CHARLES KENNY
ROBERT LEONARD KING
MARY ANNA KIRBY
DONALD SOLOMON KITCHEN, JR
WILLIAM SEDGLEY KNOLL
MARK STEPHEN KOSEWICZ
TIMOTHY MICHAEL KRUKOWSKI
TIMOTHY KENNETH LANGDON
ERNEST KELVIN LATIMORE
JUDITH ANN LAUDER
SANFORD WESLEY LEATHERS
DEL BENTLEY LEBARRON
LEWIS EDWARD LEFTWICH, JR
CHRISTOPHER EDWARD LEHNER
RICHARD RYAN LENCH
JAY EDWARD LENTZ
KENT STEVEN LIDKE
DAVID LYLE LILLY
CHARLES ELDON LOWE
ROBERT EDWARD LUTHY
BRADLEY JAMES MAAK
DUNCAN JOHN MACDONALD
FORBES OWEN MACVANE
KURT ERNST KARL MAEHLER
MARK DWIGHT MALSICK
TIMOTHY SCOTT MATTINGLY
SUSAN KAPIGIAN MCAVEETY
ROBERT MILES MCCLOSKEY
WILLIAM TERENCE MCGAGH
STEPHEN EDWARD MCLAUGHLIN
DAVID SCOTT MILLS
JOHN ALDEN MORIARTY
JONATHAN DEAN MOSIER
MICHAEL HOLLIS MOSLEY
DANA SHAW MULLENHOUR
JOHN EDWARD MUNN
MARK GERARD NIEZGODA
JAMES WARRINGTON OLD
JIMMY WAYNE OLDHAM
RODNEY ALAN OVERFIELD
CHARLES TIMOTHY PALMER
TIM PATRICK PANGONAS

CARLOS FRANCIS PARADA
MARCO ANTHONY PATI
CHARLES JOHN PECKHAM
MATTHEW JAMES PITTNER
GEOFFREY STEPHEN PLETCHER
CURTIS DEAN POPE
MARK ALLEN PRICER
SEAN AVERELL PYBUS
JAMES MICHAEL QUALLS
RANDY JAMES RACHAL
MICHAEL DAVID RENIE
DAVID ALLAN ROBINSON
PATRICK GERALD ROCHE
MICHAEL PATRICK ROGERS
PAUL WILLIAM ROMAINE
JOHN ROBERT RONCORONI
WILLIAM NICHOLAS RUDY
MADELINE RUSSELL
ROBERT JAMES RUSSELL
LEROY HENRY SAUNDERS, JR
MARC STEVEN SCACCIA
JOHN KENNETH SCHEENSTRA
STEVEN ALAN SCHELLBERG
RICHARD ALLEN SCHILL
DAVID ALLAN SCHNELL
WALTER MICHAEL SCHNELL
MICHAEL MONTE SHANKS
JOHN MICHAEL SHEPHERD
JAMES RYMAN SHOAF
DAVID CHRISTOPHER SHUGHROU
TAMMIE JO SHULTS
RICHARD J. SHY
DAVID MILLER SIMBOLI, JR
SCOTT DOUGLAS SINCLAIR
CHRISTOPHER MCCABE SIRKIS
ERIC STEPHEN SLEZAK
BYRON LEON SMITH
EDWARD DANIEL SMITH
WADE HAMPTON SMITH, JR
DONALD MERLE SNOVER
THEODORE MARTIN SOLIS
DAVID WALTER SOMERS, III
PAUL ADRIEN SOUTTER
SCOTT STOOPS
OTTO JOHN STOREY, JR
CHARLES LIONEL STUPPARD
DONALD RAYMOND SULLIVAN, JR
KENNETH ANTHONY SZMED, JR
MEGAN ELISSA TABER
CHARLES WILLIAM TARLTON
MARK DENNIS TATE
TROY LEE TEADT
TIMOTHY JAMES THALER
JEFFREY NEILSON THOMAS
MARK WAYNE THOMAS
PAUL GILBERT THOMASSON
JOHN GUNN TILSON
PETER ALLEN TOMCZAK
MOISES TORRES
JADEL TRIPLETTPHILLIPS
ROBERT BRIAN TYMAN
ROSS VINCENT VELARDI
MICHAEL TERENCE VOGEL
MARK FRANCIS VOLPE
WILLIAM SCOTT WALES
JOHN DIETRICH WALKER
MICHAEL G. WARD
MATTHEW GORDON WARNER
MARK ADRIAN WENZEL
ROBERT KEITH WHELAN
MARK ALAN WILCOX
RINEHART MCLELLAND WILKE, IV
BRUCE WILLIAM WILLARD
DAVID MARK WILLIAMS
ROBERT RANSOM WILLIAMS, IV
STEPHEN JOHN WILLIAMS
JEFFREY JOYNER WINSTEAD
SCOTT JOSEPH WISE
MICHAEL EMANUEL WOJCIK
STEPHANIE LEE WRIGHT
LAURA GARZA YAMBRICK
JAMES SIDNEY YBARRA
MARK OWEN ZAVACK
ERIC JOHN ZIMMER
WILLIAM EDWARD ZOROVICH

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT (JUNIOR GRADE), LINE, USN, PERMANENT

GREGORY ALAN ARCHIBALD
HAROLD LEVELLE BARNES
CRISTOBAL SANTOS BENAVIDES
PAULA SUE BLOOM
DAVID CHARLES BOYLE
MORDAUNT PLATT BRABNER
REBECCA JOANNE BRADLEY
JEFFREY ALLEN BRESLAU
CLARK VICTOR BRIGGER
EMIL JULIAN AMBROS CHUIDIAN
JOSEPH C. COLELLA
JOHN M. COVER
MATTHEW KIRK DAVENPORT
BRYAN LAWRENCE DICKERSON
KYLE W. ECHARD
KRISTEN JENSEN EGGERT
JAMES CLEVELAND EISENZIMMER
JAMES EDWARD ELGIN
ELLEN HALE EMERSON
DANIEL PATRICK FALLON
NIELS ANDREW FARNER
PETER BRADFORD FIELD
SCOTT ROMNEY GALLAGHER
ARTURO MANUEL GARCIA
RAYMOND CLAUDE GAW
MARK ALAN GERSCHOFFER
JONATHAN A. GILL
PAULA DEMETRIUS GOINS
FRANCIS ROBERT GUTIERREZ, JR
WILLIAM KENNETH HALVERSON
TOD ARLISS HARPER
DIANA HARRIS
WILLIAM OSMOND HARRIS, III
PAUL GILES HATMAKER
JASON COOPER HINES
JOHN DEAN HOOD
JOSEPH GREGORY HUBBELL
DAVID RAY HUNT
RICHARD ALLEN JEFFRIES
GORDON K. JUDD
DAVID SCOTT KAISER
RICHARD JOHN KRYSTOF
GLENN DENNIS KYRK
RICKY ALLEN LEE
ROGER WAYNE LIGON
RICHARD J. LINEHAN
FELIPE RAUL LOPEZ
SAMUEL ALLEN MAROON
JAMES NICHOLAS MASSELLO
GREGORY KENT MCINTOSH
SCOTT ALEXANDER MCKENZIE
JEFFREY PETER MENNE
QUINCY NEAL MILTON, II
CHRISTOPHER GEORGE PADDOCK
BENJAMIN LAWRENCE PALLEIKO
LAWRENCE A. PEMBERTON
REID MATTHEW PERRY
PATRICK MEYER PICKARD
MATTHEW PLANTE
ELISA ANNE RANEY
LOUIS WAYNE RANKIN
JEFFREY TAYLOR REES
JEFFREY ALAN RICHARDSON
THOMAS JAMES SCHMIDT
MARK M. SCOTT
TIMOTHY RANDALL SCOTT
JAMES A. SEWELL
CHRISTOPHER DAVID SILVER
PAUL ANDREW SLAJUS
THOMAS BURL SMITH, II
JEFFREY SCOTT SPEARMAN
JAMES JOSEPH STAFFORD
MICHAEL SCOTT STEINER
KRISTIN BYNG STRONG
NIGEL JAMES SUTTON
JANET SUE TEETS
SUZANNE PROSE TURNER
KIERAN SEAN TWOMEY
DANIEL EDWARD VOTH
AMY M. WADE
DANIEL KENNETH WALSH
TIMOTHY JARROD WEST
JOHNNY RAY WOLFE, JR
JOSEPH NMN ZANDERZUK
MICHAEL WILLIAM ZARKOWSKI
LYDIA RUTH ZELLER
MARY MARGARET ZIZZI

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

ENSIGN, LINE, USN, PERMANENT

RODNEY A. ARMAND
SCOTT M. ARMANDO
MARK A. BARBIERI
JOHN C. BARNHART
JOSEPH D. BASSO
WARREN E. BAXLEY
JEFFREY L. BESSA
CRAIG R. BLAKELY
THOMAS G. BOHRER
RICK D. BONEAU
BRIAN W. BOOKER
DAVID P. BOSSIO
CHAD D. BROWN
DAVID J. BROWN
GERALD CANFIELD
CHARLES CANTRELL
JOHN E. CARRIER
MICHAEL COSTARELL
ROLAND L. DILLEY
STEPHEN DOWLING
EUGENE J. DOYLE
ANDREW DRUFFNER
ROBERT D. DUNN
KEVIN B. EDWARDS
ROBERT ELEVELD
TIMOTHY ERICKSON
STEVEN EVERARD
KEVIN SEAN FORD
NICHOLA FORSMAN
BRYAN FRATELLO
DAVID D. GAMMELL
TIMOTHY GERRISH
JIMMY HACKWORTH
JEFFREY M. HANNA
DEAN NMN HARPER
JAMES E. HASSETT
TREVOR K. HENRY
ROBERT G. HENTZ
ERIC B. HOFACKET
WARD C. HOOTER
GREGORY HOWARD
DAVID S. HUDSON
JAMES W. JENKS
WILLIAM JOYNER
MATTHEW JUNKER
JEFFREY KALMANEK
JOSEPH Y. KAN
SILAS R. KENNEDY
GARY KIRKPATRICK
SCOTT A. KNECHT
JOHN DAVID KNOX
WILLIAM LATHAM
PAUL R. LEMESTRE
CARL LEUSCHNER
MATTHEW LINDEN
JOHN H. LOCKETT
JOHN J. LUND
DENNIS T. MADURA
RICHARD MAGILL
WILLIAM MARLOWE
WILLIAM H. MARSH
WILLIAM MCCAULEY
LAUREN MCCLURE
SHAWN MCCRACKEN
DONALD L. MCGEE
DANIEL J. MCLAIN
PATRICK S. MCLAY
TYLER L. MEADOR
CLYDE S. MILLER
DARIN MONTIERTH
DAVID A. MONTY
JEFFREY W. NEGUS
DEVON C. NUGENT
FREDERICK OELRICH
S. ORTIZVILLAJOS
ANTHONY L. PATE
KENNETH PEDOTTO
DAVID PELLICCIARINI
JODY LEE PERRY
TIM H. PHAM
DAVID A. POST
MARK D. PYLE
JAMES O. RASURE
ALAN A. RECHEL
KEVIN R. REINERS
MARTIN A. RILEY
JOHN A. SAGER
JOSEPH SCHMIDT
ALLEN F. SCHULTZ
JEFFREY SCHWARTZ
MARK E. SCHWIEG
MARSHAL SEAVERS
PETER S. SHIRLEY
RICHARD W. SHORE
DAVID M. SLIGER
BRENTON D. SMITH
PATRICK F. SMITH
SCOTT T. STEVENS
JOHN STRICKLAND
THOMAS A. TRAPP
CHRISTOPHER TRIMBLE
MICHAEL UMBRELL
R. VAIDYANATHAN
GEORGE VANRIJN
THOMAS S. WALL
SCOTT C. WHALEN
CURT D. WHEADON
STEVEN P. WHITES
JOHN W. WILLIS

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

COMMANDER, MEDICAL CORPS, USN, PERMANENT

ROBERT S. CARNES
CLYDE M. HUNT
MANUEL EN RIVERAALSINA
NATALIE A. WILLENBERG

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, MEDICAL CORPS, USN, PERMANENT

WILLIAM BRUCE BARHAM
DAVID TANKSLEY BUTLER
RANDALL CULPEPPER
KAREN A. DALY
THOMAS F. GIESECKE
GEORGE M. HUDSON
JAMES ANDREW LIPTON
EVERETT FRANCIS MAGANN
TIMOTHY DANIE MONAGHAN
THOMAS G. WESTBROOK

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE MEDICAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, MEDICAL CORPS, USN, PERMANENT

WILLIAM B. ADAMS
LAUREL BLAIR SAL CLARK
ROBERT A. HILL
DEBORAH A. HINKLEY
CURTIS OLLAYOS
ALBERT C. WINFIELD

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, SUPPLY CORPS, USN, PERMANENT

JOHN CRISPIN ANDERSON
DAVID BRIAN BAYARD
GRAFTON D. CHASE, JR
HUGH ROGER CLINTON, III
ROBERT ADKERSON GANTT
DAVID EVAN GUILBERT
RICK WOODRUFF JOHNSON
KEITH WILLIAM KIRKLAND
PATRICK ORVIN MCCABE
JAMES ANDREW MCCORMACK
ROBERT LEO MICHELS
LUIS MICHAEL MOLINA
EDWARD MAGOFFIN SHINE

THE FOLLOWING NAMED LINE OFFICERS TO BE REAPPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATED CODE, SECTIONS 531 AND 5582(B):

LIEUTENANT (JUNIOR GRADE), SUPPLY CORPS, USN, PERMANENT

FELIPE AMOR LUNA, JR
DANIEL EDWARD SCANGO

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT (JUNIOR GRADE), SUPPLY CORPS, USN, PERMANENT

ROBERT PHILIP ALLEN
THOMAS RICHARD CLOUTHIER
JAMES ARTHUR COLLINS
TIMOTHY WILLIAM COLYER
STEPHEN COX
MARK ANDREW GELSINGER
JOHN VINCENT HARMON
RONALD JAY KOCHER
JOHN MARK MCVEIGH
THOMAS PATRICK MOORE
MARK SCOTT MURPHY
GARY COLIN ROBERTSON
JAMES JOSEPH WEISER
MARK WILLIAM WERNER
JAMES OLIVER WILLIAMS, JR

THE FOLLOWING NAMED LINE OFFICERS TO REAPPOINTED PERMANENT ENSIGN IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

ENSIGN, SUPPLY CORPS, USN, PERMANENT

BRYAN MATTHEW BAQUER
KARA FLATLEY BROPHY
CHRISTOPHER ELLIOTT CRANE
THOMAS J. DICKPEDDIE
JEFFREY CARNEY JOCKELL
THOMAS JOHN MCBRIDE
SCOTT T. MCCAIN
JAMES ALFRED PALOMBO
ROBERT S. SOLOW
TRAVIS R. WORTHINGTON

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICER TO BE APPOINTED PERMANENT LIEUTENANT IN THE CHAPLAIN CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, CHAPLAIN CORPS, USN, PERMANENT

ROBERT SETH FEINBERG

THE FOLLOWING NAMED LINE OFFICERS TO BE REAPPOINTED PERMANENT LIEUTENANT IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LIEUTENANT, CIVIL ENGINEER CORPS, USN, PERMANENT

HAROLD ALLEN BOUIKA
WILLIAM LESTER COBLENTZ
CHRISTOPHER NEIL HICKEY
PAUL ALEXANDER MULLINS
JORGE PATRICIO RIOS
JAMES T. STONE
PAUL JOSEPH TUZZOLO
JAMES MICHAEL WINK

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, CIVIL ENGINEER CORPS, USN, PERMANENT

MARK ALLEN BERGIN
DENNIS LEE CARLSON
KEVIN BRIAN HOLMES
ANTHONY EVERETT MASSENBURG
CHERLYNN EMMA MOES
MARC ALLEN MYRUM
JAMES MICHAEL PACE
MICHAEL LEE PHILLIPS
WILLIAM BRUCE SHOEMAKER
MICHAEL ANTHONY ZANOLI

THE FOLLOWING NAMED LINE OFFICERS TO BE REAPPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LIEUTENANT (JUNIOR GRADE), CIVIL ENGINEER CORPS, USN, PERMANENT

JEFFREY JOSEPH HAHN
HENRY SCOTT YOUNG

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT (JUNIOR GRADE), CIVIL ENGINEER CORPS, USN, PERMANENT

ROBERT JOSEPH CORDELL
MICHAEL JAMES CREBBIN
VICENTE NMN DEARMAS
CRAIG STEPHEN HAMER
HEATHER ANNE LASKA
SHARON BRISCOE OBY

KEVIN PATRICK OCONNOR
DEBORAH ELLEN ROE
RICHARD STEPHEN SCHNABEL
RODNEY ORLUND WORDEN

THE FOLLOWING NAMED LINE OFFICER TO BE REAPPOINTED PERMANENT ENSIGN IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

ENSIGN, CIVIL ENGINEER CORPS, USN, PERMANENT

DEBORAH POTTER COX

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICER TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE JUDGE ADVOCATE GENERAL'S CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, JUDGE ADVOCATE GENERAL'S CORPS, USN, PERMANENT

RICHARD D. ZEIGLER

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE JUDGE ADVOCATE GENERAL'S CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, JUDGE ADVOCATE GENERAL'S CORPS, USN, PERMANENT

RICK DENIS BASTIEN
TRACY RENEE BRIGGS
DONALD MITCHELL BROWN
GREGG ANTHONY CERVI
BENJAMIN BEALE CLANCY
DAVID EDWARD GROGAN
STEPHEN ANTHON JAMROZY
TERESA ANN MCPALMER
JAMES BRENFORD MELTON
MATTHEW GRAHAM SHIRLEY
JULIE LYNN TINKER
JOHN KIRK WAITS
MICHAEL JOHN WENTWORTH

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE DENTAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, DENTAL CORPS, USN, PERMANENT

THOMAS LEWIS BOWERS
SAMUEL FELIBERTI
RICHARD A. JORALMON

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE DENTAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, DENTAL CORPS, USN, PERMANENT

DOUGLAS CHARLES ASHMAN
WOODY CHARLES BAKER
BOOKER TYRONE BROWN
JOHN PERRY BROWNING
JAMES THEODORE CASTLE
RUTH CHEU
GEORGE J. EULER
STEVEN CARL FISHER
MATTHEW JOHN GRAMKEE
RANDY LEE HEIBEL
SCOTT EUGENE HOLMES
CHARLES IRA KNAPP
WILLIAM JOHN LYONS
BRYAN TIMOTHY MARSHALL
SHELLEA JEAN MILLER
SYLVIA ROSEMARY MILLER
PATRICK JOHN MUNLEY
TIMOTHY JAMES NEUMANN
DONALD RAY RATLIFF
MICHAEL CHARLES ROYSE
SIDNEY JOE STROTHER
DAVID IRA TINDLE
BART TIRRELL
VANESSA LYNETT VAZQUEZ
ROBERT BERNARD WALSH
BONNIE LYNN YALE

THE FOLLOWING NAMED REGULAR OFFICER TO BE REAPPOINTED PERMANENT LIEUTENANT IN THE MEDICAL SERVICE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, MEDICAL SERVICE CORPS, USN, PERMANENT

RICHARD DANIEL HAYDEN

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE MEDICAL SERVICE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, MEDICAL SERVICE CORPS, USN, PERMANENT

MICHAEL ANTHONY ANAYA
IRIS JANNICE ASHMEADE
CYNTHIA ELIESE BAKER
WILLENE GREEN BROWN
KENNETH CHARLES BURGER
DONALD STEPHEN CLEMENS
GLENN CEFRE CONTE
VICKI LYNN CORFIELD
RICHARD GLENN CRABB
ANN CHRISTIN CZERW
STEVEN KENNETH DAVIS
AARON CHARLES DECKER
DANA JAY GANT
THOMAS AUBREY GASKIN
GERALD RANDOL GRIMSLEY
DAVID HENRY HAMBLETT
DEXTER ANDRE HARDY
GAIL LOUISE HATHAWAY
DAVID WARREN HAYS
VELDA RENAE HOLTHUS
MICHAEL JACKSON
MARYE VIRGINIA JOHNSON
PIETRO DOMEN MARGHELLA
MICHAEL JAMES MATHEWS
DWIGHT MYRO MCCLENDON
WILLIAM PATR MCCORMACK
FREDERICK JOS MCDONALD
DENISE KAY MCELDOWNEY
RONALD ANTHONY J. NOSEK
JOHN CHARLES PARKER
EDGARDO PEREZLUGO
GLEN RAYMOND PORTER
ANN L. RIFFLE
MARGE M. SELL
DANNY DEAN URBAN
MICHAEL LEE VINEYARD
STANLEY GLENN WADE
BRENDA B. WHITE
DIANA L. WILLIAMSON
GEORGE STANLE WOLOWICZ

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE MEDICAL SERVICE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT (JUNIOR GRADE), MEDICAL SERVICE CORPS, USN, PERMANENT

BECKY LYNN BAILEY
ROBERT CHAR BARRIEAULT
ARLEN WAY BOLENBAUCHER
DANIEL JOSEPH CORNWELL
MICHAEL CRICCHIO
LAWRENCE M. CUMMINGS, JR
JAIME EDUARDO DIAZSOLA
DAVID WAYNE DROZD
JAMES WILLIAM ELLIOTT
DEANN JOLENE FARR
STEPHEN PAUL FOSTER
FREDERICK PETER FRANZE
GERALYN ANN HARADON
ALISON KAY KNIGHT
CELSO BILLEZA MACASPAC
CARLOS JAMES MARTINEZ
MICAH LAWRENCE MEYERS
ERNEST ELMON J. PARRISH
STEVEN RICHARD PATTON
JULIE DENE PEREZ
DAVID PATRIC SHUEMAKER
STEVEN DOUGLAS TATE
GREGORY EDWIN THOMAS
HELEN VIRGINI THOMPSON
ANTONETTE KATHE TUMPEK
SHARON MARIE WRIGHT

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, NURSE CORPS, USN, PERMANENT

CAROL S. R. BOHN
VANESSA A. NOGGLE
SANDRA RODR OKATANROSA

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, NURSE CORPS, USN, PERMANENT

MARY E. BACHKO
CHARLENE PATRICE BURNS
SUSAN ANN CARMACK
DOROTHY CATHE CHRISTEN
PATRICIA RANDOLPH COCO
MARK NEIL COPENHAVER
CHRISTOPHER J. COSTIGAN
EDWIN MANUEL GALAN
COLLEEN KATE GALLAGHER
SARA JANE HANSON
JOHN STEPHE HILTIBIDAL
REMEDIOS J. LABRADOR
LOUIS XAVIER LESH
MICHELLE LORIE LOFLAND
JAMES KENNETH LOHMANN
PETER ANDREW LOMBARDO
ANNE MARIE MITCHELL
QUYEN HANH NGUYEN
MARY ELLEN OGDEN
LINDA PETIT
MELISSA R. PHELPS
REBECCA JANE POWERS
CHRISTOPHER JEAN PRATT
MARK L. REITNAUER
BONNIE SUE SCOTT
DOREEN ESTHER TATE
DEBRA ELAINE TOOKE
LINDA EMILY TROUP

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT (JUNIOR GRADE), NURSE CORPS, USN, PERMANENT

SARAH BETH ALEXANDER
EDWARD SMITH BATES, JR
JOSEPH FRANCIS BURKARD
JAY ELWOOD CHAMBERS
HARRIET EMILY COFFEY
GREGORY WILLIAM DAVIS
ELISABETH ERIN DEEGAN
KENNETH EDWARD DEMOTT
MICHAEL DIBONAVENTURA
BRENDA KAY HOOLAPA
JAMES THOMAS HOSACK
SHIRLEY LOUISE JOHNSON
ANN LOUISE KLABOUGH
PHILIP GERAR ROSENBERG
SCOTT KARL SHAFFER
CAROLINE MIRIAM SHARP
DAVID VELEZ
VICKIE ANN WEAVER
KEVIN LESLIE WHEELOCK

THE FOLLOWING NAMED LIMITED DUTY OFFICERS TO BE REAPPOINTED PERMANENT LIEUTENANT COMMANDER AS REGULAR OFFICERS IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(E):

LIEUTENANT COMMANDER, LINE, USN, PERMANENT

WILLIAM THOMAS CROOKS
LARRY DWIGHT WILCHER

THE FOLLOWING NAMED LIMITED DUTY OFFICER TO BE REAPPOINTED PERMANENT LIEUTENANT AS REGULAR OFFICERS IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(E):

LIEUTENANT, LINE, USN, PERMANENT

NICHOLAS LOUIS GIANACAKOS
DONALD LEE SAYRE

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIEUTENANT, LINE, USN, PERMANENT

JOHN ALBERT COTE

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICER TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIEUTENANT (JUNIOR GRADE), LINE, USN, PERMANENT

MARY CATHERINE COSTA

IN THE NAVY

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED AS PERMANENT LIMITED DUTY OFFICERS IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIEUTENANT, LIMITED DUTY OFFICERS, LINE, USN, PERMANENT

NEAL ADAMS
JOHN J. AHNEN
KENNETH R. ALLEN
EDGARDO G. ALMINAR
STEPHEN M. ANDERJACK
FEDERICO B. ARCAINA
JAMES R. ARNOLD, JR
JAMES F. ARRIGHI
PETER S. ASBY, JR
GERALD L. AULENBACH
CATHALENE BABINEAUX
DAVID A. BACKER
GEORGE M. BAIN
JEFFREY S. BAKER
KEVIN L. BALLINGER
SONNIE I. BARLOW
CARL R. BARNHARDT
GLENN E. BARRICK
HARRY F. BAYNES
RONALD B. BISHOP
MICHAEL I. BISSON
RONALD BLANKENSHIP
WILLIAM J. BODINE
WILLIAM C. BOLES
ERICH W. BORGSTEDE
GREG A. BOX
MICHAEL B. BOYKIN
ROBERT F. BRADSHAW
STEVEN O. BRADSHAW
JEFFREY S. BRATVOLD
PATRICK M. BROPHY
THOMAS E. BURLESON
FRANCIS C. BUSH
DONALD A. BUZARD
GARY L. CALDWELL
JOEL M. CANNON
ANTONIO J. CARDOSO
DAVID A. CARTES
DOUGLAS J. CAWTHRA
GARY K. CHAMBLISS
CHARLES J. CHAN
RICHARD H. CHAPMAN
TIMOTHY A. CHEATHAM
MICHAEL A. CHEATWOOD
GEORGE J. CHIPMAN
JOHNNY D. CHRISTENSEN
PETER J. CHRISTENSEN
EDWARD R. CLARY
JACK P. CLAUSEN
JOHN W. CLIFTON
JAMES COCKLIN, JR
GORDON W. COLLICK
ANTHONY C. CONANT
TIMOTHY S. CONRAD
GERALD M. COOK
STEVEN A. COOK
DENNIS M. COOKE
STEVEN E. CRABB
RONALD L. CRANFILL
MARK H. CRAVER
CARLON J. CUBBEDGE
BERNARD L. DALLY
STEVEN T. DAVIS
LEOPOLDO F. DECARDENAS
CHARLES S. DELLINGER
KENNETH B. DEPEW
GREGORY DEVAUGHN
THOMAS W. DILL
GEORGE E. DORTCH
BRETT K. EASLER
EARL R. EDER
RICHARD A. ELKINS
JOHNNY L. ELWOOD
DALE L. ERLEWINE
JAMES D. FALKNER
CRAIG S. FAUBION
MICHAEL D. FERRARI
LAURENCE W. FITZPATRICK
EDWARD A. FLINT
DEAN C. FLOYD
ANNETTE M. GARDINAL
MELVIN C. GATES
ERIC F. GEDULTVONJUNGENFELD
STEVEN R. GELBACH
HELENA A. GILBERT
EVARISTO GINES
CURTIS L. GOMER
SUSAN E. GRAHAM
DAVID L. GREEN
RODERICK F. GRINER
JAMES E. HAGY
MARK A. HAMMARGREN
PHILIP L. HANS, IV
CORLYNN G. HARALDSON
ROBERT D. HARBOUR
ROBERT W. HARGRAVE
MICHAEL W. HARLOW
ALLEN R. HELMS, JR
BRIAN L. HENRY
BARBARA P. HESS
KEVIN C. HESTER
STEPHEN F. HIEGL
JEFFERY L. HINKEL
PAUL T. HINZ
TOMMY L. HOLLOWAY
EDWIN W. HOLT
HERBERT H. HONAKER
TIMOTHY HOOYER
DENNIS W. HORMANN
STEVEN R. HUBBELL
TERRY L. HUNTER
CLEM P. HURN
LARRY W. ISON
HERBERT A. JANSEN
JOHN R. JENSEN, JR
JAMES H. JONES
JOHN R. JONES
JOHNATHAN L. JONES
JEFFREY D. JORGENSEN
MITCHELL D. KAAS
STANLEY E. KAPP
ROBERT D. KASS
DONALD H. KELLER
JAMES P. KELLOGG
THOMAS G. KELLY
CHRISTOPHER T. KELSALL
GREGORY R. KIDD
WILLIAM D. KIMBALL
JOHNNY C. KING
CARL KLEINHOLZ
DAVID K. KLINEDINST
EDWARD R. KNOWLES
JOSEPH A. KORNAHRENS
ARARAT KRIKORIAN
STEPHEN M. KRUEGER
JIM W. LACEY, JR
NANCY D. LAKE
STEPHEN M. LARIVIERE
WALTER J. LATALL
HARRY E. LAWSON, JR
LINDSAY C. LECUYER
STEPHEN L. LEE
JEFFREY E. LESSIE
WALTER K. LETHIN
HAROLD F. LEUPP
WILLIAM T. LEUTZ
BRUCE E. LOBACH
KEVIN S. LONDKE
MARK C. LOOSE
GREGORY K. LORICK
JOHN F. LYMAN
MICHAEL R. LYNCH
JONATHAN M. LYTLE
PETER A. MAGARELLI
BRUCE J. MANNING
CARL W. MARTIN
HENRY E. MARTIN
GREGORY K. MAXEY
RICHARD D. MCCLELLAN
MICHAEL W. MCDANIEL
RONALD P. MCDAVID
CLEMENT J. MCDONALD
BRADLEY S. MCFARLAND
JOHN M. MCKITTRICK
JIMMY R. MCLAUGHLIN
HERNDON R. MCMILLAN
JOE L. MCMULLEN
DWAINE D. MEAGHER
DARIAN R. MEANS
KENNETH R. MINOGUE
JOSEPH T. MINTON
SANTOS L. MOLINA
WATHEN T. MONTGOMERY
PHILIP J. MORAN
ALAN D. MORRIS
JEROME S. MORRISON
CHARLES R. MOUSAW
WILLIAM G. MYNHIER
ROBERT S. NEVILLE
ROLANDO R. NIEVES
EUGENE A. NYGARD
KAREN L. OBERG
DWIGHT D. OLSON
MICHAEL S. ONAN

THOMAS H. OSMUNSON
MARC R. OUELLET
SAMUEL W. OVERMYER
FRANKY L. PARKER
GLEN D. PASCO
DONALD R. PATTERSON
WESTLEY M. PEDERSON
GARY E. PERKINS
JEAN M. PERRY
GREGORY S. PETERMAN
WILLIAM F. PETERSON
LINDAHL H. PICKENS
GLENN F. PIOTROWSKI
KENT C. POTTER
DOUGLAS G. POTTS
PATRICK E. POWERS
THOMAS L. PRICE
KEITH G. RABOTEAU
GARY E. RAINES
DALE C. RAMSEY
DEBORAH C. RAWLS
IRIS J. REEVES
MICHAEL V. REID
HENRY R. RHODES
JAMES E. RICHARDSON
WALLACE D. RICHMOND
JAMES F. RISLEY
WILLIAM D. ROBERTS
ERIC L. ROBINSON
HENRY P. ROUX
KEVIN L. ROWLAND
TIMOTHY J. RUSH
DOUGLAS P. RUSKA
DAVID M. SAIP
JEFFERY D. SALISBURY
RICHARD SANTOMAURO
BRUCE D. SARSFIELD
MAX G. SCATES
MICHAEL E. SCHARF
DOUGLAS F. SCHERER
MICHAEL R. SCHLEIS
GEORGE P. SCHMIDT
CRAIG A. SCHMOLL
MICHAEL J. SCHOEP
JOHN E. SCHUMANN
BRIAN J. SCHWANDT
GLEN N. SCOTT
DAVID L. SEAVEY
JACQUES SHAKE
STEVEN D. SHARER
ANTHONY M. SHEPHERD
THOMAS A. SHOEMAKER
MICHAEL W. SHULTS
STEPHEN R. SKAW
JAMES E. SKIBA
STEVEN P. SMITH
RICHARD N. SOUCIE
RICHARD A. STAGERS
JAMES P. STEIL
KEVIN W. STEWART
BARRY L. STIFFLER
JAMES E. STOLZE, JR
STEVEN A. STOPLER
JOHN A. SUCCO
PATRICK M. SULLIVAN
JOHN M. SUTHERLAND
DANIEL I. SUTTON
STEVEN J. SWANSON
MICHAEL F. SWEENEY
RAYMOND J. SZCZEPAN
CLIFFORD TAYLOR
SAMUEL L. TOWNSEND
CHRISTOPHER P. TRIMPEY
EDWARD M. TUCKER
EMMETT S. TURK
ROBERT A. TURNER
DAVID C. UNCUR
ROBERTA C. UTT
RICHARD C. VALENTINE
XAVIER M. VARGAS
EWIN T. VERDICT
SIDNEY J. VIGIL
JOHN E. WADSWORTH
MARK D. WARREN
ROBERT L. WARREN
CHARLES W. WATTS
GARY T. WEBB
CARL B. WEICKSEL
DEL E. WEIHERT
MICHAEL W. WENDT
JOHNNY R. WHEAT
LARRY W. WHEATON
JOHN D. WICKENHOFER
JOHN D. WIEDEMANN
DEBRA A. WILLIQUETTE
ELMER L. WILSON
HAROLD M. WINNINGS
JOHN E. WIX
BENNIE L. WYNKOOP
ROBERT L. YOUNG, JR

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE SUPPLY CORPS AS LIMITED DUTY OFFICERS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIEUTENANT, LIMITED DUTY OFFICERS, SUPPLY CORPS, USN, PERMANENT

ALAN C. BETSINGER
PHILIP B. BUMA
GEORGE E. CHRISTENSEN
RICHARD COWAN, JR
OSCAR V. GARCIA
STEVEN S. HARTZELL
CRAIG A. HENDERSON
REBECCA D. HOROWITZ
LAURENCE C. JOHNSON
WALLACE W. JOHNSON
HILLARY KING, JR
WALTER G. PATTERSON
MICHAEL W. RUTTEN
LYNN M. SCHRAGE
MICHAEL V. SNYDER
JOHN A. WILLIAMS

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE CIVIL ENGINEER CORPS AS LIMITED DUTY OFFICERS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIEUTENANT, LIMITED DUTY OFFICERS, CIVIL ENGINEER CORPS, USN, PERMANENT

DENNIS M. FEGAN
GORDON F. JANSKY
ROBERT L. ZEMINA

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE LAW PROGRAM AS LIMITED DUTY OFFICERS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIEUTENANT, LIMITED DUTY OFFICERS, LAW PROGRAM, USN, PERMANENT

STEVEN J. BARTLETT
BILLY A. DAVIDSON
CURTIS W. HOVEY
STANLEY D. RHOADES

EXTENSIONS OF REMARKS

TRIBUTE TO JOSEPH T. VESPO

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. FISH. Mr. Speaker, I rise today to recognize and pay special tribute to Joseph T. Vespo, successful businessman, community leader, and Republican Party chairman. Mr. Vespo is being honored by the Town of Newburgh Republican Committee at their annual Lincoln Day Dinner on February 8, as 1992 Republican of the Year for his tremendous contributions and outstanding service to his party.

I join his many friends and admirers and compliment Joe on being chosen to receive this honor. Throughout his life, he has displayed an intensity and resolve to enhance the quality of life in his community that has been matched only by the perseverance he has demonstrated in his impressive record of professional and political successes.

As founder and president of Vespo Marketing Associates, an industrial electronic controls marketing company, Joe is all too familiar with the hardships facing small business owners in our Nation today. He is also owner, developer, and general contractor of Crawford Centre, a 75-acre industrial and commercial park.

Joe Vespo has not hesitated to serve his community and to pitch in wherever he could to create a better life for his family and his neighbors. He served the town of Crawford with distinction: as a member of the zoning board of appeals for 2 years; as a town councilman also for 2 years; and as Republican committeeman for the past 12 years.

In 1986 and 1987, Joe served as finance chairman of the Orange County Republican Committee. He undertook this responsibility at a time when the party was in a financial crisis. During his tenure and the subsequent 2 years that he served as county Republican treasurer, Joe balanced the books, got the party back into the black and kept it there.

In September 1989, Joe was elected Republican county chairman. When Joe retired as chairman last fall, he was able to point to an exemplary record of growth and achievement, and to a 2-year period of great gains by the Republican Party, at the town, county, and State level.

Mr. Speaker, I am well aware that the exceptional contributions that Joe Vespo has made over the years have benefited the citizens of Crawford and Orange County. I am confident that he will continue to provide invaluable service to his community and the impact he has had on the Orange County Republican Party will be felt for years to come.

JOSEPH T. VESPO

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. GILMAN. Mr. Speaker, the town of Newburgh, NY, Republican committee annually selects an outstanding community leader to single out for special honor at the committee's annual Lincoln Day Dinner.

I am pleased to announce that, for 1992, the committee has selected an individual who is not only a dedicated community leader, but is also a person who has earned a sterling reputation as a dedicated businessperson, political organizer, and public servant. He is an individual who I have had the honor of working closely with throughout the years, and who I have come to admire and highly respect. I cherish Joe's friendship, and I am proud to have enjoyed his support.

For those of our colleagues who are not acquainted with Joe Vespo, I wish to insert into the RECORD his full biography as it will appear in the journal the night of the town of Newburgh Lincoln Day Dinner on February 8:

> For the past two decades, the Town of Newburgh Republican Committee has singled out for special honor those Republicans whose service to the community, to the party, or to both, has been especially noteworthy and deserving of praise.
>
> Such an individual is Joseph T. Vespo of the Town of Crawford. His commitment to Republicanism has been so extraordinary throughout the years that we are pleased to proclaim him as Republican of the Year for 1992.
>
> Joe's service is the personification of the successful businessperson who realizes that it is a responsibility to give back to the community some of the benefits we all enjoy. Joe has always understood that the "doers" have more to offer than the "complainers."
>
> As a Member of the Town of Crawford Zoning Board of Appeals for two years, as a Town Councilman for two years, and as a Republican Committeeman for the Town of Crawford for the past twelve years, Joe was not afraid to serve his community and to pitch in to create a better life for himself, his family, and his neighbors.
>
> During 1986 and 1987, Joe Vespo served as Finance Chairman of the Orange County Republican Committee. He took on this chairmanship at a time when our party was seriously in debt. During his tenure, and during the subsequent two years that he served as County Republican Treasurer, Joe got us into the black and kept us there.
>
> Joe's election as Republican County Chairman in September 1989 heralded a glorious chapter in County Republican history. When Joe retired as Chairman two years later, he was able to point to a fine record of growth and accomplishment, and to a two year period of great gains by the Republican party, on the state, county, and town level.
>
> As founder and president of Vespo Marketing Associates, an industrial electronic controls marketing company, Joe well understands the hardship of the small business owner in our regulatory society. He is also owner, developer and general contractor of Crawford Centre, a 75 acre industrial/commercial park on Route 17K in the Town of Crawford, so he is vitally interested in the controlled growth of Orange County.
>
> Joe is a graduate of the Cooper Union School of Engineering and Science. He received his Bachelor of Science Degree in Electrical Engineering in 1968. As a college student during that time of national turmoil, he grasps the need for law and order in our society.
>
> Joe was honorable discharged from the U.S. Marine Corps in 1959. The following year, he married his wife Florence. Joe and Florence are the parents of two daughters (Karen, age 26 and Lynda, age 25) and a son (Jeffrey, age 22). Joe and Florence have lived in Orange County since 1970, and in the Hamlet of Thompson Ridge (in the Town of Crawford) since 1974.

Mr. Speaker, I invite all of our colleagues to join with me in saluting Joe Vespo as he is proclaimed the town of Newburgh "Republican of the Year" for 1992. Having been a previous recipient of this honor, I can assure Joe and his family that this will be a testimonial which will not soon be forgotten.

TRIBUTE TO CHARLES BOGDEN

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. BURTON of Indiana. Mr. Speaker, on Tuesday, January 7, 1992, Charles "Charlie" Bogden passed away. Charlie, referred to as "Mr. Republican" or "Mr. Wayne Township" by his friends in Indianapolis, was a tireless, behind-the-scenes campaigner in county politics and an absolute legend on the westside of the city. He endeared himself to local elected officials with his 40 years as a precinct committeeman and 20 years as president of the Wayne Township Republican Club. His service also grabbed the attention of the readers of the Indianapolis Star. In the 1970's, Charlie twice placed as high as fourth in the annual reader poll to determine the newspaper's Indianapolis Man of the Year. His main hobby was politics, and while he served on the Wayne Township Advisory Board for more than a dozen years, he had no ambition for higher office, preferring instead to operate behind the scenes. Charlie often bragged that his township Republican club was the biggest in the Nation, with membership often hovering around 1,000 people. What makes this even more remarkable, and a fitting tribute to Charlie's efforts, is that Wayne Township is one of the largest Democratic townships in the State. Charlie retired from Guarantee Auto in Indianapolis after more than 30 years of service, was a 30-year member of the Wayne Town-

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

ship Volunteer Fire Department and was an honorary State fire marshall. He is survived by his wife, Martha Louise, and his two sons, Butch and Dennis. We will all miss him.

SLATTERY ANNOUNCES NEW CONSUMER-ORIENTED AMENDMENTS TO H.R. 1527

HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. SLATTERY. Mr. Speaker, last week I announced major new consumer amendments to H.R. 1527, the Telecommunications Equipment Research and Manufacturing Competition Act, which I introduced last year. I believe these amendments strengthen an already strong bill. As amended, this bill reflects the need to allow the regional Bell companies to compete in the telecommunications manufacturing arena, while addressing specific concerns that exist about accessibility to the public switched network. These amendments will help to ensure that all Americans will be able to use available technologies to become more productive and reach their full creative potential. This is good news for American competitiveness in the world marketplace in the coming years.

The new amendments are supported by a wide range of public interest groups, including the American Council on Education, the National Association of the Deaf, the World Institute on Disability, the National Network of Learning Disabled Adults, and the National Indian Youth Council. The seven regional Bell companies—Ameritech, Bell Atlantic, BellSouth, NYNEX, Pacific Telesis Group, Southwestern Bell Corp., and USWest—have also endorsed the amendments.

According to Ray Petty, executive director of Independence, Inc., of Lawrence, KS, "cutting-edge developments arising directly from this bill will lead to communications networks that automatically translate computer bulletin board and other electronic mail messages into synthesized speech, so a blind individual can hear what I am able to read. * * * It may also lead to voice dialers for individuals who have difficulty dialing numbers manually."

Specifically, the consumer amendments are intended to:

Ensure that manufacturers consider the alternate access needs of persons with functional limitations when designing or fabricating telecommunications equipment;

Make the public switched network itself more accessible for those whose physical limitations might otherwise prevent full access, minimizing the need to purchase expensive equipment in order to achieve access;

Establish a permanent program for research and development of products and applications for the enhancement of the public switched network; and

Promote innovative access solutions for persons with disabilities and for health and educational institutions.

Mr. Speaker, I have included in this Extension of Remarks the text of the amendments, descriptive materials regarding the amendments, and a letter from a diverse list of groups supporting the addition of these amendments to H.R. 1527.

AMENDMENTS TO THE FINDINGS SECTION

One of the most important reasons for permitting the telephone companies into manufacturing is to create the incentive for greater investment in the public switched network. The following amendment recognizes this important objective, which is simply a reiteration of the universal service goals of the 1934 Communications Act, by amending Section 2, "Findings", to read as follows:

Section 2 of H.R. 1527:

"The Congress finds that:

"(a) universal access to advanced telecommunications services through the public switched telephone network by all persons, including persons with disabilities and public education institutions, at reasonable prices would be advanced; and

"(b) economic growth and international competitiveness of American industry would be assisted;

by permitting the Bell Telephone Companies, through their affiliates, to manufacture, design, develop, and fabricate telecommunications equipment and customer premises equipment, and to engage in research with respect to such equipment."

DISABILITY AMENDMENTS

Despite the enactment of the Americans with Disabilities Act, there continues to be an urgent need in the telecommunications arena for the development of solutions to accessibility barriers. As new products and services are developed, we are finding new and different barriers to access. Voice response systems, for example, are the new rage, yet hearing and motion impaired people generally cannot interact with such systems. Unfortunately, many of the new technological developments are making the already inaccessible network, even more inaccessible!

Therefore, two new sections are proposed to assure that any telecommunications equipment and solutions developed by the Bell Telephone Company affiliates are accessible, and that the network of the future itself is accessible:

1. "Any manufacturer, including one who designs, develops, or fabricates telecommunications equipment and customer premises equipment, will consider, to the maximum extent economically feasible, the alternate access needs of individuals with disabilities, including individuals with functional limitations of hearing, vision, movement, manipulation, speech and interpretation of information."

2. "Accessibility Standards:—To the extent that it is economically feasible within the current state-of-the-art, network capabilities to be deployed by common carriers shall be designed to be accessible to individuals whose access might otherwise be impeded by a disability or functional limitation. Such capabilities shall seek to permit the use of both standard and special equipment, and seek to minimize the need for individuals to acquire expensive devices to obtain such access."

PUBLIC NETWORK COMMITMENT

Notwithstanding the new authority granted by the legislation, the RBOCs may not have adequate incentives to invest in the network without specific Congressional direction. Therefore, a new section is proposed, which will impose on the Regional Bell Companies which elect to create a manufacturing affiliate, an obligation to engage in specific manufacturing research and development related to the public network, and innovations for access solutions by persons with disabilities and educational institutions:

Insert a new section "(g)" and renumber the sections thereafter:

(g) Public Network Enhancement. A Bell Telephone Company manufacturing affiliate shall, as a part of its overall manufacturing affiliate shall, as a part of its overall research and development effort, establish a permanent program for the manufacturing research and development of products and applications for the enhancement of the public switched telephone network and to promote public access to advanced telecommunications services. Such program shall focus its work substantially on developing technological advancements in public telephone network applications, telecommunication equipment and products and access solutions to new services and technology, including access by (1) public institutions, including educational and health care institutions; and (2) people with disabilities and functional limitations. Notwithstanding the limitations in paragraph 227(a), a Bell Telephone Company and its affiliates may engage in such a program in conjunction with a Bell Telephone Company not so affiliated or any of its affiliates. The existence or establishment of such a program that is jointly provided by manufacturing affiliates of Bell Telephone Companies shall satisfy the requirements of this section as it pertains to all such affiliates of a Bell Telephone Company. Notwithstanding any other provision of this Act, the manufacturing affiliate may engage in close collaboration with its Bell Telephone Company Operating Company affiliate for the purpose of identifying public switched network requirements and solutions under this paragraph.

JANUARY 23, 1992.

Hon. JIM SLATTERY,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN SLATTERY: The undersigned organizations, and individuals strongly support your acceptance of the new consumer amendments to H.R. 1527, the Telecommunications Equipment Research and Manufacturing Competition Act of 1991.

The amendments you are introducing today establish H.R. 1527 as the consumer bill in telecommunications this year. The new amendments address consumer, healthcare, education, and disability concerns.

Today, just 3 days before the first major implementation date for the 1990 Americans with Disabilities Act, we take special pleasure in noting that H.R. 1527 as amended takes a major step beyond the ADA. Title IV of that act offered full and equal access to users of Telecommunications Devices for the Deaf [TDDs]; Title IV was, however, the only title in ADA to serve just one segment of the cross-disability community. The amendments offered today, taken together, promise similar advances for people who ordinarily do not use TDD's but who may face obstacles in use of the telephone—such as individuals with cerebral palsy, learning disabilities, blindness, head injury, quadriplegia, and post-stroke disorders.

H.R. 1527 as amended today has the support of a board array of public interest, consumer, labor, education, disability, and manufacturing organizations, as well as 131 cosponsors. We note that the seven regional Bell operating companies also support the addition of these amendments. This represents a significant public commitment to improving products and services for consumers including those our organizations represent.

We urge the Congress to act on this legislation this year.

SUPPORTERS OF H.R. 1527 AND CONSUMER AMENDMENTS

Independence, Inc., Ray Petty, Lawrence, KS.

Action for Childrens Television, Peggy Charren, Cambridge, MA.

National Association for the Advancement of Colored People, Fred Rasheed, Baltimore, MD.

Communications Workers of America, Barbara Easterling, Washington, DC.

Council of Chief State School Officers, Monnie Edmunds, Washington, DC.

Foundation for Technology Access, Jacquelyn Brand, Albany, CA.

American Council on Education, Shelley Steinbach, Washington, DC.

National Association of the Deaf, Charles Estes, Silver Spring, MD.

World Institute on Disability, Deborah Kaplan, Oakland, CA.

Rehabilitation Engineering Society of North America, Dr. Douglas Hobson, Washington, DC.

Center for Living and Working, Robert H. Bailey, Worcester, MA.

National Network of Learning Disabled Adults, Jay Brill, Baltimore, MD.

National Indian Youth Council, Inc., Joe Cordova, Albuquerque, NM.

American Speech-Language-Hearing Association, Steven C. White, Ph.D., Rockville, MD.

National Council of Silver Haired Legislators, Rev. Edward E. Fields, Kansas City, MO.

Michigan Chapter-National Multiple Sclerosis Society, Sue Wilson, Southfield, MI.

Paraquad, Max Starkloff, St. Louis, MO.

D.E.A.F., Inc., Heidi L. Reed, Allaton, MA.

Alaska Association of the Deaf, Albert Berke, Anchorage, AK.

Center for Accessible Living, Elisabeth Bunnell, Louisville, KY.

Tamarack Habilitation, Martin Carlson, St. Paul, MN.

Fox River Valley Center for Independent Living, Cindy Ciancio, Elgin, IL.

Coalition for Citizens with Disabilities, Jackson, MS.

Barrier Free Living, Paul Fuerstein, New York, NY.

Brooklyn Center for Independence, Michael Levey, Brooklyn, NY.

Virginia Association of the Deaf, Gary L. Vial, Falls Church, VA.

Texas Association of the Deaf, Kent Kennedy, Austin, TX.

Alpha One, Steven Tremblay, Portland, ME.

Dr. Barbara O'Connor, Chair, Alliance for Public Technology, Sacramento, CA.

Henry Geller, Fellow, Markle Foundation, Washington, DC.

Donald Vial, Former Chair, California Public Utility Commission.

Ruth Jordan, Member, Board of Directors, Alliance for Public Technology, Washington, DC.

Helen Nelson, Fellow, American Council on Consumer Interest, San Francisco, CA.

Dr. Frank Bowe, Professor, Hofstra University, Long Island, NY.

Ken Phillips, Director of Information Services, Santa Monica, CA.

Don Pepe, Gilmer County Industrial Development Association, Glenville, WV.

Mary Gardiner Jones, President, Consumer Interest Research Institute, Washington, DC.

TRIBUTE TO JOANNE MOORE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. FRANK of Massachusetts. Mr. Speaker, I know modesty is a virtue, but sometimes it's hard to keep a little pride from showing.

One of the most important things we do as Members of the House is employ people to serve our constituents. Many of the members of our staffs are available day in and day out to help people with problems—anguishing, difficult personal problems in which individuals are faced with bureaucratic tangles that threaten them.

I am always disappointed when people take cheap shots at our employees, who are as dedicated, talented, and hard working a group as I know, and who are on the whole substantially underpaid for the long and demanding work they do.

I was, therefore, especially pleased when the Sun Chronicle in Attleboro wrote the following editorial on the occasion of the retirement from my staff of Joanne Moore, who has for nearly 40 years headed my office in the city of Attleboro.

Joanne is a superb public official—her compassion and intelligence have made a very positive difference in the lives of a lot of people, myself among them. I will miss her services, as well as thousands of people who live in the area she supervised.

I am grateful to the Sun Chronicle for this very well-deserved tribute to a person who exemplifies commitment to a better world for all of us.

[From the Sun Chronicle, Jan. 27, 1992]

JOANNE MOORE WILL BE MISSED BY LOCAL RESIDENTS

When a political appointee retires, that's not news. But when Joanne Moore retired, it not only was news, it was bad news.

However, good news about this veteran manager of U.S. Rep. Barney Frank's Attleboro local constitutents' office is contained in these words from her:

"I tell people I'm not retiring from the world, or the community."

The quotation followed her assurance that she will stay active in Attleboro in her retirement.

Unlike too many holders of political positions, Mrs. Moore is better known for her non-political work in the community than she is for her day-to-day work.

Mrs. Moore's work in Frank's office during the past 10 years usually involved one person at a time while her other community service was with groups.

Without trying to name all of the latter, we will let one of her most recent services stand for all. She joined several other Attleboro area residents in a group of volunteers that helped the Attleboro Public Library raise funds for its rehabilitation and expansion.

It is encouraging, however, for Attleboreans to know that Shirley Coelho will continue to serve their needs in the Attleboro constituents' office.

IMPROVING INFORMATION ABOUT CONGRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, January 29, 1992 into the CONGRESSIONAL RECORD:

IMPROVING INFORMATION ABOUT CONGRESS

There is a growing recognition that Congress needs reform on a variety of fronts, from campaign finance reform to institutional reform aimed at improving efficiency. But I believe Congress also needs reforms aimed at another goal, that of improving the public's understanding of the nature and the work of Congress.

Poor Information: Americans today get a lot of misleading information about Congress. The media often give sensationalized reports about Congress, and frequently seem to believe that only bad news constitute a story. Journalists can make themselves look wise, and Congress foolish, by picking on one action and explaining it incompletely. In addition, it has become a multi-million dollar business for private groups to send out distorted information about Congress in their direct mail solicitations, such as telling older Americans that the Social Security trust funds are being spent on congressional pay raises. The more these groups can make Congress sound stupid and out of touch, the more money they can rake in from upset Americans. Members of Congress often contribute to the problem by running for Congress by running against it. Many Americans have gone from merely negative feelings about Congress to outright hostility. And the fact that everybody attacks Congress and no one defends it certainly contributes to that. Attacking Congress is America's favorite indoor sport.

Not only are Americans getting too much misleading information about Congress, they are getting too little of the key information about important national policy. For all the coverage of Congress, many Americans have a poor understanding of even the most basic facts of federal policy. When most Americans don't know, for example, whether the federal government spends the most money on foreign aid or defense or welfare or older Americans, it is not surprising that Congress has difficulty developing a national consensus on the major issues of the day.

Helpful Steps: Here are several steps Congress could take that would improve the information people are getting about the institution:

Congress could adopt mechanisms for presenting major policy questions in a more systematic and accessible way. For example, a "GNP budget" would spell out what percent of our GNP goes for various major uses, such as education, defense, or private consumption, to help show how federal tax and spending policies should be adjusted to meet major challenges such as declining competitiveness. The House and Senate could file end-of-the-year reports that summarize their major activities in a readable way. And the broader institutional reform effort—improving unwieldy procedures and making subcommittee jurisdictions less confusing, for example—should help Congress deal with complex issues more coherently, which in turn should help inform the public about pressing policy concerns.

Congress could expand and encourage programs—from the congressional page program to internships for senior citizens, journalists, and teachers—that give people a first-hand experience of how Congress works. It could provide a running commentary for televised floor proceedings, to enable people to better understand complicated procedures, and set up a better visitors center operation to orient visitors to the role and activities of Congress.

Congress could use routine government mailings to educate Americans about key aspects of federal programs and to correct misconceptions. For example, social security checks could spell out the extent to which retirees get back more in benefits than they paid in, and federal income tax booklets could spell out major trends in federal tax and spending policy, such as the rapid growth in spending for health care and the sharp drop in corporate taxes. Congress could also ask the Library of Congress to prepare one-page Fact Sheets on the main "hot-button" issues most often used in misleading direct mail solicitations, which Members could send out when replying to constituents to better inform them about the issues.

The congressional leadership could periodically set aside time for the House and Senate to debate the major issues of the day, even when no bill is pending. They could provide more briefings for media on upcoming issue to better focus their attention on key substantive issues, and could set a clearer, coordinated House/Senate agenda. Few Americans can say what the top two or three items on the congressional agenda for a particular year are.

Individual Members could take a variety of steps ranging from sending out more informative newsletters to explaining more clearly how the actions of Congress affect people's daily lives. Members should tone down their election-year criticisms of Congress and defend the institution against unfair attacks. They could also urge local schools and libraries to focus on educational efforts about how the national government works, and could encourage local media to follow them around for a few days to get a better sense of the job of a Congressman.

Members could also emphasize at their public meetings the demands and responsibilities our democracy places on each individual. Perhaps the single most important step to improving public understanding of Congress is for individual citizens to take the time to learn more about the role, nature, and work of Congress and how policy is made in our country.

This is by no means a complete list. My suggestion is just that Congress needs to look at this whole area of public understanding of Congress in a more comprehensive and systematic way. Other measures have been introduced that should be considered, such as establishing a period for Members to question Cabinet officials about policy and setting aside a section of the Gallery for use of scholars.

Conclusion: The better people understand Congress, the greater appreciation they will have for its task and for its limitations. It is never going to be a tidy institution or a model of efficiency. There will always be contentious debate, strong disagreements, fractious partisanship, and tedious hearings. Indeed, by acting deliberately it prevents the adoption of bad legislation. Congress is a complicated institution, and too many people do not understand its function as a consensus builder, the rapidity by which issues come at it, the extent to which divided government complicates the job of governing, and Congress basic task of having to address the toughest, most divisive issues in the country.

Congress has a long way to go to improve its public standing. Certainly the best way is for Congress to tackle the tough issues and for people to feel more confident about the country's future. But my sense is that Congress' task will be made easier if it pays more attention to trying to improve public information about its nature and work.

FROM THE ARMED FORCES TO THE TEACHING FORCE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. SOLOMON. Mr. Speaker, I would like to insert a Wall Street Journal article titled, From the Armed Forces to the Teaching Force, into the CONGRESSIONAL RECORD. This is a great article expressing the need for States to reevaluate their accreditation certification process with regard to those former members of the armed services who want to enter the teaching profession following active duty. These former military men and women have a great deal to offer students. Members of the armed services are dedicated, motivated, and disciplined individuals. And many service members have furthered their education and received their baccalaureate degree and some even their master's degree. It is a shame that these highly qualified and experienced people are being shut out of the teaching profession because of lengthy certification requirements.

FROM THE ARMED FORCES TO THE TEACHING FORCE

(By Patricia Hines)

A lack of qualified teachers, particularly at the high school level, is frequently cited as contributing significantly to America's education crisis. But if the Army has its way, America's shortage of qualified teachers will soon belong to the past.

Victory in the Cold War has precipitated one of the largest troop reductions ever undertaken by the U.S. armed forces. Within the next five years, more than 500,000 people will be making the transition to civilian life. Most will be seeking new careers that will enable them to apply the skills and experience gained in the armed forces to the civilian sector.

The Army is strongly encouraging these men and women to consider teaching as their new career. Utilizing information provided by the Department of Education, the Army has established hotlines here and in Germany, South Korea and Panama to assist those interested in obtaining teaching certificates. The response has been overwhelming. In just four months of operation, more than 11,000 calls have been received from military personnel.

A quick glance at the qualifications of these people reveals the vast potential waiting to be tapped by America's schools. Of the 250,000 men and women scheduled to leave the Army by 1995, 20% are officers, of whom 99% have baccalaureate degrees. At the rank of major and above, 80% have either master's degrees or doctorates. Many have taught full time at one of the military academies or served on the faculty of the U.S. Army Command and General Staff College, the National War College, or one of the Army branch schools.

In light of this nation's critical shortage of qualified math teachers, it is noteworthy that one-third of the officers leaving the Army are qualified to teach high-school math. In addition according to a recent Army survey, between 10% and 20% have engineering backgrounds that would enable them to teach high school physics.

Yet look at how these would-be teachers are being received.

Take the example of Col. Duane Mills. Scheduled to retire from the Army in two years, Col. Mills decided to put his master's degree in history to good use in the classrooms of his native Missouri. However, he was told that he must first complete 15 to 20 hours of "methods" courses to obtain a teaching certificate. Since Col. Mills would have to hold down a full-time job while attending night school for his methods courses, the certification process would take a year and a half. Discouraged at this prospect, the colonel is looking for another job. The loss is Missouri's.

By contrast, Col. Albert Laferte retired from the Army two years ago and made a smooth transition into the teaching profession. With a degree in aeronautical science, Col. Laferte sought to become a high school math teacher in North Carolina. Fortunately for him, he was able to take the courses required to obtain certification while still on active duty at Fort Bragg and then began teaching math at Pine Forest Junior High School. He has since completed work on his master's of education and notes how enthusiastic North Carolina education officials are to have someone with his qualifications teaching junior high school.

Considering the academic credentials of some of our current teachers and the quality of our teacher-training programs the U.S. is in no position to deny itself the windfall of talent preparing to leave the armed forces. These men and women are disciplined, highly motivated individuals with solid records of professional achievement. As role models, they are desperately needed in America's classrooms. There response to the call for further service to their country has been encouraging, but their talents will go for naught unless we allow them to impart their knowledge to our children.

Clearly, it is time to address the problem of alternative routes to certification. States must be persuaded to remove the barriers that keep good teachers out of the classroom. Currently, 30 states have some form of alternative certification. Some of these programs are outstanding; others are badly in need of reform. States that have no program need to create one.

The U.S. is not lacking in politicians willing to spend untold sums of taxpayers' dollars on education. Yet the Army's program to put tens of thousands of eager, competent teachers into our nation's classrooms does not involve vast expenditures of money. Instead, it seeks to raise the quality of American education by providing our schools with an abundance of talented teachers.

As President Theodore Roosevelt noted, there is only one group of people as deserving of their nation's gratitude as our soldiers, and these are the people "who teach the children of the present how to be the masters of our country in the future."

For those truly interested in the welfare of our children, the fight for alternative teacher certification must be joined.

(Mrs. Hines is a deputy assistant secretary for training and education, Department of the Army. John Roddy, a policy analyst at the Department of Education, helped prepare this article.)

TRIBUTE TO BILL SEWELL

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. BURTON of Indiana. Mr. Speaker, on January 11, 1992, Mr. Bill Sewell of Indianapolis, IN, was honored by the Warren Township Volunteer Fire Department for his 55 years of volunteer service.

Bill is an example of true selfless devotion to community and his fellow man. At 88, he is an inspiration to us all, and his commitment to the safety and well being of Warren Township families for the past five and a half decades is truly remarkable.

It is men, such as Bill, who make America something to be cherished and revered by people of all nations of the world. The protection of others, and donation of both time and muscle in the process, cannot ever be repaid. The families who have benefited from Bill's sense of duty and service, and indeed all of us, owe him and others like him, an eternal debt. It is my pleasure to thank and honor Bill on their behalf.

ECONOMIC REVITALIZATION USING EXCESS FEDERAL PROPERTY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. KANJORSKI. Mr. Speaker, today I am pleased to introduce legislation, H.R. 4141, to help spur economic recovery, improve Government efficiency, save taxpayers dollars, and reduce the cost of construction projects for State and local governments, and non-profit organizations, through the better utilization of excess and surplus Federal heavy construction equipment and supplies.

The introduction of this legislation is the culmination of a multiyear study I have made into the grossly unacceptable waste and underutilization of expensive Federal resources.

Here and around the world, the Defense Department owns acre after acre of heavy construction equipment that was once used by the Corps of Engineers, or the military services themselves, but is now lying unused.

Millions of dollars of usable, or easily repairable equipment, is deteriorating day by day.

At the same time, local communities in my district, and across the Nation, are unable to initiate or complete important community development, infrastructure improvement, and environmental projects, because they cannot afford to purchase or lease heavy construction equipment, as traditional sources of Federal aid for such projects dry up.

There is an obvious solution. Excess and surplus Federal equipment, already paid for by U.S. taxpayers, can be used to reduce the cost of important local community development, infrastructure improvement, and environmental projects.

The Federal Government today has a program for distributing surplus equipment to the States, but the existing program has numerous deficiencies which my bill is designed to correct.

Incredibly, existing law gives foreign governments priority over U.S. States for receiving equipment. Since U.S. taxpayers have paid for this equipment, they should have first priority on it when it is no longer needed by the Federal Government. My bill gives U.S. taxpayers priority, by making excess heavy equipment available to States before it can be given away to foreign countries.

Existing law provides little information to the States on the condition of surplus equipment. As a result State officials often must travel cross-country to learn the true condition of equipment. This is expensive for a single State; it is absurdly expensive when many States are inspecting the same piece of equipment, since only one can ultimately receive any given piece of equipment. My bill requires the Federal Government to provide States with more information on the condition of excess and surplus equipment.

Existing law distributes surplus equipment on a first-come, first-served basis without trying to prioritize requests, to determine need, or to examine recipient's track record in using surplus equipment. My bill requires the General Services Administration to utilize objective criteria based on need and past track record when distributing excess equipment.

Existing law does not require the recipients of surplus property to report on what they are doing with the equipment. Consequently, we have little idea whether it is being well used, or simply wasted. My bill requires recipients to report on how they have used equipment at the end of the first year after they receive it. Final title on the equipment will not be transferred until a recipient demonstrates it has put equipment to good use.

Most importantly, however, existing law does a poor job of getting through to local governments and nonprofit groups. Most of these entities, particularly small communities and nonprofit groups, do not need cranes, graders, bulldozers, and other heavy equipment on a year-round basis. Frequently, however, they do need this type of equipment for a couple of weeks or months to complete a specific project.

Under current law, it is not cost-effective for these communities and nonprofit groups to track down, tag, transport, repair, and maintain heavy equipment. As a result they either pay a lot of money to lease equipment, or they are forced to defer projects indefinitely.

My bill solves this problem by drawing on a concept originated by one of Pennsylvania's most prominent and imaginative citizens, Benjamin Franklin. Franklin developed the concept of local lending libraries for books so that all citizens could have access to great literature and other writings.

My bill expands the lending library concept to heavy equipment. It authorizes States, local governments, and non-profit groups to set up lending libraries of heavy equipment so that they can share the cost of establishing and maintaining them, and use equipment only when they need it.

In order to overcome frequently arbitrary and archaic political jurisdictional lines, my bill authorizes the creation of nonprofit regional equipment centers which can serve a variety of groups who agree to pool their resources to obtain, repair, and maintain equipment.

The concept of regional equipment centers has been successfully demonstrated in my own congressional district, where we created a demonstration center in 1989. For the last 3 years, this demonstration center has acquired, repaired, and maintained excess heavy equipment and then made it available to local governments and nonprofit groups.

The regional equipment center has been a phenomenal success, saving local taxpayers millions of dollars on the cost of highway repair and construction, land reclamation, minefire extinguishing, creating parks and playgrounds, and helping to close local landfills. Local governments, colleges, and other nonprofit groups have warmly embraced this concept and are making good use of the equipment center.

This legislation is an effort to make similar equipment centers available across the Nation, so that we can make the best possible use out of equipment U.S. taxpayers have already paid for.

Mr. Speaker, the fall of the Iron Curtain and changing conditions around the world guarantee the supply of excess and surplus equipment will grow.

With our economy in a tailspin and local taxpayers struggling to meet the cost of community development, infrastructure improvement, and environmental projects, now is the perfect time for us to implement a system which puts excess and surplus Federal property to better use.

Federal law dealing with the disposition of excess and surplus property is quite complex. The legislation I am introducing today is a first draft of comprehensive reform legislation. I welcome comments and suggestions from Federal, State, and local officials, nonprofit groups, and anyone else interested in the disposition of excess and surplus property.

Working together, I am confident we can bring the success we have achieved in northeastern Pennsylvania to the rest of our Nation.

A section-by-section summary of H.R. 4141 follows. The full text is available from the House Document Room.

SECTION-BY-SECTION ANALYSIS OF THE ECONOMIC REVITALIZATION AND FEDERAL EXCESS AND SURPLUS PROPERTY UTILIZATION IMPROVEMENT ACT OF 1992—H.R. 4141

Sec. 1. Short title.

Section 1 provides that the Act may be cited as the "Economic Revitalization and Federal Excess and Surplus Property Utilization Improvement Act of 1992".

TITLE I—FINDINGS AND PURPOSES

Sec. 101. Findings.

Sec. 102. Purposes.

TITLE II—DEFINITIONS

Sec. 201. Definitions.

TITLE III—DISPOSAL OF DEFENSE ARTICLES

Sec. 301. Department of Defense inventories.

Section 301 amends the Federal Property and Administrative Services Act of 1949 to require the Secretary of Defense, within one year of enactment, to evaluate existing inventories of heavy equipment and construction materials and to declare as excess all heavy equipment and materials not necessary for an identifiable military mission. The Secretary of Defense is required to develop a cost-effective plan to return excess equipment and materials to the U.S.

The Secretary of Defense is required to report to the House and Senate Armed Services and Governmental Operations/Affairs Committees on the progress of his review no later than one year after enactment. The Secretary must also provide an annual evaluation to House and Senate Armed Services and Governmental evaluation to House and Senate Armed Services and Governmental Operations/Affairs Committees on the use of excess non-lethal supplies and excess defense articles by recipient nations and other users pursuant to programs administered by the Department of Defense.

The Secretary of Defense is required to issue regulations to determine the cost-effectiveness of transferring excess heavy equipment and construction materials to the U.S., and procedures for disposing of materials overseas if it is not cost-effective to return them to the U.S.

Sec. 302. Federal laboratories.

Section 302 amends the Federal Property and Administrative Services Act of 1949 (FPASA) to require the heads of federal laboratories to evaluate their inventories of scientific equipment and to transfer to the GSA all equipment not needed for current or anticipated federal purposes. This equipment will be disposed of in the U.S. pursuant to the FPASA. No later than one year after enactment the heads of federal laboratories will report to the House Science, Senate Commerce, House Governmental Operations and Senate Governmental Operations Committees on actions taken pursuant to this section.

Sec. 303. Use of excess heavy equipment and construction materials by Federal agencies.

Section 303 directs the GSA Administrator to make excess heavy equipment and construction materials available to Federal agencies based on their ability to use such items for official business. It authorizes the GSA Administrator to seek the return of excess heavy equipment and construction materials which are not being efficiently used and prohibits agencies from transferring excess equipment and construction materials to other entities.

Sec. 304. Authority to transfer excess defense articles and property to foreign countries.

Section 304 excludes heavy equipment and construction materials from the definition of "non-lethal excess supplies" in 10 USC 2547, and from the definition of various terms used in the Foreign Assistance Act of 1961.

TITLE IV—DISTRIBUTION OF EXCESS AND SURPLUS HEAVY EQUIPMENT AND CONSTRUCTION MATERIALS

Sec. 401 Distribution of excess and surplus heavy equipment and construction materials.

Section 401 amends section 202 of the Federal Property and Administrative Services Act of 1949 (FPASA) by adding new provisions creating a streamlined and more efficient and equitable process for the disposal of heavy equipment and construction materials.

The GSA Administrator is given authority over the disposal of all excess and surplus heavy equipment and construction materials pursuant to this Act, and must issue regulations to implement it within 180 days of enactment.

New subsection "(a) requires the GSA Administrator to provide actual notice to the States of the availability of excess heavy equipment and construction materials, and to distribute items to the States on a fair and equitable basis according to States' need and their past performance in efficiently utilizing excess equipment and materials. Excess equipment and material is to be provided to the States without cost. If a State requests that the Federal government provide transportation of the equipment or materials, the Administrator may charge for any actual and reasonable transportation costs.

Title to transferred items valued at $10,000 or more will remain with the U.S. government for at least one year following transfer. One year after transfer, States will report to the GSA Administrator on how excess equipment and materials were used. The Administrator can either permanently transfer title to the State, reclaim the item, or prescribe remedial actions which are likely to result in permanent transfer of title. If the federal government reclaims items, it must pay States for the usual and customary cost of any repairs or improvements. If equipment has been lost or destroyed, or if it has devalued more than would be expected through common use, the Administrator may charge States for repair or replacement.

New subsection "(b) provides that in order to continue to be eligible to receive excess heavy equipment and construction materials, States must establish a "lending library" program, within one year of enactment, under which equipment is allocated to local governments and eligible non-profit groups. States may operate "lending library" programs directly, through State-certified equipment centers run by local governments or authorities, or through non-profit Regional Equipment Centers certified by the State.

States must allocate items according to need and past performance in utilizing equipment and materials. State-certified equipment centers may charge reasonable fees for the use of their equipment and materials.

The GSA Administrator is authorized to make grants to help establish State-certified equipment centers, but no recipient can receive more than $1 million in any year, or receive funds for more than three years.

New subsection "(c) provides special provisions for alternative disposal of not more than $25 million worth of heavy equipment and construction materials are allowed in any fiscal year under very narrow conditions of urgency such as a declared national emergency or when the President certifies that a foreign nation has dire need for particular pieces of equipment and materials.

New subsection "(d) authorizes the GSA to use the services of other consenting Federal agencies to handle and transfer excess and surplus heavy equipment and construction materials.

New subsection "(e) provides that a deed, bill of sale, lease or other instrument executed by an executive agency shall be conclusive evidence of transfer of title to any bona fide grantee or transferee.

New subsection "(f) stipulates that Indian tribes and historically black colleges will be given equal standing with the States in acquiring excess heavy equipment and construction materials.

Sec. 402. Use of community development block grants for the establishment of State-certified equipment centers.

Section 402 authorizes the use of Community Development Block Grant funds to establish State-certified equipment centers and to establish State infrastructure and economic development plans.

Sec. 403. Authorization of appropriations.

Section 403 authorizes $50 million in fiscal years 1993, 1994 and 1995 in grants to the States to establish State-certified equipment centers.

TITLE V—STATE AND COMMUNITY INFRASTRUCTURE AND ECONOMIC DEVELOPMENT

Sec. 501. State and community infrastructure and economic development.

Section 501 amends Section 14 of the Housing and Community Development Act of 1974 to add new subsections (m) and (n). New subsection "(m) requires the Secretary of HUD, within one year of enactment, to establish an infrastructure and economic development program for States which utilizes States-certified equipment centers.

HUD's program is required to include a computerized database of infrastructure and economic development plans developed by States based on priority lists of anticipated needs submitted by State and local governments on standardized forms developed by HUD.

In developing their plans States are required to include an anti-recessionary job creation program utilizing State-certified equipment centers. State plans must be updated at least once every two years and must be available to the public.

Counties and other units of local government are required to consult with adjacent units of local government, and to hold at least one public hearing, prior to submitting their priority lists of anticipated needs to the States.

The Secretary of HUD is authorized to make grants to States to assist them in developing their plans. Priority is given to States with high long-term unemployment rates and pressing infrastructure needs. No State may receive more than $1 million or use any funding on individual projects unless it has completed its plan and acquired the equipment needed to implement it.

New subsection "(n) directs the Secretary of HUD, in cooperation with the Secretaries of Transportation, Commerce and Agriculture, is directed to establish a national infrastructure and economic development strategy to help States implement their plans, to encourage co-operation among the States, and to coordinate Federal infrastructure and economic development programs and resources. The Secretary of HUD shall update the national strategy not less than once every two years and submit it to the House and Senate Banking Committees and Public Works.

Sec. 502. Authorization of appropriations.

Section 502 authorizes $20,000,000 in each fiscal year 1993 and 1994 for grants to the States for the plans authorized under section 501.

TITLE VI—EFFECTIVE DATE AND APPLICABILITY

Sec. 601. Authority to issue regulations.

Section 601 authorizes appropriate Executive Branch officials to issue regulations to implement this Act, after notice and an opportunity to comment as provided in section 553 of title 5 of the U.S. Code. Final regulations must be issued no later than 180 days after enactment.

Sec. 602. Effective date.

Section 601 provides that the effective date of the Act is 180 days after enactment, except for sections 303 and 304 which take effect immediately upon enactment.

RESOLUTION ON CITES

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. YATRON. Mr. Speaker, I am introducing a resolution calling on all countries to the Convention on International Trade in Endangered Species [CITES] to remove their reservations prior to the eighth conference of the parties in March.

CITES was concluded in Washington, DC, on March 6, 1973 with the United States as one of 21 original signatory nations. It entered into force in July 1975 and there are currently 113 nations which are party to the convention.

Countries which are parties to CITES act by banning commercial trade in an agreed list of currently endangered species and by regulating and monitoring trade in others that might become endangered. The convention stipulates that government permits are required for such trade. Protection is provided in two main categories: First, the most endangered species are listed for these species. Among those listed are all apes, lemurs, elephants, great whales, leopards, and many others. Second are species which might become endangered if trade in them is not controlled. They are listed in appendix II. International trade in appendix II species is permitted with proper documentation.

CITES member nations have an international obligation and responsibility to protect endangered animals and plants worldwide. It has been accepted that adherence to protective measures adopted by the parties has benefited the conservation of animals and plants.

Unfortunately, a loophole permits CITES member nations to file reservations, in which they can exempt themselves from a decision by the parties to the convention. Reservations have resulted in continued trade in species which, CITES has determined, cannot sustain commercial trade.

The original purpose of the reservation provision was to encourage accession to the convention, and not facilitate trade. Reservations have undermined the ability of CITES to effectively manage trade in endangered species, by allowing loopholes through which specimens illegally acquired in the countries of origin find legal markets without any control. In fact, over 1 million sea turtles have died under reservations entered to CITES since 1980.

Approximately 16 parties currently hold reservations to CITES listed species, in which trade is prohibited. Recognizing the importance of international treaties in the protection of endangered species, the United States has taken actions against some nations which ignore the mandate of the international community and continue to trade in these species.

My resolution simply expresses the sense of Congress that all parties to the Convention on International Trade in Endangered Species, with regard to their international responsibility toward abiding by the spirit and intent of the convention, should remove all reservations prior to the eighth Conference of the Parties in March 1992.

The resolution sends a timely and unambiguous message to other governments and the world community. The U.S. has not wavered in its commitment to the preservation of endangered species and will do its utmost at the upcoming CITES meeting to protect these battered plants and animals from illegal trade.

For further reviews, a copy of the resolution follows:

H. CON. RES. 272

Whereas the Convention on International Trade in Endangered Species of Wild Fauna and Flora was concluded in Washington on March 6, 1973, with the United States as one of 21 original signatory nations;

Whereas 113 nations are party to the Convention;

Whereas through listing of species in its Appendices pursuant to decisions of the parties to the Convention, the Convention seeks to strictly regulate international trade in species that are or may be threatened with extinction;

Whereas the eighth Conference of the parties to the Convention will be held in March 1992;

Whereas parties to the Convention have an international obligation and responsibility to protect endangered animals and plants worldwide;

Whereas it has been accepted that adherence to protective measures adopted by the parties to the Convention has benefited the conservation of animals and plants;

Whereas the parties to the Convention are permitted to file reservations, in which they can exempt themselves from a decision by the parties to the Convention to list a species;

Whereas reservations have resulted in continued trade in species which the parties to the Convention have determined cannot sustain commercial trade;

Whereas the original purpose of the reservation provision was to encourage accession to the Convention, and not to facilitate trade;

Whereas reservations have undermined the ability of the Convention to effectively manage trade in endangered species by allowing illegally acquired specimens to find legal markets without any control;

Whereas over one million sea turtles have died under reservations entered to the Convention since 1980;

Whereas 16 parties to the Convention hold reservations regarding species in which trade is strictly regulated under the Convention; and

Whereas recognizing the importance of international treaties in the protection of endangered species, the United States has taken actions against some nations which ignore the mandate of the international community and continue to trade in these species: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that all parties to the Convention on International Trade in Endangered Species of Wild Fauna and Flora, with regard to their international responsibility to abide by the spirit and intent of the Convention, should withdraw all reservations regarding listed species prior to the eighth Conference of the Parties in March 1992.

LOCAL ELECTIONS IN ROMANIA

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. HOYER. Mr. Speaker, on February 9, 1992, the people of Romania will go to the polls to elect mayors and local councils in the country's first free elections in over 40 years. These local elections will also be the first electoral exercise in Romania since the general elections of May 1990.

As Chairman of the Commission on Security and Cooperation in Europe-Helsinki Commission—I have followed events in Romania with great interest, compassion, and concern. Given the variety of irregularities that took place in the May 1990 elections, from the campaign through the course of the elections themselves, I believe the local elections of February 9, 1992, will be an important indicator of Romania's progress toward democratic reform.

Nevertheless, what transpires on February 9 is only a part of the process. The conduct of the campaign, the extent to which all political groups have the opportunity to participate effectively in the elections, the role of the media in the elections, and the administrative preparations for the elections are among the issues to be considered prior to election day.

From January 13 to 20, 1992, a member of the Helsinki Commission staff traveled to Romania to participate in a preelection survey mission sponsored by the National Democratic Institute for International Affairs [NDI]. The delegation met with government and election officials, political parties leaders, media representatives, and representatives of nongovernmental organizations in Bucharest, Constanta, and Craiova.

I would like to share some observations with my colleagues. First of all, it is clear that there have been substantial improvements in certain areas of the electoral process since the general elections of May 1990. Television access, which was heavily weighed toward the National Salvation Front in the previous elections, has been made available to all political parties and candidates. The atmosphere of violence that marred the 1990 campaign has diminished. And the draft law on local elections, first submitted to parliament in July 1991, was revised to include a provision for nonpartisan domestic election observers. These are important developments.

Nevertheless, there is an apparent lack of effort or ability at the national level to take measures that will help guarantee a free and fair elections process at all levels.

Unlike in the United States, where each State has adopted its own procedures for conducting elections, the Romanian law on local elections was adopted by the national parliament and promulgated by the President. Electoral systems naturally differ from country to country, and no one system is universally applicable. I am concerned, however, that the Romanian national authorities have not taken sufficient steps to ensure that the same electoral procedures and rules established in the national law on local elections are applied to all precincts throughout the country. There appears to be little sense that a standard, uniform approach will help prevent electoral irregularities and will increase the strength of—and confidence in—democratic institutions. Indeed, the emphasis on decentralized administration of the elections process has been so strong that a degree of inconsistency seems almost inevitable.

As in the American system, local authorities bear much of the responsibility for the technical aspects of the Romanian local elections—for example, compiling voter lists, informing the public of the location of polling sites, establishing the places for electoral posters, providing sufficient voting booths, ballot boxes, and voting stamps to the polling sites, and providing polling sites with final electoral lists. Yet the local authorities currently in place in Romania, appointed by the central government, have never had to confront voters or been held accountable to the electorate. For the first time, local authorities are being asked to participate in the implementation of a law that may result in the loss of their jobs. The central authorities have apparently taken few measures to impress upon local officials the need for correct and impartial fulfillment of their responsibilities.

While the lack of direction coming from the center may be attributed to inexperience or lack of foresight, at the local level there is significant potential for willful abuse of the electoral process. In many precincts, local authorities have a vested personal interest in the outcome of the elections.

I am further concerned about the voting procedures for two important groups: Military conscripts and students. While the law requires most citizens to vote in their place of residence, military conscripts are required to vote for local officials in the units where they are stationed. Voter lists for the conscripts are compiled by their commanders and remain in the military units, and while observers will be allowed in the military units on election day, it is not clear that political parties will have access to the barracks to campaign. This may inhibit the ability of the conscripts to make a fair and informed evaluation of the candidates.

Students, by contrast, are required to return to their place of residence in order to vote. Transportation costs and the fact that elections fall during exams make this prospect less feasible. Given that the students generally support the opposition, many suspect that this requirement is an effort to limit the student vote on February 9.

During the elections of May 1990, inconsistent and faulty application of electoral procedures on election day, combined with the absence in some polling places of opposition party representatives, shifted the advantage to the National Salvation Front. The new law on local elections explicitly provides for political party representatives on both the constituency election commissions and the polling site electoral bureaus.

According to the local election law, challenges regarding the composition of constituency election commissions, the acceptance or rejection of candidacies, and the compilation of voter lists fall to the local courts. Any other complaints regarding the conduct of the campaign or election must be resolved by the commission with immediate jurisdiction in administering the election. The process and means by which the commissions will investigate and handle complaints is not specified, however, nor is there provision for appeal. This may reduce the incentive to thoroughly investigate complaints.

Romanian Prime Minister Theodor Stolojan has declared that a free and fair local election on February 9 is one of his government's top priorities. The Helsinki Commission commends his determination and shares his hopes. I believe, however, that further steps must be taken before election day to ensure that the proper environment exists.

The national government should issue a clear and public statement to the presidents of the judet—county—courts that it expects a thorough and impartial implementation of the elections law. It should emphasize the need for consistency, and ensure that the presidents of the judet courts are equipped to provide training for the chairmen of the constituency electoral commissions and polling site electoral bureaus. Constituency electoral commissions, which monitor the observance of the elections law at the local level, should be encouraged to recommend measures against local officials who commit violations. All political parties and candidates should be urged to use the procedures in place to respond to campaign-related intimidation, and the police should be instructed to aggressively investigate such reports. Individuals found responsible for illegal actions should be prosecuted in a timely manner.

The political parties should ensure that they have trained representatives on the constituency electoral commissions and the polling site electoral bureaus. All political parties, particularly those concerned about the possibility of electoral irregularities, should take care to educate their representatives as to their responsibilities on the commissions. They should also be encouraged to work with the domestic observers who will be present in many of the polling locations. Their active participation in the correct administration of the elections, and the vigorous investigation of challenges and complaints, will be essential.

Further voter education prior to February 9 would also be useful. Civic education spots should be aired on television and radio to explain voting procedure and to emphasize that votes are free and secret. Nongovernmental organizations engaged in civic education should be encouraged and supported.

On a final note, it is important to recall that in the event that no mayoral candidate receives 51 percent of the vote, run-off elections will be organized within 2 weeks. In parts of the country where ethnic tensions have run high, particularly in areas where the Hungarian community is significant, these runoff elections may pit a Hungarian candidate against a representative of one of the extremist parties. Such contests will have a greater potential for violence, as the stakes will be higher for both sides. The central and local authorities should actively promote a climate of peace and tolerance, and must demonstrate their intent to actively prosecute those who commit illegal acts.

Mr. Speaker, the United States has worked for 200 years to develop a democratic elections system. On February 9, our Romanian colleagues will be holding their first free local elections in over half a century. The challenges are certainly great.

A member of the Helsinki Commission staff will be present in Romania on February 9 as an accredited elections observer. The Helsinki Commission will continue to do all it can to demonstrate its support for free and fair elections, consistent with the standards prescribed in the Document of the Copenhagen Meeting of the Conference on the Human Dimension of the CSCE, and to underscore our commitment to the progress of democratic reform in Romania.

RECOGNITION FOR OUTSTANDING SERVICE IN THE UTAH AIR NATIONAL GUARD

HON. BILL ORTON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. ORTON. Mr. Speaker, I hereby identify and commend the following men and women for their outstanding service with the Utah Air National Guard.

SMS Homer J. Williams and CMS Donald B. Malmborg have received the Meritorious Service Medal.

CPT John R. Teter, SSG Mark R. Stewart, TSG Julie E. Nuccitelli, TSG Mary J. Bateman, MSG Patrick A. Wiggins, MSG Carl O. Berube, 1LT Paul V. Erickson, MSG Steven L. Hill, and CMS Edwin G. Cline have received the Air Force Commendation Medal.

We, in the U.S. Government, cannot and will not forget the offering of service made by our National Guard. During times of crisis such as that in the Persian Gulf, these young men and women are essential to our identity as a Nation.

Douglas MacArthur once stated "* * * morale is patriotism, self-respect, discipline, and self-confidence * * * joined with fair treatment and merited appreciation from without." This morale supplies not only the military unit, but our country as a whole.

The above men and women have proven their merit; it is now time to show our appreciation.

REMEMBERING UKRAINIAN INDEPENDENCE OF 1918

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mrs. BENTLEY. Mr. Speaker, I would like to take time to remember January 22, as the 74th anniversary of Ukrainian Independence of 1918, Since 1918, Ukrainians all over the world have recognized this day as a historic moment in their heritage and have held strongly to this memory until today, when we once again can call Ukraine truly free.

We as Americans must praise the strength of those who persevered and endured the oppression and admire those who left their homeland to help fight the battle from abroad and gain worldwide support of the Ukrainian strife. For decades, the Ukrainian people desperately clung to their heritage of commitment to freedom, justice, and equality. In August, Ukrainians achieved their goal by a 90-percent passage of referendum for independence.

The Ukrainian people suffered great consequences and hardships for the same reasons which made their home great. As a country rich in resources, with a flourishing agriculture and thriving steel industry, Ukraine was attacked at all fronts for their land and position.

Throughout their occupation, Ukrainians were dedicated to maintaining their national pride even in the face of the devastation of war and revolution. In 1871, publications in their own language were outlawed by the tsarist government. However, the Ukrainian people established secret communities such as the Society of Sts. Cyril and Methodius, and other organizations. These visionaries were committed to liberate their country by means of democracy, social reform, and the continual teachings of the Ukrainian language, religion, literature and tradition.

After the Russian revolution of 1905, Ukrainian nationalism became a strong movement in the country and became a political entity through the central Rada. Finally, after World War I and increasing internal pressure, a provisional government was established. In April 1917, the Rada, pursuing Ukrainian independence, proclaimed Ukraine a republic within the federated Russia. Soon after the Bolsheviks seized power in November 1917, the Rada declared Ukrainian independence on January 22, 1918.

Although the independence was short lived, as we know now, it would not be the last time the Ukrainians would declare independence.

When Ukraine later was invaded by the Bolsheviks, White Russians, Poles, and Germans, and ultimately partitioned in 1921, the envisionment of freedom that this independence day represented would forever live in the hearts of Ukrainians across the world. So much so was their commitment to reestablish an independent Ukraine, that for the next 70 years they would fight to see Ukraine free of Soviet domination.

I take this time to recognize the determination of a people and a country for the same reason we enjoy our own Independence Day in these great United States, the celebration of democracy.

Today, Ukraine is in a fragile situation. As Ukrainians pursue autonomy and progress toward their dream of democracy, we must stand and support their efforts and pray for their success. Mr. Speaker, I am honored to join with the people of Ukrainian descent in my district and the State of Maryland to recognize this day of independence of 1918 and remember that it was this time of freedom that lived with Ukrainians across the world and sustained them for 70 years of foreign dominance.

CONGRATULATIONS TO GERALDINE GEORGE FOUSHEE

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. PAYNE of New Jersey. Mr. Speaker, I would like my colleagues on both sides of the aisle to join me in congratulating Mrs. Geraldine George Foushee for her appointment as the warden of the Essex County Jail in my hometown of Newark, NJ. Mrs. Foushee is the first African-American women in the State to be awarded this position. Previously she served as a detective in the Essex County Sheriff's Department.

Mrs. Foushee, or "Gi Gi" as she is more affectionately known, is a women of many firsts. During her professional career she was the first African-American woman to serve as deputy mayor of the city of Newark and the first African-American woman to serve as chief executive of the Newark Alcoholic Beverage Control Board.

A life long Newark resident, Gi Gi is an active and involved community member. She has received numerous community service and achievement awards from the Essex County Board of Chosen Freeholders, the National Council of Negro Women, Baton's, Inc., the Bronze Shields, Inc., Grace Reformed Baptist Church, the University of Medicine and Dentistry of New Jersey, the National Police Officers Association of America, the National Black Police Association Service Award, and resolutions from the municipal council of the city of Newark, NJ.

Mr. Speaker, please join me as I wish Gi Gi much success in her latest endeavor.

ELEMENTARY SCHOOL COUNSELING DEMONSTRATION ACT, NATIONAL SCHOOL COUNSELING WEEK

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. PURSELL. Mr. Speaker, in order to focus attention on the accomplishments of school counseling programs throughout the Nation, and to encourage more support for counseling in our schools, next week has been designated as National School Counseling Week. I plan on using the week to demonstrate to my colleagues the tremendous need for expanding counseling programs to our elementary schools.

The problems that children face today are staggering. Many of their lives are filled with violence, drugs, abuse, fear, and depression. They are exposed to many of life's tragedies before they reach the third grade. There is no question that early intervention by a counselor can often correct problems that may cause a student to fail later on.

In order to help today's children achieve success in tomorrow's world, last year I introduced H.R. 840, the Elementary School Counseling Demonstration Act. At present, the bill has 102 cosponsors.

H.R. 840 would address the special needs of our children by providing demonstration grants to local school districts to establish effective elementary counseling programs. Grants would be available for 3 years at a maximum of $200,000 per year and would be awarded based on need, innovation, and the potential for replication.

Mr. Speaker, with a counselor-to-student ratio as high as 1-to-1,700 in many communities, our dedicated elementary counselors around the country need all the support we can offer. Please join me in cosponsoring the Elementary School Counselors Act—before today's fifth graders become tomorrow's dropouts.

OUTLAWING COMPETITIVENESS

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. GINGRICH. Mr. Speaker, I commend to your attention the following reprint of an editorial which appeared in Monday's Richmond Times-Dispatch entitled "Outlawing Competitiveness."

Labor-management committees are an important building block in our effort to regain our competitive edge in the international marketplace. They deserve our continued support.

[From the Richmond Times-Dispatch, Jan. 27, 1992]

OUTLAWING COMPETITIVENESS

President Bush and members of his Cabinet have blustered much about things the Japanese government could do to give American-made products a chance in the Japanese market, but they might better direct their heated rhetoric at the U.S. National Labor Relations Board. The NLRB is being urged to issue a ruling that could virtually outlaw the very sort of labor-management cooperation that has made Japanese firms, particularly auto companies, so successful.

Electromation, an Elkhart, Ind., manufacturer of electronic auto parts, established labor-management committees to discuss absenteeism, quality control and other workplace issues. After losing a union organizing vote, the Teamsters contended that the committees had stymied Teamsters' efforts and constituted a company-sponsored union, an entity banned by the 1935 Wagner Act. An NLRB administrative law judge—taking an extremely broad view of the law—agreed, and now the full board is considering Electromation's appeal.

It is ironic indeed that at the very moment political leaders are promoting competitiveness, the NLRB has within its power the ability to quash one of the most promising competitiveness tools available to American industry. About 80 percent of the Fortune 1000 firms have quality-control and productivity teams involving labor and managment. The Commerce Department's Malcolm Baldrige Awards amount to an annual celebration of such cooperation; every company that has won the award emphasizes such cooperation.

Yet an NLRB ruling against Electromation could make outlaws out of companies like Xerox, IBM, Westinghouse and Federal Express, and New United Motors Manufacturing Inc. (General Motors and Toyota's joint venture to build Toyota Corollas and Geo Prizms)—some of America's most successful concerns.

Such an adverse outcome is a real possibility. The NLRB's general counsel has sided with the Teamsters (continuing a recent trend of that office's pro-union bias), and close observers of the board say it is a foregone conclusion that the NLRB will rule against Electromation.

That the NLRB's general counsel, a presidential appointee, would feel free to take such an obviously anti-market position on the Electromation case indicates a weakness in the White House's selection of its appointees.

Should the NLRB rule against Electromation, President Bush should quickly seek legislation to overturn the decision. Federal labor policies should encourage management-worker cooperation, not criminalize it.

IN SUPPORT OF REAL ESTATE PASSIVE LOSS REFORM LEGISLATION

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. GLICKMAN. Mr. Speaker, last night, the President told the American people in his State of the Union address of his plan to help our Nation's economy recover from its current recession. As part of that plan, he indicated a number of investment incentives he supported, including modification of the passive loss rule.

The President is not alone in his support for reforming the passive loss rules. Legislation has been introduced here in the Congress to reform the passive loss rules and enable private investors to both retain troubled real estate and purchase troubled real estate currently held by American financial institutions and the RTC. I have cosponsored that bill, H.R. 1414, and hope that we will act upon it soon.

Last year, American banks wrote off over $7.6 billion in real estate losses with another $45 billion in real estate loans classified as problem loans. Unfortunately, however, those most likely to purchase these troubled properties, real estate business persons, are discouraged from doing so because of our tax laws.

Specifically, the passive loss rules enacted by the Tax Reform Act of 1986 tax real estate professionals on their gross, not net, income. The result is that real estate business persons are unable to deduct as an ordinary business expense the legitimate losses that may accrue from troubled real estate held in their portfolios.

H.R. 1414 provides that rental real property operations of an individual "engaged in the real property business" will be treated, for purposes of the passive loss rules, in the same manner as the nonrental trade or business operations. Under this approach an individual must objectively prove that he is actively engaged in the real estate business in order to gain relief from this legislation. This will ensure that the casual and passive real estate investor seeking a vehicle to shelter losses will not benefit from these rules.

This approach represents a modest and responsible step toward stemming the plummeting values of real estate, and bringing stability to our federally insured financial institutions, and the RTC. I urge my colleagues to join me and over 320 other cosponsors in supporting this bill.

CELEBRATING 70 YEARS OF MARRIAGE WITH THE VAUGHN FAMILY

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. POSHARD. Mr. Speaker, I rise today to celebrate a most important milestone in the life of Jettie and Dovie Vaughn.

Today, January 28, 1992, Jettie and Dovie Vaughn mark their 70th year of marriage, and this Sunday, February 2, the Vaughns will join friends and family to celebrate their anniversary. This is truly a remarkable achievement, and I am honored to bring this occasion to the attention of my colleagues in the U.S. House of Representatives.

The Vaughns live in Cambria, a fine community in my district which is well known for its community spirit and pride. And Sunday a big crowd will gather at the Cambria First Baptist Church to share in this moment of happiness.

After operating a general store in Cambria, Reverend Vaughn worked as a minister full time for some 30 years in Marion, Johnston City, Boskydell, and Cambria. He and his wife have demonstrated a faith and love that have surely been an inspiration to all those they have met over the years.

The Vaughns have a daughter, Bonita Morse, who lives with her husband William in Carbondale. Their granddaughter Diane Bailey and her husband Kenneth live in Cambria, and have given the Vaughns two great-grandsons, Wayne and Keith.

Jettie and Dovie met when they were in grade school and have been sweethearts ever since. They are living proof of what the poets say about there being one person out there for each of us. They were married as teenagers and have devoted their lives to each other ever since. Bonita tells me the key to their marriage has been simply that they love and respect each other, and have always worked together.

I am very pleased and honored to be able to pass along my congratulations to the Vaughns, on behalf of the people of southern Illinois, and to thank them for their magnificent example.

TRAVEL AGENT APPRECIATION WEEK: FEBRUARY 1-7, 1992

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. TALLON. Mr. Speaker, I rise today to urge you to officially recognize one facet of the travel industry and the outstanding work its members do on behalf of the traveling public. Today, I am introducing a joint resolution which will officially recognize the first week of February 1992 as Travel Agent Appreciation Week. As chairman of the Travel and Tourism Caucus, I hope you will join me in cosponsoring this worthy resolution.

As Members of Congress, we are all well aware of and appreciate the valuable services that agents provide. A travel agent saves consumers time and money, and is an important element of any business or vacation trip. Travel agents play a part in many of life's successes and celebrations, from successful college interviews, to happy family reunions, and memorable honeymoon trips. Agents ensure that worldwide meetings run smoothly, that important contract negotiations begin on time.

U.S. travel agents book over 80 percent of all airline travel, 40 percent of all hotel reservations, nearly half of car rentals and 95 percent of all cruises. Travel agents remain unbiased professionals who sort through a maze of air fares, car rental deals, hotel rates and packages to offer travelers the best value for their money. Agents regularly deal with international currency fluctuations, time zone variances, changing air and rail schedules and health and visa requirements for every country in the world.

Travel agents are located in all 50 States in the United States of America. They are an important source of jobs from entry level to middle management in almost every town throughout the country. They employ people with a wide variety of skills and talents, from secretaries to sales people, bookkeepers to computer technicians. Through various trade organizations, and sponsored training programs or visits, travel agencies can offer their employees opportunities for travel and advancement unparalleled by other industries.

From early entrepreneurs like Fred Harvey who opened quality hotels in the new American West to John Hance who led tourists to the bottom of the Grand Canyon, and the Disney organization which has made visits to theme parks a part of American childhood, travel and tourism have been a part of the American tradition. The emergence of travel agencies throughout the Nation is part of this tradition. The dream of owning a business has been fulfilled for many who have opened and operated successful travel agencies.

As technology and politics create new opportunities in the emerging global village, travel agents will have a greater role to play. The need for American business to compete globally will require that travel agents help their clients control and manage travel expenses more efficiently. As eastern Europe and the Middle East open for trade with the West and the European Community becomes a reality, travel agents will open branch offices worldwide to handle the needs of their clients.

These new offices of U.S.-owned travel agencies can play an important role in promoting the United States and shifting the balance of trade payments to a more favorable one for the United States.

Travel agents offer the kind of services that when well performed go unnoticed. It may be only when problems arise that we remember our travel agents, but I believe it is appropriate for us to remember our travel agents and the good work they do much more often than this. I hope that the U.S. Congress will join me in recognizing and honoring travel agents. I urge you to cosponsor this legislation to designate the first week in February 1992 as Travel Agent Appreciation Week. Thank you for you support.

SUPPORT FOR PRESIDENT BUSH'S ECONOMIC GROWTH PACKAGE

HON. THOMAS W. EWING

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. EWING. Mr. Speaker, I am in strong support of the economic growth package unveiled by President Bush last night in his State of the Union Address and I urge the leadership in Congress to take the steps necessary to ensure that these policies are enacted before March 20. We should put partisanship aside until then to accomplish this goal. We owe this to the working women and men of America.

There are several key components of the President's package which I find appealing, including investment incentives, encouraged savings, policies to stimulate the real estate market, an additional $50 billion in defense cuts which the President has determined to be reasonable, and a moratorium on necessary new Federal regulations and a concerted effort to reduce current inhibitive regulations.

Another element of the President's economic growth proposal which I have long supported is the line-item veto. Currently the President is forced to sign or veto multibillion dollar spending bills and has no control over the amount of unnecessary spending items buried in these bills by Members of Congress. The line-item veto would give the President the tool he needs to eliminate unnecessary programs and would help him reduce the enormous Federal deficit, which I believe is a tremendous drag on our economy. The line-item veto would help bring some fiscal responsibility to our budget.

I have introduced legislation, House Joint Resolution 384, which would give the President the line-item veto, the same tool which 43 Governors have. My legislation is patterned after the authority which the Illinois Governor has, and includes a provision which would also allow the President to reduce the amount of specific appropriations. Under my legislation, items vetoed could be reinstated by a three-fifths vote of both the House of Representatives and the Senate. This would ensure that truly important programs would be protected. Most importantly, it would force individual spending programs to stand on their own merits.

The line-item veto has been extremely important in cutting unnecessary and wasteful spending from State budgets, and can do the same for the Federal budget. During the 14 year span of Illinois Governor Thompson's administration, some $1.6 billion of unnecessary spending was eliminated form the budget. In crafting the budget for fiscal year 1992, the Illinois Governor was able to trim some $17 million in needless spending. This tool helped balance Illinois' budget.

I encourage my colleagues to join me and others working to provide this necessary tool for reducing unnecessary spending.

Mr. Speaker, let's rise to the President's challenge. Let's adopt his economic growth package, which includes giving him and future Presidents the line-item veto and spending reduction authorities.

CONGRATULATIONS TO CORTLAND BANK AND ITS 100TH ANNIVERSARY

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. ECKART. Mr. Speaker, I am pleased to call your attention to the centennial anniversary of the Cortland Bank, located within my congressional district.

In April 1892, the Cortland Bank was first chartered. Since that time, the bank has grown and expanded its influence throughout northeast Ohio. Today, 10 community branches serve my constituents.

Mr. Speaker, it is with great respect and admiration that I congratulate Cortland Bank and its employees upon its 100th anniversary. May they continue to serve the community for another hundred years.

STRONG CULTURAL TIES: PORTUGUESE-AMERICANS IN 1992

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. NEAL of Massachusetts. Mr. Speaker, I take this opportunity to pay tribute to the western Massachusetts Portuguese-American community. I would also like to congratulate Mr. Nelson Tereso on his appointment as the representative member in Portugal to the western Massachusetts Portuguese-American communities. I speak with great pride about the accomplishments that have been made in western Massachusetts for this group. It is important for the people of our great Nation to have an understanding about their heritage, and I feel that this organization can do just that, and I can see Mr. Tereso has successfully, already begun.

His efforts to allow the Portuguese people, and others with similar interests, to be in touch with the Portuguese culture, language, and recreation have been tremendous.

It is important to allow any of our constituents the opportunity to learn a new language and to learn about their background. By obtaining the grants for the books regarding the history of language of Portugal, another resource will be available to our people. Introducing the education at the elementary level in schools such as the Portuguese-American Cultural Association of Ludlow and the Portuguese School of Chicopee is important, for then these students will not only learn about the land in which they live, but they will never put aside their heritage.

The offer of a scholarship from the Portuguese-American Development Foundation and the creation of a summer course program is a wonderful opportunity. I am sure there will be numerous applicants, both Portuguese-Americans and others with interest.

"The Night in Portugal" and the distribution of the records the Representation was granted, seem to be a good beginning for the expansion of the Portuguese culture throughout our community. His plans to expand by receiving more Portuguese-language records are important. This could also include an investigation into the possibility of receiving video tapes in Portuguese and possibly contributing them as well as some books about Portugal to the local libraries of the local communities. That way, all of the people in these communities will have access to these materials and will be able to reap their benefits.

Finally, I would like to commend Mr. Tereso on the exchange that the Ludlow Lusitanos were able to experience. I am sure the members of this team have brought this experience home with them and taught their friends and family a lot. My only question about this is, who won the games? I hope the team from Ludlow put on a good showing.

I support this type of effort and hope that Mr. Tereso will be able to continue. The Representative appears to have a strong backing thus far and I am sure it will only continue to grow.

READ-A-THON TO BENEFIT THE NATIONAL AQUARIUM

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Ms. NORTON. Mr. Speaker, there is a little known treasure here, in our Nation's Capital. Located in the U.S. Commerce building is a unique undersea world—the National Aquarium.

Visitors to the National Aquarium have an opportunity to observe over 1,200 specimens of aquatic life in 70 naturalistic tanks. The array includes alligators, sharks, sea turtles, and moray eels. The Aquarium serves as a pleasant learning experience for the young and the young at heart.

Mr. Speaker, this year the Aquarium has a wonderful project planned for Washington metropolitan area children, "Plunge Into Books" Read-a-Thon. The Read-a-Thon has two goals: To raise money for the National Aquarium's educational program; and to promote interest in reading about the ocean, undersea animals, and the environment. The Read-a-Thon is a good way for the Washington community to become acquainted with the wonders to be found at the National Aquarium.

Mr. Speaker, I ask that this body join me in a salute to this hidden wonderland and ask that they encourage their constituents to make the National Aquarium a part of their itinerary whenever they visit Washington, DC.

BRING AMERICA'S DEFENSE DOLLARS HOME: HELP DEFEND OUR NEIGHBORHOODS AND SCHOOLCHILDREN

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. BRYANT. Mr. Speaker, Americans are re-evaluating the extent of our contributions to the defense of Europe and Japan. Today, America is endangered by enemies who pose a greater threat than any foreign army. Drug-driven neighborhood crime, an ill-educated work force, and climbing trade and budget deficits are eating at the fabric of our Nation.

I have introduced legislation that would add more than 140,000 new and better-equipped police officers nationally and allocate $9 billion for American schools. In short, the bill would devote resources to protection from crime today and prevention of crime tomorrow.

The National Safe Street and Education Defense Act of 1992, would set aside 10 percent of America's current Federal spending for the defense of Europe and Japan and devote it to American law enforcement and education efforts.

There is already wide agreement that America bears too large a burden for our allies' defense. Not only does the American taxpayer pay several times more than the average European and Japanese taxpayer for defense, but the European and Japanese have also failed to meet their defense spending commitments.

Ironically, although they are now our greatest competitors, the United States spends much more on defense of Europe and Japan than we do on our own citizens. For example, we pay $741 for each taxpayer in Dallas, TX to defend Europe and Japan, but only $184 for police protection.

The bill neither requires any new taxes nor hinders deficit reduction efforts. Half of the bill's funding would be earmarked for law enforcement programs, as determined by the Attorney General, and half for education, as determined by the Secretary of Education. The funds would be distributed to local authorities by the States.

I trust my colleagues agree that it is time America's defense budget worked for the defense of Americans and they will join me in supporting this bill.

H.R. 4120

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Safe Streets and Education Improvement Act of 1992.

SEC. 2. FINDINGS.

Congress finds the following:

(1) The member nations of the North Atlantic Treaty Organization (other than the United States) and Japan should each bear a greater share of the cost of their own defense.

(2) In light of recent events in Eastern Europe and the improvement in relations between the United States and the former Union of Soviet Socialist Republics, the United States should reassess the proper extent of its financial support to the defense of European member nations of NATO and Japan.

(3) The United States is facing a rising threat of neighborhood crime and violence that requires new resources and manpower to provide adequate public safety.

(4) Education is an essential component in restoring American competitiveness and the Federal Government needs to reassert its commitment to providing America's youth access to quality education.

SEC. 3. SET-ASIDE OF PORTION OF THE UNITED STATES CONTRIBUTION TO THE DEFENSE OF ALLIES FOR INCREASED FUNDING FOR LAW ENFORCEMENT AND EDUCATION.

(a) SET-ASIDE.—Of the funds appropriated for a fiscal year to or for the use of the Department of Defense for the support of personnel of the Armed Forces of the United States assigned to permanent duty ashore in European member nations of NATO or Japan, 10 percent of such funds shall be available only for grants under this Act.

(b) TRANSFER OF FUNDS.—On January 1 of each fiscal year, the funds required to be set aside pursuant to this section shall be transferred from accounts of the Department of Defense as follows:

(1) Five percent to an account of the Department of Justice for grants under section 5 for the purpose of enabling State and local governments to employ additional law enforcement officers.

(2) Five percent to an account of the Department of Education for grants under section 6 for the purpose of improving elementary and secondary education.

SEC. 4. EXCEPTIONS TO OPERATION OF SET-ASIDE.

The set-aside required for a fiscal year under section 3(a) shall not apply if—

(1) a declaration of war by the United States is in effect;

(2) there is an armed attack on any member country of NATO or Japan; or

(3) the President declares a national state of emergency and immediately informs the Congress of such action and the reasons for such declarations.

SEC. 5. LAW ENFORCEMENT GRANTS TO STATES.

(a) ALLOTMENT TO STATES.—For each fiscal year in which a transfer of funds occurs under section 3(b), the Attorney General shall make an allotment for each State in an amount determined in accordance with subsection (c).

(b) PAYMENTS UPON APPLICATION.—The Attorney General shall make payments to a State from the allotment for that State upon the approval of an application in such form, at such time, and containing such information and assurances as the Attorney General may require by rule.

(c) DETERMINATION OF AMOUNT OF ALLOTMENT.—The amount of an allotment under subsection (a) for a State for a fiscal year is the product of—

(1) the amount of funds transferred under section 3(b) for that fiscal year; and

(2) a percentage equal to the quotient of—

(A) an amount equal to the population of the State involved, as indicated by the most recent data collected by the Bureau of the Census; divided by

(B) an amount equal to the population of the United States, as indicated by the most recent data collected by the Bureau of the Census.

(d) DISPOSITION OF CERTAIN FUNDS SET ASIDE FOR ALLOTMENT.—

(1) Amounts described in paragraph (2) shall, in accordance with paragraph (3), be allotted by the Attorney General to States receiving payments under this section for a fiscal year (other than any State referred to in paragraph (2)(C)).

(2) The amounts referred to in paragraph (1) are any amounts allotted under subsection (a) that are not paid to a State as a result of—

(A) the failure of the State to submit an application,

(B) the failure, in the determination of the Attorney General, of the State to prepare within a reasonable period of time such application; or

(C) the State informing the Attorney General that the State does not intend to expend the full amount of the allotment made for the State.

(3) The amount of an allotment under paragraph (1) for a State for a fiscal year shall be an amount equal to the product of—

(A) an amount equal to the amount described in paragraph (2) for the fiscal year involved; and

(B) the percentage determined under subsection (c)(2) for the State.

SEC. 6. EDUCATION GRANTS TO STATES.

(a) DETERMINATION AND METHOD OF ALLOTMENT.—For each fiscal year in which a transfer of funds occurs under section 3(b), the Secretary of Education shall make an allotment (and any reallotment) for each State in the same manner as provided in section 5.

(b) PAYMENTS UPON APPLICATION.—The Secretary shall make payments to a State from the allotment for that State upon the approval of an application in such form, at such time, and containing such information and assurances as the Secretary may require by rule.

SEC. 7. EFFECTIVE DATE.

This Act shall take effect upon enactment.

TRIBUTE TO THE YOUNGSTOWN STATE FOOTBALL TEAM; I-AA NATIONAL CHAMPIONS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. TRAFICANT. Mr. Speaker, I rise on this momentous occasion to congratulate the Youngstown State University football team whose dedication and commitment earned them the I-AA National Athletic Association Championship.

As a graduate of Youngstown State University's master's program in both counseling and administration in 1973 and 1976, I can attest to the excellence of the university's fine academic program and personnel. The staff of Youngstown State University is not only dedicated to the principles of higher education, but also to the welfare of the student population of our valley, the greater northeastern Ohio community that has experienced rough times economically, indeed.

It is in this atmosphere that the football team, led by Coach Jim Tressel, proceeded to the top of their division. After a rocky start in the first 7 games, the YSU Penguins stood at 4-3-0. At that point, they were a far cry from the I-AA Championship. With the encouragement of Coach Tressel, in my opinion one of the premier coaches in the Nation, the team started to blend together, moving toward common goals of victory, and that they did in the last four games. Coach Tressel deserves all congratulatory acclaim that can be given. In fact, I also salute his father, the late Dr. Lee Tressel, in that he and his father are the first father-son duo, in history, to win the national championship and, subsequently to win the Kodak/AFCA Coach of the Year Award from the American Football Coaches Association.

I also pay tribute to the board of trustees at Youngstown State University. They have done an excellent job and it has taken the national championship to vindicate their efforts. The board was instrumental in screening and hiring Jim Tressel and deserves the credit for the excellent academic curriculum at Youngstown State University. In addition, the board of trustees was instrumental in their choice of athletic directors. In my opinion, they selected one of the finest in the country, Joe Malmisur. He was a great football player, and is now a fine administrator. I take my hat off to Joe Malmisur and without question to Coach Jim Tressel. Both of their efforts were vital to this whole process. Their dedication to the team and the community is both admirable and inspiring. I also salute the university's outstanding faculty and administration. They all make us proud.

I also mention the quarterback, Ray Isacc, who pulled the trigger and made the play at the right time when many people counted him out. As an old quarterback at the University of Pittsburgh, I can appreciate and respect his performance. When Youngstown State was backed up against the wall by the great players at Marshall University, Ray Isacc showed expert ability in his performance.

Finally, I congratulate all the players who never gave up. In addition to quarterback Ray Isacc who completed his career with a 34–9–0 overall ledger, there is tailback Tamron Smith who earned the distinction of all-time, single season rushing leader with 1,545 yards, 88 yards of which were run during the championship game. The rest of the team and associated supporters includes:

1991 Penguins: Bill Aaton, Mike Albrecht, Ramon Amill, Andre Ballinger, Trent Boykin, Ron Brown, Reggie Brown, Kevin Brown, Larry Bucciarelli, Dave Burch, Matt Byer, Darnell Clark, Nick Cochran, Brian Coman, Mike Crum, Pat Danko, Matt DeVicchio, Dave DelBoccio, John Engelhardt, Marcus Evans, Malcolm Everette, Drew Gerber, Michael Ghent, Curt Gonya, Andrew Gracan, Aaron Green, Brett Greer, Leo Hawkins, Alfred Hill, Brian Householder, Ray Isaac, Jeff Johnston, Craig Kertesz, Paul Kokos, Jr., Aaron Kondrad, Chris Kross, Shawn Long, Ray Miller, Darren Morgan, Sam Hosca, Anthony Naples, David Newby, Mike Nezbeth, Joe Nohra, William Norris, Jeff Powers, David Quick, John Quintana, Tom Rakovec, Mike Rekstis, Dave Roberts, Robert Robes, Chad Rosko, Mike Simonsic, Rod Smith, Tamron Smith, Ron Strollo, George Tomasch, Chris Vecchione, Ian Viets, Lester Weaver, Brian White, Jeff Wilkins, Herb Williams, Jamie Willis, Brian Wishak, Don Zwisler, Mark Brungard, Metellus Chipman, Dan Colville, Tom Dillingham, Matt Emch, Mack Gilchrist, Terica Jones, Reginald Lee, Jim Panozzo, Russ Pernus, Tim Ryan, Randy Smith, Ryan Wood, DeMario Ridgeway, J.T. DelGarbino, Steve Six, Michael Book, Jeff Lamparski, Sean O'Neill, and William Seach.

Coaches: Jim Tressel, Mark Asher, Ken Conatser, Jon Heacock, John Klacik, Brian Moore, Mark Snyder, Don Treadwell, Herm Jackson (PT), Bob Stoops (PT), Eric Meek (GA), Robbie Andrews (GA), Doug Phillips (GA), Joe Conroy (strength coach), and Ed Strauss (film coach).

Athletic Director: Joe Malmisur, and Jim Morrison (asst.).

Board of trustees: Y.T. Chiu, M.D., Mrs. Betty DeLuca, Atty. Edward Flask, Dr. John Geletka, Mr. Mark Lyden, Atty. Richard McLaughlin, Mr. Micky Monus, Mr. Martin O'Connell, and Dr. Earnest Perry.

Team physicians: Dr. Michael Miladore, Dr. Raymond Duffett, Dr. Robert Johnson, and Dr. George Saady.

Cheerleaders/lifters: Lynn Bott, Gina Camelli, JeanMarie Filisky, Lisa Funari, Susie Kirsch, Virgina Nacarato, Diane Paulik, Allyson Rossetti, Tracy Testa, James Conrad, Nick D'Errico, Thomas Devaney, Mark Hernon, Randy Oyster, Joe Pompeo, David Smith, Larry Webster, Ron Zagorsky, and Nick Mastorides (coach).

Trainers: Dan Wathen, and John Doneyko.

Student trainers: Misty Belmontez, Todd Burkey, John Corcoran, Missy Demattio, Julie Kaizer, Maria Koulianos, Cassandra Lopez, Dawn Oddo, Maria Pelleschi, Frank Rappach, Jennifer Sorge, Tony Sorge, and Mike Sullivan.

Equipment: Carmine Cassese, David Stoops, Doug "Wes" Chandler, Al Klceh, Alvin Armstrong, Scott Brunner, and Steve Baytos.

Secretaries/student support: Cindy Helton, Janet Jordan, Holly Bodak, Erin Stoops, and Noreen Fossesco.

Academic advisors: Traci Rosenberg, and Marilyn O'Bruba.

Sports info/mktg.: Greg Gulas, and Dan O'Connell.

This outstanding team's 12 wins are the most for a single season by any Penguin football team. They are also the first team to play in Allen E. Paulson Stadium and win two times in one season. Further distinguishing themselves, the YSU Penguins are the first to win a National Championship in any sport at Youngstown State University.

Finally, I congratulate the players who perservered through the domes of victory. This team is truly symbolic of our valley. Our community has suffered through adversity, but has always fought back with that inner "bulldog" tenacity and perserverence, and that's just what the Peguins did.

Again, Mr. Speaker I rise to offer my congratulations to the Youngstown State University Penguins, the board of trustees, the administration, faculty and the support staff as well as the entire atheltic department including Joe Malmisur and Jim Tressel. They have made our community proud, not alone through victory, but also by their efforts. They need not have won to satisfy our community because we realize the great struggle that they faced. I offer my best to all the athletes for their continued success in their educational endeavors at Youngstown State. I encourage them to continue the tradition of graduating and maintaining contact with their fine coaches and assistant coaches. Hopefully, the good Lord will keep all in His care.

TRIBUTE TO ANNE AND LEO ZUCKERMAN

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. WEISS. Mr. Speaker, I am pleased to offer my congratulations to Anne and Leo Zuckerman on the occasion of their 50th wedding anniversary on January 24. The Zuckermans were married in New York City in 1942 and currently live in Branchburg, NJ. During their 50 years together, they have made important contributions to the community through their work on behalf of retarded citizens and other disadvantaged groups. In addition, their three children—one of whom, Dr. Diana Zuckerman, is a very valuable member of my staff—tell me that they are wonderful parents and grandparents.

A 50th wedding anniversary is an terrific milestone, and an unusual achievement that deserves special recognition. So I wanted to take this opportunity to congratulate them and wish them good health and much happiness in the coming years.

TRIBUTE TO STEVEN R. TRIMBOLI

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. MANTON. Mr. Speaker, I rise today to honor Steven R. Trimboli from Elmhurst, NY, for his many contributions and dedication to his country. On Saturday, February 1, 1992, I will present Mr. Trimboli with the Pearl Harbor Survivor's Medal to recognize his service and commitment to the United States.

Mr. Speaker, I have known Steven for many years. As a brave member of the armed services, Steven fought to defend freedom and liberty for all Americans. Over the years, he has used this energy and commitment to serve his community and make life better for the people who live in Queens. Steven has been a member of Community Board No. 4 for 22 years and served as its chairman for 7 years. He is also executive director of Italian Charities Senior Citizens, president of the Elmhurst Lions Club, secretary to the Elmhurst Chamber of Commerce, and executive director to the Elmhurst Economic Development Corp. Steven was also a delegate to the 1976 Democratic National Convention.

Mr. Speaker, the Pearl Harbor Survivor Medal is a special honor reserved for those courageous Americans who survived the attack on December 7, 1941, and went on to serve their country and fight for freedom. As we mark the 50th anniversary of Pearl Harbor, I can think of no one who is more worthy of this high honor than my good friend, Steven R. Trimboli.

I urge my colleagues to join me in congratulating Steven, his wife of 43 years, Erika, and his two daughters, Carol and Linda on this important award.

TRIBUTE TO MAYOR LYNN F. PETT

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. OWENS of Utah. Mr. Speaker, I rise to commend Mayor Lynn F. Pett of the city of Murray in my congressional district for being the recipient of EPA's first National Stormwater Control Program Excellence Award. This award recognized the city of Murray for demonstrating a commitment to protecting and improving the quality of the Nation's waters through outstanding implementation of innovative and cost effective stormwater control programs.

Murray City implemented an innovative approach to controlling stormwater runoff along 4.5 miles of the I-215 freeway belt route in southcentral Salt Lake County. Murray City worked with the Utah Department of Transportation to develop a stormwater control system in conjunction with the city's desire to build an 18-hole golf course. Stormwater runoff from the highway and subsurface waters are collected in a desilting pond at the upstream end of the Murray Parkway Golf Course. The water is then routed through a series of small streams and wetlands into four ponds on the golf course.

As a result of this project, Murray City saved nearly $1 million in golf course construction costs by getting 550,000 cubic yards of fill dirt from the State free and continues to save nearly $8,000 per year in watering costs for the golf course.

I also applaud the Utah Department of Transportation for its cooperation with the city of Murray. This department saved $300,000 in land acquisition and stormwater piping costs by eliminating the need to construct a separate stormwater discharge system for I-215 that would discharge to the Jordan River.

Mayor Pett has over 30 years of public service to the city of Murray. When he was the city's recreation director in 1973, he had plans for a golf course, but there was no property, no money, and no water rights. With Federal land and water conservation funds, Mayor Pett was able to begin the golf course which opened in 1986 and has been the busiest in Utah, averaging 112,000 9-hole rounds per year.

In June 1990, I planted cattails in one of the ponds constructed to remediate the loss of wetlands. This project occupies open space corridor, over 2.3 miles long, linked together with a network of trails. Wetlands are planned to become key elements in compliance with stormwater discharge standards.

This project has been the pride of the community, involving hundreds of volunteer hours from youth and community groups. Other communities look to the city of Murray as a model for wetland restoration.

Mayor Pett accepted this award in Ontario, Canada, on October 7, 1991, on behalf of the city of Murray. I am pleased that EPA has recognized Mayor Pett and it is an honor for me to represent Mayor Pett and his great city of Murray in Congress.

TRIBUTE TO MOSHE AND RACHEL BRAND

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. SCHUMER. Mr. Speaker, I am proud to have the opportunity to pay tribute to Moshe and Rachel Brand for their 27 years of dedicated support of Young Israel of Bedford Bay in Brooklyn. Through their support, leadership, and hard work, Mr. and Mrs. Brand have fully demonstrated their commitment to Young Israel, to Torah and to the perpetuation of Yiddishkeit in the Jewish community.

Moshe and Rachel Brand have held a variety of leadership positions with Young Israel, and between them have served as Gabbai, secretary, treasurer, vice-president, president, and chair of numerous committees and functions.

Through these efforts, the Brands have demonstrated their devotion to the Jewish community. By reaching out to the young and old, through nursey school and senior citizens activities, through day camp and adult education, Young Israel has touched the lives of so many individuals and could not have done so without the guidance of the Brands.

The Brands' commitment to others, and particularly to the youth of the community, is further demonstrated in their professions and private lives. Both educators in Brooklyn, Mr. Brand, previously a teacher, administrative assistant, and assistant principal, is currently the principal of Hudde Junior High School. Mrs. Brand works full time in a preschool for developmentally delayed children.

In addition, Mr. Brand gives freely of his time and effort to assist many yeshivas and other religious organizations, and working late in the night to assist others during an emergency is not an anomaly. Mrs. Brand is also a lifetime member of Emunah women.

The devotion that the Brands have demonstrated to Young Israel is in itself impressive and worthy of much admiration. That they have offered so much time and energy despite their busy schedules, already filled with acts of charity, is that much more commendable.

THREATS AGAINST THE FREEDOMFIGHTER AND BISHOP LASZLO TOKES

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. DORNAN of California. Mr. Speaker, 25 months ago the world stood still as the people of Timisioara—Temesvar—rose without distinction of nationality against the tyrannical, Communist Ceauesescu regime. The immediate cause was the arrest of their beloved reformed pastor, Rev. Laszlo Tokes. Despite his Hungarian ethnicity he had the full support of the Romanian community and he became the hero of the Romanian revolution which was stifled by apparatchiks ad turncoat Securitate elements soon after its success.

Today, we have come to the point where the hero of the revolution is not only besmearched, but a group of citizens of five Transylvanian counties—Bihor, Satmar, Zalaj, Maramures, and Cluj—announce that they have gathered to pass a death sentence against the treacherous priest who is hurting Romanian interests. They also set a price of $150,000 on his head payable to his killer. Thus, Communist terror and ultranationalist fervor are combined in Romania instead of an evolution toward democracy.

Bishop Tokes has visited Washington several times and on March 15, 1990, he was a guest of Congress unveiling the Kossuth Statue at the Capitol rotunda.

The administration has to be obligated to denounce these vile threats with full force to President Iliescu and Foreign Minister Natastase and ask for examplary punishment of the people listed on the sentence if Romania wants to retain American goodwill which it so badly needs.

Bishop Tokes is a spokesman both for the equal rights of the 2.5 million Hungarian minority and also of Hungarian-Romanian reconciliation. We must support him to the hilt against his Communist and Fascist adversaries.

TRIBUTE TO THE FOUNDATION FOR ETHNIC UNDERSTANDING AND TO THE CHINA INSTITUTE IN AMERICA

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. GREEN. Mr. Speaker, the gentleman from California, Mr. MATSUI, and I wish today to recognize two New Yorkers, Rabbi Marc Schneier, of the Foundation for Ethnic Understanding, and Charles P. Wang, of the China Institute, for their efforts to strengthen relations between the Jewish and Asian-American communities.

The Asian-American community and the American Jewish community are two of the most significant ethnic groups in the United States. Their shared values and goals are varied and deep and include strong extended families which pay reverence to both young and old.

The Foundation for Ethnic Understanding, under the leadership of its founding president, Rabbi Marc Schneier of the Park East Synagogue in New York City, has been in the forefront in promoting racial and ethnic harmony. The foundation has called on Americans to recognize the strength that comes from sharing our similarities and differences and to address the dangers of prejudice and bigotry.

Founded in 1926, the China Institute in America is the oldest bicultural institution in America focused on China. The China Institute is headed by Charles P. Wang, who serves as vice chairman of the U.S. Civil Rights Commission. The primary goal of the China Institute is to promote greater understanding and cooperation between Americans and Chinese through comprehensive educational, political, and cultural programs.

On January 22, 1992, at the China Institute in New York City, the foundation and the China Institute in America sponsored the first in a series of programs for Jewish and Asian-Americans to explore commonalities and differences. Those who addressed the symposium included: Dr. Richard Stone, professor of law, Columbia University; Arthur Soong, attorney and board member, Asian American Legal Defense and Education Fund; and Mark Stern, legal counsel, American Jewish Congress.

I should like to take this opportunity to thank all those individuals associated with the China Institute in America and the Foundation for Ethnic Understanding for their efforts in promoting ethnic harmony.

AMERICAN TECHNOLOGY PREEMINENCE ACT (H.R. 1989)

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. McMILLEN of Maryland. Mr. Speaker, I rise to express my disappointment that the legislation we are voting on today does not contain provisions to authorize technology commercialization loans for U.S. businesses. This House passed legislation which would have helped finance technology transfer through loans to small- and medium-sized firms. While I am supportive of the legislation before us today, I feel that the elimination of this loan program will hinder our efforts to promote American technology and prepare this country for a competitive future.

The technology commercialization loan program which has been eliminated from this bill would have supported research and development on products in advanced technology fields such as biotechnology and electronics. These are the industries of the future and without assistance to move these industries out of the laboratory and into the marketplace, we may well lose our competitive edge.

While concerns have been raised that NIST should not be engaged in financing programs, the complete elimination of the loan program without review of alternative administrators undermines a very important commercialization effort which will impact the future of this country.

Even without these provisions, however, this is a worthwhile piece of legislation. The bill will allow for the Commerce Department to identify industries which are critical to the U.S. economy and plan out the best way for keeping these industries stable and foster their growth. It also earmarks $100 million for an advanced technology program, a 164-percent increase over 1991 appropriation levels, to award grants to U.S. companies and joint ventures to conduct research and develop technologies at the precommercial stage. Finally, this legislation establishes a Commission to help reduce the capital costs for emerging technologies.

All of these provisions will direct American technology policy in a more efficient and useful manner. However, the next step, the move toward commercialization, is also very important and I hope that my colleagues will support future efforts to address this issue. For it is only through commercialization that the bulk of U.S. jobs are going to be created. Without increased efforts to commercialize technology, we will not follow through on what we start through this bill. In essence, we are setting up the shot and never throwing the ball.

Let me express my admiration for the efforts of Chairman BROWN on this legislation. His work has been tireless and he deserves much credit. I support the bill, but think it can be better. I look forward to working to achieve this goal with the help of my colleagues on the Science, Space, and Technology Committee.

BUDGET PASSAGE—A NECESSITY

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. PACKARD. Mr. Speaker, it is time for this body to prove that it is honorable and responsive to the needs of the American people. In his State of the Union Address to the Nation last night, President Bush challenged this body to pass his budget economic plan by March 20.

I have high hopes that my colleagues will rise to this occasion. There is little doubt that we must act to provide remedies to our sagging economy. I can only urge my colleagues to remember what they were sent to Washington to do. We were sent here with a mission by men and women of this country—to do our best for the American people. Such an investment of trust should not be taken lightly.

I hope that the following debate about how best to address America's economic woes will be characterized by respect and resolution. We, as a body, must be resolved to take decisive action. We must also clear the debris of partisanship which has cluttered the debate in these last months.

I urge my colleagues to work to pass a budget by March 20. There is no question in my mind that this is still the greatest country on Earth. Presidential leadership and congressional will can reaffirm this notion by acting decisively.

ECONOMIC COMMANDMENTS

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mr. SWIFT. Mr. Speaker, as we begin the second session of this Congress, the predominant issue before us is the much heralded economic condition of the United States. For the past 2 months we have been besieged with a litany of testimony and recommendations by experts from the economic, political, and academic arena. While there seems to be a great deal of consensus that some type of action is necessary, there is considerably less agreement over what road we ought to take toward economic recovery.

While the storm of complex and extensive economic solutions continues to inundate us, I would suggest that we ought to be looking beyond the traditional response of a legislative Band-Aid. We can regulate, legislate, and reform all we want, but it will accomplish very little over the long run unless we undergo a fundamental change in the way we as Americans think about economic policy.

I am convinced that a bit of self examination may uncover a large chunk of the economic solution we are seeking. Whatever legislative course we select to stem the tide of economic decline, it must be accompanied with a healthy dose of accountability and responsibility. This pertains to the role of Government in general as well as individual citizens acting alone.

A constituent of mine, Mr. Paul Files of Everett, WA, has come up with a list of "economic commandments" that offers a bit of sound advice for all of us:

1. I will try to save a portion of my income, even if it is only a percent or two.
2. I will try to reduce my personal debt, even if it is only a percent or two.
3. I will make a contribution to a worthy cause, such as the local food banks or relief organizations, even if it is "only" time.
4. I will try my utmost to buy "American".
5. I will try to reduce my energy expenditures, especially petroleum products.
6. I will support efforts to provide relief to the newly liberated countries, knowing what the alternative would be.
7. I will not support any type of new government program in my district, except for routine support and maintenance, for one year.
8. I will not demand a raise, unless there is a concurrent increase in productivity.
9. I will become more involved in local and national government, including registering and voting.
10. I will support equal opportunity for all Americans. One sector must not progress at the expense of another.

I wanted to share Mr. File's thoughts with you today. These are useful goals—a good set of New Year's resolutions for Americans.

FIGHTING TO PRESERVE THE 169TH

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 29, 1992

Mrs. JOHNSON of Connecticut. Mr. Speaker, last Thursday, I learned that the Connecticut National Guard will lose 909 authorized positions by September 1, 1992, and will lose another 2,054 in 1993, according to orders recently issued by the National Guard Bureau, as part of its "Operation Quicksilver" plan. A sizable reduction was expected, and generally regarded as unavoidable and a sign of more peaceful times. But no one imagined that a decision of such importance to our communities would be blatantly unfair and disregard the service tradition of historic units like the 169th.

Under the current proposal, by 1993 Connecticut will have lost 49 percent of its force, while the average cut nationwide will be only 19 percent. While every American can understand that in times of budgetary constraints and a reduced threat of military strike we should make every effort to reduce U.S. troop strength, it is outrageous that the National Guard Bureau ignored key issues such as regional equity, excellence of service, and history when proposing these cuts.

Among the specific units targeted for elimination in 1992 is the 1st Battalion, 169th Infantry which currently has 590 soldiers serving in Manchester, New Britain, Danielson, Enfield, and Rockville, CT. The 169th was first called up by Commander in Chief George Washington in 1777 and helped repel the Redcoats from Saratoga. It later distinguished itself again in the War of 1812, the Spanish-American War in 1898, and in 1917 was dispatched to France to battle the German Army.

Our units rank high in readiness and mission accomplishment, as is evident in recent evaluations and statistical information. In May of last year, the Connecticut National Guard was selected as one of the finalists in the nationwide Army Community of Excellence Program for 1991 and sent delegates to the Pentagon on May 23, 1991, to collect the award. I am proud of the history of excellent service the 169th has provided on behalf of the State of Connecticut, and I will be saddened to see its proud tradition come to an abrupt end.

No one is asking the National Guard Bureau to make an exception for Connecticut's National Guard. Instead, we in the Connecticut delegation are calling for a more equitable troop reduction plan, knowing that Connecticut is prepared to assume its fair share of troop reductions. Our great State of Connecticut remains prepared to support the President and the Secretary of Defense in their efforts to act responsibly in the face of reduced military threats and urgent budgetary pressures. But we will pursue every avenue to reverse the unfair, ill-advised action recently taken.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, January 30, 1992, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JANUARY 31

9:00 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To hold hearings on stealth compensation of corporate executives, focusing on Federal treatment of stock options.

SD-342

10:00 a.m.

Armed Services

To hold hearings on proposed legislation authorizing funds for fiscal year 1993 for the Department of Defense and to review the fiscal years 1993-1997 future year defense plan.

SH-216

Budget

To hold hearings in preparation for reporting the first concurrent resolution on the fiscal year 1993 budget.

SD-608

Joint Economic

To hold hearings to examine the outlook for the 1992 economy and the forecast on which the President's budget is based.

SD-628

FEBRUARY 3

10:00 a.m.

Budget

To continue hearings in preparation for reporting the first concurrent resolution for the fiscal year 1993 budget, focusing on defense.

SD-608

FEBRUARY 4

10:00 a.m.

Appropriations

Legislative Branch Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Legislative Branch.

SD-116

Budget

To hold hearings on the President's proposed budget for fiscal year 1993 for the Department of Energy, focusing on the DOE's future in weapons production and technology transfer.

SD-608

Judiciary

To hold hearings to review the national drug control strategy for 1992.

SD-G50

10:30 a.m.

Foreign Relations

To hold hearings on the nomination of Scott M. Spangler, of Arizona, to be Associate Administrator of the Agency for International Development (Operations).

SD-419

FEBRUARY 5

9:30 a.m.

Energy and Natural Resources

To resume hearings on two Federal Energy Regulatory Commission proposed rulemakings regarding pipeline service obligations (Docket No. RM91-11-000), and revisions to regulations governing authorizations for the construction of natural gas pipeline facilities (Order No. 555).

SD-562

Select on Indian Affairs

Organizational meeting to consider committee rules of procedure and the committee's agenda for the second session of the 102nd Congress; to be followed by an oversight hearing on the implementation of the Indian Gaming Regulatory Act.

SR-485

10:00 a.m.

Appropriations

Legislative Branch Subcommittee

To continue hearings on proposed budget estimates for fiscal year 1993 for the Legislative Branch.

SD-116

Budget

To hold hearings on meeting America's domestic needs.

SD-608

Foreign Relations

To hold hearings on an overview of foreign policy.

SD-419

2:00 p.m.

Budget

To hold hearings to examine the fiscal year 1993 defense budget, focusing on U.S. responses to a changed world.

SD-608

Foreign Relations

To hold hearings on the nomination of Parker W. Borg, of Minnesota, to be Ambassador to the Union of Burma (Myanmar).

SD-419

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

Commission on Security and Cooperation in Europe

To hold hearings to examine the prospects for peace and human rights developments in the Yugoslav republics.

SD-192

FEBRUARY 6

9:30 a.m.

Energy and Natural Resources

To hold oversight hearings on the Hawaiian Homes Commission Act.

SD-366

10:00 a.m.

Appropriations

Legislative Branch Subcommittee

To continue hearings on proposed budget estimates for fiscal year 1993 for the Legislative Branch.

SD-116

Budget

To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1993 budget, and to examine the economic outlook.

SD-608

Foreign Relations

East Asian and Pacific Affairs Subcommittee

To hold hearings to examine U.S. policy toward North Korea.

SD-419

FEBRUARY 25

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Disabled American Veterans.

345 Cannon Building

FEBRUARY 26

2:30 p.m.

Select on Indian Affairs

Business meeting, to mark up S. 1602, to ratify a compact between the Assinibone and Sioux Indian Tribes of the Fort Peck Reservation and the State of Montana; to be followed by an oversight hearing on the President's proposed budget estimates for fiscal year 1993 for Indian programs.

SR-485

FEBRUARY 27

9:30 a.m.

Veterans' Affairs

To hold hearings on proposed budget requests for fiscal year 1993 for veterans programs.

SR-418

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Transportation and related agencies.

SD-138

MARCH 3

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Veterans of Foreign Wars.
345 Cannon Building

MARCH 5

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, the Blinded Veterans of America, and WWI Veterans.
345 Cannon Building

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Interstate Commerce Commission, and the Office of Inspector General.
SD-138

MARCH 18

9:30 a.m.
Select on Indian Affairs
To resume oversight hearings on the implementation of the Indian Gaming Regulatory Act (IGRA).
SR-485

MARCH 19

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Highway Administration, Department of Transportation.
SD-138

MARCH 25

9:30 a.m.
Select on Indian Affairs
To hold hearings on S. 1752, to provide for the development, enhancement, and recognition of Indian tribal courts.
SR-485

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for the National Highway Traffic Safety Administration, and the Research and Special Programs Administration, both of the Department of Transportation.
SD-138

APRIL 1

9:30 a.m.
Select on Indian Affairs
To hold hearings on proposed legislation to authorize funds for programs of the Indian Health Care Improvement Act.
SR-485

APRIL 2

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the National Transportation Safety Board.
SD-138

APRIL 8

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the AMVETs, American Ex-POWs, Jewish War Veterans, and Non-Commissioned Officers Association.
SD-106

APRIL 9

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for Amtrak, and the Federal Railroad Administration, Department of Transportation.
SD-138

APRIL 30

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Transit Agency, and the Washington Metropolitan Area Transit Authority.
SD-138

MAY 7

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Coast Guard, Department of Transportation.
SD-138

MAY 14

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Aviation Administration, Department of Transportation.
SD-138

MAY 21

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the General Accounting Office.
SD-138

HOUSE OF REPRESENTATIVES—*Thursday, January 30, 1992*

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. MONTGOMERY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
January 29, 1992.

I hereby designate the Honorable G.V. (SONNY) MONTGOMERY to act as Speaker pro tempore on Thursday, January 30, 1992.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Reverend Ed Young, pastor, Second Baptist Church, Houston, TX, offered the following prayer:

Our Heavenly Father, we come before You this morning in deepest gratitude for who You are, for Your presence with us, and for the blessings of protection and provision You give to us because of Your great love for us.

Father, we acknowledge that only because of our foundation as one nation under God have You allowed this great country of ours to enjoy the progress and security that only Your hand could provide. I pray this morning that we will continue to keep our eyes on You, and our hearts and minds governed by Your principles. May every decision made in this place today become the undisputed evidence of Your divine will being done on Earth as it is in Heaven.

Lord, we are thankful for Your sovereignty—for the assurance that You are in control of everything that happens in our world, and we pray that all we are about as a nation will honor You, as the source of all we have, all we are, and all that we shall ever be.

In Jesus' name. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair will ask the gentleman from Ohio [Mr. BOEHNER] if he would kindly come forward and lead the membership in the Pledge of Allegiance.

Mr. BOEHNER led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOME TO THE REVEREND ED YOUNG

(Mr. FIELDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FIELDS. Mr. Speaker, our guest pastor today was Brother Ed Young from the Second Baptist Church in Houston, TX. He is joined today in the Chamber with his wife, the former JoBeth Landrum.

Brother Young has three outstanding children and has been the pastor at Second Baptist in Houston for 14 years.

I have the good fortune, along with my family, of personally knowing the Young family and knowing of their ministry. Brother Young not only pastors the largest Baptist church in the Southern Baptist denomination, I think it is one of the most dynamic, and I am so appreciative of so many things, the commitment of this great man, and I am personally proud that in his television ministry that reaches out literally to tens of millions of Americans and people around the world that when people write and call and say that they want to contribute personally from their finances to Second Baptist, they are told by counselors, instead, to join a local church and tithe their offerings there. I think that underscores not only the commitment but the dedication and the mission of this great church and of this great pastor.

There are a number of honors that I could read about Brother Young. He has been president of the Southern Baptist Convention, Pastors' Conference, and he is a trustee at Southeastern Baptist Theologic Seminary. But I think it is best said that Brother Young is utilizing his lifetime in God's mission, and he is certainly doing His work to improve all of humanity and to make a difference.

LEGISLATIVE PROGRAM

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, on behalf of the Republican leadership, I would like to engage the majority leader or the acting majority leader in a colloquy concerning the schedule for the remainder of today and next week. I do not know if anyone is present, but we have just been handed a tentative schedule for next week which lists several inconsequential suspensions for Tuesday but then has no schedule for business on Wednesday and Thursday.

Mr. GEJDENSON. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I am happy to yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Speaker, is the unemployment extension on that list?

Mr. SOLOMON. No; and that is why I am inquiring.

Mr. GEJDENSON. Because it was my understanding that that may be one of the things that is on that list. That is on that list? I saw one of the gentleman's people indicate that. I think that is on that list.

Before the gentleman says that it is an inconsequential week, to those people in Connecticut who do not have jobs and their benefits have run out, that is not an inconsequential act. We are happy to see the gentleman's party supporting it now after opposing it for so long. I wish the gentleman would not call it inconsequential.

Mr. SOLOMON. Mr. Speaker, I am talking about suspensions that did not come before the Committee on Rules, and I understand the situation concerning the unemployment bill. My inquiry is this: Is there going to be a bill concerning the October Surprise which our Members need to prepare for? Is that going to come up next week before we adjourn for the recess?

The SPEAKER pro tempore. The Chair is not in a position to answer the gentleman's question. The Chair has not been informed by the leadership.

Mr. SOLOMON. Mr. Speaker, is there a possibility that we may adjourn for recess purposes for the following week sometime next Thursday? Will we be here next Friday? Is there any set date that we know of?

The SPEAKER pro tempore. The Chair believes that the leadership will inform the membership the first of the week, and probably would inform the gentleman's side earlier than that, about the plans of the recess including the Washington-Lincoln recess.

Mr. SOLOMON. It is very important for Members to be able to plan their work periods back home and their public appearances for the Lincoln and Washington birthdays.

Mr. GEJDENSON. Mr. Speaker, will the gentleman yield?

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. SOLOMON. I am happy to yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Speaker, I think one of the issues here again is taking a look at the legislation that is coming up, one of which is the Marine Protection Research and Sanctuaries Act. There are a number of things going on. There is a significant amount of work going on in the committees.

The gentleman has been in Congress long enough to know that a lot of the work at the beginning of the session is in committees, and what will come to the floor, I imagine, will be dependent upon what the committees are able to accomplish.

Of course, if there is cooperation from the gentleman's side as there has been now on unemployment, we will be able to move many items to the floor.

Mr. SOLOMON. I will just say that the gentleman knows we always cooperate. Maybe the gentleman could enlighten me on the October Surprise legislation. This was cleared by the Committee on Rules last November, but it never came up on the floor. Is that then going to come up this coming week? The gentleman serves on the Committee on Foreign Affairs, and served with me for many years, and he is usually enlightened on these subjects.

Mr. GEJDENSON. If the gentleman will yield further, it was a privilege being on that committee with the gentleman.

I think the gentleman recognizes what a serious charge is concerned here, that on the previous administration, President Reagan and Vice President Bush and Mr. Casey, the charge is that they were involved in a process of dealing with the Iranians that led to the extended incarceration of the American hostages in Iran, and I am sure the gentleman would like to get to bottom of this, I think, the most serious allegation against any candidate for President in the history of the country.

I am sorry that I am not able to tell him exactly where we are on the schedule on that, but I certainly am one who hopes that we will be able to address that issue rather rapidly. President Reagan, I think, has suggested, as have Presidents Ford and Carter, that we ought to take a look at it.

It is the most serious charge that I have ever heard placed against any candidate for President or, I believe, public office in this country, that they had participated in a process that led to the extended incarceration of American hostages in Iran.

A number of the hostages, I think the gentleman knows, have written to us and requested that we take action on this.

□ 1110

If the gentleman hopes this is attempted, I certainly join the gentleman in that hope.

Mr. SOLOMON. Mr. Speaker, let me just reclaim my time and say that the only allegations or charges that I know of came from either gun runners or convicted felons or people that Newsweek magazine and the New Republic say have no credibility whatsoever.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. MONTGOMERY) laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
January 29, 1992.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 5:22 p.m. on Wednesday, January 29, 1992 and said to contain a message from the President wherein he transmits the 1992 National Drug Control Strategy.

With great respect, I am
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

NATIONAL DRUG CONTROL STRATEGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Agriculture, the Committee on Armed Services, the Committee on Banking, Finance and Urban Affairs, the Committee on Education and Labor, the Committee on Energy and Commerce, the Committee on Foreign Affairs, the Committee on Interior and Insular Affairs, the Committee on the Judiciary, the Committee on Merchant Marine and Fisheries, the Committee on Public Works and Transportation, the Committee on Small Business, the Committee on Veterans' Affairs, and the Committee on Ways and Means.

(For message, see proceedings of the Senate of January 29, 1992, at page S607.)

TAX FAIRNESS

(Mr. ANDREWS of Maine asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS of Maine. Mr. Speaker, we are about to engage in a debate over taxes and tax fairness in this Chamber in 1992. We have heard a lot about how we might be able to effect our Tax Code and improve our economy.

I hope when we get involved in those discussions that we seek to restore confidence in our tax system in our Government. Working middle-class taxpayers across this country have seen their incomes continue to decline while their tax burden has continued to rise.

The IRS reported just a few months ago, however, that hundreds of taxpayers with incomes of over $500,000 a year paid no Federal income taxes last year whatsoever, while tens of thousands of individuals with incomes of over $200,000 paid less than 15 percent of their incomes in Federal taxes.

Mr. Speaker, we owe it to our taxpayers to make certain that their tax money is spent wisely. We also owe them to make certain that their tax money is spent fairly. We also owe it to make certain that taxation is based upon fairness.

It is time, Mr. Speaker, that we make our tax system based on ability to pay and not on ability to exploit loopholes. Let us establish tax fairness for all Americans in 1992.

GENERAL LEAVE

Mr. MICHEL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the subject of my special order that will take place later in the day.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

FAIRNESS TO DEFENSE WORKERS

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, in the President's State of the Union Address, Connecticut workers got one more blow. Our economy, battered by a lack of credit from the Federal regulators, a shaky economy, a bad real estate market, the President's message to the heroes of the cold war, those defense workers who built the systems that won us the victory in the Persian Gulf, was no program for defense conversion, no program for diversification, no assistance in pulling their lives together, but shoving them off a cliff.

Mr. Speaker, we owe these people more. We owe the economies of our country more than what we heard the other night in the State of the Union Address.

American workers are the best workers in the land. They are the best workers in the world, if you just give them half a chance.

What this administration proposes is to pull the rug out from under them and not give them a chance to use their skills to compete in international markets.

Mr. Speaker, we need a program that does more than shut down defense facilities and throws the workers out on the street and then tell us they are going to have a study for 180 days. We need a program now to make sure these people do not lose their homes, lose their ability to educate their kids, and provide the health care that we all need.

Mr. Speaker, this Congress needs to give the President a plan, one he obviously does not have, that gives American defense workers a chance.

OUR DRUG WAR IN BURMA

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, our plans and programs for achieving victory in our war on drugs has mistakenly emphasized tactics over strategy. We know, for example, that most illicit heroin comes from the Golden Triangle, and Burma in particular which in 1990 produced 63 percent of the world's supply of opium. Most of our resources have gone into treating the symptoms of that problem, spending millions of dollars tracking and interdicting drug caravans, photographing poppyfields, and compiling reports of the annual increases in opium production.

Our antidrug efforts in the Golden Triangle have failed because we have not devised a strategy recognizing and addressing the relationship between the narcotics issue, the ongoing civil war, the longest running civil war in this century, and the corrupt, ruthless military dictatorship in Rangoon. There can be no solution to the narcotics problem until that civil war ends and that war will not end until the hated State Law and Order Restoration Council [SLORC] complies with the will of the people, expressed in open elections and transfers power to the duly elected civilian government.

Our Nation has a vital interest, in promoting the early transfer of political power to the winners of the May 1990 election, the National League for Democracy, whose leader, Aung San Suu Kyi, remains under house arrest in Rangoon for the offense of speaking out for nonviolent political reform. She and thousands of others residing in prisons throughout Burma, are being punished for daring to defy tyranny and for advocating a restoration of democratic government. The United States Government cannot have a relationship with a rogue regime which does not have the support of its citizens, a regime which has murdered thousands of its people and is, even now, waging a genocidal military offensive against ethnic minorities and political opponents residing along the Thai-Burma border, along the Bangladesh border, and within 40 miles of Rangoon.

Accordingly, Mr. Speaker, I believe we should establish liaison with the National Coalition Government of the Union of Burma, The National League for Democracy Party, and other pro-democracy groups such as the Democratic Alliance for Burma, a 21-member organization of Burmese opposition groups, to discuss measures which can be taken to assist them in restoring democracy in Burma and for waging a successful campaign against the extensive narcotics trade in the Golden Triangle.

HOW MUCH IS TOO MUCH?

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, this Chamber is known as the House of the people. It is also known as the House of revenue, because all taxing and spending bills start here.

Our constituents are asking a fair and a basic question: How much Federal deficit is too much? In my district in Florida, $200 billion was much too much; $400 billion is obscene.

So Mr. Speaker, as the branch of government whose primary responsibility is to manage the Federal budget and to reduce the deficit, what are we in Congress doing about it?

The President had some pretty good suggestions earlier this week. You might think we would be scrambling to change the way we think about spending the people's money and to pass growth measures that will help bring us out of this recession, as the President has asked.

Funny then, the word is out, as we have heard on the floor this morning, that our first order of business next week may not very well be a vote on first-time home buyers tax deductions, or the flexible IRA's, or the capital gains rollback, or a badly needed line item veto; no, our first order of business next week apparently will be to dredge up a politically motivated allegation about something that may have happened more than 12 years ago, something dubbed the October Surprise.

Some irony. This, too, will cost the taxpayers money.

Mr. Speaker, how much is too much? The people of the United States already know and they have told us the answer.

THE PRESIDENT'S ECONOMIC GROWTH INITIATIVE

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, today the Director of the Office of Management and Budget on behalf of the President has transmitted to the House and the Senate the administration's proposal in draft legislative language to create jobs, promote economic growth, assist families, and promote health, education, savings, and home ownership, as well as other provisions which make the legislation consistent with the requirements of the Budget Enforcement Act.

It is my intention to formally introduce this legislation early next week.

□ 1120

PRESIDENT BUSH SHOULD NOT MEET WITH LI PENG, THE BUTCHER OF BEIJING TOMORROW

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. PELOSI] is recognized for 5 minutes.

Ms. PELOSI. I thank the Speaker.

Mr. Speaker, at the State of the Union Address the President told the Congress and the country that communism was gone, and he also said in his remarks that the power of America rests in the stirring but simple idea that the people will do great things if you set them free.

He also said:

> As long as I am President, we will continue to lead in support of freedom everywhere, not out of arrogance, not out of altruism, but for the safety and security of our children.

The President has made statements to this effect about the leadership of our country and freedom of expression throughout the world. Why, then, Mr. Speaker, do you think the President thought it was appropriate to meet with Premier Li Peng, the Butcher of Beijing, tomorrow in New York?

Mr. Speaker, in preparation for this possibility, which really is quite shocking, I must say, a number of us wrote a letter to the President, which I would like to read to the Congress.

> HOUSE OF REPRESENTATIVES,
> *Washington, DC, January 28, 1992.*
>
> Hon. GEORGE BUSH,
> *President of the United States, the White House Washington, DC.*
>
> DEAR MR. PRESIDENT: The United Nations Security Council Summit meeting this week will mark the first time that Chinese Premier Li Peng will visit the United States since the Tiananmen Square massacre on June 4, 1989. We understand that Premier Li has requested a bilateral meeting with you on January 31. Given the primary role that Mr. Li played in the massacre and the crackdown on pro-democracy demonstrators that followed and continues today, we strongly urge you to reject Mr. Li's request.
>
> Li Peng is widely viewed within China and internationally as the person most responsible for China's egregious human rights

record since the Spring of 1989. On May 19, 1989, he declared martial law in Beijing. On June 4, he ordered the Chinese military to quell the pro-democracy demonstrations by force, resulting in the Tiananmen Square massacre. Since the massacre, Premier Li has advocated the tightening of central control over the political and economic life of the Chinese and Tibetan people.

In rejecting Premier Li's request for a meeting, we believe you should make it clear that it would be totally inappropriate and inconsistent with U.S. policy for such a meeting to take place while the harsh post-Tiananmen crackdown ordered by Mr. Li continues and thousands of pro-democracy demonstrators remain behind bars.

There must be significant, concrete progress toward respecting fundamental, internationally recognized human rights in China before any bilateral meeting between the Heads of State of our two countries occurs. We urge you to utilize existing diplomatic contacts with Beijing to make this clear to China's leaders. In addition, we call on your Administration to undertake efforts at the United Nations Human Rights Commission, now convening in Geneva, to raise the issue of China's relentless political repression. We believe that the following actions should be taken by the Chinese government:

Release of those Chinese citizens detained after June 4, 1989 for the peaceful expression of their political views, including those sentenced to prison terms and those held in labor camps or detention facilities without having been put on trial. In particular, we urge the immediate release on medical parole of Wang Juntao, who was sentenced to 13 years imprisonment in February 1991 and is seriously ill.

End the assault on religious believers which has intensified since June 1989. According to human rights groups, Catholics, Protestants, Buddhists and others are being subjected to the toughest crackdown on religion in China in decades, including increased restrictions on the free expression of their beliefs and official harassment, intimidation and arrests. In particular, the Chinese government should release Bishop Peter Liu Guandong, Bishop Yang Libo, Father Pei Ronggui, Sha Zhumei and other imprisoned clerics and lay church members.

Ease the brutal repression in Tibet, where Chinese security forces continue to intimidate dissidents and nationalists through arrest, torture, harsh prison conditions and denial of due process. As you know, the U.N. Subcommission on the Prevention of Discrimination and Protection of Minorities took up the issue of human rights in Tibet last August; the Administration should vigorously support follow-up action at the Commission meeting in Geneva.

Stop the flow of prison-made products to the U.S. and agree, without further delay, to allow international inspection of prison factories, labor camps and reeducation camps suspected of engaging in the production of prison-made goods for export. This practice stands as a glaring violation of the human rights of the many pro-democracy advocates who have been consigned to the reform through labor system.

We look forward to a forthright expression of your decision regarding Premier Li's request to meet with you in New York. Any direct contact by you or members of your Administration with Mr. Li at this time would be used by the Chinese government to symbolize its return to legitimacy in the eyes of the world community and would send a devastating signal to the people of China and its thousands of political prisoners.

We look forward to working with you to improve the human rights situation in China and the U.S.-China relationship.

Sincerely,

Nancy Pelosi, Ben Jones, Wayne Owens,
Frank Wolf, John Porter, Ben Gilman,
and Tom Lantos.

Mr. Speaker, the point about the prison-made products, of course, is how the prisoners are rounded up. They are sent to labor camps because of their political expressions.

Mr. Speaker, this Friday, following the announcement that the President would be meeting with Li Peng, thousands of Chinese students and supporters of democratic reform in China will gather at U.N. Plaza tomorrow at 1 p.m. to protest Li Peng's visit to the United Nations.

They are expected to release into the air over 5,000 black helium-filled balloons representing those who have been killed, imprisoned, or who remain in jail today because of their advocacy for democratic reform in China.

For these people, Li Peng symbolizes repression in China. When he ordered the tanks to crush Chinese students, he also crushed their dreams for a more democratic society. He tried to, but that dream has not died.

The President has announced that he will meet Li Peng, the "butcher of Beijing" tomorrow at 5 p.m. While I believe that diplomatic contacts must continue between nations in order to resolve problems, President Bush's meeting with Li Peng will legitimize him in the eyes of the world. Already, French President Mitterand has refused to meet with Mr. Li because of his role in the Tiananmen Square massacre and its aftermath.

Our President should do no less.

This President has, and rightly so, defined himself as the President who supports freedom throughout the world, except when it comes to China. I believe, Mr. Speaker, that we must be against this meeting because it does deal a devastating blow to the reformers in China.

Our hopes for freedom in China rest on succession. Li Peng's reputation was diminished because of his role in the massacre; this meeting tomorrow gives him legitimacy and courtesy. And when the President of the United States next to Li Peng in that picture is photographed throughout China, showing a bilateral meeting separate from the U.N. Security Council meeting—which I fully understand that the President must participate in—the President will not be speaking for democracy in China. In fact, he will be going back on his word, following the massacre, that we will stand with those who support democracy in China.

LET US RECOGNIZE CROATIA

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, why do we support communism in what is left of Yugoslavia? First we were told supporting democracy in places like Slovenia and Croatia would cause instability. Then we were told the Europeans should take the lead. Well, Europe has taken the lead and almost 40 countries have already recognized Croatia. Our continued footdragging is shameful, a disgrace.

A speech made by our Secretary of State while in Belgrade unleashed the bloody assault by Serbian Communists on the Croatian people in the first place. People who want little more than control of their own destiny. Instead of recognizing the Croatian democracy our Government continues to have official dealings with the Communist dominated Serbian rump state of Yugoslavia.

It is time our Government put this horrible episode of moral turpitude behind us. It is time for the leader of the free world to stop following. Let us recognize Croatia and apologize that it has taken us so long.

THE REPUBLICAN CONGRESS—A MANIFESTO FOR CHANGE IN THE HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 60 minutes.

Mr. MICHEL. Mr. Speaker, the House of Representatives faces an institutional crisis. An ABC News/Washington Post poll 1 month ago reported 35 percent of Americans approve of the job the Congress is doing, while an astounding 59 percent disapprove.

☐ 1130

Mr. Speaker, a Gallup poll taken last year showed that Congress trailed every major American institution when it comes to the confidence of the American people. The lead story in the latest issue of the National Journal is: "Congress in Disrepute."

Mr. Speaker, individual political leaders go up and down in the polls, but when an institution itself receives such bad notices, something is drastically wrong. There is a mood of bitter despair and outraged anger by Americans toward their House. The call for term limitations is but one aspect of this new mood, and the cause of this crisis can be traced to those who control and have controlled the House for almost two generations.

Obviously, I am speaking of the majority party made up of Democrats. Such a crisis cannot be met by simply reshuffling the same old Democrat Party majority. We do not need reshuffling. We need a new deal in the House of Representatives. We need a new majority, a Republican majority I might add.

Mr. Speaker, this is why we have taken this special order. We want to tell the American people what they can expect from a Republican new deal in the House of Representatives. We will hear directly from those who will implement the reforms.

Our learned friend, the gentleman from New York [Mr. SOLOMON], will instruct us on the need for Republican leadership in the Committee on Rules. Future chairmen, like the gentleman from Ohio [Mr. GRADISON] and the gentleman from Texas [Mr. ARCHER], will given us the benefit of their economic expertise. Our conference chairman, the gentleman from California [Mr. LEWIS] and our research chairman, the gentleman from California [Mr. HUNTER], will comment on our defense and security needs. House Republican Policy Committee chairman, the gentleman from Oklahoma [Mr. EDWARDS], will speak on institutional reform, and the gentleman from California [Mr. THOMAS] will speak of campaign reform. The gentleman from Minnesota [Mr. WEBER], will speak on welfare reform, the gentleman from Washington [Mr. CHANDLER] on health care, the gentleman from Florida [Mr. MCCOLLUM] about crime control, and the gentleman from Florida [Mr. IRELAND] on regulation. They will all instruct and enlighten us, and our eloquent whip, the gentleman from the great State of Georgia [Mr. GINGRICH], will explore the philosophical differences between the two parties and what those differences mean in practice. But first let me put all those reforms in some sort of context.

A Republican House majority will embark on a truly conservative revolution in the House of Representatives. Our goal will be to restore institutional virtues that have been lost, preserve strengths that have survived and protect traditional American values.

I would expect, hopefully, that a majority of the Members being reelected on my side, would see fit to elect BOB as their Speaker. I will lead the first comprehensive reform of the House of Representatives in modern times.

Mr. Speaker, so much of what we do around here is determined by how we do it. In the House all too often process is substance, so one of the first things I would do as Speaker is to establish a more orderly schedule for legislation. Currently, we do very little in the early part of the year, and then try to cram important legislation into the end of the schedule. The result is chaos, hurried legislation, unready legislation, pork-barrel legislation, legislation in panic, and legislation in the dark. It does not have to be like that, quite frankly. We can and we will do better.

Next I would like to guarantee that all controversial bills come to the floor with rules guaranteeing free and open debate. In other words, how do we consider the pieces of legislation on the floor of this House? We go to the Committee on Rules to get the kind of rule under which we will debate that proposition. In 1977, 85 percent of all the rules were open rules. By 1990 that figure had fallen to 45 percent from the 85 percent, and the trend toward more, even more closed rules, is becoming quite clear. The closed rule, so called, as a means of stifling dissent is legislating by censorship around here. It is a disgrace. It ought to go. There may be, just may be, some very isolated cases when we would want in the interest of efficiency, or whatever, a closed rule. But by and large, particularly anything of a controversial nature, ought to have a free, open, and unfettered debate by both sides of the aisle before finally coming to a resolution on a controversial piece of legislation.

But there is more to the crisis of the House than the rules under which we debate. When a party has been too long in power, in eastern Europe, in China, or in the House of Representatives, certain characteristics seem to arise: an arrogant lack of responsiveness, a delusion that the entrenched party is irreplaceable and above criticism, and, most importantly, a compulsion to build bureaucracies.

Mr. Speaker, in the 35 years that I have been a Congressman, the House, under the Democrats, has changed from a relatively small and efficient institution into a chaotic, bureaucratic empire. Today we have 11,000 staff members and 1,800 support staff. Since 1954, 2 years before I came here as a Member, and the year the Republicans lost control of the House, the legislative budget has soared by over 3,000 percent. The consumer price index has increased by only 500 percent during that period of time. As a majority, Republicans would aim at cutting committee staffs in half, which would save at least $26 million a year.

And might I say finally, in this portion of my remarks, that one of the first things I would do as Speaker of this House of Representatives, quite frankly, would be to alert the entire membership of this House that we, as a body and as individuals, would be required to abide by all the rules and regulations and laws that we impose upon the American people. We ought not to be exempting ourselves from what we legislative upon the American people. That ought to be a cardinal principle on the way we operate here.

Mr. Speaker, there are many other structural reforms we will make, but I just wanted to give my colleagues some idea of the comprehensive nature of the undertaking.

Mr. Speaker, pundits talk about the need for big ideas in politics. Well, big ideas are fine, but in the final analysis politics is like the pizza business. In order to succeed, one has got to deliver, and the House Democrat majority cannot or will not deliver. It will not deliver free and open debate. It will not deliver efficiency in legislating. It will not deliver a lean, mean staff for the microchip age. It will not deliver a sense of purpose to our deliberations. And it will not deliver an institution worthy of its history, its promise and its responsibilities.

House Republicans are indeed ready to lead. It is time for a new deal in the House, a Republican majority that can restore this great institution to its rightful place as the people's House.

At this time, Mr. Speaker, I am going to yield to some of my colleagues who are going to participate in this special order, and, if I might, first I will turn to the distinguished gentleman from New York [Mr. SOLOMON], if he is ready. I am happy to yield at this time for whatever comments he chooses to make.

Mr. SOLOMON. Mr. Speaker, Woodrow Wilson once wrote that,

> Congress in session is Congress on public exhibition, whilst Congress in its committee rooms is Congress at work.

The central problem of the House today is that its committee system is not working as intended. This in turn has led to a massive breakdown in the quality and accountability of our legislative process and the bills it produces.

Mr. Speaker, in a Republican Congress, our first priority will be to restore a committee system that works since without it we will never be able forge rational and effective national policies.

Why is our present committee system in such a shambles? The reasons are not all that difficult to discern. They have been amply testified to by political scientists and Members of Congress alike.

The simple fact is that in attempting to beef up the House in the 1970's and put it on a more even footing with the executive bureaucracy, we ourselves eventually became a bureaucracy.

And I use the term bureaucracy in the most pejorative sense of that term: Empire building, overstaffing and overspecialization, overlap and duplication, lack of accountability, inertia and delay, and self-interest replacing the public interest.

In attempting to develop this body and flex our muscles, we became overdeveloped and muscle bound.

We created our own congressional budget and budget process supported by new House and Senate budget committees and a Congressional Budget Office.

We strengthened the Congressional Research Service and General Accounting Office and created a new Office of Technology Assessment.

And finally, we greatly enlarged the congressional committee system. Since 1970, while the number of committees has remained relatively constant, the number of subcommittees has increased 16 percent, from 136 to 158; the number of committee staff has increased 186 percent, from 738 to 2,109; and appropriations for the House have increased 456 percent, from $203 million to $1.1 billion.

And yet, despite this large increase in subcommittees, staff, and spending on the system, House committees in the 101st Congress reported 502 fewer bills, 44 percent less than the 91st Congress, 20 years previous. And the House passed 162 fewer bills, or 14 percent less.

Of the bills passed by the House in the last Congress, 41.2 percent had not even been reported from a committee, as opposed to 4.8 percent in the 91st Congress. This difference is due mainly to the increase in the number of commemoratives—up from 9.8 percent of total enactments to 36 percent.

But even when one subtracts commemoratives, the number of substantive bills enacted into law was 209 fewer, or 33 percent less, than the 91st Congress.

Mr. Speaker, what is responsible for these shocking statistics? While it may be difficult to pinpoint the degree of responsibility of various factors, I think it is generally safe to conclude that the central problem has been a combination of two factors: First the proliferation of subcommittees; and second, the authority to refer bills to more than one committee without first rationalizing committee jurisdictions.

Consider if you will the fact that we have roughly the same number of committees now as 20 years ago and exactly the same number of Members. But those same committees and Members are now considering legislation from other committees, in more subcommittees, and driven by more staff.

While the surface data may show that our committees and subcommittees are doing less work than 20 years ago, despite increases in subcommittees, staff, and resources, the fact is they are probably doing more work than ever before thanks to the multiple referral of bills to two or more committees, and the increase in the number of omnibus bills.

Members are spread more thinly among their various committee and subcommittee assignments than ever before and rightfully complain that they do not have the time or energy to perform any of these responsibilities in a conscientious or deliberative fashion.

As a result, the bills produced by committees are poorer in quality than ever before—less thought out and less representative of the House as a whole.

The fact that two or more committees are usually involved in reporting major legislation often leads to compromises between differing versions. And those compromises may not be internally consistent from a policy standpoint. Last year's bank reform bill is a striking example of that.

But that matters little since no single committee is really responsible or accountable for that final version.

In fact, our form of decentralized and fragmented subcommittee government is so hopeless that the majority leadership often relies on secret task forces and structured rules to patch together legislation out of various committees, or even in lieu of committee action.

But secret task force government is hardly an acceptable alternative to subcommittee government if deliberative democracy is our ideal.

Does all this mean that representative government as envisioned by our Constitution is today an impossible dream, an outmoded form of government—an anachronism? I refuse to accept that.

I think instead that with a few basic reforms we can restore a representative, accountable and effective committee system and thereby make this House again a living example of how a representative democracy can and should work.

As Republicans, we have committed ourselves to a committee system and a House that works. To do this we need to do the following:

First, we must realign and rationalize committee jurisdictions along more functional lines;

Second, we must eliminate the joint referral of bills to two or more committees;

Third, we must reduce subcommittees by limiting committees to no more than six each;

Fourth, we must reduce Member subcommittee assignments to no more than four;

Fifth, we must eliminate proxy voting and one-third quorums;

Sixth, Members should be held accountable for their committee votes by publishing rollcall votes in the reports on bills;

Seventh, we must reduce committee staff by 10 percent per Congress over three Congresses;

Eighth, party ratios on committees must accurately reflect the party ratios in the House;

Ninth, we must restore our authorization process by requiring the early reporting and enactment of authorizations prior to the consideration of appropriations—probably through some form of biennial budget-authorization-appropriations process; and

Tenth, committees must establish realistic oversight agendas at the beginning of each Congress and be held accountable for them through the House Administration Committee.

Mr. Speaker, these are the 10 steps a Republican House would take toward making ours a working committee system and a more workable House.

They sound easy enough, but the main hurdle continues to be those in power who are more interested in preserving the status quo for their own narrow political interests than they are in improving the institution.

That is all the more reason why we need a change of parties in this House to accomplish these simple, yet essential reforms.

□ 1140

Mr. MICHEL. I thank the distinguished gentleman for his valued contribution, and I am happy to yield to the chairman of our Policy Committee, the gentleman from Oklahoma [Mr. EDWARDS].

Mr. EDWARDS of Oklahoma. I want to thank you, Mr. Leader, for doing that. I also want to commend you for this special order, because I think it is very important that the people in this country see that things do not have to be the way they are now, that things can be different. I agree with my friend, the gentleman from New York [Mr. SOLOMON] that it will be a great day when you become the Speaker of the House of Representatives, so these changes can be made.

It is a fair question, how would we Republicans run the House of Representatives differently than it has been run by the Democrats.

First of all, we would greatly reduce the size of the legislative branch. Democrats have been running the House of Representatives since President Eisenhower's first term, but they have not controlled the White House for the past 12 years, so they have instead created on the Hill a massive separate bureaucracy, a bureaucracy that clearly has to be brought under control.

We Republicans would open the books for a full accounting of the money spent by the Congress on the Congress. Besides the obvious and public cost of congressional staff and support staff, people who do things like maintain the buildings and provide security, there are other expenses associated with so-called projects. How much? Who knows? It is very difficult to find out how this money is spent or how much is spent or what happens to any money that is left over.

We Republicans would change that. We would get rid of this secret spending of the taxpayer's money. Too often taxpayers face the same frustration when trying to find out how their Congressmen voted on a particularly important tax or spending bill. Why? Because every year a number of spending bills get passed without a recorded vote. For years Republicans have called for a change in the rules to require each Member of Congress to vote on the record, publicly visible, whenever legislation is voted on to increase taxes, spend money, or increase the public debt.

Finally a Republican House of Representatives would be much more reflective of the will of the people. Most people, if asked what the House of Representatives does, would respond that we debate and vote on the great public issues of the day.

In fact, too often Members of Congress are expressly denied the opportunity to debate or vote on the great issues of the day by Democrat committee chairmen and the Democrat-controlled Rules Committee.

First of all, Republicans want to make it easier for a majority of Members of the House representing their constituents to bypass a committee chairman and bring the bill directly to the House floor. Committee chairmen have a great deal to say over which bills to hold hearings on and which to report to the floor. But when a committee chairman is opposed to even debating a particular bill that has the support of a majority of Members of the House, then the will of the House and the voters that those Congressmen and Congresswomen represent must take precedence and those bills must be brought to the floor.

We want to open the debate and amendment process on the floor. The House rules allow anyone to bring an amendment to the floor on a bill being debated, as long as it is relevant to the subject matter of the bill. But we rarely follow those rules. Usually the Committee on Rules, under the influence of the Speaker, decides ahead of time how many, if any, amendments will be allowed, which amendments they will be, how much debate time will be allowed, the order in which they are going to be voted on.

The more evenly the House is divided on a particular issue and the more politically explosive the issue is, the greater the likelihood that the deck will be stacked in favor of the position taken by the Democrat leadership. In fact, for any bill brought to the floor for a vote in 1991, the chances were better than 3 out of 5 that the Committee on Rules would pick and choose which amendments it would allow to be debated and voted on, circumventing the normal procedure that allows any relevant amendment to be debated and voted on. That reflects a significant change from when I first was elected to Congress. Then the chances were less than 1 out of 5 that a floor debate would be restricted in some way by the Committee on Rules.

Republicans would allow the process to work as it was intended, giving everyone an opportunity to offer and debate amendments of importance to our constituents.

Finally, under Republican leadership, the country could expect a reduction of the legislative bureaucracy, more votes on the record, and opening of the books on internal House business, and a restoration of democracy and fairness to committee and floor proceedings.

I want to thank you, Mr. Leader, again, because this under your leadership is the policy that we have formulated about how we would run the House of Representatives. I am very eager to see that day when we can in fact call you Mr. Speaker and make these changes that our constituents demand of us.

Mr. MICHEL. I thank the distinguished gentleman. Of course, in keeping with his comments relative to, again, the issue of reduction of staff and personnel and the burgeoning bureaucracy around here, I failed to mention that one of those other things would be obviously a moratorium on the construction of any new buildings or office space around here. That obviously would not be required if we are going to be reducing staff, as distinguished from expanding it, as has been the case in recent years.

At this juncture I am most happy to yield to the gentleman from Georgia [Mr. GINGRICH], our distinguished whip.

Mr. GINGRICH. Mr. Speaker, I thank the leader for yielding and I appreciate very much his hosting this opportunity to explain what we would do with a Republican Congress.

America is at a crossroads and Americans know it. They know we have won the cold war but may be in danger of losing the competitive war.

Americans are frustrated and confused. They see how our leaders and our system of government has succeeded in defeating the Soviet empire yet they see the same leaders and system losing the domestic struggle against drugs, crime, ignorance, and welfare. Americans are losing faith in our constitutional system. They see ineffective leaders and a government structure that isn't producing results.

The current system has so failed to produce answers that Americans are seeking stark solutions. The dramatic and frightening rise of David Duke and the near universal call for term limitations on politicians, I believe, have materialized because of the sense of desperation and exasperation by the American people.

Within this current climate, I believe we need to create a new system and new approach to government. We need to transform the current system through a necessary revolution. This revolution is one of replacing the current welfare state and its side effects of destruction of family values, work ethic, and individual ability and responsibility. This revolution is truly necessary and not merely desirable. It must happen.

Our Founding Fathers created a powerful system for each generation to have; to paraphrase Thomas Jefferson, its own necessary revolution. Our civil wars should be fought culturally and politically, not militarily.

I believe that there are six essential social and economic changes that are revolutionary in nature that if supported by Government policies will change the current system of stagnation and alienation to one of opportunity and prosperity. But these Government policies will never occur until there is a Republican majority in Congress.

Let me outline this necessary revolution that would take place with a Republican Congress.

We believe that this revolution is vital to each American's personal prosperity. Our Government through its Tax Code punishes industry, encourages debt, discourages saving, and makes jobs creation an almost unattainable goal. In contrast, imagine a Tax Code that rewards people for investing in, and saving for the future. Imagine laws that make it more possible for Americans to realize the dream of home ownership. We have proposed such reforms: Cut taxes on income earned from investments in capital assets, and make even steeper cuts for investments in small businesses; cut taxes on senior citizens who work; encourage savings through expansion of the IRA laws; encourage home ownership through flexible rules on IRA use and tax credits for the first-time home buyer; and repeal counterproductive tax laws that cost jobs, such as the excise tax on boats and aircraft.

We believe that another generation of drug addiction and violent crimes will destroy our children socially and spiritually. The personal safety of every individual must be protected and preserved. Imagine picking up the newspaper and reading that the murder rate right here in Washington, DC, was cut in half and that drug dealers and other like thugs were put in jail for the length of their sentence and not let out on early release to commit more crime. We should be committed to a policy of prisons before pork, and we should build enough prisons so that there are enough cells for every violent criminal in America. And while they are in prison, we should make every prisoner work to help pay for the cost of their incarceration. Finally, we should make sure that every illiterate prisoner emerges from jail literate so that they can become productive citizens and not repeat criminals.

We believe that education is a vital key to a successful, competitive America and to sustain economic growth. There is no sector in American life in which the coming revolution is more necessary or vital. Imagine an educational system that allows parents to choose which school their children attended and replaces a unionized, bureaucratic approach to teaching with flexibility, creativity, and rewards for excellence. That is what we have proposed through America 2000. We must let the individuals on the local level, not the Federal Government, decide what is best for their children. We must encourage and provide the means for innovative educational programs that are designed to expand our children's educational experience. Through more creative participation from local communities, America will once again achieve excellence in education.

We believe that personal safety and security is not just a matter of ridding the country of the criminal plague but by assuring all Americans the right to a health system that is affordable and available to everyone. Imagine a revitalized, health-oriented system that emphasizes wellness and promotes choice. We have proposed such reforms. The leader's task force on health has proposed giving small businesses the same treatment for its employees now given big businesses. This fairness in tax treatment coupled with insurance market reform will give millions of Americans access to health policies they now don't possess. Our legislation would establish a commonsense approach to malpractice lawsuits that add enormous costs to the health care system. We should also consider putting more personal responsibility back in the system by establishing health bank accounts that would allow people to take the current benefits provided to them by their employers and put this into a special account. This money would be used for health costs but if money was left over it would be theirs.

We believe that the welfare state's current bureaucracy and payments creates a strong bias against work, savings, and family values. These are the very aspects so sorely needed by those who are currently in the welfare system. Imagine a system for the needy that promoted workforce instead of welfare. We propose that the current system of welfare with its over 100 separate programs be put into three block grants. This would allow States vastly more flexibility to enact the needed reforms from welfare to workfare. Welfare payments should lead the recipient to a job. This can be done by requiring they get a high school education if they don't have one. We should eliminate the current system's penalty against families and we should eliminate additional benefits for people who have more children while on welfare. The values of work, family, and education must replace the welfare state's current bureaucratic values.

We believe that this economic and cultural revolution must extend to the Government. Congress should be a system that is respected by everyone. This must be the case if we expect other institutions in the country to live by the guidelines Congress dictates. Imagine a Congress where there are no scandals and ridicule. We should demand a full disclosure of all congressional affairs so that the public can see how their tax dollars are spent. Imagine a Congress that had to live with the laws it passes for everyone else in the country. Imagine a Congress that had half its current staff, as BOB MICHEL has said will happen when he becomes Speaker of the House. Imagine a more effective and a more efficient Congress, with a reversal of the proliferation of committees and subcommittees. Imagine a Congress whose Members better understood the problems of their constituents, and not insulated from those problems by special perks and overuse of taxpayer's money to get reelected.

Imagine a Congress that allowed all of these things to happen: From changes in economic policies that would create jobs, to change in social policy that would put all violent criminals in prison to stay, to change in education policy that favored parents and children over unionized bureaucracies, to change in health policy to promote wellness and choice and reduce costs to families, to change in welfare policy to emphasize workfare instead of welfare, to a change in the way Congress itself operates so that all Americans can have a Congress it can be proud of.

All of these changes would happen if the American people would make one change, elect a majority of Republicans in Congress. All of these changes have been proposed, few of them have been brought up for votes. That's because the majority party decides the congressional agenda, they decide the schedule, they decide what proposals have a chance to become law. For the last 38 years the majority party in Congress has been the Democrats. That's longer than Castro has been in power in Cuba and more than half the time the Communists were in control in the Soviet Union.

In his first inaugural address on March 4, 1861, Abraham Lincoln said:

> This country with its institutions belongs to the people who inhabit it. Whenever they shall grow weary of the existing government they can exercise their constitutional right of amending it or their revolutionary right to dismember, or overthrow it.

The challenge to America is clear. Use ballots, not bullets, to win this necessary revolution. If Americans want change, they must get out and vote. America met challenges in the cold war and Desert Storm. We believe we can find just as much courage and commitment to meet the challenge here at home.

□ 1150

Mr. MICHEL. I thank the distinguished whip for his very eloquent remarks capsuling, as no one other can do better, what we as the Republican minority feel strongly we would like to have evolve for the benefit of the American people, if given that opportunity with a majority in this House.

If I might just very briefly underscore what the whip said relative to the time element here. At the beginning of January the gentleman from Michigan [Mr. BROOMFIELD] and I, the senior Republican on our side, began our 36th year serving in this House of Representatives.

Neither of us, nor obviously have any other Republicans in this House with lesser seniority, ever have had their own subcommittee, their own full committee, or been in a position of being in a majority where our views carried the day in any kind of situation around here. That is the plight we Republicans have been in for lo these 36—yes, 2 more—38 years in the House.

We are saying today, collectively and individually, we can change all that. The people, obviously, can change all that. We cannot do it ourselves. It will have to happen this fall.

But in the event that the American people see fit to do that for us, to give us that opportunity, we will rise to the challenge. We welcome that challenge and look forward to the opportunity to serve here.

Mr. HUNTER. Mr. Speaker, if the gentleman will yield, I had to interrupt my leader on one point. I think all of us realize that even though we are in the minority, there was one day last year when the views of the Republican leader of the House of Representatives, BOB MICHEL, did carry the day, and that is when you led the coalition in this body that gave the President authorization to move against Saddam Hussein in the Persian Gulf. We will never forget that leadership and never forget that day.

Mr. MICHEL. I thank the distinguished gentleman from California. It is true on occasion there have been those times when we have carried the day with a very, very spirited, well-informed, well-enlightened, articulate minority, and have made the case on the floor of this House to carry a majority of votes, regardless of party. Those are the days when we look, of course, with envy, and hope that there would only be more of those days. Unfortunately, there are far more days when we lose. But when given that opportunity, we rise to the challenge.

At this juncture I am happy to yield to the distinguished gentleman from California [Mr. LEWIS], who serves as our Republican conference chairman.

Mr. LEWIS of California. Mr. Speaker, I thank my leader for yielding me this time.

In the minority leader's most stimulating cover letter that came with the work we are about to do on the floor, my leader, BOB MICHEL, said that the year was 1954. Ike was our President. We had a balanced budget. BOB MICHEL was working as administrative assistant to Congressman Harold Velde, and Republicans lost control of the House of Representatives to the Democrats.

That was 38 years ago. The world has changed in many ways, my leader said. Ike is no longer President, we no longer have a balanced budget, and I am no longer a congressional staffer. Over this time we have gone through the Korean, the Vietnam, and the cold wars. We have seen the yippies, the hippies, the yuppies. But through all these years, one thing has not changed—the Democrat majority in the House of Representatives.

Incredible, is it not?

Mr. MICHEL. It certainly is.

Mr. LEWIS of California. Over those years, all that has not changed is that these guys still run the place, and the people wonder why we are in trouble.

Mr. Speaker, I cannot wait for the time that BOB MICHEL is our Speaker, for the gentleman from Illinois knows what this country needs. It needs the kind of leadership that he can provide. It needs the kind of understanding of where this country has been and what has made it great.

□ 1200

It needs the kind of direction that his experience understands.

Mr. Speaker, I am going to revise my remarks relative to what we might do with our defense budget, if we were the majority. The Speaker today at the rostrum understands full well the demands that we have upon our defense system. It is very apparent.

The Constitution of our country empowers the Congress to raise and support armies and to provide and maintain a navy. History and our leading role in a Western culture based upon individual liberty have made these words more important than our Founding Fathers could have realized. They worried about a coastal defense of 13 colonies, a defense on the western frontier. Little more than 150 years after the Revolution, America's leaders had to deal with a global war, atomic weapons, two fascist dictatorships in war and two Communist regimes in a cold war. We have been through so much since the gentleman has been leader.

I cannot help but be reminded of experience like Dick Cheney's, coming from this body, sitting by the lakeside up in the mountains in northern California, when he talked about the fact that we have an opportunity as we build down this quality national defense, he suggested the problem is we have had this opportunity just following the Second World War, just following Vietnam, every time we have had the opportunity we have screwed it up.

It is very important that we not just respond to the Democrat challenge by transferring this money to more of their social programs. Let us make sure that we build down wisely. A strong national defense is our most critical need.

We have seen its potential benefits out there for the American public. We need to make certain that as we go about that quality builddown that we keep on track, keep America strong, keep the world strong so we can continue to lead.

I appreciate the Speaker's leadership today on the floor.

Mr. Speaker, the Constitution of our country empowers the Congress to "raise and support armies * * * and to provide and maintain a navy." History, and our leading role in a Western culture based on individual liberty, have made these words more important than our Founding Fathers could have realized. They worried about coastal defense for 13 Colonies and a defense on the western frontier. Little more than 150 years after the Revolution America's leaders had to deal with global war, atomic weapons, two Fascist dictatorships in war, and two Communist regimes in the cold war.

Well as President Bush said last night, "We won the cold war."

Who is we? Really three groups. First the men and women of our Armed Forces. Second the ingenious and dedicated defense workers who gave our troops the best tools to do the most dangerous work. And last but not least is the American taxpayer. Again as the President said:

> No one ever thinks to thank the people who pay a country's bills, or an alliance's bills. But for half a century now the American people have shouldered the burden, and paid taxes that were higher than they would have been to support a defense that was bigger than it would have been if imperial communism had never existed.

These three groups—soliders, workers, and taxpayers—deserve a quality builddown that honors their past and future sacrifices. A Republican Congress, influenced and led by Members and former Members such as BOB MICHEL, BILL DICKINSON, and Dick Cheney—not to mention our most important alumnus, George Bush—would manage that builddown in the safest and most compassionate way.

When we had the expansionist Communist regime in Moscow it would show its true colors from time to time in dramatic ways. Afghanistan and KAL flight 007 were dramatic reminders that we on this side of the aisle could use to remind our colleagues in control of the House that there was a bear in the woods. Now the bear is dead, but was that the only threat? Can its nuclear armed offspring really be declawed?

As we confront these questions, let's see which party has the best track record in protecting the interests of soldiers, defense workers, and taxpayers.

Most Americans are now familiar with the phrase "peace dividend." I want to talk about the peace dividend, as well as its lesser known cousin, the experience dividend.

The experience dividend is so vital but often neglected. Members of the Republican Bush administration such as Dick Cheney, Secretary of State James Baker, and National Security Adviser Brent Scowcroft bring to these challenging times a wealth of experience not matched in the other party. If we had a Republican-controlled House, the ideas and policies of these people would have to be compromised and watered down. If the GOP was in charge we would complement and add to the experience of George Bush's team—not carp and grandstand.

The peace dividend will take on additional meaning and significance the closer we get to election day. In an election year with a difficult economy there seems to be no shortage of ideas on how to spend more money—tax cuts, national health insurance, massive new public works and jobs programs—are but a few.

The majority party's constant clamor for higher cuts in defense leaves many with the unfortunate belief that the Congress has already waited too long for the budget ax to fall. It also fails to carefully consider the more healthy alternative of committing defense dollars saved to deficit reduction. How many times in the 1980's have those who depend on existing domestic Government programs been asked to absorb cuts because of the size of the deficit and its damaging effect on our economy. Instead of debating how to spend the peace dividend on new Federal programs, an effort should be made to reach a fuller and more realistic understanding of the costs of deficit spending on our economy and on worthwhile domestic programs. In short, it is time to fill in the blanks. President Bush did that in his State of the Union Address. The President outlined cuts of an additional $50 billion over the next 5 years. As he said, we should cut "this deep, and no deeper."

Mr. Speaker, two documents will be submitted for the RECORD. The first is a Department of Defense publication explaining the fiscal year 1993 Pentagon budget. The second is a speech by Joint Chiefs Chairman Gen. Colin Powell. Chairman Powell's remarks explain much that the Bush administration is already doing to protect our troops and our taxpayers. As he points out, when we finish our reductions we will be using the lowest amount of our GNP for defense since before World War I—only 3.6 percent.

Therefore, as the country awaits its deserved relief from the cold war tax and defense burden, we should bear in mind which party will better weigh certain facts: While there is no question that there was a defense buildup during President Reagan's first term, real defense spending has been on the decline since 1985. Real defense spending will decline 34 percent between 1985–1996 based on decisions that Congress and the President have already made.

Defense cuts are people cuts. The Defense Department has already eliminated 80,000 civilian jobs. Secretary Cheney has agreed to a 5-year plan which will reduce the active duty force by 520,000 individuals. Additionally, the Department is in the process of closing 400 bases and facilities worldwide.

Defense reductions are job cuts. Joining the nearly 1 million military and civilian employees of the Department in looking for new jobs will be the hundreds of thousands of private sector production employees that work in the production lines manufacturing America's defense industrial base. In California alone, at least 300,000 production workers who make everything from the B–2 to communications satellites are and will be in jeopardy. These individuals are the defense industrial base.

There are no quick fixes by which defense cuts can be immediately available for redistribution to other Federal programs. Weapons programs and personnel training involves long-term contracts. Even closing down a production line involves termination costs.

Our challenge is not to quibble over the billions of dollars that could make up a peace dividend. Instead it is to recognize that every debate about this issue should include at least two other key phrases—the defense industrial base and the Federal deficit. Each has as much to do with our future economic progress and growth as the current temptation to view the peace dividend as a new opportuntiy to increase Federal spending on new programs.

The peace dividend rhetoric of most congressional Democrats creates a bonfire mentality. The bonfire is started from materials which are no longer needed. As it grows, the enthusiasm for the flame and the light grows. Too often, anything that will burn is thrown into the fire. Let's not make that mistake with short-term thinking regarding the opportunities to spend defense dollars elsewhere. Instead, lets focus on the long term, the defense industrial base, and the Federal deficit.

We in Congress are about to undertake the most important demobilization in the history of the world. That is no exaggeration. A Republican-controlled House would not use the Pentagon's budget as a cash cow to please more interest groups with new Federal handouts. We would work with the experienced Bush administration to build down with equal measures of caution about world dangers and compassion for American defense workers.

The best Retraining and Worker Adjustment Program is a thriving economy, particularly in high technology fields, and in modern manufacturing methods like those developed for the B–2 Stealth bomber. If Republicans controlled the House, we would meet the President's March 20 deadline for passing his economic revival program. This kind of action would ease the effects of a wise builddown of our Armed Forces and allow us to apply savings to deficit-reduction thereby letting taxpayers keep more of their money. That would be the best way I can think of to say, "Thank you, America, for a job well done and a struggle won."

Mr. MICHEL. Mr. Speaker, I certainly thank the gentleman for his very timely remarks. So well put with respect to a very critical subject that faces all of us.

Mr. EDWARDS of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I thank my leader for yielding to me.

I think it is important that the people who hear this and see this realize that the reason it is so important that we be given the opportunity to provide the leadership that the gentleman has spelled out here is this: When they go to the polls and they elect a Ronald Reagan twice to be President and they elect George Bush to be President and they say, we believe in that direction, we want the country to move in that direction. But when it does not happen, they are all frustrated and angry. Why? We voted for these guys for President. Why is it not happening?

The answer is very simple, because we are stalemated. We have Presidents who want to take us in the direction the public wants but we do not have the votes in Congress. And when they vote for a Republican President, then they ought to give that President a Republican Congress, and we will change things.

Mr. MICHEL. Mr. Speaker, I thank the gentleman for making the point. I am reminded of our early days in school when we were taught about the three coordinate branches of Government, one being a check upon the other. I am wondering what has happened during recent times. We have been fortunate to elect 5 out of the 6 last in the Presidential elections. But always, except for the short period of time in the other body having a majority, the other party has controlled Congress. That may be in the public's mind out there, that the system of checks and balances conceived by our Founding Fathers where a President of one party and a control of the Congress by another party has absolutely no relevance whatsoever.

That was not what they were talking about, and the gentleman is so good to bring out the point forcefully, as he did.

This is probably as good a time as any, following on the remarks of the distinguished gentleman from California [Mr. LEWIS], to hear from the gentleman from California [Mr. HUNTER], who serves with such distinction on that Committee on Armed Services, and knows that defense business inside and out and, of course, serves in our leadership as chairman of our research task forces.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. HUNTER. Mr. Speaker, I thank my leader and applaud him for the leadership that he has shown and that he will show in the future as a Speaker of the House of Representatives. I thank my leader for giving us this opportunity to talk about what Republicans would do.

I think one of the very important areas that have to be discussed today and have already been discussed by our colleague, the gentleman from California [Mr. LEWIS] is defense. Because the Constitution gives the Congress the responsibility and the duty and the power to carry out and to build a strong national defense for the protection of our citizens.

In fact, many of us think that it is the most important social benefit that Congress provides for its people and should provide for its people, is to defend them.

I think the difference between Republicans and Democrats with respect to defense can be described by two simple phrases. The first phrase is one that was used very often by Ronald Reagan and that was simply "Peace through strength."

The second is one that we are going to hear a lot of times from the Democratic leadership in various ways when we debate the budget, and that is their statement that defense spending is the enemy. Defense spending needs to be cut. Defense spending needs to be devastated.

In our position, the defense spending is not the enemy, and let me just take the American people and my colleagues back to a few months ago when we were in the Persian Gulf. And we saw all of those systems that were built by Ronald Reagan and under great protest by the Democrat leadership. I am talking about the M–1 tank, the Apache helicopter, the Patriot missile. We saw all those great systems working, protecting freedom, operating efficiently in the hands of the men and women of the Armed Forces. And not one time during that conflict did we hear a Democrat leader get up on the floor and say what he said many other times, and that is that defense spending is the enemy.

We have found out, in fact, that defense spending is often the friend when it results in the missiles that shoot those Scuds that are incoming to our troops, when it results in America's being able to go into a conflict with one of the largest armies in the world and return with very few battle casualties.

Under a Republican Congress, we would recognize, because we helped to bring it about with a Republican President, the momentous changes in the Soviet Union. And yet we recognize also that there is an inherent instability in the present situation. We know that there are some 27,000 nuclear weapons still in the Soviet Union, now under the control of various political subdivisions. And we know also that in Moscow recently there have been calls by a few for the criminal trials of Mr. Yeltsin and Mr. Gorbachev, and there have been calls by a few for a return to communism. And there is still an instability that suggests to the United States that we should keep our powder dry.

Let me say to my leader, who led this great fight on behalf of the President in empowering him in the gulf war to take action, we Republicans are best at keeping America's powder dry and keeping our security ready.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, one of the things that I thought the gentleman from California [Mr. HUNTER] and I might be able to discuss at this point is the reality that in southern California, in our region, Riverside, San Bernardino County, our economies have benefited a great deal by the military buildup of the 1970's and the 1980's.

It is very apparent to me that our economy is shortly going to be experiencing the other side of that as we go about this quality build down that is being discussed in Washington. It is going to have a huge impact upon our own constituencies.

Our people out there are going to have to deal with the reality that as the economy shrinks and defenses, military bases close, it can have a negative impact upon economies.

In turn, we have to make certain that that quality build down reflects our understanding of the impact that it will effect upon our communities. Our employee base is going to change as a result of it. It is very important that the gentleman and I, dealing with our own communities, do everything that we can to see that their opportunity, their economic opportunities are extended through the following decade.

I know that the gentleman is experiencing this at home himself. I just wanted to make sure that my people understand that I know they are experiencing it as well.

Mr. HUNTER. Mr. Speaker, I thank the gentleman. He makes an excellent point. That point is that the Republicans are not only the leaders in defense in both Houses and, when they are in the majority, will be able to direct policies that will truly protect this Nation, but also we are the caretakers of an economic growth package that will enable our military industries to convert to domestic production, when military industries and those that are associated with the military decline.

I might mention to my friend from north of my area in San Diego that some of the radical cuts in defense that we always see after a war, and we have seen them historically in this century, we always cut too much, as the gentleman has pointed out and as Secretary Cheney has described, but under the radical cuts, for example, that are proposed by Senator KENNEDY in the other body, we are talking about in excess of $2 billion out of the defense budget, far, far deeper cuts than our prudent Secretary of Defense, Dick Cheney, has suggested.

□ 1210

In my area of San Diego we would lose some 10,000 jobs as well as losing an important edge in security.

Mr. LEWIS of California. I want the gentleman to know I very much appreciate the support that he has given to the southern California economy. The impact of his work on the Armed Services Committee is not just appreciated but very, very important to those of us who appreciate the role he has played.

Mr. HUNTER. I thank the gentlemen. Let me tell him that his contribution to national defense as a member of the Defense Appropriation Subcommittee is also very, very valuable to the people of his district in southern California.

Mr. LEWIS of California. I thank my colleague.

Mr. HUNTER. Mr. Speaker, let me talk about something else that we must keep our eye on and that goes directly to the heart of a Republican program with respect to defense. The Soviet Union as we knew it previously is no longer. However, as I pointed out, there are still some 27,000 nuclear warheads that we have to contend with in one way or another over the next 10 to 20 years.

However, there is another problem. As we emerge from this confrontation between East and West, we are moving into what I call an era of terrorists with high technology. We must accept the fact, because it is a fact, that some 14 Third World countries right now have ballistic missiles. We also must accept the estimates that have been given to us by our intelligence agencies that in the next decade, this number could reach 25 or more countries having ballistic missiles. And also we must accept the fact that by the year 2000 six or more nations will have ballistic missiles with ranges reaching over 3,000 miles.

As Americans who have always appreciated those two great oceans that have protected us from the aggressiveness of other world leaders and from their armies, their air forces and their navies, this growing ballistic missile capability must be fully appreciated and must be managed by our Defense Department so that it does not involve a major threat to American citizens.

Another factor that we have to consider was recently pointed out by the Director of the CIA, Mr. Gates, when he testified before the Senate Committee on Governmental Affairs. He pointed out that there are thousands of Soviet nuclear and weapons technicians who have been working on and designing and building with great efficiency Soviet nuclear missiles. These people, to a large degree, are finding themselves unemployed. They are discovering, however, that there are many would-be employers around the world, and many of these employers, especially those associated with terrorist nations, are not responsible. They are not responsible people. They are adversaries of the United States, and they now have a vast new resource to draw upon in their race to build nuclear weapons. That means that the Saddam Husseins of the world can go out and recruit with ready cash, which many of them have, some of the top experts in the world in the areas of weapons technology. That means that as we draw away from this East-West confrontation, we are going to have to strengthen our intelligence base. That means Americans in our Department of Defense are going to have to know where terrorists are operating, when they are operating, and perhaps most importantly what they have. Then we are going to have the ability to respond very quickly to deal with that threat.

One last point that I think we have to remember with respect to the Soviet Union is this: The gulf war did not involve the Soviet Union. The gulf war involved a massive military engagement that drew down America's resources, which luckily we had because of Republicans and a Republican President who believed in a strong defense. But we did not fight the Soviet Union, and yet that effort took enormous national energy.

We must remember that we have wars on a regular basis. History has taught us that the best way to prevent wars is to be prepared for them, and unfortunately, in the past, under the leadership of Democrat Congresses, we have demobilized too quickly, we have cut defenses too drastically, and we ended up back in an unstable situation very quickly.

Let me just say that the airwaves, incidentally, have been, and I have spoken with my colleague Mr. LEWIS about that, the airwaves have been replete with calls to cut defense spending and fund all of the answers to our economic problems out of the defense pot. The Budget Committee chairman, LEON PANETTA, who would be the ranking member if the Republicans controlled Congress, has already formulated a 10-year defense plan or 10-year plan that would make significant reductions in our defense spending while creating new domestic programs. Senator SASSER, chairman of the Senate Budget Committee, has a plan that would cut between $120 billion and $150 billion out of defense over the next 5 years. But this plan pales in comparison to Senator KENNEDY's proposal to cut $210 billion out of defense over the next 7 years.

The point I am making is that the Democrat leadership in Congress is following the historical pattern of slashing defense irresponsibly, and thereby bringing us back into a situation in which we may find ourselves without the capability to do what we had to do in the gulf last year. Under the budgets of Senator KENNEDY and Senator SASSER, we could not respond to a Saddam Hussein in the manner we did last year, and we must expect that we are going to have to respond to that type of a challenge.

The Department of Defense has submitted a 6-year defense plan under the very able leadership, incidentally, of Dick Cheney, a former conference chairman and whip of the Republicans in the House of Representatives, one of our most prized Members and a very thoughtful gentleman and a leader in defense policy who brought us to success in the gulf war. If his plan is followed, defense spending is going to go down. It is going to go down to about 3.6 percent of GNP by the middle of the decade.

I want to just remind our Members and the American people what Secretary Cheney stressed when he appeared before the Budget Committee. He said these words, "Prudence requires that we as a nation not make defense reductions more rapidly or more deeply than planned through fiscal year 1996. It will be a tremendous challenge to carry out planned reductions without undermining the future quality of our Armed Forces."

Mr. Speaker, a Republican Congress would heed this warning.

Finally, Mr. Speaker, let me talk about the strategic defense initiative a little more. Leaders in the Democrat Party have fought the strategic defense initiative for years, and because of Democrats controlling this Congress, we do not have an SDI. I can remember the words of Presidential candidate Walter Mondale when he said, "I would not be for SDI." He said, "That's war in the heavens." Remember those words. The Democrats think that SDI is war in the heavens. Yet, when those Patriot missiles went up and hit those Scud missiles that were coming into innocent civilian centers, and were coming into American military installations, the same Democratic leadership, because they love this country too, said, "Thank heaven." "Thank heaven we have this little bitty piece of SDI."

We had this Patriot missile that can stop the slowest of the ballistic missile family, and that was the Scud missile, but we are going to have to deal with a lot more than Scud missiles over the next 15 to 20 years. Our intelligence experts tell us we are going to have to deal with long-range ICBM's that can move very quickly, that have a very high reentry velocity, and that pose enormous threats to the people of the United States of America. That means that we need to have a Republican Congress that can move out in partnership with the Republican President and provide that greatest of social services to the American people: to protect them.

I thank the future Speaker of the House, Mr. MICHEL, for letting me have this time.

Mr. MICHEL. Mr. Speaker, I thank the gentleman for his very fine exposition.

I am happy to yield to the distinguished gentleman from Florida [Mr. IRELAND], who wants to tell us something about easing the burden I am sure on small business, an area in which he has a great deal of expertise, serving as he does as our ranking Republican on the Small Business Committee. If we had a majority, he would be the chairman. He would be calling the shots and the country would be a lot better off.

Mr. IRELAND. Mr. Speaker, I thank our leader and I hope future Speaker. What the gentleman is doing I think is an appropriate thing for our country to have this period when we put two views in perspective.

If America will save small business, small business will save America.

This would be the rallying cry of a Republican-controlled Congress.

Republicans know that small businesses are our best hope for the future. They employ almost 60 percent of the private work force. They contribute 44 percent of all sales in the United States. And they are responsible for 38 percent of our Nation's gross national product.

During 1990, small businesses created more than 550,000 jobs for our Nation's unemployed. That same year, large corporations lost nearly 400,000 jobs.

Small businesses are expected to account for nearly 75 percent of the 43 million new jobs that will be created in the United States over the next 25 years.

A Republican-controlled Congress would acknowledge the vital role that smaller firms must play in our economic recovery and long term wellbeing.

A standard measure of legislation under Republican leadership would be how any proposal affects small businesses' ability to grow and create jobs.

No longer would we ignore the cumulative effect of the laws and regulations we pile onto small businesses each year.

If Republicans controlled the Congress, the floor of the House would not be dominated by proposals to mandate business leave policies.

It would not be overwhelmed with schemes to raise business payroll taxes.

And it would not be awash in claims that we can solve our Nation's health care crisis with a snap of the finger—by mandating that businesses provide health insurance for their employees.

Republican leaders wouldn't force through a luxury tax that is costing hard-working men and women their jobs under the false premise that it would bring in money by soaking the rich.

In fact, a Republican-controlled Congress would move quickly to repeal that ill-conceived tax on American jobs.

And a Republican Congress would not let a technical error in drafting the small business exemption to the minimum wage law remain on the books for more than a year without making any attempt to fix it.

Restoring that small business exemption would be a high priority if Republicans controlled the legislative agenda for the House.

In other words, a Republican-controlled Congress would not expect small businesses to solve every problem we face in this country.

We would not expect them to shoulder the cost of compliance for every program that the Government can no longer afford to fund on its own.

Just as important, a Republican Congress wouldn't have to fight for the chance to consider progrowth proposals that would work—if we would only let them.

Instead of seeing what we could do to small business, we would focus on what we could do for small business.

A Republican-controlled Congress would take steps to spur investment and job creation by restoring an investment tax credit and by lowering the tax rate on capital gains income.

A Republican-controlled Congress would make sure that SBA has sufficient lending authority to serve the needs of all qualified small businesses who cannot find credit in the private sector.

And Republicans would work to break down the barriers to self-employment for those who must rely on public assistance for survival.

Republicans would put some enforcement teeth into the regulatory flexibility law requiring that departments and agencies consider the impact of any proposed or existing rule on small businesses.

We would also prohibit the Internal Revenue Service from retroactively applying regulations unless otherwise directed by Congress. This would provide one, clear set of rules for all businesses and agencies to follow.

A Republican Congress would return fairness to the legal system by ensuring that business owners would be liable only for the results of their own conduct.

These ideas aren't pie in the sky. They are all existing legislative proposals—many of which will never see the light of day as long as liberal Democrats control what is and isn't debated on the House and Senate floor.

The record is clear: Our Nation's small businesses have the ability and the desire to pull us out of recession.

We could achieve far more in terms of social policy through incentives set in the context of a vibrant, healthy economy than we can by clinging to business mandates, higher taxes, and more legislative obstacles to business growth.

As Members of Congress, it is our responsibility to assure that public policy is designed to work with the men and women who own and operate our Nation's 20 million small businesses and their employees.

House Republicans are ready to do more than just talk about how important small businesses are to the country.

We are ready to join forces with our Republican President in order to enact policies that will work for small business and that will put Americans to work. We invite our Democratic colleagues to join us.

□1220

Mr. MICHEL. Mr. Speaker, I thank the gentleman for his very appropriate remarks, and as he points out, you know, the vast number of new jobs created in this country and required for our recovery are created not by big business but, rather, by small business. And so for us to take his lead, as he has outlined it here, and do the kind of things in this body that would stimulate and encourage those small businesses to create the new jobs will be the best way to bail us out of these economic doldrums we are experiencing today. I thank the gentleman very much for his very appropriate remarks.

Mr. Speaker, I yield to the distinguished gentleman from California [Mr. THOMAS], who has been waiting for a good long time, but always has something worth waiting for when he takes the floor of the House.

Mr. THOMAS of California. Mr. Speaker, we have been asked to comment on what this place would look like if Republicans were in the majority.

I have been asked to talk about what would campaigns look like, how would they be run under a Republican majority.

I think the short answer would be contained in a car rental commercial of a few years ago, in short, Republicans would put you in the driver's seat. "You" is each of you out there watching this program. I will have to inform you that there are not very many members of the press here to report on what we are saying. That is not unusual, because I want to talk directly to you. You are not in the driver's seat right now in terms of campaigns.

Who is? For example, incumbents, a majority of them Democrats. Democrats have written the campaign laws under which all candidates run.

But we have seen recently, incumbents tend to have inordinate advantages including the opportunity to use taxpayers' money.

Now, let us have a small test about whether or not this Democrat majority wants to put you in the driver's seat. We have all read and heard about incumbents mailing under your taxpayers' dollars thinly veiled campaign material to people whom they do not represent, who never voted for them and who are currently outside their district, the mass mailing to people who may be in districts after reapportionment.

Republicans have introduced legislation to stop this kind of shenanigan with the frank. Let us see if the Democrats pass this legislation. In fact, let us see if Democrats even hold hearings on this legislation.

Republicans would like to remove incumbents in the Democrat majority from the driver's seat.

Who else is in the driver's seat? Special interest political action committees.

If you will take a look at the Federal Election Commission reports on campaign financing, you will find that political action committees today fund the vast majority of a candidate's campaign expenses. In many campaigns, that amount is 70, 80, 90 percent of the funds spent by a candidate. They do not all come from you. They come from thousands of miles away, many of them raised in Washington fundraisers to attempt to influence the candidate, not saying that we should eliminate this money, but I think clearly it would be healthier for the system. It would help put you in the driver's seat if their influence was reduced.

□ 1230

So how would Republicans put you in the driver's seat?

First of all, as I said, we have legislation that would deny abuse of the frank. Republicans have other legislation that would cut back on incumbent taxpayer dollars that are used in essence for campaigns. If we were in the majority, that legislation would become law.

We in our proposed campaign finance changes would reduce the role of PAC's from five times the impact of an individual to the same as an individual.

But most importantly, Republicans would put you in the driver's seat by allowing you to determine how much money could be spent in a political campaign. Republicans would require and we would make law, if we were in the majority, a majority of money would have to come from people who actually participate in campaigns. Candidates would have to raise a majority of their money from you, the people who are going to vote in the district.

Imagine, not $1 could come from single issue political action campaigns, not $1 from union-financed activities, not $1 from corporations subsidizing political action committees, unless you decide that your dollar should go into the campaign.

Local control of campaign finance would put you in the driver's seat, not just in the election season, because incumbents would have to come back to you periodically to make sure that you were comfortable. You would control their political careers. And would that not be a revolution?

Republicans, if they were in the majority, just as in the economic arena, trust you collectively to make the decisions. If we were in the majority in the political arena, we would trust you collectively to control campaigns. You would have the ability to determine the amount of money spent in a campaign. You would control the finances. You would be in the driver's seat if Republicans were in the majority.

Mr. MICHEL. Mr. Speaker, I thank the distinguished gentleman from California for laying it out so succinctly as he has. He has been at the focal point of all this discussion.

PREFACE

The year was 1954. Ike was our president. We had a balanced budget. I was working as an administrative assistant to Congressman Harold Velde, and Republicans lost control of the House of Representatives to the Democrats.

Over the last thirty-eight years, the world has changed in many ways. Ike is no longer President, we no longer have a balanced budget, and I am no longer a Capitol Hill staffer. Over this time, we have gone through the Korean, Vietnam and Cold Wars. We have seen yippies, hippies, and yuppies. But through all these years, one thing has not changed: The Democrat Majority in the House of Representatives.

Clearly, the time is long overdue for new leadership of the House. The public's perception of Congress remains distressingly negative. The American people want and deserve complete reform of the House of Representatives. Only a Republican Majority can carry out such reform.

These essays were originally presented in a January 30, 1992, Special Order on the Floor of the House by the Republican Leadership and Republican Members of several important committees. They explain what we intend to do and how we intend to do it when we become a Majority. They go to the heart of issues—issues like crime, the economy, education, energy, and health care—that Americans are truly concerned with.

I am confident that after reading this document you will agree that Republicans have the ability, the vision, and the determination to completely reform the House of Representatives. Now, all we need is the opportunity.

Sincerely,

ROBERT H. MICHEL,
Republican Leader.

REFORMING THE WELFARE STATE UNDER A REPUBLICAN CONGRESS

(By Hon. Vin Weber)

Mr. Speaker, for the past two years, House Republicans in the Wednesday Group have developed a reform agenda for welfare policy. While the Democrat-led Congress continues to guard the spoils of a failed and decaying welfare system, House Republicans are promoting a new vision and a new agenda to fight chronic poverty in our country.

For too long, the federal government's poverty programs have relied almost entirely on transferring income from one group of Americans to another. The strategy was obvious; If people get money, they won't be poor.

In fact, that truism isn't always true. Income transfers have been successful in reducing poverty for some parts of society, especially the elderly and disabled. However, millions of Americans remain mired in chronic poverty, despite the billions of dollars in federal assistance they received.

Contrary to popular myth, spending on programs for the poor have increased substantially in the past decade. More importantly, economic growth has had a substantial impact on poverty in America. As 18 million new jobs were created, poverty declined and average real wages increased every year from 1983 to 1990.

Despite these impressive improvements, millions of Americans made little progress against poverty. For this group of Americans, family dissolution, low commitment to work, and low or declining wages playing a significant role in their economic plight. Any authentic attempt to help them must address these problems.

Reform means spending money on welfare programs that require recipients to work and develop skills, with strong incentives to move out of dependency. It also means eliminating current incentives that allow recipients to remain forever dependent on federal programs.

We can begin by fully implementing provisions in the Family Support Act of 1988. In a sense, this bill was a typical compromise, where Democrats who sought higher benefits compromised with Republicans seeking stronger work requirements.

The law requires participation rates of 20 percent by 1995, meaning that 20 percent of the nonexempt caseload at any time must be working or involved in work training. It's a modest start, but Congress must oppose any efforts to weaken those requirements. In the future, we must move to higher participation rates.

We also need to eliminate the disincentive for work in the current structure of programs to push those who leave welfare "off a cliff," where all benefits immediately cease and a recipient finds that work is a less lucrative alternative.

Providing continued Medicaid coverage during a transition period and developing health insurance alternatives for the working poor remove powerful incentives in the current system to remain on welfare. In addition, the expansions of the Earned Income Tax Credit since 1986 have served to subsidize the incomes of low-income worker, providing additional financial incentives for welfare mothers to take low-wage jobs.

These positive inducements for families to escape from welfare will not work in all cases. Thus, Congress should consider time-limiting coverage under the Aid to Families with Dependent Children program. Currently, over 65 percent of the caseload on AFDC will make clear that these programs are meant to provide a safety net in a time of transition, not a permanent support for those who are unwilling to work.

The point should be clear. These immediate goals lead toward our real goal, which is to convert welfare to a temporary program, as the poor move from dependency to self-reliance.

The proposals outlined are part of a comprehensive review issued by the Wednesday Group: *Moving Ahead: Initiatives for Expanding Opportunity in America*. The paper lays out a vision of needed changes in our welfare policies, and it shows the kind of ideas House Republicans will promote when they control this chamber. I urge my colleagues to review it in detail.

NATIONAL SECURITY UNDER A REPUBLICAN CONGRESS

(By Hon. Duncan Hunter)

Mr. Speaker, I am happy to speak today on the topic "National Security Under a Republican Congress." Among the powers granted to Congress, those given us under Article I, Section 8—to raise and support our Armed Forces—have provided much debate and discussion in this body.

I believe the differences between Republicans and Democrats can best be described in two simple phrases. The first, used often by President Reagan, is "peace through strength." The second, which we will use often in the upcoming budget debates, is "defense spending is not the enemy."

Under a Republican Congress, while we would recognize the momentous changes in Eastern Europe and the Soviet Union, we would not call for massive reductions in our military capabilities as many of our Democrat colleagues suggest. Yes, the world has changed; however, there are still many unanswered questions concerning the new Commonwealth of Independent States. There are still, according to some estimates, nearly 27,000 nuclear weapons in the former Soviet Union. Recently, there were protests in Moscow for a return to communism and the trial of President Yeltsin and Mr. Gorbachev. There is still unrest in Soviet Georgia and a settlement has yet to be reached in Yugoslavia.

In addition, Mr. Speaker, there is the growing problem of missile proliferation among Third World countries. Already, 14 Third World countries have ballistic missiles. Many believe that in the next decade this number could reach 25 or more countries possessing this technology. Most alarming, by the year 2000, six or more nations will have ballistic missiles with ranges reaching over 3,000 miles. A new twist to this problem was recently cited by Central Intelligence Director Robert Gates, when he testified before the Senate Committee on Governmental Affairs. Mr. Gates expressed his concern that as the situation in the former Soviet Union deteriorates, Soviet scientists may begin to emigrate to Third World countries and enable these countries to greatly improve their military capabilities. Yes, Mr. Speaker, a more peaceful world today, but what about tomorrow? A Republican Congress would look into the future and maintain peace through strength.

The Gulf War was a strong warning that our military must always be prepared to respond a crisis anywhere in the world. Because of the sound build-up of our military during the Reagan years, we had a military that was able to move 541,000 personnel, tanks, planes, and supplies halfway around the world and sustain combat operations. Because of Reagan's belief in "peace through strength", we had a military that was well-trained and well-equipped.

The Gulf War was also a clear example of the differences between our parties. The majority of our Democratic colleagues voted not to give the President the authority to use force against Iraq and instead voted for a continuation of sanctions. Had this been the policy that prevailed, we could still have half a million of our soldiers in the sand. Today, our troops are home and Iraq is out of Kuwait. Do we really want to draw down our forces to a level that we are unable to respond to another "Persian Gulf" crisis?

Our former colleague and now Secretary of Defense, Dick Cheney, has clearly sounded the warning to move slowly to maintain "peace through strength." Speaking before the Defense Orientation Conference last October, Cheney emphasized:

"The good news of course is that because of the changes in the world we can safely reduce defense spending. We can safely restructure our armed forces.

"The bad news is that we have never, ever before, when we've gone through one of these periods, gotten it right.

"We've always blown it. Every time previously in this century when we've significantly downsized the force, when we've gone from major war time forces in World War I or World War II, we've ended up in such a hurry to demobilize that we've forgotten the fact that nearly always, sooner or later, we once again find ourselves in the position where we have to once again go to war."

Do we really want to ignore the fact that there are still many questions surrounding the dissolution of the Soviet empire? Do we really want to ignore the growing problems of missile proliferation? Do we really want to ignore the lessons of the Gulf War? A Republican Congress would heed Secretary Cheney's words to "get it right" and not slash the capability of our armed forces. A Republican Congress would say "Yes, it's a more peaceful world today, but let's maintain this peace with American strength and not return to the 'hollow forces' of the 70's."

Recently, the airwaves have been replete with calls to cut defense spending and fund the answers to all our economic problems. Budget Committee Chairman Leon Panetta, has already formulated a 10-year plan that would make significant reductions in our defense spending while creating new domestic programs. Senator Sasser, the Chairman of the Senate Budget Committee, has a plan that would cut between $120 billion and $150 billion over five years. This plan pales in comparison to Senator Kennedy's proposal to cut $210 billion over seven years.

These proposals miss the point—"defense spending is not the enemy." We have already achieved savings from the defense budget, and if Democrats insist on taking more out of defense they will seriously threaten the quality of our Armed Forces.

The Department of Defense submitted a 6-year defense plan last January. If this plan is followed, defense spending will be 3.6 percent of GNP by the middle of the decade. Before the Budget Committee, Secretary Cheney stressed, "prudence requires that we as a nation not make defense reductions more rapidly or more deeply than planned through FY 1996. It will be a tremendous challenge to carry out planned reductions without undermining the future quality of our armed forces." A Republican Congress would heed this warning.

Democrats have argued that the Pentagon has failed to react to world changes; however, the Pentagon's 6-year plan is based on a reduced Soviet threat and the collapse of the Warsaw Pact. The centerpiece of this plan is called the Base Force—the minimum force structure required to protect U.S. national interests. (Chart A) Secretary Cheney has moved the Department of Defense from the mentality of the Cold War to focusing on the new threats our nation faces. A Republican Congress would support this base force concept and not seek to undermine the quality of our forces by seeking unrealistic defense spending cuts.

Finally, Mr. Speaker, the fate of one program typifies how a Republican Congress would differ from a Democratic Congress. That program is "The Strategic Defense Initiative" (SDI). In 1983 President Reagan had a vision—to protect American citizens from the horrors of a nuclear missile attack. Each request for robust funding of research and development was met with opposition from the Democratic Congress. Each request for robust funding was significantly cut by a Democratic Congress. A Republican Congress would have fully funded this Reagan vision and today we would have SDI.

Mr. Speaker, the issue of our national defense is important to all members; however, as I've pointed out, there are clear differences between our parties. A Republican Congress would move more slowly in the face of an uncertain world situation. A Republican Congress would oppose deep cuts in defense spending. Mr. Speaker a Republican Congress would maintain the peace by ensuring a strong national defense.

CHART A.—FORCE STRUCTURE

	Fiscal year—			
	1990		1995	
	Number	Active	Number	Active
Army divisions	28	18	18	12
Aircraft carriers	13		12	
Carrier air wings	15	13	13	11
Battle force ships	545		451	
Tactical fighter wings	36	24	26	15
Strategic bombers	268		181	

THE ECONOMY UNDER A REPUBLICAN CONGRESS

(By Hon. Bill Archer)

Mr. Speaker, I commend our distinguished Minority Leader for reserving this time to outline some of the key items on the Republican policy agenda for this session of the 102nd Congress. Given the broad legislative responsibilities of the Committee on Ways and Means, many of those important social and economic issues will begin their legislative journey in our hearing room.

While it would be impossible to cover all of those issues in the time we have today, it's important that we highlight a number of items which should receive early attention as the year begins.

ECONOMIC GROWTH

Our highest priority should be consideration of legislation to spur job creation and long-term economic growth—issues which were not considered important enough by the majority in Congress to move legislation forward last year. Months of valuable time were wasted in posturing over the symptoms of our economic problems while Republican initiatives to address the underlying causes of those problems were carelessly cast aside.

With the President's support, the House is already in the process of considering an additional extension of unemployment benefits. That legislation should be coupled with job creation initiatives.

Unemployment insurance doesn't create jobs for the unemployed. It helps them cope with the financial concerns which result from unemployment. Economic growth does create jobs. That is why we need to move ahead with rational, responsible policies that stimulate long-term economic growth and provide good, lasting jobs in the private sector for working Americans. Americans want jobs—not just an unemployment check.

This week, the President has again put before the Congress a comprehensive, workable, economic growth agenda without increasing the deficit that drags down our economy. While it contains a number of new approaches, many of its most important provisions have been before us since his first budget submission in 1989.

Had Congress responded to the President's leadership three years ago, today's economic situation would be quite different. His proposals to stimulate economic growth through capital formation, personal savings, research and development and home ownership make tremendous sense today—just as they did when they were first proposed.

GROWTH ORIENTED TAX POLICY

Tax policy has a profound and immediate impact on the economic direction of this country. Unfortunately, our current tax system frequently works to inhibit economic growth, which, in turn, retards our ability to compete in international markets. We need to reverse that.

Capital gains indexation, a significant capital gains rate differential, alternative minimum tax reform and investment incentives for businesses and individuals are important first steps. They are not the sole answer, but they will help rebuild confidence, stimulate increased economic activity now and help change American attitudes about savings and investment for the future.

Similarly, the Tax Code ought to encourage, not discourage, the development of high technology businesses in the United States and encourage education and worker training. Importantly, if we are going to use the Tax Code to provide incentives, they need to be real.

We currently have a list of a dozen or so tax provisions, that now expire annually, providing tax incentives to stimulate a variety of activities ranging from research and development and low income housing to job training and health insurance for the self-employed. Their effectiveness is limited because taxpayers do not know whether the incentives will last for more than a few months. We urge businesses to take a long-term view, but the Tax Code forces them to do just the opposite.

It is time to review each of the so-called "extenders" on its own merits, turn the most important and effective ones into real, permanent incentives and allow the rest to expire. The Committee has talked about making those tough decisions before—but has repeatedly sidestepped the issue. We need to eliminate that uncertainty this year.

TAX SIMPLIFICATION

Unnecessary complexity is another aspect of our current Tax Code which has taken its toll on the profitability of American businesses and the productivity of American workers.

A recent study by Lytton Research and Analysis estimates that private sector costs of complying with existing tax laws is equal to 65 percent of tax revenues or $618 billion dollars in 1990. Likewise, an earlier study by Arthur D. Little estimated that federal tax compliance consumed almost five and a half billion hours in 1985. This figure is equivalent to nearly 3 million people working full time in order to comply with the Tax Code. That's crazy.

Last year, the Committee on Ways and Means made a modest start in identifying simplification proposals, but even that never made it through the legislative process. A far more comprehensive approach needs to be taken—coupled with a firm commitment to seeing legislation enacted.

HEALTH CARE

Let me next turn to the topic of health care—the issue that, after job security, is probably the greatest concern to American today.

Public concern over the status of health care in America is one of the most vexing issues facing the Congress. This country has available to its citizens the finest medical care in the world. Nevertheless, the cost of that care is becoming less affordable.

Republicans believe that the qualities of the current health care system should be preserved and that reform ought to be carried out within the context of our values. It is critically important to maintain our private sector approach to health care delivery and to make private health insurance coverage more affordable.

In the short term, Congress should act now both to reduce the cost of health care and to make insurance more available for Americans. In the long term, comprehensive reforms are needed to bring to a halt the current rate of health care cost growth and assure all Americans access to private health insurance coverage.

On the cost cutting side, the first agenda item is medical malpractice reform. Billions are currently spent on defensive medicine. Much of this can be saved if medical liability issues can be settled in a more efficient and reasonable manner. We cannot afford to continue a system where physicians practice in constant fear of being arbitrarily sued, and those suffering injuries from medical negligence hope to be compensated in a lottery-like tort system.

Next, tax policy toward employer provided health insurance needs to be reexamined. Incentives should be considered to promote more cost-conscious health care coverage. On the access side of the ledger, tax credits should be considered to subsidize health insurance coverage for those who are now uninsured and may lack the wherewithal to purchase insurance.

Finally, it is worth noting that two-thirds of the uninsured either work for small employers or are the dependents of those employees. Two of the best means to promote greater employer paid health care coverage are: 1) to provide a 100% health deduction for the self-employed, and 2) to reform the small group health insurance market.

As part of health insurance reform, the Congress should take action to prevent "job lock". Today, many Americans are becoming fearful to seek better employment because of the concern that they, or their dependents, may lose health insurance coverage for chronic illness or preexisting conditions, if they change employers. Reform is necessary to assure all Americans that they will not be penalized if they change jobs. These reforms do not have to wait; they can be passed this year without economic havoc. We urge this Congress, which constantly laments the state of our health care system, to enact these highly effective policies.

INTERNATIONAL TRADE

Another important issue facing us as we begin 1992 is international trade—and our highest priorities in that area will be the successful completion of the two major trade initiatives launched by Presidents Reagan and Bush.

The first is the Uruguay Round of multilateral trade negotiations, an undertaking unprecedented in scope that is now moving toward completion after more than four years of discussions. The second is the negotiations between the United States, Mexico and Canada to achieve a North American Free Trade Area (NAFTA) designed to strengthen the competitive position of producers and workers in our hemisphere.

These agreements must be fair and effective, providing a balance of benefits and opportunities that reduce trade barriers and expand market access for U.S. producers. They also must provide protection from unfair trade practices, as well as sufficient leverage to eliminate such practices where they exist. These agreements should be finalized and implemented as expeditiously as possible because they are expected to greatly expand world trade and create thousands of new jobs for American workers.

Other trade and economic growth initiatives, such as the Enterprise for the Americas, also should be pursued vigorously not only because they expand market opportunities and create jobs but because their aim is to create practical alternatives to the production and sale of illegal drugs. Through enhanced trade benefits to the countries of Central and South America, the U.S. can provide meaningful and crucial support for the war against drug trafficking in that region.

Customs modernization legislation is another top priority for this year. Improvements in the operations and programs of the Customs Service will speed commercial processing and ensure uniformity of classification and entry procedures at all ports. These improvements will also allow Customs to more effectively enforce U.S. trade laws and provide expanded service to a diverse trading community.

Miscellaneous tariff bills have long been important to the Congress. Republican Members have introduced numerous individual bills to lower tariffs and adjust the classification of imported goods. These bills are designed to reduce the costs of components for U.S. businesses, to maximize their competitiveness and to maintain jobs in the U.S.

A final trade initiative that we feel is very important is reform of U.S. trade laws as they apply to non-market economies. The transition of economies in Eastern Europe and the former Soviet Union from state control to market-oriented policies has made certain aspects of our trade laws obsolete. New legislation is needed to ensure that expanding exports from these transitional economies are not dumped or subsidized to the detriment of U.S. industries, either at home or in third markets.

WELFARE REFORM

Perhaps the greatest social policy accomplishment of the Reagan-Bush years has been the forging of bipartisan agreement that dependency on welfare is a bad thing—bad for taxpayers, bad for parents, and bad for children.

Republicans believe the nation has an obligation to help the unfortunate. We are deeply concerned that the design of government largesse makes it too easy to get and even easier to keep—seductively trapping individuals in a permanent state of welfare dependency. It is our view that American taxpayers want to help victims of misfortune, but that taxpayers expect citizens who receive public benefits to get back on their feet as soon as possible.

Under the leadership of President's Reagan and Bush, Republicans were able to start bending the welfare system in the direction of encouraging work. To do this, we needed to make changes both in welfare policy and tax policy. These changes included removing millions of low-income working families from the federal income tax system, providing states with money to train welfare parents for employment, strengthening child support enforcement laws, and providing earnings subsidies to low-income working parents through the earned-income tax credit.

Experts estimate that around 80 percent of children on welfare have fathers who have jobs; these fathers have earnings that average about $15,000 per year. Even so, less than 15 percent of welfare mothers receive child support payments. This is an area which needs a great deal more attention.

While some have proposed a new program of guaranteed federal child support payments, consideration of that costly approach is premature without thorough testing and experimentation.

We also want to explore the effects of providing welfare families with clear signals that the public expectation is for short stays on welfare.

As the welfare system has grown over the past half century, the message given to clients seems to be that welfare is a right. Republicans think the idea of permanent guarantees to welfare benefits is precisely the wrong message to send to young families. Moreover, we have no doubt that American taxpayers do not think they should carry a permanent obligation to give cash, food, housing, and medical care to able-bodied fellow citizens.

We should be moving toward a system designed to encourage self-sufficiency, not dependency. Unconditional benefits should be available for only a limited period of time. Under a new system of time-limited benefits, families would be required to show evidence that they are moving firmly in the direction of self support.

Properly designed programs hold great potential for helping poor and low-income families achieve economic security. Old-style welfare programs that merely give cash or in-kind benefits to people clearly have not solved the problem of poverty in America. But new-style programs that encourage or force people toward self reliance may show great promise.

The recent explosion of welfare reform proposals by more than a dozen states is an indication of interest in this approach. California, Wisconsin, Ohio, Michigan, New Jersey, and Maryland are now proposing, have recently enacted, or are now actually implementing dozens of "New Paternalism" proposals. These include:

Reducing the welfare benefit of parents who do not insure that their children attend school regularly;

Reducing the welfare benefit of parents who do not insure that their children receive regular medical checkups and immunizations;

Ending the practice of increasing the welfare grant of families that have babies while on welfare;

Reducing the welfare benefit of parents who do not show progress toward getting a job and leaving welfare;

Providing increased benefits for parents who accept full-time employment.

We applaud these state efforts. As Justice Brandeis once remarked, states are the laboratories of federalism. This has never been more true than it is today in the area of welfare reform.

We intend to do everything possible to help states gain the waivers from federal law that are often needed before these reform experiments can be conducted. In fact, as in the past, we intend to explore legislative proposals that will grant much great flexibility to states in their use of federal welfare dollars.

SOCIAL SECURITY

Another major item on our agenda is our long-standing commitment to liberalizing and eventually repealing the Social Security retirement earnings limitation, starting with those over age 65.

The retirement earnings limitation may have been well intentioned public policy during the depression, when the goals were to permit and encourage older workers to retire with dignity while creating jobs for younger workers. Today, given the demographics of the work place, it is disastrous public policy.

The Social Security program has achieved almost universal coverage. Over 97% of all workers participate; only a few state and federal employees are covered under other government retirement systems. So, we cannot underwrite the long term financing deficit by extending coverage as we have done historically. It is a closed system, and a shrinking one.

The ratio of taxpayers to beneficiaries has declined from 4 to 1 in 1970 to 3.4 to 1 today, and is projected to decline to 1.8 to 1 by the year 2060. Actually, the Board of Trustees also has a more pessimistic projection of a ratio of 1.3 to 1.

It is in this context that most Republican Members are persuaded that abolishing this last vestige of age discrimination in federal statute is our top priority for the Social Security program.

However, it isn't our only priority. Clearly the disability program needs to be streamlined administratively to ensure a more efficient and more uniform national program. The current claims process, especially the appeals process, simply does not serve the public well.

Further, it is time to focus on the vocational rehabilitation aspects of the program, which have never worked as Congress envisioned when it authorized the payment of VR services from the trust funds. The same demographics that favor the retention of skilled older workers in the economy favor the employment of the trained disabled worker. The Social Security program can better serve both.

INCREASED OVERSIGHT RESPONSIBILITIES

Ways and Means is not only a legislative Committee. It also has a long history of investigative oversight activities that have developed several proposals which should be moved forward.

In 1988 we took the first step in protecting taxpayers by passing the Taxpayer Bill of Rights. While this was a good achievement, more needs to be done. The untold story from 1988 is not what we put into the Taxpayer Bill of Rights, but what we left out of it. It's time we finished the job we began in 1988.

The centerpiece of a Taxpayer Bill of Rights II will be a provision to correct the imbalance between the IRS and the taxpayer in deciding the correct tax liability a person owes. The current law stacks the deck totally in the IRS's favor. Its often said that a taxpayer is "guilty until proven innocent" in dealing with the IRS. We should not have a system which treats the average taxpayer like a criminal suspect every April 15th.

The current system is rooted in the principle that when the IRS makes an assertion against a taxpayer, it is presumed to be correct, unless the taxpayer can prove the IRS is wrong.

The IRS should have to document and substantiate the tax which it asserts against a taxpayer—and no longer be able to make an unfounded assertion against a taxpayer and then win by default when the taxpayer cannot refute it. The IRS would have to take reasonable steps to develop its case in the same way a taxpayer must develop his tax return.

The new Taxpayer Bill of Rights II would end this mismatch between the taxpayer and the IRS. Both parties would have comparable rights and responsibilities in deciding what taxes a person owes.

One of the growing concerns of the Committee is the solvency of the medicare trust fund. There are several initiatives we can enact which would preserve the assets of the medicare trust fund without increasing the burden of beneficiaries or reducing their level of service.

First, we can restrict abusive telemarketing of durable medical equipment to senior citizens by "boiler room" hucksters which costs medicare millions of wasted dollars per year.

Medicare beneficiaries would still have full access to this equipment when prescribed by their doctors. The proposal would be aimed directly at unscrupulous companies presently engaged in what amounts to looting the medicare trust fund.

We should also step up the enforcement of the law on Medicare Secondary Payor (MSP) which says that when a medicare beneficiary also has private health insurance, the private plan should pay any allowable health claims before medicare is called upon to pay. The MSP provision is not being enforced very well by medicare contractors. The result is that medicare is paying claims which by law should have been paid by the private health plan of the beneficiary.

Improved enforcement of existing law could save medicare millions of dollars without increasing the cost to beneficiaries or reducing their services.

Nothing galls the American taxpayer more than the stories of government checks going to deceased beneficiaries. Every month the federal government sends out millions of benefit checks for social security, civil service pensions, military pensions, black lung disability, veterans benefits, etc.

When a beneficiary dies, the checks should stop. The Social Security Administration's work with state departments of vital statistics has resulted in a central clearinghouse for death certificate data. Requiring all federal agencies to use the SSA data base to screen their beneficiary files for deceased persons will save millions of dollars a year without harming any beneficiary.

Mr. Speaker, in conclusion, I would again like to thank our distinguished Minority Leader, Bob Michel, for focusing attention today on issues which we believe should be dealt with early in this Session of Congress.

I believe 1992 will go down as an important turning point for our domestic and foreign policy. I look forward to working with the Minority Leader, the Administration, and the other side of the aisle on the challenges that face us in this upcoming session.

MAKING CRIMINALS PAY FOR THEIR CRIME

(By Hon. Bill McCollum)

There are four essential elements for any major reform of federal criminal laws: (1) changes in habeas corpus law to limit the virtually endless appeals of death row inmates which delay the carrying out of their sentences; (2) expansion of a so-called "good faith" exception to the exclusionary rule of evidence in cases involving search and seizure issues so that more evidence is admissible and more convictions obtainable; (3) restoration of the death penalty for a number of federal crimes by revising sentencing procedures to comply with a 1973 Supreme Court ruling which declared all death penalties in the United States unconstitutional on procedural grounds; and (4) creation of a provision permitting the award of the death penalty in cases of trafficking in very large quantities of narcotics.

Republicans and President Bush have made these four reforms the centerpiece of their crime initiatives for several years, but liberal Democrats have thwarted these reform efforts every time. Most recently a stacked House/Senate conference produced a crime bill with provisions on habeas corpus and the exclusionary rule which are worse than present law. Amazingly, if these provisions became law, death row inmates could use habeas corpus proceedings to delay the carrying out of their sentences even longer than they can now. And it would be more difficult for prosecutors to get into evidence contraband seized by police with search warrants meaning that fewer criminals would be convicted and go to jail.

In habeas corpus proceedings, the Democrats would give convicted murderers twice as long to file appeals in federal district court as the proposal of President Bush. The Democrats would also allow criminals to file multiple petitions raising issues that had already been determined by the courts. Elimination of this repetitious and unnecessary litigation is at the heart of the Republican habeas corpus reform proposal.

In contrast, the Democrats proposal will increase delay and repetitious litigation. They overrule a recent Supreme Court decision to allow convicted murderers to get additional rounds of federal litigation based on rules were not even in existence at the time the court originally decided the case.

This means that every inmate presently sitting on death row will be given new opportunities to file petitions, and depending on how long one can drag out each appeal, the delays could be truly endless. This is why so many prosecuting attorneys have stated that if this proposal were to become law, there would never be another death penalty carried out again in the United States.

The exclusionary rule is a court made rule of evidence to prohibit the admission into a trial of any contraband seized by police in violation of the constitutional protections against illegal searches and seizures. It was designed to discipline police and discourage unconstitutional searches. A few years ago, the Supreme Court carved out a "good faith" exception in those cases where a search warrant had been issued and a police officer had a reasonably objective belief that the warrant and his search were legal. Two federal courts of appeal have adopted this same standard as an exception with respect to searches that are conducted without warrants such as consent searches. No other courts have ruled on this matter, and if it were to be presented to them or go all the way to the Supreme Court it is quite probable that this exception would be expanded by court ruling to all cases of search and seizure. The Republican legislative initiative simply codified this exception for all types of searches and seizures and made it uniformly applicable throughout the nation. In the Democrats' bill the exception is forbidden for cases that do not involve search warrants, and in cases where a warranty has been issued not only must a prosecutor show that the police officer had a reasonably objective belief that the search and warrant were legal, but he must also demonstrate that the magistrate issuing the warrant did so properly and in good faith. This is a new and much tougher standard that will make it more difficult to get contraband into evidence even in cases where search warrants have been issued. The net effect is more criminals will go free on technicalities.

In 1973 the United States Supreme Court ruled that all death penalties in the United States were invalid because the procedures on sentencing were unconstitutional. All the states that had death penalties on the books at that time have long ago reinstated the death penalties by putting into law the proper constitutional safeguards. Congress has never done so with regard to federal crimes and today even the assassination of the President will not get the death penalty. Republicans have long fought to correct this and on several occasions the House has overwhelmingly voted to reinstate the death penalty, but on each occasion the provisions have been either stripped in conference or tied to some repugnant measure to assure ultimate defeat. This time is no exception; the Democrat conference bill contains the death penalty corrective provisions but their enactment would be effectively nullified by the changes in the habeas corpus laws that give death row inmates unparalleled opportunities to avoid ever being executed.

The same is true for the drug kingpin death penalty. Even if no specific death can be shown if someone trafficks in very large quantities of narcotics a court should be allowed to award the death penalty because it is self evident that many deaths have resulted or will result from this trafficking. This provision also came out of conference but it too would be meaningless in the face of the liberalized habeas corpus changes.

While the death penalty sentencing provisions only affect federal cases, the habeas corpus reforms and exclusionary rule changes affect all criminal cases, state and federal. Reform to allow more evidence in at trials and more convictions to result and to stop the endless appeals of death row inmates is long overdue. It is time the liberal Democrats in Congress stop playing games and pass true reform that will allow the American law enforcement community do its job in putting away those who commit heinous crimes.

MAKING ELECTIONS MORE COMPETITIVE: ELECTION REFORM UNDER A REPUBLICAN CONGRESS

(By Hon. Bill Thomas)

Mr. Speaker, more than 200 years ago the writers of our Constitution established this House of Representatives to be "chosen . . . by the people of the several states." This was to be "The People's House" where the will of the voting electorate was to be reflected in the measures passed by this body.

Representatives were to be chosen by the people in each district around the nation, not anointed by "kingmakers" in the Capitol. Congressmen were expected to participate in competitive elections without a virtual guarantee of re-election. Thus, the House of Representatives was expected to faithfully carry out the will of the people.

How far we have come from that tradition by 1992!

The American people ask for a balanced budget and a Constitutional amendment to guarantee it, but the majority of Democrats in this House will not pass a balanced budget amendment to our Constitution.

The American people today want a halt to the ever increasing burden of taxation to fund wasteful spending programs. The Democrats in this House continually seek to evade their own budget rules to fund a growing parade of programs that benefit those who control the process.

The American people ask that we get tough on crime, but the Democrats in this House will not pass crime provisions that law enforcement officials at the local level say are vital to restoring safe streets in our communities.

The American people want Congress to break its ties to Washington special interests and come home to campaign among the voters to whom Members of Congress are supposed to be accountable. But the dominance of Washington PAC's in the fundraising process of the Democrats in this House continues.

Why doesn't Congress listen to the American people?

Recent polls show that 40% of the voters are ready to vote against all incumbents. Yet over 60% seem ready to vote for their own incumbent.

Why this disparity?

Why were over 96% of all incumbents re-elected in 1990 and over 98% re-elected in 1988?

Why were over 70% of all incumbents re-elected with more than 60% of the vote?

The answer to a significant degree is the truly embarrassing campaign finance incumbent protection system enacted by the very Congress that is supposed to be responsive to the people's will.

By no coincidence, this system works very well to do exactly what the Democrats in the House want it to do. Ensure the reelection of the incumbent majority of Democrats that have controlled this House since 1954.

Since November 1954, when the Democrats won a majority in the House that endures to this day, there has been a steady increase in the amount of resources available to Members to spend on their office, mail and salaries.

The growth in those resources soared in the years following 1974, when a large class of freshman Democrats elected as a result of Watergate sought to use the perks of Congress to ensure their re-election.

To give just one example, the amount of taxpayer dollars spent on franked mail by the House of Representatives in the 1973–74 election cycle was about $40 million. But that amount has grown to over $130 million in the 1989–90 election cycle.

To put these numbers in perspective, the amount of direct campaign funds spent by incumbents in 1989–1990 was $163 million. The amount of campaign funds spent by challengers in 1989–90 was $38 million.

Thus the total amount of funds spent from the people's tax dollars to promote the interests of incumbents was almost 80% of the total amount of money incumbents raised from the contributors and nearly 3 times the total amount spent by every challenger combined in America.

Because of Republican pressure in the past two years, a fixed limit has finally been imposed on franking expenditures by individual incumbents and the amount of taxpayer dollars used for franking by each Member of Congress has been disclosed to the public.

But the law continues to allow incumbents to send taxpayer financed unsolicited mail in mass quantities to people who are not even a Member's constituents, but who could be voters in the incumbent's next election. This mail has nothing to do with representing the constituents who elected the Member to serve at the last election. It has everything to do with aiding the member's reelection.

It is no wonder that challengers, with none of these taxpayer-financed advantages, cannot compete in most races.

It is no wonder that incumbent Democrats would like to limit spending by both challengers and incumbents, but insist on excluding from those limits the millions spent ONLY by incumbents on franked mail paid for by the people's taxes.

It is no wonder that Democrats, who have for so long maintained control of the House of Representatives, using the people's tax dollars to promote their re-election, are so excited about new schemes to funnel more tax dollars into subsidies for political campaigns.

And just to be sure that incumbents get the bulk of those tax dollars, they would only be available, under the Democrat's plan to candidates who agree to abide by the very limits that ignore franking and guarantee that incumbents will be able to outspend any challenger in that race.

And let's look at another example of incumbent protection, the unrestrained influence of Political Action Committees.

PAC's represent every conceivable special interest in Washington. And they contribute overwhelmingly to incumbents.

Of the $110 million given by PAC's to candidates for the House in 1990, 80% went to incumbents. Only $8 million or 7.7% went to challengers against incumbents. That is a more than 10:1 ratio in favor of incumbents.

And PAC influence has been growing to the point where PAC contributions to candidates may soon outstrip contributions by individuals.

Republicans have fought to reduce the maximum limit on PAC contributions but have been blocked from doing so by the Democrats in Congress who depend on PAC contributions as a reliable source of campaign cash.

Republicans have fought to require that a majority of a candidate's funds come from people back home in a candidate's own district, not from PAC's.

The American people support this concept by an overwhelming 5–1 margin. They understand that power needs to be shifted from Washington D.C. back to local district citizens. (See chart number 1 Greenberg-Lake Poll.)

CHART 1.—REQUIRE LOCAL FUNDING OF CAMPAIGNS

[In percent]

	Good idea	Bad idea	Don't know
Require "bulk" of campaign funds to come from district or State?	80	15	5
Require 75 percent of campaign funds to come from district of State?	76	16	7

Source: Greenberg-Lake Survey of Mar. 3, 1990.

But the Democrats in Congress have blocked this crucial reform as well.

As a result of these and other stratagems, the will of the people has been frustrated. Most House Members do not face serious competition from challenger candidates every two years. Most voters do not even know who the challenger in their Congressional district is, much less anything about what issues that challenger believes justify replacing the incumbent.

What a different political situation we would find if every Member of Congress faced a real challenge in his or her home district every two years, and had to actually campaign in the district and ask constituents for real support and assistance.

Perhaps then the term "Servants of the People" would have some real meaning when applied to Members of Congress.

Perhaps then, Members of Congress would listen when the American people demanded an end to wasteful government spending, a balanced budget, and a genuinely tough anti-crime program.

House Republicans are determined to transform the "Permanent Congress" in to the "People's House" our forefathers intended.

If Republicans were a majority in Congress, here's how we would make it happen:

We would re-empower local volunteers and contributors and reduce the influence of Washington, D.C. special interest, PAC, union, and lobbyist donors. Simply requiring that a majority of campaign funds come from people back home would go far toward achieving this goal.

We would end the use of taxpayer-funded incumbent perks such as out-of-district franking which serves no other purpose than to help re-elect incumbents.

We would re-invigorate and strengthen political parties. It is parties that are inclined to assist competitive challenger candidates, not just safe incumbents.

We would ensure full disclosure of aspects of the election financing process that remain hidden from the American public under today's Democrat-enacted election laws.

We would work to encourage more competitive Congressional districts, where the choices that voters make on election day can actually change the outcome of a race.

And we would oppose taxpayer subsidies to campaigns.

Those are our general goals.

Now here are 10 specific areas where a Republican Congress would work for reform to achieve those goals:

1. RESTORE LOCAL CONTROL OF CAMPAIGN FINANCE

Republicans would require that a majority of a candidate's campaign funds be raised from people in the candidate's district. More than any other reform this simple change in our election law would force incumbents to campaign at home, restore the importance of small donations and volunteers to the election process, and put challengers with a strong community base of support on a more equal footing with an incumbent's built-in base of support in Washington.

Under today's campaign laws the vast majority of funds are raised from PAC's and big donors who do not reside in the district of the candidate to whom they are contributing.

But when the amount a candidate can raise in Washington is limited by the amount that a candidate can raise from his own constituents, the vital importance of every $5, $10 and $25 contribution from the voters at home will be clear to all.

When incumbents must raise funds in their districts, they will spend more time in their districts.

The challenger who has carefully built a large district following of volunteers and many small contributors can no longer be defeated by a deluge of PAC and special interest money from Washington.

2. ELIMINATE ABUSE OF THE FRANK BY INCUMBENTS

Republicans would prohibit unsolicited taxpayer funded mail to anyone but constituents. We would impose tough limits on the total amount of franking funds expended and crack down on large amounts of unsolicited mail sent out within 60 days of an election.

Current law allows incumbents to use tax dollars to mail in mass quantities to people those incumbents do not represent. In a year like 1992 when many incumbents are competing in newly drawn districts, there is a strong tendency to use taxpayer resources to send material to potential voters in these new areas who are not yet constituents.

The use of taxpayer resources to communicate with potential voters who are not constituents should not be allowed by law.

3. REDUCE THE INFLUENCE OF SPECIAL INTEREST PACS

A Republican Congress would cut PAC contributions by 80%, from $5,000 to $1,000 per election. A Republican Congress would ban transfers among PAC's that allow PAC's to hide the true source of their funds. A Republican Congress would ban "bundling" by PAC's so that limits on PAC contributions would not be circumvented.

PAC's can be an important part of our physical system. They serve as a vehicle for united citizen action on issues that are important to a particular group. But they should not dominate the political process for the benefit of incumbents. By reducing the size of individual PAC contributions, a Republican Congress would reduce the danger that one or even a small group of such PAC's would exercise undue influence in the political process.

The role of the PAC should be to get people involved in the process of campaigns, not to insulate people from that process. When PAC's educate and involve people at the local level, urging them to get directly involved with the candidate of their choice, PAC's can perform a valuable service in the election process without playing the dominant role they so often play under the system perpetuated by the Democrats in Congress.

4. REINVIGORATE POLITICAL PARTIES

A Republican Congress would strengthen political parties by increasing the amount they may contribute to candidates. This would allow parties to at least match in-kind contributions they make to challengers the amount incumbents can spend on election year franking and the amount that incumbents carry over from money raised in previous elections.

Strong political parties are crucial to a competitive political process. Political parties exist to build and maintain a partisan majority. They can only do this by defeating candidates of the opposing party. The minority party, whichever one it happens to be at the time, can only build a majority by replacing incumbents. Both political parties aggressively seek out opportunities to defeat vulnerable incumbents.

Political parties build governing coalitions that are broader than any single special interest group. Loyalty to a philosophy of government, whether Democrat or Republican, serves the nation far better than loyalty to a special interest.

Parties are the most important way in which average citizens can shape the process, not only of electing, but of selecting the candidates. Influence in political parties can be built without the large-scale financial resources that are regularly poured into media and computer-mail driven campaigns.

Restoring the ability of parties, especially at the local level, to make major contributions to candidates strengthens the incentive for citizens to get involved and make a difference.

5. ELIMINATE LOOPHOLES IN PRESIDENTIAL FINANCING RULES

A Republican Congress would eliminate the loopholes which allow corporations and unions, for whom contributions to Federal campaigns are illegal, to assist those campaigns through special political party "Soft Money" accounts.

All funds that influence federal elections should be raised under the normal limits applicable to federal candidates. Under our proposal, strong political parties would learn to rely on contributions from individuals in small amounts, thus making them more effective as the vehicles for citizen participation that our nation needs.

6. PREVENT INCUMBENTS FROM FINANCING EACH OTHER'S CAMPAIGNS

A Republican Congress would ban all contributions by Members of Congress, including so-called "Leadership PACs" to other candidates. People, not fellow incumbents, should be the ones who contribute to elect representatives in Congress.

7. REQUIRE MEMBER CONSENT FOR UNION POLITICAL SPENDING

A Republican Congress would require unions to get a Member's permission to spend his or her dues on political campaigns. Let's restore the role of individual choice in this part of the campaign finance system.

8. REVEAL HIDDEN CAMPAIGN RELATED SPENDING

A Republican Congress would require full disclosure of all union, corporate, and non-profit "soft money" expenditures on voter education, registration and turnout programs. Voters cannot make intelligent choices in competitive elections if they do not know the source of financial support for candidates and causes.

9. PROMOTE COMPETITION BY LIMITING REDISTRICTING GERRYMANDERS

A Republican Congress would enact Federal standards to guide redistricting so that local communities are not carved into fragments merely to provide a political advantage to one party or another. The result will be more competitive districts.

10. STOP TAXPAYER FINANCING FOR CONGRESSIONAL CAMPAIGNS

A Republican Congress would ensure that Congress does not appropriate tax dollars to subsidize political campaigns. Incumbent Democrats want to find a way to vote themselves a permanent campaign subsidy from the U.S. Treasury. They won't succeed in a Republican Congress.

The bottom line is that these Republican proposals will make Congress accountable to the American people. A Republican Congress will not become another "permanent Congress", re-electing incumbents who ignore the will of the people. A Republican Congress will enact campaign reform that gives the American people a real chance to choose a new Congress if our performance does not match our promise.

Our campaigns will strengthen challengers and make all incumbents accountable. Requiring that a majority of all candidates' funds come from the people of the district they represent ensures that all Congressmen will stay close to the needs and interests of their constituents back home, not to the special interests in Washington.

Ending the abuse of the frank will go far towards halting the tendency of incumbents to use their power over government resources to compete unfairly with challengers.

Reducing the influence of PAC's by cutting the contribution limit will strengthen the role of grassroots individuals who are more likely to support challengers.

Strengthening parties will provide a powerful avenue for concerned citizens to get involved and change both the outcome of elections and the composition of Congress.

Banning corporate, union, and large donor soft money in federal elections promotes control of parties and of the process from the bottom up, rather than from the incumbent-protecting special interests down.

When incumbents cannot give to each other, each must stand on his or her own feet with the voters.

When unions must go to their members before spending dues money on politics, there will be fewer cozy deals between incumbents and union officials that ignore the interests of members.

When the sources of campaign related money are revealed, it will be harder for incumbents to secretly use their influence to conduct voter registration drives, and to raise funds for other activities that affect the outcome of elections.

Fairer redistricting means that Members of both parties will have to work harder to stay in office. And a ban on taxpayer financing will ensure that incumbents never get their hands on the U.S. Treasury to re-elect themselves at taxpayer expense.

A Republican Congress comes with a guarantee: We will make elections for Congress competitive.

A Republican Congress will restore real meaning to those words in the Constitution: "Chosen * * * by the people."

Now isn't it time to go out and elect a Republican Congress?

EDUCATION AND THE REPUBLICAN CONGRESS

(By Hon. Bill Goodling)

Let me start by telling you about one Congressman's favorite teacher.

She was my elementary school teacher. Her name was Miss Yost, and she is certainly one of the most remarkable individuals I have ever known.

Miss Yost taught in a very different environment from teachers today. She had sole responsibility for 32 children, grades 1 through 4 in a two-room school house. On her own, she found a way to simultaneously provide a good educational foundation for all of us. She kept us in line, kept the building clean and furnace stoked. She was the disciplinarian, the nurse and the babysitter.

Miss Yost has had my admiration throughout my life, first as a student, and then an educator and now as a Member of Congress serving on the House Committee on Education and Labor.

Miss Yost and many teachers like her did it all. They provided a quality education with far fewer resources than today's classroom. It's not that there are none with the talent and commitment Miss Yost had. Rather, new and difficult obstacles have been placed between today's teachers and successful teaching.

Government regulations have eliminated the flexibility Miss Yost used to provide a wide range of services to her students. The total support of parents and the community no longer exists. The respect students had for teachers is a thing of the past.

We no longer put our teachers on a pedestal; nor do we attract the best and the brightest to the teaching profession.

Of course, I am not advocating a retreat to the past—although we could learn some lessons from the teacher in the two-room schoolhouse. Nor am I placing the responsibility for our failing education system on teachers—the problem is hardly that simple.

Rather, I would say the difficulties experienced by today's teachers are indicative of the problems with education in general.

It is no secret our schools are traveling in troubled waters. We've heard about high dropout rates, workers unable to perform basic tasks, and poor test scores compared with students of other nations. On a personal level, many of us have at least a general sense that our children simply aren't getting the quality of education they need to succeed in life.

Concern about education quality and equal education opportunity is nothing new. Significant efforts have been made in recent decades. At the federal level, we've seen a certain amount of success come from programs directed at those with the greatest needs—programs such as Head Start, Chapter 1, the Education of the Handicapped Act, and Pell Grants.

Yet, it is clear that not only have many of the problems confronting education not been solved, they have also grown more numerous and complex. The educator's job has become more difficult as students increasingly struggle with hardships stemming from the breakdown of the family unit, the erosion of traditional values and the perils of drugs, alcohol and sexual activity. At the same time, the workplace has become more sophisticated, increasing the demand on our schools to produce better-educated students.

This leaves us with a daunting task. Our education system is failing and something needs to be done to fix it. We can't bring the needed reform by working at the margins. What is needed is nothing less than the transformation of our education system.

Let me take a moment to describe what I see as the key to education progress—a commitment to excellence. To succeed, we must seek to excel. This is a message that must reach all levels. Students, teachers, parents, communities and government must demand excellence. We must demand it of ourselves and of our schools. Nothing short of the best will do.

A commitment to excellence on all levels is necessary because education is a partnership. Progress cannot come solely through government programs—although they should play an important role. We must inspire our students to demand the best of themselves, and we, in turn, must demand the best of our schools.

Parents carry a significant burden in this equation. Parents cannot rely on schools to raise their children. The value of parents who read with their children, help with homework, instill respect for teachers, foster self-confidence and responsibility, and demonstrate the benefits of a good education cannot be underestimated.

Let's make this our credo as we work to improve the nation's schools: Demand excellence.

What other basic elements are required to transform our education system? We need a national consensus and the momentum it can bring. We need resources. And, we need a specific course of action.

To a large extent, I believe, we have that consensus: In education, business as usual won't do.

Never before has public awareness of education, its problems and opportunities been higher. Momentum is growing and reform movements are underway nationwide. The education goals established by the President and the Governors are evidence of the fact that the concern and commitment are nationwide, and the capacity to develop common solutions exists.

In terms of resources, we have what we need; we're simply not using it properly. The money, personnel, services, equipment and expertise are available, but often they are not used effectively.

In part, this occurs because the federal government has erected funding barriers and limitations that make it inherently impossible for the programs to work together. This must not be allowed to continue.

Which leads us to the search for a course of action.

We all know that despite the good faith efforts of the past 10 years to improve our schools, we have failed. There is a basic reason for this failure. Our efforts have failed because they have been piecemeal. They have not been coordinated, nor have they sought to change the system within which schools and teachers operate.

America 2000, President Bush's education reform package, contains much of the meat needed to achieve our national education goals. Yet, it too is lacking the systematic, comprehensive approach needed for real success.

I recently joined with my colleagues, Reps. Ford and Kildee, to introduce legislation that provides the needed structure. Our bill is called the Comprehensive Neighborhood Schools Revitalization Act," and I believe it is the first education legislation with real potential for change I've seen since coming to Congress.

The system would be set up in the following manner: Each state would establish a panel of educators, government officials, parents, students and business leaders to develop a plan to maximize achievement for all children. Within this framework, local panels and school districts would develop their own reform efforts.

This is where we put the meat on the bones. The federal legislation would provide funding for a variety of educational initiatives at the state and local levels. Many of these come straight out of America 2000. Allowable activities would include reward activities such as merit schools, optional school choice programs, parental involvement activities, motivational activities, planning to upgrade school technology, and professional development.

This framework enables state and local governments and school districts to tailor their programs to their needs, while at the same time ensuring these efforts are coordinated. It gives the grass roots more control and helps to ensure resources are used effectively.

With this legislation, the federal government can help ensure every state, every locality and every school district buckles down to the hard work of reforming our schools to meet the education goals. The entire nation will be moving in the same direction, although individual paths may be chosen.

First, we must develop more of a *Team Approach to Education.*

I spoke earlier of the need for all members of the education partnership to be involved in education. We must incorporate this approach as a policy change.

Too often, the only community involvement asked is fiscal support. They have much more to contribute, however.

Members of the community and parents should be involved in the establishment of program goals, expected student performance outcomes, and measures of success. They need to feel they are an integral part of their school's operation—that they have the opportunity to make a real contribution and to help determine the direction of the education program.

Any Federal legislation should provide for meaningful roles for communities, parents and private sector involvement. And I don't just mean establishing advisory committees.

Parents should be asked about their expectations for their children. Retired citizens should be utilized as resources in the schools. Businesses should help develop the vocational and academic programs that can supply their future workforce needs. School personnel should have an opportunity to work in the private sector and gain "real life" experiences to enhance their understanding and application of the subject matter they teach. Private sector individuals should participate as mentors, teach courses or guest lecture in areas of expertise. This is only a short list of the possibilities.

Similarly, more attention should be paid to the role of the parents in some students' education problems. An intergenerational approach to solving these problems should be attempted where appropriate.

For example, during my years as an educator, I often found that if a child could not read, the parents were poor readers as well. If the child had language difficulties, the home may have been bilingual. If the child did not appreciate the value of education, the parent likely was failed by the system.

To ignore the problems of the parents diminishes the long-term effects of any program. In my schools, I found some success in combating illiteracy by bringing the parents into the process. When I entered Congress, and I worked to encourage the use of similar programs nationwide, and was successful in creating the Even Start intergenerational literacy program.

In the Even Start program, parents learn to read as well as become teachers and caretakers of their children. The growth of and demand for the program has exceeded any expectations when it was first enacted.

The second policy change would be to *Encourage Comprehensive Approaches and Lift Barriers to Coordination.*

The federal government is notorious for targeting funds too narrowly to be as effective as they could be.

For example, schools may receive small amounts of drug prevention money from 3 or 4 different programs, but be unable to aggregate them to fund the services of a single counselor.

In other cases, a child may be disadvantaged because of a variety of factors, but federal laws prohibit pooling funds targeted to address these problems, and schools are therefore unlikely to create a comprehensive intervention program.

Not only should barriers to coordination be removed, comprehensive approaches should be encouraged wherever possible. The current system is wasteful and duplicative and does not serve our disadvantaged students well.

Third, *Education Programs Should be Performance-Oriented.*

Our greatest concern is that students learn to read, write, compute, speak effectively, and so forth. Yet, the focus of our laws seems to be on how the programs are administered and run.

Instead, attention should be shifted to student performance and program improvement. We should not worry whether 15 minutes of Teacher X's time was spent on Program Y or Program Z, or student A or student B. Congress and the federal government must get out of the business of micromanaging education. Program operators must be relieved of their paperwork burdens so they can spend their time as educators, not bureaucrats.

Likewise, we cannot assume that completion of a given number of courses or hours in class will prepare the student for advancement to the next level or the labor market. Real learning must take place before the student can advance. In addition, the school must ensure it has provided the relevant education.

These same high standards and opportunities must apply to all students, not just the college-bound as is so often the case. Success can also come in the form of placement in a job, into further training or the military. We are the only industrialized nation without a school-to-work transition program. A program of this sort could help millions of students as well as increasing U.S. economic competitiveness.

Finally, *A More Reliable Data and Information Base Must Be Developed, With a Sufficient Means of Dissemination.*

If we can accomplish each of the above policy changes, we must have a way of measuring, understanding and learning from our progress, and sharing that information with educators nationwide.

Currently, available data are not necessarily consistent, the measures used are different and the outcomes are not necessarily related to the context in which they will be used.

Furthermore, there is not a single clearinghouse for information. The education system can benefit from exemplary programs that have been used in youth employment. The contextual learning measures, and competency-based programs developed by the military cannot be tapped.

We are reinventing the wheel too many times to allow us to be creative, innovative or productive.

Although I have mentioned only four policy changes, it is clear that if implemented, they would mean a broad-ranging restructuring of the education system as we know it today.

Changing the current system is going to require a certain level of bravery on the part of Members of Congress. We will have to face vested interests and advocacies for individual programs who may have to be dissatisfied in the short term for the sake of long-term progress.

To shy away from these challenges would be an unforgivable mistake. There is too much at stake: The future of our children, our society and our economy all rest on our ability to work together and make the change.

In closing, I would like to take you back to the classroom.

As a former educator—and former student—I believe one of the most important lessons learned in school is appreciation for the unique qualities that make our nation great.

One of those qualities is our "can-do" attitude. When Americans put their minds to it and work together, they can tackle any problem, achieve any goal.

Any schoolchild can tell about some of this nation's special accomplishments. We created the world's first democracy; we built an economy and standard of living that are unsurpassed; we revolutionized agriculture and put a man on the moon.

After having successfully met a military challenge in the Middle East, America is facing a potentially greater danger right here at home. Our economy has weakened, the standard of living for many Americans has not grown in years, and we are losing ground to our trade competitors.

To turn this around it will take this "can do" attitude and action in several areas, but none more important than education. If we don't educate and train a greater percentage of our people to a level of excellence, then I believe we will lose our position of leadership in the world. The stakes are that high. So, let's get going.

HEALTH CARE UNDER A REPUBLICAN CONGRESS

(By Hon. Rod Chandler)

Mr. Speaker, we have a health care crisis in the country—a health care crisis that requires dramatic reform.

The nation's health care crisis is painfully reflected in a set of shocking statistics that we are too familiar with: 34 million Americans have no health insurance and skyrocketing costs which now exceed 12 percent of this country's Gross National Product (GNP).

We've concerned about these statistics, but more importantly, we've concerned about the health and welfare of our fellow Americans.

In our rush to fundamentally change our health care system, House Republicans are convinced that whatever proposals are adopted, they must make our current system better.

Dismantling that system is not the answer.

For instance, having the federal government operate the nation's health care system would not only create a huge, and ultimately inadequate, bureaucracy, it ignores the fact that our current system of employer-provided health insurance has been very effective.

Proponents of such a plan dismiss the fact that most Americans who have health insurance, obtain it through their employers. I submit that instead of tossing aside a system with proven success, Congress should be taking steps to expand that system to those working Americans who are currently unable to gain access to it.

Mr. Speaker, a Republican Congress would allow those important steps to be taken. In doing so, we would dramatically reform our current health care system to improve and build upon it

We will expand on those things we do well and correct those problems we all know exist within that system.

With a Republican majority in Congress, Americans would be free to choose the doctors, hospital and type of care that is best for them and their families. The Federal government should not be making those decisions for American families.

Government-run national health systems restrict our range of choices by limiting the options and alternatives available. In contrast, our proposal would guarantee choice by increasing the availability of health insurance for those who presently do not have access to such insurance.

Mr. Speaker, a Republican Congress would also preserve the high quality of health care Americans have come to expect from our current system. Under that system, Americans are secure in the knowledge that the best possible care is available in the event of serious illness for them or their families.

Unfortunately, this security will be lost if advocates of a single-payer health system have their way. In fact, countries with government-operated health insurance systems fall far short of our level of health care quality, because their systems do not encourage technological advancement, just as government-run economies fail to generate economic progress.

In addition, the sense of security that Americans enjoy regarding their health care should not be limited merely to its quality.

We should be secure in the knowledge that we can change jobs without the fear of losing our health insurance.

And we should be secure in the knowledge that we will not lose our health insurance or incur sharp increases in its cost because of serious illness.

For older Americans, we want them to be secure in the knowledge that they will have adequate care should they become incapacitated. A Republican Congress would enact reforms that ensure this sense of security for all Americans.

Mr. Speaker, there is a strong consensus among all of our colleagues that health care should be available to all Americans, regardless of economic circumstances; and that the step necessary to ensure that access should be taken now.

Unfortunately, proposals for a government-run health care system or one that would impose costly employer mandates would take years to fully implement and, even then, would fall far short of their stated goals.

A Republican Congress, however, would be prepared to enact meaningful reforms that could be implemented immediately.

This is particularly true for reforms that would assist uninsured workers who are employed by small businesses.

Specifically, we would propose reforms that would make it easier for small employers to purchase group health coverage for their employees.

We would also propose expanding community health centers and rural health care facilities to provide care in those instances where it is otherwise unavailable. In every instance, Republicans are prepared to address our health care problems now, not years from now.

The issues of health care cost and affordability seem lost. or, at least, confused among proponents of a government-run health care system.

Proposals for nationalized health care and other centrally-run systems would control cost through price controls on providers.

Price controls, however, are seldom effective, and more often than not have the negative result of limiting the availability of services and products and reducing incentives for innovation.

In Canada, for instance, not only do citizens lack the level of advanced technology that Americans have, but Canadians often come to my state of Washington for care that is unavailable under the price-controlled Canadian system.

If Canadians are coming to our country for health care, I wonder where we Americans will go?

A Republican Congress would control costs through reforms that emphasize increased competition and the elimination of artificial cost stimulants in the marketplace.

These reforms include the elimination of state laws that restrict competitive development of health care plans and mandate certain types of coverage that add to the cost of health insurance plans.

Republicans would also reform medical malpractice laws which serve to increase provider costs and encourage excessive testing and other forms of defense medicine. Such reforms would lower malpractice rates—a cost that is passed on to patients by doctors—by limiting the amount of fees that lawyers can earn in malpractice cases.

Finally, Republicans would help control excessive administrative costs by cutting down on the amount of red tape and paperwork that clutter our current health care system.

Through the use of uniform claim forms and electronic billing systems, our proposals will streamline the huge increases in health care bureaucracy.

Ironically, proponents of a national, government-run system would create yet another bureaucracy that can only add to already overwhelming administrative costs.

Mr. Speaker, there is no question that our health care system is in need of dramatic reform. Some argue that we must wait for consensus on this issue.

But that kind of time is a luxury that we can't afford. We need to fundamentally change our health care system and we need to do it now.

As we move toward those reforms, let's not forget, however, that we provide a higher quality of health care than virtually any other system in world' and, we do it for the vast majority of our citizens.

The task before us is to make the best even better, and to make sure that all of our citizens have equal access.

APPENDIX

1. David Broder, "Republicans Could Govern." The Washington Post, October 27, 1991.

2. Richard Cohen, "Congress in Distress." National Journal, January 18, 1992.

3. Robert Michel, Dick Armey, and William F. Goodling, "House Repairs: What We'll Do When We Reach Majority." Policy Review, January 1992.

4. Summary of House Committee Reforms Proposed by the House Republican Conference.
5. Summary of Comparative Data on the House of Representatives.
6. Major Republican Crime Bill Proposals.
7. Remarks by General Colin Powell, Chairman of Joint Chiefs of Staff.
8. Department of Defense News Release, "DOD To Slow Pace of Modernization, Cut Strategic Nuclear Arsenal While Maintaining Essential Forces." January 29, 1991.

REPUBLICANS COULD GOVERN

(By David S. Broder)

Unless you are of a certain age and were really tuned into politics in the early '50s, the possibility of a Republican Congress is as unfamiliar to you as a balanced budget. The last time there really was a Republican Congress was back in 1953–54. Democrats yielded the Senate majority to the GOP briefly between 1981 and 1987, but they have held control to the House of Representatives ever since 1955.

Anyone under 50 can be forgiven for thinking that the only thing Republicans can do in the legislative branch is oppose Democratic initiatives, support presidential vetos and defend administration officials and appointees before congressional committees. That's all they've ever seen.

The Republicans are type-cast as naysayers, obstructionists and lackeys of the White House. No wonder, then, that the voters' reflex is to keep electing Democrats to the House and Senate.

For a few hours the other morning, however, it was possible to glimpse what life might be like in a Republican Congress. It was nothing like the stereotype.

Over in a Senate committee room, the Republican Conference Task Force on Economic Growth and Job Creation was holding a mock hearing on tax proposals to stimulate the lethargic economy and ward off an early return to recession.

In a small office in the Capitol, the House Wednesday Group, an informal caucus of issue-oriented Republicans, was holding a press briefing on a report embodying two years of their work on new approaches to cracking the problem of persistent poverty.

My purpose is not to ballyhoo their specific proposals, although many of them make sense. Any open-minded person who was in either of those rooms would come away knowing that he had been listening to intelligent, serious people actively engaged in figuring out answers to major problems—not throwing sand in the gears of government.

The two Republican congressmen who presented the anti-poverty initiative were Reps. Vin Weber of Minnesota and Bill Gradison of Ohio. Their colleagues and congressional reporters know them to be among the brightest and most hard-working members of the House. But after 26 years of combined service, they are virtually unknown to the country, because neither has ever chaired a committee hearing, managed a major piece of legislation on the House floor or directed an investigation. Those are the perks of the majority party, and for 37 years, the voters have denied those opportunities and responsibilities to the Republicans.

The key figures in the Senate mock-hearing were somewhat more familiar: Sens. Phil Gramm of Texas and Bob Kasten of Wisconsin, both key players in the Reaganomics revolution of the early '80s; House Minority Whip Newt Gingrich of Georgia, a star of C–SPAN; and Secretary of Housing and Urban Development Jack Kemp, their ally inside the Bush administration.

Yet for these folks, too, there is immense frustration in the fact that when domestic policy is set, the action flows between the White House and the congressional Democrats. Congressional Republicans and their ideas are often left on the sideline.

Divided government has many costs, ranging from the protracted impasse of last year's budget summit to the ugly spectacle of the recent Clarence Thomas hearings. But the largest cost is that the country never gets to have more than a fraction of the intellectual and political resources of either political party applied to the problems of the nation.

An important objective of both the Wednesday Group and the Senate GOP Task Force was to persuade the Bush White House to take a look at new approaches to the stubborn problems of poverty and the sluggish economy. Were President Bush dealing with a Republican Congress, he would have no choice but to consider such views—and every incentive to weigh seriously what congressional Republicans were suggesting.

For these would be the people who would finally shape whatever legislation was passed. And as his ticketmates in the next election, they would share a common interest in seeing that the nation's problems were solved.

None of that is true when Republicans are in the minority and Democrats control Congress. The president need not heed advice from congressional Republicans, because they cannot pass any bills. The Democrats can pass bills, but they have no motivation to help make the president a success.

So the system ends up frustrating everyone in it—and serving the country badly. That's why the most critical question for 1992 is not whether the Democrats regain the White House or the Republicans win Congress. The critical objective is to see one party or the other do both—and give this country a government again, not just another set of warring politicians.

Democrats could provide that government if they produce a credible replacement for Bush from their field of presidential candidates. But what I saw on Capitol Hill suggests that Republicans are ready to govern—if given the chance.

[From the National Journal, Jan. 18, 1992]

THE HOUSE'S FAST TRACK IS MUCH TOO SLOW FOR OHIO'S DENNIS ECKART

(By Christopher Madison)

Well over a year ago, Rep. Dennis E. Eckart, D-Ohio, realized it was time to leave the House. When Speaker Thomas S. Foley asked him to orient freshmen Members to the sprawling, complex institution, he recently recalled, "I discovered * * * that I was telling them to do things that I had made up my mind that I probably was not willing to do anymore."

Like going back every weekend to his suburban Cleveland district to be with constituents; getting a jump on issues by coming in for Monday hearings at the Energy and Commerce Committee when few other panel members are back in town yet, and staying late. Or taking on what Eckart calls the "trashy issues that nobody else wants to work on" in order to win compliments from a subcommittee chairman.

Eckart, ambitious and earnest to a fault, not to mention clean-cut, friendly and articulate, mastered the reelection arts during four years as a state legislator and six congressional terms.

At 41, however, he found himself years away from holding real power in the House. He was frustrated and burned out, not willing to take on still more work—such as party fund-raising chores—to quicken his advance into a leadership position. "How many years can you do 90 days on an airplane?" he asked.

With his 16 years in state and national politics coming to a close at the end of this year, Eckart, a lawyer, is now mulling a second career. He said he hasn't decided what it will be or whether he'll leave Washington.

One thing is clear: Eckart's early exit is an ominous message for the House, and for politics generally. For Eckart and his ilk represent the future of the House: Young, hard-working stalwarts, enthusiastic about politics and, more important, keen in the art of legislating.

Eckart, for example, a lieutenant of Energy and Commerce chairman John D. Dingell, D-Mich., was one of a dozen legislators who worked overtime in the back rooms for months to craft a Clean Air Act that was acceptable to several warring factions. The act was finally signed into law in 1990. If such legislative brokering is becoming a lost art, Eckart's departure hastens the trend.

There is a bigger *if:* If the House worked better, then the long hours, the weekends of campaigning and fund raising, the years of waiting to move up the seniority ladder might be worth it. But for now, for Eckart, it isn't. And his impatience with congressional ineffectuality is mirrored by growing public animosity toward the institution.

"There's a veritable feeding frenzy out there, and the Congress is the first entrée on the menu."

Maybe it's because the 1980s were an exhausting time in Congress. Since his arrival in January 1981, Eckart said, the House has been "a veritable frustration roller coaster. It's been the hottest ride in the park."

That year, Democratic solidarity was broken when President Reagan successfully rounded up enough conservative Democratic votes in the House to pass his landmark package of spending and tax reductions.

Then, "social security and Claude Pepper saved us," Eckart said, recalling the 1982 elections, when the Democrats, led by Speaker Thomas P. O'Neill Jr. of Massachusetts, exploited fears that Republicans would cut social security benefits and picked up 26 seats, solidifying their House majority for the remainder of the decade.

But the '80s hardly calmed down: There were more budget battles, bitter fights over U.S. policy in Central America, the Iran-contra affair and the scandal that toppled Speaker Jim Wright of Texas. Only with the 1989 ascension of Washington's Foley—in Eckart's view a wise leader who "banked the fires of frustration that Jim Wright fostered"—did the House settle down a bit.

So why is Eckart leaving?

Lots of reasons. But at the heart of it, perhaps, is the sense of stalemate that pervades Washington in the 1990s. With neither the money nor seemingly the energy for bold initiatives, life in the House has become less than compelling.

"All of us, Republicans and Democrats, liberals and conservatives, come to government with an agenda. Now, things seem to be beyond our control. * * * You can't advance new programs, new ideas, within the budget constraints that we have. And when you go home to talk about national health insurance, the first question is 'Did you bounce any checks?' [Eckart says he did not.] It is frustrating. It's easy to see why members can say this just ain't much fun any more."

Eckart has always had an ability to step back and analyze the institution even while he's been in it, and he is no less introspective on the way out the door. Within the over-all malaise, he identifies several interlocking problems.

The Democrats, including Foley, don't have their act together, he charges. They have been too timid to test President Bush. "We only politically prosper when we engage the President, put messages on his desk, let him veto them; maybe we can override, maybe we can't. The only way you can force agreement to let him take the heat and smell the smoke of political gunfire."

Of Foley, he said: "I think Members would just like to see him occasionally pick a partisan fight to help protect us. That's the frustration."

Like many others, Eckart also believes the House moved too far toward decentralization of authority in the 1970s, with the result that legislative paralysis can be cured only by another wave of reform.

"We have balkanized the power of the Congress into dozens of competing fiefdoms, and thus make it more difficult, absent an iron-fisted ruling Speaker, like Jim Wright, to define a congressional agenda. We need to do what [former Rules Committee chairman] Dick Bolling suggested [in 1974], and that is go back and redo our entire committee organization structure" to eliminate time-consuming, overlapping jurisdictions.

That might make it easier to pass needed legislation. "We need to show the American people that we are capable of addressing problems," Eckart said. "When we do not have a real agenda, they will focus on what appears to be an agenda—check cashing at the House bank."

But can Members really tackle tough issues? Eckart concedes that pressure from interest groups and constituents makes it harder for legislators to craft solutions that might not completely please anyone but that might address the problem.

"It's what I refer to as the politics of absolutism," he said. "Either you are absolutely with [a particular interest group] or you are absolutely wrong. That has grown since I came here. To step outside the protective cocoon of being the Chamber of Commerce's congressman, or * * * the environmentalist's congressman, you risk drawing withering fire from both sides. The price for sticking your neck out around this place has gotten higher and higher."

Members, meanwhile, hear more and more from their districts. "This place responds to constituents perhaps too well," Eckart said. "We respond to the floods of phone calls and to the mass mailings. If people really knew how intimidated we are. * * *"

Eckart also concedes that the related ills of modern politics—excessive campaign spending, the power of incumbency, "safe seats" created by state legislatures—have eroded voter trust.

"People are frustrated that the process of politics excludes them, that their modest contributions of time and a lawn sign or $5 at a local fund-raiser are so overwhelmed by the PAC [political action committee] contributions and the TV commercial and the consultant's sage wisdom that they just don't think elections are fair anymore."

The public's solution? Term limits, which Eckart decries because he says it would deprive voters of their democratic right to elect whomever they choose.

Eckart's decision to pack it in offers another piece of evidence that the House is out of whack; it suggests that more than a few Members are dissatisfied with their life, just as voters are with their performance.

He has chosen to leave now, while he's young enough to launch a second career. "There's no reasonable opportunity for me to be committee chairman," he said, "without * * * making a commitment of dozens more years here."

Eckart movingly described the costs of his congressional career on his personal life and the time spent away from his family home in a Virginia suburb of Washington. There is a hint of bitterness, and though he insists it is only one element in his decision, it may be the most compelling one.

Eckart is plainly wistful, for example, about time lost with his son. "Eddie's 12, and I've been home for four 'trick or treats.' Every other October, where am I? I'm in Ohio. 'Hey, I'm doing a great job. Send me back.'"

"In the off-years [when] you have to pass these [appropriation] bills, you get home at 8 or 9 o'clock and you help him wash off his makeup. You look at the pictures of what he was for Halloween."

Eckart admits that it was his decision to put so much into the job and that he might have "defined better the parameters of what I was willing to sacrifice personally for this. But you're young and ambitious, and [reporters are] writing stories about how you are on your way up and you want to fulfill these prophecies."

He's found, however, that it's not so easy to shift career gears. Last August, after deciding not to seek reelection, Eckart treated himself to a rare luxury: a real vacation during part of the August recess. But he couldn't relax.

"It was abysmal for me the first few days. I'd never done it. I was missing a country fair that I had always gone to. And, sure enough, when I came back [to the district] in the last half of August, people kept saying, 'Gosh, we didn't see you at the fair.'"

Though a few minutes earlier, Eckart had gushed about serving his constituents, there was a caustic note in his voice as he described the powerful, intimate pull voters have on their Representatives.

Politics has its price, and even a nice guy like Dennis Eckart has had to pay.

[From the National Journal, Jan. 18, 1992]

CONGRESS IN DISTRESS

(By Richard E. Cohen)

When Congress adjourned on Thanksgiving eve, the workplace environment of the Capitol had deteriorated to a poisonous level. The legislative process had given way to posturing, suspicion and deadlock. If Members were becoming unhappy and frustrated with their inability to produce, the public, in turn, was becoming contemptuous of them.

Now, as lawmakers are returning to face grave problems—demands to deal with economic dislocation and social inequities, the consequences of staggering federal budget deficits, a world in profound change—they are mindful of the need somehow to regain the esteem of their constituents. But they must also brace for the heavy partisan warfare of a presidential campaign year laced with an unusually high number of competitive Senate and House elections.

Has Congress ever before seen so much handwringing over internal problems or so many whiffs of scandal? Probably yes. But, in their worst nightmares, few Members could have dreamed that public cynicism about Congress would become as intense as it did in 1991.

For much of the year, they seemed overtaken by front-burner events—from the Persian Gulf war to the lingering recession—over which they had no influence. Disagreements over issues such as taxes, crime, health care and banking regulation also seemingly left Congress spinning in circles with nothing to show for its efforts.

Late in the year, the Senate appeared foolish, if not downright prurient, in the glare of a televised confirmation hearing of a Supreme Court nominee turned into an X-rated national morality play.

At roughly the same time, the House was embarrassed by reports that scores of its Members had bounced personal checks at their private bank, which they promptly voted to close, and a Senate ethics panel balkingly completed its denunciations of the so-called Keating five, a quintet of Senators who'd had dealings with a principal in the savings and loan scandal.

Not surprisingly, already-low public opinion ratings for Congress as an institution and for individual Members from both parties threatened to drop off the charts. In many states across the country, term limitation campaigns caught fire.

Lawmakers may be able to stanch the hemorrhaging sufficiently this year to at least appear to address the nation's business. And most Members who seek reelection will probably succeed. Whatever the short-term recovery, however, Congress's distress seems unlikely to be relieved any time soon. Indeed, pressure inside the House and Senate may be building toward a rare period of fundamental changes, driven by generational shifts and by discontent with the status quo rather than reversals in party control.

WHAT AILS CONGRESS

Experienced lawmakers and students of the institution offer various theories on what ails Congress. Here are some of the most popular and deep-seated notions expressed on and off Capitol Hill—views that are largely independent of party or ideology.

Legislating ain't beanbag: Even under the best of circumstances, the task of building a consensus acceptable to a diverse and factional nation is always difficult. As national and worldwide conflicts become more complex and interrelated, finding solutions will always be challenging, even for the most capable lawmakers. The volatile political environment adds complications.

Divided government: Blaming Congress for lack of direction, some argue, is unfair because the authors of the Constitution never intended that legislators lead the nation. That burden lies with the President. But both branches face hindrances in crafting and implementing rules of the game when Congress and the White House are controlled by different parties. It's even more difficult now, after a decade of such division.

Administrative nightmares: With overlapping committee jurisdictions, arcane parliamentary rules, erratic scheduling and fragmented power centers, it is surprising that lawmakers ever get anything done. If only Congress were better managed and met its deadlines, it would appear more credible.

Money is evil: Until Congress overhauls its incumbency-benefiting campaign finance system, its Members will be beholden to the political action committees that heavily finance their reelections. Pending such reform, lawmakers will hesitate to take legislative actions that threaten moneyed special interests.

The Beltway syndrome: Perquisite-laden Members have become a privileged class out of touch with mainstream America but virtually impervious to electoral challenge. Meanwhile, their penchant for governmental micro-management is imposing ever-growing burdens on the public and the economy. To some advocates of this view, term limits are the best—and perhaps, only—antidote.

'Twas ever thus: Although many insiders criticize the news media for the tone of their current coverage, they note that Congress—long before the latest rash of scandals—has been a popular whipping boy for the press. "There is no distinctly native American criminal class except Congress," Mark Twain wrote in 1894. A corollary to this thesis is that the public, though it hates Congress, loves its own Member of Congress.

Some of these views appear to diverge sharply, as does the rhetoric of those who espouse them. If Members spend so much time representing narrow, local interests rather than giving political leadership to the nation, for example, how can they have become captives of the Capital culture? The difficulties Congress faces, in short, do not stem from a single factor and are not likely to be fixed with an instant solution.

"Things are much more complicated in the society, not just in Congress," House Speaker Thomas S. Foley, D-Wash., recently told a breakfast group of reporters. "We are in a more participatory society. . . . The acceptance of hierarchy and authority is much less clear."

But the criticisms of Congress have some common threads. For one thing, the expanding complexity of the full-time legislator's job leads to closer connections with interest-group lobbyists, and thus encourages symbiotic relationships. Add fund-raising relationships to the mix, and many of the scandals that have triggered public disrespect for Congress seem all but inevitable.

Although many of these problems are longstanding, the combination may have attained critical mass during the past two years in a nation confronted with economic stagnation and a shrinking standard of living. When times are good, as during much of the past decade, people pay less attention to Washington and its shortcomings. But in times of misery, they seek a target.

"With limits on upward mobility as a society, there is a feeling that government is not doing anything about it." said Thomas E. Mann, director of governmental studies at Brookings Institution. "Congress has been a particular source of criticism for several reasons. . . . All of these have eroded the legitimacy of the institution especially within the political class."

PUBLIC PERCEPTIONS

When it comes to defending itself from attacks, Congress find itself at a disadvantage. Saddled with built-in partisan divisions and what Foley termed "the anonymity of the faceless institution," it's difficult to mount a focused congressional response. The Congress-bashing propensities of a pair of Presidents—Ronald Reagan and George Bush—have exacerbated the problem.

"President Reagan used the bully pulpit to slam another institution," said Rep. Andrew Jacobs Jr., D-Ind. "A Speaker's press conference doesn't have the grandeur of a President, whose microphone is louder." And Bush lately has taken up the chant, amid signals the he and his reelection campaign team will cast Congress as the cause of his shortcomings.

Even though they have solidified in recent years their majority in both the House and Senate, many congressional Democrats have grown more dispirited. After the 1988 presidential election, which many at one time had fully expected their party to win, they at least thought that they would be able to do business with long-time Washington insider Bush more readily than they had during eight years of Reagan, the self-styled outsider.

Instead, action to deal with the pervasive budget deficit was deferred until the contentious negotiations of 1990. Congress spent much of 1989 consumed by the jarring—and not exactly reassuring to the public—spectacles of the unprecedented resignations under fire of House Speaker Jim Wright, D-Texas, and Majority Whip Tony Coelho, D-Calif.

It may be academic whether the scent of scandal would have been less damaging if there had been serious legislative achievements on Capitol Hill and a more traditional focus on presidential leadership. But one event after another has sulllied public perceptions of Congress during the past three years.

In the Keating five influence-peddling case, the merits of the charges of unethical conduct and their ultimate resolution tended to be obscured by the spectacle of the Senate system being placed on trial. Add to that two brouhahas over congressional pay raises since 1989, and there is no shortage of live ammunition for critics who portray Congress as the gang that can't shoot straight.

On a tawdrier level, Sen. Edward M. Kennedy, D-Mass.—the Member of Congress with the most public private life—figured prominently in the Palm Beach (Fla.) incident that led to rape charges being filed against his nephew, William Kennedy Smith. After a trial that turned into a press circus, a jury found Smith not guilty. Donald E. (Buz) Lukens, an obscure House Republican from Ohio, saw his tenure cut short in 1990 after he was convicted of having sex with a teenage girl.

Congressional sex scandals are by no means a new phenomenon, but these incidents—along with other alleged abuses ranging from reports of publicly financed vacation junkets to easily ridiculed pork barrel proposals such as federal money for a Lawrence Welk museum—besmudged an institutional image that was already tarnished. Worse yet, they added to the perception that the privileges of office make lawmakers oblivious to conventional norms and to public sensibilities.

In contrast with often-arcane legislative disputes, in which public desire to sort out issues and track developments if often limited, personal peccadilloes arouse wide attention. "There's a veritable feeding frenzy out there," Rep. Dennis E. Eckart, D-Ohio, said, "and the Congress is the first entrée on the menu." (For a report on why Eckart is retiring, see box, pp. 120–21. And for a report on why Rep. Peter J. Visclosky, D-Ind., is not, see box, p. 123.)

Nor has the public found a whole lot to cheer about when it has turned its attention to Congress's legislative labors. "What I find over and over again in meeting with constituents is that people think that what we do doesn't affect their daily lives." Senate Majority Leader George J. Mitchell, D-Maine, told reporters. "If the agenda of the American Congress were truly the agenda of the American family * * * our standing [would] go up."

Perhaps the most tangible public policy debacle of recent years has been the collapse of the newly deregulated savings and loan industry, which will cost taxpayers hundreds of billions of dollars. Although federal laws enacted during the past decade do not bear full responsibility, they are an easy target.

"None of the chairmen of the Senate or House Banking Committees dealt with the S&L problem * * * began to unfold," said David Cohen, a veteran liberal lobbyist at the Washington-based Advocacy Institute." Congress chooses not to take action when there are no clean-cut remedies."

On an issue in which Congress *did* display leadership, adverse public reaction has left a sobering effect. When lawmakers in 1988 passed a measure expanding illnesses, few expected that support would fizzle when some senior citizens' advocates led a successful drive to repeal that law a year later.

"Given that this was seen as a rational first step" toward further health reforms, a House Democratic leadership aide said, "you can't overestimate the continuing impact from the repeal of the catastrophic insurance law. Members have reacted with obvious caution as they have prepared alternatives in the recent revival of the national health care debate.

In trying to cope with attacks on both their ethical conduct and their legislative efforts, many Members have criticized the national press for fanning the fires of public opinion. Some have simply taken the * * * task of blaming the messenger for adverse news. Others have complained that some news organizations have abandoned objectivity in their coverage of Congress's problems. Foley, for example, was uncharacteristically harsh when he told reporters that the controversy over abuses of the House bank yielded "the worst, most inaccurate and tendentious reporting in my memory."

Major changes in the news business in recent years have resulted in a decline in detailed day-to-day legislative coverage by many national outlets—including television and general-circulation magazines. To some extent, the slack has been taken up by the growth of specialized new services in both print and broadcast journalism. Among the consequences have been intensified coverage of both the local aspects of congressional news and the more eye catching national stories in forums such as television talk shows.

"The problem is not with the coverage of events, but how it is used to make the institution more vulnerable to game-players," said Rep. David R. Obey, D-Wis., a leading student of Congress who has led reform efforts for two decades. "One result is to make Members more careful than they should be."

Vin Weber of Minnesota, secretary of the House Republican Conference added that press coverage of ethical failings has gone too far. "Society gets along partly because you shield part of peoples' lives, he said. "We have gone way beyond what's useful, for example, in reporting on congressional perks."

Weber added that he had unsuccessfully urged Minority Whip Newt Gingrich of Georgia, a close ally, to back away from his aggressive use of the press to spread charges that eventually toppled Wright.

Recent public opinion polls help to explain why lawmakers are worried about their collective image. A national survey by the Times Mirror Center for The People & the Press, released last month, showed that 84 percent agreed that "elected officials in Washington lose touch with the people pretty quickly," an 11-point increase since 1987.

LEGISLATIVE OPERATIONS

It's not just the public that's troubled by how Washington conducts business. As more and more Members conclude that Congress does not function properly, they find it increasingly difficult to diagnose the problems and agree upon possible remedies.

While voicing little overt support for radical change in congressional operations, some veteran lawmakers have recently joined in the tough criticism. "Many Members believe that the institution does not work very well," Rep. Lee H. Hamilton, D-Ind., said. He listed, among other problems, overlapping committee jurisdictions, lack of adequate information for Members, misallocation of staff and poor public understanding of what Congress does.

Rep. Willis D. Gradison, Jr., R-Ohio, who has joined Hamilton in filing a resolution to create a joint committee to study congressional organization, said that he wants Congress to be able to "take a longer view of things" on such policy issues as education, economic productivity and personal savings rates. "These issues don't fit into our committee jurisdictions and the two-year cycle," he explained.

But other Members of both parties do not agree that the internal study and possible changes Hamilton and Gradison have suggested would have much impact. They contend that Congress's limitations are more fundamental.

"The President acts as head of state and makes Congress the prime minister," Obey said. "Congress has the responsibility for day-to-day governing. But the public doesn't know that the President [because of his veto power] can govern with the support of one-third" of the Members of either the House or Senate. In the Senate, where Democrats hold 57 seats, it requires 60 votes to move virtually any controversial measure, thanks to increased use of the filibuster tactics.

On any major issue, Obey said, it is unrealistic to expect major change without a strong Bush initiative. "Congress can help to shape the presidential campaign debate," on health care for example, he said. But, his party's inability to win the White House, he added, "has doomed [congressional Democrats] to 10 years of failure."

Probably Congress's two most significant domestic achievements during the past three years followed directly from Bush initiatives—the budget deal and the Clean Air Act, both enacted in 1990. In each case, Congress—in the absence of presidential leadership—had made little progress over the previous decade. Once Bush signed up, though much political and policy maneuvering still had to work its course, the corner had been turned on each.

"Congress is truly a 'deliberative' world," said Rep. Philip R. Sharp, D-Ind., in reviewing the handling of the clean air bill. "It is not the natural instinct of people to take on tasks that are not necessary. . . . Bush helped to force the agenda when he made his proposal."

But even when a President leads, divided government doesn't work to everyone's satisfaction. Citing the many explicit requirements in the clean air bill as an example. David M. Mason, director of the Congress Assessment Project at the conservative Heritage Foundation, complained that "in the past 20 years, Congress has stopped legislating and started managing." He added, "We believe that Congress should set broad policy and let the President administer the details."

Weber expressed a view held by many Members from both parties when he said that divided party control is the underlying problem standing in the way of smoother congressional decision making. "It's hard to solve the bigger frustrations until we end divided government," he said. "Most people come here highly motivated to do good. But divided government forces lowest-common-denominator solutions and drains the energy out of people. You are forced into a defensive mechanism to avoid making things worse."

In the opinion of Mickey Edwards of Oklahoma, chairman of the House Republican Policy Committee, the tendency to settle for suboptimal solutions is accentuated as "Democrats become more convinced that they will never capture the presidency and Republicans fear that they will not win control of Congress."

The 1990 budget and clean air bills demonstrated an increasing reliance on ad hoc legislative deal making. Both measures were handled mostly outside the textbook process of committee hearings and formal drafting sessions. The final versions of the two bills were written in back rooms without exposure to the sunshine of public scrutiny and then passed with relatively little floor debate. For the most part, key Members working on each bill produced a bipartisan deal in the political center, angering some advocates on the political left and right.

The procedural improvising required to enact the two bills is seen by some as an indictment of the existing legislative process. Nine Democrats on the House Energy and Commerce Committee formed their own informal group to study clean air issues for several months and offer their own recommendations. "I see what we have done as the committee structure of the future," Rep. Jim Cooper, D-Tenn., said. "The learning curve for Members needs to be private. . . . You need a sustained focus that you can't get in the formal hearings."

In the Senate, the clean air bill was approved only following an extraordinary month long negotiation spearheaded by Mitchell in his private office. The budget agreement was similarly hammered out during months of private talks in settings that included Andrews Air Force Base, Md., and the White House. A striking aspect in each case was the direct involvement of Bush Administration officials in the talks that led up to the preparation of the legislative package.

From the perspective of some Democrats, the budget summit was designed to give cover for Bush's decision to abandon his "no-new-taxes" campaign pledge. "The [Democratic] committee chairmen were there to allow George Bush to change his mind and cover his butt because he had lied to the people," Obey said.

Republicans, noting that Democrats had failed to complete a budget on their own terms, contend that Democratic leaders have increased the politicization of Congress. "Virtually every issue that we try to deal with amounts to pure finger pointing by both parties," Edwards said. "It seems that we never transcend politics to deal with real issues.

Another growing concern for Congress is the continuing tension between party leaders and committee chairmen in setting and carrying out their party's agenda. The abrupt switch in House Speakers, from the combative Wright to the more accommodating Foley, who is more at ease with the workings of divided government, has pointed up Members' ambivalence about whether they want strong centralized leadership.

But the independence of committee chairmen is also subject to second-guessing. The House Democratic Caucus stripped two committee chairmen of their positions at the start of the current Congress. And several influential Democrats, led by Rep. Dave McCurdy, D-Okla., have filed a bill setting an eight-year limit for chairmen and giving the Speaker a stronger hand in their selection. (See NJ, 12/7/91, p. 2979.)

"The utility of McCurdy's proposal is that it sends signals to committee chairmen that they are forewarned about their status," an influential Democrat said. "In the future, there will be fewer one-man bands" as chairmen.

NONELECTIONS

As the perception—by both Members and observers of Congress—of legislative paralysis has spread, so too has the sense—on the part of both camps—that congressional elections are increasingly becoming meaningless.

Although the 15 House incumbents—9 Republicans, 6 Democrats—defeated in November 1990 exceeded the total who lost in the two previous general elections, the reelection rate still was 96 percent. Only one Senator lost his reelection bid in 1990. Those success rates were striking, given that opinion polls at the same time revealed strong public unhappiness over Washington's budget shenanigans.

Perhaps a more relevant statistic was the 3.9-percentage-point drop in the average vote for incumbents, to 64.5 percent, the lowest level since 1974, according to Gary C. Jacobson, a political scientist at the University of California (San Diego). "Luckily for incumbents of both parties, the action on deficit reduction came so late that voters had only limited vehicles (acceptable replacements) for venting their displeasure, and few Members lost their seats," Jacobson wrote. "Incumbents may not be so lucky in 1992."

It remains to be seen how many serious challenges to incumbents there will be this year, with redistricting and the presidential campaign. But some experts are worried about the continuing trend toward noncompetitive contests. Most incumbents in 1990 faced challengers who did not spend enough money to establish their own credibility. In 78 House and 4 Senate elections, there was no major-party opponent at all.

"In the legislatures of the land, especially in the U.S. House of Representatives, incumbency reigns supreme," Elaine Ciulla Kamarck of the Progressive Policy Institute wrote in a paper prepared for a recent conference at DePauw University's center for contemporary media. "If the electoral system cannot respond to discontent, and if it is failing to provide alternatives, then something is, indeed wrong with American democracy."

The participants at the conference—which was entitled "Why Are Elections Over Before the Polls Open?"—approved a set of "solutions" to encourage competitive campaigns. Among them were well-worn proposals such as free TV time for all candidates, increased candidate accountability for their campaign advertisements and tax credits for small campaign contributions. They also endorsed more-innovative measures, including four-year terms for House Members and a ballot enabling voters to reject all candidates by marking "Favor a new election."

House and Senate Democrats, meanwhile, have passed separate measures imposing spending limits and providing public subsidies for candidates. Even if they resolve their differences this year in a conference committee, Bush has said that he would veto such a measure, thus continuing the long-running efforts to reform campaign finance rules.

REFORM OUTLOOK

Some congressional problems can be self-correcting. If, for example, the voters oust a few well-heeled incumbents in spite of their financial advantage, or if an improved economy shifts public attention to other arenas, some of the current discontent with Congress may subside.

But two movements—one internal, the other external—suggest that congressional shortcomings have become conspicuous enough to require attempts at corrective action no matter what happens. Sen. David L. Boren, D-Okla.—joined by Sen. Pete V. Domenici, R-N.M., and Reps. Hamilton and Gradison—filed a resolution last July calling for the creation of a joint House-Senate committee on the organization of Congress. At the time, Boren said that he hoped the panel would begin its study in the fall and submit its proposals by the end of 1992.

But the proposal has progressed no further than a relatively friendly hearing before the Senate Rules and Administration Committee in November. Its proponents have encountered objections from Foley, who has expressed concern that past reform efforts have been divisive and have immobilized the House; he also objects to addressing the separate problems of the House and Senate in a single study. Acknowledging internal resistance, supporters pushed back their timetable by at least one year.

In meetings during the recent congressional recess, Hamilton and Gradison received more-positive signals from leaders of both parties. Foley reportedly gave his OK to a House Rules Committee hearing on the study proposal, which has gained some political muscle because of its 136 co-sponsors, including 80 Democrats. In the past, he has favored incremental reforms prepared by the Democratic Caucus with little in the way of public involvement.

Mann, meanwhile, hopes to proceed this year with fellow congressional scholar Norman J. Ornstein of the American Enterprise Institute for Public Policy Research (AEI) with a comprehensive study, which would be sponsored jointly by Brookings and AEI. "We hope to commission some research and essays and hold conferences and roundtable discussions," Mann said, and submit an independent report to the congressional joint committee, once it is established.

The growing support for the studies, in part, is a defensive response to the attacks on Congress. It also provides an alternative to more-radical proposals, such as term limits for lawmakers.

Whether this approach will satisfy the political pressures generated by congressional critics and the public will depend partly on how well Congress manages to clean up its act—both legislatively and ethically—this year. November's election returns may send a signal as to how well it is doing.

HOUSE REPAIRS—WHAT WE'LL DO WHEN WE REACH MAJORITY

(By Robert H. Michel, Dick Armey, and William F. Goodling)

Would it make much difference if the House of Representatives were controlled by the Republican Party instead of the Democrats who have run it since January 1955? Policy Review asked Robert H. Michel, Republican minority leader, what he would do differently if he were Speaker of the House. We similarly asked ranking Republican members of more than a dozen committees and subcommittees what they would do differently if they became chairman of their committee or subcommittee. Lawrence Coughlin, ranking Republican on the transportation appropriations subcommittee, said he was happy with the way the Democrats ran his subcommittee and would do nothing to change it. Most other Republicans we invited declined to respond. We print responses from Minority Leader Michel, Dick Armey, ranking Republican on the Joint Economic Committee, and William F. Goodling, ranking Republican on the House Education and Labor Committee.

ROBERT H. MICHEL

(As Speaker Robert H. Michel received the gavel symbolizing his new office he told his colleagues, "from now on we will do unto ourselves what we have heretofore done unto others." Michel referred to the fact that the House is not subject to a wide-ranging number of laws, from the Social Security Act of 1935 to the Civil Rights Restoration Act of 1988, including the Freedom of Information Act and the Civil Rights Act of 1964. "The House will under my speakership be obliged to abide by all the laws, rules, and regulations that we impose upon the American people legislatively," Michel said.—Front page, Washington Post, January 3, 1993)

A fantasy? Perhaps, but I believe the public's disgust with the way Congress operates makes it possible for the first time in many years for a Republican majority to be formed in the House of Representatives. Overgrown staffs and underhanded procedures, irresponsible budgets and irrational schedules, the arrogance of unlimited power and the power of unchecked privileges—these are the legacy of Democratic control of the House of Representatives for 55 of the past 59 years.

House Republicans claim no monopoly on legislative or ethical virtue, but we alone can provide the will and the vision to rid the House of decades of institutional decay and decline, and create a new Hill order. The Democrats have had their chance, and have failed.

A Republican majority would embark on a truly conservative revolution in the House, for our goal would be to restore the institutional virtues that have been lost, preserve the strengths that have survived, and direct the energies of the House to enhance and protect traditional American values.

As Speaker of the House, I would in the first 100 days lay out a program for broad, comprehensive reform of the House's procedures and practices, and guarantee prompt and expeditious consideration of all the great issues of the day. A Republican-controlled House would work with a Republican president, not thwart his efforts, as the Democratic majority has done on every major issue from the war in the Gulf to a highway bill.

But existing as such a program might seem, it would be impossible to pass unless Republicans first take control of the legislative machinery of the House.

While the often volatile nature of the legislative process does not always lend itself to the managerial disciplines of business, there is absolutely no excuse for the House to be the kind of bureaucratic monstrosity it has become.

In the 35 years I have been a congressman—all as a member of the minority—the House has changed from a relatively small and efficient institution into a chaotic, bureaucratic empire of 11,000 staff members, and 1,800 support staff, including shademakers, venetian blind technicians, and upholsterers, not to mention 27 committees and 136 subcommittees.

The congressional staff—House and Senate—is nine times larger than the second-largest legislative staff in the world, that of the Canadian parliament. In 1960, three years after I became a member, the legislative budget was $131 million. In 1990, it was $2.24 billion—an increase of 1,610 percent.

As a majority, Republicans would cut committee staffs in half, which would save at least $26 million. We would get rid of most of the select committees and drastically reduce the number of subcommittees.

In order to make the House more responsive I would insure that all controversial bills come to the floor with rules guaranteeing free and open debate. One of the worst outrages of Democratic Party domination has been its insistence upon closed or semi-closed rules, effectively disenfranchising millions of Americans, who lose the chance to have their representatives offer amendments. When I first came to the House, civil rights bills were debated for days, not hours. In 1977, 85 percent of all rules were open rules. By 1990, that figure had fallen to 45 percent. The phrase "free and open debate" becomes meaningless when the chance for such debate is effectively eliminated by closed rules.

I would also establish a more orderly schedule for the consideration of legislation. The current process of doing very little in the early part of the year and then cramming important legislation into the very end of the schedule is not conducive to thoughtful legislating.

If all of these reforms strike some as being "merely" structural or procedural changes, I can only say that in the House, structure determines process, form dictates substance, and procedure shapes outcomes.

The cancer eating at the House is the inability or unwillingness on the part of the Democrats to undertake a comprehensive House reform, from the rules that govern the House to the rules that govern our election.

The reforms that the House needs are varied, and I have touched on just a few of them. As Speaker of the House I would have the scope—and the majority—to undertake the first comprehensive reform of Congress in modern times. I look forward to it.

(Robert H. Michel, of Illinois, is minority leader of the U.S. House of Representatives.)

DICK ARMEY

As a professional economist, I'd relish the challenge of chairing Congress's Joint Economic Committee, and would assume the position acutely aware of the need to reform this committee. In light of the recent election returns from New Jersey, where the Democratic majority in both state house and senate were shown the door by tax-weary voters, there's some hope that in the next Congress this question may become more than simply rhetorical. In the meantime, I'll look at it from the perspective of "king for a day," and here's how I'd work from morning 'til night.

9 a.m.—Breakfast with the 44-member staff to tell a dozen of them they'll need to find gainful employment elsewhere. Like most congressional committees, the JEC is overstaffed. I'd reduce the staff size and use the budget savings to purchase better computer hardware and software to enable the professional economists to conduct sound analysis.

Once the committee was properly staffed and equipped, I would work to make it the source of some of the most respected economic analysis in Washington, rather than a forum for the politics of the majority party. The staff would have to understand that this is not the Joint Political Committee, but the Joint Economic Committee, and they should go about their jobs accordingly.

Pro-Growth Proposals

10:30—Meet with the other majority members of the committee to outline the issues we can most directly affect. The JEC does not write legislation, authorize or appropriate spending, and has no oversight authority. It is the closest thing to a "think tank" inside Congress, and its members are freed from the nuts-and-bolts detail work that consumes so much time and energy on other committees. It should deal in the realm of ideas, and its unique mandate should be exploited to explore economic notions.

With a Republican majority, the JEC could lead the way in pursuing desperately needed regulatory and economic reforms. Pro-growth tax proposals such as an indexed and progressively preferential capital gains rate, privatization, regulatory reform, freer labor laws, a free market in agriculture and communications, reform of entitlement spending, and freer world trade are all issues that could be explored if control of Congress were wrested from the Democrats and the special-interest groups to which they are beholden.

Nascent economic ideas like gold-backed bonds or the negative income tax could be examined just out of curiosity. In the first 10 months of 1991, the committee Democrats held 48 hearings, well over one per week. Just about all of them merely rehashed tired rhetoric from other standing committees.

The impact that historically high taxation as a percentage of the gross national product has on our economy, stifling regulations in the communications industry, and antiquated labor laws that serve more to enhance the well-being of lawyers than workers would all make for interesting hearings. While hearings like this would be less frequent, the committee's economists would produce more studies, reports, and economic analyses.

Noon—Lunch with the Ranking Democrat (that has a nice ring to it) to discuss minority rights on the JEC, agreeing on the ways in which we'll disagree. Free and open debate is good for the process, and the minority members would be provided two weeks' notice for hearings and allowed one witness for every two the majority party provides.

Any study or report issued in the name of the Joint Economic Committee would include views from the Democrats in the minority. (Today, Republicans have to resort to separate minority reports.) The best thing Republicans can do is put our economic policies and ideas right next to those of the Democrats and let the public decide which are better.

Disavowing Flawed Studies

2 p.m.—Press conference to set the record straight on past issuances from the JEC that turned out to be inaccurate, starting by disavowing a series of JEC studies and press releases issued by then-chairman David Obey in 1985 and 1986.

These studies purported to show the loss of millions of manufacturing jobs, the creation of mostly low-paying jobs in the '80s, and a big boost in wealth for those in the top income bracket. Unfortunately, these studies were riddled with factual inaccuracies, and were misleading to boot. The infamous wealth study, for example, contained a $2-trillion error, the largest in congressional history, and the JEC is still reeling from this blow to its credibility.

On another occasion, JEC Democrats leaked confidential, but erroneous, data on manufacturing jobs to the *Washington Post*. Only when confronted at a hearing did the chairman admit that the report was leaked, and furthermore that it was riddled with inaccuracies. Regrettably, the transcript of the public hearing, with its embarrassing revelations, has never been published. As chairman, I would not allow such public information to be suppressed.

Dynamic Analysis

3:30—Call Ways and Means Committee Chairman Bill Archer (R-TX) to discuss the need for dynamic economic analysis of tax proposals. As the primary sponsor of a capital-gains rate reduction, Bill knows that tax initiatives that lead to job creation are a net revenue gainer for the federal treasury.

The current revenue-estimating process relies on "static" models, which view the economy as a finite pie to be cut and distributed. Proponents of static revenue estimates fail to realize that taxes affect the size of the pie, that tax incentives such as a preferential capital-gains rate make the pie grow, and $160 billion in new taxes like those contained in the last budget deal make the pie shrink.

By ignoring such real economic effects, government budget forecasters consistently overestimate the revenue gain from a tax increase while discounting the economic growth generated by a tax cut. Since government spending is based not on actual receipts but on projected revenue, the Congressional Budget Office must constantly adjust its deficit projections upward, with the latest such "technical reestimate" lowering revenue projections (and thus raising deficit projections) by $77 billion over the next six years. Of course, there really is no "technical reestimate" of revenues, as this figure is simply the residual after known deficit factors are accounted for.

Forcing a redefinition of the way the government goes about projecting the effects of taxation would help the JEC reclaim its once prominent position as a focus of economic initiative on Capitol Hill.

6:30—Meet with the chairman of the president's Council of Economic Advisers to discuss the direction of the economy. Because the JEC was established in 1946 as the legislative equivalent of the president's CEA, a little dialogue between us would be healthy.

Under the current division of government, contact between the administration and the committee's majority is limited to testimony on the Hill, on which occasions the Democrats flog administration officials before the cameras of C-SPAN. If Republicans controlled Congress and the White House, the interaction could be much more productive.

Together, the JEC and the CEA could press for better data from agencies such as the Congressional Budget Office, the Joint Committee on Taxation, and the Departments of Commerce and Labor. For Congress and the administration to make sound economic decisions requires a good database. Unfortunately, much of our database is antiquated because it was designed to measure the economy of America's past, not its present and future economy.

(Dick Armey, of Texas, the ranking Republican on the Joint Economic Committee.)

WILLIAM F. GOODLING

A former Speaker of the House of Representatives, Joe Cannon, once said, "The pendulum will swing back." I look forward to the day it does. There are many things I would do differently were I chairman of the House Education and Labor Committee.

To begin with, the committee would be run with less staff—perhaps a third less—and at lower cost. We have learned to effectively make do with less as the minority in Congress since Eisenhower's presidency and I would apply those same principles of efficiency to Republicans in a majority.

While it would be tempting to adopt the same rules of convenience presently used by the majority, government must represent all Americans. I have often seen instances when we in the minority have strengthened laws that have been reported by this committee. I would enhance, rather than limit, the ability of the minority to play that role.

Similarly, a more rational approach to the legislative process needs to be adopted. For example, committee members should be given five days to review any legislation in advance of a vote. They should also be required to cast their vote in person, or not at all. Both of these requirements would add to the quality of committee deliberations.

Are Our Labor Laws Working?

Moving to the labor field, many individuals come to Congress thinking the best way to make a name for themselves is to introduce and quickly pass controversial legislation. Unfortunately, this attitude prevents a thorough exploration of whether a problem is serious enough to demand a federal solution, or whether the legislation even properly addresses the perceived problem. While this criticism can be accurately directed at Congress as a whole, it is most obviously applicable in the labor field, where partisan emotions and slogans often take the place of rational debate.

One of my first initiatives as chairman of the Education and Labor Committee would, therefore, be to expand the oversight responsibilities of the committee to explore—through hearings—the question of how well the laws we pass are working. Do they accomplish what they were intended to accomplish? What problems have been created, perhaps foreseeable at the time of passage, that need to be addressed? Similarly, I would encourage more deliberative hearings in evaluating the merits of legislation before passing laws in the first place.

I would also encourage cooperation among government, labor, and business wherever possible in labor legislation. This approach has worked well in programs such as the Job Training Partnership Act (JTPA), and could do much to ensure the optimal efficiency and effectiveness of our labor laws and policies.

I would also work to cover Congress under all labor laws; the institution may learn a few things if it is forced to comply with the laws we impose on the rest of society.

These may seem mundane, obvious concepts; unfortunately, they are rarely followed on Capitol Hill. Indeed, the hearings that do occur are usually orchestrated toward some pre-ordained result—such as placing the administration in the worst possible light—rather than a balanced, objective analysis of what is going on in the real world.

Bipartisan Education Policy

In contrast to federal labor policy, Republicans and Democrats have tended to work in a bipartisan fashion on education policy. As a result, I have been generally pleased with the education laws enacted during my tenure on the committee.

Even so, looking to the future, if I were setting the committee's education agenda, I would begin to move in a new direction. President Bush and Secretary of Education Lamar Alexander have both been preaching the need to take a hard look at our nation's schools and to make fundamental changes in the way they operate. The president and secretary are building upon a grassroots movement that is pressing our schools to deliver better education to all students.

The implications of this movement for the committee and Congress are profound. We need to move beyond, but not abandon, programs that serve targeted populations and define a federal role geared toward improving all schools for all students.

A top priority would be to develop national education goals and standards without losing the strength of local control and diversity. I would also try to use the limited federal dollars that go into education to leverage change at the state and local level. Finally, I would make a major effort to amend current laws so education and other human development programs could be coordinated more easily at the local level. This could be accomplished by allowing state and local programs more flexibility in running programs so long as the goals of the programs continue to be met.

(William F. Goodling, of Pennsylvania's 19th district, is ranking minority member on the House Committee on Education and Labor.)

SUMMARY OF HOUSE COMMITTEE REFORMS PROPOSED BY THE HOUSE REPUBLICAN CONFERENCE

(1) Committee Jurisdiction Realignment—The Rules Committee would be directed to study and report to the House within one year its recommendations for realigning committee jurisdictions along more rational and functional lines to eliminate duplication, overlap and inefficiencies in the present system.

(2) Oversight Reform—Committees would be required to formally adopt and submit to the House Administration Committee by March 1st of the first session their oversight plans for that Congress. It would not be in order to consider the funding resolution for any committee which does not submit its oversight plans as required. The House Administration Committee, after consultation with the majority and minority leaders, would report the plans to the House by March 15th together with its recommendations, and those of the joint leadership group to assure coordination between committees. The Speaker would be authorized to appoint ad hoc oversight committees for specific tasks from the membership of committees with shared jurisdiction. Committee would be required to include an oversight section in their final activity report at the end of a Congress.

(3) Elimination of Joint Bill Referral—The joint referral of bills to two or more committees would be abolished, while split and sequential referrals would be retained, subject to time limits and designation by the Speaker of a committee of principal jurisdiction.

(4) Early Committee Organization—Committees must be elected within seven legislative days of the convening of a new Congress and must hold their organizational meeting not later than three legislative days after their election.

(5) Party Ratios—The party ratios on committees would be required to reflect that of the full House (except for the Standards Committee which is bipartisan). The requirement would extend to select and conference committees as well.

(6) Subcommittee Limits—No committee (except Appropriations) could have more than six subcommittees, and no Member could have more than four subcommittee assignments.

(7) Proxy Voting Ban—All proxy voting on committees would be prohibited.

(8) Open Committee Meetings—Committee meetings, which can now be closed for any reason, could only be closed for national security, personal privacy, or personnel reasons.

(9) Majority Quorums—A majority of the membership of a committee would be required for the transaction of any business.

(10) Report Accountability—Committee reports on bills would be required to include the names of those members voting for and against reporting a bill or, in the case of a non-record vote, the names of those members actually present when the bill is ordered reported.

(11) Committee Documents—Any committee prints or documents to be made available to the public which have not been approved by the committee must contain a disclaimer to that effect on their cover, may not contain the names of committee members other than the chairman authorizing the printing, and may not be made public until at least three days after they have been circulated to committee members.

(12) Foreign Travel Reports—All Members and staff taking part in foreign travel at House expense would be required to disclose their official itinerary (including meetings, interviews, functions, inspections) by country and date, in addition to currently required expense disclosure, and such reports would be available for public inspection in the offices of each committee not later than 60 days after the completion of travel.

(13) Committee Staffing—Committee funding resolutions could not be considered until the House has first adopted a resolution from the House Administration Committee setting an overall limit on committee staffing for the session. The minority would not be entitled to up to one-third of the investigative staff funds on request. The overall committee staff limit for the 102nd Congress could not be more than 90% of the total at the end of the 101st Congress.

(14) Intelligence Committee Oath—Members and staff of the Select Committee on Intelligence would be required to take an oath that they will not directly or indirectly disclose to any unauthorized person any classified information received in the course of their duties except by the approval of the committee or of the House.

(Note: For the full text of these amendments to House Rules, see the Congressional Record of January 3, 1991, pp. 43-47.)

SUMMARY OF COMPARATIVE DATA ON THE HOUSE OF REPRESENTATIVES

(1) Time in Session—The House in the 101st Congress was in session 281 days, 61 days less than the 91st Congress and 25 days less than the 96th. At the same time, the 101st Congress averaged six hours a day, compared with 4.6 hours a day for the 91st Congress, and 5.8 hours a day for the 96th (Table 1.).

(2) Legislative Output—The House in the 101st Congress reported 635 public measures—502 (44%) less than the 91st Congress and 243 measures (28%) less than the 96th. It passed 968 measures, 162 (14%) fewer than the 96th and 39 bills (4%) more that the 96th (Table 1.).

Whereas the 101st Congress did not act on 66 reported measures (10% of the total), 61 reported measures (5%) were not acted on by the 91st Congress, and 131 (15%) were not acted on by the 96th Congress.

(3) Commemorative v. Substantive Enactments—The 101st Congress enacted 232 commemoratives or 36% of all public laws)—164 more commemoratives than enacted by the 91st Congress and 136 more than the 96th. That left 418 substantive enactments in the 101st Congress—209 substantive laws (33%) less than the 91st Congress and 99 (19%) less than the 96th Congress (Table 1.).

(4) Committees, Subcommittees, Staff and Costs—The number of standing committee has remained relatively constant over the last 20 years—21 in the 91st, and 22 in the 96th and 101st Congress—the number of subcommittees has risen from 136 to 158 over those two decades—a 40% increase. The number of committee staff over that period has risen 186%, from 738 to 2,109. And the cost of operating the House has risen 457% in 20 years, from $203 million to $1.13 billion (Table 1.).

(5) Proxy Voting—Of the 22 standing and 5 select committees in the House in the 101st Congress, 22 permitted proxy voting and only 5 prohibited it (Table 2.).

(6) One-Third Quorums—Of the House standing and select committees in the 101st Congress, 18 had rules permitting one-third of the membership to transact all business except reporting a measure, while only 9 required a majority (Table 2.).

(7) Member & Staff Party Ratios on Committees—Whereas Democrats comprised 60% of the House membership in the 101st Congress, they held an average of 61% of the committee and select committee seats (*excluding the Standards Committee which is 50-50). And majority staff averaged 76% of all staff on the standing and select committees. Finally, the average committee ratio of staff to Members was 1.9 to 1, with one committee weighing in with a staff to Member ratio of #.6 to 1 (Budget), one at 3.4 to 1 (Post Office, and two at 3.3 to 1 (Appropriations and Energy and Commerce (Table 3.).

TABLE 1.—COMPARATIVE LEGISLATIVE DATA FOR HOUSE OF REPRESENTATIVES (91ST, 96TH & 101ST CONGRESSES)

Item	91st Cong (1969–70)	96th Cong (1979–80)	101st Cong (1989–90)
Days in session [1]	350	326	281
Hours in session [1]	1,613	1,876	1,688
Average hours per day	4.6	5.8	6.0
Total public measures reported [1]	1,137	878	635
Public measures reported but not acted upon [1]	61	131	66
Total public measures passed [1]	1,130	929	968
Unreported measures passed as percent of total	4.8	19.6	41.2
Total public laws enacted [1]	695	613	650
Average pages per statute [2]	4.2	8.1	NA
Commemoratives enacted [3]	68	96	232
Commemoratives as percent of total enactments	9.8	15.7	36
Substantive laws (total minus commemoratives) [3]	627	517	418
Rollcall votes [4]	443	672	878
Average votes per measure passed [5]	3.8	2.2	1.6
Congressional Record pages of House proceedings	25,855	25,079	23,160
Average Record pages per measure passed [5]	15	17	17
House Standing Committees	21	22	22
Select Committees [6]	2	5	5
Subcommittees [7]	136	158	158
House Committee staff [8]	738	2,017	2,109
House Appropriations [9] (in millions)	203.1	645.9	1,129

[1] Data taken from "Resume of Congressional Activity," Daily Digest, Congressional Record, & House Calendars, 91st, 96th, and 101st Congresses. "Public measures" are bills and joint resolutions of a public nature, and do not include private bills, nor do they include simple or concurrent resolutions.

[2] Source: "Indicators of House of Representatives Workload & Activity," CRS Report for Congress by Roger H. Davidson and Carol Hardy, June 8, 1987 (Rept. 87–492 S).

[3] Commemoratives are isolated here as a subcategory of public laws, to be distinguished from more substantive enactments. The term "commemoratives" includes proclamations, commemorations, memorials, naming, coins and medals, and recognitions. Source: "Commemorative Legislation," by Stephen W. Stathis & Barbara L. Schwemle, Congressional Research Service, March 30, 1990 (Rept. No. 90–183 GOV).

[4] "Rollcall Votes" include yea and nay votes and recorded votes, but not recorded quorum calls. Prior to 1971, recorded votes were not permitted on amendments in the Committee of the Whole. Sources: Daily Digest, "Resume of Congressional Activity," final Congressional Record for 91st, 96th, and 101st Congresses.

[5] "Measures passed" here includes not only bills and joint resolutions, but simple and concurrent resolutions as well.

[6] Select committees include an ad hoc legislative committee in the 96th Congress.

[7] Subcommittees include the subcommittees, panels and task forces of standing and select committees. Sources: Vital Statistics on Congress, 1984–85, by Ornstein, by Mann, Malbin, Schick and Bibby, (AEI), 1984); "Congressional Staff Directory, 1990", Ann Brownson, editor (Staff Directories, Ltd.: 1990).

[8] Figures for staff include statutory and investigative staff of all House standing and select committees plus HIS staff. Source: "Vital Statistics on Congress, 1984–85, op cit.; Congressional Staff Directory," 1970, 1980, 1990; House Administration Committee minority staff for 101st Congress; "Report of the Clerk of the House," April-June, 1990 (House Doc. 101–230).

[9] Figures represent the budget authority appropriated for the House in the Legislative Branch Appropriation bills for the 91st (fiscal year 1969–70), 96th (fiscal year 1979–80), and 101st (fiscal year 1989–90) Congresses. Sources: "U.S. House of Representatives and Senate: Budget Authority fiscal year 1962–fiscal year 1988," by Paul Dwyer, Congressional Research Service (Rept. No. 88–260 GOV); Budget of the U.S., Fiscal 1991; and Legislative Branch Appropriations Bill, 1991, House Report 101–648.

TABLE 2.—HOUSE COMMITTEE SURVEY—101ST CONGRESS

	Proxy voting [1]	one-third quorums [2]	Number of subcommittees [3]	Number of staff, 1990 [4]	Investigative staff budget 1990 [5]
Committee:					
Agriculture	Yes	[6] Yes	8	68	$2,016,015
Appropriations	No	No	13	190	[7] NA
Armed Services	Yes	Yes	12	68	2,070,657
Banking	Yes	Yes	8	105	4,045,000
Budget	Yes	No	6	112	[7] NA
District of Columbia	Yes	Yes	3	40	324,512
Education and Labor	Yes	Yes	8	120	3,686,681
Energy and Commerce	Yes	Yes	6	141	5,491,231
Foreign Affairs	Yes	Yes	8	100	3,369,145
Government Operations	Yes	Yes	7	86	3,062,942
House Administration	Yes	Yes	7	65	1,505,000
HIS				231	
Interior	Yes	Yes	6	64	1,873,875
Judiciary	Yes	Yes	7	79	2,189,205
Merchant Marine	Yes	Yes	6	78	2,211,483
Post Office	Yes	Yes	7	78	1,737,075
Public Works	Yes	Yes	6	81	2,630,875
Rules	No	No	2	40	672,413
Science and Technology	Yes	Yes	7	77	2,637,645
Small Business	Yes	Yes	6	51	1,066,395
Standards Official Conduct	No	No	0	8	500,000
Veterans Affairs	No	No	5	38	719,458
Ways and Means	Yes	No	6	82	4,098,565
Select Committees:					
Aging	Yes	Yes	6	35	1,481,499
Children, Youth, Families	Yes	No	0	17	734,479
Hunger	Yes	No	2	14	628,505
Intelligence	No	No	3	25	305,000
Narcotics	Yes	Yes	0	16	700,770
Total	Yes, 22 No, 5	Yes, 18 No, 9	158	2,109	56,787,425

[1] House Rule XI, clause 2(f) permits proxy voting in committee if authorized by written rule adopted by the committee. Source for survey on proxies: "Rules Adopted by the Committees of the House of Representatives, 101st Congress," Rules Committee Print.

[2] House Rule XI, clause 2(h) permits committees other than Appropriations, Budget, and Ways and Means, to set the quorum for doing business other than reporting measures, issuing subpoenas, and closing meetings and hearings, at not less than one-third of the membership. Source: same as No. 1.

[3] This figure includes long-term task forces and panels (more than 6 months). Sources: House Phone Directory (Spring, 1988); Congressional Staff Directory.

[4] This figure includes statutory and investigative staff. Sources: House Administration Committee; House Phone Directory (Summer, 1990); Clerk's Report, (April–June, 1990); and Congressional Staff Directory.

[5] This figure consists only of the money authorized through committee investigative expense resolutions and does not include funding for the 30 staffers (18 professional and 12 clerical staff) each committee is authorized by House rule and statute, and which are funded through the appropriations process. Source: Report on Committee Expense Resolution, 1990, H. Res. 346 (H. Rpt. 101–419), Committee on House Administration, March 9, 1988.

[6] The Agriculture Committee permits a chairman to set a one-third quorum rule if notice is given in advance of a meeting.

[7] The Committees on Appropriations and Budget receive no investigative staff funds and instead are funded entirely through the appropriations process under an open-ended statutory authorization.

TABLE 3.—MEMBER AND STAFF RATIOS ON HOUSE COMMITTEES—101ST CONGRESS

	Total Members	Party ratio Democrat/Republican		Total staff	Staff ratio Democrat/Republican		Staff: Member ratio
		Number	Percent		Number	Percent	
Committee:							
Agriculture	45	27/18	60/40	68	47/21	69/31	1.5:1
Appropriations	57	35/22	61/39	190	145/45	76/24	3.31:1
Armed Services	53	32/21	60/40	68	NA	NA	1.31:1
Banking	50	30/20	60/40	105	84/21	80/20	2.1:1
Budget	35	21/14	60/40	112	87/25	78/22	3.2:1
District of Columbia	11	7/4	64/36	40	30/10	75/25	3.6:1
Education and Labor	34	21/13	62/38	120	92/28	77/23	3.5:1
Energy and Commerce	43	26/17	60/40	141	119/22	84/16	3.3:1
Foreign Affairs	44	26/18	59/41	100	76/24	76/24	2.3:1
Government Operations	39	24/15	62/38	86	71/15	83/17	2.2:1
House Administration	21	13/8	62/38	65	55/10	85/15	3.1:1
Interior	37	23/14	62/38	64	46/18	72/28	1.7:1
Judiciary	35	21/14	60/40	79	65/14	82/18	2.3:1
Merchant Marine	45	27/18	60/40	78	57/21	73/27	1.7:1
Post Office	23	14/9	61/39	78	58/20	74/26	3.4:1
Public Works	50	30/20	60/40	81	53/28	65/35	1.6:1
Rules	13	9/4	69/31	40	28/12	70/30	3.1:1
Science and Technology	49	30/19	61/39	77	59/18	77/23	1.6:1
Small Business	44	27/17	61/39	51	38/17	75/25	1.2:1
Standards Official Conduct	12	6/6	50/50	8	6/2	75/25	0.6:1
Veterans Affairs	34	21/13	62/38	38	26/12	68/32	1.1:1
Ways and Means	36	23/13	64/36	82	61/21	74/26	2.3:1
Select Committees:							
Aging	64	38/26	59/41	35	24/11	69/31	0.5:1
Children, Youth, Families	30	18/12	60/40	17	12/5	71/29	0.5:1
Hunger	29	18/11	62/38	14	9/5	64/36	0.5:1
Intelligence	19	12/7	63/37	25	20/5	80/20	1.3:1
Narcotics	29	17/12	59/41	16	11/5	69/31	0.6:1

Note.—At the outset of the 101st Congress, there were 259 Democrats and 176 Republicans, giving the majority a 60 percent to 40 percent of House seats.

Sources: Committee on House Administration; House of Representatives telephone directory; congressional staff directory.

MAJOR CRIME BILL PROPOSALS

DEATH PENALTY

Workable federal death penalty for murders implicating federal interests or responsibilities, including substantially all drug-related murders.

Workable federal death penalty for certain non-homicidal offenses: "drug kingpin," treason, espionage.

HABEAS CORPUS

General reforms for both capital and noncapital cases: Rule of deference to reasonable state court adjudications of petitioner's claims, arrived at through constitutionally adequate procedures (deference to "full and fair" state court adjudications). Time limit for federal habeas filing by state prisoners. Time limit for filing of §2255 motions by federal prisoners.

Additional safeguards against delay and abuse ("Powell Committee" procedures) in capital cases for states extending right to appointed counsel to collateral proceedings: Time limits for concluding adjudication of capital habeas petitions. Prohibition of second and successive petitions except where new claim is raised that casts doubt on factual guilt and cause is shown for failure to raise the claim earlier.

Equalization of capital habeas funding. Requires provision of funds to state attorneys general or prosecutors for habeas corpus litigation in capital cases in amount equal to federal funding provided to capital defense resources centers.

EXCLUSIONARY RULE

General objective reasonableness ("good faith") exception to exclusionary rule, for both warrant and non-warrant cases.

Prohibition of creation of caselaw exclusionary rules by courts based on (non-constitutional) violations of statutes, rules of procedures, or administrative rules or regulations.

[The President's violent crime bill also included elimination of the exclusionary rule for firearms seizures in the presence of alternative safeguards, but this was D.O.A. in Congress.]

FIREARMS

Mandatory ten year term for use of semiautomatic firearm in federal crime of violence or drug trafficking crime.

Extend armed career criminal concept by providing mandatory five year and ten year terms for firearms possession by person with one or two prior convictions for violent felonies or serious drug offenses.

Overriding state negation of convictions for armed career criminal purposes when conviction offense was violent felony involving threatened or actual use of firearm or serious drug offense.

Broadening definition of serious drug offense for armed career criminal purposes to include state offense where conduct would have carried maximum term of ten years or more if federally prosecuted.

New offenses of stealing firearms or trafficking in stolen firearms (nearly unlimited federal jurisdiction over such crimes).

Increased penalties for false statements in firearms purchases.

Increasing aggregation period for reporting multiple handgun sales to same purchaser from 5 days to 30, and reporting of such sales to local police as well as ATF.

General ban on clips and magazines that enable firearm to fire more than 15 rounds without reloading.

National waiting period for handgun purchases. (Accepable to us if packaged with other strong law enforcement measures.)

JUVENILES AND GANGS

Broadened retention and availability of records of federally prosecuted juvenile offenders. (We have a complementary rules change which will enable the FBI to receive juvenile records from the states for inclusion in the national criminal records system; it is pending final clearance for promulgation at OMB).

Broadened federal jurisdiction and adult prosecution for juvenile offenders. (Only weak and fragmentary version of this in Senate bill.)

Serious drug offenses by juveniles as armed career criminal predicates. (Included only in Senate bill in very weak form.)

TERRORISM AND INTERNATIONAL MATTERS

Implementing legislation for international conventions against terrorism at airports, maritime terrorism, and maritime platform terrorism, and for the convention against torture.

New antiterrorism offenses, including offense of providing material support to terrorists, and offense of using weapons of mass destruction against U.S. nationals or property anywhere in the world.

Sentencing guidelines increase for terrorist crimes, increased penalties for travel document crimes likely to be committed by terrorists, and extension of statute of limitations for terrorist crimes.

Better coverage of crimes in extended territoral sea, and crimes against U.S. Nationals on foreign ships.

Other antiterrorism provisions in the President's violent crime bill included addition of terrorist offenses as RICO predicates, forfeiture for terrorist and other violent acts, admission to U.S. of aliens cooperating in terrorism or other investigations, strengthening of alien enemy act, increased access to communications and credit records in terrorism investigations, and strengthening of wiretap laws for use in terrorism investigations. These largely fell by the way during Congress's consideration of the crime bills, but some were included in weakened form in the Senate or House bill.

[The President's bill also included effective provisions for removing terrorist aliens from the United States, but the proposal was D.O.A. in Congress.]

SEXUAL VIOLENCE, CHILD ABUSE, AND VICTIMS' RIGHTS

[The reforms in this part are generally limited in direct effect to federal cases, but most of them would have broader import as models for state reforms. A more detailed discussion of these provisions will be circulated separately.]

General rule of admissibility in sexual assault and child molestation cases for evidence that defendant has committed offense or offenses of the same type on other occasions.

Increased penalties for recidivist sex offenders, for many sex crimes against victims below the age of 16, and for drug distribution to pregnant women.

HIV testing of defendants in sex offense cases, with disclosure of test results to victim; enhanced penalties for HIV infected sex offenders who risk infection of their victims; government payment of cost of HIV tests for victims.

Provisions strengthening restitution and enforcement of restitution orders.

Giving victims of violent crimes and sex crimes a right to address the court concerning the sentence to be imposed, parallel to the offender's existing right of allocution.

Equalizing at 6 the number of peremptory challenges accorded to each side in felony cases. (The defense now gets ten. This has been included among victims' rights provisions as a measure protecting the victim's right to an impartial jury.)

Removing cap on crime victims fund.

EQUAL JUSTICE ACT

Strengthened safeguards against racial discrimination in the criminal justice process. Mandates administration of death penalty and other penalties without regard to race. Prohibits racial quotas and statistical tests for imposing the death penalty or other penalties. Extends to crime victims protections against racial bias which may now be available only to the defense, including right of prosecutor to make inquiry on voir dire concerning racial bias favoring the defendant, and change of venue on motion of prosecutor where necessary to guard against racial bias against the victim. These provisions would apply to state cases as well as federal cases.

In federal capital cases, there would additionally be special jury instructions and certifications guarding against racial bias. Death penalty authorizations would be added for murders committed in violation of the principal criminal provisions of the federal civil rights laws. The fact that a murder was racially motivated would be a statutory aggravating factor permitting consideration of the death penalty under all federal statutes containing death penalty authorizations.

DRUGS

Drug testing of federal offenders on post-conviction release.

Drug testing in state criminal justice systems as a condition of federal justice assistance funding.

Precursor chemicals provisions.

Interdiction provisions, including new offenses and other provisions strengthening legal authority to stop aircraft and vessels.

Miscellaneous provisions increasing penalties or otherwise strengthening drug laws, e.g., increased penalties for drug trafficking in prisons.

There are some additional provisions in the pending bills which did not originate as DOJ proposal, and which we have been more-or-less neutral of indifferent about in the past, but which may merit further consideration in light of the discussion at the planning meeting. These include broadening drug-free zones to include additional areas (public housing, truck stops), and crackhouse eviction.

PUBLIC CORRUPTION

The Senate bill contains a version of our proposal, albeit with lesser penalties than we want for the main offenses (10 years maximum rather than 20).

OTHER PROVISIONS

[We have proposed various "miscellaneous" provisions which relate to issues that do not have a high degree of visibility, but which may have considerable practical importance from an operational standpoint. Some examples:]

Filling gaps in existing laws by adding attempt liability for robbery, kidnapping, smuggling, and property damage offenses; creating offenses of receiving proceeds of extortion, kidnapping, and postal robberies; and extending coverage of mail fraud statute to frauds perpetrated through mail carried by private interstate carriers.

Undercover operations against trafficking in stolen or counterfeit items are currently hampered by statutes which limit liability to cases where the item involved in a transaction is actually stolen or counterfeit. One of our provisions would eliminate this problem by providing that it is sufficient if the defendant believed on the basis of a representation by a law enforcement operative that the item was stolen or counterfeit.

REMARKS BY GEN. COLIN POWELL, CHAIRMAN, JOINT CHIEFS OF STAFF TO THE NATIONAL ASSOCIATION OF WHOLESALERS/DISTRIBUTORS

Gen. POWELL: Thank you very, very much, Alan, for your very, very kind words, and thanks to you and to Jay and to all the members of the association for this porcelain bowl. It is very, very beautiful. And without the contribution of every soldier, sailor, airman, Marine, and Coast Guardsman, this award would not have come my way. So it really is to them that you are presenting the award, and I am merely their surrogate. I will keep it and treasure it in their honor. I can't tell you how very pleased I am to be with you today. Three months ago when Alan asked me to be here, I told him that I would be here subject to war, crisis, or congressional hearing. (Laughter.) I don't know which one is the worst of the three—(laughter)—but thank God there is no war. Thank God that at the moment there is no crisis and the hearings are still a few weeks in the future. (Laughter.)

But for two consecutive Christmas seasons, America was at war. In 1989, we were executing Operating Just Cause in Panama. And in 1990 at this time we were in the middle of Operation Desert Storm, having spent the previous five months in Operation Desert Shield, watching this incredible buildup of American force. And I missed standing at this podium last year because of that operation. On this very day one year ago we were four days into an incredibly successful air operation that paved the way for our ultimate victory in the Gulf. This year—this year—is thankfully different. First and foremost, we are at peace. I said about a year ago at a press conference that our strategy for defeating the Iraqi Army in Kuwait was going to be very, very simple. First, we were going to cut it off, and then we were going to kill it. We did. We won the Gulf War. And all—(applause)—and all of the second guessing and Monday morning quarterbacking isn't going to change that simple fact. Kuwait is free, and that's what we went to do.

Moreover, as a result of our victory the number one military threat to Israel and to our other friends in the region is a shadow of its former self. There's also underway an unprecedented Middle East peace conference. Our hostages are free. We are building a new regional security structure to prevent anything like this from happening again in that particular part of the world. Yes, Saddam Hussein is still there. He's still a problem. He still causes me to grind my teeth. But he's principally a problem for the people of Iraq, not for us.

He is hanging onto power tenuously. The UN is pulling up all of his means for unconventional warfare. The sanctions will stay in place as long as he is there and continues to perform the way he has for the last two decades. And in the final analysis, it is up to the people of Iraq to determine how much longer they wish to suffer under his leadership.

And so as you listen to all the one-year retrospectives that are so popular right now, don't be confused. The President set clear objectives. The United Nations set clear objectives. The Congress set a clear objective when they passed the resolution permitting us to use force. We achieved those clear objectives and then we came home. It was a victory for American leadership, it was a victory for the armed forces of the United States, and it was a victory for our vision of a new world order. Continue to be as proud of that victory as are all the young men and women who went out and accomplished that victory for America.

There is another war behind us as we begin 1992. The Cold War is also over. The Soviet Union was put in its grave last month and a new Commonwealth of Independent States was born, committed to the principles of democracy, the principles of free market economics, and respect for human rights. We, in a transformed Europe, have an unprecedented opportunity to build a new relationship of cooperation with those who had been our former enemies.

And if you look to the Pacific, we were helping South Korea mark out a new path with the hostile regime in North Korea. And if North Korea can put aside its ambitions to build a nuclear weapon, if it can put aside this Xenophobia that has existed in that country for the last 40 years, we have hope for peace in that final bastion of the Cold War in Korea.

President Bush's early January trip to the Pacific reassured our regional friends and allies of our concern, of our interest, and our commitment to peace and stability in the Pacific. And if you look in our own part of the world, in Latin America, democracy—democracy—dominates the horizon for as far as you can see for the first time in history. Yes, there is still Cuba and there's a troubled Haiti, but they are the only blemishes on that horizon. And who can believe that these two nations will not soon succumb to the powerful forces of freedom, powerful forces that forged an historic peace agreement in El Salvador just last week.

So these are great times. These are wonderful times, wonderful times to be the Chairman of the Joint Chiefs of Staff, a wonderful time to be an American living in this period of great and positive history. And yet at the same time, with all of this positive change, with all of the opportunity for the future, we must remember that we are just at the beginning of a new phase of history, not the end.

There is war in Yugoslavia. There is war in Georgia. There is war in Armenia. There is economic and political instability in the Commonwealth of Independent States. We have to remain concerned that about 27,000 nuclear weapons are still in what had been the Soviet Union. And we have to watch with some concern how the old Red Army and the old Red Navy will be broken up and dispursed among the various republics. And yes, there is still unease in Southwest Asia and in Southeast Asia. In Cambodia, we are moving in peacekeeping forces for the first time, in a solid effort to bring peace to that troubled country that has known nothing but war for almost a half-a-century.

And so as we enter 1992 we see hope and opportunity, we see challenge and danger. We see a brighter future but with remaining clouds of a darker past. America must have a national security that deals with this very challenging and unclear world, a strategy that holds the promise of opportunities fulfilled and the clouds dispersed. And we have such a strategy. Its most crucial pillar is continued American engagement in the world. We must remain active partners in our alliances across the Atlantic and across the Pacific.

In the meetings that I hold with my counterparts around the world, the message they give me is the same: America, don't go home. America, don't go home. We have seen twice in this century—twice—what happens when America does not play its destined role in world leadership. Both times it has cost the world dearly. Please, they tell me, please, don't let it happen again. Stay engaged, America. And we will stay engaged.

At the same time, though, the prospect of global war has disappeared. You won't find any Colonel Blimps in the Pentagon wandering around, bemoaning the fact that the Soviets are no longer there for us to plan a global war against. We are proud of this, we are happy for this new environment to be on our doorstep to work with. And we can reshape our armed forces for a new military strategy that focuses on possible regional conflicts and unexpected crises but no longer on the prospect of a global war.

Across the Atlantic and Europe, we will maintain our military forces to cement this trans-Atlantic link as part of our new strategy. Those forces overseas in Europe will be smaller, much, much smaller, but they have to remain on European soil so long as our European allies want us there, and they do. There is no more positive way to ensure the continued coherence and strength of the Atlantic Alliance than to keep US military forces engaged in Europe. And today I'm even more convinced than ever that a strong and coherent NATO is critical to Europe's future, not to counter any longer the Red Army sweeping across the plains of Germany but to help build stability in the East while undergirding stability in the West.

Also across the Atlantic, we will have to keep military forces in the vital Persian Gulf area. Our decisive victory against Iraq last year has given us new opportunities for peace and stability in the region, and we must not squander these opportunities by picking up everything and coming home. We must be prepared to stand with our forces in the Middle East until permanent peace and stability are a reality. And we will keep a military presence in the Meditteranean no longer oriented as in the past toward the Soviet Union but looking south and East towards Africa, the Middle East and Southwest Asia, where we still see the potential for trouble and crises.

And so the forces we will maintain for the Atlantic will be oriented eastward. Some will be forward deployed in Europe, in Southwest Asia, and others will be here in the United States, capable of reinforcing at whatever point they are needed, just as we reinforced so effectively during Operation Desert Storm and Desert Shield.

I was talking to some of my table companions about the business of distributing things and what it's like to be a middle man. You've got nothing on us. If you want to know what it's like to distribute the supplies necessary for 541,000 people 8,000 miles away from home starting from zero, come see us later. We're the real experts in this business. (Laughter, applause.)

We will have continuing needs elsewhere than just across the Atlantic. If you turn to our other great ocean frontier across the Pacific, I maintain we have to keep a forward military presence in the Western Pacific, in Japan, and in Korea. The nations of the Pacific are major trading partners for us, as well as partners in providing security and stability. They are counting on us to remain engaged. Why? Because countries in the Pacific trust us. They look to us for leadership. They look to us for counsel. And they look to us for security in the broadcast sense. No other power on earth can claim the position that we enjoy in the Pacific as a security partner. We abandon that position only at our peril. So our Pacific forces, those military forces that we have there, will ensure that we stay engaged in that dynamic region of the world.

In addition to these forward military forces across the Atlantic and across the Pacific, we must have military forces here in the United States that are able to react promptly to a crisis or to a contingency that no one had predicted, no one said would come along. On a moment's notice, these forces must be able to move to a trouble spot, such as to evacuate Americans in trouble as they did in Liberia and in Somalia, or eliminate a threat to American lives as we did in Panama in 1989. In the 28 months that I have been Chairman, I have dealt with some 14 separate crises that involved in one way or the other the armed forces of the United States. And nothing on the horizon, even in this most promising environment, indicates to me that such crises will vanish in the new world ahead of us. So we have to have forces able to deal with these sorts of crises.

And finally, and very, very importantly, we must have military forces that can deter the use of nuclear weapons against this country. I never let a day go by without reminding myself that in all of this change there are 27,000 nuclear weapons in the Soviet Union and at any moment thousands of them are pointed at the United States. And until someone tells me that he has located and destroyed every nuclear weapon in the Soviet Union I will continue to include those nuclear weapons in my calculations. And I do not believe the American people would have it any other way. So we have to have the strongest possible nuclear forces on our side in order to be able to deal with the continuing, although low likelihood threat of nuclear warfare.

An essential new element to our strategic force posture, however, is the use of defenses to protect ourselves against nuclear weapons as opposed to relying solely on our own nuclear weapons to deter an enemy. And that is why the President's Strategic Defense Initiative, as reflected in the new Global Protection Against Accidental Launch System, as we call it in the Pentagon, is so, so essential. And you will see the President strongly defend the continued development to strategic defenses.

When you put these military forces together—what we need for the Atlantic, what we need for the Pacific, what we need for crises response, and what we need to deter nuclear attack—you have what we are calling the base force—the minimum essential force America needs to meet the future in safety. It is a force much, much smaller than the size force we maintained to deal with the Cold War. Your Department of Defense is moving quickly to implement the base force. It is about 25 percent smaller than the force we had just 18 months ago. We are reducing your armed forces over the next several years by half a million young men and women, and we are doing this as rapidly as common sense and the art of the possible will allow us. We have taken strategic bombers off alert for the first time in the post-Cold War era—in the Cold War era. We have deactivated 45 percent of our land-based intercontinental ballistic missile launchers. We have cut the number of Trident submarines that we're planning to have from 22 to 18. We are in the process of not only destroying many of our own strategic nuclear weapons, but we are also offering our help to the new Commonwealth of Independent States to do the same thing with theirs. And we are looking at proposals that would reduce our nuclear stockpiles even further. We are destroying and putting into storage thousands of tactical nuclear weapons. We are removing these weapons from all of our ships at sea. And in Europe, under the provisions of the recently ratified Conventional Forces in Europe Treaty, we are beginning the monumental task of destroying hundreds of thousands of conventional weapons from tanks to infantry fighting vehicles to artillery cannon. Your Navy is mothballing two battleships, two aircraft carriers, and 24 other combat vessels in the near future.

Since the end of Desert Storm in February, your Army alone has pulled out of Europe 40,000 soldiers and 48,000 wives and husbands and children. And by September of this year, another 25,000 soldiers will have come home from the United States Army in Europe.

We are closing over 250 of our Army installations in Germany. The Air Force is reducing its main bases complex in Germany from a total of nine main base complexes down to five. We're closing bases all over the United States. Just this past weekend, we inactivated the two divisions in Europe that were sent to Desert Storm to help defeat the Iraqi army last year. The 1st Armored Division, all of those troops are now gone, and we've given the flag of the 1st Armored Division to the 8th Infantry Division so that we keep the lineage, and the 8th Infantry has gone out of the structure. And we have completely inactivated another division, the 3rd Armored Division, the division that I began my career in some 34 years ago. Gone. Finished.

The first post I ever went to is now being turned over to the Germans for use as a shopping center. The library that was at that base has had all of its books packed up, and the books are being sent to East Germany and behind the old Iron Curtain to help educate a new generation of Europeans.

On the other side of the world, we have closed Clark Air Force Base in the Philippines. We are now in the process of closing Subic. And by the end of this year, more than 15,000 people will have been withdrawn from our forces in Japan and in Korea.

So, every day a base is closing or a battalion furls its flag or a fighter squadron comes home or a troop who planned to stay in the service, a GI who volunteered and wanted to make a career of it is making a different career choice and is returning to civilian life, looking for help when he gets into civilian life with respect to a job or educational opportunities.

So, if you want to know where the peace dividend is, if you want to know why we're not cutting, the answer is we are cutting. We're cutting massively, and we're cutting across the world. And we're only one year into our planned 25 percent reduction. We aren't even halfway there yet. To put it in simple terms, over the next four years, a million people, civilian and military, both in the active force and in the reserve force, will be released from the rolls of the Department of Defense.

Now, we must not go any faster. There will be a great enthusiasm in Congress next month to get us to move even faster. And the argument that Secretary Cheney and I and the Chiefs will give back is we don't want to go any faster. We have a strategy. We have a glide path. We have a base force that we're going down to. Don't try to do it any faster or we will break the force. We will break faith with the young men and women who have served us so well.

At the same time, we also don't want to move so fast as to exacerbate our economics problem here at home. Hundreds of thousands of young men and women must be worked back into the economy, into productive jobs, and must serve to boost our economic prospects and not degrade them. Hundreds of programs will be canceled, and we have to do that over time so that the impact can be modulated somewhat as it goes through all of the American economy.

I want you to also understand in this group that you are having made available to you a great group of new American veterans. I know we're in a recession, but these young men and women are the best and brightest of the nation. They're drug free; they're motivated; they've demonstrated they can do a job. You saw them on television sets day after day after day. You're missing a bet, ladies and gentlemen, you're missing a bet if you're not active in your community and in your firms and in your association in seeing what you can do to integrate those fine young men and women back into civilian life.

Over the next several years, 500,000 active troops going out, tens of thousands of civilians. I hope that doesn't produce 500,000 more unemployed people because these are the best and the brightest. And I ask your help in making their transition back to civilian life as easy as possible. They are truly great talent.

We must also understand that no one is clamoring to leave your armed forces. This isn't like World War II or Korea, where there were tens of thousands of telegrams to Congress demanding that the draftees be let go, that sons and daughters and husbands all come home as soon as possible. Your armed forces are all volunteers. They are all under contract, all disciplined and proud. We simply in this environment cannot tell them, "thank you for winning a couple of wars. Thank you for representing us so well," thanking them for being so wonderful, but now, you're out on the street. Do the best you can. Find a job. You're on your own. We can't let that happen.

And that is why on our side of the equation in the Pentagon we've put together a major transition program to help ease the restructuring pains for these outstanding young volunteers. We're setting up telephone hotlines for GIs to call businesses, and for businesses to call our GIs. We have established liaison with educators who want our young people to be school teachers under new alternative certification programs that exist in a number of communities. The Congress has also allowed us to create financial incentives and benefits to encourage young people to leave voluntarily rather than being eliminated involuntarily. And these financial benefits and initiatives will also provide them a transition cushion for those, of course, who accept them.

All of this build-down effort takes time. These actions cannot be precipitous. They cannot be rushed. We are not demobilizing the force and breaking it apart as we did in 1919 and in 1945.

And so the point I want to make to you this afternoon is that your Defense Department does have a strategy. We are not living in the cold war past. We see the future, and it's a future of opportunity. It's a future of challenge. And we're going to take our force down to what we believe is the correct level in order to meet our responsibilities in this changing world. President Bush will lay this all out in greater detail to the American people in his State of the Union address next Tuesday. You will hear about a solid, well thought out strategy, and about a dynamic base force to support that strategy.

When we complete our reductions, we will be using in the Pentagon only 18 percent of the overall federal budget. You put this 18 percent beside our peacetime cold war high of just under 60 percent at one point—you can appreciate how small that 18 percent really is. It amounts to about 3.6 percent of our gross national product. This will be the lowest percentage of the federal budget devoted to defense since before World War I. And so, to argue today that all of the domestic ills of America can be cured by tapping this 18 percent of the budget and ignoring the other 82 percent of the budget is really incorrect and quite misleading.

And so, you'll see us in the Pentagon fighting to protect the base force. We need that force to preserve our role in the world. We need it to ensure against that which is still unknown. The threats are no longer as clear as they used to be, but we have a pretty good idea of what parts of the world those threats are liable to emerge again if we do not remain engaged, if we do not remain strong. We owe that to the American people, and the

American people would never forgive us if we let down our guard.

We also need the base force to protect your armed forces, especially to protect the young people who have given so much of themselves to serve this nation. For them, history has not ended. There are still 1,700 young GIs at Guantanamo Bay in Cuba caring for 7,000 Haitian refugees. There are 26,000 men and women still manning F–15 fighters in Saudi Arabia, or manning FA–18 fighters aboard our carriers in the North Arabian Sea. Our men and women still stand guard along the DMZ in Korea. The men and women of the North American Air Defense Command still watch the Soviet nuclear weapons half a world away pointed at us. Your Marines are still afloat in the Indian Ocean, remembering all too well the harrowing evacuation that they had to conduct last year of American citizens from the U.S. embassy in Somalia.

Around the world, in a thousand places, these wonderful young troops still have a job to do. It is these wonderful young men and women who have sacrificed and have served so well; these American GIs about whom we must remain concerned. They are well-trained. They are proud. They are ready. They care about their profession. They are wise and they are brave. They love this country that they call America, and we must, above all, not break faith with them. And I assure you, as long as I'm around, we won't. Thank you. (Applause.)

Alan (sp) told me I could stay up here and take questions all by myself. (Laughter.) Let me also say that I'm especially flattered to have been introduced by my good friend Alan Kranowitz (sp). You've got a heck of a guy in charge of your association. I was worried for a moment that he might really tell some of the stories—(laughter)—about our days together in the White House, but he didn't. Thank you, Alan (sp), for your kind words earlier.

I'd be delighted to take a few questions. Yes, sir?

Q. (Off mike.)

Gen. POWELL: I don't have that at the tip of my tongue, but take off that thing you're wearing, and we'll get back to you—let us have it. No, if you give us a business card——

Q. (Off mike.)

Gen. POWELL: Call—no, this—Col. Smullen will have some one for you to call within an hour.

Q. (Off mike.)

Gen. POWELL: In your case, Riley is probably best, but I'm going to do better than that. We'll have somebody at Riley call you. I guarantee it. (Laughter.) Fort Riley is about to have a lot of excitement. They're just—(laughter)—no, I guarantee it. You'll—somebody from Riley, probably the division commander—(laughter and applause)—now I want everybody in this room—no, in seriousness, that's what I need. And you let us have your card, and somebody from Fort Riley will be calling you, if not when you—if not within the hour—(laughter)—then right after you get home. And I need each and every one of you who can help us within this to give Col. Smullen here your card, or give it to Alan, and get it to me, and I'll make sure that you're contacted.

But obviously we can't reach the whole country in this one room. I'm really pitching to the cameras so that people all over the United States in those communities look out for these great young men and women. But I do thank you, sir. Would you like to stand up and get a plug? If you'll give me your name, I'd be—(laughter)——

Q. (Off mike.)

Gen. POWELL: Thank you, sir. (Applause.)

Q. One of the other great victories that—I think that the country really appreciates with the war was not only winning it, but getting the rest of the world to participate in most of it. How do you see in the future, you know, you mentioned that different countries are saying they want our continued support. Do you see this as part of the overall strategy, and in the future, do you see other countries participating in such——

Gen. POWELL: Yes. I mean——

Q. Once more, how in the future, when things come up and—(inaudible)——

Gen. POWELL: Desert Shield and Storm, to a large extent, was not paid for by the American taxpayer in terms of money—moneywise. Very generous contributions from those we came to help and others who had reason to want to participate, as well as the presence of forces from 28 different nations, there in the desert alongside our forces. It is becoming more and more common for that kind of ad hoc coalition to come together to deal with regional problems. When we had the humanitarian relief effort in northern Iraq and eastern Turkey right after Desert Storm, similarly about 12 countries came together there to help us. Sometimes these arrangements will be ad hoc as countries have common interests, but what I'm especially pleased about and proud of, frankly, because we worked it a bit at the tail end of the last administration, is that role that the United Nations is playing in solving one lingering regional crisis after another. It is a heck of a success story. The UN was instrumental in the Iran-Iraq War settlement in '88, in the southern African and Angolan situation, in the Nicaraguan elections, in the El Salvador situation, in southeast Asia, Cambodia. The UN is playing a much more important role. Why? Because they are willing to get involved, and secondly, the Soviet Union is no longer a spoiler. The Soviet Union has been on our side in almost every one of these recent issues that we could take before the UN. And I hope, even with the changes in the Soviet Union—now the Commonwealth of Independent States, we can see an even more forthcoming attitude on the part of our former enemies. And I think this is all to the good. And I think you will find that more and more nations will be willing to make contributions to the settlement of these regional disputes and conflicts.

We also get good support from our Japanese friends, from those who want us to stay in the region, in the Pacific, we are getting very attractive offers. We are closing down our presence in the Philippines but we will be in Singapore, Malaysia, Indonesia, continue to be in Korea and Japan, they want us there and they are willing to do their share to keep us there.

Yes, sir.

Q. Those of us in Florida do admire you a lot as a leader. What are the chances that we would be able to vote for you? (Laughter).

Gen. POWELL: Alan (sp) answered that. I have no political ambitions. I sometimes say "at the moment," I sometimes say "maybe," "never," you know. I don't know why I should preclude running for alderman in Kansas City at the age—when I am 75 years old, so I don't feel the need to give Shermanesque-type statements but I am a soldier, chairman of the Joint Chiefs of Staff, that's all I want to do for the next two years and then I'll go into private life and at the moment private life does not include any political aspirations.

But if Kansas City needs an alderman—(laughter)—when I am 75 years old. I'm kidding a little bit but I have no political—nothing is motivating me in a political way.

Now, the other gentleman, who I should have called on. (Laughs and laughter)

Q. General, I noticed recently on the news that they talked about reducing the reserve units here in the United States by 250,000 and in view of the role that they played in the recent war over in the Persian Gulf, maybe you can enlighten on the types of units that you're thinking of and how you plan to work on the replacement.

Gen. POWELL: The Reserves have performed magnificantly in the last two yers that I have been closely associated with them. We have no intention of breaking up the Reserves or braking what we call the total force concept of active and reserve working together. The simple facts are that over the last 10 years, during the period of the Reagan buildup, we built up the Reserves by about 300,000 troops, roughly a 25 percent increase. The reason for that buildup was to orient on the Soviet threat in Europe. We discovered that we did not have enough force structure in the event that we had a sustained war in Europe, so we built up the Reserves for that purpose.

A large part of our reserve structure, particularly within the Army is oriented and associated with specific active units. So when we brought the active units out of the force structure and when the Red Army has disappeared, it's gone, it only seems prudent that we take down the growth that was put into the Reserves over the last (10?) years, and so we are planning to reduce it by about 250,000, especially taking out those units that are directly affiliated and associated with active units that are no longer there. It doesn't make any sense to take the active unit out but leave all the Reserve supporting units there. There is nothing there to support.

Congress has given us some degree of grief over this issue because Reserves are very popular, they should be popular. These are great units in communities throughout the country who are enormously helpful in sustaining public support for our efforts in Desert Shield and Desert Storm, and I wish I didn't have to cut or recommend cutting a single one of them. I'd just as soon not cut anything in the active Army either, or the Navy, or the Marine Corps, or the Air Force or the Coast Guard, but cutting the budget 25 percent, cutting the force 25 percent means cutting the force and pain is associated with cutting.

It's enormously frustrating to go up on the Hill and be told, "No, we don't want you to cut that. No, we don't want you to close any bases. Well, don't close these programs down because they are important to us, but when are we going to see our peace dividend?" (Laughter)

I don't know how to manage an environment like that, and so they want—if you want the budget cut we have to cut it in a sensible way, it has to affect all parts of our total force. You can't protect this in order to have a disproportionate cut over here. And that will be the debate we will have with Congress, have been having with Congress.

And so we love the Reserves, we have no intention of breaking the total force concept that exists, but it is not good stewardship on our part to keep forces in the structure that the American taxpayer is paying for if that structure is no longer needed. It makes no difference whether it's active or reserve. If it's not needed we ought to eliminate it from the structure and give that money back to the American taxpayer, and that's what those of us in uniform are saying and we are having difficulty with the Congress on that issue. Yes, sir, the gentleman.

Q. General, at the risk of maybe putting you on the spot, one of the greatest risks still remaining perhaps to this country is drugs coming inside. In your opinion, and perhaps the military is playing a role in that I'm not aware of that you can't talk about, but in your opinion is there a role that the military could play to make sure some of that material doesn't get in?

Gen. POWELL: There is a role we can play and we are playing it. We're very—I'm delighted to talk about it. We're very actively involved with the Coast Guard and INS and a number of other federal agencies in intercepting ships coming into the country as well as aircraft penetrating our air space. Most of the early-warning radar planes that we have in the United States are used for counter-drug purposes. The forces command, which is our Army command here in the United States, are using their troops and equipment to try to seal the border with Mexico. Our commander in Panama we call CINC South, responsible for Central and South America, is deeply involved with the countries of the Andean region not only in cutting the transit routes coming to the United States but in helping those countries go to the source of drugs within the country.

And so we're doing a lot, we're going to do a lot more, we're spending billions on this. I think it's a legitimate role for the armed forces of the United States. Having said that, though, don't think that cutting off drugs is the solution. Until we kill the drug problem right in our own community, the money is just too good and you won't be able to cut it off. And so it begins right here in the United States, in our community, in our schools, and we have to just educate a generation of young people that the use of drugs is stupid, it's criminal, it's destroying our inner cities, it's destroying our country, and we've got to stop it here while the armed forces and other agencies are trying to interdict the amount of drugs coming into the country.

(Applause.)

Q. The theft or transfer of even one Soviet tactical nuclear weapon to an undesirable entity could have profound and tragic implications. How comfortable are you with regard to the security and the controls in place to keep that from happening in the Soviet Union?

Gen. POWELL: Reasonably comfortable. You can't be completely comfortable when you're talking about 27,000 things that are not under your direct control. But historically the Soviets have shown a great deal of care with respect to the storage of nuclear weapons, the counting of nuclear weapons, the safeguards they have on their nuclear weapons. And in all the turmoil of the last six months in the Soviet Union and now the Commonwealth of Independent States, I have been impressed and I think my intelligence colleagues have been impressed at how their system for controlling nuclear weapons has not been buffeted the way every other segment of their society has been buffeted.

Their strategic weapons, the ones that can reach the United States, are firmly under control. The tactical weapons are all being removed from the outlying republics back into Russia for further control and dismantling, and that process is going well. They give us repeated assurances that they are handling it with the care it deserves and so far their assurances seem to be well founded and we can accept.

Having said that, one has to remain concerned. It is always possible that their very fine system could break down during this period of uncertainty and turmoil within that land, and we'll continue to keep our eyes on it. But it would be an event of profound consequences should one of them get loose and turn up in an awkward place. So we'll watch it, but so far we're reasonably comfortable with how they're handling it.

Yes, sir?

Q. The other day the Wall Street Journal ran an article about demolition of explosives and various mines and so forth in Kuwait, and they stated there that fully one-third of the ordnance dropped on the Iraqi army in Kuwait didn't explode. Would you care to comment on their accuracy?

Gen. POWELL: Yea, I don't—I did't see the report and the one-third number seems—does not seem right, it seems high. There is always a dud rate associated with munitions, especially dumb munitions, that is, it sets itself off by hitting the ground. And there are some problems with the type of battlefield we had with soft sand not detonating. We have a continuing demolition problem in Kuwait. The Kuwaitis have asked us for our assistance; we're providing it. And they've also contracted for private firms to come in and help remove munitions that have not exploded. A continuing problem. I haven't seen that particular report. The number of one-third sounds high to me.

Yes, sir?

Q. A recent news report talked about the Persian Gulf and perhaps that President Bush called off the forces a little bit too early. Would you care to comment about this? (Laughter.)

Gen. POWELL: Thank you sir! (Laughter.) One of the generals who was intimately involved in the war, General Buster Glossan, who was the mastermind of the air campaign, was asked a similar question last week and he says it's never too early to call off a war.

The fact of the matter is that about the 26th of February, a day or so before we stopped the war, it was becoming clear that our objectives were rapidly being accomplished. The Marines were in Kuwait City, the Army units were sweeping around the flank, there was starting to be an incredible amount of destruction on the road going back into Basra, and it was becoming clear that we were near the end, that beyond a certain point it wasn't war. It isn't war when you're fighting after having achieved our objectives.

And so on the morning that we—the day that we decided to terminate it, there was complete consultation between military authorities—myself and General Schwarzkopf and his commanders in the region. We told the President that it was near the end, and after further consultation and watching the battle develop throughout the course of that morning and into the afternoon, and then also seeing images of some of the destruction taking place.

But fundamentally, we had done what the President told us to do. That's the time you should end a war, and that's what we did. The President was absolutely right. Whether you killed people and continued the war for another 12 or 24 hours—which is what Newsweek was alluding and other critics have alluded to—was irrelevant to what might have subsequently happened. We were only fighting the Iraqi army in Kuwait. We were not fighting the other half of the Iraqi army that was intact throughout all of Iraq and quite able to handle internal security matters within Iraq.

Every time this country has gotten in trouble it's because we lose sight of what our objectives were with respect to the use of military force. The President gave us clear political objects. We gave him a clear military plan to achieve those objectives. The military plan unfolded flawlessly—I will stick with that, "flawlessly"—compared to any other military plan in many a year. And when we reported to him that we had achieved the objectives set out, he ended the war. And that took leadership. That took courage. It would have been the easiest thing in the world to say, "No, somebody might say we stopped too soon. Let's just keep it up." And I think that would have—history would have treated us that well.

Now, obviously, it's become a source of great commentary. And lots of people who were nowhere around, and lots of people who didn't want to go to the war in the first place—(laughter)—suddenly are surfacing to say, "Yeah, but now that I know it wasn't going to be that hard I would have been there." (Laughter, applause). And I have played the tape back many times in my mind, as you can appreciate, and particularly last week when it was such an interesting subject of discussion.

The conclusion we came to a year ago last February was the correct one. The President made the right choice and the troops in the field know it. They accomplished their mission, they're home and we should be proud of it and not find ways to denegrate our success, which seems to be becoming something of a national pastime these days. (Applause.)

Q. General, I appreciate and share your support of what the United States seems to be doing—coming alive and doing with us. It's my understanding, however, that we're still badly in arrears in our financial support of the United Nations, and I'm wondering what we're going to do about it. Particularly it seems to me a very cost-effective way to solve some of the problems of the future.

Gen. POWELL: It's a—we are in arrears with respect to our obligations to the United Nations. Alan (sp) and I were together when we at least acknowledged we were in arrears a few years ago and reversed our policy to start being a more responsible financial partner. It has not been possible to clear up all of the arrears because of our own financial difficulties. What position the administration will be taking in the months ahead with respect to this issue—I hate to take a dive on you, but that really belongs to the State Department, so I will take a dive on you. (Laughter.)

Yes, sir?

Q. How has the television camera changed the way the Army or our armed forces fight?

Gen. POWELL: A fundamental question. A good question. It's changed the way national security policy in general has to be managed. A little story I tell is whenever I did a press conference, or any of the chiefs or General Kelly, my operations officer, who you all know and love so much, General Schwarzkopf, Secretary Cheney, the President, you always had to remember when you went out there that you were talking to five audiences at once.

First, you were talking to the media, the ladies and gentlemen who were asking the question. Then, you were talking beyond them to the American people, who were watching the whole press conference. The third audience was the international community. Every capital in the world, 150 nations, 150 kings and prime ministers and presidents, other heads of state, foreign ministers, defense ministers are watching and will make their own individual nation judgment based on what they see coming out of

Washington. That's a third audience. A fourth audience is the enemy. Saddam Hussein and his folks are watching, or any other opponent that we may have to go up against will now be seeing it all in real time.

And then the fifth audience, which many people might not think about but which I had to think about, and so did my colleagues, the Joint Chiefs and Secretary Cheney, were the troops. We have some very smart, well-educated troops. Ninety-nine, roughly 98 percent of them are high school graduates, very sophisticated, and we were talking to them, too, and they had to receive the right message from home.

And so you just can't get up in front of a camera in a crisis situation like that without recognizing there were five audiences. Now, audience one, the media, would sometimes get upset because we didn't give information that we thought was not useful to give audience four—(laughter)—or which might have a morale effect on audience five, or which might affect audience two and three, as well.

So, we are accused of managing the news. We were accused of not handling this very well. Frankly, I think we handled it very well. (Applause.)

And, frankly, I think the press did a good job. There should be criticism between the press and the government. They ought to pull my chain all day long. That's their job. And they do it well. (Laughter.) It's the nature of our system. And by this conflict that sometimes exists between the government and the press, it's held in the public, in the open, and the American people are the beneficiaries of the conflict because you see your government in action.

So, I think we did reasonably well, as you might expect I would feel that way, and television has fundamentally changed the way you do things. Everything is seen instantaneously now around the world as long as you can get a camera there, and it is not that hard to get a camera there, with jet travel and the ease of sending electronic images around the world.

I think I have to—is that it?

Thank you all very much. (Applause.)

DOD TO SLOW PACE OF MODERNIZATION, CUT STRATEGIC NUCLEAR ARSENAL WHILE MAINTAINING ESSENTIAL FORCES

The President's FY 1993 budget calls for a new approach in the way the Defense Department buys major weapons systems and keeps its forces modern, while maintaining a military capable of responding to regional contingencies. And the President's FY 92–97 program includes changes to the US strategic nuclear program, beginning to move the US away from a relationship of nuclear confrontation with the republics of the former Soviet Union, Defense Secretary Dick Cheney said today.

The administration is seeking $267.6 billion in DOD budget authority for fiscal year 1993, $9.9 billion below the budget passed by Congress for FY 1992 and a decline of seven percent in real terms, adjusted for inflation. The cuts in the defense budget go beyond the steep cuts already undertaken—amounting to a decline in budget authority of over one-third in real terms since 1985.

The FY 93 budget submission also cuts the Department's six year defense plan, for FY 1992–1997, by $63.8 billion, compared to the six year plan presented last year for the same period. That total includes $50.4 billion in cuts to the defense program and $13.4 billion in adjustments required under the budget summit agreement, based on changes in the 1991 rate of inflation. The budget proposes FY 1993 outlays of $272.8 billion, $9.8 billion below FY 92. Outlays for FY 92–97 would be cut by $27.4 billion over last year's defense plan.

"The national security picture for the United States has changed substantially since last year. The disintegration of the Soviet Union has reduced the threat to US interests and eliminated the urgency for producing several advanced weapons systems," Cheney said. Many of the developments were anticipated in the regional defense strategy first announced by President Bush in August of 1990, he said.

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The growing proliferation of ballistic missile capability and weapons of mass destruction makes the funding of the President's program for global protection against limited strikes a high priority for our strategic programs. Funding for the strategic defense initiative remains a top priority, with a request for $5.4 billion in budget authority for FY 1993, compared to the FY 1992 total of $4.1 billion.

DEFENSE BUDGET TRENDS

From FY 1993 through FY 1997, DOD budget authority will decline, in real terms, an average of four percent each year. By FY 1997, the cumulative real decline in budget authority since FY 1985—the year of peak defense spending—will total 37 percent. Budget authority for FY 1997, adjusted for inflation, will produce about the same buying power as the 1960 defense budget and only slightly more than that of the post-Vietnam drawdown defense budgets of 1974–76.

Defense outlays as a share of the US gross national product are expected to fall to 3.4 percent in FY 1997, well below any time since before World War II. In FY 1997 defense outlays should be down to 16 percent of total federal outlays.

While defense spending has been shrinking since 1985, domestic spending has been growing—going up by about the same rate at which defense spending is going down. By FY 1997, the cumulative real decline in defense outlays since FY 1985 will be 26 percent. Mandatory federal spending will increase about 33 percent in real terms over the same period, and domestic discretionary outlays will increase about 8 percent.

NEW APPROACH TO ACQUISITION

The disintegration of the Soviet Union has reduced the military threat to US interests, making the need to produce advanced weapons systems less urgent. The Department of Defense can afford to take more time in developing and evaluating new technologies before making decisions on weapons production. With more reliance on its research and development efforts, the Department can preserve the technological capability to quickly equip larger forces if major threats to US interests emerge in the future.

While DOD will put fewer new advanced weapons systems into production in the future, the aggressive pursuit of new technologies will be essential to maintaining the advantages US armed forces need to deter and to prevail in future conflicts. A weapons program will move to full-scale production only after verifying the need for producing the system, and after minimizing technical, manufacturing, and operational risks.

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The Gulf War confirmed the advantage of combining precision weapons and stealth technologies. Twenty B–2's will allow the Air Force to maintain two squadrons while also permitting aircraft maintenance. With the transformation of the Soviet threat, America's strategic bomber force is less likely to face the sophisticated air defenses for which the B–2 is designated. The current strategic force of B–1B's and B–52's can be adapted to ensure adequate capabilities for strategic nuclear and conventional missions. Stealth technology remains a key advantage for U.S. forces, and the Department will initiate vigorous exploration of improved stealth technologies. Total B–2 program adjustments will save $14.5 through 1997.

Minuteman III ICBM: To help compensate for the termination of the Midgetman small ICBM, DoD will fund an improved guidance system for the Minuteman III ICBM and other measures to extend its service life, yielding net savings of $1.0 billion through 1997.

Seawolf submarine: With the Soviet Union's collapse, the United States no longer needs to proceed with a new class of attack submarine. The Seawolf program will accordingly be terminated. The existing SSN–688 submarine is among the most capable in the world and will serve the nation well for many more years. DoD plans to consider a lower cost submarine design that will enable it to modernize in the future while maintaining adequate submarine force levels for the coming years. DoD also will continue to develop other antisubmarine warfare systems. These changes in the submarine acquisition program will save $17.5 billion through 1997.

Comanche helicopter: With their focus shifted from a Soviet threat to regional contingencies, US forces can be adequately supported with the existing Apache helicopter fleet, to be upgraded with the Longbow advanced fire control radar system, OH–58D reconnaissance and light attack helicopters, and greater use of unmanned aerial vehicles. DoD will restructure the Comanche light helicopter development program by deferring production and concentrating instead on building prototypes, developing avionics, upgrading the engine, and incorporating Longbow. Redirecting the program will save $3.4 billion through 1997.

Air defense antitank system: Because non-Soviet air threats to US ground forces are limited in number and capability, US forces can maintain adequate air defense assets with existing air defense fighters and with such defense systems as the Patriot, Hawk, and Stinger. The Department is therefore terminating the Army's air defense antitank system (ADATS).

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To offset these incremental costs, US allies have pledged to contribute $54 billion. The US will not replace some types of damaged or destroyed equipment, valued at $1.2 billion, because the Department has sufficient remaining supplies. That leaves a net cost to the US for the war of $5.9 billion.

Of these costs, transfers within the previously appropriated 1990 defense budget covered $1 billion, and a supplemental request in 1990 covered another $2.0 billion, leaving $2.9 billion in costs for long-term personnel benefits for those who served in the war. Those costs will be paid in future years by the Veterans Administration.

"The war in the Gulf set a remarkable standard of cooperation, and not only on the battlefield. It is absolutely unprecedented that more than four-fifths of the cost of the US part in the operation was paid for by our allies in the Persian Gulf and elsewhere around the world," Cheney noted.

As of January 1992, allied contributions to the US for Gulf war costs were $52.6 billion—

$47.0 billion in cash and $5.6 billion in in-kind assistance. Allied payments continue, and the remainder is expected by July 1992.

OTHER FY 1993 DEFENSE BUDGET HIGHLIGHTS

Readiness: Although the size of the US military is shrinking, the Department of Defense is committed to ensuring the maintenance of a fully manned, trained, and equipped force. The FY 1993 request accordingly provides the training, maintenance, and other requirements to sustain the high level of readiness achieved by US forces over the past decade. Active Army ground and air training operations are kept at 800 miles per year for combat vehicles and 14.5 tactical flying hours per month for air crews. Navy steaming days remain at 50.5 days a quarter for deployed fleets and 29 days a quarter for non-deployed fleets. Flying hours for active Air Force tactical air crews will hold at about 21 hours per month.

Research, development, testing, and evaluation: Reflecting the Department's emphasis on advanced technology research for application in weapons systems of the future, funding for science and technology—research not tied to a specific weapons program—will grow to $12 billion in FY 1993, from $10.6 billion in FY 1992, a real growth rate of 9.1 percent. Total RDT&E will show a 1.5 percent real growth in FY 1993.

NATIONAL DEFENSE TOPLINE [1]

[Current dollars in billions]

	1992	1993	1994	1995	1996	1997
Budget authority:						
DOD 051	270.9	267.6	267.8	269.9	270.4	274.6
DOE and other	12.9	13.3	13.9	14.5	15.3	16.0
Total 050	283.8	280.9	281.7	284.4	285.7	290.6
Outlays:						
DOD 051	282.6	272.8	267.4	267.9	270.9	273.6
DOE and other	12.6	13.1	13.6	14.1	14.9	15.5
Total 050	295.2	285.9	281.0	282.0	285.8	289.1

[1] Excludes cost of Desert Shield/Desert Storm.

DOD BUDGET AUTHORITY

[In billions of dollars]

	1992	1993	1994	1995	1996	1997	Cumulative 1992–97
President's fiscal year 1992 budget	278.3	277.9	278.2	280.7	282.6	287.4	
Adjusted summit level	277.5	275.6	275.8	278.3	279.9	284.6	(−13.4)
Program adjustments (rescissions/supplemental)	−6.6	−8.0	−8.0	−8.4	−9.5	−10.0	−50.4
President's fiscal year 1993 DOD budget	[1] 270.9	267.6	267.8	269.9	270.4	274.6	(−63.8)

[1] Excludes cost of Desert Shield/Desert Storm.

DOD BUDGET AUTHORITY BY TITLE [1]

[In billions of dollars]

	1990	1991	1992	1993
Military personnel	78.6	78.4	78.3	77.1
O&M	87.0	85.3	86.4	84.5
Procurement	81.4	66.5	58.5	54.4
RDT&E	36.5	36.1	36.9	38.8
Military construction	5.1	5.2	4.9	6.2
Family housing	3.1	3.3	3.6	4.0
Revolving funds transfer				2.0
All other −.7	1.2	2.3	.6	
Grand total	291.0	276.0	270.9	267.6

[1] Excludes cost of Desert Shield/Desert Storm.

DOD BUDGET AUTHORITY BY SERVICE [1]

[In billions of dollars]

	1990	1991	1992	1993
Army	77.9	72.5	67.0	63.3
Navy	99.5	94.9	84.9	84.6
Air force	92.4	83.6	80.2	83.9
Defense agencies	18.3	20.6	21.2	21.3
Defense wide	2.9	4.4	17.7	14.6
Defense medical program			(9.1)	(9.5)
Grand total	291.0	276.0	270.0	267.6

[1] Excludes cost of Desert Shield/Desert Storm.

MANPOWER

[End strength in thousands]

	Fiscal year 1987	1987–95 Delta	Fiscal year 1995	Fiscal year 1997	Total reduction 1987–97
Active military:					
Army	781	−245	536	536	−245
Navy	587	−78	509	501	−86
Marine Corps	199	−29	170	159	−40
Air Force	607	−178	429	430	−177
Total active	2,174	−530	1,644	1,626	−548
Selected Reserves	1,151	−229	922	920	−231
Civilians	1,133	−221	912	904	−229

IMPACT OF NEW ACQUISITION APPROACH

[In billions of dollars]

	Prior years	Fiscal year 1993	Cumulative through 1997
B–2/Stealth technology		−0.6	−14.5
SSN–21 submarine/submarine technology	−3.4	−2.5	−17.5
Comanche helicopter/LH prototype		−.1	−3.4
SICBM/improved guidance	−.2	−.6	−1.0
ADATS air defense system/anti-aircraft seekers		−.2	−1.7
ACM missile/cruise missile targeting		−.4	−1.3
FDS sensor/mobile sonar			−.7
AAAM missile/air-to-air seeker and propulsion		−.1	−.6
BLOCK III tank			−.4
LOSAT missile			−.9
Total adjustments	−3.6	−4.4	−42.1

THE REPUBLICAN AGENDA

The SPEAKER pro tempore (Mr. MONTGOMERY). Under a previous order of the House, the gentleman from New York [Mr. SOLOMON] is recognized for 60 minutes.

Mr. SOLOMON. Mr. Speaker, if I might, I ask unanimous consent to yield my hour to the distinguished Republican leader, the gentleman from Illinois [Mr. MICHEL] to control the time, so that we can continue this very, very important debate on the floor.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. SOLOMON] to allow the gentleman from Illinois [Mr. MICHEL] to control the time?

There was no objection.

Mr. MICHEL. Mr. Speaker, I thank the distinguished gentleman for his courtesy; anticipating that there would be any number of Members who would want to be participants here, I appreciate that and I am sure we will not use the entire hour.

Mr. Speaker, I am happy at this juncture to yield to the distinguished gentleman from Ohio [Mr. GRADISON] who serves again as our ranking member on the Budget Committee and serves in our leadership. If we had a majority in this House, he would be the chairman. He would be calling the shots on that Budget Committee, yes, and we would be a lot better off.

Mr. Speaker, I am happy to yield to our distinguished friend, the gentleman from Ohio.

Mr. GRADISON. Mr. Speaker, I thank our distinguished leader for yielding to me to talk about this terribly important subject of bringing the budget under control. Certainly, bringing the Federal budget under control in this decade involves two fundamental tasks: eliminating the chronic deficits that are sapping the economy, and getting control of spending. A Republican Congress would pursue both by putting the Nation's long-term economic health ahead of shorter term political convenience. The process would not be painless; but it would be sound, realistic, and honest.

THE NEED FOR A SURPLUS

Consider the deficit first. Frankly, trying just to reduce the deficit, or balance the budget, is not good enough. Bringing the budget under control means running an annual on-budget surplus—a surplus equal to at least the excess contributions to the off-budget Social Security trust fund.

Why is this necessary? Only by having an on-budget surplus will we be able to pay Social Security benefits three decades from now when the time comes to draw on the Government securities in which the trust fund is invested. This is what the Greenspan Commission had in mind when it revamped Social Security benefits and taxes in 1983 to assure the trust fund's solvency when the baby boomers begin retiring. Fulfilling that goal now depends on Congress.

In addition, an on-budget surplus is a prudent long-term economic strategy. It will increase net national savings, which is needed to foster economic growth, enhanced productivity, and higher living standards.

To put it simply, long-term economic growth depends not on fiscal stimuli or quick fixes, but on Congress' ability to balance its own books and meet its future obligations.

TAXES VERSUS SPENDING RESTRAINT

But setting a goal and achieving it are, of course, quite different matters.

Turning chronic deficits into recurring surpluses will not be easy, even for a Republican Congress.

Public opinion polls offer little useful advice. They seem to say the following: First, balance the budget; second, don't raise taxes; third, don't even think about cutting any programs important to me. These are the same polls that tell us the solution to the deficit problem is cutting out Government waste, fraud, and abuse. I only wish it were so easy.

Nor does the answer lie in higher taxes. Taxes have rarely been higher than they are today. Total Federal revenues averaged about 18 percent of GNP in the 1960's, about 18.5 percent in the 1970's, and about 19 percent in the 1980's. For the 1990's, revenues appear to be heading toward 19.5 percent of GNP.

This point was dramatically underscored in Congressional Budget Office projections through the year 2001 that were published last October. In those projections, revenues chugged along in the range of 19.5 percent of GNP, while spending wound up at almost 22 percent of GNP by 2001. The spending line and the revenue line never converged, meaning that the deficit would continue unabated at about 3 percent of GNP. With GNP expected to be around $10 trillion in the year 2001, this would translate into a deficit of about $300 billion. More taxation is not the cure for the budget problem.

WHERE TO CUT

But if spending is the problem, what spending needs to be controlled?

A popular suggestion is cutting foreign aid. This may be a sore political issue, but it is no answer to the deficit. This year we will spend about $20 billion on foreign aid out of a $1.5 trillion budget; that's about 1.3 percent of total Federal outlays. Even completely eliminating foreign aid would scarcely dent the deficit.

Another prominent target is defense spending. The end of the cold war and the collapse of the Soviet Union do permit a reassessment of the priority given to defense spending, and such reviews are under way in both the administration and the Congress. The result is that defense spending will soon fall to the lowest levels in decades measured in real terms or as a percent of GNP. Indeed, in the next 5 years—1993 through 1997—defense outlays already are scheduled to be nearly $150 billion lower than what they would be if adjusted only for inflation. Nevertheless, these substantial defense reductions do not translate into a budget surplus. Most of the so-called peace dividend gets swallowed up somewhere else.

Then there is overall discretionary spending. But the truth is, this is not the budget buster that some would make it out to be. Expressed as percentages of GNP, all discretionary spending declines from 9.6 percent in 1991 to about 6.8 percent by 2001. Appropriations are not the problem.

Deposit insurance costs are expected to turn around by the middle of the decade. Interest payments to service the debt accumulated through decades of deficit spending is an inescapable burden which we must pay no matter what.

Examining the CBO projections suggests where the trimming must be done. It's where the true spending problem lies: Entitlements, especially those involving health care.

While most entitlements are flat or even declining slightly as a percent of GNP, Medicare and Medicaid are projected to grow from 2.9 percent of GNP in 1991 to 5.2 percent by 2001. Until the rising costs of these two programs are brought under control—and total national health care costs as well—it will not be possible to reduce or eliminate the budget deficit.

THE PROBLEM IS THE PROBLEM

No one enjoys admitting this. It is much easier to look the other way, pretending these entitlements can continue expanding and that spending can be controlled elsewhere. This fear of short-term political pain is the enemy of the long-term good that would come from an on-budget surplus.

Many clever changes in the budget process have been suggested. Some of them are appealing, such as a biennial budget resolution that must be signed into law. Others are simplistic. Most are politically appealing. But, as was observed by a former CBO director, the problem is not the process, the problem is the problem. Therefore, a Republican Congress would not waste much energy on revamping budget procedures and processes. Instead it would tackle the tough job that has been avoided too long: Controlling Government spending, with first priority given to getting health costs under control.

☐ 1240

Mr. MICHEL. I thank the gentleman from Ohio for his fine exposition here.

Mr. Speaker, I am reminded when the gentleman made reference to waste, fraud, and abuse, that I was serving on the Committee on Appropriations a number of years ago. The General Accounting Office said there was half a billion dollars of waste, fraud, and abuse in the old Health, Education and Welfare Department. So I thought that when I came to the floor, well, I am going to test the waters out here. We offered an amendment to cut a half billion dollars from waste, fraud, and abuse. Would you believe it, it went down 2 to 1 in this House because that is the way we were outnumbered in this body?

But to give some measure of faith to the American people out there, there was 1 year when proposition 14 was on the ballot in the State of California. Now, that ballot proposition had to do with the rising tax rates and resentment of the people to paying more and more taxes without having a rightful say to hold them in line.

The people passed that referendum to admonish and, yes, to force the legislature to change its way.

Three days after that it just so happened our bill was on the floor again in that year. I raised the ante to a billion dollars; "waste fraud, and abuse, let us eliminate it." We got a 3-to-1 vote for it because across the country came that wave of resentment from California voters saying, "We are serious about this thing; why don't you take heed, Congress?"

So it can be done, and we would encourage each and every one of those within the sound of our voices today to not lose all faith in the process. You can still be heard.

Unfortunately, we lost that ultimate billion-dollar amendment then in conference, but at least we were trying to do the best we could under the circumstances.

But, again, may I thank the distinguished gentleman from Ohio [Mr. GRADISON], for his valuable contribution today and for not only that but his deliberations in the Committee on the Budget. He has been a very valuable member also of our health task force, which has been laboring over a long period of time to help come up with our solution to that problem.

There is no one better informed, nor well versed and schooled in the entire field than our distinguished friend, the gentleman from Ohio [Mr. GRADISON].

Might I take this time then to yield to the distinguished Member who would become chairman of the Committee on Energy and Commerce if we had a majority in the House of Representatives, the distinguished gentleman from New York [Mr. LENT].

Mr. Speaker, of course, this is the committee that has to do with commerce, telecommunications, health, and some of those everyday problems that we have got to deal with. And there is no one better to do that for the Members of this House than the gentleman from New York [Mr. LENT].

Mr. LENT. I thank the gentleman for yielding.

Mr. Speaker, I commend our leader for giving this House the opportunity to describe how the House would work so much more efficiently, more democratically, more in tune with the aspirations and sentiments of the American people if we were in power here in the House of Representatives.

Let me just describe one area, energy policy.

Mr. Speaker, I say to the leader that it is simply unconscionable that 1 year after Operation Desert Storm and almost 1 full year since President Bush submitted his national energy strategy, the House has yet to consider, much less pass, a comprehensive energy bill.

Mr. Speaker, President Bush had the foresight in July 1989, long before the Iraqi invasion of Kuwait put energy back on the front page, to instruct his administration to develop a national energy strategy. He recognized the fact that 50 percent of the oil consumed in America now is imported from foreign sources and that our Nation is dangerously overdependent on the vagaries and whims of the OPEC oil cartel.

I was honored to meet with the President on February 20, 1991, to discuss the release of a national energy strategy later that day, and how to proceed with the legislative component of that strategy as soon as possible.

Mr. Speaker, I am very proud of the fact that Republican members of the House Committee on Energy and Commerce were among the first in both parties in either House of Congress to develop an energy plan, when we introduced H.R. 5735 in September 1990.

Around that time, he gentleman from Illinois, our Republican leader, BOB MICHEL, named a House Republican Energy Task Force, comprised of members from committees with energy jurisdiction.

The creation of the task force underscored the priority that we Republicans place on crafting a new energy policy.

□ 1250

We, as Republicans, wanted to be in a position, able to move forward on energy policy, without delay.

By contrast, Mr. Speaker, in 1990, H.R. 5735 was referred by the leadership of this House Speaker to no fewer than seven different disparate committees. Last year H.R. 1301, the President's National Energy Strategy Act, was referred to nine difference disparate committees. As we meet today, Mr. Leader, not a single one of those committees chaired by the majority has yet to report such a bill, although the Democratic leadership on every television talk show we see usually bemoans the lack of a national domestic energy strategy.

The people out there in the hinterlands and in the cities of this country have to recognize that that is all talk, no action. No action has been taken by them, although it is within their power to do so.

On March 21, 1991, on behalf of the leader's task force I introduced H.R. 1543, the Comprehensive Energy Policy Act. The bill represents House Republican efforts to develop a comprehensive and balanced energy package in a timely fashion. This bill, I might add, was cosponsored by the entire House Republican leadership, the ranking Republican members of key House committees with energy jurisdiction and dozens of other Republican Members. Our bill accepted virtually all of the President's national energy strategy and added over 3 dozen new provisions offered by various Republican Members.

When I announced the introduction of that bill at a hearing, I presented it to my Democratic colleagues with the challenge that we had a comprehensive energy plan and asked, "Where is your plan to match it?" We also wrote to the Speaker to set a schedule for committee and floor action on energy. Mr. Leader, we are still waiting 10 months later, 10 months later waiting for an answer to that letter.

Mr. Speaker, this lack of coordination among the seven, eight, nine different separate House committees with energy jurisdiction has in effect crippled us in our efforts to place and enact comprehensive energy legislation. The fact of the matter is that a sound energy policy is important to the development of a growing economy. We have some problems with our economy right now, and we know that energy is important and the supply of energy is important to a sound and growing economy. We simply cannot afford to leave our economy hostage to future political developments in overseas oil markets, and yet that is precisely what will happen if congressional inaction, congressional indecision on energy policy, is permitted unabated to continue as it has.

The irony of our lack of energy policy is that the Office of Technology Assessment informed the Congress as recently as last October that we could be dependent on imported oil for almost three-quarters of the oil that we use in the next 20 years unless corrective actions are taken. The economic and geopolitical implications of that dire forecast are profound. This demonstrates, I think, the compelling need to send a satisfactory energy package to the President for signature before the end of the year.

While House Republicans have put such a package forward, as the minority and the leader have pointed out, we do not yet control the agenda. We can only hope that our efforts in working with the majority party will bear fruit. We are pleased that much of H.R. 1543 was incorporated in the bill approved last October by the Committee on Energy and Commerce Subcommittee on Energy and Power. That is the good news. Unfortunately there is not much time left in this Congress to enact an energy bill unless we move quickly and efficiently in the full Committee on Energy and Commerce and the other eight or nine other committees of jurisdiction, none of which have yet done a darn thing.

So, our goal, Mr. Leader, must be a comprehensive energy policy, one that emphasizes both supplying and conserving energy, as well as using it more efficiently. Republican or Democrat, we Americans share a common interest in a sound energy policy.

As we saw in Operation Desert Storm, military servicemen died, and military action in large part was due to the strategic importance of oil and America's dependence on the continued flow of oil. Now, armed conflict and periodic economic shocks due to energy disruptions are preventable if the United States and other countries move forward on this issue. House Republicans, and this is the point I would like to make in conclusion, House Republicans have taken the lead in the energy area, and we stand ready, willing and able to bring an energy bill to the floor at the earliest opportunity, and, if Republicans were in control of this Congress—and unfortunately we are not, but were we to be in control—I can assure my colleagues, Mr. Leader, a new national energy strategy would already be the law of this land.

Mr. Speaker, I thank the gentleman from Illinois [Mr. MICHEL] for yielding to me, and I appreciate this opportunity to put forth our position.

Mr. MICHEL. Mr. Speaker, let me thank the gentleman from New York [Mr. LENT] for his great service to our party and, yes, to this entire House of Representatives. What he has said highlights one of our problems and frustrations here in this House, for example, when a complicated piece of legislation is sequentially referred to any number of committees out there, and then gets bogged down in our own bureaucracy.

As a matter of fact, we could streamline the rules around here to avoid just that kind of situation. We are speaking of an important piece of legislation having to do with energy requirements of this country, not only for today, for the generations to come, that must move through this body and the other body, and eventually get that enacted into law and signed by the President. So, we appreciate again what the gentleman from New York [Mr. LENT] does to try and move the process, frustrated only by the fact that we simply do not have the votes to make the gentleman's move a positive thing in this particular body.

Now, Mr. Speaker, probably to wrap up on our side of the aisle, the distinguished vice chairman of our Republican conference who serves with such distinction, yes, on the Committee on the Judiciary and in so many other ways around here, the distinguished gentleman from Florida [Mr. MCCOLLUM].

Mr. MCCOLLUM. Mr. Speaker, I thank our majority leader, the gentleman from Illinois [Mr. MICHEL], very much. As the others have said, I join in thanking him for giving us the opportunity to present the Republican case to the American people about some of the frustrations we have had, and what I want to talk about today, and talk with my colleagues about, is the whole question of crime.

Mr. Speaker, it has been exceedingly frustrating for us Republicans working in that area for some time, as our majority leader well knows. There are four essential elements for any major crime reform, any major crime reform in this country:

One, changes in habeas corpus law to limit the virtually endless appeals of death row inmates which delay the carrying out of their sentences; two, the expansion of the so-called good-faith exception to the exclusionary rule of evidence in cases involving search and seizures so that more evidence is admissible and more convictions are obtainable; third, the restoration of the death penalty for a number of heinous Federal crimes by revising the sentencing procedures to comply with a 1973 Supreme Court ruling which declared all death penalties in the United States unconstitutional on procedural grounds; and, fourth, the creation of a provision permitting the award of the death penalty in cases of trafficking in very large quantities of narcotics. Republicans and President Bush, as my colleagues well know, have made these four key provisions the centerpiece of our crime initiatives for several years, but liberal Democrats thwarted these efforts every time.

Mr. Speaker, most recently a stacked House-Senate conference committee produced a crime bill that came out just before our recess in November with provisions on habeas corpus and the exclusionary rule which are worse than present law. Amazingly, if these provisions became law, death row inmates could use habeas corpus proceedings to delay the carrying out of their sentences even longer than they can now.

□ 1300

It would be more difficult for prosecutors to get into evidence contraband seized by police with search warrants, meaning that fewer criminals would ever be convicted of crimes. That is amazing to me, but that is what is in that bill that may go down to the President in a few weeks.

In habeas corpus proceedings the Democrats would give convicted murderers twice as long to file appeals in Federal court as the proposal of President bush. The Democrats would also allow criminals to file multiple petitions, raising issues that have already been determined in the courts. Elimination of this repetitious and unnecessary litigation has been at the heart of the Republican proposals to reform habeas corpus.

In contract, Democrats in their proposal will increase the delay and repetitious litigation in this country. They overrule a recent Supreme Court decision to allow convicted murderers to get additional rounds of Federal litigation based on rules that were not even in existence at the time the court originally decided the case. This means that every inmate presently sitting on death row would be given a new opportunity to file not one but many more petitions, and depending upon how long they drag out on appeal, delay could truly be endless.

That is why so many prosecuting attorneys have told us, and they have told the Democrats too, that if this became law there would never be another death penalty carried out in the United States. That is how absurd that bill is that came out of conference, that the President is going to have to face, probably with a veto, in the next few weeks.

The exclusionary rule, the one I mentioned earlier, is a court-made rule of evidence to prohibit the admission into trial of any contraband seized by police in violation of the constitutional protections against unreasonable searches and seizures. It was designed to discipline the police and to discourage the kind of unconstitutional searches that took place long, long ago.

A few years ago the Supreme Court carved out a so-called good faith exception in those cases where there is a search warrant and a police officer has a reasonably objective belief that the warrant and his search were legal. The Federal courts of appeal in two different circuits have adopted the same standard as an exception with respect to searches that are conducted without warrants, such as consent searches. No other courts have ruled on the matter, but probably if the Supreme Court got it up there, they would say, "Fine, that exception should apply there is well with the search warrant cases."

The Republican legislative initiative simply codified this so it became uniform nationwide, and all types of searches and seizures would have this exception and we would get more convictions. In the Democrat bill these exceptions are forbidden except for the cases that involve search warrants, and in cases where the warrant has been issued, not only must the prosecutor under the Democrat will show that the police officer acted in a reasonably objective manner, but he has to show also that the magistrate issuing the warrant did so properly and in good faith. This is a much tougher burden. It is a new burden. It is going to make it more difficult to get contraband into evidence and it means that more criminals are going to go free on the streets. That is how bad this bill is that the Democrats have proposed.

I am not going to get into any great details, but in 1973 the Supreme Court issued its edict on unconstitutionality of all our procedures for death row, all of the procedures for death sentences in this entire country. All of the States of the Union that had the death penalty on the books in 1973 have long ago reinstated the death penalty by changing the procedures to meet the constitutional requirement.

We have not done that at the Federal level. If somebody assassinates the President of the United States, he does not have any death penalty threat at all. We cannot give it.

For years Republicans have proposed, as we well know, and they know, too, to restore these procedures, at least for those crimes that are already on the books. Time and time again this body has voted to do that, voted to do the right thing, but every time we have been thwarted because there has always been somebody hiding in a conference committee or finding a procedural way to keep this from happening.

The same thing is true with respect to the death penalty for drug kingpins, a little bit newer provision, but we have brought it out there two or three times, voted on it overwhelmingly here. Both of those things are in the Democrats' bill, but they have tacked on provisions I have just described on the exclusionary rule and on the habeas corpus provisions dealing with those endless appeals that would make passing these provisions meaningless, because you would never have another death penalty provision carried out in this country if you had those other provisions in there. The president is bound to veto it. This is a theater of the absurd.

While we all want to see reform, just to call it reform and pass a crime bill is not reform. What we want is to allow more evidence into trials and more convictions to result, and to stop the endless appeals of death row inmates, and that is all we want. It is long overdue. That is the bottom line. That is the basic thrust of everything we have proposed in our Republican initiatives.

It is time for the liberal Democrats in the Congress to stop playing games and pass the reform that will allow the American law enforcement community to do its job and put away heinous criminals in this country.

Mr. Leader, thank you for the time you have given me to talk about this. There are a lot of other things in criminal law we could discuss, but this is the heart of it. This is the gist of it. This is where it really matters.

Local law enforcement uses those tools we are talking about. The habeas corpus thing is not just a Federal issue, nor is the exclusionary rule. It means the difference to whether we get convictions or we do not. It means the difference of whether people go free on the street, and it means the difference of whether we will ever have a death penalty carried out again. We certainly need to watch it, and we need our proposals to get into law. It is ridiculous that they are not there.

Mr. MICHEL. Let me thank the gentleman again for all that he does on our side of the aisle in this field. It is very important to us in attempting to do what we feel is right with the problem of crime at the local, State, and Federal level.

He has made these moves as he has outlined here in his committee. But outnumbered in the subcommittee, outnumbered in the full committee, he has had to wait until he has come to the floor to get a little bit better mix, and hopefully, since his arguments are as persuasive as they always are, to win a majority vote in this House. But then there is the frustration to have that fall apart in what is called a conference.

For those of our friends who are not aware of the procedure, remembering, of course, early on from grade school days "how is a law made." It has to pass this House of Representatives, and it has to pass the U.S. Senate. Then the differences in the bills between the two houses are resolved by representatives from this body and representatives from that body, meeting and coming together hopefully for a resolving of differences. Then back to this House again for approval by this House, back to the Senate for approval by that house, if it is approved, before it ever goes to the President for signature.

So there are all these kinds of moves here where we as Republicans, outnumbered as we are by 110 votes in this House of Representatives, do not win the day very frequently because we are simply outnumbered politically.

But I always have to give a little bit of air of confidence to our younger, junior Members who fight to get into this body to serve their country as a Representative of their people. They do play an important role, even as a vastly outnumbered minority Member.

When one is as gifted in articulating an issue as the gentleman from Florida [Mr. McCOLLUM], who takes the well of this House and can convince the Members that his position is right and that it ought to prevail, that ought to be the kind of measure of inspiration to those of you who say, "I would like to serve in that body. I would like to be a participant in the process, but it seems to be so fruitless and useless. Is there any opportunity to serve?" You bet there is, and we welcome that opportunity.

Obviously, we would like you, running as a Republican, to beat a Democrat incumbent so that we would have a majority one day in this body. I would sure enjoy it before I leave this body, to one day say, "We are in the majority." I think that would make a great deal of difference around here.

That is why we took this special order today, not because we have any real antagonism toward our Democratic counterparts. It is a free country and we are all subjected to the electorate out there. But we want to underscore and emphasize what the plight of our Republicans in the House has been over my entire tenure in this body.

To be subject to being a permanent member of a minority party, for all practical purposes, gets to be mighty frustrating, yes, and debilitating at times. But I would like to hold out that measure of hope. I think we are going to make significant progress this year, because we have got the arguments on our side, and yes, because we have such fine people as you have heard here today in our special order as incumbent Republican Members presenting their case.

Hopefully there will be many, many more young Members out there, men and women alike, who will see fit to stand for election and to serve in this very distinguished House of Representatives. I have devoted I guess better than half of my life to it. I like the service. I enjoy the service. We are frustrated because we cannot have our way on so many of the important issues of the day. Be that as it may, nevertheless, we all have a chore to perform.

I want to thank my Members, each and every one who participated today and made this special order what it is, for the RECORD.

□ 1310

THE OLDER AMERICANS' FREEDOM TO WORK ACT

(Mr. DOOLITTLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOOLITTLE. Mr. Speaker, I have enjoyed what I have heard of the Republicans' presentation, basically talking about the effort to cut taxes and improve job growth and economic opportunities for Americans. I am here as well to speak on one aspect of that as it relates to older Americans, people who have retired and are on Social Security.

Mr. Speaker, I am here today to advocate that the earnings limit on retired Americans who are working should be repealed.

This limit has no place in modern America. It was placed into the law, frankly, in the Depression, in order to take productive people and move them out of the work force into retirement to create jobs for unemployed younger people that were in desperate times.

We now need to recognize that 65 is not as old as it once was, and that we have many Americans who desire to be active and take a job and be able to enjoy the fruits of their labor.

Yet, shockingly, this group of older Americans who are retired pay at the highest marginal tax rate of anybody in the country, even multimillionaires.

Why is that? Because not only do they pay State and Federal income taxes, but they also pay, of course, Social Security taxes. Then in addition they have this huge earnings limit which imposes a 50-percent tax above a certain level of income earned.

Mr. Speaker, that is unjust, it is wrong, and we need to change it and recognize that older Americans ought to be able to make their contribution to society and be able to enjoy the fruits of their own labor.

Mr. Speaker, I have coauthored the Older Americans' Freedom to Work Act which is pending in the House of Representatives. This act will repeal this outdated and unfair earnings limit. I hope that my colleagues will join with me in restoring freedom of opportunity to work for older Americans.

THE NECESSARY REVOLUTION: WHAT AMERICANS MUST DO TO CREATE JOBS, PROSPERITY, AND SECURITY

The Speaker pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I am going to speak today about the necessary revolution replacing the welfare state. I want to share with my colleagues a set of principles about the future of the country that would allow us to create an opportunity for society to replace the welfare state and to have the kind of future we want.

I want to start by quoting Edwards Deming, the man who taught the Japanese quality.

> Transformation of American style of management is not a job of reconstruction, nor its revision. It requires a whole new structure, from foundation upward.***Only transformation of the American style of management and of governmental relations with industry can halt the decline and give American industry a chance to lead the world again.

That is from a book by W. Edwards Deming, "Out of the Crisis."

American needs "transformation" and we get timidity. We need "a whole new structure, from foundation upward" and we get half-steps, partial reforms, and marginal changes. The result is loss of jobs, loss of real purchasing power, and loss of security.

While most American leaders hide in the decaying institutions of the past which are the base of their leadership, most Americans know in their heart and their gut that we are failing to compete, failing to solve problems, and failing to lay the foundation for a better future. This deeper understanding by people than their leaders is at the core of the anxiety people feel about the current recession.

The failure to create "a whole new structure" leads Americans to believe we will continue to lose ground in the world market and continue to see our standard of living erode and our jobs disappear. The fact that Americans are ahead of their leaders underlies Federal Reserve Chairman Alan Greenspan's recent testimony that, "There is * * * a deep-seated concern which I must say to you I have not seen in my lifetime."

We will not solve our problems by half measures. Years ago, when quality was first taught in America we might have made a gradual, cautious transition. It is now too late for that approach. We have wasted too much time. The great irony is that the changes we need revolve around four American ideas of quality, technological change, entrepreneurial free enterprise, and the basic American values which are at the heart of our more than two century experiment in freedom.

First, consider the revolutionary impact of quality. Edwards Deming first lectured the Japanese on his concept of quality in 1950. Today, the highest award for productivity in Japan is the Deming Award. Deming's quality is a concept which has allowed the Japanese to develop extraordinary productivity. Yet it was originally an American concept developed by Americans and used by Americans. If we are again to create high value, based on high productivity, producing high take-home pay, we must master the concepts of quality. That mastery will require constancy of purpose and the flexibility to engage in continuous improvement. Yet the welfare state's values and structures block the development of that quality. We believe America's survival as a prosperous, free country requires the replacement of the welfare state. The national transformation must start with a peaceful, political revolution.

Second, if quality requires a revolution to replace the welfare state, that is even more true of the impact of technological change. Consider the use of technology in 24-hour automated bank tellers, instant credit card verification and authorization, or the nationwide realtime air traffic control system and then look at most government. Most of our schools are preaudio tape and precomputer. Most of our bureaucracies are at virtually a manual typewriter rhythm of inefficiency.

The opportunities to use technological change to improve our quality of life, our productivity, and our competitiveness in the world market are extraordinary. The opportunities to dramatically improve education and health care are virtually untapped. The opportunities to redesign bureaucracy using technologies to give citizens greater choices, greater convenience, and lower costs are virtually unending. Yet the current welfare state simply blocks the future.

A thorough revolution will have to replace the current bureaucratic structures with a technology oriented opportunity society. Only then will we and our children have the opportunities technological advance offer and Government currently blocks.

Third, we are preaching the principles of entrepreneurial free enterprise in Poland, Hungary, Russia, and the Ukraine but not in our own country. We issue more Government regulations while urging Mexico and Argentina to deregulate. We advocate more Government intervention in our own society while telling the Czechs and East Germans they need less government.

We live in a time when the mayor or St. Petersburg—formerly Leningrad—is literally to the right of the mayor of New York City. We live in an age when we are urging the privatization of apartments in Moscow but our biggest city retains rent controls from World War II.

We must reestablish the central importance of small business, entrepreneurship, and the principles of free enterprise. We must replace the bureaucratic mindset with the entrepreneurial spirit. We must replace the constant growth of welfare, of redtape, and of bureaucracy with a new generation of opportunity, job creation, and new businesses.

Fourth, and finally, we need a reassertion of the basic American values which have made this country a unique center of freedom and opportunity for all humans everywhere.

For two generations we have attempted to force Americans to accept welfare and to obey bureaucracies. It is time to recognize that the Great Society vision of centralized government and redistribution of wealth has failed. Ultimately, it led to speeches about malaise and the limits to growth.

The vast majority of Americans agreed with Ronald Reagan's first inaugural address in 1981 when he reminded us that, "We have every right to dream heroic dreams, after all we are Americans."

Our heroic dream is that hope can replace malaise, opportunity can replace welfare, the unbounded genius of free men and women can surmount so-called limits to growth, and freedom can overwhelm bureaucracy. We must encourage achievement, encourage dreamers, and create incentives for greatness. Compared to the redtape, envy, and limitations of the welfare state, that would truly be a revolution.

Some will argue that revolution is too strong a word, that our goals are too bold. Yet consider just the following examples of absolutely necessary changes that any reasonable analysis would consider revolutionary.

□ 1320

If you tuned into the local evening news for a week and did not see a single murder because we had won the war on violent crime and drugs—that would be a revolution.

If our 12-year-old girls and boys were in no danger from AIDS or pregnancy because they were too busy studying to beat the Germans and Japanese at math and science—that would be a revolution.

If every able-bodied adult under 65 who got a government check worked for it and, with their help, our streets were clean and safe—that would be a revolution.

If we had a revitalized health system that guaranteed every citizen insurance while maintaining choice for the consumer and a commitment to the best quality and most advanced care in the world while cutting out destructive red tape and unnecessarily expensive lawsuits—that would be a revolution.

If our tax and welfare laws combined to make us a work oriented, savings oriented, investment oriented, and achievement oriented country so American workers had the best jobs with the greatest productivity and the highest take-home pay because we once again dominated the world market—that would be a revolution.

Finally, if our government was lean, efficient, and customer friendly—that would be a revolution.

The goals of most Americans are simply not compatible with the welfare state. Either we have to accept the decay and decline the welfare state is causing or we must have a peaceful political revolution to reestablish opportunity for all Americans.

We believe this revolution is vital to the prosperity of Americans and the survival of America as a world leader. We believe the welfare state is literally crippling our country.

We believe another generation of drug addiction, violent crime, illiteracy, skyrocketing health cost, expensive litigation, and antijobs tax and regulatory policies will destroy America's capacity to lead and will permanently impoverish our children both economically and spiritually.

A world without a strong America will be less democratic and less governed by free markets. That world will be more dictatorial and more violent.

Therefore, we believe that our entire future is at stake. We believe the safety and prosperity of our children and the world's children is at stake.

We believe a revolutionary replacement of the welfare state is literally a question of success or failure, prosperity or poverty, safety or danger, both for our children and our country.

We believe it is possible in an opportunity society to offer health, learning, safety, and jobs to our poorest children in our poorest neighborhoods.

We believe it is possible to create the opportunity for every American to develop a more prosperous future while establishing a framework of security for senior citizens truly to relax in their retirement years.

In an opportunity society, Americans can dream again of a boundless future. In the welfare state, we're trapped in decay. That is why we are committed to fighting for the necessary revolution to replace the welfare state with an opportunity society now.

The failure of the welfare state is clear.

This revolution is necessary because the welfare state has failed both to achieve its goals and to reform itself. The welfare state has increased poverty, not decreased it. The welfare state has increased ignorance while spending more on education, increased fears about health while spending more on health care, increased fears about drugs and violent crime while ineffectively decrying the very violence it spawns.

The welfare state has proven most destructive in the cities it most dominates. It is precisely where the most money has been spent and the most bureaucrats hired that the welfare state has crippled and deformed the largest number of human beings. In New York City, Boston, Philadelphia, Detroit, Washington, DC, and virtually every large city, we have spent more on the welfare state and the result has been extraordinarily destructive of human lives and human hopes.

If any private business had mistreated people as badly as the welfare state has in our largest cities, we would have forced the business into bankruptcy and tried its executives for criminal negligence. The time has come to end the welfare state and to replace it with an opportunity society based on very different principles, processes, values, and goals.

We emphasize three principles: That this must be a change so complete as to be a revolution; that such a revolution is unavoidably necessary; and that our Founding Fathers gave us the political process through which the American people can peacefully enact a revolution.

A REVOLUTIONARY REPLACEMENT OF THE WELFARE STATE

First, we believe no reforms within the welfare state can be effective. For over a decade we have participated in partial reforms affecting welfare, crime, drugs, education, health, and the effectiveness of government bureaucracies. By any reasonable standard, these reforms have failed.

We have concluded that the very values, structure, and nature of the welfare state doom it to failure. It is impossible for unionized bureaucracies with rigid work rules to adopt quality programs, to involve volunteers effectively, or to show flexibility and creativity in stretching scarce resources and setting priorities.

The core values of the welfare state when put into practice have the effect of protecting the criminal at the expanse of the innocent. They have the effect of encouraging 12-year-old girls to have children. The welfare state is encouraging 15-year-old boys to promiscuously impregnate girls, in effect to father without becoming a father. These values have the effect of spending more and more resources on unproductive bureaucracies while taxing and regulating small businesses and job creators until they either leave for a better environment or simply close and kill the jobs they have created.

The list could go on, but the principle is clear. Whatever the intentions of those who favor the welfare state, the effect has been devastating.

We conclude that it is necessary to replace the welfare state because its most fundamental flaws cannot be reformed. They cannot be reformed because they are the core of the welfare state.

We would replace its welfare values with opportunity society values based on work, savings, achievement, and effort. We would replace its liberal values with conservative values including strong support of police, prosecutors, and prisons; requirements that prisoners work and learn; and a determination to take every step necessary to defeat drugs and violent crime within the framework of our constitutional safeguards. We are committed to discipline, homework, and an achievement-based educational system that can match the Japanese and Germans in math and science.

We favor the marketplace over bureaucracy as the primary mechanism to encourage change. We favor volunteerism and service to others whenever possible. We believe government should be redesigned to reinforce the marketplace and voluntarism. We see a welfare state that is opposed to free markets and hostile to volunteers.

We believe the concept of quality taught by Deming, Joseph Juran, Phil Crosby, and others has to be applied to our government as well as our corporations. Indeed, we believe every citizen must learn the key principles of quality so that our country can be committed to quality at all levels. Yet it is clear from any study of Edwards Deming's profound knowledge" that the welfare state cannot possibly achieve quality. The process of continuous improvement, flexibility, and change required by quality is simply impossible within the current bureaucracies of government. A quality change by definition must be a revolutionary change.

We favor a bold shift away from an absurdly expensive litigation approach to malpractice and liability. We cannot continue to graduate more lawyers than engineers and compete in the world market. As President Bush has advocated for the last 3 years, we must shift toward arbitration, mediation, and conflict resolution processes. That would clearly be a revolution compared to our current legal system.

We believe in helping create American jobs. The current government approach to business is that of an adversary, regulator, and policeman. That approach must be replaced by government as the ally of American business in the world market. From antitrust to trade negotiations and to research and development strategies, American businesses and American workers are crippled when their own government establishes one-sided rules and one-sided behaviors. These weaken American jobs but have no impact on foreign competitors. The opposite is necessary. Americans must work together as a team successfully to compete in the world market and create jobs.

We believe the burden of health care cost, redtape, and litigation is now a major handicap to American business in world market competition, a major burden to every taxpayer, and a threat to every American family. We must shift away from rigid centralized bureaucracy and absurd malpractice rules. We must maximize preventive health care, emphasize wellness, and provide incentives to reestablish the consumer's choice and consumer's responsibility while ensuring every American's access to health care. We must decentralize decisions on health care for the poor to State and local government, establish a commonsense approach to malpractice, and reestablish the commitment to having the best health and wellness system on the planet.

□ 1330

We believe education is a vital key to a successful, competitive American economy. The information-industrial revolution places a greater and greater premium on education and training. Since technology and competition are changing constantly, we will have to learn constantly. We need a thorough revolution in education to establish lifelong learning. We must create a convenient, easy to use approach that allows all Americans to learn as rapidly as possible and make us much progress as quickly as possible. We cannot write off millions of adults who need to keep learning. We cannot continue to lose millions of young people who graduate with inadequate preparation. There is no sector in American life in which the coming revolution is more necessary or more vital.

We believe the welfare state combination of welfare payments, rules for health care, and the Tax Code as created a strong bias against work, savings, and investment. Our major competitors all have tax systems that are much more prowork, prosavings, and proinvestment. As a result they are building newer factories, buying newer technology, and creating greater productivity. Since higher productivity is the essential foundation for any real increase in income, it is the most vital economic goal of a healthy society. We must replace welfare with workfare for all able bodied adults under retirement age who receive government checks. We must create a transitional process actually to encourage people to leave welfare by providing an opportunity to buy into basic health insurance as they have work, savings, investment, and achievement. We want the maximum number of new entrepreneurs creating new businesses and new ventures. That will create the largest number of new American jobs with the highest productivity, the greatest value added, and the highest take-home pay in the world. We also want strong tax incentives for existing businesses to invest in education, training, new equipment, and research and development so its employees will also have the world's highest take-home pay. Only a thorough revolution in both the welfare system and the tax laws will create the kind of economic growth we believe the American people deserve and the American Nation needs.

We believe this new effort to create an economically dynamic America should include special efforts for urban and rural pockets of poverty. In order to create jobs for poor Americans, we believe in the strongest possible tax incentives, including zero capital gains, a massive investment tax credit for each new job, and special tax credits for hiring the hardcore unemployed and developing special job-related apprenticeship and training programs for lower-income workers. We also recognize that inner city and rural America each have unique problems that must be resolved before prosperity can occur.

We believe no real job growth can occur in the inner city until we have truly won the war against violent crime and drugs. No reasonable person will invest in a war zone. Within our constitutional safeguards, we favor the strongest and most thorough measures in a combined local-State-Federal effort to ensure safety and impose order. We favor whatever steps are necessary to end the cycle of violence and drug use which are destroying our inner cities and killing our children, including a combination of additional police, special deputies, temporary prosecutors, temporary judges, and additional prisons—including the use of surplus Federal military bases as prison sites—and requiring work and study in prison.

We also believe big city bureaucracies must be challenged to cut their redtape for business by 50 percent and to return to the number of municipal employees per thousand citizens they had in 1950. Ironically, the more cities have decayed economically the more bureaucrats they have hired, the more taxes they have imposed, and the more antibusiness regulations they have created. Big city governments have become antijob, antigrowth, antitake-home pay engines which devour their own city's future. Our revolution must take place at city hall for jobs and economic growth to return.

We believe rural America could be on the verge of a generation of breathtaking growth and an explosion of opportunities. The new technologies are shrinking time and space. With creative cooperation between government and business and an appropriate set of economic incentives—including tax credits—it should be possible to bring world class education, health care, and job opportunities to the most rural communities. Fiber optic cable, satellite transmissions, and high-speed computing may revolutionize rural America for the 21st century even more fully than the railroads did in the 19th century. The bureaucracies, regulations, taxes, and subsidies of the welfare state focus almost entirely on subsidizing the past and, in the process, help block the future. We want to revolutionize opportunities for income, quality of life, education, and health care and expand the list of possibilities for rural Americans just as rapidly as possible.

We believe these opportunities must be available to all Americans without discrimination. We also believe the government itself should not favor or enforce discrimination. We oppose quotas and set-asides based on ethnic definition or genetic code. We believe in an integrated America in which each person in every part of the country should have the maximum opportunity to improve his or her life. We believe in affirmative opportunities for those from a culture of poverty or in genuine economic need. However, helping a millionaire's son or daughter because they fit the right quota, while denying the child of a low-income worker because they are in the wrong quota, is simply wrong. We also believe that any efforts to set up group politics based on quotas and set-asides is inherently destructive of that ideal.

Finally, we believe that America is permanently tied to the world market and has a permanent interest in maintaining international security. We must learn to compete in the world market because we cannot retreat from it. The greatest productivity, the highest value added, the widest choice of products, and the greatest take-home pay are all going to be found by competing in the world market. To retreat from competition is to accept decay. We must be tougher in negotiating with our trading partners, but our goal should be to increase American exports and to create American jobs, not to decrease imports and kill foreign jobs.

We believe that American involvement in the world must continue to include a strong military and foreign policy leadership role. The world will remain dangerous. The end of the cold war may lead to an increase in violence around the planet. Because of the new technologies of mass destruction, increased travel by Americans, the worldwide communications and transportation system, and the interactions of the world market, it is clear that America and Americans may be more vulnerable in the future. Therefore, our national security requirements in the military, diplomatic, and intelligence areas will remain vital to our safety and security.

While we consider national security the first duty of government, we do believe every commitment of defense and foreign aid developed during the cold war must be critically reexamined. We are living in a new revolutionary era with new national security requirements. In the new post-Soviet era, every military base, every aspect of force structure, every procurement item, and every dollar of foreign aid needs to be critically questioned. Similarly, our intelligence activities need to be reexamined and restructured to meet the new requirements of American national security. We are just as prepared to be revolutionaries at the Defense and State Departments and with the intelligence agencies as we are with the domestic welfare state.

THE NECESSARY REVOLUTION

We believe this revolution to replace the welfare state is vitally necessary to America's prosperity and safety. We do not believe this is merely a matter of desirability or of ideological preference. We believe that continuation of the welfare state will kill jobs, lower the American standard of living, and end our ability to lead the world.

There is a quality revolution sweeping the planet which has an amazing impact on productivity. Companies that develop a process of continuous improvement, that focus intensely on the customer, that involve all their employees in training and improvement, and that apply Deming's "profound knowledge" are literally in a different era of productivity than those which do not. By applying the principles of Deming, Juran, Crosby, and their associates, it is possible to develop new systems, apply new principles, and achieve levels of effectiveness and quality that were historically impossible.

This quality revolution is a cultural revolution as decisive and as powerful as Henry Ford's invention of the mass production assembly line and Frederick Taylor's Scientific Management. Just as the American system of mass production changed the world and won two world wars, similarly the American system of quality, as taught to the Japanese and improved by them, is changing our world.

In the early 20th century, countries found that they had to learn the new mass production and assembly line system or simply be economically overwhelmed. Further, they discovered that their military power relied on the same revolution in production technologies. In the late 20th century, we are learning that we have to adopt the quality revolution or we will cease to be competitive.

Those American companies that are intensely committed to quality, Motorola and Milliken are two examples, are making dramatic progress. However, individual companies will not be able to save America. As Deming points out, our education system, our health care system, and our legal system are enormous handicaps to American quality efforts. Our work force simply is not educated enough to compete in the world markets.

Our health and litigation systems impose economic burdens on American companies that their foreign competitors do not have to carry.

These three failing systems are the equivalent of our entering a footrace carrying a 50-pound weight that the other racers can ignore. As powerful as it is, the quality revolution does not exist in isolation.

Four revolutions are transforming the world. These four concurrent revolutions are: first, the political revolution; second, the world market economic revolution; third, the technological revolution; and, fourth, the cultural revolution as people seek permanent values in a world of constant change.

The news about the former Soviet Union, South Africa, Europe 1992, and other virtually daily events prove that there is a political revolution. A walk through any mall or store will convince you that there is world market undreamed of in your childhood: microwaves, VCR's, cable television, and portable telephones are small reminders of the scale and momentum of technologies that did not exist 30 years ago.

Finally, the revival of values seems worldwide and driven in part by a search for stability in a changing world.

With four concurrent worldwide revolutions under way, the only practical position is to favor a peaceful political revolution in the United States. It is inconceivable that the current structure of the big-city welfare state can compete in a revolutionary world. The drug-ridden, violence-ridden, uneducated, and unproductive neighborhoods that can be found in almost every major city are disgraces to the American people.

We owe it to the residents who have been denied safety, prosperity, and opportunity to replace the welfare state which has so thoroughly failed them. We owe it to the country's future to replace the welfare state everywhere and replace it with a proquality, protechnology, profree-market opportunity society. Failure to replace the welfare state will not merely be an ideological defeat for conservatives. The survival of the welfare state will cripple America in the 21st century and our leadership role in the world and it will dramatically lower the standard of living for most Americans.

This revolution is truly necessary and not merely desirable. It must happen, a peaceful political revolution.

The Founding Fathers created a powerful system for each generation to have, to paraphrase Thomas Jefferson, its own necessary revolution. Our Civil War should be cultural and political, not military.

We have political campaigns led by candidates rather than military campaigns led by generals. We use ballots and not bullets, and our battlefields are the precincts in which Americans vote.

Every citizen who has complained about taxes, bureaucracy, inefficiency, indifference, and ineffectiveness of the welfare state now has an alternative.

Most Americans are tired of violent crime, drugs, inadequate education, overly expensive health care, too many lawsuits, welfare that encourages decay, and taxes and bureaucracies that kill American jobs and weaken the American standard of living. If every person who is fed up with these failures will register and vote to replace the welfare state, the revolution will occur in 1992 and 1993.

We will seek to run candidates at every level, from school boards, to city and county governments, State legislatures, and on to Congress who are committed to replacing the welfare state. We will fight for a revolutionary platform that will lead to the replacement of the welfare state.

The challenge to our generation of Americans is clear. America met challenges in the cold war and in Desert Storm. We believe we can find just as much courage and commitment to meet the challenge here at home.

If you want jobs, you have to register and vote. If you want a lasting standard of living, you have to register and vote. If you want good education and health care, you have to register and vote. That is our message to those who want change: revolutionary vision, incremental steps.

We are not advocating a sudden overnight wholesale replacement of our current welfare-state structure. We do not believe that any one group is able to plan and execute changes on the scale now required.

Furthermore, the lessons of the quality revolution clearly indicate that continuous improvement and constancy of purpose are dramatically more successful than sudden bursts of effort. We believe the key is to establish the revolutionary vision of an opportunity society, and the key principles which would distinguish that society from the current welfare state.

As President Bush has said:

> There is a better way, one that combines our efforts, those of a government properly defined, the marketplace properly understood, and service to others properly engaged. This is the only way, all three of these, to an America whole and good.

Then we would encourage every level of government to begin reforms and experiments designed to replace the welfare state. HUD Secretary Jack Kemp's HOPE Program for public housing tenant self-management and ownership is one example of the right incremental change for a revolutionary goal. Education Secretary Alexander's America 2000 Program is an effort to organize communities and recruit citizen participation to break away from the welfare state failures in education. Health and Human Services Secretary Louis Sullivan's commitment to preventive health care and his bold pronouncements on male and family responsibility are a clear break from welfare-state values.

Govs. John Engler of Michigan and Tommy Thompson of Wisconsin and Bill Weld of Massachusetts have brought about exemplary breakthroughs in welfare and health reform at the State level.

While Deming discovered profound knowledge and quality, and Adam Smith outlined the principles of a free market over 200 years ago, the fact is that each community, State, and Federal department will have to learn the basic rules and then apply them to their own locality. America is too large and complex for any centralized approach to work.

Finally, just as Deming and other quality experts emphasize employee involvement in creating a corporate culture of quality, we will need citizen involvement to create a quality of replacement for the welfare state.

Precisely because this is truly a revolution in vision, values, principles, and goals, there are virtually no experts to define the correct steps. In fact, the vast majority of so-called experts and professionals know exactly the wrong things. They studied the principles of the welfare state and the values of a philosophy that simply does not work. In many instances, citizens will be much better off following their own instincts rather than relying on experts in a failed program.

First, we must establish the revolutionary vision, goals, values, and principles of the opportunity society and build a consensus that we are going to replace the welfare state, then the cumulative impact of hundreds of thousands of small incremental steps taken on a decentralized basis will begin to build momentum. Once the process of replacement has begun, the creativity of millions of Americans in thousands of locations will ensure the success of an opportunity society and the demise of the welfare state.

When I first began talking about the necessary revolution over a month ago and sharing with people where we had to go and what we had to do, and gathering ideas and talking with a wide range of people in the Federal Government, in State government, in city and local government, the response over and over was that that was the right general direction, that if we could follow a basic model of developing the right vision, then collecting and developing strategies to implement that vision, then designing projects to implement those strategies, then developing the day-to-day tactics that we need to work together so we could begin with a radical vision of where America has to go to replace the welfare state, and then gradually develop the specific strategies and tactics, that we could, in fact, succeed.

In talking with a number of Governors, in talking with a number of mayors, in talking with Members of Congress, in talking with the President and his senior advisers, it became obvious that it was possible to launch a revolution to replace the welfare state.

Let me suggest that if anyone listened carefully to President Bush's State of the Union Message, you see the same key direction. He described the need for real change and the scale of real change.

□ 1350

He said, for example:

> The workplace of the future will demand more highly skilled workers than ever—more people who are computer literate, and highly educated.
>
> We must be the world's leader in education. We must revolutionize America's schools.
>
> My America 2000 strategy will help us reach that goal. My plan will give parents more choice, give teachers more flexibility, and help communities create New American Schools.

In other words, in the area of education, the President uses the word "revolutionize." He talks about a revolution. He suggests a scale of change which if we are honest with ourselves is literally a revolution in education and is a replacement of the current patterns with new, more powerful patterns.

We talked about the importance of technology, and what did the President say?

> We must encourage research and development. My plan is to make the R and D tax credit permanent, and to provide record levels of support—over 76 billion dollars this year alone—for people who will explore the promise of emerging technologies.

The President went on to describe the need to rethink from the ground up how we deal with the very real human problems. He said:

> We must strengthen the family—because it is the family that has the greatest bearing on our future. When Barbara holds an AIDS baby in her arms, and reads to children, she's saying to every person in this country "Family matters."
>
> I am announcing tonight a new Commission on America's Urban Families.
>
> You know, I had Mayors, leading Mayors from the League of Cities in the other day at the White House and they told me something striking. They said that every one of them, Republican or Democrat, agreed on one thing: That the major cause of the problems of the cities is the dissolution of the family.
>
> They asked for this Commission, and they were right to ask, because it's time to determine what we can do to keep families together, strong and sound.

President Bush is right at the core of things. Until you rebuild and reestablish the family, until you change laws to strengthen the family, until you reshape the bureaucracy to help the family, until you replace welfare with workfare to help the family, until you do the things necessary so that a child grows up in a decent family with adequate prenatal care, with the clear sense that their family owns and controls their immediate space, with an opportunity to know that work matters, to live in a safe neighborhood, to go to a school that works so they can actually learn something, until those things happen, we are never going to solve the problems of the current city, and throwing money down the current welfare state rat hole will not improve anything.

The President went on. He said:

> Ask American parents what they dislike about how things are going in our country, and chances are good that pretty soon they'll get to welfare.
>
> Americans are the most generous people on earth. But we have to go back to the insight of Franklin Roosevelt who, when he spoke of what became the welfare program, warned that it must not become "a narcotic" and a "subtle destroyer" of the spirit.
>
> Welfare was never meant to be a lifestyle; it was never meant to be a habit; it was never supposed to be passed from generation to generation like a legacy.
>
> It's time to replace the assumptions of the welfare state, and help reform the welfare system.
>
> States throughout the country are beginning to operate with new assumptions: That when able-bodied people receive government assistance, they have responsibilities to the taxpayer. A responsibility to seek work, education, or job training—a responsibility to get their lives in order—a responsibility to hold their families together and refrain from having children out of wedlock—and a responsibility to obey the law.
>
> We are going to help this movement. Often, state reform requires waiving certain federal regulations. I will act to make that process easier and quicker for every state that asks our help.

Now, the President is indicating the strong support of those of us who want to replace the welfare state with workfare. A bipartisan movement toward workfare is appearing across the country. Democratic Gov. Jim Florio of New Jersey signed a dramatic reform program. Gov. John Engler of Michigan, a Republican, has a dramatic reform program. Governor Thompson of Wisconsin has pioneered Learnfare where if your children do not show up at school after missing three times in 1 month, they deduct $100 from your welfare receipts, and that has changed the bias in favor of making sure that those poor kids get to the classroom. In California, Gov. Pete Wilson may be proposing a most dramatic and bold welfare initiative in the country to replace the current welfare system with a big step toward workfare, and President Bush is leading the way, trying to move the country toward the right values, toward the right hope.

And of course, we want to have people who are able to control their own lives. That is why it is so important that the President said, as he did the other night:

> I ask you tonight to fund our H.O.P.E. housing proposal—and to pass my Enterprise Zone legislation, which will get businesses into the inner city. We must empower the poor with the pride that comes from owning a home, getting a job becoming a part of things.

Jack Kemp's leadership in that area, like Lamar Alexander's leadership in education, gives us a real chance to create real opportunities to have a much better, much healthier country.

Let me say finally that we have to expect that those who live off the welfare state bureaucracy, those who have profited from the welfare state, those trial lawyers who believe that their personal future, their income, is tied to the current system of litigation and malpractice, those union leaders who have had unusual advantages, all of those people who believe ideologically in a left-wing socialist redistributionist welfare state system, legitimately are going to fight for their world.

You may say, but who would really fight against this kind of change? Who would really try to keep poor people trapped in a welfare state? Who would really oppose reform?

Let me give you an example of some people who have a big vested interest in protecting the welfare state and raising taxes on working Americans and avoiding the revolution we are describing. It is described in an article in Reader's Digest entitled "How Unions Stole the Big Apple" in the January issue, which I recommend to everyone. The subhead is "Public-Employee Unions Have Brought a Great American City to Its Knees. Could It Happen Where You Live?"

I want to read this article, and think about these folks who have unbelievably padded jobs, who are described by one person after I explained this, they said, "You know, they have negotiated welfare, because their jobs would make no sense in any business in America, and these folks are going to fight bitterly, long and hard, against the necessary revolution. They are going to try to block the opportunity society, because they are one of the few groups making a profit out of the welfare state.

Let me read to you Rachel Flick's article from the Reader's Digest in January, "How Unions Stole the Big Apple."

HOW UNIONS STOLE THE BIG APPLE

(By Rachel Flick)

> When principal Perry Sandler of New York City's Intermediate School 145 learned that custodian Al DeCiantis would be assigned to his school, he called DeCiantis's former school. The other principal could not have been happier that the man was leaving. DeCiantis, Sandler would find out, "goes by the contract"—the four words that strike dread in the heart of every New York public-school principal.

The custodians' work rules—thanks to Local 891 of the International Union of Operating Engineers—require DeCiantis to sweep only every other day and to mop only three times a year. Cafeteria floors must be mopped just once a week, even though the cafeteria at I.S. 145 handles five lunch shifts a day and serves as a classroom after that. In those classes, says Sandler, "the kids pretty much learn around filth. "In the rest of the school, squads of students and teachers pick up trash the custodian won't.

For work like this, New York's school custodians average $57,000 per year. With part-time contracts at other public schools, some boost their salaries as high as $80,000 and pad them with taxpayer-subsidized equipment—from weed-cutters to Jeeps—that after five years is theirs to keep.

Custodians are not the only New York City employees whose union-negotiated contracts beggar and infuriate taxpayers. By 1990, there were 353,000 people, from police officers to teachers, on the city payroll. Their collectively bargained labor contracts cost the city $13.3 billion a year. That's bigger than the budgets of 47 states.

By May 1990, a $3.5 billion budget deficit threatened the city with bankruptcy. Yet even in this emergency, public-employee unions resisted efficiencies, refusing—in the words of Teamster leader Barry Feinstein—"to be cowed by the fiscal crisis." The bottom line as one city manager sees it: "The unions have a stranglehold on New York."

How have public-employee unions brought one of America's great cities to its knees?

1. Contracts that guarantee bloat. According to the independent Citizens Budget Commission, in 1989 New York was forced to employ nearly 40 percent more workers per capita than other large cities to do the same work.

Ten years ago, for example, three men rode on New York City's garbage trucks. Two could do the job, and eliminating the third would save $30 million a year. But the Uniformed Sanitationmen's Association was opposed. To bring the union around, New York made a deal that plagues it to this day.

The city promised to kick back 25 percent of the savings from two-man trucks to the remaining workers. Today, those bonuses cost taxpayers $16.5 million per year. And New York promised that it would not reduce the number of garbage trucks it sent out each day unless the union agreed.

In 1986, New York added recycling trucks to its sanitation force. Because the union would not agree to the number of regular trucks being cut back, many sanitation routes became substantially lighter and briefer. Today many $40,000-a-year sanitation workers finish their work in as little as four hours and spend the rest of their salaried day lifting weights and relaxing.

2. Maximum time off. The average New York City employee works considerably less time than his private-sector counterpart. An entry-level worker gets three weeks of paid vacation his first year on the job. That's on top of 12 days' sick leave and 12 holidays. Most private-sector workers get only seven to nine holidays. After 15 years, city employees get a total of 51 days off. Yet giving every employee just one day off costs taxpayers $4.2 million.

New York City teachers have even more generous schedules. And because the school day is short, an estimated 40 percent have second jobs.

Alexander Levy began teaching English in New York City's public schools in 1963. His salary when he retired this year was $52,750. For this he worked 180 days a year, six hours and 20 minutes per day, including lunch and preparatory periods. This schedule left him time for second jobs in the afternoons and summers.

In 1978 Levy took a year's sabbatical to work on his doctorate. In 1983 he took a second sabbatical to travel the country developing a private student-counseling business that he ran while still teaching. Through both sabbaticals, the city continued to pay Levy 60 to 70 percent of his salary.

Levy took a retirement incentive that gave him pension credit for three more years of work than he had put in. As a retiree, he is thus entitled to $40,800 a year. For life. He is 55.

3. Resisting discipline. In 1989, the United Parcel Service complained to New York City's Department of Investigation (DOI) that its trucks were getting billed for parking tickets they never received. In an undercover investigation, the DOI observed traffic-enforcement agents writing phantom tickets while they loitered in restaurants or browsed through luxury stores.

How could city employees have ignored their duties so brazenly? For one thing, those in charge of watching the traffic agents are members of the same union. Not surprisingly, investigators found that the traffic agents' supervisors made "infrequent and ineffectual field visits." What's more, even to reprimand a worker, an agency must serve him with written charges. The employee is entitled to a hearing, to representation by his union or a lawyer and to call witnesses in his behalf.

4. Protecting their turf. Unionized city employees don't just object to private competition—they fight it. Last June the Astoria Pool, a public swimming pool in the borough of Queens, was getting a badly needed coat of paint from the mayor's City Volunteer Corps. The CVC organizes teenagers, many of them school dropouts, to work on city projects for carfare, lunch money and work experience.

But before the CVC could finish the pool, Al Carrozza, president of Local 1969 of the Civil Service Painters' Union, appeared on the scene and told the youths that the work they were doing was dangerous and illegal. The volunteers "stopped right away," says John Ciaffone, assistant commissioner of the Parks Department. The job then had to be finished by unionized employees.

Unions do not shy from strongarm tactics. Last August, the New York City Transit Authority was ordered to pay $1 million in damages because its unionized members had harassed a private van service that competed with public transportation. The service's "crime"; vans that offered bathrooms, TVs and phones, carrying 800 commuters a day for a lower fare than city buses.

□ 1400

I could go on and talk about more of this, but let me make the point about the difference. This article points out that when Phoenix privatized trash collection in 1978, its own sanitation department had to compete for the contracts. It became dramatically more efficient. The city saved $16.2 million. In 1989, Chicago, under Mayor Richard Daley, established a service of having private towing of abandoned cars. The service used to cost Chicago millions. Now they make $1.2 million, they made that much during the last year because the private service pays the city for the right to tow.

In 1990, Mayor Daley privatized parking ticket collections and gained taxpayers $12 million.

Let us go back to New York for just a second and point out that while we are going to hear lots of big-city mayors saying, "Oh, you have got to send more money, you have got to raise taxes, you have got to subsidize us." If New York City simply had the same level of efficiency as the other average big city—not talking now about IBM, not talking about UPS or Federal Express or any other private business—based on the study of the Citizens Budget Commission, if New York City simply reduced its work force to be as efficient as other big cities, it would eliminate its budget deficit just by insisting that the people it already employs do the jobs they are paid to do.

Let me summarize very briefly because we are running out of time: First, we must have a revolution to replace the welfare state with opportunity society values; second, there are going to be people who fight that revolution. There are going to be some public employee unions in places like New York who, frankly, have their own kind of welfare and do not want to have to go to work. There are going to be trial lawyers who object to the idea of reforms because they are doing pretty well, basically charging a lawyer tax to every American for the right to file suits without any responsibility, without any kind of penalty.

There are going to be professional politicians tied into the big-city machines and the old welfare state. There are going to be legitimate leftwing ideologues, college professors, intellectuals who believe in socialism, believe in redistribution, believe in bureaucracy. They are going to honorably believe that. It happens to be wrong; most Americans think it is nuts, and it clearly has failed. But that is their right.

But because they still control the Congress, because they are the dominant force in most State legislatures, because they are so powerful politically, unless every citizen decides that they are prepared to insist on change and unless every citizen registers to vote, helps candidates committed to the revolution and gets involved, the necessary revolution will not happen. And if it does not, the welfare state will make us weaker, the welfare state will weaken us in education, will weaken us in health, will weaken us in jobs and in the long run America will not be able to lead the world.

So, if we are to lead the world, if we are to live up to what President Bush said the other night when he said we have gone from being the leader of the West to the leader of the world, then we must have this revolution. And I hope all of my colleagues will join in, and I hope every citizen will join in.

I thank the Speaker.

THE FAIR TRADE FRAUD: HOW CONGRESS PILLAGES THE CONSUMER AND DISSEMINATES AMERICAN COMPETITIVENESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DELAY] is recognized for 60 minutes.

Mr. DELAY. Mr. Speaker, I was intrigued by the minority whip, the gentleman from Georgia, Mr. GINGRICH'S call for a revolution, and I join in that revolution. I think part of joining that revolution is that we must look at the world as the world economy and we must look at the world as an opportunity for the United States to build a very strong economy because without a strong economy nothing else can happen. We can no longer be leader of the free world unless we have a strong economy.

Mr. Speaker, I come to the well of the House because I am very perplexed and very concerned over discussions, especially those of the last couple of months, coming from the mouths of some industries, coming from the mouths of some elected officials, as it regards trade.

There is a lot of misconception going around this country and permeating throughout this country about trade, about free and open trade. And the biggest misconception is the phrase "fair trade," because usually what fair trade means is that one industry wants to be protected from another industry that is not located in the United States. And it is usually one industry that does not care to compete in the world economy and wants to be protected from that competition.

It is very devastating to this country, and I think there is a lot of misuse of statistics and a lot of misuse of our examples of what is going on in this country.

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Mr. Speaker, I ran across a book that was just recently released that I think is one of the best treatises I have ever read on trade in the world, and it is entitled "The Fair Trade Fraud, How Congress Pillages the Consumer and Disseminates American Competitiveness," written by James Bovard who is an associate policy analyst at the CATO Institute and a former World Bank consultant. Some Members of this House may remember that he wrote a highly successful book entitled, "The Farm Fiasco," which was published in 1989. He has written well over 300 articles in publications such as the New York Times, the Wall Street Journal, Washington Post, the Los Angeles Times, and the New Republic.

James Bovard in his book "The Fair Trade Fraud" in a very objective way presents a treatise on trade in this world of ours, in this international economy, and he produced under the heading "Policy Analysis" put out by the CATO Institute excerpts from his book, and I thought these excerpts were so poignant in the argument on trade that I take the well of this House in order to read this article into the RECORD, Mr. Speaker, and it is entitled, "The Myth of Fair Trade," by James Bovard.

THE MYTH OF FAIR TRADE

(By James Bovard)

Americans' freedom and prosperity are being sacrificed on the altar of fair trade. Each year protectionists discover new moral pretexts for further restricting how American citizens may spend their paychecks. Fair trade is a moral delusion that could be leading to an economic catastrophe.

Unfortunately, the louder politicians have demanded fair trade, the more U.S. trade policies have become a travesty of fairness. The U.S. government has created a trade lynch law that can convict foreign companies almost regardless of how they operate. Between 1980 and 1989, the U.S. Commerce Department found only 5 percent of the foreign companies it investigated not guilty of dumping. Two thousand foreign companies have been penalized since 1980 for selling their products to Americans at prices lower than those approved by the U.S. government.

When politicians call for fair trade with foreigners, they routinely use a concept of fairness that is diametrically opposed to the word's normal meaning. In exchanges between individuals—in contract law—the traditional test of fairness is the voluntary consent of each party to the bargain: "the free will which constitutes fair exchanges," as Sen. John Taylor wrote in 1822. When modern politicians speak of unfair trade, they do not mean that buyers and sellers did not voluntarily agree but that federal officials disapprove of the bargains American citizens chose to make. Fair trade, as the term is now used, usually means government intervention to direct, control, or restrict trade. Fair trade means government officials decide what Americans should be allowed to buy and what prices they should be forced to pay. Fair trade is paternalism in international commerce.

Fair trade often means that some politician or bureaucrat picks a number out of thin air and imposes it on foreign businesses and American consumers. Fair trade means that Jamaica is allowed to sell the United States only 970 gallons of ice cream a year, that Mexico is allowed to sell Americans only 35,292 bras a year, that Poland is allowed to ship us only 350 tons of alloy tool steel, that Haiti is allowed to sell the United States only 8,030 tons of sugar. Fair trade means permitting each American citizen to consume the equivalent of only one teaspoon of foreign ice cream, two foreign peanuts, and one pound of imported cheese per year. Fair trade means the U.S. government imposes import quotas on tampons, typing ribbons, tents, twine, table linen, tapestries, and ties. Fair trade means that the U.S. Congress can impose more than 8,000 different taxes on imports, with tariffs as high as 458 percent.

In practice, fair trade means protectionism. Yet every trade barrier undermines the productivity of capital and labor throughout the economy. A 1979 Treasury Department study estimated that trade barriers routinely cost American consumers 8 to 10 times as much as they benefit American producers. A 1984 Federal Trade Commission study estimated that tariffs cost the American economy $81 for every $1 of adjustment cost saved. Restrictions on clothing and textile imports cost consumers $1 for each 1 cent of increased earnings of American textile and clothing workers. According to the Institute for International Economics, trade barriers are costing American consumers $80 billion a year—or more than $1,200 per family.

We will examine the U.S. anti-dumping law, U.S. countervailing duty law, U.S. retaliations against alleged foreign unfair trade barriers, and the moral essence of fair trade.

THE "DUMPING" MYTH

Economic xenophobia is the core of the U.S. anti-dumping law. The Commerce Department acts as if every sale of a foreign product at a low price is a Trojan Horse—an insidious attempt to undermine the American economy. While American politicians lecture the world on fair trade, our anti-dumping laws are an inquisitorial nightmare for foreign companies, a mockery of due process and justice.

Dumping occurs when a company charges a lower price for a product in an export market than in its home market. Differential pricing according to demand and market conditions is a normal business practice, yet the U.S. government considers it highly pernicious when done by foreign companies exporting to the United States.

Dumping has long been portrayed as a serious threat to the American economy. A 1921 House of Representatives report warned against "a now common species of commercial warfare of dumping goods on our markets at less than cost or home value if necessary until our industries are destroyed." The Senate Judiciary Committee warned in 1986 that "the unlawful dumping of foreign goods . . . has become a serious threat to American industries." In 1989 a federal judge characterized dumping as inherently "predatory" and declared that dumping involves an element of "wrong-doing."

U.S. anti-dumping practices routinely expel foreign corporations from the U.S. market as punishment for normal business practices. The anti-dumping law forces foreign companies to run a nearly endless gauntlet of American bureaucrats. A more perceptive federal judge concluded that the anti-dumping law allowed American companies to conduct "economic war" against their foreign competitors.

While many people consider dumping an arcane subject, penalties for dumping have forced Americans to pay more for photo albums, pears, mirrors, ethanol, cement, shock absorbers, roofing, shingles, codfish, televisions, paint brushes, cookware, motorcycle batteries, bicycles, martial art uniforms, computers and computer disks, telephone systems, forklifts, radios, flowers, aspirin, staplers and staples, paving equipment, fireplace mesh panels, dry cleaning, and many other things. Anti-dumping laws increasingly prevent American businesses from obtaining vital foreign supplies and machinery. Commerce Department officials now effectively have direct veto power over the pricing policies of thousands of foreign companies. Anti-dumping law constitutes potential political price controls over almost $500 billion in imports a year.

Anti-dumping law exists to prevent foreign companies from selling goods in the United States at "less than fair value." What is less than fair value? The Commerce Department's creative definitions would challenge even a medieval scholastic. Technically, "less than fair value" means selling a good in the United States for less than its price in the foreign home market or for less than its cost of production plus a large profit. Commerce Department regulations state, "Fair value . . . is an estimate of foreign market value."

The "crime" of dumping results solely from applying different tests of fairness to U.S. and foreign prices. The Treasury Department, in a 1957 report on dumping, defined "fair value" for foreign prices: "the word 'fair' as used here simply means what one ordinarily conceives of as the 'fair market' value—what a willing buyer will pay a willing seller." But U.S. anti-dumping law rejects voluntary agreement as the measure of fairness of U.S. prices for imported products. The U.S. price of an imported product is "fair," not according to whether a foreign seller and American buyer voluntarily agree, but according to whether the foreign company can pass dozens of arbitrary tests imposed by the U.S. government.

Commerce convicted a Brazilian company for selling its frozen concentrated orange juice for 1.96 percent less than fair price. The United States has a 40 percent tariff on orange juice, so Commerce subtracted 40 percent from the Brazilian company's U.S. sale price before comparing it with the Brazilian price. The Brazilian government imposes a 3.5 percent export tax on orange juice, and shipping and insurance costs probably added at least another 2 or 3 percent. Thus, Brazil was selling orange juice for at least 45 percent more in the United States than in Brazil. But the Commerce Department still considered the U.S. price unfairly low.

Anti-dumping laws are a relic of the days of fixed exchange rates. Commerce will convict a foreign company for a price difference as small 0.5 percent between its U.S. and foreign prices. Yet the dollar routinely fluctuates 10 or 15 percent or more in value annually. Naturally, the number of dumping convictions has soared as exchange rates have become more volatile.

Commerce officials have used the capricious rules on exchange rates to encourage American companies to file anti-dumping cases against foreign competitors. In early 1988 the newsletter Inside U.S. Trade reported: "The Commerce Department is trying to cajole industries into filing dumping cases against Japanese imports for products that it feels are being sold at prices that do not sufficiently reflect the recent appreciation of the Japanese yen, according to many sources including Commerce officials. Commerce has been unofficially compiling a list of products suspected of being dumped by Japanese companies." One Commerce official declared that the agency was "trying to force Japanese concessions on contentious trade issues—such as restrictive bidding on construction projects and agricultural quotas—by 'creating an anti-Japanese climate.'"

Commerce sometimes penalizes foreign companies for selling different products for different prices. In 1984 an Italian company was convicted of having a less-than-fair-value margin of 1.16 percent on its sales of pads for woodwind instruments. Commerce compared the price of a smaller woodwind pad sold in the United States with that of a larger woodwind pad sold in Italy. Since the smaller pad sold for less than the larger pad, the Italian company was dumping. In a brief defending its action to the Court of International Trade, the U.S. government admitted that it had not compared the sales price of identically sized pads—and then claimed that Commerce has unlimited discretion to accept or deny comparisons of that sort.

In a Japanese TV case, one company had its dumping margins increased because it donated unsold televisions sets to charity. Commerce assessed the firm as if the television sets had been "sold" for $0 in the U.S. market—the ultimate act of unfair trade. Companies have also received higher dumping margins for selling TVs to employees at a large discount and for selling damaged or defective televisions at a markdown.

In the case of stainless steel products from the Swedish company Avesta, Commerce compared sale prices of small quantities of steel sold in Sweden with the prices of large quantities of steel sold in the United States. As Avesta's brief noted, "Over two-thirds of the sales in Sweden were for quantities less than 500 kilograms, and the average price of these sales is over 22 percent greater than the average price for sales with total order quantities between 501 and 5,000 kilograms, and over 60 percent greater than the average price of sales with total order quantities over 5,000 kilograms." Because Avesta sold 5,000-kilogram quantities for lower prices than 500-kilogram quantities, it was acting unfairly.

U.S. anti-dumping law also imposes a cost-of-production test on foreign companies. If a foreign company is not making an 8 percent profit on its exports, the Commerce Department automatically penalizes the company for selling at a loss. The 8 percent assumption is totally arbitrary and extremely biased against foreign companies. The International Trade Commission reported that average "profits before income taxes for all U.S. corporations in 1986 were 6 percent of sales." Thirteen of the 15 largest companies in the Fortune 500 failed the 8 percent profit test in 1989.

Cost-of-production analyses tend to be sinkholes of quibbles and capricious judgments. Commerce usually considers only the cost of production during the six-month period in which it is examining the foreign company's U.S. sales. A major issue in a case involving Canadian raspberries was how to amortize the cost of a raspberry plant—whether 10, 15, or 25 years was the proper time frame. In one cost-of-production analysis, Commerce included the expenses Suzuki incurred in defending itself before the U.S. Consumer Product Safety Commission on charges that its all-terrain vehicles were unsafe. In a 1990 sweater investigation, Commerce penalized two Korean firms for making donations to local charities, claiming that the unrelated donations were part of the cost of making sweaters ad should have been reflected in higher sweater prices.

Commerce effectively wrecked the exports of hundreds of Taiwanese sweater companies because a few small Taiwanese companies could not quickly respond to Commerce's massive information requests. Commerce sent the Taiwanese firms a 100-page single-spaced questionnaire in English; the average Taiwanese firm was commanded to quickly provide over 200,000 bits of information. Commerce conceded in its Federal Register notice that "none of the investigated [Taiwanese] companies refused to provide the information requested, refused verification, or otherwise significantly impeded the Department's investigation." The management of one Taiwanese sweater company consisted of the owner and his wife. Commerce imposed punitive duties on the company, declaring that "lack of manpower" to answer the questionnaire was no excuse. Commerce imposed punitive duties on another Taiwanese company largely because the company's factory had burned down and it had lost many of its records. Since the United States also imposes a 34 percent tariff on the sweaters, hundreds of Taiwanese sweater companies are effectively locked out of the U.S. market.

Every dumping duty is an attempt to create an artificial scarcity, to deter foreign companies from exporting, and to decrease the supply of goods on the American market in order to allow American companies to charge higher prices. Politicians measure the success of the anti-dumping law by the number of foreign companies that are banned from the U.S. market or are forced to sharply raise their prices here. Sen. Arlen Specter (R-Pa.) declared at a 1986 Senate Finance Committee hearing on the administration of the anti-dumping laws: "I am not looking for more people to collect damages from, frankly, I am trying to stop the [foreign] goods from coming in."

The anti-dumping law turns foreign companies into economic lepers. Perpetual jeopardy is the natural condition of companies under anti-dumping orders. Although a company may be complacent with a 1.93 percent margin established in an initial dumping investigation, Commerce can raise the dumping margin to 92 percent with only a short notice in the Federal Register. An anti-dumping order can easily torpedo a foreign company's exports to the United States.

Federal officials have bragged about the chilling effect of anti-dumping laws. Deputy Assistant Secretary of Commerce Gilbert Kaplan told the Senate Finance Committee in 1986: "The minute a case is filed, an importer or a customer faces an undetermined liability, an undetermined price basically, for items, for an indeterminate period of time, into the future. . . . If you are a purchaser, you have to think very long and hard before buying from an exporter given that undetermined liability that you are going to face for quite a number of years." Secretary of Commerce Malcolm Baldrige declared in 1986: "The [dumping] penalty is actually applied to the U.S. importer, but it means if he's got to pay that penalty, he just ain't going to import any more. That's the stick that you're looking for." The anti-dumping law provides a way for Commerce to beat up on American companies that import foreign products.

Commerce officials are sometimes quite candid about their biases. In a 1991 speech, Marjorie Chorlins, deputy assistant secretary of Commerce for import administration, thanked the American Wire Producers Association for their frequent use of the anti-dumping law against wire imports and declared, "The partnership which the AWPA and Import Administration have enjoyed over the past ten years has been active and rewarding." In 1989 Secretary of Commerce Robert Mosbacher described himself as "the advocate for U.S. business in the [Bush] Administration." Mosbacher is the highest "judge" in the Commerce Department in dumping cases. Since the judge has proudly declared his bias in favor of U.S. businesses, it is not surprising that anti-dumping proceedings are often a kangaroo court.

The basic premise of anti-dumping law—that it is a crime for a company to sell the same product for two different prices in two different markets 15,000 miles apart—is an economic absurdity. Price differentials usually prove nothing except that prices are different. If a businessman sells ice cream to Eskimos and to people on a tropical island—and the people on the tropical island willingly pay more—does that mean the businessman is unfairly dumping ice cream on the Eskimos because he is selling it to them at a lower price? Are the Eskimos harmed by the price differential between the arctic and the tropics?

Although fear of predatory pricing was the fount of the U.S. anti-dumping law, the list of products that have been hit with dumping duties makes a mockery of the predatory argument. Did Washington bureaucrats really believe in 1972 that Canadian companies were conspiring to dump ice cream sandwich wafers in the United States to destroy their American competition? And what good would it have done to corner the ice cream sandwich wafer market anyhow? If the Canadians had obliterated their U.S. competition and tripled the price of ice cream sandwich wafers, Americans would simply have bought more ice cream cones and fewer ice cream sandwiches.

THE SPECTER OF FOREIGN SUBSIDIES

U.S. trade policy appears to assume that every handout given to a foreign business is automatically a stab in the back of a competing American corporation. Foreign subsidies have long been a prime hobgoblin of American protectionists. Rep. Thomas Hartnett (R-S.C.) warned in 1986 that "foreign governments, through the introduction of subsidies, rebates, and other economic incentives have made fair competition an impossibility."

The United States imposes countervailing duties on imported products that allegedly received foreign government subsidies. The CVD is supposed to insulate the United States from the effect of a foreign subsidy, thereby preventing foreigners from cornering the American market. The U.S. government does not hesitate to penalize foreign companies even when it is providing larger subsidies to competing American firms.

U.S. CVD policy presumes that regardless of how large a benefit foreign subsidies provide to American consumers, the subsidies must be penalized. CVDs have boosted prices Americans pay for wool, steel, ham, castor oil, cotton yarn, orange juice, scissors, carnations, sugar, pistachios, roses, auto glass, cement, leather apparel, cookware, lamb meat, shop towels, agricultural tools, footwear, ball bearings, rice, and aspirin. Disputes over foreign subsidies have greatly antagonized our trading partners.

American CVD law effectively hangs a sign at the U.S. border warning foreign companies: "Nonvirgins need not apply." But the U.S. government is constantly amending its definition of "virginity." While governments disagree about whether subsidies are good or evil, no other government in the world has such an expansive definition of subsidies as does the U.S. government. Over time, the administration of U.S. CVD laws has become increasingly protectionist, arbitrary, and divorced from economic rationality.

In April 1986 Commerce imposed a 0.82 percent surtax on Thai rice imports. Commerce, after an exhaustive investigation, concluded that a Thai government price support program provided a subsidy equal to 0.004 percent of the value of Thai rice exports to the United States, a government cooperative assistance program provided a 0.09 percent subsidy, a mortgage program provided a 0.02 percent subsidy, discounts to rice millers provided a 0.01 percent subsidy, and so on. While the Thai government was providing a trickle of aid to Thai farmers, it was also imposing export taxes on rice. The U.S. Department of Agriculture, in an unrelated study, concluded that, after subtracting the amounts spent on credit, fertilizer, and marketing assistance from the export taxes, Thai government policies imposed a net 5 percent tax on rice production in 1985.

At the same time the U.S. Department of Commerce was nickel-and-diming Thai rice growers, the U.S. Department of Agriculture was bankrupting them. The U.S. government spent $2 billion in 1986 to flood international markets with American rice, driving down the world rice price by 50 percent. The Thai rice program spent less than $100 for each Thai rice grower, while the U.S. program spent the equivalent of over $1 million for each full-time American rice grower between 1985 and 1990. Thailand's average per capita income is $860, while the average American full-time rice grower was a millionaire even before receiving lavish subsidies in the mid and late 1980s.

In 1983 the United States imposed a CVD on Argentine wool. Commerce justified the penalty on the grounds that the Argentine government, through a regional development program, paid a bonus of 6 percent for products exported from Argentina's southern ports. (The United States has a similar program: the Appalachian Regional Commission, which has given billions of dollars in grants and loans to businesses in that region.) While Argentine sheep producers were allegedly receiving a 6 percent subsidy, the Argentine government was also imposing a 17 percent tax on wool exports. Commerce disregarded the export tax because "the export taxes and duties and the [export subsidy] programs were enacted under separate laws." In the same year that Commerce began penalizing Argentine wool growers for receiving a 6 percent subsidy, the U.S. Department of Agriculture's wool program gave American wool growers direct payments equal to 150 percent of the value of their wool.

In 1990 Commerce imposed a 14.17 percent surtax on Argentine leather imports because the Argentine government had banned the export of cattle hides in 1985. (The United States imposed a similar ban on the export of hides in 1966.) Commerce alleged that the export ban on Argentine cattle hides was equivalent to a direct subsidy to the Argentine leather-tanning industry. Commerce created a simple test of the fairness of Argentine prices: "the best measure we have of what [Argentine] prices would have been in the absence of the current embargo is a benchmark based on U.S. hide prices." The fact that U.S. hide prices were higher than Argentine prices in the years 1985–89 proved that the Argentine leather producers were subsidized. But in the late 1980s Argentina suffered from hyperinflation, massive currency devaluations, a deterioration in the quality of cattle hides, and government policies that severely disrupted the economy and exchange rates. Commerce disregarded all those factors in judging Argentine prices by U.S. prices.

In some cases foreign companies and governments must spend more defending themselves than the total amount of the alleged subsidy. In January 1990 Commerce issued a preliminary determination alleging that a Singapore government research contract provided a subsidy to a Singapore software manufacturer. Commerce claimed a subsidy existed because Commerce's contrived estimate of the Singapore government's future revenues from the research results was $42,891.57 less than the amount the Singapore government paid the private firm to do the research. In the final determination, Commerce conceded that no subsidies existed. Commerce's investigation cost the Singapore government and the software company over $170,000—almost four times the amount of the alleged subsidy. Commerce's lengthy investigation of a Singapore software firm for allegedly receiving a $42,891 subsidy showed true chutzpah, as the U.S. government, a few months before Commerce's investigation began, committed $100 million to SEMATECH, a U.S. public-private semiconductor research consortium.

A major goal of CVDs is to force foreign governments to end their subsidies and play fair. But even when foreign governments reduce or abolish their subsidies, Commerce still routinely refuses to abolish the CVDs. Commerce also refuses to repeal CVDs levied on companies that can prove that they do not receive government subsidies. Leonard Shambon, the chief of the Compliance Division, which oversees CVD orders, observed in 1987, "In the area of countervailing duties, the actual prospects for receiving a revocation because of the elimination of subsidies are dim, if not nonexistent." There were no revocations of CVD penalties between April 1981 and June 1987.

Protectionists often justify CVDs by warning that foreign governments must be penalized or they will monopolize the American market. If we look at the list of nations currently hit with CVDs, we see that the vast majority are Third World nations—countries that are unable to pay their own bills, much less take over the world. Of the 76 current CVD orders, 8 are against Argentina, 7 are against Brazil, 10 are against Mexico, 5 are against Peru, 2 are against Venezuela, 1 is against Zimbabwe, 1 is against Ecuador, and 2 are against Iran. Almost half of all CVD actions have been against nations that have effectively defaulted on their foreign debt—not exactly a sign of imminent economic hegemony. Despite the widespread perception that Japan heavily subsidizes its industry, there are no CVD orders against Japanese products.

The effect of foreign subsidies on exports is usually far less than the effect of gyrations of currency exchange rates. Though business subsidies, as are every other type of misguided government intervention, are pervasive in Latin America, they are dwarfed by changes in the exchange rate. The average CVD on Argentine exports was 5 percent, and the Argentine exchange rate fluctuated 244 percent between 1980 and 1987. The average Brazilian CVD was 12 percent, and the Brazilian exchange rate fluctuated 135 percent. For Chile, the average CVD was 12 percent, and exchange values fluctuated 223 percent; for Colombia, the values fluctuated 7 and 189 percent; for Costa Rica, 17 and 152 percent; for Mexico, 10 and 204 percent; and for Peru, 25 and 131 percent.

Countervailing duty laws are premised on the idea that even minimal subsidies from a government are "magic beans" that enable a company to grow into the sky and conquer the world—that government aid is a steroid that vastly increases the strength of a foreign company. But the history of government subsidies is one of burning money almost as fast as tax collectors can scoop it up. Export subsidies are usually artillery shells that explode in the face of the nation that fires them.

International disputes over subsidies resemble a couple of drunks lying in a gutter, each accusing the other of overimbibing. While the U.S. government calculates foreign subsidies out to the millionth of a percentage point, it pours tens of billions into the coffers of American business. During the 1980s, when the Commerce Department launched over 300 CVD investigations of foreign firms, U.S. government policy provided $260 billion in benefits to American farmers, over $5 billion to the merchant marine, over $30 billion to small businesses, and over $30 billion in subsidized credit to exporters. Total U.S. government subsidies and liabilities for aid to business since 1980 exceed $500 billion. That amount is probably 20 times greater than the total foreign subsidies paid on products exported to the United States.

The clearest proof that foreign subsidies do not pose a grave threat to the United States is that few foreign countries have been troubled by the effect of subsidized imports. Switzerland, Austria, Sweden, and Norway have never imposed a single CVD; yet neither the U.S., nor European, nor Asian subsidies have allowed foreign companies to corner those markets. Hong Kong imposes no CVDs, no dumping duties, and almost no tariffs. With that "bare-the-throat" policy, Hong Kong has had the highest economic growth rate in the world since 1960; Hong Kong's per capita income increased from $180 in 1948 to over $9,000 in 1989. Hong Kong's per capita income new exceeds that of Israel, Ireland, and Saudi Arabia.

We have no national interest in obsessing over misguided foreign tax and economic policies. Does the U.S. government need to "countervail" every foolish act by every other government in the world? Most CVDs amount to economic shadowboxing—American bureaucrats and politicians thrashing the air to pummel imaginary enemies. Or, more accurately, U.S. countervailing policies resemble the scene from Don Quixote in which Quixote beats Sancho Panza and insists that he is actually beating a horde of evil demons. CVDs have had far more effect on American consumers than on foreign governments.

The U.S. subsidies policy is based on a doctrine of immaculate competiton—any foreign company with the slightest taint must be sent to bureaucratic purgatory. Commerce essentially tries to apply the "Caesar's wife" standard to international commerce, demanding that foreign companies be free of even the suspicion of receiving aid from their governments. That is profoundly unrealistic and hypocritical.

THE 301 SOLUTION

When U.S. Trade Representative Carla Hills took office in February 1989, President Bush presented her with a crowbar to symbolize her task of prying open foreign markets. Section 301 of the Trade Act of 1974—the main U.S. crowbar—authorizes the U.S. government to investigate and retaliate against foreign trade barriers that are judged to be unfair. Under section 301, U.S. producers may petition the Office of the U.S. Trade Representative to take action against a foreign practice or barrier, or the USTR can initiate an investigation. Once the USTR officially decides a foreign barrier is unfair, the United States gives the foreign government a deadline by which it must reform its policy or face American retaliation. As the Wall Street Journal noted, "American [trade] retaliation is supposed to be the nuclear deterrent that forces the rest of the world into submission."

It is surprising how often the United States itself engages in the same practices that section 301 penalizes. The first section 301 case targeted Guatemala for requiring that cargo being shipped to Guatemala be carried by Guatemalan ships. The United States itself has extensive cargo preference laws, which the General Accounting Office estimated in 1985 added over $100 million to the cost of providing food donations to foreign countries.

In 1976 the United States brought suit against Taiwan because of "confiscatory tariff levels on imports of major home appliances." (The Taiwanese tariff on refrigerators and air conditioners was 60 percent.) But the United States has confiscatory tariff levels on many items, including a 151 percent tariff on low-priced watch parts exported from Taiwan.

Many section 310 complaints have involved agricultural export subsidies, including European Community export subsidies for poultry, wheat, and wheat flour and Taiwan rice subsidies. In recent years the U.S. government has also provided export subsidies for all of those items; it has paid export subsidies of 11 percent for poultry, 78 percent for wheat flour, 94 percent for wheat, and over 100 percent for rice. The United States denounces Japanese rice import quotas, though unlimited U.S. export subsidies have done far more to distort the world rice market than has Japan's ban on rice imports. The United States brought a case against Korea for its beef import quotas, even though the United States also has beef import quotas. Five section 301 cases involved allegations that foreign governments subsidized their steel industries—as does the United States. The Footwear Institute of America persuaded the USTR to launch seven section 301 cases against foreign trade barriers on footwear—even though the United States itself maintains tariffs of up to 67 percent on footwear.

In May 1988 the United States launched an investigation of Japanese citrus quotas. In the press release announcing the case, U.S. Trade Representative Clayton Yeutter noted, "The Florida citrus industry . . . believes that removal of Japan's unfair barriers could cut the price of oranges for Japanese consumers by one-third." By amazing coincidence, that is roughly the amount that the price of orange juice in the United States could fall if the 40 percent tariff on Brazilian orange juice imports were abolished.

In August 1988 the USTR settled a second unfair agricultural trade case with Japan. Under heavy U.S. pressure, the Japanese agreed to end their quotas on ice cream, cheese, and sugar; of course, American trade policymakers believed that the United States had a right to continue its own import quotas on the same items.

In December 1988 the European Community banned the import of American beef produced with growth hormones. That action outraged the United States, as U.S. policymakers believed there was no scientific evidence that the beef hormones had adverse effects on humans. The EC ban was unjustified, but the United States has an equally unjustified ban on imports of German ham. German ham has an international reputation as a luxury product, yet the United States insists that it is not safe enough for Americans.

The United States retaliated against the EC beef ban by imposing 100 percent tariff surcharges on European hams and pork shoulders, cranberry juice, instant coffee, alcoholic beverages containing less than 7 percent alcohol, and pet food packaged for retail sale. The U.S. retaliation devastated some American businesses. As the Journal of Commerce noted: "A Chicago food importer's mid-size business will lose almost $3 million in revenue this year as a result of the trade sanctions. . . . National Food Trading Corp. saw 10 percent of its export business evaporate when the peeled tomatoes it imports from Spain were hit with the 100 percent tariff." The importer of Riunite wine dodged the super tariff by raising the alcohol content of the wine by 25 percent. (Some Americans who drink low-priced sweet wine and were not aware of the U.S.-EC trade war may have been awarded drunk driving tickets as a result.) Christina McCown, a spokesperson for the USTR, justified the 100 percent tariff: "The amount of retaliation equals the amount lost in U.S. exports. We were not trying to cause any U.S. businesses a hardship." The beef war sought to placate American cattlemen by padding the pockets of American pet food makers.

Other U.S. trade retaliations have also harmed U.S. companies. As Jim Powell noted: "In 1978, American broadcasters filed a complaint because Canada had abolished tax deductions for advertising on stations in the United States. The United States retaliated by removing tax deductions for advertising on Canadian-owned stations. The consequence, of course, was that American advertisers had a harder time reaching the Canadian market. Twelve years later, these retaliatory measures are still in place—and Canada has not changed its original policy."

Section 301 victories often skewer American consumers. In the 1985 settlement of a dispute over Japanese leather quotas, Yeutter declared: "The agreement is a significant victory for the principle of free and fair trade. . . . This is far preferable to protectionist measures that would restrict imports without increasing U.S. exports." Yet as part of its "victory for free trade," the United States raised tariffs on Japanese leather imports from 12 to 40 percent—with the explicit goal of sharply reducing Japanese exports to the United States.

In 1988 the United States decided to punish Brazil for its denial of patent protection to American chemical and pharmaceutical companies operating in Brazil. The USTR imposed a retailiatory 100 percent duty on Brazilian penicillin and tetracycline, among other products. Apparently, some higher justice was served by punishing Americans with pneumonia (forcing them to pay higher prices for their drugs) in order to placate wealthy American multinational corporations. Six months later Brazil announced cessation of interest payments on the $22 billion it owed U.S. banks.

American trade negotiators are often blinded by moral arrogance. Carla Hills told the House Ways and Means Committee in 1989, "I hasten to tell other nations that we are the freest and most open market in the world and that even in those areas that are most restricted, we do import per capita far more than our largest trading partners." As Hills must know, Hong Kong has far fewer trade barriers than the United States, as do the United Arab Emirates and Singapore. Sweden and Austria also may be more open than the United States. And, in making her claim that "even in those areas that are most restricted, we do import per capita far more than our largest trading partners," Hills forgot that Canada, the largest trading partner of the United States, imports far more sugar, peanuts, and cotton per capita than does the United States. The assertion that the United States has the world's most open markets has long been a cardinal tenet of American trade theology and is often made as a prelude to demanding new trade barriers, somewhat like people loudly announcing that they are good Christians before slamming the door in their neighbor's face.

The U.S. government has done more to reduce exports than has any other government in the world. The amount of increased exports gained due to all the section 301 cases in the last decade is less than the annual estimated amount of U.S. exports lost thanks to the Export Control Administration. As George Gilder notes, "By constantly imposing special export controls for nonsensical national security concerns and changing policy from month to month in response to utterly spurious emergencies, the U.S. government has become the chief obstacle to U.S. competitiveness in electronics." The National Academy of Sciences estimated in 1987 that unnecessary Commerce Department export controls on U.S. technology and products that pose no threat to national security reduced American exports by $9 billion. U.S. agricultural exports would be far higher if the government abolished federal farm programs. A study by Andrew Feltenstein of Kansas State University estimated that unilaterally abolishing farm programs would have reduced the U.S. trade deficit by $42 billion in 1986. A 1988 study by Purdue professors Thomas W. Hertel, former USDA chief economist Robert L. Thompson, and Marinos E. Tsigas concluded that the misallocation of resources and capital to agriculture depressed the productivity of other sectors of the U.S. economy and reduced American manufacturing exports by $7.5 bilion and service exports by $3.4 billion. An American Enterprise Institute study concluded that U.S. tobacco exports would double if the government abolished its tobacco quota and price support system. The USDA imposes severe limitations or quotas, or both, on the export of lemons, almonds, raisins, peanuts, and peanut butter.

THE MORALITY OF FAIR TRADE

Every restriction on imports is an attempt by the U.S. government to compel some Americans to pay higher prices to other Americans than they otherwise would have paid. Consumers do not offer to voluntarily pay higher prices; they pay higher prices only because 17,000 U.S. Customs Service officials leave them no choice.

Trade is not simply a matter of exchanging widgets for gadgets; it affects the way people live their daily lives. Since practically no one can make all the things he wears, eats, and uses, a person's standard of living and opportunity in life depend largely on his opportunities for trading the product of his labor with others. Pervasive trade barriers effectively force people to use inferior building blocks for their lives. Trade barriers are an attempt by politicans to control the market. And politicians cannot control the market without commanding everyone who must rely on that market.

Trade barriers raise prices, and price hikes have the same effect as a federal decree that some Americans shall no longer be allowed to buy the restricted product. As John Stuart Mill noted in "On Liberty," "Every increase of price is a prohibition to those whose means do not come up to the augmented price." The Joint Economic Committee observed in 1956, "For a government official to make a moral judgment on how we ought to spend our money is an invasion of liberty and privacy which is acceptable only where obvious public harm follows." Government cannot drive up prices without knocking some people out of the market—without taking a notch out of someone's living standard, changing the types of clothes some people wear, the cars some people drive, the food some people eat, the medical care some people receive. The 1986 Softwood Lumber Agreement added $1,000 to the cost of constructing a new house in the United States,[82] thereby knocking as many as 300,000 people out of the home-buying market and effectively decreeing that many families would be forced to live in trailer homes instead of real houses. If the federal government intervened to cause old people's bones to automatically break when they fell, that intervention would be denounced as the height of idiotic tyranny. But apparently federal intervention in the form of a quota that imposes the equivalent of a 170 percent tariff on dairy imports, thereby ensuring that many Americans will have calcium deficiencies and weak bones, is okay. What is the moral difference between putting a 50 percent surcharge on imported clothing and commanding millions of poor people to wear tattered garments?

Every trade restraint is a moral issue, forcibly sacrificing some Americans for the benefit of others. Treasury Secretary Robert Walker observed in 1845, "If the marshall were sent by the federal government to collect a direct tax from the whole people, to be paid over to the manufacuring capitalists to enable them to sustain their business, or realize a larger profit, it would be the same in effect as the protective duty." If a businessman pulls a gun on a customer and demands 20 percent more for a product, that is robbery. If a politician intervenes to the same effect, it is fair trade. As the Supreme Court said in 1875, "To lay with one hand the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery because it is done under the forms of law and is called a taxation."

Protectionism rests on a moral glorification of an economy's least competitive producers. A member of the other body announced in 1988: "The market will take care of consumers. The Government must take care of producers. No government was ever organized to get everybody something for a cheap price. The market does that." (Hollings made that observation in a speech calling for further government suppression of the market.) Protectionism is a Dred Scott policy for consumers—the federal government promises not to let American buyers escape from American businesses that want to charge consumers higher prices.

Fair trade is based on the doctrine that producers have rights and consumers have duties. Fair trade assumes that the consumer's freedom of choice is an injustice to the producer. The soul of protectionism is that government should force customers to carry a company that cannot stand on its own two feet. Protectionism is an economic no-fault insurance policy: no matter how often an American company crashes in the marketplace, the consumer must pay the bill.

Federal officials have long talked and acted as if they had a droit du seigneur over American consumers. U.S. Deputy Trade Representative Linn Williams declared on December 4, 1989, "I should also note that the U.S. has 'contributed' a substantial part of its domestic market to imported steel." It is outrageous for a high-ranking government official to speak of the U.S. government allowing some Americans to buy imported steel as a contribution—as if government officials own the consumers' dollar and can decide to "contribute" it to whom they choose. That statement epitomizes the notion that government officials own the market they seek to control. Rep. Joseph M. Gaydos (D-Pa.), executive chairman of the House Steel Caucus, declared in 1988, "We're not going to allow domestic companies, if we can help it, to buy [steel] overseas." Federal officials talk as if they have the right to dispose of the dollars of any American company or citizen that needs to buy steel, or sugar, or cheese, or an auto. In 1990 another member of the other body denounced U.S. textile policy "that gives our market to foreigners." The gentleman apparently believes that the U.S. Congress should have the right and power to give the market to whom it chooses. To talk of giving the market is, in reality, to talk of giving away the dollars of anyone who must depend on that market. For politicians to allocate market share is to treat consumers like serfs who can be freely traded by their lords.

Medieval theologian Duns Scotus declared that a price was just when "the owners of things . . . preserve equality of value in the things exchanged, according to right reason judging of the nature of the thing exchanged in relation to its human use." U.S. trade law assumes that goods have an objective value in themselves that can be determined in a bureaucratic vacuum thousands of miles from the market where the product is exchanged. The soul of American trade law is that bureaucrats and politicians, not buyers and sellers, are the proper judges of fair value. All the absurdities, biases, and scholastic methods follow from that principle. Fair trade essentially substitutes the moral and political values of federal policymakers for the economic values of private citizens.

CONCLUSION

Fair trade is an income redistribution system based on the capture of political power. In the end, the morality of fair trade is pure realpolitik—the deification of power as an end in itself. Should the capture of political machinery give some Americans a right to put their hands in other Americans' pockets? Should politicians have the right to reduce one man's standard of living in order to buy another man's vote?

There is no way that restricting Americans' opportunity to buy and sell can make America a richer land. Protectionism is the ultimate "less is more" policy—a policy based on the idea that the United States will become richer if the government forces Americans to pay higher prices for fewer goods. Every trade barrier imposes an opportunity cost on the American economy.

Every unnecessary burden the U.S. government places on American industry and agriculture means lost exports and reduced income for American citizens. The fewer crutches the government provides, the faster American industry will run. Should we hold U.S. productivity hostage to the stubbornness or stupidity of other nations' trade policymakers? Should the United States wait until it receives a foreign bribe before it looks to its own interests? Are dairy import quotas—and the brittle bones of the American elderly—an asset that we should demand to be compensated for giving up? Are the tattered clothes of many poor Americans something the nation should be proud of? Is a federal sugar policy that drives American food manufacturers overseas a national asset?

The rising phobia of imports and trade balances misses the purpose of trade. Trade allows consumers everywhere a chance to benefit from increases in productivity anywhere. As Emerson observed, "If a talent is anywhere born into the world, the community of nations is enriched." Trade binds humanity together in laboring for mutual benefits. The expansion of trade between the end of World War II and the 1980s produced the greatest era of prosperity in world history.

The fundamental issue is not whether foreign governments treat American companies fairly but whether American citizens receive fair treatment from their government. Even if trade barriers exist abroad, U.S. politicians should not perpetuate them here. We should cease punishing American consumers for the alleged sins of foreign governments.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BOEHNER) to revise and extend their remarks and include extraneous material:)

Mr. SOLOMON, for 60 minutes each day, on February, 3, 4, 5, 6, and 7.

Mr. BURTON of Indiana, for 60 minutes each day, on March 2, 3, 4, 5, 6, 9, 10, 11, 12, 13, 16, 17, 18, 19, 20, 23, 24, 25, 26, 27, 30, and 31.

Mr. DREIER of California, for 60 minutes each day, on February 3, 4, 5, and 6.

Mr. BILIRAKIS, for 60 minutes, on March 25.

Mr. HUNTER, for 15 minutes, today.

(The following Members (at the request of Ms. PELOSI) to revise and extend their remarks and include extraneous material:)

Ms. PELOSI, for 5 minutes, today.

Mr. GEJDENSON, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MICHEL, and to include extraneous material notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $2,977.

(The following Members (at the request of Mr. BOEHNER) and to include extraneous matter:)

Mr. GREEN of New York.

Mr. BATEMAN.

Ms. ROS-LEHTINEN.

Mr. SHAW.

(The following Members (at the request of Ms. PELOSI) and to include extraneous matter:)

Mr. ROE.

Mr. BONIOR.

Mr. LANTOS.

Mr. FEIGHAN.

ADJOURNMENT

Mr. DELAY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 8 minutes p.m.), under its previous order, the House adjourned until Monday, February 3, 1992, at 12 noon.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports of various committees and miscellaneous groups of the U.S. House of Representatives concerning the foreign currencies used by them for official foreign travel during the second and third quarters of 1991, as well as the consolidated report of expenditures for official foreign travel authorized by the Speaker of the U.S. House of Representatives in the third and fourth quarters of 1991, pursuant to Public Law 95-384 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SELECT COMMITTEE ON HUNGER, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Patricia R. Johnson	4/15	4/19	Invory Coast		338.00				[3] 250.00		588.00
	4/19	4/20	Senegal	2,870	67.00						67.00
Chartered transportation round trip							1,995.00				1,995.00
Hon. Tony P. Hall	5/23	5/26	Haiti	2,808	380.00		432.14				812.14
	5/26	5/27	Dominican Republic	2,870	226.50						226.50
Military transport round trip							4,621.29				4,621.29
Hon. Alan Wheat	5/23	5/26	Haiti	2,808	380.00		432.14				812.14
	5/26	5/27	Dominican Republic	2,870	226.50						226.50
Military transport round trip							4,621.29				4,621.29
Hon. Bill Emerson	5/23	5/26	Haiti	2,808	380.00		432.14				812.14
	5/26	5/27	Dominican Republic	2,870	226.50						226.50
Military transport round trip							4,621.29				4,621.29
Martin S. Rendon	5/23	5/26	Haiti	2,808	380.00		432.14				812.14
	5/26	5/27	Dominican Republic	2,870	226.50						226.50
Military transport round trip							4,621.29				4,621.29
Neal F. Flieger	5/23	5/26	Haiti	2,808	380.00		432.14				812.14
	5/26	5/27	Dominican Republic	2,870	226.50						226.50
Military transport round trip							4,621.29				4,621.29
Anthony W. Gambino	5/23	5/26	Haiti	2,808	380.00		432.14				812.14
	5/26	5/27	Dominican Republic	2,870	226.50						226.50
Military transport round trip							4,621.29				4,621.29
Liesl C. Leach	5/23	5/26	Haiti	2,808	380.00		432.14				812.14
	5/26	5/27	Dominican Republic	2,870	226.50						226.50
Military transportation round trip							4,621.29				4,621.29
Committee total					4,650.50		37,369.01		250.00		42,269.51

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Registration fee.

TONY P. HALL, Chairman, July 31, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE JUDICIARY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Michael J. Kopetski	8/26	8/28	Hong Kong		504.00						504.00
	8/28	8/31	Thailand		352.00		144.88				496.88
	8/31	9/3	India		500.00		66.39				566.39
	9/3	9/5	Pakistan		150.00		62.81		2.46		215.27
	9/5	9/9	Turkey		814.00		268.13				1,082.13
	9/9	9/10	France		242.00						242.00
Commercial transportation							4,328.70				4,328.70
Committee total					2,562.00		4,870.91		2.46		7,435.37

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JACK BROOKS, Chairman, Dec. 23, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Barber, Melanie	9/28	10/6	United Kingdom	849.80	1,470.00		[3]3,966.00				
						206.30	[4]356.85				5,792.85
Brooks, Sharon K.	7/7	7/10	Korea	442,740	609.00		[3]2,917.00				
	7/10	7/12	Japan	104,719	755.00						4,281.00
DeFarrari, Gina	8/19	8/23	Canada	920.00	804.00		[3]480.68				1,284.68
Moore, Charles O.	9/7	9/21	Kenya		2,080.50		[3]5,322.00				7,402.50
O'Malley, Brian	9/4	9/6	Germany		371.00		[3]5,736.00				
	9/6	9/9	Italy		769.00						6,876.00
Wilkinson, Cynthia M.	9/15	9/20	Norway	9,069.40	1,370.00		[3]2,630.00				4,000.00
Williams, Lori C.	8/5	8/10	Canada		550.00		[3]803.78				1,353.78
Welch, Edmund B.	9/15	9/20	Norway	1,813,90	[5]274.00						274.00
Committee total					9,052.50		22,212.31				31,264.81

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Commercial airfare.

[4] Ground transportation.

[5] 1 day per diem authorized; as speaker at Lloyd's List International & Marine Marketing International, air and expenses paid by sponsors; 2 days of meetings with Norwegian Ministry and Norwegian Shipping Department following conference.

WALTER B. JONES, Nov. 19, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SELECT COMMITTEE ON HUNGER, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Tony P. Hall	8/5	8/10	Uganda (M&IE)		375.00						375.00
	8/28	8/29	Kenya	3,627	125.00						125.00
	8/30	9/1	Sudan	6,481	533.43		125.00		[3]896.23		1,554.66
	9/1	9/3	Ethiopia	859	418.00						418.00
	9/3	9/4	Djibouti	40,850	231.00				[3]147.02		378.02
	9/4	9/5	Egypt	551	165.00						165.00
Commercial travel: IAD–FRA–NBO, Entebbe–NBO, and FRA–IAD.							6,196.00				6,196.00
Military transport: NBO through FRA							9,627.68				9,627.68
Hon. Alan Wheat	8/28	8/29	Kenya	3,627	125.00						125.00
	8/30	9/1	Sudan	6,481	533.46	685	56.38				589.83
	9/1	9/3	Ethiopia	859	418.00						418.00
	9/3	9/4	Djibouti	40,850	231.00						231.00
Commercial travel: IAD–FRA and JIB–CDG–IAD.							5,846.96				5,846.96
Military transport: FRA through JIB							9,627.68				9,627.68
Hon. J. Dennis Hastert	8/27	8/28	Germany		89.00						89.00
	8/28	8/29	Kenya	3,627	125.00						125.00
	8/30	9/1	Sudan	6,483	533.54		125.00				658.54
	9/1	9/3	Ethiopia	859	418.00						418.00
	9/3	9/4	Djibouti	40,850	231.00						231.00
	9/4	9/5	Egypt	551	165.00						165.00
Commercial travel: ORD–FRA–ORD							5,616.00				5,616.00
Military transport: FRA through FRA							15,873.93				15,873.93
Mary C. (Polly) Byers	8/27	8/28	Germany		89.00						89.00
	8/28	8/29	Kenya	3,627	125.00						125.00
	8/30	9/1	Sudan	9,023	742.67		125.00				867.67
	9/1	9/3	Ethiopia	859	418.00						418.00
	9/3	9/4	Djibouti	40,850	231.00						231.00
	9/4	9/5	Egypt	551	165.00						165.00
Commercial travel: IAD–FRA–IAD							3,046.00				3,046.00
Military transport: FRA through FRA							15,893.93				15,898.93
Barbara J. Earman	8/27	8/28	Germany		89.00						89.00
	8/28	8/29	Kenya	3,637	125.00						125.00
	8/30	9/1	Sudan	6,729	553.79		125.00				678.79
	9/1	9/3	Ethiopia	859	418.00						418.00
	9/3	9/4	Djibouti	40,850	231.00						231.00
	9/4	9/5	Egypt	551	165.00						165.00
Commercial travel: IAD–FRA–IAD							3,046.00				3,046.00
Military transport: FRA through FRA							15,873.93				15,873.93
Martin S. Rendon	8/27	8/28	Germany		89.00						89.00
	8/28	8/29	Kenya	3,627	125.00						125.00
	8/30	9/1	Sudan	6,481	533.44		125.00				658.44
	9/1	9/3	Ethiopia	859	418.00						418.00
	9/3	9/4	Djibouti	40,850	231.00						231.00
	9/4	9/5	Egypt	551	165.00						165.00
Commercial travel: IAD–FRA–IAD							4,274.00				4,274.00
Military travel: FRA through FRA							15,873.93				15,873.93
Neal H. Flieger	8/27	8/28	Germany		89.00						89.00
	8/28	8/29	Kenya	3,627	125.00						125.00
	8/30	9/1	Sudan	6,482	533.53		125.00				658.53
	9/1	9/3	Ethiopia	859	418.00						418.00
	9/3	9/4	Djibouti	40,850	231.00						231.00
	9/4	9/5	Egypt	551	165.00						165.00
Commercial travel: IAD–FRA–IAD							3,046.00				3,046.00
Military travel: FRA through FRA							15,873.93				15,873.93
Committee total					11,191.85		130,502.35		1,043.25		142,737.45

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Control room, overtime etc.

TONY P. HALL, Chairman, Oct. 31, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO GERMANY AND DENMARK, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 25 AND AUG. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Frank McCloskey	8/25	8/29	Germany		1,036.00						
	8/29	8/30	Denmark		259.00						
							3,302.00				
Hon. Rick Boucher	8/25	8/29	Germany		1,036.00						
	8/29	8/30	Denmark		259.00						
							3,302.00				
Committee total					2,590.00		6,604.00				9,194.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

FRANK McCLOSKEY, Nov. 22, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO BONN, GERMANY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN SEPT. 3 AND SEPT. 7, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Richard A. Gephardt	9/3	9/6	Germany	1,646.96	952.00		4,065.00				5,017.00
Andrea King	9/3	9/7	Germany	1,646.96	952.00		4,065.00				5,017.00
Committee total					1,904.00		8,130.00				10,034.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RICHARD A. GEPHARDT, Nov. 21, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO NORWAY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 8 AND NOV. 12, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Glenn M. Anderson	11/9	11/12	Norway		[3]843.00						843.00
Dr. James D. Ford	11/9	11/12	Norway		[3]843.00						843.00
Committee total					1,686.00						1,686.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Military transportation.

GLENN M. ANDERSON, Nov. 22, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO HUNGARY, CZECHOSLOVAKIA, AND BULGARIA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 9 AND NOV. 23, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Cathy Brickman	11/10	11/16	Hungary	70,038.00	894.00						894.00
	11/16	11/19	Czechoslovakia		630.00						630.00
	11/19	11/23	Bulgaria		365.00						365.00
Commercial transportation							3,657.01				3,657.01
William Freeman	11/10	11/16	Hungary	70,038.99	894.00						894.00
	11/16	11/19	Czechoslovakia		630.00						630.00
	11/19	11/23	Bulgaria		365.00						365.00
Commercial transportation							3,657.01				3,657.01
Committee total					3,778.00		7,314.02				11,092.02

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

KRISTI E. WALSETH, Jan. 3, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. PHILLIP SCHILIRO, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 26 AND SEPT. 3, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Philip M. Schiliro	8/26	9/3	Switzerland	1,729.21	1,141.00					1,729.21	1,141.00
Committee total					1,141.00						1,141.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PHILIP M. SCHILIRO, Oct. 1, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. PHILLIP W. ROTONDI, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 26 AND SEPT. 10, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Phillip W. Rotondi	8/26	8/28	Hong Kong		504.00						504.00
	8/28	8/31	Thailand		352.00		144.88				496.88
	8/31	9/3	India		500.00		66.39				566.39
	9/3	9/5	Pakistan		150.00		62.81		2.46		215.27
	9/5	9/9	Turkey		814.00		268.13				1,082.13
	9/9	9/10	France		242.00						242.00
Commercial transportation							4,526.70				4,526.70
Committee total					2,562.00		5,068.91		2.46		7,633.37

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PHILLIP W. ROTONDI, Dec. 20, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MS. DIANNE TREMBLAY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN SEPT. 17 AND SEPT. 23, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Dianne Tremblay	9/18	9/19	Jordan		186.00						186.00
	9/19	9/20	Israel		220.00						220.00
	9/20	9/23	Armenia		438.00						438.00
Committee total					844.00						844.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DIANNE TREMBLAY, Oct. 2, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MS. KATHLEEN M. SULLIVAN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 12 AND NOV. 19, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Kathleen M. Sullivan	11/12	11/19	Bangkok	29,808	1,192.32						
Committee total											1,192.32

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

KATHLEEN M. SULLIVAN, Nov. 15, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MS. JUDITH M. RODRIGUEZ, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 29 AND DEC. 2, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Judith M. Rodriguez	11/29	12/2	Honduras	3,624	600.00		1,170.00			3,624	1,770.00
Committee total					600.00		1,170.00				1,770.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JUDITH M. RODRIGUEZ, Jan. 9, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. MATTHEW A. REYNOLDS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN DEC. 2 AND DEC. 13, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Matthew A. Reynolds	12/2	12/6	Thailand and Cambodia		852.00						852.00
	12/6	12/8	Laos and Vietnam		191.00						191.00
	12/8	12/10	Hong Kong		504.00						504.00
	12/2	12/13					[3]2,871.70				[3]2,871.70
Committee total					1,547.00		2,871.00				4,418.70

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Commercial air travel to/from region.

MATTHEW A. REYNOLDS, Jan. 10, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MS. KRISTI WALSETH, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN DEC. 2 AND DEC. 15, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Kristi E. Walseth	12/2	12/4	Albania		390.00						390.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MS. KRISTI WALSETH, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN DEC. 2 AND DEC. 15, 1991—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
	12/4	12/5	Italy		308.00						308.00
	12/5	12/7	Hungary	30,210.00	388.00						388.00
	12/7	12/12	Bulgaria		1,108.00						1,108.00
	12/12	12/15	France	1,373.79	245.00						245.00
Commercial transportation							3,986.70				3,986.70
Committee total					2,439.00		3,986.70				6,425.70

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

KRISTI E. WALSETH, Jan. 14, 1992.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, NORTH ATLANTIC ASSEMBLY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 18 AND OCT. 22, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Jack Brooks	10/18	10/21	Spain		1,020.00						1,020.00
Hon. Charlie Rose	10/18	10/22	Spain		1,275.00						1,275.00
Hon. Larry Smith	10/18	10/22	Spain		1,275.00						1,275.00
Hon. Bill Richardson	10/18	10/22	Spain		1,020.00						1,020.00
Hon. Ron Coleman	10/18	10/22	Spain		1,275.00						1,275.00
Hon. Nancy Pelosi	10/18	10/21	Spain		1,020.00						1,020.00
Hon. David Price	10/18	10/21	Spain		1,020.00						1,020.00
Hon. Ben N. Campbell	10/18	10/21	Spain		1,020.00						1,020.00
Hon. Gerald Solomon	10/18	10/21	Spain		1,020.00						1,020.00
Hon. J. Alex McMillan	10/18	10/21	Spain		1,020.00						1,020.00
Hon. Thomas Bliley	10/18	10/21	Spain		1,020.00						1,020.00
Hon. Tom Lewis	10/18	10/20	Spain		765.00		[3] 1,843.00				2,608.00
Hon. Marge Roukema	10/18	10/21	Spain		1,020.00						1,020.00
Hon. Sharon Matts	10/18	10/21	Spain		1,020.00						1,020.00
Hon. Ronald W. Lasch	10/18	10/21	Spain		1,020.00						1,020.00
Hon. Brian Dean Curran	10/18	10/21	Spain		1,020.00						1,020.00
Hon. Robert Shea	10/18	10/21	Spain		1,020.00						1,020.00
Committee total					17,850.00		1,843.00				19,693.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Military and commercial transportation.

DANTE B. FASCELL, Chairman, Nov. 12, 1991.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2737. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9–133, "Closing of a Segment of a Dead End Public Alley in Square 516, S.O. 87–430, Act of 1992," and report, pursuant to D.C. Code, section 1–233(c)(1); to the Committee on the District of Columbia.

2738. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of the Secretary's determination and justification that it is in the national interest to grant assistance to Senegal, pursuant to 22 U.S.C. 2370(g); to the Committee on Foreign Affairs.

2739. A letter from the Chairman, Board for International Broadcasting, transmitting the Board's annual report on its activities, as well as its review and evaluation of the operation of Radio Free Europe/Radio Liberty for the period October 1, 1990, through September 30, 1991, pursuant to 22 U.S.C. 2873(a)(9); to the Committee on Foreign Affairs.

2740. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to correct an error in Public Law 100–425 relating to the reservation for the Confederated Tribes of the Grand Ronde Community of Oregon; to the Committee on Interior and Insular Affairs.

2741. A letter from the Federal Bureau of Prisons, Director, transmitting the Federal Bureau of Prisons' Annual Report on Functional Literacy Requirement for All Individuals in Federal Correctional Institutions, pursuant to Public Law 101–647, section 2904 (104 Stat. 4914); to the Committee on the Judiciary.

2742. A letter from the Director, Office of Personnel Management, transmitting the interim report on the Senior Executive Service, pursuant to 5 U.S.C. 3135(a), 4314(d); to the Committee on Post Office and Civil Service.

2743. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a report on the transfer of property to the Republic of Panama under the Panama Canal Treaty of 1977 and related agreements, pursuant to 22 U.S.C. 3784(b); jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries.

2744. A letter from the Comptroller General of the United States, transmitting a copy of a report entitled, "Promoting Democracy, National Endowment for Democracy Efforts to Improve Grant Management; jointly, to the Committees on Foreign Affairs and Government Operations.

2745. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to enhance the law enforcement authority of the Secretary of the Interior on public lands, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and the Judiciary.

2746. A letter from the Secretary of Health and Human Services, transmitting the annual report of the Indian Health Care Improvement Act covering the major activities and accomplishments of the Indian Health Service during fiscal year 1990, pursuant to 25 U.S.C. 1671; jointly, to the Committees on Interior and Insular Affairs, Energy and Commerce, and Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GALLO:

H.R. 4142. A bill to require the Administrator of the Environmental Protection Agency to undertake a study of Superfund sites to assess the progress of reducing the health and environmental risks and to prioritize the need to clean up the remaining sites; to the Committee on Energy and Commerce.

By Mr. HOUGHTON:

H.R. 4143. A bill to provide improved access to health care, and for other purposes; jointly, to the Committees on Ways and Means, Energy and Commerce, and the Judiciary.

By Mr. HUGHES (for himself, Mr. FISH, and Mr. MOORHEAD):

H.R. 4144. A bill to authorize appropriations for carrying out the activities of the State Justice Institute for fiscal years 1993, 1994, 1995, and 1996, and for other purposes; to the Committee on the Judiciary.

By Mr. SHAYS (for himself, Mr. LIVINGSTON, and Mr. WALSH):

H.R. 4145. A bill to amend the Federal Election Campaign Act of 1971 to tighten the prohibition of fraudulent misrepresentation of campaign authority; to the Committee on House Administration.

By Mr. RAMSTAD:

H.R. 4146. A bill to extend until January 1, 1995, the existing temporary suspension of duty on cyclosporine; to the Committee on Ways and Means.

By Mrs. COLLINS of Illinois:

H.J. Res. 393. Joint resolution designating October 1992 as "National Breast Cancer

Awareness Month''; to the Committee on Post Office and Civil Service.

By Mr. PORTER (for himself, Mr. HOYER, Mr. ATKINS, Mr. BROWN, Mr. COOPER, Mr. FUSTER, Mr. GILMAN, Mr. GUARINI, Ms. HORN, Mr. HORTON, Mr. KOPETSKI, Mr. KOSTMAYER, Mr. MCMILLEN of Maryland, Mrs. MEYERS of Kansas, Ms. MOLINARI, Mrs. MORELLA, Ms. NORTON, Mr. OWENS of Utah, Mr. SCHEUER, Mr. SIKORSKI, Mrs. UNSOELD, and Mr. WOLPE):

H.J. Res. 394. Joint resolution expressing the sense of the Congress that the President of the United States should travel to Brazil to lead the United States delegation to the United Nations Conference on Environment and Development; to the Committee on Foreign Affairs.

By Ms. SNOWE:

H.J. Res. 395. Joint resolution designating February 6, 1992, as ''National Women and Girls in Sports Day''; to the Committee on Post Office and Civil Service.

By Mr. WAXMAN (for himself and Mr. TORRICELLI):

H.J. Res. 396. Joint resolution designating April 15, 1992 as ''National Recycling Day''; to the Committee on Post Office and Civil Service.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 74: Mr. INHOFE.

H.R. 124: Mrs. MINK.

H.R. 212: Mr. PAYNE of New Jersey.

H.R. 335: Mr. EMERSON.

H.R. 917: Mr. MOLLOHAN, Mr. SKEEN, and Mr. HATCHER.

H.R. 962: Mr. FROST.

H.R. 1025: Mr. KOLBE.

H.R. 1120: Mr. GALLO.

H.R. 1130: Mr. EDWARDS of Oklahoma.

H.R. 1200: Mr. YOUNG of Alaska and Mr. GILMAN.

H.R. 1354: Mrs. MEYERS of Kansas, Mr. COLEMAN of Texas, Ms. MOLINARI, and Mr. GALLEGLY.

H.R. 1456: Mr. PURSELL.

H.R. 1536: Mr. DORNAN of California and Mr. ESPY.

H.R. 1969: Mr. MCMILLEN of Maryland, Mr. PAYNE of New Jersey, Mr. SCHUMER, and Mrs. MORELLA.

H.R. 2086: Mr. KOPETSKI, Mr. MARTINEZ, and Mr. MCNULTY.

H.R. 2419: Mr. LANCASTER, Mr. JONES of North Carolina, Mr. MARKEY, Mr. RUSSO, Mr. HYDE, Mr. AUCOIN, Mr. RAMSTAD, Mr. PORTER, and Mr. YATES.

H.R. 2522: Mr. STARK.

H.R. 2773: Mr. LEWIS of Florida.

H.R. 2870: Mr. UPTON and Mr. HERGER.

H.R. 2914: Mrs. BENTLEY.

H.R. 3122: Mr. REED.

H.R. 3138: Mr. MRAZEK and Mr. BRYANT.

H.R. 3212: Mr. BALLENGER, Mr. DOOLITTLE, Mr. DICKINSON, Mr. BARTON of Texas, Mr. RIGGS, and Mr. SOLOMON.

H.R. 3376: Mr. UPTON.

H.R. 3464: Ms. SLAUGHTER, Mr. WOLPE, Mr. BLILEY, Mr. OWENS of Utah, Mr. SAVAGE, and Mr. MURPHY.

H.R. 3472: Mr. BEILENSON.

H.R. 3654: Mr. BROOMFIELD, Mr. BURTON of Indiana, Mr. CHAPMAN, Mr. COUGHLIN, Mr. DELAY, Mr. DREIER of California, Mr. DUNCAN, Mr. GUNDERSON, Mr. HANCOCK, Mr. HEFLEY, Mr. LAGOMARSINO, Mr. LEWIS of California, Mr. MILLER of Ohio, Mr. RHODES, Mr. RITTER, Mr. ROHRABACHER, Mr. SAXTON, Mr. SOLOMON, and Mr. ZELIFF.

H.R. 3718: Mr. TRAXLER, Mr. MCMILLEN of Maryland, Mr. MARTINEZ, Mr. FALEOMAVAEGA, and Mrs. BYRON.

H.R. 3744: Mr. LOWERY of California, Mr. EMERSON, and Mr. HERGER.

H.R. 3838: Mr. SWIFT, Mr. WELDON, Mr. LAGOMARSINO, Mr. GEREN of Texas, Mr. PORTER, Mr. TALLON, Mr. HAYES of Louisiana, Mr. WALKER, Mr. LANCASTER, Mr. KYL, Mr. LOWERY of California, Mr. STENHOLM, Mr. RHODES, Mr. SMITH of Florida, Mr. BRUCE, Mr. COLEMAN of Texas, Mr. COMBEST, Mr. OXLEY, Mr. HEFLEY, Mr. NEAL of North Carolina, Mr. EVANS, and Mr. GALLEGLY.

H.R. 3846: Mr. BLACKWELL.

H.R. 3850: Mr. DOOLEY, Mr. BARNARD, Mr. THOMAS of Georgia, Mr. THOMAS of Wyoming, Mr. MCEWEN, Mr. ROTH, Mr. BATEMAN, Mr. DICKS, Mr. LAFALCE, Mr. HASTERT, Mr. GRANDY, Mr. CHAPMAN, Mr. STEARNS, Mr. JOHNSON of South Dakota, Mr. NICHOLS, Mr. MCCOLLUM, Mr. SKEEN, Mr. BEREUTER, Mr. GOODLING, Mr. MCCRERY, Mr. LIGHTFOOT, and Mr. FIELDS.

H.R. 3887: Mr. EMERSON.

H.R. 4007: Mr. MATSUI, Mr. MOORHEAD, Mr. TOWNS, Mr. HORTON, Mr. ROYBAL, Mr. MARTINEZ, Ms. SLAUGHTER, Mr. LENT, Mr. KOSTMAYER, Ms. ROS-LEHTINEN, Mr. ANDREWS of Maine, Mr. BLAZ, Mr. APPLEGATE, Mr. ANDERSON, Mr. JEFFERSON, Ms. NORTON, Mr. MANTON, Mr. DELLUMS, Mr. ENGEL, Mr. KOPETSKI, and Ms. KAPTUR.

H.R. 4083: Mr. BRUCE, Mr. JOHNSON of South Dakota, Mr. DEFAZIO, Mr. MILLER of California, Mr. KOPETSKI, Mr. RAHALL, Mr. KOLTER, Mr. MURTHA, Mr. OBERSTAR, Mr. STARK, Mr. MURPHY, Mr. MANTON, Mr. WILLIAMS, and Mr. PETERSON of Minnesota.

H.R. 4104: Mr. KILDEE, Mr. LUKEN, Mr. NOWAK, Mr. OLVER, Mr. ARMEY, Mr. BALLENGER, Mr. DANNEMEYER, Mr. DUNCAN, Mr. FAWELL, Mr. GALLEGLY, Mr. GEKAS, Mr. HENRY, Mr. HOUGHTON, Mr. KASICH, Mr. LAGOMARSINO, Mr. LENT, Mrs. MEYERS of Kansas, Mr. MOORHEAD, Mr. RIGGS, Mr. ROHRABACHER, Mr. SCHULZE, Mr. STUMP, and Mr. WALKER.

H.R. 4120: Mr. OBERSTAR.

H.R. 4133: Mr. SANTORUM.

H.J. Res. 45: Mr. DICKINSON.

H.J. Res. 69: Mr. HUGHES.

H.J. Res. 107: Mr. PICKLE, Mrs. PATTERSON, Mr. PETRI, Mr. DEFAZIO, and Mr. BALLENGER.

H.J. Res. 344: Mr. BEILENSON.

H.J. Res. 390: Ms. PELOSI, Mr. RAVENEL, Mr. PURSELL, Mr. THOMAS of Georgia, Mr. WOLPE, Mr. SMITH of Iowa, Mr. HORTON, Mr. YATES, Mr. FORD of Michigan, Mr. MCCOLLUM, Mr. APPLEGATE, Mr. LANTOS, Mr. FAWELL, Mr. GALLEGLY, Mr. STUDDS, Mr. GILMAN, Mr. TRAFICANT, Mr. WALSH, Mr. WOLF, Mr. TRAXLER, Mr. ORTON, Mr. BREWSTER, Mr. HEFNER, Ms. NORTON, Mr. LEVIN of Michigan, Mr. DORNAN of California, Mr. DOOLITTLE, and Mr. GONZALEZ.

H. Con. Res. 256: Mr. BENNETT, Mr. SKEEN, Mr. MRAZEK, Mr. KOPETSKI, Mr. ROE, Mr. LEVIN of Michigan, Mr. LEWIS of Florida, Mr. SMITH of Florida, Mrs. BOXER, and Mr. EVANS.

H. Res. 302: Mr. FROST.

SENATE—*Thursday, January 30, 1992*

The Senate met at 10 a.m. and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The prayer will be led by the Senate Chaplain, the Reverend Richard C. Halverson.

Dr. Halverson, please.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Patient God, infinite in love and mercy, the exhortation of the apostle Paul reveals our vulnerability as a people. "I exhort therefore, that, first of all, supplications, prayers, intercessions, and giving of thanks, be made for all men; For kings, and for all that are in authority; that we may lead a quiet and peaceable life in all godliness and honesty" (I Timothy 2:1-2). It becomes apparent, Lord, that one very basic reason for the condition of our society is our prayerlessness. We long for a quiet and peaceable life in all godliness and honesty. The environment in which we dwell often lacks these desirable qualities and, not uncommonly, contradicts them.

We thank Thee, our heavenly Father, for the blessing of the National Prayer Breakfast this morning, and we pray that it will be a stimulus to more faithful, constant prayer on the part of many. That in obedience to the word of Paul, we may enjoy the social order which he promises and for which we so deeply long. Hear us and help us, gracious Lord.

We pray in the name of Jesus who spent much time in prayer to His Father. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The Senate will be in order.

Under the standing order, the majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, today the period for morning business will extend until 11 o'clock a.m. During the morning business period several Senators will be recognized to speak by prior agreement.

At 11 a.m. the Senate will return to consideration of S. 12, the cable television bill, and at that time, Senator PACKWOOD is expected to offer his substitute amendment.

It is my understanding that in addition to the Packwood substitute amendment there are a number of other amendments which may be offered. Yesterday, I encouraged those Senators who intend to offer amendments to do so, and I now repeat my request.

It is my hope and expectation that we will complete action on this bill today and, therefore, if any Senator has an amendment to offer this is the appropriate day on which to do so.

Rollcall votes could occur during the day and into this evening as the managers of the bill have expressed to me their determination to proceed promptly with the bill and hopefully to complete action on it today.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the balance of my leader time and all of leader time of the distinguished Republican leader.

I yield the floor.

The PRESIDENT pro tempore. Without objection, the time of both leaders will be reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. The Senate will now proceed to the consideration of morning business not to extend beyond the hour of 11 o'clock a.m., with Senators permitted to speak therein.

Ms. MIKULSKI addressed the Chair.

The PRESIDENT pro tempore. The Senator from Maryland.

Ms. MIKULSKI. Thank you very much, Mr. President. I wish to be able to speak in morning business.

The PRESIDENT pro tempore. The Senator has that permission and the Senator from Maryland [Ms. MIKULSKI] is recognized.

SUPPORT OF S. 12, THE CABLE TELEVISION CONSUMER PROTECTION ACT

Ms. MIKULSKI. Mr. President, today I rise in strong support of the legislation to regulate cable TV. The people in Maryland and across America feel that they are paying too much for cable and they want Congress to do something about it. Do not get me wrong. I like cable. I depend on it. My schedule does not allow me to plan to be at home sometimes to catch the evening news. When I get home late at night I will see cable and often reruns of hearings within the Senate itself that I could not attend.

I know that Marylanders truly need cable. The elderly, those shut in their homes, rely on cable as their links to the world. They rely on CNN or the weather channel. Many use it as a form of companionship. They need to be guaranteed that they can get cable service at a reasonable price.

We have great programming like the Discovery Channel put together in the State of Maryland. But my own experience and that of many fellow Marylanders is that there are serious problems with rates and service. Cable rates are skyrocketing across my State of Maryland. Even in the past week rates went up. Five years ago, in Montgomery County, cable service went for $1.50 a month. Now it is over $24. In Baltimore, cable used to cost $5 a month. Now it is $18. Across Maryland and across America, cable is going up at three times the rate of inflation.

Those who depend on cable and those who use it for entertainment tell me the rates are too high and that deregulation went too far. High rates and also bad service have made them very cranky with many of their cable companies. Installation and repairs can be a nightmare. Many cable companies have telephone numbers that are always busy, or never picked up. If they are lucky enough to get through, they still will have problems in being able to get the service they need. That is why Marylanders are telling me cable TV is really a utility.

Marylanders have a public service commission for gas and electric rates, for telephone rates, and they would like to have some type of regulation or public service commission for cable rates, particularly where there is the absence of competition.

That is why I support the legislation before the U.S. Senate. If cable companies do not face competition, and many of them do not, they will have to provide reasonable services and reasonable rates at these charges. If not, then they must go to the FCC for proper rate regulation.

If they are overcharging and profiting at the consumers' expense, the rates must be dealt with. Mr. President, I believe that legislation before the Congress should be adopted. We need to protect the consumers. Yes, we want to ensure profitability, but we do not want profiteering. That is why I believe that where there is a monopoly, there should be some type of people's service commission to protect the people.

Under this legislation, we would ask the FCC to step in and regulate rates, set consumer service, and I believe the taxpayer and the American public generally will be served by it.

I yield the floor.

Mr. CRANSTON addressed the Chair.

The PRESIDENT pro tempore. The Senator from California [Mr. CRANSTON] is recognized.

CALIFORNIA DESERT PROTECTION ACT

Mr. CRANSTON. Mr. President, I want to speak today, Mr. President, about what many consider the most important or at least among the two most important environmental issues that we will be considering in the Senate this year.

I refer to the California Desert Protection Act which I have introduced, a measure that in almost identical form has already passed the House of Representatives.

Many people believe that the California Desert Protection Act, which seeks to protect the special scenic, ecological, wildlife, recreational and coastal resources of over 7 million acres of southern California desert, is one of 1992's most important pieces of environmental legislation. The bill is not a provincial concern. The California desert is a national treasure, like our coast, which we are protecting to the best of our ability, like the Sierra Nevada Mountains and the wilderness and the wild rivers that we have already protected to a very significant degree.

Whether we decide to preserve it in its natural state or allow its continued exploitation and deterioration—and that is the issue—will signal to the Nation how serious we are about protecting our Nation's grandeur.

Sadly, a considerable amount of misinformation has been circulated of the alleged negative effects of the California Desert Protection Act. Because of the extreme importance of this bill, I, as the Senate author, want to set the record straight.

Opponents are laboring under a number of misconceptions about the measure, apparently unaware of more than a score of changes that have been made since I first introduced it in 1986. Critics have implied that mining in the desert would be halted by this bill, that cattle ranching would be hurt, that recreation-seeking Californians would be locked out of the desert, that it would adversely affect our military interests in the area, and that jobs would be lost.

None of these allegations are true. No jobs would be lost because of the bill, no mines would be shut down, cattle grazing could continue for another quarter-century, military concerns have been addressed, and there will be thousands of miles of dirt routes to satisfy all but the most fanatical off-road vehicle enthusiasts. Far from costing jobs, the bill will boost the economy of the area and create many new jobs. That's what happened elsewhere when national parks were created.

Here are the facts:

MINING

No miner would lose his livelihood or his job because of this bill. All of the three operating mines in the proposed Mojave National Park would continue uninterrupted. All valid existing claims would continue to be honored. There are no active mines in any of the proposed wilderness areas.

GRAZING

No cowboy is likely to lose his job because of this bill; the cowboy culture is not being jeopardized. Only 10 people hold permits for grazing cattle on lands in the proposed Mojave National Park. The bill would not cancel any of these permits, and cattle grazing could continue until the year 2016 under the House-passed version of the bill H.R. 2929.

MILITARY CONCERNS

The bill makes clear that low-level overflights by military aircraft would not be deterred in any way. Additionally, three proposed wilderness areas were dropped from an earlier draft of the bill precisely so as not to preclude the expansion of Fort Irwin.

VEHICLE ACCESS

There are more than 30,000 miles of roads going to, around, and into the proposed parks and wildernesses. These include 15,000 miles of unpaved-unmaintained dirt routes—the kind especially favored by off-road vehicle enthusiasts. Some 2,000 miles of these favored dirt routes are within the proposed Mojave Park itself. Eighty-five percent of the land proposed for wilderness is within 3 miles of vehicular access. This huge amount of vehicular access hardly constitutes locking out the people of California.

The exact opposite is true. Californians will be effectively locked out if we do not act now to enact this bill and protect the desert from further despoilment which will lock them out.

Just in 1991 alone:

Another 1,500 miles of the California desert have been scarred by unauthorized cross country motorized vehicle trails.

A 300-mile long swath, 100- to 150-feet wide, has denuded 4,000 acres of desert because of the Bureau of Land Management's failure to take adequate protection measures with the Kern Mojave pipeline project.

The BLM proposed that sheep grazing, which is known to be especially damaging to tortoise habitat, be permitted in all categories of tortoise habitat.

The Fish and Wildlife Service proposed listing seven more plants endemic to the desert as now threatened or endangered.

Those outrages against nature during the past 12 months were only the latest in a steady destruction of the special scenic, ecological, wildlife, recreational, and cultural resources of the splendor of the California desert.

Though the desert was designated a conservation area 15 years ago, the BLM has permitted excessive construction of new roads, granted destructive free play to off-road vehicles in quiet wilderness study areas, approved two open-pit, cyanide heap leach gold mining operations in the East Mojave National Scenic Area, and overseen the destruction of half the desert tortoise population during the past decade.

The BLM has put at peril a State and national asset as spectacular in its own way as the California coastline and as majestic as the Sierra Nevada Mountains. The California desert is a vast land of breathtaking beauty and diverse habitats—looming sand dunes, extinct volcanoes, 90 mountain ranges, 100,000 archaeological sites, the world's largest Joshua-tree forest, 760 wildlife species, and the planet's oldest living organism: an 11,700-year-old creosote bush.

The driving force behind this bill, the very reason why it was introduced, is to prevent this national storehouse of nature from being subverted for narrow interests and private gain so that all Californians—and all Americans—can experience the beauties of this unique area.

That's why the California Desert Protection Act is so desperately needed.

Mr. President, I yield the floor.

The PRESIDENT pro tempore. Under the order, the Senator from South Dakota [Mr. DASCHLE] is recognized for up to 15 minutes.

Mr. DASCHLE. I thank the Chair.

COMPREHENSIVE HEALTH CARE REFORM

Mr. DASCHLE. Mr. President, last Tuesday evening the President, in his State of the Union Message, for the first time in more than two decades, addressed as President of the United States the issue of health care. I know I speak for virtually everyone in this body in welcoming the President to this debate and urging his call for national health care reform.

Today the Washington Post reported some of the specifics of the President's plan, and while I am encouraged by his interest, I am encouraged by his willingness to enter the fray and public debate, I am discouraged by the elements of the President's plan that were discussed in this morning's paper. I think it is fair to say that the President will propose incremental changes to the current health care system.

There is no question that the debate about solutions to our problems in health care will take one of two forms: There will be those who propose incremental changes, as the President apparently is proposing to do, and there are those who will propose comprehensive changes. I believe that both have merit. But I believe ultimately there will be no other conclusion reached by those in this Chamber and those in the House of Representatives but that we need comprehensive health care reform. We can do it now or we can do it later. But in my view, Mr. President, comprehensive health care reform is absolutely inevitable.

In fact, I do not even think the question of whether we address the issue incrementally or comprehensively is the issue. To the extent it is, it is more a judgment of timing, whether the American people are ready, whether the special interests are still too powerful to prevent comprehensive change. Those are the questions that pertain more to the approach we use, whether it is incremental or comprehensive.

Over the next few weeks, I would like to take the floor to address the health care question from various perspectives, ultimately proposing what I believe to be the best solution.

But before we discuss solutions or even approaches to the solution, I think it is critical that we define the problem. Because if we agree on the problem, on defining the problem, then we are a lot closer to agreeing on ways with which to solve the problems in this case.

If we have no agreement on what the problem is, then what are we doing trying to propose solutions to problems for which we all appear to have different perspectives? I believe the discussion of the problem thus far has been too simplistic. We have largely described the problems as relating to cost and access. I think there is a lot of merit to defining problems related to health in terms of cost and access. Yet, in many ways, cost and access, while real problems, are symptomatic of far deeper structural problems in our health care system today. That is what I want to talk about briefly this morning.

I believe that there are five fundamental problems to health care in America today. The degree of support for any proposal is the degree to which any proposal solves all five problems. The first problem is the one we hear the most about, and really, it is what is driving the issue of health care today. It is cost. It ought to drive the issue, because cost is out of control when it comes to health care. This year we will spend $820 billion on health care delivery, 14 cents out of every dollar of our gross national product. We expect to spend $1.5 trillion by the year 2000. We will double what we are spending now in less than 8 years, if we do nothing. Health care is listed among the leading causes of personal and business bankruptcy today. They cannot afford to pay the cost of health care today; so rather than pay them, businesses and individuals, more and more, are inclined to declare bankruptcy.

The $173 billion spent by American business in 1989 exceeded total after-tax profits. Imagine that. No wonder business is having difficulty competing abroad, when health care costs alone exceed the total after-tax profits that all of American business is experiencing.

Worker health care coverage averaged $1,361 in 1990, a $400 increase since 1988. Medical premiums, by the year 2000, are expected to exceed $22,000 a worker—in 8 years. So brace yourself, if you think it is bad now, the only thing we can tell the American people, if we do nothing or if we do too little, is that it is going to get a whole lot worse. The business share of health cost went from 17 percent in 1965 to 30 percent in 1989. But small business is hit a lot harder than big business. While big business has about a 5-percent allocation of administration costs to health care, 30 to 40 percent of small business health care costs are related to their administrative burden.

So health costs are having a disproportionate effect on individuals and on small business. We need cost containment. I could give the Chamber another 5 minutes of statistics to prove the point, but we do not need that. What we need is genuine cost containment. But everyone should be aware that many proposals that will be offered under the guise of cost containment are nothing but cost shifting. That is what concerns me about the President's proposal, and all those who say all we need is another tax credit, because tax credits are one of the best examples of cost shifting. We are shifting the cost away from the premium payer on to the taxpayer. What benefit is there for us in that, if the Government picks up a greater share of the cost? We have attempted to cost-shift with Medicare and Medicaid caps, saying we are going to quit paying as a governmental entity a certain amount of health care costs. But what happens? The cost gets shifted to the private sector. Let us be careful that when we talk about cost containment, we are not talking about cost shifting. I have no difficulty in supporting cost shifting in the short term, if it will lead to something far more comprehensive and more substantive in the future. Cost shifting does virtually nothing to control costs.

The second problem is access. We have all talked about it and, there again, it does little to belabor the point, except to remind everyone that 35 million Americans—many, many of those Americans children—have no access to health care whatsoever, because they are poor, because they may have preexisting conditions, and because, as with the President pro tempore and the Senator from South Dakota, and to a certain extent the Senator from California, people live outside of areas where health care is being provided today.

In my view, access is the easiest problem to solve. But, in my view it is also one of those problems that exacerbates the other problems that we have to deal with as well. We can pass a law today that everybody has to be covered. That is easy. The question is: How do we pay for it? The question is: How does it deal with all of the other problems that we have in health care? So we have to be careful with the way in which we ensure that everyone has access today.

The third problem is the one that I believe gets short shrift in health care today, and that is allocation. We spend somewhere between 20 and 25 percent of all the money that we allocate to health care to administrative costs in our system today—20 to 25 percent. That is more than twice what any other industrialized country spends, and that is too much. Every health care dollar that goes into paperwork, is health care taken away from prevention, taken away from the things that can make people well. We have to address that in our allocation, and that alone, to me, is a problem that has to be addressed in whatever system we finally subscribe to.

But that is just the first of what I consider to be a far more significant series of problems dealing with allocation. Allocation, in my view, is a structural problem in our health care system today. If you look at health care in any society, I see it as a pyramid. Health care, at the base of that pyramid, is all the primary care, preventive care, the care that we talk about with regard to promoting wellness. That is the cheapest and the most expansive care. It is the care that affects the broadest number of people. Then you start working up that pyramid with more sophisticated, complicated, and more unique care, until you get to the very top. At the top, you have heart transplants, and you have all of the most sophisticated care that our system provides today. Every other society—every other society—provides health care at the base of that pyramid and works its way up until the money runs out. And they consciously decide, in most societies, where that point is along the pyramid; but the money runs out. And if you need care at the very top of the pyramid, chances are, in most societies, you are not going to get it. If you are going to get it, you are going to wait. Incredibly, in our society, we reverse that. We provide care at the top of the pyramid, and we work down until the money runs out. And as a result, that base of the pyramid, that area of health care that is most productive, most important, most preventive, most able to provide wellness, is not covered in our society.

That allocation question, Mr. President, is so critical to the health care debate. We have to find a way to reverse the pyramid. We have to make sure that, as a society, we cover those people at the base of the pyramid, and if we want a health care system that pays for everything all the way to the very top, we can do that. But that is a structural question that we have to address.

The fourth problem is unnecessary medical care. Various studies have been done that indicate we may now be experiencing a situation within health care delivery in our country where 30 percent of the care received is unnecessary—unnecessary. Arnold Growman, one of the editors of the New England Journal of Medicine and a very well known expert in health care, is one who has discussed this matter in great detail and at some length, and very persuasively, in my opinion. But if we are allocating medical care today, 30 percent of which is unnecessary, that, too, is a problem that we have to address.

As I consider the reasons why unnecessary care is being provided, I come to several conclusions. Part of it is defensive medicine. Doctors and providers are saying, "I am going to cover myself, because I do not want to get sued." For a lot of different reasons, for defensive medicine purposes, care is being provided that may be unnecessary, such as unnecessary tests, unnecessary treatment, unnecessary hospitalization, a number of things that are unnecessary for defensive purposes.

The second, frankly, is one that we do not like to talk about, but it is true. Doctors and others in some cases have a proprietary interest in their clinic. They have a proprietary interest in their equipment. They are businessmen as much as they are providers, and they need to make sure that their interest in their equipment or the clinic they may own is going to be successful. Proprietary interest is driving unnecessary medical care today.

I also think that there is the lack of price information, the lack of availability of prices. Somebody sitting in the middle of a large city like Washington, DC, may not know that there could be a 20 percent discrepancy in the cost of a hospital room in one hospital over the cost of a hospital room in another. Ignorance in the system creates, to a certain extent, unnecessary medical care. Were they to know that, were they to be able to find out ahead of time, prospectively, I believe we could bring down the unnecessary care.

Another element is technology. Because it is there we use it. Oftentimes because it is there, we use it too often. Technology is driving unnecessary medical care.

And then, finally, very fundamentally, it is the structural fee-for-service system. The more fees, the more income; the more income, the more the motivation. The motivation is there in our fee-for-service system to structure unnecessary care, and we see that as an increasing problem and one that we have to address as we look to the health care debate.

Mr. President, the final problem is one that I prefer to call hassle. Most people will tell you today it is too much hassle. I do not care whether you are a provider, whether you are an administrator, or whether you are a patient, the hassle factor is getting to be a very ominous part of the problems presented to our American people in health care today.

Last August, New York Times-CBS did a poll that they do quite frequently about issues and concerns. They addressed health care. Last August, according to that New York Times-CBS poll, 90 percent of the American people polled said they wanted fundamental change for complete rebuilding of the health care system, in part because it was too much hassle. The system is no longer "user friendly."

We have a fundamental problem with regard to how able people are to use the system today. Providers and administrators are just as adamant as are patients that we have to change the system to make it easier to use and ensure that we provide better wellness opportunities and more promotion of preventional health care treatment. We have to bring the hassle factor down as well.

We can take incremental approaches, or we can take defensive approaches, but I have to tell you I have yet to be convinced that any incremental approach can adequately address all five of those problems. While we may take them incrementally, ultimately in a comprehensive way, if we are serious about dealing with the problems, we have to be serious about dealing with all five parts of the problem.

So, Mr. President, I will have more to say about each of these problems and some other comparative analyses with regard to other countries and how they have attempted to deal with these problems in future discussions.

But I thank the President for the time, and I yield the floor.[S30JA2-P1]{S630}

The PRESIDENT pro tempore. Under the order, the Senator from California [Mr. SEYMOUR] is recognized for up to 10 minutes.

Mr. SEYMOUR. Thank you, Mr. President.

RESTRICTIONS ON AZERBAIJAN ACT OF 1992

Mr. SEYMOUR. Mr. President, I rise this morning to introduce the restrictions on Azerbaijan Act of 1992. I am pleased to note that the distinguished Republican leader, Senator DOLE, as well as Senators SIMON, LIEBERMAN, KERRY, DECONCINI, D'AMATO, PELL, and JEFFORDS join me as original cosponsors of this important legislation.

As the President so eloquently pointed out in his State of the Union Address 2 days ago, imperial communism has finally disintegrated as a force that once stampeded the political and economic rights of millions of people all over the Eurasian continent. Yet he tempered this perspective by reminding us that new sources of conflict abroad will continue to challenge American security interests. The threat that we knew—Soviet communism—has now been replaced by a new series of threats that we know only from a distance.

Among these newer security threats, perhaps none other than the dispute between the former Soviet Republics of Armenia and Azerbaijan casts the darkest shadow over the future of the recently born Commonwealth of Independent States.

The primary focus on this dispute, and our legislation, centers on the semiautonomous enclave of Nagorno-Karabagh that the Soviet Government unilaterally carved out of Armenia and incorporated into Azerbaijan in 1923.

This artificial shift of territory produced some very real abuses of Armenian political and cultural rights over the next seven decades. Although Nagorno-Karabagh has an 80-percent Armenian population, Azerbaijan has never permitted the residents of the enclave to determine their own political fate.

During both the pre- and post-cold war ages, they have maintained a consistent record of political tyranny, military assault, and economic blackmail in Nagorno-Karabagh despite the fact that the people of this region have never posed any threat to the citizens of Azerbaijan.

The latest and most violent chapter of this dispute started in early 1988, when seizing on the program of political reform launched by Mikhail Gorbachev, the regional legislature of Karabagh formally requested approval to reunite peacefully with Armenia. But the following summer, the Government of Azerbaijan prevailed upon Gorbachev to reject this petition, and by the end of 1988, the Soviets had imprisoned more than 200 leaders of the Armenian Karabagh community and turned a blind eye toward a deliberate Azerbaijani effort to depopulate Armenian villages in and around this enclave. Over a short period of 2 months, this human eviction campaign created 200,000 Armenian refugees.

Twice again in 1989, Mr. President, the Karabagh Legislature passed resolutions appealing for reunification with Armenia and twice again, innocent Armenians were slaughtered and dispersed in reply.

That year also brought the imposition of a comprehensive Azerbaijani food, fuel, transport, and communications blockade against Karabagh and Armenia. This economic terrorism has not only deprived almost 3.5 million Armenians of basic living staples, but it has also starved them of adequate heating and medical supplies and destroyed their export industries.

And just 2 months ago, the Azerbaijani military surrounded Karabagh with more than 20,000 troops and began shelling civilian Armenian cities and villages. The Washington Post carried two front page stories over the last 2 weeks on this latest military offensive and quoted officials as estimating that 20 people alone were killed between January 19 and January 24.

If we live in a new world order, Mr. President, where peace entails more than the absence of war—where a vigilant regard for the sovereignty of nations should make the guns fall silent—its promise has not entered the councils of the Government of Azerbaijan.

Our bill, therefore, would keep in place a variety of trade, loan guarantee, and foreign assistance restrictions only for the Republic of Azerbaijan that the United States imposed against the former Soviet Union. Second, it would prohibit any future United States contributions to international programs designed exclusively for the Government of Azerbaijan and ensure that no American support is funneled to the country through other multilateral initiatives intended to benefit the other deserving republics of the new commonwealth.

Under the legislation, these restrictions could be removed if the President certifies that Azerbaijan has lifted all of its blockades against the Armenian people of the region, taken steps to protect the rights of religious and ethnic minorities within its boundaries, and stated a commitment to resolve peacefully its conflict with the citizens of Nagorno-Karabagh.

Now I must also note that this legislation does not simply represent an arbitrary punishment of a faraway land. Azerbaijan, like all of the former Soviet Republics, will need our help to construct a viable economy. At the same time, we now have the leverage to condition the American taxpayers' support for economic development abroad on commitments to respect the human rights of people such as the Armenians who have known nothing but genocide and repression for most of this century.

This act, therefore, allows President Bush to lift any or all of the trade restrictions against Azerbaijan at his discretion if warranted by political and economic developments. Our bill offers appropriate penalties for 70 years of extraordinary crimes against the Armenian nation. We have an obligation during this era of victory for the Democratic ideal to help the Armenian people emerge from the wilderness of injustice and oppression that still surrounds them. I, therefore, urge my colleagues to support with enthusiasm the adoption of this timely bill.

Mr. President, I yield the floor.

The PRESIDENT pro tempore. The Chair, in his capacity as a Senator from the State of West Virginia, notes the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Under the order, the Senator from Michigan [Mr. LEVIN] is recognized for up to 10 minutes.

Mr. LEVIN. I thank the Chair.

DOD INVENTORY OF SUPPLIES AND PARTS

Mr. LEVIN. Mr. President, the Department of Defense is currently holding over $100 billion in inventory for supplies and parts in its warehouses and depots. It is holding an estimated additional $100 billion in supplies and parts at its bases. And it is holding over $50 billion in supplies at contractor facilities. So that is $250 billion total, a quarter of a trillion dollars, in supplies and parts and that is a mind-boggling figure even for the defense budget.

I could accept those figures if that amount of supplies and parts were needed and if holding those items was economically sound and efficient. If it were proven that that is what it takes to supply our military forces, I would support it. But, Mr. President, that is not the case. And a recent letter, which I receive from the General Accounting Office and which I will discuss in a moment, confirms it.

Based on GAO reports going back over a decade, about 50 percent of the parts and supplies in the warehouses do not need to be there. That is 50 billion dollars' worth. And that size of a reduction would not even touch the war reserves because nobody wants to have any impact on war reserves. Those are set aside in case of war, in case of an emergency, and nothing that I am going to suggest or ever have suggested would in any way touch those war reserves which have to be protected.

In addition, no one has done a solid estimate on how much of the supplies and parts at the bases and at the contractor facilities do not need to be there. So what I have discussed so far is just in the depots, but we also have these huge amount of supplies at bases and at contractor facilities.

The estimate on the value of the items at those two locations has only recently been done. Until a few years ago, the Department of Defense did not even have a system for recording the amount and value of items at contractor facilities.

So let us just concentrate on the $100 billion in today's warehouses; $35 billion of that $100 billion is excess, by the Pentagon's own admission. If that $35 billion were sold today as excess, it probably would get no more than 10 cents on the dollar. But it still shows the volume of items that are in the DOD inventory that even the Pentagon admits we no longer need.

When the GAO looked at an additional 35 billion dollars' worth of items that the Pentagon said are needed or required, the GAO found that $10 billion of that second $35 billion exceeded the military's own definition of what was required. So that is over one-third of the items that the Pentagon claims are needed for current requirements.

Again, the GAO found that one-third of those items exceeded the military's own definition of what is required, although the military does not agree with the GAO's conclusion that it is excess. The GAO, nonetheless, found that by the military's definition of what is required, it is excess.

The GAO has reported, in the recent past, that 10 percent of what the Department of Defense is currently ordering is already in excess of what it needs. The Pentagon buys items they already have in sufficient quantities, in other words. It frequently orders supplies to be delivered a year before they are required. It orders spare parts prematurely and in excessive quantities, and it has inaccurate data systems for tracking the items that it has. These are just some of the problems.

Mr. President, it costs about $3.5 billion a year for the Pentagon to store, manage, and ship those supplies—$3.5 billion. A 50-percent reduction in the existing inventory, in just the warehouses, then, would save another $1 to $2 billion just in warehousing costs. I repeat, this cut would not in any way affect war reserves.

Some may have seen a recent segment of a television show called "60 Minutes" which showed acres of tires, warehouses of shoes, medical supplies which have been stored in warehouses sometimes for 40 years. And it is shocking, but it is not an exaggeration.

Some of us in Congress have been fighting over the past several years just to get a handle on the DOD inventory and to control and reduce unnecessary spending. Two years ago, I was able to get the budget for the DOD inventory purchases reduced significantly.

Last year I authored an amendment, which is now law, which prohibits the Pentagon from purchasing any items for which they already have a 2-year supply. Those were worthwhile steps. I think the Chair would acknowledge, modest steps. We just tell the Pentagon do not buy more of something that you already have a 2-year supply of. More needs to be done.

The Pentagon has often displayed a shop-till-you-drop mentality during this last 10 years. And we must take some money away so that these excess purchases simply cannot be made. We reduced the budget for these items somewhat in the past, but we have to go further.

As I mentioned yesterday, I received a letter from the Assistant Comptroller General of the GAO, Frank Conahan. He was responding to my request that the GAO estimate how much of the 1993 Department of Defense budget could be reduced for purchase of supplies and parts without threatening our readiness. Mr. Conahan put the figure at $5 billion; a $5 billion reduction from the 1992 level could be safely made without affecting readiness.

I commend the General Accounting Office for their able work and analysis in this area. They have been dogging this issue for as long as I have been here and they know this situation inside and out. The GAO's recommendation deserves our attention and respect, and I know we will get it because I have spoken to the Chair about this issue, and I know of the Chair's interest, also, in making sensible reductions in this area which will not affect our readiness or our war reserves.

The excess in the defense supply system is simply staggering. The Pentagon has claimed they have a handle on it, but they do not. It just keeps growing. As Mr. Conahan reported to me in his letter:

> Between 1980 and 1990, the DOD's secondary item inventory grew from $43.4 billion to $101.9 billion. In 1980—

That is when they had $43.4 billion—

> DOD reported that about 75 percent of the $43.4 billion inventory was supported by requirements. However, in 1990, DOD reported that only 66 percent of the $101.9 billion inventory was supported by requirements.

So the growth has been dramatic, not only in the size of the inventory, from $43.4 to $101.9 billion but in the percentage of that inventory that exceeds the Department of Defense's own requirements.

As a member of the Armed Services Committee, I am prepared to seek a significant cut from last year's level for the purchase of supplies. Given the reduction in troops we are about to experience and the cutback in our defense purchases, it may not be too far afield to simply place a moratorium on the purchase of some of these supply items. I will also be considering and discussing that approach over the next few months.

Again, I thank the Chair and look forward to working with our President pro tempore on this issue as I know of his very deep interest in it.

Mr. President, I ask unanimous consent the letter I received from Mr. Conahan of the GAO, dated January 28, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. GENERAL ACCOUNTING OFFICE
Washington, DC, January 28, 1992.

Hon. CARL LEVIN,
Chairman, Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, U.S. Senate.

DEAR MR. CHAIRMAN: In response to your letter of January 27, 1992, we are providing our best estimate of how much the defense budget for secondary items can be cut for fiscal year 1993. We have not yet seen the fiscal year 1993 defense budget. However, based on our evaluations of past budget requests, we believe the amount budgeted for secondary items for fiscal year 1993 should be at least $5 billion less than the amount budgeted in fiscal year 1992. The potential cuts would be in the operations and maintenance appropriations and other appropriations, such as procurement and research and development, which are also used to fund secondary items.

More specifically, our estimate is based on the following.

Between 1980 and 1990, DOD's secondary item inventory grew from $43.4 billion to $101.9 billion. In 1980, DOD reported that about 75 percent of the $43.4 billion inventory was supported by requirements. However, in 1990, DOD reported that only 66 percent of the $101.9 billion inventory was supported by requirements. In our reports, we stated that unrequired inventory (inventory not supported by requirements) was attributable to such factors as changing requirements, projected demands not materializing, replacement factors being overstated, phasing out old equipment, not terminating contracts for excess on-order material, and duplicative inventories due to multiple inventory levels.

An analysis of DOD's March 1991 inventory stratification reports showed that DOD was in the process of buying about $2.5 billion of inventory that was not supported by its stated requirements. In addition, DOD had been overstating the amount of inventory that is required. For example, our analysis of Navy and Air Force inventory stratification reports showed that $10 billion of $39.6 billion of the inventory that DOD reported as required exceeded the maximum assets that may be on hand or on order as of a given date.

Inventory is being purchased at the wholesale level that is in excess at the retail level. In January 1990, we reported that Army divisions had spare and repair parts worth millions that were excess to their needs and had not been reported to the buying commands. At the same time, buying commands were procuring those items that were excess at the retail level.

In July 1991, we reported that the Army could reduce its inventory of spare and repair items at divisions in the United States by stocking only demand-based items. Doing so would allow the Army to reduce its investment in inventory without adversely affecting readiness.

In December 1991, we reported that DOD's health care system could save millions of dollars by increased use of inventory management practices pioneered by leading civilian hospitals. At December 1991 hearings, DOD said it is considering reducing its peacetime medical supply inventory by about 50 percent. The DOD central supply system carries about $1 billion of medical supplies.

If you or your staff have any questions or need additional information, please contact Donna M. Heivilin, Director, Logistics Issues, who may be reached on (202) 275-8412.

Sincerely yours,

FRANK C. CONAHAN,
Assistant Comptroller General.

Mr. LEVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been noted. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Under the order previously entered, the Senator from Georgia [Mr. NUNN] is recognized for up to 15 minutes.

EXTENSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Without objection, morning business will be extended accordingly.

The Senator from Georgia is recognized.

MINIMIZING THE EFFECT OF THE DEFENSE TRANSITION ON OUR MILITARY MEMBERS AND THEIR FAMILIES

Mr. NUNN. Mr. President, in two previous speeches, I summarized the contributions and sacrifices our men and women in uniform and their families made in winning the cold war, and the support we provided to our military personnel in the past and why we must continue to do so in the future.

Today, I want to focus on our responsibility to minimize the effect of the Defense transition on military members and their families—military members who have volunteered to serve their country in uniform, whose dedication and perseverance helped bring an end to the cold war, and who performed so brilliantly in the Persian Gulf conflict.

Under current DOD plans, the military services will be reduced by approximately 25 percent by the end of fiscal year 1995. Active duty military strength will decline from 2.1 million personnel in 1990 to 1.6 million by the end of 1995, a 500,000 reduction over 5 years. The Congress approved this DOD recommended plan in 1990 since the services testified that this reduction could be managed prudently as they reduce their force structure. The glide path of this 25-percent reduction was based on strength reductions of 100,000 per year because the military services testified that these reductions could be achieved without large involuntary separations of career personnel, which is something we in Congress wanted to avoid.

It is important to remember that the military services have a closed personnel system. Many people do not understand this. People question me all the time: When we are drawing down the military force, why do we need to continue to advertise on recruiting? The answer is that the military services cannot go out and hire a senior noncommissioned or commissioned officer off the street. The military services cannot go out and hire an infantry battalion commander or a nuclear submarine sonar operator. The only entry to the military services is at the bottom, whether in the enlisted ranks or the officer ranks, and I think as we debate defense this year it is very important all of us keep that in mind. For this reason the military services must maintain a reasonable flow of new people, new recruits into the force each year to produce a career force of varied skills and ranks for the next 10 or 12 years, if not longer.

About 200,000 new recruits will be required each year to sustain the career requirements of the projected 1995 force of 1.6 million active duty personnel. Therefore, in order to meet their planned reduction in active duty strength by 100,000 per year through fiscal year 1995, the military services plan to release about 300,000 active duty personnel per year. Normal turnover due to expiration of terms of service and retirements will account for about 200,000 of this turnover each year. The remaining 100,000 losses will have to be achieved either by voluntary separation incentives or through involuntary separation programs which is something we are trying to avoid.

In aggregate, about 1.5 million military personnel must leave active duty over the next 5 years—one-third of them, or 500,000, through induced voluntary or involuntary separation programs.

The personnel managers in the military services have their work cut out for them. They will have to seek as many additional volunteers as they can to leave the service if they are to avoid handing out pink slips or terminating people involuntarily. If deeper personnel reductions over the next 5 years beyond the 25 percent already planned become necessary, involuntary separations or reductions in force will be unavoidable.

The military services face a unique challenge in making these personnel reductions. In the past, we have reduced the size of the military services by demobilizing large numbers of draftees, most of whom were delighted to see their term of service end or cut short.

We have a very different situation today that I hope our colleagues will understand.

All military members on active duty are serving because they volunteered to do so. They all entered the military services with the expectation that if they performed well, they would have a rewarding and fulfilling career in uniform. Reducing the size of the military services means that many of these volunteers will no longer have the opportunity to complete their military career. It is ironic that the successful conclusion of the cold war, which military members have done so much to bring about, means that many of them will now be denied the opportunity to serve a full career in uniform.

Normally in the private sector, if you do well, if your company succeeds, if you make a profit, in fact if you lead the world, then you certainly would not expect to have to leave your job. In effect, that is what we are doing with our military.

To keep faith with military members and their families during this transition period, the Congress initiated and enacted legislation to enable the military services to minimize involuntary separations, and created a safety net of benefits for military members who lose their jobs as the size of the Defense Department is reduced.

Mr. President, there is no doubt about the fact we have to reduce defense, but I think we all ought to keep in mind that we are basically going to cause a lot of disruption, a lot of hardship on people who in effect won the cold war. These are winners. These are people who have won. This is an enterprise which has succeeded and because of this success we have a changed world.

In the National Defense Authorization Act for fiscal year 1991, Congress spelled out a process for the military services to follow in reducing personnel so as to minimize the hardships on military personnel and their families. This process requires the military services to:

First, limit the number of new recruits they bring in each year over the Defense transition period to a number not greater than the number necessary to meet the career sustaining requirements of a 1.6 million strength force;

Second, reduce the retirement eligible population in the military services to the level appropriate to sustain the senior level requirements for a 1.6 million strength force; and

Third, reduce first-term, noncareer personnel to the level appropriate to sustain the smaller career entry requirements for a 1.6 million strength force.

The military services must take all three of these actions before they involuntarily separate career personnel who are not yet eligible to retire. This process, coupled with voluntary separation initiatives I will summarize in a moment, establishes a uniform safeguard which makes involuntary separations a last resort. It also preserves the core element of the career force in the near term as a hedge against the risk of future contingencies.

Congress also initiated and authorized a very comprehensive safety net of benefits for military members who are forced to leave the services in the National Defense Authorization Act for fiscal year 1991.

We expanded the current involuntary separation pay in order to provide a reasonable level of temporary income to career military personnel who may be involuntarily separated. Separation pay has been available to officers for many years; this expansion extended this benefit to enlisted personnel.

Hopefully, this separation pay will not be necessary because of the voluntary separation incentives we authorized. However, if military members who have at least 6 but less than the 20 years of service necessary to retire are involuntarily separated, they will receive 10 percent of their annual basic pay multiplied by the number of years of service they have at the time of their involuntary separation. This means that a midgrade noncommissioned officer, E–6, with 10 years of service who is involuntarily separated would receive $19,750 in involuntary separation pay. A midgrade officer, let us say an O–4, with 10 years of service who is involuntarily separated would receive $37,875.

Other new benefits authorized by the Congress for military personnel who may be involuntarily separated in the next several years include the following:

Up to 120 days of continued military health coverage, and the entitlement to purchase a 1-year health conversion policy to be contracted for by the Department of Defense;

Up to 2 years of continued eligibility to use military discount shopping facilities—that is commissaries and exchanges;

Up to 180 days of continued residence in military housing subject to availability and payment of a reasonable rental charge determined by the Department of Defense;

Up to 30 days of excess leave, or up to 10 days of permissive temporary duty, to participate in transition and relocation activities—provided such absence does not interfere with military missions;

Continued enrollment of dependents in the Defense Department's education system so that they may complete the school year;

Up to 1 year temporary storage of baggage and household effects;

Preference over other equally qualified personnel for affiliation with National Guard or reserve units; and

Special relocation assistance for personnel assigned overseas.

In order to provide all separating military personnel with transition assistance over the next several years, the Congress required the Department of Defense, the Department of Veterans' Affairs, and the Department of Labor to implement a coordinated program of employment assistance, job training assistance, transition counseling, and other transition services to help separating military personnel secure employment and relocate in our communities. Congress provided $1 million in fiscal year 1991, and $4 million in each of fiscal years 1992 and 1993 to the Department of Veterans' Affairs to carry out its responsibilities in this program. Congress also provided $4 million in fiscal year 1991 and $9 million in each of fiscal years 1992 and 1993 to the Department of Labor to carry out its responsibilities in this respect.

Mr. President, I am pleased that the Department of Defense is working aggressively with these two other Departments to provide the transition services for military personnel mandated by the Congress. I understand that the basic structure for the provision of these services is in place. The final grade will depend on the effectiveness of this program in helping our men and women in uniform who are leaving the military services in securing employment in the private and public sectors.

Mr. President, the Congress followed up the safety net of benefits I just described by authorizing incentives to encourage certain military personnel to voluntarily separate from service. These incentives were provided by the Congress in the National Defense Authorization Act for fiscal years 1992 and 1993 hopefully to avoid involuntary separations.

Under these programs, certain military personnel will be offered the option to leave active service voluntarily in lieu of facing the possible selection for involuntary separation. These personnel will be offered a couple of options:

First, a lump-sum payment developed by the Congress equal to 15 percent of their annual basic pay multiplied by the number of years of service at the time of their separation; or a second option,

An annuity developed by the Department of Defense that would be equal to 2.5 percent for each year of their service, multiplied by their basic pay, and paid out over twice the number of years of service they have at the time of separation.

To give an example, a midgrade noncommissioned officer, let us say an E-6, separating with 10 years of service could choose a lump-sum payment of $28,173, or receive $4,696 each year for the next 20 years. In either case, the amount received for voluntary separation would be worth more than the individual would receive if involuntarily separated—in this case $18,782.

Mr. President, the Department of Defense has finally issued instructions implementing these incentives. At this point, it remains to be seen how effective these incentives will be in providing sufficient volunteers to obviate the need for involuntary separations. Because of this uncertainty, we included a provision in the National Defense Authorization Act for fiscal years 1992 and 1993 that authorizes the Secretary of Defense to exceed the strength levels we authorized for each military service for fiscal year 1992 by up to 2 percent to, again, help avoid involuntary separations. This authority also allows the Secretary of Defense to transfer funds available to the Department of Defense to meet increased personnel costs for this purpose. In other words, Congress gave the Secretary of Defense the authority to avoid any involuntary separations during fiscal year 1992.

Mr. President, I intend to follow carefully the performance of the military services as they proceed in using the voluntary separation authorities we provided. In my judgment, we will need to consider additional authorities, such as an early retirement option which I am developing and which I will discuss in the next few days.

Finally, I believe we have a responsibility to our military personnel and their families to ensure that the military services carry out these difficult personnel reductions fairly. I am concerned about recent complaints which I am checking into now, that some very topnotch officers and noncommissioned officers have been selected to retire primarily to accelerate the timing of promotions for those staying in service. If true, this is an abuse of the broadened authority we provided to the military services to selectively retire officers. It was not to be used to keep up promotion rates. I also think the services should retain their most highly qualified enlisted personnel and not use a mindless approach that merely matches military occupational specialities and test scores. An individual's performance should count. I urge the Office of the Secretary of Defense to carefully oversee the actions of the military services in these areas, and I urge each of the service chiefs and each of the secretaries to also exercise very close oversight in these extremely sensitive and important areas.

Reducing the size of the military services is difficult and painful, particularly when it affects the lives and careers of dedicated, professional people who have volunteered to serve their country in uniform and who have succeeded in that service. It becomes less painful when it is done with prudence and compassion under the process and the options and the discretion authorized by the Congress. At the same time, this challenge also offers an opportunity. That opportunity is to find creative ways to employ the great wealth of talent and dedication of the people who will be leaving military service to meet some of our private and public sector needs, particularly in the field of education.

In my final speech of this series, Mr. President, I will suggest a series of initiatives to encourage people leaving the military services to go into public service jobs in our communities, in fields like education, health care, and other areas where we have shortages of skilled people. These initiatives will make it easier for separating military members to get any post-service training they need for these jobs, and establish a program that matches the job demands in our communities with the supply of separating military personnel.

Mr. President, I have talked to a lot of people in the field of education and more recently in the field of health care.

It is my judgment that there is nothing we can do in Congress in health or in education that will exceed in importance the opportunity we now have to take hundreds of thousands of well-trained, qualified, professional, and disciplined people and see that they have an opportunity to go into these fields, particularly in areas where there is such a critical shortage—for instance, in the field of education teaching of math and science. I also have said and will repeat here this morning, having talked to school teachers all over my State of Georgia and some from other places, I cannot think of anything that would improve discipline in the classrooms more than to have some of the retiring noncommissioned officers, who might not be qualified to teach in the academic sense, serve as assistant principals, to be roaming the halls of our schools in urban and in rural areas. I cannot think of anything that would increase the productivity of our teachers more than the sense of discipline that that may bring. If you take a Parris Island marine, noncommissioned officer, and have him help out in a school, I believe it would improve discipline, and I also believe it would improve greatly the productivity of our teachers and the learning of our students.

Mr. President, the large number of highly trained people that will be leaving the military services over the next several years is unprecedented. We need to act now to provide incentives for these people to continue to put their talents to use in serving the Nation and their local communities. In this regard, I will outline some specific programs in this area in greater detail in my next presentation to the Senate, which will probably be early next week.

I thank the Chair and I thank my colleagues for their patience.

TRIBUTE TO WILTON R. "WITT" STEPHENS

Mr. PRYOR. Mr. President, the State of Arkansas recently lost a true original with the passing last month of Wilton R. "Witt" Stephens. "Mister Witt," as he was more commonly known to just about everyone in the State, was a businessman and politician the likes of which Arkansans may never see again.

Witt Stephens started his business career selling belt buckles and ended it owning the largest off-Wall Street investment banking firm in the country. His rise in the business community, along with that of his brother Jack, was a tribute to hard work, determination, keen intuition and an instinctive understanding of the art of making deals.

As a politician, he sometimes served as public official, sometimes as kingmaker, but in any case he always was an undeniable presence.

Still, Mr. Witt remained quite unaffected by his rise to fortune and influence. As the head of Arkla Gas Co., he constantly expressed concern for what he called the "biscuit cookers," and his euphemism for the little guy became a household term across the State. He brought leaders from across the Nation to his office in Little Rock for luncheons of peas and cornbread. And he enjoyed nothing more than driving the tractor at his farm in his hometown of Prattsville.

To Witt Stephens, the whole world could be summed up in the nickname of his native State: "The Land of Opportunity." You do not meet many legends in Arkansas, but I am certainly glad to have had the opportunity to eat peas and cornbread with one in the person of Witt Stephens.

TRIBUTE TO MINNESOTANS OF SUPER BOWL XXVI

Mr. DURENBERGER. Mr. President, today I rise to say what most Americans already know: that Minnesotans outdid themselves this past weekend as hosts of the Super Bowl.

In 1967, First Lady, Lady Bird Johnson wrote to the Minneapolis mayor, "Some day the city will surely be a showcase in the country." Well that day has most certainly arrived in 1991 as the Twin Cities and Minnesota have been host to major sporting events such as the Stanley Cup finals, the U.S. Open, the International Special Olympics, the World Series, and of course the Super Bowl. About the only world class sporting event we have not hosted is the Kentucky Derby, and we are working on that.

I am so proud of my fellow Minnesotans who welcomed over 60,000 people to the Hubert H. Humphrey Metrodome for Super Bowl XXVI and thousands of others to our State. Even our weather cooperated for the Great Minnesota warm-up.

Images of Minnesota hospitality and creativity were on display for the world to see. Over 4,000 volunteers were available to greet guests at the Minneapolis/St. Paul International Airport, provide directions and other assistance to visitors. It is impossible to mention all the events and people individually, but I would like to try mention a few.

Congratulations should be extended to the people of St. Paul for organizing another great winter carnival and for making the dream of a breathtaking ice castle become a reality; to over 1,500 Minnesotans who performed in the Super Bowl half-time show organized by Timberline Productions; to the participants in the Youthful Pregame Show such as the Minnesota jazz group, Moore by Four, 11-year-old Melissa Muench of Eden Prairie, the Anoka, Blaine, and Eden Prairie High School Bands, the Metropolitan Boys Choir, and the Greater Twin Cities Youth Symphonies.

Thanks to the Twin City churches who provided transportation to their services; to over 850 taxi drivers; to all the Metropolitan Transit Commission employees; to city, county, and State employees who helped with security, maintenance, snow removal, and other logistical details; to Wayne Kostroski of Goodfellows who organized 28 NFL cities' restaurant food extravaganza without parallel ever, and to the hospitality industry for quality lodging, food, and entertainment.

Minnesotans have been dreaming of the opportunity to host the Super Bowl for 9 years. Countless individuals have been involved. Some people who have been involved throughout this process include the Minnesota Super Bowl Task Force of Barbara P. Burwell, John Cole, Jeff Diamond, Bill Dunlap, James C. Erickson, Roger Headrick, Ron James, Bill Lester, Harvey B. Mackay, David L. Mona, Greg D. Ortale, Robert M. Price, Paul Ridgeway, Jay H. Wein, Wheelock Whitney, Stewart Widdess, and Steve Winnick, and the Super Bowl task force's 22 staff members.

Paula Gottschalk, executive director of the Super Bowl task force was outstanding. The one person who deserves everyone's gratitude is Marilyn Nelson, chair of the Super Bowl task force. Without Marilyn there would not have been a Super Bowl in Minnesota. With all of the activity surrounding the Super Bowl weekend, Marilyn is still able to fly to New York to see her newborn first grandchild, Alexander.

The truly remarkable quality of the Super Bowl weekend came about because the Minnesota spirit was always at the surface and has much depth. Minnesotans love sharing the sights, sounds, taste, and feel for our unique and much loved State. Super Bowl XXVI is the first Super Bowl that was hosted, not by a city, but by an entire State, and once again, the combination of Minnesota's rural and urban charm worked perfectly. I commend and congratulate all of the efforts made in Minnesota during the Super Bowl celebration.

We would like to extend our thanks to the National Football League and fans throughout the country, especially the Washington Redskins and their fans, and the Buffalo Bills and their fans for allowing us to host such a spectacular event. You were most gracious with your compliments and friendship. We welcome you to visit Minnesota again!

In 1886, a New York newspaper called the Twin Cities area "another Siberia, unfit for human habitation." This past week, we proved that no matter what the climate is, it is the warmth of people and their hospitality to guests that makes a place special.

Minnesotans, you showed the world why we are justly called "The Star of the North."

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Morning business is closed.

CABLE TELEVISION CONSUMER PROTECTION ACT

The PRESIDENT pro tempore. The Senate will resume consideration of S. 12, which the clerk will report.

The legislative clerk read as follows:

> A bill (S. 12) to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming, and so forth and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDENT pro tempore. The Senator from Hawaii [Mr. INOUYE].

Mr. INOUYE. Mr. President, the measure before his body, S. 12, has been on the calendar since June 11, 1991. It was reported out of the Commerce Committee by a vote of 16 to 3. In the last Congress, an identical measure was reported out of the Commerce Committee by a vote of 18 to 1. In order to accommodate all of my colleagues who have had some interest in this measure, we have waited all these months, leaving it on the calendar.

Then about 2 weeks ago we were advised that a substitute was in the making. Last night, we finally got a glimpse of the substitute.

Today, I have been advised that the prime author of the substitute will not be able to be in attendance because of an injury. Mr. President, we are willing to give the prime author a live pair. There are many other authors, so we have been told. In fact, it has been identified as the Packwood-Stevens-Kerry substitute amendment.

Mr. President, the bill before us is the result of 13 days of hearings and 113 different witnesses. We have had countless numbers of communications experts and lawyers look over the measure. We have conferred with, in addition to the 113 witnesses, at least 500 knowledgeable citizens.

Mr. President, I wish to advise the Senate that this committee is prepared and ready to proceed. I think we are asking for too much to further delay this measure. In the last Congress, we delayed it until the eve of adjournment, and we finally found ourselves caught in that mess. I hope that is not the intention of those who oppose S. 12.

Mr. President, as the manager of the Democratic side, I am prepared to proceed, and I have been advised by the manager on the Republican side that he is prepared to proceed. Is the pending business the Packwood-Stevens-Kerry substitute amendment, Mr. President?

The PRESIDENT pro tempore. The pending business is S. 12. The pending question before the Senate is adoption of the committee substitute.

Mr. INOUYE. I have no objection to proceeding on that.

Mr. GORTON. Mr. President, will my distinguished colleague yield?

Mr. INOUYE. I am very happy to yield.

Mr. GORTON. Mr. President, I simply wish to join in the remarks and the statement of the history of S. 12, which the distinguished Senator from Hawaii has just shared with us. We had a long day and a half on opening statements on this bill. I made my own, as did he and many others. We have now had a considerable period of time during which amendments have been discussed and a number accepted, including two sponsored by this Senator, with the happy acquiescence of my friend from Hawaii, the manager.

I think it is safe to say that to this point even those amendments which have been dealt with which required rollcall votes did not go to the heart of this measure. They dealt with rather peripheral issues. We have been aware of the fact, almost from the date last June on which this bill was reported, that there might well be a substitute for it. In fact, I have in this notebook an outline of what purports to be a substitute for this proposal, one which I joined with the Senator from Hawaii in believing to be inadequate to deal with the problems and the challenges which led to the introduction of this bill and this debate. We are now waiting patiently, I hope, but not with inexhaustible patience, to hear whether or not such a substitute will be adopted or whether it is appropriate simply to proceed to adopt the committee substitute and move to final passage.

So I join with the Senator from Hawaii in reporting through you, Mr. President, to all of our colleagues, and to all of the offices which may be listening in, we are here. We are open for business. We are ready for business. We want an opportunity to debate the bill, but we also want the opportunity to bring that debate to a reasonable and appropriate close.

Mr. INOUYE. Mr. President, I think it should be further noted that the Democratic leader had scheduled S. 12 to be considered 8 days ago. In order to make certain that all accommodations were made, a final request was granted, and that request was to delay this for a week, which we did. This measure should have been completed and on its way to the House by now. I suppose, if we go along with this new request for delay, it will not end until the eve of adjournment.

Mr. President, I can assure that as long as I am chairman of this committee I will not permit that to happen. So, Mr. President, I will suggest the absence of a quorum, but it will be for 10 minutes, and if the Members are not here at that time, I will request that we proceed with the pending order.

I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, a few moments ago, I suggested that the quorum last for 10 minutes. Two Senators have arrived here with their amendments, and they are now working out the details. So we are almost prepared to proceed. However, to make certain that all of the "i's" are dotted and the "t's" are crossed, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I ask unanimous consent to speak for just a few minutes as in morning business for the purposes of introducing a bill.

The PRESIDENT pro tempore. How many minutes does the Senator request?

Mr. PRESSLER. Five minutes.

The PRESIDENT pro tempore. Is there objection?

The Chair hears no objection, and the Senator from South Dakota [Mr. PRESSLER] is recognized for not to exceed 5 minutes as in morning business.

Mr. PRESSLER. I thank the Chair.

(The remarks of Mr. PRESSLER pertaining to the introduction of S. 2168 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDENT pro tempore. Under the rules, if no Senator seeks recognition, it is the duty of the Chair to put the question.

Mr. BINGAMAN addressed the Chair.

The PRESIDENT pro tempore. The Senator from New Mexico is recognized.

AMENDMENT NO. 1511

(Purpose: To provide instructional channels)

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its consideration at this time.

The PRESIDENT pro tempore. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 1511.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 116, between lines 14 and 15, insert the following:

SEC. . Section 611 of the Communications Act of 1934 (47 U.S.C. 531) is amended by adding at the end thereof the following:

"(g) INSTRUCTIONAL USE.—

"(1) For purposes of this section, a cable operator acquiring or renewing a cable system franchise after January 1, 1992, shall be required to have at least 1 channel designated for instructional use. In any case in which a cable operator of a cable system, after January 1, 1992, adds an additional 10 or more channels to that system, such operator shall be required to designate at least 1 of such additional channels for instructional use.

"(2) For purposes of this section, 'instructional use' means a use which provides information or instructions of such a nature that can be integrated with elementary, secondary, vocational/technology or postsecondary curricula, or can be used for professional staff development and training.

"(3) No cable operator shall be permitted to delete from the cable system of such operator any signal of a noncommercial educational television station for the purpose of complying with the provisions of this subsection.

"(4) Within 180 days following the date of the enactment of this subsection, the Commission shall issue such regulations as may be necessary to carry out this subsection.".

Mr. BINGAMAN. Mr. President, let me briefly describe what this amendment does. It is a very straightforward amendment.

It says that a cable operator acquiring or renewing a cable system franchise after January 1 of this year, 1992, shall be required to have at least one channel designated for instructional use.

Then it goes on to say, in any case in which a cable operator of a cable system, after January 1, adds an additional 10 or more channels to that system, the operator shall be required to designate at least 1 of those additional 10 channels for instructional use.

And then we define "instructional use" in the amendment also by saying it means a use which provides information or instructions of such a nature that can be integrated with elementary, secondary, vocational/technical, or postsecondary curricula, or can be used for professional staff development and training.

Mr. President, the purpose of this amendment is, I believe, to focus the attention of the Senate and all who are considering this bill on our primary objective here in the Congress. Hopefully, our primary objective at all times is to serve the public good.

We have an enormous technological capability in cable television today. You can walk into the cloakroom right off the Senate floor here and you have channels from 2 to 36 that are available and everybody can watch them.

As you watch those channels, something becomes pretty clear—at least, it does to me—and that is that most that are on there are not worth watching. Most of what are on there are situation comedies, soap operas during the day, cartoons which start as soon as kids get out of school. They can watch cartoons on six or eight different channels. There is virtually nothing that could be in any way described as educational, instructional or informative.

That, I think, differs from the policies that are pursued in many other industrialized countries where I think the government has taken a more aggressive position in ensuring that some of the network, some of the airwaves are reserved for instructional, educational, and cultural broadcasts. We have done very little along those lines. We have public television. And clearly public television is here.

I am a great supporter of public television. I think they do a wonderful job considering the constraints they operate under.

But as we add more and more technological capabilities, more and more channels, it seems to me unreasonable to say that we are meeting our responsibility to the public by merely allowing 1 channel out of 35 or 1 channel out of 30 or 1 channel out of 100 to be devoted to public concerns.

This is an issue that I think particularly comes to light, Mr. President, when you realize the great additional instructional programming that is going to be available in the very near future. The public broadcasting system is putting up an educational satellite. In fact, July of 1993 is the estimated operational date for this educational satellite. It will have a capacity of up to three channels over which they can provide instructional programming.

Now, the question is, Is any of that going to be available for people to observe from their houses? Or are you going to have to go down to a school? Or are you going to have to enroll in a program at a university in order to see any of that instructional programming?

Under the present law, in the bill that is pending before us, there is, as I understand it, a requirement that public television be included in the mix of things that cable systems carry, and that is all to the good.

There is also a provision that says cities may impose an additional requirement of up to three channels in their discretion, they may or may not as they choose, for public access purposes and that presumably could become instructional or educational but could not and of course cities could determine they did not want to do that.

My amendment is prompted by a belief, a strongly held belief I have, Mr. President, that this is not adequate, that there are people out there in America who like to see something that is better than what we are seeing on television today. If we have 80 or 100 channels available to the average American cable subscriber in the next few years, do we really need to have 10 or 12 of those showing different reruns of "I Love Lucy"? Is there not something better we can do with that technological capability to serve the needs of our country?

President Bush has given numerous speeches——

The PRESIDENT pro tempore. Would the Senator withhold until the staff takes seats? The Senate will be in order.

The Chair apologizes to the Senator.

Mr. BINGAMAN. I thank the Chair.

I was just pointing out that President Bush has given many speeches where he has said we need to be a nation of students. We all need to again commit ourselves to learning, and that is part of this America 2000 initiative: to improve our educational system. I agree with that.

I agree that we need to do more to instruct people. We need to give them more opportunities to learn at all levels, not just elementary students, but at all levels of the educational system, all levels of society.

This amendment tries, in a very modest way, to ensure that that capability would be there, that that opportunity would be there for Americans to watch some decent instructional television on their cable systems.

I do not consider this an anticable amendment. It is not my purpose to do something here that would be onerous to cable operators. That is why I have drawn the amendment in such a modest way.

As I pointed out before, the amendment would merely require that if you add 10 new channels, at least 1 of them should be for instructional or educational purposes. I do not think that is an undue burden. I think that is something that is a reasonable requirement. I think that it can do a lot of good for the future of our country. I think for us to have this great capability the technology is permitting us to have today, and allow all of it to be used for situation comedies, for cartoons, for soap operas is just not doing right by the American people.

So, Mr. President, I think my amendment is a good one. I know that the chairman of the committee who is the manager of this bill has some strong feelings on this and wishes to express those before we have a vote on it and accordingly, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I, at this time, ask unanimous consent to add Senator BYRD as a cosponsor of the amendment that I have already sent to the desk.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BINGAMAN. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been noted. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, the proposal suggested by my dear friend from New Mexico is one that is worthy of the most serious consideration by the U.S. Senate.

As the Senator has pointed out, all of us—the President, Members of the House and Senate—have spoken eloquently about the importance of education and the role that the electronic media could play in assisting this Nation's cause for education.

Mr. President, this measure before us, S. 12, will grant to the franchise authority all the power it needs to set aside channel or channels for that purpose.

As I have tried to suggest, this is a balanced, well-crafted bill. However, because of the merit of this amendment, I suggested to my friend that this matter be taken up at our next hearing on cable legislation which will occur next month, just about 2 weeks from now. I wish to assure him that, if this amendment is withdrawn, that matter will be on the agenda and it will be given the most serious consideration by my committee.

Mr. BINGAMAN addressed the Chair.

The PRESIDENT pro tempore. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, let me respond to the Senator from Hawaii that I appreciate that suggestion and I will certainly defer to his desires in this regard.

I do think that this is an important issue. It is one that in the long run can do some good for the people of the country. I really think if the people of the country were able to speak today and if we were to do a poll today of the American people to ask them whether they think we should set aside more of our television channels for instruction and education, that they would, in fact, uniformly agree that should be done. So I think the amendment has merit.

I understand the situation that the chairman of the committee is in, with having formulated a delicate balance of support for the bill as it presently stands. I do hope that this matter can be given consideration and we can make this part of the law before the year is out.

In light of that, I will at this time withdraw the amendment from further consideration.

The PRESIDENT pro tempore. The amendment is withdrawn.

The amendment (No. 1511) was withdrawn.

Mr. INOUYE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been noted. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAHAM). Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent to speak out of order for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICA'S FUTURE

Mr. BYRD. Mr. President, after months of fanfare and heightened expectations, the President came to the Capitol the evening before yesterday to unveil to the Nation his plan for America's future. The President offered us a menu of proposals, most of which have been served up before. He resurrected so-called solutions like the line-item veto, a capital gains tax cut, and thread-bare ideas like enterprise zones that have been around quite awhile and trickle-down economics.

The President proclaimed the end of the cold war, but did not outline a strategy for taking a hard look at our defense capabilities in light of new world circumstances. It is not enough to say we will cut a little more now, and reduce some of our huge triad of strategic systems. The Soviet Union has ceased to exist and we must now fashion appropriate roles, missions, and forces that reflect our changed security needs—security from the standpoint of our defense budget.

When we speak of our security needs, we also speak of many items that are funded under the domestic discretionary head. Because, in the first place, for a nation to be strong militarily, it must be strong economically, and for a nation to have the utmost in the protection of its national security under that great umbrella there is also included a very important foundation called economic security.

We should be discussing new job opportunities for our retiring servicemen and servicewomen. Senator NUNN addressed the Senate earlier today on that subject.

Surely we do not need to add more B-2 bombers, yet the President is asking for five more—whatever for? They are hideously expensive. Surely we do not need another $5 or $6 billion for SDI, as if the evil empire of the Reagan years were still operating. I believe there is a window of opportunity here to divert unnecessary defense spending to critical domestic needs. It will take careful thought and a top-to-bottom and bottom-to-top survey of the defense budget to seize that opportunity. Unfortunately, the President's budget does not provide any details for his defense budget. We will not receive those until February 20, 3 weeks from now. That will cause a serious delay in congressional consideration of the administration's defense plan.

Perhaps the New Hampshire primary has something to do with that. I do not know, but it could have something to do with it.

It is obvious that there must be a major reevaluation of our military and defense needs. It seems to me there should be. Part of that reevaluation should focus on the waste that occurs in the Pentagon's handling of its inventories. The recent "60 Minutes" piece on the Defense Logistics Agency exposed at least $35 billion, and probably more, in excess inventory at its facilities throughout the country.

Now, the distinguished Senator from Michigan [Mr. LEVIN] addressed the Senate earlier today on this very point. He pointed out that there is a $100-billion inventory of supplies in the defense depots throughout the country. He pointed out that there was another $100 billion of inventory supplies at defense bases throughout the country. And then he stated there is an additional $50 billion stored at contractor locations. That is $250 billion in military supplies on storage throughout the country.

Can anyone argue with a straight face that that money has been well spent, that it is necessary to have that much money tied up in washers and machine tools and pajamas and Maalox, et cetera? Can anyone look me straight in the eye and argue with a straight face that that is money well spent?

Can we not cut our defense budget? Can we not find ways to cut out that needless waste? I say needless waste; there is always going to be some waste in every department, I am sure. But this is an exorbitant amount of money tied up in military supplies.

I watched that "60 Minutes" program. I was shocked. And I think any taxpayer would have viewed that program with indignation and frustration and disappointment. This is waste of the worst kind, and it must not be overlooked as we search for ways to cut back on defense spending. And it will not be overlooked.

On the domestic front, for more than a year and a half now, our economy has been mired in a recession. What has been the administration's response? For more than a year and a half, the administration has ignored the recession. It was simply not existent; it was not serious, we were told. There was not any recession. The American people have had to wait—wait until January 28 and the State of the Union Message. The American people waited, with incredible patience. And what did they get for waiting? They got 14 tax proposals, many or most of which favor the well-to-do. What they did not get was any hope for the millions of American men and women standing in unemployment lines.

Those men and women need jobs. They would like to pay taxes. They would like to be working. They would like a job so they can pay taxes. They need jobs, before they can benefit from tax cuts. They need the Federal Government to step up to the plate and fulfill its role in making American workers the best, the most skilled in the entire world, not to retreat even further from the challenges laid before us by an increasingly competitive world. Some of the tax proposals might be beneficial to selected industries, and some of them I may very well be able to support.

Most economists, if I am reading the printed press organs correctly, agree that these actions alone will not pull the economy out of its nosedive, and certainly will not provide this country with the wherewithal that it might again be competitive, truly competitive, in the global markets.

As far as the President's plan to "freeze all domestic discretionary budget authority," I would point out that a growing majority of the American people support increases in spending for public investment.

The President, once again, asked for the line-item veto, as if this were the answer to the massive deficits that have occurred during his Presidency and that of his predecessor, Ronald Reagan.

I like this President. I think he is a very personable individual. And he has always been very nice to me. He came by to visit my office yesterday. He said he knew that we would be in disagreement on the line-item veto, and I said, "Yes, Mr. President, but we will not spend much time on that, because it is not going anywhere.'' So we had a laugh out of that. I know that he is sincerely supportive of such, but I do not think that will be around the Senate very long.

But what created the massive deficits were the massive buildups in military spending during the Reagan years, and the massive tax cut of 1981. Those were the two major factors. More recently, the savings and loan bailout and the recession have added to the deficits. So the line-item veto is not the answer.

The national debt, which took 192 years and 39 administrations to reach $932 billion on January 20, 1981—the day that Ronald Reagan took office—rose to $2,683,000,000,000 on January 20, 1989, the day he left office.

And on January 20, 1992, after 3 years under President Bush, the debt stood at $3,694,000,000,000—an increase of $1,011,000,000,000 in just 3 years.

The interest on that debt for fiscal year 1993 is projected to be $212 billion.

That is more than the entire domestic discretionary budget for fiscal year 1993.

If the President were able to line-item veto the entire domestic discretionary budget, it would not even cover the interest on the national debt.

The President talked about pork-barrel appropriations and called for the elimination of programs with noble titles.

He failed to mention that his budget will include a request of $650 million for the superconducting super collider. That is a 34-percent increase.

It has a noble sounding name—I am not sure that it is a very descriptive name insofar as the average layman like myself is concerned—but is not an essential research and development program.

In addition, the President did not mention that his 1993 request for the space station is $2.250 billion.

With all of the unmet human and physical infrastructure needs facing this Nation and with too little funding to address them, we may well have to substantially cut or even eliminate this request.

Our problems are severe and they are right here on Earth.

Exotic luxuries like the space station and the super collider perhaps ought to be put off or canceled until we can shore up our faltering economy.

When the President calls for a freeze on domestic discretionary budget authority, he is actually calling for a real cut.

The domestic discretionary budget authority for fiscal year 1992, according to the President's budget was $202.7 billion.

The cap for domestic discretionary for fiscal year 1993, according to the President's budget, is $206.1 billion.

So a freeze at the 1992 level would amount to a cut of $3.4 billion in fiscal year 1993 domestic discretionary budget authority below the 1993 cap.

The CBO baseline for 1993, which equals last year's appropriations plus inflation, is $211.3 billion. So the President's proposed freeze would amount to a real cut of $8.6 billion in domestic discretionary initiatives.

I hope that Senators will listen and will take heed to what I just said because it will not be long, as we begin to take up the 13 appropriations bills, that there will be requests coming from all Senators for additions to the appropriations bills, for funds to address various and sundry needs that these Senators consider to be important.

Senators will attest to the importance of additional funds for various programs. But I hope they will keep in mind that a Presidential freeze will mean $8.6 billion in real cuts in domestic discretionary programs, and to the various Senators who are on the appropriations subcommittees, they might very well take heed as to the problem that would be caused when it comes to allocating moneys to subcommittees. Senators know that even last year the subcommittees were strapped, and for many years have been strapped for funds. So an $8.6 billion cut in real terms will certainly be reflected in the allocations to the subcommittees.

I am talking about real cuts in such programs as job training, education, infrastructure, highways, bridges, airports, rivers and harbors, health programs, crime, war on drugs, and so on. I know that the President is very supportive of several of these programs—the war on crime, the war on drugs, and so on—but we have a lot of infrastructure needs out there that will certainly go without attention if such a freeze were to take place.

The needs of the American people are not frozen.

These are the programs that directly benefit our economy and our people and which spur private investment and productivity. Yet, the White House wants to cut them back.

We will be having some discussions about this subject from time to time, and I will point out again and again how those programs have been cut back for the past dozen years or more.

As I watched the President, I saw no immediate burst for the economy in any of his numerous tax cut proposals.

These proposals alone will not right our economy.

Worse, I saw no real long-term vision, no long-term plan, no realization apparently that our Nation is in serious trouble over the long run unless we begin to invest more in America and the American people.

We ought to use direct Government spending to address our Nation's economic plight and its competitive position in the world.

We must look at investments for the long run. We have an investment deficit in this country, not just a Federal funds deficit, not just a trade deficit, but also an investment deficit, an investment deficit that impinges upon our ability to compete. Public investment leverages private investment and stimulates economic growth, provides jobs, increases productivity, and enhances our ability to compete with other countries. Such increased public investment need not increase the deficit if we wisely use the peace dividend here at home.

I believe that is what the American people would like for us to do—turn our attention to the crucial problems right here in our own backyard.

That is the only way that we will remain a great nation.

Mr. President, I yield the floor.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate continued with the consideration of the bill.

Mr. SEYMOUR addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

RETRANSMISSION CONSENT

Mr. SEYMOUR. Mr. President, most of the spirited debate that has occurred on S. 12 has focused on the best method to control cable rates and encourage effective competition in the multichannel video marketplace, and rightly so.

However, I rise today not to continue this rate debate but to take a moment to discuss other concerns I have with S. 12.

Mr. President, there is plenty in S. 12 that has little to do with rate regulation. For example, the legislation contains provisions that require carriage of local broadcasters by cable operators. These provisions, known as "must-carry," are crucial to many local broadcasters in my State of California.

Let me state for the record that I support must-carry rights for local broadcasters, especially public television and the small, independent stations—the little guys that are not as widely viewed as the broadcast affiliates.

Many local stations are truly that: local. They provide a unique service in their area that gives true meaning to the word "community." Therefore, I strongly believe that it is in the public interest that local, public, and educational over-the-air stations serve as a component of a cable operator's basic service package.

But there is one provision which takes the cable bill a step beyond must-carry. In fact, this provision presents a different side to the cable TV debate—a side with a good number of questions that in my mind remain unanswered. It is a provision that has never been fully explored in Senate hearings and was not included in S. 12

until the full committee markup. Yet, that provision will affect every element of the television marketplace—TV stations, cable operators, program producers, and more important, consumers.

I refer, of course to the retransmission consent provision found in section 15 of the bill.

Mr. President, under retransmission consent, a television broadcaster would have the right to negotiate with the local cable operator or operators in the area to set a price that the operators would pay for the over-the-air TV signal that cable retransmits.

On its face, this provision sounds very simple and even logical. However, I met with many Californians to discuss this provision. I sat down with television broadcasters from San Diego, cable operators from San Francisco, and program producers from Los Angeles, just to name a few. Hundreds of Californians have written to me to share their insight on what this one provision means to them.

I must say, Mr. President, they have worked together, though certainly not in concert, to destroy any preconceived notions of the simplicity of retransmission consent. Indeed, several basic questions need to be raised here.

For example, what happens if a cable operator refuses to pay a broadcaster even 1 cent for his signal? Is every cable subscriber in the entire community going to be denied access to the affiliate's signal?

Some have answered that a cable consumer can simply disconnect his or her cable unit, or install an "A/B" switch, and pick up the over-the-air signal. That sounds simple. Again, it is even logical. However, it is not that simple.

Many consumers who live in rural, or mountainous areas with poor over-the-air reception do not have the ability to receive network programming beyond the cable wire. For them, an "A/B" switch is nothing more than an "on/off" switch. Also, others may not have the know-how to switch from antenna to cable and back again.

Another obvious question I have for those who seek to limit cable rates is, "Who is going to pay for retransmission consent?" I have heard this question often from cable consumers, even though I am quite sure they already know the answer: If a broadcast affiliate requires a cable operator to pay what amounts to a $1 per cable consumer, do you not think that a cable operator is going to pass that amount on to the consumer in the form of higher rates, or cuts in new programming or services?

Of course he is.

Now I understand that an amendment was recently attached to S. 12 to ensure that cable operators cannot use retransmission consent as an excuse to raise rates. Thus, cable operators will be forced to make up the cost in other areas to pay for retransmission consent. Maybe they will do so by reducing technology research and development—the kinds of investments that improve the quality of cable service, expand channel capacity, or provide other innovations to consumers.

Maybe some cable operators will pay for it by reducing or dropping support of community access channels. There are many of those in California—many funded completely by the cable operator. These access channels provide programming of community interest, such as Pop Warner football or city council meetings, and many are produced by young people trying to gain experience and a foothold into the highly competitive visual production industry.

Or maybe the cable operator will devote less funds to programming, which is not only a source of quality to cable consumers but a source of jobs to Californians who work in the television production industry.

In short, Mr. President, someone is going to have to pay for retransmission consent. If it is not the consumer, it will be something or somebody else that provides a tangible or intangible service to the consumer.

Finally, I am also concerned that this provision has not shown enough sensitivity to the rights of program producers—the ones who create the programs that are carried over the air and through the cable wires.

Let me remind my colleagues that broadcasters do not own most of the programs they air. They license them from program producers. Program producers are the main reason why America's consumers do not watch test patterns. And over the past decade, as expanded channel capacity increased the demand for new programming, the producers have responded with a new wave of innovative shows.

Nonetheless, the interests of the creative element of America's video marketplace do not appear to have been taken into account in retransmission consent. Will they have a chance to participate in the negotiations over who carries their programming?

I believe that the chairman and ranking member of the Copyright Subcommittee have a number of questions about retransmission consent's impact on the Copyright Act's compulsory license. As they well know, the general counsel of the Copyright Office testified before the House Subcommittee on Intellectual Property and Judicial Administration last July, and she concluded that retransmission consent "does have an effect on the compulsory licensing scheme and alters the copyright balance struck in 1976."

I understand that my distinguished colleagues from Arizona and Utah have asked the Copyright Office for a report on how the two interact. My concern is that this body may be jumping the gun by passing this provision now without first knowing the full impact of retransmission consent on current law.

I would like to commend the Commerce Committee for recognizing in its report on S. 12 the right of a programmer to enter into a contract that limits the scope of a licensing agreement with a broadcaster. Their report makes clear that existing or future contracts can limit a broadcaster's ability to opt for retransmission consent, or guarantee the program producer a share of the proceeds if a broadcaster benefits from retransmission consent, or any other terms warranted by the marketplace, specifically, the committee report states:

> The committee emphasizes that nothing in this bill is intended to abrogate or alter existing program licensing agreements between broadcasters and program suppliers, or to limit the terms of existing or future licensing agreements. (S. Rpt. 102-92, p. 36.)

Once again, I commend the committee chairman for supporting the right of program producers to freely contract to protect their properties. However, I raise several important questions: When a broadcast affiliate seeks compensation from a cable operator under section 15 of this bill but without the consent of the producer, does that not work to "abrogate or alter" existing contract agreements between the broadcast affiliate and the producer?

Furthermore, does not the compulsory license, which is the existing law, give a cable operator a legal right to carry a local over-the-air signal without the permission of the owners of either the signal or the programs carried over it? Is that not also altered by S. 12's retransmission consent provision?

I have raised a number of basic and technical legal questions that underscore my present concerns with retransmission consent. Indeed, at this time, it is a provision that offers more questions than answers. Therefore, I am hopeful that during consideration of cable legislation by the House of Representatives, greater attention will be afforded to the questions I have raised, the rights and concerns of program producers, and the conclusions offered by the Copyright Office and other experts in the field.

I look forward to taking part in seeking the answers to these questions and others that may be raised in the future on this important provision in S. 12.

I thank the Chair. I yield the floor.

Mr. BREAUX. Mr. President, I will be relatively brief and make a few comments on the pending cable bill that is before the Senate.

I was interested in the comments of the previous speaker, the Senator from California, on retransmission consent, which is contained in the pending legislation. It really presents a very interesting problem, and I think we ought to spend a little bit of time thinking about it and trying to figure out how we are going to work our way out of what I think is an apparent dilemma we are creating for ourselves.

The legislation essentially says that a cable company now must negotiate with a broadcasting or television station for the right to retransmit the broadcast signal from that television station over their cable system to subscribers around the country and that that cable company can either agree to a must-carry provision, which means they must carry those signals, or they can negotiate and pay the broadcaster for the right or the privilege to, in fact, carry that program. And that means an exchange of some financial consideration from the cable company to the broadcaster for the right to transmit that signal.

The conflict, an apparent conflict, about which I am a little bit concerned, is what happens to the person who actually owns the program, the programmer in this case who creates the product, who creates the show, who creates the idea and turns it into a marketable product which they sell to the broadcast stations or to the networks. It seems to me we ought to be very careful, and that we product the rights of the person who owns the property to also be properly compensated for the resale of that product.

I am a little concerned that under existing provisions we prohibit the cable companies or the programmers from negotiating for retransmission over cable systems of their product. But now we are specifically saying that the broadcaster can get paid by the cable company, that the programmer cannot be paid by the cable company for broadcasting that signal.

I think we have a conflict there, and I am not sure how to resolve it. I think perhaps the Judiciary Committee under the copyright laws can be taking a look at the conflict that I think we are presenting ourselves.

If I were a programmer and I owned the product, and I sold it to a network, I would expect to get compensated for it, and they do. But can I as an owner of that program get compensated by somebody else who uses that program, for instance the cable operators? That is where the conflict is.

Perhaps programmers will be able to take into consideration if they sell a program to NBC, just for example, that NBC will also be selling it to the cable operator; therefore, my product is more valuable to the network and therefore you ought to pay me more because I know you are going to get paid again by the cable operators when they buy your product. Maybe that is one way to resolve this situation without trying to pass a bunch of laws to take care of it.

Perhaps there may be some who would advocate that the cable owners should not only negotiate with the broadcaster but would also have to negotiate with the programmer. I think that is probably a little bit more complicated than it needs to be.

But there is a problem out there. We are creating it through the retransmission that is sent. We are not resolving it. In fact I think we are creating it. That is why I raise this point, because I think perhaps the Judiciary Committee will be looking at this issue under the Copyright Act, and perhaps will recommend a solution to this Congress that will be one that will be fair and just to everybody involved.

I think just one other comment on the entire package. We have all heard comments, really complaints, from many subscribers and cities and counties and, in my case, of course, Louisiana, parishes, because of the treatment that they have received from many cable operators throughout the United States. There is no question that there have been some abuses. There is no question that there have been some overcharges, but I think we as a Congress have to be cautious in coming in and overregulating with a heavy hand an industry that by and large was being received very well by the general public.

It is amazing the growth of the cable industry in this country. The facts indicate that nearly 90 percent of the homes in this country have available to them cable service.

It is an industry that we now see that over 60 percent of American homes actually subscribe to some type of cable service. If it was that bad, if it was that overpriced, if the services were that fraught with mistakes and bad service, I would think that American public would respond by saying we are just not going to accept that type of service. We are not going to pay for it, but really the facts are just the opposite. The American people have enthusiastically continued to subscribe to the cable services, indicating certainly a certain degree of acceptance and in fact support for this industry which is now really looking at potential for overregulation.

I generally support less regulation, not more, and that is one of the reasons why I intend to support the Packwood-Kerry substitute in the way it is presented as I understand it is going to be to the Senate floor. It provides a degree of regulation which is not there now but it does not overregulate. To allow for the regulation of a base of services that subscribers get I think is appropriate. All of these extra things are just that. They are extras. You do not have to have all of the exotic programs that are coming out on the market. If you think they are too expensive you do not need to take those programs. If you think it is a good bargain, then you should have the right to do so.

But the basic tier, the basic networks, and the basic television programs will be brought in the basic tier package will now be regulated under the substitute offered by Senators PACKWOOD and KERRY. I think that is an appropriate and a proper move to try and remedy some of the concerns and the problems that have been presented to us. It certainly is going to make the cable operators and the cable owners have recognition, that being a monopoly in almost all instances, they have a special standard that they have to follow.

Indeed, a limited amount of regulation with regard to the amount of rates that can be charged I think is appropriate and proper. I think to offer do it, to go back to the old days when it was all regulated, when we had problems from overregulation, is a mistake that we should have learned from.

So I would recommend a middle course, a more modest degree of regulation, which I think is contained in the substitute, and I intend to support that substitute when it is presented.

I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

ORDER OF PROCEDURE

Mr. BUMPERS. Mr. President, I ask unanimous consent that I be permitted to proceed for not to exceed 3 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPERCONDUCTING SUPER COLLIDER AND THE SPACE STATION

Mr. BUMPERS. Mr. President, I rushed over to the floor because I was sitting in my office a moment ago, and I heard the distinguished chairman of the Appropriations Committee say some things that were immensely gratifying to me, namely, that in a perfect world the superconducting super collider and the space station might be highly desirable, but we are not in a perfect world. We are in one where this body is going to be scrounging for money for programs which are absolutely essential to a vibrant democracy, essential to the fairness of the people of the country, and essential to the viability of the economy of this country.

I was absolutely traumatized that the President has asked for 34 percent increase in the superconducting super collider, a 12 percent increase in the space station, and I will just discuss those two, neither of which have a significant payback to the American people, a space station which is going to cost in today's dollars $30 billion, plus $10 billion for associated costs and throw it into space, and at total cost over the 27-year additional life expectancy of $118 billion.

You are not just talking about even $40 billion. You remember it started out at $8 billion at President Reagan's

State of the Union Address. We are now up to $40 billion just for the station, and a total of $118 billion; some say $200 billion for the 27-year life of it.

Last year I took that on here and I got 35 votes. And the reason I am so pleased is because I know with the strength and force of the chairman of the Appropriations Committee on my side, and he did not commit to this, but he is certainly learning that way, we may be able to scrub one of the most shameless expenditures of money in the history of the United States.

When it comes to the superconducting super collider we will take that on later also. But the President has asked for about $170 million increase in that, $250 million increase for the space station, headed for God knows where.

So I am just immensely pleased. I sent our colleagues a letter last week, to all of my colleagues, saying without being strident about it, I hope you are not signing any letters signing on to the space station as many people did last year. Incidentally, 13 people, who signed the letter of the Senator from Alabama last year saying we think the space station is the greatest thing since night baseball—13 of them later voted to kill it.

In my opinion, those are two programs that absolutely must go if we are serious about finding money to fund some of the things the President mentioned the other night. I counted up about $100 billion he mentioned. I cannot find anywhere in the budget where it is going to be paid for.

I just came over here to thank my distinguished colleague from West Virginia, the chairman of the Appropriations Committee, for his comments on those items.

I yield the floor.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate continued with the consideration of the bill.

Mr. CRANSTON. Mr. President, regarding the cable legislation pending before the Senate, it contains a provision that is causing great consternation among those who produce much of the programming broadcast by television stations into America's living rooms. Those who invest great sums to produce TV shows and who own the copyright in those shows have raised serious concerns about their rights under the retransmission consent provision of S. 12.

Many copyright owners have asked why S. 12's retransmission provision requires the cable operator to obtain permission to retransmit shows not from the copyright owner but from the broadcaster who is only licensed by the copyright owner to use his show in very limited and specified ways.

I have also been asked how retransmission consent could function alongside the Copyright Act's compulsory license. Today, under the existing compulsory license, a cable operator may retransmit a copyrighted program without the permission of the broadcaster or the copyright owner. It would seem that retransmission consent abrogates the compulsory license.

S. 12, unfortunately, does not clarify this significant question. Other program producers have asked me about existing and future contracts between a copyright owner and broadcaster that expressly bar a broadcaster from granting or denying consent to retransmit a program.

I was glad to see the Commerce Committee report specifically recognize the program owner's right to freely contract for terms surrounding this program. However, how will the cable bill affect an existing or future contract between a retransmission rights we are discussing here today? That is a very important question.

Mr. President, these and other concerns may disrupt the day-to-day operations of producers, if they attempt to reconcile the retransmission consent provisions with aspects of the Copyright Act's compulsory license and contractual agreements between the affected parties.

I understand that the chairman of the Copyright Subcommittee, Senator DECONCINI of Arizona, intends to hold hearings on the compulsory license in March. I have every confidence that if those hearings reveal that some modification of the retransmission consent provisions is necessary, the principals behind S. 12 will ensure that those changes are made. And I look forward to working with them to that end.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBB). Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that I be permitted to proceed as if in morning business for the duration of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator is recognized as if in morning business and the Senator's remarks will appear at the appropriate point in the RECORD.

Mr. LAUTENBERG. I thank the distinguished occupant of the Chair.

(The remarks of Mr. LAUTENBERG pertaining to the introduction of S. 2169 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. Who seeks recognition?

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Hawaii.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SANFORD). Without objection, it is so ordered.

THE USE OF PEG CHANNELS FOR THE CARRIAGE OF NONCOMMERCIAL BROADCAST STATIONS UNDER SECTION 615(d)

Mr. GORE. Mr. President, I am concerned about a possible misinterpretation of section 615(d) of S. 12. As the Senator from Hawaii knows, that provision would allow a cable operator to satisfy its obligation to carry a noncommercial educational television signal by placing it on a public, educational, or governmental [PEG] channel not in use for its designated purpose. As the Senator also knows, section 611 of the Cable Communications Policy Act of 1984, 47 U.S.C. 531, grants franchising authorities the right, as part of a franchise, to require that a cable operator establish PEG channels and to establish rules and procedures for the use of such channels. My question is whether a cable operator would be required to obtain the permission of the franchising authority before it could use an unused PEG channel for the carriage of a noncommercial television signal?

Mr. INOUYE. Absolutely. A cable operator's right to use an unused PEG channel to carry a noncommercial television signal still would be subject to the approval or disapproval of a franchising authority. Section 615(d) is not intended to impair the right of a franchising authority under section 611 of the Cable Act to regulate PEG channels. Section 611(d)(1) of the Cable Act is very clear on this point. It recognizes the right of a franchising authority to prescribe "rules and procedures under which the cable operator is permitted to use such channel capacity for the provision of other services if such channel capacity is not being used for the purposes designated." Section 615 of S. 12 does not impair that authority.

Mr. GORE. Would a franchising authority have the right to require the cable operator to remove the noncommercial television signal after a certain period of time?

Mr. INOUYE. Yes. Section 611(d)(2) of the Cable Act states that a franchising authority may establish rules and procedures under which use of a PEG channel for an undesignated purpose shall cease. Nothing in S. 12 is intended to undermine a franchising authority's rights under section 611(d)(2) or any other provision in section 611. A cable operator would have no right to use, or continue to use, an unused PEG channel to carry a noncommerical television signal pursuant to section 615 of S. 12 if a franchising authority does not approve of such use.

Mr. GORE. Mr. President, I would like to raise an important issue that deserves to be addressed in the near future. This issue concerns the need to create a right of public performance for sound recordings delivered on a subscription basis.

Mr. INOUYE. I am glad the Senator raised this issue. Although the question of compensation for performers and record companies for public performances is not within the jurisdiction of the Commerce Committee and does not fall within the confines of the Communications Act of 1934, this issue has never been more important than now. New digital technologies are emerging that will deliver CD-quality sound over cable wires and via satellite to consumers' homes. The transmission of digital, on-demand sound recordings may reduce consumers' desire to purchase CD's, records, or other recordings.

Under current copyright law, the creators of sound recordings receive compensation for the sale of recordings but are not paid directly for their talent, creativity, and financial investment when their works are performed publicly. If these new digital technologies reduce the demand for the purchase of recordings, they will make it difficult for the performers and producers of sound recordings to benefit from the use of their product. I am concerned that performers and record companies may not realize the financial benefit they deserve from subscription services that deliver their product for payment by the listening public. The United States is virtually alone in the industrialized world in not providing direct compensation to producers and performers for the public performance of their sound recordings. I believe that the rights of American workers need to be protected both in the United States and abroad.

Speaking as a frustrated musician myself, I recognize that the American music industry and its performers have provided the music that not only we but the whole world enjoys. I hope that the parties involved in the question of compensation for creators of sound recordings delivered over digital audio subscription services, both in the Congress and in the industry, can find a way to work out a solution to this problem.

Mr. GORE. I share the concerns of my friend and colleague from Hawaii. In fact, the Copyright Office recently issued a report that also raises concern about this issue. I'm extremely proud of the contributions that my constituents in Tennessee make to American music and I want to ensure that this creative spirit is not stifled and that their livelihoods will be protected in the face of emerging technologies. I hope now that the Copyright Office has issued its report, the Judiciary Committee will take a look at this and that the interested parties will get together to work out a legislative solution to this problem. I look forward to working with my colleague and the members of the Judiciary Committee to achieve these goals.

LOCAL ACCESS TO BROADCAST SIGNALS

Mr. BURDICK. Mr. President, I would like to pose a question to my colleague, the distinguished Senator from Hawaii, the manager of S. 12 on the Democratic side, for the purpose of engaging in a colloquy.

I support this bill because I believe it provides important protections to Americans across the Nation who subscribe to cable television. As reported by the Commerce Committee, the bill's retransmission consent provision will give local broadcast stations the option to negotiate with local cable operators over the terms and conditions of cable carriage of its signal. Concerns have been raised about what will happen if a local station is unable to reach an agreement with the local cable operator, which could result in the loss of local programming to cable subscribers. I am particularly concerned about those consumers who cannot receive all the local broadcast signals without cable. How can we be assured that if retransmission consent negotiations take place, consumers will not lose access to their local programming?

Mr. ADAMS. Mr. President, I too am concerned about this possibility. If a local broadcast station and a cable operator are unable to come to terms on an agreement to carry that station's signal, some consumers may not be able to receive local programming. For example, in parts of Seattle, the signals of local Seattle stations are not viewable if they are not carried on cable, because of interference problems with over-the-air viewing of these signals. How can we be sure that consumers will continue to receive the signals of their local broadcast stations if the local broadcaster and the local cable operator cannot reach agreement on the terms of carriage?

Mr. INOUYE. Mr. President, I thank the Senators for raising this very important concern, inasmuch as universal availability of local broadcast signals is a major goal of this legislation. In the broadcast sense, providing local stations with the ability to negotiate with cable systems and other multichannel providers is a necessary step, we believe, to ensure that local stations remain viable well into the future to continue to provide local service to cable subscribers and nonsubscribers alike.

The must carry and retransmission consent provisions of the bill are intended to promote the availability of local broadcast signals on cable systems. Today, cable subscribers and local stations are totally at the mercy of local cable operators. There presently are absolutely no assurances that any local stations will be carried on a cable system.

The retransmission consent provisions of S. 12 were designed so as to avoid creating a complex set of governmental rules to promote the carriage of local broadcast signals. Instead, S. 12 permits the two interested parties—the station and the cable system—to negotiate concerning their mutual interests. It is of course in their mutual interests that these parties reach an agreement; the broadcaster will want access to the audience served by the cable system, and the cable operator will want the attractive programming that is carried on the broadcast signal.

I believe that instances in which the parties will be unable to reach an agreement will be extremely rare. We should resist the urge to require formal, preestablished mechanisms that might distort the incentives of the marketplace.

At the same time, there may be times when the Government may be of assistance in helping the parties reach an agreement. I am confident, as I believe the other cosponsors of the bill are, that the FCC has the authority under the Communications Act and under the provisions of this bill to address what would be the rare instances in which such carriage agreements are not reached. I believe that the FCC should exercise this authority, when necessary, to help ensure that local broadcast signals are available to all the cable subscribers.

In this regard, the FCC should monitor the workings of this section following its rulemaking implementing the regulations that will govern stations' exercise of retransmission consent so as to identify any such problems. If it identifies such unforeseen instances in which a lack of agreement results in a loss of local programming to viewers, the Commission should take the regulatory steps needed to address the problem.

I assure my friend that my colleagues on the committee and I will make certain that the FCC uses its authority to prevent any such impasses from becoming permanent and frustrating the achievement of our goal to maximize local service to the public.

Mr. BURDICK. Mr. President, I thank my friend and colleague for this clarification.

Mr. ADAMS. Mr. President, I also would like to thank the manager of the bill, Senator INOUYE, for his cogent explanation of this issue.

Mr. WELLSTONE. Mr. President, I am delighted to hear the assurances of Senator INOUYE regarding local access to broadcast signals. I had been considering offering an amendment dealing with this subject. I ask unanimous consent that a copy of that proposed amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 95, between lines 8 and 9, insert the following:

"(C) The regulations required by subparagraph (A) shall ensure that the exercise of the rights to grant retransmission authority under this subsection does not result in—

"(i) the loss of any local broadcast signal carried by a cable operator on the date of the enactment of this subparagraph; and

"(ii) an increase in the rates charged by cable operators.

Mr. WELLSTONE. Mr. President, as a result of the assurances of the Senator from Hawaii, as well as the provisions in the manager's amendment addressing the potential for rate increases due to retransmission consent, I believe the significant public interest aspects of this proposal have been favorably addressed, and I will not offer my amendment at this time.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

AMENDMENT NO. 1512

(Purpose: To modify the provisions of the bill relating to the requirement to carry local broadcast signals)

Mr. BROWN. Mr. President, I have an amendment that I will send to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. BROWN] proposes an amendment numbered 1512.

Mr. BROWN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 103, line 23, immediately after "the", insert "foregoing".

On page 103, after line 24, add the following:

"(g)(1) Notwithstanding any other provision of this Act, the Commission shall, within 18 months following the date of the enactment of this subsection, promulgate regulations, consistent with the requirements of this subsection, authorizing any cable operator to apply for an exemption from the requirements of subsections (a) through (f).

"(2) Regulations required by paragraph (1) of this subsection shall provide that a cable operator for any system be exempt from the requirements of subsections (a) through (f) at such time as, and provided that, such operator establishes, by such means as the Commission shall prescribe, that there is available for use for each television receiver maintained by each subscriber of such operator a device which permits the subscriber to change readily among all video distribution media with no differential in convenience among the video distribution media.

"(3) Regulations pursuant to paragraph (1) shall provide, among other things—

"(A) for exemptions in accordance with this subsection,

"(B) technical and operating requirements for the device referred to in paragraph (2) of this subsection, and

"(C) for implementing the provisions of section 303(s) of this Act.

"(4) Nothing in this subsection shall be construed to require a subscriber of any cable system to acquire any device referred to in paragraph (2), or to prohibit any such subscriber from acquiring any such device from a source other than the cable operator.

"(5) The device referred to in paragraph (2) shall be made available by a cable operator providing cable services to a system to the subscribers of that system at a nominal charge, and as a part of the basic tier of service.

On page 91, line 8, immediately after "switch", insert a comma and the following: "or other comparable device,".

On page 91, line 9, immediately after the comma, insert "with no differential in convenience among the video distribution media,".

Mr. BROWN. Mr. President, I have the deepest respect for the great efforts of the Senators that have brought this bill to the floor. They have taken a tough problem and worked very hard and come up with a solution that goes a long way toward addressing some of the problems in this area. I do believe, though, that the bill continues to have some significant flaws.

Mr. President, my concern is that this bill does not expand competition and avoid some of the flaws that I think it should. That is not in any way to detract from the many good things this bill does. Certainly eliminating the anticompetitive environment that has been allowed to exist in some of our municipalities and States is a major step forward.

Certain aspects of the must-carry provision, I think, go a long way toward preventing monopolistic practices in this area. But I do think there is more that we can do to foster competition and, I think, more that we can do to help consumers in this area.

Instead of providing consumers with the maximum program choices, the bill may have the unintended impact of limiting the choices available to them.

I have four basic concerns with this measure as it has been reported out of the Commerce Committee, each of which impact upon the others.

First, Mr. President, I continue to have deep concerns over the constitutionality of the must-carry provisions for commercial television stations. The committee report on S. 12 acknowledges that the scope of cable television's first amendment rights remains unresolved.

Let us be specific. We know that the FCC must-carry rules have failed twice to pass constitutional scrutiny in the Quincy Cable TV, Inc., and Century Communications Corp. cases. These problems are still with us. Whether they are FCC rules or whether they are statutes, we have to meet the constitutional guidelines. It is an area we should address.

Second, I am concerned that the retransmission rights may either increase the cost of basic cable service or effectively deprive cable subscribers of those stations' programming in the event no retransmission agreement is reached.

Let us be specific. Right now cable companies do, indeed, benefit from having the opportunity to retranscribe, to beam out the signals of existing local stations. This bill makes it possible for them to have to pay for that right. Let us not fool anybody; that is going to mean higher costs to consumers. There is no magic in this. You cannot come up with a paycheck for those broadcasting stations and not have somebody pay for it, and the consumer is the one who is going to get to pay this bill.

It seems the bill violates two of its basic purposes—to lower cable rates and to increase program choices for consumers.

Let me acknowledge here that other provisions of the bill, including some of the rate regulation, may well help control rates in other areas, and I do not want to diminish that effort of the bill's sponsors at all. But there is clearly a contrary impact as well.

Third, Mr. President, I am concerned that the retransmission consent could increase the cost and limit the availability of programming in rural areas via satellite once the sunset provisions of the Satellite Home Viewer Act take effect in 1995.

As an ancillary matter, I might note that retransmission fees are intended to create additional revenues for the television stations. But they do so without permitting the producers of the programming those stations transmit to participate in revenues generated. It is a copyright problem.

Rather, the producers are effectively denied further compensation under the current compulsory copyright provisions of the Copyright Act. This situation is unfair and it undercuts the equities upon which the compulsory copyright is based.

These concerns, however, are best addressed in the context of the upcoming hearings on compulsory copyright laws and, hopefully, the extension of the Satellite Home Viewer Television Act.

Finally, Mr. President, I am concerned that the must-carry provisions for commercial broadcast stations is essentially a mandatory subsidy, the costs of which will be imposed on competing television systems and cable consumers regardless of whether they want the channels which elect must-carry or not. If they are put in the basic package, the cost of paying for those retransmissions are being passed on to people who may or may not want to see those channels or may or may not want to pay for them.

The justification for must-carry offered by the support materials here is that it is necessary in order to provide broadcast stations with access to the viewing public. I personally believe must-carry has great value. If you have a circumstance where a cable company has significant control of a significant portion of the market and a local broadcaster did not have access to that system, it becomes very difficult for them to compete in the local market.

That has led me to the amendment that is before the Senate now. The amendment is pretty basic and pretty simple. It simply says, if you can come up with an easy way, through a remote control device, to switch from the cable system over to your antenna where you get those local stations, that that will provide an exemption for must-carry.

Mr. President, my purpose is very simple. One, I hope we will urge the industry to move forward and develop a device that can be operated by remote control that makes it easy to switch out of the cable mode and over to your antenna. That solves some of this sticky problem. And it promotes competition. That is what this amendment is all about.

If a device of this type cannot be developed—and the FCC is given prerogative here to help develop the rules—if a device of this kind cannot be developed, nothing is lost, the must-carry provisions are still there in the bill. But we should not deny the ability to provide competition. This amendment would provide an incentive for the development of compatible devices to make that switchover. And if we have that in place, it will make a real difference in terms of competition in the marketplace.

Mr. President, I yield the floor.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

AMENDMENT NO. 1513 TO AMENDMENT NO. 1512

(Purpose: To protect children from indecent cable programming on leased access channels)

Mr. HELMS. Mr. President, I send a second-degree amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1513 to amendment No. 1512.

Mr. HELMS. Mr. President, in this instance I am going to ask the clerk to read all of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The assistant legislative clerk proceeded to read the amendment.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment, add the following new section:

CHILDREN'S PROTECTION FROM INDECENT PROGRAMMING ON LEASED ACCESS CHANNELS

SEC. . (a) Section 612(h) of the Communications Act of 1934 (47 U.S.C. 532(h)), is amended by:

(1) inserting after the words "franchising authority", the words "or the cable operator," and

(2) inserting immediately after the period at the end thereof the following:

"This subsection shall permit a cable operator to enforce prospectively a written and published policy of prohibiting programming that the cable operator reasonably believes describes or depicts sexual excretory activities or organs in a patently offensive manner as measured by contemporary community standards."

(b) Section 612 of the Communications Act of 1934 (47 U.S.C. 532), is amended by inserting at the end the following new subsection:

"(i)(1) Within 120 days days following the date of the enactment of this subsection, the Federal Communications Commission shall promulgate regulations designed to limit the access of children to indecent programming, as defined by Federal Communications Commission regulations and which cable operators have not voluntarily prohibited under subsection (h) of this section, by:

"(A) requiring cable operators to place on a single channel all indecent programs, as identified by program providers, intended for carriage on channels designated for commercial use under this section, and

"(B) requiring cable operators to block such single channel unless the subscriber requests access to such channel in writing, and

"(C) requiring programmers to inform cable operators if the program would be indecent as defined by Federal Communications Commission regulations."

"(2) Cable operators shall comply with the regulations promulgated pursuant to paragraph (1).".

Mr. HELMS. Mr. President, after consulting with the distinguished manager of the bill, I believe I am going to withdraw it, temporarily.

The PRESIDING OFFICER. The Senator may withdraw his amendment.

The amendment (No. 1513) was withdrawn.

Mr. INOUYE. What is the pending business, Mr. President?

The PRESIDING OFFICER. The Brown amendment, No. 1512.

Mr. INOUYE. Mr. President, may I be recognized to speak against the Brown amendment?

The PRESIDING OFFICER. The Senator is recognized.

Mr. INOUYE. Mr. President, for the past 2 days we have been considering S. 12. Throughout the debate we found the broadcasters on one side and cable television operators on the other side. However, on this amendment, the National Association of Broadcasters, the National Cable Television Association, and the Community Antenna TV Association, are jointly opposed to this Brown amendment.

This amendment at first blush would seem reasonable and desirable. But we have been advised that to install this in the proper fashion would cost consumers about $1.5 billion.

Second, at the present time there are cable subscribers who have these switches, but they do not work.

Third, over three-quarters of all the cable subscribers in the United States have no antennas, because it is all cable. So they have done away with the antenna.

That being the case, and the costs involved, I think all of us would have to oppose this. It may interest the Senate that, at this time, 6 percent of cable households are reported to have ever used the A/B switch, and those who have used it have discontinued it immediately because it just does not work.

I would hope that as a result of this colloquy with the distinguished Senator from Colorado, industry will make a special effort to come up with a switch that will work. And I hope the time will come when, Mr. President, you and I can be watching a ballgame and suddenly find it blacked out and we can go to our remote switch and get it from over-the-air, free television. Today you cannot do that.

So the Brown amendment has great merit and I am certain America would support this. But at the present time, with the cost of $1.5 billion and the technology being such it will not work, reluctantly the managers will have to oppose this amendment.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I totally concur with the comments of Senator INOUYE. I, of course, have the highest regard for Senator BROWN and any proposal he puts forward deserves the careful consideration of the Senate and the careful consideration of this Senator. I appreciate the seriousness of putting this proposal forward, but for the reasons stated by the Senator from Hawaii, I, too, will have to oppose it.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, let me express my thanks to the distinguished Senator from Hawaii and the distinguished Senator from Missouri for the kindness of their remarks, although the conclusion I had hoped might come out differently. Let me simply, for the record, make several observations.

One is that this is not the old A/B switch which was tried. This contemplates a new device. Second, what is contemplated here is not mandatory, so it is not a requirement to come up with $1 or $1.5 billion that might have applied to the old systems. Third, the burden is indeed on cable companies, not on others here. And, fourth, that this is simply an option that is not required. Indeed, if the devices are not sound or if they are too expensive, there is no requirement to move ahead with them.

But it does provide an option that, if developed, could well be of assistance in promoting competition here. It seems to me it is a mistake to rule out the option that this technology can and will be developed.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1512) was rejected.

The PRESIDING OFFICER. The Senator from North Carolina.

AMENDMENT NO. 1514

(Purpose: To protect children from indecent cable programming on leased access channels)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1514.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following new section:

CHILDREN'S PROTECTION FROM INDECENT PROGRAMMING ON LEASED ACCESS CHANNELS

SEC. . (a) Section 612(h) of the Communications Act of 1934 (47 U.S.C. 532(h)), is amended by:

(1) inserting after the words "franchising authority", the words "or the cable operator", and

(2) inserting immediately after the period at the end thereof the following:

"This subsection shall permit a cable operator to enforce prospectively a written and published policy of prohibiting programming that the cable operator reasonably believes describes or depicts sexual or excretory activities or organs in a patently offensive manner as measured by contemporary community standards."

(b) Section 612 of the Communications Act of 1934 (47 U.S.C. 532), is amended by inserting at the end the following new subsection:

"(i)(1) Within 120 days following the date of the enactment of this subsection, the Federal Communications Commission shall promulgate regulations designed to limit the access of children to indecent programming, as defined by Federal Communications Commission regulations and which cable operators have not voluntarily prohibited under subsection (h) of this section, by:

"(A) requiring cable operators to place on a single channel all indecent programs, as identified by program providers, intended for carriage on channels designated for commercial use under this section, and

"(B) requiring cable operators to block such single channel unless the subscriber requests access to such channel in writing, and

"(C) requiring programmers to inform cable operators if the program would be indecent as defined by Federal Communications Commission regulations."

"(2) Cable operators shall comply with the regulations promulgated pursuant to paragraph (1).".

Mr. HELMS. Mr. President, the amendment at the desk will forbid cable companies from inflicting their unsuspecting subscribers with sexually explicit programs on leased access channels.

Under my amendment, cable operators have the right to reject such filthy programming, and if they do not reject it, consumers have the right to reject such programming from being fed into their homes. The pending amendment requires the blocking of sexually explicit leased access channels precisely as Congress has already required telephone companies to block so-called dial-a-porn lines. It is interesting, certainly to me and millions of others, that this past Monday the Supreme Court upheld the dial-a-porn law which I offered in the Senate in 1989.

Mr. President, leased access channels are not pay channels, they are often in the basic cable package. These channels are similar to public access channels, except that advertising can be purchased on leased access channels.

The problem is that cable companies are required by law to carry, on leased access channels, any and every program that comes along—no matter how offensive and disgusting. The end result is perverted and disgusting programs mixed with religious and health shows.

These leased access channels were intended to promote diversity, but instead they promote perversity. For example, the Playboy channel made its way onto a leased access channel in Puerto Rico. Imagine, the Playboy channel on a regular leased access channel. I cannot imagine it, but it happened.

The situation is likewise out of hand in New York and other States. One program on a leased access channel in New York depicts men and women stripping completely nude. This was described as the "best strip show in town" in a sort of perverted review in one of the publications in New York. Another leased access channel is laden with explicit sex ads: these sex ads are sickenly perverse: They promote incest, beastiality, even rape. Another program featured people performing oral sex.

I have at hand, a letter from an outraged mother named Madelon, who accidentally saw this program. Here is what she said:

> Words cannot describe the outrage I felt when I found myself watching on cable TV a couple engaging in oral sex. I phoned the Manhatten Cable to complain and was told that I was receiving Channel J, which is a leased access channel. I feel as though my daughter and I are subject to verbal and visual violation just by accidentally pushing the wrong button. * * * It's sleaze; it's smut, and I don't want it!

Mr. President, this type of programming is spreading across the country. We have received reports of filthy, disgusting programming from California to my State of North Carolina. I was reminded this morning of a report from Austin, TX, that they, too, have had problems, and I do mean problems, with public access channels. The headline says, "Mayor Protests Strip Act on ACTV."

This lady, Madelon, is absolutely right. She said it has to stop, and I agree with her. It is a travesty that existing law requires cable operators to carry this sort of garbage, and that is why I have sent this amendment to the desk.

Let me summarize. First, the pending amendment will allow a cable company to decline to carry on leased access channels programs that "describe or depict sexual or excretory activities or organs in a patently offensive manner."

Why did I include that? This definition is exactly the same as the FCC definition which was upheld by the Supreme Court on two occasions, most recently this past Monday. This amendment simply gives the cable operator the right to reject such material.

Mr. President, there is no constitutional problem with this amendment because this is not governmental action. It is an action taken by a private party.

The pending amendment merely gives cable operators the legal right to make that decision. The amendment does not require cable operators to do anything. Therefore, let me say it again, this amendment does not in any way propose censorship.

The courts have ruled that it is permissible to allow a private company to make independent decisions to exclude certain objectionable material. *Carlin Comm.* v. *The Mountain States Tel. and Telegraph Co.*, 827 F2d 1291 (9th Cir.) and *Carlin Comm.* v. *Southern Bell*, 802 F.2d 1352 (11th Cir. 1986).)

The second part of the pending amendment, Mr. President, requires FCC to set rules, (A) to place all sexually explicit programs onto a single leased access channel and, (B) to block this segregated channel unless a subscriber requests in writing such channel to be unblocked.

This is precisely the same method that Congress used to block dial-a-porn lines. And, as I said earlier, this past Monday the Supreme Court upheld that law which originated in the Senate of the United States and it was authored by this Senator. It validated this method.

Therefore, there is no question about the constitutionality of this approach.

The Supreme Court has ruled, on an amendment similar to the pending amendment, that it is permissible to block telephone lines that carry such sexually explicit material.

Surely from the pornographic community, we are going to hear the claims that we always hear. They made it against my dial-a-porn amendment. For example, they said the term "indecency" is too vague. They said that mandatory blocking was too tough.

And, third, they said this is unconstitutional prior restraint.

All of the above are false. None of the above is accurate. And I suggest that any doubters read the second circuit court case which was upheld by the Supreme Court this past Monday. (*Dial Information Services* v. *Thornburg*, 938 F.2d 1535 (2d Cir. 1991).) Each one of those objections is refuted by the excellent opinion of the second circuit court.

Just for the record, let me state what the Supreme Court said about the definition of indecency, which is in this amendment and which was in my dial-a-porn amendment. The Supreme Court said this definition is not unconstitutional. As a matter of fact, the Court said "indecent, as used in the Helms amendment, has been defined clearly by the Federal Communication Commission. * * * Accordingly, the term indecent as used in the Helms amendment is sufficiently defined to provide guidance to 'the person of ordinary intelligence in the conduct of this affairs.'" (938 F.2d at 1540–41.)

Second, the Court said that mandatory blocking, which is in this amendment, is constitutional and far more effective than voluntary blocking. Let me quote the Court again with respect to dial-a-porn. "It seems to us that voluntary blocking would not even come close to eliminating as much as the access of children to dial-a-porn as would mandatory blocking." (938 F.2d at 1542.)

The Court then made an excellent point, and I again quote the Court because the two amendments, the dial-a-porn and this one, are analogous. The Court said: "A child may have suffered serious psychological damage from contact with dial-a-porn before the child's parents even became aware from a monthly telephone bill there has been access to an indecent message." Then the Court continued: "It always is more effective to lock the barn before the horse is stolen." (98 F.2d at 1542.)

Finally, the second circuit court held that this approach is not prior restraint of speech. The Court said: "There is no restraint of any kind on adults who seek access to dial-a-porn. A requirement that one desiring access make an advance request therefore simply does not constitute a prior restraint," said the U.S. Supreme Court. (938 F.2d at 1543.)

Mr. President, the bottom line is that this amendment will keep decent Americans from being victimized by the disgusting programs, and the strip shows, and all the rest the sleaze that runs on leased access channels.

Mr. President, I ask unanimous consent that Senator THURMOND and Senator COATS be identified as a principal cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that certain letters be printed in the RECORD, which support the constitutionality of this amendment. These letters are from knowledgeable and experienced scholars.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

GREAT FALLS, VA, *January 29, 1992.*

Senator JESSE A. HELMS,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR HELMS: This letter responds to your request regarding the constitutionality of an amendment to 47 U.S. Code 532(h). In part the amendment would provide:

"This provision permits a cable operator to enforce prospectively a written and published policy of prohibiting programming that it reasonably believes describes or depicts sexual or excretory activities or organs in a patently offensive manner as measured by contemporary community standards."

The authorization proposed by the amendment would pass constitutional muster under the First Amendment. The independent judgment of a private cable operator to exclude programming does not entail government action subject to the restraints of the Amendment. See e.g., *Carlin Communications, Inc.* v. *The Mountain States Telephone and Telegraph Company*, 827 F. 2d 1291 (9th Cir. 1987). In addition, the legitimate government interest in morality justifies confining the scope of the cable operator's discretion to the portrayal or presentation of sexual organs or sexual acts that may be patently offensive to the local community. See *Barnes* v. *Glenn Theatres, Inc.*, 111 S. Ct. 2456 (1991).

Nothing in the proposed amendment would permit a cable operator to decline to carry programming that conveyed ideas regarding sex communicated in a way that was not patently offensive to the community because of its portrayal or presentation of sexual organs or sexual acts.

The amendment would also require cable operators to block commercial channels that carry indecent programming, as identified by the programmer, absent a written customer request for access. That provision raises no constitutional difficulties.

Indecency is a legal term of art specifically defined by the Supreme Court and the Federal Communications Commission by regulation that forecloses any vagueness challenge, *FCC* v. *Pacific Foundation*, 438 US 726(1978); *Dial Information Services Corp. of New York* v. *Thornburgh*, 938 F.2d 1535(2nd.Cir.1991).

Further, there is no constitutional mischief in requiring an affirmative adult request before access to indecent material is provided to the subscriber. The government enjoys a compelling interest both in protecting minors from moral and other harms threatened by indecent communications, see *Dial Information*, supra, and in protecting the privacy of the home from unrequested commercial programming, see *Breard* v. *City of Alexandria*, 341 US 622(1951)(upholding ordinance prohibiting home sales of magazines absent customer request).

Finally, offering cable operators or subscribers greater control over erotic or sexually explicit materials than over theatrical productions of the Lincoln-Douglas debate creates no constitutionally invidious classification. See *Rowan* v. *Post Office Dept.*, 397 US 728 (1970).

Sincerely,

BRUCE FEIN,
Attorney at Law.

MORALITY IN MEDIA, INC.,
New York, NY, January 27, 1992.

Hon. JESSE HELMS,
Senate Dirksen Office Building, Washington, DC.

DEAR MR. PHILLIPS: Enclosed are the promised materials concerning the problem of pornographic programming on Congressionally created and regulated public and leased access channels.

As I mentioned on the phone, Federal Law currently prohibits the transmission of obscene matter on cable television [18 U.S.C. 1468; 47 U.S.C. 559].

Section 558 of Title 47, however, also exempts cable operators from criminal liability under the Federal Obscenity Laws for any programming carried on "public access" channels [47 U.S.C. 531] and "leased access" channels [47 U.S.C. 532]. The reason for this exemption if found in Subsection 531(e) and 532(c)(2) of Title 47. These Subsections prohibit operators from exercising "any editorial control" over programming on public or leased access channels.

There are provisions in the current law which were meant to deal with the problem of obscene programming on public and leased access channels, but these provisions have been ineffective. Subsection 544(d) of Title 47, which applys to both public and leased access channels, authorizes a franchising authority and cable operator to specify in a franchise or renewal thereof, that:

"Certain cable services shall not be provided or shall be provided subject to conditions, if such cable services are obscene or otherwise unprotected by the Constitution."

In addition, Subsection 532(h), which applys to "leased access" channels, states:

"Any cable service offered pursuant to this section shall not be provided, or shall be provided subject to conditions, if such cable service in the judgment of the franchising authority is obscene, or is in conflict with community standards in that it is lewd, lascivious, filthy, or indecent or is otherwise unprotected by the Constitution of the United States."

These provisions [Subsection 544(d) and 532(h)] were specifically designed by Congress to ensure that the Cable Communications Policy Act of 1984 would not loosen control of pornographic content transmitted over cable TV. When the Cable Communications Policy Act of 1984 was pending, columnist Jack Anderson complained that the Cable Act would permit pornographic programming on cable. On May 10, 1984 Representatives Bliley and Wirth wrote to every member of Congress to refute this charge. They said in pertinent part as follows:

"In his letter, Mr. Anderson states that HR 4103, "The Cable Telecommunications Act of 1984," will loosen control of pornographic content transmitted over cable T.V. We have no idea where he got this false impression, but as the author and original cosponsor of

HR 4103, we can assure you that this legislation not only protects the public against dissemination of obscene material over cable systems, but in fact strengthens the existing state of the law with respect to such programming.

"The legislative history surrounding this issue provides some useful insight which underscores how this legislation address[es] this problem.

"When the Telecommunications Subcommittee marked up the Cable legislation last November, Rep. Tom Tauke pointed out that the legislation might not contain anti-pornography protections with respect to so-called leased access channels—a form of access channel which is not specifically provided in the Senate Bill.

"To remedy the potential problem Congressman Tauke identified, his amendment was agreed to which vested in the hands of the local officials the authority to also assure that no obscene programming would be offered over leased access channels. . . ."

As stated above, however, these "anti-pornography protections" have not worked. The Franchising Authority in New York City recently refused to include a provision in franchises to prohibit obscene programming on public or leased access channels [see enclosed materials]. The United States Attorney's Office in Manhattan has also refused to enforce the Federal Obscenity Laws against the cable providers on these channels.

But even in communities where the Franchising Authorities are willing to exercise their authority over obscene programming, there are difficulties. In the first place, administrative agencies cannot make final determinations about obscene material. Provision must be made for prompt judicial review. Nor may Congress require cable operators to serve as "involuntary governmental surrogates" without proper procedural safeguards. See *Midwest Video Corp.* v. *FCC*, 571 F.2d 1025 (8th Cir. 1978), aff'd, 47 LW 3335 (U.S. 1979). In the second place, it is doubtful whether government may bar cable service from a cable system on the grounds that obscene matter has been transmitted. *See, City of Paducah* v. *Investment Entertainment, Inc.*, 39 Cr.L. 2237 (6th Cir. 1986), cert. den., 55 L.W. 3277 (U.S. 1986).

In the third place, programming can be pornographic or "indecent" without being "obscene" within the three-part *Miller* v. *California* test. Nude talk shows and "nude dancing" which do not depict "hard core" sexual conduct are "indecent" but not obscene. Live or recorded programs which include scenes depicting lewd exhibition of the genitals, masturbation, vaginal intercourse, sodomy or oral sex, but which, when taken as a whole, have serious value, are "indecent" but not obscene. Society may have to put up with such material in a so-called "adult entertainment establishment," but families and decent Americans should not be forced by Congress to open their homes to such material simply because they choose to have cable television installed.

In 1987 the United States Supreme Court summarily affirmed a decision of the Tenth Circuit Court of Appeals which invalidated the Utah Cable Television Programming Decency Act. See *Wilkinson* v. *Community Television*, 800 F.2d 989 (10th Cir. 1986), aff'd without opinion, 55 LW 3643 (U.S. 1987). It is the opinion of Morality in Media that the Supreme Court's summary affirmance in *Wilkinson* does not foreclose the Court itself or lower courts from addressing in a future case the validity of carefully constructed cable TV indecency legislation. See attached analysis in April 1987 Obscenity Law Bulletin.

Be that as it may, very few if any Franchising Authorities are willing at this time to tackle the problem of indecent programming on cable TV—despite provisions in the Cable Act which directly or arguably address the problem of indecent programming on public and leased access channels. See Subsection 532(h) of Title 47 [specifically includes the word "indecent"] and Subsection 544(d) of Title 47 [contains the phrase "or otherwise unprotected by the constitution"]. On cable channels other than public or leased access channels, cable operators can refuse to contract with providers of indecent programming. But on public or leased access channels, which at least in Manhattan are part of "basic cable service," operators are forbidden by Congress from exercising "editorial control."

Congress undoubtedly meant well in requiring cable operators to operate public and leased access channels as a public forum open to any and all speakers. Even in a "traditional public forum" [e.g., a public street], however, public decency and harmful to minors display laws apply. How much more so when the privacy of the home is at stake. See *Frisby* v. *Schultz*, 56 LW 4785, at 4788 (U.S. 1988); *FCC* v. *Pacifica Foundation*, 438 U.S. 726 (1978).

If Congress is serious about correcting abuses in the provision of cable television programming, it cannot continue to ignore the problem of pornographic programming on public and leased access channels. In many parts of the country these channels have become little more than pornographic sewers. Either the public and leased access channels should be done away with, or cable operators must be permitted to exercise some measure of control over programming on these channels.

The experience of the telephone companies in regard to "dial-in-services" could be helpful. Generally speaking, a phone company must offer its services to all persons without discrimination. The U.S. Court of Appeals for the Ninth Circuit nevertheless held that a telephone company can exercise some business judgment about what messages, even presumptively lawful ones, it will carry. See *Mountain States Telephone* v. *Carlin Communications*, 827 F.2d 1291 (1987), *rev. den.*, 56 LW 3737 (U.S. 1988). Similarly, in *Carlin Communications, Inc.* v. *Southern Bell*, 802 F.2d 1352 (11th Cir. 1986), the Eleventh Circuit held that a telephone company motivated by a desire to protect its own corporate image could refuse to carry dial-a-porn services.

As noted in the *Mountain States Telephone* case, "the principle of nondiscrimination does not preclude distinctions based on reasonable business classifications." *Id.*, at 827 F.2d 1293. Nor would an amendment to Sections 531 and 532 of Title 47, which would restore to cable operators some freedom to choose the content of cable operators some freedom to choose the content of cable services with which their name and reputation will be associated, constitute state action. *Southern Bell*, at 802 F.2d 1361.

Lastly, cable operators would still be exempt from obscenity liability pursuant to 47 U.S.C. 558. *Playboy Enterprises* v. *Public Service Com'n*, 906 F.2d 25 (1st Cir. 1990), cert den., 59 LW 3344 (U.S. 1990).

Sincerely,

ROBERT PETERS,
Attorney.

Mr. THURMOND. I rise in strong support of the important amendment offered by my colleague from North Carolina, Senator HELMS. I support S. 12, the underlying measure, and believe the Helms amendment is a valuable addition to the bill.

This amendment ensures that cable subscribers will not be bombarded in the privacy of their home by unsolicited pornographic programs on leased public access TV channels. This amendment gives cable operators the right to reject sexually explicit programming on leased public access channels. If they choose to accept such programming, this amendment allows consumers to block the channel.

This amendment deals with leased access channels—not pay premium channels like HBO and Showtime. Leased access channels are part of the basic cable package that every subscriber gets when they have cable television installed. These channels are similar to public access channels—anybody and everybody can get their program on the air as long as they pay for their time slot. Independent producers rent TV time from the cable companies and then sell commercial time to support their shows.

The problem is that cable companies are required by current law to carry on these leased channels any program that may come along. Current law forbids cable companies from exercising editorial control on program content. While the underlying theory of leased access channels was to provide a forum for people to speak out on a diversity of issues, these channels are slowly becoming public porn channels. For example, I understand that the Playboy channel was on Puerto Rico's leased access channel. In New York, a leased public access channel contained porn shows with ads for phone lines that promised to let listeners eavesdrop on acts of incest. It also had numerous sex shows and X-rated previews of hard-core homosexual films. It is truly disturbing that cable companies are forced to give such programs a public forum and that cable subscribers must accept this porn as part of basic cable. Remember, these programs are appearing on leased public channels. They are not pay channels.

Mr. President, this amendment permits a cable company to decline to carry on leased access channels programs which are patently offensive because of their presentation of sex acts. This does not create a constitutional problem because Government action is not involved when a private cable company chooses to deny such an indecent program access. Federal courts have already ruled that it is permissible to allow a private compny to make an independent decision which excludes certain objectionable programming. In fact, it is done on network and local television every day.

Second, this important amendment requires the FCC to establish rules for cable operators so that all indecent sexually explicit programs are segregated onto a single leased access channel. The amendment requires that this segregated channel be blocked unless a subscriber requests that the channel be unlocked. This is similar to the manner in which dial-a-porn lines are regulated.

Mr. President, although a few self-interested smut peddlers will cry foul claiming that this amendment violates the first amendment, I believe it passes constitutional muster. Other critics of this amendment may claim that by simply turning the channel, opponents of pornography on public channels can avoid sexcually explicit programming. Yet, this ignores the fact that this pornography is entering the privacy of another's home completely unsolicited. Furthermore, children cannot be monitored every minute of the day. Simply instructing children not to watch certain programs does not solve the problem.

It is time that the Federal Government stops facilitating the spread of explicit pornography for profit. Such offensive material exploits women and children and desensitizes our Nation to the pain of sexual abuse.

For these reasons, I urge my colleagues to support this important amendment.

Mr. COATS. Mr. President, on Monday, the Supreme Court upheld an important principle in our fight to protect our children from the assault of sexual obscenity.

Companies marketing sexually explicit material should not have unhindered access to our children through the telephone lines.

In refusing to review Dial Information Services Corporation of New York versus Barr, the Supreme Court has given parents greater ability to protect their homes and their childrens' environment.

The fundamental principle of the dial-a-porn legislation which I coauthored with the Senator from North Carolina is this: Unless a household specifically requests such services, companies have no right to invade our households with pornography.

This is the same principle for which the Senator from North Carolina fights today.

In New York City, leased access cable provides the following programming:

A program which news article described as "The Best Strip Joint in Town".

X-rated previews of gay films.

One New Yorker wrote to his cable provider, "I want to bring to your attention the homosexual program aired last Friday night. Are you crazy? Beyond mere homosexual pornography, this program showed blatant sexual abuse and what could be classified as rape. Have you no concern for the social, let alone moral, consequences of such programming?"

It is no secret that early and sustained exposure to hard core pornography can result in significant physical, psychological, and social damage to a child.

In addition, indiscriminate viewing of pornography is directly linked to child victimization.

A recent report by the Los Angeles Police Department states:

> Members of the sexually exploited child unit of the Los Angeles Police Department have long known that pornography is often employed by offenders in the extrafamilial sexual victimization of children. In the unit's 14-year history, pornography has been documented in case after case.

Dr. Rolf Zillman of Indiana University conducted a study of the effects of pornography on college students. He found that "there can be no doubt that pornography, as a form of primarily male entertainment, promotes the victimization of women in particular." He documented a more lenient view of rape and bestiality among those who had greater exposure to pornography.

I firmly believe that every parent in America has the right to protect his or her children from the hard core pornography which is now carried on the airwaves.

The amendment offered by the Senator from North Carolina simply states that cable companies shall block the material from entering homes, unless that household has specifically consented to receiving it.

Our homes and our children deserve no less.

Mr. INOUYE. Mr. President, will the Senator yield for a question?

Mr. HELMS. You bet.

Mr. INOUYE. The action proposed in your amendment is not mandatory, is it?

Mr. HELMS. That is correct.

Mr. INOUYE. And if a subscriber desires to watch the sexually implicit shows, he may do so.

Mr. HELMS. That is right. He can ask for it.

Mr. INOUYE. So this is not Government censorship.

Mr. HELMS. The Senator is absolutely right, as the Court itself made clear with respect to the dial-a-porn amendment.

Mr. INOUYE. Mr. President, under those circumstances, as manager of the bill on this side, I am pleased to accept the amendment.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, the amendment is acceptable on this side.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I thank the Chair. I thank the managers of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MACK (when his name was called). Present.

Mr. FORD. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Iowa [Mr. HARKIN], and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. PACKWOOD] is necessarily absent.

The PRESIDING OFFICER (Mr. LIEBERMAN). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 95, nays 0, as follows:

[Rollcall Vote No. 12 Leg.]

YEAS—95

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—0

ANSWERED "PRESENT"—1

Mack

NOT VOTING—4

Bradley
Harkin
Kerrey
Packwood

So the amendment (No. 1514) was agreed to.

The PRESIDING OFFICER. The Chair recognizes the Senator from Georgia [Mr. FOWLER].

AMENDMENT NO. 1515

(Purpose: To permit a cable operator of a cable system to eliminate certain channel)

Mr. FOWLER. Mr. President, I have an amendment I send to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Georgia [Mr. FOWLER] proposes an amendment numbered 1515.

Mr. FOWLER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 116, between lines 14 and 15, insert the following:

SEC. . (a) Within 180 days following the date of the enactment of this section, the Federal Communications Commission shall promulgate such regulations as may be necessary to enable a cable operator of a system to prohibit the use, on such system, of any channel capacity of any public, educational, or governmental access facility for any programming which contains obscene material, sexually explicit conduct or material soliciting or promoting unlawful conduct.

Mr. FOWLER. Mr. President, I have an amendment that would empower cable operators to prohibit sexually explicit conduct, obscene material as defined under the Federal Communication Commission and the courts, and material soliciting or promoting unlawful conduct that is now programmed and carried through the so-called public access channels. It is my understanding that the cable operators do not have the authority to prohibit such programming, and this amendment would empower them to prohibit it.

As the Presiding Officer knows, in many cities throughout the country, unfortunately, public access channels are now being used, through live television, to basically solicit prostitution through easily discernible shams such as escort services, fantasy parties, where live participants, through two-way conversation through the telephone, are soliciting illegal activities.

This should be stopped, must be stopped, and I think this amendment will empower the cable operators to stop it.

Mr. WIRTH. Mr. President, will the Senator yield?

Mr. FOWLER. I am pleased to yield to the Senator from Colorado.

Mr. WIRTH. Mr. President, I want to associate myself with the comments and ask that I be listed as a cosponsor of the Fowler amendment.

Mr. FOWLER. I am delighted.

Mr. WIRTH. I ask unanimous consent to be considered as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WIRTH. Mr. President, I was the author of the provisions in the 1984 Cable Act, which provide for public access. That, it seemed to us, was an enormously important provision in that bill to make sure that these so-called bottleneck procedures—so that some individual company could not control the bottleneck and not shut out all kinds of public programming, where that is educational or community town meetings and civic city council meetings and so on, was allowed and could have easy access to the cable system.

But, clearly, that has now been abused. Any of us who have been to New York City recently and looked on the television set on the major channel in New York, I think it is a Time-Warner system, will see this is true. Time-Warner has no choice; I mean, they have to provide this kind of access for what essentially has nothing to do with any kind of public interest whatsoever. It is the most prurient and, in fact, in many ways, grossly illegal access one could imagine.

First, they are skirting around a series of first amendment issues. I think the way this amendment has been constructed by Senator FOWLER really has met that problem and met that problem in a very well-crafted fashion.

So I hope that all of us will support the Fowler amendment and give a very clear signal to the cable companies that, in fact, they can police their own systems, which they cannot do now. This is a service not only to the public, but, also, to the cable companies themselves.

I yield the floor and thank you, Mr. President.

Mr. FOWLER. I thank the Senator from Colorado for his usual fine contribution.

The PRESIDING OFFICER. Is there further debate?

The Senator from Hawaii.

Mr. INOUYE. Mr. President, the managers of this bill have had an opportunity to discuss this matter with the author of the amendment and we find that the amendment is acceptable.

The PRESIDING OFFICER. Is there further debate?

The Senator from Missouri, Mr. DANFORTH, is recognized.

Mr. DANFORTH. The amendment is acceptable, Mr. President.

The PRESIDING OFFICER. Is there further debate?

Hearing none, the question is on agreeing to the amendment of the Senator from Georgia [Mr. FOWLER].

The amendment (No. 1515) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. FOWLER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona [Mr. DECONCINI].

Mr. DECONCINI. Mr. President, I would like to commend my friend from Hawaii, Mr. INOUYE, and his staff for their tireless efforts in drafting comprehensive cable legislation.

There is one area of this legislation that I have been following very closely because of my responsibilities as the chairman of the Judiciary Subcommittee on Patents, Copyrights and Trademarks. The provision of special interest to me is known as "retransmission consent," which would amend the Communications Act of 1934 to permit broadcasters to negotiate with cable systems for the right to carry their signals.

I would like to emphasize that the Senator from Hawaii has not attempted to alter the relationship between the program producers and the cable systems. Cable systems currently gain access to television programming through the cable compulsory license in the Copyright Act of 1976, 17 U.S.C. 111. Senator INOUYE has taken great care to state in the committee report and the bill itself that S. 12 should not be construed to modify the cable compulsory license.

We are currently reviewing the cable compulsory license in my Subcommittee on Copyrights. Last year I, joined by Senator HATCH, the ranking member of the Copyright Subcommittee requested a study of the cable compulsory license from the Registrar of Copyrights, Ralph Oman. We expect to receive the study this February after which we plan to hold a hearing on this issue to examine, among other issues, the practical effect that retransmission consent would have upon the cable compulsory license.

Because of Senator INOUYE'S work with and interest in the cable industry, I would like to invite him and his staff to work with my subcommittee on the cable compulsory license issue. While I have no intention of interfering with the progress of S. 12, if our hearing reveals that the cable compulsory license and retransmission consent need to be reconciled, I hope that my friend from Hawaii will assist me in getting a place at the conference table on S. 12 pertaining to the issue of retransmission consent.

I would like to thank my friend from Hawaii and Toni Cooke on his staff for keeping my subcommittee continuously informed of their work in this area of critical importance to my subcommittee.

Mr. President, I would also like to discuss other aspects of the current legislation which I believe would have a negative impact upon the pocketbooks of the Nation's cable television viewers, and particularly the cable customers in my home State of Arizona. As I have indicated many times to my esteemed colleague and friend from Hawaii, Senator INOUYE, limited reregulation of the cable industry may well be a good idea for the country. I believe the current law, which was authored by Senator Goldwater, has greatly improved the quality and availability of both cable and broadcast television programming.

As many of my colleagues have pointed out, local cable regulation from 1972 to 1984 didn't work well. There was little investment in plant and programming. Cable television was the butt of many jokes. Today, the cable industry isn't a joke any longer; it is indeed a strong competitor in the entertainment industry. My friend from Hawaii has presented a very strong case in support of reregulation of rates and other matters, but I am not convinced all of these remedies will benefit my constituents in Arizona. In fact, I tend to believe that the most of tomorrow's cable customers nationwide, and certainly in Arizona, will pay far more for the same programming they receive today.

Mr. President, the Arizona cable customers appear to have greatly profited from cable deregulation. Since 1984, cable customers in Arizona have seen their basic rates remain constant in real dollars. Data from the largest of the cable companies in Arizona show that the basic monthly cable rate for most Arizona cable subscribers was $14.95. Today, it is $19.95, an increase of only 2 percent above inflation. The viewers have 7 new channels while the cost per channel per month has risen a mere 4 cents, from 50 to 54 cents. During this same time frame, Dimension Cable has added over 200,000 additional customers, an increase of over 290 percent.

Compared with many other types of information and entertainment options, Arizona cable television seems to me to be a great bargain. Newspaper subscription costs have doubled, movies costs are up 71 percent, and even a Disneyland pass is up one-third.

Mr. President, the cable industry is not perfect. It wasn't before enactment of the Cable Act of 1984, and it won't be perfect in the future whether or not the current version of S. 12 is enacted. I readily concede that the cable industry has its own bad actors who have inflicted extraordinary rate increases on their customers since enactment of the 1984 act. However, the 1984 act didn't cause these rate increases, and I doubt anything we pass will change that.

Mr. President, I strongly support certain provisions in the pending legislation and have even authored similar in previous Congresses. I want a balanced playing field for broadcasters, especially local affiliates and independents. The Senator from Hawaii knows that I have always supported must-carry and introduced a must-carry bill. I also believe that cable companies should at least pay a small fee to broadcasters for compiling their programming for retransmission, but I would also like to take a deeper look at this issue.

Most importantly, I want to protect new entrants into this workplace, like direct broadcasters, multichannel providers and low power broadcasters, from unfair business practices by cable and other producers of programming. In short, I believe the consumer will benefit from as much competition as possible. Therefore, I cannot support the legislation before us.

In conclusion, I thank the distinguished senior Senator from Hawaii [Mr. INOUYE] for his courtesy and look forward to working with him as this measure works its way through the House and conference.

The PRESIDING OFFICER. Is there further debate?

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arkansas.

Mr. PRYOR. I thank the Chair very much for recognizing me.

Mr. President, I ask unanimous consent that I may speak and proceed as if in morning business for not to exceed 6 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, let me say to the distinguished Presiding Officer, I have talked to the distinguished managers of the legislation before the Senate at this time and they said that it was all right to proceed as if in morning business for a short time.

THE DEFENSE BUDGET

Mr. PRYOR. Mr. President, on Tuesday night the President of the United States talked to the Congress and the American people, and when he got to the part about the defense budget, he said we are going to cut here and we are going to cut there, we are going to cut this weapon, we are going to knock out this base, and then he said, "This deep and no deeper." "This deep and no deeper."

Well, Mr. President, that is the issue which I would like to address for a moment this afternoon, and talk about whether or not there might not be some areas in which we could go just a little bit deeper.

Yesterday, Defense Secretary Cheney and General Colin Powell unveiled, in a 2-hour Pentagon press conference, the details of our new post-cold-war military structure. President Bush has decided it is time to cut some $50 billion out of defense spending.

While these cuts are needed in some areas, the economic results are going to be devastating. Programs are going to be cut, Mr. President, jobs are going to be lost, bases will close, communities will suffer. To be sure, there will be massive readjustments.

Earlier today, the distinguished chairman of the Senate Armed Services Committee, Senator SAM NUNN, of Georgia, spoke about the importance of easing the transition of reducing our military forces. Mr. President, in light of our new military reductions, today I want to appeal to my colleagues and the American public about a disturbing trend from within the Pentagon that, quite simply, just does not make sense.

As our military shrinks and unemployment soars, I feel compelled to reveal yet another Pentagon boondoggle; and that, Mr. President, is our Military Recruitment Program. In the face of spending cuts and criticisms of our Federal hiring practices, the Pentagon continues to spend almost $2 billion a year trying to get people to join the Armed Forces of our country, and, Mr. President, the process has become excessively bureaucratic, with its thousands of offices and tens of thousands of military recruiters. I have with me today a letter from one of my constituents from Beebe, AR, who recently wrote me about this topic. Mr. Grady Starr writes:

> DEAR SENATOR PRYOR: I'm having a real difficult time understanding the leaders of our county wasting thousands of dollars advertising for recruits to the armed services on the one hand, and at the same time the administration encouraging those who are in the armed services to drop out.
>
> I suppose this is another means of fighting the recession. If the services are overstaffed and Congress is sincere in trying to reduce the military, why are they spending millions on advertising, plus keeping a fulltime recruiting service?

That was the question in a letter sent to me from Beebe, AR by Mr. Grady Starr.

In answering Mr. Starr's question, let me say that it is not thousands or even millions of dollars that we spend on recruiting. We actually spend billions of dollars on recruiting, while at the same time, we pay hefty sums to service men and women who promise to drop out of the military. After receiving Grady Starr's letter, my staff put together some interesting figures, which are displayed in the charts I have today. The first chart shows the declining trend in the number of recruits who actually join our Armed Forces for active duty each year. Beginning with 320,000 recruits in fiscal year 1989; and then a sharp decline to 210,000 active duty recruits for the current fiscal year 1992. These figures are indicative of the sizable cutbacks that our military is enduring. However, it is incomprehensible that while the number of incoming recruits dropped by 34 percent since 1989, the total recruitment spending figures have not declined concurrently. Since fiscal year 1989 the year Secretary Cheney proposed the manpower reductions, annual Pentagon spending for the recruiting of active duty troops has hovered around $1.3 billion.

What is truly amazing about these figures, about these declining numbers of new recruits, is that the President's fiscal year 1993 budget request calls not for a decrease, Mr. President, in the number of funds for recruitment, but he actually calls an for increase in the next fiscal year for recruiting funds. Imagine that, Mr. President, an increase in recruiting funds while our military work force is rapidly declining, and while we are asking people, begging people, paying hefty sums to encourage people to leave the military. "This deep and no deeper"? Certainly we can do better.

My second chart shows some very disturbing figures. This chart represents the total DOD spending per active duty recruit. As we can see, between fiscal years 1989 and 1992, the 3 years in which the military is preparing to downsize by 25 percent and the total of incoming recruits declined by 34 percent, the Pentagon increased the amount of money spent on each active duty recruit by 30 percent.

This is hard to believe. In fiscal year 1992, Mr. President, over $6,000 is going to be spent on the recruitment of each individual active duty member who joins our armed services. That represents a figure which is up by 30 percent from the $4,300 spent just 3 years ago, in 1989.

What is going on here? How is this money being spent? We all know, of course, about the extensive advertising campaigns. Every time we turn on the television, pick up a newspaper, listen to the radio, we are bombarded by ads that say: "Be all that you can be." "Aim high." "The Few, the Proud." During the National Football League playoffs this year hardly a commercial break went by without the presence of a military advertisement. Needless to say, it cost, Mr. President, an enormous sum of money to produce and to buy air time during these prime time events. The average cost of a 30-second TV advertisement for the National Football Conference Championship on CBS was $310,000 for each 30 seconds. Our military ran four such advertisements during that particular game.

Mr. President, our performance in Desert Storm, in my opinion, was the ultimate image enhancement program. As a result, thousands of quality young men and women were turned away from recruiting offices that year. So why does this expensive spending campaign continue? Mr. President, it does not make sense.

Unfortunately, the boondoggle of Pentagon recruitment policies involves much more than just the elaborate, unnecessary television ads, those commercials that are produced by New York City advertising agencies. There are numerous magazine and newspaper advertisements; mass mailings that usually end up in the mailboxes all across America, and the trash cans of noninterested citizens. Thousands of Americans today are receiving free T-shirts, posters, coffee cups, and other military paraphernalia, just because they responded to an armed services mailing brochure.

But most important, the Department of Defense maintains a massive recruiting force that includes over 6,000 offices and 23,000 employees for the purpose of recruiting new personnel into our armed services, when at the same time we are offering large bonuses to individuals who leave the military. Of course these tens of thousands of recruiters utilize expense accounts and use taxpayer-bought automobiles. But the recruiters are not at fault. They are merely following orders.

If the President says we have won the cold war, and the Pentagon says we have a new post-cold-war military, then it is time to cool off the high-powered recruiting machine of the Armed Forces. Mr. President, military recruiting practices must be reevaluated, and it can be done without jeopardizing the quality of our Armed Forces.

As the Pentagon shrinks its budget and reduces its manpower, the costly, overstaffed, bloated, recruiting empire of the Armed Forces must be exposed and restructured.

Mr. President, this bureaucratic program is out of touch with the reality of Pentagon cutbacks. President Bush said in the State of the Union Address, once again, that the defense cuts he is proposing are "this deep, and no deeper." So, is all of the fat now trimmed away? Regrettably, Mr. President, these disturbing figures show that we can do a better job. We can cut a little deeper. We can make our military work better. As we downsize our military, we do not need $310,000 TV ads and an oversized recruiting work force. These practices must be stopped.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Is there further debate?

Mr. PRYOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1516

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1516.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end insert the following:

SEC. . (1) Section 638 of the Communications Act of 1934 (47 U.S.C. 558) is amended by (a) striking the period and (b) adding at the end the following: "unless the program involves obscene material."

Mr. HELMS. Mr. President, not long ago, Playboy convinced a cable company to put the Playboy channel on a leased access channel. I think I discussed with some thoroughness the problem with leased access channels in a previous amendment which was approved by the Senate, 95 to 0.

Mr. President, Playboy did this so that the cable company would be immune from prosecution for the broadcast of Playboy. It is very clever. Playboy knew that the 1984 Cable Act totally discharges cable operators from liability for programs carried on leased access channels. So they proceeded to abuse the law. No other case can be made for what they did.

Mr. President, the intent of the law, obviously, was to promote diversity in cable programming. The law required cable operators to carry anything that programmers brought along.

So the law, in effect, struck a deal for the cable operators. In exchange for carrying all programming, the law said, we will make sure you are not liable for any programming you carry. This is not only ridiculous, this is dangerous; hence, the pending amendment.

A Federal court even validated this scheme between Playboy and the cable companies. The court said that under the law, this Cable Act preempted State obscenity law and that the Cable Act prohibited the prosecution of cable operators. (*Playboy Enterprises, Inc.* v. *P.S.C. of Puerto Rico*, 698 F. Supp. 401 (D. Puerto Rico 1988).)

This was a loophole that nobody imagined when the 1984 Cable Act was approved by the Congress and signed by the President.

Let me emphasize—and I will say no more about it—it was never the intent of the Congress of the United States to provide a safe harbor for obscenity. The pending amendment states that a cable company will henceforth be held liable if it carries obscene programs on leased access channels. And it will put an end to the kind of things going on in New York and elsewhere.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, as manager of this measure, I have had the opportunity to discuss this amendment with the Senator from North Carolina, and I am prepared to accept it.

Mr. DANFORTH. Mr. President, this amendment is acceptable on this side.

The PRESIDING OFFICER. Hearing no further debate, the question is on agreeing to the amendment offered by the Senator from North Carolina.

The amendment (No. 1516) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, my sincere thanks to the managers of the bill for their courtesy and cooperation.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1517

Mr. THURMOND. Mr. President, I send an amendment to the desk and ask for its immediate consideration. This amendment is by Senator DECONCINI of Arizona and myself.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND], for himself and Mr. DECONCINI, proposes an amendment numbered 1517.

At the appropriate place in the amendment add the following:

The Congress finds—

That the physical attributes of the broadcast medium are such that it is reasonable to assume that minors are likely to be in the broadcast audience during most of the broadcast day;

Based on contemporary community standards, there is concern over a growing number of television broadcast programs which at times constitute indecency;

There are instances in network broadcast television programming which involve the depiction of sexual activity directly or by innuendo which is patently offensive under contemporary community standards;

Broadcast television programs that depict sexual matters in ways which are obscene, indecent, or profane erode our sense of traditional American values; and

The three major networks have reduced or eliminated their "Standards and Practices" departments which have traditionally reviewed programming for objectionable material: Now, therefore, it is the sense of the Congress that the television networks and producers should increase their activity to monitor and remove offensive sexual material from their television broadcast programming.

Mr. THURMOND. Mr. President, I ask unanimous consent that Senator HELMS be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I rise today, along with Senator DECONCINI and Senator HELMS, to offer an amendment the cable bill regarding the removal of offensive sexual material from television broadcasting. This amendment provides that it is the sense of the Congress that television networks and producers should increase their activity to monitor and remove offensive sexual material from their television broadcast programming. It is identical to Senate Joint Resolution 13, which Senator DECONCINI and I introduced last January at the beginning of the 102d Congress.

As I have stated on several occasions, sexually explicit material is growing by leaps and bounds on network television. I have received calls and letters from my constituents who feel the networks have pushed much of their programming beyond what a reasonable viewing audience would find respectable as family entertainment. In view of that concern, and because of the likelihood that minors are in the television viewing audience for most of the broadcast day, we offer this amendment expressing the sense of the Congress that the television networks and producers should increase their activity to monitor and remove offensive sexual material from their television broadcast programming.

Mr. President, it is widely acknowledged that the three major networks have reduced or eliminated their standards and practices departments. These departments have traditionally reviewed programming for objectionable material prior to broadcasting. The standards and practices departments served to defend audience sensibilities, giving due consideration to the composition of the broadcast audience with regard to programming content. Over the years, as these departments have been downsized, objectionable material on television has increased dramatically. Unfortunately, much of this type of programming is viewed as commonplace.

Mr. President, it was not too long ago that the major networks were in competition solely among themselves. With the advent of cable television, pay television, and VCR's, the landscape of broadcast television has been forever changed. Competition for audience share is ferocious among the players in the broadcast medium. The networks are now in the unfortunate position of competing with cable television, music videos, independent stations, and movie rentals which offer a wide variety of programming.

In my view, this type of environment is much of the reason networks choose to air more explicit programs on network television. Lorne Michaels, the well-known executive producer of "Saturday Night Live," was quoted as saying, "My competition isn't the Late Show anymore, it's cable and VCR's." This quote is a good indication that the networks are under a great deal of pressure to appeal by aggressive means to a large viewing audience. All too often, their response is to air programs with sexually explicit material.

Mr. President, I believe there is a quiet majority across our country who have witnessed and been offended at the casual and cavalier manner in which sexual activity is portrayed on network television. What message is this image sending to our young children? Are American teenagers to believe that network television sets the standard for determining proper behavior, and if they do not conform, that they are an oddity? I sincerely hope that is not the case. Yet, we continue to see an unfortunate downward spiral in television programming.

I encourage all of my colleagues to join Senator DECONCINI, Senator HELMS, and myself in passing this amendment. Television is a prevalent fixture in almost every home in America. Along with all the other issues we have been addressing in this cable bill, this body now has an opportunity to send a clear message to the networks that public officials representing families all across America want to see more responsible programming.

Mr. President, I understand that both sides have agreed to accept this amendment.

Mr. INOUYE. Mr. President, I have had the opportunity to consult and discuss this matter with the distinguished Senator from South Carolina. I am prepared to accept it.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, the amendment is acceptable on this side.

The PRESIDING OFFICER. Is there further debate? Hearing no further debate, the question is on agreeing to the amendment of the Senator from South Carolina.

The amendment (No. 1517) was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PRESIDENT PRO TEMPORE'S ROLE IN SPECIAL INDEPENDENT COUNSEL INVESTIGATION

The PRESIDING OFFICER. The Senator recognizes the President pro tempore, Mr. BYRD of West Virginia.

Mr. BYRD. Mr. President, I have received several communications, written on behalf of reporters and news organizations, which have expressed concern about anticipated subpoenas in the investigation the Senate authorized by Senate Resolution 202 last session. This correspondence presents questions that relate to the role of the President pro tempore under Senate Resolution 202.

Senate Resolution 202 authorizes the appointment of a special independent counsel to conduct an investigation of unauthorized disclosures of nonpublic confidential information from Senate documents in two recent Senate inquiries: The Judiciary Committee's consideration of the nomination of Clarence Thomas to the Supreme Court and the Ethics Committee's inquiry concerning Charles Keating. In accordance with Senate Resolution 202, upon the joint recommendation of the majority leader and the minority leader, I appointed Peter E. Fleming, Jr., to be the special independent counsel, effective January 2, 1992. I would like to take this opportunity to describe, as a general matter, my further role as the President pro tempore under Senate Resolution 202.

Senate Resolution 202 authorizes the use of the Senate's subpoena powers to obtain information needed for this investigation. The Senate delegated to the President pro tempore, acting upon behalf of the Senate, the power to authorize subpoenas at the request of the special independent counsel. This grant of authority to the President pro tempore is similar to the procedure that the Senate has followed in impeachment proceedings on the Senate floor.

Senate Resolution 202 does not give the President pro tempore the power to anticipate, or to rule, on, privileges that may be asserted by witnesses for whom the special independent counsel is requesting subpoenas. The resolution makes clear that, if a witness who has been subpoenaed to appear at a deposition asserts a privilege against responding to a question or producing records, it is the chairman and ranking minority member of the Committee on Rules and Administration, or the full committee if they refer the objection, who rule on the objection in the first instance. Ultimately, the full Senate may consider a recommendation by the Rules Committee to take actions to enforce a subpoena.

The rules of procedure that the Committee on Rules and Administration has adopted for this investigation detail the procedures that will be followed to obtain rulings from the Rules Committee on objections that the special independent counsel determines to contest. It is clear from Senate Resolution 202 and from the procedural rules, that objections are to be ruled upon in a concrete setting, once a witness has asserted a privilege against responding to a particular question or producing a particular document.

The letters to me on behalf of reporters and news organizations assert objections to the use of the Senate's subpoena power to compel information about the identity of reporters' confidential sources. These letters raise important issues. If, at the appropriate time in the future, these issues are presented to the Rules Committee, the committee, and perhaps the Senate, will need to consider them carefully. As one Senator who serves on the Rules Committee, I wish to make clear that, if these questions are brought to the committee, I intend to consider both sides' views with an open mind and with an appreciation for the importance of the questions presented.

Under the Senate's resolution establishing this investigation, however, as I have indicated it is not the President pro tempore's role to anticipate or to rule on matters of privilege, no matter how strongly they are asserted, in the course of authorizing subpoenas. As long as a subpoena requested by the special independent counsel is within the scope of the investigation with which he has been charged and is not otherwise plainly inconsistent with prior determinations of the Senate, it is my responsibility to authorize the issuance of a requested subpoena.

I hope that this explanation of the role of the President pro tempore under Senate Resolution 202, and of the opportunity provided under the resolution and implementing rules for witnesses to raise objections for the Senate's consideration, will be helpful to my colleagues and others who may be interested. The procedure that I have described is intended to preserve the independence that the Senate has vested in the special counsel under this resolution to select the witnesses who should be examined in the course of this investigation, while recognizing the Senate's ultimate responsibility for the use of its subpoena power.

Mr. President, I yield the floor.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER (Mr. ROCKEFELLER). The Senator from Ohio.

Mr. METZENBAUM. Mr. President, as the Senator from Hawaii, the manager of the bill, knows we have been working since yesterday in connection with three amendments that the Senator from Ohio has intended to offer concerning this bill. One of them has to do with refunds.

I would like to just discuss that one at the moment, because it is my understanding that the Senator from Hawaii, the manager of the bill, is intending to deal with this subject at a later point.

S. 12 gives the FCC the authority to disallow unreasonable cable rate increases. I believe that if the Commission finds that cable subscribers have been paying unreasonable rates, it is only fair that the portion of those rates which are deemed unreasonable be refunded to consumers.

The cable companies are not entitled to keep monopoly revenues which have been declared unreasonable by the appropriate regulatory body.

I was and am prepared to offer an amendment which would give the FCC the authority to order refunds for cable rate overcharges. But it is my understanding that the chairman of the Communications Subcommittee, Senator INOUYE, intends to offer an amendment to the upcoming FCC authorization bill which would allow the Commission to order refunds to cable subscribers who have been subjected to unreasonable rate increases.

Is the Senator from Ohio correct with respect to the intentions of the Senator from Hawaii?

Mr. INOUYE. The Senator from Ohio is correct.

Mr. METZENBAUM. Under those circumstances, assuming that would be adopted, in behalf of the consumers, the FCC would be in a position to order refunds of overcharges made to the subscribers?

Mr. INOUYE. The Senator is correct again.

Mr. METZENBAUM. I thank the Senator from Hawaii. I look forward to working with him on this issue.

Mr. President, the Senator from Ohio has two other amendments, and is trying to work forward to dispose of those two.

But in the interim, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WIRTH. Mr. President, we are currently waiting for the agreement on a unanimous-consent request on procedure on S. 12. In the meantime, I wanted just to make a few brief comments on how we got to where we are here, and to include a full and comprehensive statement on S. 12 in the RECORD.

Mr. President, I spoke at some length earlier in the week on the history of the cable legislation and why the cable legislation came about, and what the reasons were for S. 12, the legislation in front of us today.

As I pointed out at that point, this industry has a long history in my State of Colorado. Much of the cable industry began in the Rocky Mountain region because, as you know, the physics of cable signals are that they do not wrap around the Earth, as radio signals do. They just go straight, and you have to pick up the television signal, you have to pick that up and rebroadcast it effectively in straight lines.

That means that it is much more difficult in certain places in the Rocky Mountain valley or in a big city like Manhattan to pick up a cable signal unless you can retransmit it in some way.

Cable television began in rural areas, in sparsely populated areas, and began in areas where it was very difficult because of the shadow of the mountains to receive television signals.

So as a result, many small franchises or small companies began with what was then a kind of antenna television. It was a supplement to over-the-air broadcasting, and a number of small companies grew up. Some of those became larger and larger, and out of that came the fact that Denver, CO, has become, in effect, cable capital of the country, or the cable capital of the world.

Three out of the ten largest companies are based there, and a Time-Warner subsidiary used to be based in Denver before they moved back to Connecticut.

With that history, we have always had a deep involvement with this industry, which has grown up in a very generous way to the city of Denver and to the State of Colorado. There are now approximately 10,000 people directly and indirectly employed in the cable television industry, and obviously the spinoff from that in my State is very important, very important for employment and the economic base. And also, as I pointed out earlier, a point of real price is cable has begun to reach the promise that many of us felt the cable television industry had.

For a long time in the 1970's, as this infant industry was growing up, there were a lot of other people who wanted, as always is the case in the telecommunications world, to protect themselves from inroads of any new competitor. If you look back, even before the Communications Act of 1934 was originally written, you can see all of the people who had a leg into the communications world were trying to keep everybody else out.

Each industry has done that pretty effectively. History is replete with examples of that. For example, AM radio; the first on-the-radio band worked assiduously to keep out FM radio so that FM radio would not compete. And ultimately, the Congress had to enact legislation to require radios, for example, to have an FM dial on them so that, in fact, for the people who had radio, broadcasting on the FM frequency would be able to be received in the home. AM broadcasters had a lock on it.

The same thing happened with the advent of television, the people who began it. The first televisions were VHF signals, channels 2 through 13. While VHF television was going on, there were other people saying: We can use a higher frequency, ultrahigh frequency. And that is above channel 15 on the dial. To make sure that those who wanted to get in, the UHF people could not get in, the television people effectively controlled the television set market, and you could only buy television sets that got channels 2 through 13.

So the Government once more had to intervene and to say to the television industry: We want this to be more competitive. Let us allow UHF to get in, as well. And we required that television sets be built that had not only the VHF dial on them, but UHF as well. And all of us now know that is a standard in American communication history of the industries keeping the others out. That has always happened.

It certainly was true with the cable television industry. For 20 years, those in the broadcasting industry saw the threat of competition coming from cable television, and through the FCC and through various legislative activities, they were able to really muffle the potential of cable television, cable television which then wanted to become more than just a retransmittal of what was a television signal, but began to think about getting into programming on its own.

There were early ventures into that. Ted Turner and the super station, coming out of Atlanta; the Chicago Tribune, with their super television station in Chicago, began to use satellites and beamed down to local communities. And it became clear that there was emerging the potential for competition for over-the-air broadcasting.

So the broadcasters, doing what has happened in this industry for a long time, went to the FCC, went to all their friends in Congress, built a lot of barriers around cable so cable could not get in; the behavior of VHF to UHF; the behavior of AM radio to FM radio. That has been standard.

We have seen the same thing in the telephone world, keeping out long-distance competition. First, long-distance competitors were around, MCI and others, the AT&T fought like crazy to keep competition out. That has been a standard, to keep the new person out.

Enter the Congress in the late seventies. We began becoming involved in this, figuring how do we unleash this new potential. The first thing we did was the pole attachment bill in the late seventies, which allowed cable television, at a reasonable rate, to string their lines, string their cables on telephone poles, so that the telephone industry could not charge excessive rates, and therefore keep the cable television from being able to string their wires in the community.

Then, ultimately, the Cable Act of 1984, which effectively knocked down the barriers—most of the barriers, if not all the barriers—to the entry of cable television into the communications marketplace.

And that legislation, which became law in 1984, was really, in many ways, very important to the cable community. It did what it was intended to do. It allowed the cable television industry to expand and gave them a financial base and a certain amount of financial stability, and allowed cable television to really move into a kind of maturity and begin to exercise and realize its potential.

When that happened, the number of households subscribing doubled. There are now about 60 million American households subscribing to cable television. That practically doubled. The number of channels have increased very dramatically, and cable television is now providing a wealth of programming, ranging from ESPN, and we are looking at other kinds of sporting channels; and CNN, where we all saw what happened in Japan with the President, and all of us watched what happened in the Middle East.

Children's programming is on cable television. Outside of Sesame Street, on commercial broadcasting there is no commitment at all to children's television. I made that point earlier this week. Cable has picked up a great number of these responsibilities and has really grown into a kind of maturity, offering science, educational programming, children's programming, a vast array of programming related to sporting events, a lot of new entertainment programming, and so on. So cable is really moving out very dramatically.

Now we are at a point where we are debating S. 12, which threatens to reverse a great deal of the progress that has been made in the area of cable television. Sometime later this afternoon, or early tomorrow morning, Senator PACKWOOD, or some of us on behalf of Senator PACKWOOD, will lay down a substitute to S. 12, and we will get into a full debate about what that does and why that substitute is more agreeable, why that substitute is more realistic, and why that substitute is much better public policy than that which is found in S. 12.

I will not get into that at this point, Mr. President. I only wanted to set the stage, set some of the background related to how we got to where we are in cable television. What we are seeing now is that cable television has become a major force. What this debate is really all about is not about rates. Both bills—the basic bill and the substitute—regulate rates. There has been some abuse of that. This legislation, S. 12, this debate, is not about rates. This is not about services. Both S. 12 and the substitute call upon the FCC to set basic standards related to service. They both address rate regulation, and they are the same in service regulation. It is not about the concerns of the broadcasters. Both of them have the same provisions relating to retransmission consent and must-carry.

What is the difference then? In my opinion, the difference is that S. 12 is a frontal attack on the cable television industry. It runs against the grain of copyright issues and creativity, which has characterized the communications industry when it is left alone. It is but another battle in this 50-year industry of parts of the industry attempting to use the legislative process, or the FCC, to limit the new guy on the block. That is what this is all about.

Again, let me repeat that this debate is not about rate regulation. Both the bill, S. 12, and the substitute, call for rate regulation. This debate, Mr. President, is not about service. Both S. 12 and the substitute call upon the FCC to regulate service. This debate is not about retransmission consent and the concerns of broadcasters. The language on retransmission consent and must-carry is the same in S. 12 as in the substitute.

What this debate, then, is all about is those who want to use the political process, as has been done since the beginning of telecommunications, to use the political process to limit one group of people, to keep them out of being able to compete, to keep them out of growing. This has happened over and over and over again. That is what we are seeing here. This happened in the twenties and thirties with radio. This happened at that point when the AM radio people were saying, "We do not want competition from the FM, from the people who have FM stations," and they effectively precluded it, until Congress came in and said, "Allow that competition."

In television the same thing happened. The VHF people kept out the UHF people, and the over-the-air broadcasters did everything they could to keep out cable television. It happened in the common carrier business. AT&T did everything they could to keep out competition in long-distance carriers. It happened in equipment. AT&T, again, through Western Electric, did everything they could to make sure that the only equipment anybody could buy was made by Western Electric. This has been the history of those who have had a piece of telecommunications trying to keep the new individual out. And that is what S. 12 is all about, too.

To repeat, this is not about rate regulation. Both the bill and the substitute have rate regulation. This is not about service. Both the bill and the substitute have regulated service. This is not about retransmission consent and must-carry. Both the bill and the substitute have retransmission and must-carry in them. This is about an attack on the new guy on the block—the cable television industry. That industry—I will argue later and have argued before—has reached too much of its potential, and it has a long way to go and a wonderful future. This is an industry that, through a great deal of investment, has provided CNN. And what S. 12 wants to do is regulate the industry in such a way that it is not going to have the resources to add onto, augment, and make CNN more sophisticated to compete against the evening broadcasters. They do not want that to happen.

This industry is offering children's programming, and the guys on the outside who do not like the fact that the cable television industry is offering a variety of new entrants, are now calling for the regulation of the funds that the cable television industry can put into programming. Is there going to be more children's programming? Not on your life. You can imagine that that investment is going to decline, and we are going to be going back to the children's programming wasteland, which was left to us by the commercial broadcasters.

If you look at a whole series of alternative programming, the cable television industry has invested billions and billions of dollars into the creation of that programming. As will be pointed out, the provisions of S. 12 that are truly onerous are those which would restrict the capacity of the industry to develop programming. Yes, it is going to compete against the other people, and they do not want that to happen. It will restrict the ability to gain the funding necessary to develop that programming, which is expensive. The people on the outside do not want the competition of that programming. And it will restrict the ability of these people who developed this programming to keep control of that and sell it to whom they want.

That is what this debate is all about, Mr. President. It is not about rates or about service, and it is not about retransmission consent. That will be made very clear, if we have any time for discussion tonight, tomorrow, or whenever this comes up. I will be back pointing out to individuals what this bill and the substitute is and what it is not. Members of the U.S. Senate should not be fooled as to what they are being sold. They are not being sold a piece of legislation that relates to somehow we are going to regulate rates and, if S. 12 does not pass, consumers are going to be ripped off. Wrong. The substitute has rate regulation in it as well. That is one of the reasons for having a bill. And the other reason for having a bill is service issues. Both bills regulate service.

What this is about is a frontal attack on competition in the industry. That is what S. 12 does.

I would note in summary that those who support the substitute have a ringing case that they can make that they are also endorsing rate regulation, they are endorsing better service for the cable industry, and they are accepting the same package of retransmission and must carry language that is in S. 12.

S. 12 contains all of these other extraneous provisions that are simply a frontal attack on the new industry and the new industry's ability to compete in a marketplace where there are a lot of other people who just do not want that competition. This has been going on for 60 years in American telecommunications history. There is another example of it here. I hope we do not, and my colleagues here, a majority of them, do not fall for this very thin anticompetitive use.

CABLE AND COLORADO

The cable television industry has a long history in my home State of Colorado and is an important part of the Colorado economy. Early cable systems began in communities with poor television reception, to provide people living in those areas with access to clear strong signals. The Rocky Mountains interfere significantly with broadcast signals in many rural areas of Colorado and several of the industry's pioneers began by offering cable service to small communities in my State. This early service would simply transmit by cable over-the-air broadcast signals to areas that could not receive them.

The industry has grown significantly since those early days and cable is now available in most of the country. Technological improvements made it possible to transmit more channels by cable than are broadcast to a given area. Now, instead of simply offering clear broadcast signals to viewers, cable systems offer a wide range of programming not available over the local airwaves. A number of the individuals who began operating small cable systems in Colorado have helped build the industry and several of the leading cable companies in the country.

As a result, Denver has been called the cable capital of the world. Three of the 10 largest multisystem operators are headquartered in Colorado, including two of the three largest. Colorado is also the home of Cable Television Laboratories, Inc. [CableLabs], the industry's research consortium. Cable contributes more than $500 million to Colorado's economy and brings nearly 10,000 jobs to my State. We have 168 cable systems that bring cable to 345 communities and 670,000 subscribers.

In the House of Representatives, I served on and for 6 years chaired the Telecommunications Subcommittee. During those years, I became very familiar with the cable industry and worked on a number of issues related to the industry. I was a principal author of the Cable Act of 1984, the most significant cable legislation enacted during those years. That legislation was intended to remove many of the barriers that limited the cable industry's ability to offer programming to American consumers. In the Cable Act, Congress encouraged greater competition for the broadcast networks in order to bring a wider range of choices to viewers.

BACKGROUND: PURPOSE AND EFFECT OF 1984 CABLE ACT

Prior to the Cable Act of 1984, the cable industry was extensively regulated by local franchising authorities. The fact is, during those years, the industry was the prisoner of a highly fragmented scheme of local regulation. Between 1976 and 1986, cable prices were allowed to increase at only two-thirds the rate of inflation and, in some cases, dramatically less. Before the Cable Act, the franchise process, particularly franchise renewals, was an uncharted mine field. No uniform guidelines existed from community to community. The franchising process was often used as a tool to accomplish social or political goals. An operator had no assurance upon franchise expiration that its cable business would not abruptly cease, even if it had provided outstanding service. This regulatory system made it nearly impossible for cable operators to upgrade their systems or develop additional programming services.

In 1984, Congress established a more uniform regulatory structure, implemented by the FCC, in order to encourage investment in new plant and equipment, programming, and technology. The Cable Act has worked: The number of cable subscribers has increased from about 30 million just prior to passage to more than 55 million today; 90 percent of cable subscribers receive at least 30 channels, with the average system offering more than 35 channels, in contrast to the 24 channels or less in 1983—nearly one-quarter of cable subscribers now receive 60 or more channels; channel capacity continues to increase. Just last month a 150-channel system was launched in New York, and importantly, the number of cable networks—like C-SPAN, CNN, ESPN, and TNT—has increased from 49 in 1984 to 68 in 1991, with continued expansion expected through the 1990's.

Deregulation has enabled operators to substantially increase their investments in plant and equipment; annual spending for this purpose was $100 million in 1983, before passage of the Cable Act. Since 1984, the industry has invested more than $5.4 billion in plant and equipment. Consumers have benefited from the improved picture quality, reliability, and increased number of channels that this investment and new technology makes possible.

Cable operators' annual investments for basic cable programming have jumped from $300 million in 1984 to almost $1.5 billion in 1991. Overall programming spending by both basic cable networks and premium cable services, like HBO, Showtime, and the Disney Channel, has climbed from $1.1 billion to $2.8 billion during this period.

The industry continues to invest in new technologies that promise to bring new benefits to consumers. Much of the research in this area is done at Cable Television Laboratories, Inc. [CableLabs], the industry's research and development consortium, located in my home town of Boulder, CO. It is worth noting that the cable industry has invested in a technology lab for the future at a time when many other industries have dropped their research capabilities. Technologies such as fiber optics and digital compression bring the promise of a huge jump in the number of channels available to viewers. The industry has already begun to introduce fiber optics in many systems throughout the country. Cable technology also allows for carriage of high-definition television signals and the industry is involved in research and development efforts designed to bring this technology to consumers. Interactive television is another area of research that could lead to a variety of new services.

The impact has been tremendous. For example, CNN has brought world events much closer to us. We have become used to seeing historic events such as the gulf war and dramatic developments in the Soviet Union and Eastern Europe as they happen rather than seeing brief film clips after the fact. Some observers even credit CNN with helping bring about changes abroad because demonstrators are encouraged by the knowledge that their voice will be heard. Closer to home, C–SPAN has made television coverage of our debates commonplace. Viewers also now have a wider choice of entertainment, educational, and sports programming.

Moreover, the Cable Act includes a number of "public interest obligations" which the cable industry agreed to accept that are often overlooked by the industry's critics. For example, the Cable Act includes important equal employment opportunity provisions to prohibit discrimination in employment in the cable industry and encourage the industry to hire minorities and women. No other sector in the communications industry has agreed to a similar statutory obligation. Other provisions allow franchising authorities to require channels to be dedicated to public, educational, or governmental use and make channels available for lease for commercial use, prohibit redlining of services, and require operators to disclose to subscribers the kinds of information the cable operator collects and maintains about customers. Finally, the Cable Act permits cities to collect a franchise fee of up to 5 percent of gross revenues. The industry paid $826 million in franchise fees in 1991, up from $200 million in 1984. That's one quarter of the aid we provide cities throughout the Community Development Block Grant Program.

Since the passage of the Cable Act of 1984, the industry has been able to develop and deploy new technology, increase channel capacity and offer new programming and networks. These developments have brought cable to new areas and millions of new viewers, as well as increased programming variety and choices. Although the Cable Act has had enormous success in these areas, there are some problems in the industry that need our attention.

NEED FOR LEGISLATION/TEW ROLE IN 1990

The tremendous growth in cable television has not been trouble free. There have been some problems associated with basic cable rates. In some cases, financial players interested in maximizing short-term profit have taken advantage of rate deregulation. There have also been problems with customer service, some of which can be traced to the rapid increase in the number of cable viewers served by a company. The marketplace for video programming has changed significantly since 1984 and we should consider adapting the law to reflect the new circumstances. I agree that some fine-tuning of the Cable Act is needed to address problems in the areas of rates and customer service.

A new, stable regulatory environment would benefit the industry by ending the present uncertainty and could help protect customers from excessive rate increases and service problems. However, we should not go too far and return the industry to the regulatory morass that existed prior to 1984. That would seriously threaten the gains we have made as well as prevent further progress. Nor should cable be regulated as if it is a utility. We have made great strides in moving away from a communications sector made up of large, regulated monopolies with a guaranteed rate of return. Rather than imposing that outdated model on cable, we should encourage greater competition in the video programming marketplace so that viewers will benefit from a greater variety of choices.

Last year, when the Senate considered legislation in this area (S. 1880), I had reservations about some elements of that proposal and worked with Senator GORE to resolve those concerns so that S. 1880 could move forward. Senator GORE and I reached an agreement on an amendment regarding the program access issue that was one of my major concerns. After we reached that agreement, I had hoped that the Senate would consider the legislation and address the rate and customer service issues. I urged the Senate to consider the legislation. Unfortunately, the continued objections of other Senators and the President prevented the Senate from acting.

S. 12 OVERVIEW

The legislation we are considering today, S. 12, the Cable Television Consumer Protection Act of 1991, contains many provisions similar to those of S. 1880. However, a number of other provisions go well beyond those we considered last year and we need to carefully examine the legislation and its impact on consumers before enacting S. 12.

S. 12 includes many changes that are well outside the scope of basic rates and customer services, the problem areas that have largely driven the legislation. Some elements of S. 12 would fundamentally alter relationships between the cable industry and its competitors. The legitimate consumer concerns are being used as a vehicle for cable's competitors to obtain legislative assistance that we otherwise might not consider. Many of these extraneous provisions concern me deeply.

I am concerned that S. 12, in its present form will hurt consumers by hindering the development of new programming and technologies, ending the dramatic growth in the number and types of programs available to viewers that we have seen since the passage of the 1984 Cable Act. In moving to protect consumers from excessive rates and poor service, Congress must take care not to discourage the development of greater program diversity and new technology to deliver programming to America's homes.

We will have the opportunity to consider an alternative to S. 12 that I believe offers a more balanced approach. It will protect consumers and increase competition in the television industry without taking punitive action against the industry. I do not think it is perfect but I do think it is a workable approach and a substantial improvement over S. 12. I encourage my colleagues to join me in supporting this alternative. I would like to turn to the major issues in the cable debate and outline some of my concerns about S. 12 and discuss alternatives to the provisions of S. 12.

RATE REGULATION

Rate regulation should be our first priority in considering cable legislation. We have seen abuses in the area of rates and addressing this problem should be the goal of the legislation. But the picture is not what proponents of S. 12 would like us to believe.

The most recent GAO survey of cable television rates found that basic cable rates increased by 61 percent between November 1986 and April 1991. This increase does outpace the inflation rate. However, it is important that we place this rise in context.

A portion of the increase can be attributed to cable systems catching up to the artificially low rates during the years of local regulation. The FCC first affirmed local rate regulation in 1972. From that year until 1986—when the Cable Act limited the scope of local regulation—cable rate increases ran 72 points behind the increase in inflation. Inflation was high during those years and local regulation reduced rates in real dollars, keeping cable from investing in technology and programming. Increased rates have helped cable to catch up and make the investments that could not have been made under the previous regulatory structure. Viewers have benefited from those investments.

One of the results of that investment is the rise in the number of channels on the average cable system. There is no doubt that consumers are paying more for cable today than they did 6 years ago; they are also getting more. Last summer's GAO study looked at changes in cable rates on a per-channel basis as well as at the increase for basic service packages. The price consumers pay for each basic channel has increased, moving from 44 cents in 1986 to 53 cents in 1991. However, that rate of increase is actually less than the inflation rate over that period. When we adjust for inflation, consumers actually pay one penny less for each basic channel than they did before rate deregulation took affect.

Overall, the problem is not as severe as it has been portrayed. However, there have been some examples of abuses and looking at the average numbers is hardly consolation for those consumers who have found themselves facing an excessive increase. We do need to take steps to protect those consumers.

The Cable Act permits regulation of basic cable rates if the cable operator does not face effective competition. The Federal Communications Commission [FCC] recently tightened its standard of effective competition. To be exempt from regulation, a cable system must face competition from six over-the-air broadcast stations or another multichannel provider that is available to 50 percent of the homes in the cable operator's market area and subscribed to by 10 percent of the market area's homes. Under this standard, about 61 percent of cable systems, serving 34 percent of cable viewers, do not face effective competition and are subject to rate regulation.

S. 12 would further tighten this standard and make more cable systems subject to rate regulation. Under S. 12, a cable operator would face effective competition if the operator has competition from both another multichannel provider and a sufficient number of broadcast signals. A majority of homes in the cable operator's market area would have to have access to the competing multichannel provider and at least 15 percent of the homes must subscribe to the competing service. If less than 30 percent of the households in a cable system's market area actually subscribe, the system would be considered subject to effective competition and exempt from regulation.

S. 12 would require the FCC to establish guidelines for regulation of a cable system's basic tier and related equipment if the system does not face effective competition. Local franchising authorities could petition the FCC for authority to regulate basic service and the FCC must grant such authority if the Commission finds that the local authority's laws and regulations conform to the Commission's procedures, standards, requirements and guidelines.

This approach is similar to that taken in S. 1880 last year. However, S. 12 adds two new provisions related to the regulation of basic services. First, the FCC would be required to ensure that rates following changes in service tiers are reasonable. Second, if less than 30 percent of a system's subscribers only receive basic service, the FCC can regulate the lowest priced service tier subscribed to by at least 30 percent of the system's customers.

Finally, the legislation also includes "bad actor" provisions that allow the Commission to regulate rates for nonbasic services. If the FCC receives a complaint about these rates the Commission would be required to review the rate and establish a reasonable rate if the cable operator's rates are found unreasonable. This provision would not apply to programming that is offered on a per-channel or per-program basis.

I am concerned that S. 12 could lead to a return to the pre-1984 days of extreme local rate regulation. The Cable Act established a national policy for the regulation of the cable industry which—as the FCC concluded in its 1990 Report to Congress—successfully promoted investment in new technologies, increased channel capacity, improved programming, and expanded diversity. Extreme reregulation of the cable industry would choke off investment in plant and programming and is not in the consumers' interest. Cable has become a national industry and a patchwork regulatory structure would be a step backward. If S. 12 is enacted into law in its current form, I fear a return to the fragmented regulatory system of the past. Congress needs to address the rate issue. However, I am concerned that S. 12 could allow much broader rate regulation than S. 1880 would have, particularly for nonbasic services.

The alternative amendment that the Senate will consider seeks to increase competition for cable systems. However, it also includes some rate regulation provisions to complement the provisions designed to encourage competition. Competition from broadcast stations would no longer be sufficient to exempt a system from rate regulation. To be exempt a cable system must face competition from another multichannel provider which is available to half the homes in the cable system's service area and actually provides service to 10 percent of those homes. This would make virtually every system in the country subject to rate regulation. As with S. 12, local governments would be permitted to regulate rates if they follow FCC guidelines and standards.

The rate regulation provisions also would go beyond S. 12 into two areas. First, the substitute would repeal the provision in the Cable Act that allows for an automatic 5-percent annual rate increase for cable systems that are subject to regulation. This provision was a response to the high inflation rates of the late 1970's and early 1980's when cable rates increased at a slower rate than inflation. The lower inflation rates of recent years make it appropriate to reevaluate that provision. Second, the amendment includes provisions to allow for roll back of existing basic cable rates. This would permit the FCC to correct past abuses.

These provisions will help protect consumers from excessive basic cable rates. The best way to keep rates down is through increased competition. A business that has to worry about its customers switching to an alternative service will have a powerful incentive to keep its rates reasonable. The alternative includes measures to encourage competition which I will discuss in more detail later. I believe the rate provisions of the alternative complement the competitive provisions and offer an approach to the rate problem that is more workable than that taken by S. 12.

CUSTOMER SERVICE

As the cable industry has grown, some operators have not adjusted to that growth. As a result, in some areas, customers have complained about delays in responding to and correcting service or billing problems, and even a failure to answer customer service phone lines. There are basic responsibilities that a business has to its customers if it expects to stay in business. Some cable systems have taken advantage of their franchise to ignore such responsibilities as answering customer service lines. These problems are a significant source of consumer anger and frustration with the industry. We should act to address them.

The National Cable Television Association has adopted a set of customer service standards that members of the association were to implement last July. These standards specify how fast telephone calls must be answered, how quickly service and billing problems should be corrected, and how fast signals must be repaired. A July 1991 survey found that 85 percent of all cable systems were in compliance with those standards.

S. 12 would require the FCC to establish customer service rules—while grandfathering any municipal ordinance, agreement, or State law in effect on the date of enactment which exceed the Commission's rules. In addition to this grandfather, cities would be permitted to establish customer service requirements which exceed the standards set by the Commission unless the Commission declares, after notice and hearing and based upon substantial evidence, that the particular franchising authority's customer service requirements are not in the public's interest.

The alternative includes similar provisions. However, it would only permit State governments, rather than local governments, to establish new standards that exceed those set by the FCC. This will allow for more stringent standards without subjecting the industry to the burden of complying with a wide array of new rules that vary from town to town.

ACCESS TO PROGRAMMING

S. 12 also includes provisions to give cable's competitors mandated access to cable programming. This flies in the face of American business practices and copyright law. Other owners of intellectual property are not required to sell their work to particular parties, let alone to their competitors.

Exclusive intellectual property rights promote a diversity of information, entertainment, new technologies, et cetera. Without control over the resulting product, no one has an incentive to create intellectual property. That is why we have patent and copyright laws. A journalist does not have to allow any newspaper to carry a syndicated column; broadcast networks control what stations carry their programming; movie studios control who can distribute their product to the public. But S. 12 would take that right away from a cable programmer.

Under this scheme, owners of intellectual property would no longer be able to control the distribution of their product. Think about that. A person creates a piece of intellectual property. Then the Government effectively takes it out of his hands—dictates who he must sell to and at what price. That practice is unprecedented.

Think about what that means for the companies that have created programming. A company comes up with a program idea. It puts very substantial money up—often hundreds of millions—in a risky market to support the program service. As soon as that program becomes a success, competitors are at the door demanding access at Government set rates. It is easy to see how such a system would stifle the incentive to invest in new programs. The result will be less choice for consumers in the future.

Cable programmers should have the right to control use of their product unless there is an overwhelming and compelling reason to treat cable programs differently than other forms of intellectual property. I do not think there is a major problem that justifies such a change. Cable's major competitors already have access to cable programming.

Forty-two cable program services are sold to MMDS [wireless cable] operators. The Wireless Cable Association [WCA] has reported that all but one major cable program service is available to its members. WCA's president has testified before the Commerce Committee that wireless operators offer cable programming to their customers at prices comparable to or less than those offered by cable companies.

The National Rural Telecommunications Cooperative [NRTC] offers home satellite dish owners a package of 47 services. NRTC has experienced a significant increase in the number of subscribers in recent years. There are a number of other providers of programming to satellite dish viewers. Satellite dish owners can receive a package of programming comparable to basic cable packages for as little as $13.25/month. Basic service plus a premium network is available for as little as $18.75/month, less than the average cable subscriber pays for basic service alone according to GAO.

Competitors such as satellite dish distributors and wireless cable operators already have access to cable programming and can deliver those programs to viewers at competitive prices. However, they want more than access to cable programming. They want to be guaranteed access at the lowest possible price.

Wireless operators and satellite distributors have much lower regulatory, capital, and operating costs than cable. They could use this advantage to compete with cable by investing in programming and bringing new choices to viewers. That's how cable grew and that benefits consumers. Instead, they want to ride on the investments cable has made and use their lower costs to undercut cable on cable's own programming. Why should cable programmers invest in new programming, take risks developing and establishing a new service and then be forced to give a competitor a higher profit margin in offering the service?

If we pass legislation forcing cable to give its competitors this price advantage, cable will have little incentive to develop new programming. As a result, the industry will stagnate and consumers will suffer. The alternative to S. 12 includes other provisions to promote competition for cable that do not pose the intellectual property problems that S. 12 would create. It also requires an FCC report on competition within the video marketplace at the beginning of each Congress. This report must include specific recommendations for appropriate legislation or administrative action to promote competition. This will ensure that the FCC not ignore changes in the marketplace if cable programmers begin to unreasonably restrict access to programming.

MUST-CARRY OF COMMERCIAL STATIONS AND RETRANSMISSION CONSENT

S. 12 reinstates must-carry rules that require cable systems to carry local broadcast signals. Similar FCC rules were overturned by the courts in 1985. S. 12 would require cable operators to obtain the permission of a broadcast station in order to carry its signal. Broadcasters would have a choice of exercising this retransmission consent right or the must-carry rights. They could change their decision every 3 years but could not revisit it in the interim. A broadcaster could use the retransmission consent provision to negotiate compensation for carriage on a cable system or to deny permission for a system to carry its signal.

In general, the must-carry provisions of S. 12 would require cable systems to devote up to one-third of channel capacity to local commercial broadcast stations. Cable systems would not have to carry duplicative stations and could select which stations to carry if one-third of its channel capacity is not enough to carry all local stations. Broadcast stations would be entitled to be carried on the station's over-the-air channel position or the channel on which the system carried the station on July 19, 1985, the date the U.S. Court of Appeals overturned the FCC's previous must-carry rules. Cable systems with more than 36 channels would be required to broadcast up to 3 noncommercial broadcast stations while smaller systems would have to carry at least one such station.

I have always supported a reasonable must-carry regime. Carriage requirements give consumers convenient access to both cable and broadcast signals and, in many areas, better reception. Broadcasters benefit by being available through a technology which growing numbers of viewers prefer. And cable systems benefit by obtaining programming that remains very popular with viewers.

Despite these benefits, both broadcasters and cable operators have some complaints. Some cable systems would like to free up channels for other programming from which they would reap advertising dollars. Some broadcasters, on the other hand, are concerned that they wind up providing a competitor with valuable programming virtually free of charge. These are legitimate issues.

I have little problem with the notion of a retransmission consent provision or a reasonable must-carry regime. However, the retransmission consent provision, when paired with the restoration of must-carry requirements, creates an unbalance and raises as many questions as it answers.

For instance, cable systems can argue that pairing retransmission consent with must-carry gives broadcasters too great an advantage. On the one hand, popular stations that cable systems want to carry will be able to obtain payment or force the system to do without broadcast programs. On the other hand, a less attractive station that would benefit from being carried on a cable system would be able to use the must-carry rules to guarantee access to the system at no charge. Carriage of broadcast signals on a cable system can benefit both parties. Who benefits more will vary from case to case and it's understandable that one party will often expect compensation from the other. However, the combination of must-carry with retransmission consent gives all the leverage in negotiating the relationship to the broadcaster.

Some broadcasters may wind up not being carried on a cable system, either by design or inability to reach an agreement with the system. Reception problems may limit some viewers' access to broadcast programs, particularly in rural areas. Higher costs for distant signals could also significantly reduce consumer access to some stations. We have to consider if these possible effects on consumers' access to broadcast programming are a price worth paying.

It is also an open question as to whether broadcasters will be the ultimate beneficiaries of retransmission consent. Should payments for programming go to broadcasters or should they go to those who create and own the programming?

Retransmission consent will also substantially drive up cable system costs. Inevitably some of these increases will be passed along to consumers. We in Congress need to ask ourselves if we want to include a provision likely to increase cable rates in legislation that is meant to respond to concerns about increased rates.

Cable systems could choose not to pass the costs of obtaining retransmission consent along to consumers. In this case, the resources are likely to come from the system's existing programming budget. This would reduce the funds available to purchase or invest in programming that is not available from broadcasters. The result would be less variety in the program choices available to viewers.

There are a lot of questions that need to be raised and discussed with respect to retransmission consent; it may well be that a reasonable must-carry provision may prove more workable. But combining the two is inequitable to the cable industry. We should instead work for a provision that benefits broadcasters, the cable industry, and, most importantly, consumers.

STRUCTURE AND OWNERSHIP

The legislation would require the FCC to set both horizontal concentration and vertical integration limits. The FCC would have to limit the number of subscribers that any one cable operator can serve through systems owned by the operator or in which the operator has an attributable interest. The vertical integration rules would place limits on the number of channels that can be occupied by a programmer in which a cable operator has an attributable interest.

S. 12 would prohibit cable operators from owning a multichannel multipoint distribution service [MMDS]—a prohibition that already exists under FCC rules—or a satellite master antenna television service [SMATV] in the same areas in which it has a cable franchise. The legislation also requires the FCC to limit ownership of satellite distributors by cable operators once direct broadcast satellite [DBS] market penetration reaches 10 percent of American households.

I am concerned that S. 12 would require the FCC to establish concentration limits even if the Commission determines that they are unnecessary. The FCC, the Department of Justice [DOJ], the National Telecommunications and Information Administration [NITA] have already stated that such limits are not needed. Specifically, the FCC concluded in its July 1990 report to Congress that there is no need to act now and a 3-year report would be sufficient to determine if such limits are necessary. The DOJ concurred with the FCC stating that because the industry remains relatively unconcentrated, and because the many benefits of vertical integration outweigh the costs, there was no need to establish such limits now. In addition, the NTIA found that vertical integration does not appear to cause significant competitive problems within the cable industry itself.

It's possible that limits may become necessary at some point and we should allow regulators to establish such limits. However, we should not mandate that they do so. If a problem develops, the FCC has some authority to act in this area. The Department of Justice can also take steps to enforce our antitrust laws if problems develop. Rather than mandating action that may not be appropriate, we should carefully monitor the situation and make sure that regulators have appropriate authority to act if the need arises.

Moreover, the availability of virtually limitless DBS capacity through the use of digital compression technology makes it impossible for any single entity to obtain a DBS monopoly. For this reason, concentration limits and cross-ownership restrictions are not as important in this industry as they would be for others. And importantly, if limits become necessary, the FCC has the authority to establish ownership restrictions for DBS just as it has in the past for other communications media.

S. 12 WRAP-UP

To sum up, S. 12 goes well beyond the legislation we considered last year in a number of areas. It would stifle any further investment in programming and greatly harm an important media industry. It is cable operators, not banks, that have provided most of the financing for cable networks, which include CNN, C-SPAN, the Discovery Channel, Lifetime, and Black Entertainment Television. S. 12 in its present form would choke off the development of new cable networks, the improvement of existing programming, the expansion of channel capacity, and the development of new technologies like fiber optics and HDTV.

It is particularly unfortunate that S. 12 would pervasively regulate an industry that has a clear worldwide leadership position. The cable industry is building a communications infrastructure that is the envy of the world. In fact, many foreign companies, in conjunction with U.S. companies like Time Warner, are building cable systems using the U.S. cable model. Cable is a growth industry, investing and creating jobs in America. Can we afford to impose on such an industry an intrusive regulatory structure that will stifle investment and growth? I think the answer is "No."

Some provisions of S. 12 may help consumers. Unfortunately, the legislation gives with one hand and takes away with another. Of course, the benefits to consumers are easier to see than the costs. We should pass legislation to fine-tune the Cable Act and protect consumers. But S. 12 takes the wrong approach in many ways.

ALTERNATIVE APPROACH

I do believe we should pass cable legislation this year and I have worked with Senators PACKWOOD, KERRY, and STEVENS to develop a substitute to S. 12. Although I have concerns about some aspects of that substitute and it is not the approach I would have designed, I believe it is a workable approach and is preferable to S. 12 as it currently stands.

The substitute does include provisions which I have already discussed to address the rate and customer service issues. These areas should be our priorities. However, its overall approach is directed toward encouraging greater competition for the cable industry. For example, it would encourage establishment of additional franchises so that a cable system could not have an exclusive franchise in its service area. The amendment would prohibit a franchising authority from unreasonably refusing to grant a second franchise. The amendment also includes provisions to encourage municipally owned and operated cable systems.

In addition to those provisions to encourage local authorities to allow more than one cable system in an area, the alternative includes provisions to help other industries compete with cable. For example, the amendment removes cross-ownership restrictions that limit a broadcaster to ownership of no more than 12 television stations, 12 FM radio stations, and 12 AM radio stations. This provision is designed to help large broadcasters compete with the cable industry. Telephone companies are considered to be strong potential competitors for cable systems. However, there are serious concerns about the competitive effects of their entry into new businesses. Currently, most telephone companies can provide television programming within their service areas if the area has less than 2,500 residents. The alternative would increase that level to 10,000 residents. The new exemption would cover one-third of the population. The expanded exemption will encourage greater competition for cable systems in rural areas and help policymakers assess if broader telephone company involvement in cable is appropriate.

We also need to carefully track competition in television programming. At some point, further ownership restrictions or other measures not included in the alternative could become appropriate to ensure that the industry remains competitive and continues to bring new and affordable service to viewers. For this reason, the alternative requires the FCC to provide Congress with a report on competition in the video marketplace at the beginning of each Congress. This report must make specific recommendations of steps that the administration and Congress could take to promote competition. This report will force the FCC to regularly examine the issue and take any necessary actions that it has the authority to do, as well as spur Congress to act in areas beyond the Commission's authority.

I do not support each element of the substitute. For example, I am not sure we should completely repeal the broadcast cross-ownership limits at this time. But, as a whole, I believe the substitute is preferable to S. 12. It provides for greater regulation of rates and customer service than we have today. It also encourages greater competition for the cable industry. Fundamentally, competition is the best approach to ensure that consumers have access to a variety of programming at reasonable rates. That should be the goal of this legislation and I believe the substitute does a better job of advancing those goals than the version of S. 12 reported by the committee. I encourage my colleagues to support that amendment.

I believe we can produce a good bill. I believe we should produce a bill. But I think we can produce balanced legislation that protects the consumer without delivering a devastating blow to the cable television industry. I hope my colleagues will agree and join me in trying to resolve this issue.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Connecticut is recognized.

Mr. DODD. I thank the Chair.

(The remarks of Mr. DODD pertaining to the introduction of S. 2170 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

(Ms. MIKULSKI assumed the chair.)

Mr. METZENBAUM. Madam President, are we on the bill at the present time or in morning business?

The PRESIDING OFFICER. We are on the bill. Does the Senator wish to speak to it?

Mr. METZENBAUM. I do.

The PRESIDING OFFICER. The Senator may proceed.

Mr. METZENBAUM. Madam President, I have been concerned today about several matters and spent the good part of yesterday as well as this afternoon in connection with three different issues, one of which has been resolved by the assurances which have already been made by the chairman of the subcommittee having jurisdiction of communications for the Commerce Committee.

There are two other issues, and I would like to now address myself to them separately. Some cable operators have failed to disclose critical information about rates and service to their customers. When somebody called and wanted to buy cable, they did not get all the information as to whether there was a lower tier and what the lower tier might include and what the price for that would be.

We all know that the cable industry has begun to offer its customers a low-priced tier of service composed chiefly of local over-the-air broadcast channels. As the price of cable service continues to rise, this low-priced tier may become the only viable option for working families on a limited budget. Surprisingly, too many cable companies fail to tell potential customers about the existence of this low-priced tier of service.

As a matter of fact, last year, officials from the General Accounting Office posed as potential cable subscribers and contacted 17 cable companies which offered multiple tiers of basic service. The General Accounting Office reports that over half the companies contacted—over half of the companies contacted—did not even acknowledge the existence of the lower-priced tier of basic service even when asked about it. That is hard to believe, but that is the report from the General Accounting Office, the integrity nobody would ever think to question.

There have also been instances in which cable companies have failed to give notice of any changes in the rates or in the tiers of service offered by cable operators. There have been reports that some consumers have been switched to a higher-priced tier of service without their knowledge.

It is my understanding that this bill instructs the FCC to adopt customer service standards. May I ask the managers of the bill if I am correct in that understanding?

Mr. INOUYE. Madam President, the Senator is correct.

Mr. METZENBAUM. I ask Senator Danforth.

Mr. DANFORTH. That is correct, Madam President.

Mr. METZENBAUM. I appreciate the responses.

It is my understanding that the committee intends for those customer service standards to include a requirement that cable operators disclose—and I am quoting from the report—"all available service tiers [and] prices for those tiers and changes in service." Am I correct in that?

Mr. INOUYE. We felt this matter was so important that we placed it in our report.

Mr. DANFORTH. Madam President, that is in the committee report and that is correct.

Mr. METZENBAUM. And the intention of the managers of the bill and the committee is in accordance with the representations the Senator from Ohio has just made?

Mr. INOUYE. Madam President, the Senator is absolutely correct.

Mr. DANFORTH. That is correct, Madam President.

Mr. METZENBAUM. I thank the managers of the bill. I think with those assurances, we can be satisfied that greater protection will be accorded the cable purchasers in this country.

The third matter that has been of concern to me has to do with the question of whether or not this act would in any way provide an exemption from the antitrust laws. The amendment makes it clear that cable companies will still be fully subject to the antitrust laws.

The amendment is actually needed because S. 12 contains provisions which are designed to prevent anticompetitive conduct by cable companies and some cable companies might very well argue that Congress intended to have the procompetitive regulatory provisions of S. 12 serve as a substitute for the antitrust laws. This amendment will prevent needless litigation over this issue by clarifying that the antitrust laws still apply in full to the cable industry.

AMENDMENT NO. 1518

Mr. METZENBAUM. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 1518.

At the end of the Committee substitute, add the following:

SEC. 24. APPLICABILITY OF ANTITRUST LAWS.

(a) No Antitrust Immunity. Nothing in the Cable Television Consumer Protection Act of 1991 shall be construed to alter or restrict in any manner the applicability of any Federal or State antitrust law.

Mr. METZENBAUM. Madam President, it is my understanding that this amendment is in accord with the intention of the managers of the bill, and if that is the case, I am prepared to move forward with this amendment.

Mr. INOUYE. Madam President, the amendment before us is the result of over 10 hours of discussions and consultations involving the distinguished Senator from Ohio, several members of the committee, and countless numbers of staff people.

We have studied the amendment very carefully, and we find that it is acceptable.

Mr. DANFORTH. Madam President, after discussing this matter with Senator Metzenbaum earlier in the day, we have discussed it with the staff of the Judiciary Committee. I understand that Senator THURMOND has been consulted on this matter, and it is my understanding from talking to people who do have expertise in this area that this amendment does express existing law on antitrust, and therefore the amendment is not objectionable.

Mr. METZENBAUM. Madam President, I am prepared to proceed and act upon the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1518) was agreed to.

Mr. METZENBAUM. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Madam President, I wish to express my appreciation for the number of hours of negotiations that we have had in connection with these three matters. I thank the managers of the bill for their cooperation.

ACCESS TO DBS PROGRAMMING

Mr. GORE. Madam President, I wish to engage the distinguished chairman of the Communications Subcommittee in a brief colloquy regarding the access to programming provisions of Section 640(a) of S. 12. That provision is intended to prevent vertically-integrated cable companies from locking up programming, thereby denying alternative multichannel video distributors, such as DBS, C-Band, or wireless cable, the ability to compete effectively. I want to make certain, however, that this language would not have the additional, undesirable effect of prohibiting a new entrant into the video marketplace, such as a wireless cable company or a direct broadcast satellite company, which is not part of any vertically integrated media conglomerate from entering into any type of lawful contractual arrangement with a programmer for programming developed for distribution over only one of these alternative technologies. Am I correct in my understanding that section 640(a) is in fact targeted at the vertically integrated cable companies?

Mr. INOUYE. The Senator's understanding is correct. This provision is not intended to limit the business flexibility of new, nonvertically integrated entrants into the video distribution marketplace. It does not impose any requirement to make available to cable operators programming developed solely for distribution over only one alternative multichannel video distributor, such as DBS, C-Band, or wireless cable.

Mr. BRADLEY. Madam President, I rise today in support of S. 12, the Cable Television Consumer Protection Act. I believe it promotes competition and protects consumers from anticompetitive activity.

The cable industry has grown rapidly over the last decade. Nearly 54 million households, 60 percent of the households with televisions in this country, depend on cable for news and entertainment. Cable television has revolutionized the way Americans receive their news and entertainment. It has increased the variety of programming available to the American public and has improved the quality of communication between the citizens of this vast and diverse Nation. Those of us who can afford cable now have choices that we did not have a decade ago. On any given day or night, we can choose from continuous news programming, the performing arts, educational instruction, community-oriented programming, and other forms of entertainment. Thanks to the innovations and vision of many in the cable industry, television is very different today than it was just 10 years ago.

Yet we are fast approaching a society of haves and have-nots when it comes to cable television, Madam President. As I see it, one segment of our society will be able to continue to pay high prices for cable services that many of us now consider essential, while another sector will become less able to afford these services.

The vast majority of Americans have no power of choice as to their cable provider. Of the 11,000 cable systems in America, less than 0.5 percent compete with another cable system in the geographic area covered by their franchise. Where competing systems have emerged in communities, they have often been merged with existing systems. The benefits of cable television are so great that they should be available to as many people as possible. But the absence of competition within the cable industry makes this virtually impossible.

In 1984, Congress encouraged the development of cable by restricting local government's ability to regulate basic rates. The 1984 Cable Communications Policy Act deregulated rates for about 97 percent of all cable systems and actions by the FCC to implement the act further freed the industry.

While deregulation encouraged the growth responsible for many of the positive developments I have discussed, it also allowed the cable companies to drastically raise their rates. According to a 1991 GAO study, monthly rates for the lowest priced basic service increased by 56 percent from the beginning of deregulation in December 1986 to April 1991, from $11.14 per subscriber to $17.34 per subscriber. By comparison, monthly rates for the most popular basic cable service increased by 61 percent, from an average per subscriber of $11.71 to $18.84. These rates of growth are three times that of inflation.

In my home State of New Jersey, Madam President, cable rates have increased 70 percent since deregulation. In the city of Newark, rates have increased 130 percent. We all agree that cable has made more information and entertainment available to Americans. One only has to remember back to the Persian Gulf war to understand that point. But these rate increases are excessive, and must be controlled if Americans are to continue benefiting from this very important service. If cable companies were subject to competition, they would be unable to impose these rate increases.

S. 12 contains several provisions which protect consumers and promote competition within the cable and multichannel video industries. It allows the FCC and local governments to regulate the price of basic cable in communities that are not subject to effective competition, neutralizes the effect of retiering of cable services, limits the ability of cable operators to wield unreasonable influence over programmers, and limits the ability of cable programmers to discriminate against noncable, multichannel video providers. S. 12 also establishes national consumer service standards for cable operators and contains must-carry provisions which ensure that educational and public-interest television stations are carried by cable operators.

I believe the Packwood-Kerry-Stevens substitute which some of my colleagues support would not adequately promote competition or provide the protections consumers need.

Madam President, I am very proud of the fact that this year's cable bill includes a franchise renewal provision which I had sought to add to last year's unsuccessful cable bill. This provision makes clear that local franchising authorities are not required to finish their investigation of a franchise owner's performance within a 6-month period, as has been suggested by the cable industry, ensuring that local authorities have a sufficient amount of time to conduct a thorough investigation of the cable franchise prior to considering its renewal application.

Government regulation is never an adequate substitute for the discipline of the market. But where consumers cannot vote with their pocketbooks for lack of competition, Government has a duty to protect their interests. Hopefully, sufficient competition will soon develop in this market to eliminate the need for Government regulation. Because that day has not yet arrived, I support this legislation.

Mr. INOUYE. Madam President, I thank the Senator from New Jersey very much.

I would like to announce to the Members of the Senate that I am aware of one more amendment. We are in the process of resolving this matter, and so may I suggest the absence of a quorum to call the author of the amendment to the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WALLOP. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1519

(Purpose: To require an economic impact statement)

Mr. WALLOP. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. WALLOP] proposes an amendment numbered 1519.

Mr. WALLOP. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 116, strike out lines 20 through 26 and insert in lieu thereof the following:

REPORT; EFFECTIVE DATE

SEC. 23. (a)(1) Within 90 days following the date of the enactment of this Act, the Federal Communications Commission shall carry out a study for the purpose of conducting an analysis of the impact of the implementation of all rules and regulations required to be issued or promulgated by this Act, and the amendments made by this Act, on employment, economic competitiveness, economic growth, international trade, consumer welfare gained through curtailing monopoly practices of cable companies, and increased opportunities for small businesses and other entrants into the video marketplace to compete with cable.

(2) Such analysis shall also consider the extent to which, if any, the implementation of such rules and regulations would involve the States and political subdivisions thereof, in such implementation and the costs, if any, in requiring such States and subdivisions to assist in carrying out such implementation.

(3) The results of such study shall be reported to Congress within 180 days following the date of the enactment of this Act.

Mr. WALLOP. Madam President, it is my understanding that the able managers of this bill have agreed to accept this amendment, and I appreciate that.

I thank them and their staffs, in particular, for cooperating with us on it.

The amendment that I rise to offer is to provide an objective analysis of the regulations required under S. 12, the Cable Consumer Protection Act. This analysis would determine the impact of the regulations on employment, economic competitiveness, economic growth, international trade, and the consumer and taxpayer alike.

The analysis will also consider whether or not these regulations would entail an administration by U.S. municipalities and, if so, what costs would be borne by those municipalities to adhere to their new regulatory responsibilities. All too often, we throw Federal mandates in the laps of local governments without any real guidance.

I recall to this body that it was part of the President's speech that we did that.

More importantly, we fail to provide funding to cover their administrative costs. As result, State and local governments are raising taxes to keep pace with the federally imposed programs, businesses struggle to survive, and what is originally intended as a consumer benefit eventually deprives taxpayers of their hard-earned dollars.

Madam President, this amendment is similar to another amendment I offered—and the Labor Committee chairman accepted—to the minimum wage bill adopted by the Senate in 1989. Unfortunately that minimum wage bill was vetoed by the President and the subsequently enacted legislation did not contain my regulatory impact amendment. But let me assure my colleagues that if this amendment is not accepted today, I intend to offer it to numerous other legislative items this year.

We have been debating various versions of cable reregulation legislation for the past 3 years. The proponents of S. 12 believe that excessive regulation is the only appropriate response to consumer complaints of exhorbitant rate increases, poor services and minimal competition. My amendment will expose faulty perceptions with accurate information.

We as a governing body cannot seem to break the habit of strangling the business sector of our economy with regulatory restraints. Where the free market system fails to perform to public expectations, we impose regulatory controls. But those regulations are not without cost—not only to businesses, but to the consumer as well. We cannot and should not ignore the fact that regulations are a poor substitute for free enterprise. Perhaps this analysis will once and for all convince my colleagues that regulations are not without cost for all sectors of our economy.

President Bush recently imposed a 90-day moratorium on new regulations. Some of us here might ask why. It obviously was not to appease the special interest sector of our society. Those special interest groups believe that business regulation is the least expensive way to achieve national objectives. The regulations cost the government very little in direct expenditures compared to the indirect costs imposed on the general public.

If Congress had to enact a regulatory budget for every new environmental law we imposed, our current budget deficit would seem miniscule by comparison. So this moratorium was not without some definitive evidence of the severe impact regulations are having on our economy. Environmental regulations cost each family more than $1,000 a year. Every autobody repair shop will have to spend about $100,000 for equipment to comply with the emission standards contained in the Clean Air Act. Thousands of other businesses will spend between $10,000 and $20,000 just to gather the data and do the paperwork to apply for a clean air permit. I am just as concerned about a healthy environment and a safe workplace as the next person, but certainly there must be a more rational and cost-effective manner for achieving those goals. My amendment will provide the data to sustain that challenge.

Madam President, I would agree that there are a few bad actors in the cable industry who have raised prices, provided poor service and retiered programming choices. But let us not punish the masses for the misdeeds of the few. Regulation generates many side effects. It stifles innovation and forces prices to rise when new technology is not widely available. And when industry is shackled by governmental directives, it is the consumer, the citizen, not the business, which bears the costs of compliance. So herein lies the challenge of this amendment: to educate the public and ourselves about the disruptive and costly impact of regulations on the economy. I urge my colleagues to join me in supporting this analysis so that we might improve our understanding of the costs imposed by regulations.

Madam President, by way of footnoting the importance of this, a study group figured that American business now pays $400 billion a year in complying with regulations that we in this Congress have authorized the agencies of Government to create. So it is time that we begin to ration our desire for new and imposing regulatory requirements, to the extent that those are necessary. And I appreciate both the Senator from Hawaii and the Senator from Missouri for allowing me to insert this in there as a small and extremely modest step in that direction.

Mr. INOUYE. Madam President, this amendment is the result of many hours of negotiations, discussions, and consultations, and the managers of the measure are satisfied with the amendment.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Madam President, I especially appreciate the comments by the Senator from Wyoming about the effect of legislation on State and local governments. I know that what we have heard from State and local governments on this legislation is that they do not think it goes far enough. But we have attempted to meet their legitimate concerns in trying to get greater control over what is going on in their communities. We have reviewed this amendment, and it is satisfactory.

Mr. WALLOP. Madam President, I say to my friend from Missouri, who, as an old minister of the cloth, would know that there is a statement that one must be careful what one prays for, lest one gets it. I hope and trust that be not the case with this. One of the reasons for this amendment is just that.

I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

The amendment (No. 1519) was agreed to.

Mr. WALLOP. Madam President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WALLOP. Madam President, I thank the Chair and the Senators from Hawaii and Missouri.

Mr. INOUYE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FORD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Madam President, I ask unanimous consent that I may proceed for 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTERSTATE BRANCHING BY FEDERAL SAVINGS ASSOCIATIONS

Mr. FORD. Madam President, there has been a growing concern in recent years that too many major policy changes affecting financial services in this country are taking place by regulation or by court decision, and not by legislation.

There are simply some areas where policy decisions should be made by elected representatives through legislation.

I have shared this concern. That is why I was troubled to learn of the most recent attempts to continue this trend, when on December 30, the Office of Thrift Supervision proposed allowing nationwide branching for Federal savings and loan associations. The OTS proposal would apparently preempt State laws in this area, and is designed to allow federally chartered thrifts to branch nationwide, regardless of whether States wish to permit branching.

Last fall, we spent a great deal of time on this floor debating banking reform legislation. Some wanted a broad reform bill. Some wanted a narrower bill. And that is basically all we had time to pass. But during the course of that debate, we considered a number of important issues. One such issue involved interstate banking and branching for commercial banks. An amendment I offered in this area was adopted by the Senate. It was an attempt to balance the rights of States, the franchise interests of financial institutions, and the interests of those seeking greater interstate banking and branching. These same interests must be balanced when it comes to savings and loan institutions as well.

No final action was taken on this issue in 1991 for a number of reasons. Among other things, there was not sufficient support in the House for a broader banking bill, and there was not sufficient time to reach a compromise before the end of the session, but this issue will continue to be debated.

Now, however, the administration is apparently attempting to accomplish by regulation for S&L's what it could not accomplish by legislation for banks. I believe this blank check approach to interstate branching is unwise and unwarranted.

Do not get me wrong: I am not opposed to interstate branching. Under my amendment to the banking bill, there would have been an increase in interstate branching activity. There is no question about that. And I am not saying that the rules for savings and loan institutions have to be exactly the same as they are for banks.

What I am saying, however, is that certain rights have to be respected, and I underscore "respected." The rights of States, for instance. Under current law, thrift institutions already have the ability to branch interstate. But it can only be done where it is permitted under State law for State chartered institutions. Thirteen States have chosen to allow interstate branching, and there has been a significant increase in this activity over the last decade.

But, Madam President, 37 States have not chosen to allow interstate branching for S&L's. In my view, that is their right. That is a State's right. It is also a State's right to set certain terms of entry for out-of-State institutions, such as requiring that they enter only by buying existing institutions.

But that is not the administration's view. Under the OTS proposal, all federally chartered thrifts would be able to branch nationwide, regardless of whether a State allows the activity. And regardless of whether a State chooses to develop any terms of entry for interstate branching.

This is unfair to States. It is also unfair to State-chartered thrifts, many of which will be at a competitive disadvantage. And it is unfair to many well-run institutions, some of which have served their same communities for decades. The reason some States would allow branching only through the acquisition of existing institutions is to protect the legitimate franchise interests of many smaller thrifts.

The OTS proposal ignores these legitimate interests, and it ignores many of the other issues which we debated here on the Senate floor for banks. I object to this proposal for these policy reasons.

And I also object on procedural grounds. As I stated, the proposed rule was published in the Federal Register on December 30, with only a 30-day comment period. This comment period ended yesterday, January 29. I was pleased to join with the distinguished Senator from Arkansas [Mr. BUMPERS] and 17 other colleagues in sending a letter to the OTS yesterday objecting to this proposed rule.

It is not the type of major policy change which should be made through a notice filed during the holidays. It is not the type of policy change which should be made without any consideration of the rights of States or the interests of many small financial institutions. And in my opinion, Madam President, it is not the type of policy change which should be made without any discussion in this Chamber and within this Congress.

Madam President, the savings and loan institutions in my State are among the healthiest in the Nation. They have stayed healthy in recent years, I believe, in large part because they have not strayed from their original mission. They expect to remain healthy into the future. Madam President, the savings and loan institutions in my State are not asking for unrestricted nationwide branching. They are not asking for this major policy change being proposed by the administration. I wonder who is doing the asking. I urge all of my colleagues to take a close look at this proposed rule and consider the implications it has for financial services in their State.

Madam President, I ask unanimous consent that the letter to Timothy Ryan, Director of the Office of Thrift Supervision, signed by myself, Senator BUMPERS and 17 other Senators be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, January 28, 1992.

TIMOTHY RYAN,
Director, Office of Thrift Supervision, Washington, DC.

DEAR MR. RYAN: The purpose of this letter is to voice our objections to the notice published in the Federal Register on December 30, 1991, concerning the proposed rule to allow interstate branching by federal savings associations.

After lengthy debate and consideration in both houses of Congress, the Congress failed to enact legislation that would have allowed full interstate branching by banks. The rule proposed by the Office of Thrift Supervision would allow federally chartered thrifts to do precisely what banks may not do under current law—branch across state lines regardless of state law.

While you may believe that current law gives you the authority to promulgate rules allowing unrestricted interstate branching, we believe it is imprudent for the OTS to exercise that authority. We ask that the proposed rule be rejected.

In addition, we believe that the comment period should be extended beyond January 29, 1992, in order to give all interested parties a fair opportunity to assess the proposed rule and voice their criticism or support.

Wendell Ford, Dale Bumpers, Paul Simon, Harris Wofford, Wyche Fowler, Jr., David L. Boren, Brock Adams, J.J. Exon, Jim Sasser, Jay Rockefeller, Dennis DeConcini, Chuck Grassley, Mitch McConnell, Nancy Landon Kassebaum, Kent Conrad, Sam Nunn, David Pryor, Alan J. Dixon, Howard M. Metzenbaum.

Mr. FORD. Madam President, I ask unanimous consent that a letter from the department of financial institutions of my State, signed by Edward B. Hatchett, Jr., the commissioner, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 29, 1992.

THE DIRECTOR,
Information Services Division, Office of Communications, Office of Thrift Supervision, Washington, DC.

Re: Proposed Rule on Branching by Federal Savings Associations, 12 CFR Part 556 [No. 91–133]

Dear Sir: I write to express my opposition to the referenced proposed rule. I find it to be a reckless and totally unwarranted departure from the measured relaxation of thrift and bank branching restrictions that Congress has upheld as recently as 1 month ago. This measured relaxation is the chief product of a dual regulatory system that permits the States to control branch entry and location.

The proposed rule represents a wholesale repudiation of Federation public policy on thrift and bank branching. The Supplementary Information offers no compelling evidence to support the need for such a dramatic shift in Federal policy. In fact, the measured relaxation borne of the current rule has all but obviated the need for the proposed rule. The thrift industry is currently enjoying a renaissance, with recently reported rising earnings.

While there may have been some justification for the override of State branching laws in transactions involving troubled thrifts, no such justification exists for sound thrifts. The interest of the States in controlling branching is far too important to be sacrificed for the unsubstantiated rationale offered by the proposal.

The Background Information accompanying the proposed rule speaks of various policy reasons for which the Office of Thrift Supervision has restrained the scope of permissible branching with the branching policy statement. I submit that OTS has not offered sufficient evidence of a change in circumstances so dramatic as to justify repudiation of the currently observed branching restraints.

Finally, the interest of Kentucky in preserving its authority to control branching inheres in the desire to preserve local access to credit. Permitting immediate Nationwide thrift branching without regard to State laws undermines the delicate public policy balance our General Assembly has achieved between preserving local access to credit and gradually reducing geographic restrictions to competition. Congress has demonstrated its respect for that State role time and again. The Office of Thrift Supervision should likewise defer.

Very truly yours,
EDWARD B. HATCHETT, Jr.,
Commissioner.

Mr. FORD. I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

CODEL ROE

Mr. MOYNIHAN. Madam President, in the State of the Union Address, the President spoke of a number of programs he would like to see cut, and some 256 he would like to see eliminated altogether. Although the thrust of his message was the ever-popular warning against the dangers of big Government, the President even so mentioned a few programs he would like to see increased. And has proposed to increase some he did not mention.

One of these is the Secret Service.

I do not know if there is a better kept secret in the American Government than the size and growth of the Secret Service budget in the era of the cold war.

Over the past 30 years, in real terms, the budget of the Secret Service has grown 767 percent. In actual dollars, from $5.8 million in 1963 to a proposed $463 million in 1993.

I do not wish to be alarmist about this matter, but I do believe and will state that it may be time for the Congress to take a closer look at what is going on here.

And I will state further what I think is going on here. I think we are creating a praetorian guard which at very least comes between the Congress and the Presidency, and at very worst poses a threat to the quality of the American democracy.

It happens I served in the Cabinet or subcabinet of four Presidents, beginning with the Kennedy administration. I am now in my 16th year in the Senate. And so I have been able to watch the change in the Presidency during these past three decades. The largest change will be found in the size of the White House staff—the emergence, for example, of a White House Chief of Staff, that dates from the 1980's. But in terms of the presence of the Presidency, both in public and private, nothing equals the growth of a ubiquitous, overlarge, and too frequently inconsiderate Secret Service.

I speak not to the individual agents. They are fine persons; on occasion, heroic ones. Who will forget Agent Rufus

Youngblood leaping on Lyndon Johnson's back in that motorcade in Dallas. Intent on getting himself shot rather than the Vice President.

The problem, so it seems to me, is with the style of management which has emerged. The President of the United States is treated as a person under constant threat, and all others as possible suspects.

In the State of the Union Address, the President referred to the Surface Transportation Act which he signed on December 18, in a gulch outside Fort Worth, where a highway is being constructed.

Good photo-op. Fine, Home State. Fine. Hardhats in the front row on the small platform. Fine again.

But what about the members of "Codel Roe" who had traveled to Texas to witness the signing of the bill which, after all, we had written? The Air Force term, "codel," refers to a congressional delegation, "Roe" to the distinguished chairman of the Committee on Public Works and Transportation of the House of Representatives, the Honorable ROBERT A. ROE of New Jersey.

We did just as we were told. Left Andrews Air Force Base at the crack of dawn. Got into buses at the Dallas-Fort Worth airport. Not, however, before one of our Members was refused entry into a large empty hangar where the President's party, or whatever, was to have coffee. Stopped at a holding point. Were shifted to new buses. Stopped again. Finally, let out at the site.

In due course, the Presidential party arrived. Serried limos with cabinet members rank-by-rank. Hush falls. Finally, the President himself, who, personally, could not have been more gracious to us individually and collectively. He, after all, was once a Member of Congress, too. The brief ceremony concluded, the President was off to lunch with the hardhats. Again, fine. It was, after all, lunch time.

But not for "Codel Roe." The Secret Service, as they put it, "froze the site." They almost froze "Codel Roe" in the process, left as we were, standing in the drizzle and the mud.

It was a scene from an early Rosselini movie. A band of partisans has been rounded up. They are about to be machinegunned and bulldozed into a mass grave. They know their fate. They are, variously, resigned, defiant, some even triumphant. A small group begins to hum "The Internationale." Here and there individuals surreptitiously finger rosary beads. The S.S. Gruppenfuhrer has been detained by dalliance at a nearby villa. But there are strict orders that he must never be denied the pleasure of giving the order for "il massacro" to commence. The drizzle thickens, the camera recedes, the firing commences as the scene fades.

Well, of course, it did not happen quite that way. After a half hour or so the men with rifles up behind the abutments began to peel off. In time buses came for us and we were in that sense spared. At the price, however, of a certain measure of comity which ought to attend relations between the executive and legislative branches.

On the way back to Washington, more than one Member of our group commented on these arrangements. Were all those agents really necessary? All those guns? All those walkie-talkies? All that ordering around? So much that I was moved to write our distinguished Secretary of the Treasury awhile later. I have not yet had an answer, but a month having gone by, I feel free to ask unanimous consent that the letter be placed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, December 30, 1991.

Hon. NICHOLAS F. BRADY,
Secretary of the Treasury, Department of the Treasury, Washington, DC.

DEAR MR. SECRETARY: As you know, on December 18 the President went to Texas to sign the Surface Transportation Act. This was—at least we feel, and the President so stated—the most important legislation of its kind in 35 years. Those of us in Congress who wrote the bill very much wanted to be on hand when it was signed and a large "CODEL ROE" led by our Chairman Bob Roe of New Jersey was assembled for that purpose and arrived at the site—a new highway being built in the Dallas-Fort Worth area—in good time and good spirits.

The President could not have been more gracious in his personal and public remarks. He then went off to lunch. As we might have done. But the Secret Service froze the site, as they say. For almost an hour a hundred or so of us (including Congressional staff and invited guests) were left to stand in the rain and the mud. Buses in sight. As also the usual detail of strutting agents with high power rifles in case we got unruly. Finally the Secret Service decided it was safe to let us get on the buses.

Their behavior was insufferable. But also routine. I don't know if the organization itself is aware of how arrogant and presumptuous it has become. This armed intrusion into the simple ceremonies of the Republic is a disgrace and a danger. Clearly its fantastic budget is fantastically bloated. I hope you will think of this at budget time.

I speak only for myself, obviously. But I assure you sentiments very like mine were voiced repeatedly as we flew back to Washington.

Respectfully,
DANIEL PATRICK MOYNIHAN.

Mr. MOYNIHAN. And I do hope that the appropriate committees ask themselves in this budget round whether we really need so vast a Secret Service. Might a leaner organization be a more vigilant one? No care can be too great to protect the President and the Vice President. But there is such a thing as excess and it ought to be avoided in a republic.

Madam President, I thank the Senate, and seeing no Senator seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GORTON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1520

Mr. GORTON. Madam President, I send two amendments to the desk and ask they be considered together, and ask for their immediate consideration.

The PRESIDING OFFICER. Is there objection to the en bloc consideration? Without objection, the Senator may proceed. The amendments will be considered en bloc. The clerk will now report the amendments.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 1520.

Mr. GORTON. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end, add the following:

EXPANSION OF THE RURAL EXEMPTION TO THE CABLE-TELEPHONE CROSS-OWNERSHIP PROHIBITION

SEC. 24. Section 613(b)(3) of the Communications Act of 1934 (47 U.S.C. 533(b)(3)) is amended by striking "(as defined by the Commission)" and inserting after the period the following: "For the purposes of this paragraph, the term 'rural area' means a geographic area that does not include either—

"(A) any incorporated place of 10,000 inhabitants or more, or any part thereof; or

"(B) any territory, incorporated or unincorporated, included in an urbanized area (as defined by the Bureau of the Census as of the date of the enactment of the Cable Television Consumer Protection Act of 1992.".

NO PROHIBITION AGAINST A LOCAL OR MUNICIPAL AUTHORITY OPERATING AS A MULTICHANNEL VIDEO PROGRAMMING DISTRIBUTOR

SEC. 25. Section 621 of the Communications Act of 1934 *47 U.S.C. 541) is amended by inserting "and subsection (f)" before the comma in paragraph (b)(1) and by adding the following new subsection at the end thereof:

"(f) No provision of this Act shall be construed to—

"(1) prohibit a local or municipal authority that is also, or is affiliated with, a franchising authority from operating as a multichannel video programming distributor in the geographic areas within the jurisdiction of such franchising authority, notwithstanding the granting of one or more franchises by such franchising authority, or

"(2) require such local or municipal authority to secure a franchise to operate as a mulitchannel video programming distributor.".

On page 113, line 1, insert "may not grant an exclusive franchise and immediately after "authority".

Mr. GORTON. Madam President, as the President is well aware, the distinguished Senator from Hawaii and the distinguished Senator from Missouri and I have been ready to debate the most substantive issue involved with respect to this bill for some time but, due to an injury to our friend the Senator from Oregon, and various drafting problems, that substitute has not yet been presented to the Senate. That substitute, while we believe it to be insufficient with respect to the creation of competition or the limitation of monopoly, nevertheless, as we have looked at it, has a few good features. Two of those features modestly increase the scope for competition in the cable television industry.

These two amendments which we are considering jointly, take those two modest improvements in the competitive status from that substitute and will incorporate them in the bill which is before the Senate at the present time.

One of those amendments expands a current situation in which telephone companies can provide cable TV services in rural areas, which are in turn defined as areas without an incorporated community of more than 2,500 residents to 10,000 residents; expanding rather considerably that rural exemption.

It will create a competitive situation in such areas and also will provide an incentive for these telephone companies more quickly to provide fiberoptic systems in those areas.

It also makes it clear that no provision in the Communications Act prohibits a local authority of whatever size from operating a cable system in competition with the cable system already franchised in that municipality.

The second amendment prohibits a franchising authority from granting an exclusive franchise to any cable operator; that is to say, encouraging competition by saying to a given city: You cannot make it exclusive. You do not have, necessarily, to grant a franchise to everyone who wants one, but you cannot guarantee exclusivity.

Each of these will modestly increase the competitive nature of cable television. Neither of them is controversial. Both of them, on the adoption of these two amendments, will make identical in this respect the two proposals which will be dealt with here. They have been cleared, I believe, by both sides. I know by this side.

I ask they be incorporated into the committee substitute.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Madam President, I wish to first commend my colleague from the State of Washington for this amendment. It not only gives S. 12 much clarity; it should add a few more supporters. I enthusiastically support the amendment.

The PRESIDING OFFICER. Is there further debate? If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1520) was agreed to.

Mr. GORTON. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GORTON. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. AKAKA). Without objection, it is so ordered.

Mr. LEVIN. Mr. President, I would like to engage the manager of S. 12, Senator INOUYE, in a brief colloquy regarding the retransmission consent provision in the bill.

The election of retransmission rights versus must-carry by broadcasters is sanctioned by S. 12 and will likely occur, though there is no reliable way to predict the percentage of broadcasters that will choose retransmission rights. The bill directs the FCC to conduct a rulemaking proceeding to establish rules concerning the exercise of stations' rights to grant retransmission authority under the new section 325(b). But, the bill does not directly address the possibility that broadcasters and cable operators in a particular market may be unable to reach an agreement, resulting in noncarriage of the broadcast signal via the cable system. I strongly suggest, and hope that the chairman of the subcommittee concurs, that the FCC should be directed to exercise its existing authority to resolve disputes between cable operators and broadcasters, including the use of binding arbitration or alternative dispute resolution methods in circumstances where negotiations over retransmission rights break down and noncarriage occurs, depriving consumers of access to broadcast signals.

Mr. INOUYE. The FCC does have the authority to require arbitration, and I certainly encourage the FCC to consider using that authority if the situation the Senator from Michigan is concerned about arises and the FCC deems arbitration would be the most effective way to resolve the situation.

Mr. LEVIN. I thank my distinguished colleague for his attention to this issue, and for all his hard work on producing this important bill.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

the PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1521

(Purpose: To express the sense of the Senate that cable and television networks and local television stations should establish voluntary guidelines to keep violent commercials out of family programming hours)

Mr. INOUYE. Mr. President, I send to the desk an amendment proposed by Senators LEVIN and SIMON and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. LEVIN (for himself and Mr. SIMON) proposes an amendment numbered 1521.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Since young children are particularly susceptible to the influence of television;

Since violence depicted on television can have a negative and unusually strong effect on young viewers; and

Since parents who choose to monitor television programs for their children and to avoid their children's viewing acts of violence are limited in their ability to monitor acts of violence depicted in commercials during family programs.

It is the sense of the Senate that cable and television networks and local television stations should establish and follow voluntary guidelines to keep commercials depicting acts or threats of violence out of family programming hours.

Mr. LEVIN. Mr. President, last October I spoke on the Senate floor about a growing concern I and many of my constituents have over the depiction of violence in television comericials during family programming hours.

Violence in commercials is particularly troubling because of its impact on our small children. Parents who wish to avoid exposing small children to violence on television are unable to screen it out of a 30-second commercial, tucked in an otherwise acceptable family program.

Last year we passed the Television Violence Act which permits the television networks to work together to establish guidelines on TV violence. I am particularly concerned about the level of violence that is being permitted in commercials shown during family shows where, despite a parent's best efforts to restrict a child to so-called family type programs, that child, despite a parent's intent, can still be exposed to violence through the commercials that may appear during that programming.

I cited several examples in my October statement, including a commercial on July 25, 1991, for the movie "The

Mobsters" which was aired during "The Cosby Show." The commercial depicted a man, who was begging for his life from a man pointing a gun at him, being killed in cold blood. All the young children who were watching "The Cosby Show" were exposed to it.

At that time, I wrote to over ten major and cable network executives urging them to keep violent commercials out of family programming hours. I received a number of positive responses, including, by the way, an apology for the Mobsters commercial. NBC stated that that commercial had been shown in error and did not meet their standards. I was glad to hear that.

But, Mr. President, not all the networks have taken the same position, and even some of those who say they have standards have not applied them rigorously or developed adequate standards to do the job.

I should like to read, Mr. President, a letter I recently received from a young man in Royal Oak. This is not a parent expressing concern about what his or her child is watching, although I have had a number of those letters as well. This is more telling, because it is from a young boy who is asking for help.

> DEAR MR. LEVIN: My name is ———. I am thirteen years old and I live in Royal Oak, Michigan.
>
> A couple of days ago, I read the article you wrote about in the Free Press. It was about violent T.V. ads. One thing that you noted in the article was how, during a commercial series in between the "Simpsons" there was an ad for "Americas Most Wanted". You said that the commercial contained violence, well, I saw that ad. It totally ruined watching the Simpsons. You're right. Those commercials and even T.V. shows can affect kids. I think violence of any kind on T.V. should be banned. Sincerely,

Out of the mouths of babes.

Mr. President, I offer an amendment tonight which is a sense of the Senate resolution that cable television networks and local television stations should pledge to keep violent commercials out of family programming hours.

Acts of violence in commercials are particularly offensive, because they seriously limit a parent's ability to prevent young children from being exposed to them. Even the most attentive parents can find themselves suddenly confronted with a horribly violent act—the cold-blooded murder of a human being—on television during a television program otherwise acceptable to them and be unable to keep their children from seeing it. The commercial may be over before the parent realizes what he or she has just witnessed. The damage in that situation is done, despite the parents' intentions.

I am not suggesting that we should legislate in this area, given the legal complexities involved in our constitutional protections of free speech. But it does not strike me as too difficult or inappropriate for the television networks themselves to establish voluntary guidelines by which commercials are screened for very violent acts so they can be aired during non-family-type programming. That is only common sense, and I hope that the television networks will consider embracing such a principal.

Some parents do not object to their young children being exposed to raw violence on television but others care very much. There can be standards for programming that do not unduly restrict commercial speech but allow parents, if they choose, to protect the most impressionable segment of our society, our young children.

Mr. INOUYE. Mr. President, this sense of the Senate resolution has been cleared by all parties. I believe that the intent of the amendment is set forth very clearly in the last paragraph. So if I may read:

> It is the sense of the Senate that cable and television networks and local television stations should establish and follow voluntary guidelines to keep commercials depicting acts or threats of violence out of family programming hours.

Mr. President, this measure has been cleared by both sides. I ask for its immediate adoption.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1521) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CRAIG. Mr. President, I have had a number of concerns about S. 12 since its introduction last year. I share my colleagues' desire to prevent unfair rate hikes, poor service, and monopolistic actions taken by the cable companies. But the resolution of those problems must strike a balance and serve long-term goals.

We have heard many speeches about problems with vertical integration and antitrust violations. We have laws already dealing efficiently with monopolies, and the cable industry should be dealt with no differently than any other industry in this area. Antitrust violations should be handled by the Justice Department. Reregulating the cable industry will only serve as a short-term fix for these problems, and it won't benefit the consumer in the long-term.

Our President has just put a temporary hold on new Federal regulations as part of his program to stimulate the economy. It is ironic that at this same time, some in this Congress would turn to further Government regulation to solve the problems of the cable industry. This Congress should be encouraging growth, not stifling a relatively young industry. I hope that we will see a push to address S. 1200, which is legislation that will encourage growth and the development of competition in the cable industry and alternative providers for programming.

Mr. President, while I have many concerns about S. 12, there are some provisions in S. 12 that I support. For example, the access to programming provisions are important for rural States because they would increase competitive opportunities for promising new technologies such as direct broadcast satellite [DBS] services. Also, retransmission consent is an issue that needs to be addressed. However, as I have already said, these issues are submerged in a bill with shortsighted goals that would regulate the cable industry to the extent of stifling growth. Cable has opened the world to many rural communities, and with competition and new technologies such as DBS, more information and programming will be available to our rural communities—but only if the Federal Government avoids imposing burdensome regulations on the industry.

Mr. President, I don't support unnecessary Government regulation of private industry. Therefore, I don't support S. 12. The best solution to this problem would be to provide consumers with a choice of distributors—local telephone companies, satellite broadcasters, or another cable company.

Mr. MITCHELL. Mr. President, for the past several hours, the managers of the bill and other interested Senators have been involved in discussions in an effort to reach agreement on a procedure to bring about completion of this bill. I have discussed the matter with the distinguished Republican leader earlier this evening, and it is my intention to propound a request for a unanimous-consent agreement in approximately 5 minutes. The request is being drafted.

The Senators who have been most involved have previously been notified by telephone. I assume they are on their way to the Senate floor. If any Senator has an interest in the subject matter of the agreement, which will involve completing action on this bill promptly, that Senator should come to the floor and be present. I expect to propound that agreement at approximately 6:45.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GARN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1522

(Purpose: To provide a substitute)

Mr. GARN. Mr. President, Senator PACKWOOD and Senator STEVENS are not able to be here, but on behalf of

Senator PACKWOOD, I send to the desk a substitute amendment to the bill S. 12 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. GARN], for Mr. PACKWOOD (for himself, Mr. KERRY, Mr. STEVENS, Mr. WIRTH, Mr. BURNS, Mr. DOLE, Mr. SHELBY, Mr. RUDMAN, Mr. SIMPSON, Mr. BREAUX, and Mr. FOWLER) proposes an amendment numbered 1522.

Mr. GARN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. GARN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

CRS PROMOTES DEMOCRACY IN THE RUSSIAN FEDERATION

Mr. PELL. Mr. President, in my capacity as chairman of the Joint Committee on the Library, I call attention to the Senate once again to the continuing historic efforts of the Congressional Research Service of the Library of Congress to assist in the transition to democracy in parts of what was the Soviet Union.

Last October, I reported on the considerable assistance which CRS had been offering, with the approval of the Joint Committee on the Library, to the Supreme Soviet of the then faltering Central Government of the U.S.S.R. As it has turned out, those efforts were a useful prelude to continuing steps to establish what hopefully will become more lasting democratic institutions in the successor states, most notably the Russian Federation.

During 1991, CRS received a number of visits from Russian legislators who recognized that a legislature must have its own direct and independent access to authoritative information and analysis if it is to legislate wisely and act as a restraint on executive power.

At the request of the Presidium of the Russian legislature, CRS Director, Joseph E. Ross, led a delegation to Moscow last October to assess the resources of the Russian Parliament and provide advice on development of a parliamentary library. On his return, Mr. Ross requested approval of the Joint Committee on the Library of a protocol of cooperation between CRS and the Presidium of the Russian Supreme Soviet that provides for exchange of specialists, documents, data bases and reference materials and establishment of direct electronic communications.

I heartily support this proposal, and in my capacity as chairman of the joint committee, was pleased to give my approval of the protocol on January 9, 1992.

Mr. President, the dissolution of the Soviet Union presents great opportunities to the United States and hard challenges to the peoples of the constituent republics of the former union. While our attention is properly focused on the grave problems of conversion to a market economy and on the disposition of the former Union's huge nuclear arsenal, we must remain sensitive to the far reaching opportunities to help build effective democratic institutions on the ashes of the totalitarian state. The Library of Congress, through the Congressional Research Service, is playing a key role in this process which I commend to the attention of my colleagues.

Mr. President, I ask unanimous consent to have printed in the RECORD a report prepared by the Congressional Research Service describing their work to assist the Supreme Soviet of the Russian Federation in its evolution to democratic government.

Their being no objection, the report was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE MEETINGS IN MOSCOW ON LEGISLATIVE INSTITUTIONS AND SUPPORT, JANUARY 16, 1992

SUMMARY

During October 1991, the Director of the Congressional Research Service, Joseph E. Ross, led a CRS delegation to Moscow for a series of meetings concerning the status of national legislative institutions and the analytical and information capabilities for supporting them. This visit preceded the dissolution of the Soviet Union; consequently, the delegation met with officials of both the Union Supreme Soviet and the Supreme Soviet of the Russian Federation. In our meetings with deputies and legislative officers, as well as with representatives of various libraries and research organizations, the members of our delegation also discussed CRS support for the legislative process in the Congress and assessed the prospects for cooperative relationships between CRS and its counterparts in Moscow.

Based on the findings of this delegation and subsequent developments, especially the establishment of the Commonwealth of Independent States and the resignation of President Gorbachev, CRS has proposed to the Joint Committee on the Library that it be authorized to develop a program of cooperation with the Presidium and supporting institutions of the Russian parliament. This program would be comparable in all essential respects to the cooperative relationship that the Committee previously had authorized CRS to establish with the Secretariat of the Union Supreme Soviet. The program also would complement the assistance that CRS has been providing to the House Special Task Force on the Development of Parliamentary Institutions in Eastern Europe (Frost Task Force) in its efforts to support the development of parliamentary institutions in Eastern Europe, including the Baltic states of Estonia, Latvia, and Lithuania. This proposal is not intended to foreshadow or preclude any assistance that the Congress, acting through the Joint Committee or the Task Force or by other means, may authorize to assist the parliaments of the other states that formerly constituted the republics of the Soviet Union.

BACKGROUND

Since the summer of 1989, CRS has received a steady flow of visitors from the Supreme Soviet of the USSR and, more recently, from the legislatures of the Russian Federation and other republics of what was the Soviet Union. In February 1990, a delegation from the Secretariat of the USSR Supreme Soviet proposed that CRS agree to develop a relationship of cooperation and exchange with the Secretariat, which was the closest institutional counterpart to CRS in the Soviet legislature. Before seeking the approval of the Librarian of Congress and the Joint Committee on the Library for any such agreement, the Director led a delegation to Moscow in May 1990 to study the operations of the Union legislature and its analytical and information support resources. On the basis of the Director's findings and recommendations, the Joint Committee authorized CRS to enter into an agreement that contemplated the exchange of documents and reports relating to legislative activity, some limited and mutual access to legislative and bibliographic data bases, and joint programs such as seminars on policy and institutional issues of mutual interest.

Although CRS and the Secretariat reached agreement on this program by March of 1991, its implementation was retarded by logistical and financial difficulties. Some limited exchange of documents did take place, but the possibility of mutual data base access was not implemented. CRS and the Secretariat did co-sponsor a conference in Moscow in November 1990 that discussed U.S. and Soviet perspectives on a range of current issues, but a subsequent conference to be held in Washington during May 1991 was delayed indefinitely at the request of the Secretariat. Political developments in the Soviet Union during the summer of 1991, especially the abortive August coup, led to a transformation of the organization, functions, and membership of the USSR Supreme Soviet, and gave rise to serious questions about its future powers, organization, and even its very existence. The Director determined that these developments necessitated a re-assessment of the status and prospects of CRS' agreement with the Secretariat.

Two weeks after the attempted coup ended, CRS received a delegation from the Russian Supreme Soviet, headed by Sergei A. Filatov, a senior deputy who then was the Secretary of the Presidium and who was elected First Deputy Chairman of the Russian Supreme Soviet on November 1, 1991, and including Yevgeni Ambartsumov, Deputy Chairman of the Committee on Foreign Affairs and International Relations. At a meeting with Mr. Ross and the CRS Deputy Director, William H. Robinson, Dr. Filatov proposed an agreement between CRS and the Russian parliament with elements similar to those in the CRS agreement with the Union Supreme Soviet Secretariat. Mr. Ross and Dr. Filatov agreed that it would be appropriate and necessary for CRS to learn more about the Russian Supreme Soviet in light of the rapidly developing situation in Moscow before the Director decided whether to seek authorization from the Librarian and the Joint Committee on the Library to explore such an arrangement.

The visit of a CRS delegation was arranged for the third week of October 1991 to take advantage of the fact that several CRS specialists would be going to Moscow at that time to participate in a conference on "The National Library in the Life of the Nation," jointly sponsored by the Library of Congress and the Lenin State Library. Accompanying the Director to Moscow on October 20th were Stanley Bach, Senior Specialist in the Legislative Process, Stuart Goldman, Specialist in Soviet Affairs, and Roger Noble, a CRS Computer Specialist and expert on automated information systems. The delegation was joined in Moscow for a time by Felicia Kolp, a CRS Reference Specialist who had taken leave to work with the National Library of Lithuania in Vilnius. The international travel expenses of Mr. Ross and Mr. Noble were funded from an existing grant to CRS from the MacArthur Foundation. IREX, the International Research and Exchanges Board, funded the travel for Mr. Bach and Mr. Goldman as participants in the Library of Congress-Lenin State Library conference. The Russian parliament assumed most of the delegation's expenses in Moscow.

Most of the CRS delegation's program in Moscow was arranged by Dr. Filatov on behalf of the Presidium of the Russian Supreme Soviet. Also participating in many of the delegation's meetings were Deputies Alexei N. Adrov, a member of the Sub-Commission on Communications, Informatics, and Space, and Vladimir N. Podoprigora, who chairs a task force of deputies created to oversee development of a plan to develop the parliament's information and analytical capabilities.

Following introductory meetings on the economic and constitutional issues confronting the Russian Federation and its legislature, the delegation engaged in a series of discussions with the working group of parliamentary deputies and staff and professional librarians that had been established to create a Parliamentary Center and a Parliamentary Library to support the work of the Russian Supreme Soviet and its committees and deputies. There also were meetings to review the status of the computerized information capabilities on which the Supreme Soviet could draw. These meetings took place either at the "White House," which houses the Russian Supreme Soviet and which was the focal point of resistance during the August coup, or the building which is planned to house the Parliamentary Center and which had been the headquarters of the Moscow City Communist Party Central Committee. Delegation members also arranged meetings with other organizations and officials, including officers of the Union Supreme Soviet Secretariat and the Institute for the Study of the U.S.A. and Canada.

At the delegation's final meeting with Russian deputies and legislative officials, the Director described the forms of institutional cooperation that the Joint Committee on the Library might consider authorizing. As an expression of good will, these possibilities were expressed in a written protocol, subject to the clear understanding that any such cooperative arrangement would have to be mutually beneficial and compatible with CRS' mandate and resources, as determined by the Joint Committee on the Library.

Following is a summary of the delegation's primary findings and conclusions.

LEGISLATIVE ORGANIZATION AND RESOURCES

The national legislature of the Russian Federation has a two-tiered structure modeled after that of the USSR of 1989. The top level is the Russian Congress of Peoples' Deputies, nominally the highest organ of state. Its 1,068 deputies were directly elected in relatively free elections held in March 1990. The Congress is expected to meet briefly several times each year to consider fundamental questions. It also has sole authority to amend the constitution. The Congress elected from its ranks a Russian Supreme Soviet of 252 deputies that is the day-to-day working legislature.

The Russian Supreme Soviet consists of two chambers, the Council (or Soviet) of the Republic and the Council of Nationalities. Each has 126 deputies. The Council of the Republic is elected on the basis of proportional representation from electoral districts of roughly equal size. The Council of Nationalities is elected from territorial electoral districts in such a way as to protect the interests of Russia's 19 autonomous republics and numerous other autonomous regions that are the officially-designated homelands of non-Russian nationalities, and also the cities of Moscow and St. Petersburg. The Council of Nationalities has three committees (known as commissions) and the Council of the Republic has four. More important, there are 19 committees consisting of members of both chambers. Most significant legislative activity occurs in these joint committees and in joint plenary sessions of the two chambers meeting together as the Supreme Soviet.

Leadership and Support

In addition to the Chairman of the Supreme Soviet, presently Ruslan Khasbulatov, there is a collective leadership body known as the Presidium which includes the Chairman and Deputy Chairmen of the Supreme Soviet and the chairmen of both chambers and of the various commissions and committees. (Dr. Filatov was elected First Deputy Chairman of the Supreme Soviet soon after our meetings ended in November 1991.) The Presidium is responsible for coordinating the work of the Supreme Soviet and developing the agenda for its plenary meetings. The Presidium typically meets on Monday, with Tuesday devoted to commission and committee meetings. There are separate plenary sessions of the two chambers on Wednesday, followed by joint meetings of the Supreme Soviet on Thursday and Friday.

Each member of the Congress of People's Deputies, including the members of the Supreme Soviet, is entitled to hire at least three personal staff members. Deputies from the 168 most populous constituencies each have a staff of five. Most of these staff are located in the deputies' constituencies. The 26 commissions and committees have a total of approximately 140 staff members, few of whom now are policy experts. More specialists are being sought to meet the increasing demand, but recruitment is likely to be hampered by the fact that there are many potential (and potentially lucrative) career opportunities for competent specialists. The commission and committee staff are selected by their members, unlike the situation that prevailed in the Union Supreme Soviet, whose commission and committee staff worked for the Secretariat, a bureaucratic body controlled by the Presidium of the Supreme Soviet.

Supporting the Russian Supreme Soviet is a central administrative staff of roughly 900 people. This apparatus is divided into departments that are responsible for administrative services, legal expertise, arrangements for meetings, protocol, printing, finances, deputies' accommodations, personnel, press, security, and inter-parliamentary relations. This staff reports to Dr. Filatov in his capacity as Secretary of the Presidium.

The Supreme Soviet and its two chambers have been meeting in the building now known as the "White House," which is located more than a mile from the Kremlin. This building also houses the deputies and the commissions and committees. Office space now is limited, with some deputies sharing one-room offices. However, more space may become available when some ministries which are located in the White House move to different locations. Based on our delegation's limited observations, the Russian parliament's office building appears ample for its immediate needs, especially if the large Congress of People's Deputies is eventually eliminated in favor of a directly elected Supreme Soviet. With the dissolution of the Union Supreme Soviet, it also is possible that the Russian parliament may move some or all of its offices and functions from the White House to the Kremlin.

PARLIAMENTARY CENTER AND LIBRARY

During Dr. Filatov's visit to CRS and during his first meeting in Moscow with our delegation, he stressed the importance of developing an improved information and analysis capability for the Russian Supreme Soviet. Within two weeks after his visit to Washington, the Presidium established a task force for this purpose, chaired by Deputy Podoprigora. By the time the CRS delegation arrived in Moscow, the task force had begun to develop specific plans for creating a Parliamentary Center, and a working group had prepared more detailed proposals for establishing a Parliamentary Library.

Planning for the Parliamentary Center

The plans for the Center remain at the formative stage. At present, the conception of the task force is for a Center with three components: a parliamentary library, an information and research institute, and a "Russian political institute." The information and research institute is likely to be under the guidance of Deputy Adrov and may concentrate heavily on developing access to automated information systems. The functions of the "Russian political institute" were not clearly explained and evidently are the subject of considerable disagreement among members of the task force. We suspect that while the task force members may agree in principle that the legislature needs improved analytical and information capabilities, some of them probably lack a clear understanding of what these capabilities should be and what services they should provide.

The Supreme Soviet has allocated for use of the planned Parliamentary Center a large office building that had housed the Central Committee of the Moscow City Communist Party. It is unclear whether the entire building would be available for the Center, but it appears that the Center's development will not be hampered by a lack of space. On the other hand, this building is located perhaps two miles from the White House, creating serious disadvantages in moving people and documents between the two locations and transmitting data over what may prove to be an inadequate telecommunications system.

Building a Parliamentary Library

This office building houses a well-established library that had belonged to the Central Committee. The library now contains only Russian-language materials. In the White House itself there also is a small two-room library that evidently had been a general lending library for the building's former occupants. Both of these libraries and their staffs now are in search of a new mission, and they do provide the basis on which a Parliamentary Library can be built. The disadvantage of having the Library's main collections housed a considerable distance away from the White House would be offset by transforming the library already located there into a convenient branch library or "reference center."

However, the former Central Committee library's collections and its acquisition program will have to be radically reoriented if it is to provide the kinds of resources that an effective legislature will require. Especially important will be building a collection of non-Russian and non-Soviet publications, both books and serials, in light of the widely-shared interest in comparative legal and policy analysis that will enable Russian legislators to capitalize on American and European experience and develop laws that are compatible, for example, with European Community standards.

One question that arose during our delegation's meetings and again during the joint library conference was the relationship between a Russian (or Soviet) parliamentary library and the Lenin State Library in its capacity as the Soviet national library. Since the first CRS delegation visited Moscow in May 1990, it has been clear that the Lenin State Library has sought a central role for itself as a legislative research and information center, first for the Union Supreme Soviet and now for the Russian parliament. Dr. Volik, the Director of the Library, and some of his colleagues probably see this role as a way of building political support for their institution, which faces severe financial difficulties. It is questionable, however, if the Lenin Library now has the staff resources or training to undertake the unique demands of serving an active body of legislators in the same way that CRS serves the House of Representatives and the Senate.

Shortly after our delegation left Moscow, the Lenin Library was closed indefinitely, reportedly because of concerns about the building's safety. This development, coupled with the uncertain future status of the library, may create unanticipated opportunities for developing the staff and resources of the Russian Parliamentary Library.

Before leaving Moscow, members of our delegation learned that Ms. Irina S. Khalimova, formerly of the Saltykov-Schedrin State Public Library of St. Petersburg, has been designated as the head of the Parliamentary Library to be established within the projected Russian Parliamentary Center. Ms. Khalimova had been the coordinator of the working group that prepared a prospectus for the Library which was the focus of several of the delegation's meetings. We believe that her selection is an encouraging development.

There are several critical questions that she will face in transforming the Parliamentary Library from a concept into a functioning institution: (1) how to obtain the needed foreign publications, especially in light of the shortage of hard currency resources; (2) how to coordinate the work of the Parliamentary Library with that of established libraries in ways that avoid duplication and take advantage of the strengths of existing library collections and staffs; (3) how to retrain the existing staff and how to recruit talented new staff, especially people with foreign-language competence; (4) how to differentiate but also coordinate the responsibilities of the Library and those of other components of the proposed Parliamentary Center; and (5) what services to provide to deputies and committees with limited experience in a legislature whose powers, membership, and organization are subject to potentially far-reaching constitutional change.

Developing Information and Analytic Resources

Our delegation received an indistinct picture of the other possible components of the Parliamentary Center. The emphasis on automated information systems clearly indicates a determination to develop new data bases and access to non-Russian (or Soviet) data bases. In principle, such data bases can provide convenient access to statistical and other baseline data that legislators require. However, delegation members have some concern that too much may be expected from automation. Statistical data bases are of limited value if the statistics are undependable, and bibliographical data bases are of limited value to deputies who are too busy to take advantage of them.

We took several opportunities to stress the importance of analysis as well as information—having the trained and dedicated staff of experts to transform raw information into policy-relevant analysis. We also stressed why CRS does not recommend policy choices to Congress. By contrast, one proponent of a "Russian political institute" within the Parliamentary Center asserted that, unlike the situation in the United States and Western Europe, some Russian deputies were "unable to evalute political reality" and so required the guidance and recommendations of experts.

We believe that the developing concept of the Parliamentary Center would benefit greatly if some of those responsible for developing it could have more direct and personal exposure to the principles and practices that characterize CRS assistance to Congress. We are very pleased, therefore, that Dr. Filatov has accepted our invitation to send a small delegation for a working visit to CRS, probably in February 1992. Although the plans for the delegation and its visit have not been completed, we anticipate that it will include some of the deputies and officials who will be primarily responsible for developing the Parliamentary Center and Library.

AUTOMATED INFORMATION RESOURCES

The automation infrastructure of the Russian Supreme Soviet can best be contrasted with that of the Library of Congress. The Library began by developing centralized shared data bases and only recently began distributing computing power to the desktops of users. The Russian Supreme Soviet has begun by distributing local computing power since October 1990 to get the greatest return on the ruble, but has yet to decide on an architecture to support access to central, shared legislative data bases.

Organizational Structure and Support

Automation support for the Russian Supreme Soviet is provided by the Printing and Publishing Department in Dr. Filatov's administrative organization. This department is managed by Deputy Adrov, who also chairs the Supreme Soviet's Subcommittee on Computers and Information Technology. The information technology group has three computer specialists, headed by Mr. Kamenir. The legislature also has called upon the All-Union Research Institute on Automation, a national research institute having no direct counterpart in the United States, to provide consulting services on office automation.

Since January 1990, the parliament has acquired about 300 IBM-compatible desktop computers for the deputies and offices of the Supreme Soviet. These are mostly Intel 80286 technology machines with matrix impact printers used for word processing support of committees and commissions. One local area network based on Novell Netware has been established in the Printing and Publishing Department to assist in producing transcripts of the proceedings of the Supreme Soviet. No institution-wide data communications capability has yet been established. Data bases of legislative, biographical, and administrative information have been established using the commercially available data base package, Foxbase Plus.

Accomplishments and Challenges

After approximately two years of existence, the Russian Supreme Soviet's Automation Center has managed several significant accomplishments. It has acquired approximately 300 IBM-compatible work stations to support document production by committee and commission staff, who have completed basic computer literacy training. The Center also has created a data base of biographies of deputies, and established a full-text data base of all higher-level Soviet laws and sublaw acts since 1922. These data bases were created using software that was never intended to be used for full-text retrieval. It is a case of making do with what is available. In addition, the Center has implemented an electronic voting system for the Supreme Soviet.

Most recently, the Center has participated actively in developing plans for establishing an Informatin and Analytic Center within the proposed Parliamentary Center. This plan envisions the acquisition of a super minicomputer and creation of a network to connect the offices of the committees and commissions.

At the same time, the Automation Center faces a number of challenges in implementing its plans. There needs to be a successful coordination of effort with other institutions, such as the All-Union Institute for Automation, the National Public Library for Science and Technology, and the Lenin Library, all of which hope to become critical components of the legislature's support structure. The Center also seeks access to outside data bases, both ministerial and international, which may be hampered by the poor state of the public telecommunications network. At the same time, it needs to develop a library automation system to support the Parliamentary Library, and to establish reliable high-speed communications between the Parliamentary Center and the White House if, as seems likely, they are located a few kilometers apart. Finally, we anticipate that the Russian legislature eventually will decide to change from a desktop information retrieval system to a centralized one, accessible over a communications network.

UNION SUPREME SOVIET RESOURCES

The demise of the Union Supreme Soviet creates opportunities and possibilities that we cannot yet assess. As of May 1990, the Secretariat of the Supreme Soviet had a staff of more than 800 people who were responsible for administrative and financial matters as well as for most of the legislative and policy support that the Supreme Soviet received. The Secretariat also was engaged in developing an expanded set of relationships with institutes of the Academy of Sciences and other research organizations that could provide complementary expertise. In addition, the Secretariat had been creating its own data base system and had established a functioning reference center near the Supreme Soviet's meeting hall. Following the dissolution of the USSR, the Russian legislature asserted control over all the assets of the Union Supreme Soviet. So the Russian legislature now may be able to take advantage of at least some of these resources.

LIBRARIES AND RESEARCH ORGANIZATIONS

Members of the CRS delegation met with other officials in Moscow, and several CRS staff remained to participate in the joint Library of Congress-Lenin State Library conference. These aspects of our program provided some additional insights into the analytical and information support that the Russian legislature might receive from Moscow's libraries and research institutes.

Soviet speakers at the conference repeatedly emphasized the severity of the financial problems faced by their libraries, including the Lenin Library. During the conference session on "National Library Support for the National Legislature," Soviet participants openly disagreed among themselves about whether the Lenin Library should and could serve as a parliamentary library for either the Soviet or the Russian legislature. Leading officials of the Lenin Library took an affirmative position, but CRS delegation members were told that this view was not generally shared by the Library's staff. The decision to close the Library dramatizes the extent of the Library's problems and suggests how much would need to be done before it is well-prepared to function effectively as a legislative support institution.

Political and budgetary problems also have affected organizations such as the Institute on State Structure and Legislation, which was affiliated with the Union Supreme Soviet. Our delegation was informed that 70 percent of the Institute's budget had come from a Union-level Committee on Science and Technology, which was disbanded in the autumn, with the remaining 30 percent coming from the now-defunct Union Supreme Soviet. In December 1991, CRS received preliminary information that this institute would be re-named and funded by the Russian legislature. Even the Institute for the Study of the U.S.A. and Canada, one of the most prestigious political institutes in the country, is struggling to redefine its mission and secure its budget for the future. This Institute had provided significant support to the USSR Supreme Soviet since that body as revitalized in 1989. More recently, it has begun providing support to the Russian Supreme Soviet as well. It is well qualified to provide analysis of American laws and government, subjects of growing interest to legislators in Moscow, in addition to the expertise of its staff on foreign policy and national security issues.

Mr. FORD. Mr. President, before the distinguished Senator from Rhode Island leaves, I wish to compliment him for the tremendous work he has done on the Joint Committee on the Library of Congress. Ever since I have been on the Rules Committee, I found his dedication and hard work has made some things happen that would not have otherwise happened. I think tonight the report that he is giving, as it relates to the CRS and work at the Library, is important, but it is a continuation of the good things that the Senator from Rhode Island has done.

I wanted the record to reflect my feelings for him personally and compliment him for a job well done.

Mr. PELL. Mr. President, I thank the Senator from Kentucky very much. I would not be chairman if it was not for his good offices and good grace.

Mr. FORD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate continued with the consideration of the bill.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the only amendment other than the committee substitute remaining in order to S. 12, the cable bill, be the Packwood substitute; that no motions to recommit the bill be in order; that Senator PACKWOOD or his designee be permitted to modify his amendment within 5 minutes after the Senate resumes consideration of the amendment on Friday, January 31; that when the Senate resumes consideration of S. 12 on Friday, January 31, at 8:30 a.m., there be a time limitation for debate on the Packwood amendment of 3 hours, equally divided in the usual form; that when all time is used or yielded back, the Senate vote on the Packwood amendment; that immediately upon the disposition of the Packwood amendment, the Senate vote on the committee substitute as amended, to be followed by third reading and final passage of the bill, and that the preceding all occur without any intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The text of the agreement is as follows:

Ordered, That during the further consideration of S. 12, the Cable Bill, the only amendment, other than the committee substitute, remaining in order be the Packwood substitute, No. 1522.

Ordered further, That no motions to recommit the bill be in order.

Ordered further, That the Senator from Oregon (Mr. Packwood), or his designee, be permitted to modify his amendment within 5 minutes after the Senate resumes consideration of the amendment on Friday, January 31, 1992.

Ordered further, That when the Senate resumes consideration of S. 12 on Friday, January 31, 1992 at 8:30 a.m., there be a time limitation for debate on the Packwood amendment of 3 hours, to be equally divided in the usual form, and that when all time is used or yielded back, the Senate vote on the Packwood amendment.

Ordered further, That immediately upon the disposition of the Packwood amendment, the Senate vote on the Committee substitute, as amended, to be followed by third reading and final passage of the bill.

Ordered further, That the preceding all occur without any intervening action or debate.

PROGRAM

Mr. MITCHELL. Mr. President, there will be no further rollcall votes this evening.

Pursuant to this agreement just obtained, the Senate will return to consideration of this bill at 8:30 tomorrow morning, at which time there will be 3 hours of debate on the Packwood substitute amendment. There will be a vote on the Packwood substitute amendment, to be followed by adoption of the committee substitute, which I do not believe will require a rollcall vote. And then a rollcall vote on final passage. So there will be two rollcall votes tomorrow, beginning not later than 11:30 a.m., if all time is used; earlier, if time is yielded back.

This agreement does not preclude debate on the Packwood amendment this evening, and I anticipate that there will be debate for such time as Senators wish to address the subject.

Mr. President, I thank my colleagues for their patience. This has taken many hours of negotiation to obtain this agreement, involving a large number of Senators, and I am grateful we are able to do this in a way that will result in final action on this bill at or about noon tomorrow.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANFORTH. Mr. President, I want to express appreciation to Senator MITCHELL, Senator DOLE, Senator COATS, and others who have worked to put together this unanimous-consent agreement. I also want to express my appreciation to Senator GORTON for an amendment which he offered earlier and which was adopted. The importance of that amendment, the Gorton amendment, was that Senator GORTON borrowed from the substitute, the Packwood substitute, the so-called procompetitive aspects of the Packwood substitute.

The history of this legislation has been that, for the more than 2 years since we began consideration of cable television legislation, advocates of the legislation have done all that they can do to reach out to opponents. We have engaged in endless discussion. We have held ourselves available to the cable industry, to members of the administration, to other Senators, to anyone who cared to talk with us about this legislation in an effort to work things out.

Yesterday, I met with representatives of the administration again to explore the possibility of compromise. I must say that those efforts were not met with very much by way of positive response. The position of the opponents of the legislation has been very rigid, very ideological opposition to the cable legislation.

In a further effort to go the extra mile, Senator GORTON has amended the bill itself by incorporating into the bill two provisions from the Packwood substitute. We want to do everything we can to accommodate the opponents of the legislation and to take into consideration some of the ideas of those who have advocated the substitute. That is what we did.

So the bill has been amended. It has been amended to clarify that no provision of the Communications Act prohibits a local or municipal authority that acts as or is affiliated with a franchised authority from operating a cable system or other multichannel video programming distribution system in competition with any cable system franchised by that authority.

And it further amends the bill to provide that local telephone companies are allowed to provide video programming in their service areas in competition with cable systems in areas with up to 10,000 residents.

These are the two procompetitive aspects of the substitute. We have incorporated both of them in the bill. So what is left of the PACKWOOD substitute? What remains of it?

What remains of the PACKWOOD substitute are the anticompetitive aspects of the substitute. With respect to the access-to-programming provision in the bill, the substitute has no such provision. We provide in the bill that a cable programmer vertically integrated with a cable company cannot unreasonably refuse to do business with a competing cable company. We believe that unreasonable refusal to do business with a competitor is a way to shut out competition where there is vertical integration. The substitute deletes that provision.

We provide in our legislation, with respect to horizontal competition, that the FCC is to engage in a rulemaking to provide limitations with respect to horizontal integration nationwide of the cable television industry. Right now, one company, TCI, controls programming for a quarter of the homes in America that have cable service. We think that there is a problem if a single company controls that much access, or more access, to the homes of America.

That provision is deleted in the substitute. In other words, S. 12 advances competition in our country in the cable television business. That provision is deleted from the substitute.

Then, the Packwood substitute repeals the so-called 12-12-12 provision. The 12-12-12 rule limits any entity from owning more than 12 AM radio stations or 12 FM radio stations or 12 television stations. That is the 12-12-12 rule. And the Packwood substitute, without benefit of any hearings, without benefit of consideration by the Commerce Committee, in a matter that is purely extraneous to the substance of the legislation, goes beyond the scope of the legislation and repeals the 12-12-12 rule, providing at least in theory for the total integration of radio and broadcast television throughout the United States.

It would be our position that in these three respects, the Packwood substitute is anticompetitive.

In these three respects, the Packwood substitute provides, in effect, for more concentration in this industry rather than less. That is a very major philosophical difference between the substitute and the bill itself. The administration has argued and others have argued and we have argued, as a matter of fact, that competition is always preferable to regulation. But the substitute is anticompetitive and our bill is procompetition—a big, big difference.

And then with respect to rate regulation, we provide that, in the absence of another multichannel provider, the municipalities should be able to regulate rates. We think that if there is no competition in the provision of multichannel services to the homes of the community, there must be regulation; that the basic concept should be that there should not be unregulated monopolies in the United States. Unregulated monopolies are able to do anything that they darn well please. Unregulated monopolies are able to raise rates as much as they want. There is no competitor to check them and there is no regulation to check them. Unregulated monopolies are able to do, as described by the Wall Street Journal 3 days ago, what TCI has done. Unregulated monopolies are able to engage in predatory practices, snuffing out competition. Unregulated monopolies do what TCI did and put $140-some-odd thousand into a major race in a small community in order to defeat the local political people. That is what happens when we have unregulated monopolies. And we say in our rate regulation provision that, if there is no competition, then the municipalities should be able to regulate.

By contrast, the Packwood substitute drastically cuts back on the regulation provision and provides that the regulation can only occur for that tier of programs that is subscribed to by only 10 percent of the people of this country, this very low, baseline tier. Only 10 percent of the cable subscribers subscribe to only that. And, in effect, the Packwood substitute would codify the evasiveness of the cable companies in retiering their services, which has been going on in recent times in order to escape the prospect of regulation.

Those then, Mr. President, are the basic differences between the Packwood substitute and the bill before us. The substitute does gut the bill. And, in a memorandum written recently by the head of the National Cable Television Association, Mr. Jim Mooney, anybody who reads that memorandum would recognize that the whole thrust of the substitute is really a gambit, really a ploy in order to defeat the legislation.

The bill itself has been described by the Consumer Federation of America as the most important consumer legislation of this year. That is what it is. Anybody who is a Member of the U.S. Senate who travels to his or her State—it certainly is true in the case of my State—anybody who travels to a community like Hannibal or Cape Girardeau or Jefferson City knows that one of the first questions that will be asked is, What are you going to do about cable television? What are you going to do about the abuses of cable television? What are you going to do about the monopoly power of cable television? If we adopt the substitute, the answer is "virtually nothing," just adopt cover, flimsy cover. If we want to act, we have to reject the substitute and we have to agree to the bill.

The PRESIDING OFFICER. The Senator from Hawaii, Mr. INOUYE.

Mr. INOUYE. Mr. President, I ask unanimous consent that Senators LEAHY and GLENN be added as cosponsors of S. 12.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERRY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY. Mr. President, I begin by thanking Senator DANFORTH, Senator INOUYE, and Senator MITCHELL for their patience in waiting for us to begin talking about the substitute. It had been my desire to proceed earlier, and I regret that has not been possible. I am pleased that we are now operating under an agreement. We will be able to proceed.

There are a lot of tall tales out there on the issue of cable television, an awful lot of confusion. It is a very complicated subject which, unfortunately, lends itself very easily to a certain amount of easy distortion about what has happened to prices, why it has happened, and where it all started. And, I suppose that, in the end, the only really important thing from a political perspective is that people sit and they look at their cable monthly bills. People look at the bill and say why am I paying this much? What has happened here?

The Congress has had a bad habit of regulating the communications industry in a piecemeal fashion. That has been a luxury that was afforded us from the 1930's on because of the nature of the communications industry in this country. It has been divided into neat segments: Newspapers, radio, television, and telephones.

But in the 1990's, there is not anything that remotely resembles those early days. It has changed so dramatically that there is now an interlocking network of relationships between the movie industry, broadcast industry, radio industry, cable industry, telephone industry, and the newspaper industry. They are all vying for a piece of the media pie.

Frankly, in my judgment the Congress does not really have a well-formed idea where it is going in terms of an overall communications structure for the United States. There is movement to create a fiber optic infrastructure; the telephone companies by a judge's order are now going to be providing information services. The telco's are going to fight to get into cable. In fact, we are going to let them have a little chunk in this legislation. In addition, you have the financial syndication rules: the fighting over programming, over who gets it, who owns it. And on and on you go. It is confused and confusing.

But Congress is still looking at this in an outdated fashion, looking at it as we regulated it in the past. I think we have to stand back and look at this cable legislation with a note of reality, look hard at the real figures about investment, at the profits, at the changes in the industry, and where we want to wind up in the future.

I heard the distinguished Senator from Missouri a moment ago say that the substitute legislation is nothing more than a cover. I think the words he used were, and I quote him, "It does virtually nothing." "Virtually nothing," he said. It is a little ironic that the managers have already borrowed two sections of our substitute to place in their amendment. If it did "virtually nothing," they have seen fit to take two pieces of nothing and put it into their bill. So obviously it does something, something that satisfied them enough that they sought to pull away some of the support from this measure.

Let us look at whether or not it really does nothing and look hard at the difference between this piece of legislation, the substitute, and what is being offered by the distinguished chairman of the committee and others.

People have asked me, Senator KERRY, why are you offering this substitute? You have a 100-percent consumer record. The consumer lobby wants the bill approved by the committee. Why are you doing this?

I will make it very clear why I am doing it. I am doing it because I believe that consumers are going to be best served by passing legislation that can get the President's signature and become law. It has already been made clear that S. 12 will not become law, that the President will veto it and that there are sufficient votes to sustain that veto. That is my No. 1 reason.

The second reason: In this country we talk and talk about competition, about creating jobs, about investment. It is my personal belief that if you want to create jobs, if you want to encourage investment, if you want to have competition, and if you want to foster more research and development in the creation of new products, then think hard about how we regulate. We do not want to bring the cable industry to the point where the phone companies now are. The phone companies are so regulated that we now are trying to find out how we can make them competitive again by reducing some of the regulation to which they are subject.

Also, I ask colleagues to think philosophically about what we are doing. I believe cable needs regulation. Have there been abuses? Yes, there have. The substitute we are offering does regulate, but it does not strangulate. It regulates cable at an appropriate level while sustaining the industry's capacity to invest in the new technologies, the infrastructure, and the development of programming that will benefit consumers.

Now, it strikes me that nothing could be more important to us in the effort to write cable legislation than to try to foster that kind of competition and investment. The very kind of innovation that has produced CNN, HBO and C-SPAN, all of those services that we find valuable today, came precisely because people were able to take a risk and go out and invest.

But, S. 12 is going to take away that kind of incentive because it not only will over-regulate subscriber rates but it also will force cable to sell to its competitors the very programs in which it invests.

If I were out there in the marketplace considering entrepreneurship in the cable industry, I would say to myself, what am I doing? I am going to have to grind my way through the local franchising process, grind my way through the FCC rules, and then the Government is going to tell me exactly how much money I am going to be able to receive. Then, on top of that, I have to turn around and give my programming to my competitors so that they can go into the market and beat me. That is not a terrific investment prospect.

What happened to the philosophy in this country about keeping Uncle Sam out of people's private choices? We are talking about entertainment. We are not talking about essentials. We are not talking about gas. We are not talking about water. We are not talking about electricity. These are true monopolies which are regulated because they are necessities. We are talking about the Playboy Channel. We are talking about Showtime. We are talking about HBO. The movies.

People make choices every day about how much they want to spend to go to the movies. I went to the movies the other night. And to take my two kids to the movies, buy the popcorn, and pay for parking, we hit $30 in one night. Here we are talking about extraordinary packages of many channels for the cost of less than that. And, you get it night after night, day after day, 24 hours a day, for the entire month.

You also have competition. You can decide you want to go to the cinema. You can decide that you want to rent a movie and pay $2.50 or $2.75 and, as most people do, you can forget to take it back the next day, and wind up paying 5 bucks for one movie to watch on the video recorder. That is a kind of competition.

But those of us offering this substitute have decided that it is not effective competition. So we regulate across the board.

I would like to ask how it is that we suddenly get this notion that we have to tell the citizens in America they are not smart enough to decide whether to buy something that is entertainment, pure entertainment.

My colleague from Missouri says that our alternative does virtually nothing. Let me tell you precisely what the alternative does.

No. 1, we regulate service and rates. I would like to remind my colleagues this entire cable debate is really about service and rates. Citizens who have been angry about cable are not angry about the wholesale distributors complaining about the prices they have to pay for programming. No, our constituents are worried about their bill at home. They are not worried about the struggle between the broadcast industry and the cable industry. They are worried about their bills at home, and about the lack of service, and the lack of standards for that service.

In this substitute, we do exactly what they do in S. 12 concerning customer service. We regulate all cable customer service in the same fashion. We direct the FCC to set standards for customer service, and we permit States to enact laws that establish service standards that exceed the FCC's.

That is tough, and that is regulatory. That is one of the reasons why the cable industry does not like the substitute.

We also regulate rates. And, just as S. 12 does, we change the FCC definition of effective competition so that it is no longer six terrestrial signals that provide effective competition. Our substitute defines effective competition as the presence of another multichannel provider. And, in any area where there is not effective competition by that definition, which covers about 99 percent of America, our substitute will impose rate regulation. We will regulate rates for a tier of service that includes all over-the-air broadcast stations, the access channels, and C–SPAN. In addition, to that, the FCC will regulate the rates for installation or rental of equipment.

Our substitute, just as S. 12, requires the FCC to establish minimum technical standards for all classes of video programming, and those standards preempt all other standards. Home wiring also is covered. Our alternative, just as S. 12, requires the FCC to prescribe rules concerning the disposition of any cable installed within a subscriber's premises upon the termination of cable service.

In addition, our alternative requires the FCC to provide to the Congress on a biennial basis a report on the state of competition within the video marketplace. That report is required to include recommendations on the issues of vertical and horizontal concentration.

With respect to multiple franchises, our alternative, just like S. 12, states that local franchising authority may not unreasonably refuse to award a second franchise. It also clarifies that nothing prohibits a local or a municipal authority from operating a system that competes with a cable system that has already been franchised by that authority.

Our substitute gives local franchising authorities more power and more flexibility in the renewal negotiations with cable operators. It clarifies procedures and deadlines in the renewal negotiation process. It allows the franchising authority to include, as part of a franchise renewal provision, a section that would permit the franchising authority to begin the renewal negotiation process in the 6th month following the 10th year of the current franchise term, no matter what the length of that franchise term was.

This will allow a franchising authority to express concern about the performance of the cable operator in a concrete manner by accelerating the renewal process.

Our substitute requires that new DBS systems—that is, direct broadcast satellite systems where consumers receive programs directly from satellites by means of dish antennas—that these systems reserve 4 to 7 percent of their channel capacity for public interest programming at a reasonable cost.

The managers of S. 12 have added to the committee bill the rural telephone exemption in our substitute which says that in rural areas with populations under 10,000, we will allow the telephone companies to provide video programming.

Broadcasters frequently have complained: Look, cable is taking our free over-the-air broadcast signals, and they are using them as part of the bait by which they bring in subscribers. That is part of their marketing power. We agree. It is.

So we do precisely what S. 12 does, which is to require the retransmission consent must-carry choice, which allows a local broadcaster to choose. Either they can have mandatory carriage or they have the right to deny the local cable system the ability to carry the signal unless a carriage agreement is negotiated. This will assure the broadcasters will realize some of the fair market value for the product that they are creating.

Certainly this provision will strengthen cable's broadcast competitors, and in doing so, it will improve service to consumers.

It should be acknowledged that there is some concern that the implications of retransmission consent are not completely understood. In fact, I am concerned that copyright holders will not necessarily have access to the negotiations between cable firms and the broadcastors. But I believe this is something that can be worked out in this legislation before it reaches the point of being signed into law.

I have just outlined a whole series of provisions on rates, technical standards, service, must-carry, rural telephony; et cetera. The substitute amendment establishes strong regulation in each of those areas where S. 12 also establishes regulation.

Mr. President, no industry in the United States of America has changed more in the last few years from the communications industry. I ask colleagues to consider what has happened in this industry as they make a judgment about the degree of regulation they want to impose.

You cannot just look at this and say, "some people in my State are unhappy because they are required to pay for a service they choose to get." You have to measure what is happening in the industry and what is happening in other industries against those charges, and then make some judgments.

I ask my colleagues to think about what the communications industry was like just 10 years ago. For most Americans, television consisted of three networks, a few local independent channels and PBS. The networks reached 99 percent of all homes in the United States and they had a 95-percent share of viewing. They used this monopoly to control the video marketplace and to earn vast profits.

The average pretax profit for commercial broadcast stations in 1980 was $2.28 million. Their power over the airwaves was so great that the FCC established the financial syndication rules to keep the networks from exerting too much control over the producers of programming. But, the FCC had no competitive alternative with which to fashion a competitive marketplace. Virtually no one had a VCR in 1980. Blockbuster Video did not exist. Cable penetrated only 1.1 percent of all TV households. In two-thirds of these households, only 6 to 12 channels were offered. The principal appeal of cable at that point was simply that it enhanced reception.

There was no minute-by-minute coverage of the Iran hostage crisis because CNN did not exist. There was no gavel-to-gavel coverage of Congress because C–SPAN did not exist. There was no Bart Simpson because the Fox Network had not even been created.

Paralleling this network monopoly in for television was the Bell monopoly in telephones. Remember that it was not until 1984 that the Bell Telephone System was broken up. And in 1980, most of us still had rotary dial telephones. We paid our entire telephone bill to one company—the old AT&T. Cellular telephones were still associated with "Dick Tracy," and call waiting had not yet been conceived. There was no connection between television, telephones, radio, and computers.

When we watched TV we turned on the networks. When we talked on the telephone, we spoke on the Bell System. When we made calculations, we switched on a mainframe computer. When government regulated, a separate and distinct decision was made for each industry within the media and each communications area. Each industry operated comfortably by a set of regulations that, for the most part, were written in 1934.

The telephone industry was regulated according to a common carrier model; the television and radio industries, according to the spectrum licensing regime; the newspaper industry, according to the first amendment; and, the computer industry was not regulated at all according to media rules.

I think people must be reminded of this history because of the dramatic changes that have taken place in the last 10 years.

Today's world of media and communications makes 1980 look like ancient history. Rapid technological advances have pushed the industry far beyond recognition. It seems to me that one must acknowledge the fact that today's viewers can choose among the same over-the-air channels that existed 10 years ago, but also from a whole set of new alternatives.

Cable now serves 56.4 percent of American TV households and offers two-thirds of these households 30 or more channels. While viewers once scoffed at the quality of these channels, they no longer are downplaying them but instead are tuning into them. VCR's are in 62.8 million homes in America, 68.2 percent of the total TV households. Many viewers are also receiving television via satellite, microwave signals, home satellite dishes, and so forth. There are now 350,000 wireless subscribers and 2.9 million satellite home dish owners.

As we try to rein in the cable industry, which virtually all of us agree must be done, we ought to do it with some sensitivity to what is coming over the horizon, because a lot is coming over the horizon.

There are already many proposals for DBS or direct broadcast satellite service. In fact, two satellites are up and another satellite is on it's way. This means that within a short span of time, an American citizen can go out and buy a dish about 18 inches wide, put in his or her home, and pick up over 200 channels. That service will compete head-on with cable. And that is an important future consideration, as you think about denying cable the amount of investment necessary to build an infrastructure.

The most interesting new delivery system is going to be the telephone itself. Last November, the FCC ruled that telephone companies will be allowed to transmit video programming on a common carrier basis. This ruling has enormous impact on the video marketplace since, with some additional investment, the telephone companies will be able to carry to their customers programmers' alternative packages over the telephone lines. We are soon going to be able to access movies, and whatever other programs, we want through the phone company. That is competition.

What are we doing? We are saying, "No, we are going to react now. We are going to over react now, because some people are complaining about the bills."

While all of this is happening, the terrestrial broadcasters are making advances. High definition television is right around the corner. Once it is developed, conventional signals are going to have phenomenally better clarity. Furthermore, compression techniques are going to allow the creation of a whole new set of terrestrial channels.

This new world of video service is mirrored by telephone service and other communications services. New technologies are allowing companies to build telephone networks that bypass the local carriers—the telephone companies. Radio technologies are creating entirely new products, like cellular telephones.

I repeat: If we as a Congress are really serious about competition in America, and if we want to compete with Siemen's and Alcatel, and if we want to be the purveyors of an extraordinary communications network in the future, we should not approach in a piecemeal fashion, and blindly modify the entire structure of the communications industry in this country.

But, in fact, that is exactly what we are doing. And, I believe we will strip away the incentive for cable to invest in infrastructure development. We will also have interfered in an industry-to-industry battle between phone companies, the broadcasters, and the cable industry, in a way that is not going to benefit the consumer.

The substitute we are proposing will regulate 70 percent of what the American cable subscriber watches. Why? Because 70 percent of what the American cable subscriber watches is over-the-air broadcasts.

That means that even though cable comes into the home with a package of channels, people are watching the broadcast signals. They are choosing that. In this alternative, we are regulating the price of these signals in 99 percent of the cable markets in the United States.

I believe that consumers will be the beneficiaries of this substitute. I believe this because it regulates rates, it regulates service, it regulates technical standards, and it lets phone companies serve in rural areas. It regulates prices of installation, remote controls, and repair. It does all the things S. 12 does that are important to consumers. However, it remains sensitive to the functioning of free market economics with the objective of assuring continued and increasing high quality in the cable services available to subscribers.

It is also very important to be mindful of the employment generated by cable. Thirty-four thousand employees in 1980 mushroomed to 103,000 in 1990. Literally thousands of jobs have been created for Americans by this industry. I believe that if we enter into this struggle between these various forces, if we go beyond the regulation of basic package rates and service, we will be destroying the ability of yet another American industry to remain competitive. Congress will once again have overreacted.

Now, some people say, "Look at the way the prices have gone up. They went up 1,000 percent. Isn't that just awful?" Indeed, they went up 1,000 percent in Boston, MA, between 1975 to 1988 or 1989. Why? I will tell you why. Because in the 1970's when the cable providers submitted their bids to the local franchising authority, there were so many requirements placed on the bidders that they all submitted unrealistically low bids. So the winner got the Boston franchise for about $1.50 per month per subscriber. Then they realized that there is no way you can put the service in for $1.50. So along came price increases. And an increase from $1.50 to $15.00 is, indeed 1,000 percent. The franchising process forced a lot of that.

But the vital question is what are you getting for what you are paying? In America in 1986, when we stopped regulating cable, the average price for a month's cable subscription per channel was 44 cents. Today the cost per channel is 53 cents. That rate of increase is considerably lower than the rate of inflation on a cost per channel basis.

Moreover, the price in 1986 was artificially low to begin with: from 1972 until 1986, cable television rates were 72 percent behind the rate of inflation because they had been constrained until then by regulation. Of consequence to consumers is the fact there had not been much innovation and investment because the revenue would not afford it.

In the last 4 years since deregulation, cable profits have actually gone down. In fact, the amount of money that has gone into basic programming has gone from $234 million in 1983 to about $1.4 billion today. That is precisely what is creating the jobs in this industry.

I hope that people will not be intimidated by the complaints about cable bills. Unquestionably, there are some problems. We also acknowledge that there have been occasions where companies have unfairly impeded programmers from selling their programs to cable systems. But there are antitrust laws on the books that cover such abuses. Such practices are against the law. And the perpetrators should be held accountable. This system does work. For example, Viacom sued Time-Warner over exactly this kind of issue.

In conclusion, Mr. President, there is a significant relationship between government regulation and investment. We have learned about it before. We have regulated and then we have deregulated and then reregulated what was deregulated. We are doing it now. The question we should be asking is not whether we should or should not regulate, but how much regulation is needed and what kinds of regulation will protect consumers and contribute to providing them with the best service and highest quality programming.

As the Congress debates this question, I fervently hope it will not once again overreact and strangulate an industry as it attempts to respond to a legitimate need.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WELLSTONE). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KERRY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

BIENNIAL REPORT OF THE INTERAGENCY ARCTIC RESEARCH POLICY COMMITTEE—MESSAGE FROM THE PRESIDENT—PM 102

The Presiding Officer laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

Pursuant to the provisions of section 108(b) of Public Law 98–373 (15 U.S.C. 4107(b)), I transmit herewith the Fourth Biennial Report of the Interagency Arctic Research Policy Committee (February 1, 1990, to January 31, 1992).

GEORGE BUSH.

THE WHITE HOUSE, *January 30, 1992.*

MESSAGES FROM THE HOUSE

At 11:49 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 1989) to authorize appropriations for the National Institute of Standards and Technology and the Technology Administration of the Department of Commerce, and for other purposes.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 3866) to provide for the designation of the Flower Garden Banks National Marine Sanctuary.

The message further announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3512. An act to direct the Secretary of Transportation to dispose of certain vessels in the National Defense Reserve Fleet.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 268. A concurrent resolution to correct technical errors in the enrollment of the bill H.R. 3866.

The message further announced that pursuant to the provisions of section 5503(b) of Public Law 100–297, the Speaker designates the following as members of the Advisory Committee of the White House Conference on Indian Education on the part of the House: Representatives BARRETT, CAMPBELL of Colorado, MILLER of California, and FALEOMAVAEGA: and from private life: Ms. Melvina Phillips of Huntsville, AL, Ms. Anita Bradley Pfeiffer of Window Rock, AZ, Mr. Leroy N. Shingoitewa of Tuba City, AZ, Ms. Jane B. Wilson of Flagstaff, AZ, Ms. Theresa Natoni Price of Mesa, AZ, Ms. Isabelle Deschinney of Window Rock, AZ, Mr. Jack C. Jackson of Window Rock, AZ, Mr. Grayson Noley of Scottsdale, AZ, Mr. Dean C. Jackson of Chinle, AZ, Mr. Mitchell Burns of Scottsdale, AZ, Mr. Matthew Levario of Scottsdale, AZ, Ms. Kathryn Stevens of Phoenix, AZ, Mr. Gilbert Innis of Phoenix, AZ, Ms. Linda S. Santillan of Fremont, CA, Mr. Orie Medicinebull of Auberry, CA, Ms. Peggy Ann Vega of Bishop, CA, Mr. Monty Bengochia of Bishop, CA, Ms. Debra Echo-Hawk of Boulder, CO, Ms. Josephine M. North of Hollywood, FL, Mr. Billy Cypress of Miami, FL, Mr. Adrian Pushetonegua of Tama, IA, Mr. Terry D. Martin of Franklin, LA, Mr. Thomas G. Miller of Cooks, MI, Mr. John Hatch of Sault Ste., Marie, MI, Ms. Sharon Kota of Port Huron, MI, Mr. Paul Johnson of Haslett, MI, Ms. Pam Dunham of East Lansing, MI, Mr. Donald E. Wiesen of Cloouet, MN, Ms. Rosemary Christensen of Duluth, MN, Ms. Donna L. Buckles of Poplar, MT, Mrs. Karen Cornelius-Fenton of St. Ignatius, MT, Ms. Bernadette Dimas of Poplar, MT, Ms. Tracie Ann McDonald-Buckless of Ronan, MT, Mrs. Janine Pease-Windy Boy of Lodge Grass, MT, Ms. Jean Peterson of Las Vegas, NV, Mr. Joseph Abeyta of Santa Fe, NM, Ms. Genevieve R. Jackson of Kirtland, NM, Mr. Paul Tosa of Jemez Pueblo, NM, Ms. Mary T. Cohoe of Pine Hill, NM, Mr. Melvin H. Martinez of Espanola, NM, Mr. William A. Mitchell of Bombay, NY, Ms. Michele Dean Stock of Great Valley, NY, Mrs. Betty Jane Mangum of Raleigh, NC, Ms. Wanda M. Carter of Charlotte, NC, Mrs. Mary Jo Cole of Tahlequah, OK, Mr. Jim Quetone of Tahlequah, OK, Mr. Ray Henson of Talihina, OK, Ms. Nita Magdalena of Shawnee, OK, Mr. David M. Gipp of Mandan, ND, Mr. Sylvester G. Sahme, Sr., of Warm Springs, OR, Ms. LaVonne Lobert-Edmo of Salem, OR, Mr. Anthony Whirlwind Horse of Pine Ridge, SD, Ms. Sue Braswell of Nashville, TN, Ms. Anette Arkeketa of Corpus Christi, TX, Mr. Edward Sandoval, III of Fort Worth, TX, Mr. Clayton J. Small of Chattaroy, WA, Ms. Darlena Watt-Palmanteer of Nespelem, WA, Ms. Letoy Eike of Seattle, WA, Mr. Daniel Iyall of Spokane, WA, Mr. David C. Bonga of Spokane, WA, Ms. LaVerne Lane-Oreiro of Bellingham, WA, Ms. Marion Forsman-Boushie of Indianola, WA, Mr. Don A. Barlow of Spokane, WA, Mr. Joseph Martin of Kayenta, AZ, Mrs. Kathryn D. Manuelito of Albuquerque, NM, Mr. Eddie Brown of Washington, DC, Mr. Ed Parisian of Washington, DC, Mr. Tim Wapato of Washington, DC, Mr. John W. Tippeconnic, III of Washington, DC, Mr. Eddie Tullis of Atmore, AL, Mr. Andrew Lorrentine of Bells, AZ, Mr. Linus Everling of Washington, DC, Mr. Roger Iron Cloud of Washington, DC, and Ms. Kathleen Annette of Bemidji, MN.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 3512. An act to direct the Secretary of Transportation to dispose of certain vessels in the National Defense Reserve Fleet; to the Committee on Commerce, Science, and Transportation.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2492. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to repeal the requirement to convert chromium and manganese ores held in the National Defense Stockpile into high carbon ferrochromium and high carbon ferromanganese; to the Committee on Armed Services.

EC–2493. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report with respect to a transaction involving United States exports to Venezuela; to the Committee on Banking, Housing, and Urban Affairs.

EC–2494. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, notice of an extension of time for rendering a final decision in Docket No. 40365, National Starch and Chemical Corporation v. The Atchison, Topeka, and Santa Fe Railway Company; to the Committee on Commerce, Science, and Transportation.

EC–2495. A communication from the Acting Secretary of Transportation, transmitting a draft of proposed legislation to authorize reimbursement of travel and subsistence expenses for overseas inspections and examinations of foreign vessels, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC–2496. A communication from the Acting Secretary of Transportation, transmitting, pursuant to law, a plan for licensing operators of federally documented commercial fishing industry vessels; to the Committee on Commerce, Science, and Transportation.

EC–2497. A communication from the Chairman of the Federal Energy Regulatory Commission, transmitting, pursuant to law, a report on government dam use charges; to the Committee on Energy and Natural Resources.

EC–2498. A communication from the Federal Inspector of the Alaska Natural Gas Transportation System, transmitting, pursuant to law, a report containing recommendations and comments with respect to the viability of the Alaska Natural Gas Transportation System; to the Committee on Energy and Natural Resources.

EC–2499. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2500. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2501. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2502. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2503. A communication from the Acting Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2504. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report that identifies point source discharges into navigable waters that are not significant in terms of volume, concentration, and type of pollutant; to the Committee on Environment and Public Works.

EC-2505. A communication from the Administrator of General Services, transmitting, pursuant to law, an informational copy of a prospectus for the leasing of space for the Federal Energy Regulatory Commission in Washington, D.C.; to the Committee on Environment and Public Works.

EC-2506. A communication from the Under Secretary of Commerce (Oceans and Atmosphere), transmitting, pursuant to law, the Federal Plan for Ocean Pollution Research, Development, and Monitoring: Fiscal Years 1992–1996; to the Committee on Environment and Public Works.

EC-2507. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a study of reimbursement policies for clinical diagnostic laboratory travel allowance and specimen collection; to the Committee on Finance.

EC-2508. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report with respect to the findings of the Advisory Council on Social Security; to the Committee on Finance.

EC-2509. A communication from the Administrator of the Small Business Administration, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Small Business Administration, for the period ended September 30, 1991; to the Committee on Governmental Affairs.

EC-2510. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports issued by the General Accounting Office in December 1991; to the Committee on Governmental Affairs.

EC-2511. A communication from the Secretary of Education, transmitting, pursuant to law, a report on the management controls and financial systems in effect at the Department of Education during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2512. A communication from the Executive Director of the United States Holocaust Memorial Council, transmitting, pursuant to law, a report on the system of management controls and financial systems in effect at the Commission during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2513. A communication from the Chairman of the Farm Credit Administration, transmitting, pursuant to law, a report on the system of management controls and financial systems in effect at the Administration during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2514. A communication from the Director of the Office of Information and Resource Management, National Science Foundation, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2515. A communiction from the Director of the National Science Foundation, transmitting, pursuant to law, a report on the system of management controls and financial systems in effect at the Foundation during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2516. A communication from the Director of the Federal Domestic Volunteer Agency (ACTION), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2517. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on the system of management controls and financial systems in effect at the Bank during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2518. A communication from the Secretary of Education, transmitting, pursuant to law, a report concerning surplus Federal real property disposed of to educational institutions; to the Committee on Governmental Affairs.

EC-2519. A communication from the Chairman of the Federal Labor Relations Authority, transmitting, pursuant to law, a report on the system of management controls and financial systems in effect at the Authority during fiscal year 1991; to the Committee on Governmental Affairs.

EC-2520. A communication from the Chairman of the National Commission for Employment Policy, transmitting, pursuant to law, a report entitled "Coordinating Federal Assistance Programs for the Economically Disadvantaged: Recommendations and Background Materials"; to the Committee on Labor and Human Resources.

EC-2521. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Student Assistance General Provisions; to the Committee on Labor and Human Resources.

EC-2522. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—State Systems for Transition Services for Youth with Disabilities; to the Committee on Labor and Human Resources.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BENTSEN, from the Committee on Finance:

Fred T. Goldberg, Jr., of Missouri, to be an Assistant Secretary of the Treasury; and

Shirley D. Peterson, of Maryland, to be Commissioner of Internal Revenue.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

Mr. SEYMOUR (for himself, Mr. DOLE, Mr. LIEBERMAN, Mr. SIMON, Mr. KERRY, Mr. DECONCINI, Mr. D'AMATO, and Mr. PELL):

S. 2167. A bill to restrict trade and other relations with the Republic of Azerbaijan; to the Committee on Foreign Relations.

Mr. PRESSLER:

S. 2168. A bill to create the National Network Security Board as an independent government agency, located within the Federal Communications Commission, to promote telecommunications network security and reliability by conducting independent network outage investigations and by formulating security improvement recommendations; to the Committee on Commerce, Science, and Transportation.

Mr. LAUTENBERG (for himself, Mr. MOYNIHAN, Mr. BURDICK, Mr. LIEBERMAN, and Mr. ADAMS):

S. 2169. A bill making supplemental appropriations for programs in the fiscal year that ends September 30, 1992, that will provide near-term improvements in the Nation's transportation infrastructure and long-term benefits to those systems and to the productivity of the United States economy; to the Committee on Appropriations.

Mr. DODD (for himself and Mr. LIEBERMAN):

S. 2170. A bill to amend the Housing and Community Development Act of 1974 to provide assistance to distressed urban areas and for other purposes; to the Committee on Labor and Human Resources.

Mr. SIMPSON (for himself, Mr. HEFLIN, Mr. DOLE, Mr. WALLOP, Mr. MITCHELL, Mr. DANFORTH, Mr. LAUTENBERG, Mr. STEVENS, Mr. BUMPERS, Mr. COHEN, Mr. D'AMATO, Mr. GRASSLEY, Mr. PRESSLER, Mr. SYMMS, Mr. BROWN, Mr. HATFIELD, Mr. JEFFORDS, Mr. DOMENICI, Mr. SMITH, Mr. SPECTER, Mr. ROTH, Mr. HOLLINGS, Mr. CRANSTON, Mr. BURNS, Mr. COCHRAN, Mr. SIMON, Mr. DIXON, Mr. DECONCINI, Mr. RUDMAN, Mr. SEYMOUR, Mr. FORD, Mr. HATCH, Mr. CRAIG, Mr. DURENBERGER, Mr. SHELBY, Mr. GORTON, Mr. SANFORD, Mr. BREAUX, Mr. WIRTH, Mr. LIEBERMAN, Mr. KENNEDY, Mr. CONRAD, Mr. INOUYE, Mr. REID, Mr. GORE, Mr. FOWLER, Mr. PRYOR, Ms. MIKULSKI, Mr. BOND, Mr. MACK, and Mr. COATS):

S.J. Res. 244. A joint resolution to recognize and honor the National Conference of Commissioners on Uniform State Laws on its Centennial for its contribution to a strong Federal system of government; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

Mr. LIEBERMAN (for himself, Mr. DOLE, Mr. SIMON, and Mr. SEYMOUR):

S. Con. Res. 88. A concurrent resolution congratulating the president and people of Armenia for holding free democratic multiparty elections and achieving national independence and urging the President of the United States to strengthen the special relationship between the United States and Armenia; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SEYMOUR (for himself, Mr. DOLE, Mr. LIEBERMAN, Mr. SIMON, Mr. KERRY, Mr. DECONCINI, Mr. D'AMATO, and Mr. PELL):

S. 2167. A bill to restrict trade and other relations with the Republic of Azerbaijan; to the Committee on Foreign Relations.

(The remarks of Mr. SEYMOUR on the introduction of this legislation appear earlier in today's RECORD.)

By Mr. PRESSLER:

S. 2168. A bill to create the National Network Security Board as an independent Government agency, located within the Federal Communications Commission, to promote telecommunications network security and reliability by conducting independent network outage investigations and by formulating security improvement recommendations; to the Committee on Commerce, Science, and Transportation.

NATIONAL NETWORK SECURITY BOARD ACT OF 1992

Mr. PRESSLER. Mr. President, today I am introducing legislation to create a National Network Security Board. This bill establishes an independent agency within the Federal Communications Commission to conduct telecommunications network outage investigations and formulate specific telephone security improvement recommendations.

I offer this legislation in response to the increasing number of failures of our public switched networks. Last year we had eight major network outages which affected the safety and financial security of millions of consumers.

On January 4, 1991, a fiber optic cable inadvertently was cut, resulting in 6 million homes losing long-distance phone service. The outage shut down operations at the New York Mercantile and Commodity Exchanges. Some areas did not regain service until 8 hours later.

On June 26, 1991, there were three major outages. An SS7 software failure in Baltimore resulted in a telephone outage for 10 million homes in four States. In California, an SS7 failure caused 3 million homes to lose phone service. On that same day in South Carolina, another 150,000 homes lost all phone service when a switch failed.

On July 2, 1991, in Pennsylvania, more than 1 million homes lost service as a result of another SS7 software failure.

A power failure in New York City on September 17, 1991, shut down all three New York airports for 6 hours. The disruption of communications between air control towers and airplanes preparing to land, placed thousands of passengers in danger, while stranding many others throughout the east coast.

Three days following this system failure, the Federal Aviation Administration released a report detailing 114 serious telecommunications outages that had affected our Nation's air traffic system during the previous year.

Three days later a fiber optic cable was cut in Miami, FL, causing Miami International Airport to be shut down for many hours—again threatening the safety of passengers.

I could describe other reported failure, but no such list could be complete. This is because we have no established, uniform means for telephone carriers to report such outages.

We cannot turn to the Federal Communications Commission for such a listing, since the FCC has never had a formal role in investigating network outages. The FCC has few regulations designed to prevent failures of public switched networks. The fact is, we now have absolutely no official mechanism for investigating network crashes and making recommendations for actions to prevent future outages.

Currently, we rely on the telephone companies to report, investigate, and take action to prevent network outages. This structure has proven inadequate to maintain the security of our public switched networks. We should create an independent agency to promote telecommunications security and reliability.

The National Network Security Board created by my legislation would achieve three important public policy purposes.

First, the National Network Security Board would provide vigorous and swift investigation of network outages involving telecommunications networks. This would provide a permanent and comprehensive record of the causes of network outages.

Second, this Board would oversee a continual review, appraisal, and assessment of the operating practices and regulations of all Federal agencies regulating telecommunications networks. This continual assessment would allow the Board to formulate security improvement recommendations and help prevent future network outages from occurring in the future.

Since the National Network Security Board is quite likely to make conclusions and recommendations that may be critical of or unfavorable to other Federal agencies, the Board would be separate and independent from all other Federal agencies. This would help accomplish the third objective of this Board: to reassure a public that is now uncertain who is monitoring our Nation's telephone network.

I have patterned this board closely along the lines of the National Transportation Safety Board. As you know, Mr. President, the NTSB conducts independent investigations of transportation accidents. The similarity between telecommunications outages and transportation accidents is that both place the public in danger.

Obviously, network outages do not injure people in the way an airline crash or train derailment does, but when aircraft lose communications with their control tower and millions of people lose 911 emergency service, a real public safety danger is created.

The National Network Security Board would consist of five members appointed by the President with the advice and consent of the Senate. Three members of this board would be individuals appointed on the basis of technical qualification, professional standing, and demonstrated knowledge in the fields of communication network outage reconstruction, communication network engineering, human factors, or communication regulation.

The terms of office of members of the Board would be 5 years. The Chairman and Vice Chairman each would serve for a term of 2 years. The Chairman would be the chief executive of the Board, appointing and supervising all personnel employed. The Board would maintain distinct and appropriately staffed bureaus, divisions, or offices to investigate and report on network outages involving long distance and local exchange networks.

The National Network Security Board would have the following duties:

First, to investigate, and determine the fact, conditions, and circumstances or causes of any long-distance network outage or local exchange network outage.

Second, to provide a written report on the facts, conditions and circumstances of each network outage investigated. These reports would be available to the public.

Third, to issue periodic reports to the Congress, Federal, State, and local agencies concerned with telecommunications network security, and other interested persons recommending and advocating meaningful responses designed to decrease the recurrence of network outages.

Fourth, to initiate and conduct special studies and special investigations on matters pertaining to network security and reliability.

Finally, to assess and reassess techniques and methods of network outage investigation and prepare and publish recommended procedures for network outage investigations.

To accomplish these objectives, the Board would hold hearings and require the attendance and testimony of witnesses and the production of evidence as the board deems advisable.

Employees of the Board, would be authorized to enter property on which a network outage has occurred. They would examine the location of the outage or test communications equipment. This examination or testing would be conducted so as not to interfere with the communication services provided by the owner or operator of the equipment.

When the Board submits a recommendation regarding network outages, the Chairman of the FCC would respond to each recommendation formally and in writing within 90 days. The Chairman's response to the Board would indicate his or her intention to:

First, adopt the recommendations in full;

Second, adopt the recommendations in part; or

Third, refuse to adopt the recommendations.

The Board would make available to the public copies of each such recommendation and response.

Mr. President, without the creation of a National Network Security Board, our telecommunications network will continue to be vulnerable. Congress has two choices. We can ignore the problem and wait until a serious disaster occurs as a result of another network outage, or we can take action now or prevent future outages. The National Network Security Board is needed now to protect the security of our Nation's switched telecommunications network.

I introduce the bill creating the National Network Security Board.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

Mr. PRESSLER. Mr. President, I have described some legislation I have introduced called the National Network Security Board. I detailed some of the problems that we have had in our country when a fiber optic cable inadvertently was cut resulting in 6 million homes losing long-distance phone service.

We also talked about other major outages, about the dangers to airports, and the SS7 software failure in Baltimore resulting in a telephone outage for 10 million homes in four States on June 26, 1991; in California an SS7 failure caused 3 million homes to lose phone service. On that same day in South Carolina another 150,000 homes lost all phone service when a switch failed. On July 2, 1991, in Pennsylvania, more than 1 million homes lost service as a result of another SS7 software failure, and it goes on and on. A power failure in New York City on September 17, 1991, shutdown all three New York airports for 6 hours. The disruption of communication between air control towers and airplanes preparing to land placed thousands of passengers in danger while stranding many others throughout the east coast.

I could continue talking about things that have happened when a fiber optic cable was cut in Miami, FL, causing Miami International Airport to be shut down for many hours, again threatening the safety of passengers.

So we have a very severe problem here, and the strange thing is that we do not have any Federal agency that is looking into this or doing anything about it. We cannot turn to the Federal Communications Commission for such a listing since the FCC has never had a formal role in investigating network outages.

The FCC has few regulations designed to prevent failures of public switched networks. The fact is we now have absolutely no official mechanism for investigating network crashes and making recommendations for actions to prevent future outages. Currently, we rely on the telephone companies to report, investigate and take action to prevent network outages. This structure has proven inadequate to maintain the security of our public switch networks. We should create an independent agency to promote telecommunications security and reliability.

Mr. President, I am not one for creating more Government bureaucracy, but this is a case where the welfare of our people could be very seriously affected.

The National Network Security Board, created by my legislation, would achieve three important public policy purposes.

First, the National Network Security Board would provide vigorous and swift investigation of network outages involving telecommunications networks. This would provide a permanent and comprehensive record of the causes of network outages.

Second, this Board would oversee a continual review, appraisal, and assessment of the operating practices and regulations of all Federal agencies regulating telecommunications networks. This continual assessment would allow the Board to formulate security improvement recommendations and help prevent future network outages from occurring in the future.

Since the National Network Security Board is quite likely to make conclusions and recommendations that may be critical of or unfavorable to other Federal agencies, the board would be separate and independent from all other Federal agencies. This would help accomplish the third objective of this Board: to reassure a public that is now uncertain who is monitoring our Nation's telephone network.

I have patterned this Board closely along the lines of the National Transportation Safety Board. As you know, Mr. President, the NTSB conducts independent investigations of transportation accidents. The similarity between telecommunications outages and transportation accidents is that both place the public in danger.

Obviously, network outages do not injure people in the way an airline crash or train derailment does, but when aircraft lose communications with their control tower and millions of people lose 911 emergency service, a real public safety danger is created.

The National Network Security Board would consist of five members appointed by the President with the advice and consent of the Senate. Three members of this Board would be individuals appointed on the basis of technical qualification, professional standing, and demonstrated knowledge in the fields of communication network outage reconstruction, communication network engineering, human factors, or communication regulation.

The terms of office of members of the Board would be 5 years. The Chairman and Vice Chairman each would serve for a term of 2 years. The Chairman would be the chief executive of the Board, appointing and supervising all personnel employed. The Board would maintain distinct and appropriately staffed bureaus, divisions, or offices to investigate and report on network outages involving long distance and local exchange networks.

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When the Board submits a recommendation regarding network outages, the Chairman of the FCC would respond to each recommendation formally and in writing within 90 days. The Chairman's response to the Board would indicate his or her intention to:

First, adopt the recommendations in full;

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Third, refuse to adopt the recommendations.

The Board would make available to the public copies of each such recommendation and response.

Mr. President, without the creation of a National Network Security Board, our telecommunications network will continue to be vulnerable. Congress has two choices. We can ignore the problem and wait until a serious disaster occurs as a result of another network outage, or we can take action now to prevent future outages.

Mr. President, I think it is fair to say that we have been very lucky that some of these outages have not resulted in a major disaster, and I think that is something that we need to consider, we need to anticipate and prevent.

The National Network Security Board is needed now to protect the security of our Nation's switched telecommunications networks.

Mr. President, I conclude by saying that I am sending a Dear Colleague to all of my colleagues in the Senate on this piece of legislation. I understand somewhat similar legislation will soon be introduced in the House. I think it is the first step in dealing with what is a modern problem, the fact that we had 8 major network outages which affected the safety and financial security of millions of people in the last year.

By Mr. LAUTENBERG (for himself, Mr. MOYNIHAN, Mr. BURDICK, Mr. LIEBERMAN, and Mr. ADAMS):

S. 2169. A bill making supplemental appropriations for programs in the fiscal year that ends September 30, 1992, that will provide near-term improvements in the Nation's transportation infrastructure and long-term benefits to those systems and to the productivity of the U.S. economy; to the Committee on Appropriations.

JOBS CREATION AND IMPROVEMENT OF NATION'S INFRASTRUCTURE

Mr. LAUTENBERG. Mr. President, today I am introducing the Start Up Act of 1992—emergency legislation to create jobs now and to increase our productivity through additional investment in our transportation infrastructure.

I am joined in this effort by Senators MOYNIHAN, BURDICK, and LIEBERMAN in proposing a $7.13 billion supplemental appropriations transportation initiative for the current fiscal year.

Mr. President, everyone knows that we are facing tough times, that there are jobs lost and people are afraid they are not going to get them back. Some of our largest and historically most stable companies are laying off people who may never get their jobs back, companies that were thought to be institutions: the IBM's, the General Motor's, Allied-Signal's and DuPont's. Many of America's companies are now laying off people and closing facilities and giving the appearance that these jobs are not recoverable.

Builders are sitting with unsold houses and empty buildings. Factories and equipment are idle.

We need to take bold measures to move our country out of the grip of this recession; and to increase our productivity and competitiveness so we can retake the mantle as the world's leading economic power.

We need to make the peace dividend real. We need to use it to invest in America and build a better future for our country. The billions we have been spending to provide a security shield for the world can now be invested in building up our domestic strength and putting our people back to work.

We have to invest in our people to prepare them for the future. And we should rebuild our infrastructure, on which business and commerce depend. We should be investing in research and technology, which is our competitive edge.

We need a plan to put our people back to work. Soon. We need the welfare rolls reduced and the payrolls expanded. We need those salaries circulating through the economy as a stimulus and those tax revenues back in our Government coffers so we can reduce the deficit.

Eminent economists have testified before the Congress and said that fiscal stimulus is needed. We have been in a rut and the economy needs a push. We have excess capacity. We have people out of work. We do not have enough demand for goods and services. Congress has heard from economists like Paul Samuelson, James Tobin, and Lawrence Kudlow. All of them agreed—we need to get some traction under the tires to get this country under way.

Mr. President, we can avoid the mistakes of the past. We do not want a fiscal package that just sends off on a joy ride of unwise consumer spending and excessive debt. We do not want a package that sends us careening off into an inflationary tailspin down the road.

But we need a fiscal package that is fast acting. We need one that gets people back to work. We need one that pays dividends not just now, but in the future, in enhanced productivity and growth. There are a number of steps we should take, in the short term.

We should extend unemployment benefits. We should ease the credit crunch. But part of any package—as Professor Samuelson testified—should be a boost in infrastructure investment. The measure we are introducing today would do just that.

It will put $7.13 billion into infrastructure. It will mean jobs for the construction, engineering, and transportation industries—all of which have been hit hard. It will improve productivity, which benefits all sectors of the economy, and provide a foundation for continued economic growth.

Last week, the Budget Committee, on which I serve, heard testimony from Congressional Budget Office Director Robert Reischauer. As many of my colleagues know, Dr. Reischauer has predicted a weak recovery, beginning around summer. But he was very up front with us. He said that CBO's projections had been wrong before, and that this prediction was not one that he could guarantee.

The question that Chairman SASSER, I, and other members of the committee put to Dr. Reischauer was: What could we do to help stimulate the economy, and steer it in a healthier, more productive direction?

His response was that effective, targetted spending on infrastructure can help stimulate the economy. Dr. Reischauer noted that any such spending should meet two tests: First, it should actually be spent in the near term, providing jobs and other near-term economic benefits; and second, it should be on projects that will produce long-term productivity benefits.

As Dr. Reischauer testified, spending on infrastructure can meet those tests. First, by providing additional funding for maintenance and improvements to highways, bridges, rail lines, public transportation, and airports, we can put thousands of construction workers back to work, and keep them out of unemployment lines. Second, such funding can accelerate much needed improvements to our Nation's crumbling infrastructure.

There can be no doubt that these improvements are needed to boost our Nation's long term productivity—as well boosting short term economic growth. Leading economists, including David Alan Aschauer, formerly senior economist for the Federal Reserve Bank of Chicago, have demonstrated clear connections between investment in public infrastructure and private sector productivity. In July 1991, CBO reported Dr. Aschauer's findings that underinvestment in public capital retarded the growth of private economic output between 1950 and 1985.

Testimony last year before the Environment and Public Works Committee by Alicia Munnel, another economist from the Federal Reserve bank, showed clear correlations between increases in public infrastructure and worker productivity; the higher the rate of investment, the greater the return in the form of productivity.

Our legislation would address these needs by directing funds to needed infrastructure improvements; improvements that will enhance long-term productivity while creating jobs in an industry that has been devastated by the recession. Funds would be provided on the condition that they would actually be obligated within the calendar year. In consideration of the difficult financial situations most of our States find themselves in, for the purposes of this boost in spending, non-Federal matching requirements would be waived, allowing these Federal funds to be put to work as quickly as possible.

Mr. President, the spending proposals in the bill were massaged thoroughly. We consulted with the States and local governments; with the airport operators; and industry. We made sure that these funds can be spent within the year. This is money that can be put to productive use, for the benefit of thousands of American workers and their families.

As I noted earlier, under this proposal, $7.13 billion in supplemental spending would be targeted at specific programs.

A total of $2.5 billion would go for maintenance and repair of the Nation's highways and bridges. A recent report by the Department of Transportation shows clearly that the needs are there. Sixty-five percent of the Nation's roads are in fair to poor condition. Thirty-nine percent of the bridges in this country are, according to the DOT, either structurally or functionally obsolete.

A total of $1.2 billion would go for maintenance of and improvements to public transportation systems. That includes $400 million for rail modernization, $400 million for capital acquisitions, and $400 million to help transit agencies come into compliance with the mandates of the Americans with Disabilities and Clean Air Acts.

A total of $1.4 billion would be directed to the Airport Improvement Program. Of this, $400 million would be reserved for discretionary projects at smaller airports, where economic development benefits can be felt quickly and are essential.

An additional $1 billion would go to the FAA's Facilities and Equipment Program. That program funds important safety improvements such as radars, navigational aids, communications, and components of the air traffic control system.

A total of $900 million would go for maintenance, repair, and upgrade or our rail systems.

Finally, $130 million would be provided for acquisition of Coast Guard helicopters. These helicopters are used for search and rescue, as well as drug interdiction.

And, they are made by Sikorsky, here in America.

Mr. President, there is no doubt that transportation infrastructure spending is productive. Study after study has shown that. And, information we have received from DRI/McGraw Hill confirms it. DRI/McGraw Hill is a private, independent economic forecasting firm. It is under contract to both the Department of Defense and the Congressional Research Service. Its models are based on the input-output tables of the Department of Commerce, and cover 400 sectors of the economy.

According to DRI's projections, we can expect an almost 2 to 1 rate of return in terms of Gross Domestic Product [GDP]. That is, by spending this $7.1 billion, we can expect about a $13.5 billion net gain in GDP.

And, we'll see approximately 180,000 man-years of work created.

This package puts money into programs of great importance to all of our States. In New Jersey, we have tremendous needs in all of these areas.

Under this proposal, New Jersey will see significant increases in its road and bridge maintenance programs. Approximately $160 million in additional funds will be pumped into our State's highway program. The rail lines and transit systems that are so vital to New Jersey commuters will get safety and efficiency upgrades. And, our airports, from Newark to Atlantic City, will receive needed improvements.

Mr. President, this is not the entire answer to our economic woes.

It is a package of effective, targeted funding that can produce significant benefits, in the form of jobs, reduced unemployment benefits, and a greater payroll. And, it will help us attain the productivity benefits that we need in order to compete.

I urge my colleagues to support this measure, and ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2169

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1992, and for other purposes, namely:

DEPARTMENT OF TRANSPORTATION

FEDERAL HIGHWAY ADMINISTRATION

To expedite the maintenance and repair of the Nation's highways and bridges, and to stimulate economic activity, $2,500,000,000, to remain available until expended, from the Highway Trust Fund: *Provided,* That, of the amount appropriated, $1,000,000,000 shall be available for the Interstate maintenance program under section 119 of title 23, United States Code, $1,000,000,000 shall be available for the bridge programs under section 144 of title 23 United States Code, $5,000,000,000 shall be available for the surface transportation program under section 133 of title 23, United States Code: *Provided further,* That such funds shall be exempt from any deduction under subsection (a) or (f) of section 104 of title 23, United States Code, and from any limitation on obligations for Federal-aid highways and highway safety construction projects: *Provided further,* That such funds shall be exempt from requirements for any non-Federal share otherwise required under title 23, United States Code: *Provided further,* That such funds shall be obligated by the States by not later than September 30, 1992.

FEDERAL TRANSIT ADMINISTRATION

To expand the capacity and efficiency of public transportation systems, expedite compliance with requirements under the Americans With Disabilities Act of 1990, the Clean Air Act, and the Act entitled "An Act to amend the Clean Air Act to provide for attainment and maintenance of health protective national ambient air quality standards, and for other purposes" (commonly known as the Clean Air Act Amendments of 1990), $1,200,000,000 to remain available until expended, from the Mass Transit Account of the Highway Trust Fund: *Provided,* That, of the amount provided, $400,000,000 shall be available for rail modernization, $400,000,000 shall be available for acquisition of rolling stock and buses, $400,000,000 shall be available to assist in the compliance with mandates of the Americans With Disabilities Act of 1990, the Clean Air Act, and the Act entitled "An Act to amend the Clean Air Act to provide for attainment and maintenance of health protective national ambient air quality standards, and for other purposes" (commonly known as the Clean Air Act Amendments of 1990): *Provided further,* That such funds shall be exempt from requirements for non-Federal matching funds otherwise required under the Federal Transit Act: *Provided further,* That such funds shall be obligated not later then September 30, 1992.

FEDERAL AVIATION ADMINISTRATION

AIRPORT IMPROVEMENT PROGRAM

To expand capacity, improve safety, and the efficiency of the national aviation system, $1,400,000,000 to remain available until expended from the Airport and Airway Trust Fund, for additional Airport Improvement Program grants-in-aid as authorized under section 14 of Public Law 91-258, as amended: *Provided,* That notwithstanding any other provision of law, $400,000,000 shall be obligated for projects at the discretion of the Administrator of the Federal Aviation Administration for projects that enhance economic development at small hub and non-hub airports: *Provided further,* That such funds shall be obligated not later than September 30, 1992.

FACILITIES AND EQUIPMENT

To improve the safety and efficiency of the national aviation system, $1,000,000,000 to remain available until expended from the Airport and Airway Trust Fund, under the heading of Facilities and Equipment: *Provided,* That notwithstanding any other provision of law, such funds shall be obligated for projects at the discretion of the Administrator of the Federal Aviation Administration: *Provided further,* That such funds shall be obligated not later than September 30, 1992.

FEDERAL RAILROAD ADMINISTRATION

NORTHEAST CORRIDOR IMPROVEMENT PROGRAM

For necessary expenses related to Northeast Corridor improvements authorized by title VII of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended (45 U.S.C. 851 et seq.) and the Rail Safety Improvement Act of 1988, $450,000,000 to remain available until expended: *Provided*, That such funds shall be obligated not later than September 30, 1992.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation for capital improvements, $450,000,000, to remain available until expended: *Provided*, That such funds shall be obligated not later than September 30, 1992.

UNITED STATES COAST GUARD

ACQUISITION, CONSTRUCTION AND IMPROVEMENTS

For necessary expenses for the acquisition of new aircraft, including equipment related thereto, $130,000,000, to remain available until September 30, 1994: *Provided*, That such funds shall be obligated not later than September 30, 1992.

SHORT TITLE

SEC. 2. This Act may be cited as the "Supplemental Transportation Appropriations Reinvestment To Upgrade Productivity (Start-Up) Act of 1992".

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 2170. A bill to amend the Housing and Community Development Act of 1974 to provide assistance to distressed urban areas, and for other purposes; to the Committee on Labor and Human Resources.

DISTRESSED URBAN AREAS ASSISTANCE ACT OF 1992

Mr. DODD. Mr. President, I rise this afternoon to introduce a piece of legislation on behalf of myself and my colleague from Connecticut, Senator LIEBERMAN, entitled the Distressed Urban Areas Assistance Act of 1992. This legislation is designed to help our Nation's cities and towns to overcome the burden of a decade of neglect, and I am pleased to be able to present that legislation today and invite other colleagues who may be interested to join us in this effort.

Mr. President, even when this Nation enjoyed a period of prosperity, our cities and towns were sliding into deterioration. That is exactly what happened over the last 11 years. The 1980's, as we all know, were a time of easy living, record growth, and spiraling profits for many in this country. But for our Nation's urban areas and the people who live in them, the 1980's were a period of rapid decay in many cases. From New Orleans, LA, to New Haven, CT; from Springfield, MA, to Springfield, IL, and from East Oakland, CA, to East St. Louis, MO, our Nation's cities found themselves between a fiscal rock and a political hard place. Our cities, in the 1980's, were burdened, in fact overloaded, with extra responsibilities, but aided by far fewer resources.

President Reagan called it "new federalism," Mr. President. New federalism was based on the principal that the States would bear new fiscal responsibilities in return for greater control over their own resources. But, Mr. President, new federalism turned out to be a Faustian bargain.

Mr. President, over the course of the past year I have held a series of hearings to examine the plight of our Nation's cities and towns. I have listened to people speak of the conditions of urban areas across this country. I have listened to experts and average citizens. Mr. President, I have examined what I believe to be the root causes of this ongoing decline. And I have also focused on ways which I believe will help solve these problems.

Over the course of these hearings, we have learned that the challenges facing our cities and towns are great, and the available resources are indeed small. Most important we learned that our cities and towns need far more than our dollars. They need our patient understanding and, more importantly, they need bold leadership.

Mr. President, three major factors, I believe, have combined to make the 1980's a tragic decade for our cities and towns in this country.

First, we gave our local governments broad mandates in the areas of the environment and public safety, but left them on their own to finance those requirements: Testing for pollution and water contaminants, identifying, and then removing asbestos hazards, preparing reports on endangered species. The fact is, Mr. President, the list goes on and on and on.

Most of these mandates, I would quickly add, receive broad public support and deservedly so. There is no doubt that the increase in environmental safeguards, for example, has made our world a far better place in which to live. And regulations to raise the minimum drinking age, for instance, have saved countless numbers of young lives.

However, these programs are not without their costs. It takes money to enforce those requirements, money that must be paid by taxpayers at the local and State level, with less and less help from their Federal Government.

And that, Mr. President, is the other side of the equation.

In the 1980's we imposed more mandates upon the States of this Nation—nearly 100 mandates between 1981 and 1989—than in any other comparable period in the entire history of this Nation. Yet during the same period of time, we also cut Federal payments to States and local communities. We ordered a four-course meal of Federal mandates and regulations, but at the Federal level we walked out on the check.

Let me, if I can, point out with these charts what I am talking about. I think the numbers will speak for themselves. In 1980, Federal contributions to local budgets were 18 percent, and local contributions were 64 percent. That is this first pie chart. The 64 percent in 1980 reflected local contributions; 18 percent came from the Federal Government, 11 percent came from State sources.

In 1990, 10 years later, local governments became responsible for 75 percent of those budgets and the Federal Government went from 18 percent in its contribution to 6.4 percent. States and others remained virtually the same.

In 1980, community development block grants were $3.8 billion. In 1992, they were $3.4 billion. After adjustment for inflation this was nearly a $2 billion reduction.

Meanwhile, Federal funds for job programs were gutted. There is the blue line which represents the average contribution to cities that received community development block grants. In 1980, the average contribution of the city was $4.3 million. We were serving 600 cities that qualified for community development block grants in that year.

Since 1980, with the exception of 1983, when it went back up almost to the 1980 average, we have seen a steady decline in the contribution, down to $2.5 billion today for the average city. And yet the number of cities eligible for CDBG's has gone from 600 to almost 1,000 cities.

Let me add some additional statistics. In jobs programs for example—I think there is universal support for the idea of putting people to work in our cities. Yet from 1980 to 1990, we reduced job programs in our urban areas and towns from $8.4 to $3.5 billion.

Mass transit funds were reduced from $5.4 billion to $2.9 billion.

Overall Federal assistance to key community programs dropped from $23.7 billion in 1980, to $13 billion in 1991. At the same time the mandates already in place show no signs of decreasing.

In 1980, environmental mandates carried a $22 billion price tag, and local governments paid for 76 percent. By the year 2000, the price of environmental regulation will soar to $60.2 billion, and local governments will, if we do not take action very shortly, be required to pick up 87 percent of those additional costs.

Again these charts, I think, will make it crystal clear to everyone.

In 1980, the local share of just environmental mandates, was 76 percent; the Federal share was 18 percent. By the year 2000, if we continue on this pattern, the Federal Government's share will be 8 percent, and local communities will have to pick up 87 percent of the costs.

Of course you may ask who pays for all of this. Increases in local property taxes and States taxes do. Every citizen does. So while we are hearing everyone clamor about a decrease in Federal taxes for middle-income people at the Federal level, in some ways it is a cruel hoax. It is a cruel hoax because while taxes may be lowered for middle-income families at the Federal level, the local mayors, city councils, and others will have to raise local taxes considerably over these next 10 years to pay for the Federal mandates.

As I said earlier, many of these mandates deserve our support. I am not arguing with the merit of them. The question is, if we are going to load them up with mandates, we either have to stretch out the period when States and localities meet those cost requirements, or we have to do a better job in assisting these communities to help with the burden of those costs. If we in fact, do not, we are lying to the American public about tax relief. These facts change the landscapes of our cities and towns.

Let me point out a local anecdotal case. In my State of Connecticut many communities are under court orders to come up with $2.2 billion just to repair and expand wastewater treatment facilities. Again needed areas, needed solutions, needed changes, but $2.2 billion in one State in a handful of communities is an enormous responsibility. And of course these communities are going to have to raise taxes and fees if they are faced with these continued mandates.

There are yet more examples of cuts in Federal funding. In the last 10 years, we have reduced our funding for housing programs by 80 percent. Today there are an estimated 2 million parents and children who are on waiting lists for public housing in this country. And most of them, I might add, are in our larger cities.

Second, as I mentioned earlier, the need for local tax dollars has risen dramatically, while the tax base in the urban areas has shifted to the suburbs. Forty-one percent of our cities and towns in this country, according to a survey done by the National League of Cities, have had to raise property taxes. Seventy-six percent of our cities and towns have raised fees and charges, and 47 percent have had to impose new fees altogether. That is all in the last 10 years.

Meanwhile, there have been fewer high incomes to tax. In 1960, the average per capita income of people living in our Nation's cities was approximately 105 percent of the per capita earnings of a person living in the nearest suburb. Let me repeat that. In 1960, a person living in a city in this country had an average per capita income that was 105 percent of the average per capita earnings of a person living in the nearest adjoining suburban community. In 1980, a person living in our cities had an average per capita earning of 95 percent of a person living in the immediate surrounding suburban communities. In 1987, it was 59 percent. And I suspect in 1992, it is closer to 55 percent.

That is almost cutting in half, in 10 years, the wealth, if you will, or the tax base, of people living in our urban areas.

There is a third reason for the decline of our cities and towns and that of course has been the rising social problems that confront all of us in this society, such as crime, drugs, and health care. These problems have been particularly hard felt in our urban areas and our towns, where the incomes are the lowest, the opportunities are the least, and the temptations are the greatest.

The ongoing recession has only compounded, of course, this problem. On the one hand, it has increased the need for State and local services like job training, welfare assistance, and crime prevention. But a decline in State and local tax income has left many areas short of the resources to provide those extra funds.

In fact, every single State in this country has had to cut back drastically on services—at exactly the moment when those services have been most in need.

Mr. President, the nationwide credit crunch has also impacted our States and communities. Recent credit downgrading and defaults have raised the cost of raising important municipal funds in the public securities market.

It is clear to me that we have failed to address these problems—leaving us less competitive, and less rich, of course as a nation.

We need to ask ourselves as a people—as a whole people, as a nation—who loses when a young child drops out of school?

Who loses when thousands are out of work and employment opportunities are almost nonexistent?

Who loses in this country when housing is only fit for vermin and more than 2 million Americans are waiting in line for an affordable, decent place to live?

Who loses, Mr. President, if there is no job training—no health coverage?

Who loses when crime and drugs contaminate our cities and towns?

If we believe as a nation that it is only the dropouts, only the unemployed, only the homeless, only the sick, and only the victims who are the losers, then I believe there will be no hope for changing our priorities.

Mr. President, we may delay the inevitable by applying some band-aids or tourniquets, but the decay and hemorrhaging, in my view, will continue and the inevitable will come. Our country, will collapse to a second-rate economic power in the early part of the 21st century.

If however, Mr. President, we grasp and understand that when a student stays in school in Bridgeport, CT—we all win.

When an able-bodied person in Charleston, WV, has a job—we all win in this country.

And when a family has a home and their health—we all are winners.

And when our streets are safe—then, of course, we are all winners as well.

Mr. President, the crisis facing our cities and towns has to be viewed as a national problem in scope. All of the parts of our country make up, I would hope, in the minds of our people, the seamless garment that is our Nation.

To isolate our country's cities and towns is to surrender in the fight for economic resurgence before the battle has even been joined.

Of all the problems plaguing our cities and towns, there is one which I believe must take precedence over all others.

Of the most creative, imaginative social programs ever devised by the mind of man, none is as important as a job.

Of all the solutions that we might manufacture or legislate in this Chamber or elsewhere, nothing will ever do more or be as important as creating economic opportunity for people.

Mr. President, there are no silver bullets for solving the urban crisis. I wish there were. And putting people back to work will not eradicate ignorance, poverty, crime, disease, or homelessness. But you show me a community or a town where the unemployment rate is low and declining and I will show you a community where the problems that I have just mentioned are far less.

Therefore, Mr. President, what I am about to propose is not just another assistance package for cities and towns. It is rather a proposal to help Americans living in these communities go to work—to help Americans get back on their feet.

Mr. President, I propose a 5-part solution. This is not all-encompassing. I am not going to suggest to you that what I offer here today is the end all. It is an idea; it is a concept. There are some proposals here that I hope would attract broad-based support. And I invite additions or deletions that might make it a stronger idea. But I lay it out today to see if it will attract some attention and some support.

First, we must pass, I believe, the Tax Exempt Bond Simplification Act of 1991 that was introduced by the Senator from Montana, Senator BAUCUS. I have joined him in this legislation. The bill is designed to ease the administrative burdens of the 1986 Tax Reform Act on cities and States in their attempts to raise the dollars from the municipal securities markets.

These changes, we have been told, in the tax law will help to ease the fiscal stress on cities by lowering the cost of these funds, thus enabling localities to tackle some of their most vexing problems.

Second, I would like to see us pass and adopt the Enterprise Zone Jobs Creation Act of 1991, that was authored by my distinguished colleague, the

Senator from Missouri, Senator DANFORTH, which my colleague from Connecticut, Senator LIEBERMAN, and I have cosponsored. Under the Danforth proposal, areas designated as enterprise zones will receive special treatment from the State and Federal Governments in the form of employee tax credits, zero capital gains taxes for local investors, and investor tax deductions on stock purchases of businesses located within those zones.

Mr. President, I strongly believe that the Baucus proposal and the Danforth proposal will not only encourage job creation and investment in businesses located in our cities but will also help to restore the tax base to communities that have been forced to provide increasing social services with decreasing sources of revenue.

Third, I believe we should support investment tax credits, research and development tax credits, a targeted capital gains tax cut, and repeal of the 1986 Tax Act dealing with passive losses and depreciation in the area of real estate.

Mr. President, these proposals, while not targeted to our cities, should encourage business growth and expansion throughout this country.

President Bush, in his State of the Union Address on Tuesday night, mentioned specifically some of these proposals, and I support him in that effort.

Fourth, Mr. President, early intervention is needed to break the cycle of poverty. Intervention should not only be early, it should be comprehensive. Those of us on the Federal level must reorder our fiscal priorities and increase funding, in my view, for programs that meet the needs of people who live in our cities and towns.

Two weeks ago, Mr. President, I had the occasion to meet with the police chiefs of Connecticut's four largest cities. They told me that we can arm them, we can train them, we can build more prisons, we can pass longer prison sentences, but until we begin to deal with the root causes of the hopelessness in our cities and towns, these places will continue to deteriorate until they are islands unto themselves. And I agree with them.

Programs such as Head Start, the Young Americans Act of 1990, the act for better child care, magnet schools, Chapter 1, the dropout assistance program—programs such as these are helping to relieve cities of these additional burdens. These programs also provide a comprehensive family based approach to fighting poverty.

I believe that the effects of Federal fiscal retrenchment and this nagging recession have brought us to the point where direct aid to our cities is our only hope of providing real relief.

The Distressed Urban Areas Assistance Act of 1992 is the fifth component of a solution to this overwhelming problem. With this legislation we begin the process of reasserting Federal leadership in our cities.

Under this legislation, the Secretary of HUD would be authorized to make grants to urban areas for community development block grant eligible activities in those urban areas that have suffered from severe fiscal distress based on a poverty eligibility formula.

In order to receive assistance under this act, urban areas would be required to satisfy at least two of the following four eligibility criteria:

First, the poverty level in the urban area must be at least equal to the national poverty rate for a given year.

Second, the urban area must have less than a 9.7 percent population growth rate based on the 1990 census data.

Third, at least 10 percent of the urban areas' housing units built prior to 1950 must be occupied by persons at or below the poverty level.

Fourth, the urban area must have received an average per capita grant of at least $15 under the community development block grant program in 1988.

But this bill goes farther than merely allocating money based on poverty. I have included a section that expresses the sense of the Senate that mandates from the Federal level must be either paid for at the Federal level or we must give our cities and towns and States more time to comply.

I would have liked to have crafted legislative language for this bill that would do what this sense-of-the-Senate resolution does. But I have been informed by the legislative counsel's office that we would have to amend each and every piece of legislation which includes mandates.

So it is going to be a challenging effort for us to address the mandate problem. But at least in this legislation I give the opportunity to our colleagues to go on record expressing their concerns and their willingness to try and address the pressing problem of the mandate issue.

Finally, a word on how to pay for these provisions.

First, I suggest we take a close look at our foreign military aid programs. Putting aside Israel and Egypt for the moment, we spend $1 billion of taxpayer money to support foreign military aid programs around the globe. Surely, with all the changes that have occurred in the world, we can find savings here. For example, I notice this morning that the administration plans to request $35 million in military assistance for the Government of El Salvador in this fiscal year and an additional $40 million in such aid for fiscal year 1993.

We have all applauded, the recently signed peace accords in El Salvador. Surely this alone is a good enough reason to stop pumping military aid into that country. Moreover, the problems that affect the American people in this country demand that we justify every penny that we allocate for military aid programs, in today's changed environment. It seems to me quite clear that foreign military aid programs from this country to nations such as El Salvador in the coming years must be curtailed.

My God, there is a war going on in our cities and towns. We are told we cannot afford to fight that war. How in the world do we say to our constituencies we cannot afford to do much for you but we can afford to spend some $75 million in military assistance to a country that at long last has ended its 12-year civil war.

The El Salvador military assistance program is just one example in that $1 billion program I mentioned earlier where savings can clearly be found.

Surely we can find at least 50 percent in reductions from that billion dollars—many would argue we ought to take it all—and devote these savings to funding the distressed cities program that have been proposed in this legislation.

Second, perhaps we can find an additional $500 million by asking that international organizations such as the IMF, the World Bank, the International Finance Corporation, the Inter-American Development Bank, and others tighten their administrative belts a bit. The world bank and IMF alone have administrative budgets approaching $1 billion annually. But while I fully support their mission, they can and must find ways to carry out duties and important roles in that all the frills that have come to be associated with these institutions.

Those two accounts alone would produce $1 billion in savings to devote to their needs in this country.

Third, Mr. President, we pay, with American taxpayer money, to support some $34 billion in military bases in Europe alone. It might take some time here, but I am not convinced we cannot reduce the $34 billion in support of those military installations in Europe by maybe $2 or $3 or $4 billion.

I know, again, some will stand up and say, "Why not just eliminate it all?" The President said, two evenings ago, communism is dead. We won. The cold war is over. We need to reorder our priorities.

Amen. If that is the same—and I believe it to be so—do we really need to spend $34 billion in American taxpayer money to finance military bases in a European sector that is no longer under the threat of aggressive Soviet behavior? Can we not even find $4 billion to pay for domestic priorities? Or are we going to be told no?

At no point in the President's message the other night did he say we are going to cut some of those bases, that he plans to reduce foreign military aid. All he talked about is what we could not do here.

I suggest that in these changing times, we reorder our priorities and that we understand the importance of investing in these communities.

But I come back, Mr. President, to a point I tried to make earlier. If we persist in this country in somehow believing that the problems in our cities are somehow a foreign problem, that we will be able to witness an economic boom in this country or a major economic recovery while not addressing some of those issues, then I clearly believe, as I said a while ago, we will fail. Our priorities change; we will only begin to rebuild our cities and towns when people who do not live in cities think these issues are important.

If it is just left up to those who live in our urban areas to insist that these issues be addressed, then I predict that nothing more than this speech, and maybe a hearing or two, will ever occur.

When the Americans who do not live in our cities or towns insist that our Goverment pay attention to these problems and try to create the kind of economic opportunities that I think we must insist upon, only then, in my view, will we as a congressional body begin to address these problems.

If the answer continues to be no, then my fear is that nothing will ever happen except the problems will grow only far worse.

And so, Mr. President, as I said a moment ago, I am not going to suggest to you that this is the answer. It is hardly so. But with the credit crunch, the mandates, the declining Federal involvement, the declining tax base in our urban areas, the cutting back in mass transmit, and community development block grants, the 80-percent reduction in housing, is there any wonder why it is we have these festering problems.

If we try to reorder our priorities, then I think we can make a difference.

If we can do the most creative and imaginative thing at all, and provide a job for people, we will see a change. We may not eradicate those problems, but we can make significant progress in solving them.

Mr. President, I invite my colleagues to review this proposal and the proposals offered by Senators BAUCUS and DANFORTH. And I invite their suggestions and support as we rearrange our priorities and, in my hope, not forget those who lives in our cities and towns.

Mr. LIEBERMAN. Mr. President, I am pleased to join with my colleague from Connecticut, Senator DODD as an original cosponsor of the Distressed Urban Areas Assistance Act of 1992. As the State of the Union Address so clearly illustrated, urban areas are not at the forefront of this administration's concerns. We in Congress must come to the aid of the cities around the country that are suffering due to the recession and continuing cutbacks in State and Federal aid. The issue of troubled cities is one that we in Connecticut are particularly familiar with. We are home to Bridgeport, the largest city in the country ever to declare bankruptcy and to three of the poorest cities in the Nation. But it is not an issue unique to Connecticut. Around the country cities are losing jobs, losing tax base, losing population, and the residents who remain face an uphill battle to provide their families with food on the table and a safe, secure roof over their head.

This legislation would increase the CDBG funds available to distressed cities. CDBG money is money well spent because CDBG programs not only create jobs but also revitalize communities. CDBG money can be used to delead homes, provide safe places for children to play and learn, stimulate the creation of inner-city businesses, and improve a city's infrastructure. The United States Conference of Mayors estimates that $6 billion in CDBG funds could create 200,000 jobs.

This legislation will target these additional CDBG funds to those cities which are currently in the worst shape. Cities with large numbers of families living in poverty, little or no population growth over the past decade, and an aging housing stock.

Unfortunately, at this very moment when cities are desperately in need of increased CDBG funding, the President has proposed a decrease in funding for the CDBG Program of $500 million. American cities are hurting and they need increased assistance. The bill that Senator DODD and I are introducing today would increase CDBG funding for distressed cities by $6 billion over the next 3 years. This aid to the cities is critical to their survival, but it alone will not solve the economic problems of American cities.

Last year I introduced, with Senator DANFORTH, the Enterprise Zone Job Creation Act of 1991 which is designed to bring businesses and jobs into poor neighborhoods. I will continue to work in support of enterprise zone legislation because I believe it is vital to providing the economic and urban growth which will enable American cities to grow and prosper. I am pleased that the administration has included $50 million in its fiscal year 1993 budget.

We must do all we can to aid the troubled cities in the State of Connecticut and around the country. I look forward to working with Senator DODD to enact this significant expansion of the CDBG Program.

By Mr. SIMPSON (for himself, Mr. HEFLIN, Mr. DOLE, Mr. WALLOP, Mr. MITCHELL, Mr. DANFORTH, Mr. LAUTENBERG, Mr. STEVENS, Mr. BUMPERS, Mr. COHEN, Mr. D'AMATO, Mr. GRASSLEY, Mr. PRESSLER, Mr. SYMMS, Mr. BROWN, Mr. HATFIELD, Mr. JEFFORDS, Mr. DOMENICI, Mr. SMITH, Mr. SPECTER, Mr. ROTH, Mr. HOLLINGS, Mr. CRANSTON, Mr. BURNS, Mr. COCHRAN, Mr. SIMON, Mr. DIXON, Mr. DECONCINI, Mr. RUDMAN, Mr. SEYMOUR, Mr. FORD, Mr. HATCH, Mr. CRAIG, Mr. DURENBERGER, Mr. SHELBY, Mr. GORTON, Mr. SANFORD, Mr. BREAUX, Mr. WIRTH, Mr. LIEBERMAN, Mr. KENNEDY, Mr. CONRAD, Mr. INOUYE, Mr. REID, Mr. GORE, Mr. FOWLER, Mr. PRYOR, Ms. MIKULSKI, Mr. BOND, Mr. MACK, and Mr. COATS):

S.J. Res. 244. Joint resolution to recognize and honor the National Conference of Commissioners on Uniform State Laws on its centennial for its contribution to a strong Federal system of government; to the Committee on the Judiciary.

HONORING THE NATIONAL CONFERENCE OF COMMISSIONERS ON UNIFORM STATE LAWS

Mr. SIMPSON. Mr. President, the National Conference of Commissioners on Uniform State Laws was founded in 1892 through the joint efforts of State governments and the legal profession. The conference was created to provide the State legislatures with legislation to promote uniformity between the several States in those areas of the law in which uniformity could best serve the interests of the citizens.

Mr. President, 1992 marks the centennial of the founding of the National Conference of Commissioners on Uniform State laws, and my cosponsors and I believe it is fitting that the Senate pass a joint resolution commemorating this centennial.

Therefore, Mr. President, I rise today to introduce this Senate joint resolution to recognize and honor the National Conference of Commissioners on Uniform State Laws on its centennial for its contribution to a strong Federal system of government.

Mr. President, this resolution will acknowledge the enormous debt the citizens of this country have to such laws as the Uniform Partnership Act, the Uniform Fraudulent Transfers Act, and the Uniform Child Custody Jurisdiction Act, a few of the many uniform laws drafted and adopted through the important work of the national conference.

There are few people in the United States whose lives are not touched by the most notable of all the laws provided by the uniform law Commissioners, the uniform commercial code, which has been universally accepted and applauded for the immeasurable benefits it has provided to every American business and consumer through its provision of fair, efficient, and logical rules governing commercial transactions.

Mr. President, the resolution I am introducing today will bring well-deserved recognition, not only to the conference itself, but also to the thousands of attorneys who have served as commissioners. These men and women have performed a little-noticed, but highly important, service to the jurisprudence of the several States and of the Union. At a time when the legal profession is being criticized for the explosion of litigation in the United States, the contribution of the individual Commissioners and the national conference to the reduction of litigation and conflicts of law between our several States should not go unnoticed.

Mr. President, I have personal knowledge of the tremendous devotion of the individual Commissioners to their work. My former long-time law partner and dear friend Charles Kepler has, over a period of more than 20 years, devoted thousands of hours of pro bono time to the national conference. I would pay special tribute to him and to the many other legal scholars who have quietly and very effectively given their time and efforts to this important work over the past 100 years.

Passage of this resolution will bring credit, attention, and recognition to the fine work and invaluable contributions of the National Conference of Commissioners on Uniform State Laws on its centennial, and I would urge its adoption.

ADDITIONAL COSPONSORS

S. 12

At the request of Mr. INOUYE, the names of the Senator from Vermont [Mr. LEAHY] and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 12, a bill to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and to restore the right of local regulatory authorities to regulate cable television rates, and for other purposes.

S. 194

At the request of Mr. MCCAIN, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 194, a bill to amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

S. 1010

At the request of Mr. INOUYE, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1010, a bill to amend the Federal Aviation Act of 1958 to provide for the establishment of limitations on the duty time for flight attendants.

S. 1102

At the request of Mr. MOYNIHAN, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 1102, a bill to amend title XVIII of the Social Security Act to provide coverage of qualified mental health professionals services furnished in community mental health centers.

S. 1175

At the request of Mr. KERRY, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1175, a bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoners or taken captive by a hostile foreign government or its agents or a hostile force before April 25, 1962, and for other purposes.

S. 1179

At the request of Mr. JOHNSTON, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1179, a bill to stimulate the production of geologic-map information in the United States through the cooperation of Federal, State, and academic participants.

S. 1257

At the request of Mr. BOREN, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 1257, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real estate activities under the limitations on losses from passive activities.

S. 1332

At the request of Mr. BAUCUS, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 1332, a bill to amend title XVIII of the Social Security Act to provide relief to physicians with respect to excessive regulations under the Medicare Program.

S. 1734

At the request of Mr. HATCH, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 1734, a bill to repeal provisions of law regarding employer sanctions and unfair immigration-related employment practices, to strengthen enforcement of laws regarding illegal entry into the United States, and for other purposes.

SENATE JOINT RESOLUTION 210

At the request of Mrs. KASSEBAUM, the names of the Senator from Maryland [Mr. SARBANES] and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of Senate Joint Resolution 210, a joint resolution to designate March 12, 1992, as "Girl Scouts of the United States of America 80th Anniversary Day."

SENATE JOINT RESOLUTION 230

At the request of Mr. REID, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of Senate Joint Resolution 230, a joint resolution providing for the issuance of a stamp to commemorate the Women's Army Corps.

SENATE JOINT RESOLUTION 241

At the request of Mr. SPECTER, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of Senate Joint Resolution 241, designating October 1992 as "National Domestic Violence Awareness Month."

SENATE JOINT RESOLUTION 243

At the request of Mr. KASTEN, the names of the Senator from California [Mr. SEYMOUR], the Senator from Louisiana [Mr. BREAUX], and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of Senate Joint Resolution 243, a joint resolution to designate the period commencing March 8, 1992 and ending on March 14, 1992, as "Deaf Awareness Week."

SENATE RESOLUTION 246

At the request of Mr. DOLE, the names of the Senator from Oklahoma [Mr. BOREN] and the Senator from Idaho [Mr. CRAIG] were added as cosponsors of Senate Resolution 246, a resolution on the recognition of Croatia and Solvenia.

SENATE RESOLUTION 249

At the request of Mr. D'AMATO, the names of the Senator from Maryland [Mr. SARBANES], the Senator from Wisconsin [Mr. KOHL], and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of Senate Resolution 249, a resolution expressing the sense of the Senate that the United States should seek a final and conclusive account of the whereabouts and definitive fate of Raoul Wallenberg.

SENATE CONCURRENT RESOLUTION 88—RELATIVE TO ARMENIA

Mr. LIEBERMAN (for himself, Mr. DOLE, Mr. SIMON, and Mr. SEYMOUR) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 88

Whereas for decades, the Government of the Union of Soviet Socialist Republics maintained order and the allegiance of the former Soviet Republics by means of intimidation and physical force;

Whereas for decades, the United States Government has sought to promote democracy, free market economics, and respect for human rights in Eastern Europe and the Soviet Union;

Whereas in February 1988, the Armenian people engaged in mass public protests against their oppressive communist government, thereby creating a model for the other anticommunist protest movements throughout Eastern Europe and the Union of Soviet Socialist Republics;

Whereas the Armenian protests and similar protests have caused the collapse of communism in Eastern Europe, the dissolution of the Union of Soviet Socialist Republics as a nation-state, and the liberation of millions of people;

Whereas on September 21, 1991, the people of the Republic of Armenia, in a national referendum monitored by international observers, voted overwhelmingly in favor of their independence from the Central Soviet Government;

Whereas on October 16, 1991, the Republic of Armenia held its first free multi-party democratic election;

Whereas the Armenian people elected Leon Ter-Petrosyan to serve as the independent republic's first president; and

Whereas the Government of the United States formally recognized and extended full diplomatic relations to the Republic of Armenia on December 25, 1991: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) congratulates the people of Armenia on achieving national independence and for successfully conducting free and fair democratic elections;

(2) congratulates President Ter-Petrosyan on his election as the first president of the independent Republic of Armenia;

(3) commends President Bush for recognizing the independence of and extending full diplomatic relations to the Republic of Armenia, and for supporting Armenia's applications to join international organizations, including the United Nations; and

(4) urges the President to pursue all other political and economic opportunities to strengthen the special relationship between the United States and Armenia.

• Mr. LIEBERMAN. Mr. President, last year I introduced a resolution congratulating President Ter-Petrossian for becoming the first democratically elected president of Armenia and urging President Bush to recognize Armenia and extend to it full diplomatic relations. I am pleased that President Bush declared his intentions to establish diplomatic relations last December, and I hope that an exchange of ambassadors will take place as soon as possible.

Armenia deserves full diplomatic ties. In February 1988, the Armenian people led one of the first uprisings against Communist authorities. This revolt served as an inspiration for the peoples of Central Europe later in the year. Armenians have also elected one of the most impressive leaders to have emerged from the former Soviet Union in the person of President Ter-Petrossian. Under President Ter-Petrossian, Armenia has established a regime based on human rights and economic reform.

I would now like to add a clause to the original resolution, which urges the President to pursue all other political and economic opportunities to strengthen the special relationship between the United States and Armenia. The Armenian people have undergone major suffering in recent years. Five hundred thousand Armenians lost their homes in the earthquake on December 7, 1988. As if the earthquake was not enough, a second tragedy was visited upon Armenians living in Azerbaijan, who have been attacked by militant Azeri nationalists. As many as 300,000 have been forced to flee to Armenia, thereby adding to the economic deprivation there.

Finally, Azeris have been blocking the rail, train, and gas lines to Armenia. This has forced Armenians to attempt to import goods through Georgia, although only modest amounts of food and gas can be purchased in this fashion. So while the Berlin Wall has come down, another wall of ethnic intolerance has been constructed around Armenia. We must increase our shipments of food, medicine, and clothing to Armenians and intensify our diplomatic efforts to lift the blockade of Armenia. This resolution, which I am introducing today with Senators DOLE, SIMON, and SEYMOUR is intended to express the Senate's desire to take a strong stand in support of Armenia.•

AMENDMENTS SUBMITTED

CABLE TELEVISION CONSUMER PROTECTION ACT

BINGAMAN (AND BYRD) AMENDMENT NO. 1511

Mr. BINGAMAN (for himself and Mr. BYRD) proposed an amendment to the bill (S. 12) to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and to restore the right of local regulatory authorities to regulate cable television rates, and for other purposes, as follows:

On page 116, between lines 14 and 15, insert the following:

SEC. . Section 611 of the Communications Act of 1934 (47 U.S.C. 531) is amended by adding at the end thereof the following:

"(g) INSTRUCTIONAL USE.—

"(1) For purposes of this section, a cable operator acquiring or renewing a cable system franchise after January 1, 1992, shall be required to have at least 1 channel designated for instructional use. In any case in which a cable operator of a cable system, after January 1, 1992, adds an additional 10 or more channels to that system, such operator shall be required to designate at least 1 of such additional channels for instructional use.

"(2) For purposes of this section, 'instructional use' means a use which provides information or instructions of such a nature that can be integrated with elementary, secondary, vocational/technology or postsecondary curricula, or can be used for professional staff development and training.

"(3) No cable operator shall be permitted to delete from the cable system of such operator any signal of a noncommercial educational television station for the purpose of complying with the provisions of this subsection.

"(4) Within 180 days following the date of the enactment of this subsection, the Commission shall issue such regulations as may be necessary to carry out this subsection.".

BROWN AMENDMENT NO. 1512

Mr. BROWN proposed an amendment to the bill S. 12, supra, as follows:

On page 103, line 23, immediately after "the", insert "foregoing".

On page 103, after line 24, add the following:

"(g)(1) Notwithstanding any other provision of this Act, the Commission shall, within 18 months following the date of the enactment of this subsection, promulgate regulations, consistent with the requirements of this subsection, authorizing any cable operator to apply for an exemption from the requirements of subsections (a) through (f).

"(2) Regulations required by paragraph (1) of this subsection shall provide that a cable operator for any system be exempt from the requirements of subsections (a) through (f) at such time as, and provided that, such operator establishes, by such means as the Commission shall prescribe, that there is available for use for each television receiver maintained by each subscriber of such operator a device which permits the subscriber to change readily among all video distribution media with no differential in convenience among the video distribution media.

"(3) Regulations pursuant to paragraph (1) shall provide, among other things—

"(A) for exemptions in accordance with this subsection,

"(B) technical and operating requirements for the device referred to in paragraph (2) of this subsection, and

"(C) for implementing the provisions of section 303(s) of this Act.

"(4) Nothing in this subsection shall be construed to require a subscriber of any cable system to acquire any device referred to in paragraph (2), or to prohibit any such subscriber from acquiring any such device from a source other than the cable operator.

"(5) The device referred to in paragraph (2) shall be made available by a cable operator providing cable services to a system to the subscribers of that system at a nominal charge, and as a part of the basic tier of service.

On page 91, line 8, immediately after "switch", insert a comma and the following: "or other comparable device,".

On page 91, line 9, immediately after the comma, insert "with no differential in convenience among the video distribution media,".

HELMS AMENDMENT NO. 1513

Mr. HELMS proposed an amendment to the bill S. 12, supra; as follows:

At the end of the amendment, add the following new section:

CHILDREN'S PROTECTION FROM INDECENT PROGRAMMING ON LEASED ACCESS CHANNELS

SEC. . (a) Section 612(h) of the Communications Act of 1934 (47 U.S.C. 532(h)), is amended by:

(1) inserting after the words "franchising authority", the words "or the cable operator", and

(2) inserting immediately after the period at the end thereof the following: "This subsection shall permit a cable operator to enforce prospectively a written and published policy of prohibiting programming that the cable operator reasonably believes describes or depicts sexual or excretory activities or organs in a patently offensive manner as measured by contemporary community standards.".

(b) Section 612 of the Communications Act of 1934 (47 U.S.C. 532), is amended by inserting at the end the following new subsection:

"(i)(1) Within 120 days following the date of the enactment of this subsection, the Federal Communications Commission shall promulgate regulations designed to limit the access of children to indecent programming, as defined by Federal Communications Commission regulations and which cable operators have not voluntarily prohibited under subsection (h) of this section, by:

"(A) requiring cable operators to place on a single channel all indecent programs, as identified by program providers, intended for carriage on channels designated for commercial use under this section, and

"(B) requiring cable operators to block such single channel unless the subscriber requests access to such channel in writing, and

"(C) requiring programmers to inform cable operators if the program would be indecent as defined by Federal Communications Commission regulations.

"(2) Cable operators shall comply with the regulations promulgated pursuant to paragraph (1).".

HELMS (AND OTHERS) AMENDMENT NO. 1514

Mr. HELMS (for himself, Mr. THURMOND, and Mr. COATS) proposed an amendment to the bill S. 12, supra, as follows:

At the appropriate place, add the following new section:

CHILDREN'S PROTECTION FROM INDECENT PROGRAMMING ON LEASED ACCESS CHANNELS

SEC. . (a) Section 612(h) of the Communications Act of 1934 (47 U.S.C. 532(h)), is amended by:

(1) inserting after the words "franchising authority", the words "or the cable operator", and

(2) inserting immediately after the period at the end thereof the following: "This subsection shall permit a cable operator to enforce prospectively a written and published policy of prohibiting programming that the cable operator reasonably believes describes or depicts sexual or excretory activities or organs in a patently offensive manner as measured by contemporary community standards.".

(b) Section 612 of the Communications Act of 1934 (47 U.S.C. 532), is amended by inserting at the end the following new subsection:

"(i)(1) Within 120 days following the date of the enactment of this subsection, the Federal Communications Commission shall promulgate regulations designed to limit the access of children to indecent programming, as defined by Federal Communications Commission regulations and which cable operators have not voluntarily prohibited under subsection (h) of this section, by:

"(A) requiring cable operators to place on a single channel all indecent programs, as identified by program providers, intended for carriage on channels designated for commercial use under this section, and

"(B) requiring cable operators to block such single channel unless the subscriber requests access to such channel in writing, and

"(C) requiring programmers to inform cable operators if the program would be indecent as defined by Federal Communications Commission regulations.

"(2) Cable operators shall comply with the regulations promulgated pursuant to paragraph (1).".

FOWLER (AND WIRTH) AMENDMENT NO. 1515

Mr. FOWLER (for himself and Mr. WIRTH) proposed an amendment to the bill S. 12, supra, as follows:

On page 116, between lines 14 and 15, insert the following:

SEC. . (a) Within 180 days following the date of the enactment of this section, the Federal Communications Commission shall promulgate such regulations as may be necessary to enable a cable operator of a system to prohibit the use, on such system, of any channel capacity of any public, educational, or governmental access facility for any programming which contains obscene material, sexually explicit conduct, or material soliciting or promoting unlawful conduct.

HELMS AMENDMENT NO. 1516

Mr. HELMS proposed an amendment to the bill S. 12, supra, as follows:

At the end insert the following:

SEC. . (1) Section 638 of the Communications Act of 1934 (47 U.S.C. 558) is amended by (a) striking the period and (b) adding at the end the following: "unless the program involves obscene material.".

THURMOND (AND OTHERS) AMENDMENT NO. 1517

Mr. THURMOND (for himself, Mr. DECONCINI, Mr. HELMS, and Mr. COATS) proposed an amendment to the bill S. 12, supra, as follows:

At the appropriate place in the amendment, add the following:

The Congress finds that—

the physical attributes of the broadcast medium are such that it is reasonable to assume that minors are likely to be in the broadcast audience during most of the broadcast day;

based on contemporary community standards, there is concern over a growing number of television broadcast programs which at times constitute indecency;

there are instances in network broadcast television programming which involve the depiction of sexual activity directly or by innuendo which is patently offensive under contemporary community standards;

broadcast television programs that depict sexual matters in ways which are obscene, indecent, or profane erode our sense of traditional American values; and

the three major networks have reduced or eliminated their "Standards and Practices" departments which have traditionally reviewed programming for objectionable material: Now, therefore,

it is the sense of the Congress that the television networks and producers should increase their activity to monitor and remove offensive sexual material from their television broadcast programming.

METZENBAUM AMENDMENT NO. 1518

Mr. METZENBAUM proposed an amendment to the bill S. 12, supra, as follows:

At the end of the Committee substitute, add the following:

SEC. 24. APPLICABILITY OF ANTITRUST LAWS.

(a) NO ANTITRUST IMMUNITY.—Nothing in the Cable Television Consumer Protection Act of 1991 shall be construed to alter or restrict in any manner the applicability of any Federal or State antitrust law.

WALLOP AMENDMENT NO. 1519

Mr. WALLOP proposed an amendment to the bill S. 12, supra, as follows:

On page 116, strike out lines 20 through 26 and insert in lieu thereof the following:

REPORT; EFFECTIVE DATE

SEC. 23. (a)(1) Within 90 days following the date of the enactment of this Act, the Federal Communications Commission shall carry out a study for the purpose of conducting an analysis of the impact of the implementation of all rules and regulations required to be issued or promulgated by this Act, and the amendments made by this Act, on employment, economic competitiveness, economic growth, international trade, consumer welfare gained through curtailing monopoly practices of cable companies, and increased opportunities for small businesses and other entrants into the video marketplace to compete with cable.

(2) Such analysis shall also consider the extent to which, if any, the implementation of such rules and regulations would involve the States and political subdivisions thereof, in such implementation and the costs, if any, in requiring such States and subdivisions to assist in carrying out such implementation.

(3) The results of such study shall be reported to Congress within 180 days following the date of the enactment of this Act.

GORTON AMENDMENT NO. 1520

Mr. GORTON proposed an amendment to the bill S. 12, supra; as follows:

At the end, add the following:

EXPANSION OF THE RURAL EXEMPTION TO THE CABLE-TELEPHONE CROSS-OWNERSHIP PROHIBITION

SEC. 24. Section 613(b)(3) of the Communications Act of 1934 (47 U.S.C. 533(b)(3)) is amended by striking "(as defined by the Commission)" and inserting after the period the following: "For the purposes of this paragraph, the term 'rural area' means a geographic area that does not include either—

"(A) any incorporated place of 10,000 inhabitants or more, or any part thereof; or

"(B) any territory, incorporated or unincorporated, included in an urbanized area (as defined by the Bureau of the Census as of the date of the enactment of the Cable Television Consumer Protection Act of 1992.".

NO PROHIBITION AGAINST A LOCAL OR MUNICIPAL AUTHORITY OPERATING AS A MULTICHANNEL VIDEO PROGRAMMING DISTRIBUTOR

SEC. 25. Section 621 of the Communications Act of 1934 (47 U.S.C. 541) is amended by inserting "and subsection (f)" before the comma in paragraph (b)(1) and by adding the following new subsection at the end thereof:

"(f) No provision of this Act shall be construed to—

"(1) prohibit a local or municipal authority that is also, or is affiliated with, a franchising authority from operating as a multichannel video programming distributor in the geographic areas within the jurisdiction of such franchising authority, notwithstanding the granting of one or more franchises by such franchising authority, or

"(2) require such local or municipal authority to secure a franchise to operate as a multichannel video programming distributor.".

On page 113, line 1, insert "may not grant an exclusive franchise and" immediately after "authority".

LEVIN (AND SIMON) AMENDMENT NO. 1521

Mr. INOUYE (for Mr. LEVIN, for himself and Mr. SIMON) proposed an amendment to the bill S. 12, supra, as follows:

Since young children are particularly susceptible to the influence of television;

Since violence depicted on television can have a negative and unusually strong effect on young viewers; and

Since parents who choose to monitor television programs for their children and to avoid their children's viewing acts of violence are limited in their ability to monitor acts of violence depicted in commercials during family programs,

It is the sense of the Senate that cable and television networks and local television stations should establish and follow voluntary guidelines to keep commercials depicting acts or threats of violence out of family programming hours.

PACKWOOD (AND OTHERS) AMENDMENT NO. 1522

Mr. GARN (for Mr. PACKWOOD, for himself, Mr. KERRY, Mr. STEVENS, Mr. WIRTH, Mr. BURNS, Mr. DOLE, Mr. SHELBY, Mr. RUDMAN, Mr. SIMPSON, Mr. BREAUX, and Mr. FOWLER) proposed an amendment to the bill S. 12, supra, as follows:

In lieu of the matter to be inserted the following:

TITLE I—SHORT TITLE, FINDINGS, STATEMENT OF POLICY, AND DEFINITIONS

SEC. 101. SHORT TITLE.

This Act may be cited as the "Cable Television Competition Act of 1992".

SEC. 102. FINDINGS.

The Congress finds and declares the following:

(1) In the early 1980s, the development of the cable television industry in the United States stalled. The industry's plans to wire the Nation's largest cities were in disarray. Overdesigned and uneconomical cable systems were not attracting subscribers in sufficient numbers, largely because of inadequate programming. At the same time, important cable programming services were failing because of low ratings and low revenues. Cable faced a dilemma: It could not attract additional subscribers and increase revenues without new and innovative programming, yet it could not afford to develop such programming without additional subscribers and increased revenues.

(2) In 1984, the Congress moved to deal with this crisis in a comprehensive manner. The Cable Communications Policy Act of 1984 was designed to encourage the growth of cable systems and cable programming efforts for the benefit of consumers through the elimination of unnecessary and burdensome regulation by local franchising authorities.

(3) As the Federal Communications Commission stated in its 1990 report on the cable television industry, the Cable Communications Policy Act of 1984 has achieved much of what Congress intended. Prior to 1984, cable service was available to only 70 percent of American homes, and less than 60 percent of cable subscribers were served by systems with at least 30 channels. Today, cable service is available to 90 percent of American homes, and 90 percent of cable subscribers are served by systems with at least 30 channels. Since 1984, the cable television industry has invested over $5.1 billion in plant and equipment, and annual investment in basic cable programming has more than tripled.

(4) The cable television industry's programming efforts since deregulation have been of particular benefit to consumers. Prior to 1985, there were approximately 40 cable networks available to subscribers. Today, more than 70 cable networks are available to subscribers, and plans are being made to launch more than a dozen new networks in the near future. Through these networks, cable television offers consumers a diverse range of specialized programming options, including gavel-to-gavel coverage of the proceedings of Congress, home shopping services, music videos, 24-hour news reporting, classic movies, and documentaries. Cable television enables a consumer to pick the programming that best meets his or her individual needs and desires.

(5) The growth of the cable television industry since deregulation was fully implemented in 1986 has not been free of controversy. State and local franchising authorities and cable subscribers have complained about rate increases and poor customer service. The cable television industry's competitors have argued that the industry's financial strength, vertical integration into programming, and statutorily-mandated access to both distant and local broadcast signals have given the industry an unfair advantage in the video marketplace.

(6) Although some cable operators have clearly abused the freedom of action afforded them by the Cable Communications Policy Act of 1984, much of the current criticism of the cable television industry is misdirected.

(7) In particular, the debate over cable rates is misleading. In 1972, when the Federal Communications Commission affirmed the legality of local rate regulation, the average price of basic cable service was $5.85. At the end of 1989, it was $16.33—6 percent less than the $17.33 consumers would have paid if cable rates had simply kept up with increases in the Consumer Price Index (CPI). The substantial rate increases in excess of the CIP since full deregulation at the end of 1986 primarily reflect years of excessive local rate regulation that kept both rates and investment in better programming and additional services artificially low. Finally, the latest General Accounting Office survey of cable rates indicates that increases in the so-called "bottom line" measurement of cable rates—the average monthly cable subscriber bill—have moderated substantially over the past two years. In 1990, the "bottom line" increased less than the overall rate of inflation.

(8) In the words of the Federal Communications Commission, today's video marketplace is a "highly dynamic sector in the midst of transition," where relatively new technologies such as cable television and home videotape machines have strongly challenged the formerly dominant broadcast television industry, and even newer technologies such as direct broadcast satellite service are waiting in the wings. In such a dynamic environment, it is difficult to distinguish long-term systemic problems from short-term transitory ones.

(9) The record now before the Congress does not justify massive re-regulation of cable rates; abrogation of the traditional rights of video programmers to control the use of the video programming they develop; or imposition of additional restrictions on cross-ownership, horizontal growth, and vertical integration in the cable industry. In fact, all three of these approaches have the very real potential of crippling the growth of cable programming and service options without significantly benefiting consumers. They also raise serious constitutional questions under the First Amendment.

(10) To the maximum extent, priority should be placed on encouraging competition in the video marketplace rather than re-regulating cable television.

(11) At the same time, in light of the increasing importance of cable service to consumers nationwide, the Federal Communications Commission, in accordance with the universal service policy of the Communications Act of 1934, should be authorized to ensure reasonable access to cable systems—

(A) by regulating the rates charged for basic service by cable systems not subject to effective competition, and

(B) by establishing customer service and technical standards for all cable systems.

(12) There is a substantial governmental and First Amendment interest in ensuring that cable subscribers have access to local noncommercial educational stations which Congress has authorized, as expressed in section 396(a)(5) of the Communications Act of 1934 (47 U.S.C. 396(a)(5)). The distribution of unique noncommercial, educational programming services, including those transmitted by noncommercial educational television stations serving local communities or markets, advances that interest in providing for the further education of our citizens and encouraging "public telecommunications services which will be responsive to the interests of people both in particular localities and throughout the United States, which will constitute an expression of diversity and excellence, and which will constitute a source of alternative telecommunications services for all the citizens of the Nation."

(13) The Federal Government has a substantial interest in making all nonduplicative local public television services available on cable systems because—

(A) public television provides educational and informational programming to the Nation's citizens, thereby advancing the Government's compelling interest in educating its citizens;

(B) public television is a local community institution, supported through local tax dollars and voluntary citizen contributions in excess of $10,800,000,000 since 1972, that provides public service programming that is responsive to the needs and interests of the local community;

(C) the Federal Government, in recognition of public television's integral role in serving the educational and informational needs of local communities, has invested more than $3,000,000,000 in public broadcasting since 1969; and

(D) absent carriage requirements there is a substantial likelihood that citizens, who have supported local public television services, will be deprived of those services.

(14) A primary objective and benefit of our Nation's system of regulation of television and radio broadcasting is the local origination of programming. There is a substantial government interest in ensuring its continuation.

(15) Broadcast television stations continue to be an important source of local news and public affairs programming and other local broadcast services critical to an informed electorate.

(16) Broadcast television programming is supported by revenues generated from advertising broadcast over stations. Such programming is otherwise free to those who own television sets and do not require cable transmission to receive broadcast signals. There is a substantial governmental interest in promoting the continued availability of such free television programming, especially for viewers who are unable to afford other means of receiving programming.

(17) As a result of the growth of cable television, there has been a marked shift in market share from broadcast television to cable television services.

(18) Cable television systems and broadcast television stations increasingly compete for television advertising revenues. As the proportion of households subscribing to cable television increases, proportionately more advertising revenues will be reallocated from broadcast to cable television systems.

(19) A cable television system which carries the signal of a local television broad-

caster is assisting the broadcaster to increase its viewership, and thereby attract additional advertising revenues that otherwise might be earned by the cable system operator. As a result, there is an economic incentive for cable systems to terminate the retransmission of the broadcast signal, refuse to carry new signals, or reposition a broadcast signal to a disadvantageous channel position. There is a substantial likelihood that absent the reimposition of such a requirement, additional local broadcast signals will be deleted, repositioned, or not carried.

(20) As a result of the economic incentive that cable systems have to delete, reposition, or not carry local broadcast signals, coupled with the absence of a requirement that such systems carry local broadcast signals, the economic viability of free local broadcast television and its ability to originate quality local programming will be seriously jeopardized.

(21) Consumers who subscribe to cable television often do so to obtain local broadcast signals which they otherwise would not be able to receive, or to obtain improved signals. Most subscribers to cable television systems do not or cannot maintain antennas to receive broadcast television services, do not have input selector switches to convert from a cable to antenna reception system, or cannot otherwise receive broadcast television services. The regulatory system created by the Cable Communications Policy Act of 1984 was premised upon the continued existence of mandatory carriage obligations for cable systems, ensuring that local stations would be protected from anticompetitive conduct by cable systems.

(22) Cable television systems often are the single most efficient distribution system for television programming. A government mandate for a substantial societal investment in alternative distribution systems for cable subscribers, such as the "A/B" input selector antenna system, is not an enduring or feasible method of distribution and is not in the public interest.

(23) At the same time, broadcast programming that is carried remains the most popular programming on cable systems, and a substantial portion of the benefits for which consumers pay cable systems is derived from carriage of the signals of network affiliates, independent television stations, and public television stations. Also, cable programming placed on channels adjacent to popular off-the-air signals obtains a larger audience than on other channel positions. Cable systems, therefore, obtain great benefits from local broadcast signals which, until now, they have been able to obtain without the consent of the broadcaster or any copyright liability. This has resulted in an effective subsidy of the development of cable systems by local broadcasters. While at one time, when cable systems did not attempt to compete with local broadcasters for programming, audience, and advertising, this subsidy may have been appropriate, it is so no longer and results in a competitive imbalance between the two industries.

SEC. 103. STATEMENT OF POLICY.

It is the policy of the Congress in this Act to—

(1) build upon the substantial success of the Cable Communications Policy Act of 1984 in addressing current concerns over the cable industry's conduct and trends in the video marketplace as a whole;

(2) continue, through market-oriented means, to encourage the cable industry and other video programmers and video programming distributors to provide, in an efficient and effective manner, the widest possible diversity of information sources and services to the public;

(3) further the interests of consumers by enhancing competition in the video programming market by reducing the regulatory burden on the cable industry's competitors, particularly the broadcast television industry;

(4) utilize, to the fullest extent, the expertise of the Federal Communications Commission to monitor changes in the video marketplace and determine whether administrative or legislative action, particularly action to further reduce regulation, is needed to respond to such changes; and

(5) avoid imposing additional regulation on the cable industry or any other video programmer or video programming distributor unless such regulation is clearly necessary to protect the interest of the public.

SEC. 104. DEFINITIONS.

(a) Section 602 of the Communications Act of 1934 (47 U.S.C. 522) is amended by redesignating paragraph (1) as paragraph (2), by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively, by redesignating paragraphs (4) through (10) as paragraphs (7) through (13), respectively, by redesignating paragraphs (11) and (12) as paragraphs (16) and (17), respectively, by redesignating paragraph (13) as paragraph (19), by redesignating paragraphs (14) and (15) as paragraphs (23) and (24), respectively, and by redesignating paragraph (16) as paragraph (28).

(b) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately before paragraph (2), as so redesignated, the following new paragraph:

"(1) the term 'activated channels' means those channels engineered at the headend of a cable system for the provision of services generally available to residential subscribers of the cable system, regardless of whether such services actually are provided, including any channel designated for public, educational, or governmental use;".

(c) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (2), as so redesignated, the following new paragraph:

"(3) the term 'available to a household' or 'available to a home' when used in reference to a multichannel video programming distributor means a particular household which is a subscriber or customer of the distributor or a particular household which is actively and currently sought as a subscriber or customer by a multichannel video programming distributor;".

(d) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (5), as so redesignated, the following new paragraph:

"(6) the term 'cable community' means the households in the geographic area in which a cable system provides cable service;".

(e) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (13), as so redesignated, the following new paragraphs:

"(14) the term 'headend' means the location of any equipment of a cable system used to process the signals of television broadcast stations for redistribution to subscribers;

"(15) the term 'multichannel video programming distributor' means a person such as, but not limited to, a cable operator, a multichannel multipoint distribution service, a direct broadcast satellite service, or a television receive-only satellite program distributor, who makes available for purchase, by subscribers or customers, multiple channels of video programming;".

(f) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (17), as so redesignated, the following new paragraph:

"(18) the term 'principal headend' means—

"(A) the headend, in the case of a cable system with a single headend, or

"(B) in the case of a cable system with more than one headend, the headend designated by the cable operator to the Commission as the principal headend, except that such designation shall not undermine or evade the requirements of section 614;".

(g) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (19), as so redesignated, the following new paragraphs:

"(20)(A) the term 'local commerical television station' means any full power television broadcast station, determined by the Commission to be a commerical station, licensed and operating on a channel regularly assigned to its community by the Commission that, with respect to a particular cable system, is within the same television market as the cable system (for purposes of this subparagraph, a television broadcasting station's television market shall be defined as specified in section 73.3555(d) of title 47, Code of Federal Regulations, as in effect on May 1, 1991, except that, following a written request, the Commission may, with respect to a particular television broadcast station, include or exclude communities from such station's television market to better effectuate the purposes of this Act);

"(B) where such a television broadcast station would, with respect to a particular cable system, be considered a distant signal under section 111 of title 17, United States Code, it shall be deemed to be a local commercial television station upon agreement to reimburse the cable operator for the incremental copyright costs assessed against such operator as a result of being carried on the cable system;

"(C) the term 'local commercial station' shall not include television translator stations and other passive repeaters which operate pursuant to part 74 of title 47, Code of Federal Regulations, or any successor regulations thereto;

"(21) the term 'qualified noncommercial educational television station' means any television broadcast station which—

"(A)(i) under the rules and regulations of the Commission in effect on March 29, 1990, is licensed by the Commission as a noncommercial educational television broadcast station and which is owned and operated by a public agency, nonprofit foundation, corporation, or association; or

"(ii) is owned or operated by a municipality and transmits only noncommerical programs for educational purposes; or

"(B) has as its licensee an entity which is eligible to receive a community service grant, or any successor grant thereto, from the Corporation for Public Broadcasting, or any successor organization thereto, on the basis of the formula set forth in section 396(k)(6)(B) (47 U.S.C. 396(k)(6)(B));

such term includes (I) the translator of any noncommercial educational television station with five watts or higher power serving the cable community, (II) a full service station or translator if such station or translator is licensed to a channel reserved for noncommerical educational use pursuant to section 73.606 of title 47, Code of Federal Regulations, or any successor regulations thereto, and (III) such stations and translators operating on channels not so reserved as the Commission determines are qualified as noncommerical educational stations;

"(22) the term 'qualified low power station' means any television broadcast station conforming to the rules established for Low Power Television Stations contained in part 74 of title 47, Code of Federal Regulations, only if—

(A) such station broadcasts during at least the minimum number of hours of operation required by the Commission for television broadcast stations under part 73 of title 47, Code of Federal Regulations, and a significant part of their programming, in an amount to be determined by the Commission, is locally originated and produced;

(B) such station meets all obligations and requirements applicable to television broadcast stations under part 73 of title 47, Code of Federal Regulations, with respect to the broadcast of nonentertainment programming; programming and rates involving political candidates, election issues, controversial issues of public importance, editorials, and personal attacks; programming for children; and equal employment opportunity;

"(C) such station complies with interference regulations consistent with their secondary status pursuant to part 74 of title 47, Code of Federal Regulations; and

"(D) such station is located no more than 35 miles from the cable system's headend, or no more than 20 miles if the low power station is located within one of the 50 largest Standard Metropolitan Statistical Areas, and delivers to the input terminals of the signal processing equipment at the cable system headend a signal level of -45 dBm for UHF stations and -49 dBm for VHF stations; nothing in this paragraph shall be construed to grant any low power station primary status for spectrum occupancy;"

(h) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended—

(1) by striking "and" at the end of paragraph (24), as so redesignated; and

(2) by inserting immediately after such paragraph (24) the following new paragraphs:

"(25) the term 'usable activated channels' means activated channels of a cable system, except those channels whose use for the distribution of broadcast signals would conflict with technical and safety regulations as determined by the Commission;

"(26) the term 'video programmer' means a person engaged in the production, creation, or wholesale distribution of a video programming service for sale;

"(27) the term 'Line 21 closed caption' means a data signal which, when decoded, provides a visual depiction of information simultaneously being presented on the aural channel of a television signal; and".

(i) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by amending paragraph (4), as so redesignated, to read as follows:

"(4) the term 'basic cable service' means any service tier which includes retransmitted local television broadcast signals; public, educational, or governmental access channels; or video programming services providing comprehensive, gavel-to-gavel coverage of the proceedings of either House of Congress;".

TITLE II—EXPANDING COMPETITION IN THE VIDEO MARKETPLACE THROUGH REDUCED REGULATION

SEC. 201. ELIMINATION OF THE RESTRICTION ON MULTIPLE OWNERSHIP OF BROADCAST STATIONS.

In order to encourage the development of regional broadcast operations and networks and enhance the ability of the broadcast industry as a whole to compete with the cable television industry and other video programming distributors, the regulation adopted by the Federal Communications Commission to limit the total number of broadcast stations in any service that can be owned, operated, or controlled by a party or group of parties under common control (47 C.F.R. 73.3555(d)) is hereby repealed.

SEC. 202 EXPANSION OF THE RURAL EXEMPTION TO THE CABLE-TELEPHONE CROSS-OWNERSHIP PROHIBITION.

Section 613(b)(3) of the Communications Act of 1934 (47 U.S.C. 533(b)(3)) is amended by striking "(as defined by the Commission)" and inserting after the period the following: "For the purposes of this paragraph, the term 'rural area' means a geographic area that does not include either—

"(A) any incorporated place of 10,000 inhabitants or more, or any part thereof; or

"(B) any territory, incorporated or unincorporated, included in an urbanized area (as defined by the Bureau of the Census as of the date of enactment of the Cable Television Competition Act of 1992).".

SEC. 203. FRANCHISE REFORM.

(a) FRANCHISE RENEWALS.—Section 626 of the Communications Act of 1934 (47 U.S.C. 546) is amended—

(1) in subsection (a), by inserting "written" before "request" and by inserting at the end of the subsection the following: "Commencement of proceedings under this section by the franchising authority on its own initiative or timely submission of a written request by the cable operator specifically asking for the commencement of such proceedings is required for the cable operator to invoke the renewal procedures set forth in subsections (a) through (g). In accordance with the provisions of subsection (j), the franchising authority may on its own initiative commence proceedings under this subsection during the 6-month period after the tenth anniversary of the current franchise term.";

(2) in subsection (b)—

(A) by inserting the following new paragraph at the beginning of the subsection:

"(1) The franchising authority shall have 1 year from the date it commences on its own initiative proceedings under subsection (a) or from the date it receives a timely written request from the cable operator specifically asking for the commencement of such proceedings to compare such proceedings. This period may be extended by mutual agreement between the franchising authority and the cable operator.";

(B) by renumbering the following paragraphs accordingly;

(C) by deleting "a proceeding" in paragraph (2), as renumbered, and inserting in lieu thereof "proceedings under subsection (a)"; and

(D) by inserting "reasonable" before "date" in paragraph (4), as renumbered;

(3) in subsection (c), by inserting "pursuant to subsection (b)" before the first comma, by deleting "completion of any proceedings under subsection (a)" and inserting in lieu thereof "date of submission of the cable operator's proposal pursuant to subsection (b)", by inserting "cable" before the third occurrence of "operator", and by inserting ", throughout the franchise term" after "whether";

(4) by amending subsection (d) to read as follows:

"(d)(1) Any denial of a proposal for renewal which has been submitted in compliance with subsection (b) shall be based on one or more adverse findings made with respect to the factors described in subparagraphs (A) through (D) of subsection (c)(1), pursuant to the record of the proceeding under subsection (c).

"(2) A franchising authority may not base a denial of renewal on a failure to substantially comply with the material terms of the franchise under subsection (c)(1)(A) or on events considered under subsection (c)(1)(B) in any case in which such failure to comply or such events occur—

"(A) after the effective date of this title and before the date of enactment of the Cable Television Competition Act of 1992 unless the franchising authority has provided the cable operator with notice and the opportunity to cure; or

"(B) after the date of enactment of the Cable Television Competition Act of 1992 unless the franchising authority has provided the cable operator with written notice and the opportunity to cure.

"(3) A franchising authority may not base a denial of renewal on a failure to substantially comply with the material terms of the franchise under subsection (c)(1)(A) or on events considered under subsection (c)(1)(B) in any case in which it is documented that the franchising authority—

"(A) has waived its right to object, or has effectively acquiesced, to such failure to comply or to such events prior to the date of enactment of the Cable Television Competition Act of 1992, or

"(B) has waived in writing its right to object to such failure to comply or to such events after the date of enactment of the Cable Television Competition Act of 1992."; and

(5) at the end of the section, by inserting the following new subsections:

"(i) Notwithstanding the provisions of subsections (a) through (h) of this section, any lawful action to revoke a cable operator's franchise for cause shall not be negated by the initiation of renewal proceedings by the cable operator under this section.

"(j) Notwithstanding any other provision of law, a franchising authority may establish as part of any franchise or franchise renewal granted after the date of enactment of the Cable Television Competition Act of 1992, a provision permitting such franchising authority to commence the process set forth in subsections (a) through (g) of this section during the 6-month period immediately following the tenth anniversary of the current franchise term, regardless of the duration of such franchise or franchise renewal beyond such date. Nothing in this subsection shall be construed to prohibit a cable operator from seeking renewal under subsection (h).".

(b) MULTIPLE FRANCHISES.—(1) Section 621(a) of the Communications Act of 1934 (47 U.S.C. 541(a)) is amended—

(A) by striking "1 or more" in paragraph (1);

(B) by adding at the end of provision (1) the following: "No franchising authority shall grant an exclusive franchise to any cable operator or unreasonably refuse to award to an applicant an additional competitive franchise with terms substantially equivalent to those granted the incumbent cable operator. Any applicant whose application for an additional competitive franchise has been denied by a final decision of a franchising authority may appeal such final decision pursuant to the provisions of section 635."; and

(C) by adding at the end thereof the following new paragraph:

"(4) In awarding a franchise, the franchising authority shall allow the applicant's cable system a reasonable period of time to become capable of providing cable service to all households in the geographic area within the jurisdiction of such franchising authority.".

(2) Section 635(a) of the Communications Act of 1934 (47 U.S.C. 555(a)) is amended by inserting "621(a)(1)," immediately after "section".

(c) NO PROHIBITION AGAINST A LOCAL OR MUNICIPAL AUTHORITY OPERATING AS A MULTICHANNEL VIDEO PROGRAMMING DISTRIBUTOR.—Section 621 of the Communications Act of 1934 (47 U.S.C. 541) is amended by adding "and subsection (f)" before the comma in provision (b)(1) and by adding the following new subsection at the end thereof:

"(f) No provision of this Act shall be construed to—

"(1) prohibit a local or municipal authority that is also, or is affiliated with, a franchising authority from operating as a multichannel video programming distributor in the geographic area within the jurisdiction of such franchising authority, notwithstanding the granting of one or more franchises by such franchising authority, or

"(2) require such local or municipal authority to secure a franchise to operate as a multichannel video programming distributor.".

SEC. 204. MONITORING COMPETITION IN THE VIDEO MARKETPLACE.

(a) BIENNIAL REPORT REQUIRED.—Starting in 1993, the Federal Communications Commission shall prepare and submit to the President and Congress biennial reports regarding the level of competition in the video marketplace. Such a report shall be submitted not later than 60 days after the convening of each new Congress.

(b) CONTENT OF REPORT.—(1) Each report submitted pursuant to this section shall examine, among any other factors deemed appropriate by the Federal Communications Commission, changes in—

(A) the structure of the domestic and international video marketplace, including ownership and joint venture patterns, vertical and horizontal consolidation, and marketing and pricing approaches;

(B) the viewing and buying habits of the general public;

(C) video programming production and distribution technology; and

(D) the legislative and administrative regulatory structure that shapes the video marketplace.

(2) Each part submitted pursuant to this section shall discuss the impact of the factors set forth in paragraph (1) on the level of competition in the video marketplace and shall make specific recommendations regarding administrative and legislative steps that could be taken to reduce the regulation of, and enhance competition within, the video marketplace.

TITLE III—AMENDMENTS TO THE CABLE COMMUNICATIONS POLICY ACT OF 1984 AND OTHER MATTERS

SEC. 301. REGULATION OF CABLE RATES.

(A) Section 623 of the Communications Act of 1934 (47 U.S.C. 543) is amended to read as follows:

"SEC. 623. REGULATION OF CABLE RATES.

"(A) SCOPE OF RATE REGULATION AUTHORITY.—No Federal agency or State shall regulate rates for provision of cable service or installation or rental of equipment (including remote control devices) used for the receipt of such service except to the extent provided under this section and section 612. No franchising authority shall regulate rates for provision of cable service, provision of any other communications service provided over a cable system to cable subscribers, or installation or rental of equipment (including remote control devices) used for the receipt of such services except to the extent provided under this section, section 612, and section 621.

"(b) RATE REGULATION BY THE COMMISSION.—(1) If the Commission finds that a cable system is not subject to effective competition, the Commission shall determine and prescribe just and reasonable rates for the provision on such system of basic cable service and the installation or rental of equipment (including remote control devices) used for the receipt of such service. The Commission shall further ensure that such cable system, in the provision of programming services offered on a per channel or per program basis, does not unreasonably or unjustly discriminate against subscribers who subscribe only to basic cable service or otherwise penalize such subscribers for choosing to subscribe to a regulated service tier.

"(2) Within 180 days after the date of enactment of the Cable Television Competition Act of 1992, the Commission shall promulgate procedures, standards, requirements, and guidelines to establish just and reasonable rates to be charged by a cable system not subject to effective competition for basic cable service and for the installation or rental of equipment (including remote control devices) used for the receipt of such service.

"(3)(A) Except as provided in subparagraph (B), no provision of this Act shall prevent a cable operator from adding or deleting from a basic cable service tier any video programming.

"(B) No cable operator shall delete from a basic service tier retransmitted local television broadcast signals; public, educational, or governmental access channels; or video programming services providing comprehensive, gavel-to-gavel coverage of the proceedings of either House of Congress: *Provided however*, That a cable operator may move such signals, channels, and services to a common basic service tier.

"(c) RATE REGULATION BY A FRANCHISING AUTHORITY.—(1) Within 180 days of the date of enactment of the Cable Television Competition Act of 1992, the Commission shall promulgate regulations to authorize a franchising authority, if it so chooses, to implement subsection (b)(1) in lieu of the Commission and in a manner consistent with the procedures, standards, requirements, and guidelines established pursuant to subsection (b)(2).

"(2) Upon petition by a cable operator, the Commission shall review the implementation of subsection (b)(1) by a franchising authority. If the Commission finds that such franchising authority has acted inconsistently with the procedures, standards, requirements, and guidelines established pursuant to subsection (b)(2), it shall grant appropriate relief and, if necessary, revoke such franchising authority's authorization to implement subsection (b)(1).

"(d) CONSIDERATION OF RATE INCREASE REQUESTS.—A cable operator may file with the Commission, or a franchising authority authorized to regulate rates pursuant to subsection (c), a request for a rate increase in the price of a basic cable service tier or in the price of installing or renting equipment (including remote control devices) used in the receipt of basic cable service. Any such request upon which final action is not taken within 180 days shall be deemed granted.

"(e) EFFECTIVE COMPETITION DEFINED.—For the purposes of this section, a cable system shall be considered subject to effective competition if—

"(1) one or more independently-owned multichannel video programming distributors offer service, in competition with such cable system, to at least 50 percent of the homes passed by such cable system, and

"(2) at least 10 percent of such homes subscribe to such service.

"(f) DISCRIMINATION PROHIBITED.—(1) A cable operator shall have a rate structure for the provision of cable service that is uniform throughout the geographic area covered by the franchise granted to such cable operator.

"(2) No provision of this title shall be construed to prohibit any Federal agency, State, or franchising authority from—

"(A) prohibiting discrimination among subscribers to any service tier; or

"(B) requiring and regulating the installation or rental of equipment to facilitate the reception of cable service by hearing-impaired individuals.".

SEC. 302. CUSTOMER SERVICE STANDARDS AND REQUIREMENTS.

Section 632 of the Communications Act of 1934 (47 U.S.C. 552) is amended—

(1) in subsection (a), by inserting "may establish and" immediately after "authority";

(2) by amending subsection (b) to read as follows:

"(b) ENFORCEMENT POWERS OF FRANCHISING AUTHORITY.—A franchising authority may enforce—

"(1) any provision, contained in any franchise, relating to requirements described in subsection (a), to the extent not inconsistent with this title;

"(2) any customer service standard established by the Commission pursuant to subsection (d); or

"(3) any customer service requirement that exceeds the standards established by the Commission pursuant to subsection (d) but only if such requirement—

"(A) exists as part of a franchise or franchise renewal on the date of enactment of the Cable Television Competition Act of 1992; or

"(B) is imposed by—

"(i) a municipal ordinance or agreement in effect on the date of enactment of the Cable Television Competition Act of 1992, or

"(ii) a State law."; and

(3) by adding at the end the following new subsections:

"(d) ESTABLISHMENT OF CUSTOMER SERVICE STANDARDS BY THE COMMISSION.—The Commission, within one year after the date of enactment of the Cable Television Competition Act of 1992, shall, after notice and an opportunity for public comment, prescribe and make effective regulations to establish customer service standards to ensure that all cable subscribers are fairly served. Thereafter, the Commission shall regularly review the standards and make such modifications as may be necessary to ensure that cable subscribers are fairly served.

"(e) COMMISSION REVIEW OF A FRANCHISING AUTHORITY'S ENFORCEMENT OF CUSTOMER SERVICE STANDARDS AND REQUIREMENTS.—Upon petition by a cable operator, the Commission shall review the enforcement by a franchising authority of customer service standards and requirements under subsection (b). If the Commission finds that such franchising authority has acted inconsistently with the authorization granted by subsection (b), it shall grant appropriate relief.".

SEC. 303. MINIMUM TECHNICAL STANDARDS AND TESTING REQUIREMENTS.

Section 624(e) of the Communications Act of 1934 (47 U.S.C. 544(e)) is amended to read as follows:

"(e) ESTABLISHMENT AND ENFORCEMENT OF MINIMUM TECHNICAL STANDARDS BY THE COMMISSION.—(1)(A) The Commission shall, within one year after the date of enactment of the Cable Television Competition Act of 1992, prescribe and make effective regulations that establish minimum technical standards, and requirements for testing such standards, to ensure adequate signal quality for all classes of video programming signals provided over a cable system, and thereafter shall periodically update such standards and requirements to reflect improvements in technology.

"(B) The Commission shall establish guidelines and procedures for complaints or petitions asserting the failure of a cable operator to meet the standards or requirements established pursuant to this subsection and may require compliance with and enforce any such standard or requirement. The Commission shall also establish procedures and guidelines for the enforcement of such standards and requirements by a franchising authority.

"(C) The Commission, upon a determination that such action is required in the public interest, may modify or waive any standard or requirement established pursuant to this section upon petition from a cable operator or franchising authority.

"(2) Neither a State nor political subdivision thereof nor a franchising authority shall establish or enforce any technical standards or testing requirements in addition to, or different from, the standards or requirements established by the Commission.

"(3) Upon petition by a cable operator, the Commission shall review the enforcement of minimum technical standards and testing requirements by a franchising authority. If the Commission finds that such franchising authority has acted inconsistently with the procedures and guidelines established pursuant to paragraph (1)(B), it shall grant appropriate relief.".

SEC. 304. CONSUMER PROTECTION.

(a) PROTECTION OF SUBSCRIBER PRIVACY.—Section 631(c)(1) of the Communications Act of 1934 (47 U.S.C. 55(c)(1)) is amended by inserting immediately before the period at the end the following: "and shall take such actions as are necessary to prevent unauthorized access to such information by a person other than the subscriber or cable operator".

(b) SUBSCRIBER BILL ITEMIZATION.—Section 622(c) of the Communications Act of 1934 (47 U.S.C. 542(c)) is amended to read as follows:

"(c) Each cable operator may identify, in accordance with standards prescribed by the Commission, as a separate line item on each regular bill of each subscriber, each of the following:

"(1) the amount of the total bill assessed as a franchise fee and the identity of the franchising authority to which the fee is paid;

"(2) the amount of the total bill assessed to satisfy any requirements imposed on the cable operator by the franchise agreement to support public, educational, or governmental channels or the use of such channels; and

"(3) the amount of any other fee, tax, assessment, or charge of any kind imposed by any governmental authority on the transaction between the operator and the subscriber.".

(c) SERVICES AND EQUIPMENT NOT AFFIRMATIVELY REQUESTED.—Section 623 of the Communications Act of 1934 (47 U.S.C. 543), as amended by this Act, is further amended by adding at the end the following new subsection:

"(g) A cable operator shall not charge a subscriber for any service or equipment that the subscriber has not affirmatively requested by name. For purposes of this subsection, a subscriber's failure to refuse a cable operator's proposal to provide such service or equipment shall not be deemed to be an affirmative request for such service or equipment.".

(d) RIGHT TO REFUSE PREMIUM CHANNEL SERVICE.—Section 624(d) of the Communications Act of 1934 (47 U.S.C. 544(d)) is amended by adding the following new paragraph:

"(3)(A) If a cable operator provides a "premium channel" without charge to cable subscribers who do not subscribe to the "premium channel(s)", the cable operator shall, not later than 60 days before such "premium channel" is provided without charge—

"(i) notify all cable subscribers that the cable operator plans to provide a "premium channel(s)" without charge;

"(ii) notify all cable subscribers when the cable operator plans to provide a "premium channel(s)" without charge;

"(iii) notify all cable subscribers that they have a right to request that the channel carrying the "premium channel" be blocked; and

"(iv) block the channel carrying the "premium channel" upon the request of a subscriber.

"(B) For the purposes of this section, the term "premium channel" shall mean any pay service offered on a per channel or per program basis, which offers movies rated by the Motion Picture Association as X, NR-17 or R.".

(e) NOTICE AND OPTIONS TO CONSUMERS REGARDING CABLE EQUIPMENT.—The Communications Act of 1934 (47 U.S.C. 151 et seq.) is amended by adding after section 624 the following new section:

"SEC. 624A. NOTICE AND OPTIONS TO CONSUMERS REGARDING CONSUMER ELECTRONICS EQUIPMENT.

"(a) This section may be cited as the 'Cable Equipment Act of 1992'.

"(b) The Congress finds that—

"(1) the use of converter boxes to receive cable television may disable certain functions of televisions and VCRs, including, for example, the ability to—

"(A) watch a program on one channel while simultaneously using a VCR to tape a different program on another channel;

"(B) use a VCR to tape two consecutive programs that appear on different channels; or

"(C) use certain special features of a television such as a 'picture-in-picture' feature; and

"(2) cable operators should, to the extent possible, employ technology that allows cable television subscribers to enjoy the full benefit of the functions available on televisions and VCRs.

"(c) As used in this section:

"(1) the term 'converter box' means a device that—

"(A) allows televisions that do not have adequate channel tuning capability to receive the service offered by cable operators; or

"(B) decodes signals that cable operators deliver to subscribers in scrambled form.

"(2) the term 'VCR' means a videocassette recorder.

"(d)(1) cable operators shall not scramble or otherwise encrypt any local broadcast signal, except where authorized under paragraph (3) of this subsection to protect against the substantial theft of cable service.

"(2) Notwithstanding paragraph (1) of this subsection, there shall be no limitation on the use of scrambling or encryption technology where the use of such technology does not interfere with the functions of subscribers' televisions or VCRs.

"(3) Within 180 days after the date of enactment of this section, the Commission shall issue regulations prescribing the circumstances under which a cable operator may, if necessary to protect against the substantial theft of cable service, scramble or otherwise encrypt any local broadcast signal.

"(4) The Commission shall periodically review and, if necessary, modify the regulations issued pursuant to this subsection in light of any actions taken in response to regulations issued under subsection (i).

"(e) Within 180 days after the date of enactment of this section, the Commission shall promulgate regulations requiring a cable operator offering any channels the reception of which requires a converter box to—

"(1) notify subscribers that if their cable service is delivered through a converter box, rather than directly to the subscribers' televisions or VCRs, the subscribers may be unable to enjoy certain functions of their televisions or VCRs, including the ability to—

"(A) watch a program on one channel while simultaneously using a VCR to tape a different program on another channel;

"(B) use a VCR to tape two consecutive programs that appear on different channels; or

"(C) use a certain television feature such as 'picture-in-picture';

"(2) offer new and current subscribers who do not receive or wish to receive channels the reception of which requires a converter box, the option of having their cable service installed, in the case of new subscribers, or reinstalled, in the case of current subscribers, by direct connection to the subscribers' televisions or VCRs, without passing through a converter box; and

"(3) offer new and current subscribers who receive, or wish to receive, channels the reception of which requires a converter box, the option of having their cable service installed, in the case of new subscribers, or reinstalled, in the case of current subscribers, in such a way that those channels the reception of which does not require a converter box are delivered to the subscribers' televisions or VCRs without passing through a converter box.

"(f) Any charges for installing or reinstalling cable service pursuant to subsection (e) shall be subject to the provisions of Section 623(b)(1).

"(g) Within 180 days after the date of enactment of this section, the Commission shall promulgate regulations relating to the use of remote control devices that shall—

"(1) require a cable operator who offers subscribers the option of renting a remote control unit—

"(A) to notify subscribers that they may purchase a commercially available remote control device from any source that sells such devices rather than renting it from the cable operator; and

"(B) to specify the types of remote control units that are compatible with the converter box supplied by the cable operator; and

"(2) prohibit a cable operator from taking any action that prevents or in any way disables the converter box supplied by the cable operator from operating compatibly with commercially available remote control units.

"(h) Within 180 days after the date of enactment of this section, the Commission, in consultation with representatives of the cable industry and the consumer electronics industry, shall report to the Congress on means of assuring compatibility between televisions and VCRs and cable systems so that cable subscribers will be able to enjoy the full benefit of both the programming available on cable systems and the functions available on their televisions and VCRs.

"(i) Within 1 year after the date of enactment of this section, the Commission shall issue regulations requiring such actions as may be necessary to assure the compatibility interface described in subsection (h).".

"(f) Review of Home Shopping Networks.—Within 90 days after the date of enactment of this Act, the Federal Communications Commission shall commence an inquiry to determine whether broadcast television stations whose programming consists predominately of sales presentations are serving the public interest, convenience, and necessity. The Commission shall take into consideration the viewing of such stations, the level of competing demands for the channels allocated to such stations, and the role of such stations in providing competition to nonbroadcast services offering similar programming. In the event that the Commission concludes that one or more of such stations are not serving the public interest, convenience, and necessity, the Commission shall allow the licensees of such stations a reasonable period within which to provide different programming, and shall not deny such stations a renewal expectancy due to their prior programming.

SEC. 305. HOME WIRING.

Section 624 of the Communications Act of 1934 (17 U.S.C. 544) is amended by adding at the end the following new subsection:

"(g) Within 120 days after the date of enactment of this subsection, the Commission shall prescribe rules and regulations concerning the disposition, after a subscriber to a cable system terminates service, of any cable installed by the cable operator within the premises of such subscriber.".

SEC. 306. MINORITY PROGRAMMING.

Section 612 of the Communications Act of 1934 (47 U.S.C. 523) is amended by adding at the end the following new subsection:

"(i)(1) Notwithstanding the provisions of subsections (b) and (c), a cable operator required by this section to designate channel capacity for commercial use may use any such channel capacity for the provision of programming from a qualified minority programming source (if such source is not affiliated with the cable operator), if such programming is not already carried on the cable system. The channel capacity used to provide programming from a qualified minority programming source pursuant to this subsection may not exceed 33 percent of the channel capacity designated pursuant to this section. No programming provided over a cable system on July 1, 1990, may qualify as minority programming on that cable system under this subsection.

"(2) For purposes of this subsection—

"(A) the term 'qualified minority programming source' means a programming source which devotes significantly all of its programming to coverage of minority viewpoints, or to programming directed at members of minority groups, and which is over 50 percent minority-owned; and

"(B) the term 'minority' includes Blacks, Hispanics, American Indians, Alaska Natives, Asians, and Pacific Islanders.".

SEC. 307. RETRANSMISSION CONSENT.

(a) Section 325 of the Communications Act of 1934 (47 U.S.C. 235) is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting immediately after subsection (a) the following new subsection:

"(b)(1) Prohibition on Retransmission of Broadcast Signal Without Consent.—(A) Following the date that is one year after the date of enactment of this section, no cable system or other multichannel video programming distributor shall retransmit the signal of a broadcasting station, or any part thereof, without the express authority of the originating station, except as permitted by section 614.

"(B) The provisions of this section shall not apply to—

(i) retransmission of the signal of a noncommercial broadcasting station;

(ii) retransmission directly to a home satellite antenna of the signal of a broadcasting station that is not owned or operated by, or affiliated with, a broadcasting network, if such signal was retransmitted by a satellite carrier on May 1, 1991;

(iii) retransmission of the signal of a broadcasting station that is owned operated by, or affiliated with, a broadcasting network directly to a home satellite antenna, if the household receiving the signal is an unserved household; or

(iv) retransmission by a cable operator or other multichannel video programming distributor of the signal of a superstation if such signal was obtained from a satellite carrier and the originating station was a superstation on May 1, 1991.

For purposes of this subparagraph, the terms 'satellite carrier', 'superstation', and 'unserved household' have the meanings given those terms, respectively, in section 119(d) of title 17, United States Code, as in effect on the date of enactment of this subsection.

"(C) Within 45 days after the date of enactment of this subsection, the Commission shall commence a rulemaking proceeding to establish regulations to govern the exercise by television broadcast stations of the right to grant retransmission consent under this subsection and of the right to signal carriage under section 614, and such other regulations as are necessary to administer the limitations contained in subparagraph (B). The Commission shall consider in such proceeding the impact that the grant of retransmission consent by television stations may have on the rates for basic cable service and shall ensure that rates for basic cable service are reasonable. Such rulemaking proceeding shall be completed within six months after its commencement.

"(2) Election of Retransmission Consent or Mandatory Carriage.—(A) The regulations required by paragraph (1)(C) shall require that television stations, within one year after the date of enactment of this subsection and every three years thereafter, make an election between the right to grant retransmission consent under this subsection and the right to signal carriage under section 614. If there is more than one cable system which serves the same geographic area, a station's election shall apply to all such cable systems.

"(B) If an originating television station elects under subparagraph (A) to exercise its right to grant retransmission consent under this subsection with respect to a cable system, the provisions of section 614 shall not apply to the carriage of the signal of such station by such cable system.

"(3) The exercise by a television broadcast station of the right to grant retransmission consent under this subsection shall not interfere with or supersede the rights under section 614 or 615 of any station electing to assert the right to signal carriage under that section.

"(4) Nothing in this section shall be construed as modifying the compulsory copyright license established in section 111 of title 17, United States Code, or as affecting existing or future video programming licensing agreements between broadcasting stations and video programmers.".

SEC. 308. CARRIAGE OF LOCAL BROADCAST SIGNALS.

(a) Part II of title VI of the Communications Act of 1934 (47 U.S.C. 531 et seq.) is amended by inserting immediately after section 613 the following new sections:

"SEC. 614. CARRIAGE OF LOCAL COMMERCIAL TELEVISION SIGNALS.

"(a) Each cable operator shall carry, on the cable system of that operator, the signals of local commercial television stations and qualified low power stations as provided by this section. Carriage of additional broadcast television signals on such system shall be at the discretion of such operator, subject to section 325(b).

"(b)(1)(A) A cable operator of a cable system with 12 or fewer usable activated channels shall carry the signals of at least three local commercial television stations, except that if such a system has 300 or fewer subscribers, it shall not be subject to any requirements under this section so long as such system does not delete from carriage by that system any signal of a broadcast television station.

"(B) A cable operator of a cable system with more than 12 usable activated channels shall carry the signals of local commercial television stations, up to a maximum of one-third of the aggregate number of usable activated channels of such system.

"(2) Whenever the number of local commercial television stations exceeds the maximum number of signals a cable system is required to carry under paragraph (1), the cable operator shall have discretion in selecting which such signals shall be carried on its cable system, except that—

"(A) under no circumstances shall a cable operator carry a qualified low power station in lieu of a local commercial television station; and

"(B) if the cable operator elects to carry an affiliate of a broadcast network (as such term is defined by the Commission by regulation), such cable operator shall carry the affiliate of such broadcast network whose city of license reference point, as defined under section 76.53 of title 47, Code of Federal Regulations (as in effect on January 1, 1991), or any successor regulation thereto, is closest to the principal headend of the cable system.

"(3)(A) A cable operator shall carry in its entirety, on the cable system of that operator, the primary video, accompanying audio, and Line 21 closed caption transmission of each of the local commercial television stations carried on the cable system and, to the extent technically feasible, program-related material carried in the vertical blanking interval, or on subcarriers. Retransmission of other material in the vertical blanking interval or other nonprogram-related material (including teletext and other subscription and advertiser-supported information services) shall be at the discretion of the cable operator. Where appropriate and feasible, the operator may delete signal enhancements, such as ghost-canceling, from the broadcast signal and employ such enhancements at the system headend or headends.

"(B) The cable operator shall carry the entirety of the program schedule of any television station carried on the cable system unless carriage of specific programming is prohibited, and other programming authorized to be substituted, under section 76.67 or subpart F of part 76 of title 47, Code of Federal Regulations (as in effect on January 1, 1991), or any successor regulations thereto.

"(4)(A) The signals of local commercial television stations that a cable operator carries shall be carried without material degradation. The Commission shall adopt carriage standards to ensure that, to the extent technically feasible, the quality of signal processing and carriage provided by a cable system for the carriage of local commercial television stations will be no less than that provided by the system for carriage of any other type of signal.

"(B) At such time as the Commission prescribes modifications of the standards for television broadcast signals, the Commission shall initiate a proceeding to establish any changes in the signal carriage requirements of cable television systems necessary to ensure cable carriage of such broadcast signals of local commercial television stations have been changed to conform with such modified standards.

"(5) Notwithstanding paragraph (1), a cable operator shall not be required to carry the signal of any local commercial station that substantially duplicates the signal of another local commercial television station which is carried on its cable system, or to carry the signals of more than one local commercial television station affiliated with a particular broadcast network (as such term is defined by regulation). If a cable operator elects to carry on its cable system a signal which substantially duplicates the signal of another local commercial television station carried on the cable system, or to carry on its system the signals of more than one local commercial television station affiliated with a particular broadcast network, all such signals shall be counted toward the number of signals the operator is required to carry under paragraph (1).

"(6) Each signal carried in fulfillment of carriage obligations of a cable operator under this section shall be carried on the cable system channel number on which the local commercial television station is broadcast over the air, or on the channel on which it was carried on July 19, 1985, at the election of this station, or on such other channel number as is mutually agreed upon by the station and the cable operator. Any disputes regarding the positioning of a local commercial television station shall be resolved by the Commission.

"(7) Signals carried in fulfillment of the requirements of this section shall be provided to every subscriber of a cable system. Such signals shall be viewable via cable on all television receivers of a subscriber which are connected to a cable system by a cable operator or for which a cable operator provides a connection. If a cable operator authorizes subscribers to install additional receiver connections, but does not provide the subscriber with such connections, or with the equipment and material for such connections, the operator shall notify such subscribers of all broadcast stations carried on the cable system which cannot be viewed via cable without a converter box and shall offer to sell or lease such a converter box to such subscribers at reasonable rates.

"(8) A cable operator shall identify, upon request by any person, the signals carried on its system in fulfillment of the requirements of this section.

"(9) A cable operator shall provide written notice to a local commercial television station at least 30 days prior to either deleting from carriage or repositioning that station. No deletion or repositioning of a local commercial television station shall occur during a period in which major television ratings services measure the size of audiences of local television stations. The notification provisions of this paragraph shall not be used to undermine or evade the channel positioning or carriage requirements imposed upon cable operators under this section.

"(10) A cable operator shall not accept or request monetary payment or other valuable consideration in exchange either for carriage of local commercial television stations in fulfillment of the requirements of this section for the channel positioning rights provided to such stations under this section, except that—

"(A) any such station, if it does not deliver to the principal headend of the cable system either a signal of -45 dBm for UHF signals or -49 dBm for VHF signals at the input terminals of the signal processing equipment, shall be required to bear the costs associated with delivering a good quality signal or a baseband video signal;

"(B) a cable operator may accept payments from stations which would be considered distant signals under section 111 of title 17, United States Code, as reimbursement for the incremental copyright costs assessed against such cable operator for carriage of such signal; and

"(C) a cable operator may continue to accept monetary payment or other valuable consideration in exchange for carriage or channel positioning of the signal of any local commercial television station carried in fulfillment of the requirements of this section, through, but not beyond, the date of expiration of an agreement thereon between a cable operator and a local commercial television station entered into prior to June 26, 1990.

"(c) If there are not sufficient signals of full power local commercial television stations to fill the channels set aside under subsection (b), the cable operator shall be required to carry qualified low power stations until such channels are filled.

"(d)(1) Whenever a local commercial television station believes that a cable operator has failed to meet its obligations under this section, such station shall notify the operator, in writing, of the alleged failure and identify its reasons for believing that the cable operator is obligated to carry the signals of such station or has otherwise failed to comply with the channel positioning or repositioning requirements of this section. The cable operator shall, within 30 says after such written notification, respond in writing to such notification and either commence to carry the signal of such station in accordance with the terms requested or state its reasons for believing that it is not obligated to carry such signal or is in compliance with the channel positioning and repositioning requirements of this section. A local commercial television station that is denied carriage or channel positioning or repositioning by a cable operator may obtain review of such denial by filling a complaint with the Commission. Such complaint shall allege the manner in which such cable operator has failed to meet its obligations and the basis for such allegations.

"(2) The Commission shall afford such cable operator an opportunity to present data and arguments to establish that there has been no failure to meet its obligations under this section.

"(3) Within 120 days after the date a complaint is filed, the Commission shall determine whether the cable operator has met is obligations under this section. If the Commission determines that the cable operator has failed to meet such obligations, the Commission shall order the cable operator to reposition the complaining station or, in the case of an obligation to carry a station, to commence carriage of the station and to continue such carriage for at least 12 months. If the Commission determines that the cable operator has fully met the requirements of this section, it shall dismiss the complaint.

"(e) No cable operator shall be required—

"(1) to provide or make available any input selector switch as defined in section 76.5(mm) of title 47, Code of Federal Regulations, or any comparable device, or

"(2) to provide information to subscribers about input selector switches or comparable devices.

"(f) Within 180 days after the date of enactment of this section, the Commission shall, following a rulemaking proceeding, issue regulations implementing the requirements imposed by this section.

"SEC. 615. CARRIAGE OF NONCOMMERCIAL EDUCATIONAL TELEVISION SIGNALS.

"(a) In addition to the carriage requirements set forth in section 614, each operator of a cable system (hereafter in this section referred to as an 'operator') shall carry the signals of qualified noncommercial educational television stations in accordance with the provisions of this section.

"(b)(1) Subject to paragraphs (2) and (3) and subsection (e), each operator shall carry, on the cable system of that operator, each qualified local noncommercial educational television station requesting carriage.

"(2)(A) Notwithstanding paragraph (1), an operator of a cable system with 12 or fewer usable activated channels shall be required to carry the signal of only one qualified local noncommercial educational television station; except that an operator of such a system shall comply with subsection (c) and may, in its discretion, carry the signals of other qualified noncommercial educational television stations.

"(B) In the case of a cable system described in subparagraph (A) which operates beyond the presence of any qualified local noncommercial educational television station—

"(i) the operator shall carry on that system the signal of one qualified noncommercial educational television station;

"(ii) the selection for carriage of such a signal shall be at the election of the operator; and

"(iii) in order to satisfy the requirements for carriage specified in this subsection, the operator of the system shall not be required to remove any other programming service actually provided to subscribers on March 29, 1990; except that such operator shall use the first channel available to satisfy the requirements of this subparagraph.

"(3)(A) Subject to subsection (c), an operator of a cable system with 13 to 36 usable activated channels—

"(i) shall carry the signal of at least one qualified local noncommercial educational television station but shall not be required to carry the signals of more than three such stations, and

"(ii) may, in its discretion, carry additional such stations.

"(B) In the case of a cable system described in this paragraph which operators beyond the presence of any qualified local noncommercial educational television station, the operator shall import the signal of at least one qualified noncommercial educational station to comply with subparagraph (A)(i).

"(C) The operator of a cable system described in this paragraph which carries the signal of a qualified local noncommercial educational station affiliated with a State public television network shall not be required to carry the signal of any additional qualified local noncommercial educational television station affiliated with the same network if the programming of such additional station is substantially duplicated by the programming of the qualified local noncommercial educational television station receiving carriage.

"(D) An operator of a system described in subparagraph (A) which increases the usable activated channel capacity of the system to more than 36 channels on or after March 29, 1990 shall, in accordance with the other provisions of this section, carry the signal of each qualified local noncommercial educational television station requesting carriage, subject to subsection (e).

"(c) Notwithstanding any other provisions of this section, all operators shall continue to provide carriage to all qualified local noncommercial educational television stations whose signals were carried on their systems as of March 29, 1990. The requirements of this subsection may be waived with respect to a particular operator and a particular such station, upon the written consent of the operator and the station.

"(d) An operator required to add the signals of qualified local noncommercial educational television stations to a cable system under this section may do so by placing such additional stations on public, educational, or governmental channels not in use for their designated purpose.

"(e) An operator of a cable system with a capacity of more than 36 usable activated channels which is required to carry the signals of three qualified local noncommercial educational television stations shall not be required to carry the signals of additional such stations the programming of which substantially duplicates the programming broadcast by another qualified local noncommercial educational television station requesting carriage. Substantial duplication shall be defined by the Commission in a manner that promotes access to distinctive noncommercial educational television services.

"(f) A qualified local noncommercial educational television station whose signal is carried by an operator shall not assert any network non-duplication rights it may have pursuant to section 76.92 of title 47, Code of Federal Regulations, to require the deletion of programs aired on other qualified local noncommercial educational television stations whose signals are carried by that operator.

"(g)(1) An operator shall retransmit in its entirety the primary video, accompanying audio, and Line 21 closed caption transmission of each qualified local noncommercial educational television station whose signal is carried on the cable system, and, to the extent technically feasible, program-related material carried in the vertical blanking interval, or on subcarriers, that may be necessary for receipt of programming by handicapped persons or for educational or language purposes. Retransmission of other material in the vertical blanking interval or on subcarriers shall be within the discretion of the operator.

"(2) An operator shall provide each qualified local noncommercial educational television station whose signal is carried in accordance with this section, with bandwidth and technical capacity equivalent to that provided to commercial television broadcast stations carried on the cable system and shall carry the signal of each qualified local noncommercial educational television station without material degradation.

"(3) The signal of a qualified local noncommercial educational television station shall be carried on the cable system channel number on which the qualified local noncommercial educational television station is broadcast over the air, or on the channel on which it was carried on July 19, 1985, at the election of the station, or on such other channel number as is mutually agreed on by the station and the cable operator. The signal of a qualified local noncommercial educational television station shall not be repositioned by a cable operator unless the operator, at least 30 days in advance of such repositioning, has provided written notice to the station and to all subscribers of the cable system. For purposes of this paragraph, repositioning includes deletion of the station from the cable system.

"(4) Notwithstanding the other provisions of this section, an operator shall not be required to carry the signal of any qualified local noncommercial educational television station which does not deliver to the cable system's principal headend a signal of good quality, as may be defined by the Commission.

"(h) Signals carried in fulfillment of the carriage obligations of an operator under this section shall be available to every subscriber as part of the cable system's lowest priced service that includes the retransmission of local television broadcast signals.

"(i)(1) An operator shall not accept monetary payment or other valuable consideration in exchange for carriage of the signal of any qualified local noncommercial educational television station carried in fulfillment of the requirements of this section, except that such a station may be required to bear the cost associated with delivering a good quality signal to the principal headend of the cable system.

"(2) Notwithstanding the provisions of this section, an operator shall not be required to add the signal of a qualified local noncommercial educational television station not already carried under the provisions of subsection (c), where such signal would be considered as a distant signal for copyright purposes unless such station reimburses the operator for the incremental copyright costs assessed against such operator as a result of such carriage.

"(j)(1) Whenever a qualified local noncommercial educational television station believes that an operator of a cable system has failed to comply with the signal carriage requirements of this section, the station may file a complaint with the Commission. Such complaint shall allege the manner in which such operator has failed to comply with such requirements and state the basis for such allegations.

"(2) The Commission shall afford such operator an opportunity to present data, views, and arguments to establish that the operator has complied with the signal carriage requirements of this section.

"(3) Within 120 days after the date a complaint is filed under this subsection, the Commission shall determine whether the operator has complied with the requirements of this section. If the Commission determines that the operator has failed to comply with such requirements, the Commission shall state with particularity the basis for such findings and order the operator to take such remedial action as is necessary to meet such requirements. If the Commission determines that the operator has fully complied with such requirements, the Commission shall dismiss the complaint.

"(k) An operator shall identify, upon request by any person, those signals carried in fulfillment of the requirements of this section.

"(l) For purposes of this section, 'qualified local noncommercial educational television station' is defined as a qualified noncommercial educational television station—

"(A) which is licensed to a principal community whose reference point, as defined in section 76.53 of title 47, Code of Federal Regulations (as in effect on March 29, 1990), or any successor regulations thereto, is within 50 miles of the principal headend of the cable system; or

"(B) whose Grade B service contour, as defined in section 73.683(a) of such title (as in effect on March 29, 1990), or any successor regulations thereto, encompasses the principal headend of the cable system.".

SEC. 309. JUDICIAL REVIEW.

Section 635 of the Communication Act of 1934 (47 U.S.C. 555) is amended by adding at the end the following new subsection:

"(c)(1) Notwithstanding any other provision of law, any civil action challenging the constitutionality of section 614 or 615 of this Act or any provision thereof shall be heard by a district court of three judges convened pursuant to the provisions of section 2284 of title 28, United States Code.

"(2) Notwithstanding any other provision of law, an interlocutory or final judgment, decree, or order of the court of three judges in an action under paragraph (1) holding section 614 or 615 of this Act or any provision thereof unconstitutional shall be reviewable as a matter of right by direct appeal to the Supreme Court. Any such appeal shall be filed not more than 20 days after entry of such judgment, decree, or order.".

SEC. 310. DIRECT BROADCAST SATELLITE SERVICE.

(a) REQUIREMENTS.—(1) The Federal Communications Commission shall require, as a condition of any provision, initial authorization, or renewal thereof, for a direct broadcast satellite service providing video programming, that the provider of such service reserve a portion of its channel capacity, equal to not less than 4 percent nor more than 7 percent of such capacity, exclusively for nonduplicated, noncommercial educational and informational programming.

(2) Such provider may utilize for any purpose any unused channel capacity required to be reserved under this section pending the actual use of such channel capacity for nonduplicated, noncommercial educational and informational programming.

(3) Such provider shall meet the requirements of this section by leasing capacity on its system upon reasonable terms, conditions, and prices based only on the direct costs of transmitting programming supplied by national educational programming suppliers, including qualified noncommercial

educational television stations, other public telecommunications entities, and public or private educational institutions. Such provider shall not exercise any editorial control over any video programming provided pursuant to this section.

(b) STUDY PANEL.—There is established a study panel which shall be comprised of one representative each from the Corporation for Public Broadcasting, the National Telecommunications and Information Administration, and the Office of Technology Assessment, selected by the head of each such entity. Such study panel shall, within 2 years after the date of enactment of this Act, submit a report to the Congress containing recommendations on—

(1) methods and strategies for promoting the development of programming for transmission over the channels reserved pursuant to subsection (a)(1);

(2) methods and criteria for selecting programming for such channels that avoid conflicts of interest and the exercise of editorial control by a direct broadcast satellite service provider; and

(3) identifying existing and potential sources of funding for administrative and production costs for such programming.

(c) DEFINITION.—As used in this section, the term "direct broadcast satellite service" includes—

(1) any satellite system licensed under part 100 of title 47, Code of Federal Regulations, and

(2) any distributor using a fixed service satellite system to provide video service directly to the home and licensed under part 25 of title 47, Code of Federal Regulations.

SEC. 311. SEPARABILITY.

If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application as to which it is held invalid, shall not be affected thereby.

SEC. 312. EFFECTIVE DATE.

Except as otherwise provided in this Act, the requirements of this Act shall be effective 60 days after the date of enactment of this Act. The Federal Communications Commission may promulgate such regulations as it determines are necessary to implement such requirements.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. KERRY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, January 30, 1992, at 9 a.m. to hold a hearing on the nomination of Ronald M. Whyte, to be U.S. district judge for the Northern District of California, Julie E. Carnes, to be U.S. district judge for the Northern District of Georgia, Jon P. McCalla, to be U.S. district judge for the Western District of Tennessee, Nancy G. Edmunds, to be U.S. district judge for the Eastern District of Michigan, and David W. McKeague, to be U.S. district judge for the Western District of Michigan.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONVENTIONAL FORCES AND ALLIANCE DEFENSE

Mr. KERRY. Mr. President, I ask unanimous consent that the Subcommittee on Conventional Forces and Alliance Defense of the Committee on Armed Services be authorized to meet on Thursday, January 30, 1992, at 3:30 p.m., in executive session with the Subcommittee on Defense Cooperation of the North Atlantic Assembly to discuss European security issues.

The PRESIDING OFFICER. Without objection it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. KERRY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, January 30, 1992, at 2 p.m. to hold a hearing on the nomination of Sandra S. Beckwith, to be U.S. district judge for the Southern District of Ohio, Philip G. Reinhard, to be U.S. district judge for the Northern District of Illinois, Frederick J. Scullin, to be U.S. district judge for the Northern District of New York, Steven D. Merryday, to be U.S. district judge for the Middle District of Florida, and K. Michael Moore, to be U.S. district judge for the Southern District of Florida.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. KERRY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, January 30, 1992, at 10 a.m. to conduct a hearing on the state of the Union's cities.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

GROWTH—NOT GUNS

• Mr. SIMON. Mr. President, when I served in the House, I had the privilege of working on the Budget Committee with Congressman Barber B. Conable, Jr., a commonsense, practical person, who also had some vision of how we can build a better nation and a better world.

He was named president of the World Bank and served that distinguished body for 5 years as its chief executive.

Recently, in the Washington Post—while Congress was in recess—he had an article suggesting that nations that spend an excessive amount on arms should not be given fiscal assistance.

I heartily concur.

I hope Barber Conable's wisdom will not be lost on the administration and on the committees of both Houses.

I urge my colleagues and their staffs who did not see the Barber Conable column when it appeared to read it.

Mr. President, I ask to insert his article into the RECORD at this point.

The article follows:

GROWTH—NOT GUNS

(By Barber B. Conable, Jr.)

The world is changing fast. We could not find a better time, or a better coincidence of circumstances, to use the momentum of change for lasting benefit to a humanity too long beset by the cost of the arms race.

While the United States and the Soviet republics are entering a new competition not in building but in reducing their military expenditures, there is a possible destructive side effect. Excess arms stockpiles and underused manufacturing facilities create new incentives for producers to sell and for potential customers to expand their purchases of arms at bargain prices. But in this capital-short world, how much investment can appropriately be allocated to arms?

Population growth, particularly in the Third World, depletion of natural resources, accumulating environmental costs, continuing debt problems and the slowing of the global economy all contribute to the insatiable demands for capital. The growing gap between capital needs and capital availability should concentrate minds. With the end of the Cold War it would be consummate irony for continued or higher priority to be given to the arms trade.

Iraq dramatizes the arms problem in ways that can be easily understood. Vast sums were diverted there to the importation and manufacture of modern arms. To some degree Pakistan, India, North Korea and Israel have had similar programs, including investment in military nuclear weapons. While atomic projects are not a large proportion of overall defense expenditures, they capture public attention, as they should.

Everywhere in the world, not just in Eastern Europe and the U.S.S.R., the empowerment of peoples proceeds, with a popular surge toward democracy. But where democratic roots are shallow, existing military establishments remain potent and even decisive political forces. This power can be overwhelming when the internal decision-making process sets priorities for expenditure of tax resources and international financial support.

Weak or uncertain civilian governments may publicly protest, as invasion of their sovereignty, admonitions that arms expenditures be reduced. I speak from experience when I say that such pressure may be privately welcomed by the new democracies. It can be a decisive element in strengthening civilian hands in the internal battle to allocate available resources to economic growth and quality of life investments rather than unproductive military hardware. Indeed, this is an additional benefit to reducing the possible destabilizing effects of the military as such: Haiti is an immediate case study.

These factors may provide the basis for a greatly strengthened international consensus. First, it should be apparent that the supply of capital is and will remain far short of what is needed. Second, U.S. foreign aid will remain limited due to our budget deficit, just as European aid funds will be constrained by Europe's new focus on itself and its neighbors. This means the primary burden of international investment will fall upon the World Bank and the International Monetary Fund. And third, private sources of capital for investment abroad, still worried by the global debt problem, will be paying ever closer attention to the politics and actions of the international institutions and the regional development banks.

The conditions for lending by the World Bank and the IMF have traditionally been restricted to economic criteria. Still, the factors indicated above can hardly be ignored by these and other lending institutions as they assess countries' economic priorities and allocate their limited resources. Rigid formulas are not a good idea but where military expenditures rise above, say 5 percent of GNP (or, as is the case in some developing countries, more than expenditures for health and education combined), it is hard to see the good sense of lending to such nations and in so doing reduce the capital available to other borrowers.

It is time for the international community to present a united front in the event of ritual insistence by overly armed states of inviolate national sovereignty. We should also police our own arms merchants, rather than giving them guarantees for foreign sales, in agreement with other industrial powers. It is time to end the canard, perpetuated by the powerful, that the real sinners in the world are the producers of drugs, rather than the purchasers of arms. •

RECOGNIZING RECIPIENTS OF THE BOY SCOUT EAGLE AWARD AND THE GIRL SCOUT SILVER AND GOLD AWARDS

• Mr. CHAFEE. Mr. President, as we begin the year 1992 and a new session of Congress, I believe that it is appropriate to pay special tribute to 121 young men and 46 young women from the State of Rhode Island who have distinguished themselves through their active roles in the Boy Scouts and Girl Scouts of America.

Since Baden Powell founded the Boy Scouts in 1910 and Juliette Gordon Low established the Girl Scouts in 1912, many youth have chosen to make new friends and to learn new skills by participating in these two fine organizations. In fact, the Scouts have shaped a great deal of America's young people in an extremely positive way by promoting patriotism, courage, self-reliance, and teamwork.

The Eagle Scout Award is the highest rank that can be attained in the Boy Scouts of America. Likewise, the Silver Award and the Gold Award are the highest awards that can be earned by Girl Scouts of junior high and high school age, respectively. All of these honors recognize those young people who have excelled in leadership, skills, and service.

In a day and age when many believe that we live in a problem-filled world, it is encouraging to know that so many youth have taken the initiative to pursue such a worthwhile endeavor. We also owe thanks to their families, their Scout leaders, and the Scouting organizations themselves.

So, it is with great pride that I pay tribute to these fine young men and women, for we can feel safe on the storm-tossed waters of the future if our vessel is piloted by these, the leaders of tomorrow.

The list of recipients follows:

1991 Boy Scout Eagle Award Recipients

ARROWHEAD DISTRICT

Aaron C. Greene, Alan John Levesque, Brad Benson, Brian Bellows, David S. Otto, Kevin Seamus Deary, Laurence Walter Zielinski, Mark G. Deckett, Matthew Andrew Dickson, Michael J. Petrarca, Philip C. Fasteson, Ryan D. Goslin, Scott D. VanOrden, Scott R. Rivard, Stehen M. Sechio, Wesley R. Laurent.

BLACKSTONE VALLEY DISTRICT

Arthur Silva, Derek J. Martel, Donald William Wignall, Eric A. Champagne, Joseph F. Ambeault, Leo Raymond Lebeuf, Timothy Martin Gnatek.

POKANOKET DISTRICT

Brian Michael Stone, Charles William Burton, Christopher M. Curtis, Christopher Taylor, Christopher W. Stanley, Edward J. Provencher, Eric D. Anderson, Eric Y. McKnight, Frank Edward Kawecki, James Gerard Underwood, Jr., Jason T. Boyd, Jay Rego, Jerome D. Sanders, John Calvin Shipp, John Paul Bibas, Jonathan D. Poor, Joseph P. Connors, Kenneth James Rosa, Marc P. St. Pierre.

Matthew Thomas Newell, Matthew W. Braman, Olen Patrick Atkins, P. Christopher Previdi, Patrick Scott, Patrick Terence McCue, Raymond L. Murray, Robert J. Tiernery, Jr., Russell H. Dumas, Ryan L. Byrne, Sean Robert Foley, Stephen W. Perry, Steven James Thomson, Thomas St. Pierre, Timothy A. Jarocki.

PROVIDENCE DISTRICT

Benjamin James Ryder, Craig Alan Provost, Daniel Monroe Gilbane, David Eugene Ryder, Edward D. Sanderson, Eric Scott Latek, Jarod W. Doyle, John Stedman Magyar, Joseph L. Belliotti, Mark Thomas Bastan, Philip E. Dujardin, Thomas F. Gilvane, III.

QUEQUATUCK DISTRICT

Andrew Wayne Slater, Arthur K. Howe, Jr., Benjamin P. Constantino, Christopher T. McHugh, David Friedel, Gary Michael Fullerton, James R. Liguori, Jeffrey Fleck, Joshua Mark, Kenneth A. Kahn, Jr., Kevin P. Walsh, Matthew Edward Tomellini, Phillips H.H. Hinch, Richard Jason Citrone, Sam Paul Lemay, Sean Patrick Combs, Wayne Johnson, Jr.

SACHEM DISTRICT

Albert S. Guarnieri, Andrew Scott Coughlin, Anthony Louis Gallo, Jr., Brian O. Silva, Christopher A. Mangiarelli, Michael A. Taraborelli, Richard A. Zawislak, Jr., Robert John Lesuer.

THUNDERMIST DISTRICT

Eric Ronald Gaulin, James E. Neil, James P. Vanasse, Michael Dennis Ford, Richard P. Ferland, Timothy D. Dumas, Timothy P. Deean.

WEST SHORE DISTRICT

Arthur J. Vieiera, Bradford James Boisvert, Brian Alexander Schwegler, Brian Lamarsh, Brian William Tvenstrup, David James Ferruolo, Douglas C. MacGunnigle, III, Erick J. Bonang, Jeffrey Todd Gelinas, John W. Preiss, Kevin M. Naylor, Matthew H. Corin, Matthew J. Denning, Matthew Swanson, Michael D. Richards, Paul T. Kelly, Stephen William Tingley, Sven August Backlund, Thomas John Tullie, Thomas R. Doyle.

1991 Girl Scout Silver Award Recipients

CRANSTON, RI

April Cushman, Melissa Maynard, Melissa Rhynard, Chrystal Toppa.

EAST GREENWICH, RI

Kristen Gaffney, Kelly Goggin, Jennifer Howland, Meghan Lenihan.

HOPE VALLEY, RI

Amy Nesmith.

NORTH KINGSTOWN, RI

Leah Wodecki.

PORTSMOUTH, RI

Deborah Gabriel, Elizabeth Goltman, Amy Goodrich, Trisha Grenier, Elizabeth Holman, Julia Kohl, Kathleen Magrath, Jennifer McLean, Kristin Meyer, Kelly Shipp.

WARWICK, RI

Kelley Brooks, Karen Calabro, Summer Nelson, Stephanie Ogarek, Tara Quackenbush, Helen Sullivan, Tracey Ursillo, Stephanie Vengerow.

WEST KINGSTON, RI

Salinda Daley, Ebony Smith.

WEST WARWICK, RI

Jennifer Goldberg, Tracey Tebrow.

Girl Scout Gold Award Recipients

BELLINGHAM, MA

Heather Mullin.

CHEPACHET, RI

Charlene Sellers.

COVENTRY, RI

Kristen Restall.

EAST GREENWICH, RI

Rachel Amelotte.

GLENDALE, RI

Meredith Harbour.

PAWTUCKET, RI

Dara Courtemanche, Jennifer Orr, Rebecca Young.

PORTSMOUTH, RI

Kristin Burgess, Darcy Devin, Christina Erwin.

RIVERSIDE, RI

Beverly Mello, Kendra Mullen.

WEST KINGSTON, RI

Sara Ericksen.•

SLIGHTLY HOT CHOCOLATE

• Mr. LIEBERMAN. Mr. President, I would like to take this opportunity to reflect on the ingenuity of our youth. Jill Sheiman, a high school student from Fairfield, CT, spent long hours baking and serving cookies to the hungry and homeless. While doing so she decided to spice up her ordinary recipe into something special. Thousands of cookies later, she developed a special recipe called the Slightly Hot Chocolate which was an all natural, ready-to-bake cookie with a delightful twist of zing.

With a little help from the business world, Jill decided to market her product. From a small advertisement in a local paper she received on overwhelming response from numerous Madison Avenue agents. Although most companies were surprised to see how young she was, their support did not waver. With help, Jill then began taking samples of her cookies around to various stores. Merchandisers literally ate them up. Jill was so overwhelmed she needed to set up a new system for baking her cookies. Once again the business world welcomed her, and with their assistance, a bakery in North Haven is now doing all the baking for Jill with a capacity to produce 10,000 cookies per hour.

Jill Sheiman's success story is one for us to keep in mind. It demonstrates that one smart cookie can survive without crumbling in the business world. Jill's innovation and dedication shows that anyone can achieve their goals if they keep at it. I hope that my colleagues join me in recognizing this special young woman with a promising and bright future.•

FILM DISTORTS TRUTH ABOUT JACK RUBY

• Mr. SIMON. Mr. President, there is a great deal of controversy surrounding the film "JFK," and the various conspiracy theories that are going around.

One of the people who has firsthand knowledge in my State of some of these things is Elmer Gertz, a distinguished civil liberties lawyer, who was the attorney for Jack Ruby.

He recently wrote a letter to the editor in the Chicago Tribune, and I thought my colleagues and others who read the CONGRESSIONAL RECORD would be interested in his letter.

I ask that it be printed in the RECORD at this point.

The letter follows:

[From the Chicago Tribune, Jan. 21, 1992]

FILM DISTORTS TRUTH ABOUT JACK RUBY

CHICAGO.—There are so many patent inaccuracies about Jack Ruby in the outrageously over-exploited film "JFK" that I feel that I must correct them.

I was one of the attorneys who helped set aside Ruby's death sentence and, with his brother Earl, I taped his deathbed statement. I also am the author of a long-ago published book about Ruby which many regard as the definitive study of his life. What I say here is confirmed in every detail.

On that fateful Sunday morning, Ruby was asleep in his apartment long past the announced time of Oswald's removal from the Dallas police station to the county jail. His home was some distance from the police station. He had closed his nightclub for the weekend out of respect for the assassinated president. He was telephoned by a stripper employed by him, who begged him to wire money to her Fort Worth apartment because her landlord threatened to evict her for nonpayment of rent. This he said he would do.

He found that the only Western Union office from which he could send the promised money was in Dallas, a short distance from the police station. He placed his beloved dog Sheba in his car and drove to the Western Union office. He had a considerable amount of money and a gun in his pants pocket. That was his personal bank because of tax trouble with the IRS; he carried a gun because it was Dallas and everyone, especially a nightclub proprietor, had guns.

When he drove past the police station he noticed a crowd. He made a mental note, such being his inquisitive nature, to see what was going on after he wired the promised money. We know exactly when he wired the money because of the time clock at the Western Union office. Less than five minutes later Oswald was shot.

After he parked his car, with Sheba in it, he walked towards the entrance to the police station. The officer who was supposed to guard it was diverted by another police car, and Ruby walked down the ramp unmolested. When he reached the bottom, the door of the elevator was opened and Oswald came out between two plainclothes detectives. By sudden impulse, Ruby shot Oswald.

Nobody had secretly and deliberately let him into the station at the fatal time despite what is depicted so melodramatically in this movie. Ruby had never seen or known Oswald, except at the press conference shortly after Oswald's arrest.

There are other falsehoods about Ruby in the film, such as the precise nature of his testimony before the Warren Commission.

By the time I knew Ruby as his attorney, he had developed paranoid qualities. He believed that the male Jews of Dallas were being taken to the basement of the county jail where he was imprisoned and there they were castrated and killed. In a letter that I saw, which is still in existence, he urged his brother Earl to flee to Israel before he would become one of the victims.

Oliver Stone and his associates must believe that the public has an insatiable appetite for the sensational as unfolded in a conspiracy in which Ruby and many others are the participants.

The sober truth is that Ruby was so uncontrollably talkative that he could not have kept his participation in any conspiracy secret for even five minutes. I had great difficulty at all times in keeping him from talking with reporters while the various legal proceedings were going on. I had to intercede with the judges to keep the reporters from talking with him.

ELMER GERTZ.•

COLOMBIA: REPRISALS AGAINST HUMAN RIGHTS CAMPAIGNERS

• Mr. CRANSTON. Mr. President, I rise today to express my strong concern about the safety of Jorge Gomez Lizarazo, the head of the regional committee for the defense of human rights in Barrancabermeja, Colombia, and those who work with him.

On January 29, Blanca Valero de Duran, a 38-year-old coworker of Jorge, who had been with him in the human rights struggle for 13 years, was murdered in a paramilitary-style assassination.

According to eyewitnesses, two men in civilian clothes grabbed Valero as she boarded a taxi to leave the regional committee's offices and, after she cried out for help, one of the men shot her in the face.

Police officers in the heavily guarded district where Valero was killed apparently did nothing to apprehend her assassins, who reportedly calmly walked away from the scene.

The murder came 3 days after Jorge returned to Colombia after a 3-month stay in Washington, where he was working on rights issues for the Inter-American Commission on Human Rights of the Organization of American States. He is the 1991 recipient of the Letelier-Moffitt Human Rights Award.

Jorge Gomez, Blanca Valero, and the others who work with them have been tireless in their defense of human rights in one of the most violent corners of the hemisphere.

Earlier this week, Jorge published an op-ed piece in the New York Times on the massacre perpetrated against the El Nilo indigenous community. In it he detailed the links between the Colombian military, rightwing death squads, and drug traffickers.

I commend it to my colleagues, for its eloquence and because it gives some idea of the irrational hatreds and criminal acts that surround, and sometimes consume, rights workers as they try to do their job. I ask it be reprinted in the RECORD.

I met with Jorge and several others from the regional committee late last year in my office. I was impressed by his commitment and by his straightforward account of the violence there.

The torture and murder of activists is no novelty in Latin America, but certainly the pictures of mutilation of people he showed me that day in my office were evidence of the extremes of human cruelty and the threats under which people like him work every day.

Mr. President, the Government of Colombian President Cesar Gaviria has worked hard to bring peace to that troubled land, and has made great strides in some human rights areas, such as the protection of the rights of indigenous people.

I call on the Colombian Government to investigate fully the murder of Blanca Valero, to put an end to security force impunity in the Middle Magdalena region, and to make sure those guilty of violent acts are prosecuted.

We cannot claim victory in the struggle to bring democracy to all the nations of our hemisphere if we remain silent in the face of crimes such as that which took the life of Blanca Valero de Duran several days ago.

The articles referred to follow:

[From the New York Times, Jan. 28, 1992]

COLOMBIAN BLOOD, UNITED STATES GUNS

(By Jorge Gómez Lizarazo)

BARRANCABERMEJA, COLOMBIA.—On Dec. 16, 20 indigenous peasants, including five women and four children, were murdered as they met to discuss a struggle over land rights in the village of El Nilo in southern Colombia. News reports indicated that the gunmen were drug traffickers who had been seizing land in the region to grow opium poppies to produce heroin.

The truth is much more complex. In Colombia, drug-related violence continues because it is generally tolerated and often supported by the security forces. For the most part, the U.S. news media have portrayed the drug terrorists as the only perpetrator of violent crime, ignoring the role of Colombian state agents, whose human rights abuses have been denounced by Amnesty International, Americas Watch and the Washington Office on Latin America.

While many members of these forces, especially the National Police, have died combating traffickers, the violence will continue until military and police complicity is fully understood and addressed.

The middle Magdalena region, where I have and work, is located some 150 miles north of Bogotá, the capital. In this region, the army has waged a 30-year campaign against guerrillas, who kidnapped and extorted ranchers to finance their operations. The efforts of ranchers and the army to drive out the guerrillas were bolstered when they were joined in the mid-1980's by cocaine barons, who bought land to launder their profits. But the paramilitary groups formed by the army and financed by the traffickers targeted not the guerrillas but poor peasants of the region, whom they viewed as a threat to their landholdings.

According to the office of the Attorney General of Colombia, from January 1990 to April 1991 there were 68 massacres committed, many in the middle Magdalena region. In addition, 560 murders, 664 cases of torture and 616 disappearances, all the result of police and military action, were reported. In few cases have the perpetrators been brought to justice. Judicial authorities who have gone to the field to investigate have been murdered. The paramilitary groups that carry out these actions could not operate without the tacit approval of local military commanders.

The alliance between military officers and drug traffickers is particularly evident in regions such as the middle Magdalena, the banana-producing zone of Urabá and northern Cauca, where the Dec. 16 massacre occurred.

In addition to tolerating the acts of the paramilitary groups, the Government has unleashed violence of its own through the military and the police, both controlled by the Ministry of Defense. According to a study by the Attorney General, 1,735 cases of abuse by the police and 1,352 cases of abuse by the military were reported between January 1990 and April 1991.

The armed forces have bombed and strafed the peasant community of Yondó, across the river from where I work, every six months or so since 1988. While the Government says the attacks are counter-insurency measures, the only victims are civilians who have nothing to do with the guerrillas or drug traffickers.

The U.S. must bear some responsibility for this situation. From 1988 to 1991, its military aid to Colombia increased sevenfold. This year, the Administration is proposing to give more military aid to Colombia than to any other Latin American country except El Salvador. And the 117 U.S. military advisers in Colombia are more than twice the number allowed by Congress in El Salvador.

While Americans are told that all this is necessary to fight the drug war, we Colombians don't agree. The main victims of Government and Government-supported military actions are not traffickers but political opposition figures, community activists, trade union leaders and human right workers. Bombing and strafing are accompanied by assassinations and threats, forcing human rights activists to abandon their regions and try to do their work from Bogotá or abroad.

I am among the human rights lawyers threatened. In March, Humberto Hernández, a human rights worker with whom I worked, was assassinated. My colleague Eduardo Umaña Mendoza, who is defending relatives of a family reportedly murdered by soldiers, has been plagued by threats on his life.

The El Nilo massacre should alert Congress to the urgent need for hearings on the U.S. military presence in Colombia. U.S. aid, justified in the name of the drug war, is furthering the corruption of the Colombian security forces and strengthening the alliance of blood between right-wing politicians, military officers and ruthless narcotics traffickers.

WASHINGTON OFFICE
ON LATIN AMERICA,
Washington, DC, January 30, 1992.

URGENT ACTION

We are asking for urgent responses to protect Dr. Jorge Gomez Lizarazo and other staff members of the Regional Committee for the Defense of Human Rights (CREDHOS), in view of the murder of Blanca Valero de Duran. CREDHOS is a non-governmental human rights office in Barrancabermeja, whose president is Dr. Gómez. Dr. Gómez, a lawyer and former judge, just returned to Colombia on January 26, after receiving the Letelier-Moffitt Human Rights Award for 1991 and working for three months at the Inter-American Commission on Human Rights of the Organization of American States (OAS).

Blanca Valero Duran, a 38-year-old woman was the secretary for CREDHOS and had worked with Dr. Gómez for the last 13 years. According to CREDHOS, Ms. Valero was killed at approximately 6:30 p.m. on Wednesday, January 29, in front of CREDHOS' offices.

Witnesses report that two men dressed in civilian clothes grabbed Ms. Valero as she boarded a taxi to leave the office and that she shouted out before one of the men shot her in the face. Witnesses report that the assassins calmly walked away, mounting a motorcycle several yards away, and drove unmolested. CREDHOS reports that police officers who permanently guard banks and other places of business in the immediate area of CREDHOS' offices were within sight and earshot of Ms. Valero's cries and the shot. The officers reportedly did nothing to detain the killers.

The murder of Ms. Valero was committed the day after The New York Times published an Opinion-Editorial by Dr. Gómez in which he described both the links between members of the Colombian armed forces, right-wing paramilitary squads, and drug traffickers and their responsibility for extensive human rights abuses in Colombia. It is not clear whether the publication of the Op-Ed was related to the killing.

CREDHOS reports that several individuals have notified Ms. Jahel Quiroga, the Treasurer of CREDHOS, that Lt. Jaime Orozco Gómez of the SIJIN (a state security force) and Lt. Barajas of the National Police have made threatening comments against the life of Ms. Quiroga. CREDHOS reports that these threats began in December, immediately after Ms. Quiroga denounced torture practices by regional military and security forces.

WOLA asks that all interested persons immediately notify the Colombian authorities of their concern for the personal safety of Dr. Jorge Gomez Lizarazo and Ms. Jahel Quiroga, and other staff members of CREDHOS. We also ask all interested persons call on the Colombian government to fully investigate the murder of Ms. Blanca Valero de Duran, to put an end to illegal and arbitrary actions by authorities in the Middle Magdalena region, and to actively prosecute such actions when the direct perpetrators are not state agents.

DR. CÉSAR GAVIRIA
TRUJILLO,
President of the Republic.
DR. RAFAEL PARDO,
Minister of Defense.

Thank you for interest and swift response in this matter.●

K.K. BIGELOW

● Mr. STEVENS. Mr. President, my good friend, K.K. Bigelow, will retire from Martin Marietta—the internationally renowned aerospace firm—at the end of this month. I am proud to have the opportunity today to pay tribute to K.K. for his many achievements.

K.K. has represented Martin Marietta in one capacity or another since he retired from the U.S. Marine Corps. When he first went to work for Martin Marietta, he had already distinguished himself as a naval aviator with the corps and had just completed a tour of duty in the Federal Republic of Germany. His knowledge of Germany, its people, customs, and language, coupled with the support of his lovely wife, Marilyn, and their children, all but guaranteed a successful transition to a civilian career.

Back then, Martin Marietta was a much different company. Many of its primary products were not high tech, but rather materials—rock, gravel, cement, and so forth. Over the years the company has undergone major change and much growth. K.K. has been much more than a witness to these events. He has played an instrumental role in shaping the nature and character of the major corporation we know today.

As we all know, the relationship between government and industry is not always smooth. Confrontations can occur that erode trust and confidence. In all the years that K.K. has worked in Washington, no one that I know of has ever had cause to question his judgment or his integrity. Martin Marietta has been lucky to have someone as hard working and dedicated as K.K. representing it in Washington. He is the epitome of what a Washington corporate representative should be.

K.K. is also a gentleman in the finest sense of the word. He can always be relied upon to keep a confidence, lend a helping hand on difficult problems, and present his concerns in a straightforward and honest manner. Furthermore, he is an absolutely dedicated patriot with an unshakeable love for our great Nation.

At the end of this month, K.K. and Marilyn will enter a new chapter in their lives. K.K. will retire from Martin Marietta after 27 years of loyal and dedicated service. Fortunately for Martin Marietta, K.K. has agreed to retain a consulting relationship with the company.

For those of my colleagues who have not had the pleasure of working with K.K. in the past, you have missed a class act—a truly great American. I hope that you will cross paths with him in the future. It has been an honor for me to have worked with K.K. over the years. Catherine and I count K.K. and Marilyn among our dearest friends. We wish the two of them all the best.●

NO MFN FOR AZERBAIJAN

• Mr. SIMON. Mr. President, today Senators SEYMOUR, DOLE, LIEBERMAN, and I introduced legislation that prohibits extension of nondiscriminatory most-favored-nation trade status, United States foreign assistance and other economic preferences to the Republic of Azerbaijan until the President determines that Azerbaijan has stopped blockading the Republic of Armenia and the enclave of Nagorno-Karabakh, has improved its human rights situation and has committed to peacefully resolving the conflict with the Armenians.

Yesterday I placed in the RECORD an article from last week's Chicago Tribune about the Azerbaijani blockade and their recent military action against the Armenians in Nagorno-Karabakh. The Russian and Kazakh presidents have tried to mediate the dispute. Many others have called for various peacekeeping ideas, using either Commonwealth of Independent States forces or U.N. troops. Last week I wrote to Azerbaijan's President, Ayaz Mutalibov, asking that he use his good offices to bring a rapid end to this problem once and for all. I don't know the precise solution, but people are dying and we have got to press for a speedy resolution to this senseless conflict.

My hope is that we do not have to enforce the provisions of this bill. My hope is that those waging this war in Azerbaijan will cease and desist, and agree to peacefully work out their differences with Armenia and the Armenian majority in Nagorno-Karabakh, and that we can quickly establish full diplomatic relations with Azerbaijan and help them begin their transition to a democratic, free market system. But until Azerbaijan stops its aggressive actions against Armenia and Nagorno-Karabakh, we ought to continue the policies President Bush set forth on December 25, 1991.•

ADC VERSUS THE CALIFORNIA CONDOR

• Mr. CRANSTON. Mr. President, every once in awhile a piece of writing comes along that cuts us to the quick with its truth. Such a piece is Joe Bernhard's recent article in Wild Earth, "ADC versus the California Condor."

For years, the ADC, the Federal Animal Damage Control Program, resembled a subsidy program for the poison industry. The ADC, which was set up to kill predators that threaten livestock, used vast amounts of the lethal Compound 1080 to kill everything from coyotes to squirrels. In the process, as Bernhard documents, the ADC very likely hastened the decline of the legendary California condor.

Bernhard, a screenwriter and activist for the environment, is passionate in his conviction that the poisons we have now banned in the United States should be illegal as exports. "Not only should banned pesticides, herbicides and rodenticides not be exported," he writes, "their manufacture should be outlawed, with hard time dealt to violators, and every ounce of the poisons should be destroyed, with hard time dealt to illegal storers."

I ask that Joe Bernhard's article be printed at this point in the RECORD.

The article follows:

POISON OR PERISH: ADC VS. THE CALIFORNIA CONDOR

(By Joe Bernhard)

But the condor put the spirit into the hunter . . . So Coniraya blessed him. "You shall fly wherever you want. There won't be any place in the sky or on the earth where you can't go. No one will get to where you build your nest. You'll never lack for food: and he who kills you will die.—Eduardo Galeano, Memory of Fire: Genesis

23 May 1965, 3:10 PM, PINEHURST, FRESNO COUNTY, CALIFORNIA—The last of the rainbow earth: grass browning, dying white and purple Brodea mixed with maroon and white and yellow Mariposa Lilies, plus thousands of two-foot-tall, lavender Farewell-to-Springs, an appropriately named flower even though chronometrically the season has a month to go.

Motorcycling along Millwood road, Mr. G.B. Coigny leisurely enjoyed the last of the flowers and one of the last fecund days before dry heat would burn off spring's lushness. Noticing a large shadow on the ground Coigny stopped, looked up and watched a slowly circling California Condor give an added dimension to the blue sky. For a second the bird was out of sight. When it reappeared at powerline height it was falling fast and with "an explosive suddenness" hit the road, landing on its back. Mr. Coigny reached the crash site in time to see the condor blink its eyes and weakly move its legs—indications of central nervous system damage. Then all that remained was a cadaver weighing nineteen and a quarter pounds with a nine foot one inch wingspan.

It was an ignominious end for a year-old, seemingly healthy bird just learning its way around the two foraging corridors in central and southern California. Coigny photographed his find—after trussing it with wires to get pictures as impressive as possible—put it in the refrigerator, then called a constable and a game warden. The next day, the bird was wrapped in ice and taken to the Fish and Game laboratory in Sacramento.

In death the Pinehurst thunderbird became the most significant of all California Condors, though not as famous as its nephew, AC-9, the last free big bird, who was shoved into a cage like a spark plug into an engine block on Easter Sunday 1987. In fact, if the messages emanated by the Pinehurst corpse hadn't been ignored, AC-9 might still be soaring and roaring in the West Coast sky—which needs all the beautification it can get.

(The condor was called the "thunderbird" by all Native Americans because of the sound the wind made rushing through its primary feathers when it divided. European invaders, who couldn't tell one big bird from another, laid that handle on eagles.)

X-rays showed no broken bones nor any pieces of bullet or shot. There was no evidence of a missile having passed through the bird, as was further substantiated when the cadaver was skinned.

Pinehurst was the first condor on which attempts at thorough examination were made. Two autopsies were performed: one by the California Department of Agriculture, the other by the US Fish and Wildlife Service (FWS) with help from California University and Fish and Game biologists and an independent veterinarian.

Both autopsies revealed the presence of DDT and its sibling, DDE, in fat, heart, kidney and liver tissues and in the crop contents, with the greatest concentrations found in the visceral fat: 30 parts DDE and 18 parts DDT per million parts condor. Nobody checked for the presence of sodium monofluorocitrate (FC), nor did Agriculture try to find any sodium monofluoroacetate (SMF). FWS attempted no analysis for the latter in the crop contents but did find more than seven and half parts per million in the bird's stomach lining and heart tissues. Because an effective method for uncovering sodium monofluoroacetate in all parts of the bird didn't exist then (nor does one today), Dr. Mike Fry of UC Davis believes the total content of this toxicant in the bird could have been as high as 50 parts per million. For the past few years Dr. Fry has been experimenting with the effects of Compound 1080 (SMF) on Turkey Vultures, the most similar non-endangered bird to the condor readily available. In 1946 Justus E. Ward and D.A. Spencer killed five of seven buzzards by feeding them less than 20 parts per million of 1080.

The official cause given was that the Pinehurst condor struck "some object—power line, brace, etc. which stunned it and caused it to fall unimpeded to the pavement below." All subsequent reports of the Pinehurst condor's death list it as the result of a collision, and collision is cited as a major cause of California Condor decline. Yet, no death by collision has ever been documented. One of nine California thunderbirds feeding on a bovine carcass and surprised by humans collided with the top wire of a fence while taking off but survived. A zoobred Andean Condor, after begging Big Macs from Southern California Edison Company workers in the Sespe Forest, was found dead near the pole where he was seeking lunch and his death is officially listed as from "collision."

"Collision" is a newspeak word employed by the above mentioned institutions to cover up the destruction perpetrated by the Animal Damage Control Agency (ADC), where many a colleague, many a buddy works. Even if we totally accept the "collision" explanation, it doesn't get ADC off the hook. At that time ADC was spreading 610,000 pounds of Compound 1080 annually, one-sixth in condor territory. Dr. Fry, in fact, has tightened the hook by releasing results showing that sublethal doses of SMF cause permanent brain damage, lethargy (to the point where vultures roost on the ground and don't even move when approached by their most dangerous enemy—humans), and ataxia: the inability to taxi—to fly around poles, for example. One way or another, Compound 1080 likely killed the Pinehurst condor.

GENESIS OF A POISON

SMF is a synthesis of a substance that develops organically in some African, Australian and Brazilian plants. Belgians experimented with the stuff off and on for three-quarters of a century and concluded that it might be useful in killing rats. Then Nazi Germany established a Bureau of Chemical Warfare in its search for ways to knock off nonaryans. Its scientists—who were inventing such poisons known today as dioxin, agent orange, parathion, and malathion—had good reason to believe sodium monofluoroacetate might help them achieve their goal. One five-hundredth of an ounce would kill a grown man without his knowing anything was wrong for four to eight hours after it had gotten inside, which was just as well, as no antidote existed then, and none does today.

Being odorless, tasteless, and water soluble, 1080 was conducive to widespread, undetected distribution. When swallowed, inhaled, or absorbed through the skin it kills by entering the central nervous, cardiovascular, and respiratory systems. It lasts indefinitely, decomposing very slowly when acted upon by topsoil and root bacteria. The only way to destroy it rapidly is to expose it to temperatures over 200 degrees centigrade.

Nonetheless, 1080 did not fit into Nazi plans; chemical warfare is a two way street, and their intelligence was well aware of the Allies' retaliatory capability. The scientists suggested, though, that it might be useful for killing rats.

The American Office of Strategic Services got the formula from the British, and after considerable study turned it over to Animal Damage Control, suggesting it might be useful for killing rats.

And thousands of rats were killed until three little girls ate 1080-loaded vanilla wafers and four more died after presumably drinking water poisoned with SMF set out for the rodents. Then, in the late 1950s, the ADC switched its attack to squirrels, prairie dogs and Coyotes.

ADC VS GROUNDSQUIRRELS

By the time the Pinchurst condor lethally plummeted from the sky, 506,310 pounds of 1080 were being scattered annually to kill California groundsquirrels, almost all of it on rangeland where, the ADC alleges, these squirrels destroy up to 38% of feed. This figure was arrived at by Dr. Henry S. Fitch, who conducted a controlled study of the groundsquirrel Citellus beecheyi beecheyi on an 80-acre enclosure at the San Joaquin Experiment Rangeland between 1938 and 1946. The 38% destruction included tar weed and other forage cattle don't eat. Because of confinement, the squirrels could consume and destroy what was available, not necessarily the food of choice. Considerable destruction was caused by humans constantly walking to check traps and the 200 traps themselves. No competition for forage between cattle and squirrels was noted in summer and fall. Most beecheyi destruction was done during March and April when feed grows so fast there's more than enough available for everyone. What was destroyed or eaten was green and contained 75% moisture.

Three decades later, Sarah Woodmansee and Frank Schitoskey Jr. studied groundsquirrels at San Joaquin in an uncontrolled, unconfined experiment using micro-techniques that were only clouds in the minds of dreamers during the Fitch period. Taking into account such factors as dry versus wet weight, their report determined that beecheyis took .03% of all rangeland forage.

As ADC's main purpose is job perpetuation, the modern study doesn't exist as far as the agency is concerned, and Fitch is always cited (even though Shitoskey's report was his Ph.D. thesis and his professor was Dr. Walter E. "Howdy" Howard, High Priest of 1080 and lifelong member of the National Animal Damage Control Association). Nor is any attention paid to the conclusion reached by Thomas F. Newman and Don A. Duncan of the San Joaquin staff that beecheyi beecheyi is "very important ecologically and economically to foothill rangelands."

The other reasons given for killing groundsquirrels are hardly worthy of comment. One is that horses step in beecheyi holes and break their legs. It takes a very dumb cowboy to let his horse step in a hole and then almost invariably it's a Badger hole. Another is that squirrels cause erosion. Cattle grazing west of the Mississippi each year produces more erosion than the Colorado and Mississippi Rivers combined—500,000,000 tons annually (according to Denzela and Nancy Ferguson in their book, Sacred Cows at the Public Trough, and to Lynn Jacobs in various articles). A third claimed reason is that fleas and ticks carried by beecheyis carry rabies, tularemia, bubonic plague and Lyme's disease. A check of all counties in condor territory for the past decade reveals that none of these diseases was attributed to fleas and ticks carried by groundsquirrels.

Ah, those destructive holes. The main ingredient of California rangeland is decomposed granite which absorbs slightly more water than asphalt. In a 50 square foot area, groundsquirrels can dip up to 50 burrows 2-4 feet deep, 4 inches in diameter and 5-30 feet long. Melvin C. Simons, generally considered the best geologist and hydrologist in the central-western Sierra, states that these burrows are major conduits for recharge in the zone overlying the fractured rock groundwater system, and provide repositories to prevent eroded topsoil from filling lakes or being washed away. As soil layers in foothills may take up to 40,000 years to develop a foot and a half, the interception of the precious substance by rodent burrows is clearly beneficial.

Even when the ADC was pushing 1080 as the most effective rodenticide available, orchard and vineyard growers rarely used it and never repeated the use once they started finding their pets dead. Highly selective anticoagulants were always preferred and today new ones are more effective and selective than ever.

ADC VS THE ESA

When the Endangered Species Act (ESA) was passed in 1973, it became illegal to poison in areas inhabited or frequented by protected animals. Yet hundreds of thousands of pounds of SMF were baited annually in such areas under ADC's supervision.

There never was any "control" involved in the mass killing. Counties could order as much 1080 as they wanted. A Special Advisory Board on Wildlife Management for the Secretary of the Interior, chaired by A. Starker Leopold (Aldo's son), concluded in the 1960s: "there is no legal machinery extant that can stop a county from acquiring and using 1080 any way it sees fit."

ADC VS TRUTH

In the beginning ADC claimed sodium monofluoroacetate was highly selective—killing only targeted species. Consequently it was used in bait stations aimed at Coyotes. Bait stations are simply poisoned chunks of meat. Knowing the life span of SMF it's hard to imagine that ADC got away with its "highly selective" line for nearly two decades. The person who finally exposed this lie wasn't a Ph.D. wildlife biologist but simply a field poisoner who'd trapped and hunted all his life (like most of the ADC poisoners, trappers, and hunters I've met, drank with, shot pool with, b--- s-----d with; the type of folks you don't mind having around your campfire, the type of folks who'd do anything—and there's the rub—to earn their living off and on the wild earth).

Dick Randall had been finding carcasses around his bait station; and when ADC put a yellow tracer into its 1080 he began collecting these corpses, freezing them, then examining them on his own time—which wasn't much because sheep ranchers were always clamoring for more poison. Still he managed to haul in 150 bodies. The collection included dogs, Coyotes, Badgers, Black Bears, Pine Martens, Minks, skunks, weasels, Golden Eagles, Great Horned Owls, Red-tailed Hawks, magpies and Prairie Falcons.

After a considerable while, evidence presented by Randall and others before a new ADC Commission headed by Dr. Stanley S. Cain (with Leopold still on board) led to the banning of 1080 as a predacide, in 1972—a ban that lasted until 1985. ADC more than made up for the slack, though, by increasing grain baiting to nearly 610,000 pounds annually (83% distributed to California ground-squirrels, 15% to Colorado prairie dogs).

In 1981 a new invention, the toxic collar, promised some SMF diversity and was highly praised and proselyted by ADC. This device includes a neck band with a little monofluoroaetate-filled bag attached. The collar is fastened around a lamb's neck and if it is bitten by the targeted species the rancher loses a sheep but gains a Coyote. Because of the loss, and the cost of the collar, it hasn't won any popularity awards within the wool growing community.

The California groundsquirrel is, in varying degrees, the bread of the rangeland to over a dozen species, some threatened like the Golden Eagle and Cooper's Hawk, others Endangered like the Bald Eagle and the California Condor. It comprises about half the diet of the Red-tailed Hawk and the Coyote, 80% of the Gopher Snake's.

Still the ADC assured the world there would be no secondary nor tertiary poisoning from 1080 now like there had been with the bait stations, whether the toxicant was broadcast from planes or on horseback. Because of SMF's slow action the beecheyis would have plenty of time after feeling sick to crawl into their underground homes to die, their corpses then being unavailable to scavengers. And even if some couldn't make it home, ADC regulators would be out the next day to pick up the strays and bury them at least two feet deep. Furthermore, residents living on land adjoining the poisoned area would be warned so they could keep their domestic animals cooped. And poison signs would be posted as a warning to domestic animals not living on adjacent lands.

The ADC doctors of science either hadn't learned or deemed unworthy of mention that when animals ingest slow acting poisons, they almost invariably vomit, and that many animals (dogs and Coyotes, kittens and Bobcats, for example) eat puke. The toxicant won't deter them, since it's odorless and tasteless.

ADC GENESIS

U.S. government involvement in killing wildlife dates back to the 1800s. The current program of annihilation was established by the Animal Damage Control Act of 1931 which called for "the best methods of eradication, suppression or bringing under control . . . mountain lions, wolves, coyotes, bobcats, prairie dogs, gophers, ground squirrels, jack rabbits and other animals injurious to agriculture."

ADC, then named the Division of Predatory Animal and Rodent Control, was in the Department of Agriculture until 1939 when it was transferred to Interior, renamed the Branch of Predator and Rodent Control, and positioned directly under the Fish and Wildlife Service. In 1964, after release of the Leopold report, it changed its name again, to the Division of Wildlife Services. (One can't help being fascinated by the way the government euphemizes what it does. The way ADC "services" wildlife is similar to the way the air force serviced Iraqi citizens with collateral damage.") In 1972 another ADC Commission report elaborated on the Leopold findings so the name was changed once again, this time to the Office of Animal Damage Control.

ADC never was happy in the Interior Department. ADC's purpose is to subsidize agriculture whether it needs it or not. So rancher-owned legislators sneaked a proviso into a bill, passed during the confusion of a Congress hell-bent on getting home for Christmas in 1989, transferring the agency back to Agriculture and into the friendly hands of its Animal and Plant Health Inspection Service (another euphemism), commonly referred to as APHIS.

Officially that's what the ADC is but actually it is much more than that: ADC spends its federal $30,000,000 plus another state $15,000,000 annually while working with and generally controlling the efforts of poisoners, trappers, snarers, injecters and shooters employed by the U.S. Fish and Wildlife Service, APHIS, state and county departments of agriculture and health, fish and game agencies, land grant universities and colleges, ranchers, wool growers and trap and poison manufacturers . . . as indicated by the Probe, the newsletter of the National Animal Damage Control Association. Until last year The Probe's logo was a Coyote with its tail between its legs and a Sahuaro flipping the finger. Now, with a new editor intent on image improvement, the Sahuaro is gone. In short, the poison or perish attitude pervades the ranks of the animal damage controllers no matter where salaries come from.

ADC VS UNINTENDED VICTIMS

In June 1977, an ADC team under the direction of Paul Hedgal spent time on 25,000 acres of rangeland in Tulare County, California. Prior to grain baiting with SMF the group attached transmitters to various nontarget animals. California groundsquirrels were the target. After application five of six radio-equipped Coyotes were found dead, as were a couple without broadcasting stations. Hedgal states that because of the slow action of 1080, other creatures could have eaten the poison and not been found. A Coyote might roam five or ten miles before dying. Three of ten Bobcats expired. Twelve cottontails died from primary feeding. The predators, lagomorphs and the 8% of the squirrel population that remained dead above ground immediately became bait stations: death traps awaiting carrion-eaters such as the condor known as The Tulare Express who used to fly 100 miles from Santa Barbara to Tulare and back again three times a week. Several Acorn Woodpeckers and White-breasted Nuthatches were found dead after feasting on grain-eating ants.

The Hedgal study is only one of several documenting the promiscuity of SMF. It confirmed the 1972 report of Dr. Stanley Cain's Animal Damage Control Advisory Committee to the Secretary of the Interior that 1080 is the least selective of all poisons.

While the secondary and tertiary toxic effects of 1080 have been proven, another ADC claim has been accepted without question—that sodium monofluoroacetate is destroyed by bacterial and soil action within six months and constitutes no danger to life. Strangely enough, contrary evidence was produced at the San Joaquin Range by ADCers Walter Howard and K.A. Wagnon of UC Davis and J.R. Bentley (doctors all) of the US Agriculture Department.

The researchers compared weights of cattle grazing on pastures with and without squirrels. Two hundred squirrels native to pasture 1 were poisoned with 1080 in the fall of 1950. In 1952 eighty squirrels were introduced into the poisoned area to join ten of their species already present. In 1953 only twenty remained. The population peaked at 40% of its pre-toxic average in 1955 then dropped to 29% in 1956. A California groundsquirrel litter averages close to seven, in times of stress nearly double that. Old age, disease and natural predation do not seem likely to account for such a dramatic population drop. The doctors offered no explanation why the land didn't now support the number of beecheyis it had before sodium monofluoroacetate was applied. They stated simply: "The reasons for these changes are not known."

In the toxicant world LD 50s are constantly thrown around. LD 50—lethal dose 50%—refers to the amount of poison it takes to kill half of a population. Years ago LD 50s were estimated for dozens of species. All estimates were invalid. Mike Fry discovered that the amount of SMF necessary to kill a critter with the temperature at 90 degrees Fahrenheit was approximately one-third that needed at 35 degrees. In previous killings, ADC had not recorded the temperatures.

Condor specialists assert that only half the thunderbirds breed in the wild. However, as no fertility studies were made prior to 1080 baiting, chick production in natural conditions is unknown. ADC avian scientist Sanford R. Wilbur wrote in 1978 that "Determining the cause of reduced reproduction and correcting the situation is currently the key to condor survival," and also mentioned in the same report: "The number of dead condors found and the rumors of other losses in Kern County during the early 1960s suggest an unusually significant period of condor mortality."

Nine corpses were actually found—all in 1080 grain baiting areas. How many others flew away to die in seclusion is unknown. The four most experienced condor experts in the world—Carl Koford, Alden Miller, and Ian and Eben McMillan—were sent into the field by the UC Berkeley Museum of Vertebrate Zoology. ADC denied any knowledge of thunderbird deaths and made the investigation difficult, at one time prohibiting the McMillans access to the Sespe National Forest for three months. Years later it was revealed that the poisoners were writing reports of condor deaths at the very time they were making their denials.

Squirrels are the condors' third favorite food after venison and veal, according to Alden H. Miller and Ian and Eben McMillan. During the 1960s there was so much 1080 baited in Kern County that posting was unnecessary. All the ranchers had to do to know the toxicant was being distributed was to look at the sky where condors were circling above the poisoners. Known fatalities amounted to about a fourth the condor population. None had been shot. None had body damage. One had maggots on it, which soon fell dead. The most tell-tale cadaver was found on 11 August 1960. After rotting in a barn it was transported to the museum in Berkeley on 10 July 1963 where dermestid beetle larvae clean hides just as maggots do in Kern County. And just like the Kern maggots the entire larvae colony died: 1080 tertiary poisoning three years later.

THE FINAL CAPTURE

In the winter of 1985-86 five condors disappeared. Strangely enough, they were the only ones left in the wild without radios attached. Drs. Bill Toone and Michael Jackson, Ornithological Curators of the San Diego Wildlife Park and the Los Angeles Zoo respectively, and Dr. Hank Pattee, then of the Condor Recovery Center, believe it likely that the birds disappeared after eating the same corpse. There are many reports of up to 20 condors feeding on a deer or a cow and Gladys McMillan saw nine sharing the remains of a domestic cat. It is very possible that a Coyote ate a 1080-poisoned squirrel and the thunderbirds ate the Coyote.

Plans had been around for three decades to imprison all California Condors and this disappearance provided the excuse for fulfilling the plans. The last thunderbird was caged on Easter Sunday 1987.

If the one carcass theory is true, and if it was a poisoned Coyote, we can get an idea of what the canid went through from this description written by John P. Weigand after attending an ADC meeting in Twin Falls, Idaho in August 1981. "We were 'treated' to 30 minutes of movies of coyotes' reaction to 1080. Although time-lapse photography was used, we watched a healthy adult female Coyote experience 20 minutes of convulsions (shivering, shaking, and paw-peddling while on its side); this had been preceded by 5 minutes of coyote dry-heaves and disoriented running. Although I am a biologist and a hunter, and learned a lot about 1080 poisoning, I was repulsed by the sequence."

POISONS & POOL

One beer drinking night I was shooting pool with an ADCer who was p . . . d off at me because three years before I'd talked a big rancher out of using 1080. As a result of lifelong indoctrination he knew in his heart of hearts that the only good varmint was a dead varmint and the groundsquirrel was the varmintest of all varmints. I didn't even try to explain the benefits of groundsquirrels. Instead I pointed out the secondary and tertiary effects of SMF and how those effects destroy the dozen plus squirrel predators and how the beecheyis have multiple litters and breed at younger ages when under stress and consequently within a couple of years there are more rodents than ever; whereas nature keeps the squirrel population at normal levels and doesn't cost a cent.

When the rancher canceled grain baiting he had not only explained why but named me as the source of the why—which I didn't know until my pool opponent brought it up as the Budweiser lubricated his tonsils, loosened his tongue and riled his innards. Finally, holding his cue stick with both hands, horizontally, he looked me in the eye and said low and mean: "The balance of nature doesn't feed my kids. 1080 does."

I nodded, accidentally on purpose sank the eight ball even though I had three solids left, returned my cue to the rack, bought him another beer—the cost of losing—said I had to go outside to take a leak and drove into the safety of distance.

ADC VS EPA

On 22 November 1985, Director Douglas D. Campt of the Environmental Protection Agency's Registration Division sent a certified letter to Tull Allen of the Tull Chemical Company, Oxford, Alabama—the sole manufacturer of 1080 in the US—outlining requirements that had to be met if the use of SMF was to be continued in this country. The company was given 90 days to respond.

It didn't, but continued fluoroacetate registration was supported by the Colorado Department of Agriculture and by the California Department of Food and Agriculture. EPA determined that of the 1985 requirements for use California fully satisfied eight, partially satisfied one, failed to satisfy seventeen and neglected to address two at all.

In October 1989, Director Campt, after informing Tull Allen that "EPA will attempt to adopt the option which will impose the least burden on you," and after extending Tull Allen's response time from 90 days to nearly three years, banned the use of 1080—except for experimental research such as in toxic collars.

It's been banned before—and unbanned.

Tull Allen did not need to respond. Taxpayers were providing California and Colorado with funds to do so for him. Besides, he exports 90% of his product.

To this day taxpayers and ranchers are still helping him. The California Cattlemen's Association has a Recreation and Wildlife Committee. The Committee recreates by promoting Mountain Lion killing, trapping wildlife, and expanding the use of 1080. The CCA-controlled Vertebrate Pest Control Research Advisory Committee has talked the California Department of Food and Agriculture into placing a fifty cent surcharge on every pound of rodenticide sold to pay for studies they hope will increase 1080 distribution. Ranchers, and especially crop farmers who have never used SMF and don't want to, must pay this tax.

Much of the 90% of monofluoroacetate exported ends up in Mexico. One of the last Grizzly Bears left in Chihuahua was killed by 1080, experiencing a long days' dying described by Montana rancher and State Senator Arnold Rieder, quoted by Francois Leydet: "A frenzy of howls and shrieks of pain, vomiting and retching as froth collects on tightly drawn lips . . . racked by painful convulsions from the most inhumane poison conceived by man."

On 21 May 1991, a cowboy told me that within the year he had grain-baited 1080 on a large ranch, adding it was his understanding that despite the ban counties were authorized to use up what SMF they had on hand. The next day I talked with Jerry P. Clark, Senior Biologist with the California Department of Food and Agriculture, who said this was not true—that all monofluoroacetate use stopped on 12 October 1989. He also told me there were 70 pounds of the poison stashed in various counties throughout the state, bringing to mind the Leopold Advisory Board's conclusion that counties could use 1080 in any way they deemed fit.

In addition to the 70 pounds scattered throughout California, there's probably SMF stored in Colorado. Some experiments, such as testing for LD 50s and the effects of sublethal doses on Turkey Vultures, are continuing in universities and FWS laboratories and a few field tests on toxic collars are being done. Tons of the stuff are manufactured, stored and exported from Oxford, Alabama.

WHAT SHOULD BE DONE

Every year a bill that would prevent exportation of pesticides banned in the US comes closer to being passed in Congress. A nice beginning but nowhere near enough. Not only should banned pesticides, herbicides and rodenticides not be exported, their manufacture should be outlawed—with hard time dealt to violators—and every ounce of the poisons should be destroyed—with hard time dealt to illegal storers. A call or letter to one's representative and senators might help enlarge the bill's purview and expedite its passage. A picket line in front of the Tull Allen factory might bring some badly needed publicity to the problem.

For three years the US Fish and Wildlife Service, with considerable help from the Los Angeles Zoo and other institutions, has released, fed and observed zoo-bred Andean Condors in the Sespe National Forest. Generally the birds are three to four months old when released. Of 14 condors only the bird that supposedly hit the power line or pole was lost, though another died from a fairly common attack called "transport shock" while being shipped on a very hot day.

This was the first time zoo-bred condors had ever been released in an area void of thunderbirds. Unlike Turkey Vultures, condors have practically no sense of smell and they find carrion by observing birds with similar habits, preferably of their own species, but in a pinch vultures, ravens and eagles will do. This underdeveloped olfactory process probably explains why the first things they eat on a carcass are its softest features, the anus and mouth.

Survival techniques such as roosting and learning how to fly above, below and around power lines and poles are best learned from other condors. Some of the released Andean Condors have learned the techniques so well they are becoming less dependent on human handouts and are venturing farther and farther away from the release site. These manifestations of freedom will prove costly, however, for if the plan to release two-, three-, or four-year-old California Condors in early 1992 is fulfilled, the older Andeans will go back to jail, as the wildlife biologists and ornithologists controlling their destinies want the young Californians to learn the tricks of the trade from young, still dependent Andeans.

The habitat has not changed much since the capture of the last California Condor; foraging areas hundreds of miles from the release site remain intact. The Nature Conservancy has acquired a 10,000-acre ranch and made it a sanctuary. Developments in condor country generally are built next to other developments and thousands of square miles of rangelands still offer plenty of food. The Sierra Club and others are working hard to get much of the Sespe River declared Wild and Scenic and two bills to that effect are now in Congress.

Most of the Sespe National Forest has not experienced a fire in 80 years and is in dire need of a control burn, which would increase the availability of forage for wildlife. The Forest Service has been talking about a burn for half that many years and while it hasn't produced any smoke, it has come up with a lot of excuses for not doing so.

As fragments of lead, including a 22 bullet, were found in three autopsied California Condors, a change of lead slugs to copper ones—which are just as accurate and effective as lead—might lengthen the life of a bird or two; but you've got to take on the National Rifle Association to enact that improvement. Lead shot is already outlawed in National Parks. (Steel shot is not consistently accurate and leads to maiming animals instead of killing them.)

Estimates of the thunderbird population increased from 40 in 1940 to 60 in 1960, a period of extensive hunting in condor territory. Shortly thereafter came massive grain baiting and a decline in the number of condors, a decline that intensified even after the banning of DDT. As ADC was then a Fish and Wildlife Service agency, it's not hard to speculate why lead shot became the number one enemy.

(While I have never seen an explanation of why ingested lead shot kills condors, I frankly don't know enough condor biology to dispute the allegations made by scientists. [Chickens do very well after eating roofing tacks; yet waterfowl deaths due to ingestion of lead shot are well documented.] I know that a 1950 report detailing the poisoning of three condors feeding on a Coyote carcass was suppressed by the same scientists who to this day deny that 1080 contributed to the big birds' decline in numbers.

Six dead birds have been examined thoroughly. Three had lead in their stomachs. One was killed biting into a scented cyanide-filled bag tied to a pole [a "coyote getter"] planted by ADC. A chick died from stress while being measured by condor savers under the supervision of the US Fish & Wildlife Service. And there was the Pinehurst Condor.)

A backroads drive from the Sespe Forest to Monterey County along the Pacific Coast Range and the western foothills of the Sierra reveals that, so far, development isn't a major threat to traditional condor range and probably had little to do with thunderbird decline. Hunters are fewer in number and more responsible than before; but there is little doubt that direct shooting killed condors in the past, and future shootings can't be ruled out. Pesticides—DDT in particular—must have adversely affected hatching in the past, but other raptors that were affected by DDT are holding their own these days.

Taking all these factors into consideration, noting that DDT hasn't been a major threat for twenty years, and remembering that the thunderbird population increased during the peak hunting period in condor territory and the rapid decline of the population began and accelerated during the years of massive 1080 baiting, SMF has to be recognized as the thunderbirds' major enemy—an enemy that must be prevented from returning.

Furthermore, 13 out of 14 is a good survival ratio. About the only reasons one can give as to why Andeans are making it where Californians weren't is their confinement to a relatively small territory and the fact that SMF has been banned during almost all of the experiment. Danger of residual 1080 or DDT poisoning to the birds seems minuscule. Other release areas within the California Condor's former range, including Arizona's Grand Canyon, are being considered.

The FWS plan may work. With the banning of SMF, a release of all jailed condors (Californians in California, Andeans in the Andes) probably would work. Keeping a thunderbird in a cage is like keeping a human in a refrigerator.

Joe Bernhard, a member of the Screenwriters' Guild, lives in the Nonose Valley of the central-western Sierra foothills. He founded the Sierra Association For Environment (SAFE) to stop P.G.&E. from constructing a paved road through the valley. In addition to winning that fight, SAFE stopped the damming of Dinkey Creek Joe is presently wriging two books. "Trekkin' Down Abbey's Bumpy Road (The Diary of an Earth Firster)" and "The Condor Con Game"

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CONDOR NATURAL HISTORY

In the beginning was Teratornis terribilis (some references say Teratornis incredibilis), whose 18-foot wingspan made it the largest flying bird that ever lived. Its range is unknown, as is the reason for its disappearance.

Terribilis was followed by Gymnogyps amplus, a condor larger than the biggest measured thunderbird, which had a wingspan of 11 feet 4 inches. Amplus ranged from coast to coast and one got stuck in the Los Angeles La Brea Tar Pits ten millennia ago, just as its relatives became mired down in Kern County oil pools in the 20th century. Four-fifths of California's decaying dinosaur bogs are in Kern County and 95% percent in condor country. They excrete into the atmosphere the amount of hydrocarbons emitted from 71,000 automobiles.

A relative, Gymnogyps californius, the California Condor, quire likely was a contemporary of amplus and resided in Washington and Oregon, filtering south when amplus vanished. We know the thunderbird abounded in Washington and Oregon into recent times. Lewis and Clark killed a few, the former complaining that not even the heaviest birdshot could bring one down. Along the Columbia River primary feathers were highly prized as pipe stems.

Reports of California Condor remains have reportedly been found in Florida and New York but they probably were of amplus. The thunderbird apparently ranged from western Canada south to lower Baja California, where its primary feathers were also used: here as a monetary token of exchange. A quill filled with gold dust could buy a seat at a poker table, a drink and other goods available during the gold rush days.

Under natural conditions the California Condor lays one egg a year and spends twice that amount of time rearing the chick. Under stress, new eggs are laid as fast as they are stolen. This is how the zoo scientists have increased the incarcerated population from 28 to 40 and, at the same time, made the birds think that Southern California Edison employees are their moms and dads.—JOE BERNARD.•

COMBAT DISCRIMINATION IN HOME MORTGAGE LENDING

• Mr. BOND. Mr. President, I rise today to draw the Senate's attention to the action taken this week by the Federal Home Loan Mortgage Corporation [Freddie Mac] to combat discrimination in home mortgage lending. Freddie Mac on Monday announced a package of clarification to its underwriting guidelines for the purchase of mortgages to ensure that every borrower has an equal chance to own a home. Their efforts are important and commendable because discrimination in home mortgage lending cannot be tolerated.

Nearly 1 year ago, the Subcommittee on Consumer and Regulatory Affairs of the Senate Banking Committee, chaired by Senator DIXON of Illinois, held a hearing to discuss the role that the secondary market for home loans might play in mortgage discrimination. As the ranking member on the subcommittee, I had many questions about how secondary market policies might contribute to discrimination based on race, sex, or marital status. I was concerned that there might be a white, suburban bias in the underwriting guidelines at all of the secondary market agencies and asked all of the agencies to reexamine their policies.

At that hearing, Freddie Mac released a study entitled "The Secondary Market and Community Lending through Lenders' Eyes." The study did not find any overt discrimination, but its conclusion was that lenders' misperceptions of secondary market standards, borrowers, and neighborhoods all played a role in disparate lending rates to various neighborhoods.

At that hearing, Freddie Mac Chairman Leland Brendsel promised, "First, I plan to make sure that our underwriting guidelines have no hidden biases and that they are well understood. Our study surprised me with some excellent examples of how some of our current guidelines are misinterpreted or how they can be improved."

He followed through on this promise by establishing an underwriting guideline review board consisting of Freddie Mac employees, lenders, and community groups. This group has spent the past year reviewing Freddie Mac's policies to find areas where changes and clarifications were needed.

This Monday, Freddie Mac announced revisions to its underwriting guidelines as a result of this year long review. Specifically, they announced revisions in their policies regarding the funding of downpayments, credit underwriting of applicants, and property locations. Freddie Mac emphasized, however, that the revisions of their guidelines do not relax the underwriting standards. Rather, the changes attempt to ensure that credit worthy borrowers are not denied financing because of misperceptions about Freddie Mac's guidelines.

I am delighted that Freddie Mac has lived up to the commitment made at our hearing last year. It takes persistence and introspection to root out subtle forms of discrimination, we should certainly commend Freddie Mac for undertaking this effort. They should be applauded for their dedication to providing equal access to mortgage funds regardless of race, sex, or marital status.•

NATIONAL EDUCATION PROPERTY BOARD ACT—S. 2165

• Mr. BINGAMAN. Mr. President, I rise today to speak in support of the National Education Property Board Act. I believe this act is an important step in improving American education. It establishes a National Education Property Board [NEPB] to guide school systems in obtaining and using Federal surplus property.

Education has been declared a national priority, but unfortunately, not increasing Government spending has become a national sacrament. Improving our schools without adequate funding is impossible, of course; the goals outlined in the America 2000 report seem unattainable in this era of tight budgets and Government spending cuts. Purchasing new supplies and equipment is only a dream for schools facing budget cutbacks and increased demand. However, what we cannot buy for our schools, we can give to them. That is the purpose of this bill—to use Government surplus where it is needed most.

There is a resource that can be tapped to give our schools the computers, desks, chairs, and other property they so desperately need—without costing the taxpayers one cent. Every year, billions of dollars' worth of Federal property becomes obsolete, redundant, or excess. This surplus is distributed by a complex and cumbersome system. Equipment that schools need never gets to them because it must first run a bureaucratic gamut in which first other Federal agencies, then the Federal Aviation Administration, then State agencies all pick and choose the items they want and leave the rest. As it is, virtually nothing trickles down to the schools. This bill proposes a change in this system to better meet the needs of schools and the Nation.

Establishing educational institutions as first in the pecking order for Government surplus will benefit American education enormously. Computers that are obsolete by the standards of Los Alamos National Laboratory are a dream come true for most classroom teachers. Worn-out jeeps from the Army may be useless to the military, but would be invaluable to a high school machine shop class. Office furniture no longer suitable for use in Washington will have an immediate impact on inner-city classrooms which have no desks. Instead of being returned to the bureaucracy, Government property will go directly to the people who need it most—the students.

To identify and distribute items useful to educators, we propose to establish a National Education Property Board, authorized for 5 years. By expediting the transfer of Federal property to academic institutions, the Board will help make the America 2000 goals a reality and have a real and immediate impact on America's classrooms.

To provide the educated, trained citizens our country will need, it is essential to make fundamental changes in the ways we teach our children. Creating and authorizing the NEPB will make available billions of dollars in invaluable surplus property for our schools. If we are to make education a priority in America as well as in speeches, this legislation is an important step. It does not require the Federal Government to spend more money it does not have. All it asks is that we place educational institutions at the head of the list.

Mr. President, I ask that the text of the bill be printed in the RECORD.

The bill (S. 2165) follows:

S. 2165

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Education Property Board Act".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) there is a need to improve the quality of public school education;

(2) scientific, technical and engineering competence is also essential to the future well-being of the Nation;

(3) to provide the trained and educated citizens essential to the future competitiveness of the United States, improvements in our mathematics, science and technology education programs are necessary;

(4) to provide a quality education in mathematics, science and technology and train our academic and vocational students, sophisticated and expensive equipment is often needed;

(5) Federal agencies have such equipment which may be determined as surplus or excess property; and

(6) there is a need to establish a separate, independent national entity to facilitate and expedite the inventory an transfer of surplus and excess Federal property to postsecondary institutions and other educational institutions.

(b) STATEMENT OF PURPOSE.—The purposes of this Act are to—

(1) establish an independent National Education Property Board and to serve as the sole agent to facilitate, oversee and direct the inventory and distribution of surplus and excess Federal personal property available from Federal agencies to enhance mathematics, science and technology education by awarding such property to—

(A) elementary and secondary schools as defined under section 1471 (8) and (21) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891 (8) and (21));

(B) postsecondary institutions;

(C) minority institutions;

(D) hospitals;

(E) museums;

(F) professional societies; and

(G) eleemosynary institutions;

(2) create a distribution system whereby the transfer of Federal personal property be as simple and unencumbered in application, review and execution, as possible;

(3) develop policies and procedures that encourage the participating Federal agencies to support the cost of shipping, installation and technical assistance for elementary and secondary institutions, and minority colleges and universities;

(4) collect data and develop a report for Congress on the inventory and distribution of appropriate surplus and excess Federal personal property; and

(5) make recommendations for additional data gathering and on how to improve the operation of the system.

SEC. 3. NATIONAL EDUCATION PROPERTY BOARD.

(a) IN GENERAL.—Title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.) is amended by inserting after section 203 the following new section:

"NATIONAL EDUCATION PROPERTY BOARD

"SEC. 203a. (a) For the purposes of this section—

"(1) the term 'Board' means the National Education Property Board established under subsection (b);

"(2) the term 'minority institution' has the same meaning as such term is defined under section 1046(3) of the Higher Education Act of 1965 (20 U.S.C. 1135d–5(3)); and

"(3) the term 'personal property' means all personal property as defined by the General Services Administration's Standard Federal Classification for personal property.

"(b) There is established a National Education Property Board which shall be an independent establishment as defined under section 104 of title 5, United States Code.

"(c)(1) The Board shall consist of five trustees appointed by the President.

"(2) Trustees of the Board shall be appointed on the basis of experience and expertise in the needs and use of property by educational institutions, from among—

"(A) individuals who are senior level executives representing the private sector; and

"(B) individuals who are senior level executives representing the academic community.

"(3) The initial trustees of the Board shall be appointed no later than sixty days after the date of the enactment of this section.

"(4)(A) In order to retain an appointment to the Board, a trustee is required to attend at least fifty percent of the scheduled meetings of the Board in any calendar year.

"(B) A trustee who does not comply with the requirement of subparagraph (A) shall cease to be a trustee on January 1 next following the calendar year in which he failed to comply.

"(5) A vacancy on the Board shall not affect its powers, but shall be filled in the same manner as the original appointment was made.

"(6) Trustees of the Board shall each be appointed to serve a five-year term.

"(7) Each trustee of the Board shall serve without compensation, but shall be allowed travel expenses including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, when engaging in the performance of Board duties.

"(8) The Board may begin to carry out its duties under this section when any three trustees of the Board have been appointed.

"(d) The Board shall—

"(1) identify and collect monthly, all available information on the amounts and types of surplus and excess Federal personal property, including personal property acquired with funds appropriated to Federal agencies, and shall make such property available to the education community from Federal agencies which interact with educational institutions and other organizations involved in training and employing individuals competent in science, mathematics, engineering, and technology, including the—

"(A) Agency for International Development;

"(B) Central Intelligence Agency;

"(C) Department of Veterans Affairs;

"(D) National Aeronautics and Space Administration;

"(E) National Science Foundation;

"(F) Department of Agriculture;

"(G) Department of Commerce;

"(H) Department of Defense;

"(I) Department of Education;

"(J) Department of Energy;

"(K) Department of Health and Human Services;

"(L) Department of Housing and Urban Development;

"(M) Department of the Interior;

"(N) Department of Labor;

"(O) Department of State;

"(P) Department of Transportation;

"(Q) Environmental Protection Agency;

"(R) Nuclear Regulatory Commission; and

"(S) Veterans' Administration;

"(2) identify gaps in the data and collect additional data that is needed;

"(3) establish an information dissemination strategy using electronic and written copy dissemination of information on personal property available to the academic community;

"(4) provide technical assistance as required to assist property managers in participating government agencies;

"(5) develop a method of direct transfer of property from the Federal agency to the receiving educational institution without involving other Federal or State agencies in storage or shipping of such property;

"(6) develop a method whereby a grantee receiving equipment or other personal property agrees to release the United States, or any person acting on behalf of the United States, from all civil liability resulting from the receipt, shipping, installation, operation, handling, use and maintenance of the equipment after such equipment is physically removed from the government facility;

"(7) develop a method to provide a Federal agency with the option to directly transfer surplus or excess personal property by loan or grant with title to property provided under a grant instrument to be vested in the receiving educational institution at the discretion of the Federal agency and without penalty to the awarding agency;

"(8) oversee that transfers made under subsection (e) shall into be competitive, and shall be at the discretion of the designated education authority at the respective Federal agency;

"(9) facilitate the disposal of all applicable surplus and excess personal property to educational institutions under section 203 of this Act; and

"(10) report annually to the President and Congress as specified under subsection (f).

"(e) Notwithstanding the provisions of section 203, the Board may make surplus and excess personal property, which would otherwise be made available to educational institutions through State agencies under subsections (j) and (k) of such section, directly available to educational institutions (including minority institutions and elementary and secondary schools as defined under sections 1471 (8) and (21) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891 (8) and (21)).

"(f)(1)(A) No later than one year after the Board holds its first meeting of trustees, the Board shall submit an interim report of its progress toward meeting the objectives of this section.

"(B) No later than one year after the Board submits its interim report, the Board shall submit a full report, including—

"(i) a list of all Federal agencies participating in the distribution of property under this section;

"(ii) a report on Federal agency cooperation and support of the purposes of this section;

"(iii) a list of all Federal agencies participating in the on-line information service noting property available for dissemination;

"(iv) a list of all property made available under this section;

"(v) the quantity and value of the property transferred under this section by each Federal agency to—

"(I) elementary and secondary schools as defined under sections 1471 (8) and (21) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891 (8) and (21));

"(II) postsecondary institutions;

"(III) minority institutions;

"(IV) precollege institutions;

"(V) hospitals;

"(VI) museums;

"(VII) professional societies; and

"(VIII) eleemosynary institutions;

"(vi) a list of the quantity and value of equipment transferred to each educational institution under this section;

"(vii) a list of the recipient educational institutions; and

"(viii) the results of a user evaluation of the property program under this section.

"(2) The Board shall submit an annual report containing the information required under paragraph (1)(B)—

"(A) on the date occurring one year after the date of the submission of the first full report; and

"(B) on such day for each year thereafter.

"(g)(1) The Board may secure directly from any Federal agency such information as may be necessary to enable the Board to carry out this section. On the request of the Chairperson of the Board of Trustees, the head of the agency shall furnish the information to the Board.

"(2) The Board may accept, use, and dispose of gifts and donations of services or property.

"(3) The Board may use the United States mails in the same manner and under the same conditions as the departments and agencies of the United States.

"(4) The Administrator of the General Services Administration shall provide to the Board on a reimbursable basis such support service as the Board may request.

"(h)(1) The Board shall meet on a regular basis, as necessary, but not less than three times a year at the call of the Chairperson or a majority of the trustees.

"(2) A simple majority of the appointed trustees of the Board shall constitute a quorum for the transaction of business.

"(3) The Board shall take all actions of the Board by a majority vote of the trustees attending a duly called and constituted meeting of the Board. No individual may vote or exercise any of the powers of a trustee by proxy.

"(4)(A) The Chairperson and Vice Chairperson shall be elected by and from the trustees of the Board.

"(B) The Chairperson and Vice Chairperson until the expiration of their terms as trustees, or until the resignation or removal by a majority of the trustees.

"(5) The Chairperson of the Board, in consultation with the Vice Chairperson, shall appoint and fix the compensation of a staff administrator and such support personnel as may be reasonable and necessary to enable the Board to carry out its functions without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision of law, relating to the classification of positions and General Schedule pay rates. The rate of pay for the staff administrator or other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code.

"(6) On the request of the Chairperson of the Board, the head of any Federal agency is authorized to detail, without reimbursement, any personnel of such agency to the Board to assist the Board in carrying out the duties of the Board. Such detail shall be without interruption or loss of civil service status or privilege.

"(i) There are authorized to be appropriated to carry out this section, $5,000,000 in fiscal year 1992, and $4,000,000 in each of the fiscal years 1993 through 1996.".

"(b) TECHNICAL AND CONFORMING AMENDMENTS.—The table of contents for the Federal Property and Administrative Services Act of 1949 is amended by inserting after the item relating to section 203 the following:

"Sec. 203a. National Education Property Board.".•

EAST ST. LOUIS TACKLES THE TRASH

• Mr. SIMON. Mr. President, in my home State of Illinois, the city of East St. Louis is confronted with a difficult fiscal situation similar to that facing many of our Nation's cities. East St. Louis, however, deserves great praise for the actions of its citizens in organizing to deal with the trash crisis that has been plaguing the city.

Facing harsh fiscal realities, East St. Louis stopped paying its sanitation contractor in 1985. Given the accumulation of garbage since that time, the current cleanup process will take up to 2 years to complete.

Through the diligent actions of the local citizens, approximately 100 volunteers have been organized into Operation New Spirit. With the assistance of the State and county, labor and equipment have been organized to begin cleaning up East St. Louis within the next few weeks.

Tackling the garbage problem has necessitated coming up with creative solutions. Two projects entered into with Archer Danield Midland [ADM] and Waste Management Inc., are good examples of the creative thinking and energy needed to get East St. Louis on its feet again. The ADM project involves the Illinois Bureau of Prisons collecting old, abandoned tires and hauling them to Decatur where ADM will accept one truckload of tires at no charge—waiving the 35-cent-per-tire charge—to use in their operations. The Waste Management project allows the city to take two loads of trash to the company's Chain of Rocks landfill at no charge. This will also result in a savings to the city.

East St. Louis deserves to be commended for its efforts to deal with a contentious problem during a difficult economic period. Its citizens' hard work should be an inspiration to all of us.•

IN COMMEMORATION OF THE YEARS OF SERVICE AND RETIREMENT OF PATRICIA JOY JONES

• Mr. SEYMOUR. Mr. President, today, I honor a rare individual and at the same time tell you with some degree of humility that I perhaps would not be standing here today, were it not for this same individual and the challenge this remarkable woman laid out for me some 29 years ago. At the time, I had just started a real estate brokerage business in the city of Anaheim in California and in the process became a member of the Anaheim Board of Realtors. There was something about the realty board at the time that I was unhappy with, so I stormed into their office to file a complaint. There, I was first to meet, Patricia Jones, a woman I would quickly learn was about as stubborn and strong willed as I was. As I vented my unhappiness to her, she shot back with a challenge "Well Mr. SEYMOUR, if you don't like the way things are run around here, why don't you just get involved and so something about it!" Little did either of us know that to "just get involved" would set me on a path of involvement not just with the Anaheim Board of Realtors, but with countless causes and organizations in my community, becoming a city councilman, mayor, State senator, and now, U.S. Senator. But this is a tribute to Pat Jones, for in her own determined way, she laid down this same challenge "to get involved" to many other people whose lives she touched, and the community was enriched for her having done so.

Like many Californians her roots were elsewhere, in her case, Boise, ID. In 1942 she saw her chance to find her dream when she was presented with a scholarship to the University of Redlands. Following college, she worked for an insurance agency in Laguna Beach, CA. Then in 1955, something magical happened to a small community of mostly orange groves in central Orange County. Another person had a dream, of a place where fantasy and fun would rule the day. Walt Disney came to Anaheim and the small sleepy community of German immigrants was on its way to becoming an international destination. With it came jobs, and growth, and opportunity and homes for people to raise families and pursue their dreams. With homes, came the need for people to market them and

75 real estate brokers in the area came together to form the Anaheim Board of Realtors. They searched far and wide for an energetic person to run things, and they found everything they could as for in a sharp young woman, Pat Jones. The board of realtors became her baby, and she saw it grow with a membership at one time of over 800 members. She inspired others "to get involved" with several members serving in elective or appointed office, including members of the planning commission, city council, mayor, county board of supervisors, State senate and in my case, U.S. Senator. This is a direct reflection on Pat Jones and her determination and leadership.

She has contributed much besides her 36 years as the only executive officer the Anaheim board has ever known. She has been active in the Guardian Angels, women's division of the Anaheim Chamber of Commerce, and the Iris professional auxiliary of the Anaheim Assistance League. She loves to get away on her weekends to her mountain hideaway in Idyllwild, but even there she is not content to just relax, she has been an active associate member of the Idyllwild School of Music and the Arts and the garden club chairman for the past 2 years of the home Tour Idyllwild Fiesta Institute. Mr. President, I would ask that the Members of the Senate join me and the hundreds of her friends who will be gathering appropriately enough on the evening of Valentine's Day, February 14, 1992, to commemorate Patricia Joy Jones for her 36 years of service to her community and bid her good wishes for abundant good health and happiness as she begins her much deserved retirement from the Anaheim Board of Realtors.•

IN SUPPORT OF S. 710

• Mr. DURENBERGER. Mr. President, I rise today to cosponsor S. 710, which would permanently extend the Federal tax exemption for agricultural private activity bonds—also known as aggie bonds.

Aggie bonds are essential if farm loans are to be made for the next generation of farmers. As America sees record numbers of farmers leaving the land and younger generations moving to the cities, the need for tax-exempt aggie bonds is clear. Federal law constricts the use of the bonds for loans to first-time farm purchases and restricts them to a maximum of $250,000 per family per lifetime.

Since 1980, $450 million in aggie bonds have been used by more than 3,500 beginning farmers to purchase farmland, construct agricultural facilities, and acquire needed machinery. Without aggie bonds, many of these farmers would not have been able to enter farming or modernize their facilities. In a survey conducted by the National Council of State Agricultural Finance Programs in August 1990, 77 percent of the recipients of aggie bond financing used the loans to make their first land purchase; and, 66 percent of the recipients said they could not have made the purchases in question if not for these loans.

Local lenders are the primary purchasers of aggie bonds and it is the local community that benefits from the beginning farmers that are funded by them. As farmers are established by this financing, the benefits of this program ripples out to the implement dealers, seed suppliers, and other services in the rural economy. Tax exemption for aggie bonds is good public policy.

Mr. President, I am proud to join Senator GRASSLEY in cosponsoring this bill and hope that the Senate will approve this exemption.•

CONGRESSIONAL CALL TO CONSCIENCE

• Mr. KOHL. Mr. President, as one of the cochairs of the Congressional Call to Conscience Vigil in the 102d Congress, I rise today to bring the Senate up to date on the plight of Jews in Russia. Since the beginning of perestroika, Soviet Jewish emigration has increased dramatically and giving many Soviet Jews, and their families and friends, new hope of freedom. Added to the hope of the past is the reality of the present: the demise of the Soviet Union and the conclusion of the cold war.

The promise of both the past and present are real—but not yet fully realized. There are still at least 400 people whose right to emigrate is being denied in Russia. And the rise of anti-Semitism throughout the successor states gives further cause for concern.

Anti-Semitism is still very strong in the new commonwealth, especially in Russia. It is a hatred that unfortunately has developed with Russia's history. From as early as Ivan III, many Russians have considered Jews a threat to the state. In some ways it seems that anti-Semitism has been passed on from generation to generation, from the czars to Stalin, from Stalin to Khrushchev, from Khrushchev to Brezhnev, and from Brezhnev to some of the people and leaders of today. The historic prejudice against Judaism is symbolized by the reduction in the number of synagogues. There were well over 2,000 synagogues in the Soviet State at its early stages. By 1926 there were about 1,100, 500 in 1945, 150 in 1960, 60 in 1964, and less than 50 by 1983. By 1985, if a Jew wanted to practice his or her religion, they would have to do it in secret, at risk. During perestroika, Government sanctioned anti-Semitism declined and emigration picked up considerably. However, grassroots anti-Semitism was still very much alive and is growing today.

Only last week there was an anti-Semitic demonstration outside the Kremlin; 10,000 people participated in this pro-Communist rightwing demonstration, which blamed Jews for all of Russia's problems. Significantly, the authorities did nothing to control or respond to the protest. In the Russian mass media, attacks against Jews have become a matter of routine. Many publications in Russia blame the Jewish people for Russia's problems. These publications have a broad circulation which is growing. Harassment of Jews has increased. Swastikas can be found painted on many walls in Moscow and Jewish cemeteries have been desecrated. Incidents of verbal and written insults abound. Violent grassroots anti-Semitic groups have developed. Panic among Jews has spread with the rumors of pogroms.

I think it is important for the Senate to recognize that anti-Semitism is connected to—and is often used as a smokescreen by—the antidemocratic elements of Russian society. They use anti-Semitism to try to stop progress by using the Jews as a scapegoat for the economic troubles in Russia. Anti-Semitic publications prevent the development of democracy by working against what democracy stands for—freedom for all.

Extreme anti-Semitic groups, fortunately, are not supported by the majority of the population in Russia. However, the local authorities are not preventing or speaking out against this activity. This has created a climate of fear and hatred. We must help put an end to this hatred by encouraging further democratic reform in Russia and the passage of laws which guarantees the human rights of all its citizens. We must also continue to fight for the free right to emigrate. We cannot stop until this is achieved. It is our responsibility.•

TRIBUTE TO SECRET SERVICE DIRECTOR JOHN R. SIMPSON

• Mr. DOMENICI. Mr. President, I rise today to pay tribute to John R. Simpson, the 16th Director of the U.S. Secret Service. Director Simpson is retiring after a long and distinguished career with the Secret Service, having served as its Director for the past 10 years.

Director Simpson began his career with the Service in 1962, as a special agent in the Boston field office. His career assignments have taken him from assistant special agent in charge of the Protective Support Division to duty in the Vice Presidential Protective Division, the Foreign Missions Branch of the Uniformed Division, and the Dignitary Protective Division. In 1979, he was promoted to Assistant Director of Protective Operations after having served 2 years as the special agent in charge of the Presidential Protective

Division. He was named 16th Director of the Secret Service on December 8, 1981. Since that time, he has skillfully overseen the Service's protective and investigations missions. He also has the distinction of being the first American elected as the President of INTERPOL, a position which he held from 1984 to 1988.

It has been my privilege to work directly with Director Simpson during the time I have served as ranking member of the Senate Appropriations Subcommittee which oversees the Secret Service. Director Simpson has been an outstanding advocate for the Service and has promoted and forged a cooperative relationship between the Service and the Congress. He led the Service through an era of technological advancement and increased investigative responsibilities.

Director Simpson leaves the Service with a most impressive list of achievements. He has been an active leader in the law enforcement community, both here and abroad. He exemplifies the high caliber of the people serving in Federal law enforcement today. Not only has he utilized his experience, knowledge, and talents to strengthen the Service, but to strengthen law enforcement overall. I know my colleagues join me in thanking John Simpson for his many years of dedicated service to this Nation and in wishing him well in all his future endeavors.●

ORDERS FOR TOMORROW

Mr. KERRY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 8:30 a.m., Friday, January 31; that following the prayer, the Journal of Proceedings be approved to date; that the time for the two leaders be reserved for their use later in the day; and that the Senate then resume consideration of S. 12, the cable bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 8:30 A.M.

Mr. KERRY. Mr. President, if there is no further business to come before the Senate today, and I see no other Senator seeking recognition, I now ask unanimous consent that the Senate stand in recess until 8:30 a.m., Friday, January 31.

There being no objection, the Senate, at 8:09 p.m., recessed until Friday, January 31, 1992, at 8:30 a.m.

NOMINATIONS

Executive nominations received by the Senate January 30, 1992:

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SHIRLEY GRAY ADAMOVICH, OF NEW HAMPSHIRE, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 1996, VICE RAYMOND J. PETERSEN, TERM EXPIRED.

NATIONAL ADVISORY COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT

JOHN AGRESTO, OF NEW MEXICO, TO BE A MEMBER OF THE NATIONAL ADVISORY COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT FOR A TERM EXPIRING SEPTEMBER 30, 1992, VICE MAX CHARLES GRAEBER, TERM EXPIRED.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

HUGH HARDY, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 1996, VICE M. RAY KINGSTON, TERM EXPIRED.

NATIONAL SCIENCE FOUNDATION

IAN M. ROSS, OF NEW JERSEY, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 1998.

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

SHIRLEY CHILTON-O'DELL, OF CALIFORNIA, TO BE A MEMBER OF THE FEDERAL RETIREMENT THRIFT INVESTMENT BOARD FOR A TERM EXPIRING SEPTEMBER 25, 1994, VICE RICHARD H. HEADLEE, TERM EXPIRED.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

WELLS B. MCCURDY, OF WASHINGTON, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 1993, VICE EVAN GRIFFITH GALBRAITH, TERM EXPIRED.

DEPARTMENT OF TRANSPORTATION

ANDREW H. CARD, JR., OF MASSACHUSETTS, TO BE SECRETARY OF TRANSPORTATION.

WITHDRAWAL

Executive message transmitted by the President to the Senate on January 29, 1992, withdrawing from further Senate consideration the following nomination:

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

MARJORIE S. HOLT, OF MARYLAND, TO BE A MEMBER OF THE GENERAL ADVISORY COMMITTEE OF THE U.S. ARMS CONTROL AND DISARMAMENT AGENCY (REAPPOINTMENT), WHICH WAS SENT TO THE SENATE JANUARY 23, 1992.

EXTENSIONS OF REMARKS

THE VITAL ROLE OF AIR FORCE AND NAVAL AVIATION

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. HUNTER. Mr. Speaker, I know many of my colleagues realize the tremendous success of Operation Desert Storm was in large part due to the outstanding performance of the brave men and women of the U.S. Air Force and naval aviation. This was true in the Persian Gulf in 1991, just as it was during Operation Just Cause in Panama in 1989, and during our retaliatory raid on Libya in 1987. The U.S. Air Force and naval aviation have always gone well beyond the call of duty whenever and wherever a national security problem has occurred around the globe.

Unfortunately, many vital programs concerning our air power projection capabilities are today being scaled back significantly. Essential Air Force and naval aviation programs are also coming under intense review, and there are serious concerns about whether or not we will have the capability to launch another Operation Desert Storm in just a few years.

The Air Force can obviously be scaled back during a time of reduced tensions with the former Soviet Union, but I want my colleagues to know of my concern that many of these reductions involve the most important aspects of our national security. Accordingly, in my role as chairman of the House Republican Research Committee, I have participated in the formation of the new Air Power Task Force. The cochairmen of the task force are Congressmen RANDY (DUKE) CUNNINGHAM, who was the only Navy pilot ace during the Vietnam conflict, and SAM JOHNSON, who directed the Air Force's topgun fighter pilot school and was a prisoner of war in North Vietnam for 7 years.

The first meeting of the Air Power Task Force was with retired Air Force Gen. Chuck Yeager who spoke to us about the importance of stealth technology. The task force is also working with the 205 lawmakers in the bipartisan national security caucus, and we are also being assisted by Steve Richie, the president of the American Security Council, who was the only Air Force pilot ace of the Vietnam conflict.

I know I can speak for the entire Air Power Task Force in expressing our concerns about the programs slated for reduction in the upcoming fiscal year 1993 Department of Defense budget. We are in general agreement with the reorganization plan that is actively being implemented by Air Force Secretary Donald Rice and Gen. Merrill McPeak, the Air Force Chief of Staff. The serious nature of this reorganization is reflected by General McPeak's recent comment to the effect that "the Air Force must adapt or go the way of the dinosaur."

The leadership of the Department of Defense and the U.S. Air Force has fully accepted the realities of upcoming Pentagon budgets, but the Air Power Task Force is working to ensure that further reductions will be made in a prudent manner.

The Air Force is already on the brink of its most significant reduction since its inception as a service following World War II. By the mid 1990's, the Air Force will have been decreased by more than 20 percent, and this will have a significant impact on our national security policy. Once again, in the words of General McPeak, "We must review the way we do business at every level—from the squadron to the Air Staff. Reorganization is my number one priority."

General McPeak and Secretary Donald Rice clearly intend the Air Force of tomorrow to be leaner but more effective. While budget cuts, personnel reductions, and streamlining will be difficult, some very definite steps must be taken to ensure the USAF remains second to none in its effectiveness.

My colleagues in the Air Power Task Force are dedicated to ensuring that we do not return to the hollow force of the late 1970's, when we fielded large numbers of ill-trained, poorly maintained units. We should never again confuse quantitative for qualitative superiority. All of us believe there is no substitute for intense training, effective command, communications, control, intelligence, and ample maintenance. We must ensure that in all of these areas the Air Force has complete superiority in the next century.

The Air Power Task Force will be meeting with senior opinionmakers to express our concern about a number of vital programs. These modernization efforts must continue to ensure that the USAF remains the world's preeminent air power. Once again, Operation Desert Storm provides some very valuable guidelines regarding the strengths and weaknesses of the Air Force.

One of the most important lessons of the Persian Gulf war was that low observable stealth technology not only works, but saves both lives and money. The F–117A Nighthawk stealth attack fighters performed flawlessly in the skies over Iraq, striking heavily defended targets with impunity. Not one of these radar-evading aircraft was detected by the Iraqi air defense units, much less intercepted.

Although stealth aircraft are more expensive per unit than conventional combat aircraft, they do not require an armada of radar jamming and fighter escorts to accomplish their mission. Lt. Gen. Charles Horner, commander of allied air forces in the Persian Gulf, has addressed this by saying, "initial acquisition cost is higher, but stealth systems expose fewer lives, reduce total sorties—and therefore total cost."

The new stealth fighter, the F–22 Lightning, will be a significant improvement of the already determined radar-evasive qualities of the F–117. However, many lawmakers are questioning whether the United States needs such an advanced aircraft in the face of a diminished Soviet threat. Upgrading current U.S. fighters, as many are proposing, would not be sufficient. New foreign combat aircraft, such as the Soviets' Mig–29 and Su–27, and the new French Mirage–2000, are already equal in some respects to the F–15, our current front-line fighter. They are now being used by a growing number of potentially hostile Third World nations.

The F–22 is far superior to any current or planned fighter plane in the world's inventories. The F–22 has unmatched speed, stealthiness, avionics, and firepower. The Air Power Task Force is in complete agreement with Air Force Secretary Rice who has said, "we're not interested in an even match in the skies. We're interested in maintaining American air superiority."

In the war against Iraq, establishing immediate air superiority was the key to a quick victory for ground forces. Considering the rapid proliferation of high-performance fighters in the Third World, it is essential that the United States retains the ability to project unchallenged air superiority anywhere in the world. In order to ensure that this capability remains unquestioned, it is imperative for the Congress to provide full funding for the F–22 Lightning.

Another important lesson of the gulf war concerned the value of strategic bombers in a conventional conflict. Twice during Desert Storm, Gen. Norman Schwarzkopf requested sorties by B–52 bombers. The newest strategic bomber, the B–2, incorporates stealth technology, and has a greater payload and range than either the F–117, B–1B, or B–52. Simply put, a B–2 would have been a significant asset in Iraq.

In addition to its capacity to fight in a conventional war, the B–2 will also serve in its originally designed role, that of strategic deterrence. The coup attempt last August in the former Soviet Union once again demonstrated that the political climate and the nature of relations between the superpowers can literally change overnight. As such, for the foreseeable future, the United States must maintain an effective and modern nuclear deterrent force, and this certainly includes the strategic bomber leg of the triad.

Locating and monitoring ground forces, such as Iraq's mobile Scuds, proved to be a difficult proposition, one that might have been nearly impossible were it not for the E–8 Joint STARS [Surveillance Target Attack Radar System]. This system monitors the movement of enemy deployments on the ground, the way an AWACS monitors activity in the air. Joint STARS ensures that the commanders in the air and the commanders on the ground have the same picture of the battlefield, a vital necessity in combined arms operations where the effectiveness of interservice coordination can mean the difference between victory and defeat.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

We would do well to remember the ill-fated mission to rescue our hostages from Iran, as well as mistakes made in the invasion of Grenada. In both cases, interservice confusion inhibited the success of American military operations. The outcome of future operations, be they low-intensity conflicts or large-scale deployments, will largely depend on effective interservice cooperation. In the gulf, the E–8 has proved itself in bridging the gap between our air and land forces. In order to ensure that future engagements are as successful as Desert Storm, it is essential for the USAF to retain the Joint STARS.

One area of the Persian Gulf deployment where the USAF demonstrated a need for improvement concerned strategic airlift. Iraqi forces could have easily invaded Saudi Arabia prior to the arrival of American heavy armored forces in late 1990. Clearly, in a future crisis, the United States may not be as fortunate. In light of this, heavy airlift should be one of the most important priorities for the USAF.

The C–17, our top line modern transport aircraft, is currently the most sensible aircraft to serve this function. Its airlift capacity is exceeded by only the massive C–5A Galaxy. Had the C–17 been in our inventory at the outset of hostilities in August 1990, 2 additional brigades and 12 tactical squadrons could have been moved to Saudi Arabia in only 2 weeks.

In addition, aerial refueling capability in conjunction with the C–17's ability to land on extremely small runways give this airlifted unequaled access to the world's airfields. While bombers and fighter planes are more glamorous and receive most of the media attention, the necessity for large scale airlift cannot be understated, as was demonstrated in the Persian Gulf. If we cannot get our forces to a crisis as quickly and expeditiously as possible, we will not win in the future.

Mr. Speaker, this is just the first of the comments Congressmen DUKE CUNNINGHAM, SAM JOHNSON, and I plan to make on the activities of the Air Power Task Force. We will be adressing specific programs in the future, but I want all of my colleagues to know of the importance we assign to the role of both Air Force and Navy aviation in addressing national security strategy.

A TRIBUTE TO FOUR HEROS

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. BATEMAN. Mr. Speaker, I rise today in recognition of four U.S. Army chaplains, First Lieutenants George L. Fox, Clark V. Poling, John P. Washington, and Alexander D. Goode, each of different faiths, who worked together and gave their lives in an effort to save others in a selfless act of heroism. Forty-nine years ago, on February 3, 1943, the SS *Dorchester*, an Army transport vessel, was in the North Atlantic en route from St. John's, NF, to Narsarsuak, Greenland, transporting 904 passengers, in addition to some cargo. At approximately 3:55 a.m., the *Dorchester* was torpedoed without warning.

The torpedo hit the ship just aft of amidship near the engine room. The explosion was muffled, and there was very little noise, but the concussion was severe. The ship took on water at such a fast rate that in a matter of just 25 minutes, it was lost.

In that short time, it was the bravery of Lieutenants Fox, Poling, Washington, and Goode, the 4 chaplains aboard the *Dorchester*, that saved the lives of many. According to many survivors, the chaplains, with complete disregard for their own safety, quieted the panic of men frozen by fear at the ship's rail, forcing them into boats and life jackets. They handed out life belts from a box, and when those were gone, they gave their own to enlisted men. Additionally, they helped construct make-shift rafts out of timbers, cork, and other materials at hand. The only concern of these brave men was to do everything they could to save the lives of the others on the transport. Chaplain Goode even gave his gloves to another man, despite the bitter cold, knowing that having those gloves might help him survive. That man did indeed survive, and credited his survival to the selflessness of Chaplain Goode.

When these four brave men had done everything humanly possible to help those on board, and when the end was imminent, Lieutenants Poling and Fox, both Protestants, and Washington, a Roman Catholic, and Goode, who was Jewish, joined hands and prayed together as the ship went down.

Because of their bravery, these four fine men were posthumously awarded the Purple Heart and the Distinguished Service Cross. Additionally, in 1960, this body awarded Fox, Poling, Washington, and Goode the Congressional Medal for Heroism. This medal was specifically created to honor these men, and they are the only four to have received it.

The SS *Dorchester* was built at Newport News Shipbuilding & Dry Dock Co., located in Virginia's First District, and was originally a passenger liner when delivered in 1926. With the commencement of the United States' involvement in World War II, the owners chartered it to the Army Transport Service to transport personnel and cargo. In Newport News today, the memory of the four chaplains is kept alive by the efforts of the Four Chaplains Memorial Committee, and with the marble and bronze monument that was erected in their memory in 1989 at the War Memorial Stadium. Let us keep alive their memory, and the spirit of selflessness and bravery their actions embodied, by remembering their heroism today.

WOMEN'S HEALTH DAY

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. SCHEUER. Mr. Speaker, the Comprehensive Community Development Corp., located at 731 White Plains Road in the Bronx, provides area residents of all ages, with a wide range of services and programs.

This includes its Soundview Health Center, which, each year, records more than 40,000 visits from patients living in Soundview, Castle Hill, Parkchester and other surrounding communities.

In addition to providing treatment, the Center is deeply committed to educating the public about good health care and emphasizing preventive medicine.

As an example of this dedication, the Soundview Health Center will be observing "Women's Health Day" on Thursday, February 13, 1992, to make women more aware of illness and health problems prevalent among women, how they can be prevented, and tests that are available to determine if they are inflicted.

During the day, many free tests will be available, talks and material on a variety of illnesses will be offered, and women will be encouraged to educate themselves on the first signs of illnesses and the availability of treatment.

Mr. Speaker, I rise to commend the Comprehensive Community Development Corp. and its Soundview Health Center for providing the women of the area with this valuable service and for conducting "Women's Health Day."

IN RECOGNITION OF JACK MORRISON

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Ms. PELOSI. Mr. Speaker, I rise today in remembrance of Jack Morrison, who for 40 years helped shape the political, civic, and environmental life of San Francisco.

Jack Morrison was born in 1922 in Mustang, CO, grew up on a farm in Missouri, served his country during World War II in the Navy, and received his undergraduate degree from Cornell University. After completing a master's degree in creative writing at Stanford University, he spent 10 years with the San Francisco Chronicle covering city and State government.

In 1952, Morrison became active in local politics, and served with distinction on the San Francisco Board of Supervisors for two terms following his election in 1961. He was a pioneer in the area of urban environmentalism, leading successful fights to protect the San Francisco waterfront from overdevelopment and to increase public accessibility to Golden Gate Park. Morrison saw, before many others, that the principles of conservation and concerns for the environment should be applied to urban centers.

Morrison was also a passionate advocate for the less fortunate. He sponsored legislation establishing the San Francisco Human Rights and Juvenile Delinquency Prevention Commissions, and was a strong advocate for civil rights, civil liberties, and social welfare during his tenure on the board. Many of the honors he received in life, too many to enumerate, reflect his zeal for social justice.

Indeed, our former colleague and now assemblyman for San Francisco John Burton said that Jack Morrison was "the conscience of the Democratic Party."

Morrison's distinguished career of public service continued unabated after his years on the board of supervisors, including service on the port commission, the social services commission, the Mayor's Blue Ribbon Laguna Honda Hospital Long-Range Planning Committee, the San Francisco Equal Opportunity Council, the Governor's California Study Commission on Mental Retardation.

Morrison also continued his advocacy on behalf of urban environmentalism. People looked to him for leadership on issues affecting planning, growth, and development in San Francisco. He led the opposition to any project he believed threatened the quality of life for San Franciscans, and supported those projects, such as tearing down the Embarcadero Freeway after the Loma Prieta earthquake, that would restore the beauty of his cherished waterfront.

Morrison was, as San Francisco Mayor Art Agnos said, the "embodiment of public service * * *. He always spoke to the values and principles that have made San Francisco known as a city of conscience and his contributions left this city better than when he found it."

Mr. Speaker, on December 18 all of San Francisco will join Jane Morrison, Jack's wife and partner in community service for 43 years, in honoring Jack Morrison at a memorial service. It is with great pride that I share with the Congress the extraordinary achievements of Jack Morrison.

POINTING NUCLEAR WEAPONS AT FRIENDLY NATIONS MAKES NO SENSE

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. TORRES. Mr. Speaker, for over 40 years every man, woman and child in the United States and in what was once the Soviet Union have lived with the reality that they were targets of each others' strategic nuclear weapons systems.

While this policy of mutual nuclear deterrence has been credited with preventing nuclear exchanges between our two systems, the psychological threat which it fostered was unrelenting, constant and a source of fear to generations.

Now, events which have unfolded over this past year have transformed substantially and, we hope, irrevocably the relationship of extreme hostility and tension which has existed between our two governments.

As we are witnessing, the former Soviet Union has now evolved democratically into the Commonwealth of Independent States. We are working on many fronts with our allies to develop progressive political and economic growth for the peoples of the newly emerging republics of the former Soviet Union.

The stated objectives of both the United States and the Commonwealth of Independent States is to achieve a relationship of mutual peace, unencumbered by military threats of any kind.

Given the disappearance of hostilities between the United States and the former Soviet Union, it is crucial to raise the following question: why are we still targeting our strategic nuclear weapons against each other?

In order to bring this nuclear weapons targeting policy into the light of public debate, and to ask my colleagues to go on record as being in favor of reducing the nuclear threat and doom which has hung over us for so long, on Tuesday, I introduced Concurrent Resolution 271.

My resolution expresses the sense of the Congress that the policy of mutual targeting of strategic nuclear weapons by the United States and the Commonwealth of Independent States no longer reflects the amicable relationship which exists between these political states, nor serves to further their strategic interests.

The signs are all around us, indicating that the time is right to change our nuclear targeting programs.

The current administration in the United States appears to be following a policy of reducing existing nuclear arsenals at a pace faster, and broader in scope, than mandated under the Strategic Arms Reduction Treaty [START].

Senior representatives of the Departments of Defense and State and the White House have begun meeting to discuss the reduction of the United States arsenal from current levels of roughly 11,000 strategic warheads to levels of 5,000 or fewer weapons.

The President, in this State of the Union message Tuesday, proposed reshaping and sharply reducing the strategic arsenals under Washington's and Moscow's control by eliminating some of the most modern, threatening and controversial weapons of the Cold War.

Russian President Boris Yeltsin is reported to have stated his wishes to change their military doctrine, to no longer consider the United States as their potential adversary and to turn their intercontinental ballistic missiles away from all cities of the United States.

An advisory panel to the United States Joint Strategic Target Planning Staff recommended the most sweeping revisions of U.S. strategic targeting since the dawn of the nuclear age nearly 50 years ago.

Yet, according to Thomas C. Reed, former Secretary of the Air Force, in spite of these signs of change in strategic weapons policy, the United States currently spends $30,000,000,000 annually to threaten an estimated 5,000 to 10,000 targets in former Soviet territory.

I am asking my colleagues to join with me in expressing the sense of Congress that the strategic nuclear weapons targeting systems of both the United States and the member countries of the Commonwealth of Independent States should reflect the reduction of hostility between such nations and the United States.

I am seeking the sense of Congress that changing strategic nuclear targeting be made a core part of all further agreements of the United States in arms reduction negotiations.

My resolution seeks mutually verifiable assurances from the United States and the governments of the Commonwealth of Independent States that no government is targeting the territory of any other with strategic nuclear weapons.

My resolution states that such assurances should be a condition for any United States foreign assistance to a member country of the Commonwealth of Independent States.

Prior to negotiations leading to the development of a system of mutual verification of such assurances, I am asking Congress to resolve that the governments should share all available information pertaining to members of the Armed Forces of the United States unaccounted for in international military conflicts.

Furthermore, I would ask the sense of Congress that the President should report semiannually to the Congress on compliance with revised nuclear targeting strategies and policies.

This outlines the scope and purpose of House Concurrent Resolution 271. I would urge my colleagues to join with me in this vital and timely effort to make real progress in removing the threatening veil of doom and destruction which has been the reality under current strategic targeting policies.

JUSTICE THOMAS—OFF AND RUNNING

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. CLAY. Mr. Speaker, recently, Justice Clarence Thomas, ruling in his first two important Supreme Court Cases, joined in majority opinions which diminished the voting rights of minorities and decimated the right of union organizers to effectively communicate with their members on the job.

In a critical, very sensitive decision interpreting the Federal Voting Rights Act, the Court adopted a restrictive view of the 1965 law and rejected arguments presented by the Justice Department on behalf of black elected officials in two Alabama counties. The two black officials, after being elected, were stripped of budgetary authority by members of all-white county boards. Judge Thomas voted with the 6 to 3 majority in sanctioning the right of districts under the Voting Rights Act to change laws, rules, and regulations without the prior approval of the Department of Justice.

The purpose of the Voting Rights Act was to ensure that black voters received equal opportunity to share in the power of governing. Apparently, a majority of those Justices appointed by Presidents Reagan and Bush, including Mr. Thomas, do not share that philosophy.

Not satisfied in tampering with the preservation of voting rights for black folk, Justice Thomas went one step further in writing the majority opinion to prohibit union organizers from distributing handbills on the windshields of employees' cars parked on company property.

Using the argument, now made familiar by most reactionary stone-age politicians, Mr. Thomas wrote that the rights of private property superseded the rights of workers attempting to organize for the purpose of collective bargaining. He, of course, was joined in his decision by five other Justices who had voted with him to weaken the Voting Rights Act.

It took almost 200 years for black folk to get one of their own on the Supreme Court. It took Clarence Thomas almost 2 weeks to make clear that he would not be a spokesman for black folk. So, to those of you who thought that a leopard could change his spots, I say, "verily let us pray."

SALUTE TO EDWARD J. LIEBMAN

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mrs. SCHROEDER. Mr. Speaker, on January 21, 1992, Edward J. Liebman, an outstanding public servant, will retire from the Department of the Navy after serving the Nation with distinction for 50 years. For nearly 30 of those years, Mr. Liebman has given tirelessly of himself in support of the military construction budget for the men and women of the Navy. During that time, his contributions have been invaluable to the members and staff of the Subcommittee on Military Installations and Facilities and he will be deeply missed.

After graduating from Brooklyn College with a bachelor of arts degree in 1941, Mr. Liebman began his career in Government service as an ensign in the navy. He reported for duty to the Naval Office of Legislative Affairs in 1962, and upon retiring from active duty in 1967, accepted a civilian position as a legislative specialist.

During the past 30 years, Mr. Liebman has been a principal player in presenting and supporting successfully more than $25 billion in Navy military construction projects authorized by the Congress. A true professional, he has cheerfully and patiently responded to congressional inquiries, and has provided countless congressional delegations with a firsthand look at the needs of the Navy shore establishment. The success that the Navy has enjoyed over the last three decades is in large measure due to Ed's personal integrity, credibility, and knowledge.

Mr. Liebman's contributions have been duly recognized within the Department of Defense by his receipt of the highest civilian award, the Navy Distinguished Civilian Service Award.

Mr. Speaker, it is with sincere gratitude and respect that I, on behalf of the members of the Committee on Armed Services, recognize and congratulate this fine gentleman on the occasion of this retirement. He has served the Nation well and we wish him, his lovely wife, Joan, his daughters Amy, Peggy, and Myra, and his adorable grandchildren, the best of everything in his well-deserved retirement.

ASSESSING THE RISKS OF SUPERFUND SITES

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. GALLO. Mr. Speaker, today I am introducing legislation requiring the Federal Environmental Protection Agency to perform a comprehensive 1-year risk assessment of the Nation's 1,245 Superfund sites so that we can evaluate the risks to the public and the environment, thereby enabling us all to better understand the magnitude of the remaining risks at these sites.

I have regularly toured the Superfund sites in my congressional district since I was elected to Congress in 1984, and I know from firsthand experience that some of these sites should be receiving more attention than is currently being given to the mitigation and cleanup.

At least two Superfund sites in my district, for instance, pose very real potential threats to the Rockaway River, but these sites are not among those that have received early mitigation under Superfund.

Efforts have been made to put this problem into a national focus, including articles written the Newark Star-Ledger's award-winning environmental writer Gordon Bishop.

When the Superfund was created in 1981, our major priority was to identify specific sites where potential threats could be identified.

In 1987, we reauthorized and expanded the Superfund program, because we had discovered that the problems were bigger and more complicated than we thought in 1981. The No. 1 priority in 1987 was to get cleanups moving at as many sites as possible.

The unintended side effect of that decision was to slow progress on the most serious sites, so that the number of sites completed would be increased.

I believe we must now take the third logical step in the Superfund process—we must recognize that a number of serious problems remain unsolved and that we need to set priorities for site cleanups, based on their potential for hazard to our health and environment.

The leaders in this effort have been the organization Clean Sites, a not-for-profit organization founded by a consortium of environmental and industrial leaders, as well as senior government officials, in 1984 to help solve the Nation's hazardous waste problem.

Clean Sites' President Thomas Grumbly put it best, in testimony before the House Public Works and Transportation Committee last October, when he said:

ASKING THE RIGHT QUESTIONS AND THE PACE OF CLEANUP

Construction has been completed at only 63 sites, and we must step up that rate, if the public is to give this program a real chance. EPA's 30-Day Study called for tripling the number of site completions by 1993, mostly by adding resources to pull sites out of the construction pipeline. We applaud this initiative. Based on a quick analysis of the sites under consideration, we think the goal is challenging but doable if the resources in the 1992 budget as just approved are clearly targeted and the regions are given clear marching orders by the Administration.

EPA needs to go much farther. For several years, it has concentrated on getting a lot of balls in the air, but not to get them down. The agency needs to think about the "end of the game" at the beginning. As part of a site objective-setting process, which I will describe later, there needs to be explicit plans for expending the resources necessary right from "listing" through "delisting". At the majority of priority sites, the objectives of the cleanup itself are not clearly stated in the Record of Decision, in which EPA outlines the method of cleanup required at each site. Unless we are much more explicit with ourselves and the public about what we are trying to achieve at those sites, the public and the agency will never know when the health and environmental "mark" has been achieved.

EPA may also need to establish a new register of sites—after deletion from the National Priorities List, and visit them on a regular basis once they have achieved their objectives. Clearly, the agency needs to alter its management systems to reward completions, as well as starts.

We do not think, however, that it is appropriate to use "site completions" as the only measure of hazardous waste cleanup, although it is an important measure that the public can readily deal with.

From the professional community's perspective, most importantly, we must start looking at *risk reduction* as a major indicator of progress in Superfund overall and at individual sites. To make this happen, EPA needs to undertake an immediate study of the risks, both health and environmental, that already have been remediated at hazardous waste sites and an examination of residual risks. This information would give us a different and equally important measure of success as numbers of sites completed. It also would provide an intellectual basis for a useful discussion between the technical and scientific communities and citizens on the gap in their understanding of risks posed by sites.

Mr. Speaker, we need better information on risks to keep the Superfund Program on track. I ask my colleagues to join me as cosponsors of this important legislation to restore confidence in this important program and keep the important cleanups moving forward.

DUBROVNIK—A FALLEN CITY

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. SHAW. Mr. Speaker, I received the following letter from a constituent of mine, Mr. Milan Knor of Plantation, FL. In it, Mr. Knor describes the horrors that have befallen his native country and the ancient city of Dubrovnik. I commend his letter to my colleagues' attention:

M. M. KNOR & ASSOCIATES, INC.,
Plantation, FL, November 14, 1991.

Hon. CLAY, SHAW, Jr.,
Cannon Building, Washington, DC.

DEAR CLAY: Tonight I watched the "World Monitor" on Discovery Channel and cried for the first time in many years. I did not cry for a relative. I did not cry for a friend. I cried for the city. I cried for Dubrovnik in Yugoslavia.

The civil war that is continuing in Yugoslavia is an internal problem and I do not intend to take sides. The issue is Dubrovnik. Through out history the city did not belong to the Croats. It did not belong to the Serbs. The city was able to maintain its independence from foreign domination since the crusaders marched on the burial grounds of Christ to liberate it from the "infidels". Today Dubrovnik belongs to the world as a historic monument.

Almost a half a century ago I was lucky to walk the walls of the old city and hear the stories about Richard the Lion Heart, Napoleon and the Venetians who had a great influence on the City. I shopped with my aunt at the city farm market in the morning and watched "Merchant of Venice" performed at the same place at night. I watched "Hamlet" being performed at Lovrjenac, the old city cemetery. As a teen-ager I worked at the exhibit of Jovan Obican, a world recognized artist, whose works are still preserved in the old city. Some of his works are collected by our past presidents. I believe, recognition to the artist and the area.

As children we used to play "cops and robbers" in the streets of the old city. I presume children would have enjoyed it today if it were not for the real robbers. There is "Villa Scheherezade" outside the old city whose architectural values are unique to the region. Many of the world's leaders enjoyed its comforts.

The European Community observers were shown as watching the carnage from the balcony of hotel "Argentina", one of the most exclusive hotels in the area. The locals were compared to the citizens of London during the Battle of Britain, playing music under the fire, defying the enemy. The reality is different. History is being destroyed and the enemy is us.

Please raise your voice to save the city. Help in saving a historical treasure that our children may be able to enjoy. The human tragedy of lost lives is unbearable among "civilized" people. But, please do not let the narrow minded few, the cultural terrorist, destroy the place that belongs to the world.

Sincerely,

MILAN M. KNOR.

TRIBUTE TO MAJ. GEN. CHUCK DOMINY

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. BATEMAN. Mr. Speaker, I rise today to recognize the departing Chief of Legislative Affairs for the U.S. Army, Maj. Gen. Chuck Dominy. I have known General Dominy for several years and have worked closely with him during his tenure in that important position. I have always found him to be a highly valuable link between Capitol Hill and the Department's headquarters across the river in the Pentagon and will miss calling him whenever a problem arises requiring the attention of the highest levels of the Army.

I cannot overestimate the importance of having someone of General Dominy's caliber as the Chief of Legislative Affairs. Probably at no previous time since I arrived in Washington have the demands on the Office of Legislative Affairs been greater. The skill with which he handled the extraordinary demands placed on him during the Persian Gulf war demonstrated admirably the qualities that Chuck Dominy brought to his job, especially since he met that challenge while also fielding endless inquiries from Members of Congress seeking relief from the very defense budget squeeze that we have brought about. While I have no reason to doubt that his successor will be any less capable, it would be unreasonable to expect that successor to be more so.

Chuck Dominy is moving on because his tour as Chief of Legislative Affairs is over and he has been promoted and reassigned. I wish him well in his new assignment as Director of Army Staff and know he will perform as commendably in that position as in his last one.

Mr. Speaker, before I close, I must confess that my affinity for Chuck Dominy extends beyond my respect for his professional capabilities.

General Dominy is a Virginian by birth, which places him, in my estimation, in a special category. Additionally, together with his lovely wife, Mary, also a native of Virginia, The Dominys have raised a fine family. Both Virginia and the country can be proud of this family's contribution to our Nation's defense.

TRIBUTE TO YESHIVA HAR TORAH

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. SCHEUER. Mr. Speaker, it is with great pleasure that I rise today to recognize a truly remarkable school in New York, Yeshiva Har Torah, and two individuals who have been instrumental in its founding and development.

Har Torah started as a dream. Two physicians, Ada and Dov Berkowitz, believed they could instill in youngsters a true love of learning, if they combined high quality Jewish and secular education with a progressive and responsive approach.

Ada and Dov transformed Har Torah from a dream into reality by sharing their goal with individuals in neighboring communities, enlisting students and parental support from all around.

Ada, who is a devoted physician and practices in Kew Gardens Hills, created and then chaired the enrollment committee for the Yeshiva. She has been instrumental in both the administrative aspect of enrollment and in outreach to surrounding communities.

Dov, despite the demands of his busy medical practice, also has been tireless in his commitment to Yeshiva Har Torah. Through good times and doubtful ones, it was Dov's determination, drive, and belief in the school that truly got it off the ground. Dov is currently president of the school's board of directors, and devotes countless hours to its day-to-day operation.

Dov and Ada met at Mount Sinai Medical School. Dov was born and raised in Washington Heights, attending Yeshiva University High School and the City College of New York. Ada, a native Israeli, had been educated in both the United States and England before enrolling in Mount Sinai Medical School.

Besides being dedicated physicians and pioneers of the Yeshiva, Dov and Ada are wonderful parents to their three children, and devoted to their parents. They are much cherished in the community as leaders and friends.

RECOGNITION OF JUSTICE HARRY W. LOW

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Ms. PELOSI. Mr. Speaker, today I have the privilege of recognizing a person with an unparalleled reputation for legal scholarship, fairness, compassion, and community and civil service in San Francisco: Justice Harry W. Low, the presiding justice of the California Court of Appeal.

Justice Low exemplifies the modern American success story. Born in 1931, in the small central valley community of Oakdale, Low was one of four children of Chinese parents. The only Chinese family in a community of several thousand, Low recalled that "[i]n some ways it helped me because it set you apart right away and made you work harder." Indeed, Low managed to work in his family's laundry and grocery store while remaining active enough in school to eventually become class president. His grades paid off in a scholarship to the University of California, Berkeley, where he earned a B.A. and then a law degree at Boalt Hall in 1955.

Low discovered that, as a Chinese-American, it was difficult to find a job after passing the California bar. "Many firms did not hire their first Asian until 1975 or later," Low recalled. Low applied for a vacant position in the State attorney general's tax section, where he proceeded to establish new procedures for streamlining and coordinating cases that maximized fairness and efficiency. In doing so, he caught the eye of then-attorney general Edmund G. "Pat" Brown, who became Governor, and Stanley Mosk, who succeeded Brown as attorney general.

By 1966, Low's reputation for excellence resulted in an appointment to the Workmen's Compensation Appeals Board. Ten months later, on December 27, 1966, Low became the first Chinese-American judge in San Francisco when he was appointed by Brown to the municipal court. "It carried an opportunity in public life," Low said of his aspirations to the judiciary. "An opportunity to be in a position with community identification and recognition."

Low was quickly recognized as a hard-working jurist of uncommon community involvement, sensitivity, and fairness. "One day you'll be sitting next to a police captain at a dinner," Low once said. "The next you'll be meeting with some guy who is having some real struggles." In 1974, when a seat in the superior court opened, Low decided to run for the vacancy, and his widespread support in the community gave him an easy victory.

In 1982, Low was appointed presiding justice of the California Court of Appeal's new division five, and appointment considered long overdue by the legal community of California. During his tenure, division five has garnered a reputation for being fair, thorough, and efficient.

Low's involvement in bar and community organizations are too numerous to recount. What is important to mention, however, is that throughout his distinguished career, Low has never forgotten his Chinese roots. He is sought after by Asian-American groups to speak on his pioneering experiences in the law. His leadership in San Francisco civic affairs has garnered new respect for the concerns and importance of the vibrant Chinese-American community. Lately, as national president of the Chinese-American Citizens Alliance, he has spoken out against hate crimes and the need for more participation by Chinese-Americans in the political process.

At the end of February 1992, Justice Harry Low officially retires from the bench he has served so well after 25 years of service. While his judicial voice may be stilled, we are fortunate to have him active in the San Francisco community for many more years. Mr. Speaker, it is with great pride that I recognize the talents and contributions of my friend and distinguished jurist and community leader, Justice Harry Low.

KQED CELEBRATES THE OPENING OF ITS NEW PRODUCTION FACILITY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. LANTOS. Mr. Speaker, on February 1, KQED, northern California's premier public broadcasting organization, will cut the ribbon on its new, state of the art production facility. It will be a happy day for those who have benefited from KQED's long and proud history of high quality programming. I am delighted to count myself among them.

Like many residents of the bay area, I am an incurable devotee of KQED. Since 1954, KQED has inspired, enthralled, informed, educated, and enriched the people of northern California. Whether showcasing insightful political analysis, a series on the environment, a major opera gala, or a song sung by Big Bird, KQED has always had something for everyone.

KQED has come a long way since its founding. It was one of the first educational television stations in our country, broadcasting its first show from borrowed space. I am proud to say that I played a small role in KQED's early days as an instructor on a locally produced introductory economics class funded by the Ford Foundation. KQED's first studio was a converted garage which was soundproofed, if you could call it that, with egg cartons tacked to the walls and ceiling.

With the opening of its new facility, KQED looks to the future. For the first time in over a decade KQED's operations—Channel 9, KQED 88.5 FM and San Francisco Focus magazine—will be in one building. This arrangement will allow for both greater administrative and production efficiency and will bring together some of our country's most creative and intellectual talent under one roof. These are unquestionably heady times for KQED.

The new facility, named for Madeleine Haas Russell, one of our outstanding bay area philanthropists, is the culmination of 7 years of planning and the magnanimity of over 17,000 contributors, including KQED members, foundations, and businesses. They all should take great pride in the accomplishments of KQED, for without their generosity, many of KQED's achievements would still be dreams on a drawing board.

Mr. Speaker, minds are like parachutes—they only work when they are open. I can assure you that over the years KQED has opened many minds. While I remember KQED's past fondly, I have even greater expectations for its future. I am not alone. Because of this treasure, the bay area is, and will continue to be, a vibrant, spirited, and dynamic place to live.

BOYER BROTHERS WERE EXAMPLE OF AMERICAN SPIRIT DURING WORLD WAR II

HON. CLIFF STEARNS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. STEARNS. Mr. Speaker, over the years our Nation has witnessed great heroism and sacrifice by individuals in times of war and we should never let the memory of those rugged patriots fade from our hearts.

But let us also not forget that many of the men and women who fought for our country were from families where more than one member was serving in the military. Many soldiers fought the enemies of freedom knowing that their brothers or fathers were in combat somewhere else and that their mother prayed and worried in double, often triple jeopardy.

The family of Clara Boyer stands out as a shinning example of the American spirit and sense of patriotic duty. Years after her husband was tragically killed in an automobile accident, Mrs. Boyer, with a deep sense of duty, sent out 8 of her 10 boys; plus a brother-in-law, into World War II. When our country needed them, the Boyer brothers took their mother's blessing and voluntarily enlisted to stop those who sought to stamp out freedom.

Mr. Speaker, I urge my colleagues in the U.S. House of Representatives to join me in honoring the Boyer brothers: John Anderson Boyer, who enlisted in the Army at age 19 and fought in the Asiatic Pacific and Philippines; Ralph Edward Boyer, who enlisted in the Navy at age 21, served at Pearl Harbor on December 7, 1941 and experienced combat in the Pacific, Europe, Korea, and China; William Russell Boyer, who enlisted in the Navy at 25 and fought in the Asiatic Pacific; Clair C. Boyer, who enlisted in the Army at 21 and fought in the Asiatic Pacific; Jesse Ray Boyer, who enlisted in the Navy at 20, served at Pearl Harbor on December 7, 1941 and fought in the Asiatic Pacific, European and African-Middle East theaters; Clarence Anthony Boyer who enlisted in the Navy at 18 and served in the Canal Zone; Arthur Boyer who enlisted in the Army at 18 and served in both the Asiatic Pacific and Korean theaters as a paratrooper; Donald Boyer who enlisted with the Navy at 16 and served in the European, African and Middle East theaters; and Carl Owen Ayres—husband of Edith L. Boyer—who enlisted with the Army at 18 and served in the European, African and Middle East theaters.

The Boyer brothers earned numerous awards and decorations for their skill and courage in war. Their mother Clara made news all over the country as the mother with the most boys fighting in WWII.

As Ralph Boyer's representative to Congress, I proudly recognize the tremendous sacrifice and valor his family has brought to our Nation.

A TRIBUTE TO MELISSA AUGUSMA

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am delighted to recognize Melissa Augusma, a nine-year-old Creole radio broadcaster. As residents of my congressional district, Melissa, her parents, Colson and Justine Augusma and partner, Moise Elias, wanted to give kids something constructive to do after school. In a Miami Herald article entitled "Creole Radio Girl Plans Kids' Club," Harold Maass reports on the wonderful and creative events Melissa and her family have developed:

> Who's the leader of the club that's made for you and me? Think twice.
>
> In North Miami, South Florida's littlest Creole-radio broadcaster is staking her claim in the world of afterschool clubs for kids. Mickey Mouse and his gang have competition.
>
> Melissa Augusma, 9, her father, Colson Augusma, and partner Moise Elias are putting the finishing touches on a storefront clubhouse where kids will be able to rub elbows with Creole-language radio personalities, read, study languages and learn about broadcasting and entertainment.
>
> "We're going to do kind of classes, like piano courses, Spanish, Creole and French," said Melissa, a Benjamin Franklin Elementary fourth-grader. "We're going to have a little library. If people want to read, they can, and just have fun."
>
> Melissa's show takes up the first half-hour of Radio Tropic International, a three-hour program on WKAT (1360-AM) hosted by father Colson and mother Justine Augusma. Her show, she said, has the same goals as the kids' club: Encouraging children to learn and to take an interest in Haitian and other cultures.
>
> The clubhouse—on the second floor of a shopping center at the intersection of West Dixie Highway, Northeast 11th Avenue and 137th Street—has a stage and open floor, all next door to Radio Tropic's new office and recording area. In front of the office will be a store selling records, tapes, books and other items.
>
> Colson Augusma said he hopes the club will give kids something constructive to do after school. There will be children's music, children's theater, and recording equipment so some of the activities can be taped and aired on the family's Saturday evening show, which begins at 9 p.m.
>
> Membership will cost $20, with added costs for special activities such as a computer course, some classes and field trips. The club is scheduled to open in mid-January.
>
> Elias said he hopes others will follow Melissa's example: "When you have a bright kid like that, you want her to keep going."

I am pleased to acknowledge Melissa's spectacular achievements and I would like to wish her much success with her broadcasting career and all of her pursuits.

1992 IS YEAR OF THE AMERICAN INDIAN

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188 (S.J. Res. 217, H.J. Res. 342), Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues with which we as a Congress have been struggling for over 200 years. In support of the Year of the American Indian, I am providing a copy of a recent article for the consideration of my colleagues.

I HOPE THE REDSKINS LOSE

(By Tim Giago)

The bad news is the Washington Redskins beat the Detroit Lions. The good news is the national media have finally caught on to the complaints American Indians have been voicing for many years. The media will gather in Minneapolis for Super Bowl Sunday on Jan. 26 with note pads, camera lenses and microphones at the ready to cover what will be the largest protest by American Indians against a professional football team in the history of this country. Our complaint: very simply, Indians are people, not mascots.

We have just entered the year when American history will be scrutinized, analyzed, eulogized, criticized and sterilized. It is the year of Christopher Columbus. More accurately, it is the year of the indigenous people of the Western Hemisphere, of those with red skin. It is the year the non-Indian should form a new awareness of the Indian, a new awareness based on mutual respect. That respect will never be honest until we, as American Indians, are included in the race of human beings.

As an Oglala Lakota (Sioux), born and raised on the Pine Ridge Reservation of South Dakota, I find it very hard to understand why non-Indians find it hard to understand why we consider it insulting to be treated as mascots. If white and black America is so inconsiderate of its indigenous people that it can name a football team the Redskins and see nothing wrong in this, where has our education system gone wrong?

When you, as black, yellow, white or brown Americans, watch the Super Bowl this year, do what I did while watching Washington beat Detroit. During the first quarter, I had John Madden substitute "Yellowskins" for "Redskins." In the second quarter I substituted "Brownskins." I started the second half by having Mr. Madden call Washington the "Whiteskins." And finally, in the fourth quarter, I replaced "Redskins" with "Blackskins." Try it and you will see how demeaning, degrading and insulting it is to the people of different colored skin.

This is not a new issue to the Indian people. I have been writing about "Indians as mascots" for nearly 15 years. Recently, Sen. Paul Simon has been outspoken in attempting to rid the University of Illinois of its dreadful mascot, Chief Illiniwek. Last month he read my editorial on Indians as mascots into the Congressional Record hoping he would be able to educate the rest of that august body to be more sensitive to the First Americans. But for the most part, the American government and the media have paid little or no attention to our complaints.

At the recent national convention of the National Congress of American Indians in San Francisco, workshops were set up to help plan the Super Bowl protest. Charlene Teters—a graduate of the University of Illinois who has long fought the Chief Illiniwek mascot there—showed a roll of toilet paper she bought near the school. The figure of Illiniwek was imprinted on each tissue. "Mascots disgrace Indian people," she said. "When a static symbol is used to represent a group of people, it gives off a one-dimensional image and devalues the living individuals." Some might wonder why Indians are so offended by being used as mascots and namesakes when there are so many other things wrong in Indian country. William Means, director of the International Indian Treaty Council, has an answer. "If we can't get white America to understand the basic issue of human respect, how can we get them to understand more substantive issues like sovereignty, treaty rights and water rights?"

PLASTIC TOMAHAWKS

During a radio talk show I was on, at the time of the Atlanta Braves brouhaha, a lady named Diane called to say she had attended a high school with a team nicknamed "Indians." She said she was proud to paint her face, stick feathers in her hair and make Hollywood war whoops as part of her cheerleading duties. "I felt we were honoring the Indian people," she said. Suppose your team was called the "African-Americans," I asked her. Would you paint your face black, wear an Afro wig and prance around the football field trying to imitate your perceptions of black people? She responded, "Of course not! That would be insulting to blacks." My point is made, I responded.

Never mind that there are certain Indian individuals, tribes or groups who profit by selling plastic tomahawks, turkey-feather ceremonial bonnets and other trinkets to the rabid sports fans who would use this paraphernalia to denigrate Indians. As history has recorded, there have always been sellouts who rode with the cavalry against their own.

We saw the Atlanta Braves fall in the World Series and the Florida State Seminoles get their tail feathers clipped after flying high most of 1991, and Indian people across America cheered. We also heard sports announcers attempting to make light of racist antics. We witnessed insensitive television directors focus their cameras on the wild, painted and feathered fans swinging their plastic tomahawks while the band played its version of the Hollywood-created version of Indian music. Hey yah! Hey yah!

I'll close with a facetious prediction: that Jack Kent Cooke, the owner of the Washington Redskins, will be seized with remorse for having insulted the Indian people all of these years. He will change the name of his team to the "Palefaces," after his own race and that of one of his favorite singers, Madonna. The team song will be changed from "Hail to the Redskin" to "Like a Virgin." What an honor it will be for the white race.

And furthermore, I predict the Buffalo Bills will skin the Redskins in Super Bowl XXVI. It will be the first time in history a Buffalo ever skinned a Redskin.

The American Indian has lost so much to the white man since 1492. Must we also be used as mascots? If we cannot get back the land, will you at least give us back our dignity?

TRIBUTE TO JOHN QUINN

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to John M. Quinn as he retires from over 30 years of dedication to the Alexander Burger School, I.S. 139, in the South Bronx. A native of the South Bronx, Mr. Quinn attended St. Jerome's Elementary School, Catholic High School and obtained his bachelor of arts degree from Manhattan College. He then went on to complete his graduate work in the Baruch section of the City College and Yeshiva University.

Mr. Quinn commenced his career at the Alexander Burger School in 1960 as a teacher of social studies. He went on to become assistant principal and, not long thereafter, principal, a position he held for 19 years. Throughout the three decades he devoted to the Alexander Burger School, Mr. Quinn displayed an exemplary commitment to education. He always took to heart the duties his various positions entailed and strove to ensure that the quality of instruction provided to the students was of the best possible quality and that their interests and needs were constantly met.

Mr. Quinn's role in the South Bronx community has not been limited to the Alexander Burger School. Mr. Quinn has been actively involved in a variety of organizations, among them the Ancient Order of Hibernians; the Catholic Teachers' Association; the Irish Teachers' Association; the Supervisors' Association of the city of New York; the Lincoln Hospital Advisory Board; the Belvis Medical Center Advisory Board; and the board of examiners of New York City. Mr. Quinn's numerous activities reflect his profound interest in, and concern for, the other members of the community in which he lives.

Mr. Quinn will be sorely missed by all those at the Alexander Burger School. Today, I would like to express to Mr. Quinn my immense appreciation for his invaluable contributions to the community of the South Bronx and wish him the very best in the years ahead.

HONORING ANTHONY W. COSSA FOR HIS SELECTION AS THE SANTA MARIA (CA) VALLEY CHAMBER OF COMMERCE'S CITIZEN OF THE YEAR

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. LAGOMARSINO. Mr. Speaker, I rise today to pay tribute to Anthony W. Cossa, whose spirit of loyal community service to the citizens of Santa Maria, CA, has resulted in the Chamber of Commerce recognizing him as 1991 Citizen of the Year.

Tony Cossa is a fourth generation Californian, born in Santa Maria. He graduated from Santa Maria High School and attended California Polytechnic University from 1958 through

1960, and graduated from the University of Southern California in 1963 with a business degree. He entered the insurance business in 1963 and in 1966 formed the partnership of Pollard and Cossa. In 1983 he successfully passed the examinations and became a chartered property and casualty underwriter.

Tony has virtually dedicated his life to community and business service. He served as president of the Independent Insurance Agents Association of Santa Maria, the Wine and Food Society, the Santa Maria Valley Chamber of Commerce, the Santa Maria Country Club, and the Santa Maria Valley Economic Development Association.

He has served on the boards of directors of the Santa Maria Country Club from 1968 through 1974 and 1986 through 1989; the YMCA from 1979 to 1989; the Santa Maria Valley E.D.A. from 1979 to the present; the Elks Recreation Foundation from 1974 to 1984; the National Insurance Organization from 1979 to 1983; the Rotary Club of Santa Maria, and the Wine and Food Society of Santa Maria. He currently is a director of the Southern California Golf Association, the Marian Medical Foundation, the Pacific Coast Golf Association, and Los Adobes de los Rancheros.

Tony's other activities have included serving as secretary and treasurer of the Vaqueros de los Ranchos from 1974 through 1979; chairman of the Elk's Queen Contest from 1964 to 1984; committee chairman for the Central Coast Insurance Day from 1970 to present; chairman of the Big "I" Youth Golf Classic from 1970 to present; chairman of the Independent Insurance Agents Association of California's ACORD Committee from 1978 through 1980, and the California State Open Golf Tournament chairman from 1969 through 1972.

Tony's fund raising activities have included the YMCA Building Fund, the United Way, the Boy Scouts of America, and the St. Joseph's B.A.S.H. Tony is currently the chairman of Marian Hospital's Project Heart Center.

Tony maintains memberships in the Independent Insurance Agents and Brokers of California; the Rotary Club of Santa Maria; the Santa Maria Valley Wine and Food Society; the Santa Maria Country Club; the Elks Club; the YMCA; the Santa Maria Valley Developers; the Vikings of Solvang; the Vaqueros de los Ranchos; the Rancheros Visitadores, and the Society of Los Alamos.

In 1986, Pollard & Cossa was named California "Agency of the Year," and in 1989 Tony was named Elk's "Citizen of the Year."

It is my privilege and distinct pleasure to join with members of the Santa Maria Valley Chamber of Commerce in recognizing and honoring a man whose life has been dedicated to serving and improving his community, my good friend, Tony Cossa.

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS DEDICATED TO HELPING OUR CHILDREN

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. DYMALLY. Mr. Speaker, I would like to take a few moments to tell you about what's happening at California State University, Dominguez Hills, which has received more than $2.5 million in public and private grant money during 1991–92 to fund projects dedicated to developing our most valuable resource—our children.

Leading the way for Dominguez Hills is the School of Education, which recently received a grant of nearly $1 million as the lead university in a national consortium designed to increase the number of qualified minority teachers in the United States. Dominguez Hills was chosen because of its historic commitment to identifying, recruiting, and preparing high potential pre-college minorities. With a student enrollment that is more than 60-percent minority, Dominguez Hills is a national model for this kind of program—a reality that the consortium's funder, the Fund for the Improvement of Postsecondary Education [FIPSE] noted in its award report.

On the subject of national models, Dominguez Hills is also home to a bold educational project unlike any other in the United States, or the world for that matter. The California Academy of Mathematics and Science is now in its second year of operation at Dominguez Hills, with more than 250 students—85 percent of whom are minorities or women—taking advanced courses in mathematics and the sciences. The academy is the only accelerated, 4-year math/science high school in the Nation located on a university campus, and has received kudos for its innovative approach on national television and in national magazines and newspapers. These bright young students will play an important role in helping the United States maintain its competitive edge in mathematic and science-related fields such as aerospace, engineering, and health sciences.

Finally, the U.S. Department of Education recently awarded Dominguez Hills $700,000 for a new project which will benefit more than 1,000 7-through-12th grade students from four Los Angeles high schools. Through academic counseling, tutoring and other academic services, the program's goal is to guide these students toward enrollment in a college or university. Rather than working with the cream of the crop or with disadvantaged students, the program aims at the often-neglected average students—those students who have the potential to succeed, but are often ignored because they don't attract the attention of educators.

These are only some of the projects and programs in the works at Dominguez Hills, which is one of the fastest-growing universities in California both in terms of enrollment and reputation. Under the leadership of third-year president Dr. Robert C. Detweiler, Dominguez Hills is becoming a positive example of how our colleges and universities can find innovative ways of educating our students and bettering our Nation.

JOSEPH M. PIZZA CIVIC ASSOCIATION HONORS MRS. CESARINA EARL

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. ROE. Mr. Speaker, it is with the greatest pride that I rise today to pay special tribute to a distinguished member of her community and an active citizen in my Eighth Congressional District of New Jersey. Mrs. Cesarina Augusto Earl will be honored on February 12, 1992, by the Joseph M. Pizza Civic Association at their annual Valentine Day pasta party. This gala event will be held at LaNeve's Restaurant in Haledon, NJ.

The Joseph M. Pizza Civic Association was initiated by Mr. Pizza, who is president of the group, to recognize charitable causes and support their efforts through donations and other good works. The association is dedicated to improving the community and the quality of life for the people of Paterson and the surrounding area.

This year the association will honor Mrs. Cesarina Augusto Earl for her notable contributions and personal commitment to the greater Paterson community. Mrs. Earl is a native of the Paterson area, having received her education in the Paterson Public School System. She attended Seton Hall University, where she received her bachelor's degree, and later pursued graduate studies at Seton Hall and Rutgers University. From these institutions she attained her certification as a school librarian and media specialist, for all grade levels and was designated professional librarian for New Jersey's public libraries.

Cesarina has worked extensively throughout New York State, Morris, Passaic, and Hudson Counties in New Jersey, in several public school systems, as a librarian and media specialist. She is presently working as school librarian at Horace Mann School No. 9 in North Bergen, NJ, where she proudly serves over 1,000 students a week, who are attending grades 1 through—8.

In addition to her full-time position in the North Bergen Public School System, Cesarina works part-time at the North Bergen Free Public Library as the children's librarian, as well as working as a reference librarian in the adult section. Her extensive community involvement does not end there, however. With what precious time she has left in her busy day, she has served as editor of the Italian Voice—La Voce Italiana—the well respected local Italian-American weekly newspaper. The Italian Voice was established in 1932 in Paterson, NJ, by her late parents, Emilio and Mary Augusto. Through her position as editor, Mrs. Earl has had the opportunity to travel throughout this great Nation.

Mr. Speaker, I welcome the opportunity to share in the pride felt by Mrs. Earl and her family in her achievements and in this special recognition by her community. I am sure that you and all of my colleagues here in the House of Representatives will join me in saluting Mrs. Cesarina Earl.

WE REMEMBER OUR APOLLO HEROES

HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. HENRY. Mr. Speaker, just a few hours ago, the space shuttle *Discovery* returned to Earth after 8 days in orbit. We note with pride another successful mission.

We also are reminded this day that, for a generation of Americans, exploration and discovery in outer Space seems an almost routine part of our national purpose.

But I ask, Mr. Speaker, that on the day of pride in our Space Program we also pause to remember three fallen pioneers. Twenty-five years ago this week our Nation grieved the loss of the crew of the first *Apollo* mission, killed inside the *Apollo 204* spacecraft on January 27, 1967.

Virgil "Gus" Grissom, a veteran of two space flights, Edward White, the first American to venture outside a spacecraft during the *Gemini IV* mission, and Roger Chaffee, the promising young lunar module pilot from Grand Rapids, MI, died when fire swept through the command module during prelaunch tests.

Mr. Speaker, those of us in the Chamber today remember those difficult days in 1967. We mourned for the heroes' families, and we rightly questioned our determination to go to the Moon in light of the terrible cost.

With pride and determination, we resolved to continue, and 2 years later, an American set foot on the Moon. We believed that astronauts Grissom, White, and Chaffee would have wanted it no other way.

As we move further into the 1990's, we reflect on humankind's vast accomplishments during this amazing century. Our conquests in space stand collectively as one of the most spectacular records. And we shall always hold dearly the special chapter of that story dedicated to the memory of Gus Grissom, Edward White, and Roger Chaffee.

America never forgets its heroes.

TRIBUTE TO RAYMOND GLOWSKI

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. BONIOR. Mr. Speaker, I am very pleased to join the Greater Detroit Building and Construction Trades Council in honoring an impressive leader in Detroit's labor movement and a deeply committed friend to the working men and women of our community, Raymond Glowski.

In many ways, Ray Glowski has come to symbolize our dedication to fairness and justice in the workplace and society. At a time when our country is struggling to preserve its industrial base, Ray has been an important figure in the labor movement. His long record of distinguished service beginning with Painters Local No. 213 has proven him to be a natural and effective leader. His vision and leadership have deeply impressed those of us who have had the privilege to know and work with him. His contributions will be truly missed.

Mr. Speaker, on this special occasion of his retirement, I ask that my colleagues join me in saluting Raymond Glowski's many years of service and dedication to the labor community in Metropolitan Detroit.

CFA RELEASES REPORT ON PLAYGROUND SAFETY

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. FEIGHAN. Mr. Speaker, today, the Consumer Federation of America [CFA] will release a report on playground safety in the United States. CFA's report is an insightful and solid document, one that I recommend to all of my colleagues.

Unfortunately, it also paints a disturbing picture of current safety conditions on our Nation's playgrounds—a picture that is sure to frighten every American who has children.

While playgrounds may appear safe to the casual onlooker, in many cases, playgrounds—from equipment to surfacing—pose hidden threats to our young children. CFA cites government statistics that show more than 100,000 children are seriously injured on public playgrounds every year. Even more troubling, 17 children die each year from injuries sustained on playgrounds. Many of these injuries and deaths could be prevented.

The Federal Government has been noticeably silent in addressing safety hazards on public playgrounds. The Consumer Product Safety Commission issued guidelines in 1980 and then updated them last year. However, the guidelines are voluntary and have done little if anything to stem the increase in playground hazards and injuries. In many cases, the guidelines fall far short of the stringent regulations that we need.

Today, the CFA issues a bold blueprint for the design, construction, and maintenance of public play areas. The CFA document will give parents, school administrators, child care providers and park personnel the guidance needed to make decisions about the purchase and use of safe play equipment. This document helps show which equipment is safe and which is not.

It is CFA's hope that State and local governments will consider adopting their "Model Law on Outdoor Play." I will do all I can to urge local governments in my district to consider and adopt these safety regulations. And I hope my colleagues will consider taking the same action. The well-being of our children depends on it.

RETIREMENT OF DIRECTOR JOHN R. SIMPSON, U.S. SECRET SERVICE

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. ROYBAL. Mr. Speaker, may I offer a special tribute to someone highly respected by the Members of the House of Representatives. John R. Simpson, Director of the U.S. Secret Service, is retiring tomorrow after 29 years of distinguished service. Although his accomplishments are well known to many of us, I would like to recount a few of those accomplishments today and to offer our congratulations to Mr. Simpson for a job well-done.

John Simpson was appointed Director of the Secret Service in 1981, shortly after the assassination attempt on former President Ronald Reagan. When this incident occurred, the entire Nation saw firsthand the selfless dedication and professionalism of the men and women of the U.S. Secret Service. Director Simpson's entire career has been a reflection of those same standards.

Throughout his tenure as Director, John Simpson worked tirelessly to ensure that the Secret Service successfully performed its awesome protective responsibility. This was a major achievement during the decade he served. In the 1980's, we witnessed the growing threat of terrorism and political unrest throughout most of the world; we saw a dramatic rise in crime and violence here at home; we watched fearfully as new technology increased the power and impact of criminals the world over. All of these threats placed extraordinary demands on the U.S. Secret Service's protective mission. But under the leadership of John Simpson, the Secret Service met those challenges and preserved its prestigious role as protector of our Nation's leaders.

Despite the increasing pressures in protection during the 1980's, Director Simpson also led the Secret Service through a period of unprecedented growth. During John's tenure, the Secret Service acquired major new investigative responsibilities: access device fraud, computer fraud, false identification documents, and financial institution fraud. These are crimes which concern those of us in Congress today—and, indeed, every American—because of the direct financial impact these crimes have on the Nation's economy.

But Mr. Simpson's contributions were not limited to law enforcement efforts in this country. In September 1984, he became the first American to serve as president of the international criminal police organization [Interpol]. A worldwide consortium of police organizations from 142 countries. For 4 years, while also serving as Director of the Secret Service, Mr. Simpson worked diligently to help Interpol increase its effectiveness in combating the growing threat of international crime.

Throughout his career, John Simpson brought honor and prestige to the organization he so loyally served. As Director, he gave all his energies and talents to fulfilling the obligations of that important office.

Both the Nation and the Members of Congress are indebted to John Simpson and his fine organization for helping to ensure both the safety of our leaders and our financial system. For in so doing, they help preserve this Nation's democratic process.

Mr. Speaker, I ask that you and the Members of this distinguished body join me in congratulating this outstanding public servant as he leaves office today. I know that throughout the law enforcement community, his honesty, integrity, and leadership will be long remembered.

TRIBUTE TO THE FOUNDATION FOR ETHNIC UNDERSTANDING AND TO THE CHINA INSTITUTE IN AMERICA

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1992

Mr. GREEN of New York. Mr. Speaker, the gentleman from California, Mr. MATSUI and I wish today to recognize two New Yorkers, Rabbi Marc Schneier, of the Foundation for Ethnic Understanding, and Charles P. Wang, of the China Institute, for their efforts to strengthen relations between the Jewish and Asian American communities.

The Asian American community and the American Jewish community are two of the most significant ethnic groups in the United States. Their shared values and goals are varied and deep and include strong extended families which pay reverence to both young and old.

The Foundation for Ethnic Understanding, under the leadership of its founding president, Rabbi Marc Schneier of the Park East Synagogue in New York City, has been in the forefront in promoting racial and ethnic harmony. The foundation has called on Americans to recognize the strength that comes from sharing our similarities and differences and to address the dangers of prejudice and bigotry.

Founded in 1926, the China Institute in America is the oldest bicultural institution in America focused on China. The China Institute is headed by Charles P. Wang who serves as Vice Chairman of the U.S. Civil Rights Commission. The primary goal of the China Institute is to promote greater understanding and cooperation between Americans and Chinese through comprehensive educational, political, and cultural programs.

On January 22, 1992, at the China Institute in New York City, the foundation and the China Institute in America sponsored the first in a series of programs for Jewish and Asian Americans to explore commonalities and differences. Those who addressed the symposium included: Dr. Richard Stone, professor of law, Columbia University; Arthur Soong, attorney and board member, Asian American Legal Defense and Education Fund; and Mark Stern, legal counsel, American Jewish Congress.

I should like to take this opportunity to thank all those individuals associated with the China Institute in America and the Foundation For Ethnic Understanding for their efforts in promoting ethnic harmony.

SENATE—*Friday, January 31, 1992*

(Legislative day of Thursday, January 30, 1992)

The Senate met at 8:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The prayer will be led by the Reverend Hampton Joel Rector, staff assistant in the office of Senator ROBERT C. BYRD of West Virginia.

PRAYER

The Reverend Hampton Joel Rector, staff assistant, office of Senator ROBERT C. BYRD, offered the following prayer:

Let us pray:

Almighty God, this Senate is a venerable institution, founded by our forebears in an era of change and upheaval to forge out of chaos and formlessness a unique destiny for this extraordinary Nation.

Our faith is that, throughout the career of this Nation, Thy hand has rested on this Senate, in love and rebuke, that its wisdom might be Thy wisdom and its voice Thy voice.

Today, we stand on the cutting edge of a new era, both in this Nation and around the world.

In this moment of opportunity, grant to these chosen men and women the courage, the sagacity, the tenderness, the fortitude, and the maturity to author laws rooted in Thy law.

In these days of anxiety and pause, grant to these Senators the practical vision to guide our Nation to greater material prosperity and security, and the spiritual vision to strengthen the character and fidelity of our people.

And in every season, in Thy providence, teach us all to seek Thy will, to hope for Thy justice, and to serve Thee in mercy, compassion, and steadfastness.

For all of these things we pray in Christ's name. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

CABLE TELEVISION CONSUMER PROTECTION ACT

The PRESIDENT pro tempore. The Senate will resume consideration of S. 12, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 12) to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and to restore the right of local regulatory authorities to regulate cable television rates, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Packwood amendment No. 1522, in the nature of a substitute.

AMENDMENT NO. 1522

The PRESIDENT pro tempore. The pending question is on the amendment by Mr. PACKWOOD, numbered 1522, on which there is an agreement for 3 hours of controlled debate.

Mr. INOUYE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Hawaii is recognized.

Mr. STEVENS. Will the Senator yield for just a moment?

Mr. INOUYE. I am happy to yield.

Mr. STEVENS. Mr. President, Senator PACKWOOD is still under doctor's care. He will be here later, I believe.

I ask unanimous consent that I be allowed to control the time allotted to him and to act in his stead.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that I be permitted to speak for a few minutes as though in morning business.

The PRESIDENT pro tempore. Without objection, it is so ordered.

TRIBUTE TO NORTON W. SIMON

Mr. STEVENS. Mr. President, today I offer a special tribute to an American whose accomplishments have touched many of our lives, although he has preferred to stay in the background and not seek recognition for all that he's done.

He is Norton W. Simon.

On February 5, Norton Simon marks his 85th birthday.

A westerner, originally from Portland, OR, Norton has been a Californian since his teenage years.

And I'm proud to say, he has an Alaska connection. In my first year in the Senate, almost a quarter century ago, we first crossed paths when he acquired Alaska's Wakefield Seafoods. He helped show the world the great value of the Alaska king crab.

Norton Simon's influence is global. Those who know him will agree that he deserves public recognition, although he would deny that.

In working hard and achieving corporate success, he has provided benefits—particularly in the realms of science and the humanities—for all of us.

Norton Simon's generosity has helped open new avenues of research and technology in medicine. Through Norton Simon's support, high-technology diagnostic instruments have been developed and research projects have been funded, resulting in saving and changing countless lives. In particular, his contributions to the study of hereditary diseases and the development of brain imaging equipment have been a boon to medical science.

Through his understanding and love of art, he has provided, through his museum, the opportunity for tens of thousands to enjoy treasures created by the great artists of the Old World as well as the New.

As a graduate of UCLA, I note that Norton was appointed to the board of regents of the University of California in 1960, by Gov. Pat Brown, and served until 1976, during a time of great unrest and change in the University of California. Norton provided critical leadership and wisdom to the regents, President Clark Kerr, and the Governor during those troubling times. He also took the lead in establishing a new campus at Irvine, and helped to grant greater independence to the individual campuses of the University of California.

In 1971, Norton served on the Carnegie Commission that proposed a new plan for higher education. This proposal was entitled "Less Time, More Options—Education Beyond High School." The other members of the commission were Nathan Pusey, president of Harvard; the Honorable William Scranton; David Riesman, professor at Harvard; Kenneth Tollet, professor at Texas Southern University; and Clark Kerr, president of the University of California.

With his marriage to Jennifer Jones in 1970, Norton began to focus attention on medical research. Of course, he was also continuing his passion and drive in building the Norton Simon Art Collection and Museum with support from his foundations, The Norton Simon Art Foundation, Norton Simon Foundation, and his own personal wealth. He combined his unique talents of inspiration, exploration and intuition with a genuine desire to provide benefits to the health and well-being of the human race.

In the mid-1970's, Norton contributed support and guidance to the founding of the Hereditary Disease Foundation, headed by Dr. Milton Wexler. His personal financial support to the Hereditary Disease Foundation in Santa Monica, CA, continues today.

In 1979, he established the Jennifer Jones Simon Foundation for Medical Research. In 1981, he began to support a new medical imaging technology, positron emission tomography [PET] that could examine the biology of disease in the living human. As part of that effort, he developed a lifelong relationship with another good friend of mine, a PET pioneer, Dr. Michael E. Phelps.

Much of Norton and Jennifer's support to medical research has focused on UCLA, where he established the Jennifer Jones Simon professorship, and a research endowment of more than $6 million for PET. Norton and Jennifer have contributed a great deal to research on mental health disorders and cancer at UCLA. Norton's generous support has extended beyond UCLA to Hopkins, Cornell, and the University of Wisconsin.

As he has in all of his other endeavors, Norton has provided much more than financial support. He became part of the scientific enterprises he supported, part of the mission of the scientists involved in those enterprises. He became a personal friend of those scientists and an ambassador to the outside world for the crucial medical research they were conducting. He taught me and many others to see the vision beyond the every day events of the moment.

Although he's experienced much in his 85 years, Norton Simon continues to search for new challenges. He welcomes the really tough ones and hasn't let health problems stand in the way of his enthusiasm for new projects and new ideas.

Mr. President, in the early 1970's, Norton Simon visited me to outline a plan he had developed to rejuvenate the railroad system of the United States—passengers and freight. Typically, Norton was years ahead of others, for the basis of his approach as I recall it was that we had to eliminate the fiefdoms created under Federal regulation—we had to deregulate the railroad industry or it would perish unless heavily subsidized. How right he was—but Congress, in the midst of the Vietnam war was not willing to take the time to deal with such complex issues.

It's events like that, Mr. President, that define Norton Simon for me. His energy, vision, generosity, and public spirit have enriched the lives of all Americans. Catherine and I are proud to count as close friends Norton and his lovely wife, Jennifer, the legendary actress, who has contributed her considerable talents to Norton's endeavors. Norton is a great American, and I am happy to have this opportunity to honor him on the occasion of his 85th birthday.

Thank you, Mr. President.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate continued with the consideration of the bill.

Mr. INOUYE. Mr. President, I yield myself 5 minutes.

The PRESIDENT pro tempore. The Senator is recognized for 5 minutes.

Mr. INOUYE. Mr. President, I rise today in opposition to the Packwood amendment to S. 12.

I have set out many of the reasons for my opposition in my floor statement that I made yesterday. I would just like to make one comment on the substance of the amendment. The retransmission consent provisions of the amendment are identical to those in S. 12. Thus, supporters of the Packwood amendment, the cable industry and the administration, have conceded that retransmission consent is the proper policy.

Now that I have had an opportunity to review the Packwood amendment, my view remains unchanged. This amendment will do nothing to address the problems facing consumers or to promote competition to existing cable operators. It is nothing more than an effort to pull a fast one on consumers.

It is a sham. This sham was uncovered for all the world to see in the National Cable Television Association memorandum that stated that neither the cable industry nor the administration would support the substitute even if it prevailed. This memo was confirmed by an administration policy statement, which stated that if the substitute was adopted, the administration would still have problems with the bill.

Mr. President, I ask unanimous consent to have that statement printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, January 27, 1992.

STATEMENT OF ADMINISTRATION POLICY

(S. 12—Cable Television Consumer Protection Act of 1991—Danforth From Missouri and 9 Others)

The Administration strongly opposes S. 12 because it would impose unnecessary regulation on the cable television industry. If S. 12, as reported by the Senate Committee on Commerce, Science, and Transportation, were presented to the President, his senior advisers would recommend a veto.

The Administration opposes S. 12 because it does not sufficiently emphasize competitive principles in addressing perceived problems in the cable television industry. It has been the Administration's consistent position that competition, rather than regulation, creates the most substantial benefits for consumers and the greatest opportunities for American industry. Television viewers are best served by removing barriers to entry by new firms into the video services marketplace. The Administration, therefore, would support legislation which removes the current statutory prohibitions against telephone company provision of video programming, with appropriate safeguards.

S. 12 would greatly expand regulation of cable rates. It would require regulation of cable systems by either the Federal Communications Commission (FCC) or the local government. The number of cable systems and variety of cable programs have grown dramatically in the absence of rate regulation. Reimposing rate regulation would both hamper the development of new products and services for cable subscribers and slow the expansion of cable service to areas not now served. If it finds that additional rate regulation is needed, the FCC can provide such regulation under current law. The FCC issued new rules in June, which are expected to increase substantially regulation of basic cable rates. The Administration believes that the rules should be implemented and reviewed before new and inflexible legislation is considered.

S. 12 would restrict the discretion of cable programmers in distributing their product. Exclusive distribution arrangements are common in the entertainment industry and encourage the risk-taking needed to develop new programming. Requiring programming networks that are commonly owned with cable systems to make their product available to competing distributor could undermine the incentives of cable operators to invest in developing new programming. This would be to the long-term detriment of the American public. If competitive problems emerge in this area, they can and should be addressed under the existing antitrust laws.

S. 12 would also require limits on the number of subscribers that a cable operator may serve nationwide. This provision is objectionable because current antitrust laws are adequate to protect competition. Moreover, the FCC currently has authority to adopt ownership rules if it determines they are necessary.

Finally, S. 12 would require cable operators to carry the signals of certain television stations, regardless of whether the cable operator believes the stations are appropriate for inclusion in its package of services, and regardless of whether such inclusion reflects the desires and tastes of cable subscribers. The Administration believes that such "must carry" requirements would raise serious First Amendment questions by infringing upon the editorial discretion exercised by cable operators in their selection of programming. S. 12 was amended in committee to give television stations the option to choose "must carry" or to require that a cable operator obtain the station's consent to retransmit its signal. This amendment, however, does not address the serious First Amendment concerns noted here. While the Administrator supports retransmission consent (without must carry), this should be coupled with repeal of the cable compulsory license.

The Administration supports Senate passage of the Packwood-Stevens-Kerry amendment as an alternative to the reported version of S. 12, because it would eliminate or significantly modify many of the highly regulatory provisions of S. 12. Moreover, it would also remove one impediment to competition in the cable industry—the exclusive local franchise. At the same time, the Administration wishes to work with the Congress to modify or eliminate some troublesome provisions that remain in the underlying bill. Such provisions include, for example, the lack of generalized telephone company entry provisions, reimposition of "must carry" rules, the mandatory nature of rate regulation, the very narrow definition of "effective competition," and the administrative burden on the FCC.

Mr. INOUYE. As one of the authors of the 1984 Cable Act which deregulated the cable industry, I still want the industry to make money. In 1984, I wanted to help a fledgling industry take its successful and profitable place in the corporate world.

I believe that it has done so. The cable industry is no longer made up of fledglings, it contains corporate giants. But, Mr. President, sadly, I believe it has also lost sight of the people it was created to serve. There are limits to the number of times we can expect consumers to reach into their pockets to pay for corporate profits. It is time for Congress to act, time to promote competition to the cable industry and most importantly, to protect consumers.

It has been argued that S. 12 will irreparably harm the cable industry. It will not. S. 12 will simply stop excessive rate gouging by cable operators. This bill will not put the heavy hand of Government on the cable industry. It will just remind the industry that it must be more sensitive to the plight of the people—America's consumers. S. 12 is a bipartisan effort to protect consumers against abuses by the cable industry and has a wide degree of support. A vote for the substitute would be a vote against the leadership of the Commerce Committee, which has labored over 4 years to craft a balanced bill.

A vote for the substitute would also be a vote against a wide range of supporters including: The Consumer Federation of America; the Consumers Union; National Consumers League; the National Association of Broadcasters; Association of Independent Television Stations; Network Affiliated Stations Alliance; America's Public Television Stations; the National Religious Broadcasters; the American Association of Retired Persons; National Council of Senior Citizens; Communications Workers of America; AFL–CIO; International Brotherhood of Electrical Workers; International Ladies Garment Workers Union; United Steel Workers; National Association of Telecommunications Officers and Advisers; and many, many other local organizations.

I cannot believe that all of these organizations are wrong about S. 12.

Mr. President, I yield myself 3 minutes more.

The PRESIDENT pro tempore. The Senator is recognized for 3 additional minutes.

Mr. INOUYE. In addition, yesterday, I received a letter from the National Association of Black Owned Broadcasters opposing the elimination of the broadcast multiple ownership rules.

Elimination of that provision will also eliminate a provision designed to give incentive to nonminority station owners to invest in minority controlled stations. This is just further evidence that that provision will not promote competition.

So I ask unanimous consent, Mr. President, that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF
BLACK OWNED BROADCASTERS,
Washington, DC, January 30, 1992.

Re proposed amendment to S. 12.

Hon. DANIEL K. INOUYE,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR INOUYE: The National Association of Black Owned Broadcasters, Inc. ("NABOB"), wishes to express its strong opposition to a portion of the amendment to S. 12 recently offered by Senators Packwood, Kerry and Stevens.

The amendment to S. 12 proposes to include Section 201. "Elimination of the Restriction on Multiple Ownership of Broadcast Stations." That provision repeals Federal Communication Commission Rule 47 C.F.R. 73.3555(d), which currently limits ownership of broadcast facilities to 12 AM radio stations, 12 FM radio stations and 12 television stations. (If a company is minority controlled, it may own 14 stations in each of these broadcast services).

By repealing 47 C.F.R. 73.3555(d), the amendment to S. 12 would allow unlimited concentration of ownership of broadcast facilities. For many years, NABOB has been in the forefront of those voices speaking out against increased concentration of ownership in the broadcast industry. As we explained at length in our letter to you dated May 1, 1991 (attached), increased concentration of ownership in the broadcast industry already has escalated the selling prices of the most desirable stations resulting in their purchase only by those companies with the greatest financial resources.

This concentration of ownership of the largest stations with the best signals into fewer hands has two strong negative impacts on minority ownership. First, existing minority owners owning one or two stations in a single market find themselves unable to compete with the market power and economies of scale which a large group owner can bring to the competitive situation in a market. Second, new minority entrants seeking to get into the industry are finding that price escalation of existing stations and the reluctance of lenders to finance single station purchases are insurmountable barriers to entry. This situation is, of course, exacerbated by the current national recession, in which most lenders are refusing to make any broadcast loans.

The proposed repeal of all ownership restrictions reflects a reckless disregard on the part of the bill's sponsors for the impact that such an action would have upon the interests of minority and small broadcasters. We can only hope that you and the other members of the Senate will prevent this ill-advised and hasty action.

We therefore, request that you oppose the proposed repeal of 47 C.F.R. 73.3555(d) and continue your long standing support of increased opportunities for minority ownership of broadcast facilities.

Sincerely,

JAMES L. WINSTON,
Executive Director and General Counsel.
PIERRE M. SUTTON,
Acting Chairman of the Board.

Mr. INOUYE. In closing, Mr. President, ensuring competition and protecting consumers is the issue, and I most respectfully suggest that S. 12 will promote competition and impose regulation until that competition develops. So I urge all my colleagues to look beyond the rhetoric being employed by the cable industry to the solid foundation that supports S. 12.

Mr. President, I would like to thank Senators DANFORTH, HOLLINGS, GORE, GORTON, FORD, METZENBAUM, and LIEBERMAN for their support throughout this process. I would also like to thank the Commerce Committee staff for their work as well: Toni Cook, John Windhausen, Kevin Joseph, Jim Drewry, Kevin Curtin, Linda Morgan, and Yvonne Portee. Also, from Senator DANFORTH'S staff: Gina Keeney and Mary McManus.

The PRESIDENT pro tempore. Who yields time?

Mr. STEVENS. Mr. President, I yield 30 minutes to the Senator from Colorado [Mr. WIRTH].

The PRESIDENT pro tempore. The Senator from Colorado [Mr. WIRTH] is recognized for 30 minutes.

Mr. WIRTH. Mr. President, I shall not use the total 30 minutes at this point. I wanted to make an opening statement and then retain the remainder of the time for purposes of rebuttal.

First of all, Mr. President, I want to start out by congratulating the broadcasters of the United States. For the first time in the many, many years I have been working on telecommunications issues, the broadcasters have launched a very, very effective program of convincing people here about the issue of retransmission consent and must-carry.

I want to congratulate them. They have brought their people in from all over the country and raised this issue of retransmission consent to the point that the issue of retransmission is included exactly in the substitute as it is in S. 12. I bring that issue up to start with for two reasons: one, to congratulate the broadcasters and, second, to make sure my colleagues understand that this is not an issue of retransmission consent and must-carry versus no retransmission consent. They are both in the legislation and in the substitute.

Second, I want to confirm, I am sure there are a broad list of supporters of S. 12. Everybody would like to have as much as possible for as little as possible. There is no question about that. In the short term that is an immediate thing that most people would like to see, that sort of short-term return, which we have had a great deal of over the last 10 or 12 years. There is no thought of investment in the future. Let us just get as much as we can today for as little as possible. It is that precise short-term attitude that is the most destructive element in S. 12.

If, as has been argued, cable television is such an enormous ripoff of the

American consumer, the question is begged, why have the number of subscribers of cable television doubled in the last 6 years? If this is such an onerous service, why do, now, 60 million American households subscribe to cable television as opposed to the 30 million prior to the 1984 to 1986 period, when the Cable Television Act was passed and then went into effect?

It seems to me that is a good question to ask. If it is such a terrible thing, why have so many American households subscribed?

There appear to be a couple of problems but let me, first of all, point out one of the myths. One of the myths relates to rates. The discussion has been made, somehow there is this enormous ripoff of the American consumer related to rates. The point has been made quite accurately that cable television rates have gone up about 60 percent since the time of deregulation. Forgetting, of course, that prior to deregulation, the cable television rates in the 12 years prior to 1984 lagged behind by more than 70 percent, kept artificially low by a whole patchwork fabric of regulation and, more important, by efforts by other industries to keep the cable television industry from reaching its potential.

The simple fact of the matter is that the cost per individual basic service channel—has not increased between 1986 and 1991. In addition, it is not simply a package of retransmitting, ABC, NBC, and CBS. It has come to include a whole variety of new services as well. If you take the per-channel rate, that in fact has gone up very, very slightly over a period of time. The cost per basic service channel has gone up to 53 cents in 1991 from 44 cents in 1986.

More important than that, how does this compare with the general rate of inflation? The price per channel at the rate of inflation would be 54 cents. In fact it is 53 cents.

If the per-channel rate for basic cable television had gone up just the rate of inflation since 1986, they would be up to 54 cents a channel. In fact they are only up to 53 cents a channel. Obviously, one looks at various issues and analyzes these issues in different ways. But what is important is the basic package; the basic package made available to the American consumer in fact has run behind the rate of inflation on a per-channel basis.

A lot of people are saying cable rates have gone up 60 percent. The other facts that have to be remembered in that are, one, because of this enormous amount of regulation and interference by other industries, the cable television industry had not been able to grow and reach its potential until 1986. That is why legislation was passed in 1984.

Since 1986, cable television has added to the basic package a great number of other services and channels and that total package has to be looked at in terms of the overall cost. And, in fact, as this chart coming out of numbers done by the General Accounting Office, this study shows it has run behind the general rate of inflation.

Now I think it is important to talk about what is and what is not in this legislation. First of all, it is important to note what is similar about the two issues before us. The substitute and S. 12 each do three things: regulate basic cable rates; set standards for customer service; standards for signal quality and reliability.

Let us go back to what is driving this regulation to begin with. What is driving this legislation to begin with were some complaints from individuals that somehow the package of basic cable rates or basic cable rates have increased drastically in some communities in some cases. There is no question about that. The rates have gone up. The distinguished Senator from Missouri cited some of those, and the distinguished Senator from Hawaii has cited some. In their back yards there have been examples of basic cable rates going up too rapidly.

We recognize that there have been some abuses in the area. To address these abuses, we provide in the substitute, as does S. 12, basic regulation of cable service.

Second, customer service. The cable television industry has grown very rapidly in recent years. It has doubled in size in the last 6 years. Any industry that goes from about 30 million households to 60 million households in a relatively short period of time is going to have growing pains and related problems. I compared that earlier to the boy at age 14 who suddenly begins to grow. We have seen that individual outgrow his shoes, outgrow his pants. Cable has grown and they have outgrown in some ways their ability to keep up with the service structure. They have a major customer service under way now to make sure that those service elements are addressed. And we require in our substitute, as does S. 12, that the FCC set standards for customer service.

Third, signal quality and reliability. One of the reasons that cable television exists to begin with is to provide signal quality and reliability. You cannot received a good television signal in Manhattan. In areas of the Rocky Mountains you cannot receive a good television signal You need retransmission through cable television to have that signal reliably sent out in a quality fashion.

No one disagrees with the importance of these three basis consumer issues. So what we ought to be doing, Mr. President, is passing legislation that addresses these three basis issues. That is what is driving the debate for legislation. That is why we should legislate.

What we should not be doing, Mr. President, is launching a fundamental and punitive attack on the cable television industry. As I pointed out in my remarks on Monday and again yesterday, the telecommunications industry has been all about people trying to keep the new technology down, keep the new technology out. Keep the new idea and the new technology out.

If we pass S. 12, we are going to significantly smother the capacity of the cable television industry to embark upon new initiatives and new programming just at a time when the American public is coming to depend upon the cable television industry alone for children's programming, for educational programming, for news programming.

If the cable television industry had not been able to make investments in CNN, we would not see CNN, nor would we, Mr. President, see the way in which the commercial television networks have changed their delivery of news services to be more timely, to have more on-the-spot reporting. CNN has forced a major change in the way in which the networks do their news. That is a good thing. That is innovation. We are going to stifle that sort of innovation.

In children's programming, it used to be that the networks provide programming for kids and that was a requirement that the networks serve the educational requirements of children. With the deregulation mania of the 1980's, that requirement was totally wiped out by the FCC. We restored some of the children's requirement after a very difficult legislative battle.

It is not the networks that are carrying educational programming for children. There is very little of that coming from commercial broadcasting. The cable television industry, through a variety of channels and a variety of the very items we were talking about earlier, have now provided that to the American consumer, to American children, to the American educational system through cable television.

What we are going to do in S. 12, if S. 12 passes, is smother the capacity to do that as well. Why would anybody make an investment in programming if you cannot recover that cost? That is what is going to happen under S. 12.

Basic educational programming, running all the way from programs about the environment to programs about history, all kinds of those offerings available to individuals cost money to produce and put on the air. But what we are going to do with the program access provisions in S. 12 is set it up in such a way that an entrepreneur or creative artist will have no incentive to create, the Government with dictate who controls a product and at what price it is sold.

Under this, the program access provisions are like saying to Garry Trudeau, you can be very clever and draw up "Doonesbury" but we are going to tell you who to sell it to and at what price.

How absurd is that? We do not do it with syndicated columnists. If George Will writes a column, we do not tell George Will how much to charge for that column, or to whom to sell that column. It is ridiculous but that is what is proposed in S. 12 that cable television do and cable television producers do: Tell them to whom they can sell their programming and at what price they can sell that programming.

That is not only wrong in terms of what we want this telecommunications industry to do, it is wrong in terms of copyright and a basic sense of fundamental property rights in this country. It is not the right thing to do.

I am going to stop with that at this time, Mr. President.

There are things that a basic bill ought to do. The substitute does allow the regulation of rates, allow the regulation of service, allow the regulation of signal quality. Those are the basic ingredients of what ought to be in a bill and those same elements are in the substitute as are in S. 12.

But we should not go beyond these issues and launch a frontal attack on this industry that has provided so much to the United States of America. It is the other elements in S. 12 that are so destructive to this industry. These are really what it is all about.

I urge my colleagues to look carefully at this substitute. If they are concerned about the broadcasters' interests, those are included in the substitute. If they are concerned about rates, rate regulation is in the substitute. If they are concerned about service, customer service standards are in the substitute. If they are concerned about signal quality, that is in the substitute. The issues driving this debate to begin with are in the substitute. But we should not turn that into a flat car which flat car then loads up with all kinds of attacks on this industry. That is not what we ought to be doing.

Mr. President, we will, I am sure, over the next couple of hours, hear the rationale for why this industry is under such attack. I look forward to hearing those an taking the time also to answer those charges.

OVERVIEW

S. 12 is a well-intentioned response to examples of excessive rate increases and customer service problems in the cable television industry. There have been abuses in this area and Congress should pass legislation that addresses these concerns. I hope we will do so.

However, we also have to recognize that viewers enjoy the programming available on cable and have benefited from the increase in the number of channels and the many new programs that we have seen introduced in recent years. These new channels and programs would not be possible without investments made by the cable industry. Continued investment is needed to help bring new programs and technologies such as fiber optics and digital compression to cable viewers. Fundamentally, we need to make sure our communications policy continues to encourage a diversity of choices for consumers.

That is why we need balanced legislation that addresses the rate and service problems but does not stifle investment by the industry. We do not want to create a regulated, stagnant industry that continues to offer consumers what they get today but has little ability to change with the times, offer new services, and compete with other segments of the telecommunications industry.

S. 12 does not strike a balance. It includes a number of punitive provisions that simply go too far. Rather than working to protect consumers, much of S. 12 seeks to resolve interindustry differences and conflicts in favor of cable's competitors. These and other provisions would create strong disincentives that would discourage industry investment in programs and technology. It is these provisions that I am concerned about. I support the provisions that seek to regulate basic rates and improve customer service.

SPECIFIC PROBLEMS WITH S. 12

RATE REGULATION

S. 12 would potentially expose virtually every service offered by a cable company to regulation. This approach goes too far. We have a responsibility to ensure that Americans have access to affordable information sources and there are services for which regulation may be appropriate. But there are also services that have never been regulated and, by any standard, are discretionary and hardly need regulatory oversight.

The more areas we open up to potential local regulation, the more likely we are to return to the unworkable system we saw before 1984 when local authorities kept rates artificially low and both consumers and the industry suffered as a result. If regulation of discretionary services proves unwieldy—as I fear it might—programmers will have little incentive to take the risk of developing new services. I do not need to remind my colleagues that consumers will be unable to obtain programming that does not exist at any price.

If we want to ensure that consumers will continue to have access to new programming, we should not take away the incentive to develop new programs. Let us limit rate regulation to the core programming that we want to ensure that all Americans have access to at affordable rates. Other services are discretionary and we should let the market set the rates just as the market sets prices for other forms of entertainment.

ACCESS TO PROGRAMMING

S. 12 would require cable networks to sell their programming to most anyone at the same price. Under this scheme, owners of intellectual property would no longer be able to control the distribution of their product. Think about what this means for the companies that have created programming. A company comes up with a program idea. It puts very substantial money up—often hundreds of millions—in a risky market to support the program service. As soon as a program becomes a success, competitors are at the door demanding access at Government set rates. It is easy to see how such a system would kill the incentive to invest in new programs. The result will be less choices for consumers in the future.

The access provisions are unprecedented in American business practice or copyright law. Journalists control what newspapers carry syndicated columns; broadcast networks control what stations can carry their programming; movie studios control who can distribute their product to the public. But S. 12 would take that right away from a cable programmer.

Rather than developing their own programs and offering viewers new choices, cable's competitors want Congress to require the cable industry to give them access to their programming. Moreover, cable's competitors want to legislate the price at which cable programmers must sell their programming. S. 12 would do just that, force cable operators to sell their programming at a fixed price to competitors, ignoring the rationale behind our intellectual property laws.

Program Access is also a solution looking for a problem. Alternative distributors already have access to virtually all cable programs and can provide them to consumers at prices competitive with cable. Consumers will not benefit from the program access provisions. Nor will the creators of television programming. But some middlemen, who made no creative contribution and took no financial risks to bring programming to viewers, will be enriched.

We should encourage the development of new programming to compete with cable, not legislate that all video services offer identical products.

OWNERSHIP RESTRICTIONS

S. 12 requires the FCC to limit the number of subscribers that any one cable operator can serve and the number of channels on which an operator can carry programming in which it has a financial interest.

If such limits are appropriate, the FCC already has the authority to impose them. But S. 12 requires the FCC to adopt them whether they are needed or not and ignores past FCC, Department of Justice, and National Telecommunications and Information Administration inquiries into this matter. These agencies have all determined that limits are not necessary at this time.

Yes, anticompetitive practices can result from horizontal and vertical integration. That is why we have antitrust laws and if cable companies are engaging in improper activities, those laws should be enforced. In addition, as the industry changes, we could find ourselves at a point where ownership restrictions are necessary. Before we decide to impose them now, we need to ask ourselves if we really have a problem today.

There are a variety of anecdotal reports about coercion and shakedowns. We have heard them from the sponsors of S. 12. These anecdotes certainly provide good theater and political ammunition. But should anecdotes drive policy or should we look to see whether a problem exists before we try and fix it?

In fact, the largest cable operator only serves about one-fifth of cable viewers, hardly an unusually large market share for an industry's leading company. And as far as vertical integration is concerned, more than 40 percent of cable programmers have no operator ownership interest and many of the ones that do simply would not exist if operators had not provided capital necessary for the service to begin or survive.

It is the very companies that would be hamstrung by these rules that have brought consumers the cable program services they so highly value. How does it make sense to say that Time-Warner, who invented services like HBO and MTV, can no longer invent new program services? It makes no sense. S. 12 would sharply reduce the incentive and ability of many cable programmers to invest in systems and programming.

RETRANSMISSION CONSENT/MUST-CARRY

The retransmission consent/must-carry provisions in S. 12 give broadcasters all the leverage in negotiating a relationship with a cable system. S. 12 provides broadcasters with a choice between the must-carry rules that require cable systems to carry local broadcast signals and a new retransmission consent right that requires cable operators to obtain the permission of a broadcast station in order to carry its signal.

Giving broadcasters their choice between retransmission consent and must-carry provides them with a tremendous advantage over cable. A popular broadcaster can use retransmission consent to obtain compensation from a cable system that carries it. When we look at the other side of the coin, an unpopular broadcaster that a cable system would rather replace with more appealing and profitable programming can use must-carry to remain on the system at no charge.

Standing alone, independent of each other, must-carry or retransmission consent may make sense. However, the combination of the two in S. 12 raises serious concerns. The retransmission consent and must-carry provisions could lead to higher basic cable rates and limit the ability of cable to finance new programming. Moreover, the provisions have a profound affect on copyright law that has not been fully evaluated.

CONCLUSION

Many elements of S. 12 are appropriate. We need to increase regulation of cable. The sponsors of S. 12 would like the debate on the alternative to focus on that question: Should we regulate cable? Framing the debate in this way allows them to avoid serious debate over the matters that are really at issue.

I am sure there are those in this body who want to see no legislation enacted. There certainly are some in the industry who feel that way. But I disagree. Let us pass a bill. But let us pass a balanced one that will not end the flow of new programming and technologies to America's television viewers. Many provisions of S. 12 would do just that and we should have a debate over those provisions.

At this point, I retain the remainder of my time.

Mr. President, I yield the floor.

The PRESIDENT pro tempore. The Senator from Colorado has 16 minutes remaining under his control, and it is reserved.

Mr. BURNS addressed the Chair.

Mr. STEVENS. Mr. President, I yield the Senator from Montana 5 minutes on this issue.

The PRESIDENT pro tempore. The Senator from Montana is recognized for 5 minutes.

Mr. BURNS. I thank the manager of the bill.

Mr. President, I do not think there has been anybody in this body who has sat through more hearings, taken more testimony on any one issue than the chairman of this subcommittee. I think that the chairman would have to agree with me that most times it was just him and me. I do not know of another Senator who sat through more and asked more probing questions about this issue.

Wherever we go, we talk about the American economy and how flat it is and, yes, we are in a very stagnant economy. There would be those of us who would have some type of an idea on how we reached this point and what it is going to take to get us out of it.

I bring to the attention of the U.S. Senate a book that I received in the mail that came from the Office of Management and Budget. It is a very thick book, as one can see. It says "Regulatory Program of the United States Government from April 1, 1991 to March 31, 1992." It is 1 year of rules and regulations, 514 of them spelled out, that has an impact on our economy of $100 million or more per rule or regulation.

Then one would ask where has our economy gone? I suggest it makes very interesting reading on what we have done to the American economy through this body, and most of it has been done through rules and regulations.

Right now the citizens of this country are hurting. I just want to show my colleagues something of an industry that is still providing jobs, opportunity, and the impact that it has had since 1978. I direct my colleagues' attention to the growth in employment from 1978 to 1990. In 1978 there were 23,584 employees and in 1979, it grew. It still grew under the old regulation. But in 1984, whenever we deregulated, growth really took off. Now it employs some 102,656 employees.

Of that, the growth in opportunities and employment opportunities for the women of this country has increased some 41 percent—from 31 percent of its total employment in 1978, now 41 percent. In minority groups, it has doubled from 12 percent to 24 percent.

Those are startling figures in an industry that is moving ahead and still providing services to the consumer. And, yes, there would be those who want to receive it all for nothing. Something has to fuel the engine. Something has to drive it. What drives it is the ability to take advantage of opportunities for a host of people involved in programming, production, building physical plants, and providing the services to our customers.

Mr. President, what the Senator from Colorado has said all along is true. If it had been so bad, why has it grown so fast? And that is not a captive audience. I would imagine in most households, if it boiled down to having cable television or milk, I think milk would win. But the allowance of competition, or the threat of competition, does more psychologically in the marketplace to govern rates than we can do as a regulator or Federal Government.

The substitute is bipartisan. I have been told urgency sometimes is the greatest enemy to the important. This substitute was not ill-crafted. It still has the rebroadcast consent, must carry, for those broadcasters because I, for one, am a strong believer in free, over-the-air broadcast. It provided a great service for our communities across this country and basically, here we go down a road that will allow us not to compete.

I know if I was one of those regulated industries I would say OK, I will take regulation if you will keep competition out. Basically, that is what we are doing here. I am not going to worry about the kind of service I deliver if I do not have any competition. I am regulated. I can take my money, present my books to the local government entity, and be secure for the rest of my life and not progress like these folks have done, bringing services and a thousand services to our little communities in Alaska, in Montana, in Colorado, where before we did not have anything at all.

We have gone from, what, six channels in Billings, MT, when I first was a cable subscriber, that cost $7 or $8. Now we get 40 for $17 and a wide variety of programming that we would never have received unless the organization could progress.

Mr. President, I ask unanimous consent that statistics for Montana and national cable be printed in the RECORD.

There being no objection, the statistics were ordered to be printed in the RECORD, as follows:

STATS FOR MONTANA CABLE

TCI Cablevision of Montana, Inc. provides cable services to 130,000 customers in the State of Montana. We serve 34 communities in the state and employ a total of 217 people. Breakdown of 1991 statistics for the economic impact TCI has had in Montana:

Paid $1,211,971 in Franchise Fees to City Governments.

Paid $499,653 in Property taxes and vehicle licenses.

Salaries paid out: $6,373,745.

Employee Benefits: $329,604.

Payroll taxes: $637,845.

Approximately $400,000 paid out in advertising in various media throughout the state.

Breakdown of 1991 donations, public service participation and local involvement:

Total of $300,000 donated to State's METNET educational network for use in Distant Learning Project.

All schools in cable areas wired free of charge and given cable free of charge. Total of 108 schools.

Over $28,000 donated to State-wide Intermountain Children's Home for abused children.

$31,000 donated to local CrimeStoppers program in 17 cities, annual fundraiser for Muscular Dystrophy association was over $47,699.

Cable-in-the-Classroom materials provided to educators free of charge. Total to TCI $12,468.

Montana TCI Summary:

Covered live and cablecast across the State on TCI Cablevision, the State of the State address of Governor Stan Stephens.

Various State-wide statistics:

11 people hired to handle 24-hour State answering center located in Helena. Customers calls are now forwarded after local business hours to the regional center to talk to a trained TCI representative.

Calls answered in an average of three rings. If customer put on hold, average hold time in December 1991 was 12 seconds.

Rate analysis:

Following is a rate analysis for TCI Cablevision of Montana, Inc.

	Average number of basic channels/expanded basic	Average basic/expanded basic rate	Cost per channel
December:			
1986	16	$14.23	$.89
1988	23	15.75	.68
1991	17	18.65	.69

The Basic rate changed 31% between 1986 and 1991 or about 6.2% each year. Channels provided to our customers during the same period of time increased 69%, or 11 channels. Not only did programming increase over the years but the quality and types of programming provided to our customers increased dramatically.

NATIONAL CABLE STATS

Entering the 1990s, cable television has become part of the American mainstream. The majority of American households now subscribe to cable service. Viewing of cable originated programming is at an all time high and continues to grow rapidly. Industry revenues continue to increase at a pace exceeding 10 percent per year. As a result, the cable industry has established itself as a major force in the communications and media industries, while exerting a growing impact in the United States economy as a whole.

TOTAL IMPACTS

Cable television will contribute approximately $42 billion to the Gross National Product in 1990; directly and indirectly, the industry will provide 561,000 jobs, generating income of $18.2 billion.

Cable operator revenues in 1990 approximate $17.3 billion, providing direct employment to 101,400 people. Cable employee income totals $2.8 billion.

Cable industry suppliers employ an additional 69,000 persons in cable related jobs, with personal income of $2.4 billion.

Cable operator expenditures on personnel, and goods and services indirectly generate an additional 390,000 jobs as these dollars work their way through the national economy.

Direct cable operator employment has increased by nearly 14,000 jobs since Bortz & Company's 1988 cable impact study and by 24,000 jobs since 1986; total cable related employment expanded by 27 percent, or 120,000 jobs, over the 1986 to 1990 period. Cable related job growth is estimated to account for more than one percent of domestic employment increases since 1986.

Both direct and indirect cable employment is concentrated overwhelmingly at the local level, generating positive economic impacts through the 9,000 individual systems serving communities across the nation.

Cable's impacts are spread throughout all major sectors of the United States economy. The largest impacts overall are in the services, and transportation, communications and public utilities sectors, followed by trade and manufacturing.

OTHER CABLE INDUSTRY IMPACTS

In addition to the purely economic impacts described above, the cable television industry has fundamentally altered the manner in which most American households view television. Cable has established a level of programming quality and diversity that consumers are willing to purchase in a competitive environment:

Almost nine-tenths of cable subscribers now have access to 30 or more program channels; over one-fifth can receive 54 or more. By comparison, as recently as 1985, fewer than two-thirds of subscribers received 30 or more channels and less than 10 percent received 54 channels.

Basic (including superstations) and pay cable programming accounts for over 40 percent of viewing in the average cable home and nearly half of all viewing in homes with one or more premium cable services.

On a national basis, viewing of basic and pay cable programming has increased by more than 70 percent since 1983; viewing to network affiliated broadcast stations declined 15 percent over the same period.

Cable offers a wide variety of differentiated program networks, many targeted to specific interest or demographic groups. Examples include Cable News Network and Headline News, C-Span (coverage of the U.S. Congress and the political process), Nickelodeon (award winning children's programming), The Discovery Channel (documentaries), The Learning Channel (adult education and information), Black Entertainment Television and The Silent Network (programming for the hearing impaired).

In comparison with "regular TV", respondents in the 1989 Roper Report on Television described cable as having better quality programs, greater program variety, better entertainment and sports programs, and more educational, cultural and sports programs.

Mr. BURNS. Mr. President, I rise today as a original cosponsor and supporter of the bipartisan substitute and as an opponent of S. 12, the cable reregulation bill.

I have been hearing a lot of long-winded speeches over the past couple of days on why the Senate should pass S. 12, but I can sum up in three words why we should reject this anticompetitive bill, and those words are jobs, programming, and technology.

Because of the unintended adverse effect it will likely have on jobs, technology, and programming innovation by imposing yet another layer of stifling Government regulation without removing those artificial obstacles which preclude competition from developing, I oppose S. 12.

This adverse effect will have a long-term negative impact on our national welfare because it will substantially delay the development of an advanced telecommunications infrastructure essential to our long-term national prosperity and quality of life.

There are several fundamental flaws with S. 12.

First, in the stifling regulatory environment envisioned in S. 12, cable companies will be discouraged from investing in new, innovative programming and transmission technologies like fiber optics. The mere threat of such a regulatory regime had a negative impact on cable industry investment in 1990.

Cable industry capital expenditures fell by $268 million, or 13 percent from the previous year's level. This decline followed a trend of double digit increases following deregulation in 1984. This massive investment by cable has produced jobs.

Second, S. 12 fails to modify the existing disincentives in the Cable Act on telephone company investment in broadband technologies like fiber optics and cable companies will not be encouraged to launch a competitive effort into the telephone business. S. 12 does not even attempt to address the prohibition on telephone company provision of video programming.

Moreover, S. 12 does not sufficiently modify the existing treatment of the local franchise requirement which, in effect, results in an exclusive, monopoly license to provide video programming. Finally, S. 12 does not encourage the cable industry to advance technology innovations in competition with the local telephone loop through deployment of personal communications services. Let me briefly elaborate.

HISTORICAL PERSPECTIVE

Copyright legislation in 1976 and a Pole attachment statute in 1978 gave some impetus to the growth of cable. But it was not until 1984 that Congress found it necessary to enact comprehensive legislation to establish a national policy concerning cable communications to ensure that competing State and local regulation did not frustrate the availability of this service to the American people. The 1984 Cable Act has been a great success in achieving one of its major objectives the growth of cable television.

During the past decade, spurred by the 1984 Cable Act, the cable television industry has performed a tremendous service for our Nation. As the cable industry grew, Americans were given access to an unprecedented wealth of information, news, and entertainment. The cable industry has increased channel capacity and developed a host of unique services not previously available.

Moreover, in important areas such as education, TCI and other industry leaders have been instrumental in developing innovative distance learning programs, bringing together students and teachers when geographic location, jobs, or home responsibilities would otherwise make learning impossible. In short, cable television has been an American success story.

This success was achieved, in part, because Government policies encouraged investment and growth. Legislation now before the Senate, however, seeks to reregulate the cable industry and reverse the advances that have been made. I have been, and will continue to be, an outspoken opponent of the reregulation provisions contained in S. 12. The stifling regime envisioned by this legislation will discourage investment in increased channel capacity, in innovative programming, and in new transmission technologies such as fiber optics.

The technology of the Information Age will be developed, controlled, and exported by countries that encourage a steady stream of ideas and innovations in communications, not in countries that construct an array of regulatory obstacles and barriers.

Cable operators and programmers are preparing for the 21st century by continuing to expand viewer choices and to develop new technologies. S. 12 would not further these efforts; in fact, it would have a contrary impact. In the end, consumer choice could be drastically reduced. That is why I will continue to work to defeat this bill.

Rather than regulation, I actively encourage my colleagues to build on the great success of the Cable Act by enhancing competition, by removing artificial barriers to competition, and avoiding unnecessary regulation.

JOBS AND ECONOMIC IMPACT OF CABLE

S. 12 as drafted will, plain and simple, cost America jobs. And in light of the economic downturn we are experiencing today, that loss of jobs is a price too high to pay.

As a policymaking body, we have a responsibility to look at the cable industry and determine how we might resolve some of the problems with cable but strangling it with unnecessary, burdensome regulations is certainly not the answer.

Our Government is good at imposing regulations, and frankly, I am convinced that a major contributor to this recession we are experiencing today is unnecessary regulation that has strangled American business. Granted, some regulation is necessary in a free market economy. But last year the Federal Government implemented 514 "significant" regulatory actions, "significant" meaning those regulations likely to have an annual effect on the economy of $100 million or more, a major increase in costs or prices, or significant adverse effect on competition.

One recent comprehensive study conducted by Robert Hahn and John Hird from Yale found that the yearly societal cost of regulation is $300 to $500 billion. Regulation, down and dirty, raises costs, raises operating expenses, and raises the need for a business to make ends meet, often by laying off employees.

Right now, the citizens of this country are hurting. We have seen jobs lost in cities throughout America, jobs with law firms, retail stores, banks, real estate enterprises, car manufacturers, and the list goes on. One industry, however, continues strong employment during these trying economic times and that is the cable industry. Throughout the last decade cable employment tripled from 33,654 in 1980 to 102,656 in 1990.

And now we are thinking about committing "regulation strangulation" on this viable industry in an attempt to address what I believe are very legitimate concerns about cable rates, customer service, and the future of the telecommunications industry.

It is clear to me that we have got to fine tune the cable industry. The 1984 Cable Act is not perfect, but it has been successful in building more systems, developing more original programming, and creating more jobs. But there has also been increases in cable rates and decreases in responsive customer service, and it seems to me that lack of competition has fiercely aggravated this situation. By injecting real and meaningful competition into the cable business, we can force better programming, lower rates, improved services, and enhanced responsiveness.

The bipartisan alternative to S. 12 is designed to address the problems that exist in the cable industry through competitive, market-oriented policy without creating unnecessary and intrusive Government regulation. Frankly, this alternative is not a perfect bill either, but it is a more palatable approach to this Senator than the regulatory quagmire offered by S. 12.

EFFECTS OF REGULATION ON CABLE PROGRAMMING

When Congress passed the Cable Communications Policy Act of 1984, a primary purpose of the act was to "assure that cable communications provide and are encouraged to provide the widest possible diversity of information sources and services to the public." In meeting that goal, the Cable Act has been a clear success.

The number of cable program services has more than doubled since the Cable Act. Cable systems' expenditures for basic cable programming have risen from $234 million in 1983 to $1.4 billion in 1991. Statistics aide, any cable viewer in America can tell you that more cable networks exist and they are a lot better than they used to be.

The results of cable deregulation can be seen every day on the screens of Black Entertainment Television, the Discovery Channel, Arts and Entertainment, Turner Network Television, Cable News Network, the Family Channel, Nickelodeon, and a host of other basic cable networks. Viewers clearly have noticed the improvement. That is why basic cable's share of the total U.S. television audience has risen from an 11 percent of viewing in 1983 to a 29-percent share of viewing today. That this dramatic improvement of cable programming occurred alongside deregulation is no coincidence.

Turner Broadcasting is a clear example of the success of the Cable Act in programming diversity and improvement. Since deregulation, TBS has launched a new cable network, TNT, promoting diversity. And TBS programming on all of its networks has been allowed to improve. TBS' estimated expenditures on entertainment programming, including sports, grew from $45 million in 1984 to over $534 million in 1990. Made-for-TNT movies now typically cost $3 to $4 million to produce, as much if not more than the cost of broadcast movies.

In a recent Roper Poll, television viewers cite cable by 47 percent to 28 percent for regular broadcast television as having "lots of variety." Cable networks' growth is not just a result of greater cable penetration. From 1984 to 1989, viewing of basic cable networks more than doubled the rate of cable home growth. In the past 3 years, basic cable viewership growth outstripped cable home growth by four times. This growth must be attributed to both the increase in basic cable networks and the increase in original programming provided by basic cable programmers: Over a quarter of the highest rated basic cable programs, excluding sports, during 1990 were original cable productions. For example, premieres of TNT-original movies and miniseries garnered audience averaging

64 percent higher than nonoriginal programming aired in the same time periods in 1990 and 93 percent higher in 1991.

Despite the higher programming costs which go along with better programming, cost-conscious consumers have benefited. Improved basic cable allows subscribers to decrease their expenditures for pay services and to lower their overall cable bill, and many are. Pay cable penetration has declined for the past 3 years. And, while basic cable's share of viewing has doubled in the last 4 years, pay networks' share of viewing has declined slightly.

Yet, basic cable, including cable networks like CNN, Arts & Entertainment, and BET, is precisely the target for rate regulation under S. 12. The bill provides for rate regulation of the basic broadcast tier and, if less than 30 percent of subscribers take the basic broadcast tier, alone, for regulation of the next most popular tier. In other words, a cable network must choose between regulation or being placed on tier taken by less than 70% of subscribers. Since no basic cable network can afford to lose 30 percent of its customers base, no basic cable network, as currently configured, would be able to develop without regulatory restraints, responsive instead to the desires of the viewing public.

Unlike rate-of-return regulation under which a cable operator could mark up and pass through programming cost increases, the price-cap regulation in S. 12 would make programming improvements of existing cable networks and the creation of new cable networks extremely difficult. Yet, few would argue that the consumer's interest really is served by freezing the status quo of programming in place.

The tension between a programmer's desire to improve his product and a cable operator's desire to hold down expenses are present already in the marketplace and create extreme difficulties between operators and program suppliers. The cable operator's reluctance to spend additional money for programming is reinforced by the priority which local regulators assign to improvements in cable plant, service and other factors unrelated to programming.

Introduction of regulation in the equation is likely to tip the balance of cable operator incentives in a way harmful to programming development and, ultimately, consumer value.

At an average price of under $20 per month basic cable is still a good entertainment value, especially when compared to the price of taking a family of four to the movies, $18.99, or a baseball game, $32.36.

The exact result of the imposition of S. 12's rate regulation, which is far broader than what existed before the Cable Act, is impossible to quantify, but the history of cable rate regulation strongly suggest that programming quality improvement will be stunted or reversed.

I urge my colleagues to vote for the substitute and against S. 12.

CABLE INVESTMENT IN TECHNOLOGY

Finally, let me talk briefly about the impact S. 12 would have on cable industry investment in communications technology.

The cable industry has been at the forefront of advances in communications technology. Starting as a retransmitter of over-the-air broadcast signals, the cable industry pioneered the use of communications satellites as a distribution technology for entertainment and informational programming with the launch in 1975 of HBO's nationwide network via satellite.

The cable industry continues its advancement of technology by continually upgrading technical quality and capacity of the more than 11,000 cable systems in the United States serving over 60 percent of television households. Moreover, cable is exploring the latest innovative services that can be provided through the cable medium. In 1989, for example, the cable industry spent close to $1 billion rebuilding and upgrading plant and equipment, which was almost 73 percent more than the amount the industry spent improving its plant just 4 years earlier while still under rate regulatory constraints. This spending includes rapid growth in the application of cutting-edge technologies such as fiber optic technology and high definition television. Cable systems have also been expanding their service to more rural customers. While cable initially was only able to economically serve areas with an average population density of 60 homes per mile, due to industry research and development efforts since deregulation, cable systems can now serve areas with an average of 10 homes per mile, and in some cases areas with as few as 5 homes per mile.

Each of these technological advances would be seriously threatened if S. 12 were enacted in its present form. As I indicated earlier, the mere threat of deregulation had a dramatically negative impact on cable industry investment in communications technology in 1990.

CONCLUSION

Because of the negative impact it will have on jobs, programming and communications technological development, I urge my colleagues to vote for the substitute and against S. 12.

Mr. President, when I picked up my copy of the Wall Street Journal on Monday, I was surprised to read a lengthy and decidedly one-sided story about TCI, a company that operates a considerable number of cable systems in Montana. I was surprised because the Wall Street Journal's portrait of TCI as a villain does not comport with my experience with TCI in Montana.

I was even more surprised when I listened to opening statements in the debate on S. 12 and heard the Wall Street Journal article quoted as if it were Gospel.

Now, Mr. President, it is an unfortunate fact that every Member of the Senate has at one time or another been the victim of biased, uneven reporting. It is usually an unpleasant experience; but it goes with the territory. Sometimes, no matter how diligently you work with members of the press, they get things wrong.

As every Member of the Senate knows, there are two sides to every story and good reporters usually try to present both sides. But in reading the Wall Street Journal article about TCI, I searched in vain to find their side of the story.

In Montana, TCI has been an outstanding corporate citizen, as I have mentioned here on other occasions. Thanks to TCI, which years ago invested millions in cable systems and microwave relays around Montana, people all across my State were enjoying cable programming, educational broadcasting, and commercial broadcasting from distant placed long before people in Chicago, New York, or Washington had access to it. TCI is a significant employer in Montana, one that is flourishing in difficult economic times. The franchise fees paid by TCI cable systems—which last year amounted to $1,211,971—eased pressure on local communities to find new sources of revenue.

TCI is making major contributions to educational opportunities in Montana. They have wired 108 schools in my State for free and, through Cable in the Classroom, provided free programming for use as supplemental instructional material in these schools. Last year, TCI presented the State with a grant of $300,000 to further promote education.

I could go on, but in short, Mr. President, TCI has enriched the lives of the people in Montana and enriched the economy as well. It was for that reason that I was so surprised to hear Members of the Senate referring to this company in terms usually reserved for criminals, drug lords, or organized crime—citing as their reference this one-sided newspaper article.

Bob Thomson, Senior Vice President for Communications and Policy Planning at TCI, wrote me in response to the Wall Street Journal article with a series of facts I believe provide a more even view of TCI. I do not contend that TCI is flawless. They would be the first to admit they have made some mistakes. That is bound to happen when you are a leader in innovation and trying to stay that way. I think most of my colleagues would agree with me that, on balance, TCI makes positive contributions to the communities they serve in our States. Balance, however, is not something you will fine in this article of the Wall Street Journal.

I ask unanimous consent that this letter and explanation be included in the RECORD, and I urge Members to review it carefully before passing judgment on this company or the cable industry.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TELE-COMMUNICATIONS, INC.,
Denver, CO, January 27, 1992.
Hon. CONRAD BURNS,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR BURNS: The article in today's Wall Street Journal about TCI contains numerous errors of fact, mischaracterizations and distortions. We are providing you corrections of the inaccuracies in this article, as well as relevant material that Johnnie Roberts, its author, did not include or downplayed in his story.

The Journal has been working on this story for 8 months, during which TCI has provided extensive opportunity for Mr. Roberts to review relevant materials and meet with senior executives. Only during the last 2 weeks did he inquire about the 12-year-old Utah transactions. TCI provided substantial information on those transactions, but relevant portions were ignored.

TCI is an industry leader that has brought dramatic and largely favorable change in the important institution of television. Articles such as this, which highlight the few areas of controversy in a company's business while mostly ignoring the majority of its business that is conducted in peace, come with the territory. It is far preferable to live with such articles than to operate in a society where news organizations are broadly restricted in what they may publish. At the same time, however, we have an obligation to you and to ourselves to not let such inaccurate material stand unchallenged.

Very truly yours,
ROBERT N. THOMSON,
Senior Vice President,
Communications and Policy Planning.

EXPLANATION

Home Shopping Network

Far from discriminating against Home Shopping Network, TCI remains HSN's largest television distributor. About 4,850,000 TCI subscribers get full or partial coverage of HSN programming over cable, and TCI considers its current business relationship with HSN to be cordial.

CNBC

Mr. Lawrence Grossman, once president of NBC news, is quoted as saying the NBC news channel "couldn't happen without TCI". In fact, the FCC concluded in a 1991 Report and Order that no single cable company, including TCI, had the power to make or break any new cable channel.

TCI helped jumpstart CNBC by selling it TEMPO, a 15-million subscriber programming service TCI then owned, and committing substantial carriage on its own systems.

As the article indicated, business relations remain cordial between NBC and TCI, and TCI is CNBC's largest, and one of its most supportive, television distributors.

1. PROGRAMMING

The WSJ article repeats several myths regarding programming investments made by TCI or its affiliated companies. Generally, TCI makes such investments to help ensure the strength of TCI's principal product. The total amount of such investments is small compared to our investments in cable plant and equipment, and, with the exception of ENCORE, which Liberty Media controls, TCI or Liberty do not have majority control or majority ownership of any nationally distributed programming service.

In some instances, TCI has funded programming services which were designed to appeal to niches in our customer base which were otherwise underserved. Black Entertainment Television is an example of this.

In still other instances, TCI acquired equity interests in programmers which represented extremely risky, extremely high-cost services which needed TCI's financial backing to cover extraordinary programming costs. The regional sports networks now owned by Liberty Media and TNT's acquisition of National Football League games fall into this category.

In addition, TCI's programming investments have, in several instances, resulted from the request by a financially-troubled programmer to lend extraordinary financial aid. The Discovery Channel and the Turner Broadcasting Services channels (CNN, Headline News, TNT and WTBS) are examples of this.

The following information bears upon the specific instances mentioned in the WSJ article:

The Learning Channel

As stated above, TCI does not have majority ownership or control of The Discovery Channel, one of the bidders for FNN—The Learning Channel.

Contrary to the WSJ's assertions, TCI did not decide The Learning Channel's programming was "just fine" after the Discovery Channel acquired it. In fact, TLC has been dropped on 33 TCI cable systems since Discovery acquired it.

On the other hand, Mind Extension University, a competitor education channel in which neither TCI nor any affiliated company has an interest, has been added in 123 TCI systems since the Discovery acquisition of The Learning Channel.

2. MORGANTON, NC

In 1986, the City of Morganton, NC declared its intention to own and operate a municipal cable system and denied TCI Cablevision of North Carolina's franchise renewal application. The city also refused to approve sale of TCI's cable operations in Morganton to other qualified companies.

Under these circumstances, TCI would have no alternative except to sell its business, including millions in fixed assets, to the City government at firesale prices.

Although the company's relationship with city governments are generally good, TCI intends to oppose this type of extreme municipal regulation wherever it occurs.

Many portions of the WSJ article dealing with Morganton were inaccurate:

1. Independent polls show that 79 percent of TCI's customers in Morganton are very satisfied or somewhat satisfied with TCI's cable service, and that an overwhelming majority of Morganton voters oppose city-owned cable. 40 percent said they were very satisfied compared to the U.S. average of 23 percent for all cable customers. TCI would have provided these facts to Mr. Roberts, had he told us of the incorrect allegations about TCI's customer service made by city officials.

2. TCI did support the successful circulation of a referendum petition in Morganton which would prohibit the City of Morganton from owning a cable TV system. However, the referendum, if approved, would not guarantee a franchise for TCI or any other cable company. Under the referendum, any qualifying company would receive a 15-year franchise, not just TCI.

3. TCI was not involved significantly in recent Morganton municipal elections, it did not spend $144,000 in connection with that election, it did not run three ads per day in the weeks preceding the municipal election, and no TCI official ever told Mr. Roberts that these allegations were correct or even had the opportunity to comment on them.

3. UTAH TRANSACTION

The WSJ has presented an inaccurate description of a 12-year old transaction involving John Malone, our president and Bob Magness, our chairman. The details of that transaction were approved by TCI's independent directors, fully disclosed in the company's SEC filing, validated by an outside appraisal and in the best interest of TCI and its lenders and investors.

4. LIBERTY MEDIA

The WSJ made numerous factual errors when describing the Liberty Media Corporation. Liberty has 2 TCI directors, not 5, as reported. Only one, not all, of Liberty's officers are TCI employees and that one (John Malone) serves on an unpaid basis. Descriptions of various stock options and put-call provisions fail to explain why those are necessary to protect the Liberty Media Corporation itself. Finally, it is not mentioned that TCI has retained only a 5-percent interest in Liberty after selling Liberty most of its programming interests.

Mr. BROWN. Mr. President, I thank the Senator from Montana for bringing this additional information to our attention. If true, the charges made by the Wall Street Journal are serious. Serious matters deserve a full consideration of all the facts, and both sides should be heard. As we all know, there are usually two sides to a story. The telecommunications policy of this Nation is very important, and should be based on all of the facts.

Mr. STEVENS. Mr. President, I yield myself just 1 minute.

The PRESIDENT pro tempore. The Senator is recognized.

Mr. STEVENS. I am sure the Senate realizes the distinguished Senator from Montana has been a great contributor to this debate. In particular, he has raised in committee the future entry of the telephone industry into the cable field. And, certainly with that potential out there on the horizon, we should not now extend to the cable industry the full regulatory powers that the Congress might be able to grant to the FCC. It makes no sense to reregulate the cable television field in light of the possibility of substantial competition from telephone companies. The issue of telephone entry I might add, will not be resolved either by the alternative or S. 12. I expect that it will occupy much of the Commerce Committee's time in this Congress and the next.

The PRESIDENT pro tempore. Who yields time? Time runs equally against both sides.

Time is running equally against both sides.

Mr. STEVENS. Mr. President, how is the time being charged now?

The PRESIDENT pro tempore. The time is being charged equally against both sides.

Mr. STEVENS. I thank the Chair.

Mr. INOUYE. Mr. President, it was not my intention to speak any further than the short statement I made this morning, but since we do have some time, if I may, I would like to take 3 minutes.

The PRESIDENT pro tempore. The Senator will be recoginzed for 3 minutes.

Mr. INOUYE. Mr. President, much has been said by my colleague from Colorado that if cable is so bad, why do subscribers pay for such service. Mr. President, in many cases they have no choice. It is either pay for cable or no television. And when a family gets accustomed to receiving news, entertainment, and other programs on television night after night, you cannot quite take it away from them suddenly. And in each case the rates have just crept up over 4 years.

I have a list of cities and States throughout the United States where rates have gone up over 150 percent in the last 4 years: Anaheim, CA, 171 percent, $9 to $24.42; Marin County, CA, 164 percent; Oroville, CA, 186 percent; Branford, FL, 214 percent; Jacksonville, FL, 179 percent; Orlando, FL, 163 percent; Chicago Heights, IL, 308 percent; Oak Park, IL, 366 percent.

And in all of these cases, Mr. President, it was not because of added costs or added channels. In fact, in most of these examples, the number of channels were reduced.

But if I may continue, West Chicago, IL, 207 percent; Bloomington, IN, 163 percent.

And as I go along, Mr. President, I think we should be reminded that in the same time period, the cost of consumer goods had gone up 16.9 percent—16.9 percent—as against Council Bluffs, IA, 189 percent; Shreveport, LA, 289 percent; Portland, ME, home of our leader, 169 percent; Boston, MA, 796 percent; Dearborn, MI, 157 percent; St. Paul, MN, 276 percent; Jackson, MS, 180 percent; Bergenfield, NJ, 372 percent; Syracuse, NY, 189 percent; Grand Forks, ND, 163 percent; Cleveland Heights, OH, 153 percent; Portland, OR, home of our author of the substitute, 150 percent; Haysi, VA, 180 percent.

And, Mr. President, as I indicated yesterday, our backyard, the congressional backyard, Montgomery County, MD, 1,394 percent; Charleston, WV, from the State of our distinguished President pro tempore, 259 percent; Eau Claire, WI, 206 percent.

Then, in Seaford, DE, 178 percent; Glendive, MT, 334 percent; Battle Mountain, NV, 158 percent.

These are just examples of how rates have gone up, and in each case, subscribers have no other choice. They could not have gone to some other cable operator, especially in rural areas when they raised it 5 percent per month or 2 percent per month. After a while, it becomes addictive.

I think it is incumbent upon us, Mr. President, to take a note of these outrageous rate hikes and do something about this.

I yield the floor.

Mr. KERRY. Will the chairman yield for a question for a moment?

Mr. INOUYE. Certainly.

Mr. KERRY. I ask the Senator what years those increases represented; from what year to what year?

Mr. INOUYE. 1986 to 1991.

Mr. KERRY. That was in the 1986 to 1991 period.

Mr. President, I yield myself 3 minutes.

The PRESIDENT pro tempore. The Senator from Massachusetts is recognized for 3 minutes.

Mr. KERRY. Mr. President, the Senator from Hawaii is absolutely correct. I want to take note of the fact that perhaps the largest increase that he talked about was in the capital of my home State of Massachusetts where the increase was almost 800 percent. Why? Because there was a significant increase in programming, a significant increase in channel capacity, and because the cable operator there started at an unrealistically low price of about $2 per month.

What you really have to look at, Mr. President, is not the increases over a 5-year period, but it is the total value. As the Senator from Colorado pointed out, on a per-channel basis, the cost increase is below the rate of inflation.

Indeed, let me discuss Hawaii's rate increases. Perhaps I can clarify what has really happened there. In January of 1989, Oceanic raised its basic rate $1.65, from $14.60 to $16.25. Then in March of 1989, an additional $1.70; it went up from $16.25 to $17.95. What was this for? The Senator from Colorado pointed out how, sure, it would be wonderful if everybody could get everything for nothing. It seems to be the new notion in America. But the fact is that for cable television, consumers are seeing increases below the rate of inflation.

Let me point out where the increases in Hawaii went: $1.25 of the increase was an access fee that cable was charged by the community, this equaled 3 percent of their gross revenues. This means that the cable system paid $39.5 million to the community over a 5-year period.

In total, they turn $600,000 a year over to the community. They did not pass through an additional $12.6 million in costs for access equipment, network, and so forth, costs that were imposed on them by the community as the price of the renewal of their license.

In addition, I might point out that I can give you the total breakdown of a $125.2 million increase in investment. Here is the breakdown. There will be a system upgrade from 36 channels to 46 channels by the end of 1992 at the cost of $27 million. There will be second system upgrade to 60 channels by 1998; at the cost of $40 million. Right there, you have a $67 million investment in equipment. It means jobs in Hawaii.

There is also, as I mentioned, an access fee of 3 percent. That comes to $39 million, out of pocket, which goes to the community. There is a franchise fee out of pocket, of $6.6 million, which also goes to the community. There is an access equipment expense, $10.8 million. This is not money in anybody's pocket, except the people who are selling the equipment.

Mr. President, I yield myself an additional 30 seconds.

The point that has to be made here again and again is that we are looking for effective regulation, not strangulation. You cannot just run around saying there has been a 200-percent increase; there has been a 400-percent increase. You have to measure what consumers are getting for their money and what the costs of competition are.

I respectfully submit that the most telling chart is a GAO study that shows that the price per channel has actually gone up slower than inflation.

I reserve the remainder of my time.

Mr. INOUYE. Mr. President, I yield myself 1 minute.

Mr. President, I reluctantly stand, since my State was mentioned, the State of Hawaii, and I realize that numbers can be used in any fashion.

In the case of Honolulu, in 1986, my constituents paid $12 for 30 channels—$12 for 30 channels. Today, they pay $12.95, not for 30 channels, but for 14 channels. Yes, they had their access fee, but they took away 16 channels. They not only made up for it. They made a few bucks on their side. Take the Island of Maui, a very important island. Consumers paid $11.56 for 34 channels in 1986—$11.56 for 34 channels. Today they pay $14.95 for nine channels.

The PRESIDENT pro tempore. Time is being charged equally against both sides.

Mr. INOUYE. Mr. President, I yield 5 minutes to the Senator from Illinois.

The PRESIDENT pro tempore. The Senator from Illinois [Mr. SIMON], is recognized for 5 minutes.

Mr. SIMON. Mr. President, I have not indicated to anyone, including my staff, until last night, how I was going to vote on this. I listened to both sides. Yesterday, I read through Monday's debate. Last night, I listened to Senator DANFORTH and Senator KERRY on that television set that we have a chance to view, in no small part thanks to cable.

I have come down on voting against the substitute. And I have come to that point with some reluctance, frankly, because to the credit of my colleague from Colorado, Senator TIM WIRTH, deregulation that we had for all of the abuses—and there have been abuses—has been massively successful. It has expanded cable in this country. How much, I do not know.

One of the interesting things, as I was reading over the various documents and statements yesterday, I came across statements of everything from 60 to 90 percent of the Nation being covered. I do not know who is right. There is no question that cable is doing a real job. And deregulation worked for this period of time. What has worked in the past, despite some abuses, is not necessarily what we ought to be doing in the future.

Second, let me pay tribute to cable for providing C-SPAN. I do not think there is any question that that has been a tremendous public service that has not cost the Government of the United States one penny, and it has educated people and permitted people to see what is going on in this country.

Third, on the positive side, a person who heads the cable industry in terms of a kind of umbrella organization, Jim Mooney, is, in my opinion, one of the real class people on the Washington scene. I have great respect for him. If I were to do this on the basis of personal friendship, I would be voting for the substitute rather than this bill.

If this bill were going to go back to the old days of local regulation completely, I would be voting against it, because, frankly, in too many communities it became a shakedown operation. I think it was a corrupting influence.

What finally determined for me how to come down—incidentally, as I listened to speeches—and I see my good friend from Missouri on the floor. As I listened to his speech and that of my colleague from Massachusetts last night, it sounded like there was a huge chasm between the substitute and the regular bill. I do not see that chasm as critically as my colleagues do as I analyze the substitute and the bill. One factor that I think is significant is the debt factor. One company, for example, Tele-Communications Inc., now is $9.8 billion in debt. The debt factor grew by a factor of eight in 1991 over 1990, if the material I have here is correct.

That seems to me not to be a healthy thing. And so some additional regulation is desirable to hold down making that apple quite as attractive to be picked off the tree and to increase debt, because ultimately, just using Tele-Communications Inc. as an example, who is going to pay the $9.8 billion? It is going to have to be the consumers who pay that.

There are still problems, no question, and problems that I do not see either bill addressing. I am not sure they can be addressed through legislation. One is in rural areas. I see the distinguished President pro tempore, and he comes from a State with a lot of rural territory, a State where I am confident there are a lot of people who do not have cable TV. We do not have it down in rural southern Illinois, where I live. I would like to see cable TV in some way—and maybe new technologies that are coming along with provide this—in these rural areas.

The second thing that is not happening, judging only by the city of Chicago, is that depressed areas within the city, the impoverished areas, are not being served as they should be. I understand the problems from an economic point of view and, frankly, even from a safety point of view for personnel. But that is a problem. I think there are pluses that may be in both bills, and that is to force the broadcasters and cable to get together. I can understand when the manager of channel 2 in Chicago says, "Cable has put me on channel 53," which is way out there, and he would like to negotiate something better. If this results in broadcasters hitting cable for excessive fees and then cable having to pass it along to the consumer, then, frankly, we are going to have to revisit this thing.

But, on balance, I think the debt factor that has to be passed along to the consumer suggests that restraint is in order. Kim Tilley, of my staff, who has been extremely helpful to me, has passed this article on. I think it is from the Washington Post. It says:

> Paul Kagan Associates Inc., a research firm, estimates that the total value of all systems sold in 1991 will top $8 billion, compared with $1 billion for all of 1990.

That indicates to me a trend that is not healthy. Who is going to pay for all of this debt? Only one person can pay for that debt—the consumer. Some greater restraint in this area is necessary. Both the substitute and the bill provide for some greater restraint. I think the bill, on balance, has a little more merit in this regard, and I am going to support it rather than the substitute.

I yield the floor.

Mr. STEVENS. Will the RECORD please show that Senator KERRY of Massachusetts controls 12 minutes more, and I yield 5 minutes to the Senator from Idaho [Mr. SYMMS].

The PRESIDENT pro tempore. The Senator from Idaho [Mr. SYMMS] is recognized for 5 minutes.

Mr. SYMMS. Mr. President, I thank the Senator from Alaska for the time. I will try to condense my remarks into 5 minutes and just say that I have reviewed the committee report and both the majority and the minority views on S. 12. I have read the analysis by the interested parties on both sides of this issue. And I have read the administration's very strongly worded position paper.

I rise to announce that I intend to vote against his bill, not out of lack of respect for Senators INOUYE, DANFORTH, and others who believe otherwise, but I just believe that we should allow technology to continue to work toward the competition that will ultimately be the solution to some of the complaints that people have about the current systems of cable today.

I can see that we are heading very rapidly into a day where we will have fiber options in every home in America, and when that happens you may have two or three cable companies you can bid from to get these services. So we are getting ready to legislate ahead of the technology and reregulate.

First, let me say I was proud to have been among the overwhelming majority of Senators who just, in 1984, supported Senator Goldwater's bill to approve the Cable Communications Policy Act. The Goldwater committee brought the bill to the floor with the stated goal of encouraging the growth and development of the cable industry and assuring that cable systems provided the widest possible diversity of information sources and service to the public.

Time has proven the clarity of Senator Goldwater's vision with respect to that important industry. We have seen it go from 37 million subscribers in 1984 to 55 million subscribers today. We have seen that growth. Multichannel video service is available to 90 percent of American households, compared to 70 percent in 1984. In addition, the cable industry has substantially increased spending to expand the channel capacity and has tripled annual spending on programming. In a very real sense the 1984 act has served its purpose.

Senate bill 12 is the direct result of hundreds, in some cases thousands, of constituents' complaints. That is the way the system in this country works. But the bill is comprehensive in that it addresses each of the major issues, including cable rates, customer service, vertical integration in the cable industry, some return for the use of broadcast signals, and the award of additional franchises. Unfortunately, with all but a few exceptions, I believe the committee has taken precisely the wrong approach to resolving these important issues.

The solution to monopolistic trade practices—unwarranted rate hikes, poor customer service, and the like—is more competition, not more regulation. Government cannot create competition simply by mandating that property owners sell to all comers. S. 12 would require most programmers, whose property is the program, to sell their programming to any qualified distributor. That will not create more competition and choice for consumers; it will only reduce the return to programmers and limit the incentive to invest in new programming and production technology.

In addition, S. 12 would require cable operators to set aside a percentage of their channel capacity—their private property—for local broadcast signals. Not only do these must-carry requirements raise serious first and fifth amendment issues, but they will only preserve the status quo and do nothing to ensure that new technologies are developed to distribute those local broadcast signals and other video programming to viewers.

I think our effort here should be to enhance rather than detract from the incentives to invest in new programming and the means to deliver it to television viewers. Had the kind of regulatory regime prescribed in Senate bill 12 been enacted 8 years ago, we would not have had Cable News Network providing the great service they provide to the American people and to the world today. They have brought us live pictures of the attack on downtown Baghdad during the gulf war.

Would the Discovery Channel have brought science from the far reaches of space to the molecular vision of a microscope into our homes in a format that invites the attention of both children and adults? It would not.

The 1984 deregulation made it possible to bring all of this to us. C-SPAN II, Discovery Channel, A&E, and CNN all the result of an act of 1984, where we had been able to be successful in getting the financing and make those services available.

Let us not forget the wealth of knowledge and information made available to the Nation since passage of, and in no small measure because of, the 1984 Cable Communications Policy Act.

I might note that the CEO of CNN was Time's "Man of the Year" this year and I think it was well deserved, well deserved, that Mr. Turner had that award. It was much better than some of the other choices they have made in the past.

We ought to be building on that success by opening the market to telephone companies and others who can bring the benefits of fiber optics into our homes. We ought to make every effort to speed the development of high definition television and other technological advances that will allow for unfettered competition in the delivery of home video services, and make available more capital for investment in programming.

Mr. President, the administration strongly opposes this legislation. I find their views on this issue almost wholly in accord with my own, so I ask unanimous consent that the administration's policy statement be printed in the RECORD following my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

The PRESIDENT pro tempore. I commend the administration for taking a principled, if not entirely popular, position on this legislation. However, given the strong concern about vertical integration in the cable industry and the broad anticompetitive ramifications it may have, I urge the White House and the Department of Justice to look into the antitrust allegations raised in this debate and report to Congress on their findings. It is the only way those of us who believe in the long-term benefits of a free market will be able to answer those who claim that market dominance in the cable industry leaves us with no alternative but to intervene with the long and stifling reach of the Federal bureaucracy.

I urge my colleagues to vote against S. 12, and I pray technology will be given a chance to create true competition and new wealth before Congress intervenes to preserve what we have, and leave progress in telecommunications to our competitors around the world.

And I urge Senators to support the Stevens' substitute. At that point, I guess, Senators can make up their minds how they vote. I intend to vote against the entire package.

EXHIBIT 1

STATEMENT OF ADMINISTRATION POLICY

S. 12—CABLE TELEVISION CONSUMER PROTECTION ACT OF 1991

The Administration strongly opposes S. 12 because it would impose unnecessary regulation on the cable television industry. If S. 12, as reported by the Senate Committee on Commerce, Science, and Transportation, were presented to the President, his senior advisors would recommend a veto.

The Administration opposes S. 12 because it does not sufficiently emphasize competitive principles in addressing perceived problems in the cable television industry. It has been the Administration's consistent position that competition, rather than regulation, creates the most substantial benefits for consumers and the greatest opportunities for American industry. Television viewers are best served by removing barriers to entry by new firms into the video services marketplace. The Administration, therefore, would support legislation which removes the current statutory prohibitions against telephone company provision of video programming, with appropriate safeguards.

S. 12 would greatly expand regulation of cable rates. It would require regulation of cable systems by either the Federal Communications Commission (FCC) or the local government. The number of cable systems and variety of cable programs have grown dramatically in the absence of rate regulation. Reimposing rate regulation would both hamper the development of new products and services for cable subscribers and slow the expansion of cable services to areas not now served. If it finds that additional rate regulation is needed, the FCC can provide such regulation under current law. The FCC issued new rules in June, which are expected to increase substantially regulation of basic cable rates. The Administration believes that the rules should be implemented and reviewed before new and inflexible legislation is considered.

S. 12 would restrict the discretion of cable programmers in distributing their product. Exclusive distribution arrangements are common in the entertainment industry and encourage the risk-taking needed to develop new programming. Requiring programming networks that are commonly owned with cable systems to make their product available to competing distributors could undermine the incentives of cable operators to invest in developing new programming. This would be to the long-term detriment of the American public. If competitive problems emerge in this area, they can and should be addressed under existing antitrust laws.

S. 12 would also require limits on the number of subscribers that a cable operator may serve nationwide. This provision is objectionable because current antitrust laws are adequate to protect competition. Moreover, the FCC currently has authority to adopt ownership rules if it determines they are necessary.

Finally, S. 12 would require cable operators to carry the signals of certain television stations, regardless of whether the cable operator believes the stations are appropriate for inclusion in its package of services, and whether such inclusion reflects the desires and tastes of cable subscribers. The Administration believes that such "must carry" requirements would raise serious First Amendment questions by infringing upon the editorial discretion exercised by cable operators in their selection of programming. S. 12 was amended in committee to give television stations the option to choose "must carry" or to require that a cable operator obtain the station's consent to retransmit its signal. This amendment, however, does not address the serious First Amendment concerns noted here. While the Administration supports retransmission consent (without must carry), this should be coupled with repeal of the cable compulsory license.

The Administration supports Senate passage of the Packwood-Stevens-Kerry amendment as an alternative to the reported version of S. 12, because it woud eliminate or significantly modify many of the highly regulatory provisions of S. 12. Moreover, it would also remove one impediment to competition in the cable industry the exclusive local franchise. At the same time, the Administration wishes to work with the Congress to modify or eliminate some troublesome provisions that remain in the underlying bill. Such provisions include, for example, the lack of generalized telephone company entry provisions, reimpositions of "must carry" rules, the mandatory nature of rate regulation, the very narrow definition of "effective competition," and the administrative burden on the FCC.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. I am pleased to yield 10 minutes to my colleague from Washington.

The PRESIDING OFFICER. The Senator from Washington [Mr. GORTON] is recognized for 10 minutes.

Mr. GORTON. Mr. President, earlier this morning I listened with great interest to the distinguished opening statement by the senior Senator from Colorado outlining the reasons for this substitute. I was stricken not only by his thoughtfulness and persuasiveness, but by a striking reaction on my own part to what this debate this morning is not about.

The Senator from Colorado made it very clear that it is not about whether or not there should be a degree of reregulation of the prices charged by cable television companies because, of course, the substitute includes an authority to regulate the prices of cable television services. I may say, incidentally, that it allows that regulation only on service that for all practical purposes no one wants. But we are no longer debating whether or not there should be reregulation of cable television practices, only the degree of that reregulation.

I was also stricken by the proposition that what this debate is not about is about whether or not we should encourage more competition, whether or not we worry about monopoly. The substitute bill did include a couple of minor provisions encouraging competition, particularly in rural areas by telephone companies. As a matter of fact, we, on our side, thought those provisions so meritorious that we have now included them in S. 12 as the committee substitute is before this body, just as the proponents of this amendment have included many elements, including the one which started out by being controversial, retransmission rights, in their substitute. So, at least there is some approach from both directions toward a middle ground.

No, Mr. President.

Both sides in this debate expressed concerns about the monopoly position of cable television providers. The difference is that one side, the draft persons, draftsmen of S. 12, do something real about that monopoly, about consumer complaints. And the other side, the side of this substitute amendment, provides lip serve to that antimonopoly position.

Where the substitute allows regulation of the prices charged by these companies only essentially to over-the-air broadcasts, those broadcasts which an individual can receive for free by the use of an antenna, S. 12 allows regulation under guidelines set out by the Federal Communications Commission for the true basic service provided by cable television companies, that service which encompasses at least 30 percent of the purchasers of the service itself who are at the low end of both the cost and the service, that is to say number of channels provided spectrum. So that we have something which is real to control prices to those who either wish or can only afford what is truly basic service.

S. 12 really does encourage competition and it does so in two ways: The first way is that it removes the right to regulate as soon as real competition is in place in any market. It, therefore, gives some incentive to the cable television companies to stop obstructing competition and to start permitting the competition because then they will be unregulated.

Secondly, it does so by making programming available to those competing services on relatively reasonable grounds. It does not require the provision of all of the programming which cable now provides, but it provides for the reasonable terms and conditions from much of this programming.

So, Mr. President, the summary is that the bill as it is before us in the version from the committee will provide for real competition in the field which is now a monopoly, will provide for real and important regulation for our least-well-off citizens where there is no competition. The substitute, which is being proposed here this morning, gives lip service to both of those concepts but reality for neither. In my view, Mr. President, the substitute should be soundly rejected and the bill itself passed so that we can do something that our citizens want that will provide for competition in a free market system in a manner to which we all give lip service.

Mr. STEVENS. Mr. President, I yield myself 5 minutes.

The PRESIDENT pro tempore. The Senator from Alaska is recognized for 5 minutes.

Mr. STEVENS. Mr. President, it is with great regret that I find myself disagreeing with my friends on S. 12. To me, passing S. 12 would be like using B-52's over Baghdad instead of using the high-technology surgical strike aircraft that we did.

There is an opportunity now to vote for a balanced approach to the cable controversy. On the one hand, our alternative would free the cable industry's competitors of unnecessary regulatory burdens that impede their ability to compete.

For example, elimination of the 12-12-12 rule would permit the development of regional broadcast television operating networks that could take advantage of expanded advertising revenues and economies of scale that are necessary for over-the-air broadcasting to compete with cable.

Two aspects of S. 12 are of particular concern to me. Comprehensive rate regulation and program access.

I expressed my concerns at a prior time concerning program access and I would ask unanimous consent that we place those remarks in the RECORD after this statement.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STEVENS. I have yet to hear an adequate justification for the all pervasive ratemaking regime suggested by S. 12. Despite protestations to the contrary, cable systems do not, particularly in urban areas, have anywhere near a monopoly on the provision of video programming. Cable movie channels, even those included in service tiers, face stiff competition from video tape rental stores and movies available on broadcast television.

Why then should the Senate embark on an all-out crusade to regulate rates charged for each tier of cable service—regardless of the size of the tier, the mix of services provided in the tier, and the level of competition faced by those services from other video programming sources?

Mr. President, we are not talking about telephone use minutes, gallons of water, or watts of electricity, the traditional subjects of rate regulation, but nonfungible video programming. S. 12 offers little guidance on how the FCC will implement what may amount to a brandnew form of rate regulation. The Commerce Committee report itself recognizes that—

> There is no history of established rates for cable services that is analogous, for example, to the process used for the telephone industry.

I ask unanimous consent that the portion of the report appearing on page 73 entitled "Section 5—Regulation of Rates" be printed in the RECORD at this point.

The PRESIDENT pro tempore. Without objection, it is so ordered.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION 5—REGULATION OF RATES

This section amends section 623 of the 1934 Act as follows:

Section 623(a) provides that no governmental authority can regulate the rates for the provision of cable service except to the extent provided in section 623. In addition, franchising authorities may regulate the rates for the provision of cable service, or any other communications services provided over a cable system, but only to the extent provided in section 623.

In the analysis of this section, when the Committee discusses the regulation of rates, it is referring to the retail rates charged subscribers. It does not refer to the wholesale rates paid to programmers by cable operators.

Section 623(b)(1) provides that the FCC shall regulate the rates, terms, and conditions for basic cable service on cable systems not subject to effective competition to ensure these rates are reasonable. The FCC's authority shall also extend to the rates, terms, and conditions for installation or rental of equipment, such as converters and remote controls, used for the receipt of basic cable service. If fewer than 30 percent of all subscribers to the cable system subscribe only to basic cable service, then the FCC may regulate the rates of the next priced service tier subscribed to by at least 30 percent of the system's customers.

The Committee recognizes that there is no history of establishing rates for cable service that is analogous, for example, to the process used in the telephone industry. This provision, therefore, gives the FCC broad discretion to ensure rates are reasonable. The FCC can establish rates by broad category and only deal with individual systems when special circumstances exist. In overseeing rates, the FCC shall ensure they reflect the number of over-the-air signals and other programming carried on the tier as well as other local circumstances.

In establishing these rates, the Committee intends for the FCC to take into consideration any impact on cable rates of the exercise of retransmission rights by broadcast stations pursuant to section 325 of the 1934

Act. While the Committee recognizes that the exercise of retransmission rights may impose additional costs of operation on cable operators, the Committee intends for the FCC to ensure that these costs do not result in excessive basic cable rates.

Section 623(b)(2) provides that the franchising authority may obtain this jurisdiction to regulate cable rates from the FCC, upon written request, if it adopts laws and regulations conforming to FCC procedures, standards, requirements, and guidelines. The FCC shall promptly review the franchising authority's written request to ensure that these State or local laws and regulations do in fact comply with its procedures, standards, requirements, and guidelines and that they provide a level of protection to consumers required by the FCC and that carry out the policy of title VI of the 1934 Act. Upon petition by a cable operator or other interested party, the FCC shall review the regulation of rates by a franchising authority. If the FCC finds that the franchising authority has acted consistently with its requirements, it can grant appropriate relief. If the FCC determines that State or local laws and regulations no longer conform to the FCC requirements, it shall revoke the authorization. The Committee does not intend that the FCC revoke the authority of franchising authorities for any minor variance with the FCC standards, but for inconsistencies that will adversely affect the integrity of the rate regulation process. The FCC shall restore a franchising authority's rate regulatory power revoked under section 623(b)(2) once the requirements of that section are satisfied.

Section 623(b)(3), a cable operator has no obligation to put programming other than retransmitted local broadcast signals on its basic service tier. Any obligation imposed by operation of law inconsistent with section 623(b) is preempted and may not be enforced.

Section 623(b)(4) requires the FCC to adopt regulations to implement this section within 120 days of the date of enactment.

Section 623(b)(5) states that a cable operator may file for a basic service rate increase, and such increase shall be granted if it is not acted upon within 180 days of the date of filing. Should the FCC or the franchising authority question the reasonableness of a requested rate increase in a timely fashion and request the cable operator to submit additional information, the cable operator may not delay in the submission of the information in order to have the rate increase automatically go into effect despite the concerns of the FCC or the franchising authority. Section 623(b)(5) does not prevent the cable operator from agreeing to extend the period for a decision on its request.

Section 623(c)(1) provides that, for systems not subject to effective competition, the FCC shall establish reasonable rates for cable programming services (other than basic service and except for that offered on a per channel or per program basis) if it finds the current rates are unreasonable. The FCC may act only upon a complaint that is filed within a reasonable time after a rate increase—no matter how minimal the increase may be—and that properly establishes that rates are unreasonable. Nothing in this legislation shall be interpreted as restricting subscribers, franchising authorities, or State officials from the submission of a complaint. The rates may be unreasonable prior to the passage of the legislation, and the Committee intends that these rates be subject to this provision. However, the FCC shall not review such rates until it receives a properly filed complaint. Prior to establishing reasonable rates, the FCC shall inquire of the cable operator as to the reason for such rates and then determine whether the existing rates can be justified by reasonable business practices. Nothing in this legislation shall be interpreted as restricting the FCC from ordering refunds to subscribers pursuant to its authority under 1934 Act, where the FCC finds that a rate is unreasonable.

"Unreasonable" rates are those that are above those that would occur under effective competition. The Committee derived this standard because it recognized that: (1) for cable systems not subject to effective competition, the degree of market power varies from system to system; (2) there is not a history of regulating cable's rates based on some systematic consideration of costs, rates, and returns; (3) even systematic regulation is not a precise science and imposes costs on consumers; and (4) national guidelines are required. The Committee therefore decided that it was best to include a standard that brought under government oversight those rates that are, with some certainty, unreasonable and above the rates for similarly situated systems.

In determining what constitutes a reasonable rate the FCC may take into consideration a range of factors including those listed in the discussion of section 623(c)(3) below.

Since the legislation permits cable operators to separate basic service from other cable programming services, during a transition time, there may be confusion as to what constitutes "a rate increase for cable programming services." For example, since cable programming service is defined to exclude both basic and per program and per channel offerings, a cable operator could argue that the price of programming previously bundled in an expanded basic tier, which is now separately priced under a regulated basic service tier, or at an unregulated per program or per channel rate, should not be considered in determining whether cable programming service rates have increased. Such an interpretation of the term "increase" would clearly thwart the intent of the legislation. That interpretation would permit cable operators to use monopolistic conditions triggering regulation to retier programming to avoid regulatory scrutiny.

To prevent this result, the legislation provides that a rate increase can be deemed to result from a change in the service tiers or a change in the per channel price paid by subscribers. For example, if a cable system charges $20 a month for a package or tier of 20 program services and the system then deletes 10 program services but the price remains $20, that would constitute a rate increase and a change in the per channel cost of the services offered in that package. This language is not intended to cover that situation where a cable operator increases the price of a service offered individually, not as a package containing other program services, such as HBO. The FCC should ensure that rates for similar programming are compared over time to determine whether cable programming service rates have increased.

Section 623(c)(2) provides that, within 180 days after the date of enactment, the FCC shall establish criteria for determining when rates are unreasonable and whether complaints filed within a reasonable time after a rate increase properly establish that rates are unreasonable.

Section 623(c)(3) states that, in establishing criteria for determining whether rates are unreasonable, the FCC shall consider any factor relevant to its public interest determination, including—

(A) the extent to which service offerings are offered on an unbundled basis;

(B) rates for similarly situated cable systems offerings comparable services;

(C) the history of rates for such services offerings of the system;

(D) the rates for all cable programming service offerings taken as a whole; and

(E) the rates charged for services with similar service offerings by cable systems subject to effective competition.

The listing of factors contained in this bill shall not prevent the FCC from considering: the number of signals included in a program package; the costs to the cable operator to provide those signals; compensation received for carriage of signals; local conditions that may affect the reasonableness of rates; and the costs of operation.

Section 623(d) provides that a cable system in a community in which fewer than 30 percent of the households subscribe to the cable system is deemed to be subject to effective competition. A cable system with penetration greater than 30 percent is subject to effective competition if there are: (1) a sufficient number of local television signals, and (2) the presence of an unaffiliated multichannel video competitor offering comparable service at comparable rates that is available to a majority of the homes in the market and is subscribed to by individuals in at least 15 percent of the homes. In determining whether a "sufficient number" of broadcast signals exists, the FCC should consider the number and technical quality of broadcast signals received in the community. The FCC shall periodically review and update the rules it establishes pursuant to this section to reflect changes in the communications marketplace.

Under section 623(e), cable operators must offer uniform rates throughout the geographic area in which they provide cable service. This provision is intended to prevent cable operators from having different rate structures in different parts of one cable franchise. This provision is also intended to prevent cable operators from dropping the rates in one portion of a franchise area to undercut a competitor temporarily.

Section 623(f) is identical to section 623(f) of the existing statute. See, the House Energy and Commerce Committee Report on the Cable Franchise Policy and Communications Act of 1984 (98–934), p. 68.

Section 623(g) defines the term "cable programming service" as all video programming services, including installation or rental of equipment used in the receipt of those services and rental equipment, other than those offered on the basic service tier and those offered on a per channel or per program basis.

This provision and section 623(c) demonstrate the Committee's belief that greater unbundling of offerings leads to more subscriber choice and greater competition among program services. Through unbundling, subscribers have greater assurance that they are choosing only those program services they wish to see and are not paying for programs they do not desire. With bundling, programmers have an incentive to spend more (for example, for certain types of sports programming) knowing that the cost will be spread across those who do not watch such programming. Contracts that contain provisions that restrict the offering of services on an unbundled basis can impede competition among video services and are inconsistent with the Committee's desire to promote competition.

The Committee also recognizes that there can be legitimate reasons, albeit limited, for bundling. For example, there may also be a need to nurture certain offerings or help market them by exposing them to more subscribers. For example, the television networks carry this out by placing a new program between already highly rated shows. Many of these objectives could be carried out through means other than bundling large amounts of programs together, few of which any single subscriber wants.

Finally, it is important to note that only about one quarter of all cable systems are addressable, having the technology to isolate all channels. While this number will increase as new cable plants are built, there will still be, even in five years, a substantial number of cable systems that are not addressable. This will unfortunately inhibit the Committee's objective, and the Committee urges the creation of this capability.

In sum, one of the prime goals of the legislation is to enhance subscriber choice. Unbundling is a major step in this direction. Cable operators and programmers are urged to work toward this objective, while also seeking to accomplish other legitimate goals.

Section 623(h) provides that, within 120 days of enactment, the FCC shall establish standards, procedures, and guidelines to prevent cable operators from evading the rate regulation provisions of this section. This provision is intended to give the FCC the authority to address changes in the cable industry or the industry's business practices that would thwart the intent of this section.

Mr. STEVENS. Mr. President, I want to be sure that the courts know the vagueness of the standards set by the Commerce Committee in its own report. By the time the FCC and the courts get done cutting this reregulatory monster down to some more workable size, the impact on rates charged to subscribers could well be minimal.

On the other hand, the enormous uncertainty and disruption created by S. 12 is very likely to discourage the development of new cable programming services and interfere in cable operators' efforts to meet the demands of their subscribers.

In the opinion of the respected scholars Laurence Tribe and Robert Bork, S. 12's rate regulation provisions are also of doubtful constitutionality. A cable operator is a publisher and is entitled to the full protection of the first amendment just like a newspaper.

S. 12's rate regulation provisions, which are specifically directed at the programming aspects, or, more precisely, the speech aspects, of a cable system's operations would ultimately have to face stiff legal tests: Do they permit an impermissible discretionary review of a cable operator's editorial decisions? Are they a precisely drawn means of serving a compelling governmental interest? I believe S. 12's provisions fail to meet both tests.

Mr. President, the power to regulate is still the power to destroy. If Congress is to give the FCC the power to regulate this vibrant industry it should do so in a moderate fashion and delegate the full spectrum of its regulatory authority to an administrative agency only if it is demonstrated that moderate restraint cannot protect the basic interests of consumers.

Mr. President, the distinguished sponsors of S. 12 are genuinely concerned about the direction taken by the cable industry since the passage of the 1984 Cable Act, and they have put a great deal of effort into fashioning their bill. As much as I value my friendship with the sponsors of S. 12 however, I cannot support such a massively reregulatory piece of legislation.

S. 12 does not build on the success of the 1984 Cable Act, which led to a vast expansion in the availability of cable service and encouraged important new cable programming efforts. To the contrary, if is likely to impede the development of better cable service for Americans in the future.

The Packwood-Kerry-Stevens alternative to S. 12 offers a balanced approach to the cable controversy. On the one hand, it would free the cable industry's competitors of unnecessary regulatory burdens that impede their ability to compete.

For example, elimination of the 12–12–12 rule would permit the development of regional broadcast television networks that could take advantage of expanded advertising reach and economies of scale to compete more effectively with cable.

On the other hand, the alternative would address, in a straightforward and measured fashion, concerns expressed by cable subscribers in the areas of basic service rates, customer service, and technical quality.

Two aspects of S. 12 are of particular concern to me—comprehensive rate regulation and program access. I have described my concerns over program access before in this Chamber. Today, I will concentrate on comprehensive rate regulation.

S. 12 includes extraordinary broad lower tier and upper tier rate regulation provisions that would require the Federal Communications Commission to regulate the rates charged for nearly every video service offered on a cable system. The only services left unregulated would be those offered on a completely unbundled, a la carte perchannel or per-view basis.

I have yet to hear an adequate justification for this all-pervasive ratemaking regime. Despite protestations to the contrary, cable systems do not, particularly in urban areas, have anywhere near a monopoly on the provision of video programming. For example, cable movie channels—even those included in service tiers—face stiff competition from videotape rental stores and movies available on broadcast television. Why then should the Senate embark on all-out crusade to regulate the rates charged for each tier of cable service, regardless of the size of the tier, the mix of service provided on the tier, and the level of competition faced by those services from other video programming sources?

Just as importantly, how is the FCC supposed to implement legislation that would require it to review each and every rate increase in the upper and lower tiers of cable service?

We are not talking about telephone use minutes here or gallons of water or watts of electricity—the traditional subjects of rate regulation—but nonfungible video programming. S. 12 offers little guidance on how the FCC is to implement what may amount to a brandnew form of rate regulation. The committee report itself recognizes that "there is no history of establishing rates for cable service that is analogous, for example, to the process used in the telephone industry."

Under S. 12, the FCC is not bound to follow traditional rate regulation models in regulating cable. It has the discretion either to pick a reasonable rate based on a cursory examination of general pricing trends in the cable industry or to evaluate the specific circumstances of a particular cable system.

By the time the FCC and the courts get done cutting this reregulatory monster down to some more workable size, the impact on rates charged to subscribers may well be minimal. On the other hand, the enormous uncertainty and disruption created by S. 12 is very likely to discourage the development of new cable programming services and interfere in cable operators' efforts to meet the demands of their subscribers.

Finally, Mr. President, in the opinion of respected legal scholars like Laurence Tribe and Robert Bork, S. 12's rate regulation provisions are also of doubtful constitutionality. A cable operator is a publisher entitled to the full protection of the first amendment just like a newspaper publisher.

S. 12's rate regulation provisions, which are specifically directed at the programming aspects—the speech aspects—of a cable system's operations, would ultimately have to pass stiff legal tests. Do they permit an impermissable discretionary review of a cable operator's editorial decisions? Are they a precisely drawn means of serving a compelling governmental interest? I believe S. 12's provisions fail both tests.

S. 12 requires the FCC to decide whether a cable operator's decision to charge a particular rate for a particular bundle of programming services is reasonable in some broad sense. Since S. 12 does not require the FCC to take the price paid by the operator for a particular service as a given, the FCC or a franchising authority apparently could decide that the operator is paying an unreasonable price for ESPN or Home Team Sports and adjust the rate charged for the tier accordingly.

The FCC or a franchising authority apparently could also decide that the rate charged for a particular bundling of services on a tier was unreasonable because in its judgment, the majority of subscribers to the tier were being forced to pay for services like ESPN or Home Team Sports that they rarely watched and again adjust the tier rate accordingly.

Clearly, this sort of review involves second guessing the editorial judgment of a cable operator. The operator's determination of what services are important enough to its subscribers to pay a high price for and its determination of what packages of services should be presented to its subscribers are editorial decisions, which are not open to casual, discretionary review by Government authorities.

As far as the second test is concerned, putting aside the question of whether the courts would accept the various market power justifications offered by S. 12 for comprehensive rate regulation as compelling governmental interests, the fact is that S. 12's provisions are not precisely drawn.

The committee report on S. 12 is clear on this point. In both lower tier and upper tier rate regulation, the FCC is not bound to follow the traditional rate regulation model, which involves a "systematic consideration of costs, rates, and returns." Rather the FCC is encouraged to "establish rates by broad category and only deal with individual systems when special circumstances exist" and to deal with broad public interest considerations. Careful, disciplined analysis of the specific circumstances faced by a specific cable system in the provision of cable service is permitted, but not required.

Mr. President, I cannot imagine an approach more likely to raise concern in a court's mind. S. 12 mandates the FCC and franchising authorities to produce reasonable—or to be more accurate, lower—rates without any real consideration of the potential impacts of their regulatory efforts on protected speech.

This constitutional problem is exacerbated by the fact that the Federal Government itself is impeding the development of competitive forces that would address lingering concerns over market power in the cable industry without impinging on the first amendment. Broadcasters are subject to a series of obsolete regulatory burdens such as 12-12-12. In most of the country, local telephone companies are precluded by an act of Congress from entering the cable business in their service areas.

I believe Mr. President, that S. 12's comprehensive rate regulation provisions are subject to serious attack on constitutional grounds. Our alternative's more moderate approach, which would limit rate regulation to the basic tier and embrace more traditional rate regulation models, is far more likely to pass muster.

Mr. President, for the reasons stated so succinctly by Senator PACKWOOD during the debate over this bill and my prepared statement, I take the position that S. 12 is unconstitutional. As far as program access is concerned, the Commerce Committee report makes clear that new section 640(b), which S. 12 would add to the Communications Act, would require an integrated cable operator/programmer to make its programming available on similar terms to all cable systems. This is an unprecedented affirmative obligation to deal. It forces a speaker protected by the first amendment to speak and, therefore, raises profound constitutional concerns.

Furthermore, Mr. President, it is my belief that S. 12's rate regulation provisions are not precisely drawn enough in order to avoid a court decision that it is unconstitutional.

The Commerce Committee report is clear that in both lower tier and upper tier rate regulation, the FCC is not bound to follow the traditional rate regulation model, which involves a systematic consideration of costs, rates, and returns. Under this bill, the FCC is encouraged—I am quoting the report now, "to establish rates by broad category and only deal with individual systems when special circumstances exist" and to deal with the broad public interest considerations. Careful, disciplined analysis of the specific circumstances faced by a specific cable system in the provision of cable services is permitted, but not required.

I cannot imagine an approach more likely to raise concern in any court's mind. S. 12 mandates the FCC and franchising authorities to produce reasonable—or, really, to be more accurate, lower—rates without any real consideration of the potential impacts of the regulatory effort on protected speech.

Mr. President, the constitutional problem is exacerbated by the fact that the Federal Government itself is impeding the development of competitive forces that would address lingering concerns over market power in the cable industry without impinging upon the first amendment. We have said broadcasters are subject to a series of obsolete regulatory burdens such as 12-12-12. In most of the country, local telephone companies are precluded by an act of Congress from entering the cable systems.

I believe, Mr. President, that S. 12's comprehensive rate regulation provisions are subject to serious attack on constitutional grounds. Our alternative's more moderate approach, which would limit rate regulation to the basic tier, as explained by Senator PACKWOOD, and embrace more traditional rate regulation models, I think would pass muster in the courts in terms of the constitutional process of judicial review.

EXHIBIT 1

CABLE REREGULATION

Mr. STEVENS. Mr. President, over the weekend I had the occasion to see our great friend, the former Senator from Arizona, Senator Barry Goldwater. In discussing many things with him, I found that he does sit late at night once in awhile and watch the Senate when it is in session. I hope my friend is watching back there in Arizona now again because after the conversation with him we started thinking about some of the things we worked on, and in particular I started thinking about the cable deregulation bill that Senator Goldwater managed here on the floor 6 years ago.

Mr. President, 6 years ago, Congress initiated a dramatic change in national telecommunications by enacting legislation to substantially deregulate the cable television industry.

At the time of the passage of the Cable Communications Policy Act, many experts felt that the cable industry was in decline—its effort to wire America's big cities was in disarray and cable programming services were failing because of low ratings and revenues, some went so far as to suggest that cable faced an impossible catch 22—it couldn't attract more subscribers without better programming, and it couldn't afford to develop better programming without more subscribers.

Many doubted that the cable act would resolve these problems. They were wrong.

Over the past 6 years, cable has grown enormously. The number of basic cable subscribers has grown from 37 million in 1984 to 49 million in 1989. Those subscribers enjoy a far wider variety of programming services than they did in the early 1980's. Unlike over-the-air broadcasting, cable has been able to provide specialized services so a subscriber can get more of the specific kind of programming he or she wants—whether it be coverage of the proceedings of the Senate and the House, home shopping, 24-hour news, documentaries, music videos, or classic movies.

These major advances haven't come without a cost. According to the General Accounting Office, the average subscriber's monthly bill rose 14 percent—8 percent in constant dollars—during the period of 1986 through 1988, with an increase of 26 percent in basic rates.

All of us are concerned about the rates our constituents pay for important services, particularly this Senator. My State has very high basic cable rates.

Before we conclude, however, that the cable industry has been systematically gouging the consumer, let's look at a few additional facts. First, in 1972 the average monthly basic cable rates was $5.85. If basic cable rates had kept exact pace with inflation since that time, the average monthly price in 1988 would have been $16.54. The actual average price was $14.77—12 percent less. This strongly suggests that much of the post-cable act rate increase was related to cable's effort to catch up with inflation after years of local regulation that kept both cable prices and cable services artificially low.

Second, the average basic cable subscriber in 1972 received five to six channels. The average basic cable subscriber in 1988 received more than 30 channels—a 500-to-600 percent increase in service without a corresponding increase in price.

Third, the latest price information indicates that cable rates are stabilizing. In 1989, average cable prices went up only 3.8 percent while the overall Consumer Price Index rose 4.6 percent.

Mr. President, the cable industry isn't perfect—some cable operators have gouged their subscribers, the industry as a whole has had major customer service problems over the past 6 years, and there is continuing concern over the fairness of its relations with current and potential competitors. In dealing with an industry that has begun to mature in a real sense only in the past 6 years, however, Congress should move with caution.

We need to distinguish between transitory problems and long-term problems. We need to make sure that in reacting to today's complaints, we don't sacrifice the benefit that a strong cable industry can offer to tomorrow's consumer.

I want to express my appreciation to Senator Hollings, the chairman of the Commerce Committee, Senator Danforth, the ranking Republican on Commerce, and Senator Inouye, the chairman of the committee's Communications Subcommittee for their efforts over the past several months to examine complaints about the cable industry and evaluate possible changes to the 1984 cable act. I believe that it is important for the committee to move forward with a moderate cable bill this year. Continued uncertainty over the fate of cable legislation does not serve the interest of the general public, which wants and needs additional mass media services.

With regard to a potential cable bill, there are some issues that deserve special mention.

First, after deregulation, most cable systems eliminated the so-called purchase option that had allowed subscribers to receive—at a fairly low price—local over-the-air broadcast television signals and public, educational, and governmental access channels. This forced subscribers to purchase either a larger and more expensive basic service package or terminate cable service altogether.

This inexpensive option—perhaps with the addition of C-SPAN I and II—should be restored, and the Federal Communications Commission should be authorized to set up a system to regulate the rate charged for this service. Not everyone wants all the programming offered by the cable industry, and they shouldn't be forced to pay for what they don't want.

Restoration of the purchase option—I sometimes call it basic-basic service—would give all residents of a given cable franchise area access to the cable system at a reasonable rate. It would also help discipline the pricing of the other services offered by the cable operator. If those services are too expensive, subscribers could opt for basic-basic service without having to terminate cable access altogether.

Representatives Dingell, Lent, and Rinaldo have proposed one version of a basic-basic service package in a staff draft that has been circulated over the past couple of weeks. I recommend that Members of the Senate review their proposal.

Second, as a long-time supporter of must carry—the mandatory carriage of local commercial and public broadcast stations by cable systems—I believe that any cable bill should include codification of the must carry concept. The courts have struck down the FCC's efforts to require must carry by regulation. Congress should act to help preserve the essential services that free over-the-air broadcasting provides in rural and urban America. There is no reason to delay action on this important issue.

Third, there has been a lot of discussion of the question of programming access. In its strongest form, programming access would require all video programmers, whether or not affiliated with cable system operators, to make their programming available to any and all multichannel video distributors. Price differentials would be almost wholly prohibited.

The underlying premise for this concept appears to be that there is a limited, static block of programming available in America and that it is the task of Congress to dole out this limited resource to various delivery services. This premise doesn't sustain analysis.

Over the past decade, programming choices have mushroomed. The cable industry has more than doubled the number of specialized cable networks, and neighborhood stores offer for sale or rental videocassettes of everything from movies to exercise programs to financial planning seminars. Unless Congress throws a monkey wrench into the market, programming choices will continue to expand.

The recent versions of programming access are just such a monkey wrench. It would overturn decades of public policy. Prohibiting exclusive programming contracts will radically reduce the upside for the developers of programming. It means that when they have a success, they'll have to share the benefits in a way that will drastically reduce the return on their investment of time, talent, and capital. When they have a failure, and programming is a notoriously risky business, they'll continue to bear the burden alone.

It doesn't take an economic wizard to figure out that given this change in incentives, programmers and the people who finance them will spend less on programming development and will be more conservative about what projects they pursue. I don't see the benefit to consumers from reduced and less diverse programming, and I certainly don't see the Federal government's stepping in to replace the capital that the private sector pulls out of programming.

I'm as concerned about making programming available to rural Americans and encouraging the development of new technologies as anyone in the Senate. A large part of my career has been spent working to ensure that rural Alaska is not left behind as our Nation's telecommunications system moves into the 21st century. But, the programming access proposal is much more likely to retard the development of new programming and reduce incentives to meet rural America's needs. I think Congress should think very carefully before it grants what amounts to a major public subsidy to selected programming distributors and technologies.

Mr. President, in this debate, the cable industry's interest isn't paramount. Neither are the interests of the broadcasting industry or any other specific party. We have an obligation to fashion communications policy that furthers the general public's interest in more programming choices at reasonable rates. I believe that we have an opportunity this year to make progress toward this goal, but only if we forego the temptation to make radical policy changes without understanding their consequences. The cable industry needs guidance, and the broadcasting industry needs fair access to the consumer. We can provide both without sacrificing the progress made over the past 6 years.

But I am one who believes that Congress should take some time to act upon a bill to eliminate some of the uncertainties that exist in the cable field today. There are changes that we need to make if we are going to continue to make progress in that area.

I welcome any comments that my colleagues have to make concerning the suggestions I have made, Mr. President.

Mr. STEVENS. Mr. President, I want to reaffirm my support of the must-carry/retransmission consent option found in S. 12 and the Packwood-Kerry-Stevens alternative. This proposal is a positive and minimally intrusive method of balancing the competing interests of the broadcast and cable industries.

Must-carry serves a compelling Government interest in ensuring that local viewers retain access to local broadcast television stations—access that is essential to preserving the economic viability of local television broadcasters and the local programming they provide.

Our system of broadcasting is predicated on the service local broadcasters provide to towns and communities across this country. It is the most basic requirement of their license. Without must-carry, many local stations will lose their ability to reach cable subscribers, a loss that erodes their ability to attract advertising dollars—the mainstay of free, over-the-air television. I want to congratulate Senator INOUYE for developing a must-carry proposal which respects and protects the first amendment rights of cable operators while still meeting the broadcaster's need for access to the viewing public.

Retransmission consent is a newer proposal that has sparked a great deal of concern on the part of the cable industry—concern that in my opinion is exaggerated. Retransmission consent establishes, for the first time, the opportunity for two established industries, on a market-by-market basis, to negotiate a mutually beneficial arrangement concerning carriage, channel position, and other, cooperative ventures. It does not require an agreement; it imposes no tax, fee, or surcharge on cable operators or cable customers. It forces nothing on the cable operator. Retransmission consent recognizes the value to the broadcaster of the programming it has packaged in a complete programming day and broadcast. By allowing the broadcaster to control who may make use of this broadcasted programming, retransmission consent reduces Government intrusion in the video programming marketplace.

We all recognize that cable television and broadcasters are competitors in the video marketplace. We also know that over two-thirds of all viewing by cable subscribers is of local, over-the-air television. This has set up a situation where a popular broadcaster may wind up subsidizing its cable competitor in its programming and marketing efforts.

I am convinced that retransmission consent is a procompetitive proposal that will help to provide a measure of balance that is currently lacking.

Mr. INOUYE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Hawaii.

Mr. INOUYE. I yield 10 minutes to my friend from Connecticut.

The PRESIDENT pro tempore. The Senator from Connecticut [Mr. LIEBERMAN] is recognized for 10 minutes.

Mr. LIEBERMAN. I thank the Chair, and I thank my distinguished colleague from Hawaii.

Mr. President, I rise today in support of S. 12 as reported by the Commerce Committee, and in opposition to the substitute offered by Senator PACKWOOD and my other colleagues.

Mr. President, we are facing a terrible recession here in the United States today in which many ordinary Americans are having a tough time making ends meet. Just a couple days ago, in his State of the Union Address, President Bush challenged all of us here in Congress to put aside partisan differences and work together for the good of the country.

Well, Mr. President, now is the time to start, and this bill is the place, because S. 12 will save money for ordinary consumers. It will rein in what the U.S. News and World Report just this week calls a hidden monopoly that gives American consumers a monthly zapping. Only S. 12—and not any weaker alternative—offers real protection for those who have had their pockets picked by annual cable rate increases that are two or three times the rate of inflation. This bill also takes steps to bring needed competition to the cable industry.

We all should agree that if local cable was not a monpoly, if there really was competition between two or more cable-like services in most areas of the country, we who advocate S. 12 would not be here today. Competition—not Government regulation and not monopoly control as it exists today—is the best regulator of the marketplace. Real competition will lower prices and promote a high level of customer service, and ensure that consumers have a wide range of video alternatives available to them.

But unfortunately, today the vast majority of Americans have no choice at all between cable providers. Almost everywhere, the local cable company is the only provider of cable-type services. There is no competition: no competition to check the behavior of cable monopolists; no competition to keep prices down, and to keep services up.

Mr. President, under our system of Government, State and local governments usually can step in to place limits on a monopolist even if the Federal Government will not act. I say that from experience have been privileged to serve as attorney general of my State before coming to the Senate. But that is not the case with cable. Starting in 1984, Congress and the FCC decided to deregulate virtually all cable systems and services in the United States. Prior to that, we had a system in which States and localities had granted de facto monopoly franchises to the cable companies and then understandably set up a system to regulate their price and quality.

Then Congress came along with a usurpation of the State and local authority and banned the States and local governments from regulating any cable service except those that the customer could get with an antenna—which Congress called basic cable service—and it allowed basic cable to be regulated, even that lower tier, only in the absence of effective competition.

The FCC then halted even that modest amount of regulation by declaring that effective competition existed wherever the consumer could receive three over-the-air television stations. Mr. President, honestly, that was like saying the Pony Express was an effective competitor to the iron horse. Cable was free to charge as much as it wanted, without threat of regulation or the competition of a marketplace.

It is no surprise what happened to rates as a result. According to the GAO, since deregulation became effective at the start of 1987, the price of the most minimal cable package available jumped 56 percent. Subtracting out inflation, that is a real price increase of 32 percent. The price of the most popular package of services, what consumers really know as cable, jumped a whopping 61 percent. In fact it led the Department of Justice to conclude in one study that at least 40 to 50 percent of these rate increases were attributable to cable's monopoly power. That is our Department of Justice.

A key component of cable's monopoly power is the fact that it is the only place in town to get the nonbroadcast programming that has proliferated in the last decade. After all, if all you want to watch on your television is the networks and PBS and a few UHF independents, in most areas all you have to do is attach your antenna because you get those free off the air. There is no need to pay a cable company $20 a month just to get these.

But if you want to watch sports on ESPN, music videos on MTV, children's programming on Nickelodeon, news on CNN, or Congress on C-SPAN, you have to buy cable—and you have only one place to get it. The fact that cable is the sole source for this programming in most communities is a key to its ability to continue to extract higher and higher prices from consumers.

Current law does not recognize this reality. Under the 1984 Cable Act, even in the absence of effective competition, only the tier containing the local broadcast signals can be regulated, and that is an important point. As the Department of Justice itself has observed in comments filed with the FCC, "cable services offered outside of the basic tier may not be subjected to rate regulation even if those services are found to be the sole source of significant market power possessed by local cable systems." No nonbroadcast services can be regulated unless they are packaged with broadcast channels.

This gives cable monopolists a giant loophole. They can avoid regulation of the prices charged for their most popular programming, such as CNN, MTV, and ESPN, simply by putting these services in a separate tier where they still face no effective competition. Then, as the FTC staff observed in comments to the FCC, "their market power will be largely unchecked."

Cable is already busy exploiting this loophole. GAO reported that in 1990, the number of cable systems offering two or more tiers jumped from 16.6 to 41.4 percent. And, as the Wall Street Journal reported 2 weeks ago, upper tier subscribers continue to face significant rate increases which cannot now be controlled under any legal circumstances by the FCC or by franchising authorities. The result was summed up by an FCC official: "It's annoying to the consumer because what they want isn't regulated. * * *"

The substitute to S. 12 would only perpetuate this error in current law and give no real protection to consumers. Under the substitute, only the tier that contains local broadcast channels—that is the local broadcasts and networks that the consumer can get with an antenna free of charge—C-SPAN, and local public access, could be regulated.

If current experience is a guide, this is a tier that, by itself, is substantially less than 10 percent of what cable consumers want. That is what the marketplace shows. And cable companies, if the substitute were adopted, would be free to charge whatever they want for all other services including the upper tiers, which are really what most people think of as cable, with services such as CNN, ESPN, MTV, and the like.

It does not take a rocket scientist or a high level economist to see what is going to happen if this proposed substitute becomes law. While regulators are going to hold down the rate for the basic tier, the rate for the services people really want on cable—services like CNN, ESPN, MTV—are going to continue to rise and there will be nobody to stop that rise.

GAO is going to come back to us, year after year, to tell us that the price of enhanced basic continues to rise many times beyond inflation. Consumers' wallets will continue to be grabbed—and we in Congress—unfortunately, if we adopt this substitute—will again have sanctioned this financial mugging.

S. 12, on the other hand, promises real reform. Under S. 12—and not the substitute—the FCC will have the authority to protect consumers against unreasonable, monopoly cable rates for both broadcast channels and the nonbroadcast, enhanced basic packages—such as tiers of CNN, MTV, and ESPN—that consumers want to buy. S. 12 will close the retiering loophole. Cable operators will not be able to use a tier of the most popular cable offerings simply as a device to avoid rate regulation and continue to gouge consumers.

I know some have argued that we should forgo rate regulation now and wait for competition to develop, perhaps helping competition along by allowing the telephone companies to develop cable-type services or by pushing franchising authorities to authorize more cable overbuilders. But competition and the interim rate regulation of S. 12 are not mutually exclusive options. By sunsetting rate regulation when effective competition emerges, S. 12 demonstrates our preference for competition.

I do not oppose taking steps to increase competition and lower the barriers to entry by cable's competitors. Indeed, I support the provisions of the bill that seek to do this, such as the programming access provisions. Lowering barriers to entry is the key to allowing real competition to develop in this industry.

But let us face it. Full fledged competition is not going to be here next month, or even next year. It will be years, if not decades before the telephone companies have rewired their service areas for video services. Direct broadcast satellite [DBS] services are still at least several years away, and are subject to launch delays and other technical difficulties that accompany satellite deployment. Wireless cable continues to face regulatory and channel capacity problems, as well as difficulty securing programming. As for second cable systems within existing franchise areas, the Department of Justice itself has concluded that cable has natural monopoly characteristics and has questioned whether forcing franchising authorities to grant more franchises will promote significant head-to-head competition in a large number of local markets. The reality is that we are a long way from competition.

In the meantime, who is going to protect consumers during the years that it will take for competition to develop? While we who will support S. 12 prefer and promote competition, we must still act to ensure that the Government has the power to protect consumers fully until competition develops.

Mr. President, I am not against cable. I am for it. I do not want to be unfair to cable. I just do not want cable to be unfair to the American consumer. And only S. 12, and not the substitute, puts significant checks on cable's monopoly power while still promoting competition. That is why I support it and oppose the substitute and why I congratulate the Senator from Hawaii, the Senator from Missouri, and the others who brought forth this outstanding piece of consumer protection legislation.

The PRESIDENT pro tempore. The Senator from Alaska.

Mr. STEVENS. Mr. President, Senator PACKWOOD wishes to have 8 or 9 minutes. I yield him that amount of time—as much time as he wishes to use; 5 minutes to the Senator from Texas [Mr. GRAMM].

The PRESIDENT pro tempore. The Chair did not understand the Senator. Would the Senator repeat, please?

Mr. STEVENS. I am sorry, the request was for 9 minutes for the Senator from Oregon [Mr. PACKWOOD] and I yield 5 minutes to the Senator from Texas [Mr. GRAMM].

The PRESIDENT pro tempore. The Chair thanks the Senator.

The Senator from Oregon [Mr. PACKWOOD] is recognized for 9 minutes.

Mr. PACKWOOD. Mr. President, I am pleased to be joined by Senators STEVENS, KERRY, WIRTH, DOLE, BURNS, SHELBY, RUDMAN, SIMPSON, BREAUX, and FOWLER in offering this amendment. The amendment is narrowly crafted to address genuine problems that have arisen in the cable industry and is intended to offer an alternative to the more regulatory approach of S. 12. Recognizing that our ultimate goal should be to enhance, not reduce consumer choice, the amendment we are proposing strives to build on the Cable Act by enhancing competition and avoiding unnecessary regulation.

More specifically, our amendment seeks to achieve the following goals:

First, to build on the substantial success of the Cable Act while addressing current concerns about the cable industry's conduct, and trends in the video marketplace as a whole;

Second, to continue to encourage the widest possible diversity of information sources and services to the public in an efficient and effective manner;

Third, to further the interests of consumers by enhancing competition in the video market by reducing the regulatory burden on the cable industry's competitors, particularly the broadcast television industry;

Fourth, to utilize, to the fullest extent possible, the expertise of the Federal Communications Commission in monitoring ongoing changes in the video marketplace and determining whether administrative or legislative action is needed to respond to such changes; and

Fifth, to avoid imposing additional regulation on the cable industry or any other video programmer or video programming distributor unless such regulation is clearly necessary to protect the public interest.

The provisions of our amendment have been carefully drawn to try to ensure people's concerns are addressed while avoiding stifling the cable industry with unnecessary regulation. The amendment also tries to infuse competition into the video marketplace. For example, in order to enhance competition, we propose:

First, to eliminate certain FCC broadcast multiple ownership rules that restrict the ability of broadcasters to take advantatge of economies of scope and scale;

Second, to expand the rural exception to the cable-telephone crossownership prohibition to permit telephone companies to provide cable service in communities with up to 10,000 residents;

Third, to prohibit unreasonable denials of second franchises and guarantee that second franchises be given at least as much time to construct their systems as was given the initial franchise recipient;

Fourth, to confirm the right of franchising authorities to own and operate cable systems in competition with privately owned systems;

Fifth, to mandate a uniform rate structure throughout a system's franchise area, thereby preventing anticompetitive price discrimination;

Sixth, to require the FCC to prepare a biennial report regarding the level of competition in the video marketplace.

While the principal goal of our amendment is to promote the long-term public good through enhanced competition, we have also recognized the need for Federal and local officials to address the short-term issues of rates and services. Therefore, our amendment also includes several provisions designed to allow for the responsible exercise of Federal and local authority over cable television. Specifically, the amendment:

First, allows local officials to regulate basic cable rates and the rates for the installation or rental of equipment, subject to FCC oversight, in the absence of effective competition;

Second, defines effective competition as another multichannel video provider;

Third, repeals the guaranteed 5-percent annual rate increase to which cable operators are now entitled;

Fourth, allows the FCC, in determining whether basic cable rates are reasonable, to roll back existing rates;

Fifth, prohibits a cable operator from charging subscribers who choose basic-only cable service discriminatory installation fees or rates for pay services;

Sixth, requires the FCC to adopt customer service standards to be implemented and enforced by local authorities and allows States to establish customer service standards that exceed the FCC's standards;

Seventh, requires the FCC to establish new technical standards designed to enhance signal quality.

Mr. President, these provisions represent an honest attempt to address the real problems with cable—the problems that consumers complain about—without throwing the baby out with the bath water. For example, the rate section imposes a stiff basic rate regulatory scheme on the cable industry. By defining effective competition as a multichannel video provider, it will have the effect of bringing rate regulation to virtually all communities.

However, it stops short of regulating upper tiers of cable service. In my view, this is the correct approach. We have seen a great proliferation of cable programming in recent years. When we deregulated cable rates, the industry was able to invest in additional programming. I am convinced that the best way to ensure continued investment and avoid a stagnation in new and innovative programming and services is to avoid placing far-reaching regulatory burdens on the cable industry.

The approach we have taken in this amendment is to try to ensure that everyone has access to a reasonably priced basic tier of cable service. This protects the senior citizen on a fixed income, the less well off who cannot afford higher priced tiers of service, or the consumer who simply does not want 40 channels of cable.

This amendment also addresses the other areas where there have been the most consumer complaints—customer service and signal quality. In both of these areas, we direct the FCC to establish standards which ensure that all customers are fairly served and have adequate signal quality.

This amendment focuses on those areas that deserve attention—areas where problems have arisen since passage of the Cable Act. It eliminates the remaining portions of S. 12 that, in our view, simply place unnecessary and burdensome regulation on the cable industry and, in the end, would not benefit the consumer.

Mr. President, there is one issue that has received a great deal of attention over the past several months that I should take a minute to discuss. That is the issue of retransmission consent. We have all been inundated with calls, letters, and visits from our broadcasters, from the Motion Picture Association, and from cable operators about the impact of this provision. Consumers have been told that it will result in a 20-percent increase in their cable rates.

Simply put, retransmission consent means giving broadcasters control over their signal. Currently, cable operators have the right to pick up and retransmit local broadcast stations. Giving broadcasters retransmission rights would require a negotiation between the broadcaster and the cable operator before the broadcast signal could be carried on the cable system. Personally, I think this is a good idea, at least in concept. Perhaps there is a better way to draft the proposal. I do not know. What I do know is that this is a complex matter.

The amendment we are offering today does not seek to resolve the conflict surrounding this issue. It includes the same retransmission consent and must carry provisions that are contained in S. 12.

Mr. President, a great deal has been made of the article in Monday's Washington Post and about the administration's position on this amendment. Let me take a minute to set the record straight.

First, the administration supports this amendment.

Second, if this amendment were presented to the President, he would sign it.

It is that simple. The statements being made that the President would veto this amendment are false.

Let me make one more point about the Washington Post article. It said that the strategy of the cable industry and of the administration is to kill any cable bill this year, and that this amendment is part of that strategy. Let me assure my colleagues about my motivations and the motivations of the other sponsors of this amendment.

I believe S. 12 goes too far. I oppose the bill. But I am not opposed to all legislation. I am offering this amendment to try to improve S. 12, not to try to kill it.

Mr. President, in conclusion, it is critical that Congress not hamstring an industry that has contributed so much to the Nation's entry into the information age. As the FCC concluded in its 1990 cable report:

> In light of the developing field of existing and potential multichannel competitors to cable, and evidence that even direct competition between cable operators may increasingly occur, we do not recommend any drastic or long-term regulation of cable rates and services.

S. 12 ignores this recommendation by proposing massive reregulation of the cable industry. In contrast, my amendment follows this recommendation and offers an alternative approach to the underlying bill. It focuses on competition and regulates only to the extent necessary to address genuine problems that have arisen since deregulation. I urge my colleagues to support this amendment.

Mr. President, this amendment is designed to bring an element of fairness to what I think is unfair regulation in the bill as it came out of committee.

Let us back up, and see how we got to where we are today and remember where we were with cable 20 years ago when the Federal Communications Commission first started its regulation of the industry.

Basically, cable was mostly rural, starting to be seen a little bit in the urban areas. What it brought you, by and large, was a clearer picture of the over-the-air signals. There was not the Discovery Channel or Black Entertainment Television, or ESPN, or any of the other things we have come to assume now are a right on cable. It was a retransmission of broadcast signals. Interestingly, the broadcasters liked that because it expanded their signal base. More people could see the show and you could charge more for advertising.

Today, correctly, the Senator from Hawaii has inserted in this bill a provision that broadcasters should be allowed to negotiate for the retransmission of their property. And with that, I agree. That is not an issue of debate here. The real issues of disagreement between S. 12 and the substitute is rate regulation and what should be regulated.

A basic tier of cable service—and what is in a basic tier may vary from area to area—but in most areas, a basic tier would include all of your over-the-air channels. I suppose it is easiest to use Washington as an example everyone would understand. As you look at the paper in the morning, you will see a list of over-the-air channels; and as I recall, in Washington, counting the Baltimore stations, we have 10 or 12. All of those would be included in the basic tier under our substitute, as would C-SPAN, as would any public or educational or governmental channel—the channels upon which you watch the Arlington City Council or the Washington Library Board. Those would all be part of a basic tier. And the rate for that basic tier would be regulated and it would be regulated until there was effective competition.

And in our bill we define effective competition as the presence of another multichannel provider. And by multichannel provider, we mean some kind of a provider that can provide you with more than one channel. It could be a direct broadcast satellite that beams programs directly to the home. It could be a competing cable system. It could be what we would call wireless cable, which is a line-of-sight broadcast where a transmitter picks up a microwave signal and then sends it directly to your antenna.

Using this definition, at the moment I cannot think of anyplace in the country that would not be subject to regulation. There may be someplace where that level of competition exists. I am not sure. But, by and large, basic rates would be subject to regulation.

That is not really the debate here. The real debate is whether or not the rates for tiers above what we call the basic tier should be regulated. I want to emphasize—and broadcasters have said this—that about 60 to 70 percent of what people watch on cable are the network and independent over-the-air broadcast signals. Those channels, under our substitute, will be in anybody's basic tier and will be regulated until there is effective competition. But should there be regulation of ESPN, of the Discovery Channel, of Black Entertainment Television? That is really what those who are supporting S. 12 want. In talking with them, it is very clear they want to regulate what they call the popular channels that are in tiers above the over-the-air signals.

ESPN is owned by ABC. It is a sports network. It is a popular network, although Lord knows there is ample sports on the network. I do not think we are lacking for sports broadcasting in this country. But ESPN is owned by ABC, sold to most of the cable companies, and carried in a tier usually—not always—but usually above the basic tier.

That would be regulated under S. 12. Why? Because it has become popular. It is kind of a bootstrap argument. If you go out and put a lot of money into programming, and your programming is successful, you will then be regulated. If you go out and put a lot of money into programming and you develop a program and it bombs, you do not need to worry about regulation. You are in a lose-lose situation. Do well, and the Government regulates you; do badly, and they will leave you alone.

I would contend, Mr. President, that for those programs in tiers above what we would call the basic tier, there is by and large competition and there is no justification for regulating those upper tiers. I want to emphasize again that under both S. 12 and the substitute you are going to get the local CBS affiliate, the local ABC affiliate, the local NBC affiliate, the public broadcasting stations, the local independent station or more—in Los Angeles you have many more over-the-air stations than we have in Washington—in a regulated tier until there is effective competition.

But I can see no justification for regulating upper tiers of service. Maybe Black Entertainment Television is as good an example as I can think of. Years ago, Mr. Johnson, the founder, could not get any financing for his program. So TCI, a cable company, agreed to put up money and help him found it, help him get it going. At the time, nobody wanted to carry him. Who would want to watch Black Entertainment Television? Ten years later, it is quite popular. And, because of its success, it might be regulated.

The argument is made about excessive rate increases. Today cable television actually charges less than when regulation started in 1972, adjusted for inflation. It is about 6 percent less than it was 20 years ago adjusted for inflation, and 20 years ago you got basically the over-the-air channels, and that was all.

Let me move to a second issue. It is the issue of programming access. Here I find an equal unfairness. S. 12 says that if there is a vertically integrated cable operator, a cable company that has interests in cable programs—the Discovery Channel is an example, and TCI owns that—the programmer will be required, will be required to sell his product to all cable companies at a similar price and to its competitors.

I know of no precedent in the law for compelling somebody who has a copyright or a trademark, to sell that product to his competitors. It would be the same as if you were to say to NBC, "You put a lot of money into producing the Cosby show. You have developed a successful show. You have to sell it to CBS and ABC."

The argument is made that we need to do this to protect diversity. I would say this is going to guarantee sameness. If you are a competitor of cable—such as DBS or MMDS—and Congress requires current cable programmers to sell you its very good shows that have become popular, why should you waste your money on producing some competing program? Why bother to be a Fox Television? Why not go out and say you have to sell it to me at the same price, you sell it to me at the same price you sell it to anybody else. Why should I produce anything new? That is not going to guarantee diversity.

More important, Mr. President, we do not require anybody else to do this. If you write a book, you copyright it. If you want to sell it to Paramount, you can. You do not have to sell it to anybody else.

Those are the two main differences between the substitute and the underlying bill. I thank Senator STEVENS, who is handling time on this side.

The PRESIDENT pro tempore. The Senator from Texas [Mr. GRAMM] is recognized for 5 minutes.

Mr. GRAMM. Mr. President, I am always amazed at the logic and reasoning of our dear colleague from Oregon, and I want to take this opportunity to say that listening to him make good sense of a very complicated subject reminds me of why I believe that he is one of the great Members of this body, and I everyday rejoice in the fact that he is here.

Mr. President, I do not claim to be an expert on all these issues, but as I look at this legislation, I see a deep fundamental issue involved here that is going to affect the future of an important industry and technology and in the process is going to affect the future of America, our competitiveness, the quality of our productive capacity, and our educational capacity. We are going down the wrong road today as we face that issue.

We are really at a crossroads and we have a decision to make. One road leads back to regulation. Proponents for taking this road say with all the technological changes that have occurred, with all the new products that have been produced by the availability of price competition, we must now bring this technology and these programs under Government price regulation. The idea is that someday in the future when competition evolves, if and when it does, we can reverse this regulation.

Mr. President, that will not happen. First of all, as much as the cable companies are against the underlying bill we debate today, they would prefer regulation to competition. And so, if we begin the process of regulation and that process becomes established, those that are regulated will always use their political power to try to prevent competition. If we begin down the wrong fork in the road today, we are committing ourselves to regulation which will stifle innovation, which will stifle the development of new technology, and which will deny us the ability to reap the rewards of the great technological changes that are occurring in America.

This bill goes down the wrong road. And what is the right road? The right road is to open up the cable industry to competition. Let anybody into the cable business. Let anybody who wants to make the investment, whether it's the telephone company or anybody else, have the ability to run whatever technological system of transmission they want to run to any American home that will contract with them. That is what we should be doing.

That is the only way we are going to get the billions of dollars of investment that will wire every American home with fiber optics and in the process produce a tremendous technological revolution in our country.

I support the substitute, not because it is perfect but because it is a lot better than the underlying bill.

Let me say a few words about broadcasters.

Mr. President, I am committed to the principle that broadcasters own their signals. If they want to negotiate and sell it or not sell it, I think they should have the right, and I think the Congress is committed to that. I think that is going to become the law of the land no matter what happens to this bill.

I think the case made for mandatory carriage is a much tougher case. As a matter of philosophy, I do not think cable companies should be required to carry the signals of commercial broadcast stations. But I think there is a practical problem here. In places like Sherman, Denison, and Victoria, TX, where you have a small, precarious television station, I am concerned that if the cable system did not carry that station's signal, the television station would be driven out of business.

In an ideal world, I would like a precise definition of this type of station, and I would like it to be carried as part of public service. We do not live in an ideal world. In the democratic process, making decisions and compromises often is not ideal. But I think the provision which is in both bills is a provision that I support, allowing the broadcast station to opt for mandatory carriage, which the small station will do, or allowing the broadcast station to negotiate with the cable company for retransmission of its signal, if it chooses to do so, but giving up its right to mandatory carriage in the process.

Mr. President, to those of us who are concerned about broadcasters, that is not the real issue. The issue is regulation. The issue is: Do we go down the road to regulation or the road to competition? I prefer the road to competition.

The PRESIDENT pro tempore. The Senator's time has expired.

Mr. INOUYE. Mr. President, I am pleased to yield to the author of the bill, S. 12, the Senator from Missouri, 10 minutes.

The PRESIDENT pro tempore. The Senator from Missouri [Mr. DANFORTH] is recognized, for how many minutes?

Mr. INOUYE. 10 minutes.

The PRESIDENT pro tempore. 10 minutes.

Mr. DANFORTH. Mr. President, I thank the chairman of the subcommittee.

Mr. President, let us understand what the substitute is. The substitute is an effort to kill the bill. It is an effort to garner 34 votes; an effort to provide sufficient cover for people to vote for it, and then to vote to sustain the veto. That is what it is.

This is not Senator DANFORTH making an assertion. This is reported in the Wall Street Journal—hardly an oracle for a regulated economy—on January 28, 1992. The article is entitled "Cable TV Industry Backs Senate Bill in an Effort To Derail Regulatory Plan."

The article says:

> The industry's purpose is to gather enough votes for an amended bill to ensure that Congress can't override a Presidential veto of a tougher bill. Mr. Mooney—

Who is the President of the National Cable Television Association—

> wrote that if the amendment attracts "34 or more votes" in the Senate—or enough votes to sustain a veto—"the politics of the controversy will have been substantially altered."

That is what we are dealing with. This is an effort to garner 34 votes. I do not know whether it will succeed in doing that or not.

Mr. President, I ask unanimous consent that the article from the Wall Street Journal that I referred to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Jan. 28, 1992]

CABLE-TV INDUSTRY BACKS SENATE BILL IN AN EFFORT TO DERAIL REGULATORY PLAN

(By Mary Lu Carnevale)

WASHINGTON.—The cable-television industry, facing defeat in the Senate, says it supports a little regulation, in a gambit to avoid any at all.

After failing to pass cable legislation in the last Congress, the Senate poised to pass a tough cable re-regulation bill this week. Although prospects in the House are less certain, a strong signal from the Senate could propel similar legislation. Cable companies are trying to build support for an amendment that would change the existing bill so that it contains little in the way of rate regulation and scraps a provision aimed at allowing cable's rivals to carry cable programming.

The industry's idea apparently is to derail any bill. In a memo late last week, National Cable Television Association President Jim Mooney outlined the industry's strategy to NCTA board members. He said the Bush administration and the NCTA will support amending the bill for now but "will not support the bill even if the amendment is adopted." However, the administration said yesterday it supports the industry-backed alternative but would like to work with Congress "to modify or eliminate some troublesome provisions."

The industry's purpose is to gather enough votes for an amended bill to ensure that Congress can't override a presidential veto of a tougher bill. Mr. Mooney wrote that if the amendment attracts "34 or more votes" in the Senate—or enough votes to sustain a veto—"the politics of the controversy will have been substantially altered."

Cable's strategy may backfire. Already, the memo, which kept Capitol Hill facsimile machines buzzing through the weekend, has undercut the appearance of sincerity. "It's clear the substitute [bill] is only an effort to derail the whole bill," says Gene Kimmelman, legislative director of the Consumer Federation of America.

Consumer groups have been pushing for strong re-regulation in light of continued increases in cable rates and "re-tiering," or eliminating staple programming such as Cable News Network from cable companies' "basic" service. The practice is aimed at avoiding regulation of what has been considered a basic tier of service.

For the Bush administration, reining in the cable industry poses some tough problems. The president doesn't want to be viewed as supporting new regulations; but neither would he savor vetoing popular consumer legislation in an election year.

If the measure passes overwhelmingly, Rep. Edward Markey (D., Mass.), chairman of the House telecommunications subcommittee, will be expected to take it up quickly. Lobbying is expected to intensify as broadcasters, wireless cable operators, phone companies, Hollywood and cable interests battle for turf.

Broadcasters are concerned about the erosion of their audience and profits by cable, which has grown to a $20 billion industry in recent years. To address that, the Senate bill—and the industry—backed amended bill—contain provisions that would allow broadcasters to negotiate fees from cable systems that carry their signal or forgo payments and compel cable companies to carry their signal. The cable industry would like to kill that provision when the House takes up a cable bill.

Phone companies, meanwhile, want to make sure that any bill fosters competition and are considering a push in the House to allow them to enter the cable business. The phone companies hold out the possibility of upgrading their networks with fiber optic technology, to try to ensure that the U.S. will keep its lead in world-wide communications.

That's the step cable companies fear most. "We're not going to encourage anybody to let the telephone companies in," says Stephen Effros, president of the Community Antenna Cable Association. "There is no level playing field with the phone companies and their massive capital base. There can be no equal competition."

Mr. DANFORTH. Mr. President, I totally agree with the comments of Senator GRAMM, at least up to a point. Competition is clearly superior to regulation, no doubt about it. But the point that is being raised with this legislation has to do with how we feel about unregulated monopolies.

The cable television industry in specific communities is not a competitive industry; it is a monopoly. Cable television is the sole multichannel provider in the communities served by cable television. It is in a class by itself. There is no competition.

Some people argue that there are other things that people can do with their time. It has been suggested, for example, that people can go to the symphony instead of watching television. That is true. It was argued that people can go to New York and go to a play instead of watching television. That is true, except that it is not very convenient and it could be totally out of reach for, say, the people of Jefferson City, MO, to go to the symphony or to go to the theater.

Television really is in a class by itself. Playing Monopoly, playing cards, that is not a competitor with watching television. Television is the relevant market. And in communities that are served by a cable system, the only multichannel provider is the cable company doing business there.

It is interesting that this concept really has been adopted by the advocates of the substitute, because the advocates of the substitute say, well, they recognize that in the absence of another multichannel provider, there can be regulation. They have really abandoned their philosophical point. They have agreed that the standard is whether there is another multichannel provider, and they have agreed that under certain circumstances there can be regulation. So the issue is not so much philosophical anymore. The issue is whether the regulation that has been proposed is effective regulation.

Now, what happened since the legislation was first introduced a couple of years ago, which provided that municipalities can regulate the basic tier cable programming, was that the cable companies, in anticipation of congressional action, redefined the meaning of basic tier. They shifted into a higher tier much of their programming to escape the possibility of regulation. They left in their basic tier a tier of services which is subscribed to alone by only about 10 percent—or less than 10 percent—of the cable subscribers in the country. So they have anticipated congressional action and they have avoided congressional action by retiering.

So what we have been trying to do in the Commerce Committee is to say, well, we are not going to let them circumvent the purpose of what we are trying to do. So what we have provided in the legislation is that it is not enough to say what we provide in 10 percent of the homes is basic service. We create a 30-percent standard. We say that if a service reaches 30 percent or less of the homes, that is what we mean by basic tier, and that would be subjected to regulation potentially—potentially—depending on the action of municipalities.

Something that regulates what is being utilized by only 10 percent of the cable subscribers in the country is hardly effective regulation.

Now, to repeat, we agree with the proponents of the substitute so far as they say competition is better than regulation, and we provide in the legislation that the ability to regulate expires, sunsets, when effective competition occurs. We define effective competition, as do the advocates of the substitute, as the availability of another multichannel provider.

But the problem is that while our legislation, S. 12, is designed to enhance competition in the cable industry, the substitute is not designed to enhance competition in the cable industry.

Rather, I would argue that the substitute moves in the opposite direction of a competitive industry. We say in S. 12 that the FCC should be able to place parameters on the extent of coverage of the country by a single cable operator. In broadcast television there are such parameters.

The so-called 12-12-12 rule adopted by the Federal Communications Commission says that a single entity can only own 12 AM radio stations, 12 FM radio stations, and 12 broadcast television stations nationally. Why? Because of the concern by the FCC that a single entity could have too much power in controlling the information available to the American people by controlling too much horizontal integration. We say that, with respect to the cable industry, the FCC should promulgate a rule governing the extent to which horizontal integration becomes unhealthy. The proponents of the substitute disagree with that. They say that that should be deleted and that cable companies should be able to own 100 percent, theoretically, of the cable services throughout the United States. They go further, and they say that the 12-12-12 rule should be abolished, repealed by statute. That is part of the substitute.

So the substitute says that the 12-12-12 rule should be abolished. That means that a single entity, according to their view of a competitive marketplace, a single entity could own an unlimited number of AM radio stations, an unlimited number of FM radio stations, an unlimited number of broadcast television stations, and an unlimited number of cable systems throughout the United States. That is their view of what competition is.

I do not think that is competition. I think that is simply expanding what is now a monopoly in individual communities to be monopolistic nationwide.

We say in the legislation that where there is a vertically integrated operation and the cable programmer and the cable company are related entities and another competitor tries to get into the marketplace, tries to break into the marketplace, the programmer must not unreasonably refuse to deal with the competitor. We say that furthers competition. That provision is deleted from the substitute.

So for those who say that competition is preferable to regulation, we say we agree. But if you prefer competition, then do not support the substitute. S. 12 furthers competition. The substitute, in abolishing the 12-12-12 rule, does not.

I might say that, if we repeal the 12-12-12 rule, that has a very negative effect on minority-owned stations. That is why the black broadcasters, the Association of Black Broadcasters, opposes the substitute because built into the 12-12-12 rule now is an incentive which encourages minority ownership of radio and television stations which would be wiped out if we adopted this substitute.

For all these reasons, Mr. President, it is my hope that we will defeat the substitute, that we will defeat it by a substantial margin, and that we will pass S. 12.

Mr. WIRTH. I yield 2 minutes of my time to the Senator from Alabama.

Mr. SHELBY. Mr. President, I rise today to express my concerns regarding S. 12, the Cable Television Consumer Protection Act.

First of all, I would like to point out, as many others have, that this is a broadcasters bill. This is not a consumer bill. The Packwood substitute, I believe, Mr. President, is far more preferable to the original bill, and I am going to support the Packwood substitute. I think it is a step in the right direction.

Prior to 1984 cable companies operated according to the whims of local governments. The sometimes excessive demands of local governments and the willingness of some cable companies to agree to them, became a cause of concern to Congress. Concerns regarding the differing interests of city regulators, cable operators and cable customers gave rise to the Cable Communications Policy Act of 1984. Congress was clear in its intent to minimize the burdensome regulation that would constrain cable's development. The 1984 Cable Act fostered the growth and development of the cable system. Today, cable companies offer a wide variety of programming and services to customers.

Cable television has become one of the most important industries in the United States: 58.6 percent of all television homes in this country now receive cable television; about 80 percent of all homes have access to cable; cable continues to expand its offerings to include a wide variety of programming services to both urban and suburban areas; over 9,600 cable systems generate $17.9 billion of revenues each year.

Fueled by viewer demand, deregulation in 1984, and the cable system's increasing capacity to carry more programming, the last decade has seen an increased diversity in cable's service offerings.

Cable programming reflects a wide range of interests of a diverse viewing audience—uncut movies, comedy specials, sports, children's programming, 24-hour news, congressional coverage, music videos, and a variety of special broadcasts on varied issues. In all, there are now 110 national and regional cable networks—a long way from the 3 broadcast networks that represented the choice most television households had 15 years ago.

Yes, there have been some problems with the cable industry, and representatives from the cable industry will be the first to admit to rate abuse by some cable systems. However, these instances of rate abuse are not characteristic of the industry as a whole. There have also been complaints about customer service that reflect the dramatic growth in the number of cable subscribers.

I believe that we must address these issues. But let us not simply ignore the fact that the U.S. General Accounting Office [GAO] has released three surveys of cable television rates and services that consistently show that the number and variety of basic service channels have increased along with the nominal basic service price increases, resulting in an increase in the price per basic channel of 9 cents total over the last 5 years. From November 1986 to April 1991 the price per basic cable channel went from 44 cents to only 53 cents, an increase of approximately 20 percent. During that same period, the overall Consumer Price Index [CPI] increased 22.5 percent. As such, the cost per channel of basic service has stayed behind inflation.

We cannot ignore the fact that the industry has made great strides in addressing customer service problems and has implemented customer service standards, with which over 85 percent of all cable systems are in compliance.

Conflicting reports regarding the frequency and magnitude of cable rate increases and poor customer service have prompted unfair criticism of the cable industry, culminating in the production of S. 12. However, Mr. President, upon close examination, I am convinced that S. 12 in its current form, goes well beyond what is needed to address problems within the cable industry.

To begin with, only 9 out of 63 pages constituting S. 12 deal with such consumer issues as rates and customer service. The balance of the bill—including retransmission consent and must carry—is little more than special interest legislation for cable's competitors, the broadcasters. Rather than help consumers, S. 12 in its current form threatens to raise cable rates by inflating the cost of broadcast programming over transmitted cable systems.

S. 12's retransmission consent must-carry language presents broadcasters with win/win choice. The retransmission consent language amounts to a free TV surcharge which would divert revenues from cable operators and programmers to broadcast networks. This is nothing less than a Federal subsidy for broadcasters.

Broadcasters currently have free use of the spectrum. In return, they provide free broadcast signals. But by seeking retransmission consent and forcing cable operators to pay broadcasters for carriage of their signals, broadcasters are asking Congress to give them ownership of the airwaves.

By carrying broadcast signals, cable companies are already providing a valuable service to broadcasters by improving their reach and reception quality. Consequently broadcasters can count on a larger audience and increased advertising revenues.

The rates cable subscribers actually pay have increased more slowly than inflation, despite increased capital costs and programming expenses. However, if cable companies are forced to pay broadcasters to carry their signals, the costs would ultimately be passed on to consumers in additional rate increases.

S. 12 and retransmission consent has been sold by broadcasters on the grounds that we must save free TV. What they ignore is that for 30 years, they argued for must carry. They also ignore the fact that cable provides them, as pointed out earlier, with a valuable antenna service—distributing clean broadcast signals throughout their licensed community and increasing the advertising revenues. In all their efforts to secure must-carry over the years, broadcasters never raised the issue of payment for local television signals—good things, too, since they receive free spectrum valued at $11.5 billion to serve their local communities. It was not until the late 1980's when CBS began agitating for must-carry/must-pay, that broadcasters began to seek a second revenue stream at the expense of cable operators and consumers.

I have heard from a number of my constituents regarding this issue and they share our concerns about subsidies for broadcasters. It is clear that the National Association of Broadcasters is presently the engine behind S. 12. Ralph Nader opposes retransmission consent, as does the Motion Picture Association of America, the Satellite Broadcasting and Communications Association, the Community Antenna Television Association, and the National Cable Television Association. Yet, here we are today being asked to accept a cable bill that does not do what it claims and which will raise cable rates not lower them.

The question of rates and customer service should be the focal point of a true cable consumer bill—not the special interests of broadcasters. Even representatives from the cable industry will be the first to admit rate abuse by some cable systems. Problems with customer service reflect the dramatic growth in the number of homes that subscribe to cable—from 14 million at the beginning of 1980's to more than 55 million today. These issues need to be addressed. However, I believe that we can make great strides toward unravelling existing kinks in the cable industry without turning the clock back on 5 years of progress to a time when the chambers of city councils stifled the development and implementation of new cable programs by keeping rates artificially low.

Consequently, Mr. President, I have looked at the legislation proposed by Mr. PACKWOOD. While I am not completely satisfied with this substitute amendment, I believe that it is a step in the right direction.

This substitute goes directly to the heart of this debate—basic rates. In any area where there is no effective competition—competition defined as the presence of another multichannel provider—rates for broadcast signals, PEG Access, C-SPAN, and any other service on the basic tier will be regulated. Rates for remote controls and any other installation costs will also be regulated where there is no effective competition.

Consumers will benefit further from better customer service through the amendment's Government set cable service and technical standards. By preserving incentives for cable operators to invest in new programming and infrastructure, consumers will also continue to enjoy an ever-increasing variety of programming.

Rural communities, which are largely ignored by cable companies, will be able to receive cable service from telephone companies.

The franchise renewal process would be accelerated, so that municipalities will be better able to express their concerns and influence cable operators' performance. Also, existing law on franchise renewal would be clarified to give local governments better bargaining power when dealing with cable operators.

The FCC is required to report biennially to Congress on the state of competition in the video marketplace. The report will specifically address the issue of horizontal and vertical integration. With these recommendations, Congress will be able to legislate in this area.

Mr. President, I support the Packwood substitute and am a cosponsor. However, I have done so with reservations. This substitute still leaves unresolved the issue of retransmission consent. Nevertheless, I will support the substitute because it does address some vital consumer issues and allows the industry to remain strong and competitive.

Mr. KERRY addressed the Chair.

The PRESIDENT pro tempore. The Senator from Massachusetts [Mr. KERRY] is recognized.

Mr. KERRY. I yield myself 8 minutes.

Mr. President, I would like to respond to the distinguished Senator from Missouri, who regrettably is not here at this moment, but perhaps is listening. The Senator from Missouri, who is a friend and a person that all of us respect enormously, has made the statement that the substitute is nothing more than an effort to kill the regulatory effort. That may be the Senator's view, but I want the Senator from Missouri to understand that this Senator wants regulation, that I intend to vote for some regulation, but that I am looking for a balanced way of regulating.

It may be that the cable industry wants to kill this legislation. I do not doubt it. I am sure the cable industry would love to kill this bill. The memo that was quoted in the Wall Street Journal accurately reflects their hopes. But I, this Senator has not met with Mr. Mooney regarding this issue in the last 2 years. The last time I saw him was a couple of years go at a meeting with Senator INOUYE about a previous version of this legislation.

I support the substitute because I believe it regulates and protects consumers; it can pass without a veto and, therefore, represents the best chance to really have some consumer protection; and, because I think it represents a balanced approach to regulation of the cable industry. I think we have a legitimate Government interest in this matter. What is it? Our Government interest is to protect the consumer, to guarantee competition, and to guarantee the flow of information through our electronic media.

The question is: Do we have a Government interest in reaching beyond the flow of critical information to regulate all programming. I am referring to the kind of programming that Senator PACKWOOD mentioned, the kind of programming that only exists today because cable television invested in it when nobody else was willing to do so? Do we have a compelling Government interest in regulating the Playboy Channel, or MTV, or a host of other entertainment channels? Are we going to begin regulating prices people pay at the movies or at video stores?

When there is a monopoly that prevents them from getting a service people need, whether it is electricity or water, I will always vote to protect consumers. As I always have. Why are we now reaching the regulatory arm beyond the critical flow of information that ought to be guaranteed and regulated, to step in and say, here is big-brother Government telling you we think you are paying too much for entertainment and we are going to regulate it?

That is essentially what S. 12 suggests. It suggests that since Americans cannot be trusted to decide whether they want to buy a particular entertainment product, so Uncle Sam is going to decide for them and, in the process, is going to restrain investment.

But, even S. 12, which purports to regulate all of the services that consumers want is actually faking it. This is because while it suggests that it will provide broad protection, in effect, cable operators can retier because S. 12 only requires that you have a viewing package that reaches 30 percent of the viewing audience. Therefore, cable is going to be able to take its premium television shows and offer them on an ala carte basis—outside the regulated tier.

So any American citizen who thinks S. 12 is going to regulate all programming is wrong. It will not do that. It will, however, have a negative impact on that investment.

I am really having trouble understanding why it is that the Government has a compelling interest in regulating the rate for a pure entertainment package that any American can refuse. What happened to the market? We are the Nation that is telling Eastern Europe, the former Soviet Union, and the rest of the world that the free market is the most effective way to ensure that consumers get the best products. Here we are stepping in once again to constrain the market forces right here at home.

People may say, wait a minute, Senator KERRY, are we going to have adequate protection for consumers in this substitute? After all, we keep hearing that the substitute is not a strong substitute. Well, Mr. President, the substitute takes 70 percent of what Americans watch via cable television today and regulates it. Seventy percent of what cable subscribers look at on TV will be regulated under the substitute, because 70 percent of what they watch are over-the-air broadcast signals.

Furthermore, we apply this rate regulation to virtually every cable system in America because we make the definition of effective competition tougher. We do not say six over-the-air broadcast signals are adequate. We say you have to have a multichannel alternative in your region, or your cable system is regulated. Therefore, 99 percent of America will be rate regulated.

Let me turn to customer service. We mandate the same service standards as S. 12. Additionally, our substitute does the same thing that S. 12 does on technical standards, exactly the same. It does the same thing that S. 12 does on home wiring. Finally, it does the same thing that S. 12 does on retransmission consent. We strengthen broadcasting.

I heard the Senator from Missouri say the alternative does not do anything for competition. Well, with retransmission consent and must-carry, you clearly are doing something for competition, because you are strengthening the ability of broadcasters to offer quality product to consumers.

I also heard the Senator from Missouri say that S. 12, by eliminating the 12-12-12 rule, is going to hurt competition. I disagree with that. If you eliminate the 12-12-12 rule, you are strengthening broadcasters' ability to compete because you are allowing them to reduce costs and increase advertising sales. And, this all can be done while preserving local diversity.

Our amendment also does the same thing as S. 12 does on multiple franchises. Local franchising authority cannot prevent second operators from offering an alternative service. In addition to that, we have a rural telephone exemption which allows the telephone companies to provide video programming in rural areas.

So there are only two real differences between the substitute and S. 12, and these two differences are on mandated access to programming and upper-tier rate regulation. These differences leave us with two choices. Choice No. 1: Do you want to require people to sell their programming to their own competitors? Choice No. 2: Do you want to have all video entertainment regulated in the United States or only the flow of information sufficient to guarantee competition? I think the choice is very clear. I reserve the remainder of my time.

Mr. INOUYE. Mr. President, I yield 20 minutes to the Senator from Tennessee.

The PRESIDENT pro tempore. The Senator from Tennessee [Mr. GORE] is recognized for 20 minutes.

Mr. GORE. Mr. President, I wish to thank the distinguished chairman of the subcommittee and the manager of the bill for yielding me this time. I say to my colleagues that my voice is a little strained this morning, so I will just express the hope that I can make myself clear on this. I feel so strongly about it that I hope that will be possible.

I rise to oppose the Packwood-Wirth-Kerry substitute in the strongest possible terms.

My colleague from Massachusetts asked a moment ago what happened to the market. Well, what happened to the market is the market has been strangled by this monopoly. There is no market. There is a monopoly. There is no market because there is no competition. There is no competition because the Congress decreed that there shall be no competition for cable.

That is why we are here. It was a mistake. Some aspects of it were helpful. It is a reference to the 1984 Cable Act. But overall it went so far that the participants in the cable industry were tempted so many of them to take advantage of the monopoly by raising taxes, just time and time again, and turning a deaf ear toward service, and strangling any potential competition by using their leverage in the marketplace.

Yesterday my good friend, the Senator from Colorado, stated that the program access provisions of this bill have nothing to do with rates and service. Mr. President, as the committee has so thorougly determined over the past 6 years, and as the behavior of this industry has so dramatically demonstrated, the bill's program access provisions—and the competition it stimulates—has everything to do with cable rates. Competition holds rates down. When the competition is eliminated the rates go up. That is elementary and that is the reason why people are paying such high rates today.

We have heard references by the proponents of the substitute to the fact that there is no problem with cable rates. What is the big problem? What are we trying to remedy here? Come to some of the town hall meetings I have in Tennessee, or accompany the vast majority of Senators in this Chamber when they go back to their home States, and you will hear there is a problem. The rates have been skyrocketing.

Mayors have been besieged by their constituents asking what in the world can be done. Some out-of-State conglomerate comes in and uses junk bonds to buy up a local cable system and incurs an enormous amount of debt, and the only way they can finance it is by raising rates until the people just cannot stand it anymore.

S. 12 has a remedy for that situation and the preferred remedy is competition. That is the American way.

I was particularly struck, may I say, by the eloquent historical examples the Senator from Colorado chose to illustrate the problems within the communications industry when the incumbent, dominant player does everything in its might to shut out the new, upstart entrant. He used the example of AM radio shutting out FM, of VHF television shutting out UHF, of AT&T shutting out new long distance competitors such as MCI, of broadcasters shutting out cable, and of the steps the Congress and FCC took to ensure that the new entrant might have a chance to survive.

The Senator was exactly correct. But what he did not do was finish the portrait of anticompetitive behavior. That story has another chapter. What we now are facing is cable doing everything possible to shut out its competitors: satellite dishes, wireless, new direct broadcast satellite services.

The Senator's analogy was perfect. I could not have said it better. The Congress must protect these new entrants against unfair monopolistic exploitation of its dominance in this marketplace.

Let our colleagues make no mistake about what is being debated here. Do not have any misunderstanding about the substitute. By completely killing off the program access provisions of S. 12, the Packwood-Wirth substitute entirely eliminates the potential for any competition whatsoever in the cable marketplace.

The cable industry is much more concerned about competition than about regulation. Given a choice they will say every time: Well, if we have to have something, give us some little regulation.

That is what the substitute does. Some little regulation. But they do not want competition. So that is why the substitute zeros in on the provisions of S. 12 which are designed to ensure competition, and they try to eliminate it altogether.

The substitute is a vote against competition and a vote to expand the monopoly stranglehold of companies like TCI which now hold consumers in its grip throughout the country.

As the chairman of the subcommittee and the ranking Republican on the full committee have so eloquently noted today and yesterday, the substitute waters down the ratepayer protections of S. 12, further exposing consumers to the rate-gouging practices of cable operators, practices which have so thoroughly been exposed not only by the Senate, but by the GAO, by the Federal Communications Commission, by the Justice Department, by the State attorneys general, and by many, many others.

But most importantly, and most troubling, the substitute completely eliminates the recognition provisions of S. 12 which will ensure that some modest measure of competition might arise.

I would like to briefly review how the program access provisions of S. 12 promote competition. These provisions are eliminated in the substitute.

First of all, the bill establishes the principle that program services like ESPN, CNN, USA, and others, must be made available to the 3.6 million families—mostly in rural areas—who have paid an average of about $3,000 each in hard-earned money to buy a home satellite dish and receiver. Most of these families live along roads cable has chosen not to serve, roads in West Virginia, roads in Tennessee, roads all over this country that do not have the population density to attract the cable investors and the new conglomerates using junk bonds who want to milk the profits out of those communities where there is enough of a population to get in there and really go to town.

What about these rural consumers? What would happen to them under the substitute? It is very simple: the substitute tells these 3.6 million families that they do not deserve the right to participate in the communications revolution, that they do not deserve the right to enjoy access to the kind of programming that is available in the big cities, that they do not deserve the benefits of new communications technologies, some of which were made possible, I might add, by taxpayer investments in the space program. That is where these communications satellites come from. And we cannot stand by and see this cable monopoly just lay claim to this new technology which has the ability to compete with them and strangle it to prevent any kind of competition and any kind of service to the rural areas of my State and the other States with rural areas.

A vote for this substitute is a vote against these 3.5 million backyard satellite dish owners. We have heard from these folks before, when legislation has been before this body. They feel even stronger about it now than they did last year and the year before because they continue to face price discrimination by the cable-dominated programming services.

I would like to place in the RECORD, and I will ask for consent at the conclusion of my statement, a breakdown of where these families live: 113,000 in Tennessee alone, 85,000 in Missouri, 266,000 in Texas, 163,000 in Florida, 325,000 in California, and so on.

And mark my words, Mr. President, every single one of these satellite dish families is going to pay very close attention to this debate here today. A lot of them are watching it right now. A lot of them are following it very closely. They waited for years for some justice here and they know the only place they can find justice is on this Senate floor and with the Congress of the United States representing the American people. They have had it up to here because they have been victimized by this industry that has tried to completely cut them out.

And believe me they will know who stood up for them and who stood against them here today. They will know about this vote because it is the key vote for satellite dish owners and for others who want access to competitive services challenging the cable monopoly. It is the key vote for the Consumer Federation of America for similar reasons.

Let me continue by saying that the program access provisions state that if a satellite-delivered programming service is owned by a cable company, then it must not unreasonably refuse to offer that service to satellite dish distributors at fair terms.

We have had some references to the fact that we never make anybody sell to somebody they do not want to sell to. That is utter nonsense, Mr. President. If you have a supermarket chain and you have a food processor, and next door to the supermarket is a little mom and pop grocery store, if that supermarket chain attempts to use its market dominance to tell its wholesaler supplier: do not you serve my competition, the Government says you have to serve his competition, because if you cut them off and use your market power to force your competition out of business, it is a violation of the antitrust laws. We do that every day in this country in dozens and hundreds of industries. Here the antitrust laws have not been enforced. Here it requires action by the Congress to protect these rural consumers, to protect those in the cities who are denied access to competitive programming services.

S. 12 still allows a cable programmer to involve reasonable business requirements when deciding who should distribute its services. And it allows a programmer to charge rates that reflect true costs.

What S. 12 would not allow—and what the substitute would encourage and foster—is the tactic some cable-controlled programmers now use on satellite dish, and wireless cable distributors: that is, the practice of charging wholesale rates much greater than are charged to cable companies.

What this, in effect, does, Mr. President, is drive up rates for consumers who would choose competiting technologies such as satellite dishes, wireless, or potentially the new direct broadcast satellites [DBS]. Thus, any form of competition is stifled.

Let us look at exactly how this works:

Cable programming services—CNN, ESPN, HBO, and so on—place their channels on a satellite and make these signals available to cable operators. The cable company then pays the programmer a fee per subscriber.

If you live outside an area cable has chosen to serve, or if you simply do not like the service and rates of the local cable operator, you can spend several thousand dollars for a satellite dish, or in some communities subscribe to a wireless cable system. In a few years you may even be able to subscribe to a new high-powered DBS service which employs a very small dish you could put on your windowsill.

But even though you may be able to choose one of these alternatives, you are going to pay through the nose for that choice, because the prices distributors must pay to make those channels available to cables' competitors are much, much greater than the local cable operator pays.

Look at these specific examples, covering almost all the major programming channels, those which make up what most of us think of as cable:

Here is AMC/Bravo. Here is the price for a cable subscriber, 25 to 30 cents. Here is the price to satellite dish owners, $1.20 to $1.60.

Here is ESPN—54 cents to the cable subscriber, 28 cents to the satellite dish operator.

Look, you can go right down the list of these examples. In every case, the cost of distributing this in no way explains what is happening. In fact, the Justice Department studied that very question, the Bush Justice Department, and has issued a formal opinion saying that it does not justify the difference whatsoever.

In fact, the actual cost is lower to distribute the programming to satellite dish operators. That is just common sense, Mr. President. The capital cost of building a cable distribution system is borne by the distributor. The capital cost of a satellite dish distribution system is borne by the consumer.

So why should the cost of delivering the program to a satellite dish operator be greater than the cost of delivering it to a cable customer?

It is no mystery. It is monopoly power. The cable industry so completely controls the programming services—first of all, by owning most of them, and, second, by providing 80, 90, 95 percent of the revenue for the rest—that they keep them under their thumb, and they tell them, "If you charge competitive rates to the satellite dish operators and the other competitors of cable, you may just have problems getting continued access to our cable networks." Since that is where most of their revenue comes from, they are scared, and so they do not provide the service at competitive rates.

Let us look at some other examples of this phenomenon.

Here in Netlink, $1.03 to the cable consumer, $3.40 to the satellite dish operator; Superstation, $5.90 to the cable operator, $2.50 to $3.10 to the satellite dish operator. MTV, 15 cents to 29 cents to the cable customer, $1.70 to $2.50 to the satellite dish operator.

Here are the programs distribution prices for vertically integrated channels.

The blue line shows the fantastic increase that is charged to the competitors of cable.

And here is a typical package, 61 percent higher for the competitor. And when you factor in the capital cost, with the consumers making the investment in satellite dish operation, in the satellite dish distribution system, their costs which they pay are 368 percent higher than the prices paid by the cable customer.

Mr. President, the real question here is not what is happening. We know what is happening, they are taking advantage of their monopoly power to charge as much money as they possible can. That is no mystery. The pattern is crystal clear. They charge one rate to cable and then a rate many times that to anybody who uses one of the competitors to cables.

The supporters of the substitute stated earlier this week that this wholesale price gouging has nothing to do with consumer prices; that consumers do not care about these practices. Believe me, Mr. President, they know. They knew when the scrambling started. They knew when the rates were set at a level many times higher than what the cable customers have to pay. All they have to do is look at their bills. And anybody who suffers the illusion that these folks do not know what is happening to them better take another look. They know exactly what is happening to them. And they know exactly what is being debated on the floor of this Senate Chamber right here today. And they are going to know who stood up for them and who stood up for the cable monopoly against them. It is just that simple, Mr. President.

I suppose the cable companies might say, "Well, those folks choose to live in the country * * * let them pay it."

Well, they are paying for it all right—through the nose they are paying for it, and they are fed up with it.

It is no secret why this pattern exists. For many years the cable operator feared competition from satellite dishes and forced the programming service to deny access to dish owners. That was an easy sell, frankly, since many of these programmers were owned by cable operators and still are.

Now, the more insidious discrimination against dish owners is in pricing, as we see in these dramatic price comparisons.

Mr. President, before I lose my voice completely, I point out that, while this rate picture reflects the information we were able to obtain about the cable and satellite dish marketplace, the same thing holds for wireless cable. And the same grim marketplace faces the new DBS services if we do not reject the Packwood-Wirth substitute and adopt the committee bill.

There is yet another dark cloud hanging over the future of competition in this industry. I mentioned DBS. Most of us are familiar with the traditional backyard dishes.

The new dishes are about this large. They are very small and very efficient. But without legislation, this new technology will be smothered in the crib. It will be completely killed off. Because, in order to survive, the small dishes have to have fair and competitive access to programming and the cable industry wants to shut it down. They have organized themselves under the leadership of the powerful TCI to develop this PrimeStar Co., which is going to be their entity of DBS, and they are going to use that according to their plans to try to shut down competition also.

New DBS satellites will employ a small—as small as an 18-inch dish, making this technological breakthrough available to many millions of families who for whatever reason—zoning restrictions, cost, terrain—cannot purchase a large dish or subscribe to wireless cable.

But without this legislation, not only can DBS services expect discriminatory program access and pricing by cable-owned programs, they face a new kind of cartel by cable and their programming subsidiaries.

Mr. President, I would like to place in the RECORD a January 13, 1992, article from MultiChannel News, a trade publication. Entitled "Attorneys General Threaten PrimeStar Suit," this article chronicles a 29-State investigation of a cable MSO-controlled direct-broadcast satellite service called PrimeStar.

What has been alleged is that PrimeStar "may have violated antitrust laws by denying access to cable-owned programming to potential competitors, or providing access but only on prohibitive terms. The NAAG is concerned about this behavior because of its effects on other potential DBS entrants, as well as wireless cable and other cable competitors."

And who owns PrimeStar? No surprise: The 10 largest cable companies, led by the biggest and most powerful, TCI.

So the problem goes even deeper than the arbitrary pricing of cable programming for cable and satellite dish owners. It goes to the heart of the issue—cable's determination to go to any end to thwart competition.

I repeat, Mr. President: The program access provisions of this bill have everything to do with price and service.

The program access provisions of S. 12 are considered essential to sound policy governing this industry by the broadest possible spectrum of interests: the National Rural Electric Association, the Consumer Federation of America, the Wireless Cable Association, the Consumer Satellite Coalition, the National Farmers Union, the National Rural Telecommunications Cooperative, and many others.

Indeed, the Satellite Broadcasting and Communications Association, which includes not only satellite dish dealers and distributors but programmers such as HBO and Showtime, strongly supports the program access provisions of S. 12.

I quote from a letter from Mr. Charles Hewitt, president of SBCA, who states: The precept of program access "is very basic: Let competing technologies get to the 'starting line' with as few impediments as possible. After that, television viewing households can decide which means of video distribution will best serve their needs, and the marketplace will take care of the rest."

It could not be better said: Let competition exist and consumers will choose. That is the American way, the way embodied in this legislation.

The consumer abuses and anticompetitive behavior so prevalent within this industry will not go away. S. 12 addresses the problems in a direct, firm manner. The Packwood-Wirth substitute simply makes the problem worse, simply gives the cable industry an even heavier club to beat the competition into the ground.

I strongly urge our colleagues to reject the substitute.

I ask unanimous consent that the estimated number of satellite systems in every State be printed in the Record at this point, and that additional materials to which I have referred also be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Estimated Number of Satellite Systems, January 1, 1991

Alabama	76,700
Alaska	5,000
Arizona	47,000
Arkansas	52,500
California	325,000
Colorado	47,250
Connecticut	11,000
Delaware	6,500
District of Columbia	1,600
Florida	162,500
Georgia	82,250
Hawaii	1,100
Idaho	27,200
Illinois	88,400
Indiana	82,900
Iowa	51,800
Kansas	47,600
Kentucky	59,250
Louisiana	61,000
Maine	17,800
Maryland	31,400
Massachusetts	13,000
Michigan	120,000
Minnesota	47,000
Mississippi	49,900
Missouri	84,500
Montana	38,850
Nebraska	40,800
Nevada	29,800
New Jersey	20,000
New Hampshire	15,500
New Mexico	21,700
New York	119,500
North Dakota	14,900
North Carolina	139,500
Ohio	110,000
Oklahoma	56,700
Oregon	68,000
Pennsylvania	90,700
Rhode Island	3,600
South Carolina	54,400
South Dakota	16,500
Tennessee	113,600
Texas	265,800
U.S. Territories	10,400
Utah	20,400
Vermont	19,500
Virginia	75,000
Washington	68,600
West Virginia	42,000
Wisconsin	58,300
Wyoming	14,500

Source: Satellite Broadcasting and Communications Association.

[From Multichannel News, Jan. 13, 1992]

Attys. Gen. Threaten PrimeStar Suit

(By Rachel W. Thompson)

A nearly two-year-old antitrust investigation of PrimeStar Partners, the cable MSO-controlled direct-broadcast satellite service, has reached an extremely sensitive stage and could erupt into a lawsuit at any time.

Two high-level individuals working on opposite sides of one probe, by the National Association of Attorneys General, said serious settlement talks among NAAG officials and PrimeStar backers began in early December.

Those talks could collapse at any time, they said, and legal action would almost certainly result. The NAAG as an organization has no prosecutorial authority; rather, a lawsuit would be brought by a group of states.

The companies directly involved in the probe include nine top cable MSOs and a General Electric Co. satellite subsidiary GE Americom. The cable TV task force conducting the investigation consists of attorneys general from California, Massachusetts, Texas, New York, Ohio, Maryland and Pennsylvania.

The NAAG task force has concluded that the 10 companies may have violated antitrust laws by denying access to cable-owned programming to potential competitors, or providing access but only on prohibitive terms, sources said. The NAAG is concerned about this behavior because of its effects on other potential DBS entrants, as well as wireless cable and other cable competitors.

While a draft complaint has reportedly been drawn up, no details of its contents could be learned, nor is it clear what corrective steps NAAG members are seeking.

Several attorneys, and PrimeStar officials, declined comment on the situation.

"Every week that goes by makes it less likely there will be a lawsuit," commented one individual involved in the talks, who emphasized that it was impossible to predict an outcome.

"It really is an enormously sensitive situation," said another.

While the NAAG inquiry has focused on companies involved in PrimeStar, its scope is not limited to that entity's activities, sources said.

According to high-level sources, the National Cable Television Association was informed as recently as two months ago that it too was a target of the probe. The NCTA could be pulled in by virtue of having undertaken certain actions at the behest of its members.

It could not be determined whether the NCTA, which had no comment, was participating directly in the settlement talks.

The Department of Justice, which has been conducting a parallel inquiry, is monitoring the negotiations, but has not determined a course of action, sources said. However, they indicated that they believed the DOJ was less inclined to pursue action and would probably have dropped its inquiry if not for the states' actions.

A total of 29 states were represented, including the seven conducting the probe, at a one-day briefing by the cable task force in Chicago last Thursday that was designed to brief states that might want to join a lawsuit.

Another round of settlement talks is expected to take place mid-week in New York.

The NAAG and DOJ commenced parallel inquiries of PrimeStar in April 1990 after four U.S. senators sounded alarms about the venture's possible antitrust implications. Among the senators' concerns was the cable industry's extensive control over programming and the potential for PrimeStar MSOs to use unfair pricing against DBS competitors and others.

At the time, the Ku-band satellite service had positioned itself primarily as a delivery system for those homes that could not be reached economically by traditional cable systems and for whom larger C-band satellite dishes were not an option. Also, a consortium of Cablevision Systems Corp., NBC, News Corp. and Hughes Communications had formed the Sky Cable high-power DBS service.

PrimeStar Partners is controlled by Time Warner Inc.'s American Television & Communications Corp. and Warner Cable Communications Inc., Cox Cable Communications, Comcast Corp., Telecommunications Inc., Viacom Cable Inc., Continental Cablevision, NewChannel Corp., and GE Americom.

Separately, Viacom International CEO Frank Biondi disclosed during a Paine Webber meeting in December that Viacom has written off its investment in PrimeStar and intends to leave the partnership.

"We are still currently a partner in PrimeStar, but we are working out our exit," a Viacom spokeswoman confirmed last week."

Mr. GORE. Mr. President, one of the items I am including is an article from Multichannel News which refers to a lawsuit by State attorneys general threatened against this Prime Star Co. that is planned to be used by the cable industry to shut down direct broadcast satellites.

Let me just conclude briefly, Mr. President, by saying let us let competition exist and let us allow the consumers to choose. That is the American way. That is the way embodied in this legislation. The consumer abuses and anticompetitive behavior so prevalent in this industry will not go away unless S. 12 passes. I strongly urge our colleagues to reject this anticompetitive substitute, stand up for competition and the consumers by voting "no" on the substitute and voting "yes" on S. 12.

The PRESIDING OFFICER (Mr. Akaka). The Senator from Massachusetts.

Mr. KERRY. Mr. President, I yield myself a minute and a half. We have heard constant references to the Bush administration report, the Justice Department report. I want to read from the Justice Department report because nobody else has. It is not a Justice Department report: "The views expressed herein are not purported to represent those of the U.S. Department of Justice."

Moreover, in a very critical footnote on page 28:

> * * * although the best estimate of the market power effect is that it explains about half of the total price increase, the 95 percent confidence interval indicates the effect may be anywhere from close to zero to almost 100 percent.

That is one hell of a range—from close to zero to 100 percent. And the individual is not speaking for the Justice Department.

Mr. President, I ask unanimous consent this be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MARKET POWER AND PRICE INCREASES FOR BASIC CABLE SERVICE SINCE DEREGULATION, AUGUST 6, 1991

(By Robert Rubinovitz)[1]

ABSTRACT

Since the deregulation of rates for basic cable television service, increases in prices have outpaced the rate of inflation. This paper examines whether or not market power by cable systems explains the price increases since deregulation. A "quasi-supply" function for cable systems before and after deregulation is estimated and this provides an estimate of a parameter that indexes the degree to which market power changed after deregulation. By making assumptions about the level of market power before deregulation, this estimate can be used to determine the extent to which the price increases since deregulation are, on average, due to the exercise of market power. Using this technique, at least 45-50% of the price increase since deregulation is due to market power. This result is robust to different assumptions about the form of the quasi-supply function, but the percentage can be higher depending on the degree of market power exercised by cable systems before deregulation and on the size of the demand elasticity for basic cable service.

A remaining question about these results, which is alluded to above, is the effect of restricting the sample to only those systems that did not have an expanded basic tier. The decision by the cable system to use an expanded basic tier would seem to be driven primarily by the preference of consumers in the franchise area for basic and expanded basic programming. At the same time, however, it could be that the market power cable systems have in expanded basic programming could also play a role in this decision. Thus, it is not clear if leaving systems out of the sample that have expanded basic tiers is imparting a downward or upward bias to the results.

Thus, although the best estimate of the market power effect is that it explains about half of the total price increase, the 95% confidence interval indicates the effect may be anywhere from close to zero to almost 100%.

Mr. GORE. Will the Senator yield?

Mr. KERRY. I do not have enough time to yield. I will yield on their time. But let me address one other point. This is supposed to be a consumer bill. What the Senator from Tennessee talked about are wholesale prices. The fact remains that cable consumers pay more than satellite dish consumers for basic programming. A typical satellite dish price is $16.83. The average cable price for a comparable package is $18.84.

What the Senator from Tennessee wants us to do is make sure the cable companies give a bigger margin of profit to the wholesalers. There is no guarantee, however, that the consumer is going to see of it.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. Will the chairman yield for 30 seconds?

Mr. INOUYE. I am pleased to yield.

Mr. GORE. Mr. President, just to make the point again, my colleague from Massachusetts may have misunderstood. If I can refer to this chart again, these are retail prices. These are not wholesale prices. These are retail prices.

It is not a big mystery. I am surprised there is any debate about that. These are retail prices, 61 percent higher. In conclusion here, the Justice Department indicated, as I heard the footnote, that anticompetitive market power may be responsible for 100 percent of the extra charges to these customers. But their best estimate is it is only 50 percent directly due to monopoly power. I thought it was a very interesting footnote.

Mr. KERRY. Will the Senator yield?

Mr. GORE. I think my time is up.

Mr. KERRY. Do we have any more time? I will let the point go.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. Mr. President, I yield myself 8 minutes.

I was struck by the earlier comment that the distinguished Senator's voice was strained. I recognize that. I also recognize the fact that his logic is strained.

Let me go through some of the points that are being made. First of all, we were told of the CNBC example—that CNBC had been "held up" somehow by the cable operators.

The president of NBC, according to the Wall Street Journal, "scoffed" at that. The president of NBC, who presumably was held up, scoffed at that allegation.

We were told one of the cable operators dropped "The Learning Channel" so the value of the channel would decline. But the chairman of that company said that was untrue and a reckless accusation.

Allegations were made that the cable operators pressured Christian Broadcasting Network to scramble the signal. But CBN, Christian Broadcasting Network, wrote those who are alleging this, saying that this was simply not true.

The rate issue was cited. We just heard a great deal of data about rates going up for satellite dish consumers. Wrong. Again, Mr. President, I have two examples of that. First, and maybe most important, the Commerce Committee's own committee report found that was not the case. Second, I have to point out a satellite orbit marketing document in which they are advertising for only $16.90 a month the following, CNN, Headline News, ESPN, TBCS, USA, Discovery Channel, TNT; Family Channel and a premium channel such as Showtime, HBO or the Disney Channel—all for $16.90 a month. This is lower than the average rate for basic cable.

It is simply inaccurate to say that dish consumers pay more for cable programming. The cable operator has to include a variety of regulating costs running all the way from public access to EEO requirements.

The Department of Justice study was cited. The Department of Justice itself, as the distinguished Senator from Massachusetts pointed out, had a range of error of 100 percent. That is pretty significant to have plus or minus 100 percent. I would not cite that. The arguments for access are filled with inaccuracies and strained logic.

Let me respond by pointing out what a friend of mine just told me. He said, "I do not understand this whole debate." He said, "I subscribe to cable. I pay $31 a month. For that, ESPN, by itself, is worth it. And, on top of that, my kids get all of this other programming, Disney, Discovery, and so on." He then went on to say that cable is a wonderful value for our household and I thank the cable industry for providing the service.

Let me again point out what this debate is and is not about. It is not about regulation of basic cable rates. There have been some abuses of basic cable rates. The FCC ought to regulate basic rates.

Customer service. We know there have been problems in service as cable has grown so dramatically. Let the FCC set customer service standards. That is in the substitute and in S. 12 as well.

Signal quality. We realize that there are, in some places, problems with this, as the systems have expanded very, very rapidly to reach the public demand. We call for that as well.

This is what the debate ought to be about and this is what the substitute does. We should not get into the radical idea of this access provision. Let me tell you why the access provisions in S. 12 are fundamentally flawed. I think the Senator from Alaska was right. The provisions raise basic constitutional issues. What effectively it says is somebody who creates something, the Federal Government can then come in and tell that individual who they should sell it to and at what price they should sell it. Do we do that in any other commodity? Of course we do not.

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[1] Economist, Antitrust Division, U.S. Department of Justice. The views expressed herein are not purported to represent those of the U.S. Department of Justice. The author wishes to thank Jonathan Baker for many helpful discussions and comments, and Margaret Guerin-Calvert, Tim Brennan and Gregory Werden for comments on an earlier draft. Holly Burleson and Michael Duffy provided excellent research assistance in the preparation of this paper. All remaining errors are the responsibility of the author.

If you write a book, does the Federal Government come in and tell you who is going to market that book and how much you are going to sell the book for? If you write a column for a newspaper, does the Federal Government come in and tell you which newspaper you are going to sell it to and how much you are going to sell it for?

If you develop programming, for example the "Cosby Show", does the Federal Government come in and tell you who you are going to sell it to and at what price you are going to sell it? Of course not. This is a fundamental and very radical change in copyright law.

That might be an abstract argument for those who may be watching this debate, that this radical concept is being discussed. But it is also a fundamentally anticonsumer argument.

One of the reasons that the number of cable subscribers in the country has almost doubled in the last 6-7 years is that a vast investment has been made in programming by the cable industry and by those who want to program for the cable industry. Billions of dollars have been invested in new programming and offerings. That is why cable has succeeded and that is why these other industries resent cable so much. Because they have succeeded.

If we say we are going to regulate all of cable's offerings, and then tell programmers you must sell to all comers at a regulated price, what incentive is there going to be to the 21 new programming efforts that are out there right now attempting to get up and off the ground?

If we tell them, we are going to limit your ability to sell your product after you take this risk, what programmer in his right mind is going to put the investment up to create a new program? No one is going to do that. You are going to put an end to the new offerings and the potential of cable television and telecommunications to the country.

In addition to that, Mr. President, this assumes that the cable operator controls all of his programming costs. He does not. What does the cable operator have to do with what goes on with ESPN, for example? The cable operator cannot control the price of ESPN because he does not have control over the cost. ESPN is owned by one of the networks, and ESPN's rates are driven by baseball salaries, they are driven by football salaries, they are driven by negotiations with the National Football League and major league baseball and the NBA.

Does the cable operator have a chance of somehow saying to the NBA: Limit your salaries to Larry Bird. Of course they cannot do that. It is a preposterous notion to suggest that the cable operators have control over something like ESPN, and yet S. 12 tells us we will go in and regulate the price of ESPN.

Does S. 12 propose going in and regulating salaries to baseball players? I don't think we want to get into regulating everything in our American society's economy.

Mr. President, the logic behind S. 12 is wrong, Mr. President, flat wrong. S. 12 will dramatically inhibit the cable industry and, most importantly, dramatically inhibit the potential the cable television industry has started with CNN, children's programming, and a whole variety of other offerings. S. 12 is the wrong thing to do.

Stick with the substitute, which addresses basic issues of rate regulation, customer service, and signal quality. Do not get into this enormously radical and fundamentally wrong construction that constitutes the rest of S.12.

I yield the floor, Mr. President.

The PRESIDING OFFICER. Who seeks time? The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, may I inquire as to the time situation?

The PRESIDING OFFICER. The Senator from Hawaii has 11 minutes.

Mr. INOUYE. And the opposition?

The PRESIDING OFFICER. The Senator from Colorado has 4 minutes 40 seconds, and the Senator from Alaska has 6 minutes.

Mr. HOLLINGS. Mr. President, we are here this morning to consider the Packwood substitute to S. 12, the Cable Television Consumer Protection Act of 1991. There is no question that this substitute amendment is a sham; it contains no protections for the consumer, and it does nothing to promote competition. The question is, why would anyone vote for this amendment?

The cable industry does not support this substitute. The cable industry only wants to gut the bill. Jim Mooney, head of the National Cable Television Association, said in a memo to his board that he will not support any cable bill even if this substitute is adopted. This is not a compromise; this is a killer amendment.

The administration does not support this substitute. The administration's policy statement makes clear that, even if the substitute is adopted, the administration still wants several changes made before it could accept it.

Consumers do not support this substitute. The proposed consumer safeguards in this substitute amendment are no protection at all.

First, the substitute would regulate only the basic tier of cable service, which would include only the broadcast signals, public access channels and C-SPAN. As we all know, this gives cable operators every incentive to retier, and they are already doing just that. A recent Wall Street Journal article found that, when a cable company retiers, about 10 percent of consumers subscribe only to the basic tier. Thus, the substitute would regulate the services that few people want.

Second, the substitute would do nothing to promote competition. The substitute has four provisions that are said to promote competition, but two of those are already in S. 12, the expansion of the rural telephone exemption and the multiple franchise provisions. The remaining two provisions, the elimination of the multiple ownership rules and a report to Congress, will do nothing to promote competition in the multichannel video market.

In fact, the repeal of the FCC's multiple ownership rules would simply allow greater and greater media concentration. The substitute would eliminate the restrictions which prevent anyone from owning more than 12 TV, 12 FM and 12 AM radio stations. Eliminating these restrictions could allow a few large corporations to rule the airwaves and control all the information broadcast into our homes.

We don't need another report to Congress. How many reports is Congress supposed to receive before it takes action? We already have reports from the FCC, from GAO, from the Department of Justice, and the record of 13 days of hearings in the Commerce Committee. What more information do we need?

Finally, the substitute includes nothing on access to programming, nothing to protect against discrimination, nothing to protect satellite dish owners against abuses they have suffered at the hands of cable monopolies.

In short, there is no reason to support this substitute; it does not protect consumers, it does not promote competition, and it is not supported by the cable industry or the White House.

S. 12 is a bipartisan bill that passed the Commerce Committee overwhelmingly, 16 to 3. It has been shaped after 4 years of work, including 13 hearings on cable issues, where the committee listened to 113 witnesses and almost 50 hours of testimony. S. 12 is a clear response to the concerns of the people of this country.

I urge my colleagues to vote against the substitute.

Mr. METZENBAUM. Mr. President, I rise in strong opposition to the amendment.

This amendment will not protect consumers, since it permanently shields from regulation all the program channels which give cable its monopoly power.

The fatal defect of this amendment is that it shields from regulation the very program channels which impel people to buy cable in the first place. If this amendment becomes law, the source of cable's monopoly power will remain completely free from regulatory oversight. Let me explain:

Until recently, cable operators offered their customers a broad array of programming on basic cable. Program channels like ESPN, CNN, MTV, TNT, and USA were staples of basic cable. People would subscribe to basic because they could not get these channels through conventional over-the-air TV reception.

Do not take my word for it, Mr. President. Listen to what the National Cable Television Association said in a brief filed with the FCC:

> When a viewer subscribes to cable, he's generally not paying for access to the local broadcast stations, because he can get those free without cable. He's paying for the distant signals and nonbroadcast programming that are not available over-the-air.

The cable industry attracted new subscribers by offering a broad array of program channels on the lowest-price tier of service. When cable prices began to shoot up, consumers did not drop the service for one simple reason: There were no other substitutes for the 30-40 channels offered on basic cable by most operators. Consumers paid, according to some estimates, billions of dollars in overcharges because basic cable offered them a product which they could not get anywhere else. It was a classic case of a monopoly provider luring customers with an attractive package, and then quickly jacking up the price in order to earn monopoly profits.

Once Congress and the FCC began to get pressured to do something about basic cable price-gouging, the industry took a new tack. In anticipation of reregulation, it began to move popular program channels off the lowest-price basic tier, in order to shield them from regulation. Last week's article in the Wall Street Journal summarizes the situation:

> Keenly aware of reregulation threats and new Federal rules that let more cities cap basic cable rates, cable systems have simply redefined what basic supposedly means. They have carved out a layer of popular channels to form a new tier that costs extra, and thus they effectively dodge the rules aimed at curbing price increases for basic cable.

The Wall Street Journal article goes on to note that last March, Time-Warner's Brooklyn System moved basic cable program channels such as MTV and CNN onto a higher tier of service; 9 months later the system hiked the charge for this tier by 34 percent.

Mr. President, under S. 12, that rate hike could be reviewed by the FCC to make sure that it was reasonable. Under this amendment, that rate hike would be completely exempt from any review.

In other words, the amendment before us encourages and rewards the cable industry for a business practice that is designed to evade Government oversight and force consumers to continue to pay monopoly prices.

The bottom line is this: S. 12 ensures that the cable industry can be held accountable whenever they charge excessive and outrageous prices for the channels which consumers identify as the core of cable service. But the amendment before us would perpetuate cables' monopoly power by completely shielding those channels from regulation. On that basis alone, this amendment must be rejected.

But there is another—equally important—reason to defeat this amendment. The amendment fails to address the competitive problems caused by vertical integration in the cable industry.

Mr. President, nearly every consumer in this country knows that cable faces no competition. Since deregulation, the big cable companies used their monopoly profits to buy up many of the program channels carried on cable systems. This vertical integration has harmed the viability of cable's potential competitors and strengthened cable's monopoly power. Alternative multichannel technologies like wireless cable and the satellite dish industry are poised to compete with cable. But they cannot be effective competitors unless they can deliver popular program channels to their customers. Unfortunately, the cable industry has refused to make their program channels available to potential competitors on fair terms and at nondiscriminatory prices.

I have already cited a number of instances in which cable has leveraged its control over programming to blunt competition from alternative technologies. Senators GORE and DANFORTH also have spoken to this issue. But let me give you one more example.

Just last week, an executive in the direct broadcast satellite business—which many believe could provide cable with real competition—told the Washington Post that "program suppliers * * * owned by cable companies want to charge his company as much as 10 times more for programming than a cable operator now pays." The Post reported that this DBS executive believes that these discriminatory prices are "a deliberate attempt to raise his overhead so high that his service won't be price-competitive with cable."

The program access provisions of S. 12 set a technology-neutral policy that will help consumers and promote competition. Consumers are interested in getting cable programming, Mr. President. They are less interested in the technology which is used to deliver that programming to their home. They want good, reliable reception of multichannel programming at a fair price.

The best thing Congress can do for consumers is to ensure that all multichannel technologies have fair access to cable program channels, so that they can compete with one another on the basis of price and service. But the cable monopolies don't want to compete on that basis, and that is why the program access provisions of S. 12 are stripped from this substitute.

There are other problems with the substitute, but its key flaws are the failure to adequately protect consumers or promote competition.

Mr. President, we have a chance to rectify a horrible mistake made in the 1984 Cable Act which hurt consumers. But if we pass this substitute, we will compound that mistake. The right vote for consumers is to reject this amendment.

Mr. RUDMAN. Mr. President, I rise to express my opposition to S. 12 in its current form. While I can understand the frustrations felt by many people about rising cable rates and erratic service, I believe S. 12 goes far beyond what is needed to deal with these issues. In addition, a number of provisions are completely unrelated to problems that exist in the cable industry.

It is especially ironic that legislation originally intended to address rising cable rates will itself result in higher charges due to the retransmission consent provision. This provision will allow broadcasters to set conditions—including the payment of fees—on the transmission of their over-the-air television signals on cable systems. It could result in as much as a 20-percent increase in the price consumers pay for cable service—and this increase will not result in any additional channel capacity or service improvements.

In addition, retransmission consent raises serious questions about the viability of the compulsory license provisions of current law. Copyright owners of cable programming will be subject to the terms of negotiations between television broadcasters and the owners of cable systems, thereby threatening the compulsory aspect of compulsory license.

I should note that I have been, and continue to be, a supporter of must-carry, which would essentially require cable operators to carry all local television stations on their systems. It is important that communities have access to local information and news coverage, and that the Congress continue an emphasis on localism in the broadcast industry.

If the pending legislation only included the regulation of basic cable service, reimposition of must-carry, and minimum service standards I would probably be a supporter. However, the retransmission consent provision alone will be a full employment act for lawyers, and the detailed rate regulation provisions will lead to a heavy-handed Federal presence.

I am cosponsoring the bipartisan substitute as the most viable alternative to S. 12, although it is not a perfect solution either. Frankly, it includes a provision on retransmission consent which I oppose.

Excesses have occurred in the cable industry, and I am willing to support legislation that attempts to curb them in a responsible manner. The pending legislation simply goes too far, and will lead to burdensome regulations and increased costs for consumers.

Mr. President, again I express my opposition to S. 12 and I yield the floor.

Mr. STEVENS. Mr. President, I yield myself 3 minutes of my remaining time.

I wish to clarify some points with regard to the repeal of the 12–12–12 rule contained in the Packwood substitute. The National Association of Broadcasters and broadcasters nationwide strongly support that repeal. Diversity of programming is a local issue. Our alternative does not repeal the FCC's local ownership rules, which currently prevent anyone from monopolizing all the electronic media in a given market. I agree that encouraging minority ownership is a great idea. We all support that, I believe. But, we should not do that by continuing the 12–12–12 rule. We must unshackle broadcasters nationwide if they are to compete with cable and other video programming distributors.

Again, as far as I am concerned, S. 12 is the same as saturation bombing of a major city. There is no necessity for it. What we need is a surgical strike to protect those people who need access through cable to over-the-air broadcasting services, public, educational, and governmental services, and C-SPAN I and II at the lowest possible reasonable rate.

S. 12's rate regulation provisions are constitutionally deficient. I believe S. 12 is therefore unconstitutional. It should and would be vetoed, I believe. The substitute to S. 12, the Packwood substitute, will be signed. I have been assured of that. It would be signed.

S. 12 will erode cable's ability to provide better programming and better services. This industry has tumbling technology—one technology replaced so rapidly that it literally tumbles over the next. It needs a cash-flow to keep going. We have worldwide leadership in this area, and we are going to stifle our leadership by providing across-the-board nationwide regulation at a time when we should assure continuation of a reasonable cash-flow for further investment in this job-producing industry. I want to emphasize that. This industry produces more new jobs than anyone you can think of.

Our basic service concept, which is tied to must-carry and retransmission consent, reinforces the broadcast industry and preserves essential consumer access to cable service.

I reserve the remainder of my time.

Mr. KERRY. Will the Senator just yield 30 seconds?

Mr. STEVENS. Yes; 30 seconds.

Mr. KERRY. Mr. President, I point out, following up on the comments of the Senator about cash-flow and investment, that the fact is that since deregulation in 1986—and this is an independent communications industry report by Veronis, Suhler & Associates. It shows from 1986 right through 1991, each year, the pretax operating income margins for cable have declined.

So this is not a situation where they are raising money and it is going into profits. It is not. It is going into the massive investment to lay the infrastructure which is creating the jobs. Each year, it has declined.

I ask unanimous consent that this report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REVENUE, PRETAX OPERATING INCOME, OPERATING CASH FLOW, AND ASSETS OF PUBLICLY REPORTING CABLE SYSTEM OPERATORS

[In millions of dollars]

	Revenue	Pretax operating income	Operating cash flow	Assets
Year:				
1986	4,472.6	878.5	1,814.5	14,673.7
1987	5,978.9	1,125.7	2,500.7	18,866.1
1988	7,716.3	1,184.6	3,228.6	30,515.9
1989	9,551.9	1,481.7	4,149.1	38,988.5
1990	11,597.8	1,973.5	5,077.3	40,516.0

GROWTH OF REVENUE, PRETAX OPERATING INCOME, OPERATING CASH FLOW, AND ASSETS OF PUBLICLY REPORTING CABLE SYSTEM OPERATORS

[In percent]

	Revenue	Pretax operating income	Operating cash flow	Assets
Year:				
1987	33.7	28.1	37.8	28.6
1988	29.1	5.2	29.1	61.7
1989	23.8	25.1	28.5	27.8
1990	21.4	33.2	22.4	3.9
Compound annual growth	26.9	22.4	29.3	28.9

RETURNS ON ASSETS AND ASSET TURNOVER OF PUBLICLY REPORTING CABLE SYSTEM OPERATORS

	Pretax operating income ROA (percent)	Operating cash flow ROA (percent)	Asset turnover times/year
Year:			
1987	6.7	14.9	0.4
1988	4.8	13.1	0.3
1989	4.3	11.9	0.3
1990	5.0	12.8	0.3
1987 vs. 1990 change (points)	−1.7	−2.1	−0.1

GROWTH OF PUBLICLY REPORTING CABLE SYSTEM OPERATOR REVENUE VS. CONSUMER AND ADVERTISER SPENDING ON CABLE SYSTEMS

[In percent]

	Public companies[1]	Cable system industry[2]
Year:		
1987	33.7	13.5
1988	29.1	16.2
1989	23.8	15.2
1990	21.4	11.7
Compound annual growth	26.9	14.1

[1] Revenue growth of the public companies represented in this subsegment.

[2] Growth of total U.S. cable system expenditures.

Source: Veronis, Suhler & Associates, McCann-Erickson, Paul Kagan Associates, Wilkofsky Gruen Associates.

PRETAX OPERATING INCOME AND OPERATING CASH FLOW MARGINS OF PUBLICLY REPORTING CABLE SYSTEM OPERATORS

[In percent]

	Pretax operating income margins	Operating cash flow margins
Year:		
1986	19.6	40.6
1987	18.8	41.8
1988	15.4	41.8
1989	15.5	43.4
1990	17.0	43.8
1986 vs. 1990 margin change (points)	−2.6	3.2

Mr. INOUYE. Mr. President, I am pleased to yield 2 minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 2 minutes.

Mr. GORE. Mr. President, I said my piece earlier, but I want to underscore just a couple of points just briefly before the final vote.

These cable rates are going to continue to go up unless S. 12 passes. I just want to say to my colleagues on both sides of the aisle, if you have had the experience of going into a town in your home State and having people who have just received their cable television bills raise the question, "What can be done about this," if you have had that experience, think about this vote, because if the substitute is adopted, you are going to have that experience from now on. And anybody who votes for the substitute is going to have to be able to somehow explain it, because a vote for the substitute is a vote to preserve the cable monopoly, a vote in favor of continued, regular increases, just like clockwork.

If you have ever had people come to a townhall meeting and say, "Why can't there be some competition for cable," vote against the substitute and you will be able to tell them, "I voted for the consumers."

If you have a multisystem cable business in your hometown, if the industry is headquartered there, that is a different situation. But if you have satellite dish owners, if you have consumers who are paying ever-increasing rates, think about this vote. The vote on this substitute is the key consumer vote of this Congress.

I just want to say, in conclusion, that it is going to be an extremely high-profile vote. It is going to be one that is remembered for a long time. If you are in favor of competition, if you are in favor of doing something to hold these monopoly rate increases down, then vote against the substitute and then vote in favor of S. 12.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GORE. May I say in closing something I did not say at the beginning of the debate, and that is that the chairman of this subcommittee, Senator INOUYE, has done a fantastic job for so many years on this with the chairman of the full committee, Senator HOLLINGS, and our distinguished ranking Republican member, Senator DANFORTH, who is the principal sponsor of this bill. It has been a bipartisan effort lasting more than 3 years that is culminating in a few minutes. I hope Senators will support the consumers.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, this debate began 4 years ago. We have had 13 hearings, 50 hours, 113 witnesses, and for the last 5 days the people of the United States have been bombarded and saturated with hours of rhetoric and words. I would like to, if I may, most respectfully, condense what we have said so far.

First, I think it should be noted that the administration has indicated it will not sign the substitute if adopted.

Second, the cable industry, in writing, has indicated that if this substitute, which they supposedly support, becomes the bill that is passed by this Congress, it will oppose its signing.

Third, I believe the facts are very clear that if S. 12 is not passed, the consumers will once again suffer. The substitute, Mr. President, obviously is an instrument to destroy S. 12. It is not a legitimate instrument, supposedly, to become the law of the land. So I hope that all of us will look into this very carefully. I hate to suggest that the substitute is a sham. Unfortunately, the facts of this case would indicate that the substitute is a sham.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. I yield myself the remainder of my time.

Mr. President, in 1984, Senator Goldwater and Senator PACKWOOD led the effort to establish these new rules that are going to be tampered with by S. 12. Senator PACKWOOD, as the principal sponsor of the substitute, and I met with the Chairman of the President's Council of Economic Advisers, Michael Boskin. We have jointly been assured that this substitute of ours is acceptable to the administration. It would like to see some additional changes made, without question, but it did not author the memo that has been referred to. This substitute is acceptable to the administration.

S. 12 is unacceptable. If we want a bill, we have a good alternative before us now in the Packwood substitute. It is a bill that, in my judgment and I think in the judgment of those who have worked with Senator PACKWOOD, is constitutional. S. 12 is unconstitutional.

There is no precedent for this Congress to establish a policy which says that someone who produces an idea, a program, must sell that idea to his competitors, and, furthermore, the Government will regulate the rate that the competitors will pay for it. Nor do we have any precedent for saying that because there is some inequity in terms of a geographical ability to receive a signal, such as Senator GORE has been speaking about in terms of the satellite dish receivers, that that inequity leads to a justification under the Constitution for assuming regulatory authority over the industry nationwide.

Last, as I have tried to point out today, if you examine the Commerce Committee's own report, this is regulation in a totally new area. There is no precedent for the type of regulatory authority that the FCC would be given. It has no basis in history.

Under S. 12 the FCC is just told somehow or other to lower the rates for cable service and maintain control over them in the future without regard to cost. Ultimately, we will be regulating the rate that people will receive as baseball players or football players because the cable industry would not be able to pay the fee required by sports teams in order to carry these events on cable.

I have, as I said at the beginning of this debate, great respect for those with whom I have served on the Commerce Committee now for almost 20 years, but I cannot believe they would urge the Congress to pass an unconstitutional act that is destined for failure because the President of the United States will veto it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. FORD. Mr. President, will the manager give me 30 seconds?

Mr. INOUYE. Mr. President, I will be happy to yield 30 seconds.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I compliment Senator INOUYE and Senator DANFORTH and others for the bill that they have brought forth to the Senate. It is a very simple question, I think, to hear. It is one that the substitute will allow rates to increase; the bill introduced by Senator INOUYE and others will hold rates down. I think it is a consumer question, and I am pleased to support the package.

Mr. INOUYE. Mr. President, I am pleased to yield 2 minutes to the chairman of the committee, Senator HOLLINGS.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, right to the point, the distinguished Senator from Alaska knows better. We regulate. We regulate rates in telephones, communications, and do they make money? Billions and billions are being invested overseas, and that is why this Congress, buy an overwhelming three-fourths majority, passed the bail bill, as they call it, to allow them to invest in this country. So he knows differently, and he supported that.

We are trying to get back to a modicum of regulation and bring about access. When our distinguished colleague from Colorado says the new guy on the block is going to be controlled, that is what we are trying to do—get him to be a new guy on the block because he is already being controlled by Denver and TCI, and we want the people's entity, namely, the Federal Communications Commission, to give us access here.

So we have a good bill. It has been bipartisan. I, too, also congratulate Senator INOUYE and Senator DANFORTH. This is a last-ditch effort to gut the bill. That is what they are trying to do. And they have been successful so far for about 4 years and 117 witnesses and 14 public hearings. I hope this will stop and the Senate will speak.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator has 2 minutes and 30 seconds. The Senator from Colorado has 4 minutes 40 seconds.

Mr. INOUYE. Mr. President, I am pleased to yield the remainder of my time to the distinguished Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. DANFORTH. Mr. President, first I would like to respond to the constitutional argument of the Senator from Alaska, a truly remarkable constitutional proposition. The constitutional proposition, as I understand it, is that when there is a vertically integrated business relationship, there is a constitutional right to unreasonably discriminate against potential competitors. This is the constitutional issue that is being asserted. If that constitutional issue is correct, I suggest that much of our antitrust law would thereby be unconstitutional.

I concur with the statement made by my chairman, Senator HOLLINGS; the substitute would gut the bill. The effect of the substitute would provide for ineffectual regulation touching only a tiny fraction of what is provided and affecting only about 10 percent of those who subscribe to cable television. And with respect to competition, if we want true competition in the cable industry, it seems to me we do not repeal the 12–12–12 rule.

If we want true competition we do allow for the FCC to provide some ruling against horizontal integration and we do provide that those who were new entrants into the cable service have at least the ability to protect themselves against unreasonable discrimination by cable programmers.

Mr. President, this is indeed a big issue. It is not just a big issue because big companies are paying big dollars to big lobbyists. It is a big issue because throughout this country the American people are outraged about the abuses of cable television. If you go to the smaller communities especially, and of America, if you go to cities such as Hannibal or Cape Girardeau, or Jefferson City, MO, and listen to the people for 2 or 3 minutes you understand the outrage. And the reason is that we now have an unregulated monopoly in cable television, and the principle of unregulated monopoly is contrary to the basic economic foundation of this country.

The PRESIDING OFFICER. The Senator from Colorado has 4 minutes 30 seconds.

Mr. WIRTH. Thank you, Mr. President. I thank my colleagues for their courtesy and patience during this long and extremely important debate.

First, Mr. President, I want to again congratulate the broadcasters who have done a very effective job lobbying this case on retransmission consent must-carry, and again remind my colleagues that those provisions are the same in the substitute as they are in S. 12. Those issues are exactly the same.

Mr. President, a year and a half ago, I circulated a proposal to address the concerns of American consumers regarding the cable industry. It was imperative that we move on some rate reregulation and some service reregulation. Reregulation of rates and services is now in the substitute in front of us.

I have long believed, as do most of my colleagues, that there have been some abuses in the area of rates, as pointed out by the distinguished Senator from Missouri and others. There have been some abuses on rates; some maverick operators have spoiled the barrel for everybody else. Now we are going to go back and regulate rates further in both the substitute and the basic bill S. 12. Both the substitute and the basic bill would also regulate customer service. Those are the two issues driving this legislation. Both the substitute and S. 12 address rate regulation and service regulation.

That is not what this debate is all about. We all agree that has to be done. The difference between the substitute and the underlying bill goes to some very fundamental tenets as to how we in the Congress can, under the Constitution, treat a single industry and, more importantly, treat private property.

S. 12 requires the owners of programming to sell that programming to their competitors at regulated prices. That is something that we do not do for any other property in this country. We do not do it for any intellectual property. This is truly a radical concept.

Not only is that theoretically important, it is enormously important to the creative powers in the country who simply are not going to spend their time and effort working on new programming and new offerings for the American consumer, if in fact what they can get back from that effort is as dramatically regulated as it is going to be here.

It is a bad idea theoretically and it is a bad idea practically. It certainly will not help us to reach the promise that cable television has brought to us through all of the wonderful offerings—children's programming, CNN, and so on—that have really become staples of cable television.

In addition, there is in S. 12 a set of requirements related to concentration in the cable television industry, requiring the FCC to go in and regulate this, even though the National Telecommunications Information Agency, even though the Department of Justice, even though the FCC have, in fact, said that is not something that is necessary at this time.

To repeat, the case for the substitute is very simple. If you want to cast a good consumer vote, vote for the substitute, rate regulation, service regulation, and the same provisions as exist for the broadcasters. That is a very good consumer vote.

If you want to cast a reasonable vote on how we are going to treat programming, how we are going to treat private property, vote for the substitute, not for S. 12. Vote for a continuation of our respect for private property, a continuation of our fundamental understanding of copyright law, and treatment of intellectual property in this country.

Mr. President, the substitute is a basic and fundamental consumer bill reflecting the concerns I raised nearly a year and a half ago. These issues are real. They are met in the substitute. The substitute deserves your support and attention.

Mr. President, I yield the floor.

Mr. LEAHY. Mr. President, as I indicated in my comments yesterday, I am a strong supporter of S. 12. I think it moves us in the right direction by providing regulation while cable remains a monopoly, and by encouraging the development of bona fide competition. I commend the distinguished floor managers, Senators DANFORTH and INOUYE, who have shepherded this bill toward passage, as well as Senators HOLLINGS, GORE, METZENBAUM, LIEBERMAN, and others who have played an important role.

There is one section of the bill, however, which the distinguished floor manager, Senator INOUYE, mentioned in his remarks yesterday and which I would like to touch on briefly today. That is the section on retransmission consent. Although I understand that retransmission consent is not intended to have any effect on the compulsory license, it seems to me that there is, at the least, an inevitable overlap.

According to the compulsory license, cable has an automatic right to retransmit broadcast programming in exchange for the payment of a statutory fee, distributed to the copyright owners of the programming. Retransmission consent would change that. First, cable would lose its automatic retransmission right and instead be forced to negotiate for broadcast programs. Second, cable's negotiating partner would be local TV stations rather than program producers.

The view of the Copyright Office on this matter, I might say, is rather blunt. In the words of its General Counsel, last July:

> The power to withhold consent makes retransmission consent the equivalent of copyright exclusivity and creates a conflict with the cable compulsory license of * * * the Copyright Act.

Upon further reflection, it may appear that retransmission consent makes perfectly good sense. But there is no doubt in my mind that retransmission consent has an impact on the compulsory license and that further reflection is in order.

The truth is that this may be a good time to review issues surrounding the copyright compulsory license generally. Technology has come far since the compulsory license was created in 1976 and it would be useful to review where we stand now and what changes, if any, would be appropriate.

I am, therefore, pleased that Senator DECONCINI is planning to hold hearings to conduct such a review and I look forward to participating in those hearings. Senators DECONCINI and HATCH actually initiated the review process several months ago, in a letter they wrote to the Copyright Office on October 22, asking for a survey of developments affecting the cable and satellite compulsory licenses.

Once again, let me make it clear that I am not at this time taking any position against retransmission consent. I am only endorsing Senator DECONCINI's plan to air all issues relating to the compulsory license thoroughly.

Mr. THURMOND. Mr. President, I rise in support of S. 12, the Cable Television Consumer Protection Act. This bill will impose necessary restraint on rates charged by cable operators until meaningful competition exists. We must act now to protect the American consumer who is required to pay high cable rates that have resulted from the lack of competition.

In 1984, Congress deregulated the cable industry. I supported this law because I believed it would foster healthy development and growth in the cable industry. Since that time, cable has experienced tremendous growth and is currently in most American households. However, in most communities consumers have only one cable provider from which to choose. This subsequent growth, without the element of competition, has come at great expense to cable subscribers. According to a recent GAO report, basic cable rates have increased 56 percent since cable was deregulated. This is two times faster than the rate of inflation.

As a general rule, I believe that business works best when it is allowed to operate with the least amount of government intervention and regulation. However, I believe that regulation is sometimes necessary in order to balance the interests of affected parties. This legislation helps to achieve the proper balance between the need for cable to continue to grow and the interest of the consumer in having affordable rates. Further, this regulation is not necessarily permanent. Under this bill, once meaningful competition exists in a particular area, cable systems would no longer be subject to rate regulation.

Mr. President, the difficult economic times which our citizens face today makes passage of the bill, which will provide affordable cable rates, even more important. I hope we will be able to pass it in an expeditious manner.

Mr. DOLE. Mr. President, there is no question that consumers are justifiably angry at the rates and service shortcomings frequently imposed on them by cable monopolies. I have not been to a town meeting or chamber of commerce breakfast back home in Kansas in the last 2 years that I can recall where I did not hear at least one complaint about these monopolies.

So the urge to do something about it is understandable. But that something should not be a measure that will cut off the development of the programming and information that consumers really want, should not be a reregulatory scheme which will entrench and perpetuate the existing cable monopolies, and above all should not be something that in the end will leave consumers ultimately paying more for less, still captive to a regulated monopoly provider.

In my view, that is what S. 12 would do—impose a "cure" that will only compound and perpetuate the disease.

The Packwood substitute represents another approach. It provides consumers protection on basic cable service rates, but also seeks to promote the only real antidote to monopoly behavior: competition. It deregulates broadcasting; it allows local telephone companies in a greater number of our rural communities to provide competing cable service, giving those consumers a chance at choice; and it permits fed-up cities to establish their own cable systems to compete with monopoly providers, as several cities in Kansas want to do.

It also prohibits a city from excluding would-be competitors by mandating the allowance of second franchises—thus frustrating the sweetheart monopoly deals that have sometimes developed, to the detriment of subscribers.

Finally, the substitute is a bill we can get. The President has said he can't sign S. 12. He has said he will sign the Packwood substitute. While there is no guarantee of what will come out of the other body, this Senator would prefer to pass legislation that will address the problems—the real problems—as soon as possible, that we can get the President to sign into law, then spend the year posturing while consumers pay. I urge my colleagues to vote for the Packwood substitute.

Mr. CHAFEE. Mr. President, I would like to share with my colleagues some of my thoughts on the issue before the Senate: Cable television, and in a larger sense, the topic of modern communications. I find this to be a fascinating matter, and, if we play our cards right, one that portends great things ahead for both American technology and American consumers.

First let me say that I do not believe, as some have said during this debate, that the 1984 Cable Act that deregulated the cable industry—then in its infancy—was a disaster. Indeed, I think just the opposite. Yes, there are some problems now, problems that require swift action on the part of Congress. But deregulation helped give wings to an industry that, once on its feet, has provided phenomenal benefits to American consumers and American businesses. And on the way, it has revolutionized how Americans view the role of video communications in their lives.

The rate of change is staggering. Stop and think for a moment: Back in 1980, did anyone know what "cable" was? The term "cable TV" was most often met with blank expressions. It frequently was not recognized. It was not a household word. Instead, the networks were the No. 1 source of home video entertainment, and the big three were riding high.

Over the past 10 years, homeowners' access to cable has jumped from 45 percent to over 90 percent. The number of cable television subscribers has exploded from about 18 million to 54 million, a figure that translates roughly to 6 out of every 10 homes. Today, people don't just want their MTV—they want their CNN, and their ESPN, and their American Movie Classics, and their Univision, and dozens more.

I truly cannot think of one other industry that in such a short time has turned topsy-turvy our understanding of television—in short, has changed the face of video communications. With our benign acquiescence, it has changed how and where we as a Nation obtain our information and entertainment.

And as I have said, this dramatic technological revolution is just getting started. The technologies of the near future that I have glimpsed in reports and heard about in the media seem to me to come straight out of a science fiction movie. I don't think we quite comprehend what the next decade holds for us in terms of advanced communications. Fiber optics, video phones, telecommuting: I daresay someone 10 or 15 years hence will read my words and wonder at my ignorance of such terms! We really are poised at the edge of a very exciting time in communications.

And cable has contributed. The growth and expansion cable has experienced has been a good thing—a very good thing, in fact, that has opened new worlds for us. What is not as good is the fact that the cable industry has outgrown the rules of the game we set up in 1984, at a time when cable was a mere infant.

New rules for the cable game are a good idea. But here is where the debate becomes difficult, and where we need to be careful.

Cable service is a popular product, and one that Americans have adopted very happily. Yes, some changes in the rules should be made, and they can be crafted in such a way as to both protect consumers and enhance competition for the common good. But I am leery of jumping back into the oft times smothering embrace of full regulation. It may sound good to say that certain regulations will stop the abuses that are out there. But those selfsame regulations may also stop the creativity, and the investment in quality programming, and the advancement of technology that is out there as well. And they might cause the loss of jobs in an industry that, unlike many others at this time, has tens of thousands of employees nationwide and, in many areas, is still hiring.

My point is this: Americans may get angry—and rightly so—at their cable companies for rate hikes, or poor customer service, or technical problems. But our constituents just want us to fix it—not kill it.

So I say to my colleagues that we must pick and choose carefully, winding our way delicately through the maze of regulation. Let us use a scalpel, not a hammer. Let us feel our way carefully, and do it right.

When we in Congress approved the 1984 Cable Communications Act, many of us envisioned the ensuing expansion in cable offerings. We also envisioned, however, a healthy competitive market in which cable systems competed not just with broadcasters, but with each other and video programmers to bring the best service to consumers.

That has not happened. Instead, across the Nation and in my State, we find that it is rare to find more than one cable operator or video programming distributor serving a particular area. In the situation where local service consists of one provider alone, abuses can and do occur.

Let me say that in general, my home State of Rhode Island has not experienced the horror stories that have occurred in other States. Since the cable companies across my State are deemed to regulation. Regardless, however, I understand from the Rhode Island Public Utilities Commission that they generally conduct themselves well; and that today, the most common complaint is new homeowners inquiring about when they, too, can be hooked up to cable. Only one community—Foster, where the population density per mile is low—is not yet wired for cable, and that soon may be remedied as a result of negotiations now underway between the State and cable operators.

So while nobody is perfect, it is my understanding that on the whole, the Rhode Island operators are not bad actors.

Industrywide, however, serious rate abuses have occurred, as have breaches in customer service pledges. And the cable industry structure has developed in a highly concentrated manner that if altered, might better serve the public. To my view, the best thing we can do to get cable companies and operators to shapeup is to promote competition—real competition.

Both the bills before the Senate—S. 12 and the substitute thereto—propose to do just that. I will say frankly that neither bill is exactly what the doctor ordered. However, the Packwood substitute takes an approach that I believe is more appropriate, and thus preferable to S. 12.

To my view, it would be a mistake to impose an abundance of regulations all at once on the cable industry. As I said before, we need to feel our way carefully on this: Let's change the rules, but let us not go willy-nilly to the other side of the regulation pendulum.

So my recommendation is to go step by step. The new FCC definition of effective competitive was issued only last July. It not only increases the number of broadcast signals required for effective competition, but it also includes a provision about the presence of competing multichannel delivery services. By all accounts, this new definition will up the number of cable companies subject to regulation.

I am concerned that only 6 months after the FCC redefinition, we are enacting legislation before we really know what the impact of the new FCC regulation will be.

Let us proceed cautiously evaluating later the effect of what we have done. For that reason, I intend to support the Packwood-Stevens-Kerry substitute, an approach that seems to me to be more balanced. There are elements of S. 12 that make sense, and perhaps the final answer lies somewhere between the two proposals. For now, however, I will be voting in favor of the substitute. If that substitute fails, I will vote for S. 12.

We all recognize that this bill has a way to go—the House must act, and then both Houses must approve a reconciled version of a bill. I look forward to seeing just how the House approaches this issue, and what the final legislative product will be. I hope it will be a bill that not only ensures consumer protection and enhances competition, but one that also will not curb the creative innovation that has been so wonderful for the American public—the goal that we all share.

Mr. GRASSLEY. Mr. President, I would also like to share a couple of concerns that I have with the proposed substitute. This more moderate approach to the cable industry problems is appealing.

I am concerned, however, about the provision which eliminates the 12-12-12 broadcast ownership rule. Since there have been no hearings on this, we really do not know what the implications are.

Second, one of the biggest problems my constituents have had over the years, particularly those in rural areas and from small towns, is that the cable industry has shown a lack of interest in serving these areas. And although they did not want to serve them, they also did not want to help satellite interests and other third parties to deliver cable programming.

We did see, however, cooperation during the past 3 years from the cable industry in beginning to offer some programming to these third parties so that they can serve these rural areas.

Unfortunately, the cable industry has continued to discriminate. They have discriminated still in terms of some programming, but also in terms of prices. There seems to be no legitimate reason to be charging these third-party providers as much as five times as much as they charge cable companies for the same programming.

Unfortunately, the substitute fails to address this serious problem as does S. 12.

Mr. ADAMS. Mr. President, the other day I stated the reasons why I strongly support the Cable Television Consumer Protection Act. The cable TV industry has become an extremely powerful monopoly, it is out of control and many local cable companies have been rate gouging consumers and offering poor customer services.

One of the reasons I oppose the substitute amendment is because it only regulates basic rates, a small portion of the cable market. As chairman of the Appropriations Subcommittee on the District of Columbia, I am outraged by the expanded service rate increases in Washington, DC. For example, the District Cablevision maximum value package was $36.40 per month in March, 1990, $40.40 per month in February 1991, and $44.44 today. When does it stop? Gouging exists at all cable rate tiers and only S. 12 allows the FCC to regulate rate increases at all tiers.

I am also concerned about the lack of a program-access provision in the substitute amendment.

For both these reasons the substitute bill is inadequate. I again strongly urge the passage of S. 12.

I ask unanimous consent to insert in the RECORD copies of District Cablevision rates showing these increases.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Residential rates and charges effective 3/7/90:

General Viewing Package—GVP, $18.95 a Mo.; 1st Set Top Converter, 1.00 a Mo.; 1st Remote Control, $2.00 a Mo.; Senior Citizen Discount,[1] $1.25 a Mo. & 1 Free Remote Control; Remote Control/Additional Selector $4.00 a Mo. per unit.

Premium Services: HBO, $10.50 a Mo.; Showtime, $10.00 a Mo.; Disney, $7.95 a Mo.; Cinemax, $10.00 a Mo.; The Movie Channel, $10.00 a Mo.

Standard Value Package—SVP: GVP, HBO and Showtime, $32.95 a Mo.

Maximum Value Package—MVP, GVP, HBO, Showtime, Disney, and Disney Magazine, $36.40 a Mo.

Service Installation: Regular Installation Charge, $30.00; Reconnection of Service, $25.00; Additional Outlet Installation, $20.00 Each; (For 2 additional outlets, time and materials for 3 or more additional outlets) Senior Citizen Installation,[1] $5.00 (1st Set); $10.00 (2nd Set); Additional Cabletime Guides, $1.50 Each a Mo.; VCR Hookup After Initial Install, $15.00; Change of Service Fee, $15.00; Trip (Charged for Customer, $15.00; Caused Damage: Collection of Past; Due Balances: Repair Calls; Unrelated to Normal Service; Use, Wear and Tear or System; Service Interruption).

Residential rates and Charges effective 2/1/91:

Service and monthly cost: Basic Cable Service—BCS, $19.95; *Senior Citizen Discount[1] 1.50 + Remote; Expanded Basic Tier-EBT, 1.00.

Premium Services; HBO, $11.00; Showtime, $10.50; Disney, $8.45; Cinemax, $10.50; The movie channel, $10.50; Cable Guide $50; Additional cable guide(s) $1.50; General viewing package—GVP BCS & EBT, $20.95.

Standard value package—SVP ($15.00+GVP), $36.95; HBO & Showtime (save $6.50); Maximum value package; MVP ($19.45+GVP) $40.40; HBO & Showtime & Disney & Disney Magazine (save $10.50).

Equipment fees: Initial converter, $1.00; initial remote control, $2.00; remote control/additional converter, $4.00;

Service fees on time charges, standard installation (up to 3 sets), $60.00; reconnection of service, $60.00; VCR hook-up after the initial installation, $25.00; change of service fee, $25.00; standard value package (SVP); late fee $5.00 returned check charge $25.00; trip charge $25.00, (charge for customer caused damage, charge for collection of past due balances, repair charges unrelated to normal service, use, wear and tear, or system interruption).

Mr. SEYMOUR. Mr. President, as we near the end of consideration of S. 12, the Cable Television Consumer Protection Act, I rise today to put into perspective a year's work of debate, discussion, and deliberation on what is certainly a very contentious and complex piece of legislation.

In 1980, California's television marketplace virtually consisted of that which was provided over-the-air: The three networks, public televsion, and many independent stations. Cable TV was mainly designed to bring over-the-air to regions with poor reception.

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[1] Senior citizen discounts apply to citizens 60 years of age or older.

There was maybe one or two cable movie channels, but they were not tailored to the everyday consumer. Cable was heavily regulated and was faced with tough and expensive franchise standards.

But 1980 was the year California's cable deregulation law took effect. In 1982, the California Public Broadcasting Commission, in what was certainly a sign of things to come across the Nation, found that deregulation aided the availability of growth and investment in the cable industry. By 1984, 90 percent of California's subscribers were served by systems of 20 or more channels, compared with a national average of 78 percent.

In short, deregulation allowed California's cable operators to improve their systems and provide additional programming. It was a model that inspired a nation to follow suit in 1984.

With national deregulation, investment in technology upgrades, and channel expansion skyrocketed. In response, the producers of programming filled the void of new, empty channels with entertaining and innovative shows. And for every new technological achievement, programming source, or cable service that is launched in California, scores of new jobs came with it.

Cable TV has enjoyed big success in California and across the Nation. Some have argued that this success has brought the worst kinds of excess: Excessively high rates, excessively poor customer service, and excessively unfair treatment of local broadcasters.

A fair reading of the Cobb salad of statistics on cable rates demonstrates that, overall, cable TV is a sound entertainment value. Of course, we can't ignore a GAO report, which found that cable rates have risen faster than the inflation rate since dergulation took effect in 1986. However, keep in mind that prior to 1986, cable rates were kept artificially low and lagged behind the inflation rate. Deregulation allowed for normal market adjustment and growth that was stalled by burdensome regulation.

Interestingly, if we compare cable rate increases with other comparable forms of entertainment in certain regions of California, we find that cable is a good entertainment value. For example, in San Francisco, the monthly basic cable rate per channel increased by 7.5 percent from 1986 to 1991. Compare that to the price of a ticket to the movies, which rose by more than 27 percent during the same period; or a ticket to a San Francisco Giants game, which increased by more than 42.6 percent; or a ticket to a San Francisco 49'ers game, which rose by more than 105 percent.

In San Diego, the monthly basic cable rate increased by more than 27 percent from 1986 to 1991. But the following alternatives had higher price increases: a movie threater ticket (29.7 percent), a San Diego Padres ticket in the bleachers (42.9 percent), and adult admission to Sea World (64.5 percent).

Now I'm not saying that the cable industry has a halo over its head. Given the tremendous growth and consolidation seen in this industry, there are probably a good number of operators who have engaged in arbitrary rate regulation.

My point, Mr. President, is that I am concerned that in response to excessive behavior within some elements of the industry, Congress is going to engage in some excessive regulatory behavior of its own. And if that occurs, all will lose: The industry will lose in terms of a future investment and job growth in the video communications and production industry; small cable companies will find it harder to operate under excessive regulations, which will force future consolidation by bigger operators who have the capital to enable them to roll with the regulatory punches; and consumers will lose from a stagnant communications industry.

That's not to say reform in this industry is unnecessary. I believe it is. What Congress must enact is responsible reform. The real questions we must ask are: How best can Congress reregulate the cable industry without putting an end to the investment in capital and technology that the cable industry is committed to? How best can Congress encourage competition in the multichannel video marketplace as a more healthy alternative to rate regulation? How best can Congress prevent arbitrary price discrimination in the sale of programming to cable or its other competitors? How best can Congress protect local broadcast affiliates and other independent stations who combined still provide the most widely viewed programming in the television industry?

These are the fundamental questions that we must answer if we are to respond effectively to the problem at hand—which all of us agree is rates and service—without undermining the future benefits of growth in the industry.

We in the Senate are faced with two options: S. 12 or an alternative offered by my colleagues from Oregon and Alaska. Some believe S. 12 is the only option, labeling the alternative a sham—a baseless attempt to prevent any cable reform bill from passing this year.

What truly is a sham is the attempt by some who would rather misrepresent a piece of legislation rather than debate it on its merits. That's what's occurred here this past week.

How can the alternative be a sham when it adopts the exact same must-carry and retransmission consent rules found in S. 12—even though there are proponents and opponents of S. 12 who agree that the jury still is out on retransmission consent.

How can the alternative be a sham when it calls for the same level of customer service standards as S. 12?

How can the alternative be a sham when, like S. 12, it calls for the FCC to set regulations for the installation and regulation of cable equipment?

How can the alternative be a sham when the FCC is set to require rules on the disposition of equipment, also the same as S. 12?

How can the alternative be a sham when S. 12's sponsors took two provisions from the alternative that are designed to encourage competition and included them as part of S. 12? I must admit it's nice to know that what was once deemed nothing can 1 minutes later be something.

How can the alternative be a sham when it doesn't force consumers to buy tiers above the basic service just to get some of the programming offered in that tier?

How can the alternative be a sham when it offers a definition of effective competition that will allow most franchise authorities in California to regulate basic cable rates?

How can the alternative be a sham when it provides the franchise authorities more power and more flexibility in the renewal process?

Now, Mr. President, I know this issue at times can be very complicated. Indeed, several of my concerns with S. 12 are based on technical legal questions. Yet, this alternative is not the victim of complexity, but of intentional distortions and misrepresentations. Equally, those who support the alternative for sound policy reasons are accused of ulterior motives. Indeed, there are so many spins being placed on S. 12 and the alternative that one can't help but feel dizzy.

It's time to cut through the spin and get to the heart of the matter.

There are essentially two major differences between S. 12 and the alternative. The first is the degree of regulatory control S. 12 regulates a basic tier and the next tier level of entertainment channels. The alternative only regulates the basic tier, but encourages a cable operator from forcing a subscriber to buy up to a new tier to get the channels he or she wants.

In other words, Mr. President, S. 12's rate regulations are an excessive response to excessive cable rates. By contrast, the alternative ensures a regulated basic tier, and promotes a la carte selection of additional channels, where the popularity of the channels offered will dictate the price subscribers will pay.

Second, S. 12 contains provisions designed to ensure access to cable programming by its competitors, while the alternative does not include those provisions. I certainly understand the arguments advanced by cable's competitors that programming is the key to effective competition. However, I must admit that the scope of S. 12's program access turns the legal basis of exclusive program arrangements on its head.

Exclusivity and competitive advantage—not effective competition—are at the heart of virtually every entertainment medium. After all, the networks make exclusive deals with broadcasters to ensure that there is only one affiliate market. CBS, for example, has an exclusive arrangement to broadcast the NCAA Final Four. That's called a competitive advantage. I doubt that CBS would ever dream of making this major sports event available to other networks.

Similarly, the Syndex rules—which protect a local broadcaster's rights to air programming in its market—is rooted in the concept of exclusivity.

More important, the right of an owner of intellectual property to make exclusive arrangements is designed to promote program diversity that enhances, not impedes, competition. Certainly, we have heard much here that this Federal policy has had the opposite results in cable television, especially when it involves a vertically integrated cable operator. If that's the case, what is needed is not program access provisions, but challenges under the Federal antitrust laws.

The alternative opts for the current Federal policy of exclusivity, but calls on the FCC to examine the impact of vertical consolidation on competition in the video marketplace. This is preferable to the sweeping provisions in S. 12, which dramatically alters an individual's rights to make exclusive arrangements with an operator.

Given the current major differences, as well as other procompetition provisions that S. 12 adopted at the 11th hour, I concluded that the alternative offered by my good friends from Oregon and Alaska is preferable to S. 12. It responds to the ill effects of deregulation, and in a manner that stresses competition and responsible, less onerous regulation. Furthermore, the substitute responds to the concerns of local broadcasters by including must-carry.

Of course, it appears that a majority of my colleagues will find that the alternative is not the route to pursue.

However, I have not given up hope that a responsible cable reform bill can be achieved. Indeed, let me make this clear: My support of the alternative does not mean I'm against cable reform. A close and fair reading will show that this alternative represented an honest and reasonable attempt to outline areas where S. 12 can be improved and I am hopeful that the House of Representatives will closely consider the merits of the alternative as well as other concerns during their deliberations.

The sponsors of S. 12 state that theirs is not a perfect bill. I agree. The sponsors of the alternative argued that their bill has its share of problems. I agree also, but I supported passage of the alternative because it—more than S. 12—emphasized competition, rather than regulation, as a means to keep rates down and improve service.

I do not want to stand in the way of a good-faith attempt to achieve a reasonable bill, and there are elements to S. 12 that provide an adequate starting point to achieve this goal—local control of rate regulation, strong customer service standards, and must-carry of local broadcasters, just to name a few.

A responsible cable reform bill is needed. It is attainable if good faith discussions are made. With that in mind, I have decided to cast my vote in favor of S. 12, though I do so with great reservation.

Once again, this is not a perfect bill. I believe it can be improved with less onerous rate regulation and more incentives for other multichannel systems to compete.

Furthermore, as I stated earlier before this body, certain questions pertaining to retransmission consent and its impact on consumers and the producers of programming deserve attention and discussion. And I am pleased that following my remarks, the distinguished chairman of the Copyrights Subcommittee stated that he intends to work with the Copyright Office and hold hearings to determine what impact retransmission consent has on the compulsory license.

I am pleased that several Senators—proponents and opponents of S. 12—reiterated my view that the jury is still out on retransmission consent. Unfortunately, some groups with a stake in this bill misrepresented my remarks to mean that I'm opposed to retransmission consent. That is not remotely close. Let me repeat that the point of my remarks yesterday were to underscore my current concerns with a provision that requires much more investigation before I can make a firm commitment in support or opposition.

So, Mr. President, though we complete action today, our work on this legislation is not done. And it won't be until we work together to find a common ground on this issue. Cable reform has taken all of the 101st Congress and more than half of the 102d Congress. The American people deserve cable reform, but one that protects consumers from excessive rates and poor service, preserves the rights of local broadcasters to be carried by cable operators, and the ability of cable operators to continue their innovative leadership in paving the way for an ever-expanding video communications infrastructure.

Mr. SPECTER. Mr. President, I have considered the issue of cable regulation at great length over the past several years and have met extensively with representatives of consumer groups, broadcast and cable groups. After much consideration of this matter, I believe that some compromise regulation is in order.

I understand the interest in the cable industry in not wanting to be regulated at all, but I believe that consumer protection is required for the basic tier of programming.

On the current state of the record, I believe this is the best course because there is considerable competition from over-the-air free television and from home videos and for that matter, even from movie theaters. I do not, however, foreclose further regulation. If it becomes necessary to regulate further, we certainly can do that at a later time.

I am very much concerned about the health of over-the-air broadcasting networks. The Packwood substitute does give them consideration in that they will have the right to negotiate with the cable operators to carry them on cable systems, and failing that, the broadcaster can require that they be carried under the must carry provision. There is some merit to the argument that the arrangements between over-the-air broadcasters and cable should be totally determined by the market so that the cable system should be carry or not as subject to negotiation and an agreement being worked out with the television station. Notwithstanding that consideration, I support the must carry provision in order to give the consumer access to the local television stations on his cable. The provision of the legislation further gives the television station the opportunity to negotiate for some compensation to protect its property interest if the market factors will support that.

I am very much influenced by the general proposition that the less regulation the better, the more market control, the better. I am concerned in particular about S. 12 putting extensive power in the hands of city councils because giving regulatory power to city councils ought to be the very last step. If at some point it becomes necessary to give city councils such regulatory authority, I would be willing to consider that.

I further believe that there is merit to the argument that S. 12 would restrict innovative proposals by the telecommunication industry. I am further concerned by many reports from constituents in Pennsylvania who advise that jobs will be lost because of the restrictions on competition imposed by the extensive regulatory process under S. 12.

All factors considered, I believe that the moderate approach is preferable to provide some regulation as envisaged in the Packwood substitute. If that proves insufficient, we can revisit the issue at a later date and provide whatever additional regulation is warranted.

The PRESIDING OFFICER. All time has expired.

Mr. INOUYE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment, No. 1522, offered by the Senator from Oregon [Mr. PACKWOOD]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MACK (when his name was called). Present.

Mr. SYMMS (after having voted in the affirmative). Mr. President, on this vote I have a pair with the Senator from Missouri [Mr BOND]. If he were present and voting, he would vote "nay." I have voted "yea." Therefore, I withdraw my vote.

Mr. BREAUX (after having voted in the affirmative). Mr. President, I have a pair with the Senator from Michigan [Mr. RIEGLE]. If he were present and voting, he would vote "nay." I have voted "yea." I withdraw my vote.

Mr FORD. I announce that the Senator from Oklahoma [Mr. BOREN], the Senator from New Jersey [Mr. BRADLEY], the Senator from California [Mr. CRANSTON], the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr. KERREY], and the Senator from Pennsylvania [Mr. WOFFORD] are necessarily absent.

I also announce that the Senator from Michigan [Mr. RIEGLE] is absent because of family illness.

On this vote, the Senator from Michigan [Mr. RIEGLE] is paired with the Senator from Louisiana [Mr. BREAUX].

If present and voting, the Senator from Michigan would vote "no" and the Senator from Louisiana would vote "aye."

I further announce that, if present and voting, the Senator from California [Mr. CRANSTON] would vote "aye."

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND] is necessarily absent.

The PRESIDING OFFICER (Mr. ROBB). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 35, nays 54, as follows:

[Rollcall Vote No. 13 Leg.]

YEAS—35

Brown
Bryan
Burns
Chafee
Cochran
Craig
D'Amato
Dole
Fowler
Garn
Gramm
Hatch
Hatfield
Helms
Jeffords
Johnston
Kassebaum
Kasten
Kerry
Lott
Lugar
Murkowski
Nickles
Packwood
Reid
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Wallop
Warner
Wirth

NAYS—54

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bumpers
Burdick
Byrd
Coats
Cohen
Conrad
Danforth
Daschle
DeConcini
Dixon
Dodd
Domenici
Durenberger
Exon
Ford
Glenn
Gore
Gorton
Graham
Grassley
Heflin
Hollings
Inouye
Kennedy
Kohl
Lautenberg
Leahy
Levin
Lieberman
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Pressler
Pryor
Robb
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Simon
Thurmond
Wellstone

ANSWERED "PRESENT"—1

Mack

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—2

Symms, for
Breaux, for

NOT VOTING—8

Bond
Boren
Bradley
Cranston
Harkin
Kerrey
Riegle
Wofford

So the amendment (No. 1522) was rejected.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Without objection, the committee amendment, as amended, is agreed to.

Mr. DURENBERGER. Mr. President, I rise to express my support for S. 12 and to urge my colleagues to support this legislation.

Like many of my colleagues, this has not been an easy decision for me to make. I have never been a proponent of widespread regulation. In fact, I voted for the repeal of cable regulation in 1984.

In analyzing the nature of the cable television market, I have tried to determine if there is not a viable solution to the problems in the industry that could be addressed through market forces. My determination is that there are sufficient impediments to an effective marketplace to warrant the adoption of S. 12.

The truth is that cable operators benefited from the boost which came with deregulation back in 1986. This is just as the Congress intended. Accessibility to cable improved, programming increased 50 percent, and market share increased.

But, Mr. President, rates increased well beyond the rates of inflation, the providers of cable service consolidated their operations through leveraged buyouts and accessibility to programming for competitors was greatly reduced. The long-term effects of deregulation appear to have stifled the market, rather than make it more dynamic.

In a free market, cable rates do not increase more than 275 percent in 5 years, as they did in St. Paul, MN. In an open market, entry of competitors should not be blocked by regulation and vertical integration as it was for a broadcaster in the Twin Cities. In a vibrant market, businesses do not ignore consumer preferences with impunity.

In the city of Algona, in northern Iowa, this is exactly what happened. Without announcement or public comment, the local cable system dropped three Minnesota broadcast stations, in spite of the preferences of their subscribers and local government. It is particularly ironic that this situation was called to my attention by the mayor and the council of that city, who are the franchising authority for the cable system. This is not a free market.

Because of these circumstances, Mr. President, I believe that business as usual will not achieve the goals of fair rates for consumers and a strong and competitive market for cable operators and programmers. Without S. 12, rates will continue to go up while service declines; the power of the largest cable operators will continue to increase, and the barriers to entry of competitors will only grow higher and stronger.

When cable was in its infancy, it was granted the authority to retransmit local broadcasts without permission or compensation from the broadcasters. That was as it should have been when cable essentially provided an antenna service for those who were not able to receive broadcast signals by conventional means. The situation has changed, however.

After regulation ended, cable operators became active players in all aspects of broadcasting, and are now direct competitors with broadcasters. They compete for advertising revenues, present alternative programming, and are a potent force in negotiating for sports broadcasts.

Under the current system, a cable operator is allowed to carry programming that was purchased and produced at the expense of an over-the-air broadcaster and which contributes to the value of the cable service. While there is a stream of revenue for the cable operator, there is equivalent benefit for the broadcaster.

But, Mr. President, when cable owns broadcast rights, this programming is available only to cable subscribers, with all of the benefit going to the cable operator. This results in situations such as when the Minnesota North Stars competed for the Stanley Cup last year and pay per view was the only television coverage available in the Twin Cities. It is not a two-way street in the television industry.

The retransmission consent portion of S. 12 will, in my judgment, ensure that FCC licensed broadcasters, will not be hampered by the obligation to provide programming for their competitors in the advertising market. Under the 1934 Communications Act, broadcasters are not allowed to pick up other signals without consent. Retransmission consent would guarantee that cable operators should abide by the same rules.

Similarly, the must-carry regulation will benefit both local broadcasters and the communities which they serve by assuring that local signals are available through the local cable system. The combination of these two provisions will guarantee that broadcasters can effectively fulfill the purpose for which they were granted a license. Neither one of these provisions would necessarily require cable subscribers to pay for local broadcast television. It does assure, however, that broadcasters have a measure of control and certainty in how their programming is used.

Although my inclination is to look at regulation with a skeptical eye, the provisions of S. 12 represent a restrained approach. First, it prevents a patchwork of wild regulation by directing the FCC to establish a uniform standard under which local authorities can request to have regulatory authority. Second, regulation is only applicable to limited tiers of service and does not cover premium channels or relationships with programmers. Third, cable operators are afforded rights of appeal to the FCC. Finally, regulation is automatically lifted when effective competition is reached.

Because of my inclinations against regulation, throughout the consideration of this bill I have been hopeful that a middle ground could be found for all interested parties. I reserved judgment on S. 12 until I had an opportunity to see what alternatives may become available to enhance competition in the marketplace.

To my dismay, the substitute proposal watered down the effectiveness of the regulation and hindered the potential for vigorous competition. It left consumers in the cold and reinforced the roadblocks for potential competition by striking the access to programming provisions for emerging technologies.

After long deliberation, Mr. President, I have determined that S. 12 is the best way to ensure entry of new competitors into the television marketplace, to enhance development of emerging technologies, and to assure that cable rate increases are linked to a discernible improvement in service, programming, and technology.

• Mr. BOND. Mr. President, I support the cable reregulation legislation, S. 12, offered by my senior colleague from Missouri, Senator DANFORTH. I believe we should have this legislation to protect cable television consumers from the excessive price increases and poor service experienced by some consumers. Where monopolies exist in the provision of public services, the Government must regulate to protect consumers. Reregulation of basic cable rates, however, seems to me to be the less desirable solution to the problem except as a temporary bridge until competitive forces can be brought into play.

I urge that we explore curing the problems of high cable rates and poor quality of service in the future by encouraging more competition in the industry, including the eventual entry of telephone service providers into the competition.

I hope, Mr. President, that we will have an opportunity this year to debate the merits of expanding competition in this industry as a means of restoring reasonable rates, providing high-quality service, and delivering a diversity of programming and services—including both educational and medical—that ought to be available to all our citizens at the earliest possible date.•

Mr. KOHL. Mr. President, despite the enormous benefits cable television has brought to society, it has been the enormous increase in the rates consumers pay for those benefits that has been driving this debate. Those rate increases are neither necessary nor justified; they are a function of the fact that cable has become an unregulated monopoly. I plan to vote in favor of this legislation because I believe regulation can give cable customers the relief they deserve while giving the cable industry the profits they need to continue to thrive.

Many of my constituents have experienced the frustration of a consistent rise in the price they must pay for cable. They are frustrated because they have nowhere to turn. Some would say that they can simply choose to no longer receive cable. But cable television has moved beyond the realm of being just a luxury item. Many people, especially in rural areas, consider it a crucial information link to the world, and the thought that someone can simply continue to raise the price they charge for this service strikes them—and me—as improper.

This legislation has been reasonably crafted, and all those affected have had ample opportunity to let their views be known. I have studied it carefully, and I realize it will not make everyone happy. While it is a complex measure, I believe it will simply benefit American consumers: This bill will encourage the creation of competition for the local cable company; and, more importantly, where competition remains absent, it will protect cable consumers from unwarranted rate increases.

Mr. President, Congress helped the cable industry get off the ground. Cable has greatly enhanced the availability of information and viewing options for Americans. Services like C-SPAN have made a tremendous contribution to the ability of Americans to be informed and take part in government. Cable has been good for America, but skyrocketing cable rates can no longer be allowed to go unchecked. The sad fact is that congressional action is once again necessary.

I do, however, have some concerns about the legislation. There has been a lot of publicity—and a lot of confusion—regarding the retransmission consent provisions in this bill. I do think there is good reason to give broadcast stations some control over the reuse of their signal. However, I am troubled that the cost of this provision may be passed through to the consumer in the form of higher rates, thus minimizing the rate relief that is one of the most appealing aspects of the bill. This does not have to happen and I hope it will not happen. Moreover, I am not sure that retransmission consent can comfortably coexist with the compulsory license: At the very least, I think this bill would have benefited from having the Judiciary Committee consider this question beforehand.

Finally, I am not entirely comfortable with the provisions governing the access to programming. But I do think they will have a positive impact in two ways: New sources of programming will develop and thrive free of undue influence from cable conglomerates; and new alternative technologies delivering multichannel video services will become widely available. This would help create an even more dynamic communications environment.

Mr. President, despite these reservations, I will vote in favor of this cable bill. I believe the people have been heard, and I believe the people will benefit. I think we can all look forward to the new age of communications policy this bill will help initiate.

Mr. GRASSLEY. Mr. President, no one in this body could be fairly criticized for admitting to serious concerns, reservations, and apprehensions about the passage of S. 12, which imposes serious regulations upon our Nation's cable companies and programmers. That holds true particularly for those 60 or so of us who were serving in the Senate back in 1983 when we approved the Cable Telecommunications Act of 1983 by a vote of 87 to 9.

We passed that legislation with the hopes of fostering the development of cable television so that it could be made available and enjoyed by most Americans. I have heard no one deny that this legislation, what became the 1984 Cable Communications Policy Act, has had a large part in the success and popularity of cable television. Almost 90 percent of American homes have access to cable television if it is wanted, and indeed 60 percent of these do subscribe to cable programming. Programming options have grown by 50 percent.

But cable subscriber rates have gone up as well, and in some areas, they have gone up dramatically. Service has declined in some areas as well.

So while over 50 million Americans enjoy cable and all the various news and entertainment this service entails, many are upset with the rising rates and inadequate service.

Indeed, thousands of my constituents are upset as well. In fact, during the last 4 days alone, I have received over 5,000 letters expressing support for S. 12 because they are mad about rate increases.

This is a tremendous response to a television broadcast appeal which includes an 800 number to call if you are upset about rates going up.

I take very seriously communications from my constituents. And I realize that such a letter writing campaign could not have succeeded had anger from cable subscribers not been building over a long period of time.

There is no question that much of the support for S. 12 can be traced directly to a number of stunts pulled by cable interests, such as the negative option billing attempted last year.

So I have received 5,000 letters in 4 days. On the other hand, I have not heard from the remaining 500,000 Iowa cable subscribers, and although I do not realistically expect to hear from them, I have to wonder how they feel about their cable television.

Do these 500,000 Iowans feel like they are being helplessly ripped off? On the other hand, do they feel they are getting a reasonable service or product for their money, and if they thought otherwise, they would drop their cable subscription?

This reminds me of the definition of "fair market value" used by the IRS. In short, its definition of fair market value is the price at which property would be exchanged between a willing buyer and a willing seller when neither party is compelled to buy or to sell.

Some might argue, therefore, that since no one is compelled to buy cable, then a fair rate is whatever a consumer is willing to pay.

Maybe my age is starting to show, but I grew up in rural America, and I know it was not too long ago that people did not have electricity, telephones, let alone cable television.

Apparently, we have somehow come to the point where cable television is viewed as a basic necessity and of such national interest that we need to toughen regulation because it is delivered through local franchised systems.

Monopoly market power is a serious matter in any arena of our economy, and so we are engaged in much discussion about terms such as monopoly and competition.

What do these terms really mean for purposes of our debate of S. 12?

The more narrowly we define the market and product, the easier it is for us to declare that monopoly market power exists for lack of competition.

For instance, the committee report offers as evidence the monopoly status of cable systems by citing the admission of cable officials that since a cable company has a city franchise, a customer has no choice regarding the provider of cable service.

So you have a local monopoly because you have only one provider of cable service, just as you have a local monopoly because you have only one provider of electricity.

But what is cable service? Is it not simply entertainment, information, and news?

It is extremely difficult to obtain electricity from sources other than your local electric company, but in most cases, it is quite easy to find sources other than your local cable service for entertainment, information, and news.

Most of us have available newspapers, radio, television broadcasts, magazines, theater, movie houses, videotapes, records, telephones, computer user bulletins, et cetera for our sources of entertainment, information, and news.

Cable service is only one source out of many, and no one is compelled—the term used for fair market value—to buy it.

So if you recognize the real world market arena for entertainment, information, and news, you have to admit there exists real competition, vigorous competition for our limited consumer dollars.

I see no reason to belabor this point, because most choose a far narrower view of competition. First, the FCC declares competition exists if cable subscribers can access three over-the-air broadcast signals. Then that standard was tightened last year to require at least six unduplicated over-the-air broadcast signals or a competing multichannel video provider.

But for the proponents of S. 12, this standard is still too loose, and therefore they want an even tighter definition of competition.

The committee admits on one hand that "the telecommunications marketplace is global," yet on the other hand declares no competition exists unless another multichannel provider is serving the same local franchised area as the cable system.

So which is it, a global monopoly or local monopoly?

I am being only half facetious when I point out to my colleagues that competition is alive and well in the entertainment, information, and news industry. If it is not self-evident in the marketplace, it certainly is obvious in the Halls of Congress.

You cannot even whisper about a communications issue without everyone coming out of the woodwork to get their oar in the water. Broadcasters want retransmission provisions which cause the motion picture industry to raise its concerns. Telephone companies want to provide cable, which obviously the cable industry is not keen on, and telephone companies want to provide information services which causes heartburn for the newspaper industry.

The competition for the attention of Congress is nothing less than fierce.

And frankly, S. 12 does raise additional unanswered questions. I am a member of the Judiciary Subcommittee on Patents, Copyrights, and Trademarks, and I assure my colleagues that the retransmission section of this bill raises questions about the impact on the Copyright Act's compulsory license provision. And as our subcommittee chairman, Senator DECONCINI, stated earlier, the Copyright Office is conducting a study of this impact, and we will likely be conducting hearings to explore this question once the study is completed.

I have received a lot of enthusiastic support from Iowa's telephone company officials for legislation that would allow them to compete with cable companies, and so this, too, is an area that Congress should address this year.

Mr. President, I echo the sentiment expressed by many of my colleagues that competition is far preferable than government regulation. But I also realize that there are times when regulation is needed temporarily to correct problems or to foster competition.

I am deeply concerned about the fact that rural telecommunication cooperatives are being charged nearly 5 times the price charged to a cable operator for the same programming. If it were not for the efforts by some of our rural cooperatives, many rural Americans would never have been served. The cable industry ignored rural areas for years.

I am deeply concerned about the reasonable availability of programming to third-party providers.

I am deeply concerned about those Americans who cannot afford, nor perhaps have available, the various alternatives and choices for news, information, and entertainment I described earlier.

And, in fact, I think rates in many areas of the country have gone too high. It may be wishful thinking, but I guess I just wish consumers would have exercised their market power, instead of Congress. After all, the local cable company that has invested millions of dollars in plant, equipment, and cable within a local franchise, is to a large degree a captive supplier.

One of my constituents called asking for support of S. 12. She was a working woman and member of a local union. She said that she was so mad at rate increases that many of them were thinking of organizing a boycott of several months of the cable system.

That, Mr. President, was an excellent idea, and I believe had they done so, the cable company would have been quick to meet the demands of their customers.

Mr. President, another big reason I have reservations about S. 12 is that most of my experience with the many cable company representatives in my State of Iowa has been very positive.

When I think of cable company officials, I think of the small family operation that set up years ago in a small Iowa town, small businesses which brought clear reception and new programs for the first time to remote areas of our State.

When I think of cable companies, I don't picture in my mind the bully, multimillionaires that have been portrayed in major newspapers recently.

I have to wonder if this legislation is not overly broad to unfairly strap these conscientious, community-minded business people.

And again, I have to wonder what those other 500,000 Iowa cable subscribers think about the prospects that program quality and advances could be stifled if S. 12 becomes law. Frankly, what we ought to be doing here is leaving this question up to cable subscribers, if not through the marketplace, then by making the implementation of S. 12 contingent upon the approval of a nationwide subscriber referendum.

Mr. President, although I believe S. 12 may go too far, I am reluctantly voting in favor of it. During the last year, the incidents of abuses have grown, and need to be addressed.

If enacted, however, it is incumbent upon Congress to diligently oversee its impact and be quick to make necessary adjustments so that all the gains that have been made in fostering this growing source of news, information, and entertainment are not lost.

Mr. WALLOP. Mr. President, I rise in opposition to S. 12, the cable reregulation bill reported by the Senate Commerce Committee on May 14 of last year. My reason for doing so is simple: the bill is bad public policy and would harm, rather than help, consumers and the television viewing public, particularly those in rural States like Wyoming.

I applaud the efforts of those who have labored long and hard to address what they perceive to be problems in the cable television industry. However, what started in 1989 as an effort to address anecdotal evidence of bad service and excessive rates in certain areas has become a burdensome and overly broad regulatory bill. S. 12 punishes many for the misdeeds of the few and lays to waste an industry which has revolutionized American television and helped offset our enormous trade deficit.

But there are other more obvious and equally important reasons for opposing S. 12. In the name of competition we are promoting special interests over consumer interests.

The alternative presented by Senators PACKWOOD, STEVENS, KERRY, and others is a reasonable compromise. This is not a dilatory attempt to derail cable legislation. Granted, the alternative goes further than I had hoped, but I do support it.

Absent competition—that is the presence of a multichannel video provider—the alternative regulates rates of basic service and establishes customer service, home wiring, technical standards and fair but meaningful refranchising procedures.

My hat goes off to Senators PACKWOOD and STEVENS and the other cosponsors for having the foresight and the tenacity to bring their substitute to the floor.

Obviously, some of us would have preferred to see cable reregulation legislation go away. But we knew that would not happen; it is not in the cards. Public sentiment demanded that we respond to certain problems in the cable industry brought on by the lack of competition in the video marketplace. Too many complaints about poor service, excessive rate increases and yes, admittedly, a few bad actors in the cable industry, convinced us that it was not realistic to believe we could stem the tide of reregulation.

But in simply regulating the rates of basic cable service—defined as local television broadcast signals; public, educational, or governmental access facilities or C-SPAN I and II—it is my judgment that the alternative will do less to hinder the tremendous strides we have made in the world of infotainment than its stringent counterpart, S. 12.

For example, under the alternative, cities may regulate basic rates in 98 percent of the country's cable systems, as well as rental fees, remote control and installation costs.

The alternative does not override existing franchise agreements or contracts to allow open-ended retiering, the source of numerous consumer complaints.

In Monday's Wall Street Journal, Tele-Communications, Inc. was criticized for their ability to buy a large number of cable systems around the country. The company's critics say TCI's vertical integration is one of the best arguments for greater regulation of the industry. Mr. President, some might call TCI's growth a poignant example of free enterprise. In the entertainment industry it might be perceived as competition. But some of us here in this body believe that the free market system's shortcomings are more easily addressed by Government fiat.

To those naysayers I offer this caution: the far-reaching regulatory provisions of S. 12 will only serve to protect well-established companies like TCI and new entrants will be kept out of the market due to masses of bureaucratic redtape.

Mr. President, the television market is extremely fluid; it has changed dramatically in recent years. Two decades ago, television in most communities meant ABC, NBC, and CBS and perhaps a public broadcast station.

Today, TV is marked by vibrant competition between the broadcast and cable industries. Independent television stations have come into their own and other multichannel video providers are expected to follow suit over the next few years.

In addition, the FCC and the courts are moving quickly to allow telephone companies into information services, including video gateways, and one can only imagine what television in this country will look like in the year 2000.

Albeit slowly, competition is coming to the cable industry and I am quite certain that the Packwood, Stevens, Kerry alternative, which raises the rural exemption for telco entry, will further that goal. Under the alternative, telephone cooperatives and companies such as U.S. West will be allowed to provide cable service to cities with fewer than 10,000 people. With the advent of wireless cable and the increase in satellite systems in Wyoming, I expect competition will bring more stable prices and added programming choices to my State.

In the name of competition, the proponents of S. 12 would make it easier for franchising authorities to unfairly deny franchise renewal, thus reducing a cable operator's incentive to make long-term investments in new plants and technology. Rural areas like Wyoming would suffer the most as a result of this provision. Cities could also deny a company permission to build a competing cable system. The alternative, on the other hand, prohibits exclusive cable franchises, while promoting competitive franchises, including those owned by cities, in order to bring a competing multichannel video programming distribution system to municipalities.

The FCC would be required to submit a report on the level of competition in the cable industry and make recommendations on steps that could be taken to enhance competition in the video marketplace.

Mr. President, I believe cable is a good value. For a little more than 50 cents a day, cable provides an average of 35 channels, 24 hours a day. It costs much more to take a family of four to the movies or the theater than it does to buy 1 month of cable service.

But the proponents of S. 12 who want to inject competition in order to bring down the costs believe that the Government's role in competition is intrusion based solely on conjecture rather than on consumer evidence of demand for a particular product. This approach is wrong-headed and I urge my colleagues to join me in supporting the more reasonable approach put forth by

Senators PACKWOOD, STEVENS, KERRY, et al.

Mr. GORE. Mr. President, several of our colleagues have made reference to a recent Wall Street Journal article involving the dealings of TCI, cable's most dominant corporation and the target of so much criticism during the debate on S. 12.

Yesterday I received a letter from John S. Hendricks, chairman of Discovery Communications, who has taken strong exception to the reporting in this article. He enclosed a letter he has sent to the editor of the Wall Street Journal, giving his side of an account the reporter made of TCI's activities with the Learning Channel.

Mr. Hendricks has asked that his rebuttal be printed in the RECORD and, since the article was also printed in the RECORD, in all fairness I ask that his letter also be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DISCOVERY COMMUNICATIONS, INC.,
January 29, 1992.

Mr. NORMAN PEARLSTINE,
Executive Editor, Wall Street Journal, World Financial Center, New York, NY.

DEAR MR. PEARLSTINE: I was appalled at the reckless accusations concerning my company's purchase of The Learning Channel contained in Johnnie L. Roberts' article on Tele-Communications, Inc., in your January 27, 1992 edition. The false accusations contained in Mr. Roberts' article are all the more troubling in light of the fact that he made no attempt to call me to verify the facts relating to the TLC acquisition, even after I had spoken with him at the cable industry's Walter Kaitz dinner on the evening of September 25, 1991 and told him that I would be willing to speak with him about his article profiling TCI.

The facts relating to The Learning Channel acquisition are very straight forward. When we became aware that The Learning Channel might be for sale, I believed that it would provide us with a natural extension of our position as a leading provider of quality, non-fiction programming. Prior to conducting our due diligence, our initial estimate of the price we might have been prepared to pay for such a business was based on standard cable industry evaluation of such companies. For your information and Mr. Roberts' edification, the factors we considered were the number of full-time, fee-paying subscribers which the channel allegedly had as well as our assessment of the programming on the channel. Both of these factors are critical in determining the future financial viability of any channel.

Learning Channel marketing materials indicated that the service had approximately 20,000,000 full-time, fee-paying subscribers. Had this figure been accurate the price we would have been willing to pay would have been in excess of $50 million, a fact which we conveyed to the sellers' representatives in April 1990 prior to conducting our due diligence.

Having expressed a formal interest in acquiring The Learning Channel, we then commenced our due diligence. Immediately, we learned that far from 20,000,000 subscribers, the channel in fact had only approximately 14,000,000 subscribers. Many of these subscribers were not paying fees and a significant number were carrying the service on a partial carriage basis. We also determined that, as the result of the limited funds available to the original owners, the programming being carried on the channel, which included a significant amount of time devoted to infomercials, was of such poor quality that it was of virtually no use to us. Nevertheless, I believed that there was an intrinsic value to us in the programming niche represented by The Learning Channel and I decided to pursue the acquisition albeit at a greatly reduced price.

Throughout the summer and fall of 1990, Discovery management continued to devise and develop a formula for acquiring The Learning Channel. In October I presented our Board of Directors with a recommendation with respect to the price management felt was fair. This price was determined after a thorough evaluation by Discovery Channel management of the relevant market factors. Ironically, in contrast to the insinuations in Mr. Roberts' article, the TCI representative on our Board indicated that TCI might be prepared to support a higher bid (in fact, a bid which would have exceeded the lifetime bid) but management and the other shareholders (Cox Communications, Newhouse Broadcasting and I) felt that the lower number was appropriate.

In his article, Mr. Roberts also misleadingly implies that ownership by a cable operator in a programming service guarantees carriage of that service on the operator's system. Indeed, I wish that were the case. The facts again are straight forward. We exist in a highly competitive environment where there is intense competition for a limited number of channel positions. The Learning Channel itself faces enormous direct competition in the educational programming arena from Mind Extension University (MEU), a cable network. It is worth noting that MEU, a service in which TCI has no ownership interests, has been more successful than The Learning Channel in the competition for carriage on TCI systems since the time of our acquisition. This is a situation I hope to reverse by a massive investment in Learning Channel programming. In 1992, we will make a 6-fold increase in the programming budget for The Learning Channel over that spent by the previous owners. You see, I have received the same feedback from John Malone that Lifetime reportedly received according to Mr. Roberts article. TCI, and I must say almost all cable operators, want high programming value available for modest license fees in order to keep costs passed along to the consumer as low as possible.

Our shareholders have made it very clear to us that the decision to carry The Learning Channel on their systems will be made on the basis of the quality of the programming contained on the service. In fact, today, almost a year after the acquisition, The Learning Channel is currently received by only 25% of TCI's subscribers.

Mr. Roberts in referring to my company as "TCI's Discovery" appears to be under the illusion that this company is operated by and on behalf of TCI. Had he bothered to call me I would have corrected this inaccuracy. Cox, Newhouse and I collectively own 51% of the company. It is true that in fulfilling our fiduciary obligations to our shareholders, TCI, Cox and Newhouse are advised on an ongoing basis of the major decisions involving this company. However, I can assure you that it is the management of Discovery Communications that is responsible for developing and implementing the strategies that have made us so successful.

I am frankly shocked that an institution such as the Wall Street Journal with its reputation for fair and unbiased reporting would have condoned such careless reporting. As you are no doubt aware, Mr. Roberts' article was repeatedly cited in yesterday's debate in the United States Senate thereby compounding the damage which I believe has been done to me and the company I founded. I would hope that in the future you will ensure that your reporters take all necessary and reasonable steps to guarantee the accuracy of the information they are reporting.

In conclusion, I would like to say that the Bob Magness, John Malone and TCI that I have come to know are not as portrayed by Mr. Roberts. In 1986, when no one else would dare take the risk of investing in The Discovery Channel, these gentlemen and their company bet on the intelligence of the American television viewer. TCI kept Discovery going by a multi-million dollar investment that was matched by Cox and Newhouse. Because John Malone, Bob Magness and TCI took this gamble on behalf of their subscribers, The Discovery Channel exists today and serves 56 million cable households across America. My conversations with John Malone concern issues like financing a major new documentary series on the "Great Books" which have changed the world and not on devious plots to undermine competitive businesses which Mr. Roberts would have your readers believe. TCI is a very positive force in a cable industry responsible for bringing new viewing alternatives to the American public.

I offer all of this factual information and criticism in the most constructive way as I am an avid daily reader of the Wall Street Journal, one who has delighted in your fair and accurate past reports on our network's business progress and programming. This last grossly unfair report just caught me off guard. I very much appreciate your time in reading my concerns and making an attempt to correct the very wrong impressions of the way we do business.

Sincerely yours,

JOHN S. HENDRICKS,
Chairman and Chief Executive Officer.

Mr. LIEBERMAN. Mr. President, today the Senate will take a historic step forward in consumer protection. We are about to pass S. 12, the Cable Television Consumer Protection Act. In doing so, this body reverses a mistake made when it passed the Cable Communications Policy Act of 1984, which I strongly opposed as attorney general of Connecticut. The 1984 Cable Act was a mistake because it unshackled a monopolist without sufficient attention to the prospect for adequate competition, and without a careful analysis of the marketplace. The result was that an unregulated monopolist was unleashed upon the public.

It is no surprise what happened to rates as a result. According to the General Accounting Office, since deregulation became fully effective at the start of 1987, the price of the most minimal available cable package jumped 56 percent. Subtracting out inflation, that is a real price increase of 32 percent. The price of the most popular package of services—what consumers know as "enhanced basic"—jumped a whopping 61 percent—that's a 36.5-percent jump even after adjusting for inflation. One

Department of Justice study concluded that at least 40 to 50 percent of these rate increases was attributable to cable's monopoly power.

The American people should never have been subjected to the full power of this hidden monopolist, but we especially cannot afford it now. We are facing a terrible recession: ordinary Americans are scrambling just to make ends meet. The American people deserve protection from this predatory monopolist—and they deserve it now. In his State of the Union Address, the President challenged us in Congress to put aside partisan differences and to work together for the good of the country. Now is the time to start.

S. 12 will save consumers money. S. 12 offers real protection to consumers who have had their pockets picked by annual cable rate increases that are two or three times the rate of inflation. S. 12 also takes steps needed to bring competition to the cable industry. After all, competition—not Government regulation and not monopoly control—is the best regulator of the marketplace.

Passage of this bill particularly pleases me because it is the culmination of my long efforts to combat consumer abuses by cable monopolists. While attorney general of Connecticut, I opposed the Cable Communications Policy Act of 1984, and I fought the FCC's patently ridiculous ruling that three over-the-air broadcast signals constituted effective competition to multichannel cable systems. Upon arriving in the Senate in 1989, I introduced, together with my friend Congressman CHRIS SHAYS, a bill to repeal the 1984 Cable Act. And when Senator DANFORTH decided to introduce S. 1880 in November 1989, I was pleased to join him as an original cosponsor of that measure.

Last year, when Senate consideration of S. 1880 was blocked by the cable lobby, I shared the disappointment that we had yet again been thwarted in our drive for cable reform. I was pleased, however, that, during those final weeks and again at the start of this year, I and others were able to persuade Senators DANFORTH, HOLLINGS and INOUYE to strengthen the committee version of S. 1880. I am grateful to these three Senators for their willingness to accommodate my concerns by agreeing to changes and clarifications such as:

Lowering the regulatory standard for rates for cable programming services such as CNN, MTV, and ESPN to ban unreasonable rates, not just rates that were "significantly excessive";

Adopting customer service provisions that require the FCC to set nationwide minimum standards, but still allow the States and franchising authorities to set higher standards, and outlining a list of issues the FCC is expected to address in these standards;

Clarifying that the FCC has authority to regulate not just the rates for cable programming services such as CNN, MTV, and ESPN, but also the rates charged for installation and for rental of equipment used to receive those services;

Clarifying that State officials, such as State attorneys general and consumer protection officials, may bring rate complaints to the FCC on behalf of the citizens of their State;

Clarifying that the FCC, in addition to prospective rate rollbacks, may also order refunds of unreasonable charges levied by cable operators.

These changes, and others, make S. 12 the strongest proconsumer cable reform bill to emerge from any House of Congress.

It is no surprise that the cable industry has fought this bill tooth-and-nail. No industry wants to give up a legally sanctioned and protected monopoly, and no industry wants to be forced to take down anticompetitive barriers designed to buttress that monopoly. But the Senate has wisely rejected these efforts, and has refused to adopt the monopoly preservation legislation urged on it by the cable monopolists.

I believe we can hold are heads high, look our constituents straight in the eye, and tell them that we passed a bill that really benefits them. We have closed cable's biggest loophole by regulating the basic and enhanced basic tiers of service that are the most significant sources of their monopoly power, and by ending their ability to avoid meaningful regulation simply by retiering. Under the consumer rate protection provisions of this bill, the FCC has the tools, for the first time, to check cable's monopoly power.

I know some have argued that we should forego rate regulation now and wait for competition to develop, perhaps helping competition along by allowing the telephone companies to develop cable-type services or by pushing franchising authorities to authorize more cable overbuilders.

I do not oppose taking steps to increase competition and lower the barriers to entry to cable's competitors. Indeed, I support the provisions of S. 12 that seek to do this, such as the programming access provisions. Lowering barriers to entry is the key to allowing real competition to develop in this industry.

But let us face it. Full fledged competition is not going to be here next month, or even next year. It will be years before cable faces real competition. Until then, consumers deserve protection. That is the beauty of S. 12: its rate protection provisions complement its provisions to foster competition.

Of course, S. 12 could be stronger. It could even more strictly attempt to control cable's market power and to try to shutdown all other means for the cable monopolists to exploit consumers. But the best can be the enemy of the good. The bill we are passing today is a reasonable compromise between competing interests. I thank my friends, Senators HOLLINGS, DANFORTH, and INOUYE and their staffs—particularly Toni Cook, John Windhausen, Gina Keeney, and Mary McManus—for all their hard work driving this bill forward. I know that the people of Connecticut also thank you. I also commend John Nakahata of my staff for his hard work on this issue over the last 2 years.

Consumers have waited too long for Congress to act on this. I urge the Senate to approve this measure overwhelmingly, and I urge the members of the other body to do likewise. It is time to send a real cable consumer protection bill to the President for his signature.

Mr. BIDEN. Mr. President, the people of Delaware, like consumers across the country, have seen monthly cable television bills grow steadily larger and larger. They feel that they are paying too much—and for good reason. In less than 3 years' time, subscribers to cable television in Delaware have seen their monthly charge for one popular service jump $7. They have seen their cable programming guides, which used to be free, replaced by an optional guide with a price tag of $1 a month. And they have been faced with a choice. They can try to hold down this household expense by choosing a shrinking lower tier of cable service, with fewer program choices. Or they can pay more.

What accounts for these jumps in the cost of cable television? In Delaware, like most of the rest of the Nation, the cable franchises serving the State do not face any competition. They are unregulated monopolies. Nowhere in Delaware are there two sets of cable television lines serving the same home. If that were the case, Delaware's cable customers could choose between two competing cable companies, selecting the one with the best programming, service, and price. But that type of competition does not exist, and, in its absence, the cable franchising authority must have the power to control unreasonable rate increases.

I support the Cable Consumer Protection Act, passed by the Senate today, because it restores the authority of Delaware's Public Service Commission or another local authority to control cable rates, so long as the State's regulations comply with standards established by the Federal Communications Commission. Once enacted, this legislation will give the local franchising authority in Delaware the power to stop unreasonable increases in monthly cable bills.

Earlier this month, for portions of Delaware, the tier of cable service that includes the ESPN sports channel and other programming wanted by most cable subscribers rose again from a monthly charge of $17.95 to $19.90—an increase of more than 10 percent. Consumers of this cable service will not receive any additional program choices in exchange for this new charge. And no explanation of justification was provided for the amount of the increase.

Adding this most recent increase to previous ones shows that monthly cable bills in Delaware has grown by 54 percent in less than 3 years' time, a figure that far outstrips the rate of inflation.

Just two nights ago, in Dover, DE, the State capital, more than 100 cable subscribers met at a public hearing to discuss their dissatisfaction with cable television. Many were outraged. Complaints were heard about rate increases and overpriced programming. Consumers noted their frustration at being unable to choose between competing cable companies. This public meeting is only the most recent indication that Delaware's consumers are concerned about the cable monopoly. They want cost controls and sensible regulation.

This experience is by no means unique to Delaware. The Delaware rate increases mirror those in other States. In the 4 years following deregulation, the average price paid nationally for the most popular basic cable service increased 61 percent. And this figure may significantly understate the problem: according to the study of the General Accounting Office that reported the 61 percent increase, more than one-quarter of those cable franchises that were surveyed chose not to respond. It is likely that these cable companies that declined to respond increased rates even higher than the average 61 percent increase that was reported. The need for Congress to act is clear.

This increase in rates can be traced to 1984, when a law was enacted that deregulated the cable industry, freeing 97 percent of all cable franchises from regulation. Congress expected that, through deregulation, investment in cable television would increase, the amount of programming would multiply, and access to cable would expand. Each of these desirable effects has, in fact, occurred.

But something else that was anticipated in 1984 has not come to pass—competition. An efficient, competitive market normally is preferable to Government regulation. Where there is no competition, however, regulation is necessary to prevent price gouging. And in the cable television industry competition has failed to materialize.

The Cable Television Consumer Protection Act will regulate the rates charged for basic cable service only where an existing cable franchise does not experience competition. The bill ensures that, even where the positive effects of a competitive market are absent, the rates charged to cable consumers will be reasonable.

In this way, we can put an end to the steady and excessive rate increases of the past few years. And consumers will stop feeling that they are paying too much each time they receive a monthly cable bill.

Mr. PELL. Mr. President, I support passage of S. 12, the Cable television bill.

Cable television, in most cases, is a monopoly created by Government which gives one selected company in each area the right to develop and operate a cable system. Just as with local telephone service companies, there are real public benefits that come from granting these monopolies. But, having created these monopolies, Government has a responsibility to assure that the monopoly powers are not abused.

In the absence of competition, Government must act through regulations to assure that the rates charged consumer subscribers are reasonable and that a high quality of service is maintained.

In 1984, the Congress deregulated the cable television industry, largely to eliminate some forms of regulation which were preventing the full development of cable systems to serve the American public.

It is now clear that the 1984 deregulation went too far. It has permitted rapid growth in cable television services, but it has also permitted excessive increases in rate charges to subscribers, and has given the consumer almost no recourse when service is poor.

In my view, the legislation before us, S. 12, is a balanced effort to restore reasonable regulation needed to protect cable television subscribers. I am opposed to excessive and unnecessary Government regulation, but the regulation that would be provided by this legislation is moderate and needed. It should impose no hardships on those cable television systems that operate responsibly and with due regard for the rights of their customers, and I would emphasize that there are many such companies across the Nation and in my own State of Rhode Island.

Action is needed to protect American subscribers from those companies that are inclined to abuse the monopoly power they have been granted. For that reason, I support this legislation.

Mr. SANFORD. Mr. President, today I rise to speak in support of S. 12, the Cable Television Consumer Protection Act, a bill whose purpose is to promote competition in the video marketplace and to protect cable customers from burdensome and onerous cable rate increases. In 1984, when Congress deregulated the cable industry, the intent was to provide much needed competition in this area. We failed, and we now are faced with an unregulated monopoly. While S. 12 is not a perfect bill, it is one that must be passed. We must not stand by and allow monopolistic tendencies to continue in this industry.

We must continue to pursue policies that promote and enhance competition, for it has been clearly documented that costs contain themselves when more than one multichannel video provider is available to consumers.

The specific provisions of S. 12 have been outlined during this debate, and I do not need to go over them again. However, I would like to touch on a few specific points important to North Carolina. S. 12 does provide protection for rural consumers in my State, specifically through sections 640 and 641, which require video programmers and satellite carriers to provide access to programming at nondiscriminatory prices to all multichannel video programming distributors. These include cable companies, home satellite dish distributors and others. Without objection, I will enter into the RECORD at the end of my remarks a letter I received from the National Rural Telecommunications Cooperative and others.

There are other areas in this debate that the Congress must continue to monitor, and I would like to take an opportunity to address these.

First, the issue we debated yesterday while considering the Breaux amendment: The assurance that the public interest is served in the issuance of broadcast licenses by the Federal Communications Commission. I supported the Breaux amendment yesterday in order to send a message to the FCC that the Congress remains committed to the ideals embodied in the 1934 Communications Act, namely the idea that localism, programming diversity, and serving the public interest must be a necessary aspect of a local broadcast station. Twenty-one to 22 hours of infomercials will not do. The Congress must be aggressive in its oversight function, and we must ensure that our broadcast spectrum is being protected. I am pleased that the FCC has been directed to study this issue.

The other issue that I find particularly troublesome is related to horizontal concentration and vertical integration in the video marketplace.

I am also pleased that S. 12 directs the FCC to undertake a study of this issue and to develop rules that will deal with abuses it finds without depriving the public of the many benefits derived from today's cornucopia of video programming. Thousands of pages of hearings from the last few years conclusively demonstrate that the cable industry has become vertically integrated; cable operators and cable programs often have common ownership. In fact, 10 of the 15 most popular basic cable networks are owned or controlled by multisystem cable operators. This has led some operators to discriminate in favor of programming in which they have an ownership interest. This has directly harmed the ability of any potential competitors to enter the market, provide an alternative to consumers, and create pressure to lower prices.

Mr. President, I had entertained the idea of offering an amendment to the antitrust laws during this debate. Instead, I will closely monitor the actions and progress of the Federal Communications Commission related to this important issue of vertical integration. And I encourage my colleagues to do likewise.

I am convinced that S. 12 is a good bill, and that it is a procompetition and proconsumer bill. It offers a reasonable, balanced approach to the problem of an unregulated monopoly. I support S. 12 and urge my colleagues to do as well.

Thank you, and I yield the floor.

Mr. McCAIN. Mr. President, the Senate has been wrestling with the problems facing consumers as a result of the controversial practices of the cable industry since the first cable reregulation bill was introduced in the fall of 1989. We are now in the winter of 1992, and the issues, and the problems, relating to this industry remain much the same.

The cable industry was deregulated in 1984. I supported that action in the belief that deregulation would result in a free marketplace where a variety of new technologies, such as direct broadcast satellite [DBS] and multipoint multichannel distribution service [MMDS], would emerge. These technologies would then compete in the areas concerning customer service and competitive rates. Unfortunately, the monopolistic practices of the industry stunted the growth of emerging technologies, and the effects on consumers have been far-reaching.

In 1984, we in Congress envisioned a marketplace where every consumer's needs and interests would be met. This idea is of particular importance to those living in rural areas where over-the-air broadcast signals are not easily received. To these consumers, access to such services is extremely limited. While entertainment programming is considered a nonessential service, other kinds of informational programming are crucial to Americans living in outlying areas.

S. 12, the Cable Television Consumer Protection Act of 1991, should not be construed as a bill which would solely affect the cable industry. To do so would be to take an microscopic view of the video distribution industry as a whole. Rather, this legislation should be viewed as an effort to unleash a variety of new service options to the home by giving consumers greater, cost-effective choices.

The opportunity for new technologies to provide video service has been seriously undercut by their inability to obtain programming from cable affiliated sources. Discrimination in program access has proven to be one of the most effective means of stopping potential competitors from entering the marketplace.

It has been argued that no entity should be forced to distribute its own product indiscriminately. I would agree with that premise wholeheartedly were it not for the fact that, in the current situation, the practices of the cable industry have rendered that industry a virtual monopoly. These circumstances dictate intervention by the Federal Government on behalf of consumers to ensure a level playing field for would-be competitors.

My decision to support this legislation did not come easily. I recognize that the cable industry has made an effort to improve its performance in the area of public service. The contributions they have made in programming have been ground-breaking, and they have set the standard for quality in that arena.

Nevertheless, the American public is dissatisfied and disillusioned with the increasing rates for cable service that could potentially place such services out of the reach of many consumers. This would not happen if the cable industry were participating in a free marketplace. Without the passage of this legislation, new technologies will never have a chance to provide the choices in the marketplace that consumers demand.

I strongly believe that this legislation will not cripple the cable industry, nor cause it to lose its ability in any way to compete fairly with other technologies. That is not the intent of S. 12, nor is it my intent in supporting it.

Consumers have registered their support for this legislation through such organizations as the Consumer Federation of America, the National Consumers League, the Consumers Union, and the National Council of Retired Persons, to name a few. The importance of this legislation to consumers in Arizona, and the Nation, is great, and cannot be ignored. I look forward to a time when consumers will have access to many technologies, including cable, where they can choose and enjoy the quality options this new marketplace will bring.

Mr. HEFLIN. Mr. President, it seems to me there are two standards up to which we should be holding each of these proposals on reregulating the cable industry. The fact that there needs to be some regulation is not in dispute. The committee bill and the substitute both contemplate regulation of nearly 100 percent of homes with cable. They both recognize that effective competition does not yet exist for most cable operators and that such competition can only be guaranteed by the presence of another multichannel video distributor.

How then should we choose between these two proposals? I would argue that we should look at each of them first in terms of the amount of protection they provide to the consumer, and second, in terms of their ability to ensure competition in the marketplace.

With regard to the consumer interest, one area about which I have received numerous complaints from my own constituents is customer service. For some years now, I have been receiving mail and talking to people who complain about the amount of time it takes for their service to be installed and/or repaired and for them to reach someone at their cable company to discuss their bill or service. I am therefore pleased that both proposals would codify these service standards and give cable customers the assurance that their requests and problems will be taken seriously and addressed effectively by their cable operator.

The second problem from which I want to protect my constituents is rate abuse by cable operators. Throughout Alabama from 1986 to 1991, rate increases varied from 36 to 130 percent. While I am sympathetic to the arguments that rates may well have been kept at artificially low levels prior to 1986, that the rate of inflation inches those rates up and that new programming has been expensive, some of the increases which we have seen in various parts of our country have clearly been excessive despite these legitimate costs and increases. Moreover, with very few cities across the country having competing cable systems or multichannel video distributors, rates must be regulated in the absence of effective competition to prevent abuse. This fact of life is recognized by both proposals, each of which requires regulation of the basic tier of service.

Largely in anticipation of basic tier rate regulation, cable operators throughout the country have been busy retiering, a euphemism for moving their most popular channels from the basic tier to higher level, higher priced tiers. In fact, the GAO has found that almost 60 percent of cable subscribers have seen their services retiered, oftentimes with subsequent rate increases in those higher tiers. Here we see a difference between the two proposals. The Commerce committee-reported bill, S. 12, would permit regulation of tiers other than basic. In fact, if fewer than 30 percent of a cable operator's customers subscribe to the basic tier only, S. 12 would permit the rates for the next tier to which 30 percent of the operator's customers subscribe to be regulated as if it were basic. The substitute, on the other hand, permits no regulation beyond the basic tier, leaving subscribers vulnerable. Clearly then, in terms of the consumer's interest in rates and service, S. 12 is the better bill.

The second standard by which we must judge these two proposals is that of promoting competition in the marketplace. Proponents of the substitute argue simply that less regulation promotes competition. While I agree with this philosophy in general, its blind application in this instance would constitute a gross miscalculation of the true inhibitor to competition in the case of the cable industry.

Mr. President, we cannot ignore the impact of vertical integration, cross ownership, program access, and exclusivity to competing cable systems trying to break into a local market or to competing technologies trying to break into the business of delivering this programming to households across our Nation.

S. 12's requirement that the FCC develop regulations limiting the number of channels that can be occupied on a cable system by programmers affiliated with that cable operator, its prohibition on programmers in which cable operators have significant ownership from unreasonably refusing to deal with other distributors and its provision precluding a cable operator from owning a competing technology such as MMDS or SMATV in the same area in which the operator holds a cable franchise seem eminently reasonable to me. Moreover, I do not see how we can expect meaningful competition to develop without such regulations.

Ultimately, Mr. President, I believe that S. 12, not the proposed substitute, better protects the consumer and better ensures healthy competition in the video marketplace. On this basis, I have made my decision to support S. 12 and hope that we will see this bill signed into law so that cable companies, broadcast networks and competing technologies alike can enjoy some stability in their regulatory environment and get about the business of this exciting and valuable industry.

Mr. DODD. Mr. President, I rise today to express my strong support for S. 12, the Cable Television Consumer Protection Act. Mr. President, this legislation has been long in coming to the floor and I commend the committee, and particularly the managers of this bill, for their preserverance.

Mr. President, S. 12 is comprehensive legislation which addresses the changes in the cable industry since we last dealt with this matter over 7 years ago. In 1984, cable television was a fledgling industry with great promise, and we enacted legislation to assist the industry in developing this potential. The cable industry has certainly benefited, and one only need pick up Monday's Wall Street Journal or last week's Washington Post to see the extent to which they have profited from the 1984 act. We are here today in no small measure to rectify some of the unforeseen results of our past work.

Mr. President, as I am sure you know, the lobbying on this bill has been intensive; in the past year, I have heard from many representing powerful but competing interests. But there has been one group that has substantially be overlooked and has not enjoyed the representation of the Washington powerful.

And those are the people I represent, the people in Hartford who paid nearly 80 percent more in November 1991 for cable service than they did 5 years ago, in Danbury where they paid 65 percent more and in Litchfield where they paid 179 percent more; the children and families I have heard from who, already suffering from the ravages of the recession, find cable rates putting Nickelodeon out of their reach. Mr. President, families around the Nation are suffering from declining incomes, unemployment, and rising costs and the last thing families need are bigger cable bills, but that is what they have gotten for the last 5 years.

Cable has enjoyed a unique position across the country, in 99 percent of our communities, cable is basically an unregulated monopoly. It has no direct competitors, consumers have no choices open to them and localities have no authority to exercise real oversight over the systems operating in their communities. And it should come as no surprise that consumers have suffered. Nationwide, cable rates have risen three times faster than inflation; in my home State of Connecticut rates have increased 56 percent. Customer service has lagged behind other industries. And with the rising market power of the cable industry, competitors have been stifled in their growth.

This is not to say that there have not been benefits from the growth in the cable industry. Cable television has revolutionized the way our society looks at the world. Cable has brought us CNN, ESPN, Lifetime, HBO, the Discovery Channel and a slew of other new networks; it has also brought the U.S. Congress into homes around the country through the C-SPAN networks. Additionally, cable operators have been generous corporate citizens in communities around the country providing educational programming as well as support to local charities.

But unfortunately, the problems for consumers and competitors persist. In this regard, S. 12 is a well-balanced approach to a comprehensive problem. This legislation provides consumers with immediate relief and looks to enhance competition in the cable industry so that a viable market develops.

Local authorities, with guidance from the Federal Communications Commission, are given authority to regulate rates for basic cable service and to set customer service standards. Basic service is defined not by content but by demand; franchising authorities can regulate the lowest level of service to which 30 percent of consumers subscribe.

Additionally, this measure includes provisions to help increase competition in the cable television market. It encourages local authorities to award second cable franchises to competing cable operators so that families have real choices. S. 12 provides equal access to programming among cable operators and their competitors. The bill also ensures local broadcasters' place on cable system. Local broadcasters have a special role in our communications system: For the privilege of using public airways they have a special responsibility to meet local community needs, and S. 12 safeguards these interests.

The managers of S. 12 have accepted some important modifications to this measure during the Senate's consideration this week. I am especially pleased by the manager's amendment on the retransmission consent provision. I shared the concerns of many of my constituents regarding the possible adverse effects of this provision on rates. But I am reassured by Senator INOUYE's amendment which provides for the Federal Communications Commission to administer the retransmission consent provision in such a way to assure that consumer rates are not adversely affected.

Mr. President, this is a good bill; it will help consumers now and it will provide us with a working marketplace in the future. I urge my colleagues to join me in supporting this measure.

Mr. HATFIELD. Mr. President, I rise with some degree of unease to discuss the business now pending before the Senate: S. 12, the Cable Consumer Protection Act. Let me first express my thanks to those who have been involved and who have spoken so eloquently on this extremely complex issue. I have found it very difficult to reach any level of comfort in resolving the myriad of consumer, constitutional, and business concerns involved.

I know all would agree that over the past decade, the cable industry has revolutionized television in this country. Our viewing choices have increased dramatically. And, the more than 11,000 cable providers nationwide have threaded a cable wire to over 90 percent of American homes, with nearly two-thirds of us now subscribing monthly. This has been of particular benefit to our rural areas that for many years had no access to an over-the-air signal.

While I understand very well that the impressive development of this communications infrastructure and the equally impressive developments in cable programming and variety have not come about for free, I am concerned about reports of apparently unreasonable rate increases. Many of my constituents have complained of spiraling monthly cable rates and inferior service. A recent General Accounting Office study found that basic cable rates have increased by over 40 percent since 1986. There is much argument about the reason for or meaning of these rate increases. Some call them the unfair practices of an unrestrained monopoly; others call them the necessary and desirable result of capital investments in infrastructure, programming, and fees.

I resist those who paint this issue as simply a vote for or against consumers, for or against competition. We are here dealing with an area of great complexity, but ironically with only a very small portion of a vast and rapidly changing communications industry. With the possible entry of the phone companies into this industry or other information services areas; with the advent of fiber optic cable, which promises to further revolutionize the information available to every home in the country; with the advent of DBS, wireless cable, microwave or different satellite information systems on the way; with the advent of compressed video and high definition television; with the advent of all these things, it is very difficult to do as the Senate does today, to deal with one small piece of a very large, complex, and changing puzzle.

Television information and entertainment is for the benefit of consumers. Ensuring that a maximum number of consumers continue to have access to a maximum amount of programming, with special emphasis on local programming, should continue to be a primary goal of Federal communications policy. Our democracy operates best with an informed citizenry. Both local broadcasting stations, cable companies, or other information providers, in my opinion, play an indispensable role in keeping Americans abreast of the important local and national issues confronting them. All industries, therefore, must be accommodated in any legislation passed by Congress.

I support the idea of increased regulation of cable television, as is done by both S. 12 and the Packwood substitute. I believe that the lesser regulation of the Packwood substitute is preferable at this time to the more stringent regulation found in S. 12. I fear that if the Federal Government acts too firmly, consumers will ultimately suffer.

It is my firm belief that the true answer to the problems in this area lies somewhere in between the two proposals we have before us today. I will, therefore, support the Packwood substitute. Because of my belief that some legislation is needed to address the admitted excesses of the current cable industry, if the substitute fails, I intend to support S. 12 on final passage.

Mr. KERRY. Mr. President, following the defeat of the substitute amendment moments ago, of which I was a principal sponsor along with several of my colleagues, a vote now occurs on the underlying provisions of S. 12 as approved by the Commerce Committee.

It goes without saying, Mr. President, that I am uncomfortable with the original bill language as approved by the Commerce Committee. Were that not the case, of course, I would not have participated in developing and offering a substitute. I do not believe, for the reasons I outlined in debate this morning and more extensively in my remarks on the floor last night, that the provisions of S. 12 realize anywhere near the correct balance between the effort to regulatorily assure that cable consumers are not victimized with unreasonable high prices and the necessity for market force incentives to assure that the quality and selection of cable programming will continue to increase.

I do not come recently or lightly to this judgment. I set forth my concerns in additional views when the Commerce Committee filed its report on this legislation in early 1991.

But the opportunity to modify the provisions of the committee's bill now are exhausted, and the Senate is faced with a yes or no vote.

As I have stated repeatedly, I believe that the behavior of some portions of the cable industry brings us unfortunately to a point where the people of this Nation—telecommunications consumers—have a right to expect that the Congress will impose regulation to prevent further victimization. Those of us who sought to persuade the Senate to adopt our substitute amendment and other Senators, must keep our eye on the ball. And the ball, in this case, is the well-being of American video consumers, the viewers all across this Nation.

Making the judgment on that basis, I believe just walking away from the situation that exists today with respect to cable would be irresponsible, and would mark a tremendous failure of our Government to address the people's concerns. Some regulation is warranted. Some other interventions in the industry are necessary. And so, albeit with some considerable reluctance and concern, I will vote "yes" on final passage of the committee version of S. 12.

But I tend to be an optimist until no hope is left, Mr. President. In a few moments the Senate will act finally on this legislation, and either kill it or send it to the House for consideration and action there. If, in fact, we pass it and send it to the House, the final form of the legislation will not yet be determined. As any observer of the legislative process knows, a bill can be dramatically altered as it moves through the second of the two houses of Congress. Further, we of the Senate are not yet finished with this bill; we will not have finally spoken today concerning it. Because unless the House passes what the Senate passes in identical form, which is inconceivable in the case of this bill, the bill must return for further Senate action or to a conference committee to resolve the differences. So, indeed, there will be other opportunities to try to fashion the bill more closely to the form that I believe will operate in the best interests of America's video consumers.

I wish to commend the distinguished and fair chairman of the Telecommunications Subcommittee, the senior Senator from Hawaii, the chairman of the full committee, the senior Senator from South Carolina, and the ranking member of the full committee, the senior Senator from Missouri, each of whom has demonstrated his vast knowledge with regard to the cable industry and its impact on our nation, in particular, and the tremendously exciting and burgeoning field of telecommunications, more broadly. Their tenacity and strength are surely admirable, and are primarily responsible for what I fully expect to be final Senate passage of S. 12 in a few moments.

While I am offering commendations, I also wish to mention those of my colleagues who were involved in the effort to devise and promote the substitute amendment, and whom, because of the stiff restraint on debate time prior to the vote on the substitute, I was unable to acknowledge at that time. I commend the senior Senator from Oregon and the senior Senator from Alaska, who led the effort on the other side of the aisle to devise and promote the substitute presented earlier, and with whom I enjoyed laboring in this effort, and the senior Senator from Colorado with whom I teamed on this side of the aisle. His knowledge of the cable and telecommunications industries is impressive, dating back to the days when he chaired the House Subcommittee on Telecommunications and Finance, and it is always a pleasure to be teamed with a recognized expert. The assistance and contributions of those other Senators who cosponsored the amendment—and the support of those others who voted for it—are also very much appreciated.

Mr. President, I anticipate that considerable hard work remains on this bill before it will be sent in any form to the President for his action. I expect to be involved in that work, and will continue to seek those objectives—paramount among them being the benefit of American consumers—that we sought with our substitute amendment. I look forward to working with Chairman INOUYE, ranking member DANFORTH, and Chairman HOLLINGS, with the other proponents of the substitute, and with the very capable staff supporting each of us in these efforts, as this process continues to unfold.

C-SPAN STATEMENT

Mr. D'AMATO. Mr. President, I have been asked by C-SPAN to submit to the RECORD a statement to clarify their position on S. 12 legislation and I am happy to do so at their request. I ask unanimous consent that the full text of the statement be printed in its entirety at the conclusion of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

C-SPAN STATEMENT REGARDING LEGISLATIVE PROPOSALS AFFECTING C-SPAN AND C-SPAN II

C-SPAN is opposed to the proposal made during the debate on S. 12 that it be singled out among national cable programmers for carriage by systems on a regulated tier of cable service.

The proposal is probably a well-intentioned effort made on C-SPAN's behalf, but it confuses C-SPAN's business status with that of public broadcasters. It is in conflict with C-SPAN's founding business philosophy; and it is at odds with the legislation's own stated goal.

Unlike over-the-air commercial broadcasters and public television stations (whose signals cable operators receive pursuant to a compulsory license), C-SPAN sells its signal to cable operators. Nearly the entirety of C-SPAN's revenues come from affiliation fees, which are supported by freely negotiated contracts spelling out the relationship between C-SPAN and each affiliate. The "regulated tier" proposal places an inappropriate burden on C-SPAN as it seeks new affiliates, and as it maintains relationships with existing affiliates. The broadcasters affected would suffer no such burden with their customers. C-SPAN should not be so burdened.

C-SPAN is a creature of a de-regulated telecommunications marketplace. In 1979 it successfully applied free market, private sector values to public affairs television. Indeed, the network would not exist today were it not for the private cable operators who believed in those principles and who now deliver C-SPAN to over 56 million households. Given those roots, and despite the proposal's good intentions toward C-SPAN, we do not support it. It is unnecessary government involvement in our business.

Finally, this proposal appears to be directly at odds with S. 12's statement of policy which says at Section 3:

"It is the policy of the Congress in this Act to . . . promote the availability to the public of a diversity of views and information . . . [and to] *rely on the marketplace, to the maximum extent feasible, to achieve that availability* . . ." [emphasis supplied].

C-SPAN's success has proved that the marketplace is already working to achieve the legislation's goals. Why change it?

Mr. SPECTER. Mr. President, for reasons expressed in my statement in support of the Packwood substitute, I believe the preferable course would have been to have taken the first step in the regulatory process without the broader provisions of S. 12.

With the defeat of the Packwood substitute, it is my judgment that S. 12 is preferable to no bill at all, so I am voting in favor of final passage.

Given President Bush's announced position on this subject, it is my hope that compromise legislation can be worked out in conference which will provide limited regulation without the broader sweep of regulation provided in S. 12.

The Chair recognizes the Senator from Hawaii [Mr. INOUYE].

Mr. INOUYE. Mr. President, I ask for the yeas and nays on passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Without objection, the bill is deemed read the third time.

The question is, Shall the bill pass?

On this question the yeas and nays were ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MACK (when his name was called). Present.

Mr. FORD. I announce that the Senator from Oklahoma [Mr. BOREN], the Senator from New Jersey [Mr. BRADLEY], the Senator from California [Mr. CRANSTON], the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr. KERREY], and the Senator from Pennsylvania [Mr. WOFFORD] are necessarily absent.

I also announce that the Senator from Michigan [Mr. RIEGLE] is absent because of family illness.

I further announce that, if present and voting, the Senator from Oklahoma [Mr. BOREN] and the Senator from Michigan [Mr. RIEGLE] would have voted "aye."

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND] is necessary absent.

I further announce that, if present and voting, the Senator from Missouri [Mr. BOND] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 73, nays 18, as follows:

[Rollcall Vote No. 14 Leg.]

YEAS—73

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Breaux
Bryan
Bumpers
Burdick
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
D'Amato
Danforth
Daschle
Dixon
Dodd
Domenici
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Gorton
Graham
Grassley
Hatch
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Pell
Pressler
Pryor
Robb
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Seymour
Simon
Simpson
Specter
Thurmond
Warner
Wellstone

NAYS—18

Brown
Burns
Craig
DeConcini
Dole
Garn
Gramm
Helms
Lugar
Packwood
Reid
Rudman
Shelby
Smith
Stevens
Symms
Wallop
Wirth

ANSWERED "PRESENT"—1

Mack

NOT VOTING—8

Bond
Boren
Bradley
Cranston
Harkin
Kerrey
Riegle
Wofford

So the bill (S. 12), as amended, was passed, as follows:

S. 12

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Cable Television Consumer Protection Act of 1992".

FINDINGS

SEC. 2. The Congress finds and declares the following:

(1) Pursuant to the Cable Communications Policy Act of 1984, rates for cable television services have been deregulated in approximately 97 percent of all franchises since December 29, 1986. Since rate deregulation, monthly rates for the lowest priced basic cable service have increased by 40 percent or more for 28 percent of cable television subscribers. Although the average number of basic channels has increased from about 24 to 30, average monthly rates have increased by 29 percent during the same period. The average monthly cable rate has increased almost three times as much as the Consumer Price Index since rate deregulation.

(2) For a variety of reasons, including local franchising requirements and the extraordinary expense of constructing more than one cable television system to serve a particular geographic area, most cable television subscribers have no opportunity to select between competing cable systems. Without a sufficient number of local television broadcast signals and without the presence of another multichannel video programming distributor, a cable system faces no local competition. The result is undue market power for the cable operator as compared to that of consumers and video programmers.

(3) There is a substantial governmental and First Amendment interest in promoting a diversity of views provided through multiple technology media.

(4) There has been a substantial increase in the penetration of cable television systems over the past decade, with cable television services now available to 71.3 million of the 92.1 million households with televisions. Nearly 54 million households, over 58 percent of the households with televisions, subscribe to cable television, and this percentage is almost certain to increase. As a result of this growth, the cable television industry has become a dominant nationwide video medium.

(5) The cable industry has become highly concentrated. The potential effects of such concentration are barriers to entry for new programmers and a reduction in the number of media voices available to consumers.

(6) Cable television rates for video programming provided on other than the basic service tier should not be governmentally regulated except in extraordinary circumstances, which may include the need to control undue market power.

(7) The cable television industry has become vertically integrated; cable operators and cable programmers often have common ownership. As a result, cable operators have the incentive and ability to favor their affiliated programmers. This could make it more difficult for non-cable-affiliated programmers to secure carriage on cable systems. Vertically integrated program suppliers also have the incentive and ability to favor their

affiliated cable operators over non-affiliated cable operators and programming distributors using other technologies.

(8) There is a substantial governmental and First Amendment interest in ensuring that cable subscribers have access to local noncommercial educational stations which Congress has authorized, as expressed in section 396(a)(5) of the Communications Act of 1934 (47 U.S.C. 396(a)(5)). The distribution of unique noncommercial, educational programming services, including those transmitted by noncommercial educational television stations serving local communities or markets, advances that interest in providing for the further education of our citizens and encouraging "public telecommunications services which will be responsive to the interests of people both in particular localities and throughout the United States, which will constitute an expression of diversity and excellence, and which will constitute a source of alternative telecommunications services for all the citizens of the Nation".

(9) The Federal Government has a substantial interest in making all nonduplicative local public television services available on cable systems because—

(A) public television provides educational and informational programming to the Nation's citizens, thereby advancing the Government's compelling interest in educating its citizens;

(B) public television is a local community institution, supported through local tax dollars and voluntary citizen contributions in excess of $10,800,000,000 since 1972, that provides public service programming that is responsive to the needs and interests of the local community;

(C) the Federal Government, in recognition of public television's integral role in serving the educational and informational needs of local communities, has invested more than $3,000,000,000 in public broadcasting since 1969; and

(D) absent carriage requirements there is a substantial likelihood that citizens, who have supported local public television services, will be deprived of those services.

(10) A primary objective and benefit of our Nation's system of regulation of television and radio broadcasting is the local origination of programming. There is a substantial governmental interest in ensuring its continuation.

(11) Broadcast television stations continue to be an important source of local news and public affairs programming and other local broadcast services critical to an informed electorate.

(12) Broadcast television programming is supported by revenues generated from advertising broadcast over stations. Such programming is otherwise free to those who own television sets and do not require cable transmission to receive broadcast signals. There is a substantial governmental interest in promoting the continued availability of such free television programming, especially for viewers who are unable to afford other means of receiving programming.

(13) As a result of the growth of cable television, there has been a marked shift in market share from broadcast television to cable television services.

(14) Cable television systems and broadcast television stations increasingly compete for television advertising revenues. As the proportion of households subscribing to cable television increases, proportionately more advertising revenues will be reallocated from broadcast to cable television systems.

(15) A cable television system which carries the signal of a local television broadcaster is assisting the broadcaster to increase its viewership, and thereby attract additional advertising revenues that otherwise might be earned by the cable system operator. As a result, there is an economic incentive for cable systems to terminate the retransmission of the broadcast signal, refuse to carry new signals, or reposition a broadcast signal to a disadvantageous channel position. There is a substantial likelihood that absent the reimposition of such a requirement, additional local broadcast signals will be deleted, repositioned, or not carried.

(16) As a result of the economic incentive that cable systems have to delete, reposition, or not carry local broadcast signals, coupled with the absence of a requirement that such systems carry local broadcast signals, the economic viability of free local broadcast television and its ability to originate quality local programming will be seriously jeopardized.

(17) Consumers who subscribe to cable television often do so to obtain local broadcast signals which they otherwise would be not be able to receive, or to obtain improved signals. Most subscribers to cable television systems do not or cannot maintain antennas to receive broadcast television services, do not have input selector switches to convert from a cable to antenna reception system, or cannot otherwise receive broadcast television services. The regulatory system created by the Cable Communications Policy Act of 1984 was premised upon the continued existence of mandatory carriage obligations for cable systems, ensuring that local stations would be protected from anticompetitive conduct by cable systems.

(18) Cable television systems often are the single most efficient distribution system for television programming. A government mandate for a substantial societal investment in alternative distribution systems for cable subscribers, such as the "A/B" input selector antenna system, is not an enduring or feasible method of distribution and is not in the public interest.

(19) At the same time, broadcast programming that is carried remains the most popular programming on cable systems, and a substantial portion of the benefits for which consumers pay cable systems is derived from carriage of the signals of network affiliates, independent television stations, and public television stations. Also, cable programming placed on channels adjacent to popular off-the-air signals obtains a larger audience than on other channel positions. Cable systems, therefore, obtain great benefits from local broadcast signals which, until now, they have been able to obtain without the consent of the broadcaster or any copyright liability. This has resulted in an effective subsidy of the development of cable systems by local broadcasters. While at one time, when cable systems did not attempt to compete with local broadcasters for programming, audience, and advertising, this subsidy may have been appropriate, it is so no longer and results in a competitive imbalance between the two industries.

(20) The Cable Communications Policy Act of 1984, in its amendments to the Communications Act of 1934, limited the regulatory authority of franchising authorities over cable operators. Franchising authorities are finding it difficult under the current regulatory scheme to deny renewals to cable systems that are not adequately serving cable subscribers.

(21) Given the lack of clear guidelines in applying the First Amendment to cable franchise decisions, cities are unreasonably exposed to liability for monetary damages under the Civil Rights Acts.

(22) Cable systems should be encouraged to carry low power television stations licensed to the communities served by those systems where the low power station creates and broadcasts, as a substantial part of its programming day, local programming.

STATEMENT OF POLICY

SEC. 3. It is the policy of the Congress in this Act to—

(1) promote the availability to the public of a diversity of views and information through cable television and other video distribution media;

(2) rely on the marketplace, to the maximum extent feasible, to achieve that availability;

(3) ensure that cable operators continue to expand, where economically justified, their capacity and the programs offered over their cable systems;

(4) where cable television systems are not subject to effective competition, ensure that consumer interests are protected in receipt of cable service; and

(5) ensure that cable television operators do not have undue market power vis-a-vis video programmers and consumers.

DEFINITIONS

SEC. 4. (a) Section 602 of the Communications Act of 1934 (47 U.S.C. 522) is amended by redesignating paragraph (1) as paragraph (2), by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively, by redesignating paragraphs (4) through (10) as paragraphs (7) through (13), respectively, by redesignating paragraphs (11) and (12) as paragraphs (16) and (17), respectively, by redesignating paragraph (13) as paragraph (19), by redesignating paragraphs (14) and (15) as paragraphs (23) and (24), respectively, and by redesignating paragraph (16) as paragraph (28).

(b) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately before paragraph (2), as so redesignated, the following new paragraph:

"(1) the term 'activated channels' means those channels engineered at the headend of a cable system for the provision of services generally available to residential subscribers of the cable system, regardless of whether such services actually are provided, including any channel designated for public, educational, or governmental use;".

(c) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (2), as so redesignated, the following new paragraph:

"(3) the term 'available to a household' or 'available to a home' when used in reference to a multichannel video programming distributor means a particular household which is a subscriber or customer of the distributor or a particular household which is actively and currently sought as a subscriber or customer by a multichannel video programming distributor;".

(d) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (5), as so redesignated, the following new paragraph:

"(6) the term 'cable community' means the households in the geographic area in which a cable system provides cable service;".

(e) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (13), as so redesignated, the following new paragraphs:

"(14) the term 'headend' means the location of any equipment of a cable system used to process the signals of television broadcast stations for redistribution to subscribers;

"(15) the term 'multichannel video programming distributor' means a person such as, but not limited to, a cable operator, a multichannel multipoint distribution service, a direct broadcast satellite service, or a television receive-only satellite program distributor, who makes available for purchase, by subscribers or customers, multiple channels of video programming;".

(f) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (17), as so redesignated, the following new paragraph:

"(18) the term 'principal headend' means—

"(A) the headend, in the case of a cable system with a single headend, or

"(B) in the case of a cable system with more than one headend, the headend designated by the cable operator to the Commission as the principal headend, except that such designation shall not undermine or evade the requirements of section 614;".

(g) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by inserting immediately after paragraph (19), as so redesignated, the following new paragraphs:

"(20)(A) the term 'local commercial television station' means any full power television broadcast station, determined by the Commission to be a commercial station, licensed and operating on a channel regularly assigned to its community by the Commission that, with respect to a particular cable system, is within the same television market as the cable system (for purposes of this subparagraph, a television broadcasting station's television market shall be defined as specified in section 73.3555(d) of title 47, Code of Federal Regulations, as in effect on May 1, 1991, except that, following a written request, the Commission may, with respect to a particular television broadcast station, include or exclude communities from such station's television market to better effectuate the purposes of this Act);

"(B) where such a television broadcast station would, with respect to a particular cable system, be considered a distant signal under section 111 of title 17, United States Code, it shall be deemed to be a local commercial television station upon agreement to reimburse the cable operator for the incremental copyright costs assessed against such operator as a result of being carried on the cable system;

"(C) the term 'local commercial television station' shall not include television translator stations and other passive repeaters which operate pursuant to part 74 of title 47, Code of Federal Regulations, or any successor regulations thereto;

"(21) the term 'qualified noncommercial educational television station' means any television broadcast station which—

"(A)(i) under the rules and regulations of the Commission in effect on March 29, 1990, is licensed by the Commission as a noncommercial educational television broadcast station and which is owned and operated by a public agency, nonprofit foundation, corporation, or association; or

"(ii) is owned or operated by a municipality and transmits only noncommercial programs for educational purposes; or

"(B) has as its licensee an entity which is eligible to receive a community service grant, or any successor grant thereto, from the Corporation for Public Broadcasting, or any successor organization thereto, on the basis of the formula set forth in section 396(k)(6)(B) (47 U.S.C. 396(k)(6)(B));

such term includes (I) the translator of any noncommercial educational television station with five watts or higher power serving the cable community, (II) a full service station or translator if such station or translator is licensed to a channel reserved for noncommercial educational use pursuant to section 73.606 of title 47, Code of Federal Regulations, or any successor regulations thereto, and (III) such stations and translators operating on channels not so reserved as the Commission determines are qualified as noncommercial educational stations;

"(22) the term 'qualified low power station' means any television broadcast station conforming to the rules established for Low Power Television Stations contained in part 74 of title 47, Code of Federal Regulations, only if—

(A) such station broadcasts during at least the minimum number of hours of operation required by the Commission for television broadcast stations under part 73 of title 47, Code of Federal Regulations, and a significant part of their programming, in an amount to be determined by the Commission, is locally originated and produced;

"(B) such station meets all obligations and requirements applicable to television broadcast stations under part 73 of title 47, Code of Federal Regulations, with respect to the broadcast of nonentertainment programming; programming and rates involving political candidates, election issues, controversial issues of public importance, editorials, and personal attacks; programming for children; and equal employment opportunity;

"(C) such station complies with interference regulations consistent with their secondary status pursuant to part 74 of title 47, Code of Federal Regulations; and

"(D) such station is located no more than 35 miles from the cable system's headend, or no more than 20 miles if the low power station is located within one of the 50 largest Standard Metropolitan Statistical Areas, and delivers to the input terminals of the signal processing equipment at the cable system headend a signal level of −45 dBm for UHF stations and −49 dBm for VHF stations;

nothing in this paragraph shall be construed to grant any low power station primary status for spectrum occupancy;"

(h) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended—

(1) by striking "and" at the end of paragraph (24), as so redesignated; and

(2) by inserting immediately after such paragraph (24) the following new paragraphs:

"(25) the term 'usable activated channels' means activated channels of a cable system, except those channels whose use for the distribution of broadcast signals would conflict with technical and safety regulations as determined by the Commission;

"(26) the term 'video programmer' means a person engaged in the production, creation, or wholesale distribution of a video programming service for sale;

"(27) the term 'Line 21 closed caption' means a data signal which, when decoded, provides a visual depiction of information simultaneously being presented on the aural channel of a television signal; and".

REGULATION OF CABLE RATES

SEC. 5. Section 623 of the Communications Act of 1934 (47 U.S.C. 543) is amended to read as follows:

"REGULATION OF RATES

"SEC. 623. (a) Any Federal agency, State, or franchising authority may not regulate the rates for the provision of cable service, or for the installation or rental of equipment used for the receipt of cable service, except to the extent provided under this section and section 612. Any franchising authority may regulate the rates for the provision of cable service, or any other communications service provided over a cable system to cable subscribers, by only to the extent provided under this section.

"(b)(1) If the Commission finds that a cable system is not subject to effective competition, the Commission shall ensure that the rates for the provision of basic cable service, including for the installation or rental of equipment used for the receipt of basic cable service, or charges for changes in service tiers, are reasonable; except that if fewer than 30 percent of all customers to that cable system subscribe only to basic cable service, the Commission also shall ensure that rates are reasonable for the lowest-priced tier of service subscribed to by at least 30 percent of the cable system's customers.

"(2)(A) Upon written request by a franchising authority, the Commission shall review the State and local laws and regulations governing the regulation of rates of cable systems under the jurisdiction of such franchising authority. The Commission shall authorize such franchising authority to carry out such regulation pursuant to paragraph (1) in lieu of the Commission if the Commission finds that—

"(i) such State and local laws and regulations conform to the procedures, standards, requirements, and guidelines prescribed under paragraph (4) and any interpretative rulings, decisions, and orders of the Commission that relate to rate regulation under this subsection; and

"(ii) such franchising authority will provide the level of protection to consumers required by the Commission and that carries out the national policy established in this title.

"(B) Upon petition by a cable operator or other interested party, the Commission shall review such regulation of cable system rates by a franchising authority authorized under this paragraph. If the Commission finds that the franchising authority has acted inconsistently with the requirements in subparagraph (A), the Commission shall grant appropriate relief. If the Commission, after the franchising authority has had a reasonable opportunity to comment, determines that the State and local laws and regulations are not in conformance with subparagraph (A)(i) or (ii), the Commission shall revoke such authorization.

"(3) A cable operator may add to or delete from a basic cable service tier any video programming other than retransmitted local television broadcast signals. Any obligation imposed by operation of law inconsistent with this subsection is preempted and may not be enforced.

"(4) Within 120 days after the date of enactment of the Cable Television Consumer Protection Act of 1992, the Commission shall prescribe by rule procedures, standards, requirements, and guidelines for the establishment of reasonable rates charged for basic cable service by a cable operator not subject to effective competition.

"(5) A cable operator may file with the Commission, or with a franchising authority authorized by the Commission under paragraph (2) to regulate rates, a request for a rate increase in the price of a basic cable service tier. Any such request upon which final action is not taken within 180 days after such request shall be deemed granted.

"(c)(1) When a franchising authority or a subscriber of any cable system found by the Commission not to be subject to effective competition files, within a reasonable time after a rate increase for cable programming service of that system, including an increase which results from a change in that system's service tiers or from a change in the per channel rate paid by subscribers for a particular video programming service, a complaint which establishes a prima facie case that rates for such cable programming service are unreasonable based on the criteria established by the Commission, the Commission shall determine whether such rates for cable programming service are unreasonable. In making its determination, the Commission shall inquire of the cable operator of such system as to the reasons for such rates. If the Commission finds that such rates cannot be justified under reasonable business practices, the Commission shall establish reasonable rates.

"(2) Within 180 days after the date of enactment of the Cable Television Consumer Protection Act of 1992, the Commission shall prescribe by rule—

"(A) the criteria for determining whether rates for cable programming service are unreasonable, and

"(B) criteria for determining that (i) a complaint described under paragraph (1) is filed within a reasonable period after a rate increase and (ii) the complaint establishes a prima facie case that rates for cable programming service are unreasonable.

"(3) In establishing the criteria for determining whether rates for cable programming service are unreasonable pursuant to paragraph (2)(A), the Commission shall consider, among other factors—

"(A) the extent to which service offerings are offered on an unbundled basis;

"(B) rates for similarly situated cable systems offering comparable services, taking into account, among other factors, similarities in facilities, regulatory and governmental costs, and number of subscribers;

"(C) the history of rates for such service offerings of the system;

"(D) the rates for all cable programming service offerings taken as a whole; and

"(E) the rates for such service offerings charged by cable systems subject to effective competition, as defined in subsection (d).

"(d) Under this section, a cable system shall be presumed to be subject to effective competition if—

"(1) fewer than 30 percent of the households in the cable community subscribe to the cable service of such cable system; or

"(2) the cable community is served by a sufficient number of local television broadcast signals and by more than one multichannel video programming distributor.

For purposes of paragraph (2), a cable community shall be considered as served by more than one multichannel video programming distributor if (A) comparable video programming is available at comparable rates to at least a majority of the households in the cable community from a competing cable operator, multichannel multipoint distribution service, direct broadcast satellite program distributor, television receive-only satellite program distributor, or other competing multichannel video programming distributor, and (B) the number of households subscribing to programming services offered by such competing multichannel video programming distributor, or by a combination of such distributors, is in the aggregate at least 15 percent of the households in the cable community. No competing multichannel video programming distributor serving households in a cable community which, directly or indirectly, is owned or controlled by, or affiliated through substantial common ownership with, the cable system in that cable community, shall be included in any determination regarding effective competition under this subsection.

"(e) A cable operator shall have a rate structure, for the provision of cable service, that is uniform throughout the geographic area in which cable service is provided over its cable system.

"(f) Nothing in this title shall be construed as forbidding any Federal agency, State, or franchising authority from—

"(1) prohibiting discrimination among customers of cable service; or

"(2) requiring and regulating the installation or rental of equipment which facilitates the reception of cable service by hearing-impaired individuals.

"(g) For purposes of this section, the term 'cable programming service' means all video programming services, including installation or rental of equipment not used for the receipt of basic cable service, regardless of service tier, offered over a cable system except basic cable service and those services offered on a per channel or per program basis.

"(h) Within 120 days of enactment of this subsection, the Commission shall, by regulation, establish standards, guidelines, and procedures to prevent evasions of the rates, services, and other requirements of this section.".

NONDISCRIMINATION WITH RESPECT TO VIDEO PROGRAMMING

SEC. 6. Part IV of title VI of the Communications Act of 1934 (47 U.S.C. 551 et seq.) is amended by adding at the end the following new sections:

"NONDISCRIMINATION WITH RESPECT TO VIDEO PROGRAMMING

"SEC. 640. (a) A video programmer in which a cable operator has an attributable interest and who licenses video programming for national or regional distribution—

"(1) shall not unreasonably refuse to deal with any multichannel video programming distributor; and

"(2) shall not discriminate in the price, terms, and conditions in the sale of the video programmer's programming among cable systems, cable operators, or other multichannel video programming distributors if such action would have the effect of impeding retail competition.

"(b) A video programmer in which a cable operator has an attributable interest and who licenses video programming for national or regional distribution shall make programming available on similar price, terms, and conditions to all cable systems, cable operators, or their agents or buying groups; except that such video programmer may—

"(1) impose reasonable requirements for creditworthiness, offering of service, and financial stability;

"(2) establish different price, terms, and conditions to take into account differences in cost in the creation, sale, delivery, or transmission of video programming;

"(3) establish price, terms, and conditions which take into account economies of scale or other cost savings reasonably attributable to the number of subscribers served by the distributor; and

"(4) permit price differentials which are made in good faith to meet the equally low price of a competitor.

"(c) The Commission shall prescribe rules and regulations to implement this section. The Commission's rules shall—

"(1) provide for an expedited review of any complaints made pursuant to this section; and

"(2) provide for penalties to be assessed against any person filing a frivolous complaint pursuant to this section.

"(d) Any person who encrypts any satellite cable programming for private viewing shall make such programming available for private viewing by C-band receive-only home satellite antenna users, without any obligation on the direct broadcast satellite distributor or the programmer to pay the costs necessary for C-band distribution.

"(e) This section shall not apply to the signal of an affiliate of a national television broadcast network or other television broadcast signal that is retransmitted by satellite and shall not apply to any internal satellite communication of any broadcaster, broadcast network, or cable network.

"(f) For purposes of this section, any video programmer who licenses video programming for distribution to more than one cable community shall be considered a regional distributor of video programming. Nothing contained in this section shall require any person who licenses video programming for national or regional distribution to make such programming available in any geographic area beyond which such programming has been authorized or licensed for distribution.

"NONDISCRIMINATION WITH RESPECT TO SATELLITE CARRIERS

"SEC. 641. A fixed service satellite carrier that provides service pursuant to section 119 of title 17, United States Code—

"(1) shall not unreasonably refuse to deal with any distributor of video programming in the provision of such service to home satellite earth stations qualified to receive such service under section 119 of title 17, United States Code; and

"(2) shall not discriminate in the price, terms, and conditions of the sale of such service among distributors to home satellite earth stations qualified to receive such signals under section 119 of title 17, United States Code, or between such distributors and other multichannel video programming distributors.

"AGREEMENTS BETWEEN CABLE OPERATORS AND VIDEO PROGRAMMERS

"SEC. 642. Within one year after the date of enactment of this section, the Commission shall establish regulations governing program carriage agreements and related practices between cable operators and video programmers. Such regulations shall—

"(1) include provisions designed to prevent a cable operator or other multichannel video programming distributor from requiring a financial interest in a program service as a condition for carriage on one or more of such operator's systems;

"(2) include provisions designed to prohibit a cable operator or other multichannel video programming distributor from coercing a video programmer to provide exclusive rights against other multichannel video programming distributors as a condition of carriage on a system;

"(3) contain provisions designed to prevent a multichannel video programming distributor from engaging in conduct the effect of which is to unreasonably restrain the ability of an unaffiliated video programmer to compete fairly by discriminating in video programming distribution on the basis of affiliation or nonaffiliation in the selection, terms, or conditions for carriage of video programmers;

"(4) provide for expedited review of any complaints made by a video programmer pursuant to this section;

"(5) provide for appropriate penalties and remedies for violations of this subsection, including carriage; and

"(6) provide penalties to be assessed against any person filing a frivolous complaint pursuant to this section.".

LEASED COMMERCIAL ACCESS

SEC. 7. (a) Section 612(a) of the Communications Act of 1934 (47 U.S.C. 532(a)) is amended by inserting "to promote competition in the delivery of diverse sources of video programming and" immediately after "purpose of this section is".

(b) Section 612(c) of the Communications Act of 1934 (47 U.S.C. 532(c)) is amended—

(1) in paragraph (1) by inserting "and with rules prescribed by the Commission under paragraph (4)" immediately after "purpose of this section"; and

(2) by adding at the end the following new paragraph:

"(4)(A) The Commission shall have the authority to—

"(i) determine the maximum reasonable rates that a cable operator may establish pursuant to paragraph (1) for commercial use of designated channel capacity, including the rate charged for the billing of rates to subscribers and for the collection of revenue from subscribers by the cable operator for such use; and

"(ii) establish reasonable terms and conditions for such use, including those for billing and collection.

"(B) Within 180 days after the date of enactment of this paragraph, the Commission shall establish rules for determining the maximum reasonable rate under subparagraph (A)(i) and for establishing terms and conditions under subparagraph (A)(ii).".

(c) Paragraph (5) of section 612(b) of the Communications Act of 1934 (47 U.S.C. 532(b)) is amended to read as follows:

"(5) For the purposes of this section, the term 'commercial use' means the provision of video programming, whether or not for profit.".

(d) Section 612 of the Communications Act of 1934 (47 U.S.C. 532) is amended by adding at the end the following new subsection:

"(i)(1) Notwithstanding the provisions of subsections (b) and (c), a cable operator required by this section to designate channel capacity for commercial use may use any such channel capacity for the provision of programming from a qualified minority programming source (if such source is not affiliated with the cable operator), if such programming is not already carried on the cable system. The channel capacity used to provide programming from a qualified minority programming source pursuant to this subsection may not exceed 33 percent of the channel capacity designated pursuant to this section. No programming provided over a cable system on July 1, 1990, may qualify as minority programming on that cable system under this subsection.

"(2) For purposes of this subsection—

"(A) the term 'qualified minority programming source' means a programming source which devotes significantly all of its programming to coverage of minority viewpoints, or to programming directed at members of minority groups, and which is over 50 percent minority-owned; and

"(B) the term 'minority' includes Blacks, Hispanics, American Indians, Alaska Natives, Asians, and Pacific Islanders.".

LIMITATIONS ON CONTROL AND UTILIZATION

SEC. 8. Subsection (f) of section 613 of the Communications Act of 1934 (47 U.S.C. 533) is amended to read as follows:

"(f)(1) In order to enhance effective competition, the Commission shall, within one year after the date of enactment of the Cable Television Consumer Protection Act of 1992, conduct a rulemaking proceeding to prescribe rules and regulations establishing—

"(A) reasonable limits on the number of cable subscribers a person is authorized to reach through cable systems owned by such person, or in which such person has an attributable interest; and

"(B) reasonable limits on the number of channels on a cable system that can be occupied by a video programmer in which a cable operator has an attributable interest.

"(2) In prescribing rules and regulations under paragraph (1), the Commission shall, among other public interest objectives—

"(A) ensure that no cable operator or group of cable operators can unfairly impede, either because of the size of any individual operator or because of joint actions by a group of operators of sufficient size, the flow of video programming from the video programmer to the consumer;

"(B) ensure that cable operators affiliated with video programmers do not favor such programmers in determining carriage on their cable systems or do not unreasonably restrict the flow of such programming to other video distributors;

"(C) take particular account of the market structure, ownership patterns, and other relationships of the cable television industry, including the nature and market power of the local franchise, the joint ownership of cable systems and video programmers, and the various types of non-equity controlling interests;

"(D) account for any efficiencies and other benefits that might be gained through increased ownership or control;

"(E) make such rules and regulations reflect the dynamic nature of the communications marketplace;

"(F) not impose limitations which would bar cable operators from serving previously unserved rural areas; and

"(G) not impose limitations which would impair the development of diverse and high quality video programming.".

CROSS-OWNERSHIP

SEC. 9. (a) Section 613(a) of the Communications Act of 1934 (47 U.S.C. 533(a)) is amended—

(1) by inserting "(1)" immediately after "(a)"; and

(2) by adding at the end the following new paragraph:

"(2) It shall be unlawful for a cable operator to hold a license for multichannel multipoint distribution service, or to offer satellite master antenna television service separate and apart from any franchised cable service, in any portion of the cable community served by that cable operator's cable system. The Commission—

"(A) shall waive the requirements of this paragraph for all existing multichannel multipoint distribution services and satellite master antenna television services which are owned by a cable operator on the date of enactment of this paragraph; and

"(B) may waive the requirements of this paragraph to the extent the Commission determines is necessary to ensure that all significant portions of the affected cable community are able to obtain video programming.".

(b) Section 613(c) of the Communications Act of 1934 (47 U.S.C. 533(c)) is amended—

(1) by inserting "(1)" immediately after "(c)"; and

(2) by adding at the end the following new paragraph:

"(2) If ten percent of the households in the United States with television sets subscribe to any one service provided by multichannel video programming distributors directly via satellite to home satellite antennae, the Commission shall promulgate appropriate regulations (A) limiting ownership of any such distributor by cable operators and (B) requiring access to such satellite service by unaffiliated video programmers.".

CUSTOMER SERVICE

SEC. 10. (a) Section 632(a) of the Communications Act of 1934 (47 U.S.C. 552(a)) is amended—

(1) by inserting "may establish and" immediately after "authority";

(2) by striking ", as part of a franchise (including a franchise renewal, subject to section 626),"; and

(3) in paragraph (1), by inserting immediately after "operator" the following: "that (A) subject to the provisions of subsection (e), exceed the standards set by the Commission under this section, or (B) prior to the issuance by the Commission of rules pursuant to subsection (d)(1), exist on the date of enactment of the Cable Television Consumer Protection Act of 1992".

(b) Section 632 of the Communications Act of 1934 (47 U.S.C. 552) is amended by adding at the end the following new subsection:

"(d)(1) The Commission, within 180 days after the date of enactment of this subsection, shall, after notice and an opportunity for comment, issue rules that establish customer service standards that ensure that all customers are fairly served. Thereafter the Commission shall regularly review the standards and make such modifications as may be necessary to ensure that customers of the cable industry are fairly served. A franchising authority may enforce the standards established by the Commission.

"(2) Notwithstanding the provisions of subsection (a) and this subsection, nothing in this title shall be construed to prevent the enforcement of—

"(A) any municipal ordinance or agreement, or

"(B) any State law,

concerning customer service that imposes customer service requirements that exceed the standards set by the Commission under this section.

"(e) In the event that a particular franchising authority, pursuant to its authority under subsection (a), requires provisions for enforcement of customer service requirements of the cable operator that exceed the standards established by the Commission, the cable operator may petition the Commission for a declaration, after notice and hearing and based upon substantial evidence, that the particular franchising authority's requirements are not in the public interest. In determining whether a particular franchising authority's provisions for enforcement of customer service requirements are not in the public interest, the Commission shall consider the needs of the local area served by the particular franchising authority.".

FRANCHISE RENEWAL

SEC. 11. (a) Section 626(a) of the Communications Act of 1934 (47 U.S.C. 546(a)) is amended by adding at the end the following: "Submission of a timely written renewal notice by the cable operator specifically requesting a franchising authority to initiate the formal renewal process under this section is required for the cable operator to invoke the renewal procedures set forth in subsections (a) through (g); except that nothing in this section requires a franchising authority to commence the renewal proceedings during the 6-month period which begins with the 36th month before the franchise expiration.".

(b) Section 626(c)(1) of the Communications Act of 1934 (47 U.S.C. 546(c)(1)) is amended—

(1) by inserting "pursuant to subsection (b)" immediately after "renewal of a franchise"; and

(2) by striking "completion of any proceedings under subsection (a)" and inserting in lieu thereof the following: "date of the submission of the cable operator's proposal pursuant to subsection (b)".

(c) Section 626(c)(1)(A) of the Communications Act of 1934 (47 U.S.C. 546(c)(1)(A)) is amended by inserting "throughout the franchise term" immediately after "law".

(d) Section 626(c)(1)(B) of the Communications Act of 1934 (47 U.S.C. 546(c)(1)(B)) is amended—

(1) by striking "mix, quality, or level" and inserting in lieu thereof "mix or quality"; and

(2) by inserting "throughout the franchise term" immediately after "needs".

(e) Section 626(d) of the Communications Act of 1934 (47 U.S.C. 546(d)) is amended—

(1) by inserting "which has been submitted in compliance with subsection (b)" immediately after "Any denial of a proposal for renewal"; and

(2) by striking all after "unless" and inserting in lieu thereof the following: "the operator has notice and opportunity to cure, or in any case in which it is documented that the franchising authority has waived in writing its right to object.".

(f) Section 626(e)(2)(A) of the Communications Act of 1934 (47 U.S.C. 546(e)(2)(A)) is amended by inserting immediately after "section" the following: "and such failure to comply actually prejudiced the cable operator".

(g) Section 626 of the Communications Act of 1934 (47 U.S.C. 546) is amended by adding at the end the following new subsection:

"(i) Notwithstanding the provisions of subsections (a) through (h), any lawful action to revoke a cable operator's franchise for cause shall not be negated by the initiation of renewal proceedings by the cable operator under this section.".

REQUIREMENT FOR CERTAIN EQUIPMENT ON TELEVISION SETS

SEC. 12. Section 303(s) of the Communications Act of 1934 (47 U.S.C. 303(s)) is amended—

(1) by inserting ", and be equipped with an electronic switch permitting users of the apparatus to change readily among all video distribution media," immediately after "television broadcasting"; and

(2) by inserting immediately before the period at the end the following: ", except that such electronic switch shall be required only if the Commission determines that the installation of the switch is technically and economically feasible".

LIMITATION OF FRANCHISING AUTHORITY LIABILITY

SEC. 13. Part III of title IV of the Communications Act of 1934 (47 U.S.C. 621 et seq.) is amended by adding at the end the following new section:

"LIMITATION OF LIABILITY

"SEC. 628. (a) In any court proceeding pending on the date of enactment of this section, or initiated after such date, involving any claim under the Civil Rights Acts asserting a violation of First Amendment constitutional rights by a franchising authority or other governmental entity or by any official, member, employee, or agent of such authority or entity, arising from actions expressly authorized or required by this title, any relief shall be limited to injunctive relief, declaratory relief, and attorney's fees and legal costs, except as provided in subsection (b).

"(b) The limitation required by subsection (a) shall not apply to actions that, prior to such violation, have been determined by a final order of a court of binding jurisdiction, no longer subject to appeal, to be in violation of constitutional rights under the First Amendment or of the Civil Rights Acts.".

MINIMUM TECHNICAL STANDARDS

SEC. 14. Section 624(e) of the Communications Act of 1934 (47 U.S.C. 544(e)) is amended to read as follows:

"(e)(1) The Commission shall, within one year after the date of enactment of the Cable Television Consumer Protection Act of 1992, establish minimum technical standards to ensure adequate signal quality for all classes of video programming signals provided over a cable system, and thereafter shall periodically update such minimum standards to reflect improvements in technology.

"(2) The Commission may establish standards for technical operation and other signals provided over a cable system including but not limited to high-definition television (HDTV).

"(3) The Commission may require compliance with and enforce any standard established under this subsection, adjusted as appropriate for the particular circumstances of the local cable system and cable community.

"(4) The Commission shall establish procedures for complaints or petitions asserting the failure of a cable operator to meet the technical standards and seeking an order compelling compliance; except that nothing in this subsection shall be construed to limit the ability of a complainant or petitioner to seek any other remedy that may be available under the franchise agreement or State or Federal law or regulation.

"(5) After the establishment of technical standards by the Commission pursuant to this section, neither a State or political subdivision thereof, nor a franchising authority or other governmental entity of a State or political subdivision thereof, shall—

"(A) establish any technical standards described in this subsection;

"(B) enforce any such standards that have not been established by the Commission; or

"(C) enforce any such standards that are inconsistent with the standards established by the Commission.".

RETRANSMISSION CONSENT FOR CABLE SYSTEMS

SEC. 15. (a) Section 325 of the Communications Act of 1934 (47 U.S.C. 325) is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting immediately after subsection (a) the following new subsection:

"(b)(1) Following the date that is one year after the date of enactment of this subsection, no cable system or other multichannel video programming distributor shall retransmit the signal of a broadcasting station, or any part thereof, without the express authority of the originating station, except as permitted by section 614.

"(2) The provisions of this section shall not apply to—

"(A) retransmission of the signal of a noncommercial broadcasting station;

"(B) retransmission directly to a home satellite antenna of the signal of a broadcasting station that is not owned or operated by, or affiliated with, a broadcasting network, if such signal was retransmitted by a satellite carrier on May 1, 1991;

"(C) retransmission of the signal of a broadcasting station that is owned or operated by, or affiliated with, a broadcasting network directly to a home satellite antenna, if the household receiving the signal is an unserved household; or

"(D) retransmission by a cable operator or other multichannel video programming distributor of the signal of a superstation if such signal was obtained from a satellite carrier and the originating station was a superstation on May 1, 1991.

For purposes of this paragraph, the terms 'satellite carrier', 'superstation', and 'unserved household' have the meanings given those terms, respectively, in section 119(d) of title 17, United States Code, as in effect on the date of enactment of this subsection.

"(3)(A) Within 45 days after the date of enactment of this subsection, the Commission shall commence a rulemaking proceeding to establish regulations to govern the exercise by television broadcast stations of the right to grant retransmission consent under this subsection and of the right to signal carriage under section 614, and such other regulations as are necessary to administer the limitations contained in pararaph (2). The Commission shall consider in such proceeding the impact that the grant of retransmission consent by television stations may have on the rates for basic cable service and shall ensure that rates for basic cable service are reasonable. Such rulemaking proceeding shall be completed within six months after its commencement.

"(B) The regulations required by subparagraph (A) shall require that television stations, within one year after the date of enactment of this subsection and every three years thereafter, make an election between the right to grant retransmission consent under this subsection and the right to signal carriage under section 614. If there is more than one cable system which services the same geographic area, a station's election shall apply to all such cable systems.

"(4) If an originating television station elects under paragraph (3)(B) to exercise its right to grant retransmission consent under this subsection with respect to a cable system, the provisions of section 614 shall not apply to the carriage of the signal of such station by such cable system.

"(5) The exercise by a television broadcast station of the right to grant retransmission consent under this subsection shall not interfere with or supercede the rights under section 614 or 615 of any station electing to assert the right to signal carriage under that section.

"(6) Nothing in this section shall be construed as modifying the compulsory copyright license established in section 111 of title 17, United States Code, or as affecting existing or future video programming licensing agreements between broadcasting stations and video programmers.".

REQUIREMENT TO CARRY LOCAL BROADCAST SIGNALS

SEC. 16. Part II of title VI of the Communications Act of 1934 (47 U.S.C. 531 et seq.) is amended by inserting immediately after section 613 the following new sections:

"CARRIAGE OF LOCAL COMMERCIAL TELEVISION SIGNALS

"SEC. 614. (a) Each cable operator shall carry, on the cable system of that operator, the signals of local commercial television stations and qualified low power stations as provided by this section. Carriage of additional broadcast television signals on such system shall be at the discretion of such operator, subject to section 325(b).

"(b)(1)(A) A cable operator of a cable system with 12 or fewer usable activated channels shall carry the signals of at least three local commercial television stations, except that if such a system has 300 or fewer subscribers, it shall not be subject to any requirements under this section so long as such system does not delete from carriage by that system any signal of a broadcast television station.

"(B) A cable operator of a cable system with more than 12 usable activated channels shall carry the signals of local commercial television stations, up to a maximum of one-third of the aggregate number of usable activated channels of such system.

"(2) Whenever the number of local commercial television stations exceeds the maximum number of signals a cable system is required to carry under paragraph (1), the cable operator shall have discretion in selecting which such signals shall be carried on its cable system, except that—

"(A) under no circumstances shall a cable operator carry a qualified low power station in lieu of a local commercial television station; and

"(B) if the cable operator elects to carry an affiliate of a broadcast network (as such term is defined by the Commission by regulation), such cable operator shall carry the affiliate of such broadcast network whose city of license reference point, as defined under section 76.53 of title 47, Code of Federal Regulations (as in effect on January 1, 1991), or any successor regulation thereto, is closest to the principal headend of the cable system.

"(3)(A) A cable operator shall carry in its entirety, on the cable system of that operator, the primary video, accompanying audio, and Line 21 closed caption transmission of each of the local commercial television stations carried on the cable system and, to the extent technically feasible, program-related material carried in the vertical blanking interval, or on subcarriers. Retransmission of other material in the vertical blanking interval or other non-program-related material (including teletext and other subscription and advertiser-supported information services) shall be at the discretion of the cable operator. Where appropriate and feasible, the operator may delete signal enhancements, such as ghost-canceling, from the broadcast signal and employ such enhancements at the system headend or headends.

"(B) The cable operator shall carry the entirety of the program schedule of any television station carried on the cable system unless carriage of specific programming is prohibited, and other programming authorized to be substituted, under section 76.67 or subpart F of part 76 of title 47, Code of Federal Regulations (as in effect on January 1, 1991), or any successor regulations thereto.

"(4)(A) The signals of local commercial television stations that a cable operator carries shall be carried without material degradation. The Commission shall adopt carriage standards to ensure that, to the extent technically feasible, the quality of signal processing and carriage provided by a cable system for the carriage of local commercial television stations will be no less than that provided by the system for carriage of any other type of signal.

"(B) At such time as the Commission prescribes modifications of the standards for television broadcast signals, the Commission shall initiate a proceeding to establish any changes in the signal carriage requirements of cable television systems necessary to ensure cable carriage of such broadcast signals of local commercial television stations which have been changed to conform with such modified standards.

"(5) Notwithstanding paragraph (1), a cable operator shall not be required to carry the signal of any local commercial television station that substantially duplicates the signal of another local commercial television station which is carried on its cable system, or to carry the signals of more than one local commercial television station affiliated with a particular broadcast network (as such term is defined by regulation). If a cable operator elects to carry on its cable system a signal which substantially duplicates the signal of another local commercial television station carried on the cable system, or to carry on its system the signals of more than one local commercial television station affiliated with a particular broadcast network, all such signals shall be counted toward the number of signals the operator is required to carry under paragraph (1).

"(6) Each signal carried in fulfillment of carriage obligations of a cable operator under this section shall be carried on the cable system channel number on which the local commercial television station is broadcast over the air, or on the channel on which it was carried on July 19, 1985, at the election of this station, or on such other channel number as is mutually agreed upon by the station and the cable operator. Any disputes regarding the positioning of a local commercial television station shall be resolved by the Commission.

"(7) Signals carried in fulfillment of the requirements of this section shall be provided to every subscriber of a cable system. Such signals shall be viewable via cable on all television receivers of a subscriber which are connected to a cable system by a cable operator or for which a cable operator provides a connection. If a cable operator authorizes subscribers to install additional receiver connections, but does not provide the subscriber with such connections, or with the equipment and materials for such connections, the operator shall notify such subscribers of all broadcast stations carried on the cable system which cannot be viewed via cable without a converter box and shall offer to sell or lease such a converter box to such subscribers at reasonable rates.

"(8) A cable operator shall identify, upon request by any person, the signals carried on its system in fulfillment of the requirements of this section.

"(9) A cable operator shall provide written notice to a local commercial television station at least 30 days prior to either deleting from carriage or repositioning that station. No deletion or repositioning of a local commercial television station shall occur during a period in which major television ratings services measure the size of audiences of local television stations. The notification provisions of this paragraph shall not be used to undermine or evade the channel positioning or carriage requirements imposed upon cable operators under this section.

"(10) A cable operator shall not accept or request monetary payment or other valuable consideration in exchange either for carriage of local commercial television stations in fulfillment of the requirements of this section or for the channel positioning rights provided to such stations under this section, except that—

"(A) any such station, if it does not deliver to the principal headend of the cable system either a signal of -45 dBm for UHF signals or -49 dBm for VHF signals at the input terminals of the signal processing equipment, shall be required to bear the costs associated with delivering a good quality signal or a baseband video signal;

"(B) a cable operator may accept payments from stations which would be considered distant signals under section 111 of title 17, United States Code, as reimbursement for the incremental copyright costs assessed against such cable operator for carriage of such signal; and

"(C) a cable operator may continue to accept monetary payment or other valuable consideration in exchange for carriage or channel positioning of the signal of any local commercial television station carried in fulfillment of the requirements of this section, through, but not beyond, the date of expiration of an agreement thereon between a cable operator and a local commercial television station entered into prior to June 26, 1990.

"(c) If there are not sufficient signals of full power local commercial television stations to fill the channels set aside under subsection (b), the cable operator shall be required to carry qualified low power stations until such channels are filled.

"(d)(1) Whenever a local commercial television station believes that a cable operator has failed to meet its obligations under this section, such station shall notify the operator, in writing, of the alleged failure and identify its reasons for believing that the cable operator is obligated to carry the signals of such station or has otherwise failed to comply with the channel positioning or repositioning requirements of this section. The cable operator shall, within 30 days after such written notification, respond in writing to such notification and either commence to carry the signal of such station in accordance with the terms requested or state its reasons for believing that it is not obligated to carry such signal or is in compliance with the channel positioning and repositioning requirements of this section. A local commercial television station that is denied carriage or channel positioning or repositioning by a cable operator may obtain review of such denial by filing a complaint with the Commission. Such complaint shall allege the manner in which such cable operator has failed to meet its obligations and the basis for such allegations.

"(2) The Commission shall afford such cable operator an opportunity to present data and arguments to establish that there has been no failure to meet its obligations under this section.

"(3) Within 120 days after the date a complaint is filed, the Commission shall determine whether the cable operator has met its obligations under this section. If the Commission determines that the cable operator has failed to meet such obligations, the Commission shall order the cable operator to reposition the complaining station or, in the case of an obligation to carry a station, to commence carriage of the station and to continue such carriage for at least 12 months. If the Commission determines that the cable operator has fully met the requirements of this section, it shall dismiss the complaint.

"(e) No cable operator shall be required—

"(1) to provide or make available any input selector switch as defined in section 76.5(mm) of title 47, Code of Federal Regulations, or any comparable device, or

"(2) to provide information to subscribers about input selector switches or comparable devices.

"(f) Within 180 days after the date of enactment of this section, the Commission shall, following a rulemaking proceeding, issue regulations implementing the requirements imposed by this section.

"(g) Within 90 days after the date of enactment of this Act, the Federal Communications Commission shall commence an inquiry to determine whether broadcast television stations whose programming consists predominantly of sales presentations are serving the public interest, convenience, and necessity. The Commission shall take into consideration the viewing of such stations, the level of competing demands for the channels allocated to such stations, and the role of such stations in providing competition to nonbroadcast services offering similar programming. In the event that the Commission concludes that one or more of such stations are not serving the public interest, convenience, and necessity, the Commission shall allow the licensees of such stations a reasonable period within which to provide different programming, and shall not deny such stations a renewal expectancy due to their prior programming.".

"CARRIAGE OF NONCOMMERCIAL EDUCATIONAL TELEVISION SIGNALS

"SEC. 615. (a) In addition to the carriage requirements set forth in section 614, each operator of a cable system (hereafter in this section referred to as an 'operator') shall carry the signals of qualified noncommercial educational television stations in accordance with the provisions of this section.

"(b)(1) Subject to paragraphs (2) and (3) and subsection (e), each operator shall carry, on the cable system of that operator, each qualified local noncommercial educational television station requesting carriage.

"(2)(A) Notwithstanding paragraph (1), an operator of a cable system with 12 or fewer usable activated channels shall be required to carry the signal of only one qualified local noncommercial educational television station; except that an operator of such a system shall comply with subsection (c) and may, in its discretion, carry the signals of other qualified noncommercial educational television stations.

"(B) In the case of a cable system described in subparagraph (A) which operates beyond the presence of any qualified local noncommercial educational television station—

"(i) the operator shall carry on that system the signal of one qualified noncommercial educational television station;

"(ii) the selection for carriage of such a signal shall be at the election of the operator; and

"(iii) in order to satisfy the requirements for carriage specified in this subsection, the operator of the system shall not be required to remove any other programming service actually provided to subscribers on March 29, 1990; except that such operator shall use the first channel available to satisfy the requirements of this subparagraph.

"(3)(A) Subject to subsection (c), an operator of a cable system with 13 to 36 usable activated channels—

"(i) shall carry the signal of at least one qualified local noncommercial educational television station but shall not be required to carry the signals of more than three such stations, and

"(ii) may, in its discretion, carry additional such stations.

"(B) In the case of a cable system described in this paragraph which operates beyond the presence of any qualified local noncommercial educational television station, the operator shall import the signal of at least one qualified noncommercial educational station to comply with subparagraph (A)(i).

"(C) The operator of a cable system described in this paragraph which carries the signal of a qualified local noncommercial educational station affiliated with a State public television network shall not be required to carry the signal of any additional qualified local noncommercial educational television station affiliated with the same network if the programming of such additional station is substantially duplicated by the programming of the qualified local noncommercial educational television station receiving carriage.

"(D) An operator of a system described in subparagraph (A) which increases the usable activated channel capacity of the system to more than 36 channels on or after March 29, 1990 shall, in accordance with the other provisions of this section, carry the signal of each qualified local noncommercial educational television station requesting carriage, subject to subsection (e).

"(c) Notwithstanding any other provision of this section, all operators shall continue to provide carriage to all qualified local noncommercial educational television stations whose signals were carried on their systems as of March 29, 1990. The requirements of this subsection may be waived with respect to a particular operator and a particular such station, upon the written consent of the operator and the station.

"(d) An operator required to add the signals of qualified local noncommercial educational television stations to a cable system under this section may do so by placing such additional stations on public, educational, or governmental channels not in use for their designated purposes.

"(e) An operator of a cable system with a capacity of more than 36 usable activated channels which is required to carry the signals of three qualified local noncommercial educational television stations shall not be required to carry the signals of additional such stations the programming of which substantially duplicates the programming broadcast by another qualified local noncommercial educational television station requesting carriage. Substantial duplication shall be defined by the Commission in a manner that promotes access to distinctive noncommercial educational television services.

"(f) A qualified local noncommercial educational television station whose signal is carried by an operator shall not assert any network non-duplication rights it may have pursuant to section 76.92 of title 47, Code of Federal Regulations, to require the deletion of programs aired on other qualified local noncommercial educational television stations whose signals are carried by that operator.

"(g)(1) An operator shall retransmit in its entirety the primary video, accompanying audio, and Line 21 closed caption transmission of each qualified local noncommercial educational television station whose signal is carried on the cable system, and, to the extent technically feasible, program-related material carried in the vertical blanking interval, or on subcarriers, that may be necessary for receipt of programming by handicapped persons or for educational or language purposes. Retransmission of other material in the vertical blanking interval or on subcarriers shall be within the discretion of the operator.

"(2) An operator shall provide each qualified local noncommercial educational television station whose signal is carried in accordance with this section, with bandwidth and technical capacity equivalent to that provided to commercial television broadcast stations carried on the cable system and shall carry the signal of each qualified local noncommercial educational television station without material degradation.

"(3) The signal of a qualified local noncommercial educational television station shall be carried on the cable system channel number on which the qualified local noncommercial educational television station is broadcast over the air, or on the channel on which it was carried on July 19, 1985, at the election of the station, or on such other channel number as is mutually agreed on by the station and the cable operator. The signal of a qualified local noncommercial educational television station shall not be repositioned by a cable operator unless the operator, at least 30 days in advance of such repositioning, has provided written notice to the station and to all subscribers of the cable system. For purposes of this paragraph, repositioning includes deletion of the station from the cable system.

"(4) Notwithstanding the other provisions of this section, an operator shall not be required to carry the signal of any qualified local noncommercial educational television station which does not deliver to the cable system's principal headend a signal of good quality, as may be defined by the Commission.

"(h) Signals carried in fulfillment of the carriage obligations of an operator under this section shall be available to every subscriber as part of the cable system's lowest priced service that includes the retransmission of local television broadcast signals.

"(i)(1) An operator shall not accept monetary payment or other valuable consideration in exchange for carriage of the signal of any qualified local noncommercial educational television station carried in fulfillment of the requirements of this section, except that such a station may be required to bear the cost associated with delivering a good quality signal to the principal headend of the cable system.

"(2) Notwithstanding the provisions of this section, an operator shall not be required to add the signal of a qualified local noncommercial educational television station not already carried under the provisions of subsection (c), where such signal would be considered as a distant signal for copyright purposes unless such station reimburses the operator for the incremental copyright costs assessed against such operator as a result of such carriage.

"(j)(1) Whenever a qualified local noncommercial educational television station believes that an operator of a cable system has failed to comply with the signal carriage requirements of this section, the station may file a complaint with the Commission. Such complaint shall allege the manner in which such operator has failed to comply with such requirements and state the basis for such allegations.

"(2) The Commission shall afford such operator an opportunity to present data, views, and arguments to establish that the operator has complied with the signal carriage requirements of this section.

"(3) Within 120 days after the date a complaint is filed under this subsection, the

Commission shall determine whether the operator has complied with the requirements of this section. If the Commission determines that the operator has failed to comply with such requirements, the Commission shall state with particularity the basis for such findings and order the operator to take such remedial action as is necessary to meet such requirements. If the Commission determines that the operator has fully complied with such requirements, the Commission shall dismiss the complaint.

"(k) An operator shall identify, upon request by any person, those signals carried in fulfillment of the requirements of this section.

"(l) For purposes of this section, 'qualified local noncommercial educational television station' is defined as a qualified noncommercial educational television station—

"(A) which is licensed to a principal community whose reference point, as defined in section 76.53 of title 47, Code of Federal Regulations (as in effect on March 29, 1990), or any successor regulations thereto, is within 50 miles of the principal headend of the cable system; or

"(B) whose Grade B service contour, as defined in section 73.683(a) of such title (as in effect on March 29, 1990), or any successor regulations thereto, encompasses the principal headend of the cable system.".

NOTICE AND OPTIONS TO CONSUMERS REGARDING CABLE EQUIPMENT

SEC. 17. The Communications Act of 1934 (47 U.S.C. 151 et seq.) is amended by adding after section 624 the following new section:

"NOTICE AND OPTIONS TO CONSUMERS REGARDING CONSUMER ELECTRONICS EQUIPMENT

"SEC. 624A. (a) This section may be cited as the 'Cable Equipment Act of 1992'.

"(b) The Congress finds that—

"(1) the use of converter boxes to receive cable television may disable certain functions of televisions and VCRs, including, for example, the ability to—

"(A) watch a program on one channel while simultaneously using a VCR to tape a different program on another channel;

"(B) use a VCR to tape two consecutive programs that appear on different channels; or

"(C) use certain special features of a television such as a 'picture-in-picture' feature; and

"(2) cable operators should, to the extent possible, employ technology that allows cable television subscribers to enjoy the full benefit of the functions available on televisions and VCRs.

"(c) As used in this section:

"(1) The term 'converter box' means a device that—

"(A) allows televisions that do not have adequate channel tuning capability to receive the service offered by cable operators; or

"(B) decodes signals that cable operators deliver to subscribers in scrambled form.

"(2) The term 'VCR' means a videocassette recorder.

"(d)(1) Cable operators shall not scramble or otherwise encrypt any local broadcast signal, except where authorized under paragraph (3) of this subsection to protect against the substantial theft of cable service.

"(2) Notwithstanding paragraph (1) of this subsection, there shall be no limitation on the use of scrambling or encryption technology where the use of such technology does not interfere with the functions of subscribers' televisions or VCRs.

"(3) Within 180 days after the date of enactment of this section, the Commission shall issue regulations prescribing the circumstances under which a cable operator may, if necessary to protect against the substantial theft of cable service, scramble or otherwise encrypt any local broadcast signal.

"(4) The Commission shall periodically review and, if necessary, modify the regulations issued pursuant to this subsection in light of any actions taken in response to regulations issued under subsection (i).

"(e) Within 180 days after the date of enactment of this section, the Commission shall promulgate regulations requiring a cable operator offering any channels the reception of which requires a converter box to—

"(1) notify subscribers that if their cable service is delivered through a converter box, rather than directly to the subscribers' televisions or VCRs, the subscribers may be unable to enjoy certain functions of their televisions or VCRs, including the ability to—

"(A) watch a program on one channel while simultaneously using a VCR to tape a different program on another channel;

"(B) use a VCR to tape two consecutive programs that appear on different channels; or

"(C) use certain television features such as 'picture-in-picture';

"(2) offer new and current subscribers who do not receive or wish to receive channels the reception of which requires a converter box, the option of having their cable service installed, in the case of new subscribers, or reinstalled, in the case of current subscribers, by direct connection to the subscribers' televisions or VCRs, without passing through a converter box; and

"(3) offer new and current subscribers who receive, or wish to receive, channels the reception of which requires a converter box, the option of having their cable service installed, in the case of new subscribers, or reinstalled, in the case of current subscribers, in such a way that those channels the reception of which does not require a converter box are delivered to the subscribers' televisions or VCRs, without passing through a converter box.

"(f) Any charges for installing or reinstalling cable service pursuant to subsection (e) shall be subject to the provisions of Section 623(b)(1).

"(g) Within 180 days after the date of enactment of this section, the Commission shall promulgate regulations relating to the use of remote control devices that shall—

"(1) require a cable operator who offers subscribers the option of renting a remote control unit—

"(A) to notify subscribers that they may purchase a commercially available remote control device from any source that sells such devices rather than renting it from the cable operator; and

"(B) to specify the types of remote control units that are compatible with the converter box supplied by the cable operator; and

"(2) prohibit a cable operator from taking any action that prevents or in any way disables the converter box supplied by the cable operator from operating compatibly with commercially available remote control units.

"(h) Within 180 days after the date of enactment of this section, the Commission, in consultation with representatives of the cable industry and the consumer electronics industry, shall report to the Congress on means of assuring compatibility between televisions and VCRs and cable systems so that cable subscribers will be able to enjoy the full benefit of both the programming available on cable systems and the functions available on their televisions and VCRs.

"(i) Within 1 year after the date of enactment of this section, the Commission shall issue regulations requiring such actions as may be necessary to assure the compatibility interface described in subsection (h).".

JUDICIAL REVIEW

SEC. 18. Section 635 of the Communications Act of 1934 (47 U.S.C. 555) is amended by adding at the end the following new subsection:

"(c)(1) Notwithstanding any other provision of law, any civil action challenging the constitutionality of section 614 or 615 of this Act or any provision thereof shall be heard by a district court of three judges convened pursuant to the provisions of section 2284 of title 28, United States Code.

"(2) Notwithstanding any other provision of law, an interlocutory or final judgment, decree, or order of the court of three judges in an action under paragraph (1) holding section 614 or 615 of this Act or any provision thereof unconstitutional shall be reviewable as a matter of right by direct appeal to the Supreme Court. Any such appeal shall be filed not more than 20 days after entry of such judgment, decree, or order.".

HOME WIRING

SEC. 19. Section 624 of the Communications Act of 1934 (17 U.S.C. 544) is amended by adding at the end the following new subsection:

"(g) Within 120 days after the date of enactment of this subsection, the Commission shall prescribe rules and regulations concerning the disposition, after a subscriber to a cable system terminates service, of any cable installed by the cable operator within the premises of such subscriber.".

AWARD OF FRANCHISES

SEC. 20. (a) Section 621(a)(1) of the Communications Act of 1934 (47 U.S.C. 541(a)(1)) is amended by inserting immediately before the period at the end the following: "; except that a franchising authority may not grant an exclusive franchise and may not unreasonably refuse to award an additional competitive franchise. Any applicant whose application for a second franchise has been denied by a final decision of the franchising authority may appeal such final decision pursuant to the provisions of section 635 for failure to comply with this subsection".

(b) Section 635(a) of the Communications Act of 1934 (47 U.S.C. 555(a)) is amended by inserting "621(a)(1)," immediately after "section".

FRANCHISE REQUIREMENTS

SEC. 21. Section 621(a) of the Communications Act of 1934 (47 U.S.C. 541(a)) is amended by adding at the end the following new paragraph:

"(4) In awarding a franchise, the franchising authority shall allow the applicant's cable system a reasonable period of time to become capable of providing cable service to all households in the geographic area within the jurisdiction of the franchising authority.".

DIRECT BROADCAST SATELLITE SERVICES

SEC. 22. (a) The Federal Communications Commission shall, within one year after the date of enactment of this Act, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report analyzing the need for, and the form, nature, and extent of, the most appropriate public interest obligations to be imposed upon direct broadcast satellite services in addition to what is required pursuant to subsection (b)(1). The report shall include—

(1) a consideration of the national nature of direct broadcast satellite programming services;

(2) an evaluation of a phase-in of such public interest obligations for direct broadcast satellite services commensurate with the degree to which direct broadcast satellite services have become a source of effective competition to cable systems; and

(3) an analysis of the Commission's authority to impose such public interest obligations recommended in the report without further legislation.

(b)(1) Notwithstanding its report to be provided pursuant to subsection (a), the Federal Communications Commission shall require, as a condition of any provision, initial authorization, or authorization renewal for a direct broadcast satellite service providing video programming, that the provider of such service reserve a portion of its channel capacity, equal to not less than 4 percent nor more than 7 percent, exclusively for nonduplicated, noncommercial, educational, and informational programming.

(2) A provider of such service may utilize for any purpose any unused channel capacity required to be reserved under this subsection pending the actual use of such channel capacity for noncommercial, educational, and informational programming.

(3) A direct broadcast satellite service provider shall meet the requirements of this subsection by leasing, to national educational programming suppliers (including qualified noncommercial educational television stations, other public telecommunications entities, and public or private educational institutions), capacity on its system upon reasonable prices, terms, and conditions, taking into account the nonprofit character of such suppliers. The direct broadcast satellite service provider shall not exercise any editorial control over any video programming provided pursuant to this subsection.

(c) There is established a study panel which shall be comprised of a representative of the Corporation for Public Broadcasting, the National Telecommunications and Information Administration, and the Office of Technology Assessment selected by the head of each such entity. Such study panel shall within two years after the date of enactment of this Act submit a report to the Congress containing recommendations on—

(1) methods and strategies for promoting the development of programming for transmission over the public use channels reserved pursuant to subsection (b)(1);

(2) methods and criteria for selecting programming for such channels that avoids conflict of interest and the exercise of editorial control by the direct broadcast satellite service provider;

(3) identifying existing and potential sources of funding for administrative and production costs for such public use programming; and

(4) what constitute reasonable prices, terms, and conditions for provision of satellite space for public use channels.

(d) As used in this section, the term "direct broadcast satellite service" includes—

(1) any satellite system licensed under part 100 of title 47, Code of Federal Regulations; and

(2) any distributor using a fixed service satellite system to provide video service directly to the home and licensed under part 25 of title 47, Code of Federal Regulations.

SUBSCRIBER BILL ITEMIZATION

SEC. 23. Section 622(c) of the Communications Act of 1934 (47 U.S.C. 542(c)) is amended to read as follows:

"(c) Each cable operator may identify, in accordance with standards prescribed by the Commission, as a separate line item on each regular bill of each subscriber, each of the following:

"(1) The amount of the total bill assessed as a franchise fee and the identity of the franchising authority to which the fee is paid.

"(2) The amount of the total bill assessed to satisfy any requirements imposed on the cable operator by the franchise agreement to support public, educational, or governmental channels or the use of such channels.

"(3) The amount of any other fee, tax, assessment, or charge of any kind imposed by any governmental authority on the transaction between the operator and the subscriber.".

SERVICES AND EQUIPMENT NOT AFFIRMATIVELY REQUESTED

SEC. 24. Section 623 of the Communications Act of 1934 (47 U.S.C. 543), as amended by section 5 of this Act, is further amended by adding at the end the following new subsection:

"(i) A cable operator shall not charge a subscriber for any service or equipment that the subscriber has not affirmatively requested by name. For purposes of this subsection, a subscriber's failure to refuse a cable operator's proposal to provide such service or equipment shall not be deemed to be an affirmative request for such service or equipment.".

PROTECTION OF SUBSCRIBER PRIVACY

SEC. 25. Section 631(c)(1) of the Communications Act of 1934 (47 U.S.C. 551(c)(1)) is amended by inserting immediately before the period at the end the following: "and shall take such actions as are necessary to prevent unauthorized access to such information by a person other than the subscriber or cable operator".

NOTICE TO CABLE SUBSCRIBERS ON UNSOLICITED SEXUALLY EXPLICIT PROGRAMS

SEC. 26. Section 624(d) of the Communications Act of 1934 (47 U.S.C. 544(d)) is amended by adding the following new paragraph:

"(3)(A) If a cable operator provides a 'premium channel' without charge to cable subscribers who do not subscribe to the 'premium channel(s)', the cable operator shall, not later than 60 days before such 'premium channel' is provided without charge—

"(i) notify all cable subscribers that the cable operator plans to provide a 'premium channel(s)' without charge, and

"(ii) notify all cable subscribers when the cable operator plans to provide a 'premium channel(s)' without charge, and

"(iii) notify all cable subscribers that they have a right to request that the channel carrying the 'premium channel(s)' be blocked, and

"(iv) block the channel carrying the 'premium channel' upon the request of a subscriber.

"(B) For the purpose of this section, the term 'premium channel' shall mean any pay service offered on a per channel or per program basis, which offers movies rated by the Motion Picture Association as X, NR–17 or R.".

CHILDREN'S PROTECTION FROM INDECENT PROGRAMMING ON LEASED ACCESS CHANNELS

SEC. 27. (a) Section 612(h) of the Communications Act of 1934 (47 U.S.C. 532(h)), is amended by:

(1) inserting after the words "franchising authority", the words "or the cable operator", and

(2) inserting immediately after the period at the end thereof the following: "This subsection shall permit a cable operator to enforce prospectively a written and published policy of prohibiting programming that the cable operator reasonably believes describes or depicts sexual or excretory activities or organs in a patently offensive manner as measured by contemporary community standards.".

(b) Section 612 of the Communications Act of 1934 (47 U.S.C. 532), is amended by inserting at the end the following new subsection:

"(i)(1) Within 120 days following the date of the enactment of this subsection, the Federal Communications Commission shall promulgate regulations designed to limit the access of children to indecent programming, as defined by Federal Communications Commission regulations and which cable operators have not voluntarily prohibited under subsection (h) of this section, by:

"(A) requiring cable operators to place on a single channel all indecent programs, as identified by program providers, intended for carriage on channels designated for commercial use under this section, and

"(B) requiring cable operators to block such single channel unless the subscriber requests access to such channel in writing, and

"(C) requiring programmers to inform cable operators if the program would be indecent as defined by Federal Communications Commission regulations.

"(2) Cable operators shall comply with the regulations promulgated pursuant to paragraph (1).".

PROHIBIT SYSTEM USE

SEC. 28. Within 180 days following the date of the enactment of this section, the Federal Communications Commission shall promulgate such regulations as may be necessary to enable a cable operator of a system to prohibit the use, on such system, of any channel capacity of any public, educational, or governmental access facility for any programming which contains obscene material, sexually explicit conduct, or material soliciting or promoting unlawful conduct.

OBSCENE MATERIAL

SEC. 29. Section 638 of the Communications Act of 1934 (47 U.S.C. 558) is amended by (a) striking the period and (b) adding at the end the following: "unless the program involves obscene material.".

PROGRAM MONITORING

SEC. 30. (a) The Congress finds that—

(1) the physical attributes of the broadcast medium are such that it is reasonable to assume that minors are likely to be in the broadcast audience during most of the broadcast day;

(2) based on contemporary community standards, there is concern over a growing number of television broadcast programs which at times constitute indecency;

(3) there are instances in network broadcast television programming which involve the depiction of sexual activity directly or by innuendo which is patently offensive under contemporary community standards;

(4) broadcast television programs that depict sexual matters in ways which are obscene, indecent, or profane erode our sense of traditional American values; and

(5) the three major networks have reduced or eliminated their "Standards and Practices" departments which have traditionally reviewed programming for objectionable material: Now, therefore,

(b) It is the sense of the Congress that the television networks and producers should increase their activity to monitor and remove offensive sexual material from their television broadcast programming.

APPLICABILITY OF ANTITRUST LAWS; NO ANTITRUST IMMUNITY

SEC. 31. Nothing in the Cable Television Consumer Protection Act of 1992 shall be construed to alter or restrict in any manner the applicability of any Federal or State antitrust law.

EXPANSION OF THE RURAL EXEMPTION TO THE CABLE-TELEPHONE CROSS-OWNERSHIP PROHIBITION

SEC. 32. Section 613(b)(3) of the Communications Act of 1934 (47 U.S.C. 533(b)(3)) is amended by striking "(as defined by the Commission)" and inserting after the period the following: "For the purposes of this paragraph, the term 'rural area' means a geographic area that does not include either—

"(A) any incorporated place of 10,000 inhabitants or more, or any part thereof; or

"(B) any territory, incorporated or unincorporated, included in an urbanized area (as defined by the Bureau of the Census as of the date of the enactment of the Cable Television Consumer Protection Act of 1992).".

NO PROHIBITION AGAINST A LOCAL OR MUNICIPAL AUTHORITY OPERATING AS A MULTICHANNEL VIDEO PROGRAMMING DISTRIBUTOR

SEC. 33. Section 621 of the Communications Act of 1934 (47 U.S.C. 541) is amended by inserting "and subsection (f)" before the comma in paragraph (b)(1) and by adding the following new subsection at the end thereof:

"(f) No provision of this Act shall be construed to—

"(1) prohibit a local or municipal authority that is also, or is affiliated with, a franchising authority from operating as a multichannel video programming distributor in the geographic areas within the jurisdiction of such franchising authority, notwithstanding the granting of one or more franchises by such franchising authority, or

"(2) require such local or municipal authority to secure a franchise to operate as a multichannel video programming distributor.".

VOLUNTARY GUIDELINES TO KEEP VIOLENT COMMERCIALS OUT OF FAMILY PROGRAMMING HOURS

SEC. 34. (a)(1) Since young children are particularly susceptible to the influence of television;

(2) Since violence depicted on television can have a negative and unusually strong effect on young viewers; and

(3) Since parents who choose to monitor television programs for their children and to avoid their children's viewing acts of violence are limited in their ability to monitor acts of violence depicted in commercials during family programs.

(b) It is the sense of the Senate that cable and television networks and local television stations should establish and follow voluntary guidelines to keep commercials depicting acts or threats of violence out of family programming hours.

SEPARABILITY

SEC. 35. If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application as to which it is held invalid, shall not be affected thereby.

REPORT; EFFECTIVE DATE

SEC. 36. (a) Within 90 days following the date of the enactment of this Act, the Federal Communications Commission shall carry out a study for the purpose of conducting an analysis of the impact of the implementation of all rules and regulations required to be issued or promulgated by this Act, and the amendments made by this Act, on employment, economic competitiveness, economic growth, international trade, consumer welfare gained through curtailing monopoly practices of cable companies, and increased opportunities for small businesses and other entrants into the video marketplace to compete with cable.

(b) Such analysis shall also consider the extent to which, if any, the implementation of such rules and regulations would involve the States and political subdivisions thereof, in such implementation and the costs, if any, in requiring such States and subdivisions to assist in carrying out such implementation.

(c) The results of such study shall be reported to Congress within 180 days following the date of the enactment of this Act.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRAHAM. Mr. President, I would like briefly to discuss one provision of the pending cable bill that I believe needs to be explored and studied further by the Senate.

I am referring to the so-called retransmission consent provision, which is found in section 15 of S. 12. That provision gives a broadcaster the right to negotiate with a cable operator in order to set a price for carriage of the broadcaster's signal.

My concern is about the impact retransmission consent could have on another party—the program producer. Over the last few years, I have learned a great deal about the television production community, because Florida is becoming the home of more and more television shows and movies. I am proud of the burgeoning production community located in central Florida and throughout the State. The arrival of this community in Florida has had a very positive impact on our economy and our citizens.

Many people do not realize it, but television stations do not own the majority of the programming that they broadcast. The fact is that broadcasters rent or license their programming lineup from independent producers who invest great sums to develop entertaining programming.

The retransmission consent provision before us recognizes a role for broadcasters and cable operators, but does not address the concerns of those who hold the programming copyrights.

Currently, the Copyright Act's compulsory license gives cable systems the right to carry broadcast signals. S. 12, on the other hand, allows broadcasters to withhold their signals when cable operators do not offer sufficient compensation.

Then there is the contract between the copyright owner and the broadcaster—known in the trade as the licensing agreement. I understand that the typical television licensing agreement specifically prohibits broadcasters from claiming or exercising retransmission authority with regard to cable or some other media.

My question, then, is whether we are sending a consistent message by enacting retransmission consent and retaining the compulsory license. Will the courts be confounded when they try to resolve conflicts between and among retransmission consent, the compulsory license, and specific licensing agreements? I am afraid that we have not sufficiently addressed this issue in considering S. 12.

Fortunately, my colleagues on the Judiciary Subcommittee on Patents, Copyright and Trademarks, Chairman DECONCINI and Senator HATCH, have announced that they will hold a hearing in March to explore the Copyright Act's compulsory license. I assure my colleagues that I will be closely following these subcommittee hearings, especially as they relate to the relationship between the compulsory license, retransmission consent, and standard licensing agreements.

I thank Senators for their attention to my concerns.

Mr. MCCONNELL. Mr. President, after much deliberation, I voted today in support of S. 12, the Cable Television Consumer Protection Act of 1991, without the Packwood substitute measure. In 1984, the cable industry was deregulated in order to improve programming and broaden the availability of cable television. To meet those consumer needs, deregulation was appropriate. However, deregulation did not promote competition as anticipated by Congress. The result is that the cable industry is now essentially an unregulated monopoly.

Every industry should have either competition or regulation. I believe S. 12 will promote competition, rate decreases, and improvements in customer service. Because I prefer competition over regulation, the most important provision to me is the sunset provision, which states that regulations will cease once competition is established.

Mr. DANFORTH. Mr. President, I would like to take this opportunity to thank several members of my staff on the Commerce Committee without whose assistance this landmark legislation would have been impossible: Regina Keeney, senior minority counsel, and Mary McManus, minority counsel to the Communications Subcommittee; Mary Pat Bierle, minority deputy staff director; and Walter McCormick, minority chief counsel and staff director.

Mr. SPECTER. Mr. President, I am very concerned that S. 12 has been adopted without the amendment offered by my friend and colleague from Louisiana, Senator BREAUX, and which amendment I cosponsored. I believe that the Breaux amendment was a significant effort in promoting broadcast localism and diversity in television programming; in ensuring the constitutionality of must carry; in protecting the broadcast spectrum for first amendment priorities; and in ensuring fair competition in the home shopping television marketplace.

Fortunately, Mr. President this legislation has a long way to go before it becomes law. The House has yet to act on its version of this legislation. I am heartened that there is language in H.R. 3380 that is identical to the Breaux amendment. And I expect that such language will prevail in that Chamber when it debates such legislation.

Accordingly, I would encourage Senate conferees to recede to House language that is identical or substantially similar to the Breaux amendment.

The PRESIDING OFFICER. The Chair recognizes the majority leader, Senator MITCHELL.

Mr. MITCHELL. Mr. President, I wanted to commend the distinguished Senator from Hawaii, Senator INOUYE; the Senator from Missouri, Senator DANFORTH; the Senator from South Carolina, Senator HOLLINGS, and all of the others who handled this complex, controversial and important legislation. The subject was thoroughly studied. There were numerous hearings in the committee. It was vigorously debated over the course of most of a week. And the Senate has not reached a decision. I think it represents the kind of steady, consistent, reasonable leadership that the Senator from Hawaii is noted for and which has gained him the respect of every one of his colleagues on both sides of the aisle. So I thank the Senator from Hawaii for an outstanding job of legislative leadership, consistent with what the Senate has come to expect of him.

Mr. INOUYE. Mr. President, I thank my leader for his very, very generous remarks.

The PRESIDING OFFICER. The majority leader.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the Senate proceed to the consideration of a bill extending the unemployment compensation benefits, reported earlier today by the Finance Committee, on Tuesday, February 4, at 2:15 p.m.

Notwithstanding the provisions of rule 22; that no amendments or motions to recommit the bill be in order; that there be 2 hours for debate on the bill, equally divided and controlled in the usual form;

I further ask unanimous consent that if the Senate has not received the House companion bill by the expiration or yielding back of the time on the Finance Committee-reported bill, the bill be read for the third time and the Senate proceed to vote on its bill without intervening action; and that the House bill, if it is substantially identical to that passed earlier by the Senate, be deemed to have been read a third time and, without any intervening action or debate, passed by the Senate upon its receipt from the House; and the motion to reconsider be laid upon the table.

I further ask unanimous consent that should the House bill extending the unemployment compensation benefits be received from the House prior to the Senate's completing action on its own bill, and if the House bill is substantially identical to the Senate's bill, the Senate proceed to the consideration of the bill received from the House, following third reading of the Senate bill; that no amendments, or motion to commit, or further debate be in order; that the bill be read for the third time; and the Senate proceed to vote, without any intervening action or debate, on final passage of the unemployment compensation bill received from the House.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The text of the agreement is as follows:

Ordered, That at 2:15 p.m. on February 4, 1992, notwithstanding the provisions of Rule XXII, the Senate proceed to the consideration of S. 2173, a bill extending the unemployment benefits compensation.

Ordered further, That no amendments or motions to recommit the bill be in order and that there be 2 hours for debate on the bill, to be equally divided and controlled in the usual form.

Ordered further, That if the Senate has not received the House companion bill by the expiration or yielding back of the time on S. 2173, the bill be read for the third time and the Senate proceed to vote on its bill without intervening action: *Provided*, That the House bill, if it is substantially identical to S. 2173, be deemed to have been read a third time and, without any intervening action or debate, passed by the Senate upon its receipt from the House, with the motion to reconsider laid upon the table.

Ordered further, That should the House bill extending the unemployment compensation benefits be received from the House prior to the Senate's completing action on S. 2173, and if the House bill is substantially identical to the Senate's bill, the Senate proceed to the consideration of the bill received from the House, following third reading of the Senate bill, and that no amendments, or motion to commit, or further debate be in order, and that the bill be read for the third time, that the Senate proceed to vote, without any intervening action or debate, on final passage of the unemployment compensation bill received from the House.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I thank the distinguished Republican leader for this cooperation in enabling us to obtain this agreement.

Senators should be aware that, pursuant to this agreement, at 2:15 p.m. next Tuesday the Senate will take up the unemployment insurance bill. There will be 2 hours of debate with a vote to occur at 4:15 p.m., or earlier if time is not used and yielded back on that bill.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I now ask there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered. The Chair recognizes the Senator from North Carolina, Senator SANFORD.

THE NATION NEEDS A COMPREHENSIVE ECONOMIC RECOVERY PLAN

Mr. SANFORD. Mr. President, there are times in the life of a nation when only boldness will serve. That time is now. We can ill afford to rely on hope alone. Jobs are disappearing, and with them family security. We cannot wait to verify rosy predictions of a quick recovery.

We need a comprehensive plan, focused on jobs and prosperity, laying the groundwork for long-term correction of the ills of 12 years of voodoo and neglect. What we need to do are things that we ought to be doing anyhow. Furthermore, these things, done now and done right, will not add unduly to the national debt. Indeed, they will prepare the way for the reduction of the national debt.

It would be foolish to try a quick-fix. That is not only impossible; it would also fail. The wisest approach is to shape a 3-year program. In this time, we can restore the economy and come close to stabilizing prosperity for the Nation. We can in this time increase government revenues, reduce some expenditures, and slow the increase in the national debt.

The President's economic proposals were enticing and attractive, charmingly presented, vaporous like a modern dance, with intriguing nymphs dancing randomly across a shadowy stage. It will be a tough job to dance with each one before March 20.

I propose that we shape a different kind of economic package, more like a powerful steam engine pulling 2 dozen cars loaded with pump and construction equipment. We can get that train across the mountain, if the President will put on his engineers cap and help us shovel the coal.

Our plan must be focused on jobs and prosperity. In the short run, it is designed to break the Nation out of its recession. In the long term, it must assure the competitive position of the United States in finance, science, technology and industrial production, and in addition, must strengthen the human resources of America which are the fundamental building blocks for the future.

The three major objectives of any comprehensive economic recovery plan ought to be:

First, to power us out of the current recession,

Second, to structure a stronger economy creating good jobs and a higher standard of living for the future, and

Third, to put middle-income Americans back in the game, with improved education for their children, affordable health care for their families, and fairness to them in the tax system.

Mr. President, I would like to propose to my colleagues those items I believe should be part of a sound economic recovery plan.

To shorten the presentation, I ask unanimous consent that my exhibits providing the details be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXHIBITS

EMERGENCY MEASURES

1. We must immediately enact further measures to extend unemployment insurance benefits. I am pleased that the Senate will be taking up such measures next week. (Ex. A)

JOBS POLICY

2. We should immediately accelerate all state and local infrastructure projects covered by federal programs, as well as all federal construction now pending. (Ex. B)

3. We should adopt the package of grants to state and local governments put forward by Senators Sarbanes and Sasser. (Ex. C)

4. We must rejuvenate the housing industry. (Ex. D)

5. We should, over a three-year period, supply the National Science Foundation with matching funds to cover construction of the demonstrated shortages in college and university science and research facilities. (Ex. E)

6. We must stabilize the banking industry, strengthen its competitiveness, and prevent bank closings. (Ex. F)

7. (a) We can spur industrial productivity by enacting tax credits for productive capital investment.

(b) We can spur entrepreneurship by enacting a capital gains tax reduction for future investments in productive enterprises while avoiding added stimulation for an inflated stock market by excluding existing investments from capital gain treatment.

(c) For a short-term stimulant, and long-term competitive strength, we must make research and development tax credits permanent.

(d) We must have depreciation policies that reflect the reality of capital consumption and do not penalize domestic industries competing in global markets. (Ex. G)

(e) We must re-adjust the tax regulations which have thwarted sound real estate investments. (Ex. H)

BASIC INVESTMENT

In addition to these measures related to immediate job creation, we must rededicate ourselves to long-term investments that will lead to a more competitive nation. The successes we have enjoyed as a nation were not by virtue of a special birthright, but were the result of a dedication to succeed, hard work, and a commitment to education. After World War II, we invested 2% of our GNP to rebuild Europe's infrastructure. Yet today we invest less than half that on ourselves. It is time to again invest in America and her future.

8. We must fully fund Head Start, Women, Infants & Children (WIC) and comprehensive family support programs in order to assure school readiness. (Ex. I)

9. We should consolidate and more fully fund job and skill training programs. (Ex. J)

10. We must expand the Job Corps. (Ex. K)

11. We must expand access to higher education. (Ex. L)

12. We should establish a Public Service Corps. (Ex. M)

13. We must provide for adequate and affordable health care. (Ex. N)

PROCESS ENHANCEMENTS

In addition to investments in our future, we need to bring greater order to the government, its budget and a number of major government programs.

14. We must enact honest budget requirements. Until we are honest with ourselves and the American people, we will never develop the support or the discipline to address our mounting debt and deficit problems. (Ex. O)

15. We should enact government streamlining legislation. The government has grown, often in haphazard ways and needs to be cut back and better directed. (Ex. P)

16. We should enact legislation to protect and enhance Social Security reserves. (Ex. Q)

17. We must regulate debt requirements for leveraged buy-outs and hostile takeovers. (Ex. R)

18. We must prevent the raiding of pension funds. (Ex. S)

19. The government must strictly enforce international trade laws and combine trade agencies and the Department of Commerce trade functions into a unified world trade agency. (Ex. T)

EMERGENCY SPENDING—CAPITAL BUDGET

Our economic recovery investment will be directed toward capital improvements that will make the future more productive.

20. In paying for economy recovery, we need to rely on the fact that economic recovery will increase public revenues some $40 billion for every one percentage point of reduced unemployment and will save entitlement expenditures of up to one-fourth of that amount. (Ex. U)

21. To ensure that we do not add further to the national debt, we should freeze over-all discretionary spending caps at FY 1992 levels for three years. (Ex. V)

22. We should suspend the budget restrictions to account for the additional necessary emergency recovery appropriations, and establish for their accounting the equivalent of a capital budget. While the federal consolidated budget does not have a "capital budget" component, many think this would be an important addition to any budget reform package. Under the Summit Budgetary Agreement, the Congress was given the emergency authority to suspend the limits to cope with a recession. We invoked those exceptions for Desert Storm and we should do no less for our domestic emergency at this time.

To account for the added investments for economic recovery made over the next three years, it would be useful and helpful to create a section in the budget wherein expenditures for recovery would be treated "as if capital expenditures." By definition, capital expenditures must be repaid or amortized over their useful lives. This capital expenditure quite appropriately could be amortized by the increased personal and corporate tax revenues resulting from the improved economy. One percent of unemployment costs almost $40 billion in lost revenues and another $5–10 billion in increased expenditures. By improving our economic engine, we will recover these funds that can be used to repay any temporary spending measures. It is my view that separating these funds from the ordinary debt would enforce a wholesome discipline, and would provide an example for later establishment of a capital budget in our regular budget process. (Ex. W).

MONETARY POLICY

Although Congress has little control over the direction of monetary policy—the control of interest rates and the growth in the money supply—it seems to be well recognized that monetary policy can have the swiftest and most direct impact on the economy.

We should adopt the recommendations set forth in the economy recovery program put forth by Senators Sasser and Sarbanes, including

(a) encouraging the Federal Reserve to lower appreciably the federal funds rate;

(b) urging the Federal Reserve to increase its holdings of long term securities; and

(c) supporting Federal Reserve efforts to coordinate a worldwide movement toward lower interest rates and encourage the convening an emergency meeting of the G–7 finance ministers to adopt a program for lowering interest rates. (Ex. X)

FAIRNESS IN TAXES

Numerous tax cuts have been recommended by members of Congress and the President.

We should shift the tax schedules to promote a tax cut for middle income families who have suffered a ten-year overall reduction in disposable income and standard of living, and have carried a disproportionate share of the taxes. They are entitled to this equalization. This reduction would have some effect on the economy because most likely it would be spent. It would have an even greater influence on morale and consumer confidence. Once more the middle income families could feel that their government understands and cares about their declining incomes.

CONCLUSION

The citizens of North Carolina have made it very clear to me that their first and urgent priority is the economy. We must act first on a plan to create productive, high-paying jobs and make the needed investments in our people, in education, in technology and in business to ensure America's competitive future.

EXHIBIT A

UNEMPLOYMENT BENEFITS

Last November, President Bush finally became aware of and admitted the severity of the current recession and agreed to extend unemployment insurance benefits after vetoing similar legislation twice. In his recent State of the Union address, he called on Congress to once again extend unemployment insurance benefits to our nation's 2 million long-term unemployed workers. Extending unemployment benefits during recessionary times plays a vitally important role as an economic stabilizer by helping the unemployed buy food, make their house and car payments, and remain a beneficial part of the economy. The long-term unemployed need and deserve this helping hand, and our economy needs their participation.

In prior recessions, the federal government extended the unemployment umbrella for 52 weeks. Not so, yet, in this recession. The Senate is expected to address this issue in early February, 1992.

The Bush Administration continues to stress that this recession is "shallow" because the unemployment rate has risen to only 7.1% as opposed to the 10%-plus levels of other recessions. This ignores the changing face of employment in America. A closer examination of the country's employment structure shows that the situation is far worse than the numbers indicate. If we count the almost 9 million seeking full time work who are only able to find part-time work as one-half employed, as some economists do, the current unemployment rate would reach almost 11%. And that still ignores more than 1.1 million citizens who have given up looking for work, another 20% of the workforce whose jobs though full time are only temporary, and millions who are having to work at jobs below their skill and pay level. Add all of those components together and more than one-third of our country's workforce does not have secure, full-time employment of their choice and skill level.

The long-term solution for both unemployment and underemployment must be a commitment to enhance savings to provide the capital for increased investment into job creating technologies.

[Exhibits B and C]

INFRASTRUCTURE

The Congress has created many programs presently in place to improve the nation's infrastructure. These programs are not only sorely needed in our states and municipalities, but are also among those programs which can most quickly stimulate the economy. These expenditures are, by their nature, capital investments with long-term benefits to the country's economic well being, growth, and competitiveness. In addition, they will provide short term benefits through job creation, increased tax revenues, and should boost consumer confidence. Therefore, a key component of an economic recovery strategy should be an acceleration of spending on already approved federal projects. It is the one area where most economists agree that any fiscal stimulus should be channeled. For every $1 billion spent on capital investment, approximately 50,000 jobs are created. Because funding for many of these projects has already been authorized, feasibility studies have been completed, permits have been obtained, these projects can be accelerated quickly without adding any bureaucratic requirements.

The anti-recession package announced by Senators Sasser and Sarbanes should be adopted. Their program of proposed grants and/or loans to state and local governments will not only prevent further destructive cuts in education, public safety, and infrastructure programs but it will also save jobs and create new ones.

Attached are two lists addressing these items: Congressman Whitten's Emergency Job Creation Appropriations Act and the US Conference of Mayors 1992 Emergency Jobs and Anti-Recessionary Initiatives Action Items. These issues deserve our immediate attention.

EXHIBIT B

Emergency Job Creation Appropriations Act, Congressman Whitten

[In millions of dollars]

Maintain Federal buildings	250.0
Rebuild highways:	
Highway trust fund for interstate restoration	1,000.0
Construction of NPS roads	50.0
Airport and airway trust fund for capacity improvements	250.0
UMTA mass transit	50.0
Improve rail safety	25.0
Rebuild rail system	75.0
Improve veteran facilities	300.0
Improve ag research facilities	150.0
Public housing modernization	250.0
Community development thru fiscal year 95	1,000.0
Study of competition in world markets	0.25
EDA local development	200.0
SBA	30.0
Planting trees for America	15.0
NPS—Park and recreation facilities	50.0
Restoring historic properties	2.0
Preserving the National Forest System	45.0
Forest Service for to maintain and construct forest	.0
Facilities including trails, roads, etc	.0
Bureau of Indian facilities construction and repair	40.0
Indian Health Service	210.0
Improve Fish and Wildlife facilities	25.0
Bureau of Land Management facilities	15.0
Rural development and resource conservation:	
Rural waster water grants	300.0
Loans by Farmers Home	90.0
Farmers Home operation costs	6.5
Increase Soil Conservation for watershed and flood prevention operations	200.0
Prison modernization	260.0
Enhancement of Water Resource	190.0
Reclamation and irrigation projects	60.0
Training and Employment Services for titles III of JTPA	200.0
Unemployment Services to meet increased costs of administering due to state law changes	100.0
Improve Higher education and research facilities	200.0
Food distribution and emergency shelters for FEMA	150.0
Construction and modernization of military housing	200.0
Low-income energy conservation	200.0
Motor vehicle procurement	100.0
Total (billions)	6.3

EXHIBIT C

U.S. Conference of Mayors 1992 emergency jobs and anti-recessionary initiatives, action items

[In billions of dollars]

Targeted fiscal assistance	15.0
Public works	5.0
Community development block grants	6.0
Transportation	4.0
Job Training Partnership Act	2.8
Low-interest small business loans	2.0
Extend waiver of HOME State and local funding match	
Total	34.8

EXHIBIT D

HOUSING

Every economic recovery since World War II has begun with real estate, yet 1991 witnessed the lowest number of new home starts in 45 years despite falling interest rates. At the same time, the glut of commercial real estate has caused real property values to drop creating huge losses in the S&L industry and eroding property values which serve as the tax base for most local property taxes. These markets must be fixed if the economy is to recover.

Homebuilding and Housing. With almost 750,000 construction workers out of work and new home starts at their lowest point since World War II, it is critical that this industry be revitalized. To encourage Americans to begin buying homes, both a tax credit and access to retirement fund accounts for investments into newly constructed homes should be provided. By providing a 10% tax credit with a $5,000 maximum to newly constructed homes by individuals earning less than $100,000 per year, the industry can be revived. To revive the industry, the credit should not be limited to first time homebuyers. However, by putting a limit on the credit based upon the income level of the buyer and by limiting the credit to new construction, this type of credit will not only provide a larger relative benefit to first time buyers, but it will also encourage home building for a broad range of the home buying public.

Regulation and Capital Requirements. Financial institution regulators must help relieve the credit crunch by adopting reasonable capital standards and by not penalizing lenders who refinance sound investments for existing properties. Regulators should encourage lending institutions to make good loans and not penalize them for making real estate loans simply because real estate has become a symbol of this recession. If credit worthy developers are not granted acquisition and development loans, there will soon be a shortage of new housing in this country which could lead to inflationary housing costs.

The Office of Thrift Supervision should be encouraged to implement newly proposed regulatory amendments to lower the capital requirements for low-risk residential construction lending including circumstances where homes are pre-sold, the builder has a significant equity participation, and the buyer has made a substantial earnest money deposit. Pension funds, investment funds, REITs, and the stock market are beginning and should be encouraged to provide acquisition and development funds. Finally, the sooner the thrift clean-up is completed and the thrift industry returns to its mission of providing loans for home builders and buyers, the sooner the home building industry will revive itself.

Affordable Housing Programs. In nominal terms, the government's support of low- and middle income housing programs has been declining for a decade. This has not only created a shortage of affordable housing, but it has also reduced employment in the construction industry. Existing programs to increase the stock of affordable housing must be brought back to pre-1980 levels.

Extend Low-Income Housing Tax Credit. Extension of the federal low-income housing tax credit is vital both to producing affordable rental housing and to stimulating the economy. This program provides tax incentives to private and nonprofit developers to build, buy or rehabilitate low-income rental housing. In North Carolina alone, the $8.1 million in tax credits awarded in 1989 helped build 3,500 units. Nationally, this credit added 132,000 units to the nation's affordable housing stock and supported tens of thousands of jobs.

Extend the Mortgage Revenue Bond Program. The mortgage revenue bond program should be extended. This program reduces mortgage costs for low- and moderate-income first-time homebuyers of foreclosed homes owned by the Federal Housing Administration, Veterans Administration, Farmers Home Administration and the Resolution Trust Corporation. Data indicates that this program aids in the purchase of approximately 130,000 homes each year, particularly in economically distressed areas. In 1990, these loans financed over 60 percent of all lower-priced RTC home sales.

Increase Funding for Affordable Housing. Under the Reagan Administration, the federal assistance for housing was cut 80% in real terms—a more substantial cut than any other major segment of the budget. In 1990 Congress attempted to reverse this trend with the Cranston-Gonzalez National Affordable Housing Act which created the HOME investment partnership program to provide grants to state and local governments for he construction and rehabilitation of affordable housing. In addition, existing programs, such as the Community Development Block Grant program and other public housing modernization and construction programs, are long-term investments into our country's future. Funding these programs now rather than later will not only serve as an economic stimulant but it will also improve the nation's infrastructure and living conditions for many Americans which in turn will make them more productive citizens. Estimates indicate that increasing appropriations by $500 million to the Farmers Home Administration Sec. 502 direct loan program and $100 million for rural housing rehabilitation, would generate approximately 7,000 homes, 12,500 additional jobs, and $335 million in wages. Similarly, an increase of $250 million for Sec. 515 rural rental housing loans would generate 7,000 new rental units, 6,000 additional jobs, and $170 million in new wages.

Encourage the securitization of multi-family project mortgages. The lack of uniformity in the financing of multi-family low-income housing has restricted the turnover of loan funds for redeployment into new investment. Fannie Mae and Freddie Mac should develop standardized procedures for pricing, loan terms, secondary financing, risk sharing, and documentation so that financial markets can evaluate these instruments, securitize and package them, and create liquid markets to keep those funds flowing into additional investment for the low-income housing market. When the Congress examines the legislation governing these Government Sponsored Enterprises, this issue must be addressed.

EXHIBIT E

SCIENCE AND RESEARCH FACILITIES

Although huge sums have been spent on the Space Station, SDI, and the Superconducting Super Collider, the university science infrastructure has been ignored. The key to that door is, in many ways, the key to our future and economic health. Our scientific community faces critical problems from the systematic and sustained neglect of our university and college research laboratories. Support for basic scientific education and research historically has come and must continue to come from the federal government's initiative. No other source is adequate.

This is not a question of little science vs. big science. It is a matter of preserving the infrastructure that makes both big and little science possible. In the mid-1960's the federal government contributed approximately 30% of the necessary capital for academic research facilities. Today, that share has fallen to under 10%. In 1986, it was estimated that $10 billion was needed to restore our university research infrastructure, and today that amount exceeds $12 billion.

Capital investment in research and development not only enhances our industrial and manufacturing competitiveness worldwide, but it also encourages more students to enter the sciences. The number of American college students intending to major in science has decreased by almost 40% in the last decade and many of those in our science programs are foreign students.

Despite, Administration efforts to eliminate funding altogether, funding to the NSF Academic Research Facilities Modernization Program was restored at $33 million for 1992, far below the need. We should invest no less than $2 billion per year for the next three years into the NSF Facilities Modernization Program. Significant investment replenishment is essential to our future wellbeing.

In addition to that, we must also protect university tax incentives including full deductions for gifts of appreciated property and the issuance of tax exempt bonds for universities.

EXHIBIT F

BANKING

Interstate branching. One of the key items holding back our economic recovery is the lack of available credit in some parts of the country. Because banks are facing increasing premiums for deposit insurance and stricter capital requirements, many banks are being forced to cut back on lending in order to preserve their capital. While our banks must be well-capitalized, there are crucial steps that can and must be taken to ensure that our banks are able to provide the credit the economy needs to grow out of our current recession.

One easy way to create more lending capacity is to permit banks to operate more efficiently, thereby allowing them to save resources that can be turned into new loans. Permitting banks that already have interstate operations to consolidate those multistate operations into branches of one home state bank could save as much as $10 billion annually nationwide. Such a savings could produce up to $200 billion in new lending capacity every year, all without adding any new powers or risks to the banking system.

Direct investments in viable banks. Another step that must be taken to ensure that we have a competitive banking system capable of meeting the credit needs of our economy is to provide an alternative to the costly system of closing all banks that fall below certain capital levels, even if those banks are operating profitably. The cost of closing all these institutions, with the attenuated costs of foreclosures on loans made by the banks, removal of lines of credit to ongoing businesses, and job losses, could be reduced substantially if efforts were made to save, consolidate or merge viable institutions before they failed.

The government can and should join with the private sector in investing in troubled but viable financial institutions, both to protect the Federal Deposit Insurance Corporations and to encourage mergers, consolidations and reforms within banks that will result in stronger and better capitalized institutions that are capable of meeting the credit needs of their communities and the United States economy.

Municipal revenue bonds. As our economy struggles, so do our cities and towns. Many cities are finding it increasingly difficult to raise funds for needed infrastructure investments, including building new schools, bridges and roads. A part of their difficulty stems from outdated laws which permit banks to underwrite a select few municipal revenue bonds, but not all of them or even most of them. This anomaly stems from a 1933 law which was written at a time when municipal revenue bonds did not exist. The Congress should change this law to give our cities and towns the maximum flexibility possible when trying to raise needed funds for important infrastructure investments.

Encourage loan workouts rather than liquidation. The RTC recently established a loan workout program manned with both government and private sector specialists charged with assessing troubled loans and assets. The objective of this task is to avoid the wholesale liquidation of loans and assets when the government takes over the thrift, but instead is to assure viable borrowers that an effort will be made to renegotiate and workout their loans so that the equity in their ventures may be protected and the taxpayer loss may be reduced. The FDIC should be encouraged to adopt similar strategies.

EXHIBIT G

INDUSTRIAL PRODUCTIVITY

Capital gains. Although capital gain preference should not be the centerpiece of a tax package, we must encourage savings and investment. There are many capital gains bills presently in Congress, but the most appropriate ones are those directed to new, long-term (3 year minimum) investments into productive, job-creating ventures.

Research and Development tax credits. Until we develop a national policy regarding research and development and public-private partnerships, it is essential that we not discourage the private sector from abandoning its R&D activities. Therefore, the R&D tax credit should be extended permanently so that industry is not faced with having to guess whether or not Congress is going to provide continuing 6- or 12-month extensions. We need to assure industry that R&D is an important national resource and that it can strategically plan for the future.

Business capital investment. The investment tax credit, originally a Democratic proposal 30 years ago to stimulate investment and job growth, has been a useful tool when applied for a limited time for a limited purpose. The ITC should be reinstituted for a limited period of 12 to 24 months for increases in incremental business investment, above historical averages, into newly productive, job-creating plant and equipment. In addition, depreciation policy should assure that depreciable lives of capital expenditures are reasonable and do not penalize businesses making capital investments.

IRAs. IRAs are a vehicle that not only enhances retirement opportunities for the workforce, but by encouraging savings, IRAs provide pools of capital which are essential for investment and job creation. Certainly, no taxpayer wanting to invest in a retirement account should be denied that opportunity.

EXHIBIT H

COMMERCIAL REAL ESTATE

Although commercial real estate markets will continue to experience the effects of overbuilding for several years, Congress may have gone too far in the 1986 tax reform effort in its efforts to curb the abuses that occurred in the preceding 5 years. While no industry should rely upon the tax code for its economic health, similarly, no industry as vital as real estate should be penalized by the tax code. The law should be amended to permit passive loss deductions for actual cash flow losses; however, losses caused by fancy bookkeeping or excessive depreciation deductions should not be permitted. In addition, real estate businesses should be permitted to net losses against gains as other businesses can. The real estate industry should play by the same rules as all other businesses and be permitted to make decisions and take risks based upon economic, rather than tax, benefits and costs.

EXHIBIT I

INVESTING IN CHILD DEVELOPMENT

Head Start. Comprehensive and quality preschool programs, such as Head Start, clearly provide one of the most cost-effective strategies for helping at-risk children become more effective learners and more productive citizens. Head Start helps children start school ready to learn. It helps keep children at grade level. It helps prevent costly special education and teen childbearing, and it helps lower the high school dropout rate. In fact, every $1 spent on Head Start saves society up to $6 in the long-term costs of welfare, remedial education, teen pregnancy, and crime.

Despite this impressive record, we provide Head Start funding for only about one-third of all eligible three- and four-year-olds. In 1989, over 20 percent of all American children lived in families with incomes below the poverty line. We know the devastating effects of growing up in poverty: if we do not intervene—as early as possible—to change the life prospects of these children, the future of our nation is dim indeed. We simply cannot afford to lose 1 in 5 U.S. children to inadequate education, health care, and socialization. The best way to ensure that at-risk children start out on the right track is to provide them with a high-quality preschool experience. We can do this by providing full funding for Head Start for every disadvantaged child in the country. We must do this now: the lives of millions of American children hang in the balance.

We are currently only providing assistance to approximately one out of every four youngsters in need of this assistance. This program should be fully funded.

WIC. The Supplemental Food Program for Women, Infants, and Children—commonly known as WIC—provides milk, cheese, infant formula, eggs, cereal, juice, and peanut butter, along with health and nutrition counseling, to low-income mothers, pregnant women, infants, and children under age 5.

WIC is one of the most cost-effective government programs. Each dollar spent on pregnant women in the WIC program saves, according to the USDA, from $1.77 to $3.13 in Medicaid costs for mothers and infants in the first sixty days after birth alone. Pregnant women who receive assistance through WIC are less likely to deliver premature or low birth weight babies. They are more likely to have healthier babies. These benefits result in enormous Medicaid savings and reduced federal and state health care spending.

WIC has also been linked to longer-term health benefits for participating children. Four- and five-year-old children who participated in WIC in early childhood have better vocabularies and score higher on standardized tests than do comparable children who did not participate in WIC. Children in the WIC program have reduced rates of childhood anemia, a disease which can impair the attention span of children and reduce learning capacity. According to medical experts, early childhood is the principal period in which brain cell replication occurs. Malnutrition during this period may reduce brain growth and impair cognitive development and learning, causing irreparable damage. WIC can reduce the incidence of this tragic occurence.

In short, WIC is a wise investment. It generates important short-term reductions in medical costs and long-term improvements in the health and productivity of children.

Yet current funding levels allow only approximately 55 percent of the nation's eligible women and children to participate in the WIC program. I support moving rapidly toward full funding for WIC and believe we should reach this critical mark by fiscal year 1996. In this way we will be one mightly step closer to reaching our first national education goal: "By the year 2000, all children in America will start school ready to learn."

To achieve full funding by 1996, we would need to invest an additional $800 million in the next 4 years. President Bush's FY 1993 budget calls for $2.8 billion for the WIC program, enough to serve only 5.3 million of the 8.7 million eligible individuals.

EXHIBIT J

JOB TRAINING

Both the supply and the demand of the U.S. workforce are undergoing rapid changes, and these trends will become even more accelerated in the future. Demographic studies show that by the year 2000, there will be a decline in the number of youth entering the labor force, a rapid aging of the existing workforce, and a substantial increase in the proportions of women, minorities, and immigrants in the American labor force. These changes in the supply side of the labor market will take place against a backdrop of rapid changes on the demand side as well. A fundamental shift will be the increased importance of basic educational and vocational skills as a qualification for employment. Job market growth will be primarily in the service sector. Many more jobs will be technology-based, and workplaces will become increasingly integrated into multinational economy.

To meet these changing labor market needs, job training programs throughout the country must change on two fronts:

1. Programs designed to help the most disadvantaged in our society must do a better job of reaching more of that population group. Without training in the basic skills that this group often lacks, their job opportunities in the future higher-skills, service-oriented job market will be very dim. Yet the Job Training Partnership Act, the centerpiece of our job training system for the disadvantaged, serves less than 6% of the eligible population. Likewise, the Job Corps reaches a similarly low percentage of eligible youth. Both these programs should be greatly expanded.

2. It is not only the disadvantaged in our society who need improved job training opportunities. Compared to our major economic competitors, the United States has serious systemic shortcomings in our employment training provisions for the large population of noncollege-bound youth. Japan, Germany, Sweden, and the United Kingdom, among other countries, offer much more meaningful vocational training in their public school systems and in on-the-job training provided by employers. In these countries, job-related training and apprenticeships are worked into the school setting, and noncollege-bound youth often finish high school with a certification of achievement in vocationally related skills, so that they can move quickly and easily into the job market. In the United States, we too must begin to forge better connections between schools, employment agencies, and the larger employment communities. An orientation into the world of work should be integrated into the public schools. We should work to develop a system of technical and professional certificates which both students and adult workers could pursue. In addition, employers should be given incentives and assistance to invest in the further education and training of their workers.

EXHIBIT K

JOB CORPS

Jobs Corps is America's only residential education and vocational training program designed exclusively for young, unemployed, and undereducated men and women aged 16 through 21. For every dollar invested in Job Corps, $1.46 is returned to the economy through reductions in income maintenance payments, savings from reduced crime and incarceration rates, and through increased taxes paid by graduates. In addition, according to a Department of Labor study of 1989 Job Corps participants, 84% were successful, with 67% finding unsubsidized employment and 17% graduating to further education and advanced training.

However, Job Corps is currently operating at 102 percent capacity. The demand for Job Corps services has increased so much in some areas of the country that centers are consistently operating at over 100 percent capacity. Therefore, appropriations for this important program should be increased by $160 million. This funding will increase the Job Corps program by approximately ten percent, adding ten new program centers to the already existing 106 Job Corps sites.

EXHIBIT L

COLLEGE AID

The long-term strength of our economy is dependent on a number of factors, but a strong educational system is perhaps the most important of them all. Education has been the vehicle that has allowed millions of Americans throughout the decades to better their lives, their communities, and our country. We need to ensure that this vehicle is available in the future for all who have the talent and desire to make use of it. No one should be deprived of access to higher education because of cost. The cost that is truly too high is the cost of not providing adequate access to education.

During the last decade, the cost of college, after adjusting for inflation, has risen by 40%, while federal assistance for college education has grown by only 5%. A decade ago, a typical college support package was two-thirds grant and one-third loan, but that ratio has now been reversed, so that many college students finish school burdened with debt. Worse yet, too many decide against college altogether when the price tag is so high.

Federal support for college aid should keep pace with the rising costs of that education. Creative ways for students to repay loans, perhaps tying loan payments to income or allowing for graduated or balloon-type repayments, must be explored. These reforms can be financed, in large measure, simply by doing a better job of collecting student loans.

Education is our nation's best investment in the future: we should invest in it liberally.

EXHIBIT M

PUBLIC SERVICE CORPS

The National and Community Service Act of 1990 established a Commission on National and Community Service to provide leadership in strengthening the spirit of community involvement for America's young people. The Commission's grant program to states will stimulate a wide array of community service initiatives and will encourage community partnerships to address the educational, human service, environmental, and public safety needs of the nation. States will in turn make grants to local organizations that currently conduct or plan to conduct youth service programs. The federal government should fully fund this program.

EXHIBIT N

HEALTH CARE

The country has a daunting challenge to reform the health care system to make certain that every citizen has access to comprehensive health insurance. National health care costs are increased 163% during the past decade and could more than double again before the end of the decade. The impact on business and its ability to compete has been exacerbated by the fact that corporations now spend as much on health care as they earned in profits, whereas 25 years ago health care costs consumed only 14% of profits.

The rapid rise of health care costs has led to the loss or unavailability of insurance coverage to one-fifth of the population. A growing number of people with pre-existing conditions cannot purchase insurance at any cost. Not only are an estimated 37 million Americans uninsured, but an additional 20 million non-elderly are underinsured.

We must also address the failure of any of the current health care proposals to adequately address the problems associated with Medicare and the fact that the percentage of Americans aged 65 and over will rise to 22% of the population by the year 2030, further straining the current system. In 1990, Medicare accounted for 16% of total health expenditures. Medicare expenditures are estimated to have represented 2% of GNP in 1990 and are expected to increase to 6.8% of GNP by 2060.

Therefore, health care reform should be directed toward the following goals:

(a) Be affordable and accessible to all;

(b) Guarantee comprehensive medical services while preserving the right to choose one's own physician;

(c) Simplify administration with clear, uniform, and reasonable regulations because 24% of the health care dollar is now consumed by administration;

(d) Be "portable," without long waiting periods or exclusions for pre-existing conditions for individuals who change jobs;

(e) Be priced equitably for individuals, small businesses, and large corporations and with the same tax treatment since approximately one-quarter of the uninsured are either employed or live in a household in which there is a working adult;

(f) Be coordinated with Medicare, Medicaid, and the public Health Care System;

(g) Contain effective cost-containment measures since approximately one-third of selected medical procedures may be performed unnecessarily; and

(h) Effectively address malpractice costs.

EXHIBIT O

HONEST BUDGET REQUIREMENTS

"Honest budget" legislation is essential to our ability to make good decisions and to measure our performance. The American people should be told the true state of government spending. The annual increase in the national debt should be reported as the deficit rather than some other fictitious amount which ignores "off-budget" items and nets out future obligations. Trust fund surpluses should not be used to cover operating deficits, and capital expenditures which are, in fact, long-term investments in our country's infrastructure and educational system rather than operating expenditures which are fully consumed in the year expended should be identifiable.

"The Honest Budget/Balanced Budget Act," S. 101, keeps the unified budget, but also requires a more business-like presentation that more clearly exposes our fiscal problems. The unified budget is split into three parts. Social Security and all other federal retirement program spending and receipts are listed apart from general operating spending and receipts. That is not our money. We are merely the trustees. All payments to those retirement programs, both employer payments transferred from general operating revenue and earmarked trust fund revenue, are included.

S. 101 also requires that all interest obligations be clearly listed in a debt and interest account, separate from retirement and general operating accounts. Also clearly listed here is annual debt and debt increase. The real deficit and the real debt are there for everybody to see.

All other general revenue receipts and spending are listed in an operating account that must be balanced. With the exception of this balanced budget requirement, S. 101 simply requires us to account for federal spending in a way that exposes honestly and simply the fiscal problem of debt and interest.

EXHIBIT P

GOVERNMENT STREAMLINING

The federal government has many overlapping and obsolete programs and agencies. We must establish a commission to cull through the federal bureaucracy to identify programs and agencies which should be either eliminated or consolidated. To put teeth in this concept and to prevent the entire process from unraveling after the Commission prepares its report if members attempt to protect specific programs or agencies, the legislation should be designed to be an "all-or-nothing" package requiring the Congress to vote for or against the entire package without being able to make any amendments. To assure that the process is one of continually seeking to maximize governmental efficiency, the commission should be renewed every four years.

EXHIBIT Q

SOCIAL SECURITY "INVESTMENT IN TOMORROW"

The Social Security trust fund surplus should become a source for lending to state and local governments for their educational system and capital improvement projects. At present, the Social Security surplus is either invested in Treasury securities or simply used to offset the federal government's deficit spending.

By permitting the Social Security surplus to be invested into interest bearing bonds and loans to state and local governments, many benefits can be achieved. The surplus provides a source of funding for state and local governments which often have difficulty raising funds for long-term expenditures. Since the federal government is able to borrow at the most favorable rates in the market, these governments can benefit from lower costs thereby enabling them to lower their taxes. In addition, it is critical that the federal government help protect the educational systems and infrastructure investment in this country, a large portion of which is made and maintained by the state and local governments. All of this can be accomplished without costing the taxpayer while helping secure the future of governments and citizens alike.

EXHIBIT R

LBO AND CORPORATE TAKEOVER LAWS

Throughout the 1980s, the corporate raiders constantly told the Congress that if any changes were made to the laws governing corporate takeovers and leveraged buyouts, those changes would cause a crash in the stock market. They argued that these deals were only making corporate America "leaner and meaner." But now that we have seen the destruction that these highly leveraged deals have wrought on our economic competitiveness and that no big deals are driving up the stock market, Congress should finally make the long overdue changes to the laws governing corporate takeovers. Those changes should include a host of alterations to the securities laws that give the raiders an upper hand, but should also include provisions prohibiting any transactions unless the raider puts a substantial amount of equity—real money—into the deal and provisions that preclude stealing from the workers' pension fund in order to finance the deal.

At a minimum, we need to:

(1) Close the 13-d window to insure timely disclosure of intention to take over a corporation;

(2) Increase the tender offer time period to ensure that investors and managers have sufficient time to evaluate a tender offer;

(3) Require an independent fairness appraisal of all leveraged buyouts;

(4) Require that at least half of the financing for a transaction be firm financing not obtained by pledging the assets of the target corporation;

(5) Prohibit the termination of any pension plan within five years of a change in control of the corporation; and

(6) Prohibit the use of pension assets to in any way finance a transaction.

In addition, we should cut back on the deduction that corporate raiders can take for interest on the debt issued to finance their highly leveraged deals. There is no reason the American taxpayer should subsidize transactions that leave companies so mired in debt that they cannot possibly survive downturns in the economy such as we are experiencing now.

EXHIBIT S

PENSION RAIDING

Present law permits corporations and their owners to raid pension plans if, at some point in time, they appear to be funded beyond their immediate actuarial needs. This problem reached epidemic proportions in the case of Cannon Mills in North Carolina. Pension plan contributions belong solely to the beneficiaries of the plan. The benefits accruing from additional investment earnings or cost savings should inure to the benefit of the plan beneficiaries and not to the corporation making the contribution.

There are a number of steps Congress can and should take to protect pensions from terminations or reversions which leave the beneficiaries with anything less than their fully funded plans. We must act to prevent any further erosion of the security American workers should rightfully be able to rely upon for futures.

EXHIBIT T

TRADE POLICY

Competitiveness. The ability of U.S. goods and services to compete in world markets has become a necessary priority on the national agenda. Unless our products are competitively produced and successfully marketed abroad, our trade deficit will worsen. Increasing exports creates jobs and enhances economic productivity. From 1986–1990, fully one-quarter of America's growth resulted from increased exports.

We are piddling away time and competitive edge by looking to our trading partners to artificially stimulate demand for U.S. goods. What we need is bold, structural reform. It is time to take a creative look, with America's self-interest in mind, at the mechanisms that are currently in place to promote U.S. goods and services in Europe, Africa, Latin America and Asia. We must reorient our Department of Commerce and our trade agencies to be pro-active in promoting U.S. economic interests and products. We must encourage public/private partnerships and begin to invest heavily in private sector research and development.

At the crux of competitiveness is identifying products in which the U.S. has the greatest potential for future growth. Technological innovation and the development of our human resource capital are the source of economic growth and require fundamental strategic planning. The government must participate fully in creating the context, support and climate for personal and corporate initiative to flourish.

In connection with this endeavor, we should reexamine our depreciation policy in light of the global economy in which our industries now compete. Depreciation allowances must not penalize American companies competing against foreign competitors who may have more favorable allowances, quicker write-offs, and inflation adjustments.

Fair Trade. Developing our own competitive advantage is half of the battle. The other half is securing compliance with international law by our trading partners. While America's recent decline in international competitiveness has been aggravated by many internal and external factors, constantly blaming other countries for acting in their own interest is self-defeating. There is no excuse for an overly-conciliatory American trade policy. The Administration is charged with the responsibility of going to bat for American workers and firms, not excusing foreign countries for violating trade law when it is convenient. We talk about needing a level playing field, but, unfortunately, we keep waiting for the other team to play by our rules.

Our trading relationships do not occur in a vacuum. In fact, our foreign policy concerns about environmental, labor and human rights standards should apply in our trade agreements as well. Each trade agreement is unique and must be scrutinized for its impact on the American worker and effected industries. The U.S. not only has the right but has an obligation to keep our national interest in mind in these negotiations.

As long as the U.S. expects Japan to adopt our form of market economy and endorse our concept of "free trade," we are procrastinating the development of a much-needed trade policy for Japan. The tightly-knit government and business "keiretsu" system in Japan is not likely to dissolve because the Bush Administration complains that it is unfair while U.S. competitiveness is being undercut. We must take a tough approach in all our trade agreements and recognize the need for a special policy addressing our trade deficit with Japan.

EXHIBIT U

PAYING FOR ECONOMIC RECOVERY

The most important factor in paying for economic recovery is the creation of jobs since each one percent of unemployment costs the federal government approximately $40–45 billion in lost tax revenues and increased costs of governmental operation.

Just as important is the increase in income levels. When we reverse the decline in manufacturing wages, which have dropped almost 15% since 1978, the economic health of the federal government will also turn around with the economic improvement of its workforce. An increase in the wage base would not only improve the quality of life for each citizen, but it will also improve the fiscal position of the country.

The programs outlined here are, for the most part, an acceleration of existing capital expenditures designed to improve the productivity of the country. There will be a peace dividend which will not only provide the resources we need for these programs but also provide the ability to reduce the deficit.

EXHIBIT V

FREEZE DISCRETIONARY SPENDING CAPS

The Budget Enforcement Act provides two opportunities for relaxing the discretionary spending limits and the pay-as-you go requirements. One is in the case of an emergency and the other is in the case of recession or slow economic growth.

During the past year, neither of those exceptions have been utilized except for approximately $10 billion appropriated for Operation Desert Storm. Despite the recession, the low-growth provisions have not been invoked. Given the tremendous size of our deficits and the added interest costs that come with the deficit Congress should not exceed the discretionary caps.

The Budget caps should be frozen for the first three years of this program to match the anticipated start-up period. No economy in the history of the world has ever righted itself by reducing services to its citizens. Every major industrial economy has fueled its way to recovery through increased productivity, increased wages, and a correspondingly broader tax base. We have aided other countries during their times of need and industrial growth and they have succeeded. We must now apply the same formula to our own recovery.

EXHIBIT W

EMERGENCY RECOVERY APPROPRIATIONS

To the extent that these programs require additional outlays, they should be accounted for in an emergency recovery appropriations trust account. Increased revenues from the re-employment increased productivity of the workforce should be applied first toward the retirement of that trust account and then toward deficit reduction.

Our economic recovery investment will be directed toward capital improvements that will make the future more productive. To ensure that we do not add further to the national debt, we should freeze over-all discretionary spending caps at FY 1992 levels for three years. We should suspend the budget restrictions to account for the additional necessary emergency recovery appropriations, and establish for their accounting the equivalent of a capital budget. While the federal consolidated budget does not have a "capital budget" component, many think this would be an important addition to any budget reform package. Under the Summit Budgetary Agreement, the Congress was given the emergency authority to suspend the limits to cope with a recession. We invoked those exceptions for Desert Storm and we should do no less for our domestic emergency at this time.

To account for the added investments for economic recovery made over the next three years, it would be useful and helpful to create a section in the budget wherein expenditures for recovery would be treated "AS IF CAPITAL EXPENDITURES." By definition, capital expenditures must be re-paid or amortized over their useful lives. This capital expenditure quite appropriately could be amortized by the increased personal and corporate tax revenues resulting from the improved economy. One percent of unemployment costs almost $40 billion in lost revenues and another $5–10 billion in increased expenditures. By improving our economic engine, we will recover these funds that can be used to repay any temporary spending measures. It is my view that separating these funds from the ordinary debt would enforce a wholesome discipline, and would provide an example for later establishment of a capital budget in our regular budget process.

EXHIBIT X

MONETARY POLICY

Senators Sasser and Sarbanes have proposed a series of monetary policy initiatives which should be adopted immediately:

1. Although the Federal Reserve lowered the discount rate to 3.5%, it has not lowered the federal funds rate appreciably. The Fed should move immediately to lower the federal funds rate by at least another one-half percentage point.
2. The Treasury should immediately shift toward shorter maturities in future auctions of government securities, and the Fed should increase its holdings of long-term securities. This will reduce the supply of long-term Treasury securities, raise their value, and reduce the long-term interest rates both for the government and for capital markets.
3. The Federal Reserve should provide the leadership necessary to convene an emergency meeting of the G–7 finance ministers and central bank leaders to agree upon a program for worldwide interest rate reduction.

The PRESIDING OFFICER. The Chair recognizes the Senator from Delaware [Mr. ROTH].

Mr. ROTH. I thank the Chair.

(The remarks of Mr. ROTH pertaining to the introduction of S. 2172 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

NORMAN LOCKMAN

Mr. ROTH. Mr. President, my home State of Delaware is fortunate to have a fine Pulitzer-prize-winning political columnist by the name of Norman Lockman.

Of course, Mr. Lockman and I do not agree on every issue. In fact, sometimes we stridently disagree. But even on those occasions, I am impressed by his insight, by his ability to communicate difficult ideas simply, and by his dedication to fairness.

Yesterday morning, Norm Lockman offered an editorial that explains the very complex political differences that exist between the Republican and Democratic Parties when it comes to economic policy. What I find most intriguing about the column is that it not only captures and explains the abstruse differences concerning economics, but it captures the philosophical and attitudinal differences as well. And it discusses these differences in a simple and straightforward way.

To do this, Mr. Lockman uses as his metaphor a character from a fairytale—the goose that lays the golden egg from Jack and the Beanstalk. That goose, in the editorial, is private money, the producer of jobs. How each party wants to use the goose distinguishes the differences between them, and even creates their inability to work together for the good of those who must eventually receive the golden eggs—the American people.

Mr. President, Norm Lockman offers some tremendous wisdom in his editorial, and in so doing allows us to see ourselves a little more honestly. But perhaps more importantly, by objectively framing the differences that exist between us, he demonstrates that for the well-being of all Americans these differences can, and must, be overcome.

I ask unanimous consent that Mr. Lockman's editorial be printed in its entirety in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO NEED TO BE KICKING GOLDEN GOOSE

(By Norman A. Lockman)

WASHINGTON.—Talk about poor communications. Republicans and Democrats were in the same room for President Bush's State of the Union speech Tuesday night, but I'm not sure they were on the same planet philosophically.

The problem is that the president was talking about private money, and Democrats, as a philosophical group, really don't get the concept of private money as a producer of jobs.

Basically, here is the problem with the State of the Union dialogue on Capitol Hill.

President Bush says to Democrats in Congress, "If you like golden eggs, then stop kicking the golden goose. Feed it."

The Democrats in Congress say back, "The golden goose doesn't deserve to be fed. It hasn't been laying the golden eggs in our backyard."

Bush wants a cut in the capital gains tax; a permanent tax credit for industrial research and development, a 15 percent investment tax allowance; a liberalized passive loss rule for real estate developers; all golden goose food.

House Speaker Thomas S. Foley, a payroller of the old order, won't hear of it.

"We will insist that this time the benefits must go to the working families, not to the privileged," he said in his response to the president. "The president said when you aim at the well off, you usually hit the little guy. The truth is for 12 years they (presumably he means the rich or Republicans) have been promising to help the little guy and then giving all the breaks to the well off. And it is time that that stopped."

What needs to be stopped, Mr. Speaker, is the payroller mentality about money. Most of us who have never dealt with money except as a paycheck don't think of it as anything other than a limited possession, given begrudgingly by people who don't deserve it.

Money does, indeed, trickle down. More accurately, it circulates, and if there is not enough at the top of the cycle, it won't build up enough momentum to make it pass the bottom, and the economy stalls. It's really not that complicated.

Mr. Foley worries about doing "favors" for the richest 1 percent of taxpayers. Where, I wonder, does he think their money goes? To yachts and mansions I suspect. No matter how many yachts and mansions the 1-percenters own, most of their money is invested in things that will make it multiply. When the entrepreneurs are able to produce, they hire people. That's what keeps the economy running. That's why you need to make it more productive for the 1-percenters to invest their money in things that make more money.

Democrats in Congress would prefer to shortcut this process by taking a significant portion of the investment profits from the 1-percenters and giving it directly to we payrollers as some kind of class benefit. It is, however, not a very smart strategy in the real world.

Unfortunately, our Democratic team in Congress doesn't really believe in the dynamics of risk and opportunity. If they did they would go ahead and feed the damn goose and then figure out ways to make it want to lay its golden eggs in the right place. What the Democratic team really believes in is egalitarianism, the doctrine of the right to equal results. They want regular geese to be able to produce golden eggs just like the "privileged" ones.

This may be a naive political concept, but it is the bedrock of the Democratic Party's reason for being.

Republicans want to try remedies from an array of choices that promise to make more money for the money suppliers. Democrats want to deprive the money suppliers supply of money. Workers seldom worry much about where the money for their factories comes from. Many assume they somehow pay for themselves, existing by and for themselves. Therefore it becomes difficult to figure out why a substantial portion of the money that comes from a factory's products should go to individuals who don't sweat on the production line.

The reason is simple. Their money, called working capital, is what keeps the factories running. Until Congress gives working capital the same respect as working people, the economy will continue to languish.

We may not like the golden goose, but it sure is stupid not to feed it.

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KOHL). Without objection, it is so ordered.

Mr. EXON. Mr. President, just prior to the beginning of the session, I led a Senate Armed Services Committee Delegation, which included Senators THURMOND, LEVIN, and MACK, to the newly created States of Russia, Kazakhstan, and Ukraine, three of the four members of the Commonwealth of Independent States possessing nuclear weapons previously controlled by the Soviet Union. The purpose of this mission was to assess the overall political and economic situation of the Commonwealth and to discuss with officials the status and future plans for the nuclear weapons—both strategic and tactical—located in these republics. The delegation has completed its trip report and I ask unanimous consent that the text of the report be printed in the RECORD following my remarks, along with our letter to the chairman of the Armed Services Committee and additional comments by this Senator and those of Senator LEVIN.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. EXON. Mr. President, Lincoln Steffins, when asked by American statesman Bernard Baruch about his visit to postrevolutionary Communist Russia, once replied: "I have been over into the future, and it works."

This past year the world watched in astonished disbelief and euphoria as another revolution shook the world, forcing us again to cast our eyes to the future and the fate of a people. The revolutions of 1917 and 1991 are epochal events, milestones by which to judge the beginning and end of this remarkable, and sometimes tumultuous, century.

The Bolshevik Revolution of 1917 was an outgrowth of a world war that had vanquished the Russian state. In an environment of profound deprivation, a civil war was fought and the Communist state was born. The revolution of 1991 was also an outgrowth of need and war. The Soviet Nation, its economy bled lifeless by state policies of brutal collectivization and command markets, has seen better days but now has ended. The Communist ideology that had fueled the cold war against the West had been stripped of its veneer, revealing a legacy of rule that had imprisoned the minds and shackled the bodies of its people. When Alexander Solzhenitsyn writes in the "Gulag Archipelago" of the "History of Our Sewage Disposal System" he is using a poignant metaphor to describe the persecution, enslavement, and torture endured by millions in order to quench the perverse paranoia of Communist rulers over the decades.

I recount this chapter of history because I believe it provides valuable insight for those who look to a future where democracy has replaced communism, free markets take the place of command economies, and one superpower dissolves into 15 independent States. The people of the former Soviet Union have endured the hardships of two world wars, famine, and 70 years of Communist rule. Their relatives before them overcame autocratic rule and serfdom. Their patience and strength has been proven and has become part of their cultural identity. But how will they fare in their perseverance toward a future of democracy and free enterprise, concepts foreign to them?

Having just returned from the new Commonwealth, I find myself questioning the premise of the statement made in an earlier context: "I have been over to the future, and it works." Though the future of the Commonwealth is indeed promising, it is debatable whether democracy and capitalism will prevail given today's grim economic conditions. Whether the future works in the Commonwealth States is far from certain. The hurdles leading to success and stability are indeed formidable.

After spending a week in the cities of Moscow, Russia; Chelyabinsk, Russia; Alma Ata, Kazakhstan; and Kiev, Ukraine; I offer the following abbreviated assessment.

In the area of political reforms, the Republic of Russia is, at present, filling much of the political vacuum left with the dissolution of the Soviet Union. It has assumed the Soviet seat on the U.N. Security Council and is in the process of consolidating possession and control of all Soviet nuclear weapons within its borders by 1994.

It is unclear whether the Commonwealth itself will survive. It may serve as little more than a transitional body toward complete independence of individual member states while common nuclear weapons and economic concerns are resolved. Nationalism is evident in the new independent republics; while understandable, it is hoped such will not spread to a military threat to neighboring republics or other countries.

The political survival of Russian President Yeltsin is far from certain. Some officials the delegation met with predicted a second coup attempt in the near future. Pockets of support for the former Centralized Soviet Government are still evident. On our journey to the closed, secret military city of Chelyabinsk-65, a portrait of Lenin hung in the airport lounge and the military garrison guarding the city's nuclear facilities flew the Red Soviet flag as a conscious protest to recent democratic reforms. In testimony to this precarious political situation, former Soviet Foreign Minister Eduard Shevardnadze in his meeting with the delegation called the climate gloomy, to use his words, and offered the belief that the threat of authoritarian rule is greater today than before last year's coup.

It is clear, however, that a generation of leaders throughout the Commonwealth have dedicated their lives to seeing that democracy and a free market economy survive. Throughout our meetings with officials in the three republics I heard a consistent call for closer ties and cooperation between the United States and the individual republics.

On the issue of nuclear weapons, progress is being made to remove all tactical nuclear weapons from Ukraine, Byelorus, and Kazakhstan by July 1 of this year and all strategic weapons by the end of 1994, though some potential problems of transportation, storage, and dismantlement remain and there is some potential footdragging with regard to the removal of ICBM's in Kazakhstan.

While these weapons are being disarmed prior to transport, the consolidation and storage of the nuclear warheads is taking place in Russia. Actual warhead dismantlement will also take place in Russia and may, based on existing technical capacity, stretch well into the next century.

Russian officials we met with consistently stated that they have the technical expertise and facilities to dismantle these weapons but lack the infrastructure to safely store the surplus nuclear material.

Due in part to its experience in Chernobyl, Ukraine is following an expeditious path toward being free of nuclear weapons during the transition period through 1994. Assurances were given to the delegation that they are moving toward a safeguard system whereby any one of the four presidents where nuclear weapons are stationed could prevent the use of any Commonwealth nuclear weapons until final consolidation of weapons in Russia is achieved in 1994. As of now, however, this veto system is not technically operational.

Officials of the Russian Ministry of Atomic Power and industry expressed an interest in obtaining United States financial assistance, presumably from the $400-million technical assistance package approved by Congress last fall, to complete construction of a facility in Chelyabinsk-65 for the reprocessing of weapons-grade plutonium and uranium into fuel rods for commercial nuclear reactors. I recommend that my colleagues examine the trip report for a more detailed description of the facility and proposed joint government venture.

I found no definite evidence during our trip of atomic mercenaries or a brain drain of scientists to Third World Nations, though all officials we met with are concerned that the temptation to take lucrative offers is great and requires an innovative solution to prevent the proliferation of nuclear expertise.

On other military matters, I found each Republic committed to civilian control of the military while the old-line military is supporting a unified command of conventional forces. Individual Republics, in particular, Ukraine, are critical of the concept, intent instead, on forming their own conventional forces. No more evident is this struggle over control of military personnel and equipment than in the ongoing dispute between Russia and Ukraine over the Black Sea Fleet.

Conversion of the military-industrial complex in the Commonwealth—which totals 7 million workers and 1,100 factories—will be difficult but necessary, resulting in high unemployment. Both Russia and Ukraine, where most of these facilities are located, are requesting international assistance in this area.

In the area of the economy, the shortage of food is a problem of both distribution and production. The delegation heard reports that the hoarding of food has increased since the lifting of price controls. Food supplies in Moscow were scarce; in Alma Ata, fair; in Kiev, better but prices were high, having, on average, tripled in the days preceding our arrival.

The consensus in Russia is that President Yeltsin needs a couple of years to succeed with an economic plan toward a free market system. In the short term, the Republics are in dire need of medical supplies, herbicides, and animal fodder. Long-term economic restructuring will be difficult with the privatization of land, farms, and businesses being extremely complicated yet crucial to success.

At present, the United States is lagging behind European nations in expanding trade with the Commonwealth. Until the ruble is made convertible currency, barter, joint ventures, and other innovative trading concepts are the most appropriate tools as we look to expand our Nation's business relationship with the new States.

Our efforts and those of other nations in bringing about sound and productive economies in the Commonwealth may be the difference in seeing that democratic rule survives in these new nations as prices outpace wages and military conversion lengthens unemployment lines. Political stability is tied directly to the economic state of the Commonwealth. What hangs in the balance is the future of a remarkable democratic revolution that liberated Eastern Europe and brought down the Berlin Wall.

Mr. President, I recommend the full report, which will be printed following these remarks, be studied by my colleagues as part of the overall concentration and interest that we in the Congress must take toward this challenge that has presented itself to us and to the world.

Mr. President, I yield the floor.

EXHIBIT 1

U.S. SENATE,
Washington, DC, January 31, 1992.

Hon. SAM NUNN,
Chairman, Senate Armed Services Committee, U.S. Senate, Washington, DC.

DEAR SAM: I am pleased to provide you with the trip report on the Senate Armed Services Committee delegation's visit to Russia, Kazakhstan and Ukraine. The mission of the delegation, which I headed, was to assess the overall political and economic situation in the Commonwealth of Independent States and to discuss the status and future plans for the nuclear weapons—both strategic and tactical—located in these three republics.

The enclosed report discusses the itinerary and program of the delegation trip, provides overall findings on the political and economic situation, evaluates the status of nuclear weapons and other military matters, and concludes with a section of general recommendations. An appendix of additional views by individual senators follows the main report.

This trip was timely and informative. The first-hand observations and face-to-face meetings we had during our six day visit to the Commonwealth will prove invaluable as the Committee continues to tailor our national security policy to reflect the remarkable changes taking place in the former Soviet Union.

With best wishes.

Sincerely,

JIM EXON,
U.S. Senator.

TRIP REPORT: SENATE ARMED SERVICES COMMITTEE DELEGATION'S VISIT TO RUSSIA, KAZAKHSTAN AND UKRAINE, JANUARY 15–20, 1992

Purpose, Itinerary and Program. A delegation representing the Senate Armed Services Committee visited Russia, Kazakhstan and Ukraine on a fact-finding mission January 15–20, 1992. The purpose of the visit was to assess the overall military, political and economic situation in three of the four republics possessing nuclear weapons, and to discuss the status and future plans for the nuclear weapons—both strategic and tactical—located in these republics. The delegation was headed by Senator Jim Exon (D–Nebraska) and included Senators Strom Thurmond (R–South Carolina), Carl Levin (D–Michigan) and Connie Mack (R–Florida).

The first stop was Moscow. Following a briefing by Ambassador Robert Strauss, the delegation met with representatives of the Defense and Security Committee and then with representatives of the International Relations Committee of the Russian Supreme Soviet (parliament) in the Russian Republic's "White House." The delegation was received by Vice President of the Russian Academy of Sciences Yevgeniy Velikov, by chief arms control negotiator (and former Soviet Deputy Foreign Minister) Aleksey Obokhov. It met with Acting Minister of Atomic Power and Industry Nikipelov and the senior leadership of that Ministry. The delegation exchanged views with senior Russian officials at a luncheon hosted by Ambassador Strauss, and at an informal dinner which the delegation hosted for Russian guests. The delegation was received by former Soviet Foreign Minister Eduard Shevardnadze.

On January 17th, after receiving special clearances from several Russian ministries, the delegation flew to the city of Chelyabinsk, a military-industrial center located in the Ural-mountain region of the Russian Federation. Accompanied by regional officials as well as by the officials of the Ministry of Atomic Power and Industry, the delegation was taken by bus to a closed, tightly guarded city of 84,000 residents, known only by its post office box address, "Chelyabinsk-65." There, the group (the first Senate delegation to be admitted to this city) was shown facilities that could be used to reprocess weapons-grade plutonium and uranium into fuel for commercial nuclear reactors. It was also shown storage pool for spent nuclear reactor fuel rods and a facility which classifies radioactive waste materials.

The delegation then proceeded to Alma-Ata, the capital of the Central Asian Republic of Kazakhstan. The delegation was received by Kazakh Foreign Minister Suleymenov, the Deputy Defense Minister, and the Deputy Chairman of the Kazakh Supreme Soviet, along with eight senior members of the Supreme Soviet, including a Kazakh scientist specializing in questions of nuclear deterrence.

The delegation's final stop was Kiev, the capital of Ukraine. Following a briefing by American Charge d'affairee John Gunderson, the group was received by Ukrainian President Kravchuk, by Minister of Defense Morozov, by the Chairman of the Supreme Soviet Committee on Defense and Security, and by Foreign Minister Zlenko.

In addition to meetings with senior officials, the delegation surveyed food stores, farmers' markets and other retail outlets in the three capital cities. It visited two privately-owned restaurants and held numerous conversations at each stop, utilizing Russian-speaking Senate staff members accompanying the delegation.

The meetings were cordial, unusually productive, and often marked by an unprecedented degree of openness.

Overall Findings: Political Situation. These three newly-independent republics currently are struggling toward democracy, pluralism and a market economic system. While Russia is recognized as the "continuation" of the former Soviet Union, relative to the Soviet Union's status as a permanent member of the United Nations Security Council and of its possession of strategic nuclear weapons, it was evident that distinctly different countries are now emerging, particularly in the case of Ukraine. The newly-founded "Commonwealth of Independent States" (CIS) exists essentially in name only. Although some officials underscored the important role it could play in such areas, as strategic nuclear weapons and trade among CIS republics, its future is decidedly unclear.

The delegation heard widely differing assessments of the political durability of Russian President Boris Yeltsin. Some felt that he would soon fall because his government's economic reform has failed to produce an improvement in living conditions. Others predicted a second coup attempt within months. Former Soviet Foreign Minister Shevardnadze, for example, warned that the threat of authoritarian rule was greater today than before the August 1991 coup attempt. Still others felt that Yeltsin and his advisors would demonstrate the leadership needed to guide Russia through its current difficult transition period. This will depend largely upon his success in stabilizing the economy and in dealing with the military.

Signs of change were evident throughout our visit. We met with officials who had just assumed their positions, others who were about to be promoted, and still others who were not sure what position they currently held. In Moscow and Kiev, new Republic flags were flying. In Alma-Ata, a new flag was approved during our visit. At the same time, vestiges of the former Russian-dominated Soviet empire were evident throughout the trip. The security garrison at the secret military-industrial city of Chelyabinsk-65 was still flying the old Soviet flag, as if to protest the USSR's break-up. Statues and portraits of Lenin were in evidence at each stop. In Kiev, the Lenin statue had been removed from the main square, but in Alma-Ata officials were inclined to keep his statue as part of their history. However, the group was told in Alma-Ata that the city's Lenin Prospekt and Karl Marx Street would soon be renamed. A large portrait of Lenin disappeared from the wall of Chelyabinsk airport, shortly after the delegation commended on its prominence.

Concerns about the possible emergence of differing national interests among the republics of the CIS were expressed in each capital. Russians were troubled by Ukrainian nationalism; Kazakh and Ukrainian officials clearly were worried about power and assertiveness of Russian nationalism and the apparent restiveness of former Soviet military establishment. The current dispute over the Black Sea Fleet has brought the tensions out in the open. In fact, criticism was leveled at St. Petersburg Mayor Sobchak for his particularly sharp attack against Ukraine. Virtually everyone the delegation encountered, officials and non-officials alike, admire the United States and favored an open, mutually beneficial relationship with our country.

Overall Findings: Economic Situation. Worry about high prices, shortages, and an uncertain economic future were palpable at each stop. The value of the ruble against Western currencies has declined to the point that newspapers cost less than one penny, an excellent seat at the opera costs about seven cents, and a round-trip flight between Kiev and Moscow costs less than one dollar. Spiraling prices for average wage-earners and pensioners have become staggering. For example, the price of bread has increased 10-fold within twelve months.

Despite drastic price reforms in early January, little desirable food was available in the state stores. In Moscow, the delegation saw long lines for margarine and sugar. The selection of meat and fish was extremely poor. Food was plentiful in farmers' markets but at very high prices and somewhat limited selection. For instance, at the central market in Kiev beef cost about 50 rubles per pound; fresh tomatoes were about 100 rubles per pound—while the average household income is around 600 rubles monthly and pensions average around 200 rubles monthly. Chelyabinsk, an industrial city of 1.2 million, suffers from shortages of sugar, meat, dairy products and sometimes bread. Regional officials said that free soup kitchens recently were opened to feed children and the elderly. While the group heard of no instances of serious popular unrest in the cities it visited, no one knew when patience might give way to significant manifestations of frustration and anger.

There was nothing to suggest starvation in the major cities, and many residents had horded food in anticipation of the January price hikes. Indeed, a senior Russian scientist told the delegation he had accumulated a private stockpile of hundreds of pounds of potatoes. Tensions clearly will intensify if individual food supplies run out before economic reform can bring new supplies of food to the market at affordable prices.

Privatization of land and commercial enterprises is hindered by high taxes, stubborn old-school bureaucrats and a lingering egalitarian mentality. Officials in Moscow, Chelyabinsk and Kiev asked for U.S. help with military conversion. Officials in each of the three republics hoped for close economic ties with the United States across the board and indicated they would welcome trade on a barter basis or otherwise.

Overall Findings: Status of Nuclear Weapons. The delegation was told that encouraging progress has been made in transporting tactical nuclear warheads to Russia for eventual dismantling, in accord with the commonwealth agreement reached in Minsk in December. In particular, officials in Ukraine seemed determined to meet the agreed deadline of July 1, 1992 for shipping all tactical warheads to Russia. Knowledgeable officials of the Ministry of Atomic Power and Industry revealed that tactical weapons were rendered inoperable at their deployment sites before shipment. According to officials of that Ministry and other informed sources, some 8–10 thousand warheads have been disassembled in Russia since 1985. An interagency group was formed on January 14, 1992 to handle problems stemming from the shipment, dismantling and storage of fissionable material from tactical nuclear weapons. Officials indicated they did not need U.S. technical assistance with dismantling but would welcome help with transportation and storage as well as with nonproliferation of weapons technology. Officials of the Ministry of Atomic Power and Industry were anxious to receive U.S. support (they said they needed about $170 million) to complete a facility at Chelyabinsk-65 for conversion of weapons-grade plutonium and uranium for certain types of reactors.

At the same time, several well-informed contacts in Moscow said they felt military data regarding the location and accountability of tactical nuclear weapons was not highly reliable.

The status of strategic nuclear weapons was more complex. For example, the delegation heard contradictory views on the future of these systems in Alma-Ata. Some officials cited a strong anti-nuclear sentiment stemming from hazards created by the Semipalatinsk nuclear test facility in northern Kazakhstan. Others emphasized Kazakhstan's geopolitical location between two large nuclear powers—Russia to the north of China to the southest—and openly said that they would not surrender strategic nuclear weapons located in the republic while Russia and China retained similar weapons.

Senior political and military officials in Ukraine emphasized their determination to remove all strategic nuclear weapons from Ukraine by 1994, no matter what other republics did with such weapons. They said they would disable the warheads on strategic weapons if the systems could not be removed on schedule. These officials also described existing civilian controls over the launch of strategic weapons: a special telephone network now links the four "nuclear" presidents, so that they can confer immediately in a crisis situation. At present, only Russian President Yeltsin can authorize a launch, although this power reportedly was granted to him by the other Commonwealth members with the proviso that they would be given a special device by which each of them could technically prevent a launch. That device was not yet installed. Ukrainian officials said they would not participate in this system once strategic systems had been removed from their soil.

The delegation found no specific evidence of proliferation of nuclear weapons or weapons expertise. Officials agreed on the potential seriousness of the problem and welcomed cooperation with the United States on measures to cope with it.

A knowledgeable Russian official conceded that strategic weapons modernization was underway but insisted it was being conducted within the provisions of the START Treaty. Another well informed source indicated that continuing modernization programs stemmed from conservatives within the military-industrial complex who were still concerned over maintaining parity with the United States. According to this source, modernization would continue even if Boris Yeltsin ordered its cessation.

Overall Findings: Other Military Issues. Many contacts voiced concern over anti-democratic tendencies among traditionalists in the military establishment. One source said that morale was so poor in military units that unit commanders were not responding to orders from above, and only the strategic forces maintained good discipline, at least for the moment. At the same time, this source said that material need to maintain strategic nuclear systems was not being received at the weapons sites and was creating dangerous local situations. Another source said that the military establishment scoffed at the notion of a "commonwealth" of independent republics. Ukrainian officials downplayed the dispute between Ukraine and Russia over the Black Sea fleet, noting that Ukraine only wanted the capability to defend its coastline, maritime borders and territorial waters, and would not conduct operations outside of the Black Sea. These officials felt the issue had been defused by Russia's agreement to divide the fleet. However, they anticipated difficult negotiations with Russia over the specific allocation of naval assets.

Ukrainian officials were critical of Boris Yeltsin's support for a unified military establishment for the entire Commonwealth. They said Ukraine would proceed with its plans to create a modest Ukrainian military establishment, including ground, air and naval forces.

General Recommendations. The delegation found this trip to be timely and informative. The delegation offers the following general recommendations for United States policy toward the republic of the CIS:

(1) A smooth transition from totalitarianism to democracy, pluralism and a market economy is far from assured. The United States has a unique and probably perishable opportunity to foster this transition, although the volatility of the process calls for prudence in the way assistance is rendered.

(2) In the political-military field, the republics we visited are anxious to learn of our oversight procedures and to have our advice. Democratic forces are looking to the United States for support: this is an opportunity we must not miss.

(3) In the economic field, these republics want U.S. economic investment, particularly in the form of joint ventures. They are open to barter arrangements. They emphasize their need for our involvement in military conversion, which they believe can be mutually beneficial. Measured cooperation in all these areas can serve our national security interests.

(4) One example of military conversion was the appeal by the Russian Ministry of Atomic Power and Industry for U.S. investment in the Chelyabinsk-65 plutonium and uranium reprocessing facility. The delegation was not in a position to judge the technical merits of this proposal but believes this and other such options should be promptly and fully investigated by the Administration and Congress.

(5) The delegation found widespread appreciation for the two Congressional initiatives—on transportation of humanitarian aid and assistance in weapons destruction—adopted with broad bipartisan support by the last session of Congress. The delegation's overall findings confirmed the wisdom of providing the Administration with these authorities. However, there are uncertainties about CIS needs and how the assistance would best be utilized. The delegation believes that the historic nature of the changes underway in the former Soviet Union calls for continued bipartisanship and creativity from both the Congress and the Administration as the CIS republics strive to realize the values our country embodies.

(6) The United States is well represented in Moscow and Kiev. But working conditions for American officials are inadequate and require prompt upgrading. Staffing patterns and procedures suited to the Cold War period call for critical review in light of new realities, in particular the need to foster economic development. The United States should promptly establish an official presence in each CIS republic so that we can track the diverse domestic and foreign policies in each of these countries. In so doing, we will be better positioned to advance our national interests.

ADDITIONAL VIEWS OF SENATOR J. JAMES EXON

The foregoing official report of the delegation is a very accurate assessment of the situation in the Commonwealth and our collective recommendations. Understandably, each senator may have come away from the trip with somewhat minor differences in their impressions and views.

It is clear that the nuclear and conventional threat from the former Soviet Union has deteriorated rapidly as compared with even twelve months ago. Nonetheless, the present situation requires a certain caution on the part of the United States. There is a general consensus that stability would be best assured when all of the former Soviet nuclear weaponry is consolidated within the borders of the Russian republic. I agree with this conclusion provided that Russia is capable and committed to maintaining its present course of openness, democracy and free enterprise. The world should, however, consider that the success of these encouraging reforms are far from certain. Though not a pleasant scenario, we must consider the implications of Russia not succeeding in its current efforts and turning back the clock to a totalitarian form of government.

The jury is still out on the future and while reductions in our defense spending can and should be realized in the upcoming years, we would be prudent to proceed with our phased reductions using a "tether" that could reverse these cuts if there appeared to be an erosion of democracy in the Commonwealth and a reemergence of a pro-military government. The possible emergence of a new militant Russia or a Third World country unfriendly toward the United States acquiring some of the former Soviet nuclear arsenal or scientific expertise raises legitimate concerns. The geopolitical balance in the entire region formerly dominated by Soviet military power may be up for grabs with serious implications for the free world. The future of the new Commonwealth holds promise for success, but hopes and idealism are not the sole pillars of sound American national security policy.

What are the chances that the Commonwealth's economic, political and military reforms will be successful? In my view, no better than 50-50. While prices triple and inflation soars, wages and goods production remain low, the delegation heard stark predictions from some high government and non-government officials that Russian President Yeltsin could not succeed. We heard differing opinions as to whether a Yeltsin failure might result in his replacement by a succeeding democratic reformer or whether his fall would be as a result a traditional coup or popular revolt of the people.

It is in the national security and economic interests of the United States for President Yeltsin and other Commonwealth leaders to succeed. If President Yeltsin was to fail following the demise of Soviet President Gorbachev some might be attracted to a return back to a form of government which provided more stability to the economy, no matter how structurally flawed. My views is that it would be a mistake for us to assume that just because Russia and the rest of the Commonwealth has embraced democracy and the free market system that all is well. My further belief is that since there is little experience with democracy in the Commonwealth the former Soviets have turned to the political system because of the promise of a better life after the ruinous effects of communism. Citizens of the Commonwealth are not steeped in the traditions and values of democracy and the medicine necessary to bring about true reform could foster some thinking that maybe the old system was, in retrospect, better.

We have a "once in a lifetime" opportunity in the Commonwealth. We cannot afford to be shortsighted by adopting a position of economic isolationism. There is a danger that the industrialized nations in their scramble for new economic markets might overemphasize unilateral policies of assistance. Our assistance program to the Commonwealth should be a coordinated effort with the free world. We are currently behind the efforts of many of our allies in this area.

If we await for a convertible ruble or assume that a handsoff approach will guarantee that a free-market system will take root, we run the peril that successful political, economic and military reforms in the Commonwealth may not be successful. There is an attitude in America that we continue to worship at the altar of the almighty dollar in dealing with the Commonwealth though they are strapped for the hard currency to conduct traditional commerce. Throwing American dollars at the problem is not the solution. Barter, joint ventures and other innovative trading concepts are the most appropriate approaches as we expand our nation's business relationship with the Commonwealth.

ADDITIONAL VIEWS OF SENATOR CARL LEVIN

I returned from this visit with a renewed determination to push for active U.S. involvement in eliminating as much Soviet nuclear material as fast as we can and to work to keep Soviet nuclear scientists from being lured to Third World countries like Libya. I want to win what is likely to be a race against time, while doing what we reasonably can to improve the odds for democracy's long term survival in Russia.

We saw what could be great opportunities to reduce the nuclear weapons which have so threatened us. We were the first Americans to visit a facility under construction at one of the ten heretofore secret atomic cities, Chelyabinsk-65. That facility, when finished, might be able to preprocess weapons-grade plutonium and highly enriched uranium from Soviet warheads into fuel for use in commercial nuclear power plants. This would not only help eliminate nuclear weapons and their most dangerous components. It could also reduce the prospects for nuclear weapons proliferation, make storage safer, and place the reprocessed nuclear materials under international safeguards.

We were also encouraged by Ukrainian President Kravchuk's unconditional commitment during our meeting to eliminate all nuclear weapons from Ukrainian soil by 1994, regardless of what other republics do with their nuclear weapons. This is very important as leaders in Kazakhstan suggested that they wish to keep nuclear weapons as long as Russia and China have them. The Kazakh approach is regrettable—we need fewer countries with nuclear weapons, not more. Kravchuk also told us of Yeltsin's commitment to install a mechanical device in this office which would require his physical authorization—not just his verbal authority—before any nuclear weapons could be launched from any republics with nuclear weapons.

But such extraordinary, positive developments for our security could evaporate as quickly as they appeared. We saw and heard much evidence that Yeltsin is fighting an uphill battle in implementing economic reforms. Democratic reforms could go under as Russia's military grows more and more impatient for pay, housing or job security and if the Russian people grow so disheartened by lack of food and medicine, and by steeply rising prices, that they won't protect their new government from the next putsch attempt.

We heard of nuclear scientists looking for work and being enticed by countries such as Libya for their nuclear programs. Economic times are so difficult in Russia that a thousand of those scientists, for instance, might be kept working for just a few million dollars a year.

We should promote and facilitate private joint ventures with those scientists to explore breakthroughs in disposal of nuclear waste, in conversion of Soviet military industries to commercial nonmilitary use, and in converting plutonium and uranium from Soviet nuclear warheads into peaceful commercial energy.

These are extraordinary times. We should be responding in an extraordinary fashion.

Mr. EXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOCUSING ON THE ECONOMIC PROBLEMS

Mr. SPECTER. Mr. President, I have sought recognition before we close the session for today because I believe it is important that the Congress of the United States focus on the economic problems of the Nation pursuant to the President's State of the Union speech on Tuesday. I believe that Congress should stay in session and not take the recess which is scheduled from February 7 to 17 and should not take the recess which is scheduled from March 6 to 16. We must strive to meet the deadline called for by President Bush in his State of the Union speech on Tuesday.

The economic problems of this country require immediate congressional attention. In categorizing the seriousness of our economic situation, I pause over the word "crisis," I pause over the word "emergency." I do not want to articulate a call which is alarmist, but suffice it to say at an irreducible minimum, the economic problems of our country demand immediate congressional action.

The State of the Union speech was made on Tuesday, January 28. Today is January 31. The President has called for congressional action by March 20. That congressional action cannot be completed if we treat this matter like business as usual." We can meet the President's deadline of March 20 only if we put our shoulder to the wheel now, and eschew the February and March recesses.

In categorizing the seriousness of the problem, I am reminded of what President Reagan said, that it is "a recession when your neighbor loses his job. It is a depression when you lose your job."

I have traveled my State continuously since Thanksgiving, the beginning of recess, until we reconvened here 10 days ago, on January 21. I have found the people of my State enormously concerned about the Nation's economy. I have found many people in my State out of work. I know the situation is the same in all 50 States.

I recently read of a poll which shows that 41 percent of the American people are afraid of losing their job in the next year. Additionally, 70 percent of the American people have heard their neighbors talk about fear of losing their job in the next year.

This attitude is probably more destructive for the Nation's economy than the hard figures of unemployment, and the hard figures of unemployment are at unsatisfactory levels.

I took this floor at the same podium, at the same seat, in November and urged that the Congress stay in session during December and January to tackle these problems. When I traveled through my State, I was more sure than ever that that is what we should have been doing. Unfortunately, we did not do that. I note this point only to illustrate that this is not a new call by this Senator.

The President has outlined an economic package which has real substance. He has called for an investment tax credit to stimulate business expansion. He has called for modification of the passive loss rules on real estate, recognizing that the real estate industry is indispensable to an economic recovery. He has called for a tax credit for first-time home buyers. He has called for the use of IRA's to be expanded to be used for medical expenses and home purchases. These are just parts of his overall policy for economic recovery.

I believe it is a good start, and I have some additions to suggest. Senator DOMENICI and I introduced legislation in November to allow penalty-free use of IRA's, Keogh plans and 401(k)'s to stimulate consumer purchasing power. There are $800 billion in those accounts in addition to the $3 trillion or more in regular retirement accounts.

We are in sort of an economic straitjacket. The budget agreement precludes spending money unless there is an offset. So it is extremely difficult to prime the pump. Similarly, we cannot reduce taxes unless we have an offset. So that notwithstanding the tremendous economic power of the United States we are trapped in a kind of economic straitjacket. Therefore, the $800 billion in these accounts, which is set aside for a rainy day, would be of great use right now.

I would prefer not to use the IRA's, because we do not save enough as a nation and I would rather leave them for retirement accounts. But the kind of a problem we have today and the availability of those IRA's to stimulate consumer purchasing power makes it important to use them now.

I think we made a mistake in the 1986 tax law in altering the law with respect to IRA's. Prior to the 1986 tax law, every taxpayer was entitled to take $2,000 out of his income and put it in a separate IRA account. That $2,000 would be nontaxable, and interest on that $2,000 would be nontaxable.

The super IRA proposal, currently pending with 74 Senate cosponsors, would permit the use of IRA's on so-called capital investments like home purchases, medical expenses, and college tuition.

The idea occurred to Senator DOMENICI and me to use that concept on existing IRA's. Our proposal would allow the purchase of durable goods, such as new cars, a new home, and home furnishings.

Further, we have proposed that there be no penalty on the withdrawal of an IRA. Today, if you take money out of an IRA before you are 59½, you have to pay a penalty. Our proposal would also delay the payment of taxes on the IRA's over the next 4 years.

It seems to me that our problems are as much psychological as economic today. To paraphrase Franklin Delano Roosevelt, what we really have to fear is fear itself. We must instill a new confidence in the American consumer.

Mr. President, it may be that we need to supplement what President Bush has said, as I have suggested.

The economic problems which we face today did not originate last week or last month or last year. They have been building up over a long period of time because we have neglected to plan for the long term. We have neglected savings. We have neglected investment. We have neglected research and development.

I saw an advertisement which said what we have to do for the economy is look to the next quarter. That is, January 1; the year 2025. We have to give that kind of thought and that kind of planning. But, at the same time, there are things we can do now.

I believe it is incumbent on us to tackle these problems right now. On Friday afternoon, January 31, almost 2 p.m., with the last vote having been taken, I know the realities are not too good for action this afternoon on Friday. I know the prospects are not too good for Monday. Therefore, I do not think we ought to be in recess in February. I do not think we ought to be in recess in March. I think this Congress ought to respond to the President's challenge of a March 20 date.

The American people are sick and tired of political nitpicking. They do not care whether it is a Democratic or Republican idea. They want to see some action.

It is a tough political year, and there is a lot of partisanship in this Chamber. There was a lot of partisanship in the House Chamber when the President made the State of the Union speech. There was excessive partisanship.

I think we ought to put that aside, at least until March 20, and go to work. I think, unless we respond, that there are 535 Members of Congress whose jobs are in danger, and ought to be. That is why I have taken the floor for a few minutes this afternoon to urge, as forcefully as I can, that the leadership of the Congress, the membership of the Congress, cancel those recesses, tackle the problems of the economy, look at the proposals set forward by the President, make our amendments and modifications, and go to work in the interest of the American people.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOHN GARDNER

Mr. WIRTH. Mr. President, some years ago, I had the privilege of serving as a White House fellow in the old Department of Health, Education, and Welfare. That was a program established—still going today—under President Lyndon Johnson. Every year, 15 to 20 people in their late twenties, early thirties, that work at the highest levels of Government, come to understand the process and take that expertise home, and to become what its real intellectual founder, John Gardner, calls "inners and outers."

I was assigned to Gardner, who had been, prior to that, the president of Carnegie Corp. of New York. And after being Secretary of HEW, he founded the urban coalition, Common Cause, and is now a distinguished professor at Stanford University. He became coach and mentor to many of us, and his intellectual leadership remains loud and clear.

A speech was given yesterday, by Michael Walsh, the new president of the Tenneco Corp., in Houston, TX. Mike was in the first year of White House fellows in 1965, I believe, and is, like many of us, a devotee and in many ways protege or disciple of Mr. Gardner's.

All of us have worked and talked together about the need for institutional change, the importance of moving rapidly and urgently, particularly in this modern world.

I wanted to take a few minutes this afternoon to share what I thought was just an extraordinarily good speech by Michael Walsh to the House Democratic Caucus yesterday, not in a partisan sense by any means, but simply because it reflects, I think, some of the themes that this country must pursue. Mr. Walsh says:

> Let me start by putting my cards face up on the table. I'm not an economist, a tax expert, or an expert period. I don't know for sure where the economy is going. I'm troubled by the state of America, but I'm leery of quick fixes and weary of excessive political rhetoric.
>
> I do, though, know something about global competition. I've wrestled with all the alligators in the swamp. I've made, or have seen others make, every mistake in the book—not just once, but twice or three times. I've been to Japan 25 or 30 times, beginning in 1963 when I was an exchange student at Keio University. I've had responsibility for joint ventures, manufacturing plants, and distribution activities all over the world.
>
> All this has given me a pretty good sense of perspective of where America is and how we stack up against the competition.
>
> Let's start with the bottom line. Many industrial businesses in this country are falling seriously behind in the global competitive struggle.
>
> I agree with Tom Peters that almost all American companies are trying—trying as never before. But most are not getting better, at least fast enough, given the global competition. This raises the obvious question of why not and what we can do about it.
>
> Look, there's a temptation to think that this is just a business problem. But the fact of the matter is that's not the way it is. It is fundamentally a problem of large-scale institutions. And the issue of dealing with large-scale institutions comes down to two words: leadership and change.

> Let me put this into perspective.
>
> A good friend of mine recently spent a couple of days at Cal Tech talking with some of the smartest people in the world focusing on mankind's most serious problems.
>
> Participants were all over the lot regarding the main threats to our civilization. Population. The environment. Competitiveness. The failure of our political institutions. The list is long.
>
> But no one—and I'm emphasizing no one—in the course of the entire 3 days focused on the two fundamental issues—leadership and the challenge of making fundamental change in large, complex institutions. That's the bottom line in terms of effective action on any one of those problems.
>
> All this doesn't make for a good 15 second sound byte. But the fact of the matter is it's the truth.
>
> So, in that sense, the problems you face in your every day life and the problems I face are a lot more similar than you're inclined to believe.
>
> Let me make a point you may find surprising. Business leaders fall short in many respects—but more than any other reason, we fall short because we fail to appreciate the political nature of business leadership.
>
> What am I talking about? Think about it.
>
> Changing any large, complex organization requires reaching out to and mobilizing various constituencies whose interests often conflict. There's somebody out there who wants to put a foot on the brake no matter what you want to do. It may be a regulatory agency; a labor union; a community whose welfare is threatened by a plant closure; a public utility commission; an environmental group; senior citizens; a newspaper—you name it. The kind of thing you think about and deal with every day of your political life. But if you think those realities aren't as ever-present in my life as yours, you're wrong.
>
> In this sense, the political nature of effective business leadership is enormously important. Business leaders could do a lot worse than to take a page out of the book of the most effective of your colleagues.
>
> Having said that, our political institutions are failing because many of our political leaders fail to understand the economic or business aspects of political leadership. The government can go broke just as surely as private business. The bankruptcy is just less evident and takes a lot longer.
>
> Seen in this perspective, politicians can and should take a page out of the book of the most effective corporate change makers.
>
> My point, I hope, is obvious. Business leaders have a lot to learn from politicians. Leadership is essentially a political act, but, equally, politicians have a lot to learn from businessmen. Results and the bottom line do matter.
>
> Let me take a few minutes to talk about what I have learned about making change in huge, change-resistant bureaucracies.
>
> First and foremost, leading the process requires a relentless commitment from those at the top. I cannot say it any more simply than that and I cannot make it any more complicated than that. Those at the top have to decide what the larger issues are, what actions they require, and what actions they foreclose. In large, complex institutions—whether they be business, government, or academic—change does not bubble up from the bottom and it does not happen by accident.

He goes on and describes changes in his experience as president of the Union Pacific Railroad and now as president of Tenneco.

Mr. Walsh goes on to say:

> The bottom line of what I am saying about leadership and the way it is both instituted and implemented is that, short of revolution or bankruptcy, that process has to be relentlessly led from the top.
>
> A second essential ingredient in all this, obviously, is the willingness to make tough decisions. Happy talk just does not cut it. In a superficial sense, you had better believe morale declines. People's lives change.

And he goes on to talk about what happens when you make those kinds of tough decisions, that, in fact, you are going to run into a great deal of resistance but you have to be relentless.

> In the global world in which we live, making tough choices like these is, unfortunately everyday fare. Large, bloated staffs simply don't work. It is not just that they are expensive. They get in the way. They stymie progress. They keep the organization from responding quickly and effectively to the customer. You cannot talk about changing large-scale organizations you cannot talk with a straight face about becoming globally competitive without facing up to this pervasive issue. Equally, consolidation of facilities isn't far behind staff reductions on the priority list.

Mr. Walsh goes on:

> My third, and perhaps least obvious point, is that organizations can only change if they find ways of imposing restraints on themselves and their processes. Matters can't be debated to death. Petty indulgences cannot be tolerated indefinitely. The engine must be put in gear.
>
> I have a feeling that this problem is one of the most difficult you face—

In the Congress—

> But whatever the difficulties, my experience is that somehow, some way, the leadership figures out how to orchestrate a focus on what is good for the entity as a whole as opposed to what's good for this or that or the other individual—or to be frank, this or that or the other district. But don't fall into the seductive tendency to think that this is somehow easy to do in business. That the tough guy image is reality as opposed to the media's imagination. We've got prima donas in business just as you do. We've got people with access to the media or with this or that or the other source of power which threatens to constrain us every day. Business people are not without feelings, resources, or recourse. But effective leadership finds a way to deal with these issues.

A sense of urgency enters all this and Mike Walsh speaks and quotes John Gardner. As he put it, "We had to overhaul the ship without the luxury of putting it in drydock."

> Let's take a minute to talk about risk. If I've learned anything, it's that the risk of not acting is even higher than the risk of acting.
>
> In my judgment, the risks are probably higher, not lower, in making these kinds of moves in a business context, because we're measured immediately and swiftly by the stock market.
>
> My stock can drop by a third, cutting our market value almost $2 billion, as it recently did, while the uncertainties of the change making process are being resolved.

In conclusion, Mr. Walsh goes on as follows:

> My private conversations with those of you whom I know reveal a sense of frustration and impatience with the Governmental process. They reveal a deep sense of unease between your public dialogue and your private thoughts. Many of you realize that the issue is not this program or that, this election or that, this constituency or that, but an issue which is by far more important and profound, and that is whether the institutions of our government work effectively—whether they can be led; whether they can be changed.
>
> In this sense your problems and mine are more similar than you may think.
>
> There is a seductive tendency to somehow assume things are easier to do in another sector—that the grass is greener on the other side of the fence. Many of you tend to think that business people can fire at will and motivate simply by granting or withholding compensation. Equally, there are a lot of business types who tend to think that politicians solve all their problems by raising taxes and giving in to one interest group or another or, worse yet, simply passing more laws, rules, or regulations.
>
> The truth lies somewhere in the middle. But the important point is that what works in effectively changing a business that's facing a crisis holds lessons for what works in effectively changing a government that faces a crisis.
>
> I say "a government that faces a crisis" because I mean just that. The confidence of the American public in most of our governmental institutions is low. We've just not been able to deal with the deficit and other key issues.
>
> Let me move from my more personal experiences to some broader themes.
>
> As I said in the beginning, the problem isn't just business or just government or just any one of our huge institutions. It's each of us and all of us. This is serious business. We're not kids playing house. The stakes are enormous as to how we resolve these issues. If we allow the nation to fall behind, we all fail.
>
> Equally, we don't get very far blaming others. Sure, some blame is in order. I'm not naive. But all of us can and must do better. I can. You can. Tenneco can. The Congress can. It all starts with the leadership of our institutions.
>
> We're all in this together. As Americans, we spend our weekends watching football, basketball, baseball—watching great teams, great teamwork by people of diverse races, creeds and backgrounds. But we can't seem to bring that sort of teamwork to the great institutions and the great undertakings of our society.
>
> We've also got to cut the pessimism and cynicism. Sure, focusing on reality and doing what's necessary is tough. Real people with real lives are affected in ways which are terribly difficult for them to accept. But doing what's necessary to deal with the industrial transformation which is taking place in this world is what America is all about. We've never shirked from this kind of challenge in the past—and I see no reason why we would shirk such a challenge now.
>
> Finally, hard times are a time to strengthen resolve to get back to basics in both government and business.
>
> In conclusion, I have tried to show you this afternoon. That change can happen in unlikely places and unlikely ways. In that sense, my experience gives me both confidence and hope.
>
> I've tried to persuade you that change doesn't happen by accident. That its's led and orchestrated from the top. That it's the job of leadership to make and carry out

tough decisions and to govern itself, its processes and its impulses in order to get the job done.

The bottom line is that all of us with leadership responsibilities need to focus more on the leadership issues of the institutions we're entrusted to run and we need to focus less on those political or policy issues that don't matter—especially if we fail on the larger issues.

Call the leadership or priorities or whatever you wish. It's the name of the game. It's the bottom line for all of us.

Mr. President, I wanted to share that because I thought that was an extraordinarily important discussion of the challenges of leadership that we face in a changing American industry and must face in a changing American Government. Just as industry is facing new worldwide competition, new imperatives and must change, so we in the Congress are facing new worldwide imperatives and must change.

The cold war is over and we have to dramatically shift the way in which we are investing our funds. The budget is out of control. We have to dramatically look at all of our institutions, from our staffing right here to every program, just as a business must do, and make unpleasant decisions now, but they are going to be the right ones in the long-term.

Mr. President, I ask unanimous consent that the full text of Michael Walsh's wonderful speech be printed in the RECORD and I yield the floor.

There being no objection, the text of the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY MICHAEL H. WALSH, ECONOMY PANEL, DEMOCRATIC CAUCUS

I

I'm delighted to be with you today. Thank you, too, Congressman, for that kind introduction. As someone once said, "My father would have enjoyed it and my mother would have believed it." Maybe!

Let me start by putting my cards face up on the table. I'm not an economist, a tax expert, or an expert period. I don't know for sure where the economy is going. I'm troubled by the state of America, but I'm leery of quick fixes and weary of excessive political rhetoric.

I do, though, know something about global competition. I've wrestled with all the alligators in the swamp. I've made, or have seen others make, every mistake in the book—not just once, but twice or three times. I've been to Japan 25 or 30 times, beginning in 1963 when I was an exchange student at Keio University. I've had responsibility for joint ventures, manufacturing plants, and distribution activities all over the world.

All this has given me a pretty good sense of perspective of where America is and how we stack up against the competition.

Let's start with the bottom line. Many industrial businesses in this country are falling seriously behind in the global competitive struggle.

I agree with Tom Peters that almost all American companies are trying—trying as never before. But most are not getting better, at least fast enough, given the global competition. This raises the obvious question of why not and what we can do about it.

II

Look, there's a temptation to think that this is just a business problem. But the fact of the matter is that's not the way it is. It is fundamentally a problem of large-scale institutions. And the issue of dealing with large-scale institutions comes down to two words: leadership and change.

Let me put this into perspective.

A good friend of mine recently spent a couple of days at Cal Tech talking with some of the smartest people in the world focusing on mankind's most serious problems.

Participants were all over the lot regarding the main threats to our civilization. Population. The environment. Competitiveness. The failure of our political institutions. The list is long.

But no one—and I'm emphasizing no one—in the course of the entire three days focused on the two fundamental issues—leadership and the challenge of making fundamental change in large, complex institutions. That's the bottom line in terms of effective action on any one of those problems.

All this doesn't make for a good 15 second byte. But the fact of the matter is it's the truth.

So, in that sense, the problems you face in your every day life and the problems I face are a lot more similar than you're inclined to believe.

III

Let me make a point you may find surprising. Business leaders fall short in many respects—but more than any other reason, we fall short because we fail to appreciate the political nature of business leadership.

What am I talking about? Think about it. Changing any large, complex organization requires reaching out to and mobilizing various constituencies whose interests often conflict. There's somebody out there who wants to put a foot on the brake no matter what you want to do. It may be a regulatory agency; a labor union; a community whose welfare is threatened by a plant closure; a public utility commission; an environmental group; senior citizens; a newspaper—you name it. The kind of thing you think about and deal with every day of your political life. But if you think those realities aren't as ever-present in my life as yours, you're wrong.

In this sense, the political nature of effective business leadership is enormously important. Business leaders could do a lot worse than to take a page out of the book of the most effective of your colleagues. Believe me, I learned a lot by watching Chairman Dingell and Chairman Swift in the effective way they handled last spring's national rail strike.

Having said that, our political institutions are failing because many of our political leaders fail to understand the economic or business aspects of political leadership. The government can go broke just as surely as private business. The bankruptcy is just less evident and takes a lot longer.

Seen in this perspective, politicians can and should take a page out of the book of the most effective corporate change makers.

My point, I hope, is obvious. Business leaders have a lot to learn from politicians. Leadership is essentially a political act. But, equally, politicians have a lot to learn from businessmen. Results and the bottom line do matter.

IV

Let me take a few minutes to talk about what I've learned about making change in huge, change-resistant bureaucracies.

First and foremost, leading the process requires a relentless commitment from those at the top. I can't say it any more simply than that and I can't make it any more complicated than that. Those at the top have to decide what the larger issues are, what actions they require, and what actions they foreclose. In large, complex institutions—whether they be business, governmental, or academic—change doesn't bubble up from the bottom and it doesn't happen by accident.

Let me illustrate.

A little more than five years ago, I joined the Union Pacific Railroad as Chairman. In the course of 60 months, we doubled productivity per employee, let me repeat that. We increased the work done—the throughput—measured in terms of gross ton miles transported per employee from 6 million tons per year to more than 12 million tons.

Keep in mind we were dealing with more than a dozen different unions, a hierarchical structure that hadn't been changed in a century, a leadership group which felt God himself would come down upon us if we changed too fast, and a work force with an entitlement mentality—a belief that "Uncle Pete" would always be there for them.

On top of all this, we were dealing with an industry which reflected all the ills of years of regulation.

Does this sound suspiciously similar to some of the government bureaucracies you deal with?

Union Pacific wasn't on the brink of bankruptcy. There wasn't an obvious crisis. In fact, the year before I came—1985—the railroad had record earnings. The earnings were only a "record", though, compared to poor past performance.

The company was not earning its cost of capital and the board, realizing that, was reinvesting the railroad's cash elsewhere—into other newer activities which they hoped would be more productive. The railroad was slowly going out of business. We just weren't advertising the fact.

Think about the threat this represented to the work force. That's what I had to deal with.

I held town meetings all over the country to explain all this to engineers, conductors, brakemen, switchmen, firemen and clerks. This wasn't easy. Our people weren't worried about the company's return on assets. They didn't know what the words meant. They were worried about their jobs. But I had to get them to understand the relationship between their job security and the company's profits. They were two sides of the same coin. Why? Because, if we couldn't get our profits up, the board would continue to disinvest. We wouldn't have the capital to grow—and without growth, the combination of reduced business and new technology would surely threaten peoples' jobs more than all the cost cutting ideas I could ever come up with.

A hard sell you say. You better believe it was.

In a nutshell, we had to get our people to face reality. They had to understand that while it had been the policy of government, management and labor to protect rail employment for 40 years, that policy—however well intentioned—had been a dismal failure. The numbers proved it. In 1950, there were a million and a half members of rail labor. By the late 1980's that number had dwindled to 250,000.

As I said to our people, "some protection". All we had done was to create an inefficient structure and a high cost umbrella which was a magnet for competition.

Sure, we could have blamed the trucks. We could have blamed the Congress or the I.C.C.—or, for that matter, the Japanese. But instead I was relentless in telling everybody what they didn't want to hear. We were too big, too bureaucratic, too inefficient, and not competitive. Most importantly, we couldn't get from here to there with everyone on the ship.

Let me tell you something. That was a tough message for a lot of our people—especially for the more than 10,000 people—25 percent of our work force—who lost their jobs in the course of five years.

To be sure, we sought to cushion the economic blow to those whose jobs went away. We spent almost half a billion dollars to finance such things as voluntary buyouts, severance payments, and retaining.

But that doesn't mean that people were happy or that it was easy. They weren't and it wasn't.

But the simple fact is that we faced reality—we had to pay the price. The bottom line or what I'm saying about leadership and the way it is both instituted and implemented is that, short of revolution or bankruptcy, that process has to be relentlessly led from the top.

A second essential ingredient in all this, obviously, is the willingness to make tough decisions. Happy talk just doesn't cut it. In a superficial sense, you'd better believe morale declines. People's lives change.

Let me use another example to make the point as to just how dramatically and swiftly change can be made.

In a 90-day period in 1987, we eliminated six layers of management and took out 800 middle managers at Union Pacific. Shortly after that, we closed the Omaha shops, which was an enormous emotional blow to the community, given the way it had started. It was home, its origin. It also something like $25 million per year out of the local economy.

Last fall at Tenneco's corporate headquarters, in just a few weeks we reduced costs by 25 percent and reduced staff by more than a third.

What's my point?

In the global world in which we live, making tough choices like these is—unfortunately—everyday fare, large, bloated staffs simply don't work. It is not just that they are expensive. They get in the way. They stymie progress. They keep the organization from responding quickly and effectively to the customer. You can't talk about changing large-scale organizations—you can't talk with a straight face about becoming globally competitive—without facing up to this pervasive issue. Equally, consolidation of facilities isn't far behind staff reductions on the priority list.

My third, and perhaps least obvious point, is that organizations can only change if they find ways of imposing restraints on themselves and their processes. Matters can't be debated to death. Petty indulgences can't be tolerated indefinitely. The engine must be put into gear.

I have a feeling that this problem is one of the most difficult you face.

But whatever the difficulties, my experience is that somehow, some way, the leadership figures out how to orchestrate a focus on what is good for the entity as a whole as opposed to what's good for this or that or the other individual—or to be frank, this or that or the other district. But don't fall into the seductive tendency to think that this is somehow easy to do in business. That the tough guy image is reality as opposed to the media's imagination. We've got prima donnas in business just as you do. We've got people with access to the media or with this or that or the other source of power which threatens to constrain us every day. Business people are not without feelings, resources, or recourse. But effective leadership finds a way to deal with these issues.

I'm not talking philosophically, but practically. I could give you endless examples of how—in the name of serving the customer, cutting costs or making other important changes in a difficult environment—shared responsibility or matrix relationships replaced traditional hierarchical or line authority at Union Pacific. Every time I initiated such a change, however, I was dealing with people—usually guys—who thought they were losing their manhood. They were accustomed to command authority—the "do it because I say it" approach. Guys headed for the dictionary when I used words like matrix and collegial.

But, like almost all large organizations, while we were organized vertically, everything we needed to do flowed horizontally. That meant tearing down barriers between departments, replacing tyrants with teams, focusing on cooperation rather than conflict.

But don't think all this happened in a hot tub. It wasn't a social experiment. We had to run trains, cut costs, meet competition, and achieve record results while making these changes at the same time. As John Gardner puts it, we had to "overhaul the ship without the luxury of putting it in dry dock."

I suspect that in seeking to get control of your own house—pun intended—you'll find more than a ring of truth in the challenges I'm describing.

Let's take a minute to talk about risk. If I've learned anything, it's that the risk of not acting is even higher than the risk of acting.

Consider that when we chose to eliminate those six layers of management in a 90-day period, we had no guarantee it would work. In fact, many of the "insiders" counseled me it wouldn't. But the risk that the organization wouldn't work the way it was was greater than the risk of change.

Or consider when we announced at Tenneco that we would complete a $2 billion restructuring in only 90 days, we faced an economy that said, "No way". But the continuing risk to our balance sheet outweighed the risk of acting.

The risk equation also applies to longer run issues. The risk to the Union Pacific work force was much greater when the board was pursuing the disinvestment strategy. Today with costs down and business up, the future is much brighter for those who remain.

In my judgment, the risks are probably higher—not lower—in making these kinds of moves in a business context, because we're measured immediately and swiftly by the stock market.

My stock can drop by a third, cutting our market value by almost $2 billion—as it recently did—while the uncertainties of the change making process are being resolved.

What has all this got to do with you? My answer is a lot.

My private conversations with those of you whom I know reveal a sense of frustration and impatience with the governmental process. They reveal a deep sense of unease between your public dialogue and your private thoughts. Many of you realize that the issue is not this program or that, this election or that, this constituency or that, but an issue which is by far more important and profound, and that is whether the institutions of our government work effectively—whether they can be led; whether they can be changed.

In this sense your problems and mine are more similar than you may think.

There is a seductive tendency to somehow assume things are easier to do in another sector—that the grass is greener on the other side of the fence. Many of you tend to think that business people can fire at will and motivate simply by granting or withholding compensation. Equally, there are a lot of business types who tend to think that politicians solve all their problems by raising taxes and giving in to one interest group or another or, worse yet, simply passing more laws, rules, or regulations.

The truth lies somewhere in the middle. But the important point is that what works in effectively changing a business that's facing a crisis holds lessons for what works in effectively changing a government that faces a crisis.

I say "a government that faces a crisis" because I mean just that. The confidence of the American public in most of our governmental institutions is low. We've just not been able to deal with the deficit and other key issues.

Let me move from my more personal experiences to some broader themes.

As I said in the beginning, the problem isn't just business or just government or just any one of our huge institutions. It's each of us and all of us. This is serious business. We're not kids playing house. The stakes are enormous as to how we resolve these issues. If we allow the nation to fall behind, we all fail.

Equally, we don't get very far blaming others. Sure, some blame is in order. I'm not naive. But all of us can and must do better. I can. You can. Tenneco can. The Congress can. It all starts with the leadership of our institutions.

We're all in this together. As Americans, we spend our weekends watching football, basketball, baseball—watching great teams, great teamwork by people of diverse races, creeds and backgrounds. But we can't seem to bring that sort of teamwork to the great institutions and the great undertakings of our society.

We've also got to cut the pessimism and cynicism. Sure, focusing on reality and doing what's necessary is tough. Real people with real lives are affected in ways which are terribly difficult for them to accept. But doing what's necessary to deal with the industrial transformation which is taking place in this world is what America is all about. We've never shirked from this kind of challenge in the past—and I see no reason why we would shirk such a challenge now.

Finally, hard times are a time to strengthen resolve to get back to basics in both government and business.

In conclusion, I have tried to show you this afternoon, that change can happen in unlikely places and unlikely ways. In that sense, my experience gives me both confidence and hope.

I've tried to persuade you that change doesn't happen by accident. That it's led and orchestrated from the top. That it's the job of leadership to make and carry out tough decisions and to govern itself, its processes, and its impulses in order to get the job done.

The bottom line is that all of us with leadership responsibilities need to focus more on the leadership issues of the institutions we're entrusted to run and we need to focus less on those political or policy issues that don't matter—especially if we fail on the larger issues.

Call that leadership or priorities or whatever you wish. It's the name of the game. It's the bottom line for all of us.

Thank you very much.[S31JA2-P3]{S786}

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER [Mr. DECONCINI]. The Senator from Kansas is recognized.

Mrs. KASSEBAUM. Mr. President, I listened with great interest to the Senator from Colorado discussing Mr. Walsh's speech and I think some very valid points were made and it follows on a bit what I would like to speak to.

I think it is important for us to be cognizant of change that must come in our institutions, whether it be in the business community or Government. That change does not come easily, particularly here, I think, where we get very set in our ways, as I suppose is true in the business world as well. It takes a consistency and an effort that many times is difficult.

I have been one who has felt that it would be of benefit to the U.S. Senate to look to some significant reforms, to some consolidation in our committee work and in our staffing, the way that we work within our committees, and then report to the floor, particularly in combining the work of the appropriations and authorizing committees.

Mr. WIRTH. Will the Senator yield for a minute?

Mrs. KASSEBAUM. I am happy to yield.

Mr. WIRTH. Mr. President, I think the Senator is raising exactly the point: That as the world changes, this institution has to change too. Senator BOREN and Senator DOMENICI started that. I think it was a very welcome effort. We have to look at our committee jurisdictions, we have to look at the relationship between authorization and appropriation, obscure to the outside world but crucial to 100 leaders here, or 100 self-styled leaders. We have to set that tempo and adapt to the 21st century and we have to start now.

I thank the distinguished Senator for yielding and for her observations. That is just precisely the kind of thing that we must do. I thank the Senator.

THE RETIREMENT OF JOHN R. SIMPSON

Mr. DECONCINI. Mr. President, over the past 10 years, I have come to know, admire and respect an individual who has given dedicated and uncompromising service to the Federal Government for 29 years. That individual is John R. Simpson. Many in this body know John Simpson. He has been the Director of the Secret Service for the past 10 years. In that position, he has held the unenviable job of providing safety and security for the President of the United States; the Vice President; their families; and a whole host of foreign dignitaries. Mr. President, before I came to the Senate I was a prosecutor. In that position, I developed an enormous respect for professional law enforcement officers throughout this country. In my mind, John Simpson represents the epitome of professional law enforcement. He is a courageous and dedicated man who possesses the sharp skills and instincts which are well known in law enforcement circles.

Today, as John Simpson retires from Federal service, I want to pay tribute to his many accomplishments and contributions. I came to know the professional side of John Simpson through my chairmanship on the Appropriations Subcommittee on Treasury. That subcommittee funds the operations of the U.S. Secret Service. Through this association I came to appreciate the substance of the man. I always found him to be someone who had a full command of the issues and an individual who would honestly and openly address issues even in the face of adversity. One of the things I admire most about John Simpson is his forthright nature and down-to-earth character.

Mr. President, as many in this body know, John Simpson was appointed Director of the Secret Service in 1981 by former President Ronald Reagan. He was a career agent, so partisan politics never affected his judgment or performance. From 1981 to the present, Director Simpson successfully guided the Secret Service through one of its most significant decades. It was a decade in which the agency experienced unprecedented growth and one in which exceptional demands were placed on the Service. Coming into that position only 9 short months after the attempted assassination of President Reagan, Director Simpson was immediately confronted with the reality that the Service could be vulnerable, that its protectees could be endangered. Under his watchful eye, no harm was brought to bear on any protectee. In the ensuing years, international terrorism became a constant concern for the Secret Service. The increasing violence and unrest throughout the Nation placed a daily strain on the Service's protective functions. It was a period in which keen law enforcement skills were needed to preserve the stability of the Nation by ensuring the safety of its leaders. John Simpson rose to meet those challenges without missing a beat.

In addition to the formidable demands of protecting the President, Director Simpson faced the task of making the Service more innovative and attractive to new recruits. Under his leadership and guidance, the investigative responsibilities of the Secret Service were expanded. Investigations into such crimes as access fraud, computer fraud, false identification of documents, and financial institution fraud became prime responsibilities for the Secret Service. These additional authorities were not conferred upon the Secret Service without significant challenge from other law enforcement agencies. It was Director Simpson that convinced this body that the Service could make strong contributions to the Nation's war on crime.

Throughout his government career, I have known Director Simpson to exhibit the highest degree of personal integrity and professionalism. He was an outspoken advocate on all matters affecting law enforcement, not simply on those issues affecting the Secret Service. His role in helping reform the Federal law enforcement pay system will long be remembered by this Senator, and undoubtedly, by all existing and future law enforcement officers. His reputation as a tireless and experienced law enforcement officer earned him respect on an international level. In 1984 his credentials were recognized by the international law enforcement community and he was asked to serve as the President of the International Criminal Police Organization, Interpol, to combat the growing threat of international crime. John Simpson is the only American law enforcement official to ever hold that distinguished position.

Throughout his career Director Simpson quietly and without fanfare expended his full energies and resources to fulfill the obligations of his office. I am proud to have come to know John Simpson.

This is not the end of John Simpson's service at the Federal level. Fortunately, the President has decided to continue to make use of the talents and skills of John Simpson by nominating him to be a Commissioner on the U.S. Parole Commission. I am confident his nomination will be expeditiously and overwhelmingly approved by this body.

I ask my colleagues to join me in wishing John Simpson the best of luck as he departs the Secret Service. He will be sorely missed by this Senator but the example he has set for other law enforcement officers will be felt for years to come. Best wishes Director Simpson.

LAZY? NO WAY

Mr. FORD. Mr. President, I know that many of my colleagues were and still are very concerned over recent remarks made by a senior Japanese Government official regarding the work habits of American citizens. To put it politely, his remarks were untrue and not supported by the facts. I can think of no more appropriate way to address them than by submitting a letter to the editor of the Courier-Journal newspaper, written by Mr. Fujio Cho, president and chief executive officer of Toyota Manufacturing USA., Inc. The letter speaks for itself.

I ask unanimous consent that the letter be printed in the RECORD in full.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LAZY? NO WAY

(By Fujio Cho)

GEORGETOWN, KY.—Several years ago, when I was selected by Toyota to oversee start-up of a new plant in Georgetown, Ky., I had mixed feelings. I had no way of knowing what I would face working in the United States with an American work force and living in a small Kentucky community.

Many questions ran through my mind while my family and I prepared to move to Kentucky. Would people be patient as we learned to speak English? Would Americans want to work for a company from Japan? Would we be able to make friends, or would we be seen as too "different?"

As it turned out, I should not have worried. I have lived and worked in Georgetown for five years now. My son is a student at Georgetown College. My wife is involved in community activities such as God's Pantry. Every Thursday at noon I discuss the area's needs and concerns over lunch with fellow Rotarians.

Kentuckians, including our work force in Georgetown, not only made us feel welcome; they made us feel at home.

That is why I was particularly shocked and disappointed to hear the disparaging remarks about American workers recently attributed to a senior Japanese government official. My best guess is that his lack of experience with American workers caused him to form those misguided impressions.

Although I cannot fix the damage caused by an individual's comments, I can help to set the record straight. Simply put, I have great respect for our team members at Toyota Motor Manufacturing, U.S.A., Inc., and their colleagues at Ford, General Motors and Chrysler.

Perhaps the best way to explain this respect is to relate my personal experiences. If you walked into our facility in Georgetown, you would see 4,000 Americans hard at work. They impress me more every day with their diligence and commitment to making a quality Camry. These Americans deserve praise, not criticism. The success of this American work force is a source of great pride for me and for Toyota's management in Japan.

The biggest challenge we faced early-on was staffing an automobile manufacturing operation that would produce more than 800 vehicles a day. I was surprised and pleased not only with the number of applicants from all over Kentucky, but also with the quality of the people.

While our team members had little previous manufacturing experience, they learned quickly. These American workers didn't just want jobs; they wanted to produce the best car possible. And they have.

The Camry made in Kentucky matches the quality of those made in Japan. An encouraging sign is that dealers say customers are now specifically requesting Kentucky Camrys.

The Toyota Production System is an often-copied manufacturing technique. It is designed to find and solve problems. But it is not perfect.

In fact, we believe that it can be continuously improved. Our team members—96 percent are Kentuckians—are contributing significant improvements to the system, bringing it to a new performance level. Last year, our Kentucky work force submitted more than 20,000 suggestions for making the Camry a better car.

Although I see this outstanding commitment and work ethic every day, one incident in particular stands out in my mind.

The plant experienced its first bad weather day about three years ago. The snow fell throughout the morning and into the afternoon. I was concerned about the safety of our second shift because many team members travel a long distance each day.

I was greatly impressed when many team members on the first shift volunteered to work overtime, covering for the second shift. But that wasn't necessary. Much to my delight, virtually the entire second shift got to work early because they anticipated slower travel time.

I'm certain that no one would call them "lazy."

There are so many more examples of the American work ethic. For instance, we were recently challenged by our first major model change. It worried me, because it is very difficult even for an experienced work force. Yet everything went smoothly. That would not have been possible without motivated employees.

I've witnessed many other examples while visiting U.S. auto supplier plants and Toyota's joint venture with General Motors in California.

The American work force never fails to impress me. I sincerely regret the recent negative comments about American workers.

I guarantee that such sentiments are not representative of all Japanese.

NATIONAL SECURITY BOARD—S. 2168

Mr. PRESSLER. Mr. President, there has been much interest from my colleagues on my legislation creating the National Network Security Board. For their convenience I would ask unanimous consent that S. 2168 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2168

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Network Security Board Act of 1992".

SEC. 2. FINDINGS.

The Congress finds that—

(1) The United States has experienced an increase in failures of the public switched network;

(2) In 1991 eight major network outages affected the safety of millions of consumers;

(3) There is no complete listing of all telephone outages, for there is no established, uniform means for telephone carriers to report such outages;

(4) Self-investigation of network outages is not adequate for ensuring the security of our public switched network;

(5) There is no official mechanism for investigating network crashes and making recommendations for actions to prevent future outages;

(6) Telecommunications network outages present a serious public safety danger;

(7) There is a need for an independent government agency, located within the Federal Communications Commission, to promote telecommunications security and reliability by conducting independent network outage investigations and by formulating security improvement recommendations.

(8) The creation of the National Network Security Board will provide vigorous investigation of network outages involving telecommunication networks regulated by other agencies of the Federal government.

(9) The National Network Security Board shall demand continual review, appraisal, and assessment of the operating practices and regulations of all Federal agencies regulating telecommunications networks.

(10) The National Network Security Board is likely to make conclusions and recommendations that may be critical of or adverse to Federal agencies regulating telecommunications networks; for this reason it is necessary that the Board be separate and independent from any other department, bureau, commission, or agency of the United States.

SEC. 3. CREATION OF THE NATIONAL NETWORK SECURITY BOARD.

(a) ORGANIZATION.—(1) The National Network Security Board (hereafter referred to in this Act as the "Board") shall consist of 5 members, including a Chairman. Members of the Board shall be appointed by the President, by and with the advice and consent of the Senate. No more than 3 members of the Board shall be of the same political party. At any given time, no less than 3 members of the Board shall be individuals who have been appointed on the basis of technical qualification, professional standing, and demonstrated knowledge in the fields of communication network outage reconstruction, communication network engineering, human factors, or communication regulation.

(2) The terms of office of members of the Board shall be 5 years, except as otherwise provided in this paragraph. Any individual appointed to fill a vacancy occurring on the Board prior to the expiration of the term of office for which his predecessor was appointed shall be appointed for the remainder of that term. Upon the expiration of his term of office, a member shall continue to serve until his successor is appointed and shall have qualified. Any member of the Board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

(3) On or before January 1, 1993 (and thereafter as required), the President shall—

(A) designate, by and with the advice and consent of the Senate, an individual to serve as the Chairman of the Board; and

(B) an individual to serve as Vice Chairman.

(4) The Chairman and Vice Chairman of the Board each shall serve for a term of 2 years. The Chairman shall be the chief executive and shall be responsible for the administrative functions of the Board with respect to the appointment and supervision of personnel of the Board; the distribution of business among such personnel and among any administrative units of the Board; and the use and expenditure of funds. The Vice Chairman shall act as Chairman in the event of the absence or incapacity of the Chairman or in case of a vacancy in the office of Chairman. The Chairman or acting chairman shall be governed by the general policies established by the Board, including any decisions, findings, determinations, rules, regulations, and formal resolutions.

(5) Three members of the Board shall constitute a quorum for the transaction of any function of the Board.

(6) The Board shall establish and maintain distinct and appropriately staffed bureaus, divisions, or offices to investigate and report

on network outages involving each of the following networks: (A) long distance, and (B) local exchange.

(b) GENERAL.—(1) The General Services Administration shall furnish the Board with such offices, equipment, supplies, and services as it is authorized to furnish to any other agency or instrumentality of the United States.

(2) The Board shall have a seal which shall be judicially recognized.

(3) Subject to the civil service and classification laws, the Board is authorized to select, appoint, employ, and fix the compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as shall be necessary to carry out its powers and duties under this Act.

SEC. 4. GENERAL PROVISIONS.

(a) DUTIES OF BOARD.—The Board shall—

(1) investigate or cause to be investigated (in such detail as the Board shall prescribe), and determine the facts, conditions, and circumstances and the cause or probable cause or causes of any long distance network outage or local exchange network outage. Any investigation of network outage conducted by the Board shall have priority over all other investigations of such network outage conducted by other Federal agencies. The Board shall provide for the appropriate participation by other Federal agencies in any such investigation, except that such agencies may not participate in the Board's determination of the probable cause of the network outage. Nothing in this section shall be construed as impairing the authority of other Federal agencies to conduct investigation of a network outage under applicable provisions of law or to obtain information directly from parties involved in, and witnesses to, the network outage. The Board and other Federal agencies shall assure that appropriate information obtained or developed in the course of their investigations is exchanged in a timely manner. The Board may request the Chairman of the Federal Communications Commission to make investigations with regard to such network outage and to report to the Board the facts, conditions, and circumstances thereof (except in accidents where misfeasance or nonfeasance by the Federal Government is alleged), and the Chairman of the Commission or his delegates are authorized to make such investigations. Thereafter, the Board, utilizing such reports, shall make its determination of cause or probable cause under this paragraph;

(2) report in writing on the facts, conditions, and circumstances of each network outage investigated pursuant to paragraph (1) of this subsection and cause such reports to be made available, upon request, to the public at reasonable cost;

(3) issue periodic reports to the Congress, Federal, State, and local agencies concerned with telecommunications network security, and other interested persons recommending and advocating meaningful responses to reduce the likelihood of recurrence of network outages similar to those investigated by the Board and proposing corrective steps;

(4) initiate and conduct special studies and special investigations on matters pertaining to telecommunications network security and reliability; and

(5) assess and reassess techniques and methods of network outage investigation and prepare and publish from time to time recommended procedures for network outage investigations.

(b) POWERS OF BOARD.—(1) The Board, or upon the authority of the Board, any member thereof, any administrative law judge employed by or assigned to the Board, or any officer or employee duly designated by the Chairman of the Board, may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or otherwise the attendance and testimony of such witnesses and the production of such evidence as the Board or such officer or employee deems advisable. Subpoenas shall be issued under the signature of the Chairman, or his delegate, and may be served by any person designated by the Chairman. Witnesses summoned to appear before the Board shall be paid the same fees and mileage that are paid witnesses in the United States courts. Such attendance of witnesses and production of evidence may be required from any place in the United States to any designated place of such hearing in the United States.

(2) Any employee of the Board, upon presenting appropriate credentials and a written notice of inspection authority, is authorized to enter any property wherein a network outage has occurred and do all things therein necessary for a proper investigation, including examination or testing of any communications equipment or any part of any such item when such examination or testing is determined to be required for purposes of such investigation. Any examination or testing shall be conducted in such manner so as not to interfere with or obstruct unnecessarily the communication services provided by the owner or operator of such equipment, and shall be conducted in such a manner so as to preserve, to the maximum extent feasible, any evidence relating to the network outage, consistent with the needs of the investigation and with the cooperation of such owner or operator. The employee may inspect, at reasonable times, records, files, papers, processes, controls, and facilities relevant to the investigation of such network outage. Each inspection, examination, or test shall be commenced and completed with reasonable promptness and the results of such inspection, examination, or test made available as provided by the Board. The Board shall have sole authority to determine the manner in which testing will be carried out under this paragraph, including determining the persons who will conduct the test, the type of test which will be conducted, and the persons who will witness the test. Such determinations are committed to the discretion of the Board and shall be made on the basis of the needs of the investigation being conducted by the Board and, where applicable, the provisions of this paragraph.

(3) In case of contumacy or refusal to obey a subpoena, an order, or an inspection notice of the Board, or of any duly designated employee thereof, by any person who resides, is found or transacts business within the jurisdiction of any United States district court, such district court shall, upon the request of the Board, have jurisdiction to issue to such person an order requiring such person to comply forthwith. Failure to obey such an order is punishable by such court as a contempt of court.

(4) The Board is authorized to enter into, without regard to section 3709 of the Revised Statutes of the United States (41 U.S.C. 5), such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of the functions and the duties of the Board under this Act, with any government entity or any person.

(5) The Board is authorized, with the approval of the appropriate Federal agency, to—

(A) use, on a reimbursable basis or otherwise, when appropriate, available services, equipment, personnel, and facilities of the Federal Communications Commission and of any other Federal agencies;

(B) with the approval of the appropriate governmental agency of a State, or political subdivision thereof, confer with employees and use available services, records, and facilities of such governmental agency;

(C) employ experts and consultants in accordance with section 3109 of title 5 of the United States Code;

(D) appoint 1 or more advisory committees composed of qualified private citizens or officials of Federal, State, or local governments as it deems necessary or appropriate, in accordance with the Federal Advisory Committee Act;

(E) accept voluntary and uncompensated services notwithstanding any other provision of law;

(F) accept gifts or donations of money or property (real, personal, mixed, tangible, or intangible);

(G) enter into contracts with public or private nonprofit entities for the conduct of studies related to any of its functions; and

(H) require payment or other appropriate consideration from Federal agencies, State, local, and foreign governments for the reasonable cost of goods and services supplied by the Board and to retain and use such funds received in carrying out the functions of the Board.

(6) Whenever the Board submits or transmits any budget estimate, budget request, supplemental budget estimate, or other budget information, legislative recommendation, prepared testimony for congressional hearings, or comment on legislation to the President or to the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Board to submit its budget requests or estimates, legislative recommendations, prepared testimony for congressional hearings, or comments on legislation to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

(7) The Board is authorized to designate representatives to serve or assist on such committees as the Chairman of the Board determines to be necessary or appropriate to maintain effective liaison with other Federal agencies, and, with their approval, with State and local government agencies, and with independent standard-setting bodies carrying out programs and activities related to telecommunications network security.

(8) The Board, or an employee of the Board duly designated by the Chairman, may conduct an inquiry to secure data with respect to any matter pertinent to telecommunications network security upon publication of notice of such inquiry in the Federal Register; and may require, by special or general orders, Federal agencies and persons engaged in activities related to telecommunications network security, and in the case of an agency of a State or political subdivision thereof, to request such agency, to submit written reports and answers to such requests and questions as are propounded with respect to any matter pertinent to any function of the Board. Such reports and answers shall be submitted to the Board or to such employee within such reasonable period of time and in such form as the Board may determine. Copies thereof shall be made available for inspection by the public.

(9) The Board may at any time utilize on a reimbursable basis the services of the Field Operations Bureau of the Federal Communications Commission or any successor organization. The Chairman of the Federal Communications Commission shall make available the services of such Bureau or successor organization—

(A) to the Board for training of employees of the Board in the performance of all of their authorized functions, and

(B) to such other personnel of Federal, State, local, and foreign governments and nongovernmental organizations as the Board may from time to time designate, in consultation with the Chairman of the Federal Communications Commission. Utilization of such training at the Bureau or successor organization by designated non-Federal telecommunications network security personnel shall be at a reasonable fee to be established periodically by the Board in consultation with the Chairman of the Board. Such fee shall be paid directly to the Chairman for the credit of the proper appropriation, subject to the requirements of any annual appropriation, and shall be an offset against any annual reimbursable agreement entered into between the Board and the Chairman of the Federal Communications Commission to cover all reasonable direct and indirect costs incurred for all such training by the Chairman in the administration and operation of the Bureau or successor organization. The Board shall maintain an annual record of all such offsets. In providing such training to Federal employees, the Board shall be subject to chapter 41 of title 5 of the United States Code (relating to training of employees).

SEC. 5. PUBLIC ACCESS TO INFORMATION.

Copies of any communication, document, investigation, other report, or information received or sent by the Board, or any member or employee of the Board, shall be made available to the public upon request, and at reasonable cost. Nothing contained in this section shall be deemed to require the release of any information described by subsection (b) of section 552 of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

SEC. 6. RESPONSE TO BOARD RECOMMENDATIONS.

(a) CHAIRMAN'S DUTY TO RESPOND; CONTENTS OF RESPONSE; PUBLICATION; PUBLIC AVAILABILITY OF COPIES.—

(1) Whenever the Board submits a recommendation regarding network outages to the Chairman of the Federal Communications Commission, he shall respond to each such recommendation formally and in writing not later than 90 days after receipt thereof. The response to the Board by the Chairman shall indicate his intention to—

(A) initiate and conduct procedures for adopting such recommendation in full, pursuant to a proposed timetable, a copy of which shall be included;

(B) initiate and conduct procedures for adopting such recommendation in part, pursuant to a proposed timetable, a copy of which shall be included. Such response shall set forth in detail the reasons for the refusal to proceed as to the remainder of such recommendation; or

(C) refuse to initiate or conduct procedures for adopting such recommendation. Such response shall set forth in detail the reasons for such refusal.

(2) The Board shall make copies of each such recommendation and response thereto available, upon request, to the public at reasonable cost.

(b) ANNUAL REPORT TO CONGRESS.—The Chairman shall submit a report to the Congress on January 1 of each year setting forth all the Board's recommendations to the Chairman during the preceding year regarding telecommunications network security and a copy of the Chairman's response to each such recommendation.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

For fiscal year 1993, and each of the next following 3 fiscal years, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, but in no event to exceed $10,000,000 in any 1 fiscal year.

FOREIGN AID REFORM

Mrs. KASSEBAUM. Mr. President, I would also like now to address another reform effort which I think could lend itself to some significantly more effective means of delivering our foreign aid. The President addressed this, as did the Senator from Colorado, when all of us at least looked to the changing circumstances with the end of the cold war. And there is no better place to start than the more effective use of our foreign aid dollars.

The time has come to take a hard look at how we can manage those dollars. Since 1986, when I held a series of hearings in the Foreign Relations Committee on how our foreign aid was being spent in sub-Saharan Africa, I have been interested and involved in finding ways we could improve our foreign aid delivery system and have had legislation introduced in every Congress since 1986.

Many of us here, in the administration and the private sector, have tried to chart a new course for our foreign aid program, but in some ways with little to show for our efforts.

Although I would suggest, Mr. President, that the African Development Fund, which is a regional account that largely stemmed from these efforts, is one that on all accounts is seeming to work well and embodies some of the suggestions that myself and others felt were important.

But we cannot let the failed reform efforts of the past become an excuse for inaction today. Our foreign aid dollars are shrinking, needs are increasing, and the American taxpayer is, rightfully, demanding a better accounting of how his moneys are spent.

The Agency for International Development must stop trying to be all things to all people. It is easier said than done, because constituencies develop which believe that their cause is the most important. For too long AID's objectives have been dictated by the ever-shifting priorities of the administration and the Congress.

AID must undertake a fundamental reexamination of what it does best, and then pursue only those programs. The reorganization now underway at AID has not resulted in this kind of rethinking of the Agency's mission in a significant way and will have, I am afraid, Mr. President, little real impact on enhancing the operation of the Agency for International Development.

I certainly think it is an important first step. But I think, unless we are willing to invest the time and energy and the risk-taking to be of significant and comprehensive nature, then it will only be at the fringes, and will fail.

Experience has taught us that the U.S. development system is most effective when focused in key technical areas—such as agriculture, health, education—where we are able to transfer sustainable technologies to recipient countries.

AID must reorient its programming toward these sectors and hire technically competent individuals to assist with project oversight.

AID's reorganization has also failed, I think, Mr. President, to address the critical issue of improving the coordination of our foreign assistance programs within the U.S. Government with other donor nations and with recipient governments.

It is this lack of coordination, Mr. President, which I find exceptionally frustrating. Again, are we making the most effective use of all of the assistance that is out there—not only our own, in the United States, but working in conjunction with other donors to make it a much more effective program?

We need to maximize the impact of our foreign assistance programs by ensuring that all our foreign aid assets are administered in a coordinated manner. We must work more closely with other donors to reduce program redundancy, and make recipient governments true partners in our development efforts.

It is not just something that the United States wants done, there. It, again, must be something that that country feels is important and can be sustained by its own efforts to be successful.

I would like to see the administration and the Congress form a task force on foreign aid reform to take a fresh look at these issues. I realize we form many task forces, and it ends up with mountains of paperwork which very few people read. If it is going to be successful, it will have to be given the initiative and sustainability from the top.

The task force should examine the possibility of moving a scaled-back AID, with a more precisely defined mission, into the Department of State. It should look at consolidating responsibility for management of all foreign aid funding directly under the Secretary of State, and consider creating an office of foreign aid coordination within the National Security Council.

I hope these efforts might be given significant consideration on the part of the President, on the part of those responsible for the initiatives in the Department of State. I have talked to Secretary Baker about this initiative. I think he regards it as a top priority. And it is my hope that, with all of the other responsibilities that the Secretary has, that this can also be put on his list.

Mr. President, I will ask unanimous consent a full report on AID reforms to be printed in the RECORD. This report was done by Lisa Carty, a Foreign Service officer who has been a Pearson Fellow in my office for the past 6 months. She did a wonderful research job on various initiatives that in the past have been made regarding foreign aid reform, and this full report, I think, will enhance the record for those who are interested in the subject.

I ask unanimous consent the report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A NEW AGENCY FOR INTERNATIONAL DEVELOPMENT FOR A NEW ERA

Contrary to popular belief, the Agency for International Development's (AID) fundamental problem is not rampant fraud among employees or contractors, but rather a case of an organization being pressed to accomplish too many things with too few of the right kinds of people, and too little bureaucratic influence. Much has changed in the world in the last few years, with the end of the Cold War and massive new calls for Western assistance to hasten the transition to free market economies. Now the U.S. foreign aid program needs to change in fundamental ways too. The reorganization currently underway at AID does not go nearly far enough in addressing the basic problems that continue to impair AID's effectiveness.

We need a new AID to confront the challenges of tomorrow. More specifically, we need an AID with a more narrowly defined mission, focused in key technical sectors where the U.S. foreign assistance program has a proven track record. We also must improve overall coordination of all our foreign aid efforts so that all U.S. assets, whether development assistance (DA), economic support funds (ESF), or military aid, are combined to maximize the advancement of U.S. interests. The American taxpayer deserves no less.

PUTTING THE ISSUES IN PERSPECTIVE

In April of 1986, I conducted an extensive set of hearings on AID oversight. At the conclusion of those hearings, I determined that the Congress and the Administration should jointly undertake a foreign aid reform effort. In an effort to advance that process I have, for the past six years, introduced legislation calling for a streamlined foreign aid program, including reduced reporting requirements, increased emphasis on project sustainability and more detailed impact analysis of current AID programs. Subsequent to my hearings and the initial introduction of my legislation a variety of studies have reached similar conclusions. In 1989, the University of Michigan called for the U.S. foreign aid programs to focus on economic growth, poverty reduction, and environmental preservation, and concluded that AID, as presently constituted, was not up to the task. The report called for the creation of a White House-level council to coordinate U.S. policies, as well as the formation of formal coordination council in recipient countries.

Similar conclusions were reached by the Phoenix Group—a collection of development experts—who suggested creating a new AID, staffed by technical experts, which would emphasize technical assistance such as food aid, training, and education. The Phoenix Group also urged enhanced interagency United States government and bilateral donor coordination, and recommended the creation of joint bi-national teams composed of individuals from both the U.S. and recipient country to develop and administer foreign aid projects.

In 1988, Congressmen Hamilton and Gilman convened the House Foreign Aid Task Force and concluded that U.S. foreign assistance should be designed to foster economic growth, ensure environmental sustainability, Force urged that AID be reorganized to provide greater operational flexibility and decentralization; establish credible evaluation systems; and increase emphasis on technical ability. It also recommended the creation of a White House-based coordination mechanism, and proposed modifications to the Congressional notification process and the elimination of functional accounts.

Sadly, none of these analyses have resulted in any reforms. Whether such inaction can be attributed to the Administration or the Congress makes little difference today. The fact remains that reforms must come, and must come now.

THE AID SCORECARD—WHAT DOES THE CURRENT REORGANIZATION REALLY MEAN?

In October of last year, AID embarked on a "reorganization" designed to address some of the concerns raised by the House Task Force and others. There is considerable skepticism that this initiative goes far enough.

AID states that the reorganization will result in streamlined Agency management and greater emphasis on the achievement of results instead of on the obligation of monies. AID's missions overseas will be required to reduce specific mission objectives from, in many cases, several dozen to a more reasonable number of two or three. However, while AID missions are being told to limit their objectives, AID Washington continues to orient its priorities around five new initiatives—in support of the family, the environment, democracy, the private sector, and enhanced management. These five initiatives have been superimposed on top of AID's previously stated multiple goals—many of them Congressionally-imposed—including supporting historically black colleges, promoting micro-enterprise, and encouraging American exports. AID has little experience in democracy building; yet, now it seeks to devote major resources to this area. Support for democracy is an important activity, but is AID—an organization that has had difficulty implementing existing programs—really up to this new responsibility?

The reorganization has also dealt only superficially with the continuing problems surrounding AID's management of contractors. Contractors have become the backbone of AID's operations, a major industry in and of themselves. Between 1985 and 1990 AID doubled the number of U.S. contractors it employed overseas. Yet, there has been little hard analysis of the cost effectiveness of employing contractors versus employing sufficient AID full-time staff to design, implement and evaluate projects. More importantly, AID has failed to employ individuals with the technical expertise, and accounting and procurement abilities, required to monitor current contracting operations. While the reorganization calls for streamlined contracting procedures and better accounting and audit of contractual agreements, it has failed to address the fundamental issue of whether contractors are the best vehicle for the implementation of our foreign aid programs.

Finally, the reorganization has ignored the critical issue of better coordination of our foreign assistance programs both within the United States government and with recipient governments. Today, dozens of U.S. government agencies participate in our foreign assistance efforts, and funding for such endeavors is spread among an equal number of entities. It has become imperative that a White House-level mechanism be created to eliminate redundancy and ensure consistency in the U.S. foreign aid program.

In our bilateral programs, we must more actively engage recipient governments in project planning and, where possible, in sharing the costs of program implementation. In the multilateral arena, the U.S. should be pushing the World Bank to play a more active role in genuine donor coordination.

The reorganization now underway does not address these fundamental issues, and will not achieve the type of reform required to make AID function more effectively. Instead, AID must commit itself to a full-scale, in-depth review of its mission. Important lessons can be learned from AID programs that have worked, such as the Development Fund for Africa (DFA) and the Child Survival Initiative. The DFA has illustrated that the elimination of AID's functional accounts facilitates program implementation. The Child Survival Initiative demonstrates that AID projects are most effective when: focused on a limited number of proven, sustainable technologies; both problems and the appropriate interventions are well-defined from the start; and, initiatives are concentrated in countries where the greatest impact can be made. Sadly, the reorganization now underway does not seem to have incorporated these fundamental lessons.

AID cannot succeed with its present plans to refocus its work and reorganize its personnel until it clarifies and prioritizes its fundamental objectives. AID must seriously analyze what it does best, and from there determine what it wants to accomplish. Drastic and immediate reform—far beyond that outlined in the current reorganization—is required now.

WHAT CAN BE DONE TO REHABILITATE AID

What can be done to make AID fit to confront the challenges of today? At present, there exists considerable cynicism that the foreign aid process is "reformable". However, such cynicism cannot become an excuse for inaction. The Administration and the Congress must jointly commit themselves to genuine and far-reaching foreign aid reform. Immediate consideration should be given to the formation of a Joint Congressional-Executive Task Force. The Task Force should focus its efforts on identifying realistic, feasible reforms that would enhance AID operations and increase interagency coordination. To ensure its success, the Task Force must have the full support of the President and the Secretary of State. The following recommendations, some drawn from the work of the House Task Force and others, merit immediate consideration.

Recommendation One

Refocus the objectives of the U.S. foreign aid program. Within a broad framework of U.S. Government support for political and economic pluralism, AID should concentrate its programs in a limited number of technical areas where it has a comparative advantage. Possible areas of concentration include:

Economic reform and support for free markets;
Education/Skills training/institution building;
Health;
Agriculture/environment;
Food AID/disaster assistance.

AID programs in technical sectors must be accompanied by parallel efforts to develop and maintain recipient countries' transportation and communication infrastructures.

There exists a general consensus that AID should do less, and do it better. AID has enjoyed its greatest successes when it has devoted sustained attention to achieving limited objectives in key technical sectors. AID's key role in promoting the "Green Revolution" in the 1960s and 70s, and with the Child Survival Initiative more recently, illustrate that U.S. development assistance is most effective when targeted on specific sectors, and oriented towards the transfer of selfsustaining technical assistance. The "new" AID should focus its energies in these sectors, not on activities such as democracy building where the Agency has no experience and logical alternatives, such as the National Endowment for Democracy, exist. The "new' AID must include an in-house capacity to conduct detailed marco-economic analysis, and provide technical assistance in support of the development of free market economies.

Recommendation Two

Redefine the administration of foreign aid funding so that all economic support fund (ESF) and development assistance (DA) monies are administered by the State Department. All project ESF monies should be transferred into the DA account.

ESF and DA, programs that basically serve bilateral political interests, should remain the purview of the Department of State and a rehabilitated AID. Transferring project ESF funds into the DA account will ensure ESF monies solely support recipient governments' macroeconomics policies—while preserving DA monies for more traditional development-related purposes. Placing all foreign aid funding under the Secretary of State, will facilitate a more coordinated approach to foreign assistance administration with an emphasis on assessing how all U.S. government assets can contribute to the advancement of American interests in a given country.

Recommendation Three

Abolish AID functional accounts and replace them with multi-year regional accounts, modeled after the Development Fund for Africa (DFA). Both ESF and DA funding should be authorized within each account. Earmarks should be eliminated. A separate account should be established to support peace-keeping and other activities of a clearly multilateral nature.

The success of the DFA illustrates that regionally-based funding contributes to program flexibility and operational effectiveness. Regional accounts should be established for Latin America and the Caribbean, Europe, Africa, Asia, and the Near East. ESF for programs of extreme political sensitivity could be protected by common agreement of the Congress and Administration. A peacekeeping/multilateral account will provide the Administration with the flexibility it requires to respond to the types of unforeseen multilateral challenges likely to become even more common in the future.

Recommendation Four

Restructure AID so that a scaled-back version of the Agency becomes a part of the Department of State, reporting through a newly-established position of Undersecretary for Development Affairs charged with the administration of all DA monies. Allocation of ESF funds would be formally transferred to the Department of State's Undersecretary for International Security Affairs.

At present, AID does in fact function under the guidance of the Secretary of State. Formalizing this arrangement, making AID clearly a part of State, would provide the "new" AID with the bureaucratic influence required to pursue more effectively its development mission, and would simultaneously enhance overall coordination of foreign assistance. The Secretary of State's leadership of the "new" AID, would ensure that the organization's development mandate remained protected, and that the continuing, successful reform of the foreign aid process remained a priority of the most senior members of the Administration.

Recommendation Five

The "new" AID will in all likelihood function primarily as a contracting agency and should be comprised of individuals with advanced technical expertise who can actively supervise and assist in project design, implementation and evaluation. A cadre of individuals expert in contract administration and audit should also be brought on board.

Despite their problematic history, contractors will in all likelihood remain a continuing feature of the AID landscape. The key to making contractors function successfully is to hire AID supervisory staff with an advanced level of technical skills and sound managerial background, who can participate actively in project design, implementation and evaluation. The "new" AID should be staffed by experts with this kind of expertise, and should be organized by functional bureau (perhaps five bureaus focusing on the five sectors outlined in recommendation one), reporting to the Undersecretary for Development Assistance. A sixth bureau, responsible for administration and audit, would also be required. AID country officers (who now staff the regional bureaus) could be added to existing State country desks to provide liaison with AID missions and coordination of assistance activities. Consideration could be given to creating a new position of deputy assistant secretary for foreign assistance in each regional bureau of oversee coordination. Such an arrangement, supporting AID activities from highly-skilled functional bureaus while integrating State and AID country desks, will ensure that the "new" AID retains a focus on key technical sectors, and that these programs are implemented within a broader economic and regional framework.

Recommendation Six

The establishment and/or continuation of U.S. assistance programs should be predicated on the creation of Bi-National Commissions in each recipient country to join in the planning and execution of development assistance programs.

Assistance projects cannot succeed without the participation and support of the recipient government. While *ad hoc* mechanisms exist for such coordination in some countries, a more formalized requirement for such structures is necessary. The Phoenix Group recommended that such commissions be staffed by technical experts from donor and recipient governments and be organized around specific issues recognized as development priorities. Such commissions would help develop an indigenous institutional capacity to deal with long-range development planning, while increasing the focus on project sustainability.

Recommendation Seven

Establish an office within the National Security Council staff (NSC) charged with coordination of all foreign assistance programs.

There exists near universal agreement that as more and more U.S. players enter the foreign aid picture, high level coordination is a necessity. The diverse skills of the Departments of Commerce, Treasury, the EPA, and others, will be required as the U.S. embarks on ever more complex assistance initiatives in Eastern Europe, the Soviet republics and elsewhere. An NSC office that could serve as a repository of information on, and coordinator of, all U.S. government agencies' foreign assistance activities would help eliminate redundancy and promote the overall effectiveness of our foreign aid programs.

The proceeding recommendations represent only a fraction of the measures required to completely overhaul the foreign aid bureaucracy; however, they would make an important contribution to enhancing AID's effectiveness. A Congressional-Executive Task Force should convene quickly to consider their implementation.

The PRESIDING OFFICER. The Senator from North Dakota.

WEAK MEDICINE

Mr. CONRAD. Mr. President, we had a hearing in the Budget Committee this morning and I think we learned a very important fact in that hearing. We had Mr. Darman, the head of the Office of Management and Budget testifying before the Budget Committee, and he had beside him a placard that had the President's economic growth proposals. As the occupant of the chair knows well, it is a long list. On the President's economic growth proposal list are dozens of suggestions.

We asked Mr. Darman, what would happen if we passed all of the President's economic growth proposals? How much of an increase in economic growth would we achieve, according to the administration's own estimates?

Do you know what the answer was, Mr. President? If we passed every one of the President's economic growth proposals, the President's Director of the Office of Management and Budget says we will increase economic growth one-half of 1 percent. One-half of 1 percent.

The economic engine of this country is off the tracks, and they are talking about going over and tightening up a few lug nuts. That is what is being proposed here. I think the people of this country deserve to know that if we pass the President's economic growth initiatives in total, every single one of them, according to their estimates we will increase economic growth one-half of 1 percent. That is not good enough.

This country is in deep trouble. This country is suffering from a prolonged period of no growth or very low growth, and right now negative growth. And the President comes with this big proposal, this laundry list of things that need to be done. He terms it a bold departure from the past. And lo and behold, we find out that if we enact the entire thing we are going to only increase economic growth one-half of 1 percent, according to his own administration's estimates.

We have to do more than that. This country deserves more than that. And this situation demands more than that. I hope we would take this opportunity to devise a plan for this country that would really get us back on track. That is what the situation requires.

If there is any doubt by those who are listening that what I have said is the case, I refer them to page 37 of the President's budget document. They lay out what happens with business as usual if we do not make changes. What kind of economic growth will we have? They say 2.4 percent this year. If we pass the President's plan, they say that will increase to 3 percent. Next year if we do nothing, economic growth will be 2.5 percent. If we pass the President's plan, they say we will have economic growth of 3 percent. A half of a percentage difference if we pass the President's whole proposal.

The President ought to come to us with a new proposal, one that really does something substantial. I said on the night the President unveiled his plan for the Nation that he did not ask enough of us in Congress or enough of the country. And now we know that the evidence is there that tells us that is precisely the case. The President has not asked enough of us or of the country. What is required is a bold proposal to really spur economic growth in this country. And, by the President's own estimates, we now know his proposal, if enacted in total, will do virtually nothing to increase the growth rate in this country over the next 5 years.

That is not good enough, Mr. President. And we ought to take this opportunity in Congress, acting with the President, to do better. I just hope as we proceed in the days ahead we will remember what it is that is at stake because it is no less than the economic future of this country. What is at stake is the lives and the quality of the lives of the people we were sent to represent.

I think when the people of my State find out that the President's proposal would only give us an additional growth rate of one-half of 1 percent, if it is enacted in total, according to his own estimates, they are going to say that is pretty weak medicine. That is pretty weak medicine, Mr. President. We can do better.

Mr. President, I ask unanimous consent the page from the President's budget to which I referred be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EFFECTS OF THE ADMINISTRATION'S PROPOSALS

The proposals discussed in Chapter 2 are expected to create more jobs, more income and more growth, thereby lowering the budget deficit. They result in a significant improvement in the outlook from a "business-as-usual" projection, which assumes that Congress rejects the President's proposals and adopts a more conventional response to the current economic situation. (See Table 3-2.)

TABLE 3-2. ECONOMIC PROJECTIONS: ADMINISTRATION POLICY VERSUS BUSINESS AS USUAL

[Calendar years]

	1992	1993	1994	1995	1996	1997
Percent increase, fourth quarter over fourth quarter:						
Real GDP:						
Business as usual	1.6	2.4	2.5	2.6	2.5	2.4
Administration policy	2.2	3.0	3.0	3.0	2.9	2.8
GDP deflator:						
Business as usual	3.3	3.4	3.3	3.3	3.2	3.2
Administration policy	3.2	3.4	3.3	3.3	3.2	3.2
Calendar year average in percent:						
Civilian unemployment rate:						
Business as usual	7.1	6.9	6.7	6.3	5.8	5.6
Administration policy	6.9	6.5	6.1	5.8	5.4	5.3
91-day Treasury bill rate:						
Business as usual	4.2	5.1	5.5	5.5	5.4	5.3
Administration policy	4.1	4.9	5.3	5.3	5.2	5.1
10-year Treasury note rate:						
Business as usual	7.2	7.3	7.1	7.0	7.0	6.9
Administration policy	7.0	6.9	6.7	6.6	6.6	6.6

THE SENATE PAGES

Mr. MITCHELL. Mr. President, today will be the last day of service in the Senate for our group of Senate pages. They will leave the Senate and return to their local high schools to complete their education.

I want to take this opportunity to extend the thanks of all Senators to our pages for their hard work and cheerful help. They spend many long hours waiting to be called upon, and their pleasant dispositions, even at late hours of the night, make a real difference to Senators.

Pages are on duty as long as the Senate is in session. They are responsible for making certain a lectern is in place on the right desk; they distribute amendments to the press galleries; they run errands throughout the Senate complex; they are there to bring water and make xerox copies.

This particular group of pages has been the subject of many favorable comments. They have been very quick to catch on to the workings of the Senate.

All of them have shown an avid interest in the legislative process. I would not be surprised to see many of them return to the Senate in other capacities in the future.

This session has given them a great many historic political events to witness. From the debates over civil rights and gun control to the vote on Judge Clarence Thomas, the Senate has seen its share of drama in the past several months.

Many of those dramatic debates have meant long and late hours. For Senators, a late night often means we can count on a weekend off. But for the pages, a late night and a missed school day means makeup classes on Saturdays.

They have worked hard and we thank all of them for their efforts. Their families and hometowns should be proud of the work they have done here. We wish them the very best for the future and look forward to seeing them when they return to the Senate again in future years.

Mr. President, I ask unanimous consent that a list of the pages who served in 1991 and 1992 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follow:

1991-92 PAGES

Ernest Leland, Leigh Hildebrandt, Henry Roe, Sara Porter, Terrell McSweeny, Mathew Boyden, Jason Kaplan, Brian Hess, Ann Cox, Angela Kavusak, Genevieve Nowicki, Chad Coneway, Johnathan Gagne, Victoria Gordon, Ted McNulty, Marcia Pope, Katie Schwarze.

Sarah Dumont, Rachele McCarthy, Kara Baird, Colleen Schaffer, Abby Thornell, Justin Brown, Danny Cannon, Darrick McCasland, John Moore, Rebecca Todd, Alan Wilson, Kristy Maughan, Kelly Otremba, James Jarman, Kara Poelman, Sean Lamb, Jimmy Hill, Jill Page.

ORDER OF PROCEDURE

Mr MITCHELL. Mr. President, I previously expressed my intention to proceed to the energy bill. The legislation is S. 2166, the National Energy Security Act of 1992.

I have sought to gain consent under the Senate rules from our Republican colleagues to proceed to that bill. But since I have been unable to gain that approval because of objection by some Republican Senators, it is not possible to proceed to the bill. Therefore, it will be necessary to file a cloture motion to terminate debate and to permit the Senate to take that bill up and consider it.

CLOTURE MOTION

Mr. MITCHELL. Mr. President, I now move to proceed to Calendar item No. 393, that is, S. 2166, and I send to the desk a cloture motion.

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair lays before the Senate a cloture motion, which the clerk will report.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to S. 2166, a bill to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation and for other purposes:

D.K. Inouye, Quentin Burdick, Howard M. Metzenbaum, George Mitchell, John

Breaux, Jeff Bingaman, Alan Cranston, Tom Daschle, Wendell Ford, Jim Sasser, Kent Conrad, Charles S. Robb, J. Bennett Johnston, Timothy E. Wirth, Max Baucus, J. Lieberman.

UNANIMOUS-CONSENT AGREEMENT—VOTE ON MOTION TO INVOKE CLOTURE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the vote on the motion to invoke cloture on the motion to proceed to S. 2166 occur at 10 a.m. on Tuesday, February 4, and that the mandatory live quorum under rule XXIII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar Nos. 484, 485, and 486.

I further ask unanimous consent that the nominees be confirmed, en bloc; that any statements appear in the RECORD as if read; that the motions to reconsider be laid upon the table, en bloc; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

RESOLUTION TRUST CORPORATION

Albert V. Casey, of Texas, to be Chief Executive Officer, Resolution Trust Corporation (new position), to which position he was appointed during the last recess of the Senate.

DEPARTMENT OF THE TREASURY

Shirley D. Peterson, of Maryland, to be Commissioner of Internal Revenue.

Fred T. Goldberg, Jr., of Missouri, to be an Assistant Secretary of the Treasury.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BENTSEN, from the Committee on Finance, without amendment:

S. 2173. An original bill to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes.

• Mr. BENTSEN. Mr. President, yesterday the Committee on Finance voted unanimously to report a bill to further extend unemployment compensation benefits. The bill has the support of the leadership on both sides of the aisle. It reflects the bipartisan compromise agreed to in the House by Chairman ROSTENKOWSKI and Minority Leader MICHEL and reported by the Committee on Ways and Means. It also has the approval of the administration.

It is my hope and expectation that the bill will be approved by both the House and the Senate early next week, and will be sent to the President without delay.

I ask unanimous consent that there be included in the RECORD at this point the text of the bill as approved by the committee, a summary description of the provisions of the bill, and a letter from the President stating that because the compromise package is fully funded in each of the 5 budget years, no sequester would be triggered by its enactment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2173

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN AMOUNT OF EMERGENCY UNEMPLOYMENT BENEFITS.

(a) INCREASE IN BENEFITS.—

(1) Subparagraph (A) of section 102(b)(2) of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) is amended to read as follows:

"(A) IN GENERAL.—Except as otherwise provided in this paragraph—

"(i) IN GENERAL.—

"(I) In the case of weeks beginning during a high unemployment period, the applicable limit is 33.

"(II) In the case of weeks not beginning in a high unemployment period, the applicable limit is 26.

"(ii) REDUCTION FOR WEEKS AFTER JUNE 13, 1992.—In the case of weeks beginning after June 13, 1992—

"(I) clause (i) of this subparagraph shall be applied by substituting '20' for '33', and by substituting '13' for '26', and

"(II) subparagraph (A) of paragraph (1) shall be applied by substituting '100 percent' for '130 percent'.

In the case of an individual who is receiving emergency unemployment compensation for a week which includes June 13, 1992, the preceding sentence shall not apply for purposes of determining the amount of emergency unemployment compensation payable to such individual for any week thereafter beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act."

(2) Subparagraph (A) of section 102(b)(1) of such Act is amended by striking "100 percent" and inserting "130 percent".

(b) CONFORMING AMENDMENTS.—

(1) Subsection (e) of section 101 of such Act is amended by striking "in a 20-week period or 13-week period, as defined in section 102,".

(2) Subparagraph (B) of section 102(b)(2) of such Act is amended by striking "An individual's" and inserting "Except as provided in subparagraph (A)(ii), an individual's".

(3) Subsection (c) of section 102 of such Act is amended—

(A) by striking "20-week" in paragraph (1) and inserting "high unemployment", and

(B) by striking "20-WEEK" in the subsection heading and inserting "HIGH UNEMPLOYMENT".

(4) Section 102 of such Act is amended by striking subsection (d).

(5) Subsection (e) of section 102 of such Act is amended to read as follows:

"(e) SPECIAL RULES.—

"(1) MINIMUM DURATION.—A high unemployment period shall last for not less than 13 weeks.

"(2) NOTIFICATION BY SECRETARY.—When a determination has been made that a high unemployment period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register."

(6) Paragraph (1) of section 102(g) of such Act is amended by striking "20-week period or 13-week period" and inserting "high unemployment period".

(7) Paragraph (2) of section 102(g) of such Act is amended by striking "20-week period" and inserting "high unemployment period".

(8) Section 106(b) of such Act is amended by striking "paragraph (3), (4), or (5)" and inserting "paragraph (3) or (4)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning after the date of the enactment of this Act.

SEC. 2. EXTENSION OF PROGRAM.

Sections 102(f)(1)(B), 102(f)(2), and 106(a)(2) of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) are each amended by striking "June 13, 1992" and inserting "July 4, 1992".

SEC. 3. TEMPORARY INCREASE IN AMOUNT OF CORPORATE ESTIMATED TAX PAYMENTS.

(a) GENERAL RULE.—Subparagraph (A) of section 6655(d)(3) of the Internal Revenue Code of 1986 (relating to temporary increase in amount of installment based on current year tax) is amended by striking the table contained in such subparagraph and inserting the following:

"In the case of a taxable year beginning in:	*The current percentage is:*
1992	93
1993 through 1996	95."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1992.

SEC. 4. EXTENSION OF TIME FOR PAYMENT OF ADDITIONAL FUTA TAXES.

(a) IN GENERAL.—Notwithstanding any other provision of law, if a qualified taxpayer is required to pay additional taxes for taxable years beginning in 1991 with respect to any employment in any State by reason of such State being declared a credit reduction State, such taxpayer may elect to defer the filing and payment of such additional taxes to a date no later than June 30, 1992.

(b) INTEREST.—Notwithstanding subsection (a), for purposes of section 6601(a) of the Internal Revenue Code of 1986, the last date prescribed for payment of any additional taxes for which an election is made under subsection (a) shall be January 31, 1992.

(c) DEFINITIONS.—For purposes of this section—

(1) QUALIFIED TAXPAYER.—The term "qualified taxpayer" means a taxpayer—

(A) in a State which has been declared a credit reduction State for taxable years beginning in 1991, and

(B) who did not receive notice of such credit reduction before December 1, 1991 from either the State unemployment compensation agency or the Internal Revenue Service.

(2) CREDIT REDUCTION STATE.—The term "credit reduction State" means a State with

respect to which the Internal Revenue Service has determined that a reduction in credits is applicable for taxable years beginning in 1991 pursuant to the provisions of section 3302 of the Internal Revenue Code of 1986.

(d) TIME AND MANNER FOR MAKING ELECTION.—An election under this section shall be made at such time and in such manner as the Secretary of the Treasury shall prescribe.

SEC. 5. TREATMENT OF RAILROAD WORKERS.

(a) EXTENSION OF PROGRAM.—

(1) GENERAL RULE.—Sections 501(b) (1) and (2) of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) are each amended by striking "June 13, 1992" and inserting "July 4, 1992".

(2) CONFORMING AMENDMENT.—Subsection (a) of section 501 of such Act is amended by striking "June, 1992" and inserting "July 1992".

(b) ENLARGEMENT OF BENEFITS.—Section 501 of such Act is amended by adding at the end the following:

"(d) ENLARGEMENT OF BENEFITS.—

"(1) GENERALLY.—During the period that begins on the date of the enactment of this subsection—

"(A) subsection (c) of this section shall be applied by substituting '130' for '65';

"(B) section 2(c) of the Railroad Unemployment Insurance Act shall be applied—

"(i) by substituting '13 (but not more than 130 days)' for '7 (but not more than 65 days)' in the table; and

"(ii) by substituting 'but not more than 130 days' for 'but by more than sixty-five days' in the second proviso; and

"(C) section 2(h)(1) of the Railroad Unemployment Insurance Act shall be applied by substituting '13' for 'seven'.

"(2) PHASE-OUT.—Effective on and after June 14, 1992, paragraph (1) of this subsection shall not apply. Notwithstanding the preceding sentence, in the case of an individual who is receiving the extended benefits under section 2(c) of the Railroad Unemployment Insurance Act for persons with 10 or more but not less than 15 years of service, or extended benefits under this section, for any day during the week ending June 13, 1992, paragraph (1) shall apply for purposes of determining the amount of extended benefits payable to such individual for any day thereafter in a continuous period for which the individual meets the eligibility requirements of this section and the Railroad Unemployment Insurance Act.".

EMERGENCY UNEMPLOYMENT COMPENSATION EXTENSION SUMMARY DESCRIPTION

I. FEDERAL EMERGENCY UNEMPLOYMENT COMPENSATION

Present Law

A program of Federal emergency unemployment compensation benefits was enacted by P.L. 102–164 on November 15, 1991, and amended by P.L. 102–182 on December 4. Federally funded, emergency unemployment compensation benefits are paid to unemployed workers who have exhausted their 26 weeks of regular benefits. States with a total unemployment rate (TUR) of 9% or higher, or an adjusted insured unemployment rate (AIUR) of 5% or higher, are eligible to provide 20 weeks of emergency benefits; all other States are eligible to provide 13 weeks. The emergency benefit program began on November 17, 1991 and ends on June 13, 1992.

Explanation of Provision

The current emergency benefit program would be altered by increasing the number of weeks of benefits paid to unemployed workers and extending the expiration date of the program. All other provisions of the program would remain unchanged.

Weeks of Benefits. The number of weeks of emergency benefits that could be paid to an unemployed worker would be increased by 13 weeks, effective on enactment and ending on June 13, 1992. These additional weeks of benefits would be available to all unemployed workers found eligible for benefits under the current emergency benefit program.

As a result of this change, a total of 33 weeks of emergency benefits would be paid to workers in States with a total unemployment rate (TUR) of 9% or higher, or an adjusted insured unemployment rate (AIUR) of 5% or higher. Workers in all other States would be entitled to a total of 26 weeks of emergency benefits. Including the 26 weeks of benefits paid in the regular unemployment program, unemployed workers in States with high unemployment rates would receive a maximum of 59 weeks of unemployment benefits, and those in all other States would receive a maximum of 52 weeks. This compares with a possible maximum of 65 weeks available in some States during the recessions of the mid-1970s and early 1980s.

Duration of Program. the current emergency benefit program would be extended from June 13 to July 4, 1992. All other provisions of the program would remain the same as under current law, so that the total number of weeks of emergency benefits payable to unemployed workers who first became eligible for benefits after June 13 would be the same 13 or 20 weeks payable under the present program. Workers who qualified for benefits before the July 4 expiration date would receive the full number of weeks to which they are entitled, even if some of those weeks fell after the expiration date.

II. RAILROAD UNEMPLOYMENT INSURANCE

Present Law

Workers in the railroad industry are eligible for a separate unemployment compensation program similar to the unemployment compensation programs for workers in non-railroad occupations. P.L. 102–164 provided 13 weeks of extended benefits to railroad workers who were not previously eligible because they had less than 10 years of service in the industry, effective from November 17, 1991 to June 13, 1992.

Explanation of Provision

A total of 26 weeks of extended benefits would be provided for all railroad workers eligible under current law for 13 weeks. This provision would expire June 13, 1992. The temporary program that provides 13 weeks of extended benefits for workers with under 10 years of railroad service would also be extended from June 13 to July 4, 1992. These changes are included at the request of the Committee on Labor and Human Resources.

III. CORPORATE ESTIMATED TAX PAYMENTS

Present Law

A corporation is subject to an addition to tax for any underpayment of estimated tax. For taxable years beginning in 1992, a corporation does not have an underpayment of estimated tax if it makes four equal timely estimated tax payments that total at least 93 percent of the tax liability shown on the return for the current taxable year. The applicable percentage will be 94 (rather than 93) percent in 1993, 94 percent in 1994, 95 percent in 1995, and 95 percent in 1996. In addition, for taxable years beginning in 1992, a corporation may annualize its taxable income and make estimated tax payments based on 93 percent of the tax liability attributable to such annualized income. The applicable percentage for annualized estimated tax payments will be 94 (rather than 93) percent in 1993, 94 percent in 1994, 95 percent in 1995, and 95 percent in 1996.

A corporation that is not a "large corporation" generally may avoid the addition to tax if it makes four timely estimated tax payments each equal to at least 25 percent of its tax liability for the preceding taxable year (the "100 percent of last year's liability safe harbor"). A large corporation is one that had taxable income of $1 million or more for any of the three preceding taxable years. In addition, the first quarter's estimated tax payment for a large corporation may be based on 100 percent of the prior year's tax liability.

Explanation of Provision

The applicable percentage for a corporation that does not use the 100 percent of last year's liability safe harbor for its estimated tax payments is 95 percent for taxable years beginning in 1993 and 1994 (rather than 94 percent). The provision does not change the present-law availability of the 100 percent of last year's liability safe harbor for large or small corporations. The provision also does not affect taxable years beginning in 1992. The provision is effective for estimated tax payments with respect to taxable years beginning after December 31, 1992, and beginning before 1995.

IV. DEFERRAL OF FUTA TAXES

Present Law

A State that borrows from the Federal Government to pay unemployment benefits may, under certain conditions, later take funds from balances in its unemployment trust fund to make the loan repayments. However, if the trust fund balance falls below the amount required to pay three months of benefits, as it did in Michigan last year, Federal law prohibits its use to make repayment and requires that the effective FUTA tax rate on employers in the State be raised to repay the loan. The IRS notified Michigan employers that they must make Michigan's 1991 loan payment, which is due on January 31, 1992.

Explanation of Provision

Michigan employers unable to make the additional FUTA tax payment now required by January 31, 1992, may remit the payment by June 30, 1992 without penalty, but with interest. This change would be budget neutral.

V. COMPLIANCE WITH THE BUDGET ACT

OMB estimates that the proposal would increase outlays for directed spending by $2.7 billion in fiscal year 1992. These costs would be offset by using the $2.2 billion in pay-as-you-go savings that OMB estimates were achieved in fiscal years 1992 and 1993 by legislation enacted last year, and by $0.5 billion in revenues raised by the corporate tax provision described above.

The Administration has stated that OMB finds the proposal consistent with the Budget Enforcement Act in each of the fiscal years 1992 through 1995, and that no sequester would be triggered by its enactment.

THE WHITE HOUSE,
Washington, January 30, 1992.

Hon. LLOYD BENTSEN,
Chairman, Committee on Finance, U.S. Senate,
Washington, DC.

DEAR LLOYD: On Tuesday the House Ways and Means Committee reported out an amended version of H.R. 4095, a bill to extend Federal unemployment benefits through July 4 of this year. That bill was the result of agreement among the Administration, Chairman Rostenkowski, and Republican leader Bob Michel. I fully support that agreement.

It is my hope that the Senate Finance Committee will approve the measure without amendments, and that the full House and Senate will quickly follow suit. Given that there are American workers whose benefits are expiring, I hope the bill will be on my desk for signature prior to the Congressional recess scheduled for February 7.

I am informed by the Director of the Office of Management and Budget that, according to our estimates, the compromise is consistent with the Budget Enforcement Act (BEA) in each of the Fiscal Years 1992 through 1995. Because OMB estimates that the compromise is fully funded in each of the five budget years, no sequester would be triggered by enactment of the compromise.

Thank you for your assistance in seeking a bipartisan solution to this problem.

Sincerely,

George Bush.•

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

Mr. SYMMS:

S. 2171. A bill for the relief of Amalia Hatzipetrou and Konstantinos Hatzipetrou; to the Committee on the Judiciary.

Mr. ROTH:

S. 2172. A bill to improve the quality of agency regulations, increase agency accountability for regulatory actions, and for other purposes; to the Committee on Governmental Affairs.

Mr. BENTSEN (from the Committee on Finance):

S. 2173. An original bill to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes; placed on the calendar.

Mr. DASCHLE:

S. 2174. A bill to prohibit the provision to members and employees of Congress, at Government expense, of services and other benefits that are not typical benefits of employment or are not otherwise necessary to the performance of their office; to the Committee on Rules and Administration.

Mr. STEVENS (by request):

S. 2175. A bill to distribute a portion of the Outer Continental Shelf natural gas and oil receipts to coastal States and coastal counties as impact assistance, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. KASTEN:

S. 2176. A bill to provide that Federal tax reduction legislation enacted in 1992 be effective January 1, 1992; to the Committee on Finance.

Mr. BREAUX (for himself and Mr. Johnston):

S. 2177. A bill to request from certain countries information concerning American servicemen and civilians missing in Southeast Asia during the Vietnam conflict and to require the heads of Federal departments and agencies to disclose to Congress information concerning such servicemen and civilians; to the Committee on Foreign Relations.

Mr. BURNS:

S.J. Res. 245. Joint resolution to designate the week of February 1-7, 1992, as "Travel Agent Appreciation Week", to the Committee on the Judiciary.

Mr. LIEBERMAN (for himself, Mr. Fowler, Mr. Biden, Mr. Jeffords, Mr. Kerrey, Mr. Chafee, Mr. Pell, Mr. Akaka, Mr. Ford, Mr. Daschle, Mr. Sasser, Mr. Coats, Mrs. Kassebaum, Mr. Metzenbaum, Mr. Sanford, Mr. Simon, Mr. Warner, Mr. Heflin, Mr. Nunn, Mr. Adams, Mr. Conrad, Mr. D'Amato, Mr. Durenberger, Mr. Gore, Mr. Gorton, Mr. Grassley, Mr. Hatch, Mr. Kerry, Mr. Lautenberg, Mr. Murkowski, Mr. Packwood, Mr. Simpson, Mr. Specter, Mr. Bentsen, Mr. Boren, Mr. Dixon, Mr. Graham, Mr. Hollings, Mr. Kennedy, Mr. Levin, Ms. Mikulski, Mr. Moynihan, Mr. Reid, Mr. Craig, Mr. Cohen, Mr. Wofford, Mr. Inouye, Mr. Lott, Mr. Lugar, Mr. Pryor, Mr. Symms, Mr. Cochran, Mr. Wallop, Mr. Bond, Mr. Seymour and Mr. Pressler):

S.J. Res. 246. Joint resolution to designate April 15, 1992, as "National Reycling Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

Mr. SPECTER:

S. Res. 254. A resolution expressing the sense of the Senate that the United States grant immediate recognition to the Republics of Croatia and Slovenia; to the Committee on Foreign Relations.

Mr. KERRY (for himself, Mr. Levin, Mr. Gore, Mr. Cohen, Mr. Leahy, Mr. Wellstone, Mr. Lieberman, Mr. Burdick, Mr. Akaka, Mr. Harkin, and Mr. Pell):

S. Con. Res. 89. Concurrent resolution to express the sense of the Congress concerning the United Nations Conference on Environment and Development; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROTH:

S. 2172. A bill to improve the quality of agency regulations, increase agency accountability for regulatory actions, and for other purposes; to the Committee on Governmental Affairs.

REGULATORY IMPROVEMENT AND ACCOUNTABILITY ACT

Mr. ROTH. Mr. President, the essential role of the Chief Executive under our Constitution is "to take care that the laws be faithfully executed." In the course of two centuries Congress has written countless laws for the executive department to implement through regulations. Yet never has the Congress provided any general mechanism by which the Executive might take care that these laws and their regulations be faithfully executed.

Certainly, article II needs no help from Congress in authorizing the President's constitutionally assigned, and constitutionally protected, functions. Yet it appears to me that in recent times Congress has sought to have it both ways. Some complain that a President has the power to place his imprint on the execution of the laws. Others accept that power but seek to undercut its enjoyment by imposing severe burdens.

While this tension between the branches has grown since 1980, the last year that a political party controlled both Houses of Congress and the White House, recent congressional criticism has focused on the President's Council on Competitiveness, which is chaired by Vice President Quayle. The Council has moved into the forefront with the decline of the Office of Information and Regulatory Affairs [OIRA], which is an office within OMB.

OIRA has lost some of its clout because it has no Administrator. The President it appears, will not nominate an Administrator because the Senate Committee on Governmental Affairs, the committee with jurisdiction over the nomination, will not process a nomination for that office unless the President agrees to substantial restrictions on the exercise of his constitutional authority to take care that the laws be faithfully executed through regulatory oversight by OIRA.

Today, while OIRA, headless as it is, continues to perform regulatory reviews through civil servants, the more difficult and sensitive regulatory concerns of the executive branch are referred to the Council. Since the Vice President need not be confirmed by the Senate to carry out executive functions for the President, the shift from OIRA to the Council has left the Senate Committee on Governmental Affairs with reduced leverage.

In response, the Senate Committee on Governmental Affairs has ordered reported S. 1942, over objections from the Department of Justice that the legislation violates the deliberative privilege of the executive branch as laid out by a unanimous Supreme Court in United States versus Nixon. In my opinion, it is one thing to require disclosure of outside lobbyist contacts with Federal officials and another to require disection and publication of the internal deliberative processes of executive decisionmaking at any level. In this respect, S. 1942 may be good for journalism, but it is bad for Government.

Unfortunately, this constitutional confrontation is not merely of academic interest. The burden of ever-increasing regulations is placing American business at a competitive disadvantage in the global marketplace. As the logjam continues, the overall cost of regulatory burden to our economy has been mounting. It is now estimated at the stratospheric sum of $400 billion a year. That costs every household in America some $4,000 a year. If these estimates of Prof. Thomas D. Hoptkins of the Rochester Institute of Technology are anywhere near the mark, there is indeed, a practical problem that must be addressed.

This is not to suggest that every regulation is bad. It may be that every regulation by itself is good but that all the good regulations together produce the unintended consequence of frustrating our economy. But I do not believe the situation is that intractable. I believe that we can reduce the burden and costs of regulations by deleting those which are unnecessary and meeting our Nation's goals with less costly alternatives.

But who in Government is able to undertake the task of monitoring the total impact of regulations, of resolving conflicts between regulations, and of assessing the net benefits of regulations? Not the Congress; while Congress can make policy, it cannot execute it. Rather this is a task for the executive branch. Moreover, the task must be assigned relatively high up in the executive hierarchy because no single department is suited to assess the entire, Governmentwide breadth of all regulations, let alone sit in judgment on itself.

Since the President and Vice President have so many responsibilities and relatively few resources at their personal disposition, the only appropriate office of regulatory review responsibility is OIRA. That office is presently charged with the Paperwork Reduction Act of 1980 with authority to reject burdensome information collection requests by Federal departments and agencies.

Since regulations that impose unnecessary paperwork burdens and regulations that impose unnecessary costs present similar conceptual questions, President Reagan assigned OIRA regulatory review authority under Executive Order 12291.

But such an assignment under a mere Executive order is wanting: it cannot authorize OIRA to reject a burdensome and unnecessary regulation, on the one hand, and, on the other, any suggestions by OIRA to modify a regulation are subject to criticism as interfering with the statutory responsibility of the agency or department proposing the regulation.

The only solution in furtherance of good Government is to authorize OIRA by statute to address the crush of regulations resting on the back of the American public. Today, Mr. President, I am introducing legislation to do just that. This legislation would give meaning to the R in OIRA. By statute, OIRA has authority over information request but not regulations generally. My legislation would correct that.

My legislation would amend the Paperwork Reduction Act of 1980 so that all regulations—not merely those requesting information for the Federal Government—would be subject to statutory OIRA review. OIRA review would be integrated with the agency's regulatory process so that an agency's draft regulation and its justification as well as OIRA's action, if any, would be subject to judicial review. Thus, the substantive justification for any regulation would remain an agency responsibility.

OIRA would review the draft regulations for compliance with cost-benefit requirements, competitiveness provisions, and other principles generally contained in Executive Order 12291.

Independent agency regulations would be subject to OIRA review; however, as under the Paperwork Reduction Act, the action of OIRA could be overridden by subsequent action of the independent agency. My legislation thus borrows the accommodation reached in this sensitive area by Congress in 1980.

Written communications to OIRA either from outside lobbyists or from agencies of Government as well as written communications back would be made available to the public in the same manner as under the Paperwork Reduction Act, as amended in 1986. Moreover, any action taken by OIRA and an explanation for its action would be forwarded to the agency proposing the regulation and be made available to the public.

Today, regulatory review actions of OIRA and the President's Council on Competitiveness are often criticized as occurring in secret. My bill focuses the executive authority for regulatory review on OIRA and extends the same public disclosure requirements of the Paperwork Reduction Act to this new statutory authorization. In view of the balance Congress thought proper for paperwork reduction, certain disclosure provisions S. 1942 would appear excessive.

As I said before, required disclosure of internal executive branch deliberations would appear to violate the doctrine of executive privilege laid down in United States versus Nixon. My bill strikes a constitutionally acceptable balance on the issue of public disclosure, the same balance that a Democratic Congress thought appropriate for a Democratic President in 1980.

The legislation I am introducing today would obviate the need of the present administration to place the routine task of regulatory review in the Council on Competitiveness.

My legislation would assign this role—by statute—to OIRA. And OIRA, once authorized to conduct such review, would be subject to public disclosure requirements, as contained in the Paperwork Reduction Act.

The business community has been concerned by the Supreme Court's decision in Dole versus Steelworkers, which held that the review process of the Paperwork Reduction Act was limited to information requests for use by the Federal Government, in short, only a small percentage of the regulatory burden.

Since my legislation embraces all regulations, the result in this case would be statutorily reversed.

Finally, it must be emphasized that this legislation is not intended to override the national goals and policies of statutory law but rather to promote them through regulations that are effective, efficient, and rational. Trying to accomplish our objectives in a way that is least burdensome to the citizens of this Nation and without adverse effects on our competitiveness is just common sense. Good government is not repugnant to national policy. We must achieve our goals in the health, safety, environment, and civil rights areas in a manner that promotes our Nation's economic growth, productivity, and competitiveness.

Mr. President, the burden of Government regulation has reached a critical mass. The sheer number of regulations, let alone their complexity, severely impairs the conduct of small business and small government alike.

We have given all too little consideration to the fledgling enterprise or to the part-time small-town mayor in their efforts to cope with the escalating demands of the Federal Government. Our ability to perform at these levels is being crushed by an avalanche of regulations. It is time for reform.

The President has declared a moratorium. That is good. It is an excellent first step. It will, one hopes, provide Congress with the opportunity to think through this very practical and very real problem. Our economy is at stake. My legislation is responsive to this crisis of regulatory suffocation. It is the permanent solution.

Mr. President, the administrative state needs someone to run it. But that task will prove impossible if Congress insists on denying this fundamental need and throwing obstacles in the path of any executive branch efforts to address it.

No reform in our Government is more natural or more necessary than granting the Chief Executive statutory authority to take care that regulations be faithfully executed. The legislation I am introducing today is that reform.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Regulatory Improvement and Accountability Act of 1992".

SEC. 2. PURPOSE.

Section 3501 of title 44, United States Code, is amended at the end of paragraph (5), by striking the "and"; at the end of paragraph (6), by changing the period to a semicolon; and by inserting the following:

"(7) to reduce the burdens of existing and future regulations in order to promote the nation's economic growth, productivity, competitiveness, and general welfare;

"(8) generally, to take care that regulations achieve the national goals and policies of statutory law in an effective, efficient, and rational manner;

"(9) to increase agency accountability for regulatory actions;

"(10) to provide for presidential oversight of the regulatory process;

"(11) to minimize duplication and conflict of regulations; and

"(12) to insure well-reasoned regulations."

SEC. 3. DEFINITIONS.

Section 3502 of title 44, United States Code, is amended—

(1) by amending paragraph (3) by inserting after "agency" the words "or in complying with a regulation";

(2) by redesignating paragraphs (15) through (17) as paragraphs (16) through (18), respectively;

(3) by inserting after paragraph (14) the following new paragraph:

"(15) the term "major rule" means any regulation that is likely to result in:

"(A) an annual effect on the economy of $100 million or more;

"(B) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or

"(C) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets;";

(4) at the end of paragraph (17) (as redesignated by paragraph (1) of this section), by striking the "and";

(5) at the end of paragraph (18) (as redesignated by paragraph (1) of this section), by changing the period to a semicolon; by inserting "and" after the new semicolon; and by inserting the following:

"(19) the term "regulation" or "rule" means an agency statement of general applicability and future effect designed to implement, interpret, or prescribe law or policy or describing the procedure or practice requirements of an agency, but does not include:

"(A) administrative actions governed by the provisions of sections 556 and 557 of title 5, United States Code;

"(B) regulations issued with respect to a military or foreign affairs function of the United States; or

"(C) regulations related to agency organization, management, or personnel.".

SEC. 4. OFFICE OF INFORMATION AND REGULATORY AFFAIRS.

Section 3503 of title 44, United States Code is amended in the last sentence of subsection (b), by inserting after "policy" the words "and regulatory oversight".

SEC. 5. AUTHORITY AND FUNCTIONS OF DIRECTOR.

Section 3504 of title 44, United States Code, is amended as follows:

(a) In the first sentence in subsection (a), delete "The" and insert in its place "Under the Direction of the President, the", insert after "requests" the words "and regulations", and insert after "paperwork" the words "and regulatory"; and

(b) Redesignate subsections (c) through (h) as subsections (e) through (j), respectively, and insert after subsection (b) the following new subsections:

"(c) The general regulatory oversight policy functions of the Director shall include—

"(1) developing and implementing uniform and consistent regulatory policies and overseeing the development of regulatory principles, standards, and guidelines, and promoting their use;

"(2) initiating and reviewing proposals for changes in legislation, regulations, and agency procedures to improve regulatory practices, and informing the President and Congress on the progress made therein;

"(3) coordinating, through the review of budget proposals and as otherwise provided in this section, agency regulatory practices;

"(4) evaluating agency regulatory practices to determine their adequacy and efficiency, to determine the impact of such practices on our nation's economic competitiveness, and to determine compliance of such practices with the policies, principles, standards, and guidelines promulgated by the Director;

"(5) overseeing planning for, and conduct of research with respect to, Federal regulatory practices; and

"(6) reviewing any preliminary or final Regulatory Impact Analysis, notice of proposed rulemaking, or final rule based on the requirements of this chapter.

"(d) The regulatory clearance and other regulatory control functions of the Director shall include—

"(1) designating any draft or existing rule as a major rule;

"(2) preparing and promulgating uniform standards for the identification of major rules and the development of Regulatory Impact Analyses;

"(3) requiring an agency to obtain and evaluate, in connection with a regulation, any additional relevant data from any appropriate source;

"(4) waiving the requirements of this chapter with respect to any draft or existing major rule;

"(5) identifying duplicative, overlapping and conflicting rules, existing or draft, and existing or draft rules that are inconsistent with the policies underlying statutes governing agencies other than the issuing agency or with the purposes of this chapter, and, in each such case, require appropriate interagency consultation to minimize or eliminate such duplication, overlap, or conflict;

"(6) developing procedures for estimating the annual benefits and costs of agency regulations, on both an aggregate and economic or industrial sector basis, for purposes of compiling a regulatory budget and assessing the impact of such regulations on our nation's economic competitiveness;

"(7) in consultation with interested agencies, preparing for consideration by the President recommendations for changes in the agencies' statutes;

"(8) designating currently effective rules for review in accordance with this chapter, and establishing schedules for reviews and Analyses under this chapter;

"(9) establishing a regulatory planning process by which the Administration will develop and publish a Regulatory Program for each year;

"(10) considering the consistency of the draft regulatory programs submitted by the agencies with the Administration's policies and priorities and the draft regulatory programs submitted by other agencies, and identifying such further regulatory or deregulatory actions as may, in the Director's view, be necessary in order to achieve such consistency; and

"(11) monitoring agency compliance with the requirements of this chapter and advising the President with respect to such compliance.".

SEC. 6. FEDERAL AGENCY RESPONSIBILITIES.

Section 3506 of title 44, United States Code, is amended as follows:

(a) In subsection (a), insert after "management" the words "and regulatory review", and insert after the second use of "information" the words "and regulatory oversight"; and

(b) After subsection (d), insert the following new subsections:

"(e) In promulgating new regulations, reviewing existing regulations, and developing legislative proposals concerning regulation, all agencies, to the extent permitted by law, shall adhere to the following requirements:

"(1) Administrative decisions shall be based on adequate information concerning the need for and consequences of proposed government action;

"(2) Regulatory action shall not be undertaken unless the potential benefits to society for the regulation outweigh the potential costs to society;

"(3) Regulatory objectives shall be chosen to maximize the net benefits to society and avoid, to the extent possible, adverse effects upon our Nation's economic competitiveness;

"(4) Among alternative approaches to any given regulatory objective, the alternative involving the least net cost to society shall be chosen; and

"(5) Agencies shall set regulatory priorities with the aim of maximizing the aggregate net benefits to society, taking into account the condition of the particular industries affected by regulations; the condition of the national economy; and other regulatory actions contemplated for the future.

"(f)(1) In order to implement subsection (e) of this section, each agency shall, in connection with every major rule, prepare, and to the extent permitted by law consider, a Regulatory Impact Analysis. Such analyses may be combined with any Regulatory Flexibility Analyses performed under section 603 and 604 of title 5, United States Code.

"(2) Each agency shall initially determine whether a rule it intends to propose or to issue is a major rule, provided that, the Director shall have authority, in accordance with this chapter, to prescribe criteria for making such determinations, to order a rule to be treated as a major rule, and to require any set of related rules to be considered together as a major rule.

"(3) Except as provided in subsection (i) of this section, agencies shall prepare Regulatory Impact Analyses of major rules and transmit them, along with all notices of proposed rulemaking and all final rules, to the Director as follows:

"(A) If no notice of proposed rulemaking is to be published for a proposed major rule that is not an emergency rule, the agency shall prepare only a final Regulatory Impact Analysis, which shall be transmitted, along with the draft rule, to the Director at least 60 days prior to the publication of the major rule as a final rule;

"(B) With respect to all other major rules, the agency shall prepare a preliminary Regulatory Impact Analysis, which shall be transmitted, along with a notice of proposed rulemaking, to the Director at least 60 days prior to the publication of a notice of proposed rulemaking, and a final Regulatory Impact Analysis, which shall be transmitted along with the final rule at least 30 days prior to the publication of the major rule as a final rule;

"(C) For all rules other than major rules, agencies shall submit to the Director, at least 10 days prior to publication, every notice of proposed rulemaking and final rule.

"(4) To permit each draft major rule to be analyzed in light of the requirements stated in subsection (e) of this section, each preliminary and final Regulatory Impact Analysis shall contain the following information:

"(A) A description of the potential benefits of the rule, including any beneficial effects that cannot be quantified in monetary terms, and the identification of those likely to receive the benefits;

"(B) A description of the potential costs of the rule, including any adverse effects that cannot be quantified in monetary terms, including adverse effects upon our Nation's economic competitiveness, and the identification of those likely to bear the costs;

"(C) A determination of the potential net benefits of the rule, including an evaluation of effects that cannot be quantified in monetary terms;

"(D) A description of alternative approaches that could substantially achieve the same regulatory goal at lower cost, together with an analysis of this potential benefit and costs and a brief explanation of the legal reasons why such alternatives, if proposed, could not be adopted; and

"(E) Unless covered by a description required under subparagraph (D) of this paragraph, an explanation of any legal reasons why the rule cannot be based on the requirements set forth in subsection (e) of this section.

"(5)(A) Upon the request of the Director, an agency shall consult with the Director concerning the review of a preliminary Regulatory Impact Analysis or notice of proposed rulemaking under this chapter, and shall, subject to subsection (i) of this section, refrain from publishing its preliminary Regulatory Impact Analysis or notice of proposed rulemaking until such review is concluded.

"(B) Upon receiving notice that the Director intends to submit views with respect to any final Regulatory Impact Analysis or final rule, the agency shall, subject to subsection (i) of this section, refrain from publishing its final Regulatory Impact Analysis or final rule until the agency has responded to the Director's views, and incorporated those views and the agency's response in the rulemaking file.

"(C) Nothing in this paragraph shall be construed as displacing the agencies' responsibilities delegated by law.

"(6) For every rule for which an agency publishes a notice of proposed rulemaking, the agency shall include in its notice:

"(A) A brief statement setting forth the agency's initial determination whether the proposed rule is a major rule, together with the reasons underlying that determination; and

"(B) For each proposed major rule, a brief summary of the agency's preliminary Regulatory Impact Analysis.

"(7) Agencies shall make their preliminary and final Regulatory Impact Analysis available to the public.

"(8) Agencies shall initiate reviews of currently effective rules in accordance with the purposes of this chapter, and perform Regulatory Impact Analyses of currently effective major rules.

"(g) Before approving any final major rule, each agency shall:

"(1) Make a determination that the regulation is clearly within the authority delegated by law and consistent with congressional intent, and include in the Federal Register at the time of promulgation a memorandum of law supporting that determination.

"(2) Make a determination that the factual conclusions upon which the rule is based have a substantial support in the agency record, viewed as a whole, with full attention to public comments in general and the comments of persons directly affected by the rule in particular.

"(h)(1) Each agency shall publish, in October and April of each year, an agenda of proposed regulations that the agency has issued or expects to issue, and currently effective rules that are under agency review pursuant to this chapter. These agendas may be incorporated with the agendas published under section 602 of title 5, United States Code, and must contain at the minimum:

"(A) A summary of the nature of each major rule being considered, the objectives and legal basis for the issuance of the rule, and an approximate schedule for completing action on any major rule for which the agency has issued a notice of proposed rulemaking;

"(B) The name and telephone number of a knowledgeable agency official for each item on the agenda; and

"(C) A list of existing regulations to be reviewed under the terms of this chapter, and a brief discussion of each such regulation.

"(2) The Director may, to the extent permitted by law,

"(A) Require agencies to provide additional information in an agenda; and

"(B) Require publication of the agenda in any form.

"(i)(1) The procedures prescribed by this chapter applicable to agency preparation of Regulatory Impact Analyses and the regulatory clearance and other regulatory control functions of the Director shall not apply to:

"(A) Any regulation that responds to an emergency situation, provided that, any such regulation shall be reported to the Director as soon as is practicable, the agency shall publish in the Federal Register a statement of the reasons why it is impracticable for the agency to follow the procedures in this chapter with respect to such a rule, and the agency shall prepare and transmit as soon as is practicable a Regulatory Impact Analysis of any such major rule; and

"(B) Any regulation for which consideration or reconsideration under the terms of this chapter would conflict with deadlines imposed by statute or by judicial order, provided that, any such regulation shall be reported to the Director together with a brief explanation of the conflict, the agency shall publish in the Federal Register a statement of the reasons why it is impracticable for the agency to follow the procedures of this chapter with respect to such a rule, and the agency, in consultation with the Director, shall adhere to the requirements of this chapter to the extent permitted by the statutory or judicial deadline.

"(2) The Director may, in accordance with the purposes of this chapter, exempt any class or category of regulations from any or all requirements of this chapter. The Director shall, with regard to regulations or the practice and procedure requirements of an agency relative to the administration of the Export Administration Act, determine whether such regulations or practice and procedure requirements are exempted from review under paragraph (1)(B) of this subsection.".

SEC. 7. PUBLIC INFORMATION COLLECTION ACTIVITIES.

Section 3507 of title 44, United States Code, is amended as follows:

(a) Redesignate subsections (b) through (h) as subsections (c) through (i), respectively, and insert after subsection (a) the following new subsection:

"(b) An agency shall not implement or sponsor the implementation of a regulation unless, in advance of the adoption or revision of the regulation—

"(1) the agency has taken actions, including consultation with the Director, to—

"(A) adhere to the requirements in section 3506(e) of this chapter; and

"(B) comply with procedures prescribed by this chapter applicable to agency preparation of Regulatory Impact Analyses and the regulatory clearance and other regulatory control functions of the Director;

"(2) the agency (A) has submitted to the Director the draft regulation, copies of pertinent statutes and other related materials as the Director may specify, and an explanation of actions taken to carry out paragraph (1) of this subsection, and (B) has prepared a notice to be published in the Federal Register stating that the agency has made such submission (setting forth a title for the regulation, a brief description of the need for the regulation and its proposed use, a description of the likely persons affected, and an estimate of the burden that will result from the regulation); and

"(3) the Director has approved the draft regulation, or the period for review of regulations by the Director provided under subsection (c) has elapsed.";

(b) In the first sentence of section 3507(c) (as redesignated by subsection (a) of this section), after the first and second uses of the word "request", insert the words "or draft regulation"; in the third sentence, after "request", insert the words "or draft regulation", and in the third sentence, after "information", insert the words "or implement or sponsor the implementation of the regulation";

(c) In the first sentence of section 3507(d) (as redesignated by subsection (a) of this section), after the first use of the word "request", insert the words "or draft regulation"; in the second sentence, after "Director,", insert "and"; and in the third sentence, after the first and second uses of the word "request", insert the words "or draft regulation";

(d) In section 3507(e) (as redesignated by subsection (a) of this section), after the word "request", insert the words "or draft regulation";

(e) In section 3507(g) (as redesignated by subsection (a) of this section), after the first use of the word "information", insert the words "or implement a regulation", and after the word "request" insert the words "or regulation, respectively"; and

(f) In section 3507(i) (as redesignated by subsection (a) of this section), in the first sentence, insert before the second use of "written" the word "official", after the "request" insert the words "or draft regulation", and after "proposal" insert the words "or draft regulation"; and immediately after the first sentence, insert the following:

"The written communications pertaining to a draft regulation under review shall be made available upon written request made to the Office after publication of the draft rule. The Administrator shall send the written communications pertaining to a draft regulation under review from any person not employed by the Federal government to the agency. The Administrator shall also advise the agency of all formal oral communications and scheduled meetings that the Office has with persons not employed by the Federal government pertaining to the substance of a draft regulation under review."

SEC. 8. PUBLIC PROTECTION.

Section 3512 of title 44, United States Code, is amended as follows:

(a) After the word "agency", insert the words "or to comply with a regulation adopted or revised by an agency"; and

(b) After the word "1981", insert "or if the regulation was adopted or revised after December 31, 1993,".

SEC. 9. CONSULTATION WITH OTHER AGENCIES AND THE PUBLIC.

Section 3517 of title 44, United States Code, is amended by inserting after "requests" the words "and draft regulations".

SEC. 10. EFFECT ON EXISTING LAWS AND REGULATIONS.

Section 3518 of title 44, United States Code, is amended as follows:

(a) in subsection (a), delete the words "for federal information activities".

(b) subsection (e) is amended read as follows:

"(e) Nothing in this chapter shall be interpreted as increasing or decreasing the authority of the President, the Office of Management and Budget or the Director thereof, under the laws of the United States, with respect to the substantive policies and programs of departments, agencies and offices, including the substantive authority of any Federal agency to enforce laws regarding the health, safety, environment, and civil rights of the people. This chapter shall be interpreted so as to achieve, through regulations, the national goals and policies of statutory law in an effective, efficient, and rational manner."

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

Section 3520 of title 44, United States Code, is amended as follows:

(a) in subsection (a), by striking out "$5,500,000 for each of the fiscal years 1987, 1988, and 1989." and inserting in lieu thereof "$7,000,000 for fiscal year 1993, and such sums as may be necessary for fiscal years 1994, 1995, 1996, and 1997."; and

(b) in subsection (c), by striking out the second sentence.

SEC. 12. TECHNICAL AND CONFORMING AMENDMENTS.

Chapter 35 of title 44, United States Code, is amended—

(1) in section 3504(j)(7) (as redesignated by section 5 of this Act), by striking out "section 3507(c)" and inserting in lieu thereof "section 3507(d)";

(2) in section 3507, by amending the title to that section by inserting after "activities" the words "and review of regulations";

(3) section 3507(h) (as redesignated by section 7 of this Act), by striking out "subsection (b)" and inserting in lieu thereof "subsection (c)";

(4) in section 3509, by striking out "section 3507(c)" and inserting in lieu thereof "section 3507(d)";

(5) in section 3514(a)(6), by striking out "section 3507(g)" and inserting in lieu thereof "section 3507(i)";

(6) in section 3514(a)(10), by striking out "section 3507(d)" and inserting in lieu thereof "section 3504(f))"; and

(7) in the chapter headnote, inserting "AND REGULATORY" after the word "INFORMATION".

By Mr. DASCHLE:

S. 2174. A bill to prohibit the provision to Members and employees of Congress, at Government expense, of services and other benefits that are not typical benefits of employment or are not otherwise necessary to the performance of their office; to the Committee on Rules and Administration.

FAIR MARKET STANDARDS ACT

• Mr. DASCHLE. Mr. President, today I am introducing the Fair Market Standards Act, which is intended to eliminate the provision of unnecessary perks to Members of Congress or congressional employees. Specifically, the bill will prohibit the provision to Members and employees of Congress, at Government expense, or service and other benefits that are not necessary to the performance of their duties.

The Fair Market Standards Act will attack the perks from both sides. First, it will make it illegal for a Senator or Member of the House of Representatives—or their employees—to accept a perk. The bill stipulates that a member or employee—may not receive from any office, officer, employee, or other entity in the Congress or in a department or agency of the United States, a service or other benefit that is not equally available to other persons" unless the service or benefit is necessary to perform his or her duties.

Second, the bill will require the Sergeants at Arms of the House and Senate to survey all the services and benefits available to Members and staff, and report those findings to the respective Rules Committees. The reports will contain explanations of the connection, if any, between the services or benefits and the Members' or staffs' performance of their official duties.

In turn, the Rules Committees will be asked to introduce resolutions outlining: First, which services or benefits are directly related to the performance of official duties and, therefore, properly provided at Government expense; and second, which services are unnecessary and not properly provided at Government expense, but may appropriately be made available in or near the Senate or House buildings, at the expense of Members and employees of the Senate or House, and provided by employees of the Government or by private contractors at fair market value. Any profits realized in conjunction with services provided at fair market value will be paid into the deficit reduction account at the Treasury. Other services or benefits will be considered unnecessary perks and eliminated entirely.

Mr. President, the widespread perception that members of Congress or their staffs are taking advantage of unfair and unnecessary perks and privileges is hurting this institution. Although some of the press reports are inaccurate or unfair, others accurately report uses of public funds that, while currently legal, cannot be justified. We should not ignore or belittle the legitimate concerns that have been raised with respect to this issue, and I offer this legislation today with the hope that it will contribute to a timely solution to this problem. I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2174

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fair Market Standards Act".

SEC. 2. PROHIBITION OF UNNECESSARY SERVICES AND OTHER BENEFITS.

(a) PROHIBITION.—A member or employee of Congress may not receive from any office, officer, employee, or other entity in the Congress or in a department or agency of the United States a service or other benefit, at Government expense, that is not equally available to all other persons, except such a service or other benefit as—

(1) is of a kind and in an amount that is provided by employers, not atypically, as part of the compensation of their employees in general; or

(2) is otherwise necessary or appropriate to enable the member or employee to perform the duties of a member or employee of Congress.

(b) SURVEY OF SERVICES AND BENEFITS.—(1) Not later than 60 days after the date of enactment of this Act, the Sergeant at Arms and Doorkeeper of the Senate shall—

(A) ascertain what services and other benefits are available to members and employees of the Senate that are not equally available to all other persons; and

(B) submit to the Committee on Rules and Administration of the Senate a report describing those services and benefits and the manner in which each service or benefit contributes to the performance of the duties of members and employees of the Senate, if at all.

(2) Not later than 60 days after the date of enactment of this Act, the Sergeant at Arms of the House of Representatives shall—

(A) ascertain what services and other benefits are available to members and employees of the House of Representatives that are not equally available to all other persons; and

(B) submit to the Committee on Rules of the House of Representatives a report describing those services and benefits and the manner in which each service or other benefit contributes to the performance of the duties of members and employees of the House of Representatives, if at all.

(c) IDENTIFICATION OF UNNECESSARY SERVICES AND BENEFITS.—(1) Not later than 60 days after receiving the report described in subsection (b)(1), the Committee on Rules and Administration of the Senate shall introduce a resolution that—

(A) describes each service and benefit that may properly be made available to members and employees of the Senate at Government expense because it—

(i) is of a kind and in an amount that is provided by employers, not atypically, as part of the compensation of their employees in general; or

(ii) is otherwise necessary or appropriate to enable the members and employees to perform their duties as members and employees of the Senate;

(B) describes each service and benefit that may not properly be made available to members and employees of the Senate at Government expense, but may appropriately be made available in or near the Senate buildings, at the expense of members and employees of the Senate, and provided by employees of the Government or by private contractors; and

(C) directs the appropriate officers of the Senate to make arrangements for the provision of the services and other benefits described in paragraph (2) at fair market value.

(2) Not later than 60 days after receiving the report described in subsection (b)(2), the Committee on Rules of the House of Representatives shall introduce a resolution that—

(A) describes each service and benefit that may properly be made available to members and employees of the House of Representatives at Government expense because it—

(i) is of a kind and in an amount that is provided by employers, not atypically, as part of the compensation of their employees in general; or

(ii) is otherwise necessary or appropriate to enable the members and employees to perform their duties as members and employees of the House of Representatives;

(B) describes each service and benefit that may not properly be made available to members and employees of the House of Representatives at Government expense, but may appropriately be made available in or near the House of Representatives buildings, at the expense of members and employees of the House of Representatives, and provided by employees of the Government or by private contractors; and

(C) directs the appropriate officers of the House of Representatives to make arrangements for the provision of the services and other benefits described in paragraph (2) at fair market value.

(d) PAYMENTS TO REDUCE THE PUBLIC DEBT.—All payments received from members and employees of Congress for services and other benefits described in subsection (c)(1)(B) and (2)(B) that are provided by Government employees and all rent or other payments received from private contractors that provide such services and other benefits shall be paid into the account described in section 3113(d) of title 31, United States Code, to pay down the public debt.•

By Mr. STEVENS (by request):

S. 2175. A bill to distribute a portion of the Outer Continental Shelf natural gas and oil receipts to coastal States and coastal counties as impact assistance, and for other purposes; to the Committee on Commerce, Science, and Transportation.

COASTAL COMMUNITIES IMPACT ASSISTANCE ACT

• Mr. STEVENS. Mr. President, today I introduce the Coastal Communities Impact Assistance Act of 1992 at the request of the administration. I have been working on the issue of Outer Continental Shelf [OCS] impact assistance for two decades and introduced my own bill that would provide economic assistance to our coastal States and communities which have OCS oil and gas exploration and development. I welcome the administration's contribution and support on this important issue.

The purpose of this bill is to provide funds from revenues derived from OCS natural gas and oil production to coastal States and eligible counties to minimize the economic impacts caused by OCS development. Alaskan boroughs would also be eligible for impact assistance. The money distributed to the coastal States and communities would consist of 12.5 percent of all new oil and natural gas revenues from leased tracts whose geographic centers lie seaward of the 8(g) zone or within such zone and up to 200 miles from the nearest State's coastline.

Under this legislation the impact assistance from a given tract is distributed to all coastal States within 200 miles of such tract, weighted inversely according to each State's minimum distance from the tract. Fifty percent of the total impact assistance is distributed to the State.

The other 50 percent of the State's share is distributed among eligible counties located within the State. Eligible counties are determined by the Governor of each State, but must include all counties and Alaska boroughs with coastline borders and may include counties and boroughs whose closest point is no more than 60 miles from the coastline. The counties and boroughs must have real and significant impacts from OCS activities. Then the assistance is distributed among them using a distance formula similar to the State share.

Impact assistance from OCS activities would allow coastal States and communities the opportunity to participate in the OCS permitting process, to undertake projects to protect the environment, and to provide the increased government services and infrastructure that are necessitated by population increases brought about through OCS development.

Twice in the past the Senate passed legislation to provide OCS impact assistance, but unfortunately we were unable to enact it into law because past administrations opposed it. I am glad to see this administration's support for this concept, and I look forward to working with them to finally provide these States and communities the funds they need and deserve.•

By Mr. KASTEN:

S. 2176. A bill to provide that Federal tax reduction legislation enacted in 1992 become effective January 1, 1992; to the Committee on Finance.

EFFECTIVE DATE OF TAX REDUCTION LEGISLATION

• Mr. KASTEN. Mr. President, the President's budget request contains a wide range of tax relief proposals that will help restore economic growth and create jobs. Congress should act quickly on the President's proposals.

The economy needs the strong growth incentives in the President's package including a reduced capital gains tax, improved depreciation, and enterprise zones. American families need the tax relief that will come from increases in the dependent exemption, the first-time homebuyer credit, expanded IRA's, and tax deductible student loan interest. And I am extremely encouraged by the proposed repeal of the luxury excise tax on boats. This tax raises no money for the government and has been responsible for the loss of 19,000 jobs in the boatbuilding industry.

Today, I am introducing legislation that would give an added boost to the growth package and help ensure that Congress moves swiftly to enact it. This legislation would establish a January 1, 1992, effective date for any tax relief enacted pursuant to the President's tax proposal. An early and definite effective date will speed the recovery and minimize the delayed economic activity that results from the anticipation of tax relief. Uncertainty concerning effective dates can lead to a delay in economic activity and can temporarily worsen the economic downturn that the tax cuts are designed to eliminate.

Let me provide a few examples of how delayed action and delayed effective dates can cause problems for the economy. Businessmen who might be planning to purchase equipment and machinery will delay their purchases until the effective date of the investment tax allowance is clear. Potential buyers of boats will delay their purchases until the date of repeal is certain. This will further depress an important sector of the economy and cause further job loss. Similarly, business growth and job creation in the inner city may be delayed because the tax incentives in the administration's enterprise zone package are not scheduled to be effective until the start of 1993. I am also concerned that families will not adequately benefit from the $500 increase in the dependent exemption which is not scheduled to occur until October 1 of this year.

I believe it is vitally important that Congress make clear to the American people that it intends to act quickly on this tax legislation and that it will implement the specific tax reduction provisions effective to the first of the year. The alternative is a drawn out process that will delay economic activity and lead to further job loss. I ask that the text of the bill be inserted in the RECORD following my remarks and that an article by Victor Canto, Kevin Melich, and Art Laffer outlining the dangers of delay also be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2176

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That each provision of, or amendment to, any Act providing Federal tax reduction based on the President's tax proposal submitted to Congress on January 29, 1992, shall be retroactive to January 1, 1992.

[A.B. Laffer, V.A. Canto & Associates]

POLITICAL ECONOMY: VOODOO IN '92

(By Victor A. Canto, Kevin Melich, and Arthur B. Laffer)

The longest peacetime expansion ever came to an end during 1990, bringing down the curtain on eight years of prosperity. Unemployment has already risen to 6.8 percent so far and during Bush's entire term of three years in office only 174 thousand new jobs have been created. He's only 29.826 million short of his Acceptance Speech promise to create 30 million new jobs. But, he says his juices are now flowing.

With this less-than-stellar economic performance it is not all that shocking that the president's overall approval rating is at an all-time low. In fact, some people have said that his approval rating looks like a chart of a biotech stock, however that may be unfair to the biotech stock.

Nonetheless, 1992 is an election year fraught with danger for an incumbent President riding a dead economy. The politics of continued abysmal economic performance has boxed the President into adopting an economic package in the hopes of reactivating the economy.

The shape, form, and timing of the package remains unknown. However, numerous proposed components include a capital gains tax cut for long term assets, indexation of capital gains for inflation, super IRAs, tax rebates as well as an investment tax credit. Personal and corporate income tax rate cuts don't appear to be in play although rate increases have been discussed as a way to pay for other programs.

Since 1948 there have been a number of tax changes that have altered personal and corporate income taxes, capital gains taxes, investment tax credits, and depreciation schedules. Delving into the historical annals should shed some light on what to expect from the various pieces of legislation currently under consideration. Although we really don't know what the President's program will contain, we surely do have an idea of the potential changes. The U.S. economy's previous experiences with tax changes should provide a basis for likely outcomes.

U.S. PAST EXPERIENCE

A listing of the different events and the timetable for changes in the legislative process are reported in Table 1.[1] Seventeen relevant episodes of tax changes were identified. Eleven of those seventeen episodes resulted either in static revenue losses or were revenue-neutral. Therefore, there were six events where static revenues increased. From our perspective, static revenue losses are generally descriptive of pro-growth policies while static revenue increases are typically anti-growth. Both Keynesian and supply-side analyses have the same overall implications vis-a-vis tax policies. The difference between those two schools of thought is the mechanism as to how the policies affect the economy. To a keynesian the static revenue loss of a tax cut is supposed to stimulate aggregate demand. From a supply-side view, a static revenue loss is tantamount to a tax rate reduction which increases the economy's incentives to save and produce. To a supply-side economist the income effects wash out. Only substitution effects remain. Static revenue losses, therefore, directly or indirectly translate into tax rate reductions.

Table 2 summarizes the behavior of the stock market, consumer prices, and real GNP quarter by quarter starting four quarters prior to the announcement or introduction of the specific tax package and continuing until four quarters after the package has become effective. The data reported suggest a number of empirical regularities.

TABLE 1—LEGISLATIVE HISTORY OF MAJOR FEDERAL TAX BILLS ENACTED, 1948–90

Title of Act	Date of President's message	Date of House passage	Date of Senate passage	Date of enactment	Major provisions[e]
Revenue Act of 1948	[a]	2/2/48	3/22/48	4/2/48[b]	Decrease individual and corporate tax rates.
Revenue Act of 1950	1/23/50	6/29/50	9/1/50	9/23/50	Increase individual and corporate tax rates.
Revenue Act of 1951	2/2/51	6/22/51	9/28/51	10/20/51	Increase individual and corporate tax rates.
Internal Revenue Code of 1954	[c] 1/21/54	3/18/54	7/2/54	8/16/54	Accelerated depreciation introduced.
Excise Tax Reduction Act of 1954	[a]	3/10/54	3/25/54	3/31/54	
Federal-Aid Highway Act of 1956	2/22/55	4/27/56	5/29/56	6/29/56	
Revenue Act of 1962	[d] 4/20/61	3/29/62	9/6/62	10/16/62	Introduced investment tax credit and increased accelerated depreciation.
Revenue Act of 1964	1/24/63	9/25/63	2/7/64	2/26/64	Decreased individual and corporate tax rates.
Revenue and Expenditure Control Act of 1968	8/3/67	2/29/68	4/2/68	6/28/68	Increased individual and corporate tax rates. Vietnam income surcharge for years 1968–71.
Tax Reform Act of 1969	4/21/69	8/7/69	12/11/69	12/30/69	Raised capital gains rate. Investment tax credit eliminated.
Revenue Act of 1971	8/15/71	10/6/71	11/22/71	12/10/71	Investment tax credit reinstated.
Tax Reduction Act of 1975	1/15/75	2/27/75	3/22/75	3/29/75	Investment tax credit increased.
Tax Reform Act of 1976	[a]	12/4/75	8/6/76	10/4/76	Raised capital gains tax rate.
Revenue Act of 1978	1/30/78	8/10/78	10/10/78	11/6/78	Decreased corporate income tax rate. Decreased capital gains tax rate.
Economic Recovery Tax Act of 1981	[c] 2/18/81	7/29/81	7/31/81	8/13/81	Decreased individual and corporate tax rates. Decreased capital gains tax rate. ACRS enacted.
Tax Reform Act of 1986	5/28/85	12/17/85	6/24/86	10/22/86	Decreased individual and corporate tax rates. Raised capital gains tax rate. Eliminated investment tax credit. MACRS—increased tax relative to depreciation.
Omnibus Budget Reconciliation Act of 1990	....	10/28/90	10/28/90	....	Increased individual income tax rate. Reduced effective maximum capital gains tax rate. Increased excise taxes. Increased medicaid and other taxes.

Note: Excludes Excess Profits Tax Act of 1950, Excise Tax Reduction Act of 1965, Tax Adjustment Act of 1966, Tax Reduction and Simplification Act of 1977, Crude Oil Windfall Profit Tax Act of 1980, TEFRA 1982, Highway Revenue Act of 1984, and Deficit Reduction Act of 1984. These were excluded due to overlap with other (dominant) tax acts, or there was no effective tax rate change. Investment tax credits suspended in October 1966 and reinstated in March 1967.

[a] Not recommended by the president.
[b] Passed by Congress over the president's veto.
[c] Recommended by the president in his budget message.
[d] Recommended initially in the budget message transmitted in January of the year indicated.
[e] Investment tax credits associated with nearest act.

TABLE 2—REAL GNP GROWTH, INFLATION, AND PERCENT CHANGE IN THE STOCK MARKET PRIOR TO, DURING, AND AFTER THE ENACTMENT OF TAX CHANGES

[In percent]

Economic indicator	Static tax revenue	4th Q prior	3rd Q prior	2nd Q prior	1st Q prior	Enactment	1st Q after	2nd Q after	3rd Q after	4th Q after
Real GNP growth	Decrease	4.38	4.22	1.45	1.46	1.40	1.13	3.30	4.70	4.08
	Increase	1.13	1.33	0.52	4.95	5.32	5.20	2.94	3.66	4.45
CPIU inflation	Decrease	6.06	4.63	4.97	5.10	2.40	3.49	4.33	3.30	2.41
	Increase	2.58	2.30	4.25	3.76	4.79	4.87	5.16	4.43	3.50
S&P 500	Decrease	−1.28	1.44	−0.79	6.90	11.25	32.50	3.38	11.02	18.20
	Increase	13.13	16.29	19.14	23.72	3.75	8.23	13.20	−4.58	7.99

January 1947 to September 1991 Annual Averages: Real GNP growth *—3.08; CPIU inflation—4.15; S&P 500 percent change—7.25; from 2d quarter 1947.

Real GNP: Tax cut packages are, on average, preceded by declining real GNP growth. A trough in real GNP growth occurs during the first quarter after the tax cut package becomes effective. From the time of enactment of the package forward the economy shows steady improvement. In contrast, during tax increases the level of economic activity appears to peak around the time the tax rate increase becomes effective and then, the following quarters the real GNP growth rate declines. Thus the economy's behavior during a tax increase is virtually the mirror image of the economic behavior during tax cuts.

The data also suggest the presence of transition effects that result from "gradual" implementation of tax changes. People do alter their behavior as a result of temporal changes in tax rates. The pre-announcement of a tax rate increase leads to "false prosperity" as people recognize income and produce in order to avoid "future" taxes. Similarly, pre-announced tax rate cuts introduce an incentive to delay recognizing income that further slows down the economy, further exacerbating the downturn, albeit temporarily, that the tax cut is supposed to solve.

Inflation: Equally as important as are the production effects of tax changes, the inflation rate appears to decline below its long-term average during the "transition" or enactment period for tax cuts and to increase for tax increases.

The economy's inflation rate is lower during the four quarters after tax cut is enacted than it is during the preceding four quarters. Symmetrically, during a tax increase the inflation rate is higher during the four quarters following the tax increase than it is during the quarters prior to the announcement of a tax increase.

Stock Market: In the case of a tax cut the market improvement appears to begin in the quarter prior to the announcement of a tax cut program. The stock market rise appears to accelerate during the time between when the program is actually announced and the enactment date. The appreciation peak occurs during the first quarter after the enactment date.

For tax increase the market peaks the quarter before the announcement of the tax program and declines subsequently. There is no "transition" phase-in problem as there is with the real economy.

The gradual adjustment in stock prices may be related to the gradual changes in perception in the market regarding the nature of the package and the likelihood of it being enacted. Or, the perception of gradualism in the aggregate numbers may, in fact, be an artifact of the aggregation itself.

THE OUTLOOK

We believe that the administration is locked into adopting an honest-to-goodness pro-growth package. The experience gather from the seventeen events shown in Table 1 suggests that a broad-based package which includes some combination of capital gains tax cuts, IRAs, investment tax credits and accelerated depreciation will be favorable to the economy and the stock market.

Some form of a growth package has already been built into the stock market. There has been ample discussion in the press. The recent market rally, although properly attributed to the decline in interest rates, may also be due, in part, to the anticipation of a tax cut/growth package. Historical experience suggests that the appreciation in asset values accelerates up to the quarter following the time the cut becomes effective. The timing of the recovery also depends on the implementation of the tax package. Three scenarios are considered.

THE OPTIMISTIC SCENARIO: A RETROACTIVE PACKAGE WITH STATIC REVENUE LOSSES

Our view is that even if the President and his advisors do not fully understand the transition effect, people like Jack Kemp, Newt Gingrich, and Vice President Quayle do understand it. If they have their way the package announced in the State of the Union speech will be retroactive to January 1, 1992, in order to avoid the negative impact of the announcement of a tax cut that takes effect at a later date. If these gentlemen have their way no other taxes will be raised. If a deficit-neutral package has to be adhered to then defense budget cuts are far preferable to any other financing vehicle.

If that is the case it follows that we are now at the end of the transition period. Real GNP growth and the inflation rate should be at their low right now and the stock market should be accelerating. The economy could steadily recover, reaching a 4 percent annualized growth rate by the fourth quarter. December over December the real GNP could be 2.3 percent. If the economy responds in a typical fashion the inflation rate would average 3.6 percent. The stock market should post its highest appreciation rate during the first quarter of 1992. Under this scenario President Bush should win the election.

THE MOST LIKELY SCENARIO: NO RETROACTIVE FEATURES BUT STATIC REVENUE LOSSES

In spite of widespread warnings both of the Reagan tax rate cuts were phased in. It is extraordinarily difficult to convince "deficit mongers" that increased static revenue losses resulting from making a tax cut are, in fact, good. There is no reason to expect that the non-supply siders of this administration understand the potential problems of preannounced or phased-in tax rate cuts any better than their predecessors did. A little scenario is one where the growth package becomes "effective" on the date of passage.

The impact on the economy will be to delay or postpone economic activity. If the ITC is enacted it will make a difference as to when to purchase a machine. On the other hand, rate reductions, if enacted during the year, will be pro-rated thereby artificially introducing a phase-in. The net effect will be to delay the timing of the recovery. The delay could significantly delay any recovery and thus be crucial to the election outcome.

A PESSIMISTIC SCENARIO: A REVENUE-NEUTRAL BILL

From a qualitative point of view the composition of the package is irrelevant. All of the above items will result in an improved economy. The debate over one type of stimulus versus another has to do with the efficiency of the stimulus: which policy gives the biggest bang (stimulus to real GNP) for the buck (per dollar of static revenue loss).

For example, we have always stated that the ITC may be characterized as an incentive to buy a new machine without any guarantee that the machine will be used or would displace an old machine. In contrast, we have argued that low tax rates are an incentive to use both old and new machines. While both the ITC and lower tax rates will be "pro-growth," lower tax rates are more efficient. In the limit, however, an infinite nonrebatable ITC is exactly the same as the total elimination of the corporate tax.

The above reasoning suggests that a rate cut will generally be a superior way to stimulate the economy. Viewed this way the ITC, as long as there is no corresponding tax increase, will make some sectors better off without harming the rest of the economy. Therefore it does result in a net gain. The ITC will differentially alter the rates of return across industries and also within industries.

Analysts should know how to incorporate the impact of a cut in corporate tax rates or the ITC on effective corporate tax rates, etc. But knowing the impact or accounting effect isn't enough. You must then determine whether competition will force companies to pass any benefit forward or backward or whether they will keep the benefit. Those who can keep the benefit or get benefits passed to them will experience stock appreciation. Those who pass on their credits will not benefit a great deal but their customers and suppliers will.

One remaining issue of practical politics, however, is whether there will be a trade off of a personal income tax rate increase in order to attain the other provisions. We would like to point out that the 1980 tax act was revenue-neutral and did not become fully effective until January 1, 1988. The market and the economy continued to do well until last year's tax increase.

It is important to note that the 1986 tax act was revenue-neutral and that personal and corporate tax rates were reduced while the ITC was eliminated, capital gains tax rates were increased and depreciation schedules were lengthened. Since the market and the economy continued to expand from quite some time after the 1986 tax act took effect the 1986–88 experience would seem to illustrate that on a revenue-neutral basis the marginal tax cut is the way to go. A tradeoff of higher tax rates for other features is not advisable.

If a revenue-neutral package is adopted where personal income tax rates are increased to pay for the other features of the program the recession will be temporarily halted. A "false prosperity" period will ensure as people attempt to avoid future taxes. However, the economy would soon dip into recession once again. The stock market gains would be quickly reversed and the dollar would weaken substantially. Under this scenario President Bush will undoubtedly lose the election.

JANUARY 6, 1992.

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[1] See Joseph A. Pechman, "Federal Tax Policy." Fifth Edition, (Washington, D.C.: The Brookings Institution, 1987) for a listing of tax changes.●

By Mr. BREAUX (for himself and Mr. JOHNSTON):

S. 2177. A bill to require from certain countries information concerning American servicemen and civilians missing in Southeast Asia during the Vietnam conflict and to require the heads of Federal departments and agencies to disclose to Congress information concerning such servicemen and civilians; to the Committee on Foreign Relations.

REQUEST FOR INFORMATION ON SERVICEMEN AND CIVILIANS MISSING IN SOUTHEAST ASIA

● Mr. BREAUX. Mr. President, I introduce this bill today at the request of a group of extremely dedicated and thoughtful Louisiana Veterans. The intent of these veterans is to expedite a final and successful resolution of questions surrounding Americans missing in action during the Vietnam war. The chief target of this effort is access to POW/MIA information possessed by foreign governments.

Our bill requires the Executive to request certain designated foreign governments to release all information in their possession concerning American troops missing from the Vietnam war. Despite 16 years of administrative efforts in other areas, the families and friends of American POW/MIA's have seen little if any attention directed toward this potentially valuable source of information. Credible reports suggest that valuable source of information on at least some of these missing men exists. It resides either on paper or in the memories of those who held our troops before, and as some argue, after the end of the Vietnam conflict.

Recent events have brought critical focus to the probability of foreign governments possessing information regarding American POW/MIA's. The one-time chief of KGB counter-intelligence, Maj. Gen. Oleg Kalugin, testified before a senate committee that agents under his authority questioned at least three United States POW's in Vietnam long after the close of hostilities in that country. General Kalugin's words harshly contrast responses by other past Soviet, Eastern block and Southeast Asian officials. They are however, remarkably consistent with additional recent testimony by two former United States National Security Agency Intelligence Officers regarding Soviet post-war complicity in American POW/MIA interrogation.

Because of the executive branch's apparent reluctance to use whatever means necessary to speedily identify and obtain this information, our bill puts teeth and timetables into the current process of searching out and securing information on our missing soldiers. The bill requires the President to request the POW/MIA information from enumerated countries within 90 days of this bill's enactment. It then requires the requested countries to respond within 180 days of receipt of the request. Serious sanctions are leveled against countries which do not respond in good faith to the President's request. Country noncompliance would result in bars against: U.S. economic aid or assistance; participation in any program of U.S. credit or guarantee; most favored nation trading status; and commercial agreements between the United States and the noncomplying country.

Finally, this initiative charges Congress with judging the validity and comprehensiveness of Presidential efforts to secure and release POW/MIA data. It guarantees congressional access to all present and future executive branch POW/MIA information. By mandating both international and intergovernmental disclosure of American POW/MIA information, this bill may hold the key to resolution of the last great Vietnam era tragedy. I ask my colleagues to join me in cosponsoring this important and timely legislation.•

By Mr. BURNS:

S.J. Res. 245. Joint resolution to designate the week of February 1–7, 1992, as "Travel Agent Appreciation Week"; to the Committee on the Judiciary.

TRAVEL AGENT APPRECIATION WEEK

Mr. BURNS. Mr. President, I rise today to urge you to officially recognize one part of the vast travel industry that, despite outstanding work by its members of behalf of the traveling public, receives very little attention. I am introducing a joint resolution which will officially designate the first week of February, 1992, as "Travel Agent Appreciation Week," and I hope you will join me in cosponsoring this worthy resolution.

Members of the Senate, as frequent commuters to our States, appreciate the valuable service provided by travel agents. Their work can save both time and money for the consumer planning any business or vacation trip. Their skill and experience ensures that Worldwide meetings are a success, honeymoons are memorable, and family vacations are fun.

Travel agents are an integral part of the travel and tourism industry, one of the fastest growing industries in the United States. In every State, agencies offer career growth potential, from entry level jobs to industry sponsored training programs and management opportunities. Every service supplier in the travel and tourism industry, from airlines and hotels to tour operators, car rental firms, cruise lines and theme parks rely upon travel agents to sell their products, which together generated more than $340 billion in 1991.

Today's travel agencies are the fulfillment of the American entrepreneurial spirit. Throughout our Nation's history, entrepreneur-adventurers led tourists to natural wonders in the Westward frontier, whether it was canoe trips up the Hudson, steamships down the Mississippi, or burros to the bottom of the Grand Canyon. Today's travel agents are their natural descendents.

As a vital part of every American community, travel agents will help their business clients compete in the emerging global economy and vacationers to understand the customs of our global neighbors.

As pioneers and competitors in the service sector, agents will continue to offer their clients more value and more service for their dollars. In striving for excellence and business growth, agencies will utilize the new opportunities created by changes in politics and technology. As clients expand their businesses to Eastern Europe, the Middle East, and Asia, the United States-owned agencies will open offices abroad to service them.

As citizens of newly formed and newly freed countries exercise their freedom to travel, branch offices of U.S. travel agencies will have the knowledge to promote the United States of America, thereby playing an important role in shifting the balance of trade payments to a more favorable one for the United States.

When well preformed, the services provided by travel agents go unnoticed. It may only be when problems arise that we remember our travel agents and the services they perform on our behalf. I think, however, it is appropriate for us to remember them and the good work they do more often than this.

I hope that my colleagues will join me in recognizing and honoring travel agents. I urge you to cosponsor this legislation to designate the first week in February 1992, as "travel agent appreciation week."

By Mr. LIEBERMAN (for himself, Mr. FOWLER, Mr. BIDEN, Mr. JEFFORDS, Mr. KERREY, Mr. CHAFEE, Mr. PELL, Mr. AKAKA, Mr. FORD, Mr. DASCHLE, Mr. SASSER, Mr. COATS, Mrs. KASSEBAUM, Mr. METZENBAUM, Mr. SANFORD, Mr. SIMON, Mr. WARNER, Mr. HEFLIN, Mr. NUNN, Mr. ADAMS, Mr. CONRAD, Mr. D'AMATO, Mr. DURENBERGER, Mr. GORE, Mr. GORTON, Mr. GRASSLEY, Mr. HATCH, Mr. KERRY, Mr. LAUTENBERG, Mr. MURKOWSKI, Mr. PACKWOOD, Mr. SIMPSON, Mr. SPECTER, Mr. BENTSEN, Mr. BOREN, Mr. DIXON, Mr. GRAHAM, Mr. HOLLINGS, Mr. KENNEDY, Mr. LEVIN, Ms. MIKULSKI, Mr. MOYNIHAN, Mr. REID, Mr. CRAIG, Mr. COHEN, Mr. WOFFORD, Mr. INOUYE, Mr. LOTT, Mr. LUGAR, Mr. PRYOR, Mr. SYMMS, Mr. COCHRAN, Mr. WALLOP, Mr. BOND, Mr. SEYMOUR, AND Mr. PRESSLER):

S.J. Res. 246. Joint resolution to designate April 15, 1992, as "National Recycling Day"; to the Committee on the Judiciary.

NATIONAL RECYCLING DAY

• Mr. LIEBERMAN. Mr. President, I am pleased to introduce, along with Senators CHAFEE and FOWLER and 53 of our colleagues, legislation to designate April 15, 1992 as National Recycling Day.

This Nation is currently facing a solid waste disposal crisis, caused by the growing volumes of garbage and the shrinking number of places to put it. Every 5 years, the average American discards an amount of waste equal in volume to the Statue of Liberty. The municipal waste produced in this country in just one day fills about 63,000 garbage trucks, which would stretch the distance from San Francisco to Los Angeles. We are truly a throw-away society.

Towns and cities throughout the country are running out of landfill space. The Environmental Protection Agency estimates that 27 States will run out of landfill capacity for municipal solid waste within 5 years and that a large percentage of currently operating landfills are expected to close by the year 2000.

Recycling must play a critical part in diverting a significant amount of waste from disposal.

Recycling has important energy savings and materials conservation benefits and can avoid pollution created from extracting resources from our natural environment. For example, it takes only 5 percent of the energy used to make aluminum cans from raw bauxite to turn a used aluminum can into a new one, and recycling 1 ton of recycled aluminum saves 4 tons of raw materials.

A report prepared for the Environmental Protection Agency has concluded that overall energy savings resulting from recycling of plastics are 92 to 98 percent; steel, 47 to 74 percent, and glass 4 to 32 percent. The report found that in addition to energy savings, recycling reduces air and water pollution. Put simply, recycling can play a large part in reducing our dependence on oil because it saves energy and in cleaning up pollution.

Recycling programs provide critical economic benefits for communities. First, recycling saves communities money because it costs less to recycle than to dump waste in landfills. A recent report by the Conservation Law Foundation, "Garbage as an Economic

Resource for the Northeast," notes that businesses and municipalities in the Northeast spend nearly $3 billion in annual tipping fees for solid waste disposal; local governments spend $2.3 billion, with solid waste management amounting to more than 3 percent of municipalities' overall budgets. Moreover, disposal costs are escalating dramatically and municipalities are finding it difficult to control them. On the other hand, according to the report, recycling costs are estimated to be in the range of $23 to $35 per ton lower than disposal. This would be an enormous potential savings for businesses and our cash-strapped municipalities.

But recycling has economic benefits that extend beyond reduced disposal costs. According to the Conservation Law Foundation's review of several studies, recycling creates approximately one job in collecting and processing for every 465 tons of material recycled annually. In the Northeast, a 25-percent recycling rate would create 29,500 jobs; a 50 percent recycling rate, 59,000 jobs. The report points to Resource Recovery System of Essex, CT, as an example of the economic growth that is possible. This firm, which sorts waste and provides preliminary processing to remove contaminants, started with 10 employees in 1982. The firm has grown to 200 employees and operates 5 plants, is building a sixth and has two more on the drawing board.

Additional jobs will be created in industries that process and use secondary materials, construct recycling facilities, manufacture processing equipment and provide associated services. Opportunities will also exist in research and development. Manufacturing companies that use secondary materials, such as tissue or paperboard packaging manufacturers, also offer potential future employment opportunities.

The current level of recycling in the United States is low. Approximately 13 percent of municipal wastes is being recycled. The potential for much higher levels clearly exists. I am proud that the State of Connecticut has enacted a recycling law setting a statewide goal of 25 percent recycling each year.

There is an urgent need for public education campaigns to inform consumers that garbage has very real financial and economic consequences. Successful recycling programs need participation from all segments of society. Product manufacturers, consumers, generators of waste and public officials need to follow their garbage and realize the impact. Communities and businesses must develop recycling programs, including curbside and apartment-house pickup programs, publicly and privately operated neighborhood dropoff centers to sort, accumulate, process materials and market them to end-user markets, privately run buyback centers for particularly valuable materials, and private commercial-waste hauling.

Consistently available markets for secondary materials are also an essential part of the success of recycling programs. The public and private sectors must support recycling by purchasing materials recovered from waste. Governments have a critical role to play in promoting the design of products that can be recycled safely and efficiently and in making certain that consumers have full and accurate information about the products they are purchasing and about recycling.

In order to deal with the solid waste crisis, we must face the difficult problem of changing human habits and educating people. The president of the Litchfield, Connecticut League of Women Voters, Marilyn Cann, said it well: "If people aren't educated to recycling, they're not about to do it consistently and effectively. If they're not educated, they're going to throw recyclables away."

Last year, the Senate passed a resolution establishing April 15, 1991, as National Recycling Day, an environmental awareness campaign aimed at increasing recycling consciousness in all generations, but focusing particularly on today's youth. The Take It Back Foundation and the "Yakety-Yak, Take it Back" music video and public service program, successful components of the 1991 National Recycling Day efforts, used well-known personalities to promote a recycling ethic. Schools, public libraries and local radio and television stations across the country put their support behind the educational effort with tremendous results. Recycling programs have been initiated by youths both in private homes and in communities across the Nation.

A second annual national recycling day is needed because the problem requires a continued concerted effort on the part of individuals, elected officials and private industry. It is my hope that on April 15, 1992, schools and communities will again sponsor educational activities and training sessions on how recycling can help us both overcome the crisis we are now facing and help us preserve the Earth's natural resources.

Mr. President, I request that the full text of the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 246

Whereas the United States generates over 180 million tons of municipal solid waste each year—almost double the amount produced in 1965, and amounting to about 4 pounds per person per day—and the amount is expected to increase to 216 million tons of garbage annually by the year 2000;

Whereas the continued generation of enormous volumes of solid waste each year presents unacceptable threats to human health and the environment;

Whereas the Environmental Protection Agency expects that 27 States will run out of landfill capacity for municipal solid waste within 5 years and that a large percentage of currently operating landfills will close by the year 2000 either because they are filled or because their design and operation do not meet Federal or State standards for protection of human health and the environment, requiring that waste now disposed of in these facilities will have to be disposed through other means;

Whereas a significant amount of waste can be diverted from disposal by the utilization of source separation, mechanical separation and community-based recycling programs;

Whereas recycling can save energy, reduce our dependence on foreign oil, has substantial materials conservation benefits and can prevent the pollution created from extracting resources from their natural environment;

Whereas the revenues recovered by recycling programs offset the costs of solid waste management and some communities have established recycling programs which provide significant economic benefits to members of the community;

Whereas the current level of municipal solid waste recycling in the United States is low, although some communities have set a much higher rate;

Whereas to reach a goal of increased recycling, more materials need to be separated, collected, processed, marketed and manufactured into new products;

Whereas a well-developed system exists for recycling scrap metals, aluminum cans, glass and metal containers, paper and paperboard, and is reducing the quantity of waste entering landfills or incinerators and saving manufacturers energy costs;

Whereas recycling of plastics is in the early stages of development and considerable market potential exists to increase the recycling;

Whereas yard and food waste is an important part of municipal solid waste and a large potential exists for mulching and composting the waste which would save both landfill space and nourish soil, but only small amounts of this material is currently being recycled;

Whereas Federal, State and local governments should enact legislative measures that will increase the amount of solid waste that is recycled;

Whereas Federal, State and local governments should encourage the development of markets for recyclable goods;

Whereas Federal, State and local governments should promote the design of products that can be recycled safely and efficiently;

Whereas the success of recycling programs depends on the ability of informed consumers and businesses to make decisions regarding recycling and recycled products and to participate in recycling programs; and

Whereas the people of the United States should be encouraged to participate in educational, organizational and legislative endeavors that promote waste separation methods, community-based recycling programs and expanded utilization of recovered materials: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 15, 1992, is designated as "National Recycling Day". The President of the United States is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.●

• Mr. CHAFEE. Mr. President, today I along with Senators LIEBERMAN, WARNER, JEFFORDS, DURENBERGER, and others are reintroducing legislation to designate April 15, 1992, as National Recycling Day." Raising public awareness about the real benefits to society from recycling is essential if we are to recover valuable materials from our waste, and minimize the garbage which is filling up our landfills.

Recycling, which began as far back as the settling of this country, has evolved over the years. Many of my colleagues will remember the materials conservation efforts during World War II, when aluminum foil was carefully saved, used automobile tires collected, and many other consumer items were recycled and put toward the war effort. Today, in many communities recycling has become a daily part of life in America. Most of us have recycled materials at some point in our lives, typically paper, aluminum, or glass.

However, while many of us may be familiar with recycling there is still an enormous need for public education to inform consumers that garbage does not disappear when the sanitation worker loads it into the truck. With the help of environmental advertisements and media events aimed at increasing awareness about the waste problem, our society has come to realize that there are very real costs, both financial and environmental, associated with the continued proliferation of municipal garbage. Still more needs to be done.

In the United States today we continue to face a crisis in solid waste management. This country generates about 160 million tons of solid waste per year, almost double the amount produced in 1965. If present trends continue, the United States will generate close to 200 million tons per year by the turn of the century. Towns and cities across the United States are realizing that the city dump will be forced to close its gates in a few short years. In the last two decades alone the number of landfills accepting solid waste has been reduced dramatically from about 30,000 to 6,000. It is becoming virtually impossible to establish any new landfill sites because of the "not in my backyard syndrome," and the rising value of land and real estate.

Realizing then, this urgent crisis, this threat to human health and the environment from burgeoning mountains of trash, we have looked to technology to provide us with an easy solution. Such technological fixes, however, have not eliminated the undeniable need for significant changes in the way we conduct our daily lives. Not only must we find more environmentally sound ways of handling municipal trash, but we must also greatly reduce the amount of garbage we generate in the first place. This will require a concerted effort on the part of consumers, manufacturers, and government. That is why we are reintroducing legislation to designate April 15, 1992 as National Recycling Day.

Reducing the amount of household garbage we generate poses the most difficult of public policy problems: changing human habits. The purpose of this legislation is to encourage a public attitude that can allow these needed changes to take place. People must be made aware that their actions do have a critical impact on reducing the amount of garbage entering the waste stream. As recently as January of this year, I cochaired a special hearing at which children from across the Nation gathered to remind government leaders that unless we, as citizens of the Earth, take steps to change our environmentally unsound habits, we will deplete the bountiful planet which provides us with so much.

At the Federal level, there are several legislative proposals to increase the amount of waste we recycle. My home State, Rhode Island, was the first State to pass a mandatory recycling law. Cities and towns separate recyclables such as glass, paper, aluminum, and plastics for curbside collection. Today almost every town and city has some form of recycling program, but still less than 15 percent of the waste we can recycle is actually being recycled. Progress in recycling depends upon the cooperation of all of us who generate waste, and the commitment of industry and the government to expand the market for recycled products. One good example is the currently increased market for rubber from recycled tires used in asphalt for new roads.

The benefits of recycling also includes employment. According to one study, recycling 10,000 tons of material spawned 36 jobs, compared to 6 jobs created for landfilling the same amount. Some communities have formed working partnerships with workshops for the disabled, developed and administered job training partnerships, or otherwise found work for unemployed labor in recycling programs. In my own State, the Rhode Island Department of Environmental Management estimates that 300 jobs have been created by recycling.

What needs to be stressed here today, as we reintroduce legislation aimed at continuing to promote public participation in the battle against solid waste, is that the battle can be won. No drastic solutions are required, nor are big sacrifices sought. With relatively small changes in habits, educational initiatives, and reasonable laws we can overcome the crisis we now face. I urge my colleagues to help us move closer toward this goal, by joining us in redesignating April 15, 1992, as National Recycling Day.•

ADDITIONAL COSPONSORS

S. 316

At the request of Mr. CRAIG, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 316, a bill to provide for treatment of Federal pay in the same manner as non-Federal pay with respect to garnishment and similar legal process.

S. 710

At the request of Mr. GRASSLEY, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 710, a bill to amend the Internal Revenue Code of 1986 to provide a permanent extension for the issuance of first-time farmer bonds.

S. 765

At the request of Mr. BREAUX, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 765, a bill to amend the Internal Revenue Code of 1986 to exclude the imposition of employer social security taxes on cash tips.

S. 1738

At the request of Mr. DASCHLE, the names of the Senator from Arkansas [Mr. PRYOR], and the Senator from Montana [Mr. BURNS] were added as cosponsors of S. 1738, a bill to prohibit imports into the United States of meat products from the European Community until certain unfair trade barriers are removed, and for other purposes.

SENATE JOINT RESOLUTION 214

At the request of Mr. RIEGLE, the names of the Senator from Georgia [Mr. NUNN], the Senator from Wisconsin [Mr. KOHL], the Senator from South Dakota [Mr. DASCHLE], the Senator from Maine [Mr. COHEN], the Senator from Alabama [Mr. SHELBY], the Senator from Florida [Mr. MACK], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Wisconsin [Mr. KASTEN], and the Senator from Colorado [Mr. BROWN] were added as cosponsors of Senate Joint Resolution 214, a joint resolution to designate May 16, 1992, as "National Awareness Week for Life-Saving Techniques."

SENATE JOINT RESOLUTION 236

At the request of Mr. D'AMATO, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Joint Resolution 236, a joint resolution designating the third week in September 1992 as "National Fragrance Week."

SENATE JOINT RESOLUTION 238

At the request of Mr. RIEGLE, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of Senate Joint Resolution 238, a joint resolution designating the week beginning September 21, 1992, as "National Senior Softball Week."

SENATE JOINT RESOLUTION 240

At the request of Mr. SPECTER, the names of the Senator from California [Mr. CRANSTON], the Senator from Hawaii [Mr. INOUYE], the Senator from

Massachusetts [Mr. KENNEDY], the Senator from Vermont [Mr. LEAHY], the Senator from Arizona [Mr. DECONCINI], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Georgia [Mr. NUNN], the Senator from Texas [Mr. BENTSEN], the Senator from North Dakota [Mr. CONRAD], the Senator from Michigan [Mr. LEVIN], the Senator from Oregon [Mr. PACKWOOD], the Senator from Vermont [Mr. JEFFORDS], the Senator from Mississippi [Mr. COCHRAN], the Senator from Utah [Mr. HATCH], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Missouri [Mr. DANFORTH] were added as cosponsors of Senate Joint Resolution 240, a joint resolution designating March 25, 1992 as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE JOINT RESOLUTION 241

At the request of Mr. SPECTER, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. REID], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of Senate Joint Resolution 241, designating October 1992 as "National Domestic Violence Awareness Month."

SENATE JOINT RESOLUTION 242

At the request of Mr. SPECTER, the names of the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from California [Mr. SEYMOUR] were added as cosponsors of Senate Joint Resolution 242, a joint resolution to designate the week of September 13, 1992, through September 19, 1992, as "National Rehabilitation Week."

SENATE RESOLUTION 184

At the request of Mr. WOFFORD, his name was added as a cosponsor of Senate Resolution 184, a resolution to recommend that medical health insurance plans provide coverage for periodic mammography screening services.

SENATE RESOLUTION 249

At the request of Mr. D'AMATO, the names of the Senator from Utah [Mr. HATCH], the Senator from Virginia [Mr. ROBB], and the Senator from Texas [Mr. GRAMM] were added as cosponsors of Senate Resolution 249, a resolution expressing the sense of the Senate that the United States should seek a final and conclusive account of the whereabouts and definitive fate of Raoul Wallenberg.

SENATE CONCURRENT RESOLUTION 89—RELATIVE TO THE U.N. CONFERENCE ON ENVIRONMENT AND DEVELOPMENT

Mr. KERRY (for himself, Mr. LEVIN, Mr. GORE, Mr. COHEN, Mr. LEAHY, Mr. WELLSTONE, Mr. LIEBERMAN, Mr. BURDICK, Mr. AKAKA, Mr. HARKIN, and Mr. PELL) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 89

Whereas the health and stability of the environment of the Earth are threatened by global climatic change, depletion of the ozone layer, deforestation, the loss of biological diversity, increasing population, disposal of hazardous chemicals, marine pollution, the depletion and contamination of fresh water supplies, and other international environmental problems;

Whereas it is in the interest of the citizens of all nations to encourage environmentally sustainable development policies that allow for the preservation and renewal of natural resources;

Whereas the maintenance of global environmental health requires increased cooperation among nations, including new agreements and policies designed for the achievement of such maintenance;

Whereas the United Nations Conference on Environment and Development (hereinafter referred to as U.N.C.E.D.) will convene in June of 1992 in Rio de Janeiro, Brazil;

Whereas U.N.C.E.D. will provide a rare and important opportunity to make progress towards global environmental protection and sustainable development;

Whereas this Nation has sufficient power and influence to play a major role in determining the success or failure of U.N.C.E.D.; and

Whereas the well-being of present and future generations of this Nation depends on the preservation of a healthy and stable world environment: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President should:

(1) play a strong and active role in cooperating with other governments to prepare for a successful United Nations Conference on Environment and Development (hereinafter referred to as U.N.C.E.D.);

(2) seek to develop specific and effective international agreements to enhance global environmental protection and encourage the use of sustainable development practices for signature at U.N.C.E.D.;

(3) support an international convention to reduce the threat of global climate change;

(4) support the development of a global strategy and action plan to conserve the biological diversity of plant and animal species;

(5) support principles of forestry that reduce the rate of global deforestation, increase worldwide forest cover, and provide for the international protection, growth, and sustainable use of mature forests;

(6) support policies and agreements aimed at encouraging the development of renewable sources of energy and energy-efficient technology and give priority to developing more efficient transportation systems;

(7) support the implementation of the Montreal Guidelines for Protection of Marine Environment Against Pollution from Land-Based Sources;

(8) support national and international programs to ensure the efficient and equitable use of fresh water resources and give priority to the promotion of water conservation and demand management programs;

(9) support the acceleration of international efforts to reduce the emission of chemicals that deplete the ozone layer and ultimately phase out the use of such chemicals;

(10) support efforts to strengthen the Basel Convention on the Control of Transboundary Shipments of Hazardous Wastes and Their Disposal (as offered for signature on March 23, 1991);

(11) support measures for financing U.N.C.E.D. agenda initiatives that integrate environmental projects and considerations with comprehensive developmental goals and meet the concerns of developing countries;

(12) support new multilateral measures to provide assistance for environmental protection activities (including appropriate grants, loans, technical assistance, training, and scientific research activities) in developing countries;

(13) support a process for consultation, on an international basis, that would bring together appropriate governmental officials and officials of multinational institutions for the purpose of identifying methods of conserving natural resources and reducing the debt burden of developing countries;

(14) support initiatives to strengthen the ability of the United Nations and agencies of such organization to assist the world community in developing and implementing agreements that serve the goals of U.N.C.E.D.;

(15) support the development of a schedule for the adoption by industrialized nations and the United Nations system of a reformed system of national accounting that reflects full environmental costs, as endorsed by the declaration of the Group of Seven of the Economic Summit in London; and

(16) support the international recognition of the right of the general public to be informed of, and participate in, decision making that affects the environment and the use of natural resources.

• Mr. KERRY. Mr. President, I rise today to submit a sense of the Congress resolution concerning the U.N. Conference on Environment and Development—also known as the Earth Summit, which is to be held in Rio de Janeiro this June. This concurrent resolution expresses the sense of Congress that the United States must play a strong leadership role in the preparations for the Earth Summit Conference and that it should go to the negotiations with constructive positions on the most important issues.

The Earth Summit Conference is an extraordinary event in the evolution of world politics and of mankind's concern for the longer term future of the planet. It comes just 20 years after the U.N. Conference on the Human Environment in Stockholm in 1972. The Conference was a turning point in raising awareness about pollution threats. The Conference led to the establishment of the U.N. Environment Programme and the creation of agencies in many countries with mandates similar to that of our Environmental Protection Agency. Twenty years later, nations are coming together again to further the global environmental agenda.

The participation in this Conference by most of the political leaders of the world reflects the high importance that many nations now attribute to achieving a new level of international cooperation to protect the global environment. It is increasingly understood by these political leaders that we cannot expect to bequeath the same quality of life that our generations have enjoyed to our children and grandchildren unless more efforts are made by the entire world community to reverse the trends toward degradation of the environment and natural resources. We now know that this challenge, which was once seen as peripheral to the national interest of the United States and other major states, must be a high priority of our foreign policy.

It is also widely understood that there is no chance of reversing these trends without a new partnership between highly industrialized countries and the developing world. Whether the problem is climate change, deforestation, biological diversity loss, marine pollution, or ozone depletion, the roles of both the industrialized countries and the developing countries are crucial to any successful global agreement to address it.

The projections of developing country emissions of greenhouse gas emissions and CFC use over the next 25 years make it clear that the industrialized countries themselves cannot solve the problems of climate change and ozone depletion without the help of developing nations. By 2025 it is estimated that developing countries could be responsible for two-thirds of the total greenhouse gas emissions worldwide; as well as 40 percent of the world's fossil fuel consumption. The developing world could also be the source of 44 percent of global CFC use by the year 2008, unless its nations adopt substitutes. And the bulk of the world's biological diversity resides in the developing countries.

Given this environmental interdependence between the industrialized and developing countries, we must find ways to engage the developing countries in new forms of cooperation to save the Earth's vital support systems and natural resources from continued degradation. That is why the Earth Summit is so important to the American people, as it is to all mankind.

If the negotiations are successful, the Earth Summit will produce several types of agreements. First, two major new conventions aimed at reducing the threat of climate change and biological diversity, each of which is being negotiated separately from the U.N. Conference preparatory meeting, are both to be signed in Rio during the Conference. Second, the world's states will produce a charter containing ethical principles for a more sustainable Earth. They will also agree on a set of principles governing the conservation and management of the world's forests. Finally UNCED will produce a massive list of action programs on major environmental and developmental challenges that is being called Agenda 21—a reference to an agenda for global cooperation well into the 21st century. This will address issues such as marine pollution, depletion and contamination of fresh water, the disposal of hazardous chemicals, ozone depletion, and other environmental issues such as the need for population control programs.

Because of the importance of the Earth Summit to America, the United States must be in a clear leadership role in the preparatory negotiations. We still have the world's best scientific and technical capabilities, the world's largest economy, and the most extensive experience in environmental management. It is no accident that the rest of the world looks to the United States for leadership in the United Nations Conference.

But is the United States exercising that leadership? The record of U.S. participation in the conference thus far raises doubts that we have taken full advantage of our position in achieving environmentally sustainable worldwide policies.

I am concerned that the administration has not appeared to see the Conference as an opportunity to make major strides toward global environmental and development objectives. Rather it has appeared to be more concerned with limiting the cost to the United States of the Conference's actions and recommendations. Earlier, the U.S. delegation was directed by the White House to avoid presenting initiatives to the UNCED Preparatory Committee meetings that would incur potential future budgetary costs. Instead, the administration is advocating the reprogramming of budgetary resources from existing development programs. Such an injunction puts the United States in an unnecessarily negative posture toward this vitally important conference.

Furthermore, despite the fact that every other member of the Group of Seven industrialized countries has committed to sending its head of state to the Earth Summit, we still do not have a commitment from the President to attend the Conference. It is anticipated that between 60 and 80 heads of governments worldwide plan to be in Rio. Failure of President Bush to participate actively in this Conference would sadly squander the great opportunity the Conference offers the United States to try and regain some of our standing as an international leader on environmental issues.

Moreover, there have been disturbing reports that the White House views the Earth Summit Conference as a potential embarrassment to the administration, particularly because of the isolated U.S. position on climate change. Those who participated in and observed the most recent preparatory committee meeting of the Earth Summit have reported that the United States' role in the negotiations overall was more negative than positive, because of the restricted negotiating brief given the delegation.

The U.N. Conference offers us an opportunity to address some of the developmental and environmental problems to which the international community has failed to give sufficient attention up to now. Issues such as deforestation, population growth, global climate change, ozone depletion, the loss of biological diversity, marine pollution, contamination of fresh water supplies, disposal of hazardous chemicals, inefficient energy use, and debt burden, are all issues that must be addressed at UNCED.

With respect to forestry for example, the world has become increasingly aware in recent years of the threat to its primary forest, and especially its tropical forests. It is estimated that forests are disappearing at the rate of 1½ acres every second. The rapid loss of forests results in dozens of species becoming extinct every day. Forests cover less than 10 percent of the Earth's surface, and are believed to contain over 50 percent of the world's species and a majority of the endangered species. Among those threatened species are many which are needed to treat diseases.

The best known example is the rosy periwinkle, which is the source of alkaloids used to treat childhood leukemia and Hodgkin's disease with a significant success rate. The National Cancer Institute has awarded over $2.5 million in contracts for research institutions to collect tropical plant species to be tested for anticancer activity. The United States has a vital interest in preserving the untapped wealth of biological resources that is being lost with the forests.

Yet right now there is no global action program or agreement to slow this deforestation. The tropical forestry action plan launched 6 years ago has, by all accounts, done more to speed up deforestation than to slow it down.

The discussions about the world's forests at UNCED will focus on principles that could serve as the basis for an international agreement on those forests. Unfortunately, the negotiating text on forest principles that was produced at the last Preparatory Committee meeting is weak in a number of areas. It is critical the United States fight for a stronger document and support forestry principles that would slow the rate of global deforestation, increase worldwide forest cover, and provide for international protection, growth, and sustainable use of mature forests.

The United States has been reluctant to raise the issue of mature forests at a time when the spotted owl controversy in the Northwest is ongoing. But the United States is doing a great deal to protect mature forests, and should not be afraid to advocate such principles worldwide. This resolution urges that the United States set aside its reluctance on this issue in the interest of helping to save the world's forests. These principles are essential if the world is to save most of its remaining forests in the next century.

With regard to the global climate change convention, although it is being separately negotiated, it is perhaps the single most important document that is to be signed at the Earth Summit. It is also closely intertwined with negotiations at the U.N. Conference. All reports from the preparatory meetings show that the United States has isolated itself on this issue with regard to international action to reduce the threat of climate change.

Mr. President, last year was the second hottest year in history according to scientific data. The American people are concerned about the increased risk of climate change which could cause our forests to wither, our agriculture production to shift rapidly northward in future decades, and sea levels to rise which would endanger our coastal populations and economies. Meanwhile, the United States remains the only highly industrialized country to refuse to agree to any targets or timetables for reducing greenhouse gas emissions. That posture not only undermines the prospect for a meaningful global agreement on climate but undermines our credibility in seeking to persuade developing countries to use energy more efficiently.

My resolution does not call for any specific negotiating posture on the part of the United States on climate change. It does however, call on the administration to negotiate an agreement that will actually reduce the risk of climate change rather than one that puts off to some unidentified future time, global action on the problem. It is simply not enough to call for more research or monitoring on climate change.

Furthermore, if the United States cannot succeed domestically in achieving the necessary reductions in greenhouse gases, we will ultimately lock ourselves out of the new emerging markets in developing countries for new energy technologies. Japan and Germany are both in the forefront of energy technologies domestically as well as in technology transfers to developing nations.

Our position on the global climate change convention has also undermined our positions on dealing with a host of other environment issues. Because the United States has refused to cooperate with other nations on this issue and, furthermore, adopt responsible domestic policies, the United States has found itself hamstrung in its ability to negotiate on other issues where we are willing to take responsible policy positions—such as coastal zone management and land-use planning and coastal protection. Because the United States has put up this wall on the issue of climate change, it appears as if developing countries are less willing to cooperate with the United States and other industrialized countries on energy, forests, and other global environmental issues.

One of the key components of any future international cooperation for sustainable development will have to be increasing the capacity of developing countries to make more efficient use of their energy resources. Developing countries must provide a higher standard of living for growing populations in future decades. That will virtually assure increased energy use. As I noted earlier it is estimated that, unless major efficiency gains are made, developing countries could be responsible for up to 40 percent of worldwide fossil fuel use by the year 2025. This is in comparison to 25 percent of the total today.

At the last Preparatory Committee meeting the U.S. delegation was reluctant to have global energy efficiency discussed at all, and it opposed a number of suggestions for international cooperation on the issue, including a U.N. Conference on Making Transportation Systems More Sustainable.

The resolution we are introducing today urges the United States to take a leadership role in proposing innovative ways of assisting developing nations to become more energy efficient, thus helping to reduce the threat of climate change while saving billions of dollars in energy costs.

Mr. President by taking a leadership role in energy efficiency the benefits to U.S. Companies in terms of jobs will be huge. The number of jobs that can be created at home, through technology transfers and spinoff technologies as new markets open up in developing nations, will be significant if the United States chooses to be a leader in these negotiations.

Mr. President the issue of ozone depletion is a critical area that must be addressed at the U.N. Conference. A report was issued a few months ago by the United Nations which showed that ozone depletion is proceeding some 200 percent faster than had been previously measured or predicted. Although the most dramatic thinning has been viewed over Antarctica with the Antarctic ozone hole, the report showed that the ozone layer over most of the United States has thinned between 2 and 4.5 percent since 1980.

This devastating news points to the need to accelerate the phaseout of CFC's and other ozone-depleting chemicals worldwide at a more rapid pace than was agreed to in the London Amendments to the Montreal Protocol. The U.S. Government should be a leader at UNCED in achieving this. The U.S. Government has the legal tools to accelerate this phaseout, as Congress passed a law to do so last year.

We have known for some time now that the consequences can be of damage to the ozone layer, which acts as a filter for ultraviolet rays. They include increased incidence of skin cancer, cataracts, harm to marine life, and damage to agricultural crops. In addition, ozone depletion contributes to the greenhouse effect.

What we were not aware of is how much and how quickly the ozone layer is diminishing. This is an area where the United States should lead. Through the continued support of the fund established to assist developing nations in meeting their obligation to limit the use of ozone depleting chemicals and an accelerated phaseout rate, we can lead in the reduction of the depletion of the ozone layer.

Mr. President, a key issue to be discussed at the final Preparatory Committee meeting is the debt burden of developing countries. There is no question that debt burdens have exerted strong pressures on the developing countries to use up their natural resources, including tropical forests, faster than is compatible with sound natural resource and environmental management. One of the ways of providing effective financial support for developing countries participating in a global agreement to protect and preserve forests is to provide debt relief.

Unfortunately an agreement in debt reduction is unlikely at UNCED. Financial ministries which are the key policymakers on debt management are absent from UNCED delegations including our own. However, the U.N. Conference could commit the industrialized nations to enter into consultations with multilateral institutions and heavily indebted developing countries after the Rio Conference to explore new ways to enhance environmental protection through reduction of debt.

This resolution does not impose any commitment on the United States except to examine the problem of debt in a new context. It also seeks to reassure developing nations, whose ability to manage their natural resources sustainably is strained by their debt burdens, that the issue will be addressed in the context of global environmental protection.

Finally, Mr. President, one of the most important issues that will make or break the U.N. Conference is how to finance the additional budgetary costs to developing nations that will result from the many action programs being negotiated at the Conference. The issue that will be sharply debated at the final Preparatory Committee in New York is whether developing countries will receive new and additional funding from the industrialized countries to cover costs. As I stated earlier, the United States has insisted that these costs can be met by reallocating existing development funds to environmental projects. Developing countries fear, however, that this will mean that they will be deprived of financial resources they had counted on to meet their developmental goals.

Mr. President, the recent change in White House Chief of Staff has made many believe that the negative attitude toward the aims of UNCED that had been so evident there may now be replaced by a more constructive attitude toward the Conference. We are introducing this resolution today to urge the President to take full advantage of the opportunities that UNCED presents.

The timeframe between now and UNCED is limited and the amount of work that needs to be accomplished to make the Conference meaningful is tremendous. The role that the United States plays in the meetings leading up to the Conference and the Conference itself will be critical to its success. To ensure a successful Earth Summit, I urge the President to make UNCED an immediate priority and to exert the necessary leadership at both the preparatory meetings and the Conference that is outlined in this resolution. Such action will move us towards an economically prosperous and environmentally sustainable world.●

SENATE RESOLUTION 254—RELATIVE TO THE RECOGNITION OF CROATIA AND SLOVENIA

Mr. SPECTER submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 254

Whereas the democratic Republics of Croatia and Slovenia are under the threat of occupation and violent siege by the oppressive Communist government of Yugoslavia;

Whereas both Croatia and Slovenia have governments that were democratically elected in the spring of 1990 on independence platforms expressing a commitment to democracy and free enterprise;

Whereas the Yugoslav Republics of Croatia and Slovenia declared independence on June 25, 1991, in accordance to the Universal Declaration of Human Rights in the United Nations Charter and the principles of self-determination under international law;

Whereas in declaring independence, the democratic governments of Croatia and Slovenia were exercising their right to secede set forth in the first sentence of the Yugoslav constitution;

Whereas it is in the United States' interest to support the efforts toward freedom, self-determination and political pluralism by the Republics of Croatia and Slovenia;

Whereas the Republics of Croatia and Slovenia are committed to a peaceful transition to full democracy;

Whereas as a condition to recognition, all ethnic minority rights of the Serbians living inside the Republics of Croatia and Slovenia should be fully respected;

Whereas recognition of Croatia and Slovenia will deter further aggression and contribute toward the peaceful resolution of the Yugoslav question relating to the other former Yugoslav Republics including Serbia, Montenegro, Vojvodina, Kosovo, Macedonia, and Bosnia Hercegovina;

Resolved, That it is the sense of the Senate that the United States should immediately recognize the sovereign Republics of Croatia and Slovenia.

● Mr. SPECTER. Mr. President, today I submit a resolution for the immediate recognition of the former Yugoslav Republics of Croatia and Slovenia. On January 15, 1992, the European Community extended formal recognition to these Republics and no fewer than 21 nations have diplomatic relations with them. The United States should do likewise.

The United States can do no good by delaying recognition any longer. De facto, Croatia is already an independent political entity exercising the powers of a sovereign state. The Croatian people overwhelmingly supported independence in a referendum on that question and continue to support it with their blood and their children's blood. Croatia has actively participated in the European Community peace initiative, has met the EC criteria for recognition, and has adopted a constitution that guarantees minority rights. To delay recognition further can only lead observers to wonder.

If the United States continues to withhold recognition, how can we say that we are committed to peace and democracy? We must make it clear that this country continues to stand for the ideals which made us a great nation and a symbol for others. Accordingly, I urge my colleagues to support this resolution.●

AMENDMENTS SUBMITTED

ST. CROIX, VIRGIN ISLANDS HISTORICAL PARK AND ECOLOGICAL PRESERVE ACT

JOHNSTON AMENDMENT NO. 1523

Mr. MITCHELL (for Mr. JOHNSTON) proposed an amendment to the bill (H.R. 2927) to provide for the establishment of the St. Croix, Virgin Islands Historical Park and Ecological Preserve, and for other purposes; as follows:

1. Insert after the enabling clause: "SECTION 1. SHORT TITLE. This Act may be cited as the "Omnibus Insular Areas Act of 1992".".

2. In section 202, strike the existing text and insert in lieu thereof the following:

"There are hereby authorized to be appropriated to the Secretary such sums as may be necessary to—

(1) reconstruct essential public facilities damaged by disasters in the insular areas that occurred prior to the date of the enactment of this Act; and

(2) enhance the survivability of essential public facilities in the event of disasters in the insular areas,

except that with respect to the disaster declared by the President in the case of Hurricane Hugo, September 1989, amounts for any fiscal year shall not exceed 25 percent of the estimated aggregate amount of grants to be made under sections 403 and 406 of The Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170b, 5172) for such disaster. Such sums shall remain available until expended.".

3. In subsection 203(a), strike the phrase "the President shall assess," and insert in lieu thereof, "the President, acting through the Director of the Federal Emergency Management Agency, shall assess,".

4. In subsection 203(b), strike the phrase, "the Secretary shall submit", and insert in lieu thereof, "the Secretary, in consultation with the Director of the Federal Emergency Management Agency, shall submit"

5. In section 204, strike all up to and including the phrase "(42 U.S.C. 4121 et seq.) for" and insert in lieu thereof, "The total of contributions under the last sentence of section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c) for the".

6. In section 301 strike the word "waste-water" and insert in lieu thereof "wastewater" each place it occurs.

7. In subsection 301(b), paragraphs (2) and (4), strike the phrase "an assessment and recommendations on" and insert in lieu thereof, "an assessment of, and recommendations regarding,"; and in paragraph (3) strike the phrase "an assessment and recommendations for" and insert in lieu thereof, "an assessment of, and recommendations regarding,".

8. In section 305, strike the existing text and insert in lieu thereof the following:

"Section 9(a) of Public Law 99-396 is amended by striking out the period at the end and inserting in lieu thereof the following: "and in subsection (b), by striking out 'and Micronesia' each place it appears and inserting in lieu thereof 'Micronesia, and the Northern Mariana Islands' and by striking out 'and to Micronesia' and inserting in lieu thereof ', Micronesia, and to the Northern Mariana Islands'.".

SERVICE ON THE UNITED STATES SENTENCING COMMISSION

BIDEN (AND THURMOND) AMENDMENT NO. 1524

Mr. MITCHELL (for Mr. BIDEN, for himself and Mr. THURMOND) proposed an amendment to the bill (S. 1963) to amend section 992 of title 28, United States Code, to provide a member of the United States Sentencing Commission whose term has expired may continue to serve until a successor is appointed or until the expiration of the next session of the Congress, as follows:

Strike section 2 of the bill.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Friday, January 31, 1992, at 10 a.m., possibility of an afternoon session, to receive testimony on the amended defense authorization request for fiscal year 1993 and the future year defense plan.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government

Management, Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Friday, January 31, 1992, at 9 a.m., to hold a hearing on "Stealth Compensation of Corporate Executives: Federal Treatment of Stock Options."

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

REFLECTIONS ON THE STATE OF THE UNION

• Mr. WOFFORD. Mr. President, for most of the past year, President Bush refused to take any action to get our economy off dead center, create new jobs, invest in our young people and our communities, or confront the skyrocketing costs of health care in our country.

This week, after more than 2 months of buildup, he put his plans—or at least some of his plans—on the table. For 3 years, his chair's been empty when it comes to the domestic problems pressing down on American families.

We welcome him to the table. We welcome his call for action—because our country cannot move forward without a President ready to lead.

However late he is, this is not the time to look back at the President's lost opportunities. This is not the time for politics as usual. This is the time for the Congress and the President to reach out to each other. This is the time for us to do everything in our power to agree on practical measures that help the American people.

I urge that we in this body consider with open minds the President's specific proposals and support all of them that make sense. And I urge that we ask the President to consider with an open mind the proposals we have been making over these many months to get our economy moving again.

Together, let us put together the best possible combined action plan, and as a first step let us accept the President's date of March 20. Let us move with the same commitment and sense of urgency we demonstrate when we deal with emergencies overseas. Because we have human emergencies to deal with here at home.

Here are some of the President's proposals which I support:

First, extension of unemployment benefits: After repeatedly blocking extensions last summer, the President at last recognizes that millions of our people continue to hurt, to lose jobs, and to face the imminent prospect of a cut off in benefits. Extending unemployment benefits was the first bill I fought for in this Chamber. I am sorry that the sad state of our economy requires us to continue that effort. But it does. So let us act in the next 10 days, before unemployment benefits begin to run out for hundreds of thousands of our fellow citizens.

Second, expansion of housing opportunities: A key part of the American dream is for every family to own a home of its own, and nothing would help bring our economy out of this recession better or faster than action to promote the building and purchase of homes. So let us act to allow first-time home buyers to withdraw from their IRA's without penalty. Let us modify passive loss rules. Let us extend the Mortgage Revenue Bond Program and the low-income housing tax credit.

Third, expansion of Head Start: Let us invest in future generations by increasing the funding for Head Start. I was personally involved in some of the original planning of Head Start in the 1960's, and for many years have urged that Head Start be expanded to make room for all who need it. The time has come to assure access for everyone who is eligible.

Fourth, deductibility for interest on college loans: Let us invest in the education of this generation of college students by reinstating the deductibility of student loan interest. I have been cosponsoring legislation to do just that—and much more to make it possible for all qualified young people to go to college. In the meantime, restoring deductibility is a small, but useful and immediate step we can take to counteract the rising costs of college and help the children of middle-class families get the degree that is so important to their success in life.

Fifth, extension of the research and development tax credit: This is another worthwhile investment in our future competitiveness which I have been urging, along with legislation I have been cosponsoring to provide more far-reaching support of research and development by American industry.

Sixth, acceleration of capital investment in existing programs: Congress and the administration should work together with State and local governments to cut redtape and expedite the application of already appropriated funds, especially the money allocated for highways, bridges, and mass transit. This would create immediate jobs in the construction industry and result in other jobs in related businesses. These public investments not only create jobs now, they lay the essential foundation we need for private investment in the future. We passed the transportation bill last year. Fast action to get those new resources applied to construction and jobs is the least we should expect, but we need the administration's full cooperation.

Seventh, tax relief and economic stimulus: The President's tax proposals show a willingness to inject some money into our economy through lower taxes. I support the basic premise. The change he is suggesting on withholding rules may help a little in the short term. But it does nothing to bring real equity to our tax system.

The President has once again proposed reducing capital gains taxes. But for a capital gains cut to be justified as part of an economic recovery plan, it must be targeted to encourage real, job-creating investment, not the short-term speculation and paper profits we had in the 1980's. We have to make certain that a cut in the capital gains tax helps our whole economy, not simply the wealthy.

I hope that the President will work with the Congress to devise a tax package that will accomplish relief for individuals and middle-income families, as well as the needed stimulus for our economy.

Eighth, savings in military spending, invested in domestic needs: The President recognized the need to reduce military spending in line with revolutionary changes in the world. Pending review by the Armed Services Committees of Congress, I welcome the reductions proposed by the President. But he sounded as if the savings outlined in his address were the end of the process. This would make no sense.

On the contrary, the process of hard reappraisal of our strategic military needs is just beginning. Acting soon to make the reductions proposed by the President is an important first step in that process. Along with this must come action to remove the self-imposed wall that prevents military savings from being invested in our domestic needs. Then we must develop a program to convert our cold war economy to a postcold war world and rearm our victorious defense workers and industries to build economic and not just military strength.

I hope there will be other steps we can agree to take by March 20. Because when we add up all these points and all the other proposals in the President's address, the whole is no greater than the sum of the parts. Taken together, it is not a truly comprehensive strategy to get us out of the recession and assure long-term growth.

Indeed, when it comes to longer term challenges the President basically said "stay the course." He did not establish deadlines for further action. He ignored a decade of failed administration policies that created many of today's problems.

And every day those problems continue to mount. Nothing speaks more loudly about the state of the union than the announcement this week by Bethlehem Steel that it will sell off or close two major facilities in Pennsylvania, in Johnstown, and in Steelton. If those mills do close, it will mean thousands more Pennsylvania jobs—American jobs—lost to foreign competition.

We are going to fight as hard as we can to keep those jobs where they belong, in Pennsylvania. But succeeding will not be easy without a President and an administration committed to the kind of fair trade laws and investment in American workers we need to maintain good jobs. Not minimum wage, fast food jobs, but good manufacturing jobs that support families.

We did not hear a strategy from the President that will help us avoid what's been happening for the past 10 years and what happened again to Bethlehem Steel in Pennsylvania.

On health care, when the President says that "we must bring costs under control, preserve quality, preserve choice, and reduce the people's daily worry about health insurance," it sounds like he got the message from Pennsylvania this past November 5.

Unfortunately, President Bush was not able to propose his own health care plan Tuesday night. According to the press, his own party in Congress told him his draft proposals just did not do enough to solve the problem. Instead, he fell back on tinkering with the status quo. And without putting his own plan on the table, he misleadingly attacked Democrat proposals which would move us toward real reform, cost control and universal coverage.

The President still does not get it. He is offering Band-Aids when what we really need is major surgery on our Nation's health care system.

He made a bow to the fundamental problem that worries every American—skyrocketing costs that threaten to price each of us out of the health care system. But we do not hear one suggestion on how to corral the stampeding herd that is driving these costs out of control.

Nor did I hear any pledge that this President is willing to guarantee a right that ought to be fundamental for every American—the right to see a doctor if you get sick.

The President's only health care proposal relies on tax credits. But it does not make sense to give complicated and confusing tax credit to help people continue to feed an out-of-control health care system—or to ask people to cash in their IRA savings to pay for these rising costs. Our job is to change the system to control these costs that are undermining our economy and bankrupting our families.

What's more, tinkering with tax credits won't even help many of the people who need it. It is estimated that 29 million Americans will still lack health insurance under the rosiest assumptions about the President's approach.

It also will not keep people from getting cutoff or cutout when they change jobs or if they have a preexisting condition.

And it will not give individual consumers the kind of power they would need to get a fair deal from insurance companies.

Nevertheless, it is a significant step for the President, at long last, to even promise a proposal, however inadequate its sketchy outline appears to be.

We all know the iron is hot now for real action on our health care crisis. The harsh logic of events—the rising costs and the increasing numbers of Americans who are one illness, one accident, one pink slip away from disaster—is going to keep pressing all of us forward.

Our election in Pennsylvania proved that the people are ready for real action. And I don't think they will be satisfied until we hammer at that hot iron and mold a truly comprehensive reform.

In other areas, too, the President unfortunately continues to reflect the same kind of limited vision and stubborn refusal to let go of the failed policies of the last decade.

On taxes, the President must have depended for advice on his friends in Kennebunkport or the multimillion dollar CEO's who went with him to Japan. A broadbased capital gains tax cut may help them resume the speculation that caused so much harm in the 1980's. But there's no benefit for the working people whose incomes have stagnated and whose taxes have grown over the past decade. The time has come to reverse that trend and send a signal that our Government is committed to a tax system and investment policies which help and encourage all Americans, not only those at the top.

Tuesday night, the President said that we are the leader of the world. But, if the Persian Gulf showed just how true that may be of our military might, his trip to Japan made clear that leadership is challenged as never before on the economic front which is now the crucial battleground. Our people are suffering because we can no longer exhibit the same economic leadership which allowed our Nation to offer not only the promise of democracy, but also the opportunity for a better life.

I hope we can work with the President to achieve practical consensus that will let us take action. That is what the people want. The message they sent from Pennsylvania is that they are tired of the finger pointing. They are tired of the gridlock that had kept Washington from facing up to the problems they experienced every day. They want action.

I hope we will take the best of what President Bush had to offer and put it together with our own best efforts, and jointly hammer out an American plan. A plan that responds to a world that has been turned upside down by turning America's priorities right sideup. A plan for our economy and for national health care that will once more turn that dream of opportunity for a better life into a reality for every American. •

USIA SENDS BOB BERG QUARTET ABROAD

• Mr. D'AMATO. Mr. President, I am proud to have this opportunity today to pay tribute to Bob Berg and the Bob Berg Quartet for their many achievements, but most especially for their most recent accomplishment. The Bob Berg Quartet has been selected by the Arts America Program of The U.S. Information Agency to travel abroad and bring American music to areas of the world where few American artists or their works appear commercially. Each year USIA sends a limited number of performing arts presentations and fine arts exhibitions abroad to promote a better understanding of the United States and its culture. It is a great honor to be among these select few. I am proud that a jazz quartet from New York is among the group of artists that have been chosen to represent America abroad.

The Bob Berg Quartet will be on tour overseas from January 16 through February 19, 1992. The group will appear in Kingston, Santo Domingo, St. Lucia, St. John's, Caracas, San Jose, San Salvador, Santa Ana, Tegucigalpa, San Pedro Sula, and Belize City. The tour has been coordinated by USIS staff members at the embassy in each country.

Bob Berg was born and raised in Brooklyn, NY. He studied music at the High School for the Performing Arts and then at Juilliard. He went on to play with organist Jack McDuff, and legendary pianists Horace Silver and Cedar Walton. In 1984 he joined the Miles Davis Band which began his exposure to wider audiences. He left Miles Davis in March 1987 and began working with other jazz artists. Bob Berg has established himself as one of the prominent tenor saxophonists of the day.

Other members of the band include David Kokoski on piano, Dennis Chambers on drums, and James Gerus on bass. David Kokoski learned to play piano from his father and went on to graduate from the Berklee School of Music in Boston. He began his professional performing career in the clubs of Boston, then went on to New York. It was there that he met up with Bob Berg. Dennis Chambers is truly an international performer and has recorded with many diverse artists. His diverse drumming style allows him to be both a hot fusion and tasteful mainstream musician. James Gerus originates from Hampton, VA and received his music degree from Virginia Commonwealth Unversity. At Virginia Commonwealth he studied bass playing and performance. He has performed with many notable jazz musicians.

The music of the Bob Berg Quartet is electric and exciting with great emotional depth. Their brand of jazz fusion is very hot. It is with great pride that I say congratulations and thank you to the Bob Berg Quartet for all of their contributions and most especially for representing the American arts and culture so well.•

A PARTNERSHIP THAT INVESTS IN THE FUTURE

• Mr. DECONCINI. Mr. President, when the American people are asked to name what issues are of most concern to them, education invariably appears near the top of their list. No one disagrees that education is critically important. It determines our children's future, and it determines the future of this country.

Ben Franklin thought education was just about the best investment there is. "If a man empties his purse into his head," Franklin said, "no man can take it away from him. An investment in knowledge always pays the best interest."

As a nation we have been rocked by a rising tide of reports all reinforcing that our system of education is in crisis. Our students lag behind those of other countries in science and math. One million teenagers cannot read above the third grade level. Three out of four young Americans cannot locate the Persian Gulf on a map.

There is overwhelming consensus in this country that we must address this crisis and treat education as the investment that it is. After all, much of our children's confidence and skills for the future start in school. Much of our ability to build a bridge, to compete with Japan, to reach for the stars begins in the classroom.

The recommendations we are hearing all stress the responsibility of educators and government to tackle the education crisis. There is an emphasis on accountability, on holding teachers, students, and schools to standards of quality in education.

But educators do not have all of the answers, and neither does government. I believe the best answers come when we work together: schools, parents, government, and communities. A project in Paradise Valley, AZ, is proof of my point.

The Desert Cove Business Partnership is a cooperative effort between Desert Cove Elementary School and members of the business community. It began with a few concerned parents, a principal, Dr. Robert McClarin, and a handful of teachers all dedicated to a common goal: to improve the education at Desert Cove.

The school soon enlisted the help of D.L. Withers Construction, Inc., a commercial building contractor in Arizona, and Roberts/Dinsmore Associates, an architectural firm, both of which are engaged in constructing a new middle school in the area. Together they have formed a partnership: Architects and contractors will be coming into classrooms to discuss room design, construction technique, and the tools of the trade. Teachers will enhance their art and math courses to incorporate this building project. Students will go on field trips to the worksite; they will learn how to read blueprints; they will discover how pipes are installed and roofs are laid. They will see, firsthand, the building of a school from the ground up. And some, perhaps, will make a decision on a possible future career.

Desert Cove, D.L. Withers and Roberts/Dinsmore are an outstanding example of what a creative partnership can accomplish. Their example speaks to all generations of what this Nation can do by being excited about quality education and what it can mean to our future.•

THE SESQUICENTENNIAL OF THE OREGON TRAIL

• Mr. PACKWOOD. Mr. President, as we approach the sesquicentennial of the Oregon Trail, I would like to commend those hardy souls who made the trek along the Oregon Trail, who must have encountered incredible obstacles, as well as seen a great number of amazing sights, animals, and other anomalies along the way. This is best summed up by a passage from the diary of Octavius T. Howe, a pioneer who participated in a migration during the 1840's, and it reads as follows:

> Those who crossed the plains, though they lived beyond the age allotted to man, never forgot the ungratified thirst, the intense heat and bitter cold, the craving hunger and utter physical exhaustion of the trail, and the rude crosses which marked the last resting places of loved companions. But there was another side. Neither would they ever forget the level prairie, covered with lush grass and dotted with larkspur, verbena, lupin, and geranium; the glorious sunrise in the mountains; the camp fire of buffalo chips at night, the last pipe before bedtime and the pure, sweet air of the desert. True they had suffered, but the satisfaction of deeds accomplished and difficulties overcome more than compensated and made the overland passage a thing never to be forgotten and a life-long pleasure in remembrance.

Mr. President, in 1843, a move like this would be a phenomenal achievement for those who decided to undertake it. I wonder if these people knew just what they were getting into, and if they did, would still have done it. A move like this would mean first of all uprooting your family, moving away from your relatives and friends and the community that you had known all your life. It would mean trading your home for a prairie schooner, better known as a covered wagon. It would mean giving up many of your favorite possessions, like the dining room table Aunt Martha gave you, or the grandfather clock handed down through generations of your family, for those things that would fit into the covered wagon. And, do not forget to put in an axe and a rifle, for without those tools, a person on the frontier would not be able to feed their family or clear land for a new farm. It would mean being on the road for anywhere from 4 to 6 months, and most of that time you would probably be walking so that you could save the strength of the animals that were pulling your wagon. That is if you had a wagon. Many people made the trip without that luxury, they walked or rode horseback. As you can imagine, walking from Independence, MO, where the wagon trains met for the migration along the Oregon trail, to Baker City, OR, the current-day city near the end of the trail is no mean feat.

These pioneers followed a harsh regimen each day, for they had one rule, "Keep moving." They stopped for a day or two at such places as Fort Laramie or Fort Bridger to repair equipment and buy supplies, but usually the wagons stopped only at noon and at nightfall. By doing this, the wagons could travel 15 to 20 miles a day. Imagine that, when today you can go from Oregon to London in 1 day! One modern day problem that they did encounter was rush hour traffic. It turns out that the Oregon Trail was crowded with wagon trains, army units, missionaries, hunting parties, traders, and even sightseeing tours. Some travelers complained that, just like today, they had to stop early to find a good campsite ahead of the crowd.

The Oregon Trail wound 2,000 miles through prairies and deserts, and across mountains and hills that must have seemed as high as the mountains the travelers had known back East. After gathering at Independence, these early settlers followed the Oregon trail as it ran in a northwesterly course to Fort Kearny, NE, then continued on through Nebraska, Wyoming, Idaho, and ultimately to Oregon. Imagine the joy these travelers felt as their wagons came rolling off Holcomb Hill near present-day Baker City, OR to the end of their journey, for they had made it, and were about to embark on a new life for themselves and their families in beautiful Oregon territory.

Mr. President, I am sure that these pioneers who traveled the Oregon Trail thought that they were just ordinary, hard-working blokes, but let me assure you that they were not. They were the backbone of the movement to settle the Northwest. They are the reason that my home town, the great city of Portland, exists today. They are the ancestors of those same conscientious Oregonians who contribute so much even now to their country, whether they work in the timber industry or serve in our Armed Forces. I would like to applaud them all today for making our country into the great Nation that it now is as we near the sesquicentennial anniversary of the Oregon Trail.•

ST. CROIX, VIRGIN ISLANDS HISTORICAL PARK AND ECOLOGICAL PRESERVE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 374, H.R. 2927, the Omnibus Insular Areas Act of 1992.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 2927) to provide for the establishment of the St. Croix, Virgin Islands Historical Park and Ecological Preserve, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

TITLE I—SALT RIVER BAY NATIONAL HISTORICAL PARK AND ECOLOGICAL PRESERVE AT ST. CROIX, VIRGIN ISLANDS

SECTION 101. SHORT TITLE.

This title may be cited as the "Salt River Bay National Historical Park and Ecological Preserve at St. Croix, Virgin Islands, Act of 1991".

SEC. 102 FINDINGS.

The Congress finds that the Salt River Bay area of the north central coast of St. Croix, United States Virgin Islands—

(1) has been inhabited, possibly as far back as 2000 BC, and encompasses all major cultural periods in the United States Virgin Islands;

(2) contains the only ceremonial ball court ever discovered in the Lesser Antilles, village middens, and burial grounds which can provide evidence for the interpretation of Caribbean life prior to Columbus;

(3) is the only known site where members of the Columbus expeditions set foot on what is now United States territory;

(4) was a focal point of various European attempts to colonize the area during the post-Columbian period and contains sites of Spanish, French, Dutch, English, and Danish settlements, including Fort Sale, one of the few remaining earthwork fortifications in the Western Hemisphere;

(5) presents an outstanding opportunity to preserve and interpret Caribbean history and culture, including the impact of European exploration and settlement;

(6) has been a national landmark since February 1980 and has been nominated for acquisition as a nationally significant wildlife habitat;

(7) contains the largest remaining mangrove forest in the United States Virgin Islands and a variety of tropical marine and terrestrial ecosystems which should be preserved and kept unimpaired for the benefit of present and future generations; and

(8) is worthy of a comprehensive preservation effort that should be carried out in partnership between the Federal Government and the Government of the United States Virgin Islands.

SEC. 103. SALT RIVER BAY NATIONAL HISTORICAL PARK AND ECOLOGICAL PRESERVE AT ST. CROIX, VIRGIN ISLANDS.

(a) ESTABLISHMENT.—In order to preserve, protect, and interpret for the benefit of present and future generations certain nationally significant historical, cultural, and natural sites and resources in the Virgin Islands, there is established the Salt River Bay National Historical Park and Ecological Preserve at St. Croix, Virgin Islands (hereafter in this Act referred to as the "park").

(b) AREA INCLUDED.—The park shall consist of approximately 912 acres of land, waters, submerged lands, and interests therein within the area generally depicted on the map entitled "Salt River Study Area—Alternative 'C' in the "Alternatives Study and Environmental Assessment for the Columbus Landing Site, St. Croix, U.S. Virgin Islands", prepared by the National Park Service and dated June 1990. The map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, and the Offices of the Lieutenant Governor of St. Thomas and St. Croix, Virgin Islands.

SEC. 104. ACQUISITION OF LAND.

(a) GENERAL AUTHORITY.—The Secretary of the Interior (hereafter in this title referred to as the "Secretary") may acquire land and interests in land within the boundaries of the park by donation, purchase with donated or appropriated funds, or exchange. Nothing in this section shall be construed to prohibit the Government of the United States Virgin Islands from acquiring land or interest in land within the boundaries of the park.

(b) LIMITATIONS OF AUTHORITY.—Lands, and interests in lands, within the boundaries of the park which are owned by the United States Virgin Islands, or any political subdivision thereof, may be acquired only by donation or exchange. No lands, or interests therein, containing dwellings lying within the park boundary as of July 1, 1991, may be acquired without the consent of the owner, unless the Secretary determines, after consultation with the Government of the United States Virgin Islands, that the land is being developed or proposed to be developed in a manner which is detrimental to the natural, scenic, historic, and other values for which the park was established.

SEC. 105. ADMINISTRATION.

(a) IN GENERAL.—The park shall be administered in accordance with this title and with the provisions of law generally applicable to units of the national park system, including, but not limited to, the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2-4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461-467). In the case of any conflict between the provisions of this Act and such generally applicable provisions of law, the provisions of this Act shall govern.

(b) COOPERATIVE AGREEMENTS.—The Secretary, after consulting with the Salt River Bay National Historical Park and Ecological Preserve at St. Croix, Virgin Islands, Commission (hereafter in this Act referred to as the "Commission") established by section 106 of this title, is authorized to enter into cooperative agreements with the United States Virgin Islands, or any political subdivision thereof, for the management of the park and for other purposes.

(c) GENERAL MANAGEMENT PLAN.—(1) Not later than 3 years after the date funds are made available for this subsection, the Secretary, in consultation with the Commission, and with public involvement, shall develop and submit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives a general management plan for the park. The general management plan shall describe the appropriate protection, management, uses, and development of the park consistent with the purposes of this title.

(2) The general management plan shall include, but not be limited to, the following:

(A) Plans for implementation of a continuing program of interpretation and visitor education about the resources and values of the park.

(B) Proposals for visitor use facilities to be developed for the park.

(C) Plans for management of the natural and cultural resources of the park, with particular emphasis on the preservation of both the cultural and natural resources and long-term scientific study of terrestrial, marine, and archeological resources, giving high priority to the enforcement of the provisions of the Archeological Resources Protection Act of 1979 (16 U.S.C. 470aa et seq.) and the National Historic Preservation Act (16 U.S.C. 470 et seq.) within the park. The natural and cultural resources management plans shall be prepared in consultation with the Virgin Island Division of Archeology and Historic Preservation.

(D) Proposals for assessing the potential operation and supply of park concessions by qualified Virgin Islands-owned businesses.

(E) Plans for the training of personnel in accordance with subsection (e).

(d) TRAINING ASSISTANCE.—During the 10-year period beginning on the date of enactment of this title, the Secretary shall, subject to appropriations, provide the funds for the employees of the Government of the United States Virgin Islands directly engaged in the joint management of the park and shall implement, in consultation with the Government of the United States Virgin Islands, a program under which Virgin Islands citizens may be trained in all phases of park operations and management: *Provided, however*, That is no event shall the Secretary provide more than 50 percent of the funding for such purposes. A primary objective of the program shall be to train employees in the skills necessary for operating and managing a Virgin Islands Territorial Park System.

SEC. 106. SALT RIVER BAY NATIONAL HISTORICAL PARK AND ECOLOGICAL PRESERVE AT ST. CROIX, VIRGIN ISLANDS, COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Salt River Bay National Historical Park and Ecological Preserve at St. Croix, Virgin Islands, Commission.

(d) DUTIES.—The Commission shall—

(1) make recommendations on how all lands and waters within the boundaries of the park can be jointly managed by the governments of the United States Virgin Islands and the United States in accordance with this title;

(2) consult with the Secretary on the development of the general management plan required by section 105 of this title; and

(3) provide advice and recommendations to the Government of the United States Virgin Islands, upon request of the Government of the United States Virgin Islands.

(c) MEMBERSHIP.—The Commission shall be composed of 10 members, as follows:

(1) The Governor of the United States Virgin Islands, or the designee of the Governor.

(2) The Secretary, or the designee of the Secretary.

(3) Four members appointed by the Secretary.

(4) Four members appointed by the Secretary from a list provided by the Governor of the United States Virgin Islands, at least

one of whom shall be a member of the Legislature of the United States Virgin Islands.

Initial appointments made under this subsection shall be made within 120 days after the date of enactment of this title, except that the appointments made under paragraph (4) shall be made within 120 days after the date on which the Secretary receives such list.

(d) TERMS.—The members appointed under paragraphs (3) and (4) shall be appointed for terms of 4 years. A member of the Commission appointed for a definite term may serve after the expiration of the member's term until a successor is appointed. A vacancy in the Commission shall be filled in the same manner in which the original appointment was made and shall be filled within 60 days after the expiration of the term.

(e) CHAIR.—The Chair of the Commission shall alternate annually between the Secretary and the Governor of the United States Virgin Islands. All other officers of the Commission shall be elected by a majority of the members of the Commission to serve for terms established by the Commission.

(f) MEETINGS.—The Commission shall meet on a regular basis or at the call of the Chair. Notice of meetings and agenda shall be published in the Federal Register and local newspapers having a distribution that generally covers the United States Virgin Islands. Commission meetings shall be held at locations and in such a manner as to ensure adequate public involvement.

(g) EXPENSES.—Members of the Commission shall serve without compensation as such, but the Secretary may pay each member of the Commission travel expenses, including per diem in lieu of subsistence, in accordance with section 5703 of title 5, United States Code. Members of the Commission who are full-time officers or employees of the United States or the Virgin Islands Government may not receive additional pay, allowances, or benefits by reason of their service on the Commission. The Secretary shall provide the Commission with a budget for travel expenses and staff, and guidelines by which expenditures shall be accounted for.

(h) FEDERAL ADVISORY COMMITTEE ACT.—Except with respect to the provisions of section 14(b) of the Federal Advisory Committee Act, and except as otherwise provided in this title, the provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the Commission.

(i) TERMINATION.—The Commission shall terminate 10 years after the date of enactment of this title unless the Secretary determines that it is necessary to continue consulting with the Commission in carrying out the purposes of this title.

SEC. 107. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as may be necessary to carry out this title.

TITLE II—INSULAR AREAS DISASTER SURVIVAL AND RECOVERY

SEC. 201 DEFINITIONS.

As used in this title—

(1) the term "insular area" means any of the following: American Samoa, the Federated States of Micronesia, Guam, the Marshall Islands, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands;

(2) the term "disaster" means a declaration of a major disaster by the President after September 1, 1989, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170); and

(3) the term "Secretary" means the Secretary of the Interior.

SEC. 202. AUTHORIZATION.

There are hereby authorized to be appropriated to the Secretary such sums as may be necessary to construct facilities to protect public health and safety and to enhance the survivability of essential infrastructure in the event of disasters in the insular areas. Such sums shall remain available until expended.

SEC. 203. TECHNICAL ASSISTANCE.

(A) Upon the declaration by the President of a disaster in an insular area, the President shall assess, in cooperation with the Secretary and chief executive of such insular area, the capability of the insular government to respond to the disaster, including the capability to assess damage; coordinate activities with Federal agencies, particularly the Federal Emergency Management Agency; develop recovery plans, including recommendations for enhancing the survivability of essential infrastructure; negotiate and manage reconstruction contracts; and prevent the misuse of funds. If the President finds that the insular government lacks any of these or other capabilities essential to the recovery effort, then the President shall provide technical assistance to the insular area which the President deems necessary for the recovery effort.

(b) One year following the declaration by the President of a disaster in an insular area, the Secretary shall submit to the Senate Committee on Energy and Natural Resources and the House Committee on Interior and Insular Affairs a report on the status of the recovery effort, including an audit of Federal funds expended in the recovery effort and recommendations on how to improve public health and safety, survivability of infrastructure, recovery efforts, and effective use of funds in the event of future disasters.

SEC. 204. HAZARD MITIGATION.

Upon determination by the President, the total of contributions under section 404 of the Disaster Relief and Emergency Assistance Amendments of 1988 (42 U.S.C. 4121 et seq.) for insular areas shall not exceed 10 percent of the estimated aggregate amounts of grants to be made under sections 403, 406, 407, 408, and 411 of such Act for any disaster: *Provided*, That the President shall require a 50 percent local match for assistance in excess of 10 percent of the estimated aggregate amount of grants to be made under section 406 of such Act for any disaster.

SEC. 205. TECHNICAL AMENDMENT.

Paragraphs (3) and (4) of section 102 of The Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122) are each amended by inserting after "American Samoa," the following: "The Northern Mariana Islands,".

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. AMERICAN SAMOA WATER AND POWER STUDY.

(a) The Secretary of the Interior shall undertake a comprehensive study, or as appropriate review and update existing studies, to determine the current and long-term water, power, and waste-water needs of American Samoa. Such study shall be conducted in consultation with the American Samoa government, and in consultation with those Federal agencies which have recent experience with the water, power and waste-water needs of American Samoa.

(b) The Secretary of the Interior shall report the results of this study to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives, before December 31, 1992. The report shall include:

(1) an assessment of the water, power and waste-water needs of American Samoa both currently, and for the year 2000;

(2) an assessment and recommendations on how these needs can be met;

(3) an assessment and recommendations for any additional legal authority or funding which may be necessary to meet these needs; and

(4) an assessment and recommendations on the respective roles of the Federal and American Samoa governments in meeting these needs.

SEC. 302. INSULAR GOVERNMENT PURCHASES.

The Governments of American Samoa, Guam, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands are authorized to make purchases through the General Services Administration.

SEC. 303. FREELY ASSOCIATED STATE CARRIER.

(a) In furtherance of the objectives of the Compact of Free Association Act of 1985 (Public Law 99-239) and notwithstanding any other provision of law, a Freely Associated State Air Carrier shall not be precluded from providing transportation, between a place in the United States and a place in a state in free association with the United States or between two places in such a freely associated state, by air or persons (and their personal effects) and property procured, contracted for, or otherwise obtained by any executive department or other agency or instrumentality of the United States for its own account or in furtherance of the purposes or pursuant to the terms of any contract, agreement, or other special arrangement made or entered into under which payment is made by the United States or payment is made from funds appropriated, owned, controlled, granted, or conditionally granted, or utilized by or otherwise established for the account of the United States, or shall be furnished to or for the account of any foreign nation, or any international agency, or other organization of whatever nationality, without provisions for reimbursement.

(b) The term "Freely Associated State Air Carrier" shall apply exclusively to a carrier referred to in Article IX(5)(b) of the Federal Programs and Services Agreement concluded pursuant to Article II of Title Two and Section 232 of the Compact of Free Association.

SEC. 304. MARSHALL ISLANDS FOOD ASSISTANCE.

Section 103(h)(2) of the Compact of Free Association Act of 1985 (48 U.S.C. 1681 note) is amended by striking out "five" and inserting in lieu thereof "ten".

SEC. 305. NORTHERN MARIANAS COLLEGE.

Section 9(a) of the Act approved August 27, 1986 (Public Law 99-396), is amended by striking out "subsection (a)." at the end and inserting in lieu thereof the following: "subsection (a), by striking out 'and Micronesia' each place it appears and inserting in lieu thereof 'Micronesia, and the Northern Mariana Islands'; and, in subsection (b), by striking out 'and to Micronesia' and inserting in lieu thereof ', Micronesia, and to the Northern Mariana Islands'.".[S31JA2-T1]{S815}

AMENDMENT NO. 1523

Mr. MITCHELL. Mr. President, in behalf of Senator JOHNSTON, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for Mr. Johnston, proposes an amendment numbered 1523.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

1. Insert after the enabling clause: "SECTION 1. SHORT TITLE. This Act may be cited as the Omnibus Insular Areas Act of 1992.".

2. In section 202, strike the existing text and insert in lieu thereof the following:

"There are hereby authorized to be appropriated to the Secretary such sums as may be necessary to—

(1) reconstruct essential public facilities damaged by disasters in the insular areas that occurred prior to the date of the enactment of this Act; and

(2) enhance the survivability of essential public facilities in the event of disasters in the insular areas.

except that with respect to the disaster declared by the President in the case of Hurricane Hugo, September 1989, amounts for any fiscal year shall not exceed 25 percent of the estimated aggregate amount of grants to be made under sections 403 and 406 of The Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170b, 5172) for such disaster. Such sums shall remain available until expended.".

3. In subsection 203(a), strike the phrase "the President shall assess," and insert in lieu thereof, "the President, acting through the Director of the Federal Emergency Management Agency, shall assess,".

4. In subsection 203(b), strike the phrase, "the Secretary shall submit", and insert in lieu thereof, "the Secretary, in consultation with the Director of the Federal Emergency Management Agency, shall submit"

5. In section 204, strike all up to and including the phrase "(42 U.S.C. 4121 et seq.) for" and insert in lieu thereof, "The total of contributions under the last sentence of section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c) for the".

6. In section 301 strike the word "wastewater" and insert in lieu thereof "wastewater" each place it occurs.

7. In subsection 301(b), paragraphs (2) and (4), strike the phrase "an assessment and recommendations on" and insert in lieu thereof, "an assessment of, and recommendations regarding,"; and in paragraph (3) strike the phrase "an assessment and recommendations for" and insert in lieu thereof "an assessment of, and recommendations regarding,".

8. In Section 305, strike the existing text and insert in lieu thereof the following:

"Section 9(a) of Public Law 99-396 is amended by striking out the period at the end and inserting in lieu thereof the following: "and in subsection (b), by striking out 'and Micronesia' each place it appears and inserting in lieu thereof 'Micronesia, and the Northern Mariana Islands' and by striking out 'and to Micronesia' and inserting in lieu thereof', Micronesia, and to the Northern Mariana Islands'.".

Mr. AKAKA. Mr. President, I rise in support of the Senate amendment to H.R. 2927. The Energy and Natural Resources Committee has proposed a number of changes to the House bill, and most of these changes are technical in nature.

There is one change, however, that deserves special attention. The committee has recommended that the Federal Emergency Management Agency [FEMA] be permitted to enhance the survivability of certain essential public utilities when a natural disaster strikes the U.S. territories.

There are sound reasons for this change. It is an unfortunate fact of life that the territories suffer more than their share of natural disasters. For example, there have been three Presidentially declared disasters in the Republic of the Marshall Islands in the last 2 years. In the aftermath of each storm, FEMA provided assistance to RMI to repair water, electric, sewage treatment, and other essential public utilities as required by law. Unfortunately, much of the work to repair these facilities is often undone as soon as the next disaster strikes.

Unless we harden these facilities, we will never interrupt the unfortunate cycle of storm destruction and repair. I can personally attest to the value of enhancing the ability of these essential public facilities to survive future storms. In last December, I traveled to the Pacific and witnessed the devastation that occurs when a tropical storm strikes.

Two weeks before my arrival at Kwajalein Atoll in the Republic of the Marshall Islands, these islands were hit by Tropical Storm Zelda. When a low-lying island such as this is hit by the high winds and wave surge that accompanies a tropical storm, the devastation is unusually great. There is very little to shelter telephone poles, communication infrastructure and waste treatment facilities from the full force of such a storm. Although the initial outlay to harden these facilities may be higher, the savings in the long term will be significant because they will be able to withstand future disasters with little or no damage.

Our amendment represents sound public policy and a prudent use of Federal resources. As a cosponsor, I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1523) was agreed to.

Mr. JOHNSTON. Mr. President, I am pleased to speak today in support of Senate passage of H.R. 2927 with amendments to the committee amendment. The Committee on Energy and Natural Resources reported this bill on November 25, 1991, with an amendment in the nature of a substitute. On the same day, the House of Representatives passed nearly identical legislation, H.R. 1688. Both bills contain three titles which would: First, establish the Salt River Bay National Historical Park and Ecological Preserve at St. Croix, VI; second, provide additional flexibility and resources to Federal agencies and local governments in preparing for and responding to major disasters in the insular areas; and third, enact several miscellaneous provisions regarding the application of Federal policies and programs in the insular areas.

I will not go into a detailed discussion of the provisions of this bill now. I refer those who are interested in the specifics to the committee's report, Senate Report No. 102-243.

On November 22, 1991, and just prior to House passage of H.R. 1688, the administration transmitted a revised statement of policy which identified five issues of concern regarding the bill's provisions on disaster relief: First, that Puerto Rico, Micronesia and the Marshall Islands should be removed from the definition of "insular area"; second, that a 50-percent local match should be required for any increase in Federal hazard mitigation assistance; third, that non-cost-shared hazard mitigation assistance should not be expanded beyond 10 percent; fourth, that responsibility for disaster assistance in the insular areas should be placed with the Federal Emergency Management Agency; and fifth, that the reporting requirement of the Secretary of the Interior should not be duplicative of current FEMA responsibilities. The House modified H.R. 1688 to respond to these concerns of the Administration.

Mr. President, in response to these concerns, I offer a package of amendments to H.R. 2927 which would, with one exception, essentially conform H.R. 2927 to the text of H.R. 1688 as it passed the House of Representatives, and as it was modified to meet the administration concerns.

The disaster provisions of H.R. 1688, as passed by the House, and in response to the administration, would not apply to Puerto Rico, nor to the Freely Associated States—the Marshall Islands, and the Federated States of Micronesia. While I understand the administration's concern regarding the application of these provisions to Puerto Rico, an island with a size and population in excess of that of many States, I do not agree with the objection to the inclusion of the Freely Associated States.

The islands of Micronesia are hit by disastrous storms with a frequency greater than any other area under the jurisdiction of the Federal Emergency Management Agency [FEMA]. In fact, it is possible for certain islands to experience two disaster declarations within a single year. This is currently the case with Kwajalein Atoll in the Marshall Islands. The disaster relief provisions of this legislation were intended to reduce Federal disaster reconstruction costs in such areas by having facilities hardened to resist storm damage, instead of being continually rebuilt.

Currently, FEMA rebuilds facilities to the condition which existed prior to the disaster. In most cases, this is a reasonable and cost-effective approach. However, in areas which are repeatedly struck by storms, such as Micronesia and the South Pacific, it is cost effective to harden facilities so that they will resist damage in the event of future storms. It has been the experience in Guam that spending more resources during construction or reconstruction to enhance the survivability of facilities will substantially reduce future damage, and therefore, will substantially reduce future reconstruction costs.

The administration has raised several valid concerns regarding H.R. 1688, and H.R. 2927 would be modified substantially, by the committee amendment and by these amendments, to respond to those concerns. However, I urge the administration to reconsider its position regarding the application of the disaster relief provisions of this legislation to the Freely Associated States. Continuing the costly cycle of destruction and reconstruction in areas which are repeatedly damaged in disastrous storms simply makes no sense.

Finally, with respect to section 303 regarding air service in the Freely Associated States, I would like to state for the record that this provision is not intended to provide a competitive advantage of any airline of the Free Associated States. It is, instead, intended to provide an authorization for an agreement to allow such an airline to have the opportunity to compete with other airlines in providing service between the Freely Associated States and the United States.

Mr. President, passage of H.R. 2927, as amended, will complete years of work on a broad range of ideas conceived to respond to particular problems and opportunities in the insular areas. These provisions range from improving air service, to developing parks. There are many people who have been involved in this effort and I would particularly like to recognize the contributions of the chairman and ranking minority member of the House Subcommittee on Insular and International Affairs, Mr. RON DE LUGO and Mr. BOB LAGOMARSINO and their very able staffs. I would also like to acknowledge Ms. Janet Hale and Mr. Bob Grady at OMB for their help in fashioning the disaster relief provisions. I believe that this title will save dollars, and lives.

Finally, I would like to acknowledge the assistance of the Secretary of the Interior, of Brad Northrup and Nat Williams of the Nature Conservancy, and of David Simon and Paul Pritchard of the National Parks and Conservation Association for their help in expediting the development and consideration of the provisions to establish the Salt River Bay National Historical Park and Ecological Preserve at St. Croix, U.S. Virgin Islands. We will all be pleased to have this park established in time for the 500th anniversary of Christopher Columbus' voyage to America. It was here in St. Croix that Columbus' men first are known to have set foot on what is now U.S. territory.

I thank Senator AKAKA and the committee's ranking minority member, MALCOLM WALLOP, for their contributions and assistance and urge the Senate to pass H.R. 2927 with the committee amendment as amended by the Johnston amendments.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment, as amended, and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

So the bill (H.R. 2927), as amended, was passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill was passed, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MEMBER OF U.S. SENTENCING COMMISSION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. 1963 to provide a member of the U.S. Sentencing Commission whose term has expired may continue to serve until a successor is appointed or until the expiration of the next session of Congress, and I ask that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

A bill (S. 1963) to amend section 992 of title 28, United States Code, to provide a member of the U.S. Sentencing Commission whose term has expired may continue to serve until a successor is appointed or until the expiration of the next session of Congress.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 1524

(Purpose: To delete section 2 of the bill related to retroactivity)

Mr. MITCHELL. Mr. President, on behalf of Senators BIDEN and THURMOND, I send an amendment to the desk that will strike section 2 of the bill and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for Mr. BIDEN (for himself and Mr. THURMOND) proposes an amendment numbered 1524.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike Section 2 of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1524) was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill, as amended.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as amended as follows:

S. 1963

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENDED SERVICE OF MEMBERS OF THE SENTENCING COMMISSION.

Section 992(b) of title 28, United States Code, is amended to read as follows:

"(b)(1) Subject to paragraph (2)—

"(A) no voting member of the Commission may serve more than two full terms; and

"(B) a voting member appointed to fill a vacancy that occurs before the expiration of the term for which a predecessor was appointed shall be appointed only for the remainder of such term.

"(2) A voting member of the Commission whose term has expired may continue to serve until the earlier of—

"(A) the date on which a successor has taken office; or

"(B) the date on which the Congress adjourns sine die to end the session of Congress that commences after the date on which the member's term expired.".

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill was passed, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, the distinguished Republican leader wishes to address the Senate and will return to the Senate shortly for that purpose. No other Senator is seeking recognition.

Therefore, I ask unanimous consent that following the remarks of the distinguished Republican leader, the Senate stand in recess as previously ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THANKS TO THE PAGES

Mr. DOLE. Mr. President, first let me join the majority leader in thanking the pages for their diligent efforts and their help the past several weeks and months. I know they are leaving with mixed feelings. Maybe one or more may be back on the floor here someday as a Member of the Senate. We hope so.

So I want to thank them for their help and their tireless efforts, sometimes difficult with the long hours we keep.

THE PRESIDENT'S BUDGET

Mr. DOLE. Mr. President, ever since President Bush delivered his State of the Union Address Tuesday night and unviled his new budget the following day, we have been treated to the usual partisan rain dance of criticism: It is not enough; it will never work; it is out of touch; it is a total flop.

Actually, that is what most people are saying about Congress these days.

So let us face it. When it comes to action, courage, an vision, Congress has no right to claim any "moral high ground." The American people know that Congress is just as accountable—and just as blamable—as the President of the United States when it comes to the economy, to health care, to education, and to every other critical issue facing the Nation, involving the Nation's well-being.

Despite all the rhetoric, there is one fact the President's critics never mention. The President has a plan, and they do not. If there is a Democrat plan, no one has introduced it. Of course, there is a lot of good reason they have not. It does not exist. Everybody has an idea; everybody says, well, maybe the President's plan is wrong. But there is not any plan, a second plan or another plan, a Democratic plan.

So I think that is the reason. I think that is why it is right for the President to challenge the Congress to do something; do it responsibly; do it quickly. And I think the fact that he set the March 20 deadline was a good idea.

Of course, deadlines are not very popular on Capitol Hill—Congress will not be found in the books when it comes to breaking speed records—but the people are demanding action.

If you need any proof, consider this fact: Congress has yet to terminate the Commission on the Bicentennial of the U.S. Constitution. Now, the Commission did a fine job, but that job should have ended when the bicentennial ended—5 years ago.

Curiously, many of the critics blasting President Bush for not doing enough today are the very same Members of Congress who for years have been blocking legislation the majority of American people want passed—and you can start with the crime bill.

The people are fed up with crime; fed up with being terrorized in their streets and neighborhoods; fed up with the ongoing drug nightmare; fed up with a judicial system that seems tilted more toward criminals than victims; and fed up with a Congress that talks tough but will not back it up.

Year after year, tough anticrime legislation is introduced in the House and Senate. Yet, year after year, it is made practically toothless by the majority party.

Despite the cries of the people, there is still no habeas corpus reform—still no way to prevent criminals from getting off on technicalities, or frustrating justice with endless appeals and loophole gymnastics; and still no reform to the exclusionary rule—still no way to make good faith evidence stick in court so that criminals do time instead of dodging it.

Year after year, tough antispending laws are introduced in the House and Senate. Yet, year after year, the balanced budget amendment and the line-item veto are blocked by the majority party. Without these budget tools, both the President, the House and the Senate are even more powerless to turnoff the congressional spending machine.

Year after year, American business has begged Congress for relief from crippling liability costs. But despite the fact that these unreasonable costs have put thousands of Americans out of work, and shut down production lines, especially in aviation manufacturing, the Democrat majority continues to block every attempt to reform liability law.

And this past February, the administration sent Congress a two-part proposal to strengthen the Nation's commercial banks, and to insure an adequate supply of credit for consumers. Part 1 of the proposal required banks, themselves, to bear the $30 billion cost of replenishing the resources of the Federal Deposit Insurance Corporation. Part 2 of the administration's proposal would have provided the banking industry with the tools to eliminate unnecessary expenses, raise capital and be more competitive.

But Congress responded by saddling the banks with the $30 billion in additional expenses, and did nothing to help the industry strengthen itself. Now the consequences of congressional inaction is becoming painfully clear: Bank credit has dried up, and reports indicate that another massive taxpayer bailout could well be on the horizon.

Unfortunately, all of this inaction—all of these de facto filibusters—has helped put us behind the economic eight ball. If the bottom line is revitalizing the economy, then we ought to act; and as I have just indicated, we could have acted boldly during the past few years to avoid some of the problems we are trying to deal with now.

But it is far easier to criticize. For example, the critics charge that the United States should act more like our trading partners, that we are strapped because we have trouble competing in the international marketplace. Well, many of our trading partners such as Germany, Canada, the Netherlands and, yes, Japan, have low capital gains tax rates, not to help the rich, but to strengthen their economies and create jobs, and to do all of the things we like to do in America.

These countries understand that by reducing the cost of capital, you encourage capital formation, investment, and the creation of new jobs and new opportunities.

Sadly, the determined opposition on the other side of the aisle against this long-overdue economic shot-in-the-arm is not the noble soak the rich crusade they claim it is. In truth, it is a determined filibuster against working America in the name of politics.

President Bush pointed out the other evening that 60 percent of the beneficiaries in any capital gains rate reduction are earning less than $50,000 per year. He might be able to create more jobs and opportunities, and that is what we need now.

Mr. President, the clock is ticking. The American people do not want business as usual. They do not want any more political games. Congress can spend the next few weeks seeing who can score the most cheap shots, and make the cleverest attack on President Bush.

Or, Congress can spend the next few weeks working with the President, in a bipartisan spirit, for the American people. I believe it is an easy choice to make. And we can start today.

ORDERS FOR MONDAY

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 2 p.m. on Monday, February 3; that following the prayer, the Journal of proceedings be approved to date and the time for the two leaders be reduced to 5 minutes each; that there then be a period for morning business not to extend beyond 2:15 p.m., with Senator SIMPSON recognized to speak; and that on Monday beginning at 2:15 p.m., there be debate only relative to the motion to proceed to S. 2166, the energy bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MITCHELL. Mr. President and Members of the Senate, there will be no rollcall votes on Monday. There will be a rollcall vote on the motion to invoke cloture on the motion to proceed to the energy bill at 10 a.m. on Tuesday morning.

RECESS UNTIL MONDAY, FEBRUARY 3, 1992, AT 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until Monday, February 3, at 2 p.m.

There upon, the Senate, at 2:37 p.m., recessed until Monday, February 3, 1992, at 2 p.m.

CONFIRMATIONS

Executive Nominations Confirmed by the Senate January 31, 1992:

DEPARTMENT OF THE TREASURY

SHIRLEY D. PETERSON, OF MARYLAND, TO BE COMMISSIONER OF INTERNAL REVENUE.

FRED T. GOLDBERG, JR., OF MISSOURI, TO BE AN ASSISTANT SECRETARY OF THE TREASURY.

RESOLUTION TRUST CORPORATION

ALBERT V. CASEY, OF TEXAS, TO BE CHIEF EXECUTIVE OFFICER, RESOLUTION TRUST CORPORATION.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Monday, February 3, 1992*

The House met at 12 noon.

The Reverend Phillip D. Washington, pastor of Laymen Chapel C.M.E. Church, South Bend, IN, offered the following prayer:

Almighty and everlasting God, bless our land with honorable industry, sound learning, bless our country, that it may ever be a stronghold of peace, and an advocate of peace. Defend our liberties, preserve our unity. Bless the families of this Nation. Give these persons, whom we intrust with the authority of governance, the spirit of wisdom. Grant unto them a clear vision to perceive those things which in our social order are amiss, give them true judgment, courage, and perseverance. Rule their hearts and bless their endeavors, that we may truly be one nation under God, indivisible, with liberty and justice for all, and we will evermore give You the praise. May God's grace and peace be with each of you, now and forevermore. Amen.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Indiana [Mr. ROEMER] come forward and lead the House in the Pledge of Allegiance.

Mr. ROEMER led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

THE REVEREND PHILLIP D. WASHINGTON

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, I rise to welcome Rev. Phillip D. Washington, pastor of Laymen Chapel Christian Methodist Episcopal Church in South Bend to Washington, DC. He is joined today in the Chamber by his wife, the former Ernestine Singleton of St. Louis, MO, and their two daughters, Tyna and Terrea, and members of their congregation.

Reverend Washington and the people of Laymen Chapel C.M.E. have traveled to Washington at great expense and I join with my colleagues in welcoming everyone here today. We are honored by their visit.

His visit is a special honor because Reverend Washington offered the prayer at the opening of today's session of the House of Representatives. With this prayer, Reverend Washington has for the first time in many years represented the Third Congressional District of Indiana as the guest chaplain.

Mr. Speaker, this is a great privilege for the people of the Third Congressional District to have Reverend Washington with us this morning and the distinguished guests who joined him from South Bend, IN.

It is also a special privilege because of the enormous contributions Reverend Washington has made to the people of South Bend. His commitment to the community includes service on the board of directors of the Martin Luther King, Jr., Foundation in South Bend, work with the National Association for the Advancement of Colored People, and service on the board of directors of the United Religious Community.

Just last week Reverend Washington helped organize over 500 people for the Martin Luther King Day celebration in South Bend.

There are many more honors, Mr. Speaker, that could be articulated about Reverend Washington, but I think it is best said that Reverend Washington is a man who truly offered his life to the Lord, working each day to improve the conditions for all of humanity.

A SALUTE TO THE TRAVEL AND TOURIST INDUSTRY

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, it is time that we in Congress salute an industry that is providing jobs and increasing jobs right here in America. I am speaking of the fabulous travel and tourist industry, 5.7 million jobs, 5.7 million new jobs last year alone. Not only does travel and tourism create jobs, but it produces revenue and taxes for the Government, taxes our citizens otherwise would have to pay.

Imagine, almost $44 billion in Federal, State, and local taxes were collected last year alone in tourism just from foreign visitors.

Now we have a new initiative. At the Federal level we here in the Congress who want to create new jobs are endorsing a bill. It is in conference now. It has passed the House and the Senate. It is H.R. 418.

First, it reauthorizes and rejuvenates the U.S. travel and tourist agencies.

Second, it reduces redtape and regulations and reduces Government taxes on businesses affected by travel and tourism.

Third, it creates a Rural Tourism Development Foundation for rural America. It is going to be a real shot in the arm for tourism in rural America.

For Members of Congress and all Americans who wish to promote jobs and help our economy across the board, H.R. 418 when it is signed into law will do just that.

Mr. Speaker, I salute all those Americans who are dedicated to travel and tourism, this amazing industry.

PASS EXTENSION OF UNEMPLOYMENT BENEFITS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, I am not one to stand on ceremony or worry too much about who in this Chamber or in this town gets credit for something good. But, the other evening as I sat here in the Chamber and watched the President on his State of the Union Address, I was a little, I guess, quizzical about his taking credit for having passed the unemployment extension bill. As we know, Mr. Speaker, it took us three separate tries before the extension finally got past the hurdle. In any event, it is a good bill, and we are glad to have finally passed that first extension of unemployment benefits for the long-term unemployed.

Now, things have changed because tomorrow under a Suspension of the Rules reserved for noncontroversial measures, we will pass another extension, another 13 weeks of unemployment benefits for the long-term unemployed.

These, Mr. Speaker, are helpful steps. But, they are actually Band-Aid solutions. We have a more serious problem underlying. I hope that before too many weeks elapse we can develop an overall economic package to spur American business and to put workers back to work. But, in the meantime, it is good to know that we now can move an unemployment extension, and that both the Congress and the White House are of a mind on this very important first step.

THE PRESIDENT'S COMPREHENSIVE DRUG STRATEGY

(Mr. OXLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. OXLEY. Mr. Speaker, as a member of the Select Committee on Narcotics Abuse and Control, I welcomed last week's release of the fourth national drug control strategy, and I applaud the leadership of President Bush and Governor Martinez.

Under this President, overall drug use has dropped 13 percent, and adolescent drug use has dropped 27 percent. Drug use by high school seniors has dropped to its lowest level since the senior survey began in 1975.

To ensure further success, the new strategy seeks a 6-percent increase in antidrug funding, which amounts to a 93-percent increase since the President took office.

Contrary to what some have alleged, the strategy does not overemphasize supply reduction. There are certain activities which only the Federal Government can undertake, such as helping producer nations destroy drug crops, patrolling our international borders, and taking meaningful steps against money laundering. This is where our primary responsibilities lie.

Meanwhile, the strategy recognizes the key role of State and local governments in drug control, places new emphasis on the problems of hard-core drug usage, and undertakes new initiatives to combat teenage drinking. This is a truly comprehensive package. Let us enact its legislative elements this year.

MOVE FORWARD WITH PRESIDENT'S ECONOMIC PROGRAM

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Wyoming. Mr. Speaker, I have been in Wyoming nearly constantly since the first part of December. People are saying that if there is a role for the Government to strengthen the economy, let us get on with it. This is a joint Government. This is the President. This is the Congress.

Some of us have been interested in having a package since November when we brought one.

The majority party says no, they have not had a chance to read it. Let us wait.

Then they said, no, let us hear what the President has to say. Let us wait.

Now the President has laid out his package. The majority party has been busy criticizing the President's package and they say let us wait.

Now, Mr. Speaker, we have been here for 3 weeks. The leadership has now to give leadership. Instead of listening to Ann Richards' little quips, we ought to move forward doing something about an economic package.

Let us not let partisan bickering keep us from doing what we need to be doing.

Mr. Speaker, it is time that if the majority does not like the President's package, they need to say so, but let us move forward, let us not wait.

□ 1210

AMERICA'S VETERANS HAVE LONG MEMORIES

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, once again the administration has failed to keep its promise to the American veterans.

Congress, in the 1990 budget, delayed by 1 month a COLA to its service-connected disabled American veterans to be paid on February 1 of 1992. That date came, and that date went, and there is no COLA.

I am told by the Veterans' Administration that they will not get it in March and it is only a possibility that they will get it in April.

Mr. Speaker, as chairman of the Subcommittee on Disability Compensation of the Committee on Veterans' Affairs, I am demanding that the administration pay that money to the disabled veterans now.

Mr. Speaker, I remind the President of the United States that American veterans have a long memory, and so do all Americans who respect what American veterans have done to earn it.

HOUSE SHOULD INVESTIGATE SERIOUS PROBLEMS WITH THE HOUSE POST OFFICE

(Mr. ROBERTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERTS. Mr. Speaker, over the last several days Members of this Chamber have been aghast at a continuing series of news reports regarding serious problems with the House Post Office. The charges include drug trafficking by staff, embezzlement, and theft of postal funds. There are allegations of a slush fund used to provide interest-free loans to Post Office staff and even Members and to cover bad checks.

These charges are serious. They reflect both on this institution's credibility and on our ability to carry out our normal business on behalf of our constituents. I am most concerned, Mr. Speaker, at allegations that some staff and even some Members may have known about these problems for several months, yet failed to bring them to the attention of committees and subcommittees of jurisdiction. My own Personal and Police Subcommittee of the House Administration Committee, for example, has never been informed about these problems. It was only after reading news accounts of the problems that we asked for a briefing from postal inspectors.

This morning's Washington Times made further allegations that some staff knew about the problems but failed to act.

The importance of this mess cannot be overestimated. There is a need to act decisively and quickly to ensure that, first, any criminal activity is prosecuted to the full extent of the law and, second, that management changes are made to prevent such a mess in the future.

Today, I urge that the following steps be taken by the House leadership with full cooperation and assistance of the minority:

Appointment of an independent counsel, with adequate funding and staff, to investigate these charges and report back to the House.

The U.S. Postal Service be given immediate control over money and stamps at the House of Representatives facility and that all managers and supervisors involved be suspended pending the independent review.

With completion of the independent counsel's review, a bipartisan task force should be created to address the longterm difficulties/structural inadequacies found by counsel's inquiry. Steps should be taken to fully address the issues raised.

WE NEED TO CREATE MORE JOBS: AMERICANS ARE NOT LAZY

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, tomorrow we will take up extension of benefits for long-term unemployed. Unlike last year, this bill will have the President's support.

Why two vetoes last year and support this year? The answer is in the various press reports. The President's advisers told him that this was an election year, it was too risky to oppose extension of unemployment benefits.

We welcome the President's support, but it is important he do more than put his finger to the political wind. The American economy is sick. People are laid off from all walks of life. They want more than gimmicks as an answer. They want more than proposals to cut taxes for the rich in the hope it will trickle down to middle-income groups.

In Michigan we see the results. The results are that employers are facing extra taxes to replenish the unemployment fund. Senator CARL LEVIN of Michigan has proposed a way to cushion the blow for these employers. With the support of Chairman ROSTENKOWSKI, we were able in the committee to insert that cushion in the bill coming before the House tomorrow.

We need, however, to go beyond this bill and create jobs. Americans are not lazy. I repeat, they are not lazy.

We want jobs and business opportunities.

The time to act is long overdue.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. MAZZOLI) laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC, *January 30, 1992.*
Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in clause 5 of rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 3:15 p.m. on Thursday, January 30, 1992 and said to contain a message from the President whereby he transmits the Fourth Biennial Report of the Interagency Arctic Research Policy Committee.

With great respect, I am
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

BIENNIAL REPORT OF THE INTERAGENCY ARCTIC RESEARCH POLICY COMMITTEE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Science, Space, and Technology.

(For message, see proceedings of the Senate of Thursday, January 30, 1992, at page 1015.)

UNITED STATES LOOKING FOR A NEW PATH AS SUPERPOWER CONFLICT ENDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, last Saturday evening, February 1, 1992, I was honored to have been invited to address the annual meeting of the Brinkley, AK Chamber of Commerce.

During my remarks, I attempted to outline some of the issues facing our Nation as we begin to focus on the post-cold-war era.

On the Sunday morning flight to Washington, I read the following article from the New York Times by Joel Brinkley. "U.S. Looking for a New Path as Superpower Conflict Ends" is the first of six articles to be published by the Times.

The United States ended World War II the globe's unquestioned leader, the only nation to enter the postwar era at full industrial capacity and in possession of nuclear weapons. As a result, from 1945 into the late 1950's, we were enormously confident in our economic institutions, and our social structure, including the schools. The Germans and the Japanese had to rebuild.

But what is now becoming apparent is that World War II fostered a fundamental restructuring of the world economy. The Germans, Japanese, and others restructured their societies, including their school systems, to suit the emerging high-tech era. But American education stuck to a pattern that was largely set earlier in this century.

There were important exceptions, it is pointed out in the article, "but general American education underwent a mindless continuation of the existing system."

This neglect of our education system was due, in part, to the fact that for nearly half a century the United States was driven by the fear of communism.

There are other issues to be addressed: economics, energy, trade, and many more.

With the enemy removed, the question is, will our Nation now be guided by our own ideals, or "will we fall back to the old easy way of divide and blame in order to mobilize the people out of fear?"

I am certain that my constituents will be interested in the Times series. Accordingly, I append the first article to these remarks for their consideration of this timely issue.

U.S. LOOKING FOR A NEW PATH AS SUPERPOWER CONFLICT ENDS

(By Joel Brinkley)

WASHINGTON, February 1.—Like many Americans of his generation, 42-year-old John Driscoll holds many memories of the cold war, particularly the fear that came with the air raid drills at school, when he and the other students crawled under their desks, practicing for the day the Soviet hydrogen bombs fell.

"It seems surreal now," he recalled recently, a short time after the Soviet Union formally announced its demise. "Every summer, when I heard heat lightning over the city and the sky would light up, I was convinced it was all over. My whole childhood was built on the notion that the Soviets were the real threat."

Today, Mr. Driscoll is a teacher of economics and government at a high school just outside Washington. Working with Junior Achievement, he is helping to coordinate food shipments to Moscow, the capital of the empire that terrified him as a child. And on a recent visit to Moscow, he said, he found that "these folks have absolutely no confidence in themselves."

Across the country, planners, academics, Government officials and many ordinary Americans are reassessing their view not just of the former Soviet Union but of America as well—trying to understand how the political and military rivalry with the Soviets altered Americans' lives over the last 45 years, what false assumptions it engendered and how the United States should change now that the cold war is over.

"We're confused," said Robert Jay Lifton, a psychiatrist who is director of the Center on Violence and Human Survival at John Jay College of the City University of New York. "People no longer know how to view the world or how to understand our own national problems, which have to some degree been subsumed by the cold war."

The rivalry between Moscow and Washington so dominated the world's diplomacy, commerce and even its culture that it is no wonder Americans are finding it difficult to adapt.

The two nations that emerged with the strongest militaries when World War II ended spent the next 45 years waging multilayered competitions, first in Europe, then Asia, Africa and Latin America.

With constant coaching from their Government, most Americans came to believe that the Soviet goal was to impose its system on the entire world, as it had on Eastern Europe between 1945 and 1948. So the United States embraced "containment"—halting the spread of Communist ideology and its presumed influence on American society.

America threatened war to break a Soviet blockade of West Berlin in 1948-49 and airlifted tons of food to the stranded enclave. It also spent billions of dollars to resurrect the economies of Western Europe and fought the Korean War from 1950 to 1953.

The first Soviet nuclear test was in 1949, and the Soviet Union grew toward nuclear parity with the United States until each nation had the power to destroy the other in an instant. The knowledge that each side had weapons so fearsome that they could never be rationally fired left the constant hope that no matter how bitter it grew, the war would always remain "cold."

But even as they tried to settle their scores by proxy wars and diplomatic confrontations, the two sides continued to flirt with mutually assured destruction. The severest test of nerve, and perhaps America's greatest single cold-war victory, came in 1962 when President Kennedy forced Khrushchev to withdraw Soviet missiles from Cuba.

America's single greatest defeat of the period was surely the Vietnam War, with the devastating social and political turmoil that came with its loss.

In the service of containment, the United States ringed the Soviet empire with military bases and built anti-Soviet alliances wherever possible the world over. This competition cost the United States several trillion dollars—no one has a real account—and more than 100,000 lives. And the domestic ramifications permeate American society to this day.

The drive to ferret out Communist influence at home made perceived "loyalty" a major preoccupation of governments, police agencies, school boards and even social organizations.

The fears of subversion and betrayal were fed by several sensational trials, like those of Alger Hiss for perjury and Julius and Ethel Rosenberg for espionage. And they fed demogagic attacks on thousands of citizens by Senator Joseph R. McCarthy and his imitators.

The fears abated little until the mid-1980's. And by then America was fully and perhaps irreversibly engaged around the world.

When the cold war ended, the United States had 375 foreign military installations staffed by more than 500,000 servicemen and women worldwide. Its diplomatic engagement was just as extensive; through the 1980's America backed its bid for world influence with more than $16 billion in foreign aid each year. And American businesses were selling their products and services worldwide.

But now that the great conflict has at least run its course, Americans are facing not just the giddy spectacle of a grand, global political victory. Behind it lies a quandary of historic dimensions, as disorienting as any this nation has ever faced.

Over the next several days The New York Times will examine how the cold war's end has affected major American institutions and what sorts of changes may lie ahead. Politicians, intelligence officials, foreign policy experts, military analysts along with military-industry scientists and engineers all say they realize that the major force that has directed them these last four decades no longer exists. But few of them have clear ideas of what their new missions should be.

IMAGES: POPULAR CULTURE WIDELY INFLUENCED

For most Americans it will be difficult to forget the cold war's pervasive influence on American entertainment and culture. Cold war themes were the subject of uncounted novels, pop songs, art work and more. Many of the most indelible images came from films.

Among them was the scene from "Dr. Strangelove," the 1963 black comedy, showing Slim Pickens waving his cowboy hat, shouting, "Yahoo, Yahoo!" as he rode the hydrogen bomb down toward its target, a missile field in Russia.

Cold war images permeated films until the very end. In "Rocky IV," released in 1985, Sylvester Stallone battled a superhuman-seeming, steroid-grown Soviet boxer who warned him darkly, "I will break you." Moments later he fell bleeding to the floor, another stunned victim of underestimated American might.

But already, film images are changing, too, demonstrating that America is not entrapped by cold war stereotypes, no matter how memorable.

In "Star Trek VI," playing in theaters now, the Klingon empire is in collapse, and its chancellor, not coincidentally named Gorkan, wants to make peace, meaning "an end to almost 70 years of unremitting hostility that the Klingon empire can no longer afford," as the character Spock observes.

Nicholas Meyer, the film's director, said Leonard Nimoy, who plays Spock, proposed the film in 1990, just as the Berlin wall was falling, saying: "The Klingons have always been our stand-in for the Russians. What about a Berlin wall coming down in space?"

But in the Star Trek film, as in American political life, the prospect of losing an enemy leaves the leaders fearful and uncertain.

"I was used to hating Klingons," William Shatner, as Captain Kirk, mutters wistfully.

LEGACY: GIVING UP SECRECY IS HARD TO DO

When Steven Garfinkel delivers a lecture to Federal security professionals, he begins by showing them a slide that invariably leaves them perplexed.

Mr. Garfinkel is director of the Information Security Oversight Office, the Federal agency that coordinates Government policy on classified documents. Late last year, he turned to his slide as he spoke to a gathering of Defense Department security specialists at a training seminar in Richmond, Va.

It listed the names of 12 Government agencies involved in intelligence or security policy, including the Central Intelligence Agency, the National Security Agency, the Defense Intelligence Agency and Mr. Garfinkel's own office.

"What do all these agencies have in common?" he asked.

"They're all defense- or security-related," one man shouted. "All of them were formed after World War II," offered another. But these were not the answers Mr. Garfinkel was after.

With some coaxing, he finally led his audience to the response he wanted: All of the agencies were products of the cold war. Across the room members of the audience nodded.

Then came Mr. Garfinkel's next question: "With the cold war over, which ones can we get rid of?"

"They didn't have any suggestions for deleting any of them," Mr. Garfinkel recalled.

As Mr. Garfinkel and others attest, the cold war gave birth to a Government culture of secrecy and clandestine activity that had never existed before to any great degree, except in wartime.

Before the cold war, the nation did not even have a formal system for classifying documents, though some agencies did keep secrets. Today, however, Government officials classify almost seven million documents a year—so many that Washington has an agency to coordinate policy for keeping secrets.

But with the cold war's end, some people are asking whether all this secrecy is still needed. In July, the Federation of American Scientists began publishing the Secrecy and Government Bulletin, declaring in its first edition that "in the cold war era, secrecy driven by fear and the politics of superpower rivalry became deeply imbedded in national affairs and led to serious political, moral, financial and environmental abuses.

"The end of the cold war provides an unsurpassed opportunity to rectify this problem," it added.

The bulletin's editor, Steven Aftergood, said that government secrecy had often prevented Congress and the public from ""paying attention to abuses, wasted money, failed programs" and that "a whole realm of government is beyond any pretense of democratic decision-making."

Some in Congress are arguing the same case. Late last year, speaking about one area of classified data, Representative George E. Brown Jr., a California Democrat, complained that "what is totally stupid is that we have a classification system which persists in perpetuating the fiction that this material is secret and that such a fiction contributes to our national security."

But even with the cold war over, Mr. Aftergood, Mr. Garfinkel and others say the Government has offered no plans to reduce the number of materials stamped secret each year.

"I think it's fair to say that no one's talking yet about changing anything," Mr. Garfinkel said. "It looks like this cold war institution is going to be institutionalized beyond the cold war."

EDUCATION: NEED FOR CHANGE IS LONG OVERDUE

When Allen Barrow was teaching high school seniors in suburban Washington in the 1950's and '60s, "everybody expected Soviet missiles," he said, adding, "At times there was a lot of fear."

The school system helped feed that fear. Like thousands of other teachers across the country, Mr. Barrow showed his students films about the enemy. He particularly remembers one "called 'Against the Wall.' I think in black and white, about the purges of Stalin, the millions of people executed."

Mr. Driscoll, one of his former students, had no trouble recalling that film.

"They lined up people in front of ditches and shot them," he said. "It was real newsreel film. I remember the hats flying. And I thought, 'This is the way the Russians act!' "

Mr. Barrow believes the cold war was a boon to education, in some ways, because it made his students "more aware that things that go on way over there are going to affect us here." He and others also noted that it gave an unquestioned boost to certain subject areas, such as science and engineering, particularly after the Soviet Union launched Sputnik in 1957, the first man-made earth satellite.

But other educators point to darker effects as well.

As the rhetoric of the cold war—"good guys and bad guys," filtered into the class room, said Theodore Sizer, a professor of education at Brown University, "study of Japan or Asia was limited," while academic attention was lavished on the Soviet Union. For that, he said, America is now paying a price.

Marc Tucker, president of the National Center on Education and the Economy, has been studying not just America's schools but those of countries whose students usually score much better by generally accepted international standards of measurement. Among them are schools in Germany and Japan. The difference, he says, goes back to America's view of itself in the cold war's first decade

The United States ended World War II the globe's unquestioned leader, the only nation to enter the postwar era at full industrial capacity and in possession of nuclear weapons. As a result, from 1945 into the late 1950's "we were enormously confident in our economic institutions, and in our social structure, including the schools," Mr. Tucker observed, while the Germans and the Japanese, and to some extent other Europeans, had to rebuild.

"But what is only now becoming apparent is that World War II led to a fundamental restructuring of the world economy," he added, alluding to the growing global trade of increasingly high-technology products. The Germans, Japanese and others restructured their societies, including their school systems, to suit. But American education stuck to a pattern that was largely set early in this century.

"We drifted," Mr. Sizer said. "We were so damned focused on Russia that we never faced up to the changing economic reality."

"There were important exceptions," he said, "but in general American education underwent a mindless continuation of the existing system."

DIRECTION: FEAR GIVING WAY TO NEW CONCERNS

Dr. Lifton and his staff at the Center on Violence and Human Survival have been monitoring the views of selected clusters of people on broad national issues for many years. But his current study, begun before the cold war ended, came up with a result that surprised him.

About 80 people from different social backgrounds in the New York area were interviewed in depth starting in 1987, and at the beginning "the fear of nuclear war we encountered was fairly widespread," he said, adding, "They spoke of a holocaust, the end of the world."

But Charles B. Strozier, co-director of Dr. Lifton's center, said that by 1990 "we began to note how that imagery was changing: Rather than fear of nuclear war, people began offering environmental images, fear of the greenhouse effect, the ozone layer and Chernobyl as dangers to the future."

Out of that, Dr. Lifton said, Americans appear to be turning their concern away from mortal enemies toward dangerous social problems instead.

But in the view of John Mack, a psychologist, it may not be so easy for the nation's leaders to follow.

Dr. Mack is founding director of the Center of Psychological Studies in the Nuclear Age at Harvard University. His studies convince him that in America, the cold war greatly exaggerated the human tendency "to judge ourselves by who we are and who we are not—male or female, good guy or bad guy, American or Russian."

That need, Dr. Mack says, is a central feature of the human psyche, and it grew far stronger because the other side was poised to strike with nuclear arms.

For the last 40 years, America's leaders have played on that, he said. But now, with the new era, how will the nation's leaders cope when "they can't find a reliable enemy to mobilize the nation any longer?" he asks.

With the enemy at last removed, Dr. Sizer wonders whether America can "be driven by a sense of our own ideals" without the additional impetus of fear of annihilation.

Or, as Dr. Mack asks, will the nation's leaders create new enemies instead? "Will we fall back," he wonders, "to the old easy way of divide and blame, mobilize the people out of fear?"

That is the looming question of America's new age.

□ 1220

DIRTY LITTLE SECRET ON PAGE 25

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House, the gentleman from North Dakota [Mr. DORGAN] is recognized for 60 minutes.

Mr. DORGAN of North Dakota. Mr. Speaker, we have heard a lot of discussion about the President's budget, and this is probably an 8- or 10-pound document with 1,400 pages, full of facts and figures, and uninteresting statistics. But there is a dirty little secret on page 25 that I want to show my colleagues and tell the country about today.

Mr. Speaker, page 25 is the first table that says: "Outlays, Revenues and Deficits." In other words, this is the President's spending plan for this year and the next 5 years.

Here is what President Bush, a conservative, wants next year and in the coming 5 years: "Here's what I want in spending revenue and deficits," and he says, "In this year, this budget year, I propose a deficit of $399.4 billion."

That is kind of surprising, but it is not nearly as surprising as the fact that, in order to get to that figure, the President ignored the law.

Mr. Speaker, the law requires, and I know because I wrote it and it got passed here in this Congress, requires the President to back out the surplus in Social Security when he computes the deficit. Why? Because, when we collect a Social Security tax, we are collecting a little more than now is necessary this year for Social Security because we know that 20 to 25 years from now we are going to need some money saved up because that is when we are going to have trouble. We are going to have the smallest number of workers supporting the largest number of retired people. So we decided to save for the future and create a surplus each year in Social Security.

So, Mr. Speaker, we are doing that. The law requires that the President cannot use that surplus to reduce the Federal deficit. That is what the law requires.

The President, in this document, says, "I don't care about the law; doesn't matter to me." He says to us, "The deficit this year is going to be $399 billion," but this year there will be a $74 billion surplus in Social Security, and he used that surplus to reduce the real deficit to get $399 billion. In fact, the real deficit this fiscal year is going to be $473 billion.

Now what does the President propose from this year on? Well, he proposes the same approach: Use the Social Security surplus—which is grand theft, my colleagues—to reduce the Federal budget deficit.

So, I will correct his numbers, as he should have, as the law required him to do, and read the numbers for my colleagues.

Next year, the Federal budget operating deficit he proposes, this conservative, is $442 billion out of balance. The next year after, $318 billion; the year after that, $315 billion; the year after that, 1996, $322 billion; and in 1997, $344 billion. Two point two trillion dollars in added deficits is what this President proposes in this budget; $2.2 trillion in 6 years. That is $366 billion a year, $1 billion a day, 7 days a week, all year long, that we are going to spend that we do not have.

Now that is what this President proposes. This President gives us a document and says, "Here's my document. It's my fiscal plan for the future of the country."

Do my colleagues know what this document says? It says, "I surrender on fiscal policy." This is the most outrageous surrender on fiscal policy in the history of this country. They ought to be ashamed of themselves for sending this kind of blueprint down to Congress. And Congress ought to be ashamed of itself if it decides to follow this nonsense.

Mr. Speaker, if this country does not get its act together and reconcile what it spends with what it raises and starts getting rid of these crippling deficits, we do not have a future.

Why are people losing confidence in this country? Because our economy rides on a cushion of confidence, and, when we spend $1 billion a day we do not have, people know that we are spending tomorrow's money and mortgaging our country's future. We will restore the confidence that the American people have in this country and in our Government when we get a President that is honest and a Congress with a little courage to follow good leadership. Until and unless that happens, we are not going to restore confidence in the direction this country is moving.

Now, I have said what I think about this budget. I hope Congress takes this budget and exposes its depressing secret on page 25 for what it is worth, and I hope Congress will move in a different direction, toward lower budget deficits.

One way or another, this country needs leadership, and, if it fails to get leadership, it will be mortgaging its future.

Mr. Speaker, I am happy to yield to the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Speaker, I thank the gentleman from North Dakota [Mr. DORGAN], my friend, for yielding. I share his concerns about the deficit. I think that we absolutely have to do something about it, and we can do something on the floor of this Congress, because the President cannot buy a pencil unless we give him the permission to do so.

But I think I have got the solution. As my colleague knows, for 38 consecutive years the House has been run by the Democrat Party, and the Democrats can say no to anything in that budget.

But the question I have is this: My friend from North Dakota, we talk about leadership. The President the other night from that podium asked the Congress to give him the line-item veto. Are you going to vote to give him the line-item veto?

Mr. DORGAN of North Dakota. Mr. Speaker, I appreciate the comments of the gentleman from Wisconsin [Mr. ROTH].

Mr. Speaker, I am one of those Democrats who believes that we ought to have a line-item veto. I do not think it would make a whit of difference in the deficit, even though I would vote to give the President the line-item veto. What difference would it make to a President that sends this stuff down to Congress that says, "For this year and the next 6, I want to spend a billion dollars a day I do not have, and I want to go to New Hampshire and claim I'm a conservative"?

What a crazy quiltwork of contradictory policy for the future of this country.

Now the gentleman from Wisconsin [Mr. ROTH] says the President cannot buy a pencil without this Congress' permission. There are three steps in the budget process: No. 1, the President by law sends this to Congress, this is his leadership; No. 2, Congress passes the appropriations bills; and No. 3, the President must sign or veto them, and the President's pen, that pencil or pen the President has, is worth two-thirds of all the votes on both sides of the body.

Yes, it is the President's fault, and, yes, it is Congress' fault. But this is not leadership coming from the President, and this country deserves decent leadership on fiscal policy.

One way or another we have got to resolve this deficit problem because this country does not have a future unless we get our spending priorities in order and stop these crippling deficits.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, since my election by the majority of the Democratic Caucus to the chairmanship of the Committee on Banking, Finance and Urban Affairs, before which, for some 10 years, I had been the ranking member of the committee, and over the span of my privileged service in this House, 30 years and some 4 to 5 months, I have belonged to the Banking Committee. So, when I assumed the chairmanship, I promised my colleagues that I would give them timely and consequential reports as to the activities of the committee's set agenda being under my direction. I said at the time though, "I think in a cynical world those words are lost," and I have always felt that the power of a chairman is inherent only really one way, and that is the power to set the agenda, set the course; offer the leadership in other words. After that, the rest under the rules, if faithfully followed, as they are intended to be democratically. When a roll call is ordered, the chairman's vote is just one, and that is it.

Now in the 30 years I have observed several chairmen before me, and I observed very keenly, and I saw the consequences of trying to abort that procedure or divert from the democratic processes, and over those 30 years I look back and see what were the results. Sure, they exercise power.

□ 1230

There are some lobbyists today and newspaper editors and trade press that say, "This chairman is too democratic," astoundingly. This is what was used in a Washington Post story about my activities, and in several of the banking trade publications who have been more prone to say that I am bizarre, or that, they do not use the word "peculiar" or anything, but they use another word, a synonym, to describe behavior of a man that does not cut his hair in accordance with the traditions around this place or in many other legislative centers. That is that I do not have fundraisers in Washington.

I try to refrain from accepting or at least limiting any kind of contribution, even if it is back home, from any particular entity or association or individual who has any business or is likely to with any type of committee activity which I may have been assigned to. That is about it. It is just something that I resolved as a matter of policy long before I came to the Congress when I served in the State senate of Texas, and believe it or not, where it started, 3 years on the city council.

If anybody thinks, any of my colleagues think, because I have been privileged to serve on all three levels, that virtue is in close proximity to the locality, let me disabuse their minds. If the spotlight has been or has been or would be on those local doings and their intricate relationships with the power structure in those cities and other elements, why, you would have more scandalous reporting than anything you read about on the national level. That is the way it is.

Cynics thought that when I said the only real power that I think I have a right to exercise is the power to set the course and set the agenda, that of course has not pleased some. Some were dissatisfied last year because they felt I had been too active, and others because I had called the shots as I saw them, and it happened to be those shots I called were based on testimony that was freely given before the committee and it reflected in other sectors. So there was no way that I could avoid that and give the accounting that I have promised my colleagues.

Today I rise in order to continue. In fact, the last time, which was several months ago, it was in connection with this subject matter.

Mr. ROTH. Mr. Speaker, will the gentleman yield?

Mr. GONZALEZ. Yes; I will yield to the gentleman.

Mr. ROTH. I thank the gentleman for yielding. Allow me to tell him that while I belong to this side of the aisle, to the other party, and am of a different political persuasion, I would compliment the chairman of the Banking Committee, because of all of the Members he is probably the most fair chairman we have in the House. I serve on the Banking Committee with him.

What I like more than his conscientious job that he is doing, I wish the House had listened to the gentleman over the years and we would not have the S&L mess. The American taxpayer would have been saved billions, and I appreciate that.

I think the gentleman would agree with me that he does come under the heading of that time-honored term, that honored term of Texas, as a maverick. I would say the gentleman from Texas probably is a maverick.

We do have a lot of work on the Banking Committee. The question that I would have of the chairman is, of all of the issues, and there is no committee more important than the Banking Committee to this House, of all of the issues before the Banking Committee, what is the key issue we have to address? We have so many of them.

Mr. GONZALEZ. Let me thank my colleague, the gentleman from Wisconsin [Mr. ROTH] for his very kind and generous remarks, which he has always expressed, in all truthfulness, and for which I am very grateful.

We may belong to different sections of the political spectrum, and we may also have perhaps different views on some of the issues, but to answer that question at this point would give rise to a little difficulty inasmuch as we have what I would say are more immediate issues that are not even being discussed. There seems to be no perception as to the gravity, the extent, the depth, the spread of the complicated problem that faces us just in the financial world.

The very much unique American deposit insurance system, nobody even mentions it, but the need for reform there has been long overdue because it has been distorted. Certainly the congressional intent has long ago been corrupted. You cannot have $3 plus trillion of insured funds in the commercial banking system alone and have an insolvent insurance fund without saying that it would be quite difficult to tell the people the truth, and that is that the Government could keep its pledge as far as insuring at a given moment. To me that would be No. 1.

We tried, in all fairness, and I was able to work with the ranking minority member, the gentleman from Ohio [Mr. WYLIE], in the three or four attempts we made during the markup on last year's banking bill to have a reform. It was a start. At least it would reduce the exposure of that fund as it has been allowed to improperly.

On top of that, we have reached a point of conjunction in our Nation's history where things have built up over 30 years that are not going to be resolved overnight. There is no quick push-button answer that I can find. It is complicated, just like the problem that built up over these three decades has been complicated.

Against that backdrop we have the economic situation of the country. The banking system cannot thrive if the economy is not, and vice versa, so that our challenge is great.

I want to thank the gentleman from Wisconsin [Mr. ROTH] for his willingness to serve on the committee in these difficult times. I do not know how much political mileage there is in being constantly recorded as having to do what seems to be absolutely necessary, and that is to provide the necessary funds to ensure the at least temporary actuarial soundness of the banking and insurance fund.

Now, I do not follow Member's individual records, so I am not prepared to say how the gentleman voted, but I do know that he has been one of the better attending members of the committee, and that I appreciate.

If the gentleman will forgive me, I am going to divert to stick to the issue on hand, because it is a rather lengthy presentation.

In 1975 I was not anywhere near the top of the structure of the Committee on Banking, Finance and Urban Affairs, but back home I soon discovered a very disturbing and troubling pattern involving international flow of money that was not accounted for by anybody. That was beginning to filter into the safety and soundness of some of the financial institutions, such as a couple of S&L's and one or two banks.

I persuaded, with a lot of effort, to finally get the chairman of the subcommittee that had jurisdiction to come to San Antonio, my hometown, and hold 2 days of hearings. As a result of those hearings we did uncover some very disturbing facts. I got the compliments of the stable and long-time members of the financial community, because they also had been apprehensive.

It was not until 3 years later that we got, in 1978, the first international banking law enacted. It took 3 years. Then it was inadequate from the beginning. It was difficult. If it is difficult today, you can imagine how much more difficult it was in 1978. Anyway, it was a beginning.

With great distress I noticed through the years that some of the individuals that we had brought out in the course of those hearings, for instance, one from the State of Louisiana, were later involved in what we call now the S&L scandals, so that there is always cause and effect in these areas.

□ 1240

What I wanted to say though is that the gentleman is quite correct. At the bottom of almost every event in human history and modern history, not only in our country but throughout the world, is finances.

It is interesting to note, my colleagues, that the day the hostages held in Iran so atrociously, an event that had not happened since before the Middle Ages, where you had that kind of hostage of diplomatic emissaries, when they were released on January 20, 1981, they were released after a Federal Reserve official in New York, in New York, in the New York bank, pressed a button and released several billion dollars in London to the folks in Iran.

It is interesting to note that this last release happened after a payment was made, which had been for some time disputed. We were supposed to have had an international commission adjudicating or presiding over these claims, but I think the cause and effect there is very obvious.

What I do not think our folks in the United States have ever gotten is a full and complete report of all of those financial dilemmas that led to the taking of the hostages. It involved about 10 billion dollars' worth of banking investments from the United States.

In any event, it is sad to think that at this moment that I speak we have somewhere around $800 billion in this country in foreign money, international money, and nobody really knows how to keep track of it right now, even after the amendments that we passed this last year out of the House on November 27, and then the conference report, and finally signed by the President sometime after that.

We are the only country of any size or industrial worth that does not have anything like a screening board. Even Canada has one. We do not have any monitoring or regulatory power to oversee this, or even a little chunk of it, and $800 billion is a lot of money. Not all of it is legitimate, but just a chunk of it is highly leverageable. It can be leveraged in a matter of minutes electronically to such things as drug money laundering.

I can assure you what I have been saying for over 20 years that the kind of crime, particularly drugs and all that goes with it, would not be possible in our country unless there was a tie-in between that particular criminal element, the otherwise political or officialdom, and the financial or business sector.

So today we have over 25 percent of our total financial or banking assets that are owned by foreign entities.

The difficulty here is to try to convey even to our regulators how different it is when any of these banks that are called international banks are headquartered in the United States, and then charter agencies in several of the other States, which agencies are chartered by State banking commissions.

What is not realized is that every one of those banks are State-owned. The one I am going to speak of, which I want to give this background for understanding on, is one that is owned by the Italian Government.

For a year and a half, in fact, it has been a year and a half that we first had hearings by the Committee on Banking, Finance and Urban Affairs, on the activities of the Banca Nazionale del Lavoro, or the BNL, in the United States.

In the course of that investigation we have learned that BNL provided over $4 billion in what appears to be illicit loans to the Government of Iraq. While about half of these loans went to purchase food commodities, it is less well-known that about half was used to finance Iraq's efforts to build a self-sufficient military industry, an industry that could build missiles, one that came close to developing nuclear arms, one that did produce chemical weapons, one that could build a super gun capable of unprecedented range, as well as produce conventional weapons.

I have taken this time to report, as I have promised and repeat that I promised, on these activities of the committee and its findings.

Last fall in a report to Congress the President reported that no United States company contributed directly to Iraq's conventional or nonconventional weapons capability. In fact, however, Iraq operated an extensive clandestine procurement network that obtained critical financing through the BNL and that operated in this country to procure United States technology and know-how for Iraqi weapons programs.

I have written the President to advise him of this finding and to ask that he cooperate fully in our efforts to develop all of the facts. Unfortunately, the committee has met with many obstacles in its efforts to determine how Iraq used BNL and other sources in this country to develop important military technology.

Despite the unfortunate obstacles, we have learned a great deal. I hope that President Bush will now order complete cooperation as we seek to determine the full facts. I hope also that the President will issue a report of his own correcting the report sent to the Congress last year.

We know and have documentation and have had it since last year showing quite a number of American firms and corporations that did do business and did afford this kind of help.

Pending further study, I do want to describe what the committee knows about the Iraqi procurement network, how it operated, and how United States firms directly participated, wittingly or unwittingly, in the Iraqi effort to develop weapons of mass destruction.

But before this, let me say that it was not until 1983 when President Reagan removed Iraq from the list of terrorist nations that the green signal went out from the State Department, from the Commerce Department, and almost on every level, to have substantial commercial intercourse with Iraq. This was in 1983, and that started when Iraq was removed by President Reagan from the terrorist nation list.

I intend to produce a report on all of the committee's findings. But in the meanwhile, I will provide through this forum further information as warranted, beginning today.

Already the committee's work on BNL has resulted in major legislation to require more effective regulation and oversight of foreign banks operating here. That was because of last year's amendments to the Banking Act.

However, it is likely that more needs to be done. In fact, I will say categorically it needs to be done. I am in fact developing a new bill that would encourage multilateral lending institutions, the World Bank and others, to pay close attention to the need to prevent the further proliferation of sophisticated weaponry in countries like Iraq that depend on those institutions for basic economic health.

Therefore, this investigative effort has important legislative goals. The Government of Iraq, operating with BNL financing and using a secret procurement network, was able to obtain assistance through the Export-Import Bank.

This network obtained $2,155 million in loans from BNL alone for militarily useful products, specialized machinery, various kinds of steel, industrial equipment, chemicals, computers, and other items.

In addition, BNL financed $2 billion worth of agricultural goods through the Commodity Credit Corporation Program. Taxpayers are going to have to pick up that tab, and it amounts to somewhere around $2 billion, and that does not include over $200 million from the Export-Import Bank guarantees.

It was an early objective of Saddam Hussein to become an independent producer of arms, including nuclear weapons and the missiles necessary to deliver them.

□ 1250

The world already knows that he used chemical weapons freely against his own people. It is likely that he would have used them in the gulf war had he not feared retaliation. In any case, he came close to many of his objectives—close to producing nuclear bombs, close to building a supergun, and close to producing sophisticated missiles. Indeed, he did build chemical weapons, he did build enhanced Scud missiles, and he did use them.

The war against Iran interrupted the indigenous Iraqi weapons program, since the money was needed to buy finished military goods to fight in that long and extremely bloody war. But once the war was over, Saddam immediately started his full-scale weapons development and production program.

The major United States source of credit for food and weaponry was BNL—a bank owned by the Italian Government, which had offices in this country, most notably in Atlanta, GA, but not exclusively there. A number of persons who operated that office, and others who dealt with it, have been indicted for their crimes. Some have been convicted. But to date, the American people know little about how Iraq operated in this country to attain its illicit goals.

Iraq could not achieve its aims without Western help. Saddam needed more than U.S. food. He needed technology, equipment, and supplies that were available only in the West. Despite the official obstacles, he found little difficulty in getting what he wanted.

The military procurement system of Iraq, like the rest of the Government, was tightly controlled. At the top was the Council of Revolutionary Leadership, headed by Saddam Hussein and close family members. This was the center of power.

Below the council, in what we might think of as a cabinet department, was the Military Industrialization Board [MIB], which planned and oversaw the effort. This board was in all likelihood headed by Hussain Kamil, who is Saddam's son-in-law.

Day-by-day operations of the Ministry of Industry and Military Industrialization, which I will refer to as MIMI.

MIMI in turn used a series of stated-owned organizations to buy and build the military power Saddam desired for Iraq. There were at least a dozen organizations operated by MIMI that bought Western technology and goods for the weapons program. It was MIMI and its affiliates that used the $2.1 billion of credit supplied by Banca Lavoro. As a matter of fact, employees of the bank met with Hussain Kamil on several occasions during visits to Iraq. Clearly, this is the man who called the shots on how BNL funds were used.

Hussain Kamil, let it be understood, had other functions. Besides heading the MIB and MIMI he was also head of the Secret Service Organization [SSO]. Through this organization, he set up the clandestine technology procurement network that was essential to Iraq's success. A key member of the Secret Service Organization was Safa Al-Habobi, who had direct responsibility for making the procurement scheme work. Safa Al-Habobi was the mastermind behind MIMI's procurement efforts.

Once a year, the MIB would set goals. The MIMI would ascertain what was needed to meet the targets, and then set out to obtain the necessary goods.

Here is an example of how the system operated:

A military plant in Iraq known as the Martyr's Factory needed a computer numerically controlled lathe to meet its production goal, which required production of complex machined metal parts. The MIB got the order from the factor and forwarded it to the Iraqi Embassy in Germany. The Iraqi Embassy in turn forwarded the order to front companies controlled by the SSO in the United States, United Kingdom, Germany, and Italy. The front companies obtained bids, which were communicated back to the arms plant. The plant in turn decided which, if any, bid to accept, went back up the ladder for approval and got the goods, the delivery of which often depended on BNL financing.

There are thousands of examples of this type of transaction.

UNITED STATES ASSISTANCE TO IRAQ'S MISSILE PROGRAM

The MIMI used an organization known as the Technical Corps for Special Projects, or TECO, for its sophisticated missile and nuclear development efforts. Through TECO, Iraq was able to obtain important United States help in these programs, including the Condor II, which in Iraq code was referred to as project 395.

The Condor II apparently started in 1984 as part of an effort by Iraq, Egypt, and Argentina to jointly develop a missile that had a range of between 500 and 1,000 kilometers.

Argentina was to provide the development of the production site, Iraq was to put up the financing, and Egypt was to procure the technology. A consortium of mostly European firms handled various portions of the project. However, by 1987 or early 1988, Iraq became unhappy with the slow pace of the project and suspicious that is partners might be siphoning off some of the billions invested. In addition, in summer 1988, Abdel Kader Helmy was arrested in California for illegally transferring technology for the Condor II to Egypt. His role is more fully described in excerpts from trial-related documents that I will include in the record.

By 1988, Iraq was taking a much greater role in the Condor II project. Through TECO, which remember was a MIMI affiliate, agreements were signed with many of the original contractors who had worked in the consortium. At that time, TECO assigned the designation project 395 to the Condor II Program.

Project 395 had at least three sites in Iraq, each of which has a different function and its own project number. In addition, a missile R&D site was erected in northern Iraq. Despite all efforts, though, the Condor apparently was not mass produced in time for the invasion of Kuwait in August 1990. However, it is clear that much was done, and that BNL loans were vital to the program, and that numerous Western sources, including companies from Europe and the United States took part.

As many Members know, a Cleveland company known as Matrix-Churchill was an Iraqi front company. TECO was the controller of that company.

To illustrate the role played by Matrix-Churchill, I offer for the record a telex from TECO to Matrix-Churchill detailing a visit from a Baghdad delegation. The purpose of the visit was to have TECO employees meet with over a dozen U.S. companies that were expected to supply goods to the Condor II Program, known also as project 395, but referred to for purposes of obtaining the goods as the Badush Dam or Badush project. The date of this telex is August 6, 1988.

There was in fact a dam being constructed in the general area, but there was also one or more missile-related facilities in the area of the dam. It is certain that goods supposedly bought for the dam were actually used in the missile program. The committee has many shipping documents that clearly show the buyer was TECO and project 395 was the destination.

Among other companies that shipped to the project were these:

Mack Truck, Pennsylvania, tractors, trucks and trailers;

Lincoln Electric, Ohio, welding machines and supplies;

Rotec Industries, Illinois, cement handling equipment;

Hewlett Packard, California, computer systems;

EMCO Engineering, Massachusetts, water treatment facility

IONICS, Massachusetts, water demineralization plants and water pumping systems;

Dresser Construction, Illinois, construction equipment;

Mundratech, Ltd., Illinois, dump trucks;

Caterpillar Tractor Co., Illinois, tractors/earth movers;

Grove Manufacturing, Pennsylvania, truck mounted cranes;

Ingersoll Rand Co., New Jersey, cement compacting machines;

Liebherr-America, Virginia, Liebherr cement mixers on Mack truck chassis; and

Mannesmann Demag, Illinois, heavy construction equipment.

□ 1300

The foregoing is not a complete compilation, just a sample, since there are numerous documents yet that we have to finally review and precisely fix. However, it is an indication of how a foreign government can use secret methods to obtain important help for the development of military projects taking advantage of our open market.

Project 395 is not the only one involved. There are two other Iraqi missile programs known as Project 144 and Project 1728 that also obtained United States help. These were Scud related programs. It was a Scud that was launched against U.S. troops and numerous other targets during the gulf war. And as Members will recall, some of our American servicemen and women died during that attack.

The Iraqi network was also responsible for obtaining technology related to more conventional weapons such as artillery shells and artillery pieces as well as nuclear weapons related procurement. The Government has in its hands thousands of Matrix Churchill documents, but it has not yet reviewed them. The hard fact is there are not enough personnel assigned to do the job. But these are the documents that show clearly what the Iraqi network was and how it operated as well as the importance of the BNL financial support. Today there is no higher priority than to prevent the spread of sophisticated weapons to countries like Iraq, and yet there is not an adequate effort even to determine what went wrong in the case of Iraq so that the lessons can be learned. There are hundreds of cases in which the exports of Iraq required United States export licenses. The export licenses and documents show that the end user was often times an establishment engaged in military activity. Nevertheless, it is clear that Iraq had little trouble in getting the license from the Department of Commerce.

Moreover, in the case of TECO this occurred despite the fact that the Department of Commerce and the Department of State had clear knowledge of what CECO was and what its purposes were.

Why do I say this? You might ask, my colleagues, what about the CIA? We thought this was our vaunted intelligence gathering agency for which we appropriate untold and still publicly undetermined billions of dollars. They knew. And here is the pathetic thing. The intelligence agency served its purpose. It knew all about this. But whatever it brought forth was either ignored or canceled by the State Department level or the Department of Commerce level and by other individuals who had been involved in some of the commercial and financial backgrounds, including highly placed individuals in the administration today, very high, specifically the National Security Adviser and the present Deputy Secretary of State. He was even on a Yugoslavian bank board.

Why should our committee have been refused so much of the documentation we have requested all up and down the line? First, we had the Justice Department under Attorney General Thornburgh not only stonewall us, and I put the letter in the RECORD some time ago in which he defied the committee to continue any kind of hearings and said, "You should not have any hearings, and we are shocked and disappointed that you insisted on having hearings." It is all a matter of record.

All I have asked is here is the Congress and the Congress has abdicated enough in almost every other level, and this is a direct consequence of what we are now facing, a conjunction of vast, huge dimensions of deeply rooted problems that have to do with the continuing solvency of our country, our system of Government, our economic and financial independence. It is under great threat, and it pains me to see a person who has raised his voice every one of these 30 years, everyone here, to a silent Chamber, but it is on the record. It is not what I am saying now. That is why I came to the floor, so it would be on the record.

Today we are on the edge of a precipe. I would go into what trouble my mind and my soul more than anything else since 1979, and that is the fact that the United States, facing an almost debauched currency, the value of our dollar has declined 60 percent in 6 years. How can we continue that?

When my Members ask me what is the single thing that I feel if I could use one word that is the most direly needed thing for this country, I would answer with one word, "solvency," "solvency." We are bankrupt. We became a debtor nation for the first time since 1914 and 1985.

And what did we hear from these halls? Nothing. My voice, and I am not bragging about it. In fact, I reluctantly say this. It causes no end of frustration that I feel that it was the only voice since August 1979 that was discussing such things as the European currency unit, the ECU, and the European monetary system, the EMS.

Today when I say that the dollar, and maybe it is one man's opinion, but I have not heard anybody of serious consequent dispute me, that we are in imminent danger of the dollar being replaced as the international reserve currency. That sounds like a lot of words, but what it means is that for the first time in our history, and we are not the only nation that has had the great privilege to be able to pay its debts in its own currency, and we are faced with the loss of that. It means that this huge, monstrous debt we have piled up on the governmental level, on the corporate level which is as great as the governmental level, and private, you and I, will have to be paid back in somebody else's currency. Forget about economic freedom, forget about our vaunted standard of living. Yes, we are beginning to worry now. We are beginning to see the intractability of the so-called recession which we said over a year ago would be intractable.

The whole course since World War II could have been charted on a graph. But to what avail was it to raise a voice over those lonely years? It was like a coyote out in the brush world in the Southwest howling to the Moon at midnight, and that is what I have often pictured myself as doing. But by golly, no matter what criticism, then or now, I am a profoundly grateful man. We live in a cynical world and so many people want to know what is his angle, and that is the trouble today on almost every level. The so-called leaders or those who want to be leaders want to figure out the angle, not the problem. And we have to start getting to digging out the problems. We should have been doing that 30 ago years and anticipating. It was obvious from the statistics that show that as late as 1956 or 1955, but certainly since the early 1950's our country was producing over 80 percent of the world's goods. Today it is not even 16 percent. That was foreseeable. Certainly we would know that the day would come when there would be a recuperation and a resurgence of Europe and Japan. But we, willy-nilly, in our smugness and complacency, and as Shakespeare so aptly said, when a nation becomes arrogant in its folly it becomes a laughing stock. What do you think for so many years folks outside the United States called us, do you think they called us Uncle Sam? They did the same thing they did after World War I. We are Uncle Sap, we are patsy.

□ 1310

So there is no higher priority I know of even in this fragmentary fashion than to prevent the spread of sophisticated weapons to countries like Iraq and others, but we have already gone out and embarked, and we have sold more weaponry in the Middle East since March 1991 than ever before, we ourselves.

But it is clear that Iraq had little trouble in getting those licenses. But if you have powerful voices, either industry voices enmeshed with the political or the governmental, who is going to resist that?

It is painfully clear that the export licensing system did little or nothing to prevent Iraq from getting the goods it needed for its weapons program even though the State and Commerce Departments were adequately informed of the real nature of the buyer.

The Iraq Sanctions Act required the President to submit a report to the Congress on the sale, export and third party transfer of nuclear, biological, chemical and ballistic missile technology to or with Iraq. The report submitted to the Congress is classed as secret. However, there is little information in the report that is not already published and in the public realm as always.

The American people, with all the secrecy, are the only ones that do not know. Everybody outside of the United States long ago has known.

But the significant fact is that the report was at the very least misleading in its conclusion that United States companies were not directly involved supplying Iraqi conventional and nonconventional weapons capability.

That is the question I always asked: If something is so good, why do you keep it secret? If the report has nothing there but shows a diligent job by those in power, why, you want to publicize it; you do not want to hold it a secret.

As in the case of every other occurrence I have ever witnessed as a public elected official since serving on the city council, and that is 38 years and 8 months ago, 9 months ago, I have never seen any reason for anything, anything not being shouted from the rooftops.

Now, I have not been a member of intelligence committees. I have not been a member of a military. Maybe there are some areas there. I do not know. But I doubt it.

I read the foreign press, and I have read articles about things that were in great detail outlined that we were told were sensitive, secret here.

Pursuant to Resolution 687, the United Nations mandates the "destruction, removal or rendering harmless" Iraqi weapons of mass destruction. This would include any missiles with a range of more than 150 kilometers, missile components and support facilities—for example the enhanced Scud and the Condor II.

Incidentally, some 6–7 months ago, maybe a little bit longer, Syria obtained 300 of the improved Scuds. Guess from whom and through whom. They were funneled through North Korea, right now, advanced, much improved so-called Scuds.

Resolution 687 of the United Nations, as I just said, and the task assigned to it is in charge of a United Nations special commission, and the International Atomic Energy Agency, or IAEA, which, as the world knows, has encountered harassment and obstruction from Iraq. Despite this, the United Nations has obtained information that confirms the committee's own findings about the procurement system and how U.S. firms were used.

The committee has asked for the relevant U.N. documents, but these are available only through the request of the State Department, and the State Department has already stonewalled us enough.

Strangely enough, the administration has been slow to ask for the information. Last November 13th, I asked Secretary Baker to obtain the documents and provide them to the committee. Thus far the Secretary has not responded—has not made the request and has not explained why there has been no action on the part of the administration. I include the November 13 letter in the RECORD at this point:

COMMITTEE ON BANKING, FINANCE
AND URBAN AFFAIRS,
Washington, DC, November 13, 1991.

Hon. JAMES A. BAKER III,
Secretary of State, Washington, DC.

DEAR SECRETARY BAKER: The Committee on Banking, Finance and Urban Affairs is conducting an investigation of Banca Nazionale del Lavoro (BNL) which provided Iraq with over $4 billion in loans during the latter half of the nineteen eighties. The Committee respectfully asks for your cooperation with this investigation.

Specifically, the Committee is investigating how BNL loans were used to provide Iraq with the technology and know-how necessary to produce weapons of mass destruction. To date, the Committee has identified over 200 beneficiaries of BNL loans to Iraq. Many of those companies have been identified as providing Iraq with technology or know-how to produce conventional or nonconventional weapons.

As you are aware, United Nations Security Council Resolution 687 mandates the "destruction, removal or rendering harmless" of Iraq's weapons of mass destruction. The Committee has been in contact with the organizations responsible for achieving that mandate, the International Atomic Energy Agency (IAEA) and the United Nations Special Commission (U.N. Special Commission).

The IAEA and the U.N. Special Commission have both informed the Committee that they have compiled a list of companies, including numerous U.S. firms, that may have supplied Iraq with the technology and know-how necessary to develop conventional and nonconventional weapons. Both have stated that they are not authorized to provide the Committee with the names of these companies.

While the IAEA and the U.N. Commission did state that the "lists" are available to U.N. member countries, they informed the Committee that the United States Mission to the U.N. has not formally requested copies of the lists.

Why has the State Department failed to formally request a copy of the IAEA and U.N. Special Commission lists of U.S. companies that may have provided Iraq with the technology and know-how to develop weapons of mass destruction? The Committee understands that the IAEA and the U.S. Special Commission have not completed their work, but both the IAEA and the U.N. Special Commission have lists available at this time.

So that the Committee may learn more about the implications of BNL loans to Iraq, especially those used to enhance Iraq's weapons capability, please request the IAEA and the U.N. Special Commission lists and forwards a copy of them to the Banking Committee by the close of business, November 22, 1991.

Questions regarding this request should be directed to Mr. Dennis Kane. Mr. Kane has a "Top Secret" security clearance from the Department of Defense and the Committee has a CIA-approved secured safe to protect the confidentiality of this information.

Thank you for your consideration of this request. The Committee looks forward to your timely reply.

Sincerely,

HENRY B. GONZALEZ,
Chairman.

It is unacceptable that the administration will not obtain information that it needs to support its own policy. Neither has it assigned the personnel required to thoroughly evaluate its own documents concerning Iraq's weapons program and how it worked.

We know that Saddam Hussein came close to meeting his goals. We know that other nations are no doubt engaged in the same kind of activity, and that they must utilize sources of technology that are available only in this country. And yet there is no apparent aggressive effort underway to learn the lessons that the Iraq episode offers, and to take the steps necessary to see that it does not happen again.

The documents I am submitting are a fair start toward necessary understanding. There is far more to be told.

But today I simply want my colleagues to know how Iraq worked, and I support this with the evidentiary documentation we have obtained which I have asked permission to enclose, and I enclose, at the end of the RECORD.

In later reports, I will discuss other aspects of the Iraqi program, what our Government knew, and how it responded. But for today, these are the essential facts:

First, Iraq determined early in Saddam Hussein's rule to become independent of Russian and Western sources for sophisticated weapons;

Second, Iraq developed a carefully controlled system to develop and build chemical and nuclear weapons, and to build missiles capable of delivering those weapons;

Third, Iraq used a clandestine procurement network in its efforts;

Fourth, Iraq controlled companies in this country that supplied important support to the weapons program;

Fifth, Iraq used United States companies in that effort;

Sixth, the Commerce Department, with the acquiescence of other agencies, readily licensed the export of militarily useful goods to Iraq, even though it clearly knew or should have known what the real purpose was, and they did know, because not only the CIA but the military intelligence and the Defense Department advised them that these had potential military use;

Seventh, the President submitted an inaccurate report to the Congress concerning these matters; and that is why I rise here today, my colleagues; and

Eighth, the State Department has thus far refused to obtain relevant information from the United Nations on the Iraqi weapons program, and moreover, like other agencies, seems to put a low priority on learning from this episode.

Information referred to follows:

COMMITTEE ON BANKING, FINANCE
AND URBAN AFFAIRS,
Washington, DC, January 31, 1992.

Hon. GEORGE BUSH,
The President of the United States, Washington, DC.

DEAR MR. PRESIDENT: On November 5, 1990, you signed into law the "Iraq Sanctions Act of 1990" as part of Public Law 101-513. The Iraq Sanctions Act contained a provision requiring you to conduct a study and report on the sale, export, and third party transfer or development of nuclear, biological, chemical and ballistic missile technology to or with Iraq. Pursuant to that Act, you issued a report to Congress in the Fall of 1991 concluding that U.S. firms did not contribute directly to Iraq's conventional and nonconventional weapons capabilities. The report to Congress is clearly inaccurate. In fact, numerous U.S. companies provided critical support to Iraqi weapons programs, including missiles.

Over the past year, the Committee on Banking, Finance and Urban Affairs has been conducting an extensive investigation of the activities of the Atlanta branch of the Italian government-owned Banca Nazionale del Lavoro (BNL). The Atlanta branch of BNL loaned over $2 billion to an Iraqi military technology procurement network that was operating in the U.S. and Europe. The Committee has clear evidence showing that dozens of U.S. firms played a critical role in Iraqi weapons programs. The Committee has learned that responsible agencies have not thoroughly reviewed thousands of relevant documents because of inadequate resources.

For example, documents I am transmitting with this letter indicate that numerous BNL-financed U.S. firms were directly involved in the development of a ballistic missile known as the Condor II. The code name that the Iraqi government assigned to the Condor II missile program was "Project 395." The Committee has evidence revealing that over a dozen U.S. firms were directly involved in Project 395. The equipment and technology supplied by U.S. firms involved in Project 395 were used to construct part of the infrastructure (e.g. buildings, utilities, fortification, etc.) necessary for Iraq to mass produce the Condor II missiles.

The Committee also has evidence indicating that U.S. firms were involved in several other Iraqi missile programs code named Project 144 and Project 1728. These programs both involved the production of a modified Scud missile. Several U.S. companies supplied materials for these projects. These are the same Scud missiles used during the Gulf War to attack both American troops stationed in Saudi Arabia and civilians living in Israel.

The Iraqi organization responsible for Project 395 and the Scud modification projects is called the Technical Corps for Special Projects (TECO). The Commerce Department approved numerous export licenses for U.S. and foreign firms even though TECO was listed as the end-user. Moreover, these licenses were issued despite the fact that the Commerce and State Departments had ample knowledge of TECO and its activities at the time these licenses were approved. The Committee has grave concerns about the export licensing process and is investigating how the Commerce Department could have approved such licenses to Iraq.

Various agencies within the Administration unfortunately have hampered the Committee's investigation of BNL and its role in funding Iraqi weapons of mass destruction. On November 13, 1991, I wrote to the Secretary of State, the Honorable James Baker, asking him to provide the Committee with information on American companies involved in Iraqi weapons programs which was compiled by the United Nations (U.N.) and the International Atomic Energy Agency (IAEA) after the cease fire with Iraq. To date, the Secretary of State has refused to supply the Committee with this data. In fact, Secretary Baker has refused to ask these organizations for this information.

In addition, the Iraqi technology procurement network in the United States has not been fully identified by the Treasury Department. At least one U.S. company, Tigris Trading, Inc., located in Pittsburgh, Pennsylvania, is owned by an Iraqi national, Safa Al-Habobi, who has been indicted for his role in financing the Iraqi war machine with the use of BNL loans. It is common knowledge that Al-Habobi was a major figure in the Iraqi military technology procurement network.

The Committee also has evidence indicating that there may be at least a half dozen additional Iraqi-controlled companies that have not been properly identified. These companies may still be operating as part of the secret Iraqi procurement network. At a minimum, these companies either wittingly, or unwittingly, offered the Iraqi government an ownership interest in their business.

Mr. President, in light of the findings of the Banking Committee, and the ever growing threat of countries like Iraq who are seeking to covertly develop weapons of mass destruction, I trust that you will do everything within your power to learn the full truth about the U.S. role in helping Iraq develop conventional and nonconventional weapons capability. The American people have a right to know the truth.

I also respectfully request that you instruct the appropriate agencies to be forthcoming in assisting the Committee with its investigation.

I feel certain that you will want to submit a new report to Congress that reflects the true role played by U.S. companies and Federal agencies in permitting the transfer of technology and know-how to Saddam Hussein's war machine.

Thank you for your time and consideration. I look forward to working with you to curb the international proliferation of technology and know-how necessary to build weapons of mass destruction.

With best wishes.
Sincerely,
HENRY B. GONZALES,
Chairman.

Attached is a document from the Helmy trial giving a brief overview of the Condor missile. By 1989, Iraq had begun development of its own version of the missile referred to as Project 395.

DEFENSE INTELLIGENCE AGENCY,
Washington, DC, September 19, 1989.

Subject: Assessment on the Activities of Abdel Kader Helmy, et al. and the Egyptian/Iraqi Condor Missile Program.

U.S. ATTORNEY, EASTERN DISTRICT OF CALIFORNIA,
U.S. Courthouse, Sacramento, CA.

1. This office became aware of the activities of Dr. Abdel Kader Helmy and his associates in June 1988. Acting at the request of the U.S. Customs Service, DIA assisted U.S. investigators with technical and intelligence expertise in the area of missile technology and proliferation to the Middle East. As a result of the review of the documents provided to this office, DIA offers the following pertaining to the activities of Dr. Helmy's group.

2. The list of items/materials being sought by Dr. Helmy is entirely consistent with items necessary to support the manufacture of a ballistic missile. Specifically the chemicals, when combined into one list, are most likely to be found in a facility which manufactures composite solid propellant motors. The carbon based blocks and cones were most probably for use on the nose of the missile warhead. The carbon phenolic tape has numerous uses including the thermal wrap of rocket motor casings or nozzles, while the maraging steel is of the particular grade commonly used in rocket motor casings production. A review of the materials and the technical manuals which Dr. Helmy was obtaining can result in only one opinion, that Dr. Helmy was procuring materials to support the production of a ballistic missile.

3. The Egyptian Ministry of Defense, working with financiers from Iraq, have contracted with the Argentines to produce a ballistic missile capable of carrying a warhead of 500 kilograms up to 1,000 kilometers in range. This missile is most commonly referred to as the "Condor" missile. The Condor missile meets the minimum criteria set forth in the Category I of the Missile Technology Control Regime (MTCR). The Condor program has been closely monitored by the seven member nations of the MTCR (United States, Federal Republic of Germany, France, Canada, Great Britain, Italy and Japan) who are responsible for monitoring world wide missile proliferation activities. This specific missile would represent a significant improvement over currently assessed missile capabilities of Egypt. DIA believes Dr. Helmy was procuring these materials for the Condor missile.

4. The Condor missile program has been ongoing since at least 1984. The progress has been slow due in part to the lack of indigenous technology and the need to covertly acquire the technology/materials used in production of ballistic missiles abroad. The activities of Dr. Helmy are consistent with observed activities, sponsored by Egypt and Iraq, to facilitate the production of the Condor missile. Without the activities of Dr. Helmy, and his co-conspirators, in procuring restricted technology, completion of the Condor missile program is doubtful. Dr. Helmy's apparent willingness to provide critical materials necessary for the production

of the Condor missile was important to the long term goals of establishing an indigenous ballistic missile production capability in Argentina, Egypt, and Iraq.

5. DIA believes that the introduction of a ballistic missile, capable of carrying conventional, chemical, or nuclear warheads, into either Egypt or Iraq would increase regional tensions and add further fuel to the regional arms race. Israel and Iran, the perceived adversaries of Egypt and Iraq, would most surely respond to these acquisitions in an escalating posture, by considering preemptive strikes, starting or accelerating anti-ballistic missile programs or acquiring an equal or greater number of ballistic missiles. The potential regional destabilization which might have been caused by Dr. Helmy's activities would be damaging to U.S. interests and peace efforts in the region.

MICHAEL R. HIGGINS,
Technology Security Intelligence Analyst.

In the attached telex, the Technical Corps for Special Projects [TECO] informs the Iraqi front company in Cleveland, OH, called Matrix-Churchill Corp., that a TECO delegation from Baghdad will arrive in the United States on August 6, 1988.

The reason for the TECO visit that August was to meet with over a dozen U.S. companies to discuss their involvement in a phase of Project 395 referred to as the Badush project or the Badush Dam.

Project 395 is the Iraqi designation for the Condor II ballistic missile program.

AUGUST 6, 1988.

From: Technical Corps for Special Projects—Project 395.
To: Matrix—Churchill Corp.—5903 Harper Rd., Cleveland, Ohio.
Subject: Badush Project.

Ref: Our Tlx No. 3889 on 20.7.88.

Our delegation is arriving Washington on Aug. 6. 1988 by (PA) flight (107) from London. Commercial office of the Iraqi Embassy is arranging accommodation.

Pls contact all manufacturers mentioned in our A/M tlx. and inform them of the arrival of the delegation ask them pls to contact the delegation through the commercial office of the Iraqi Embassy. The following additional manufacturers are also to be contacted by you.

1. Manradtech Lltd, USA, 7147 Pebble Park Drive, West Bloomfield, MI 48033. Phone: (313) 851-2226. Time and date of discussion 9th-Aug. 1988 (4 pm).

2. Dresser Hallpak Division. P.O. Box 240, Peoria, Illinois, 61650-0240, 2300 N.E. Adams Street, Peoria, Illinois 61639. Phone: (309) 672-7000. Time and date of discussion 9th-Aug. 1988 (9 am).

3. Dresser Construction Eqpt. Divs., 755 S Milwaukee Avenue, Libertyville, Illinois 60048. Phone: (312) 367-2000. Time and date of discussion 9th-Aug. 1988 (10 am).

4. Dresser Leroi Divs., North Main Avenue and Russel Road, P.O. Box. 90, Sidney, Ohio 45365. Phone: (513) 492-1171. Time and date of discussion 9th-Aug. 1988 (9 am).

5. Lincoln Electric Company, 22801 St. Clair Avenue, Cleveland, Ohio 44117-1199. Phone: (216) 481-8100. Time and date of discussion 9th-Aug, 1988 (4 pm).

6. Mayfair Atrium Bldg. Suite 400, 10400 West North Avenue, Wau-Watosa, Wisconsin 53226. Phone: 414-256-7932. Time and date of discussion 9th-8-88 (3 PM).

7. Mannesmann Demag Corp., Construction Machinery Division, 476 Country Club Drive, Bensenville, Ill. 60106. Tel.: 312-7664-431, 312-7664-906. Tlx. 270452. Fax. 7667-549. Mr. R. Hammer. Time and date of discussion 12th-Aug. 1988 (4 pm).

8. Sumitomo Corporation of America, Head Office, 345 Park Ave., New York, N.Y. 10134, U.S.A. Tel. 212-207-0700. Tlx 12311 (12311 Sumitomo NYKA) (WUD), 420516 (Sumisho A 420516) (ITT). Fax 212-688-1579, 212-207-0456. Time and date of discussion 11th-Aug. 88 (4 pm).

9. Sumitomo Corporation of America, Washington Office, Suite 703, 1747 Pennsylvania Ave. NW., Washington DC, 20006 U.S.A. Tel.: 202-785-9210-3. Tlx 89587 (Sumitomo WSH) (WUD). Fax 202-861-0690. Time and date of discussion 11th Aug. 88 (4 pm).

10. Liebherr-Aemrical, Newport News, Virginia. Tel 804 245-5251. Mr. Starmans, Mr. Jacobsen. Tlx 6711744. Fax 804-245-5263. Time and date of discussion 10th-Aug. 88 (9 am).

11. Equiparts International Inc., P.O. Box 2, Elizaville, NY 12523. Tel. 914-756-2891. Fax 914-756-2979. Mr. J.P. Singh. Time and date of discussion 12th-Aug. 88 (4 pm).

12. Mack Trucks, Inc., 2100 Mack Blvd., P.O. Box M, Allentown, PA. 18105. Tel. 215-439-3411. Cable: World Side ATW. Time and date of discussion 12th-Aug. 99 (9 am).

13. Raccar International (Kenworth Division), P.O. Box 1518, Bellvue, Washington 98009, USA. Tel. 206-828-8872. Tlx 683-8005. Time and date of discussion 9th-Aug. 88 (3 pm).

14. Grove Manufacturing Co., 1000 Main St., P.O. Box 21, Shady Grove, PA 17256. Tel.: 717-597-8121. Telex 842308. Twx. 510-650-3580. Fax. 717-597-9082. Time and date of discussion 8th-Aug. 88 (3 pm).

15. Caterpillar Tractor Co., 100 N.E. Adams, Peoria, IL 61629. Tel.: 309-675-1000. Time and date of discussion 8th-Aug. 88 (9 am).

16. Ingersoll Rand Co. Tool Group, International, 200 Chestnut Ridge Rd., Wood Cliff Lake, NJ 07675. Tel.: 201-573-0123. Tlx. 134357. Time and date of discussion 11th-Aug. 88 (3pm).

17. Dynapac Manufacturing, Inc., P.O. Box 368E, Stanhope, NJ 07874. Tel.: 201-347-0700. Tlx 136481 DYNSTPE. Fax 201-347-7410. Time and date of discussion 12th-Aug. 88 (3 pm).

18. General Motors Co. Canada, Tlx 021-698-1424 GMMD OSH. Mr. La Sande, Director Marketing and Sales, Canadian Export Operation G.M. Canada. Tel.: 416-644-6158. Mr. G.D. Torntou, General Director (President). Tel. 416-644-3350. Time and date of discussion 10th-Aug. 88 (3 pm).

19. Terex Div., 5400 3 Darrow Rd., Hudson, OH 44236 USA. Tel.: 216-650-5000. Twx. 810-437-2353. Mr. Peter Basar, Director, Sales, 216-562-7542 home phone, 216-650-5903 office (direct line). Mr. Mike Hinshaw, Export Sales Mgr., 216-864-0939 home phone, 216-650-5918 office (direct line). Mr. Bob Armstrong, Exec. V.P., 216-650-6555 home phone, 216-650-5212 office (direct line). Time and date of discussion 11th-Aug. 88 (9 am).

Many Thanks. YR Cooperation.

Best Regards.

COMM. MANAGER.

Attached are Customs Service memos indicating BNL is suspected of having supplied financing for the Condor II ballistic missile:

U.S. CUSTOMS SERVICE,
Atlanta, GA, September 21, 1989.

Hon. ROBERT L. BARR, Jr.,
U.S. Attorney, Northern District of Georgia, Atlanta, GA.

DEAR MR. BARR: As you are aware, the U.S. Customs Service, Office of the Resident Agent in Charge, Atlanta, Georgia is involved in a joint investigation with the Federal Bureau of Investigation, Internal Revenue Service, Department of Agriculture, Defense Criminal Investigative Service and Examiners of the Federal Reserve Bank of Atlanta relative to the financial/banking and exporting activities of Banca Nazionale Del Lavoro (BNL-Atlanta), 235 Peachtree Street, N.E., Atlanta, Georgia. The crux of this investigation involves BNL-Atlanta's extension of unauthorized credit in excess of 2.6 billion dollars to American, British and German companies involved in trade with Iraq. The commodities involved are suspected to include shipments of agricultural products, industrial machinery, military-type technology and various controlled chemicals. In addition, BNL-Atlanta is suspected to have provided loans to various U.S. firms for the illegal export to Iraq of missile related technology to be used in the Condor II Project.

U.S. CUSTOMS SERVICE,
October 20, 1989.

To: Assistant Commissioner Office of Enforcement.
From: Director, Strategic Investigations Division.
Subject: Banca Nazionale del Lavoro.

The above cited case, currently under investigation by the Office of the RAC/Atlanta, is a multi-agency task force operation involving several jurisdictions. The BANCA NAZIONALE del LAVORO. (BNL) is an Italian international banking firm with branch offices in numerous countries and cities to include Atlanta. BNL Atlanta's primary business, is the funding of export goods and commodity transactions. The case was opened as the result of allegations that two Atlanta based executives of the firm had provided 2.6 billion dollars in unauthorized and uncollateralized loans to American, British, and Italian firms involved in trade with Iraq and other countries. In addition. BNL is suspected to have provided loans to various firms for export to Iraq of missile related technology for use in the Condor II project.

At present, the agencies involved, in addition to Office of Enforcement, U.S. Customs Service, include Office of Foreign Assets Control, U.S. Treasury, The Federal Bureau of Investigation, The Internal Revenue Service, U.S. Department of Agriculture, Defense Criminal Investigative Service, and Examiners of the Federal Reserve Bank.

Coordination and control of the Task Force emanates from the Office of the U.S. Attorney, Atlanta. Present indications are that in addition to violations of laws within the jurisdictions of the agencies cited above, violations of The Export Administration Act, The Arms Export Control Act and Foreign Asset Control Regulations have taken place.

Attached are samples of documents showing U.S. firms involved in Project 395.

The first page is a BNL letter of Credit listing the Project 395 and the Technical Corps for Special Projects [TECO] as the beneficiary of the letter of credit.

The second page is a sample of a shipping document listing TECO—Project 395 as the purchaser of the water treatment equipment from the U.S. firm.

The third is a telex from a U.S. truck manufacturer in communication with TECO-Project 395/Badoosh Dam.

BANCA NAZIONALE DEL LAVORO,
Atlanta, GA, December 23, 1988.

Beneficiary: Rotec Industries Inc., 333 Westlake Street, Elmhurst, IL.

Instructions Received From: Central Bank of Iraq, New Bank Street, Baghdad, Iraq.

For Account of: Technical Corps for Special, Projects, Project No. 395.

GENTLEMEN: We are pleased to advise you that the above mentioned correspondent has issued their Irrevocable Letter of Credit in your favor for account as shown above for a sum not exceeding Eighteen Million Seven Hundred Eight Thousand Three Hundred Sixtyfive Dollars United States Currency ($18,708,365.00 USC) available by your draft(s) drawn at sight on The Central Bank of Iraq.

The amount of this letter of credit covers 100 percent of the invoice value of:

Rotec tower beltsystems, Rotec certer cranes, Rotec hi-dumpers complete with ierex dumptruck chassis, Rotec conveyor system for egrragates and vibration packages. C&F Moussel.

A. 10 percent of the credit value is payable as advanced payment. However, payment will only be made upon our receipt of tested telex from The Central Bank of Iraq stating that bank guarantee issued by Rafidain Bank has been issued and approved by the buyers.

B. Up to 80 percent of the credit value is payable as against your draft(s) as described above accompanied by:

1. Your signed commercial invoice in original and 7 copies in the name of the above mentioned accountee stating the merchandise description, quantity, price value, gross and net weight, freight charges, shipping marks, country of origin, country of manufacturer, trade discount (if any) and certifying its correctness and that the goods are of U.S.A. origin. Original must be attested by Iraqi Consulate.

EMCO ENGINEERING INC.,
Canton, MA, June 14, 1989.

Invoice No. 00560.

Ship to: Technical Corps. for Special Project—Project 395. P.O. Box 810 Baghdad, Iraq. P/Order No. Dam/82/88. Tel. 7720400+7720290.

Sold to: Technical Corps. for Special Project—Project 395. P.O. Box 810 Baghdad, Iraq. P/Order No. Dam 82/88. Tel. 7720400+7720290.

Customer's order No. DAM/82/88.

Terms: Central Bank of Iraq, Baghdad L/C 89/3/16. Shipped in 1×40+ container from U.S.A. port to Turkish port, Mersin, by Sea Intransit to Mousl Iraq.

Item 1. Partial shipment of: Washe and water treatment equipment C&F Mousl. Amount: $588,718.70 C&F Mousl.

Shipped in accordance with Central Bank of Iraq; irrevocable letter of credit No: 89/3/16 & Banca Nazionale del Lavoro, Atlanta GA Advice No: 11862.

Shipped as follows: 1×40+ container containing 172 pcs, pkgs bdls, skids water treatment equipment (complete breakdown & itemization on attached packing list).

Container No: OCLU 109150-2, Seal No: 5173, Bill of Lading No: TFEI INT017 034582, shipped via SL Integrity V 17E from Boston, Mass. to Mousl via Mersin. Transhipment via United Kingdom. Gross weight: 11,500 lbs (5216 Kgs). Net weight: 10,695 lbs (4851 Kgs).

Ocean freight charges included in above C&F value $4160.00.

Country of origin of merchandise: United States of America.

Country of manufacturer: United States of America (U.S.A.)

AUGUST 3, 1989.

Att: Abdul Raheem—Commercial Mgr., State Machinery Trading Co., TECO Project 395—Badoosh Dam, Baghdad, Iraq.

We are ready and prepared to ship the spare parts, spare tires and spare rims for the Badoosh Dam project in Mousl. We would like to ship them to you (C&F Mersin) as soon as possible.

In order for us to ship these spare parts to you, we need two things from you:

1. An extension of letter of credit No. 88-3-3201.
2. Your authorization for Mack trucks to ship the parts as quoted to you by Mike Feeney, C&F Mersin.
3. Your authorization for Mack trucks to ship the spare tires and spare rims with the spare parts.

Since there remains USD 384,477 in the letter of credit, there is more than enough money for these spare parts, rims, and tires.

We should be able to ship approximately 30 percent of the spare parts, tires, and rims within thirty days of your authorization to ship. Some parts, however, will require more time to obtain and ship for this reason. We kindly request you extend the letter of credit until 31 December 1989.

We recognize the importance of these parts to the success of the Badoosh Dam project. We will do all in our power to get them to you as soon as we can.

D. BOSCH,
Stridt Supervisor—Middle East,
OK Trucks, Inc.

Attached is a telex from Hussain Kamil, son-in-law of Saddam Hussein, wishing to the employees of BNL-Atlanta a happy Easter holiday.

MARCH 26, 1989.

For the attention of Mr. C. Drougol. I would like to express my greetings and personal good wishes for you and your family and all your staff at Del Lavoro Bank-Atlanta on the occasion of the Easter festivities. Wishing you all happiness, good health and prosperity.

HUSSAIN KAMIL HASAN,
The Ministry of Industry
and Military Production.

Attached are some German press accounts of the Iraqi missile program including Project 395 and other programs:

NDR-ZEITGESCHICHTLICHES
PANORAMA,
ROSMARIN PROD.,
Bonn, January 4, 1990.

MEMORANDUM

The following items can be retained from the December 22, 1989 internal discussion at the Foreign Office, occasioned by the December 5, 1989 launching of the Iraqi space flight vehicle and concerning the Iraqi strategic arms program and involving Departments 311, 424, 425, and 431, as well as a representative of German Intelligence

I. Rockets:

The BND /i.e., German Intelligence Service/ had the following information about the space flight vehicle launched on December 5, 1989; The vehicle had a SCUD-based fluid drive. The initial stage consisted of four or five bundled, modified SCUD missiles. The second stage consisted also of a SCUD missile, while the third stage had an SA-2 drive. Only the first stage was able to function. Although the third stage got into orbit, it could not manage to stay there because of its insufficient thrust. The launching pad, located 230 km southwest of Baghdad, was discovered by the U.S. on December 6, 1989.

The BND reported further Iraq was working on a total of five rocket projects. One-by-one these are:

(a) Missile Project 395, corresponding to Project Condor II (Argentina) and BADR 2000 (Egypt). This missile was to be built first as a two-stage rocket (solid fuel technology). A three-stage version was being discussed as a variation on this, where the first and second stages were to be equipped with solid fuel engines and the third stage with a fluid drive.

The infrastructure for building these rockets was available, but production had not yet begun. Obviously, further technical support from the Consen Group was. . . ./remainder of text missing/

(b) Al-Hussein, range 650 km, maximum load 350 kg, drive life: 80–90 seconds, base: SCUD

(c) Al-Abbas, range 900 km, drive life: 150 seconds, base: SCUD

(d) and (e) Project 144 with Supplementary Project 1728: Iraq was planning additional ground-to-ground missiles which would have a range of 1200 to 2000 km, be based on SCUD technology, and run on liquid fuel propellant as they had not yet had much experience with solid fuel propellants. The BND believes that, on the whole, because of their inadequate maximum loads, these missiles were probably incapable of carrying nuclear warheads.

The BND estimates that the Al-Abass missile, currently in development, poses the greatest threat. It could theoretically be provided with a nuclear warhead and has a target precision of 1.5 km (on Iraq's nuclear capability cf. below III).

II. Involvement of German companies:

The BND reported that it had been informed by the Israeli secret service about possible participation by German companies in Projects 144 and 1728. Both projects aimed at modifying SCUD technology. According to existing information the Havert Industrie Handelsgesellschaft GmbH (Neu-Isenburg) and the Heinrich-Müller GmbH (Wendelstein) companies were participants in Projects 144 and 1728. In Iraq, both projects were assigned to the following companies:

Nassr State Enterprise, Research and Development Center, Project 1729, Taji-Baghdad/Iraq.

Al Qaya State Establishment Project 144 Baghdad/Iraq.

According to a report made by the Regional Office in Frankfurt am Main, these German companies has signed contracts valued at 2,607,500.00 DM for delivering 35 "High/Low Pressure Units" to Project 144. According to a BND statement on December 12, 1989, the federal government assumed a manufacturing risk guarantee for Project 144 amounting to 1,543,500.000 DM. The assumption of surety was done with the agreement of the Minister of Finance and with the understanding of the Minister for Economic Cooperation. No guarantees were assumed for Project 1728.

The BND further reported on the Consen Group's participation in Project 395. The contracts were negotiated through Taurus, an affiliate in Salzburg. The contract, no. 11-01, (documentation for the initial stage, value: 18 million DM), was fulfilled. Contract 11-10, worth 20 million DM referred to production of stage one. In addition, technical support amounting to 19 million DM during operations was planned.

(For information concerning the participation of the H+H Metallform GmbH company in Drensteinfurt, see enclosure #3).

III. Iraq's Nuclear Capability:

RL 431 gave an overview of the extent of Iraq's commitment in the nuclear sector. Iraq signed the Non-Proliferation Treaty and was subject to the IAEO's full-scope safeguards. As the Baghdad Embassy has expressed its suspicions that Iraq is not meeting its obligations, it must be stated that these suspicions do not suffice to prove an Iraqi violation of its international obligations. Caution should be exercised before accusing Iraq for failing in its commitment under the NPT because this could affect the administration of the treaty. A closed fuel cycle is quite beyond Iraq's present capabilities.

IV. Iraq's Chemical and Biological Weapons Capabilities:

Department 424 stated that the "Australian Group" had information Iraq was intent on producing biological weapons. No one could be certain as to the extent to which the Iraqis had succeeded, if at all. Production plants for the manufacture of biological weapons had been put on the German Export List, Section E No. 3001.

Department 424 also stated that it must be assumed that Iraq was capable of producing chemical weapons without foreign assistance. Precursor products not manufactured in the country.

Panorama No. 466, January 29, 1991.

SCUD MISSILES AGAINST ISRAEL

Commentary: Tel Aviv after a missile attack. Bloodhounds are searching for those who have been buried alive. There is a missile alert nearly every night. As of yesterday evening Iraqi troops had fired off 25 SCUD missiles at Israel; a total of four dead, 190 injured. Just as many missiles were fired on Riad and Dharhan. There, at present, one dead and 35 injured.

Even the American Patriot missiles—this is a deployment over Riad—can't offer complete protection in spite of their great precision.

Militarily, the SCUD attacks are worthless. The missiles carry no more than 350 kg of explosive—much too small to destroy any military target, such as an air base. Even its precision, with a scatter radius of one and a half kilometers is militarily useless. The missile attacks are aimed at only the civilian population.

A Soviet SCUD missile on maneuvers, actually a military fossil, medieval and complicated. It is not the Soviet SCUD which is being used to menace Israel, its 300 km range is much too limited. Israel is being menaced by a later model, the El Hussein.

Here are some pictures of the SCUD successor-missile taken secretly by refugees. Iraq is proudly showing the El Hussein, range 650 km, far enough to reach Israel, and another, the El Ahbas, with an even greater range of 900 km, at an armaments exhibition. But the Iraqi arms industry would never have been able, on its own, to increase its range.

Saddam's generals needed some partners. They found them in Germany. The Inwaco company, headquartered in Bonn, is currently under investigation. The company director is keeping quiet, not a word about any missile deals. The Harvert company in Neuisenburg near Frankfurt is also under investigation, but even this company is denying any connection with the missile deal. They claim that a freelance employee of theirs had acted without the company's knowledge. According to intelligence services, Harvert and Inwaco are supposed to have been two of Iraq's general contractors. As such they are said to have procured missile components from some 20 other companies, such as the Firma ABA in Stutense bei Karlsruhe, H&H-Metallform, Leifeldt & Co., Heinrich—Muller GmbH, and Graser GmbH. The items in questions were valves, injectors, and bottling tanks.

Darmstadt Attorney General, Georg Nauth: "The accused are suspected of having supplied Iraq from 1987 until 1989 with bomb hangers—*Bombenhanger* word not found elsewhere—there are components with which bombs can be stored under the wings—special components for fuel regulation, and guidance parts for missiles."

Commentary: Large numbers of files were confiscated last week from the Harvert company. The Bureau of Customs Crime Investigation/reports/on the first results from the investigations concerning missile export:

Cologne Bureau of Customs Crime Investigation, Karl-Heinz Matthias: The documents that were confiscated are currently being studied. They are very comprehensive, filing more than 250 binders. At present it looks as if the suspicion is being confirmed that the suspected companies bought up components for missile drives here and then exported them without a license, although these things require a license."

Commentary: The shipments were apparently made via the Frankfurt Airport—directly with Iraqi Airways. The companies are disclaiming that they shipped any missile components, only machine parts, they say, that is, for civilian, not military purposes. No complicity with Iraq's missile program?

This is the original plan from an Iraqi—remainder of sentence missing. But when you compare the Iraqi original with these maintenance manuals for the El Hussein precursor SCUD, which were found last year with the NVA [Nationale Volkarmee, i.e., the army/in East Germany, the similarities are more than apparent. This is a reduction valve for the rocket engine.

Even superimposing the images gives the same impression. The red is the industrial blueprint, the black is the NVA's blueprint. A preliminary view of the confiscated files would seem unequivocal: German companies not only supplied replacement parts for the SCUD, but played a decisive role in increasing its range.

Karl-Heinz Matthias: "Well, at the moment, I can't tell you just how much its range could be increased, but there is some indication that the missile drive system was modified according to Iraqi designs."

Commentary: And here are the consequences—increasing the range of the Iraqi El Hussein to 650 kilometers and the El Abbas to 900 kilometers—the precondition for Saddam's missile attack on Israel.

And these are not just the effects of an Iraqi terrorist attack, but the direct consequences of German entrepreneurial activity, and the Israelis are very much aware of this.

Prof. Daniel Leschem, Dayan Institute, University of Tel Aviv is a military expert who believes that it was several German companies who put Iraq in a position to hit Israel, i.e., Israel's inhabited regions, with his missiles.

Prof. Leschem does not believe that it was only a few white collar criminals who knew about this. The German Government itself should have long since been aware of these transactions, he notes bitterly.

The German Government has known about missile technology exports since mid-1989 at the latest.

In a confidential report to the German Government last August concerning the participation of German companies in delivering arms to Iraq, this is called clearly by name. Participation by these companies was well-known as much as a year before the outbreak of the Gulf War. And even then, the same company names were cited in connection with the modernization of Russian SCUD missiles-quote: "These are mid-level German businesses, such as the Harvert Handelsgesellschaft, Inwaco, Muller, Graser GmbH, or Hartel."

The Iraqi code names for this missile modernization were also well-known: Project 144 and Project 1728.

The Federal Bureau of Economics in Eschborn was informed of these code names, but, nonetheless, the companies involved continued to be issued so-called "negative certificates"—i.e. certificates of non-objection for exporting missile components. The examiners thought the components were just normal pumps. A bureaucratic mistake.

Arms companies like MBB are frequently reproached with making illegal exports, but sometimes they are really legal. In a paper written by the Ministry of Economics on the SAD 16 missile test project it says concerning MBB's participation: "The biggest German subcontractor was MBB, which had obtained electronic equipment from Hewlett Packard and electronic test instrumentation from Viltron, both U.S. companies, Even the U.S. had expressly approved shipments for this missile project."

The paper continues laconically: The Federal Bureau of Economy granted export licenses for the SAD 16 from 1985 to 1987, because it was assumed at the time that it was a research project at the University of Mossul. . . .

Last page is a fragment. The stamp on the left, mostly illegible, is a copyright warning. The first part of the accompanying text on right is missing . . . would not have been able to reach Israel without the help of German companies . . . why, will be explained to you by Andreas Orth.

In the attached telex, Mannesmann Demag in Dusseldorf, Germany is informing Mannesmann, United States, in Illinois, that TECO is responsible for the Badush Dam Portion of Project 395. The telex identifies TECO as being in charge of the Iraqi Army working on the project. It also refers to Matrix-Churchill as the Cleveland, Ohio office of TECO and indicates that BNL is providing $100 million for the Badush project:

JULY 28, 1988.

Re Project in Iraq "Badush Dam."

From: Mannesmann Demag Baumaschinen, Dusseldorf.

To: NDC Bensenville, U.S.A.

Attn. Mr. Soren Jansen.

Since appr. 1, 5 years, we are following up the A.M. project, the customer, in charge of the Iraqi army, is: Technical Corps for Special Projects, Project 395, P.O. Box A10, Baghdad/Iraq.

Our Mr. Nolle is still in Baghdad to discuss this project with TECO and he gave us today the following info about the latest development:

(1) There is a financing facility ex USA available ("Banco di Lavoro" or "Banco di Laroro" in Baltimore/USA) granting US-dollar 100 MIO especially for Badush project. Badush management gives preference to this facility.

(2) Upon directive of the "higher authorities" in Irak A Radosh delegation will travel

to USA, Cleveland/Ohio and other cities on 01.08.88 and will discuss supplies with manufacturers. An office of TECO has been established these, TLX No. 980.471, Attn: Mr. Abulrahim/Commercial Manager). They are authorized to sign contract for excavators, cranes, compressors, drilling equipment, and low bed trailor.

(3) Liebherr offered TECO R 934 and R 942, manufactured in U.S.A.

(4) Our part for this project is: 3 X H 40 G, 6 X H 40 Backhoe, 5–8 X H 85 Bullclan, 9 X AC 125, 30 X AC 105, 2 X AC 265, S, 2 X AC 335, 2 X HC 190–4, 2 X HC 340.

We would appreciate it if you could let us know the following:

Is the credit only determined for purchase of U.S. origin equipment or is it possible that our portion or part of portion could be included in the credit.

Please send us the information if possible until tomorrow.

Thanks and kind regards.

D. MAJER,
Export Department.

Attached is an excerpt from an April 5, 1990 West German Government intelligence agency [BND] report on Iraq. Note that Project No. 395 is called Condor II or Bader 2000:

2.2 SOLID-FUEL TECHNOLOGY (PROJECT 395)

Project 395 has been conducted under the general management of the Technical Corps for Special Projects (TCSP). This project involves an ambitious projectile development program based on the Argentinean CONDOR–II technology. The program is supposed to be realized in close cooperation with the special organization, the Arab League Industrial Development Organisation (ALIDO), with its headquarters in Baghdad.

2.2.1. PROJECTILES

The two-stage projectile is 10.30 meters in length and 0.80 meters in diameter; it weighs approximately 4,800 kilograms. Unlike the Argentinean Condor–II, which has a solid-fuel engine in the first stage and a liquid-fuel engine in the second stage, Iraq favors solid-fuel engines in both stages. With this configuration, the payload is supposedly 350 kilograms, and the range approximately 1,000 kilometers.

The further development and future production of the liquid-fuel engine of the second stage is being pursued in tandem with this, however. There is evidence that the two-stage projectile could be equipped with this engine as a third stage. Such a rocket would then be intended as a space delivery vehicle for limited payloads.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ALEXANDER, for 5 minutes, today.

Mr. DORGAN of North Dakota, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ALEXANDER, for 5 minutes each day, on February 4, 5, and 6.

Ms. PELOSI, for 5 minutes each day, on February 4, 5, and 6.

Mr. DORGAN of North Dakota, for 60 minutes on February 6.

Mr. STOKES, for 60 minutes, on February 27.

Mr. BONIOR, for 60 minutes each day, on March 3, 4, 10, 11, 17, 18, 24, 25, and 31.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ROTH) and to include extraneous matter:)

Mr. CLINGER.
Mrs. MORELLA.
Mr. VANDER JAGT.
Mr. COMBEST.
Ms. ROS-LEHTINEN in six instances.
Mr. EMERSON.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. PEASE.
Mr. HUBBARD.
Mr. FALEOMAVAEGA.
Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mrs. LLOYD in five instances.
Mr. HAMILTON in 10 instances.
Mr. BROWN in six instances.
Mr. DE LA GARZA in 10 instances.
Mr. ANNUNZIO in six instances.

ENROLLED BILL SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1989. An act to authorize appropriations for the National Institute of Standards and Technology and the Technology Administration of the Department of Commerce, and for other purposes.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 18 minutes p.m.), the House adjourned until tomorrow, Tuesday, February 4, 1992, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the speaker's table and referred as follows:

2747. A letter from the Secretary of Housing and Urban Development, transmitting the Department's seventh annual interim report on the Neighborhood Development Demonstration Program, pursuant to 43 U.S.C. 5318 note; to the Committee on Banking, Finance and Urban Affairs.

2748. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9–134, "Health Occupations Revision Act of 1985 Acupuncture Practice Amendment Act of 1992," and report, pursuant to D.C. Code section 1–233(c)(1); to the Committee on the District of Columbia.

2749. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9–135, "Juanita E. Thornton-Shepherd Park Branch of the District of Columbia Public Library Designation Act of 1992," and report, pursuant to D.C. Code section 1–233(c)(1); to the Committee on the District of Columbia.

2750. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9–136, "Rent Ceiling Adjustment Notification Amendment Act of 1992," and report, pursuant to D.C. Code section 1–233(c)(1); to the Committee on the District of Columbia.

2751. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9–137, "Natural Disaster Consumer Protection Act of 1992," and report, pursuant to D.C. Code section 1–233(c)(1); to the Committee on the District of Columbia.

2752. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9–138, "Merchant's Civil Recovery for Criminal Conduct Act of 1992," and report, pursuant to D.C. Code section 1–233(c)(1); to the Committee on the District of Columbia.

2753. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9–139, "District of Columbia Government Quick Payment Act of 1992," and report, pursuant to D.C. Code section 1–233(c)(1); to the Committee on the District of Columbia.

2754. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9–140, "Condominium Act of 1976 Technical and Clarifying Amendment Act of 1992," and report, pursuant to D.C. Code section 1–233(c)(1); to the Committee on the District of Columbia.

2755. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9–141, "General Obligation Bond Act of 1992," and report, pursuant to D.C. Code section 1–233(c)(1); to the Committee on the District of Columbia.

2756. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9–142, "Foster Care Goals Act Temporary Amendment Act of 1992," and report, pursuant to D.C. Code section 1–233(c)(1); to the Committee on the District of Columbia.

2757. A letter from the Chairman of the District of Columbia, transmitting a copy of D.C. Act 9–143, "Wage Order for Clerical and Semi-Technical Occupations Rescission Temporary Act of 1992," and report, pursuant to D.C. Code section 1–233(c)(1); to the Committee on the District of Columbia.

2758. A letter from the Chairman of the District of Columbia, transmitting a copy of D.C. Act 9–149, "District of Columbia Income and Franchise Tax Act of 1947 Amendment Act of 1992," and report, pursuant to D.C. Code section 1–233(c)(1); to the Committee on the District of Columbia.

2759. A letter from the Director, Defense Security Assistance Agency, transmitting a report of those foreign military sales customers with approved cash flow financing in excess of $100 million as of October 1, 1991, pursuant to 22 U.S.C. 2765(a); to the Committee on Foreign Affairs.

2760. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report on human rights in countries receiving development assistance, pursuant to 22 U.S.C. 2151n(d); to the Committee on Foreign Affairs.

2761. A letter from the Chairman, Board of Directors of the Panama Canal Commission, transmitting the Commission's report, including unaudited financial statements, covering the operations of the Panama Canal during fiscal year 1991, pursuant to 22 U.S.C. 3722; to the Committee on Merchant Marine and Fisheries.

2762. A letter from the Comptroller of the Department of Defense, transmitting a report on the funding plan and schedule of completion of the phase II V-22 Full Scale Engineering Development Program, pursuant to Public Law 102-172, section 8090(d); jointly, to the Committees on Appropriations and Armed Services.

2763. A letter from the Comptroller General, transmitting the fourth report on the assignment or detail of General Accounting Office employees to congressional committees as of January 10, 1992; jointly, to the Committees on Government Operations and Appropriations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. VANDER JAGT:

H.R. 4147. A bill to amend the Internal Revenue Code of 1986 to provide a mechanism for taxpayers to designate $1 of any overpayment of income tax, and to contribute other amounts, for use by the U.S. Olympic Committee; to the Committee on Ways and Means.

By Mr. ROYBAL:

H. Res. 335. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Aging in the second session of the 102d Congress; to the Committee on House Administration.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 261: Mr. REED, Mr. GILCHREST, and Ms. MOLINARI.

H.R. 842: Mr. FASCELL, Mr. MARTINEZ, Mr. KOLTER, Mr. BILBRAY, and Mr. WEISS.

H.R. 1411: Mr. THOMAS of Wyoming, Mr. HOPKINS, Mr. STAGGERS, Mr. SMITH of Texas, Mr. WASHINGTON, Mr. HEFNER, and Mr. JOHNSON of Texas.

H.R. 1790: Mr. CONYERS and Mr. PURSELL.

H.R. 2199: Mr. ENGEL.

H.R. 2200: Mr. DUNCAN.

H.R. 2501: Mr. MRAZEK.

H.R. 3662: Mr. SWETT, Mr. VANDER JAGT, Mr. QUILLEN, Mr. CRANE, and Mr. BARNARD.

H.R. 3690: Mr. REGULA, Mr. RAHALL, Mr. RITTER, Ms. KAPTUR, Mr. MINETA, Mrs. LLOYD, Mr. EVANS, and Mr. BRUCE.

H.R. 3702: Mr. PALLONE.

H.R. 3918: Mr. FORD of Tennessee, Mr. SMITH of New Jersey, Mr. REGULA, Mr. EVANS, and Mrs. KENNELLY.

H.R. 3952: Mr. MCCLOSKEY, Mr. MOLLOHAN, and Mr. FROST.

H.R. 4013: Mr. EVANS, Mr. OWENS of Utah, Mr. ERDREICH, Mr. CLAY, Mr. BROWDER, Mr. KOLTER, Mr. MILLER of Ohio, and Mr. POSHARD.

H.R. 4100: Mr. STARK, Mr. LIPINSKI, Mr. PALLONE, Mr. MOLLOHAN, Mr. KOLTER, Mr. FEIGHAN, and Mr. SHARP.

H.J. Res. 334: Mr. FISH, Mr. GUARINI, Mr. HARRIS, Mr. HORTON, Mr. HASTERT, Mr. RAY, and Mr. TOWNS.

H. Con. Res. 218: Mr. JOHNSON of Texas.

H. Con. Res. 248: Mr. BLAZ.

H. Res. 322: Mr. CARDIN and Mr. TOWNS.

H. Res. 323: Mr. FUSTER, Ms. NORTON, and Mr. MILLER of California.

PETITIONS, ETC.

Under clause 1 of rule XXII,

138. The SPEAKER presented a petition of the Presidency of the Legislative Assembly of the Republic of Costa Rica, relative to the arrest and sentencing of Cuban citizens who have expressed opposition to the present regime; which was referred to the Committee on Foreign Affairs.

SENATE—*Monday, February 3, 1992*

(Legislative day of Thursday, January 30, 1992)

The Senate met at 2 p.m., on the expiration of the recess, and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

* * * *For there is no power but of God: the powers that be are ordained of God.*—Romans 13:1.

Almighty God, infinite, eternal, omnipotent, perfect in righteousness, justice, peace, and love, we are profoundly grateful for the tradition of religious freedom inherited from our Founding Fathers, grateful for the political system which rejects a state religion and precludes preference of one religious establishment over another.

But, God of truth, help us distinguish between church/state issues which are institutional, and faith in a Creator God who transcends all human systems. Help us to understand that separation of church and state does not mean abandonment of God by government. Our Founding Fathers had experienced the evils of state religions, but they took God seriously—prayed to Him, depended upon Him in critical hours. As our Nation was born out of belief in the "laws of nature and nature's God," guaranteeing human rights and people sovereignty, help us realize that rejection of God forfeits human rights and people sovereignty, opening the door to anarchy and tyranny.

In the name of Jesus, King of kings and Lord of lords. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 3, 1992.

TO THE SENATE: Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. REID thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Hearing no objection, the leadership time of both the majority and Republican leaders is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 2:15 p.m.

The Senator from Tennessee.

RELEASE OF DATA ON OZONE DEPLETION IN THE ARCTIC AND OVER NORTH AMERICA

Mr. GORE. Mr. President, humankind has entered a new—and disturbing—relationship with planet Earth. Our industrial society—with its excessive consumption and unrelenting pollution of the land and sky—is colliding violently with the planet's delicate life sustaining processes.

Today we will be presented with still further evidence of the grave threat our activities are posing to human life—and indeed all life forms—on the Earth.

Led by Jim Anderson from Harvard University, a team of scientists has been closely monitoring the condition of the atmosphere over the Arctic. Flying in specially equipped aircraft they have grabbed samples of the air and measured its chemical constituents. Today they will report the results of their investigation. Simply stated, what they have found is startling.

The bottom line is that—unless the atmosphere changes quite significantly and quickly—there will for the first time be a hole in the ozone layer over North America. The damage is likely to be most severe over Maine and the northern New England States, but even here—right over our own heads—up to 20 percent of the ozone layer could be gone.

We all know about the ozone hole over Antarctica. And the scientists have warned that a similar situation could develop over the North Pole, too. What we are seeing now, however, is that we have so primed the air with destructive chemicals, that the damage will not confine itself to remote areas of the globe. Rather, it is reaching out to threaten the health and well-being of each and every one of us.

In reality, Mr. President, we should not be shocked by this news. To the contrary, we have been well warned. In April, an international team of scientists who have been monitoring and studying the ozone layer sounded a loud alarm. They discovered that the depletion is occurring at a rate that is 200 to 300 percent faster than had ever before been detected or predicted and that it is occurring over nearly every part of the globe. And in October they gave us still more bad news: For the first time, they found that the ozone layer is impaired not 'only in winter, but also in the spring and summer months when we are more likely to be outdoors and when crops are at a crucial point in their growing season.

And they told us that the damage will continue and will intensify. The chlorinated and brominated chemicals that we continue to pump into the atmosphere—even under the limited controls we now have in place—will destroy as much additional ozone as has already been destroyed over the last decade—so, by the turn of the century, we will experience total ozone depletion that is two times as large as that we see today.

No; in reality Mr. President, this news is not startling. Rather, what is truly shocking is our utter failure to act quickly and decisively to stop as much of the damage as we can.

Mr. President, at every turn in this unfolding story, I have urged President Bush and Mr. Reilly to act aggressively to ban the use of ozone destroying chemicals. In fact, Mr. President, what I have done is simply call on the administration to obey the law.

Mr. Bush calls himself the "environmental President" and he is fond of pointing to the Clean Air Act amendments as his great environmental achievement. The truth, however, is that he is flagrantly violating that law.

Under section 606 of the act, Mr. Reilly is required to accelerate the phaseout of ozone destroying chemicals when scientists tell us that the current schedule is not sufficient to protect human health or the environment. The evidence that that is the case could not be more clear. In fact, Mr. Reilly agrees that it is. When the news first broke way back in April, Mr. Reilly said that the results were startling and that the implications for policy were clear. And yet nothing has been done.

In addition to the numerous letters that I and more than 20 of my colleagues have sent to the President on this matter, I introduced a resolution calling on the administration to obey

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

the law and to take action. That resolution was passed unanimously out of the Foreign Relations Committee. And yet, at the end of the last session when I attempted to bring it to a vote, I was blocked by my colleagues on the other side of the aisle who had been instructed by the White House to kill the measure.

I have tried to cooperate with the White House on this, Mr. President. Indeed, I modified the initial resolution to accommodate some concerns that had been raised. Still the measure was blocked. In good conscience, Mr. President, I cannot allow this matter to go unaddressed any longer. Very shortly, therefore I will call for a rollcall vote on that resolution. I hope my colleagues will join me in sending to Mr. Bush a loud message that we want him to comply with the law now.

The message the resolution sends to Mr. Bush is simple:

Comply with the law.

Take action now.

Stop ignoring the threat that is posed to the health of our children and the vitality of our endangered ecosystems.

Mr. President, within the last hour, there has been announcement by a group of scientists at NASA about the discovery of very high concentrations of chlorine compounds in an area off the Northern Hemisphere over Maine and atmospheric conditions which are described as a vortex, a pattern rather like the way water runs out the drain of a bathtub.

The long and short of this announcement is that if these atmospheric conditions continue for a few weeks, there could be an ozone hole above heavily populated areas of the Northern Hemisphere.

This is a rather startling announcement but one which is not entirely unforeseen. We all hope and pray that the dire consequences now within the realm of possibility do not occur.

But we have been warned, Mr. President, and already as we heard last year the stratospheric ozone layer above the United States of America and most of the heavily populated areas of the world is significantly thinner than it was just a few decades ago.

The world has begun haltingly to eliminate the chemicals that cause this problem but we must move more aggressively; we must move faster. The Clean Air Act legally requires the President to speed up the phaseout of chlorofluorocarbons and similar chemicals when new evidence is presented showing the problem to be worse than it was known to be when the Clean Air Act passed.

Almost a year ago we had announcement of new findings demonstrating that the rate of depletion is 200 percent greater than was known at the time the Clean Air Act passed. There was no reaction from the White House. Then we had an announcement later last year of serious levels of depletion in the Northern Hemisphere unknown at the time the Clean Air Act was passed and depletion levels in summer when the Sun's rays are much stronger. Still there was no response from the White House. The law is being violated.

Now, Mr. President, we have a finding that there could well be an ozone hole above Kennebunkport. Maybe this will get President Bush's attention. It has certainly commanded the attention of the scientific community throughout this world. It has commanded the attention of our children in elementary schools across this country. Why do so many political leaders put their heads in the sand? This is yet another ecological catastrophe, one of a series. A. Whitney Brown, a comedian on the show "Saturday Night Live," not long ago, said it begins to resemble a nature hike through the Book of Revelations.

Mr. President, an alcoholic who has a dozen drunk driving accidents will often claim that each one of them is an unconnected misfortune, an isolated incident with no relationship to the others when in truth they have a common cause.

Today's announcement of a potential ozone hole centered above the latitude where Maine is located is connected to the findings of extra carbon dioxide in the atmosphere. There are the stories just yesterday of dolphins en masse washing up dead on the beaches of the eastern Mediterranean. There are mountains of garbage we are accumulating. A landfill is now having to apply to the FAA for a permit because it has grown so high it now poses a threat to aircraft.

These ecological catastrophies are connected. They are symptoms of the same underlying cause and we have to change.

No one should be startled by today's findings. The warnings have been clear and loud. The problem is they have always been repeatedly ignored by an administration that refuses to listen. President Bush has kept his hands over his ears and closed his eyes. The problem he wanted to ignore is now banging down the front door. It is high time he began to listen and to respond.

Outrage is the only appropriate response to the administration's total inaction. There is an urgent need not only for leadership but for basic citizenship.

The Bush administration is flagrantly violating existing law, even as it claims bragging rights when it comes to listing this law as an environmental accomplishment. The law requires him to act. It required him to act last year. He has failed to do so.

This is about human health. It is about allowing millions of additional cases of skin cancer to develop, an extra 300,000 deaths in the United States, estimated, over the next few decades before today's announcement, and they will have to recalculate those figures, tragically. And it is about a dramatic change in our relationship with the environment. If this does not jump start this administration into action, I do not want to think about the kind of devastation it might take to get them moving.

Mr. President, it is an awful prospect to tell our children that they now face a potential future in which they will have to think differently about the sky and hide from the Sun, cover their skin before going outdoors when the Sun is shining. That is not the way God intended this Earth to be, if I may express my own religious conviction. It is something we have done to this Earth, and it is something we must remedy.

So, Mr. President, I would like to serve notice that I will be again seeking to call up or to ask for action on the resolution which came out of the Foreign Affairs Committee unanimously, which I introduced last year, calling for the President to speed up this phaseout process. And I will be introducing it as an amendment or doing whatever necessary to put the Senate on record, to call upon the President to act.

I would like to acknowledge what these scientists have done. They are led by Jim Anderson from Harvard University. They have been flying over the Arctic for quite some time now in specially equipped aircraft, taking samples of the air and measuring its chemical constituents. And again, the bottom line is that unless the atmospheric conditions change significantly and quickly in the next few weeks, the next 3 weeks, there will for the first time be a hole in the ozone layer above North America. It is likely to be most severe over Maine and the northern New England States, but even here over Washington, DC, over this Capitol Building, 20 percent of the ozone layer could be gone if this condition persists.

Mr. President, I will have more to say about it later today. I appreciate the courtesy of my colleagues in allowing me to speak first.

Mr. NICKLES addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma is advised that morning business has about 2 or 3 minutes left.

Mr. NICKLES. Mr. President, I ask unanimous consent to proceed as if in morning business for the next 8 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE PRESIDENT'S STATE OF THE UNION ADDRESS

Mr. NICKLES. Mr. President, I rise today to make a couple of comments concerning the State of the Union Address, because I have heard a lot of my colleagues say, "Well, there was not any substance to it," or "It did not really call for action." I would just beg to differ.

I think people that have made that comment either were not aware of what the President was requesting or talking about, or maybe they did not really pay that much attention, or maybe they had already decided they were going to use that sound bite before they saw the real meat and potatoes that was in the President's speech. He called for action. He called for a lot of action. He told Congress to get to work. He set a deadline. He said:

> Congress, enact some legislation that will help this economy move forward; enact it by March 20.

I compliment the President for that challenge to Congress. The President can propose, but Congress has to dispose of that initiative, and a lot of these changes require legislation.

The President mentioned a few things he can do administratively, and I compliment him for those. He talked about a moratorium on new regulations. That is good news from the business person's perspective who is struggling to survive, who is struggling to compete. Regulatory actions can be just as burdensome as new laws, just as burdensome and expensive as other complications in surviving. And so we need that moratoria.

He also said we would review those regulations. That is another thing that is desperately needed, and I compliment the President on it.

He said we would have a freeze on hiring more Federal employees. I compliment him again. And he is calling for the Congress to enact several things that I think need to be done.

He mentioned the line item veto. I see my friend, Senator MACK from Florida, who has worked on that issue, along with myself. We need a line item veto to restore some balance in the budget process.

He talked about enacting welfare reform. Some of that will require, again, congressional action. He mentioned, though, administratively, that he would move the administration to try to approve State requests for waivers so they can enact welfare reform. We debated that last week. I am delighted to hear the President say that. I think that would be very significant in actually helping people get off this cycle or this train of welfare dependency.

Senator MOYNIHAN had a hearing on that today, and I testified, as well as Governor Florio and others, that we would really like to see true welfare reform and we find the bureaucracy in HHS has made it very difficult to do. So I compliment the President there. But I think we probably will have to have legislative action, as well.

The President called for several tax changes that will really make a significant difference on whether or not a business can compete, whether or not a business can survive. He talked about an investment tax allowance. I grew up in a manufacturing environment. Allowing people to deduct their equipment over a shorter period of time, their expenses, allowing them to recoup their expenses that they write checks for will help business. That will help create jobs. That will make our industries more competitive. So I compliment the President.

I would like to see maybe even more. Maybe Congress can make some improvements. I never said we could not. But I think the President has thrown out an objective plan that will help create jobs. I hope that Congress will move rapidly to enact it, and if we can improve upon it, so be it. The President said, well, we should make some changes in the alternative minimum tax, and frankly we should. The changes that we made in 1986 went too far, and frankly they have hurt a lot of industries. And so we found through experience over the last couple of years we need to undo some of the mistakes that were made either in 1986 or 1990.

One of those deals with alternative minimum tax, I for one think we need to take intangible drilling costs as an accelerated appreciation item on the alternative minimum tax because, again, that is an out-of-pocket business expense. Basically, we had a tax surcharge on nonrecoverable expenses. That does not make business sense. It is not equitable, and frankly it helps strangle a domestic oil and gas industry that is hurting very badly right now.

So the President was right in saying we need to adjust the alternative minimum tax and allow business people to deduct their accelerated appreciation and take that as a deduction, as an expense. Again, it will help create jobs, real jobs. Many of my colleagues want to create Government jobs that we are going to be writing the check for. I think we want to create real private-sector jobs, jobs that are actually paying taxes, creating and expanding the gross national product.

The President called for reform of passive loss rules. I think we could and we should do it. My guess is we have the votes to do it, so I hope we will. Again, Congress went too far in 1986 in restricting the passive loss rules, and we have denied legitimate businesses losses, being able to deduct those against other income.

The President talked about establishing enterprise zones so we can create jobs in urban and rural areas. He talked about a permanent deduction of interest for student loans. I have kids in college; many of my colleagues do. I think that makes good sense, so we can encourage higher education and so we can encourage people to make an investment for themselves for the future.

The President talked about helping first-time homeowners. I talked to a couple of my staff people today who said: Hey, I think maybe I will try and buy my first home. This will help generate the real estate market, help create jobs, help people get into their first home, which unfortunately many people find is not affordable.

Mr. President, I just touched on a relatively few of the many proposals that the President has proposed for Congress to enact that I think really will create real private-sector jobs. And so I compliment the President for his action. I hope the Congress will move, and move aggressively on it. If Congress wants to change or modify or improve it, let us try to do so.

But I really hope we will act in a bipartisan fashion, trying to help the economy, not trying to help one political party or one political interest over another. Let us work together to see if we cannot stimulate this economy, create real jobs, and get our economy moving forward as well.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Florida.

Mr. MACK. Mr. President, I ask unanimous consent to address the Senate as in morning business for a period not to exceed 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMERICAN WORKERS' PRODUCTIVITY

Mr. MACK. Mr. President, I rise to respond to comments that have been reported in the press during the day. Once again, Japanese leaders are taking shots at American workers. The comments, as I have seen them reported, quote the Japanese Prime Minister as saying: "I have long thought that they"—Americans—"lack a work ethic, to live by the sweat of their brow."

I, for one, frankly, am sick and tired of seeing the blame put on American workers. If there is blame we should be addressing, it should be directed at the American Government. We have put all forms of encumbrances in the way of the American worker. The American worker today is still the most productive worker in the world, including Japan. But if we are going to remain competitive, we must see that the American worker receives assistance. We need to change the laws in America that make it difficult for us to compete. We need to allow for capital formation, so the American worker will have the latest tools and the newest technologies to allow us to compete.

Let me name three things: First, the capital gains tax rate. This gets hung up in the debate about whether it is a benefit for the wealthy. By reducing the capital gains tax rate, we can see an accumulation of capital in this country which will allow for greater investment, and including new technologies.

The second thing we need to do is something about the double taxation on dividends. Again, this is another debate about the wealthy. The reality is, by taxing dividends twice, you really are encouraging American business to borrow money. This does not entice capital to flow into these particular businesses.

And third, we need to do something about research and development.

If we were to do these three things, I believe we would enable the productivity of the American worker to continue to increase.

My comment here is, again, I am sick and tired of the blame being put on American workers. The blame ought to be on the Government. We need to change policies to enhance capital formation and allow us to be more competitive. If we were to do this, once again there would be a great pride in what America has accomplished and what it can accomplish in the future.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota.

Mr. DASCHLE. Mr. President, I ask unanimous consent to speak as in morning business for 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

"THE BROKEN CORD"

Mr. DASCHLE. Mr. President, I rise today to draw the attention of my colleagues to the opportunity to view television at its finest, the presentation of "the Broken Cord" to be shown tonight at 9 on ABC television. "The Broken Cord" is a movie adapted from a book by the same name by Michael Dorris. It stars Jimmy Smits and is directed by Ken Olin. It tells the story of a single adoptive parent of a child born on a South Dakota Indian reservation suffering from fetal alcohol syndrome and their nearly 20-year struggle with its consequences.

Senator KASSEBAUM and I cohosted a screening last week for Members and staff, which was extremely well attended. Many advocacy groups as well as native Americans were present.

Fetal alcohol syndrome and its less severe form, fetal alcohol effect, afflict thousands of American babies each year. Across the Nation, FAS occurs in 1 in 750 live births. On some Indian reservations, we are told, the frequency may be as many as 1 in 4. More than 40,000 babies were born last year alone with birth defects due to alcohol.

FAS is completely preventable. If a pregnant woman abstains from alcohol during pregnancy, it simply will not occur. There is no known safe amount of alcohol for pregnant women.

FAS is permanent. There is no cure. And the human and financial costs are extreme. That is nearly the extent of our knowledge today about fetal alcohol syndrome. There is so much we do not know. We need research. We need programs for prevention. We need programs for treatment. But most of all there is a crying need for public education on FAS.

"The Broken Cord" tonight will help us begin that process, and I urge all my colleagues and those who may be watching to see this important film.

I yield the floor.

APPOINTMENT BY THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Republican leader, pursuant to Public Law 102–138, appoints the following individuals as members of the Commission on Broadcasting to the People's Republic of China:

Mr. Michael Cutchall, of Kansas; and
Mr. Joshua Muravchik, of Maryland.

APPOINTMENT BY THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the majority leader, pursuant to Public Law 101–649, appoints the following individuals as members of the Commission on Legal Immigration Reform:

Lawrence Fuchs, of Massachusetts; and
Nelson Merced, of Massachusetts.

KANSAS INTERNATIONAL EXPORTERS

Mr. DOLE. Mr. President, I rise today to commend the many small and medium size companies in Kansas for their innovation and growth in the international marketplace.

In April of last year, I cohosted with the Wichita office of the Small Business Administration a seminar for Kansas companies interested in doing business overseas. The response was overwhelming, and I am pleased to report that recent data released by the Small Business Administration indicated that Kansas companies were ranked fourth in the United States in SBA loans to small company exporters in 1991.

In a time of economic downturn and growing competitiveness in the global marketplace, Kansas businesses are steadily becoming major players in international trade. Although Kansas is world renowned as a breadbasket to the world, these latest figures are an indication of the growing export of manufactured products from Kansas. Kansas companies exported machinery such as grain augers; innovated high tech products such as computer disk cases and fiberglass tanks; and products as varied as bicycle racks and manhole covers. In my view, this growing international trade is an important reminder that American products are competitive in any market and that Kansas is a dynamic leader in America's ever expanding overseas trade.

I also want to commend the efforts of the Wichita office of the Small Business Administration for their outstanding support of Kansas companies. Their efforts, coupled with the drive and determination of Kansans, are an example of how government can work together with motivated individuals to keep America a leader in international trade and proves again that American products are second to none.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is now closed.

NATIONAL ENERGY SECURITY ACT

MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. The question is on the motion to proceed to S. 2166. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, S. 2166 is the successor bill to S. 1220, the comprehensive national energy policy bill. I am pleased to say, Mr. President, at long last it now appears that the Senate is not only on the threshold of taking up this bill, but is on the threshold of approving a comprehensive national energy policy.

Mr. President, S. 2166 is, in all respects, identical to S. 1220, in that we have eliminated completely the Arctic National Wildlife Refuge drilling provisions; we have eliminated completely the CAFE, or corporate average fuel economy provisions; we have eliminated the waste oil provisions; and we have eliminated the so-called WEPCO fix, dealing with the Clean Air Act.

There were initially 16 titles in this bill. We have eliminated 2 and parts of 2 others, so that, in effect, we still have a 14-title bill, which is comprehensive, which is balanced, which will be effective.

I strongly continue to agree that Alaska drilling ought to be part of a comprehensive national energy policy. I strongly believe that there is an excellent chance of there being a huge supply of oil in the Arctic. Some estimates would put that supply as high—I have seen some even higher than Prudhoe Bay.

While I continue to believe that, we have essentially had that debate here on the floor of the U.S. Senate. And those of us who believe that have lost. Because on the question of invoking cloture on the issue of Arctic National Wildlife Refuge drilling we were unsuccessful, having mustered only 50 votes in the affirmative, with there being 44 votes in the negative. We have gone back to the drawing boards and looked at where the votes might come from to successfully pass that part of this legislation. I can tell my colleagues that no one has done more work on that than I. I have talked to virtually every prospect in the Senate personally, most at their own offices, and talked in great detail. I can tell all Senators that Arctic National Wildlife Refuge drilling, as desirable as I think it is, cannot and will not pass this Senate.

It may be we will have a test vote later, and I have told my distinguished friends from Alaska that I think it would be possible to bring up such a vote later in this debate. And if that issue is brought up, I will help state the arguments for it, but, again, recognize that at this time, on this bill, it cannot pass.

There may be another time and place where it would, and I would hope so. But nevertheless, at this time, in this place, it cannot pass.

Mr. President, the same is somewhat true of CAFE or corporate average fuel economy. We have agreed not to have it as part of this legislation for a number of reasons: First, because of the record losses by our automobile companies in Detroit. They have lost billions of dollars in the last 6 months, an incredibly huge loss where their very survival is put at stake. The automobile companies tell us that compliance with this kind of legislation would put an additional burden upon them which would be absolutely unacceptable in today's financial markets considering the competition with Japan and other automakers.

For that reason, Mr. President, we have deleted CAFE from this bill and hopefully will not consider it, although there would be no unanimous-consent proposal to keep it from being considered as an amendment. Any Senator, of course, is free to do that once we take up this bill. However, at this time, it is not part of the bill and we hope and we expect that it will not be considered as part of this bill. The reason is, Mr. President, that we have a comprehensive and effective energy bill without considering either ANWR or CAFE.

I think it is appropriate to consider where we are on energy. We will recall back just 1 short year ago—this happens to be the Washington Post of Sunday, February 3, 1991. It seems like longer ago that we had the war in Kuwait, but we will remember the headlines at that time, "U.S.-Allies Press Bombing Against Forces in Kuwait." One year ago today, Mr. President, we were at war in the Middle East over the energy problem.

While it has faded somewhat from the memory of Americans, while the reason for that war has faded from memory somewhat, we should never forget that this war, 1 year ago, was essentially because of energy.

Mr. President, it is also appropriate to consider the situation this country is in with respect to energy. Many have seen these kinds of charts before. This first is energy consumption which has gone up very rapidly. Here is 1990, going up again very rapidly.

This chart is energy production going down very rapidly.

Mr. President, there are fewer rigs drilling than at any time in the history of modern America. There are fewer rigs drilling now than we had in the 1940's during World War II. We are down to less than 700 rigs drilling. At one time we had over 4,000 rigs drilling. Here is the chart on the rotary rigs in operation. As we can see, we were up to 4,000. This chart only goes down to May 1991. It is a further precipitous decline after that if we consider the chart.

This chart, in many respects, Mr. President, tells us what will be the future of oil drilling in America. This chart represents one of the important reasons why I believe that ANWR should be part of this bill. ANWR is not a part of this bill, as I have explained, but the chart shows what the future of domestic production will be.

We have had this same kind of chart with respect to graduates in petroleum sciences at our colleges. They are going down in the same way. People in the drilling business, the infrastructure, all of it is going down precipitously.

This is the actual and projected oil import bill which has gone up very rapidly. Mr. President, most of the balance of payments imbalance in this country is caused by imported foreign oil. More than automobiles. Our President, as we all know, just made a celebrated trip to Japan where he performed some celebrated things. But among others, Mr. President, our President and the presidents, the CEO's of the major automobile companies in effect pleaded, cajoled, argued with the Japanese and said, "Please, Japanese, will you not buy 20,000 American cars?"

Mr. President, 20,000 American cars represents a drop in the bucket to the balance of payments compared to imported oil. A drop in the bucket. Sixty-two percent of the balance of payments imbalance is caused by imported foreign oil.

This bill is mainly about things other than oil, but while producing domestically things other than oil, including, importantly, conservation, we hope to be able to reverse that trend and produce our energy domestically and displace foreign oil.

Mr. President, this chart simply shows what the various sections of this bill are. You can get a very quick view of how comprehensive it is. The CAFE provision, in title III is deleted. Fleets and alternative fuels, which I will explain in a minute, is a tremendously far-reaching proposal. The same is true of renewable energy. Energy efficiency, 26 different sections related to energy efficiency with the exception of the fact that we have deleted used oil. ANWR is deleted. Advanced nuclear reactor commercialization is included. Nuclear reactor licensing is included. Uranium enrichment, the preserving of a tremendous business and multibillion-dollar business in this country is preserved through this section. Natural gas, our cleanest fossil fuel and very abundant fossil fuel is included. The Outer Continental Shelf, R&D, demonstration and commercialization activities, coal and electricity, with the exception of WEPCO, Public Utility Holding Company Act reform, and the strategic petroleum reserve all are included.

Mr. President, there are two dominant themes in this legislation. One is very obvious, and that is energy security. We do not say energy independence because we recognize since we are now importing 50 percent of our foreign crude oil and the trends are not to lessen that, even with the passage of this bill, at least in the near future. The trends are that that 50 percent will grow, according to former Secretary of Energy Schlesinger, to two-thirds by the year 1995. According to the Department of Energy, it would reach 70 percent by the year 2010. Pick your estimate and it will be two-thirds to 70 percent sometime in the fairly near future.

So to talk of energy independence in the short-term is not in the cards, Mr. President, no matter whether we do everything that we know how to do, no matter whether we put on tremendous taxes, or whatever we do. In the short-term, the inexorable trend is to import more energy, to be more dependent, not less dependent.

Mr. President, there is a cliché that politicians think about the next election and statesmen think about the next generation. In energy, it is almost that you think about the next century because these trends are so big, so inexorable and so slow to change.

If we were going to drill in Alaska, it would take 10 years to bring the oil on line. If we were to build new nuclear plants, it would take probably 10 years to build those, to bring those on line. Gas-fired utilities would be able to generate electricity a little faster than that, but it would still take years, as do coal-fired plants. A new culture of conservation, which we hope and expect and believe that this bill will generate, also are slow trends because you do not reconfigure both your generating capacity and your use of energy in the home or in the business. You do not reconfigure that overnight.

So we are dealing with long-term trends. But that which we have in this bill will surely change those long-term trends and will surely bring to this country energy independence. Every one of those steps from energy efficiency, to conservation, to alternative fuels, to every section of this bill will help bring us some kind of energy security, effectively so, and we hope within the next few years.

Mr. President, there is another dominant theme of this bill: competition. Competition comes as part of this bill in many ways. First, with respect to infant technologies or emerging technologies. Many of the renewable energy technologies which now are not able to compete have not received the kind of help from Government to lift them up to the status and to the stage where they effectively can compete with the other technologies. Everything from electric cars, to the new clean coal technologies, to the new technologies in nuclear energy, to the new solar technologies, all of those new technologies are helped by authorizations and demonstrations in this bill. So it will bring these infant technologies up to the starting line so that they can compete.

Perhaps the biggest competition, or one of the biggest, will be in alternative fuels. Mr. President, even though Senator WALLOP and I have tried to tell everybody how far-reaching this bill is with respect to alternative fuels, it seems not to have attracted the kind of media attention and attention from our colleagues which it really deserves. It is that far-reaching and it will change the face of energy in our country, particularly automobiles and fleets and trucks in a fundamental way.

What our bill is designed to do, Mr. President, is to put 4 million alternatively fueled vehicles on the road by the year 2000. We begin with the Federal Government, which will have to start bringing on alternatively fueled vehicles by 1995. By the year 2000, it will be required to have 90 percent of its vehicles alternatively fueled. We bring on State and local government also beginning in the year 1995.

With respect to private fleets, by the year 2000 they will be required to have 70 percent of their vehicles alternatively fueled. The requirement for private fleets begins in the year 1998 at 30 percent, increasing to 70 percent by the year 2000. Collectively these requirements for alternative fuels will result in 4 million alternatively fueled vehicles on the road by the year 2000.

Mr. President, the bill specifies that which qualifies as an alternative fuel. The predictable things are there: electric cars, of course, would be alternatively fueled; methanol and ethanol, to the extent they are 85 percent alcohol; compressed natural gas, and liquefied petroleum gas—propane, which is a form of liquefied petroleum gas. All of these fuels would be eligible to compete as alternative fuels.

We allow the market to make the choice. We have many proponents of these fuels who come in and say that electric cars, or methanol, or compressed natural gas is the fuel of choice and will be adopted by the customer. We on the committee have felt that we should not dictate that choice; that we should let each one of these technologies state their case out there in the market, and to the extent that they can get adherence, those who will invest in their proposals, they would be the winners and the market would choose them.

I happen to believe, Mr. President, that natural gas would be a good choice of much of the market. Certainly in our part of the world natural gas being very common, very low-priced, would be very much the fuel of choice.

I just saw on January 27, Mr. President, for example, that the cost of natural gas per million Btu's delivered to the city gate in New York was $1.47. That compares with No. 2 fuel oil at $3.80 per million Btu's. So in effect natural gas is less than half the cost per unit of energy than is diesel fuel. So it is easy to see why many people in the natural gas business and from natural gas producing States believe that natural gas will be the winner when it comes to persuading the market to go toward their fuel. Nevertheless, Mr. President, we do not pick the fuel of choice. We let the market make that choice.

We do require that, in case of private fleets, if you have a private fleet of 50 vehicles nationwide, at least 20 of which are centrally garaged in one location, you have to make the choice and go to alternative fuels. That is easy to say, Mr. President, but I think my colleagues will realize when they think about it that if you have just 50 vehicles, which any cab company has—many law firms have, virtually any company that deals in any deliveries—I guess the pizza companies would probably qualify—they have to begin to have alternatively fueled vehicles.

The reason we made these rather stringent requirements, Mr. President, is that the problem with alternatively fueled vehicles has always been the case of the chicken and the egg. We have always recognized that, for example, natural gas is an excellent fuel to use for alternatively fueled vehicles, and it is very cheap but you have to have a lot of it out there in order for people to have the filing stations that put in the natural gas. With the requirements of this bill, you can be sure that those fueling capacities will be widely available. Indeed, it is the fueling capacity that may dictate the choice of fuel in some respects.

Mr. President, this bill is very much a competition bill also, when it comes to Public Utility Holding Company Act Reform, a very technical part of the law but a very important one.

What the law now essentially says, Mr. President, is that if you are in the public utility business generating electricity, with some exceptions, only you can build your generating capacity. And it says, in effect, that if you build a plant to generate electricity, then you can put that plant in the rate base and get a guaranteed rate of return, which is generally set by State law and regulated by the local public utility commission. But the incentive, really, is to build a plant that costs a lot of money on the front end that you can put in the rate base in order to get the guaranteed rate of return.

Mr. President, it is not surprising that the cost to consumers has been very high under that kind of arrangement.

In 1978, Mr. President, we had a reform in the law called PURPA—the Public Utility Regulatory Policies Act. And for the first time in that bill, we provided for competition in some limited areas. Those limited areas were in what we call qualified facilities, which were either cogeneration facilities where there was extra steam left over from some industrial process which was used, to generate electricity and sold to the utility, and certain renewable energy, certain solar technologies.

What the law said was that if you get your electricity from these qualified facilities, you can sell it to the utility, or the utility is required to buy it for what we call its avoided cost. Avoided cost is just what it says, the cost that the utility avoids by buying from you rather than generating the electricity itself.

Since 1978 this program has been very successful. The first thing it did was do away with wasted energy, that is, the steam which was going without use by industrial plants. They were able to utilize that steam for the purpose of generating electricity.

So avoiding waste was the first obvious advantage of PURPA. The second was to bring along some of these solar and renewable technologies.

But in the process of developing the procedures by which utilities would be required to buy the energy, they have turned to a competitive method. For every megawatt of electricity that companies need, that utilities need, there have been on the average 13 megawatts offered. And the choice between the available 13 megawatts and the 1 megawatt needed which they would be required to buy has been by competition.

Some 30,000 megawatts have been generated through PURPA through this competition. Thirty thousand megawatts is a tremendous amount. The biggest nuclear plant in the country is probably 1,200 megawatts.

So you can figure this is the equivalent of almost 30 of the biggest nuclear plants in the country. The same can be said of the big, huge coal-generating plants.

So we have generated a tremendous amount through competition. What we have found, Mr. President, is that this competition has produced a lower cost per kilowatt-hour for the consumer. And it has produced a more reliable source of energy than the utilities themselves have been able to generate. Indeed, there is an article in the Public Utilities Fortnightly, which is a magazine that deals with utility problems, entitled "IPP Leveraged Financing Unfair Advantage?" in which it points out that under PURPA using competition there has been a lower cost of kilowatt-hour. There has been a higher percentage of operation.

In other words, these competitively built plants have been in operation or have a lower percentage of downtime than do the utility companies. Consequently, it is advantages which that article says are attributable to competition.

So what we have done, Mr. President, in the Public Utility Holding Company Act reform is to build on that concept of competition and allow utilities to form what we call an exempt wholesale generator or EWG—or another word for them is IPP, independent power producer—and to allow these independents which can be a wholly owned subsidiary of the utility to get into the business of generating electricity, and to offer this electricity to the utilities all over the country.

Utilities are not required to buy their power, but they are now permitted to form either a subsidiary or companies that are not in the utilities business. Let us say General Electric or Westinghouse or one of the big electric companies can themselves form a company for the purpose of selling electricity to the same extent that they do under PURPA, which I just described, and get into the business of competing for the generation of electricity.

Mr. President, this has certain obvious advantages. The first advantage is that the incentives are put in the right place.

A moment ago I mentioned that utilities now have the wrong incentives. Their incentive is to build as big a plant as expensively as possible that they can get approved by the public utility commission. The incentive here is to win the competition and get the lowest competitive rate.

So, in effect, what a utility will do is say by advertisement that we need so many megawatts of electricity, and they would invite proposals. The various IPP's or exempt wholesale generators would then come in with their proposal saying that I propose to give you so many megawatts of electricity over such a period of time, delivered in such peaks and valleys and priced in such a way. Then the utilities could make the choice between these competitors as to not only who is the cheapest but who is the most reliable because reliability of course is a very important part of determining whether or not to accept a proposal in a certain way.

So by this kind of competition, Mr. President, we put the incentives in the right place.

It also has the advantage of specialization. What we found in PURPA is that different companies were able to specialize in different technologies. One particular company specialized in fluidized bed coal generating power which is one of the new clean coal technologies. Another specialized in particular kinds of solar energy. Others are specialists in cogeneration.

We would receive a lot more specialization, I would suspect, under the Public Utility Holding Company Act reform because the PURPA bill is being limited just to renewable technologies and to cogeneration. But under this Public Utility Holding Company Act reform, you could have all kinds of specialization so that companies would benefit by, in effect, mass production, by the economics of scale, by the accumulated knowledge which they would achieve by doing the same thing over and over again.

Again, Mr. President, under our present utility law, the utility companies can effectively build only for themselves.

Many, for example, have built one-of-a-kind plants and done it only once, so with the custom design, you build a new coal plant, it will be a coal plant for you alone, or a nuclear plant, one that maybe has never been done before, which you must do through your own employees and make your own mistakes, your own new mistakes, over and over again. With the Public Utility Holding Company Act reform, you can get specialists who will be the best that the world has to offer in various technologies.

I might also add that in developing this technology they will also develop worldwide expertise, which will be exportable to other countries, as well, so that it will help, we believe, the balance of payments a great deal.

It will also help in the economics and the efficiency of capital formation, because you will be able to form capital for individual plants to do an individual thing, rather than, as today, if you want to invest in a coal-fired plant, you must invest basically in a utility which sells electricity at retail as well as wholesale, and which is subject to all of the problems of a regulated utility. This is not so with respect to an exempt wholesale generator under this bill.

So, Mr. President, the Public Utility Holding Company Act reform is a very, very important part of this bill. It will, for example, with respect to natural gas, make it possible for companies specializing in natural gas turbines to be able to put together a source of natural gas and to build these kinds of plants, similar to what a company called Enron in this country is doing over in England now. They are building a 1,700 megawatt gas-fired turbine, driven by North Sea Natural Gas, one of the biggest electricity plants of any kind in the world, and the management of Enron tells me that they can do that all over this country with Public Utility Holding Company Act reform. Their CEO tells me that if we need 100,000 megawatts of additional electric-generating capacity in this country by the end of this century, that fully two-thirds of that could be furnished by gas-fired turbines.

I might add that companies in alternate kinds of energy also speak optimistically about their ability to meet the demand, as well. But the point is that it would enable that kind of competition to take place. And if, in fact, natural gas were the winner of two-thirds of the next 100,000 megawatts of electric-generating capacity, it is easy to see what that would mean in terms of clean air, in terms of less SO_2, in terms of less NO_x, and in terms of a break for the consumer. So in effect, Mr. President, the Public Utility Holding Company Act reform would be a tremendous and important part of this bill.

Mr. President, another very important part of this bill is nuclear licensing reform. We have not had a new nuclear plant ordered in this country since, I believe, 1978. Part of the reason for that is the uncertainty of licensing under our law. In order to get around that problem, the Nuclear Regulatory Commission, in 1989, came up with a provision of law called "part 52," which totally redoes nuclear plant licensing in this country. The Nuclear Regulatory Commission, for years, had preferred that the Congress deal with this, because there was some question about the limits of their ability under rule-making power, to change the nuclear plant licensing process, considering the restraints and restrictions and limits of the Atomic Energy Act of 1954.

Nevertheless, after years of congressional inaction, Congress having gone on without dealing with this subject, the Nuclear Regulatory Commission came up with part 52, which fundamentally redoes nuclear plant licensing.

Since that time, the nuclear plant licensing, as set forth in part 52, was attacked in the courts, and the power of the NRC to adopt part 52 was sustained in part, and thrown out in part. It is now under reconsideration and rehearing in the full U.S. Court of Appeals for the District of Columbia circuit. So, in effect, it will be considered by all of the judges, rather than just the three judges who dealt with it; and after that, it will probably be appealed to the U.S. Supreme Court.

Mr. President, part 52, in our view on the Energy Committee, was a very worthwhile and fundamental and almost revolutionary change in nuclear plant licensing which very much needs to be upheld. The court of appeals, in throwing out or disallowing part of the rule—declaring it what we call in the law ultra vires—that is, beyond the authorization of the law—the court was not dealing with the question of whether or not it was desirable, whether the safety standards were adequate, whether or not it would be an economic advantage, or any other question of that sort. Rather, they dealt simply with the power of the Nuclear Regulatory Commission, as defined and constrained and limited under the Atomic Energy Act of 1954, and whether their legislative authority extended that far.

So what we do in our licensing proposal, Mr. President, is to ratify legislatively what the Nuclear Regulatory Commission did in part 52. And we make three other modest but important changes which, in effect, give the Nuclear Regulatory Commission a little more discretion.

For example, we give them discretion in the case of an amendment to the combined construction and operating license. After they are given the combined construction and operating license, if they wish to amend that license in a small way, which does not in any way affect the safety of the plant, the Nuclear Regulatory Commission, under our bill, could give them the authority to do that without withholding the operation of the plant until they have had the public hearing, which in effect would be a lengthy trial.

Frankly, the Nuclear Regulatory Commission says they will probably not use that power, because they wish to discourage amendments to the combined construction and operating license. Nevertheless, it is a degree of flexibility which the bill gives to the NRC.

Another very important change which we make in part 52 would allow the Nuclear Regulatory Commission, in such cases where they grant a public hearing after the combined construction and operating license is issued, to allow the plant to go forward, even though a hearing might be called on some issue, if they can determine without question that during that period of operation the plan will operate in a safe manner. And the kind of example we have in mind here, Mr. President, is the kind of situation we had at Yankee Rowe, where after the reactor had operated for some 30 years, the reactor vessel became embrittled by the bombardment of neutrons over that long period of time. The question there was not whether the reactor was safe in the first 30 years, but, in effect, whether it was safe thereafter. So there will be situations where a reactor could be allowed to go forward under this amendment either on limited power or on full power for a limited period of time while the hearing goes forward. This would again grant to the Nuclear Regulatory Commission some flexibility, which is greatly needed.

Mr. President, the fundamental thing that this bill and approving part 52 does is to allow the hearings and the licensing process to go forward in a much more efficient way. Prior to part 52 there were two licenses. One was a construction license, and companies would typically come in before they even had their plans complete. I guess the average amount or percentage of the plans that companies had, I am told, is about 30 percent. They would get their construction permit and then proceed with construction. Their operating license would be debated and the hearing would go forward during construction. A plant might have been well along with the construction process before the NRC could ever consider what precisely it was that they were approving.

It is no wonder that there were many, many billions of dollars spent on changes ordered by the NRC during the construction process because the NRC had never, either in the first instance, or never fully, at least, approved and considered the details of the kind of construction which they would have.

We also found that things like the emergency evacuation plan, things like the siting of the plant, whether it was sited in an appropriate place, had never been fully considered. Consequently, we have gotten in situations where, after the fact—as in the Shoreham plant, for example—all of a sudden the NRC was asked to deny the operation of that plant because it was put in the wrong place or because its emergency evacuation was not proper.

What part 52 does, Mr. President, is it puts all of those questions which possibly can be considered in the earlier part of the consideration so that all of those things can be fully debated. In effect, what part 52 does and what our legislation ratifies is to have three different licensing processes. The first has to do with the approval of the site, so that a company which wanted to build a nuclear plant at a certain site, let us say Shoreham, would make application to approve Shoreham and would go forward with all of those parts of the license which reflect upon the site—emergency evacuation, population patterns, egress and ingress, atmospheric patterns. All of those things that relate to the desirability or nondesirability of locating a plant in a certain site would be put into that part of the licensing which deals with the site. It is expected that the siting of a plant and the dealing with public hearings would be a process which would extend over 2 years or more. It is expected that, indeed, that process might average 22 months because it would be a thorough and complete process relating to the site.

The second kind of license that part 52 envisions is a generic licensing of the particular kind of nuclear plant. When the Atomic Energy Commission Act of 1954 was passed, there were many, many competing technologies and no definite determination as to what kind of plants would be built. In Colorado, they built a high-temperature gas reactor at Fort St. Vrain. Eventually, Admiral Rickover and his group, which had designed the nuclear submarine, were able to convince the AEC that the best kind of technology was that which was in nuclear submarines. But, in the process, they never got around to a process which approved a standard design for a plant. What part 52 does is to provide for that standard design.

There is now ongoing, Mr. President, a great deal of research on brand new designs which will be even better than the best that now is available. There is one plant called the AP-600, which is a 600-megawatt modularized design, being carried on by Westinghouse. There are other designs, which are claimed, by their designers, to be inherently safe because they have a cooling capacity which is not dependent upon the use of pumps in order to cool the reactor.

At the time when a standard design is finally licensed, as we expect it will be licensed, then they will go through all of the problems of licensing the plant, fully approving what the technology is. In certifying the standard design, all of the potential defects, all of the scientific arguments, all of the difficulties of approving a license would be approved in advance for that particular kind of design.

Therefore, it is expected that before the next nuclear plant is built, under part 52, a company would first have to go through the years which would be required in siting the plant and approving the safe design of the plant. They would have to get approval for the generic design. Then they would go into the third kind of licensing, which is a combined construction and operating license.

With the combined construction and operating license, the process begins when you already have the two other licenses, that is, the site permit, the license for the site, and the generic design certification. And you would then have to prove to the NRC that you are entitled to your combined construction and operating license. And, again, any new allegation that would have to be approved would be, in effect, litigated in this third licensing process.

The important thing here, though, Mr. President, is that all of these things are done before construction starts. It is important, indeed it is critical, if nuclear power is going to be able to compete for whatever share of the energy market it might be entitled to under a competitive system, that the uncertainty be taken out of the process. And you take the uncertainty out by having all of these determinations which can be made in advance, made in advance. So you would go through this long process, which, again, we expect would extend over a period of many years, and then, finally, a combined construction and operating license would be issued.

After the combined construction and operating license is issued, then the plant would begin construction and that construction might take 5 or 6 years or more. As the process proceeds, the Nuclear Regulatory Commission would satisfy itself at every stage of that proceeding that the plant is being built in accordance with the combined construction and operating license.

Informal hearing procedures could be used as well. If the Nuclear Regulatory Commission found it necessary to use the formal hearing procedures—that is, the courtroom type procedures—they would be able to do so if, in their judgment, they thought it was proper.

However, Mr. President, it seems clear to us on the Energy Committee that it was much preferable to give the NRC the authority to have informal hearing procedures. We found under the old law that for many of these issues, for example, the determination whether a weld was right or not, it is much better to allow the scientists to settle that question than to do it in the atmosphere of a court. And why is that? Because if there was any question about the integrity of that weld, scientists would say, well, let us go out and re-x-ray the weld rather than spend weeks and months litigating about whether the chain of custody on the x rays was proper. They would be able to say, if there is any doubt about it, let us go re-x-ray it and do it as scientists.

That is why the informal hearing procedures are in many respects more in the protection of the public than are the formal procedures.

Finally, Mr. President, if there is any new matter that arises that was not considered at the time of the siting permit, at the time of the generic license permit, or at the time of the joint construction and operating license, then that may be brought up under existing provisions which have worked very well, called section 2.206, which charges the Nuclear Regulatory Commission at all times—after a plant goes in operation, as well as after a plant, under part 52, gets its joint construction and operating license—this section charges the NRC with the requirement of at all times seeing that plants are run in a safe manner to protect the public.

And so at any one of these four stages, the public is fully and completely protected.

Mr. President, our purpose is not to build any kind of particular plants under this bill. We heard a charge that we are trying to build gas-fired plants, that we are trying to build nuclear plants, that we are trying to build this kind or the other. The fact of the matter is, Mr. President, what we are really trying to do in this energy bill is to put all of these technologies on a footing so that, first, the public will be protected and, second, that the market will be able to work efficiently so that the winners will be those things which are most in the interest of the public.

So that after we pass part 52 and put it in law, there is no guarantee at all that any nuclear plants will be built or that under other sections of the bill that any particular technology will be built. But it will be possible for an electric utility to make a choice of any of these technologies and let them compete in the marketplace so that the uncertainty, the impossibility, will be taken out of the financial decisions that go into not only licensing but go into the choice of technology.

Mr. President, briefly turning to energy efficiency, there are 26 sections of this bill dealing with energy efficiency in the industrial, commercial, and residential sectors. We do everything from building standards on buildings, to standards for electric motors, electric lighting, appliances and a host of other things which I will not, at this time, take the time to read, except to say that they are very, very far-reaching amendments.

So, Mr. President, what we have here is a comprehensive bill, one that will be effective, and I hope that my colleagues will look at this bill with the same degree of enthusiasm with which the Senate Energy Committee looked at it.

Mr. President, I urge my colleagues, to the extent that they have amendments, if they do—and we do not seek them but we understand the inevitability of them—we would urge them to get those amendments to us as quickly as possible. Where we can, we will approve amendments; but at least we will be able to schedule them for action.

It is my hope, Mr. President, that this bill will move fairly fast. It has been pending now on the floor of the Senate since last June, the greater part of a year. If there are amendments to be had, I hope and expect that our colleagues would, in the almost 8 months time, have been able to discern what those amendments are and have them prepared and ready. If there are amendments that they have had and need help in drawing up, whether we approve them or not, we would be happy to help give technical advice through our staff in getting those done.

But we would urge and caution Senators that this bill may well move fairly rapidly. So if you think you can wait until after the recess to begin bringing your amendments, that may well be too late. We hope to move the bill, in our flush-with-optimism hope, fairly quickly here on the floor of the Senate.

Mr. President, this is a good bill. It is, we would venture to say, a great bill, and we hope it will be overwhelmingly approved by the Members of the U.S. Senate.

I yield the floor.

Mr. WALLOP addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. WALLOP. Mr. President, let me begin by expressing my thanks to the Senator from Louisiana. He has been a fine chairman with whom to work. His staff has been a fine staff with which to work. And the product that we have achieved is a bipartisan bill.

Yes, it comes from the minds and compassions and the energies of two Senators from energy States. But that might be viewed as something of a benefit to a Senate that spends much of its time relying on people with little expertise for the development of legislation which has far-reaching effect on the lives of Americans.

There are not very many phrases that have not been uttered by one Member or another of this body about the failure of Congress, administrations, or anyone else to formulate a national energy policy, or who have not lamented the economic, trade, and human consequences of our country's critical dependence on imported oil from the politically unstable Persian Gulf.

Indeed, as we talk, there are people talking in America, in both parties, all over, about the balance of payments problem, about the lack of jobs, about the lack of technology advances, and one thing or another. During the Senate's consideration a year and a bit ago of the Persian Gulf resolution, there were statements made once again blaming our problems there on the lack of a national energy strategy. Quoting one Member, he said:

> Not a single soldier should lose his life in the Persian Gulf because America has no energy policy worthy of the name to reduce our dependence on foreign oil.

Interesting, how easy it is to throw out glib phrases about the lack of an energy policy; how difficult it is to bring yourself to the table and vote even to proceed to the consideration of such a thing. The fact of it is, for whatever reasons, no energy policy constituency was created by the events of a year ago. No one to my knowledge paid a price for voting against the motion to consider S. 1220 last year.

I am not so persuaded as my friend from Louisiana that there is absolutely no chance for this Senate to consider the production of energy from America's greatest extant potential resource, ANWR. I think and believe that the situation in America has changed considerably from last fall, when people were able to be quite glib and ignore the fact that 700,000 jobs are going to be created, ignore the fact that $200 billion in the balance of payments of America will be reduced by that, ignore the fact that this has a significant potential increase for our economy, and ignore the fact that the revenues from ANWR are those revenues necessary to advance

America's technology in the fields of conservation and advanced utilization of energy and energy concepts. These revenues could be the means by which America regains some of the great technological edge that has been lost.

I am not going to say there will be no great investment in energy technology, conservation technology, alternative fuels, should ANWR not pass. But I am willing to say that there will be a far less great investment in that and a far greater chance for those in the world who are nowhere near as advanced as we are now. These will be America's export technologies of the future, if this Congress is willing to do something about it.

Over the years, at one time or another, everybody in the Senate, everybody in the Congress, and everybody who was in the Senate, and everybody who ran for the Senate, has characterized the formulation of long-term comprehensive and consensus-based national energy strategy as one of the most important tasks facing the Congress. That is until faced with facing the task.

Last year's energy crisis not only demonstrated our vulnerability, but indeed tipped the economy toward recession. Widespread harm was inflicted on all Americans. We now have a chance, a chance to address that situation.

I agree with my friend from Louisiana that energy independence is not what this bill is about. It is not what we set out to do. It is not within the reach, nor should it be within the concept of this.

I also agree with him that much of what we do now will have its major effects in the next century. But it is about energy flexibility: the ability of this country to use its own resources; the ability of this country to have alternative resources; the ability of this country to gather together that which we possess in abundance—and deny ourselves almost to the point of extinction—and that is alternative energy resources. And when I say alternative energy resources, I am not using it in the glib phrase of the President, meaning anything but oil. I am saying oil is part of the alternative energy resources that America has.

It is inconceivable that a Nation so wealthy as America in the rich variety of energy sources would deny itself so many of them to the point of creating recessions, to the point of creating huge trade imbalances. And those trade imbalances that are due to energy are there on purpose. They have been brought to you courtesy of the Congress of America, courtesy of the Presidents of America. These are specific decisions that have been made and these are decisions that can be righted in the next week or so. Consideration of this bill will go a long way toward telling this Senator whether we have become a prudent country or whether we are a country beset by navel gazing, whether we are a country that can choose things that are in our own self-interest.

And ANWR, Mr. President, is in our own self-interest. It is not conceivable that anyone can make the argument that, by failing to produce the resources that belong to America in Alaska, that that amount of oil and gas will not be used in America. For so long down the road as you can see, even with the most ardent pursuit of energy technologies that are not related to oil and gas, oil and gas will be used.

So what those who say this resource does not belong in our pocket are telling Americans is that we are going to continue to have a balance of payments imbalance. We are going to continue to put these moneys that would go to Americans into the hands of Arabs and Indonesians and Central Americans and others, whose specific interest is not America's energy efficiency. So I am hopeful we might be able to do that.

I mentioned I hoped we might demonstrate to America that we have become a prudent country and we can lift our eyes up off of minutia and take a few risks. Choosing self-interest means choosing a couple of risks. Risk can be prudently weighed, but risk cannot be eliminated. Risk is part of existence on this planet, and the most careful assessment of all events cannot eliminate the fact that something different than that which was predicted will take place.

Can anybody predict or describe to me what America would be if over the last century and a half we had taken no risks? We would still be huddled on the shores of New England, having been overwhelmed by the initial risk of coming across the ocean. We would have settled no territory, conquered no visions, certainly not gone to the Moon, certainly not dammed the rivers, certainly not traveled West, certainly not bought Alaska, for goodness sakes. Then we would not even have this problem, if we had not taken that risk.

The fact of it is we have become so timid as a Nation that we refuse to move unless we have laid to rest every conceivable risk.

The problem is that it is inconceivable that you cannot conceive of one more risk. So we reduce ourselves to a Nation where there is nothing too small to terrorize us into inaction.

What the Senate Energy Committee has done is take a look at America's energy needs. Have we met every one of them? No. Have we embraced every risk? No. Have we rejected risks as too great? Yes.

But we have done that which has not yet been done in the Congress of the United States, and that is put together a comprehensive energy strategy that deals with production, that deals with conservation, that deals with new technology, that deals with modern efficiency, and deals with competition and weighs in the balance those things which might ultimately be of great benefit of our country.

This much I can tell you, Mr. President, that failing to do these things will not be of much benefit to this country. It will benefit a few politicians who once again go out to the hustings and decry the lack of an energy policy and will somehow or another shoulder no blame for having killed it in the process, certainly not claim that blame, and will go to tell the people of America how courageous they have been in proposing an energy strategy.

Senator JOHNSTON and I sat down with one thing in mind and that is to embrace an arising of America's energy needs as we could, and to give this Senate an opportunity to vote on just such a thing. It refused that opportunity last year, Mr. President. I hope in 1992 that, with perhaps a new transfusion of confidence, we can begin to get a transfusion of policy which will move America into the next century. It is a transfusion of jobs.

S. 2166 would create jobs, it would lower the unemployment rate, encourage economic growth. GNP by the year 2000 would be $30 billion higher than if we did not pass S. 2166. There ought to be a constituency for that figure. We ought to be able to persuade somebody that that is of benefit to a Nation whose GNP must grow if we are ever going to satisfy the debt that we have.

Cumulative increase in GNP by the year 2000 would be more than $550 million, Mr. President. That is not a bad figure. That is a figure that is going to happen if we do this, and it is a figure that is really not going to happen; in fact, it may be the cause of decline in GNP, should we neglect to embrace the opportunity the Senate Energy Committee has presented here.

I have watched for 15 years from the Senate special interests from every extreme. Environmentalists and supply economists alike tie up congressional debate on energy policy. Because of this failure to adopt such a thing, our imports in 1990 supplied 42 percent of our own needs. That is all. More than half of our balance of trade deficit, $65 billion, that is all. That is what happens and that is the gift of the Congress to the people of the United States. Continuing failure to enact a strategy will leave the United States still dependent upon foreign oil, still dependent upon oil and upon foreign oil sources.

We are looking at 75 percent of the uses of that commodity, Mr. President, in less than 20 years, according to the Congress' Office of Technology Assessment. The President on the 24th of July emphasized on the legislative front that we have made substantial headway since we released a strategy last February. We need Congress to act wisely and act soon on this important domestic policy initiative.

Senator JOHNSTON and I tried to do that for this Senate. It ran aground, and I say again, I am a political realist and so, too, is the Senator from Louisiana. We know that people pay no price for having voting against the motion to proceed to the consideration of an energy policy. I am hoping somehow or another America realizes that what politicians say to them and what politicians are willing to do for them sometimes vary enormously.

This is not a Republican-Democratic issue. This is a politicians' issue. This is just kind of the nature of the breed. We have continued to give long-winded speeches, such as I am giving now, about the need for energy policy, and refuse to be placed into the breach where those speeches can be translated into actions and the risks embraced in America's interests served by the one thing that God and the Founding Fathers gave us; that is, a democratic arena in which to do it. But a democratic arena cannot function as it should debating these issues unless Congress, in this instance the Senate, is brave enough to embrace the concept of considering the bill on the floor of the Senate.

We considered it last fall, Mr. President. It is well known there was a motion to proceed, all we were able to summon courage enough to do, and we were not even able to summon up courage enough to proceed.

Tomorrow, when that vote comes, I and the Senator from Louisiana hope that the Senate might have reconsidered that fact of timidity and that it will consider the provisions and proposals in this legislation not for the fact that no risk is attendant to them because risk is attendant to every one of them, but because it can move America out of a doldrum that is at least, in part, specifically attributable to our lack of energy, flexibility and our lack of willingness to proceed technologically, regulatively, competitively in a world that is increasingly passing us by, by our own choice, Mr. President.

So tomorrow, let us get to the bill and debate its merits and see if we cannot prove to the American people that our rhetoric is for, just this once, where our action and our courage has led it to be.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BUMPERS). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONFERENCE ON OLDER AMERICANS ACT YET TO OCCUR

Mr. MCCAIN. Mr. President, this is not a happy day for our Nation's seniors. In spite of the fact that the Senate and the House passed the Older Americans Act prior to Thanksgiving, we have yet to convene the conference committee in order to reach agreement on the final version of this critical legislation for our Nation's elderly. This is, indeed, unfortunate.

Included in the Senate version of legislation is the amendment that I supported to repeal the Social Security earnings test, which was approved unanimously in the Senate during debate on the legislation.

After passage of the Older Americans Act reauthorization bill, the Senate appointed conferees in the hope that this important legislation might be conferenced and signed into law before Congress recessed for the year.

It is of great concern to me and others who are strong supporters of the Older Americans Act reauthorization bill that it is now the end of January and the House has still not appointed conferees.

I am told that some in the House are holding up the appointment of conferees because they do not want to address the critical issue of the Social Security earnings test. Mr. President, if this is true, I think we need to bring to the attention of the American people that it is of the utmost importance that this issue be addressed.

This measure was adopted by the Senate and enjoys broad-based support from tens of millions of seniors across this country. We all recognize, however, that the democratic process involves compromises.

Virtually every Member of Congress now supports a liberalization of the earnings limit. The difference is in the details. Some support a modest liberalization; others support outright repeal. But I do not think any of us want to see the Older Americans Act reauthorization bill continue to languish. It is time the House appointed conferees so that we can try to reach some acceptable compromise on the critical issue of the Social Security earnings test.

I would like to emphasize that I wrote a letter to the distinguished chairman of the Finance Committee, the chairman of the Ways and means Committee, and others stating clearly my strong desire for us to meet and compromise on this issue. If those who are opposed to the repeal of the earnings test are worried that it may benefit too many wealthy seniors, I am certainly willing to look at a cap on that earnings test penalty, at some reasonable position, or even a gradual removal of this earnings limitation; earnings test. But the fact is that it is unacceptable to continue to hold up this critical legislation for our Nation's seniors by not appointing conferees.

We are ready to sit down with those who would be responsible for this issue in the conference committee to see if we can reach a compromise; but so far to no available. While our repeated efforts have not met with success, we hope we will be able to sit down soon.

It is time that Congress complete action on the critical Older Americans Act reauthorization bill and get it to the President for his signature, for it is the most vulnerable of our seniors who are hurt by this delay.

Mr. President, I do not have to repeat the important issues and programs that are part of the Older Americans Act. In fact, Meals on Wheels and many other very important programs to our poor elderly are included. I hope that we will be able to provide those programs, both new and rauthorization of existing programs, to our seniors at the earliest possible date.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. AKAKA). The absence of a quorum has been suggested, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, is the leaders' time reserved?

The PRESIDING OFFICER. That is correct.

The Senator from Kansas is recognized.

Mr. DOLE. I thank the Chair.

(The remarks of Mr. DOLE pertaining to the introduction of Senate Joint Resolution 247 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

MORE TAKE-HOME PAY FOR AMERICANS

Mr. DOLE. Mr. President, every year, the Federal Government accepts interest-free loans from millions of working American families by withholding too much in taxes. In my view, the last thing the American people want to do is lend their big-spending friends in Congress any more of their hard-earned dollars. In fact, 1990's tax returns showed that the Government overwithheld about $70 billion, and owed money to more than 80 million taxpayers.

Thanks to President Bush's innovative program unveiled last week, working Americans will soon be putting more of their wages into their own pockets, instead of Uncle Sam's.

Starting in March, millions of workers will see an immediate increase in their take-home pay. Nationwide, take-home pay for low- and middle-income Americans will jump by $25 billion over the next 12 months—that is real money.

It is not nearly as complicated as it may sound. In fact, taxpayers will not have to file any paperwork to take advantage of this Presidential initiative. That is right—no redtape, no aggravating forms, no phone calls to the IRS—the increase in take-home pay is automatic.

And workers who use the withholding system as a kind of "forced savings account" may continue to do so by merely notifying their employers to withhold an additional amount to be refunded later.

This permanent adjustment to the Tax Code may mean smaller tax refunds in 1993, but according to IRS Commissioner Fred Goldberg, nearly 9 out of every 10 taxpayers who currently receive a refund will still get one.

Critics say this adjustment will not make much of a difference—but then again, the critics always find it a lot easier to criticize than to offer a plan of their own. But, let us let the American people decide if they like this plan. If you ask me, working Americans work hard for each and every dollar they earn, and if they want to spend or save those dollars now, who are we to say they cannot?

I also add that over the weekend I noted that a member of the President's Cabinet said this is a gimmick. This is not a gimmick. It is an adjustment of withholding. It should be supported across the board, particularly by those who work for President Bush. It seems to me, as a Republican, that one way to sell the President's plan—and it is the only plan in town—is for those who speak for and work for the President to be united and to repeat the message every day. If we are going to jump start or give the economy a push, we need to act soon, and we hope to do it by March 20. Particularly those who are in the President's Cabinet should never waiver in their support of President Bush.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL ENERGY SECURITY ACT

MOTION TO PROCEED

The Senate continued with the consideration of the motion to proceed.

Mr. WIRTH. Mr. President, we are about to embark upon an enormously important venture for the United States of America, for our national security, for our budgetary security, for our environmental security, for the future of the Nation. That is this energy bill, a long time in the making, which is going to be here on the floor tomorrow. And let us hope we act on it expeditiously.

I want to start by commending the distinguished chairman and ranking minority member of the Energy Committee, Senator JOHNSTON and Senator WALLOP, who have committed an enormous amount of time and effort to getting this bill to where it is. We have had some disagreements along the way. That was understandable. Nobody would expect us to agree on everything.

But now, as we consider taking up S. 2166, I think we are in very broad agreement. I want to thank them for their very hard work and for their pragmatism, and I urge my colleagues to support taking this bill up and acting on it expeditiously.

Last year, we had a freewheeling and often impassioned debate on a very different energy bill, and we saw that the weight of controversy attached to several of the items in that bill would keep us from moving forward on many of the other important issues addressed in that legislation.

At that time, I suggested that while the strong opposition of many other Senators, myself included, to opening the Arctic National Wildlife Refuge to development would prevent any bill which did that from moving forward, there were many, many other areas of the bill in which the Senate could and should move forward on energy policy.

I am pleased that we have all come to that conclusion now, and that we have decided to press forward on this new bill, absent those enormous, controversies of the Arctic refuge and automobile efficiency standards. People still feel very strongly about both of those. I understand that strong feeling. But I think it is clear we could not pass a piece of legislation so long as those items were in it.

Now that they are out, we have the strong center core of the bill to move on, and to move on rapidly. It is very important that we all focus on that center section, on what is in this bill. I heard the distinguished chairman of the committee, Senator JOHNSTON, talking at length about that earlier today. And I agree with him on how it provides us with very real and important opportunities to address very real needs: The need to change our energy policy, and the need to focus better on our energy future.

This is a very large and important bill. It has 400 pages and 14 separate titles. This is a very solid, substantive piece of legislation.

I do not intend to go over the whole bill. But I would like to talk about three elements in the legislation: what it does to improve our energy efficiency; what it does to create real alternatives to gasoline for our automobiles and trucks; and lastly, what it does to increase our use of natural gas, an enormously promising fuel for the future of the country.

To begin with, I would like to start to lay out why these are such key elements in our energy policy, why efficiency, alternative fuels for our transportation fleet, and natural gas are so enormously important.

This first chart, Mr. President, I think, makes the case very well. It shows what our overall energy consumption is, and then it shows what our dependence is on various energy sources. The chart shows us how extremely dependent we are on oil. We see natural gas and coal contributing a far smaller portion of our energy needs, and nuclear and others contributing an even smaller amount. We are extremely dependent upon oil.

Natural gas is only 23 percent of our overall survey consumption. Oil is more than 40 percent of our country's energy consumption. Oil dominates our energy picture. Furthermore, more and more the oil that we use is imported. Oil products have increased some 63 percent since the mid-1980's and we now import more than 7 million barrels of oil a day. What does that mean?

First of all, let us just look at what has happened to our oil imports. They jumped up in the midseventies, dropped back down again as we increased the efficiency of our cars and increased our own oil production. The higher oil prices that came from the 1973 oil embargo and subsequent price spikes helped make us more efficient. Then in the mideighties we saw oil imports start to climb again. Here is where we are right now, back to importing as much or more of our oil than ever before. And following the current policy trends without the changes that are in this bill, we are going to see our oil imports continue to rise.

That is an enormously dangerous trend for us to have. Even with the very low oil prices we have today, these imports are costly to our economy. We have about a $100 billion trade imbalance. We are importing about $100 billion more than we are importing.

The President went to Japan recently, and they talked about auto imports. I think auto imports are about $23 billion into the United States. Oil imports are more than twice that, and yet we have not focused on that. We have focused only on the auto side of it.

Last year, oil imports were 54 percent of our trade deficit, up from 42 percent in 1989 and 33 percent in 1988. What is happening is that we are doing better in other sectors of our trade and doing worse in oil, so that oil imports are a growing part of our enormous trade deficit.

How do we change this? How can we reduce our oil imports? How can we regain some measure of control over world oil prices, which are now set by the Middle East.

We just went through a war in the Persian Gulf that the President told us we were engaged in to restore the legitimate Government of Kuwait. I think it is fairly clear that our real concerns were Saddam Hussein's weapons of mass destruction and oil. We did not want Saddam Hussein standing across that enormous pipeline of oil coming out of the Middle East.

Having said that, Mr. President, what do we do to move ourselves out of that? Can we produce oil and get ourselves out of that? The next chart clearly points out that we are not going to be able to. The reserves of oil in the Middle East are simply enormous, and, as long as we remain so dependent upon oil, the Middle East is going to continue to have leverage over us, over prices, and we be vulnerable to the kind of scares that we had a year ago.

Our U.S. reserves are very, very small compared to these enormous known reserves in the Middle East. We simply do not have the reserves to compete with the Saudis. We have been at finding and producing our oil for a lot longer then they have, and we have done a good job. Even if there are a lot of new Prudhoe Bays out there, they will not make much of a dent in this overall balance of world oil power. The Middle East has 660 billion barrels of known reserves, and the United States has 25 billion barrels.

So what does that tell us? That tells us that we have to change our ways. The future of oil production is in the Middle East, but we are not powerless by any means. We have a great deal of power over the world oil market, but not as a producer. We have only 2.8 percent of the world's oil now, but we use 25 percent of all the oil that is consumed annually. We have great leverage over world oil, but it is not as a producer. It is how we use that oil. A minor change in U.S. oil consumption makes a big change in the world oil market. By our consuming less, since we consume 25 percent of all oil consumed annually in the world, a minor change in our consumption can have a lot of leverage over world supply and world prices. So we have leverage, not as a producer, but as consumer.

And that brings us back to the three areas that I think are the most important in this bill—efficiency, alternative motor fuels, and increasing our use of natural gas.

The first and most important component of any comprehensive national energy policy must be energy efficiency and energy conservation. That is what Secretary Watkins' national energy strategy said when it came out of the Department of Energy. Much of that was lost between the Department of Energy and the White House. But most of the experts who came and testified in 1990 and early 1991 on the national energy strategy said energy efficiency is the starting point; that is, using less energy to attain the same services. And most of the public identified efficiency as the area where they most strongly supported strong Federal action. Efficiency has to be the cornerstone of any energy policy and certainly is of this legislation. Energy efficiency is the best strategy that we have to improve our energy picture, our economic competitiveness, and our environmental quality.

Is there room for us to improve? Let me point out, if I might, Mr. President, how much room there is for us to improve. This chart shows the amount of energy consumed to produce a unit of gross national product in the United States and several other countries.

The Swiss are about three times as efficient as the United States. The Japanese, about 2½ times as efficient as the United States. The French, twice as efficient. The Germans, about 50 percent more efficient. Only the Canadians are less efficient than we are in the use of energy in producing units of gross national product.

Clearly, these are not perfect parallels by any means. We have a different transportation pattern than these other countries, and we have a different history, and so on. But this is certainly illustrative of the fact that there is an enormous amount of room for us in the United States to change our energy consumption patterns. We can certainly increase our efficiency significantly. We have a lot of room to improve our energy efficiency.

Mr. President, there are major economic consequences of this. Our Nation is now paying about $400 billion a year for energy—$400 billion a year. If we were just to close half the energy gap between us and the Japanese, we would cut our energy bills by $100 billion a year. Imagine what that would do to our import bill and imagine what that would do to our overall economic efficiency. We are obviously wasting a great deal of energy and much of what is in this bill are very significant incentives for energy efficiency. It is good for every bit of our country's health.

Assuming that there is a lot of room in energy efficiency, what are the most important areas for us to focus on? I should point out that the largest cost-effective opportunity for energy efficiency is not in cars and trucks, as everybody imagines—and that is an area that is extremely controversial and difficult to do. Our national laboratories have estimated that the greatest opportunity is, in fact, in our building standards, in our building envelopes. Forty percent of the cost-effective improvements we could make in this country's energy efficiency, improvements that pay for themselves in reduced energy bills, are in our residential and commercial buildings.

This legislation, and strengthening amendments that will be offered by myself and others, will make very significant steps toward realizing those and other energy-efficiency opportunities.

In the area of buildings, this legislation will set aggressive new standards for States to use for commercial and residential building codes. We have set product standards for heating and cooling products, shower heads, and utility transformers. And, I will be offering a major amendment to improve the efficiency of lighting products and electric motors, which has the support of the makers of those products and of the conservation community.

This effort also includes a significant new effort to cut the Federal Government's $4 billion annual energy bill. We in the Federal Government are paying $4 billion a year for energy. Senator GLENN will be offering a comprehensive amendment to improve this effort, and I will be supporting him in that.

This bill moves the States toward adopting state-of-the-art regulatory reforms, that allow utilities to earn the same profits from investments in energy efficiency as they currently earn from investments in new power plants. It is extremely important for the States to move in this direction and it is very exciting that this bill employs such creative new provisions for the Nation's energy policy.

Economic incentives are throughout this bill. It is terribly important that we take a leaf from the good economic incentive work that was done in the Clean Air Act, from the work of Project 88 and other efforts, to make sure we provide the right economic incentives to enable us to harness the potential of energy efficiency. If we do, we can save a great deal of energy, and that makes sense for all consumers in the overall economy.

Taken together, the energy efficiency provisions of this bill will save an enormous amount of energy and money. The provisions will save consumers and taxpayers billions of dollars in energy bills over the coming decade. These are savings that will make us more competitive in international trade and they are savings that we need to help invest in our economy.

This bill also contains a very aggressive and forward-thinking program to develop alternative-fueled vehicles and get them into the market and onto our roads. This is the second major area I would like to talk about in this bill. We can move away from the tremendous dependence on oil in our auto fleet and our trucking fleet. There are two ways of doing that. One is energy efficiency. That is the so-called CAFE standards which have proved too controversial for this legislation.

Another way of doing it is to push very hard on alternative fuels. This bill creates a market for alternative-fueled vehicles, giving Detroit incentives to produce them and sell them. It requires the Government to act first, to start buying and using vehicles so it provides the first market to build an infrastructure of sales, service, and fueling to make these alternative-fueled vehicles a real option for our economy.

Then it requires businesses to follow on, and to join this market in a well-planned and predictable way.

Why is that important? It is crucial to our energy security because so long as the transportation system on which our economy is so dependent has no alternative to gasoline, we have no alternative than being increasingly vulnerable to the Middle East. It is crucial to our economy because of the size of the transportation fuel market in the United States. We spend roughly $50 billion a year on auto and truck fuel. Now we are sending most of that money out of the country to pay for imported oil. We could be spending that money right here at home, on domestically produced natural gas and alcohol fuels.

Should we be lining the pockets of Middle East rulers and paying the bill for them to build their military forces? That is pretty silly to do when we can be investing that same money into the U.S. economy and producing jobs and income here.

Lastly, alternative fuels are important to our environment. Every drop of oil that we displace is oil we do not have to bring across the ocean by tanker. Every drop of oil we displace helps clean our air because virtually all the alternative fuels from natural gas vehicles like the one I drive in Colorado, to the alcohol-burning vehicles now being tested by Detroit, to the electric vehicles researchers are working hard to bring off the drawing boards, all of these burn fuel more cleanly than gasoline and diesel-fueled vehicles do. So we are ahead in terms of national security, in terms of the economy, and in terms of the environment.

A third major area that I wanted to discuss today, Mr. President, is natural gas. This bill contains important provisions that will enable America to increase its use of this abundant, clean, domestic resource. Natural gas is abundant in North America.

To provide a sense of how these resources are available, this chart points out that we have 70 percent more gas than oil in terms of energy content—70 percent more gas than oil. In terms of the ratio between how first we are using energy, and our reserves of it, we have 16 years' worth of oil, but 51 years worth of natural gas.

We have a very comfortable future supply of natural gas, our gas reserve figures are very conservative. Today the price of gas is so depressed that there is almost no exploration going on out there. The minute exploration starts, we can expect these figures to grow as we add in new reserves from tight sands formations, from coal-seam gas, from the Gulf coast, and throughout the Rocky Mountain region.

So we have great reserves now and a very significant potential for finding more. I do not think anybody would make that argument in the area of oil. The easy oil is gone.

We can use natural gas almost every place that we use imported oil; as an industrial boiler fuel, as a power plant fuel, as a fuel to heat our homes and our businesses, and even as a fuel for our cars and trucks. Gas is less polluting than oil, and substituting clean-burning gas for oil helps control air pollution. And natural gas burns more efficiently than other fossil fuels, reducing carbon dioxide emissions and therefore reducing our contribution to global climate change.

Obviously, natural gas is a premium fuel, one that has many advantages. But even with all of these advantages, natural gas costs about half the price of oil at the wellhead and so it also has the potential to cut our Nation's energy bills by tens of billions of dollars per year.

Senator JOHNSTON earlier today used the illustration of delivering natural gas to New York City, for example. It costs less than one-third to deliver the Btu equivalent of natural gas to people in New York City than home heating oil cost them.

Home heating oil is largely imported. It just makes sense for us to be developing pipelines and to be developing a demand structure for our own natural gas coming from here at home rather than burning imported heating oil.

But what are we doing? Unhappily, the trends in this area are going just in the wrong direction. Just as we know we are becoming more and more dependent on oil, just as we know that we have great reserves of natural gas in the United States, we are doing just the opposite of what we should. This chart shows that our consumption of oil has risen while our consumption of natural gas, a domestic fuel, has gone down.

Our energy policy is just the opposite from what it ought to be. It is still dominated by our obsession with oil we are continuing our use of oil rather than using natural gas produced right here at home.

Gas use has gone down, our use of imported oil has gone up; and obviously any logical, thoughtful person says we ought to reverse that trend. That is what we are attempting as well to do in this legislation.

There are a number of very important initiatives in this legislation that will help us increase the use of natural gas. I already mentioned alternative fuels in which natural gas will play an important part.

My own Jeep Cherokee is dual fueled. I run on natural gas in the Denver area, where there are now 13 outlets for distribution of natural gas to cars and trucks. I push the switch when I get out in the country, and I can run on gasoline. It is dual fueled, and it runs the same on one or the other, except when it runs on natural gas it is much cleaner. The engine burns more cleanly, it is better for the engine, and it costs half the amount of oil. It is cheaper. It is the fuel of choice for me. We ought to have more and more vehicles running on natural gas.

In addition to promoting alternative fuels for vehicles, this legislation also provides reform in what is called the Public Utilities Holding Company Act. This will allow new competition in the generation of electric power. If we allow that competition, it is expected to boost a growing market for natural gas as a power plant fuel.

This bill will also provide some real streamlining of the processes by which the Federal Energy Regulatory Commission, FERC, approves new natural gas pipeline construction and new pipeline services, particularly where pipelines are willing to shoulder the financial risks rather than to pass them through to consumers.

We can and should pass this bill, and pass it as well with strengthening amendments. Obviously, there are places where it can be improved. I think it will, when we are finished with it, include significant strengthening on energy conservation.

There are significant issues raised by the bill's provisions on nuclear licensing, and we are going to have to debate those issues.

I believe the bill's program for putting alternative fuels in our transportation network can and should be strengthened. And we need to more directly address the issues of global climate change that we are going to have to face, as uncomfortable as that is for some. The reality of global climate change is no longer if we are going to have global warming but when, where, and how fast. Those are the issues. It is not if, but when, where, and how fast.

I and others will be offering amendments to address these issues. We will have the opportunity to improve this bill. I think we should take that opportunity because I am hopeful that at the end of this process we will have forged a bill that will be a very progressive step forward for our Nation's energy policy.

Mr. President, much attention has been given in the past to the Arctic National Wildlife Refuge. I hope amendments on the Arctic National Wildlife Refuge are not brought up again. We went through that debate in a very bloody fashion before the new year, and I hope that we do not find ourselves engaged in that once more.

I myself would like to see us move ahead on corporate average fuel economy, or CAFE standards. Like the Arctic National Wildlife Refuge, that has become so contentious that I believe it is wise for us to drop that provision as well.

Those 2 issues are bookends on this legislation we can remove, leaving us with 14 titles of what I think are good energy policy that are going to be made better by some amendments here on the floor. But it is enormously important that we move ahead and move ahead rapidly.

Finally, I would be remiss if I did not thank Senator MITCHELL, and particularly Senator DASCHLE, for all of their work in helping to get us to this point. We had some very bloody and divisive battles in the fall.

We worked very hard in the Energy Committee to create this bill. It was not a perfect bill. It came to the floor. We had our disagreements. It was a very, very tough debate. But we have been able to come back again.

Senator DASCHLE was just invaluable in helping us to do that, bringing people together, listening endlessly to the arcane of a lot of this energy policy, and listening with great patience and great ability in bringing together particularly Senators on our side of the aisle who had very deep differences before, and who now I think are very largely in agreement on how we should proceed.

Mr. President, this is an important piece of legislation for the country. If we are going to be serious about the long-term economic prospects of the Unites States, it is absolutely imperative that we put in place a strong energy policy; absolutely imperative. We would be delinquent if we did not.

We will not be recognizing the economic problems out across the country today if we do not do this. We will not be recognizing our obligations in the foreign policy area if we do not address our enormous dependence on imported oil. And have new national security concerns defined by the environment. This is an opportunity to move in that direction as well.

I believe this bill is a win-win situation for all Americans. I hope that we proceed tomorrow morning at 10 o'clock to vote to take this bill up and then move expeditiously through it.

I know Members of the House of Representatives under Congressman PHIL SHARP'S able leadership are moving legislation on their side as well. I hope we can rapidly get to conference and send to President Bush a very important step in our economic rebirth in the United States and in our transition to the 21st century.

Mr. President, I thank you. I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The senior Senator from Pennsylvania is recognized.

Mr. SPECTER. I thank the Chair.

Mr. President, this is the first occasion where I have had an opportunity to seek recognition from my distinguished colleague from Pennsylvania, Senator WOFFORD. It is a pleasure to see you sitting there, Mr. President.

I just said to my colleague that one of the earliest comments I recollected on the statement of "Mr. President" was that when someone rises and seeks recognition in a full Senate Chamber, and says "Mr. President," at least 40 heads turn around.

I have sought recognition to lend my voice in support of this motion to proceed. I believe that it is very important and in our national interest that we move ahead in consideration of a national energy policy.

My staff and I have been active on this bill in a number of areas, most specifically with respect to conservation. There is no doubt that energy is a matter of overwhelming importance to the United States. Internationally, we confront innumerable problems because of our dependence on Mideast oil. This is a subject which we should address for obvious reasons.

I was somewhat disappointed late last year to see a similar motion to proceed defeated. Whether each Senator may or may not like matters that are within the bill, it seems to this Senator that we at least ought to proceed to consider it. And if at some juncture there is a disinclination to go ahead with the bill, there is ample opportunity to avoid cloture at a later stage. But on the fundamental matter of proceeding, I believe that we ought to move ahead. I intend to vote in favor of the cloture motion so that we can proceed to take up this important subject.

ORDER OF PROCEDURE

Mr. SPECTER. Mr. President, at this juncture, I ask unanimous consent that I may proceed as if in morning business for a period of time not to exceed 7 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

URGING CONGRESS TO CANCEL RECESSES

Mr. SPECTER. Mr. President, I urge that the Congress stay in session continuously until we have addressed the economic recovery program which has been advocated by the President in the State of the Union speech of last Tuesday, January 28.

I took the floor on the afternoon of Friday, January 31—3 days ago—to urge that we stay in session to address the problems of economic recovery. In the intervening 2 days, I have been back in Pennsylvania, and I have heard a number of comments favorably disposed toward this course of conduct. Whether the Congress agrees with everything that the President has advocated or not, it is my view that these are issues of overwhelming importance which ought to be addressed, and they ought to be addressed as expeditiously as possible.

This position is consistent with what I urged last November when I took the floor on a number of occasions suggesting that the Congress remain in session in December and in January to tackle the issues of the economic recovery.

I understand that there had been some inclinations on the part of some—many perhaps—to await the President's State of the Union speech. But we are all leaders in this country, each Member of the Senate, elected by the citizens of our States, and each Member of the House, elected by the citizens of their particular district. We have a considerable knowledge on the problems which confront America, and we are in a position to do something about it.

To that end, Senator DOMENICI and I offered in November an important legislative initiative on the use of IRA's 401(k) plans, and Keogh plans. For those who are not familiar with these items, they are retirement plans, or funds that have been set aside in addition to the $3 trillion set aside for other retirement plans. This category of retirement fund contains about $800 billion.

Senator DOMENICI and I have proposed that the IRA's be used to a limited extent so that people could withdraw, tax-free and penalty-free, $10,000, providing that the funds are used for a purchase of a durable good. Similarly, there is legislation pending at the present time creating so-called Super IRA, which would enable the IRA holders to use the funds therein contained for three purposes: first-time home purchases, medical expenses, and college tuition.

That legislation, introduced by Senator BENTSEN, has been pending for about a year and has 74 cosponsors. When Senator DOMENICI and I looked at our economic problems, we came to the conclusion that we could utilize the Super IRA principle and expand that even further and utilize the $800 billion which is now in IRA's, 401(k) plans, and Keogh plans to stimulate consumer purchasing power.

Currently, someone withdraws funds from one of these plans prematurely, there is a penalty. Our legislation would strike that penalty. Further, our legislation would provide that taxes would not be paid in 1992. The specific bill which we introduced provided for the taxes to be paid over 4 years. Since introducing the bill, an alternative has been suggested that we might pay the tax in 5 years, or give an individual the alternative of putting $2,000 a year in for each of the 5 years to repay the $10,000.

The tradeoff is that it would be utilizing money which had been set aside for savings. Savings are for a rainy day, and we have a veritable cloudburst at the present time. This is one idea which we had proposed in November, and I think it is worthy of consideration as part of an overall package.

These ideas were submitted to the President, and the President did include in his State of the Union speech two expanded uses for IRA's: for first-time home purchases and for medical expenses.

I use this point, Mr. President, only illustratively. President Bush has advocated quite a number of points, for example an investment tax credit, return on the passive rates for real estate, and on other tax credits. I believe this constitutes a good start.

My own preference is to go further. For illustrative purposes, I suggested my IRA proposal.

For those who do not agree with what the President has had to say, let them take the floor and offer amendments and let them offer legislation, but let us proceed to take care of the urgent problems which confront America.

In the weeks between Thanksgiving when we recommend—the day before Thanksgiving and January 21—I spent most of my time traveling in Pennsylvania. I know my colleague, Senator WOFFORD, would agree with me that there is very considerable pain and suffering out there. People have lost jobs, and people are very fearful of the future.

There is a poll which was taken recently showing that 41 percent of the American people are afraid of losing their jobs within the next year. Seventy percent of the American people have talked to neighbors and friends who were fearful of losing their jobs within the next year.

I believe that it is imperative that action be taken in Washington, DC. We now have the framework from the State of the Union speech, and I submit we ought to move ahead.

I think there is a great deal of merit to what Chairman Greenspan said in his testimony before the Congress. He said that our current problems are as much psychological as economical. The statistics of 1991 and 1992 are not as bad as the statistics of 1982. Nonetheless, there is a great feeling of concern.

I paraphrase what Franklin Delano Roosevelt said: All we have to fear is fear itself.

If we have a program which comes forward from the Congress and from the executive branch, and people see they are not the only ones spending their money, there will be more confidence in stimulating consumer purchasing power and moving this country out of our current economic situation.

I do not use the word "crisis," Mr. President. I do not use the word "emergency," Mr. President. But I think it is well known that we have a very serious problem, and leadership ought to be coming from this Chamber and from the House. Leadership has come from the President.

I believe it is very important that we cancel our February recess, cancel our March recess, and perhaps others as well, in order to allow us to address the issue of an economic recovery. Maybe the Congress will decide to do nothing. Some say the problems will work themselves out. The President has articulated a March 20 date, and I think we ought to seek to meet it.

I do believe if we take a recess from February 7 until February 18, and again from March 6 until March 16, we will not have enough working time to accomplish the important legislation which should come from the Congress.

I thank the Chair and yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ANNUAL REPORT ON UNITED STATES GOVERNMENT ACTIVITIES IN THE UNITED NATIONS—MESSAGE FROM THE PRESIDENT—PM 103

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am pleased to transmit herewith a report of the activities of the United States Government in the United Nations and its affiliated agencies during the calendar year 1990, the second year of my Administration. The report is required by the United Nations Participation Act (Public Law 264, 79th Congress; 22 U.S.C. 287b).

GEORGE BUSH.

THE WHITE HOUSE, *February 3, 1992.*

ANNUAL REPORT OF THE FEDERAL LABOR RELATIONS AUTHORITY—MESSAGE FROM THE PRESIDENT—PM 104

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with section 701 of the Civil Service Reform Act of 1978 (Public Law 95-454; 5 U.S.C. 7104(e)), I have the pleasure of transmitting to you the Twelfth Annual Report of the Federal Labor Relations Authority for Fiscal Year 1990.

The report includes information on the cases heard and decisions rendered by the Federal Labor Relations Authority, the General Counsel of the Authority, and the Federal Service Impasses Panel.

GEORGE BUSH.

THE WHITE HOUSE, *February 3, 1992.*

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 2:09 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 1989. An act to authorize appropriations for the National Institute of Standards and Technology and the Technology Administration of the Department of Commerce, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2523. A communication from the Administrator of the Agency for International Development, transmitting, pursuant to law, a report on the quantity of agricultural commodities programmed under Title II of P.L. 480 in fiscal year 1991; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2524. A communication from the Chairman of the Board of Directors of the Panama Canal Commission, transmitting, pursuant to law, a report, including unaudited financial statements, covering the operation of the Panama Canal during fiscal year 1991; to the Committee on Armed Services.

EC-2525. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, notice of a contract award date for the Avenger program; to the Committee on Armed Services.

EC-2526. A communication from the Under Secretary of Defense (Acquisition), transmitting, pursuant to law, the Legislative Environmental Impact Statement for the START Treaty; to the Committee on Armed Services.

EC-2527. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the annual interim report on the Neighborhood Development Demonstration Program; to the Committee on Banking, Housing, and Urban Affairs.

EC-2528. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report with respect to a transaction involving United States exports to the Kingdom of Morocco; to the Committee on Banking, Housing, and Urban Affairs.

EC-2529. A communication from the Secretary of the Interior, transmitting, pursuant to law, a report on the impact of potential crude-oil spills in the Arctic Ocean on Alaska Natives; to the Committee on Environment and Public Works.

EC-2530. A communication from the Chairman of the Board for International Broadcasting, transmitting, pursuant to law, the annual report of the Board for fiscal year 1991; to the Committee on Foreign Relations.

EC-2531. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on the audit of the merged and surplus accounts of the Department of Defense for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2532. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the annual report of the Comptroller General for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2533. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-133 adopted by the Council on January 7, 1992; to the Committee on Governmental Affairs.

EC-2534. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-134 adopted by the Council on January 7, 1992; to the Committee on Governmental Affairs.

EC-2535. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-135 adopted by the Council on January 7, 1992; to the Committee on Governmental Affairs.

EC-2536. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-136 adopted by the Council on January 7, 1992; to the Committee on Governmental Affairs.

EC-2537. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-137 adopted by the Council on January 7, 1992; to the Committee on Governmental Affairs.

EC-2538. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-138 adopted by the Council on January 7, 1992; to the Committee on Governmental Affairs.

EC-2539. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-139 adopted by the Council on January 7, 1992; to the Committee on Governmental Affairs.

EC-2540. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-140 adopted by the Council on January 7, 1992; to the Committee on Governmental Affairs.

EC-2541. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-141 adopted by the Council on January 7, 1992; to the Committee on Governmental Affairs.

EC-2542. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-142 adopted by the Council on January 7, 1992; to the Committee on Governmental Affairs.

EC-2543. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-143 adopted by the Council on January 7, 1992; to the Committee on Governmental Affairs.

EC-2544. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-144 adopted by the Council on January 7, 1992; to the Committee on Governmental Affairs.

EC-2545. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report entitled "Managing Federal Information Resources: Ninth Annual Report Under the Paperwork Reduction Act of 1980"; to the Committee on Governmental Affairs.

EC-2546. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Federal, State, and Local Partnership for Educational Improvement; to the Committee on Labor and Human Resources.

EC-2547. A communication from the Secretary of Veterans Affairs, transmitting, pursuant to law, the fourth annual report on Department of Veterans Affairs furnishing contract care and services to eligible veterans; to the Committee on Veterans' Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BINGAMAN:

S. 2178. A bill to establish the Jemez National Recreation Area in the State of New Mexico, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DANFORTH:

S. 2179. A bill to extend the existing suspension of duty for certain small toys, toy jewelry, and novelty goods, and for other purposes; to the Committee on Finance.

By Mr. DOLE:

S.J. Res. 247. Joint resolution designating June 11, 1992, as "National Alcoholism and Drug Abuse Counselors Day"; to the Committee on the Judiciary.

By Mr. CONRAD:

S.J. Res. 248. Joint resolution designating August 7, 1992, as "Battle of Guadalcanal Remembrance Day"; to the Committee on the Judiciary.

By Mr. BREAUX:

S.J. Res. 249. Joint resolution to propose an amendment to the Constitution of the United States to protect the cultural rights of all Americans; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN:

S. 2178. A bill to establish the Jemez National Recreation Area in the State of New Mexico, and for other purposes; to the Committee on Energy and Natural Resources.

JEMEZ NATIONAL RECREATION AREA ESTABLISHMENT ACT

• Mr. BINGAMAN. Mr. President, I rise today to introduce a bill to authorize the establishment of the Jemez National Recreation Area in New Mexico. This national recreation area will be managed primarily to conserve, protect, and restore the recreational, cultural, archeological, ecological, scenic, and wildlife resource values within this unique area of the Santa Fe National Forest. A plan for the national recreation area will be developed as an amendment to the Santa Fe National Forest land and resource management plan to assure that this management emphasis will be carried out.

The Jemez National Recreation Area is approximately 100,000 acres in size. It is a place of volcanically formed mountains with beautiful valleys, stands of mixed conifer and deciduous trees, small hidden ponds, and steep canyons ringed with brilliantly colored rimrocks. Within the area is the East Fork of the Jemez River, 11 miles of which has been designated as a national wild and scenic river. The Jemez National Recreation Area will further insure the river's beauty and recreational value. The area also holds an abundance of spectacular prehistoric sites. Geologically, the most striking visual aspect of the Jemez National Recreation Area is the Valle Grande—one of the larger calderas in the world. The broad expanses of valley meadows and mountain grasslands surrounded by forested caldera rim peaks and secondary domes is a truly inspiring view, worthy of protection.

This action will ensure, for the future, the interests of the over 300,000 visitors to the area each year. The Jemez Mountains Area has long been valued by the citizens of Albuquerque, Santa Fe, Los Alamos, Espanola, and the surrounding communities for its exceptional recreational opportunities, the plentiful water and clean air, the numerous hot-springs, the abundant wildlife, and just the sheer beauty of the place. People who visit again and again form special emotional attachments to the area. These are people who enjoy the area for hiking, camping, rock climbing, back packing, fishing, hunting, snowmobiling, swimming, and cross country skiing—in the Jemez Mountains they have the opportunity to do all of this.

With the rapid population growth in Santa Fe and Albuquerque, even greater demands will be made upon the area for these recreational opportunities. Recreational and interpretative facilities and a visitor center will be constructed with minimal impacts on the scenic values and primeval character of the recreation area. Maintenance of both new and existing facilities in the national recreation area will be emphasized from the start.

The Jemez Mountains are one of the richest areas in the Southwest for the evidence of ancient Indian occupation. Human habitation stretches back at least 4,000 years in this area. There have been major finds nearby at Bandelier National Monument, Jemez Monument, and Puye Cliff. Survey in the area has recorded thousands of sites—from surface scatters of artifacts to large multiroom pueblos. In fact, some of the ruins are much larger than many within the National Park System. Site density is estimated at approximately 15 sites per square mile—there could well be 30,000 sites in the national recreation area. The proposed boundaries include the Virgin Mesa Area, in which are found the most impressive cultural resource sites in the mountains. This bill directs that there will be particular emphasis given to the preservation, stabilization, and protection of these invaluable cultural resources.

Today, to the people of the Jemez Pueblo, this land remains sacred for them as it was for their Towa-speaking ancestors; it contains significant religious sites and shrines. The bill directs the protection of these cultural and religious sites and assures nonexclusive access from time to time by Indian people for traditional cultural and religious purposes. Further, upon request of an Indian tribe, an area may be temporarily closed to the general public in order to protect the privacy of religious and cultural uses in that area. The Governor of the Pueblo of Jemez and chief executive officers of other appropriate Indian tribes in the area will be consulted in these matters during preparation of the national recreation area management plan.

The Jemez National Recreation Area is important habitat for the peregrine falcon, the goshawk, the meadow jumping mouse, the Jemez Mountain salamander, the Mexican spotted owl, and the wood lily—all species on State or Federal listings of endangered or threatened species. Emphasis will be given to the preservation and protection of these wildlife and botanical resources.

The bill will not affect traditional uses—grazing, hunting, and fishing will continue in the area at the request of many local citizens.

Timber sales for personal fuelwood, for vigas and lattilas, and for purposes of public safety, wildlife needs, recreation, and administration may continue. The Los Griegos sale, scheduled for fiscal year 1993, is specifically allowed on condition that unevenaged management, including individual tree selection, will be used. Monitoring of this sale as it proceeds and after its completion will provide the Forest Service with valuable information for the planning of future timber sales throughout the Southwest. The methods prescribed for this sale might well be used more and more by the Forest Service in the future for the purposes of protecting threatened and endangered species, assuring biological diversity, and further controlling erosion in our fragile southwestern environment.

The largest elk herd in New Mexico migrates through this area. Hunting and fishing in the area will continue to be permitted; they are important both for subsistence and recreational activities.

Grazing may be permitted within the national recreation area in accordance with regulations; riparian areas will be managed to protect their important resource values.

The bill protects valid existing mineral rights. It does withdraw the area from any further location under the general mining laws, from the operation of mineral and geothermal leasing laws, and from common variety mineral material disposal laws. It requires that any land mined under existing claims be reclaimed to a condition as close as is reasonably possible to its premined state. No patents will be issued for outright ownership of mining claims or locations after May 30, 1991; but anyone claiming to have been deprived of any property right by this may file with the U.S. Claims Court within 1 year of this bill's enactment to seek compensation.

Local support for this bill is high; residents have been enthusiastic in their efforts to preserve the resources of the Jemez Mountains for future enjoyment. The Forest Service also supports the designation of a national recreation area in the general area proposed. Areas like the Jemez Mountains are in need of our committed protection; they must be cherished for the benefit and enjoyment of present and future generations. The legislation I am introducing today will see that this necessary protection and conservation of the Jemez happens.

Mr. President, I ask unanimous consent that the text of the bill be placed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2178

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Jemez National Recreation Area Establishment Act".

SEC. 2. DEFINITIONS.

As used in this Act:

(1) RECREATION AREA.—The term "recreation area" means the Jemez National Recreation Area established by this Act.

(2) SECRETARY.—Except as otherwise provided in this Act, the term "Secretary" means the Secretary of Agriculture.

SEC. 3. ESTABLISHMENT.

(a) PURPOSE AND ESTABLISHMENT.—In order to conserve, protect, and restore the recreational, ecological, cultural, religious, and wildlife resource values, of the Jemez Mountains, there is established the Jemez National Recreation Area, to be administered by the Secretary of Agriculture.

(b) AREA INCLUDED.—

(1) IN GENERAL.—The recreation area shall be comprised of approximately 100,000 acres of lands and interests in lands within the Santa Fe National Forest, as generally depicted on the map entitled "Jemez National Recreation Area-Proposed" and dated October, 1991.

(2) MINOR REVISIONS.—The Secretary may from time to time make minor revisions in the boundary of the recreation area to promote management effectiveness and efficiency in furtherance of this Act.

(c) MAP AND DESCRIPTION.—

(1) FILING.—As soon as practicable after the date of enactment of this Act, the Secretary shall file a map and legal description of the recreation area with the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives.

(2) FORCE AND EFFECT.—The map and legal description shall have the same force and effect as if included in this Act, except that the Secretary may correct clerical and typographical errors in the map and legal description.

(3) PUBLIC INSPECTION.—The map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service of the Department of Agriculture.

SEC. 4. ADMINISTRATION.

(a) IN GENERAL.—

(1) IN GENERAL.—The Secretary shall administer the recreation area—

(A) in accordance with this Act and the laws applicable to lands within the National Forest System; and

(B) in a manner that will further the purposes of the recreation area.

(2) MANAGEMENT.—Management of the natural resources within the recreation area shall be permitted only to the extent that the management is compatible with and does not impair the purposes for which the recreation area is established.

(3) RECREATIONAL ACTIVITIES.—Permissible recreational activities within the recreation area shall include hiking, camping, hunting, fishing, skiing, backpacking, rock climbing, and swimming.

(b) MANAGEMENT PLAN.—

(1) IN GENERAL.—Not later than 5 years after the date of enactment of this Act, the Secretary shall develop a management plan for the recreation area that—

(A) is an amendment to the Santa Fe National Forest Land and Resource Management Plan;

(B) reflects the establishment of the recreation area; and

(C) conforms to the requirements of this Act.

(2) CONGRESSIONAL INTENT.—Nothing in this Act is intended to require the Secretary to revise the Santa Fe Forest Land and Resource Management Plan pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604).

(c) CULTURAL RESOURCES.—In administering the recreation area, the Secretary shall give particular emphasis to the preservation, stabilization, and protection of cultural resources located within the recreation area in furtherance of the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470aa et seq.) and the National Historic Preservation Act (16 U.S.C. 470 et seq.).

(d) NATIVE AMERICANS.—

(1) PROTECTION OF SITES.—

(A) IN GENERAL.—In recognition of the past use of portions of the recreation area by Indian peoples for traditional cultural and religious purposes, the Secretary shall protect Indian religious and cultural sites and provide occasional access to those sites by Indian peoples for traditional cultural and religious purposes. The access shall be consistent with the purpose and intent of Public Law 95-341 (42 U.S.C. 1996) (commonly known as the "American Indian Religious Freedom Act").

(B) TEMPORARY CLOSINGS.—In accordance with such joint resolution and upon request of an Indian tribe or pueblo, the Secretary may from time to time temporarily close to general public use one or more specific portions of the recreation area in order to protect the privacy of religious activities and cultural uses by Indian peoples. Any closure shall be made so as to affect the smallest practicable area for the minimum period necessary.

(2) CONSULTATION WITH NATIVE AMERICANS.—In preparing and implementing management plans for the recreation area, the Secretary shall request that the Governor of the Pueblo of Jemez and the chief executive officers of other appropriate Indian tribes and pueblos make recommendations on methods of—

(A) ensuring access to cultural and religious sites;

(B) enhancing the privacy and continuity of traditional cultural and religious activities in the recreation area; and

(C) protecting traditional cultural and religious sites in the recreation area.

(e) WILDLIFE RESOURCES.—In administering the recreation area, the Secretary shall—

(1) give particular emphasis to the conservation and protection of wildlife resources within the recreation area (including species listed as sensitive by the Forest Service); and

(2) comply with applicable Federal and State laws relating to wildlife, including the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

(f) HUNTING.—

(1) IN GENERAL.—Within the recreation area, and subject to paragraphs (2) and (3), the Secretary shall permit hunting and fishing on lands and waters under the jurisdiction of the Secretary in accordance with applicable Federal and State law.

(2) LIMITATION.—

(A) IN GENERAL.—The Secretary may designate zones where, and establish periods when, hunting and fishing shall not be permitted for reasons of public safety, administration, fish and wildlife management, or public use and enjoyment.

(B) CONSULTATION.—Except in emergencies, designation by the Secretary under this paragraph shall be put into effect only after consultation with the appropriate State agencies responsible for hunting and fishing activities.

(g) TIMBER HARVESTING.—

(1) IN GENERAL.—The Secretary may permit timber harvesting in the recreation area for commercial purposes (including vigas, latillas, and the gathering of fuelwood) and for purposes of public safety, recreation, wildlife, and administration, insofar as the harvesting is compatible with the purposes of the recreation area.

(2) TIMBER SALES UNDER CONTRACT.—Nothing in this Act is intended to affect timber sales under contract on the date of enactment of this Act.

(3) LOS GRIEGOS TIMBER SALE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), nothing in this Act is intended to affect the Los Griegos timber sale in the Los Griegos Diversity Unit number 0322, as shown on the West Half Diversity Unit map of the Santa Fe National Forest dated November 1991.

(B) EXCEPTION.—The Secretary shall manage the sale using uneven aged management, including the individual tree selection method.

(h) GRAZING.—The Secretary may permit grazing within the recreation area in accordance with regulations prescribed by the Secretary. Riparian areas shall be managed in such a manner as to protect their important resource values.

(i) TRANSPORTATION PLAN.—

(1) IN GENERAL.—Not later than 1 year after funds are made available to carry out this Act, the Secretary shall prepare a transportation plan that provides for the most efficient use of existing roads and trails to accomplish the purposes of this Act. The plan shall provide for a comprehensive trails system that permits dispersed recreation while minimizing the impact on significant archaeological and religious sites.

(2) ROADS.—The Secretary shall construct, maintain, and close roads within the recreation area only in accordance with the plan prepared pursuant to paragraph (1).

(j) RECREATIONAL FACILITIES.—The Secretary shall provide for recreational facilities within the recreation area. The facilities shall be constructed so as to minimize impacts on scenic beauty and the natural character of the recreation area.

(k) VISITOR FACILITIES.—The Secretary shall establish a visitor center and interpretive facilities in or near the recreation area in order to provide for education relating to the interpretation of the cultural and natural resources of the recreation area.

(l) POWER TRANSMISSION LINES.—In accordance with Federal and State law, the Secretary may permit a utility corridor for high power electric transmission lines only if the Secretary determines that—

(1) there is not a feasible alternative for the location of the corridor;

(2) damage to the recreational and scenic quality of the recreation area will not be significant;

(3) it is in the public interest that the corridor be located in the recreation area; and

(4) a plan to minimize harm to the resources of the recreation area has been developed.

(m) SCIENTIFIC INVESTIGATIONS.—The Secretary may permit scientific investigations within the recreation area if the Secretary determines that the investigations are in the public interest and are compatible with this Act.

SEC. 5. ACQUISITION OF LANDS.

(a) STATE LANDS.—Lands and interests in lands within the boundaries of the recreation area that are owned by the State of New Mexico, or any political subdivision of the State, may be acquired only by donation or exchange.

(b) OFFERS TO SELL.—In exercising authority to acquire property under this Act, the Secretary shall give prompt and careful consideration to any offer by a person to sell property within the boundaries of the recreation area.

SEC. 6. MINERALS AND MINING.

(a) LIMITATION ON PATENT ISSUANCE.—

(1) IN GENERAL.—Effective beginning May 31, 1991, no patent for a location or claim in the recreation area may be issued under the mining laws of the United States.

(2) CLAIMS FOR PROPERTY RIGHTS.—Notwithstanding any statute of limitations or similar restriction otherwise applicable and not later than 1 year after the date of enactment of this Act, a party claiming to have been deprived of a property right by the enactment of paragraph (1) may file in the United States Claims Court a claim against the United States seeking compensation for the property right. The United States Claims Court shall have jurisdiction to render judgment upon the claim in accordance with section 1491 of title 28, United States Code.

(b) WITHDRAWAL.—Subject to valid existing rights, lands within the recreation area are withdrawn from location under the general mining laws and from the operation of the mineral leasing, geothermal leasing, and mineral material disposal laws.

(c) RECLAMATION.—No mining activity involving any surface disturbance of lands or waters within the recreation area (including disturbance through subsidence) shall be permitted except in accordance with requirements imposed by the Secretary, including requirements for reasonable reclamation of disturbed lands to a visual and hydrological condition as close as practicable to their premining condition.

(d) MINING CLAIM VALIDITY REVIEW.—

(1) EXAMINATION OF CLAIMS.—Not later than 3 years after the date of enactment of this Act, the Secretary shall undertake and complete an expedited program to examine all unpatented mining claims within the recreation area, including those claims for which a patent application has been filed.

(2) DETERMINATION OF VALIDITY.—If the Secretary determines that the elements of a contest are present, the Secretary of the Interior shall immediately determine the validity of the claims. If a claim is determined to be invalid, the Secretary shall promptly declare the claim to be null and void.

(e) USE OF MINERAL MATERIALS.—The Secretary may use mineral materials from within the recreation area for public purposes (including the maintenance and construction of roads, trails, and facilities) if the use is compatible with the purposes of the recreation area.

SEC. 7. ADJOINING LANDS.

The Secretary may from time to time evaluate lands adjoining the recreation area for possible inclusion in the recreation area and make recommendations to Congress. Lands evaluated may include that area authorized for study by section 5 of the Baca Location No. 1 Land Acquisition and Study Act of 1990.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.●

By Mr. DANFORTH:

S. 2179. A bill to extend the existing suspension of duty for certain small toys, toy jewelry, and novelty goods, and for other purposes; to the Committee on Finance.

EXTENSION OF DUTY SUSPENSION ON CERTAIN SMALL TOYS, TOY JEWELRY, AND NOVELTY GOODS

● Mr. DANFORTH. Mr. President, today I am introducing legislation to extend temporarily the existing suspension of duty for certain small toys, toy jewelry, and novelty goods imported at not more than 8 cents per item. These small toys and novelty items are sold through bulk vending machines found in supermarkets, department stores, theaters, bowling alleys and other retail establishments. There is no longer any domestic industry producing these small toys. However, the American bulk vending industry, which relies on duty-free imports of these goods, employs over 10,000 people throughout the United States. I ask unanimous consent that the text of the bill be printed in full in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2179

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SMALL TOYS, TOY JEWELRY, AND NOVELTY GOODS.

(a) IN GENERAL.—Heading 9902.71.13 of the Harmonized Tariff Schedule of the United States is amended—

(1) by striking out "5¢" each place it appears and inserting "8¢", and

(2) by striking out "12/31/92" and inserting "12/31/94".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to goods entered, or withdrawn from warehouse for consumption, after December 31, 1992.•

By Mr. DOLE:

S.J. Res. 247. Joint resolution designating June 11, 1992, as "National Alcoholism and Drug Abuse Counselors Day"; to the Committee on the Judiciary.

NATIONAL ALCOHOLISM AND DRUG ABUSE COUNSELORS DAY

Mr. DOLE. Mr. President, I rise to introduce legislation designating June 11, 1992, as "National Alcoholism and Drug Abuse Counselors Day". This day will provide us with an opportunity to acknowledge the vital role that alcoholism and drug abuse counselors play in addressing our Nation's alcoholism and drug dependency problem.

I believe everyone would agree that alcoholism and drug dependency are devastating—to individuals, to our communities, and to our country. Not only do those abusing these substances suffer, but their family, friends, and coworkers do as well. Abuse of alcohol and drugs also takes its toll on our Nation as a whole. Lost worker productivity, increased health care costs, and added crime are just some of the ways that Americans are affected by alcoholism and drug abuse every day.

Alcoholism and drug abuse counselors are trained professionals who help people develop an understanding of their problem and its effect on their lives. With the help of these counselors, affected individuals may learn to take responsibility for their actions and begin to look forward to a better future free of alcohol or other substances.

I hope that others will join me and support this legislation, which provides important recognition to a critical component of our fight against alcoholism and drug abuse.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 247

Whereas alcoholism and drug abuse are among the most serious and persistent problems facing our Nation today, affecting every community, whether urban or rural;

Whereas abuse of alcohol and drugs contributes to the dissolution of families, increased crime, death on our streets and highways, and untold suffering both by those who abuse these substances and those with whom they come into contact;

Whereas drug and alcohol abuse by America's workers results in increased costs to our Nation through lost productivity, higher health care costs, and increased risks to coworkers;

Whereas alcoholism and drug abuse counselors are dedicated to helping the millions of people suffering from alcoholism and drug dependence to overcome their problems and live healthy, productive lives free of alcohol or drugs;

Whereas alcoholism and drug abuse counselors help people learn to take responsibility for their actions, to develop better interpersonal skills, and to look forward to a better future; and

Whereas certified alcoholism and drug abuse counselors are skilled professionals who work with other concerned people to form a comprehensive recovery team for affected individuals: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That June 11, 1992, is designated as "National Alcoholism and Drug Abuse Counselors Day". The President of the United States is authorized and requested to call upon the people of the United States to celebrate the day with appropriate ceremonies and activities.

By Mr. CONRAD:

S.J. Res. 248. Joint resolution designating August 7, 1992, as "Battle of Guadalcanal Remembrance Day"; to the Committee on the Judiciary.

BATTLE OF GUADALCANAL REMEMBRANCE DAY

• Mr. CONRAD. Mr. President, in the coming months, the United States, as part of the 50th anniversary of World War II, and the effort by the Department of Defense to commemorate events of national significance between 1941–45, will pause to honor and remember the heroism and sacrifices of the more than 60,000 Marines, Army, and Naval servicemen who fought major battles on land and sea to defeat the Japanese in the Solomon Islands on Guadalcanal.

On August 7, 1992, the U.S. Marine Corps, at the site of the Iwo Jima Memorial in Washington, DC, will pay tribute to the 5th Marine Regiment and 1st Marine Regiment, the first American servicemen to make successful landings on Guadalcanal. Similar ceremonies to commemorate the successful campaign in the Solomon Islands will be held on August 7 on Guadalcanal Island.

During the month of August, in Devils Lake, ND, members of the North Dakota National Guard, including survivors of the Army 164th Infantry Regiment of the American Division, the first Army units to land on Guadalcanal on October 13, 1942, will gather at Camp Gilbert C. Grafton, ND, National Guard Training Center, to honor and pay respect to the members of the North Dakota National Guard who participated in, and gave their lives during the grueling 6-month Guadalcanal campaign.

The landings on Guadalcanal Island on August 7, 1942, marked the first American offensive of the Pacific War after the fall of Corregidor in the Philippines, action that was absolutely vital in the Allied effort to force a Japanese retreat from the islands in the Pacific. The campaign to recapture Guadalcanal between August 7, 1942, and February 9, 1943, resulted in some of the bloodiest and most gruesome fighting during World War II. The fighting on Bloody Ridge, around Henderson Field and during the naval battle of Guadalcanal between November 12–15, 1942, portrayed a clear picture of the heroism and supreme sacrifices made by many American servicemen including members of the 164th Infantry Regiment, throughout the Guadalcanal campaign.

During the 6-month campaign beginning August 7, there were more than 9,400 casualties among Army, Navy, and Marine forces on Guadalcanal, including 4,343 killed in action. Among the North Dakota National Guardsmen serving with the 164th Infantry Regiment on Guadalcanal, 147 North Dakotans were killed in action, 309 were wounded, and 133 were listed as nonbattle-related casualties between October 13, 1942, and the end of Japanese resistance on the island on February 9, 1943.

Mr. President, as Americans pause to remember the heroism and sacrifices of many individuals who served their country between 1941–45, it is proper and most fitting that we take time to honor those Army, Navy, and Marine servicemen who participated in one of the most significant and costliest military actions of World War II in the Pacific—the landing, and campaign to recapture Guadalcanal between August 7, 1942 and February 9, 1943.

I am deeply honored to be able to recognize the heroism and sacrifices of the members of Army, Navy, and Marines who served in the Guadalcanal campaign in 1942. I am especially privileged to recognize the members of the 164th Infantry Regiment of the North Dakota National Guard who served their country with extraordinary distinction and heroism throughout the Guadalcanal campaign.

In recognition of this distinction, and the landing on Guadalcanal which represents a most significant turning point in World War II in the Pacific, I am today introducing a resolution in the Senate to designate August 7, 1992, as Battle of Guadalcanal Remembrance Day. I ask unanimous consent that the text of this joint resolution be printed in the RECORD at the conclusion of my remarks. I ask unanimous consent that a diary representing an account of the 164th Infantry Regiment of the North Dakota National Guard, a Guadalcanal from October 13, 1942, through February 23, 1943, be printed in the RECORD following the resolution, and at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 248

Whereas the Allied forces military campaign in the Solomon Islands of the South Pacific was the first American offensive action of World War II in the Pacific;

Whereas the focus of that campaign was the island of Guadalcanal;

Whereas the American military invasion of Guadalcanal began on August 7, 1942, with the amphibious landing of Major General Alexander A. Vandegrift's 1st Marine Division;

Whereas, on October 13, 1942, the commitment of United States Army ground forces to the Battle of Guadalcanal began with the landing of the 164th Infantry Regiment of the American Division, a unit of the North Dakota Army National Guard, making that Army unit the first to engage in offensive combat action in the Pacific theater during World War II;

Whereas throughout the campaign the United States Navy, particularly the South Pacific Naval Task Force under the command of Vice Admiral William F. Halsey which was the principal naval force during the Naval Battle of Guadalcanal in November of 1942, provided the naval support that was critical to the victory of American forces on Guadalcanal;

Whereas during the 6 month campaign on Guadalcanal there were over 9,000 Army, Marine, and Navy casualties;

Whereas on August 7, 1992, the United States Marine Corps will conduct a ceremony at the Iwo Jima Memorial in Washington, D.C., to commemorate the landing of Marines on Guadalcanal; and

Whereas, as part of its commemoration of the 50th anniversary of World War II, the Department of Defense will recognize the contributions made by all American military personnel during the operations on Guadalcanal: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 7, 1992, is designated as "Battle of Guadalcanal Remembrance Day". The President of the United States is authorized and requested to call upon the people of the United States to celebrate the day with appropriate ceremonies and activities.

AN ACCOUNT OF THE 164TH INFANTRY REGIMENT ON GUADALCANAL FROM OCTOBER 7, 1942, THROUGH FEBRUARY 23, 1943

(By Lt. Col. Samuel Baglien)

THE 164TH INFANTRY IN COMBAT FROM OCTOBER 7, 1942

Prior to and on October 7, 1942, the 164th Infantry Regiment was located on the island of New Caledonia. The bivouac areas of the First, Second, Third and Provisional battalions were strategically dispersed near the Tontouta Air Base about 30 miles inland from the island capital city, Noumea.

On September 14, 1942, Colonel Earle R. Sarles had been retired of command of the regiment, having attained his 55th birthday, and Colonel Bryant E. Moore, 0–8633, assumed command on that date. It was hard to see Colonel Sarles leave the regiment as he had been with the regiment since 1905 and was a father to us all.

On October 7, 1942, at 7:00 p.m., the regiment was alerted under orders from Major General Alexander M. Patch, Americal Division, of which division the regiment was a part. Such orders provided that the regiment shall prepare for movement to the Port of Embarkation at Noumea harbor on October 8, 1942. Preparations, lasting all night, began immediately. Arrangements were made to retain a rear echelon consisting of the personnel section, guards, cooks, maintenance, etc., at New Caledonia, with Captain John R. Erickson in command. An attempt was made to contact our Reconaissance platoon under Lt. Flo. This was unsuccessful as they were in the jungle on the island and were attempting to find a trail route to Thio, which was across the island.

On October 8, 1942, packing and movement was in progress. Advance details and loading crews arrived at Noumea harbor at 10:00 a.m. and began loading equipment and supplies. The regiment cleared all of its areas by 6:30 p.m. The First and Third battalions embarked aboard the USS Zeilin troop transport at 10:00 p.m., and the Second and Provisional battalions embarked aboard the USS McCawley troop transport at 10:00 p.m. Harbor officials complimented the regiment upon its speed of loading the two vessels. Major Timboe received his promotion to Lt. Col. Captains Northridge and Ordahl to Majors.

On October 9, 1942, the two ships took on additional supplies for the First Marine Division that was located at Guadalcanal. This was completed at noon. Colonel Moore, Major Zlevor, S4, and Major Ordahl, S3, boarded a Navy transport plane along with Colonel Linscott of the Marines and left on a flight toward our destination, to ascertain arrangements for our landing. Admiral Ghormly, Major General Patch and Major General Harmon boarded the troop transports and inspected the troops, who were complimented for their fine appearance, discipline and excellent condition. The troop transports and convoy cleared the Noumea harbor during the afternoon and headed toward our destination, Guadalcanal Island, Solomon Islands.

October 10 to October 12, 1942, the regiment was at sea. Weather clear, sea calm. Routine duties, and fire and debarkation drills. Mail was passed at sea from a destroyer; this was a very interesting sight and a welcome one. Alerted, but the enemy was not sighted. Lt. Col. Samuel Baglien, Executive Officer, was in full charge of the regiment and the movement was in charge of the U.S. Navy under Rear Admiral Turner. The men during the trip showed no signs of nervousness and welcomed the opportunity to get into combat. Admiral Turner got quite a kick out of the trip, stating: "Imagine taking a bunch of the Army up to reinforce the Marines." To us the trip was a signal honor, as it meant that we would be the first Army Infantry troops in battle since the fall of Bataan. All our unloading details are ready for the landing. Admiral Turner promised me turkey for the boys for Thanksgiving and I also asked him not to forget where we were located when the war was over.

At dawn on October 13, 1942, the regiment arrived at Kukum Beach, Guadalcanal. Debarkation of personnel began immediately. Stations at nets had been previously assigned. The troops carrying ammunition, combat packs, gas masks and arms entered Higgins boats, via nets and were taken ashore. The First Marine Division, already stationed at Guadalcanal, covered the landing. The debarkation of troops was completed by 7:30 a.m. Details were assigned for unloading supplies and equipment. The supplies were transferred to Higgins boats from the transports and unloaded on the beach and distributed. In the midst of this work, at about noon, a flight of Japanese bombers passed over and bombed the area for a half hour. Corporal Kenneth S. Foubert, Company "M" was killed; the first casualty of the regiment. Two men were injured. The enemy again bombed the area from aircraft from 1:30 p.m. to 4:00 p.m., but there were no further casualties and very little damage. At 6:00 p.m. the area was shelled by enemy artillery located west along the beach toward Point Cruz. The troops sought cover and, although alarmed, maintained order. Pvt. Park E. Jagears, Company "D" was killed. At 11:00 p.m. the regiment began movement toward bivouac areas about two miles east, between Lunga Point, Teneru River and Henderson Air Field. What a day and what a reception for our first day! The Marines are sure glad we are here and they certainly look like they have gone through "Hell."

Immediately after midnight, 12:10 a.m., October 14, 1942, terrific shelling by enemy naval craft began. "Louie the louse" seems to be directing the fire. Several cruisers and destroyers were lying off Kukum Beach and Lunga Point and shelled the area near Lunga Point and Henderson Field incessantly until 3:30 a.m. The shells were 6–8 and 12, 14 inch with star shells to light up the area over Henderson Field. The troops had no time to dig in, but sought all available cover and maintained good order. Warrant Officer, Bernard E. Starkenberg, 0–2105012, was killed; Corporal Rollie Andrick, Hq. Det. Second battalion was killed. Three landing boats containing enemy troops approached Kukum Beach, but withdrew. Many coconut palm trees were cut down, but otherwise damage was negligible. Col. Brookes of the New Zealand army stated this shelling was worse than Crete. I'll never forget our Chaplain Marks after two hours of shelling, straightened up in the corner of the hole and looked us all over and said: "Gentlemen, I've done all I can for you." This broke the tension; we giggled.

At 9:00 a.m. a flight of enemy bombers again passed over and dropped bombs evidently intended for Henderson Field, but most of them landed in bivouac areas causing minor damage to personal equipment, and no casualties. Troops now are well dug in, and have also used dug outs of Marines formerly stationed in areas. Another enemy bombing raid at 10:00 a.m. and another at 12:00 noon—same results. "Pistol Pete" the Jap artillery man came into action. He seems to have quite a long range gun. He certainly knows how to lay on the airport. Went down to the beach, where our supplies were, to visit Company "L" who were left there to guard our stores. One of the men told of sitting on a large pile of rations and when the first Jap naval shells came over the rush of the wind blew him off his perch.

October 15, 1942. The 164th Infantry Regiment is attached to the First Marine Division, who have been at Guadalcanal since August 7. This regiment is the only attached army unit. Major General Vandegrift is the Commanding General of forces on Guadalcanal. Command of a sector passed to this regiment and the First Battalion took up positions on the sector front at the Teneru River, relieving a battalion of Marines. Enemy aircraft, including bombers and Zero fighters, bombed and strafed the sector and nearby areas from 11:30 a.m. to 2:00 p.m. Enemy aircraft again bombed the area from 7:30 p.m. to 8:30 p.m. The following enlisted men were killed on October 15: Private Alferd C. Halverson, Medical Detachment; Private Steven Zakopayko, Company "E"; Private Amanda Del Fava, Company "B"; Private Glen Midgarden, Company "C". All our rations were turned over to the First Marine Division and we are having a tough time to get our supplies and equipment away from Yellow Beach as rain washed out the bridge.

Members killed in action are being buried at the First Marine Division cemetery. Graves are marked with a green wooden cross as there is no distinctive marking between rank. Chaplains are in attendance at a brief ceremony. A group of captured Japanese laborers dig the graves. A palm branch is placed over each grave.

On October 16, at 12:01 a.m. terrific shelling by enemy Japanese naval craft began and continued until 2:30 a.m. However, the troops were orderly and kept under cover. Captain George R. Newgard, Munitions Officer, was hit by a "dud" and severely wounded and died later. The Second Battalion took up position to the right of the First Battalion, east and south of Henderson Field, relieving a battalion, east and south of Henderson Field, relieving a battalion of Marines at 10:00 a.m. The Third Battalion moved into Division Reserve and prepared for mobility. During the day several alert warnings were given, but enemy planes were intercepted and there were no further bombings. The regimental CP was moved to a well camouflaged area, southwest of the First Battalion positions. Sturdy dug-outs were completed. "Pistol Pete" fired on Henderson Field several times during the day. We relieved the First Marine Regiment under Col. Cates and our own Col. Moore took command of the sector held by our First and Second Battalions.

On October 17, at 1:15 p.m., 20 enemy bombers passed over the area and dropped their loads. Minor damage and no casualties. Many patrols under the direction of Captain Considine are proceeding beyond our front lines, and all reports are negative. Lt. Col. Frisbee of the Seventh Marines on our right called at our CP to coordinate patrol activities. Major General Vandegrift, Colonel Thomas, Chief of Staff and Lt. Col. Twining D-3 of the Marine Division also called during the day.

On October 18, 1942, our front line positions are well dug in, and guns are properly placed. Sector front quiet. At 2:10 p.m. a wave of enemy bombers came over and bombed the area. Another wave bombed at 6:00 p.m. Minor damage and no casualties to our regiment. "Pistol Pete" is working overtime. This is a funny war as I can ride my "Peep" through the sector we are holding in front of our own lines.

On October 19, 1942, patrols still report negative, though some enemy movement is detected by our aircraft. Sector front is quiet. Several bombing alerts but the bombers were intercepted by our air force, which has been doing a superior job. "Louie-the-Louse," the one Jap bomber and his brethren are finding it more difficult to get through. This is a peculiar war, the masters can ponder over this one. We have an airport on our regimental reserve line, the Jap navy hits us in the rear, we fight them to our front, and they bomb Hell out of us from the air and we are holding a little piece of ground roughly, six miles wide and three miles deep. Looks like we are in for a rough time.

On October 20, 1942, enemy bombers bombed the area from 11:00 a.m. to 12:00 noon. No casualties. Enemy artillery now officially known as "Pistol Pete," began usual bombardment at 6:30 p.m. Evidently emplaced somewhere west of Point Cruz, and has his range set for the airfield. A wave of enemy bombers bombed the area at 8:05 p.m. and then returned at 9:05 p.m. and dropped 17 bombs in over "B" Company area. First Lt. Frank G. Welch, 0-363158, Company "B"; Technician Fourth Grade John T. Flowers, Company "B" and Pfc. Marvin P. Quamme, Company "B", were killed instantly. One officer and three enlisted men were wounded. Our patrols are working in fine shape. General Vandegrift and Colonel Thomas called again today.

On October 21, a wave of enemy bombers bombed the area from 11:00 a.m. to 12:00 noon. "Louie-the Louse" is back. No casualties. "Pistol Pete" tossed shells into the area near Henderson Field from 5:50 to 6:30 p.m. At 7:00 p.m. a bombing raid by enemy aircraft and another at 8:00 p.m. No casualties. We moved our CP today because it was getting a little too hot. We discovered 60 bomb hits and 50 shells had lit in our area since taking over. Our new place doesn't look too good, but it hasn't been discovered.

On October 22, "Pistol Pete" shelled the area at 10 minute intervals throughout the forenoon. At 1:15 p.m. a wave of enemy bombers approached the area, but were intercepted by our Grumman Fighters, and five bombers were shot down. "Pistol Pete" again from 5:00 p.m. to 6:30 p.m. No casualties, but he's getting in our hair. Sector front lines quiet; however, enemy activity and movement is noted. Col. Moore visited Marine Division CP and met Lt. General Holcomb the Marine Commandant.

On October 23, "Pistol Pete" began at 7:30 a.m. and kept shelling at 10 minutes intervals all forenoon. At 11:05 a.m. a wave of enemy bombers came over and dropped their loads in our Third Battalion area, destroying a kitchen, tentage, a few rifles and some equipment. No casualties. The troops have learned to duck. The Marine artillery batteries are out to get "Pistol Pete" and fired at enemy positions constantly from 7:00 p.m. to midnight. Two enemy land thrusts at Marine CPs, south of Henderson Field, were repulsed by the Seventh Marines. First Sergeant Jack T. Simmons; Staff Sergeant Russell J. Opat; Sergeant Bernard A. Deering and Technician Fifth Grade Marvin T. Hanson were commended for meritorious service per Regimental General Orders Number Two, October 23, 1942. I smelled so stinky that I took a bath between bombings; just missed getting caught short.

October 24, 1942. Enemy thrust at Marine position west of the Matanikau was repulsed and nine enemy tanks were destroyed. Enemy patrols are attempting to infiltrate between CPs, and main lines, west and south. From 12:01 a.m. to 7:00 a.m., Marine artillery fired at enemy positions west of the Matanikau River. "Pistol Pete" fired a few shells at the airport, intermittently. Enemy action appearing to be determined land thrust was noted at right flank of Second Battalion, in front of the Seventh Marines, after dark. At 11:40 p.m. the Regimental staff received orders from D-3 to commit Third Battalion to reinforce Seventh Marines immediately.

October 25: The Third Battalion cleared its area at 2:05 a.m. and marched toward the Seventh Marine positions, south of Henderson Field. Upon arrival desperate hand to hand fighting was in progress, and the Third Battalion took up its positions in the face of enemy fire. In some cases hand to hand combat for the possession of foxholes and emplacements occurred. There were skirmishes all along the Third Battalion front and along the right flank of the Second Battalion, but the lines held and the enemy thrusts were repulsed, though there was slight infiltration. At dawn the enemy withdrew and positions were strengthened and coordinated. "Pistol Pete" again active from 8:00 a.m. to 11:00 a.m. Enemy naval craft shelled the area at noon. Enemy Zero fighters have been in the air all day bombing and strafing, but in the resultant dog fights our Grummans shot down many of them and dispersed them. Grumman pilots are adept at luring Zeros within deadly range of our anti-aircraft guns. Several bombing alerts, but our air force intercepted the bombers and dispersed them, shooting down several bombers and Zeros. Enemy artillery again shelled the area at 8:15 p.m. At nightfall the enemy began another determined land thrust at the Seventh Marine positions on our right flank and at our Third and Second Battalion positions, and vicious fighting was in progress. The enemy assaulted the positions repeatedly in great numbers, but the lines are holding. There is some sniper activity. Private John J. Flynn, Company "E" and Private Ira A. Woodell, Company "M" were killed in action. Several wounded, but casualties are comparatively light.

October 26: From midnight until dawn the enemy hurled wave after wave of infantry supported by mortar and machine gun at our Third Battalion lines, but every thrust was repulsed with tremendous loss to the enemy. Our troops stuck to positions with bulldog tenacity, and even hand to hand fighting did not dislodge them. Our Third Battalion positions are in the midst of dense jungle. There was some infiltration. The regimental reserve consisting of only about 175 troops from Headquarters and Service Company was committed to the south border of the airport, in the event of a break through, but was recalled at 9:30 a.m. No enemy air activity during the day—"Pistol Pete" is quiet. Men killed in action: Corporal Louis Lochner, Company "G"; Second Lt. Ralph M. Kamman, Company "G"; Private John B. Muir, Company "G"; Corporal Melvin Busche, Company "G"; Private Robert D. Newman, Company "G"; Private Harvey E. Hubbard, Company "E"; Pfc. John W. McClure, Medical Detachment; Pfc. George E. Kudrna, Company "K"; Private Weldon D. Spease, Company "K"; Corporal Jack F. Leithold, Company "K"; Pfc. Harvey Brewster, Company "K"; Second Lt. Arvid Grasvik, Company "L"; Private Joseph Sperl, Company "L"; Private Carl W. Edwards, Company "L"; Pfc. Arnold B. Nelson, Company "L"; Pfc. Palmer G. Foss, Company "L"; Private Lonnie L. Sistrunk, Company "L"; Pfc. Gerald E. Coffey, Company "M"; Pfc. Dale N. Coppens, Company "M". The boys are going great, it certainly does a fellow good to see how the M-1 rifle can pile up the "Nips".

October 27: From midnight to dawn the enemy again hurled its strength at our Third Battalion and right flank of our Second Battalion lines, but each thrust was repulsed with heavy losses to the enemy. At 4:00 a.m. enemy bombers bombed the area with slight damage, and no casualties resulting. During the day several enemy aircraft waves were intercepted and dispersed with losses to the enemy. Snipers who had infiltrated were active, but caused little damage. Patrols located most of the snipers and destroyed them. They were well camouflaged and hid themselves in the upper branches of high trees, making it difficult to locate them. The carnage of enemy dead piled in front of our lines is creating an unhealthful situation. Burying details are organized and burial is begun. Over 1,700 enemy dead in front of our front alone, and probably many more further back in the jungle. Impossible to estimate enemy wounded. Our troops are near exhaustion, but morale is high. Men killed in action: Second Lt. Sidney S. Linscott, Company "K"; Second Lt. George H. Cummings, Company "A" and Private Howard O. Noland, Company "I".

October 28: Quiet. Enemy appears to have withdrawn to lick its wounds and plan new strategy. Snipers are still an active nuisance. An attempted enemy air assault was drive off at 4:00 a.m. by AA fire. Burial of enemy dead continues. The men received their first hot mean today; they sure were hungry. During the battles they did not each much, perhaps because of the excitement.

October 29: Snipers less active. Patrols encounter very light activity. Burial of enemy dead continues. Souvenir hunters are becoming a nuisance. So orders are issued controlling this situation. Almost every soldier and marine on the island had a souvenir of some sort.

October 30: Burial of enemy dead completed. Most snipers now cleared out. Two of our prisoners admit tremendous enemy losses, shortage of stores and supplies, and low morale. Very little activity. "Pistol Pete" is quite. Made a special trip for Col. Moore with a message to Lt. Col Hall, the Third Battalion commander. This trip was a tough one after dark, didn't think I'd make it, as it was through the jungle. Got shot at a couple of times and caught Hell from my own men for wandering around after dark.

October 31: Quiet on all sector fronts. Activity of snipers has ceased. No bombing alerts. The following men received Regimental commendation per Regimental General Order Number Three: Staff Sergeant William S. Bachellor, Company "M"; Pfc. James Sullivan, Company "I"; Pfc. Stanley W. Anda, Company "L"; Pfc. Francis H. Lauder, Company "M". Our patrolling is heavy and we are going deeper every day.

The following message was received October 29, 1942, from Commanding Officer, First Marines to Commanding Officer, 164th Infantry:

"Subject: Congratulations: The Officers and men of the First Marines salute you for a most wonderful piece of work on the nights of 25 and 26 October 1942. Will you please extend our sincere congratulations to all concerned. We are honored to serve with a unit such as yours. Little did we realize when we turned over our "quiet sector" to you that you would bear the brunt of an attack so soon. I'm sure you are very proud of the fighting ability demonstrated by your unit and our hat is off to you.

C. B. CATES."

The following commendation bulletin, (Division Bulletin, 4a–42) was issued by Headquarters, First Marine Division, Major General A. A. Vandegrift:

"The Commanding General commends the Third Battalion, 164th Infantry, U.S. Army, for the effectiveness of its operations against the enemy on 24, 25, and 26 October, 1942. The First Marine Battalion, Seventh Marines, occupying a defensive sector of a width of 2,500 yards situated to the south of the positions of the First Marine Division on Lunga Point, Guadalcanal, British Solomon Islands, having been attacked by a numerically superior enemy force at about 1000, 23 October 1942, the Third Battalion, 164th Infantry, then in regimental reserve was ordered to reinforce the line. Moving by a forced march at night through rain, over difficult and unfamiliar terrain, it arrived in time to prevent a serious penetration of the position, and by reinforcing the First Battalion, Seventh Marines throughout its sector, made possible the repulse of continuous enemy attacks throughout the night. The following day, having been assigned to the left half of the sector formerly occupied by the First Battalion, Seventh Marines, the Third Battalion, 164th Infantry so occupied and prepared the position that when the main effort of another enemy attack was directed at it on the nights of 24 and 25 October, 1942, it was able to hold the position without serious loss to its own personnel, although heavy casualties were inflicted upon the enemy forces. The First Division is proud to have serving with it another unit which has stood the test of battle and demonstrated an overwhelming superiority over the enemy."

The following radio dispatch from The Commander-in-Chief U.S. Fleet, was received from Honolulu, October 31, 1942:

"Stories of your successful land operations have thrilled us all. Express my appreciation to your Marines in the front lines, and to your soldiers for the way they have backed up and reestablished the lines by their counter attacks. We feel that you have formed a team which will be more than a match for the enemy."

November 1 and 2: Eight enemy snipers were located and killed. Reconnaissance patrols went out 2,500 yards beyond our lines, and report negative. Regimental received orders from Commanding General, First Marine Division, to move forward to a new sector west of the Matanikau River and proceed by military operation and maneuver to an objective four miles further west.

November 3: Enemy artillery shelled sector at 7:00 a.m. No casualties. The First Battalion cleared its area at 6:30 a.m. and marched toward the Matanikau in column of twos and reached the river in the afternoon and proceeded west, being attached to Fifth Marines in reserve. Later that day the First Battalion moved further on being attached to the Second Marines. During the morning about 3000 Japs landed at Koli Point, east of our sector. Two Battalions of Seventh Marines intercepted them. Our Second and Third Battalions received orders to proceed toward Koli Point for a flank attack.

On November 4, 1942, our Second and Third Battalions cleared their areas at 6:30 a.m. and proceeded toward Koli Point. Terrain is dense, steam-heated jungle, and progress is slow requiring tremendous effort of all men. Necessary to cut lanes in many places. Our navy shelled enemy positions at Koli Point at 10:00 a.m. Our Second and Third Battalions and Headquarters reached a point three miles south of Koli Point at Malimbau River. Our navy and artillery shelled enemy positions at Koli Point at 10:00 p.m.

November 5: The First Battalion has taken up front line positions about four miles west of the Matanikau River, beyond Point Cruz. Now attached to Second Marine Regiment. Sergeant Raymond G. Holzworth, Company "H", killed in action; Private George H. Dohm, Company "A", killed in action. A combat reconnaissance patrol of Company "B", was ambushed by enemy Jap machine gun fire, west of Point Cruz. The following men were killed, and their bodies not recovered due to enemy occupation, although several attempts were made: Pfc. Carl L. Hjelm, Medical Detachment; Private Sherman R. Olson, Company "B"; Private Gerhard P. Mokros, Company "B"; Pfc. Stanley J. Ziska, Company "B"; Sergeant Herbert W. Langord, Company "B"; Staff Sergeant Robert C. Cross, Company "B"; Sergeant Raymond W. Johnson, Company "B". The following men were killed attempting to aid the Patrol: Second Lt. James L. McCreary, Company "B"; Staff Sergeant Arthur W. Jones, Company "B".

Our Second and Third Battalions crossed the Malimbau River with great difficulty. The current is very swift and transfer of supplies to amphibian tanks is necessary.

At 12:00 noon 17 enemy bombers passed over section, but were intercepted. Five were shot down by AA guns, and several more by fighters. They dropped six personnel bombs in our abandoned Second and Third Battalion area. No casualties. Patrols in jungle are meeting enemy machine gun resistance.

November 6: Second and Third Battalions and Headquarters proceeded to Koli Point along east side of Malimbau River. Main body of enemy has evidently moved inland to the mountains. Enemy machine guns and patrols are encountered. First Battalion front quiet. The following men were killed in action: Private Clifford R. Bird, Company "F"; Pfc. Harvey Yokum, Company "E"; Pfc. Paul A. Roy, Company "E"; Sergeant Albert J. Osman, Company "L". Yokum and Osman buried in the field.

On November 7, 1942, at 10:45 a.m. a Japanese submarine entered the open harbor at Lunga Point and torpedoed a cargo ship. Nearby destroyers immediately circled the area and dropped depth charges. The explosion of these charges can be felt by earth vibration for several miles. The Navy reported that the enemy submarine was destroyed. Our Second and Third Battalions have now reached Koli Point and are preparing to move toward an objective further east. Enemy machine guns were encountered.

The Third Battalion and special units were withdrawn from the Koli Point movement, and the Second Battalion continued on this movement as attached to the Seventh Marine Regiment.

On November 8 and 9, our Regimental CP was set up west of the Lunga River; Third Battalion in Division Reserve. The First Battalion as part of the Second Marines has begun a drive west.

On November 10, 1942, the Second Battalion is still committed to the Seventh Marines. The following men were killed in action: Pvt. Alois N. Georges, Company "G"; Sergeant Clyde G. Morgan, Company "F"; Pvt. Gerald Hall, Company "F"; Pvt. Joseph A. Miller, Company "E".

At 10:00 a.m. on November 11, 51 enemy planes came over in two waves, and dropped their loads near the airfield. Our air force went up after them and shot down 16 enemy planes. Our losses: Six Grummans. I had a good seat on the bombing show as I got caught off shore in a Higgins boat, and saw three Jap bombers go down in the ocean. It was a grand sight although our own Ack Ack fire lit all around us. No damage or casualties from the bombing. Our August and September mail started coming in. The First Battalion was relieved of duty at Point Cruz, and returned to Regimental bivouac area for a well earned rest.

On November 12, the Second Battalion was relieved from further duty at Koli Point and returned to the Regimental bivouac area for a well earned rest. 116 enlisted men and 21 officers reported for duty from New Caledonia. Most of the officers are recent Officer's Candidate School graduates. At 11:00 a.m. a large enemy air raid. Our air force shot down 24 enemy planes. Our loss was two planes, both pilots bailing out to safety. It was a field day for the air force. Two battalions of Infantry, one battalion of Artillery, two companies of Engineers and some Medical personnel arrived today. It is the first army troops to arrive since we landed.

All forces west of Kukum have been drawn in to closer perimeter defense, due to expectation of a large enemy invasion force from the sea. On November 13, this defense was completed. Enemy naval fire at airfield from 2:00 a.m. to 3:00 a.m. Minor damage.

November 14, quiet. November 15, an enemy air raid at 11:30 a.m. No damage or casualties. The enemy naval ships shelled the area from 7:00 p.m. to 8:30 p.m. Minor damage; no casualties. These ships are evidently the vanguard of a larger force, now engaged in a tremendous sea battle nearby with our own navy. First Lt. Granville E. Clark, killed in action. This is the big Jap M Day as they are trying to land 40,000 troops to reinforce their troops on Guadalcanal. Hope they don't land.

The dull booming of naval guns can be heard in the distance, and our OPs can see giant flashes at sea.

On November 16 and 17 our sector is quiet. The tremendous naval engagement which began on November 13, and was fought off the northeast coast of this island, resulted in a decisive victory by our Navy. This was a savage battle in which our air force also engaged, and the prize was the possession of the southern Solomons. The victory was a smashing one. The Japanese lost 23 warships destroyed and seven damaged. Among the ships destroyed were two battleships; three heavy cruisers; two light cruisers; five destroyers and eight transports loaded with Japs. It is estimated that more than 24,000 Japanese soldiers from the transports were drowned or killed. Four cargo ships were beached on Guadalcanal near the Kokumbona, and our land forces had a target practice picnic destroying them with artillery and aerial bombing.

This Japanese invasion force had been concentrated. With the two battleships acting as a spearhead it arrived at the Guadalcanal area on November 13 intending to bombard our positions. The force was intercepted in the Guadalcanal Area, and a savage fight at close range developed. During the furious night battle the Japs became confused and some of their groups were firing at each other. The wounded Jap armada retreated to the north, but on November 14 in the afternoon they picked up 12 transports and some more warships and again headed for Guadalcanal intent on invasion. The morning of November 15 our land positions on Guadalcanal were bombarded as a preliminary to putting troops ashore. However, the attempt was smashed by our air force, and our naval force again engaged the armada and defeated it. Eight P-38s came in today (our first). You could hear cheering all over the island.

On November 18 our Second Battalion was committed to defensive positions near the Matanikau River; First and Third Battalions followed on November 19. On November 20 defensive positions at Point Cruz west of the Matanikau were taken up by our regiment. Prize story for the day. Harry the Horse called Mc up and said: "I have two Jap prisoners, shall I shoot them?"

A slow advance toward objective further west is begun. The enemy is laying down heavy mortar and machine gun fire. They are well dug in and concealed. Due to the terrain of jungle and ridges and the terrific heat, it is very difficult to get supplies, ammunition and water to our troops. They are taxed to exhaustion. Coordinated artillery, air and mortar fire does not dislodge the enemy. They have dug-in in the coral and in draws and are quite secure. Any exposure of our troops draws accurate enemy fire. Casualties are fairly heavy. This situation continues on November 23 and 24. Advance is stopped, and positions are consolidated. Men must live on "C" and "D" rations and coffee, as movements draw heavy and accurate enemy mortar fire. Enemy light artillery appears to have been silenced by our air and artillery support. Snipers are active Our planes continue to bomb and strafe enemy positions with unknown results. Our Third Battalion has suffered heavy casualties by artillery and mortar fire. Many exhaustion and sickness ineffectuals. The following men were killed in action on this movement to date: Cpl. Raymond J. O'Connell, Company "M", November 20; Pvt. Mardel D. Vernholt, Company "M", November 20; Pvt. Richard H. Czapiewski, Company "D", November 21; Pfc. Alfred H. Mahlstedt, Company "M", November 21; Sgt. Jack E. Geiger, Company "A", November 21; Pvt. Harold Zerface, Company "A", November 21; Pfc. Renes F. Hitchcock, Company "B", November 21; Second Lt. Carl E. Vettel, November 21; S/Sgt. Robert J. Burckhardt, Company "A", November 21; Pvt. Louis E. Kmiecik, Company "A", November 21; Pfc. Wendell A. Paulson, Company "I", November 21; Pvt. Lewis E. Knight, Company "M", November 21; Pfc. Christian E. Montgomery, Company "I", November 21; Second Lt. George R. Derham, Company "A", November 21; Sgt. Llewellyn M. Hamery, Company "A", November 21; Pvt. Bernard L. Barholz, Company "A", November 21; Pfc. Robert D. Jenkins, Company "A", November 21; First Sgt. Virgil A. Lane, Company "L", November 21; Second Lt. Kermit C. Sloulin, Company "I", November 21; Pfc. Walter B. Montgomery, Company "I", November 21; Pfc. Wenceslaus J. Novotny, Company "I", November 21; Pfc. Joseph F. Kelly, Company "I", November 21; Cpl. Lewis D. Dibbert, Company "I", November 21; Pvt. Tony A. Simuneci, Company "A", November 22; Pvt. Frank L. Arnold, Company "I", November 22; Pfc. Selmara Garness, Medical Detachment, November 22; Pvt. Wenzel A. Picha, Company "D", November 22; Pfc. Gould E. Gray, Company "A", November 22; Pvt. Elton L. Pederson, Company "K", November 22; Pvt. Marion Vanderwerff, Company "K", November 22; Pfc. Raymond E. Moore, Company "K", November 22; S/Sgt. Pat G. Reilly, Company "A", November 22; Cpl. Richard C. Myers, Company "A", November 22; Pfc. John R. Weigel, Company "A", November 22; Pvt. Emery F. Gess, Company "A", November 22; Cpl. Hermann C. Diede, Company "K", November 23; Second Lt. Albert F. Whitney, Company "I", November 23; Capt. Andrew H. Panettiere, MC, November 23; First Lt. Hallard D. Albertson, Headquarters Det. Third Battalion, November 23; Cpl. Wilbur E. Kohnke, Company "I", November 23; Second Lt. Charles E. Grytness, Company "I", November 23; Second Lt. Rilie R. Morgan, Jr., Company "K", November 23; First Lt. William K. Pflugrath, Company "K", November 23; Winifred B. Fischer, Company "K", November 23; Pvt. John J. Brucker, Company "K", November 23; Pvt. Charles H. Stimmel, Headquarters Company, November 23; Pfc. Adrian M. Ness, Company "I", November 23; Pfc. Steve Lopez, Company "I", November 23; Pfc. Arnold G. Rahja, Company "I", November 23; Pvt. Joseph Shuster, Company "I", November 23; Pfc. William J. Clewitt, Company "I", November 23; Pfc. Harold M. Poppen, Company "I", November 23; Pfc. Olard W. Boucher, Company "D", November 23; Second Lt. W. J. Hall, Company "M", November 23.

On November 25, the enemy is still maintaining a well dug-in defense in depth. Our artillery and mortars are dislodging some of them. Our patrols are active and destroying some positions, but there are replaced during the night. Our combat strength is below 2,000. We have several hundred ineffectuals due to malaria, dysentery, shell-shock, hysteria and minor wounds. We feel the loss of Capt. Panettiere, our brave medical officer. The Division hospital is congested, so we are treating many cases in our rear area. I am still worn out from yesterday's scrap. The Nips located our CP today with their mortars, wounding three men. Looks like I've got to hunt a new hole.

On November 26, an enemy air raid dropped 20 bombs; some casualties to marines. Our artillery and mortars continue to bombard the enemy and our patrols are active. The following men were killed in action: Pfc. Alfred J. Bottke, Company "A", November 25; Pvt. John F. Sloss, Company "A", November 25; Pvt. Willard J. Coulter, Company "B", November 25; Cpl. Willard P. Dowsett, Company "E", November 25; Pvt. Harold W. Childers, Company "F", November 26; Pfc. Hans M. Odegard, Company "F", November 26; Pfc. Leslie C. Huffstutler, Company "E", November 26; Pvt. Kalervo Hallila, Headquarters First Battalion, November 26; Cpl. Joseph W. Armstrong, Company "D", November 25.

At 3:30 a.m. on November 27, an enemy air raid. No casualties. Our artillery and mortars continued to batter the enemy. They are replacing weakened positions rapidly, but they are weakening generally and there is not much likelihood of a counter-attack. Lt. Col. Hall, Third Battalion commander, was wounded and evacuated. Capt. Ralph Knott was wounded and evacuated. Sent our Anti Tank Company in to relieve Company "A". It was our only reserve.

Another enemy air raid at 3:30 a.m. on November 28. At 6:30 a.m. an enemy sub torpedoed the U.S.S. Alcheba at Lunga Lagoon. The ship was beached to avoid capsizing. The cargo and crew were saved. Capt. Hedstrom, Lt. Preston and 14 enlisted men of this regiment were aboard at the time of the explosion, but there uninjured. The front line activity is limited to artillery and patrols. The following man was killed in action: Pvt. Bernhart W. Boe, Company "F". First Lt. John A. Crawford died at the hospital at New Hebrides where he had been evacuated, wounded, several days ago.

On November 29 at 3:00 a.m. another air raid; no casualties. Our continuous bombardment of enemy positions has caused some withdrawal. They are attempting to strengthen their positions. Coordinated artillery and mortar fire at enemy positions went on all afternoon. Our patrols are active. The enemy continues to fire mortars at our positions, effectively. The following man was killed in action: Pvt. William T. Goracke, Company "C". We got together a makeshift Battalion to relieve the Second Battalion of the Eighth Marines. Capt. Crook is commanding our makeshift Battalion.

At 4:00 a.m. November 30 another enemy air raid. No casualties. Our 81 MM mortars destroyed an enemy Anti-tank gun and emplacement. Mortars on both sides continue. The following men were killed in action: Pfc. Melvin C. Feiring, Company "K"; Pvt. Francis E. Black, Company "D"; First Lt.

William Grayson, Anti-tank Company; Sergeant Reuben Herr, Company "A"; S/Sgt. Lester A. Ashbacher, Company "K". We are killing and destroying Jap positions daily. It is hard grubbing, but we will get them out.

December 1, 1942: Came down with malaria diagnosed as moderate-severe. I am to take six quinine and three atabrine a day for three days. Then three quinine and three atabrine a day for four days. Major Yancey told me to stay in the CP for a couple of days. Lt. Flo reported back from his patrol trip across the island. He worked his way behind the Jap lines after landing at Beaufort Bay. He had 12 men from our regiment with him. His report was extremely interesting.

[Secret]

REPORT ON CAPTURED LETTER, DECEMBER 5, 1942

I. This letter was written as a last testament by Lance Corporal (Heicho) KOTO Kiycshi to his elder brother, KOTO, Kisaku, in Niigata, Japan. The sender's address is given as YU 1302, SATO unit which may be taken to be the SATO Battalion of the 16th Infantry. The letter is marked December 1st at 5:10, front line, Guadalcanal. The bearer was killed about midnight of the same day in front of the A.T. Company, 164th Infantry. According to the letter he participated in a general attack on November 25, was grazed by an artillery shell fragment the 26th, and then entered the Second Field Hospital. His wound was well by December 1, but the fragment in his arm impeded his handwriting. He was being sent back to the front lines the day of the letter. There being no food, he was going forward to fight without having eaten. Quotation follows:

"Every day there is bombing by enemy aeroplanes, naval gunfire and artillery fire. No sign of friendly planes or of our navy appears. The transports haven't come yet either. I have not eaten properly since the 24th of November; many days I have had nothing to eat at all. From tonight on indefinitely, again without expecting to return alive, I am going out resolutely to the front line. Even though I am holding my rifle with a right arm that doesn't move easily, etc., now is the time for me to dominate a military contest. I must serve as long as I can move at all.

"The regimental commander (Colonel Hiroyasu, 16th Infantry) died in battle. The battalion commanders are all either wounded or dead. My own company commander is dead. Two of the platoon commanders have been wounded, one of them entered the hospital for medical treatment and was with me there. In our company NCOs are acting as platoon commenders and privates as squad leaders. At present my company has come (down) to a total of only thirty men. Of the soldiers in my squad three were killed, four wounded, and at present four in good health are doing hard fighting. As I too am soon to leave for the front lines I should like to see their cheerful faces. The platoon leader, convalescing and almost up, said, "Go to it!" * * * (Here greetings to the various members of the family.) * * * In conclusion, I am writing this as a farewell letter.

To My older brother,

KOTO KIYOSHI,
Army lance-corporal.

December 6, 1942: First Battalion patrols killed seven Japs. Second Battalion patrol spotted 30 Japs and directed MG and Mortar fire on them. 27 Japs were killed.

Third Battalion scored hits on Jap MG emplacements located by their patrol. A Jap diary reveals enemy are not getting reinforcements or supplies.

First Lt. Flo appointed regimental S-2. Our ineffectuals from dysentery and war neuroses in the rear area are reduced to a minimum.

The following men were killed in action today: Corporal Willard P. Dowsett, Company "E" and Pfc. Dale Utrecht, Company "G".

* * * * *

December 8, 1942: We had large patrol activities in all Battalion sectors and cleaned out three Jap MG nests.

S/Sgt George H. Fritz of Company "B" was killed in action today. I was in the line when they brought him through. He was leading a patrol. It's tough to lose good men.

December 9, 1942: Five Jap 77 MM artillery shells into our CP. One man, Pfc. Matt J. Doworshak, was killed. He was attached to headquarters Company. Major General Patch of our American Division assumed command of the Cactus Ringbolt Area. Major General Vandergrift, First Marine Division Commander is leaving. He is truly a wonderful leader and I will always see his calm smiling countenance ready to give you a pat on the back, a word of encouragement when the ships were down. He told me that he wished he could take the 164th Infantry with him when he left the Island with his division.

December 10, 1942: Very quiet. We are using artillery well placed on all forms of Jap activity including known Jap bivouac area, supply routes and spotted artillery emplacements. Our men are getting pretty pooped out. Patrols are only good for about three hours at a time and they come back all in. Our best hours against the Nips is from 0600 until 1000. They are pretty loggy during those hours as they work like beavers all night.

December 11, 1942: I went over to Col. Arthur, C.O. Second Marine regiment to arrange for the relief of our 164th. Brig. Gen. Rupertis, who is in command of the perimeter defense had charge of the meeting. It was decided that the relief would be accomplished in six days commencing December 12. Col. Moore did not like the set up as it would take too long; however, there were not enough troops at either place to handle the relief in one set up.

Sergeant Paul B. Rockstad of Company "E" was killed in action today.

December 12, 1942: Third Battalion relieved of its positions west of the Matanikau by the First Battalion, Eighth Marines. The Third Battalion of the 164th moved into a staging area. First and Second battalions of the 164th confined their activities to patrols.

The following men were killed in action today: Pfc. William F. Courtney of Company "B" and Pfc. Lawrence D. Thieling of Company "A".

December 13, 1942: Third Battalion, 164th moved into perimeter defense west of the Lunga, and relieved the Second Battalion, Eighth Marines under Lt. Col. Cook.

First and Second Battalions, 164th maintained contact with the enemy with patrols. Jap planes dropped 15 bombs in the vicinity of Henderson Field.

December 14, 1942: First Battalion, 164th was relieved by the Second Battalion, Eighth Marines on the line west of the Matanikau. Our First Battalion moved into staging area.

Second Battalion, 164th sent out one patrol and worked over Jap positions. Third Battalion, 164th, confined their activities to strengthening the perimeter line and sent out two small patrols. I took over the Eighth Marines CP at the Lunga River bridge and worked out details with Lt. Col. Reisler, Executive Officer of the Eighth Marines. Colonel Moore took command of the sector at 1300.

December 15, 1942: First Battalion, 164th, relieved the Third Battalion, Eighth Marines on the perimeter line. This gave us the First Battalion, Seventh Marines on our left across the Lunga river and the Second Battalion, 182nd Infantry on our right.

Third Battalion sent out two patrols. Our regimental CP is located on the Lunga—good swimming.

December 16, 1942: Second battalion, 164th, relieved by the Third Battalion, Eighth Marines. Our Second Battalion went into perimeter reserve in the palms known as the Fifth Marine area. This completes our activity in the Fourth Battle of the Matanikau. We suffered quite a few casualties and were in action 28 days without relief. The health of the men is not good as they are run down from lack of good wholesome food and the strain of 28 days in action has taken something out of them. They need a damn good rest.

First Battalion and Third Battalion had their usual patrol activities.

December 27, 1942: No word from the "G" Company patrol. Other Patrols negative. Radio must be out.

December 28, 1942: Captain Meline returned just before dark. He managed to get through with one of the tractors. The patrol located the Jap trail. Meline was assigned to take over the Third Battalion because Captain Cook was sent to the hospital with arthritis.

December 29, 1942: Major Ordahl took a group of officers out to check the Matanikau positions. Meline came down with Malaria. Captain Gosset assumed command of the Third Battalion. Company "C" patrol returned. They had invaluable information—they had located the Jap trail and destroyed one Jap field piece. The mystery of the route used by the Japs in their attack on Henderson Field October 25, 26 and 27 was finally solved. No wonder Marine patrols could not discover the Japs at that time.

December 30, 1942: Lt. Col. Hall returned from the hospital at Suva. He is quite well again from his wounds.

Had a meeting with Company "E"; they are to go up to the Lunga with the next patrol. Plenty of rain the past week has made the roads terrible.

December 31, 1942: Line for the end of the year: First, and Third Battalions on the perimeter defense west of the Lunga; Second Battalion in perimeter reserve; Service Company located near the Marine cemetery. Here is the box score on casualties and miscellaneous information since our landing on October 13, 1942: 63 air raids, these are raids where bombs actually fell in our areas. This total does not include all the alerts. 137 men and officers killed in action. 308 men and officers wounded in action. 393 men and officers evacuated. 13 men and officers missing in action.

January 1, 1943: Colonel Moore, our regimental commander, was made A.D.C. of the Americal Division, Lt. Col. Paul Daly from Southport, Conn. was given command of our regiment.

January 2, 1943: Two air raids during the night. Daly was made a full Colonel. Decoration ceremony at the First Battalion today. Colonel Moore made the awards. There were five silver starts given out.

January 3, 1943: Third Battalion decoration ceremony today and Colonel Moore pinned one silver star; one soldiers medal and three purple hearts.

I bid goodbye to Brig. Gen. Rupertis and Lt. Col. Frisbee of the Seventh Marines today. Our gang will sure miss the First Marine Division. They are grand guys and great fighters.

January 4, 1943: The rear echelon under Captain Erickson came in by ship from New Caledonia. They are glad to get back with the regiment and I do hope the bombings will not be too hard on them.

Our patrols have only run across a few scattered Japs in the jungle.

January 5, 1943: Second Battalion decoration ceremony and three silver stars and two purple hearts were awarded. Usual patrol activities.

January 6, 7, 8, 9, 1943: Usual routine with patrols and positions unchanged. First and Third Battalions on the line with the Second Battalion stationed in the coconuts as perimeter reserve. Brig. Gen. Sebree is the perimeter commander now.

January 10, 1943: Company "C", 164th Infantry under Captain Mjogdalen returned from patrol of Grassy Knoll (Mt. Austin).

The Matanikau battle started in full swing again with the Second Marine Division along the coastal plain and the 25th Division under Major General Collins on the left striking along the ridges. These ridges curve toward the ocean near Kokumbona. This is the first time we have ever had enough troops together for a real push. They are using 200 natives from Malaita to hand carry for the 25th Division. It looks like it will be curtains for the Nips on Guadalcanal.

January 11, 1943: One air raid today. No casualties. Third Battalion relieved by our Second Battalion. The Third Battalion is suffering from Malaria and will move down to the beach at Kokum, where they will constitute the perimeter reserve. Rains are heavy and roads are poor.

January 12, 1943: Company "I", 164th Infantry, under First Lt. Steckler left on the regular five day patrol up the Lunga river. The Jap east-west trail back of Mt. Austin must be continually watched to prevent the Japs from coming wide during the offensive west of the Matanikau. We furnished 650 men for unloading ships at the beach.

January 13, 1943: One air raid; no casualties. Usual routine patrol activities. Continuous rains and our labor details are heavy.

January 14, 1943: Captain Meline and myself visited the front and conferred with Colonel Jeske, Lt. Colonel Reisler and Lt. Colonel Frikke of the Eighth Marines.

Eight men, including two officers were killed during an air raid tonight. Two men were also wounded. Those killed are as follows: S/Sgt. Robert J. Turner of Company "K"; Second Lt. Clarence L. Bonderud of Company "K"; Pfc. Troy T. Gustafson of Company "K"; Corporal Arthur O. Johnson of Company "K"; Pfc. Fred J. Reid of Company "K"; Private Manuel D. Cuen of Company "K"; Second Lt. Raymond W. Baesler of Company "A" and Pfc. Coral L. Hoagenson of Company "E".

January 15, 1943: Two air raids during the night. The Nips came in without warning. The "dirty cows" as Colonel Matheson of the Australian Army used to call them. Received an order placing me on the Division Promotion Board.

January 16, 1943: Four air raids. The Nips are trying to relieve the pressure of the Matanikau offensive. Usual routine patrol activities. Malaria is hitting us heavy.

January 17, 1943: One air raid. No casualties. Major Ordahl, Smith and myself went up to Koli Point with the view of taking over that sector from the 147th Infantry under Colonel Tuttle. This unit is going into combat for the first time and of course we came in for a lot of questions about battle.

January 18, 1943: Went over our list of officers to be sent back to the United States on the rotation of officers letter from the War Department. Don't know what will come of this directive.

January 19, 1943: Usual "Cactus Express" tried to get in again. This express consists of four or more Japanese destroyers that generally try to get in during the dark of the moon, and land Jap reinforcements and supplies. Visited the Matanikau front again. Boy, what a tough nut to crack. The Japs are well dug in, but the old softening up process the 164th Infantry and the Eighth Marines gave them is starting to show results. Latest scuttlebut, "the 164 Infantry is to be relieved off Guadalcanal after the Second and Eighth Marines leave.

January 20, 1943: We moved off the perimeter defense west of the Lunga River and went into XIV Corps defense. Our new location is on the beach in which is called Tenerau Block Number four. This is the location where the Marines made their initial landing and drove southwest to capture Henderson Field. It rained all day and HOW! One air raid today.

January 21, 1943: We got our command post set up today. Colonel Daly decorated 21 soldiers at a ceremony held in the Third Battalion area. Secretary of Navy, Knox; Admirals Nimitz and Halsey are here today. Our regiment furnished a protective force for them when they visited the front. The Japs sure must know they are here today as we have had five air raids. One of them lasted 7½ hours.

January 22, 1943: Received a flock of mail today. Lots of ships in and we are furnishing unloading details of five to six hundred men daily. The Nips are on the run and it sure looks like Kokumbona will be taken. The 164th Infantry and the Eighth Marines certainly softened the Nips up for the drive along the coast. Plenty of Naval stuff around and it looks like something doing. We had three air raids during the night.

January 23, 1943: We are making plans for our regiment to make a landing in rear of the Japs lines. We had four air raids during the night and the enemy dropped a considerable number of bombs.

January 24, 1943: Colonel Daly, Lt. Colonels Hall, Richards, Northridge, and myself boarded the Navy destroyer Long in order to make a coast reconnaissance behind the Jap lines for a possible landing for the regiment. We followed along the coast at pistol range (2500 yards) and lambasted the shore line on anything that looked like Jap positions or activity. We went all the way up to Cape Esperance and back, used up 400 shells. It was a lot of fun and the skipper gave us a good meal. Made tentative plans for a landing at Tasafronga. One air raid during the night.

January 25, 1943: 78 Jap airplanes (40 Zeros and 38 bombers) tried to get in between Savo Island and Lunga Point. They were driven back and our air force knocked down five Zeros. Still toying with the landing idea.

January 26, 1943: Four air raids between 0300 and 0500. 46 bombs were dropped. Company "C" under Captain Mjogdalen was alerted today to get ready to take over Savo Island. Savo is about eight miles off Cape Esperance and has been the scene of many a bloody Naval battle. We are still planning for our landing against the Nips.

26 January 1943: Memorandum: 1. The magnificent, aggressive, and sustained efforts of our ground forces, with the able assistance of accurate supporting fires from the air and sea, have completely demoralized, disorganized and scattered our enemy. Sickness and a lack of food variety have added to his distress.

2. The time has arrived, and I therefore call upon all members of this command to effect the kill through aggressive and untiring offensive action.

A.M. PATCH,
Major General, U.S. Army Commanding.

January 27, 1943: Japs put in a daylight raid and the score was nine Jap planes against five of ours. Company "C" is all set for their jaunt. Our old regimental commander, Colonel Moore, left for the states today. He was made a Brigadier General and will be assistant Division Commander of the 104th Division at Camp Adair, Oregon.

January 28, 1943: Company "C" left at 1000 on a tank lighter for Savo Island. Hope they don't run into too much opposition. They had ten day's rations and five units of fire along. Colonel Jeske of the Eighth Marines called today to wish me goodbye. It sure makes me feel bad to see some of the old Marine friends leave. We had three air raids during the night; one Jap bomber was shot down at Savo and four Zeros were reported down at Beaufort Bay.

January 29, 1943: Company "C" reported by radio from Savo. Everything was all right and so far no enemy encountered. Colonel Daly and Major Meline went to the front west of Kokumbona. I spent a quiet day reading. We had two air and one submarine raid today. Tonight we had chicken for supper and did it taste good.

January 30, 1943: Company "B", 164th Infantry, relieved the Second Battalion of the 132nd Infantry on the defensive line east of the Lunga river. Colonel Butler of the Engineers called to say goodbye. His home is in Duluth and he is to report in to San Francisco. Our forces are still advancing west of Kokumbona.

January 31, 1943: Lt. General Harmon was here today. Our forces are advancing rapidly along the coast. Almost looks like it's about over. We had three raids early this morning.

February 1, 1943: We had three air raids between 2130 last night and 0400 this morning. Report this morning a Jap force consisting of four aircraft carriers, 8 battleships, 15 cruisers, 24 destroyers and 60 transports are on their way down. Let them come, we're here to stay. The regiment received orders to set up the beach defense in the Koli Point area. We struggled all night getting into position.

February 2, 1943: Two air raids during the night. I sure prayed on one raid as the road to Koli Point was jammed with artillery vehicles mired down with part of the 25th Division Artillery which was moving up to reinforce our position. Major Smith and I got caught in the traffic snarl looking for part of Regimental Headquarters Company. Luckily the bombs hit about half a mile away.

The Third Battalion is in position from the Illu to the Malimbau river. The second Battalion is being held in reserve with the First Battalion held temporarily inside the perimeter.

Yesterday we received our first replacements from the States consisting of six officers and forty one enlisted men. The sad part of the replacements was the fact that we evacuated forty one men.

Our score to date—150 killed in action or died of wounds. 360 wounded in action and 853 evacuated since October 13, 1942.

February 3, 1943: We had two air raids during the early morning hours before dawn. It was fun watching our ack-ack fire at them. Five searchlight batteries played the sky.

One Zero must have been held in one set of beams for twenty minutes while the ack-ack pasted the plane. He was up so high they could not reach him, but several times the concussion from the bursting fire turned his plane completely around.

The Third Battalion is wiring the beach up. The men are working like Trojans getting set for the probable Jap invasion force.

February 4, 1943: routine defense work. Went over to the Ninth Marine defense battalion to go over plans on the placing of our Second Battalion in that area. They are located on the east side of the Malimbau river and have part beach defense and also airport defense in that area. Met Lt. Colonel Scheyer, Battalion Commander and his Executive Officer, Lt. Colonel Thompson. Thompson went to school with our Captain Newgard.

February 5, 1943: Routine beach defense, continually improving the set up with double apron wire. No further news of the Jap force. Some seem to think that the Japs are evacuating the Island.

February 6, 1943: We are now attached to the 25th Infantry Division under Major General Collins. The 35th Infantry will occupy an area along the beach from the east branch of the Lunga river to the Illu river and tie up with our third Battalion. This gives us a good beach defense from the Lunga to the Malimbau river.

February 7, 1943: We moved our Second Battalion across the Malimbau river to occupy the beach from Tagoma Point to the Metapona river. We are now in good position for any Jap attack on the North Beach of Guadalcanal. It is good to get the men on the beaches as I notice that after a week in the sea breeze our malaria rate is cut down considerably. Received a letter from Captain McGurran, our adjutant. He is in the hospital at the Fiji Islands.

February 8, 1943: Today I'm busy moving the Regimental Command Post across the Malimbau and will occupy the old CP that the Americal Division Peep Reconnaissance Battalion had. It sure doesn't take much to move as all we carry is what we have on our backs, plus communications. I'm getting to think that a war can be run from your hip pocket.

February 9, 1943: Our First Battalion moved up and were placed in reserve in the Koli Point area. The roads are terrible. The 132nd Infantry is coming up from the other side of the Island. Met elements from the 161st Infantry at Cape Esperance. That looks like the windup of the battle of Guadalcanal. Everybody hopes that the news is true.

February 10, 1943: The new night was terrific. General Patch officially confirmed it this morning. How happy us poor devils are. We have lived through 120 days of Hell.

February 11, 1943: Won 25 dollars playing poker. It was our first poker on Guadalcanal during the evening as lights have been taboo since we landed on the Island.

February 12, 1943: One man from Company "M" was wounded by a mortar shell fragment. They were testing our various ranges.

12 February 1943: General orders No. 33. 1. The order that all members of this command may know that higher headquarters understand and appreciate your accomplishments on Guadalcanal the substance of the following radiograms is published:

From General Harmon (COMGENSOPAC): "All forces, Army, Marines, and Navy have given us all pride in splendid and rapid advance against Jap forces and then final elimination from Guadalcanal."

"No one doubts the capacity of our forces to consistently whip the Jap in offensive action. We look forward with confidence."

From Admiral Halsey (COMSOPAC): "Thanks and Congratulations."

From General Marshall (Chief of Staff, United States Army): "Other messages of congratulation have emphasized the excellence American Forces on CACTUS, congratulations on splendid successes. They fill us with confidence in the future."

2. To all members of our forces. I therefore express my gratitude for the efforts and sacrifices made which have achieved the victory and merited these expressions from the higher command.

A.M. PATCH,

Major General, U.S. Army Commanding.

February 13, 1943: Has our first meeting of a Board of Officers to conduct examinations for Second Lieutenants. Colonel Demuth of the Artillery is president, Major Sheldon of the 132nd Infantry is secretary and Major Dolbeare, 182nd Infantry, Major Collins of the Medical Corps and myself made up the rest of the Board. We have 150 candidates to examine.

February 14, 1943: We moved the regiment today and have a bivouac area on top of the hills overlooking the Matanikau river. This place is called Skyline Drive and will help the boys get rid of their Malaria bugs, as there is always a good breeze up there. Our board met again today.

February 15, 1943: The battalions are all settled on Skyline Drive. We have a beautiful ocean view and can see Point Cruz and much of our old Matanikau battle ground. Rumor has it that Lt. Colonels Hall, Richards and I are going back to the States.

February 16, 1943: Our Candidate Board met this afternoon and examined 16 officer candidates. The scuttlebut is running strong, some say the regiment is going back to New Caledonia; others the Fijis and as for the regiment itself, it would like to go to New Zealand. They deserve to get back to civilization as it's been almost a year since they were in Australia.

February 17, 1943: Major Schatz, Captain Yancey and Lt. Flo went over to Suva to visit Company "C". A couple of the men over there are sick. Mail came in today.

February 18, 19 and 20, 1943: Usual routine—Board meetings. The Sixth Marines have left the Island. Mail arrived during this period and everybody is happy. We also drew our pay. It was the first pay in four months. All the money in the world and nothing to spend it on. What crap games!!!!

February 12, 22 and 23, 1943: Upon return from church on the Skyline, orders were waiting for Lt. Colonels Hall, Richards and myself to return home. The news provoked strong emotions—though mixed. Was Providence intervening or had our job been done? Leaving the old Regiment after 23 years was a hard task. But from a tropical Hell to an American home was a most happy transition—outweighing all other factors.

Preparations to depart by air were hurriedly, yet thoughtfully, made. What articles should go and what ones should remain? My first thought was the old Jap rifle, taken from a dead Nip's fist and stained by his own blood. Other items, all suggestive of the strife of battle, found a place.

Packing completed, the two Colonels and I called to pay final respects to Brig. General Sebree, who pleasingly told us that our services would be rewarded. Needless to say, that eased the strain of departure—and tomorrow was the day.

Sleepless from anticipation. I arose early and started to Henderson Field, being driven by faithful old Slats, who for two years had never failed in the careful performance of this duty. Telling Slats "goodbye" and leaving him behind, hurt me acutely. His heart was very human.

Boarding the DC 3 was all that remained to be done, and with characteristic army dispatch that was accomplished. We took to the air and as if by spiritual control our plane droned low over the First Marine Cemetery before pursuing its course. Casting my tear-moist eyes below, there are present in my mind the picture of the old Regiment in open box formation about the cemetery. The Chaplain at the altar, and each man, upon the playing of taps, solemnly eager to break among the crosses in search of the final resting place of this pal and hero, there to kneel in manly reverence. My heart could stand no greater strain. My soul, linked with the souls of the dead below, resolved anew that "there shall be no rest until every Jap is obliterated from the Pacific." Then, as over her deep blue water we flew away, a merciful fog enshrouded our brave dead.•

By Mr. BREAUX:

S.J. Res. 249. Joint resolution to propose an amendment to the Constitution of the United States to protect the cultural rights of all Americans; to the Committee on the Judiciary.

CONSTITUTIONAL AMENDMENT TO PROTECT THE CULTURAL RIGHTS OF ALL AMERICANS

• Mr. BREAUX. Mr. President, today, I am reintroducing a joint resolution proposing a constitutional amendment that would recognize the right of all Americans to the preservation of their individual cultural traditions. I am again asking the Congress to consider the value of explicitly recognizing and protecting interests in the cultural pluralism that exists throughout our country.

As I noted when I introduced this amendment in the 101st Congress, this country is great because in practice we generally accept our cultural diversity. The general acceptance of cultural diversity, however, is from time to time, confronted with efforts to eliminate or curtail certain language or cultural practices.

As are many of my colleagues in the Senate and the House with respect to their various cultural heritages, I am proud of my Acadian or Cajun heritage. The diversity of cultural origins represented in this Congress, Mr. President, broadens the institution's perspective, and is an important factor contributing to the success of the American system of government.

My home State of Louisiana has properly elevated the importance of cultural heritage. The people of Louisiana have a fundamental right to preserve their cultural heritage. Louisiana's State Constitution prohibits discrimination on the basis of culture, and recognizes "the right of people to preserve, foster, and promote their respective historic, linguistic, and cultural origins." I strongly support this approach and present it here today, Mr. President, for consideration in the U.S. Congress.

America leads the world in its commitment to the principle of individual freedom. Assuring constitutional protection of opportunities for individual linguistic and cultural development will further strengthen our adherence to the principle of individual freedom.

Mr. President, to the extent that we eliminate potential for suppression on the basis of language and culture we also strengthen America's ability to lead in world affairs. Americans of African culture, Chinese culture, French culture, Italian culture, Korean culture, Indian culture, German culture, native American culture, Japanese culture, and many others, are vital links to our understanding and ability to work effectively in helping to resolve critical world issues. America's cultural diversity, Mr. President, is a major asset undergirding successful participation in international affairs.

I present this joint resolution to my colleagues for their consideration, and hopefully their support. Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD as follows:

S.J. RES. 249

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"ARTICLE—

"SECTION 1. The right of the people to preserve, foster, and promote their respective historic, linguistic, and cultural origins shall not be violated. No person shall be denied the equal protection of the laws because of culture or language.

"SECTION 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.".●

ADDITIONAL COSPONSORS

S. 709

At the request of Mr. HATCH, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 709, a bill to amend the Internal Revenue Code to allow a deduction for qualified adoption expenses, and for other purposes.

S. 1537

At the request of Mr. BROWN, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 1537, a bill to amend the National Trails System Act to designate the American Discovery Trail for study to determine the feasibility and desirability of its designation as a national trail.

S. 1755

At the request of Mr. BUMPERS, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1755, a bill to reform the concessions policies of the National Park Service, and for other purposes.

S. 1851

At the request of Mr. ROCKEFELLER, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 1851, a bill to provide for a Management Corps that would provide the expertise of United States businesses to the Republics of the Soviet Union and the Baltic States.

S. 1872

At the request of Mr. BENTSEN, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from Oklahoma [Mr. BOREN], the Senator from South Dakota [Mr. PRESSLER], the Senator from Hawaii [Mr. INOUYE], the Senator from North Carolina [Mr. SANFORD], the Senator from Florida [Mr. GRAHAM], the Senator from Washington [Mr. GORTON], the Senator from Connecticut [Mr. DODD], the Senator from New Mexico [Mr. BINGAMAN], and the Senator from Indiana [Mr. COATS] were added as cosponsors of S. 1872, a bill to provide for improvements in access and affordability of health insurance coverage through small employer health insurance reform, for improvements in the portability of health insurance, and for health care cost containment, and for other purposes.

S. 2089

At the request of Mr. NICKLES, the names of the Senator from Indiana [Mr. COATS], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from California [Mr. SEYMOUR] were added as cosponsors of S. 2089, a bill to repeal exemptions from civil rights and labor laws for Members of Congress.

SENATE JOINT RESOLUTION 214

At the request of Mr. RIEGLE, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of Senate Joint Resolution 214, a joint resolution to designate May 16, 1992, as "National Awareness Week for Life-Saving Techniques."

SENATE JOINT RESOLUTION 222

At the request of Mr. DASCHLE, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from California [Mr. CRANSTON], the Senator from California [Mr. SEYMOUR], the Senator from Illinois [Mr. DIXON], the Senator from Mississippi [Mr. COCHRAN], the Senator from Nevada [Mr. REID], the Senator from Oregon [Mr. PACKWOOD], the Senator from Alaska [Mr. STEVENS], the Senator from Connecticut [Mr. DODD], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Montana [Mr. BAUCUS], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Idaho [Mr. CRAIG], the Senator from Tennessee [Mr. GORE], and the Senator from Montana [Mr. BURNS] were added as cosponsors of Senate Joint Resolution 222, a joint resolution to designate 1992 as the "Year of Reconciliation Between American Indians and non-Indians."

SENATE JOINT RESOLUTION 228

At the request of Mr. D'AMATO, the names of the Senator from Ohio [Mr. GLENN], and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Joint Resolution 228, a joint resolution to designate the week beginning February 23, 1992, as "National Manufacturing Week."

SENATE JOINT RESOLUTION 244

At the request of Mr. SIMPSON, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of Senate Joint Resolution 244, a joint resolution to recognize and honor the National Conference of Commissioners on Uniform State Laws on its Centennial for its contribution to a strong federal system of government.

SENATE RESOLUTION 249

At the request of Mr. D'AMATO, the names of the Senator from Michigan [Mr. LEVIN], the Senator from Massachusetts [Mr. KERRY], the Senator from New Jersey [Mr. BRADLEY], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of Senate Resolution 249, a resolution expressing the sense of the Senate that the United States should seek a final and conclusive account of the whereabouts and definitive fate of Raoul Wallenberg.

AMENDMENTS SUBMITTED

NATIONAL ENERGY SECURITY ACT

GORTON AMENDMENT NO. 1525

(Ordered to lie on the table.)

Mr. GORTON submitted an amendment to the bill (S. 2166) to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes, as follows:

On page 315, line 13, insert ", the State of Washington" after "California".

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for my colleagues and the public a postponement pertaining to an upcoming hearing before the Committee on Energy and Natural Resources.

The hearing scheduled on Wednesday, February 5, 1992, has been postponed indefinitely.

The purpose of the hearing was to receive testimony from the Department of Energy and the Federal Energy Regulatory Commission regarding two of the Commission's pending natural gas rulemakings: First, the notice of proposed rulemaking [NOPR] regarding pipeline service obligations in docket No. RM91-11-000, the so-called Mega

NOPR; and, second, order No. 555 concerning revisions to regulations governing authorizations for the construction of natural gas pipeline facilities.

For further information, please contact Don Santa of the committee staff at 202/224–4820.

Mr. President, the full committee hearing scheduled on Thursday, February 6, concerning the Hawaiian Homes Commission Act has been moved from SD–628 to SH–216.

For further information, please call Pat Temple at 4–4756.

ADDITIONAL STATEMENTS

GUNSMOKE '91

• Mr. DECONCINI. Mr. President, I would like to congratulate the members of Luke Air Force Reserve's 944th Tactical Fighter Group in Arizona, for their outstanding performance in "Gunsmoke '91." Many refer to this event as the Fighter Olympics, and I am proud to announce that in these Olympics the men and women of the 944th placed second in the competition, scoring 8,415 points out of a possible 8,800.

Special congratulations go to 1st Lt. Scott Wilkey for placing the best F–16 performance among the five other units, and taking home the coveted Top Gun Award in the F–16 category. Also deserving of special praise are Maj. Mike Clemovitz, and S. Sgt. Jerry L. Rose, for placing first in high altitude dive bombing, and top crew chief respectively. The 944th TFW also won the Best Aircraft Appearance Award.

Competitors in the event included representatives from the Tactical Air Command, U.S. Air Force in Europe, Pacific Air Force, Air National Guard, and the Air Force Reserve.

I ask that the article entitled, "Gunsmoke '91, Reserve Smokes Competition," from the December 1991 edition of Citizen Airman be printed in the RECORD at this point.

RESERVE SMOKES COMPETITION

(By TSgt. Janie C. Blaney)

The Nevada sun at Nellis Air Force Base, Las Vegas beat ruthlessly down on the heads and shoulders of tight knots of men and women gathered around the monumental scoreboard. Tension-riddled groups stood silently as officials posted the final results of competition scores. More than a week of intense flying, maintenance, and weapons loading was over. The crowd shuffled and waited impatiently.

Then, wordless cheers and hoarse screams from the winners and low groans from losers rose to a crescendo.

Lt. Col. Roger Disrud, a 47-year-old Air Force Reservist from Richards-Gebaur AFB, Mo., flying the A–10 had won the coveted "Top Gun" trophy for Gunsmoke '91 during the Oct. 6–19 competition.

Disrud, 442nd Tactical Fighter Wing pilot, who flew F–100s during Vietnam, grabbed the victory by racking up 2,203 points from a possible 2,250 by flying his tank killer low and slow and coming in for bullseye bombing accuracy.

Lt. Col. Ronald Ball, an A–10 pilot assigned to the 175th Air National Guard TFW from Maryland garnered 2,202 points and 1st Lt. Scott Wilkey, representing the Reserve's 944th Tactical Fighter Group at Luke AFB, Ariz., placed third flying the F–16 and earning 2,173 points. Wilkey recorded the best F–16 performance against five other F–16 units to take Top Gun in the F–16 category and placed third in the 200-feet level bombing event. His team mate, Maj. Mike Clemovitz took first in high altitude dive bombing and second in 200-feet level dive bombing.

Maj. Milt Miller, 944th team captain, took third in the navigation/attack category and Maj. Robert Tarter, 442nd TFW was first in dive bombing and strafing.

In Overall competition, the 175th TFG Guard unit at Baltimore, Md., placed first scoring 8,524 points from a possible 8,800, flying the A–10 Thunderbolt II. Second place was grabbed by the 944th TFG, which piled up 8,415 points, and third went to the 388th Fighter Wing (active duty) at Hill AFB, Utah.

The Best Maintenance award went to the 121st TFG, Ohio ANG, operating A–7s, with the 944th TFG taking second. Third place went to the 432nd FW, Misawa AB, Japan.

Taking home the Top Crew Chief award was S. Sgt. Jerry L. Rose, F–16 crew chief from the 944th. Luke also swept the Best Aircraft Appearance award.

The 422nd TFW weapons loading team did the best job of hanging and turning bombs, earning the top slot in the Best Weapons Loading competition with 2,990 points from a possible 3,000. Myrtle Beach's 354th FW took second and the 121 TFW Guard unit from Kirtland AFB, N.M., went home with third.

Gunsmoke '91, the "Fighter Olympics," drew units from Tactical Air Command, U.S. Air Forces in Europe, Pacific Air Forces, Air National Guard and the Air Force Reserve to compete against each other.

The biennial event started off with a bang when all the teams arrived within 14 seconds of their scheduled time and never faltered. A total of 645 people competed in events ranging from basic weapons delivery, navigation/attack, dive bombing and weapons loading to best aircraft appearance.

The awards banquet was held at Caesars Palace's Colosseum Complex to help celebrate the victorious and console the losers.•

YUGOSLAVIA

• Mr. D'AMATO. Mr. President, on November 7, 1991, Senator PRESSLER and I introduced legislation calling on the President to grant formal diplomatic recognition to those areas of Yugoslavia that have made a formal declaration of independence. The events of the past 2 months have only strengthened my conviction that it is time for the United States to come to grips with the fact that no group in Yugoslavia is willing to live under the thumb of Serbian domination. Slobodan Milosovic has pursued a dream of a greater Serbia at the expense of the lives of thousands of innocent civilians. It is time to recognize as independent nations Slovenia, Croatia, Macedonia, Bosnia-Hercegovina, and Kosova. I urge my colleagues to join me in cosponsoring this legislation in order to press the State Department into action, and also to lift the unfair nationwide, United States-imposed sanctions against the individual former Yugoslav republics. Sanctions only harm the victimized republics like Croatia, Slovenia, Kosova, Bosnia-Hercegovina, and Macedonia.

In addition, Mr. President, I would like to call to my colleagues' attention the unique opportunity the Republic of Macedonia has to set an example for the multiethnic states of Eastern Europe. Macedonia has a large Albanian minority. As it constitutes its new government, it has the opportunity to demonstrate that democracy can work in Eastern Europe by respecting the political rights of its large Albanian minority. After my meeting yesterday with Macedonian President Kiro Gligorov, I am convinced that he is committed to democracy in his republic.

Such an action will establish a sound foundation for the future and demonstrate to the newly emerging democracies in Eastern Europe that multiethnic democracies can work.•

RALPH DREES NAMED 1991 BUILDER OF THE YEAR

• Mr. FORD. Mr. President, today as we stand in this Senate Chamber addressing issues of concern important to each of us and the States we represent, I want to take a few moments to commend fellow Kentuckian, Ralph Drees.

Known to take raw pieces of land throughout the northern Kentucky and Cincinnati region and develop it, he has been named "1991 Builder of the Year" by Professional Builder & Remodeler.

This award dates back to 1966 and has since recognized annually the achievements of one builder nationwide. The Builder of the Year Award searches out a company or individual that delivers the right product for the right price; one that maintains its profitability and growth.

Although the award is 26 years old, 1991 marks only the 25th time it has been given. No award was given back in 1982 due to an exceptionally bad year for the industry.

It is this that makes Drees outshine others by a long shot. It says a lot that this award was given in 1991—a year when the recession was as bad if not worse than in 1982.

His record of community service is long, going back to the 1960's when every morning children who lived in the undeveloped area on the south side of Erlanger, KY, would board Drees' Volkswagen bus for their ride to school and board it again afterwards for their ride back home. Without Drees, the children would have had to walk to school since no busing system had been established.

This once undeveloped area of Erlanger soon became a community all its own. Drees installed the sewer and water lines, he built the streets and the homes. And until a busing system was implemented completely, he continued, for 3 years, to transport children to school as another incentive for prospective home buyers to settle in his newly developed subdivision.

This is typical of Mr. Drees—a man who time and again has made the community and its needs his first priority.

It is no wonder that Drees is commonly referred to as the "Good Neighbor Builder." He has made himself a trademark—a builder who focuses on building the type of homes that fits the buyers' needs.

He started as a single family home builder, developing five houses a year, and has grown into a community developer of homes, apartments, attached townhouses, office buildings, and commercial centers in the northern Kentucky and greater Cincinnati areas, and most recently, Dallas, TX.

I applaud Ralph Drees in his extreme efforts and accomplishments. It seems that whenever he reaches a peak in his incredibly successful career, he does not stop. He finds yet another pinnacle and surmounts that as well.•

MICHIGAN'S 1991 TREE FARMERS OF THE YEAR

• Mr. LEVIN. Mr. President, on December 3, 1991, the American Tree Farm System recognized Cliff and Lucille Gearhart as Michigan's 1991 Tree Farmers of the Year. This award was presented to the Gearhart's for outstanding woodland management, something they have been practicing for over 60 years.

The Gearharts of Wolverine, MI, have owned and operated North Star Trees, Inc., since the early 1940's and have been enrolled in the Tree Farm Program since 1989. North Star Trees, Inc., is located in northern Michigan, spreading over 1,800 acres across 3 counties.

The Gearharts are primarily Christmas tree growers; however, they have been recognized for their expertise in harvesting timber and growing seedlings.

The business is operated by Cliff and Lucille, their daughter Jean, their sons Dan and Dave, and their daughters-in-law Carol and Becky. During the Christmas season their grand-children even get involved. The company employs about 25 others during the peak summer months.

North Star Trees was chosen from more than 2,000 tree farms throughout the State. The Gearharts are now contenders for the National Tree Farmers of the Year Award for 1991.

The Gearharts' outstanding commitment to good forest management is rightfully recognized by this award. In the words of Cliff Gearhart, the "tree farmer contributes much to the needs of planet Earth."

I would like to take this opportunity to congratulate the Gearharts and wish them many more successful years of tree farming.•

AMERICA'S BALANCE OF TRADE WITH JAPAN

• Mr. KASTEN. Mr. President, I am concerned about America's balance of trade with Japan. The United States-Japanese trade relationship is a very important issue for our country. My home State of Wisconsin has a lot at stake.

The question of free and fair trade with Japan is a contentious one. I have been fighting to break down Japan's unfair trade barriers to United States products in a way that doesn't hurt American workers, while working to improve the competitiveness of our industries at home.

One of the defining issues for the United States-Japanese trade relationship is auto part sourcing. The Japanese use what is called the Keiretsu system of formal and informal networks between Japanese suppliers and manufacturers to exclude American companies.

I believe it's time for Congress to get involved. This is why I have decided to cosponsor S. 1850, a bill to reauthorize Super 301. This law was used effectively from 1988–90 to help break down unfair foreign trade barriers. It's authorization was allowed to lapse, and I think it is time now to bring it back.

However, there are things we can do at home to help our situation. I believe the United States can increase its exports by doing away with our own Government's policies of high taxation and overregulation. More incentives are necessary to encourage the growth and expansion needed to provide new jobs in all parts of the country, including my home State of Wisconsin.

The plan I recently proposed, the Economic Growth and Tax Freedom Act which calls for a cut in the capital gains tax, among other progrowth initiatives, would accomplish the goals of creating more jobs and increasing our Nation's exports.

The United States can compete, and is matching up well against other nations, but that is no excuse for our accepting unfair burdens at home. We need to eliminate many of the formal and informal hurdles that stand in the way of our products. The bill S. 1850 will help us do just that.•

ANOTHER PLAYGROUND SHOOTING TRAGEDY

• Mr. MOYNIHAN. Mr. President, I rise today to relate to my colleagues, with sadness, the most recent incident of children shooting children. Last Friday's New York Times reports that 2 children were shot yesterday by a teenager in a Brooklyn, NY, school playground.

The 2 playmates, one 11 and the other 13, had just left the swings to watch an argument that had broken out. One 16-year-old involved in the quarrel pulled out a handgun and fired two shots, hitting the young bystanders. The hospital now lists them in stable condition.

Almost as tragic as the shooting was the reaction of the children who witnessed it. According to newspaper accounts, few of them seemed surprised it occurred. One 13-year-old boy promised vengeance if he were shot. Another said, "I didn't even run. I'm too used to it now." He also speculated that it was a .25 caliber gun that was used. The police have a suspect, and are currently attempting to apprehend him.

Last year, and the year before that, there was an astonishing spate of shootings by children against children, and drive-by incidents in which bystanders were shot. This is an inauspicious start for 1992.

New York has some of the most stringent gun control laws in the country, yet the violent crime rate continues to rise. Although I support these laws, and am a cosponsor of the Brady bill, policymakers ought look to parallel alternatives as well. I believe one solution may be the control of ammunition. After all, guns do not kill people—bullets do.

On the first day of this Congress, I introduced S. 51, a bill to ban the importation, manufacture and transfer of .25 and .32 caliber and 9 millimeter ammunition. I applaud the efforts of Commissioner Lee Brown and the New York City Police to control crime, but it is time we help them with new legislative answers.

I encourage my colleagues to cosponsor S. 51, and ask that the full text of the New York Times article be printed in the RECORD.

The article follows:

[From the New York Times, Jan. 31, 1992]

WILD SHOTS HIT 2 CHILDREN IN A BROOKLYN PLAYGROUND

(By James Bennet)

Two children were wounded outside their Brooklyn school yesterday morning when another youth involved in a dispute pulled out a gun and fired two wild shots across a crowded playground, the police said.

The shooting was the latest in a series of recent violent incidents in and around New York City schools. Last week in Brooklyn, a student shot a police officer outside Junior High School 324 in Bedford-Stuyvesant, and three students were stabbed by a youth as they left Thomas Jefferson High School in East New York.

On the playground adjacent to the school where yesterday's shooting took place, Intermediate School 49 in Williamsburg, many students did not seem surprised or frightened by the violence. "I'm not scared," said Clebert Yarde, 13, a seventh grader. "If they shoot me and I know the guy who did it, I'll shoot him back."

TAKEN TO HOSPITAL

In yesterday's shooting, an 11-year-year-old boy was hit in the ankle and a 13-year-old boy was nicked in the knee. Both youths, whose identities were being withheld by the police because of their ages, were taken to Woodhull Hospital, where they were listed in stable condition. The police were searching for a 16-year-old youth who probably also attends the same intermediate school, said Lieut. Ronald Peragine of the 90th Precinct.

The police and witnesses said the shooting arose from a student fight outside the school the day before. Schoolchildren said the fight began after on student stole another's hat, but the police said it was caused by something even more minor.

"One bumped into another, and typical children, you want to do something about it," Lieutenant Peragine said. "The Hispanic Youth pulled out a knife and slashed at the other boy." That boy and his friends then chased after the child with the knife, the lieutenant said.

Yesterday, he said, a friend of the youth with the knife brought a handgun to school, apparently to back him up should there be more trouble.

The police said they did not know why the youth started firing just after 9 A.M. as dozens of students, waiting for the doors to open, played on swings in the Thelma Martinez Playground, near the intersection of Graham Avenue and Scholes Street. But witnesses said the youth fired because he was being threatened.

"A lot of people were running at him and he just pulled out a gun and shot," said Ali Kettries, 13, an eighth grader. "They wanted to beat him up. He just shot and wounded an innocent kid who was running toward him."

One of the wounded children dropped to the asphalt. "I saw him on the floor, holding his knee real tight," said Gina Yournet, 12, a seventh grader. "He was crying and screaming." Like the other children, she said, she ducked and fled south down Graham Avenue. The other wounded student, witnesses said, was still able to run.

Police Commissioner Lee P. Brown denounced the shooting yesterday, linking it to the easy availability of handguns and increasing tolerance of violence among children and the public. "The fact that a teenager would shoot somebody shows a disrespect for life to begin with," he said, adding that "what we have to do as a society is make sure we do not have a tolerance level for violence."

But the reaction from the children, who had a half-day in school yesterday because they were taking midterm examinations, was not as strong. They said their teachers did not discuss the incident, and many of the students seemed to shrug it of.

'I DIDN'T EVEN RUN'

Tyrone Cocks, 13, an eighth grader, said gunplay was common near his home in the Marcy Housing Project. "I didn't even run," he said. "I'm too used to it now." Asked whether a handgun had been used in the shooting, he rattled off the calibers of different firearms. "It was like a two-five or a thirty-eight," he said.

Lieutenant Peragine said he planned to station a uniformed officer outside the school to prevent more violence. "We want to nip this in the bud," he said.●

MEASURES INDEFINITELY POSTPONED—S. 160 AND SENATE JOINT RESOLUTION 175

Mr. MITCHELL. Mr. President, I ask unanimous consent that Calendar Nos. 12 and 185 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:10 a.m. on Tuesday, February 4; that following the prayer, the Journal of the proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; and that there then be a period for morning business, not to extend beyond 9:30 a.m., with Senators permitted to speak therein, with Senator SIMPSON recognized for up to 5 minutes and Senator WELLSTONE for up to 10 minutes; that the time from 9:30 a.m. until 10 a.m. be for debate on the motion to invoke cloture on the motion to proceed to S. 166, with the time equally divided and controlled between Senators JOHNSTON and WALLOP; and that on Tuesday, the Senate stand in recess from 12:30 p.m. until 2:15 p.m. in order to accommodate the respective party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 9:10 A.M.

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate today and no other Senators seeking recognition, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 5:40 p.m., recessed until Tuesday, February 4, 1992, at 9:10 a.m.

EXTENSIONS OF REMARKS

A TRIBUTE TO DEREK PRATT, THE PRATT FAMILY'S NEWEST EAGLE SCOUT

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize today my constituent, Derek Pratt, who was recently featured in the Miami Herald for becoming the third person in his family to become an Eagle Scout. The 17-year-old Braddock High School senior continued a family tradition by achieving the Boy Scouts of America's highest honor. His brother, Justin, became an Eagle Scout in 1985, and his father won this rank in 1956. The article "Eagle Scout Follows Family Footsteps" by Manny Garcia reports on his achievement:

When Derek Pratt, 17, was pinned an Eagle Scout on Saturday, he continued a family tradition dating back to 1956. His older brother, Justin, and their father, Buck, have also received scouting's highest honor.

"It was a bit of a challenge," Derek said about maintaining the family tradition. "I really look up to both of them."

Derek became the first member from the Metro-Dade Fire Department Explorer Post 1403 to become an Eagle. The post provides leadership skills, emergency first-aid and firefighting training for young men and women between 14 and 21. Derek is post treasurer.

"This was the topper of all pay days," said Buck Pratt, 49, an Eagle Scout since 1956 and a lieutenant and instructor with the fire department. "It's a tough nut to crack."

Bob Boyd, district director for the Boy Scouts agreed: "It's very unusual for fathers and sons to both become Eagle Scouts."

Justin Pratt, 21, has been an Eagle Scout since 1985.

Fire Chief Gene Perry awarded the rank to Derek during a ceremony at the Miami Elks Lodge in Kendall. Derek, a member of the first senior class at G. Holmes Braddock High School, also received letters of commendation from Gov. Lawton Chiles and President Bush.

Derek said the award is the climax of years of hard work. He got his first merit badge six years ago for first aid. Twenty-five merit badges later, he applied for scouting's highest honor.

For his Eagle Scout project, Derek organized construction of an aquaculture center at the South Campus of Miami-Dade Community College. The center contains three fish tanks that will help students study exotic fish.

He then passed an extensive interview with the Eagle Review Board.

The new Eagle Scout wants to be a firefighter, paramedic and nurse. He plans to attend fire college in Ocala in August.

Brad Havrilla, a Palm Beach firefighter and the post's adviser, said Derek will also succeed at fire college. "If I had to choose someone I wanted for the fire service, Derek would definitely be one of them."

I am pleased to pay tribute to Derek Pratt by reprinting this article from the Miami Herald. His story shows how the Boy Scouts of America and a good family have helped many young Americans develop character and leadership skills which will greatly benefit our community and nation.

THE 36TH, "TEXAS" DIVISION, A PROUD HISTORY

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mr. VANDER JAGT. Mr. Speaker, during the coming year, some 52 years after its first components were transferred from the Texas National Guard and mobilized into the 36th Infantry Division, former members of that proud fighting unit will formally establish a museum memorializing its history in Brownswood, TX. Fittingly, for the members of this unit who went off to war to win the peace, the town of Brownswood has donated their train depot for the museum.

As a National Guard unit mobilized for duty, the 36th proudly wears its patch of a "T" on the arrowhead herald celebrating its Texas origins. We are proud to have folks in our home State of Michigan who have served valiantly with the 36th and who share in the desire to honor those who bore the burden of World War II. It is especially fitting that this museum be established as we look forward to the 50th anniversary of the end of that great conflict, and we look back at the last year, when we might say that the peace has finally taken hold.

It is my pleasure to bring to my colleagues' attention the proud history of the 36th Division, and to particularly recognize Mr. Frederick Ewald, now of Muskegon, MI, in Michigan's Ninth Congressional District, who served faithfully and who proudly seeks to assure that the contributions and sacrifices of the soldiers of the 36th are memorialized for history. A brief narrative of the 36th is offered herewith, and the thanks of a nation grateful for the contributions of all who served in the "Texas" Division and who proudly cherish the "T" patch of honor:

A HISTORY OF THE 36TH DIVISION

(Compiled by the 36th Division Pictorial History Team: Editor, Staff Sergeant Richard A. Huff; Associates, Corporal Robert Sieger and Sergeant Howard Jones; Supervising Officer, Captain Sumner S. Wilson.)

The war had ended. So had the career of a military intellectual who had chosen it as a lifetime profession. Field Marshall Albert Kesselring, the ace defensive specialist and a connoisseur of matters soldierly, sat hunched up on the corner of his cot, brooding in retrospect, and puffing on the last quarter of a bungled cigarette.

"Tell me, Field Marshall," persuaded Seymour Korman, Chicago Tribune war correspondent, "what do you consider the finest American Division to have opposed you?"

Without looking up and without a moment's hesitation, Kesselring sputtered, "Your 3rd and 36th Infantry Divisions. I've been continually amazed by their audacity, at their long flanking tactics and the way they turned up in so many different places. I've had to pit my best troops against them."

Even without tribute from captured enemy generals the "Texas" Division stands out as one of the truly veteran divisions of the Second World War. Girded with a spirit borne of fierce pride, the 36th made two amphibious assaults, at Salerno and on the Riviera, and saw intense action in four countries: Italy, France, Germany, and Austria during 366 days of combat operations.

Originally composed of Texas National Guardsmen, the 36th was mobilized into the Army of the United States on November 25, 1940, at Camp Bowie, Texas. Although Selective Service trainees later filled the Division to combat strength and reinforcements from all over the Nation gave it an All-American flavor, the citizens of Texas still regarded it as their own.

Prior to Pearl Harbor the Division was triangularized from four to three infantry regiments. With the advent of war, elements of the old 131st Field Artillery Regiment were sent to the Pacific and caught in the Japanese drive through Java early in 1942. (Survivors of the battalion, lost throughout the war, returned to the United States in October, 1945.)

In the formative years following, men of the Division bore the distaste of early army shortages, transformed a fledgling muddy camp into habitable quarters, "fought" with General Walter Kreuger's Third Army in the swamplands of Louisiana. It moved overland to sandy Camp Blanding, Florida, in February, 1942, and there was primed for an early overseas shipment. But orders changed, and so did the Division as cadres departed and recruits were added. After extensive maneuvers in the warm Carolinas during the summer, the 36th moved to a Yankee station on Cape Cod, Camp Edwards, Massachusetts. Here, living in tent cities, Division men practiced the then new art of amphibious operations, launched a mock invasion on Martha's Vineyard in late October. It was cold-tested at twenty degrees below zero in a blustery winter on the Cape. Parts of the Division engaged in a final, quick mountain maneuver at Piney River, Virginia, in March. Then on April 2, 1943, having come together from staging areas at Camp Edwards and Fort Dix, New Jersey, a solemn 36th sailed out from the New York Port of Embarkation and by fast convoy arrived at Oran, Algeria, eleven days later.

North African spring flowers and green valleys surprised T-Patchers when the '40 and 8's carried them one hundred miles inland to a training ground at Magenta. Until Rommel's Afrika Corps was decisively whipped at Tunis and Bizerte, the Division was held in combat reserve. Then, in a political move to avert Spanish or German designs on French Morocco, the 141st and 143rd Regiments, Di-

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

vision Headquarters and Special Troops shuttled westward five hundred miles to spend a leisurely summer in the cork forests near Rabat and Casablanca. The 142nd went to Tlemcen, in Algeria, and patrolled a wide area in search of stray Germans thought to be heading for the Spanish border from Tunisia, "captured" one prisoner in one month.

The Division formed the backbone of the newly organized Fifth Army. Serving as school-troops at the Army's Invasion Training Center on the Mediterranean at Arzew, it put through the paces the veteran 1st and green 45th Divisions before these shipped on the Sicily invasion. Then the 36th's own time came at Salerno, September 9, when all that the long months of training had prepared them for paid dividends as an unyielding 36th clung to the threatened beachhead.

In so doing the 36th was justifying its proud heritage. Its history was one that dated back to 1835 and the Alamo when the 141st was born during the whirlwind of the Texas Revolution. In World War I the 36th "Lone Star" Division served in the Champagne sector during the Meuse-Argonne offensive, spent 23 days in active sectors, captured 813 men, 9 artillery pieces and 294 machine guns. Its record less brilliant than that of its 1943–45 counter-part, the 1918 36th fought in the same glorious tradition legendary with fighting men of Texas.

In World War II, in nineteen months of combat, in five major campaigns, and in two amphibious assaults, the 36th Infantry Division had expended the maximum in heroism and hardship. The 36th is proud of its 175,806 enemy soldiers captured, its 15 Congressional Medals of Honor, its 10 Presidential Unit Citations, and numerous other battle awards. At the same time its casualty list, third highest of any American division, numbered 27,343, of whom 3,974 were killed, 19,052 wounded, and 4,317 missing in action.

The 36th had had a tough time of it, but they had given more than they had taken.

THESE TAX CUTS STUNT GROWTH

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mr. PEASE. Mr. Speaker, the New York Times recently ran an editorial decrying the tax proposals that the President planned to, and in fact did, offer in his State of the Union Address. The editorial points out the wrongheadedness of the approach the President has taken to address our economic problems.

I commend this editorial to my colleagues.

THESE TAX CUTS STUNT GROWTH

To judge by advance leaks to reporters, the "growth" tax cuts that President Bush will announce in his State of the Union address tonight and his budget tomorrow will promote precious little growth. Taken individually, they range from inconsequential to destructive. Taken together, they would put billions into undeserving pockets—and wreck the tax code.

Economic recovery cannot be bought with a mishmash of political handouts. What the economy does need is a swift kick, most easily delivered by a temporary tax cut that doesn't drain away revenues once the economy recovers. For the long term, the economy needs a tax code that favors saving over consumption. Perhaps there's more to the Bush plan than has been leaked, but otherwise, it won't do much to hasten recovery or reform.

Mr. Bush reportedly plans to propose tax breaks for middle-class families, capital gains, corporate investment, first-time home buyers and retirement savings. Most of these ideas fail on the merits. In combination, they're worse.

Middle-Class Relief. The President wants to increase personal exemptions, perhaps targeted to children. This idea is triply flawed:

The tax cuts would be permanent, robbing Congress of revenues desperately needed for infrastructure, children and research.

Higher exemptions are unfair because they would be worth twice as much to richer families than to families in lower tax brackets.

The proposal is mistargeted. Middle-class families are suffering because their wages haven't been rising, not because their taxes have been rising. Sluggish wages are a problem of productivity that can only be solved by more investment.

What kind of growth can be expected from a plan that has so much wrong with it?

Retirement subsidies. Mr. Bush wants to go give rich families a tax break on retirement savings already available to low-income families. Properly targeted, and financed, subsidies for savings might be good policy. But Mr. Bush's idea is a gimmick, rigged to produce a deceptive bulge in revenues in the short run—while creating a huge budget hemorrhage in 5 or 10 years.

At that point, Congress will have to cut back public programs, including investment.

Real Estate Giveaways. Apparently Mr. Bush believes America can reclaim its technological lead by building housing. He proposes to bring back wasteful tax shelters for investors in real estate, the most tax-subsidized industry. He's also expected to propose a subsidy for first-time home buyers. When economists say the U.S. needs more investment, they mean in education, telecommunications, research. Not houses.

Corporate Investment. Here, finally, Mr. Bush seems to be on track. Higher subsidies for corporate investments could promote growth. But even here there's a catch.

He's also reportedly going to propose new subsidies for saving. Putting both ideas together, the President apparently wants corporations to borrow money from tax-subsidized retirement funds in order to make tax-subsidized investments. That's a double subsidy, which could well encourage corporations to buy $100 machines that produce only $90 worth of output.

The error of simultaneously subsidizing savings and investment dramatizes the folly of piecemeal tax reform. That's why Mr. Bush would do better by pledging temporary tax cuts tonight and calling for an expert commission on long-term tax reform to report back to Congress after the November election.

Mr. Bush is likely to propose more than this list of misconceived tax cuts tonight, if only to rehearse his ill-advised capital gains cut. But unless there are some notable surprises, the tax package in his larger program looks perverse: In the name of growth, it would stunt growth.

ENGLISH AS THE OFFICIAL LANGUAGE OF MISSOURI

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mr. EMERSON. Mr. Speaker, tomorrow, the Missouri General Assembly will hold a hearing on a bill to declare English the official language of the State of Missouri. As a native Missourian and sponsor of the Language of Government Act in the Congress, I hope this hearing will bring this issue to the attention of the public. It is time to pass the Language of Government Act, and I urge those States which have yet to pass official language legislation to do so soon.

A common language is common sense. Our laws should say so. Americans across the full spectrum share that goal, from Barry Goldwater to Eugene McCarthy, from Arnold Schwarzenegger to Alistair Cooke, and from Paul Tsongas to Pat Buchanan.

Important national organizations also add their endorsements: VFW, American Legion, the Congress of Racial Equality, Daughters of the American Revolution, American Farm Bureau, and the Grange.

Editorials in some Missouri publications have attempted to portray the common language movement as racist, xenophobic, un-American, and even anti-semitic. But the breadth of support shows the absurdity of those charges. The support to recognize our common language as our official language of governing crosses the entire ethnic, racial, linguistic, religious, and political spectrum of America.

Why do Missouri and the United States need to adopt a coherent language policy now?

Jobs: Why would investors create jobs in a location where they might have to deal with Government or employees in multiple languages? Obviously, a cost conscious investor won't. That's one reason States with official language policies are out-competing the other States for job investment dollars.

Budget: Budget deficits are soaring, and there seems to be no end in sight to our growing tax burden. Government needs to rein in costs, not maintain the current unwritten, wide-open policy allowing unlimited duplication of every government activity in every language.

Social stability: Some folks wonder if safe cities are a thing of the past. Ethno-linguistic lines already define gangs and ghettos in many areas. This will become permanent if we continue focusing on separate language government rather than empowering and including people by teaching our common language.

Equality: "Separate-but-equal" government is never equal. The great equalizer for diverse immigrants coming to America has always been a common language. Most immigrants come from countries with official language laws, and immigrants understand well that English opens the doors of opportunity. A penny spent on "separate-but-equal" language services is a penny that would be better spent teaching our common language.

Unity: Should we have a Nation of multilingual individuals sharing a common public life and Government through a common language or a Nation of separate language groups inefficiently tied together under a multilingual government attempting to operate in every language?

Without a commitment to a common language, how will public debates take place? How can misunderstanding and distrust be avoided? A common language allows us to debate differences and forge compromises. A common language allows all to be included; no one is left outside. And our common language, English, is the only language without attachment to one single culture or ethnicity.

Take a look at current events—at cities, societies, and countries where people cannot communicate in a common tongue: Serbs and Croats, Azerbaijanis and Armenians, Xhosas and Zulus, Greek and Turkish Cypriots, Belgian Walloons and Flemings; the list goes on, but the societal consequences are the same, discord and disintegration.

Please join me in raising public awareness of this urgent yet widely overlooked issue. We must work together to craft logical, practical, workable language of government policies—policies that will deny essential services to no one, but will affirm the commitment to inclusion, empowerment, and equality that a common language brings to a Nation of diverse and unique individuals.

IN MEMORIAM: MITCHELL POTTER

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, it is with deep regret that I speak of the death of 77-year-old Mitchell Potter, the former Mayor of North Bay Village. Mayor Potter served the Miami Beach area for many years as a member of North Bay Village's city government and was very active in a number of the area's chambers of commerce.

I would like to pay tribute to Mayor Potter by reprinting his obituary from the Miami Herald:

Mitchell Potter, former mayor of North Bay Village and a merchant who sold corsets and lingerie on Miami Beach and Surfside, died Monday of heart failure, his family said. He was 77.

Mr. Potter served as mayor of the tiny island town from 1976 to 1978. He served as vice mayor from 1970 to 1972 and was a councilman from 1972 to 1974 and 1978 to 1980.

"He was my neighbor and probably one of the best commissioners and mayors the city ever had," said Mayor Paul Vogel, in office 10 years.

Vogel beat Mr. Potter in a mayoral race in 1982, but the two remained friends, he said.

"After I ran, we became even closer friends," Vogel said. "He helped me and the city any time we needed him. He shared all of his knowledge about the city and the office and was always available."

Mr. Potter and his late wife, Fay, started Fay Potter Corsetries in Philadelphia. They worked side by side in the business, specializing in custom-fit undergarments.

In the early 1950s, they left Philadelphia for South Florida, opening a Fay Potter Corsetries shop on Washington Avenue and then a second one on Harding Avenue in Surfside.

In the late 1970s, the couple sold the business and retired.

Mr. Potter was active in the business community from the time he moved to Florida.

He was past president and a founder of the Goldcoast Chamber of Commerce, the Surfside Bal Harbour-Bay Harbor Islands Chamber of Commerce, the Interama Chamber of Commerce and the Southshore Businessman's Association.

In 1974, he originated Surfside's annual "Salute to Canada Week," which honored the many Canadian tourists who visit the town in the winter.

As mayor of North Bay Village, he helped start up a volunteer fire department.

"He helped the city grow," Vogel said. "Later he served on the Civil Service Board for several years. He was very committed to North Bay Village."

Mr. Potter, former president of North Bay Village's Temple Beth El and of the North Bay Village Lions Club, is survived by daughter Joan Potter Kovnot, son Mark, grandson Matthew Eric, sister Betty Brooks, niece Jeanne Gelb and nephew Martin G. Brooks.

I am proud to remember his many contributions to the area I represent in Congress by reprinting this article. Mayor Potter's death is a great loss to his many friends and to the people of south Florida.

THE BURDEN OF SOURCE INCOME TAX

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mrs. VUCANOVICH. Mr. Speaker, the following article by William H. Sager appeared in the October 1991 issue of the "National Public Accountant" from the National Society of Public Accountants. The article illustrates well the problems associated with the source income tax, the taxing of nonresident pension income by States:

STATE TAXATION OF FORMER RESIDENTS' PENSIONS

The state income taxation of the pensions of former residents of the state is an oppressive tax known as the "source tax." The name is derived because the states that impose the tax upon their former residents consider themselves to be the source of the pension benefits earned within the state but now received elsewhere.

One of the prevalent examples of the source tax is the state of California. A number of taxpayers who earned their pensions while living and employed in California upon retirement moved to Nevada where there is no state income tax. As a source tax state, California follows and attempts to collect its state income tax on the now out-of-state taxpayer's pension. California is telling nonresident taxpayers that they owe California income tax on their pension income because they qualified for and earned the pension while they were residents of California. Moreover, the non-resident taxpayers (whose ties to California are now completely severed) are informed that they will owe the California income tax on their pension income for as long as they receive it—presumably, the rest of their lives.

California and the other states that employ the source tax rationalize their action by considering that they were the source of the pension benefits and the taxpayers, as residents while earning the pension benefits, used the state's services and facilities. The taxpayers (now retirees) argue that they paid taxes as a state resident while using the State's services and now that they are retirees and their incomes are reduced they have no further obligation as a non-resident not currently using state services to be taxed on their pension income. Moreover, the non-resident retirees argue that a tax on pension income is a tax on intangibles and the situs of an intangible tax is the place where the owner of the intangibles is located.

The following states tax the pensions of individuals who no longer reside or have any connections within the state: Arkansas, California, Idaho, Iowa, Kansas, Massachusetts, Maryland, New York, Oregon, Utah, Vermont and Virginia. Retired taxpayers who receive a pension are rightfully concerned whether the above 12 source tax states will follow them to their retirement residence states and attempt to collect income taxes on their pensions.

Several retirement states that do not have an individual state income tax have enacted laws forbidding another state to seize the property of their residents for non-payment of the source tax. Nevada and Florida have enacted such protection laws and Texas is considering one.

Meanwhile, since the current situation between California and Nevada has engendered controversy and apprehension on the part of California retirees who are now residents of Nevada, it was only natural that the Nevada congressional delegation would become involved. Representative Barbara Vucanovich (R-NV) believes the source-tax is clearly unfair and discriminatory. On January 3, 1991, she introduced H.R. 431 (referred to the House Judiciary Committee) which would ban the state source tax on the non-residents' pension income that the retirees earned before their retirement and before moving to another state.

On June 12, 1991, Rep. Vucanovich testified before the Senate Finance Committee's Subcommittee on Taxation and Debt Management in support of S. 267 (introduced by Nevada Senator Harry Reid), which would prohibit a state from imposing an income tax on the pensions of individuals who no longer reside in that state. "Many states across this country have the source tax law on their books and can activate collection procedures at any time. States that are already collecting the tax, like California, charge high penalties and daily interest fees but are in many cases delinquent in notifying the taxpayers of the tax. This creates huge interest penalties and an overwhelming tax burden on this nation's senior citizens," said Rep. Vucanovich. "But these states are not satisfied with this already enormous amount; they want more. So they tax not only the pension income, but all other sources of the retiree's income regardless of the state in which the money was earned. Simply stated, this is taxation without representation."

On March 22, 1991, Rep. Vucanovich introduced second bill aimed at stopping the taxing of non-residents' pension income. The second bill, H.R. 1655 provides that no deduction shall be allowed for certain taxes paid to states that tax non-residents on pension income in an unfair manner. However, any state intent on maintaining its source tax on non-residents' pension income would be required to provide the taxpayers with advance notice of the tax and allow the taxpayer an opportunity to prepay the tax before leaving the state, and implement a taxing formula that does not include income from any other state. Since H.R. 1655 amends the Internal Revenue Code of 1986, it was referred to the Committee on Ways and Means.

The source tax is an opportunity for independent practicing accountants and their affiliated state organizations to flex their political muscle. Expressions of support to Rep. Vucanovich for H.R. 431 and H.R. 1655 are certainly in order. Just as important, letters of support to members of the committees before whom those two bills are pending would be appropriate. As in all cases, please send NSPA's Director of Federal Affairs a copy of your letter and any response received.

NSPA's affiliated state organizations posses considerable political clout on the state level. If your state is one of the dozen states (listed previously) that imposes a source tax on non-residents' pension income, exercise your influence to get the legislature to rescind or modify the tax. No one is more familiar with the state's tax structure than the independent practicing accountant. The accountant recognizes problems of tax avoidance, tax compliance and tax fairness and equity and is just as familiar with what is involved in the characteristics of a tax as are most legislators.

The issue of the source tax is a window of opportunity for the independent practicing accountant to express concerns to the federal Congress and to the state legislature. The rewards for doing so are name recognition, organizational recognition and the opportunity to be involved in an issue of fairness and taxpayer fair treatment.

GIRL SCOUT COUNCIL OF TROPICAL FLORIDA BEGINS AN ANNUAL TRADITION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize today the Girl Scout Council of Tropical Florida which was featured in the Miami Herald for beginning its annual Girl Scout cookie sale. This traditional event began in the Miami area in 1934 with 492 Girl Scouts selling 4,000 boxes of cookies. By comparison, this year, 12,000 Girl Scouts are expected to sell almost 600,000 boxes. The article "Sweet Success Cookie Sale Lets Girl Scouts Learn Business, Reap Rewards" by Bea Moss reports on this annual tradition:

At Cookie Central, three trailer trucks Monday unloaded hundreds of cases of an annual favorite appearing soon in all neighborhoods.

The yearly Girl Scout cookie sale begins today.

Workers stacked the cases in an activities building at the Girl Scout Council of Tropical Florida headquarters in Southwest Dade. Wednesday, Scouts began picking up the orders they placed in November.

The initial preorders look good. We were pleasantly surprised," said Charlotte Latham, the council's public relations director. "If it continues we should have a good sale this year.

This year's goal for the council, which serves Dade and Monroe counties, is to sell 600,000 boxes.

Cookies cost $2.25 a box, up 25 cents from last year, and include the regular favorites: Thin Mints, Samoas, Do-si-dos, Tagalongs, Shortbread Trefoils and Chalet Cremes.

One change: Golden Nut Clusters, a vanilla cookie with caramel nuts and a maple coating, has replaced Trail Mix cookies, a granola-type offering that didn't sell well last year.

Thin Mints and Samoas are the two top sellers. "We order 10 times more of those than anything else," Suzi Harris said.

But Harris, a troop leader and chairwoman for a service unit that includes 12 troops, said cookie selling is a lot of work.

"Several months in advance the girls go through training," said Harris, who has helped girls with sales for five years. "We handle a tremendous amount of money and there are numerous safety procedures to follow."

Last year Harris' troop used profits from cookie sales to pay for trips to Kennedy Space Center in Cape Canaveral, and Key West. Their proceeds usually exceed $500, Harris said.

"The cookie sale shows camaraderie among the girls, how to deal with the public and how to handle themselves in the public eye," said Harris, whose two daughters, Meschelle Gard, 17, and Heidi, 12, are in Scouting.

It's not hard selling cookies, said Heidi. "Family members and friends buy them and I think everybody pretty much likes to buy Girl Scout cookies."

Scout cookies were first sold in Dade County in 1934. The next year, Dade's 492 Girl Scouts sold 4,000 boxes of cookies, according to records.

Today the Tropical Council serves 12,000 girls.

The yearly cookie sale is the group's only major fund-raiser.

For each box sold, 80 cents goes to the cookie company, 5 cents goes for handling, 35 cents goes to local troops, 5 cents is allotted for prize incentives and $1 is kept by the council to support Scout troop activities, maintain properties, buy camping equipment and help girls defray summer camp expenses.

Nancy Romer, an assistant leader of 30-member Troop 689 in North Miami, said the sales teach the girls to handle rejection, too.

Brandyce Romer, 7, said she has no problem when people say they don't want cookies. "If they say no, I just go to the next person," said Brandyce, a second-year Brownie.

Cissy Snelling's two Cadet troops sold about 6,000 boxes of cookies last year.

"As the girls get older, they learn to take on more responsibility. It's good for them," said Snelling, who lives in Kendall.

Snelling's daughter, Cassie, 11, said cookie selling is fun.

"I like collecting all the money and getting to go on field trips," said Cassie, now in her sixth year of selling. "And it gets easier."

I am pleased to pay tribute to Charlotte Latham, Suzi Harris, and the many others who are active in the Girl Scout Council of Tropical Florida by reprinting this article from the Miami Herald. The Girl Scouts through their cookie sale and many other activities helps teach many young people the leadership skills which will greatly benefit our community and Nation.

THE YEAR OF THE AMERICAN INDIAN IS 1992

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188—Senate Joint Resolution 217, House Joint Resolution 342—Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues with which we as a Congress have been struggling for over 200 years. In support of the Year of the American Indian, I am providing copies of recent articles for the consideration of my colleagues.

Mr. Speaker, today I want to share with my colleagues an editorial in last week's U.S. News & World Report about the growing problem of service members being released from active duty with less than 20 years of service. Mr. David Gergen notes that 500,000 men and women will be released from the military services over the next 4 years. He notes that this is a cadre of well-educated, well-disciplined employees who can make a significant impact on businesses willing to employ them. A significant percentage of American Indians are serving and have served in our Armed Forces, and are in need of employment. I think this is an important point and I commend the editorial to my colleagues.

HEROES FOR HIRE

(By David Gergen)

As the nation celebrated the first anniversary of its gulf-war victory last week, Gen. Gordon Sullivan was in Germany furling the flag of two of the Army's finest divisions. The 3rd Armored, the "Spearhead Division" that won its fame at Omaha Beach and led the attacks against the Republican Guard in Desert Storm, is coming home. So is the 8th Infantry Division (Mechanized), which fought at the Battle of the Bulge and helped to feed and house thousands of Kurds.

Their withdrawal is part of a massive restructuring in the U.S. military. Over the next four years, the Pentagon will retire 500,00 men and women—six times as many as General Motors is laying off—in the largest demobilization since World War II. This exercise deserves a lot more attention—and imagination.

Defense Secretary Dick Cheney, whose stature grows each year, persuaded Congress last fall to enact more generous benefits for early retirees. An E-6 leaving after 10 years of service, for example, can choose a lump sum payment of $28,172 or receive $4,695 a year for 20 years. The Pentagon has also set up a database to link potential employers with displaced military and civilian personnel and has created job centers at more than 350 military bases. (Firms can call 703-614-5322 for information.)

Even so, the nation is not yet doing enough to take advantage of this windfall of talent. As we learned in the Persian Gulf, the U.S. military today is filled with some of America's smartest, most disciplined and best educated men and women. Some 98 percent of the military's enlisted ranks hold high-school degrees, compared with 82 percent of others their age. More than 99 percent of the 50,000 Army officers to be discharged by 1995 have a college degree, and, at the rank of major or above, 80 percent have advanced degrees. They have proved themselves in an atmosphere that demands continuing education and is nearly free of drug problems and racial bigotry. More to the point, private tests have consistently found that high-ranking military officers score higher than most corporate executives in leadership skills. They know how to compete—and win.

Gov. Carroll Campbell of South Carolina recognizes the rich potential these men and women offer. He has signed an agreement with the Army to attract them into jobs as health professionals, engineers, managers and the like. He isn't seeking to displace current workers but to fill the skills gap of an increasingly progressive state. In Texas, where Ross Perot built a successful business empire with military veterans, public-school teachers are being recruited from the armed forces. Cities in Schools, a nonprofit group in Alexandria, Va., is developing a program that will enable departing military personnel to direct dropout-prevention efforts in tough schools. And the Committee for Economic Development has mounted a campaign among top business executives to seek new hires among the military.

These efforts should serve as a model for an expanded national drive tied to an American revival in the 1990s. The nation is in a terrible slump now. But we have the power to reverse our fortunes if we stop bellyaching about our problems and get to work solving them. These military people can play key roles in that task. Clearly, our schools need an infusion of new talent, especially with 2 million teachers planning to leave teaching in this decade. As it happens, a third of the officers leaving the Army are qualified to teach high-school math, and 10 to 20 percent can teach physics. What is needed is a concerted effort, state by state, to knock down the certification barriers that bar good people from the classroom. And what about bringing a little sanity to our streets? Over 24,000 Americans lost their lives through violence last year. With creativity, it should be possible to set up new, volunteer units of discharged veterans—paid for by Washington along with state and local governments—that would make neighborhoods safe once again. Surely, Dick Cheney and the president could ask some of our best minds to think of additional challenges.

When we sent our troops into war a year ago, we struck an unwritten covenant with those men and women that if they put their lives on the line, we would look after them when they came home. Well, they're home now and will soon need jobs. We owe them. But equally so, we should recognize that as they take off their uniforms, they present us with marvelous opportunities to lift up the nation.

SOUTHWEST HIGH ADDS SIGN LANGUAGE TO CURRICULUM

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, Southwest High School in Miami, FL, was selected to teach hearing-impaired students in special classes. As part of this new program, classes were added to teach sign language to students who can hear. The Miami Herald recently printed a story by staff writer Jon O'Neill which highlights Southwest High's effort to mainstream the hearing impaired and expand the understanding of the hearing. That article follows:

Sign language has opened a new world for Southwest High student Andrea Stainton.

Andrea, 17, can hear. But she and more than 50 other Southwest students are learning how to communicate with the deaf in classes offered as part of the Hearing Impaired Program at the school, 8855 SW 50th Ter.

For Andrea, learning to talk to those who can't hear has helped her make a career decision.

"After taking this class, I've decided I want to go into some sort of speech pathology," she said. "This class is a lot of fun."

Last year, Southwest was selected to teach hearing-impaired students in special classes; 46 students attend there now.

Part of the new curriculum included sign-language classes for kids who can hear. They proved to be very popular, and more were offered this year.

"I was surprised by the number of kids who signed up," said Barbara Chotiner, who teaches the classes. "At this age group, you'd think the kids wouldn't be interested. But they have a lot of enthusiasm for it."

Tuesday, Chotiner ran some of her students through some vocabulary words, teaching them to add emotion to their signing. It's delicate. The wrong motion or placement of a finger can change the meaning of a word or sentence.

The classes do more for the students than just help them learn the mechanics of sign language. Many students say they've acquired sensitivity toward their hearing-impaired counterparts.

"So many people are not aware of the deaf community," said Margaret Lombino, an interpreter at the school. "They haven't been exposed to it, and when they are they don't know how to react. This teaches them that deaf students are no different than they are."

Junior Mairim Peñate, 16, understands that. Since the deaf students started coming to school there, she has wanted to talk with them. Now, she knows enough to carry on basic conversations, and she has decided she wants to teach sign language and work with the deaf.

"People sometimes ask me why I want to talk to them," Mairim said. "But only people who are closed-minded set the deaf kids apart. They're the same as anyone else."

Mairim was part of a group of Chotiner's students who went to Gulfstream Elementary in Cutler Ridge before the holiday break to sign Christmas carols to deaf students there. The school also has a chorus made up of hearing and hearing-impaired students called "Silent Singers."

"I think all of the students here are more sensitive to the hearing impaired since the program started," said assistant principal Stacey Mancuso. "It's been a good experience for everyone."

Mr. Speaker, I commend the efforts of Southwest High, my alma mater, to promote this new program which benefits the hearing and the hearing-impaired alike. In particular, I want to recognize the leadership of principal, Ronald Ferrer; assistant principals, Stacey Mancuso, Carolton Jerkins, Mike Brennan; and director of the hearing-impaired program, Barbara Chotiner for making this program a success at Southwest High School.

IN HONOR OF EDWARD D. BETTENCOURT'S 50TH ANNIVERSARY

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mr. STARK. Mr. Speaker, I consider it a privilege to be able to recognize Mr. Edward D. Bettencourt on the occasion of his 50th anniversary at Kaiser Sand & Gravel Co., of Pleasanton, CA.

This anniversary is not just a celebration for a man who has worked 50 years with the same company, but the celebration of a true success story.

Since Edward Bettencourt's story was well told in a 1989 issue of Rock Products, I am including it here.

EDWARD D. BETTENCOURT

(By Mitchell Rukavina)

The old adage that "good things come in small packages" is certainly true about Ed Bettencourt, a control room operator at Kaiser Co.'s Radum sand and gravel plant near Pleasanton, Calif.

Bettencourt best symbolizes the dedicated individuals who make up the aggregate mining business with his work ethic, his ability to respond to emergency situations, his willingness to adapt to an ever-changing industry, and his loyalty to the company that hands him his paycheck.

Bettencourt has a tougher time than most trying to join the aggregate industry 47 years ago. Only 5 ft., 3 in. tall and 100 lb., he showed up at the plant pleading for a job on four consecutive days, Plant Supervisor Bart Carter told Bettencourt to go home because he "was too small to cut the mustard."

Undeterred, Bettencourt came back a fifth day and kept pestering Carter. "I told him not to worry about my size, just to give me a chance," said Bettencourt.

Carter relented and put Bettencourt on the bull gang, a common labor crew. For two days he carried railroad ties that nearly outweighed him. Carter dropped by to check on Ed and promptly chewed out the crew's supervisor for allowing Ed to singlehandedly carry ties, a job normally done by two men working together.

From that day forward, Carter always referred to Bettencourt as "little big man." Carter was so impressed with Bettencourt's hustle and willingness to work anywhere in the plant that, before the year was over, he asked Ed to help run the entire operation as plant engineer, even though Bettencourt only had an eighth grade education.

Bettencourt never missed a day of work during his first 27 years at the Radum plant. After a two-year stint during World War II in an engineering battalion, he was discharged and returned to his job.

When Radum constructed a new, completely automated plant, the superintendent gave Bettencourt some books on automation and told him to start preparing. "I took those books home and studied them every night until I mastered the entire control room process," said Bettencourt. "It took me two weeks to adapt to the old plant (which was not automated), and six months to handle the new one."

"You can talk about computers, but you soon realize we also have a computer up here," said Bettencourt, tapping his head. "In 47 years you acquire an awful lot of knowledge and learn how to use it."

Only the third person in company history to receive a 45-year award (in 1988), Bettencourt, who is 69, hopes to stay with the company until he hits the half-century mark in 1998. He oversees every operation from pit to plant to stockpiling and loadout. He has nearly 400 buttons and switches to keep an eye on in his control room.

"This is my home," says Bettencourt, referring fondly to the Radum plant, which is named after an old marker near a Y-shaped rail transfer point. Firmly ensconced in the control room atop a 5-story plant structure off Stanley Boulevard, Bettencourt calls his office the "top of the Mark" (after one of San Francisco's most famous hotels).

"If you give them a good day's work, the company will both appreciate it and pay you well for it," said Bettencourt, who was born and grew up on a ranch near Livermore, Calif. Orphaned at a young age, he was brought up by an aunt and uncle. "I think my work and the dedication of my co-workers shows in our average production rate of 3,000 tph. For years we have been ranked among the top 10 sand and gravel plants in the country. This comes from treating people with respect and being treated the same way."

Edward Bettencourt's half century of hard work and dedication at Kaiser Sand & Gravel have earned him enormous distinction. I would like to add my congratulations and best wishes for his continued success, to the good wishes being extended to him by his friends and colleagues.

JOSE FRANCHI: CHANNEL 51'S NEW STATION MANAGER

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Jose Franchi, who recently was featured in the Miami Herald after being promoted to vice president, station manager, and comptroller of south Florida's Spanish-language television station Channel 51. The article "Four-year Channel 51 Veteran Promoted To Station Manager," by Charles Rabin tells how Mr. Franchi worked his way up to this important position in the television industry:

Jose Franchi takes exception to a recent Forbes magazine article that downplays the need for selling to Hispanics.

"I find it interesting that they would have those views sitting in the concrete jungle of New York," said the new vice president, station manager and comptroller of Spanish-language television station WSCV-Channel 51 in Hialeah.

The controversial article suggested that because of assimilation, the need to advertise directly to the Latin community is more myth than reality.

But Franchi says the Hispanic market is only now beginning to develop.

"The advertisers that are taking advantage of the Hispanic market are seeing tremendous gains," he said. "It's very challenging. We're only now beginning to scratch the surface."

Channel 51 is doing "tremendous," Franchi said, adding that 1991 was a solid year. Without giving specific figures, he said Channel 51 experienced growth in revenues.

"Nobody can say they're not feeling the recession, but we haven't felt the full impact because we're in a growth mode," he said.

According to Franchi, the latest Arbitron ratings show Channel 51 with between 35 percent and 40 percent of the Hispanic market in South Florida. He believes a good deal of that is due to the station's 40 hours per week of original programming from the Hialeah facility.

In January 1990, Channel 51, which is owned by the Telemundo Network, moved into the Telemundo home office in Hialeah.

In addition to providing access to the network's resources, it also enabled Channel 51 to consolidate the Coral Gables sales office and the Hollywood studio under one roof.

The Telemundo network, which was formed in 1986, has six stations across the country, in New York, Los Angeles, Hialeah, San Jose, Calif., Houston and San Diego. It also has a flagship station in San Juan, Puerto Rico.

Channel 51 offers coverage to Dade, Broward and Monroe counties, with a 5 million-watt transmitter.

Franchi has been with the station for four years, previously serving as business manager. "I had an opportunity to get in on the ground floor," he said. "I'm really happy with the commitment that management has toward the station."

A 1981 business administration graduate of Florida International University, Franchi landed a job in the vending division of Wometco a year later. At the time, Wometco owned a number of television stations, including Miami's WTVJ-Channel 4. By 1983, Franchi was in the broadcasting division of Channel 4.

Two years later, he jumped to WWSB in Sarasota as business manager, and by 1988, he was working for WSCV.

Franchi and Manuel Calvo, Channel 51's vice president and general manager, crossed each other's paths a number of times. In Sarasota, Calvo was a part owner and acting station manager. The two also worked together in the early 1980s at Channel 4.

"Jose is one of those individuals you find in this business who becomes a complete cheerleader and spreads it around," Calvo said. "I've been in the industry for 26 years, and I don't think anyone is better."

Franchi always seems to be looking at a half-full glass, not a half-empty one.

"The future is bright," he said, "The Hispanic market potential as an avenue for advertising and delivering a message is just scratching the surface. I came here with lots of expectations, and I still feel that way."

I am happy to pay tribute to Mr. Franchi by reprinting this article from the Miami Herald. The article shows how through hard work and determination, he has helped channel 51 win a major share of south Florida's rapidly growing Hispanic market.

TRIBUTE TO MARLOWE D. FROKE

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mr. CLINGER. Mr. Speaker, I rise today to bring the attention of my colleagues to an extraordinary man, someone who has made considerable contributions to the people of Pennsylvania, Mr. Marlowe D. Froke.

Since 1964, Mr. Froke has been the guiding force behind WPSX-TV, the public television station in University Park, PA. Since that time, Mr. Froke's responsibilities have not only included the public TV station, but an independent learning program that enrolls more than 25,000 students each year; Pennarama, a statewide educational cable channel and programming of a statewide instructional satellite system.

Mr. Froke has also served as the director of the National Cable Television Center and Museum, established at Penn State University by the cable TV industry. He has served as an associate dean of Penn State's School of Communication and as an associate professor of communications.

Mr. Froke was the founding editor of the Journal of Continuing Higher Education and served as its editor for 7 years.

He has also been the recipient of several major awards including the Penn State Wilderson Award for Administrative Excellence; the Outstanding Adult Educator Award by the Pennsylvania Association of Adult Continuing Education; the Pennsylvania Association of Broadcasters Distinguished Service Award for Lifetime Achievement; two innovative program awards from the American College Testing Program and the National University Continuing Education Association; and the Penn State Continuing Education Vice President's Award for Outstanding Leadership and Service.

A native of South Dakota, Mr. Froke has worked in radio and television in Japan, South Dakota, and Illinois. He has taught at the University of Illinois and has been associated with Penn State since 1959.

For all of these achievements, I salute Mr. Froke and urge my colleagues to also recognize his considerable achievements.

PEDRO PAN ALUMNI GIVE BACK TO THE COMMUNITY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, the adult alumni of Pedro Pan, a 1960's foster care program for Cuban refugee children who arrived in America without their parents, is working to give back to the community. On December 12, 1991, the alumni of Pedro Pan met at Charade restaurant in Coral Gables, FL, to enjoy the holiday together and to raise money for a scholarship fund. The Miami Herald printed a story about the Pedro Pan event written by staff writer Karen Branch. That article follows:

The grown-ups of Pedro Pan—a 1960s foster care program for Cuban refugee children arriving here without their parents—gathered Thursday night to lend a hand to Hispanic students in Dade.

The fund-raiser at Coral Gables' Charade restaurant established a $5,000 beginning for Pedro Pan scholarships at Miami-Dade Community College, which will match the money.

"The Pedro Pan program saved many children from communism," said Miami-Dade Wolfson Campus President Eduardo Padron. "Now Pedro Pan has the opportunity to save many children from ignorance."

Between 1960 and 1962, Operation Pedro Pan helped more than 14,000 children who fled Cuba for the United States without their parents after Fidel Castro took power. While awaiting to be reunited with family members, some of the kids were taken in by foster parents around the nation. Others went to Catholic-run orphanages.

Maria Magda de Quesada landed in a Pueblo, Colo., orphanage. She was 12. She helped the younger girls write letters home to their parents. It was two years before she saw her own.

"I didn't really know if I would ever see them again," said de Quesada, 42, a makeup artist at Saks Fifth Avenue in Dadeland Mall and a Pedro Pan Foundation board member.

Miguel Pelayo, now 42 and sales director for a plastics company, spent a year in a Saginaw, Mich., orphanage. "The hardest part was at night, remembering my family and not knowing what was happening to them."

The Pedro Pan adults traded tales of homesickness, of mudding through grade school while learning English, of long-yearned-for reunions.

"I saw my father when I was 17," said Antonio Amador, 43, now a CPA, who spent 3½ years in Dade refugee camps. "By then I had a mustache. 'You have to shave!' were the first words out of his mouth."

They call each other siblings. Similarly, Ramon Grau, 65, and his sister Polita—who spent 34 years between them in Cuban jails for their roles in the Pedro Pan program—were greeted like parents.

Grau said he got involved because, after sending out his own three children, he found other parents who didn't have the means to do so.

"Now," Grau said, "we're going to help Hispanic kids so they can study, for those who don't have the means."

The burgeoning scholarship fund promises to be a great help to many college bound students in south Florida. I commend the leadership of the Pedro Pan board of directors which includes: Carlos Alamilla, Ramon Grau, Frank R. Martinez, Maria Magda De Quesada, Jorge Vina, and Polita Grau. I wish them much success with the scholarship fund and with their other worthwhile community efforts.

RECOGNITION OF THE OFFICE OF FARMWORKER MINISTRY ON ITS 20TH ANNIVERSARY

HON. JIM BACCHUS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mr. BACCHUS. Mr. Speaker, I am proud today to recognize the 20th anniversary of the Office of Farmworker Ministry to Apopka, FL. I celebrate the many successes this organization has enjoyed and look forward to their continued community service.

The focus of the ministry is to foster the human dignity of the farmworkers in central Florida, the rural poor, and their families. The Catholic Diocese of Orlando led the charge to establish the Office of Farmworker Ministry and it is through their dedication and commitment that the Office of Farmworker Ministry serves its vital role in our community. In addition, the Office of Farmworker Ministry seeks to empower workers to become self-sufficient, to obtain personal and comprehensive health services, and to improve their quality of life. Finally, the Office of Farmworker Ministry has helped low-income people purchase homes. It has also sought to increase their financial responsibility by organizing a credit union.

Mr. Speaker, since its inception, the Office of Farmworker Ministry has provided comprehensive medical and dental care to more than 25,000 patients. It provides critical services to the farmworkers of central Florida. I proudly join in this celebration with the Sisters of Notre Dame de Namur, Sisters Ann Kendrick, Cathy Gorman, and Gail Grimes, and congratulate them on the first 20 years of the Office of Farmworker Ministry.

A TRIBUTE TO SILVERADO SKIES ART GALLERY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to recognize the Silverado Skies art gallery, which art fosters the spirit of American Indians and the old Southwest. Roberta Backus Turner and her husband Lawrence Turner recently opened the gallery in The Falls shopping center in south Florida because of their passion for the Southwest. In a Miami Herald article entitled, "Art Dealers Offer a Taste of U.S. Southwest," Anthony Faiola reports on walls and halls of Silverado Skies:

The spirit of American Indians and the old Southwest fill the walls and halls of Silverado Skies art gallery at The Falls shopping center.

The gallery, at 8888 SW 136th St., opened last month. It offers sculptures, paintings, prints and jewelry in the rich folklore of Indian tribes of the American West.

The owners—Roberta Backus Turner and her husband, Lawrence Turner—do their buying wholesale from artists based mainly in New Mexico and Arizona to offer the original works at prices not above what one would pay to buy from the artists themselves.

Still, with artworks ranging in price from $600 to $30,000, the couple expect most of their customers to be true collectors.

"Mostly, I expect the serious collectors," said Lawrence Turner, who runs an environmental consulting company. "We don't sell inexpensive pieces. We have no posters or anything like that. Our customer will be someone who knows about art and is looking for Southwestern works."

The name Silverado Skies is a whimsical combination derived from two loves of the owners: Silverado wines and the sky of Santa Fe. They visit the city twice a year and always in August for the city's Indian Market arts festival, where they buy for their private collection and now for their gallery.

"I believe in another life I must have been an Indian," said Roberta Turner, who runs an advertising and marketing firm. "Indian art represents the very basic beliefs of respect for animals, nature and the spirits. It's everything that's important in life."

The gallery ran its first art show Thursday through Saturday, exhibiting works from Santa Fe artist Star Liana York.

Many of York's works, featuring sculpture of American Indians and other people from the West, are inspired from real people she has met during her seven years in Santa Fe, where she moved to after growing up in suburban Washington, D.C.

One work, depicting two rugged cowgirls, came out of a meeting with a 90-year-old New Mexican woman rancher. Another, Medicine Woman, was inspired by a woman York met while attending an Indian ceremony ushering a girl to womanhood.

I am pleased to recognize Silverado Skies and the owners, Lawrence and Roberta Backus Turner, and I would like to wish them much success with the progress of the gallery.

NATIONAL PRAYER VIGIL WEEK IN MARYLAND

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mrs. MORELLA. Mr. Speaker, the breakdown of the American family is a concern with personal, as well as, national ramifications. National Prayer Vigil Week provides an opportunity for us to join together to reflect on the important role of the family and to search for the means to strengthen our own families and those of our fellow Americans.

I commend American Mothers, Inc., and Janet Umhau, Maryland Mother of the Year, for their efforts on behalf of American families. I am also proud of the State of Maryland, under the leadership of Governor Schaefer, for holding a vigil in Maryland during the first week in February. Maryland's proclamation is as follows:

Whereas, throughout the annals of American history, national days of prayer and prayer vigils have been celebrated—as our Continental Congress first established a day to pray for this country and its people in 1775; and

Whereas, history also tells us that our colonists shared in fasting, repentance and prayer to seek guidance for the future and prosperity for a burgeoning and blossoming nation; and

Whereas, Maryland, the great "Free State," remains proud of our vibrant traditions of religious freedom * * * and we are equally proud of the valuable roles which Maryland mothers have played in strengthening the moral and spiritual foundations of the family and home; and

Maryland is pleased to join with American Mothers, Inc. in pausing to reflect upon the tremendous importance of healthy mothers and children to the future of America through this special annual National Prayer Vigil, as everyone participating strives to further nurture or rediscover the joy and security essential in our daily lives.

Now, therefore, I, William Schaefer, Governor of the State of Maryland, do hereby proclaim February 2–8, 1992 as National Prayer Vigil Week in Maryland, and do commend this observance to all of our citizens.

A TRIBUTE TO GIAN CARLO

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize a courageous young man in south Florida, Gian Carlo, who was born with a disease which makes his bones fragile and limits his growth. At 10 years old, Gian Carlo has more determination than many people have in a lifetime. In a Miami Herald article entitled "A Profile in Courage," Jon O'Neill reports on this special child who calls himself the "little Hulkster:"

For Gian Carlo Vacchelli, being happy is a habit.

It's not always easy, though. Gian Carlo, 10, was born with a disease that makes his bones brittle and limits his growth. He spends most of his time—from 7 a.m. until 6 p.m.—strapped into a wheelchair. But even that's a victory of sorts.

"When I was born, the doctor told my mom I was going to die," Gian Carlo said. "But here you have me, still. The doctor was wrong."

Gian Carlo is a star student in Auburndale Elementary School's exceptional student program. His intelligence and his personality draw people to him like a magnet.

In a school of special kids, he's extra special.

"The day he graduates, I'll die," said his teacher, Millie Puig. "He's so very bright and such a joy to have. He's always cheerful and the other kids look up to him. Everyone loves him."

Gian Carlo seems to pay little mind to his disease, which causes him to break bones frequently. His acceptance and his disposition still amaze his parents, Ana and Luciano Vacchelli.

"For me, he's a blessing from God," Ana Vacchelli said of her only child. "I don't know how he does it. When we have a problem, he always tells us not to worry, that everything will be OK. He's more intelligent and wise than me or my husband."

Last week, Gian Carlo held court during a party at Auburndale given by the Coral Gables Kiwanis and the Downtown Lions Club. He watched as Santa arrived on a fire truck and signed a message to the deaf students. And he talked, which is his favorite thing to do when he's not watching sports.

"I love to talk," said Gian Carlo. "I always have fun, because in my life something bad almost never happens. I never have time to be sad."

Gian Carlo came to Auburndale about a year and a half ago from Peru, where he hadn't been able to attend school. From the start, he stunned his teachers. It took him about four months to learn English and by the end of this year, he should be caught up in all subjects.

"He's amazing," said assistant principal Myra Silverstein. "He knows all about the world and everyone who meets him is captivated by him."

When Gian Carlo turned 10 on Dec. 16, the class gave him a surprise party.

"I got lots of presents," he said. "My mom couldn't believe it. But I play with all of them every day."

Because of his personality, Gian Carlo usually lands the starring roles when the kids put on plays.

"I think I might be a TV star," he said. "I don't get nervous about going on TV, because I am very confident in myself."

Gian Carlo's favorite thing in the world is sports, especially football and wrestling. He scours the sports section of The Herald, trying to learn more about the teams he follows. He frets over the performance of the Miami Dolphins.

"They have to get that defense going," he said. "They have to do more, like forcing turnovers."

Gian Carlo idolizes wrestler Hulk Hogan. He can't wait until Jan. 6 so he can go to the Miami Arena and watch his hero take on the dastardly Ric Flair.

"I love Hulk," said Gian Carlo. "See, when I break an arm or something, I think about him, because he never gives up. And I don't either. I'm a little Hulkster. I'm a tough kid."

When he gets older, Gian Carlo wants to be a doctor—"because they make money"—or he wants to train wrestlers.

"I'll teach them to be like the Hulkster," he said.

Said his mother; "Sometimes, people ask me how I can do it. But I wouldn't change him for anything. He was supposed to die, but he wanted to live and he loves life. I'm so proud of him. I think people should envy me."

I am delighted to recognize Gian Carlo and I would like to express to him what a great inspiration he is to many of us. I want to wish Gian much success with his plans to become a doctor or train wrestlers, whatever he prefers to do.

10-POINT TAX PROPOSAL

HON. JOHN W. COX, JR.

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mr. COX of Illinois. Mr. Speaker, I am disappointed. Disappointed that in this time of crisis our President cannot see past party lines to envision the path of cooperation that our Nation's future depends upon. In Tuesday's State of the Union Address, President Bush chose to confront Congress, rather than provide the leadership we need to bring all of our Nation's decisionmakers to the negotiating table. He missed an opportunity to find our common ground.

The Nation's unemployment rate is breaking a 5-year record at 7.1 percent. The forecasted budget deficit for 1992 is $362 billion. Economic recovery must be our top priority. We simply cannot continue politics as usual. The Federal Government must think beyond party affiliation and avoid offering sound byte solutions for our troubled economy. As a Nation, we need to debate the proposals as objectively as we can with a focus on long-term recovery, not on primaries and general elections.

I have designed a 10-point tax proposal to bring greater equity to our tax system and provide enhanced economic benefits to the 80 percent of Americans who have suffered from the tax cuts of the 1980's. I hope that I can contribute to the current debate in a thoughtful and cooperative way. My proposal is designed to pay for itself, and includes the following elements:

1) Relief of the tax burden on middle-income Americans;

2) A reinstatement of progressive tax rates;

3) An elimination of the limitation on losses of passive activities involving real estate;

4) A tax deduction on health insurance for the self-employed;

5) An offset of the regressivity of the Social Security Tax system;

6) A reinstatement of the Investment Tax Credit;

7) A tax credit for new home construction;

8) A permanent extension of the Low-Income housing Tax Credit;

9) A reinstatement of the Capital Gains Tax deduction;

10) And the promotion of higher education focused on math and science to assist the nation's research and development needs.

I am certain that the debate over advancing such a tax package will be fierce, but it is time to stop playing politics. We owe it to the American people to bring some kind of relief to their economic hardtimes. With the unemployment rate in Rockford, IL almost two points higher than the national average, I am fully committed to finding real solutions.

A TRIBUTE TO JOAN SCHWARTZMAN

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I wish to recognize Ms. Joan Schwartzman who has spent 33 years of service at Temple Beth Am in south Florida. In a Miami Herald article entitled, "Bidding Fond Farewell to a Special Friend," Bea Hines reports on the wonderful statements made by many of her colleagues, including Rabbi Herbert Baumgard and Rabbi Jonathan Kendall, and her two sons, Steven and Barry, about Ms. Schwartzman's commitment and dedication to Temple Beth Am throughout the years. I commend the following article to my colleagues:

Joan Schwartzman—Ms. Temple Beth Am—has ended an era at the synagogue she watched grow from a multi-purpose, one-room building to one of the largest Reform synagogues in the Southeast.

Schwartzman, acting executive director, made her exit just as she has served: with humor and compassion.

"SHE IS AN INSTITUTION"

More than 400 people laughed and cried as friends and colleagues praised and roasted Schwartzman for 33 years of service to the synagogue.

"She is an institution," Cohen said. "We have gone through funerals and weddings and divorces—everything together."

Cohen, 45, is a former president of Temple Beth Am, 5950 North Kendall Dr.

His wife, Joan Lash Cohen, was only six when she first met Schwartzman.

"She [Joan] has been an inspiration to me. She gave us the bond and has kept it going from generation to generation," Joan Cohen said. "She has encouraged me through the good and bad times."

"Joan has established an ethic here that any family, regardless of their ability to pay, can be taken on as members," said Mel Rappaport, who with Cohen served as cochairman of the dinner.

Schwartzman, who will remain in a consultant position with the temple, was 26 when she came to be secretary to Rabbi Herbert Baumgard in 1958. She has held some 35 positions at the synagogue.

TEMPLE WAS LIKE HOME

As a divorced mother, she practically raised her two sons at the temple.

Said son Steven, 33: "Mom was always doing something with the temple * * * it was like she worked two jobs, both for the temple."

"We grew up here," said son Barry, 37. "This, the temple, is where we lived. It was our second house."

To keep her eye on her energetic sons, Schwartzman enrolled them in the temple's day school. When they were older, she got them jobs on the temple grounds. Now two of her grandchildren attend school there.

Rabbi Herbert Baumgard, in his remarks, laughed when he referred to Schwartzman as the "temple playwright." Schwartzman is well-known among temple families for her funny scripts, which she often starred in.

ALWAYS THERE FOR A CHAT

And while some at the temple will remember Schwartzman as a person they could talk to straight from the heart, Baumgard said, "I will also remember her as a colleague who for over 30 years always tried to do whatever I asked, plus a little more."

Rabbi Jonathan Kendall, the temple's spiritual leader, said it was Schwartzman who helped to make his transition a smooth one when he came to Temple Beth Am more than two years ago.

"Each of us has some intimate contact with Joan," he said.

Schwartzman said it is her ability to listen to others and "never judge them" that has made her so well liked among the congregants. "Most people need someone to talk to," Schwartzman said. "I have always made myself available."

"A SENSE OF BELONGING"

She has stayed all these years, because of "my mentor, Rabbi Baumgard," the synagogue's founder and "because the temple has been all the things I need in my life."

Bob Berrin, temple president, called Schwartzman the temple's conscience. "People have said when they could not afford to be generous members of the temple, they came to Joan."

Berrin said a suite of administrative offices will be dedicated in her honor.

Said Schwartzman: "What privilege it has been to be a part of Temple Beth Am and watch it grow. I found a great sense of belonging here."

And in true Schwartzman fashion she said, "Belonging to Temple Beth Am is like the roach motel; once you check in, you can't check out."

Ms. Joan Schwartzman has certainly left a mark at Temple Beth Am. Ms. Schwartzman has been an inspiration to many at Temple Beth Am and I am sure to many citizens throughout south Florida.

CONGRATULATIONS TO ODESSA PERMIAN HIGH SCHOOL IN ODESSA, TX, ON THEIR SIXTH STATE FOOTBALL CHAMPIONSHIP

HON. LARRY COMBEST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mr. COMBEST. Mr. Speaker, today I rise to congratulate the Odessa Permian High School in Odessa, TX, on their 1991 AAAAA—class 5 A—State football championship. The Panthers capped their perfect 16–0 season with a 27–14 win over San Antonio Marshall at Texas Stadium in Irving, TX.

The Permian Panthers also left their imprint on the national high school football rankings. Both USA Today and ESPN ranked the Panthers at No. 2 in the Nation in their final national high school football polls.

State championships and national rankings are nothing new to the Odessa Permian High School football team. The perennial Texas high school football powerhouse has captured one national championship, six State championships and made it to the State playoffs on 20 different occasions.

The Permian Panther Football Team excels at academics as well as winning football games. The varsity football players have a grade point average of 3.46. In addition, 24 percent of the varsity players have a 4.0 grade point average and 14 percent of the players are members of the National Honor Society. These successes can be attributed to a rock solid program which stresses a partnership in education—academics and football.

TRIBUTE TO MARTHA DODSON

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mr. HUBBARD. Mr. Speaker, I take this opportunity to pay tribute to an outstanding Kentuckian, my longtime friend, Martha Dodson, a beautiful and talented constituent of Russellville, KY.

Martha Dodson, 61, died last month on January 1 at Parkview Medical Center in Nashville, TN.

She was the widow of Dr. Carlisle V. Dodson and was the first licensed woman real estate broker in southern Kentucky.

Mrs. Dodson was a daughter of the late Alvis and Monico Allen Oakley and was born in Corinth, MS, June 15, 1930. She was a member of First Baptist Church, Russellville.

I always was honored to be Martha Dodson's friend. I liked and admired her a lot.

Martha Dodson was well known in Kentucky as a dedicated, hard-working lady whose intelligence, personality, and beauty made her special.

I proudly referred to her as my "cousin." My first cousin, Bertie Payne Oakley, is married to Norris Oakley, of Nashville, Martha Oakley Dodson's uncle.

Survivors are two outstanding daughters, Russellville attorney Elizabeth Wilson and Russellville pharmacist Carolyn Mallory, one stepson, Dr. Jim Dodson, a Russellville physician, and three grandchildren—Monica Mallory, Victor Dodson, and Julia Elizabeth Dodson.

A TRIBUTE TO BLOCKBUSTER AND ITS OVERSEAS CAMPAIGN

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I wish to recognize Blockbuster Entertainment Corp., a south Florida based company, for aspiring to expand the video market in Europe, Asia, Mexico, Japan, and other nations that are seasoned for this industry. Already dominant in the United States, Blockbuster begins to move aggressively into foreign markets.

In preparation for this expansion, Mr. Wayne Huizenga, chairman of Blockbuster Entertainment has employed Mr. Joseph Baczko to plan Blockbuster's overseas campaign. In a Miami Herald article entitled, "Blockbuster Gets Ready To Invade Europe," Ed Lopez reports on the rapid success of Blockbuster Entertainment Corp. I commend the following article to my colleagues:

BLOCKBUSTER GETS READY TO INVADE EUROPE

It was during a meeting with Japanese businessman Den Fujita that H. Wayne Huizenga, chairman of Blockbuster Entertainment Corp., got some advice on how to fill a key vacancy at the company.

"Boy, who you really have to get a hold of is this guy Baczko," said Fujita, chairman of McDonald's Japan and the executive behind various joint ventures with American companies. The name was unfamiliar to Huizenga.

Fujita's reference was to Joseph R. Baczko, president of the international division at Toys 'R' Us. Baczko and Fujita hammered out a joint venture with the toy retailer, just as Huizenga had struck a deal with Fujita to develop Blockbuster video stores in Japan.

Huizenga took down the name and contacted Baczko in November 1990.

Three months later, Baczko joined Blockbuster as president and chief operating officer. He replaced Luigi Salvaneschi, who had retired to teach at Barry University.

A NEW DIMENSION

With Baczko on board, Blockbuster gained his extensive experience in foreign markets and a deeper knowledge of retailing that the Fort Lauderdale company lacked.

"He brings us a dimension that we didn't have before, and that is the retail part of the business," Huizenga said. "We thought he might look at the business a little bit differently."

Paine Webber analyst Craig Bibb said, thus far, Baczko's retailing savvy has been his most visible contribution to the company.

"His domestic impact immediately is greater," he said.

To make customer selection of videos easier and faster, Blockbuster broke up long 20-foot aisles with general categories such as "action/adventure" into smaller sections with narrower subcategories such as "Clint Eastwood" or "Sylvester Stallone."

Shelving for items such as popcorn and candy has been positioned to channel customers to specific registers, much like supermarkets. Also, because the ends of aisles have high consumer visibility, new displays were added at these so-called "end caps" to promote videos intended for sale.

But as Blockbuster begins to move more aggressively into foreign markets, Baczko's overseas experience will be of increasing value.

Last month, Blockbuster scooped up City-Vision PLC, Britain's largest video chain, with 875 stores. Blockbuster also has its eye on Europe, Asia, Mexico, Japan and other areas as ripe for expansion.

"We are the potential outside the United States, in the commercially developed part of the world, to be every bit as great—if not greater—than the United States," Baczko said.

"We're not going international because we have run out of space in the United States," he said, "It's always better to institute foreign expansion while undergoing significant expansion in the United States."

ALWAYS ON THE GO

Baczko, 46, knows the international playing field. He headed up the international division of Toys 'R' Us since it was formed in 1983, traveling as many as 200 days a year. He also was chief executive of the European operations of Max Factor & Co.

Baczko was attracted by the vitality of the industry, Blockbuster's leadership role and unrealized potential at the company. "And I don't know how to manage something other than growth," he said.

In Europe, most owners of videocassette recorders tape their own shows because retailing is so antiquated and product offerings so weak, Baczko said. As Blockbuster penetrates Europe, he said, the variety of video selections will increase for several reasons.

"Because of cultural sensitivities, the product must be either dubbed or have subtitles," he said. "As Blockbuster opens in Europe, Hollywood will make more product available because of the established distribution."

Hollywood will also benefit. As Blockbuster's rivals realize they must carry the same titles as Blockbuster to compete, the demand for videos from Hollywood will increase, Baczko said.

Blockbuster's entrance and initial expansion into Europe will most likely occur through joint ventures with other companies. That's because the pool of potential franchisees is smaller than in the United States.

While cultural differences do arise when doing business in foreign countries, they tend to be exaggerated, Baczko said.

"The rest of it is just commercially slugging it out," he added.

THE OVERVIEW

Nobody likes competition, and when a Blockbuster store goes up it may be viewed as taking business from someone. But Blockbuster's presence will ultimately help to expand the market and offer more choices for consumers, Baczko said.

In some situations, Blockbuster may simply have to overcome quirks of the local market, Baczko said. For instance, in Germany, video stores have a strong adult flavor so local laws require that the windows be painted.

"We're not going to open a Blockbuster store and paint the windows," Baczko said. "There's due process all over the world; it's a question of finding out how it works."

Blockbuster, which has a family-store image, doesn't carry X-rated videos.

Doing business overseas can entail a willingness to fight the system, to challenge existing ideas of how things are done.

"All the common wisdom is given to why something won't work," Baczko said.

HANDS-ON MANAGEMENT

Crucial to success are strong local managers who know the local scene and practice continuous, hands-on management, Baczko said. "Retail is detail," he said.

In Japan, Blockbuster hopes to have its first 10 stores by the end of next year under a joint venture.

"They will give us all we really need to know about the economics and dynamics of store operations in Japan," Baczko said. "We will then go ahead and begin very aggressive development through joint ventures or franchises under the umbrella of the joint venture."

Though retail space in Japan can be expensive, that can be partly offset through higher rental prices, Baczko said. Also, high volumes of business are possible because shopping areas in Japan tend to be very densely populated.

"Here, we're used to pulling people in from 20 minutes away," Baczko said. "In Japan, within five minutes you have half a million people on top of you."

I commend Mr. Wayne Huizenga on the tremendous prosperity of Blockbuster Entertainment Corp., and I would like to wish much success to him and Mr. Joseph Baczko with Blockbuster's overseas campaign.

TRIBUTE TO THE PAGE MID-YEAR DEPARTURE CEREMONY

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to the organizers and participants of the U.S. House of Representatives "Page Class Departure Ceremony." I wish to express to them my gratitude at having been chosen to address such a dedicated group of young people.

The unfaltering commitment of these high school students has become an immeasurable asset to the House over the years. The performance of the departing pages for fall fully demonstrated the vibrant energy and eager willingness to learn as their honorable predecessors.

I wish to thank most heartily the principal, Dr. Robert F. Knautz, for allowing these students to be involved in such a distinguished program. I sincerely hope that he will continue to encourage young people to engage in this little-mentioned, but much-appreciated service.

Again, Mr. Speaker, I rise to pay tribute to the departing pages for fall. They are among the brightest young men and women that our country has produced. I wish them the best of luck. May they know how very proud I am of them.

TRIBUTE TO SUPERVISOR MARC DEL PIERO

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 3, 1992

Mr. PANETTA. Mr. Speaker, I rise today to pay tribute to an outstanding leader and tireless public servant from California's 16th Congressional District, Monterey County Supervisor Marc Del Piero. I am pleased to have this opportunity to express my sincere appreciation to Marc for his endless hours of hard work and also share with my colleagues the many contributions Marc has made in his service as a community leader.

Marc Del Piero was born in Watsonville, CA, to a family that has farmed in North County for over 70 years. In 1975, Marc received a bachelor of arts in history and a law degree in 1978, both from the University of Santa Clara. Before graduating from law school, Marc became the youngest member of the Monterey County Planning Commission and in 1981, he became the youngest member of the Monterey County Board of Supervisors. Marc Del Piero used this to his advantage in his service to the community.

While serving on the board of supervisors, Marc has proven to be a tremendous force in the community he represents. One of the most salient issues that Marc has been committed to is the protection of the environment. For 11 years, he has served on the Monterey Bay Unified Air Pollution Control District. His continuing support for the protection of the magnificent coastline along the 16th Congressional District has been invaluable. He has served on committees to establish the Elkhorn Slough National Estuarine Reserve and the steering committee for establishing the Monterey Bay National Marine Sanctuary. Marc cofounded the Central Coast Regional Board of Control, a six county organization established to oppose offshore drilling off the Santa Cruz-Monetery coastline. He created essential sections of the north Monterey County local coastal plan and Monterey County general plan and established major coastal resource protection regulations.

Marc initiated the first comprehensive groundwater studies in north Monterey County and adopted strict groundwater well protection standards. He was successful in gaining grant funding for four community sewer systems and water systems in north Monterey County.

Marc has been a champion in improving the quality of life for the citizens of Monterey County, specifically the senior citizen community. He initiated and funded senior citizens nutrition programs for the residents of North Salinas. He established, funded, and constructed the Prunedale Senior Citizen Center and purchased and built the Porter-Vallejo Community Center in Pajaro. This facility includes both a senior citizen center and a daycare center for migrant farmworker's children.

Marc Del Piero's outstanding leadership qualities have emerged in every facet of his life. He organized the Pajaro-Sunny Mesa Community Services District and the North Monterey County Fire Protection District. He is the cofounder of the North Monterey County Mother's Club Highway 101 Bypass Committee, the founder and first chairman of the board of directors of the Monterey County Agricultural and Historical Land Conservancy, and established and funded the Community Resources Network of North Monterey County.

From 1978 to 1989, Marc served as a captain in the California Army National Guard. Presently, Marc lives in Salinas with his wife, Tina, and their two sons, Paul, 5, and John George, 2.

Mr. Speaker, the welfare of our country depends on the ability of our local community leaders to be creative, enthusiastic, and tenacious. Marc Del Piero encompasses these exact qualities and applies them to accomplish anything he sets his mind to. His remarkable dedication as a community leader is clearly apparent in his extensive involvement with numerous issues directly and indirectly affecting Monterey County.

Marc will be leaving the board of supervisors of Monterey County to fill the attorney's position on the State Water Resources Control Board. I am convinced that he will be as much of a benefit to the State as he has been for the 16th Congressional District of California.

Mr. Speaker, I ask my colleagues to join me now in recognizing Marc for his selfless performance as a Monterey County supervisor and for his abundant contributions to Monterey County, the State of California, and the Nation as a whole.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, February 4, 1992, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 5

9:00 a.m.
Labor and Human Resources
Business meeting, to mark up S. 1729, to require drug manufacturers to provide affordable prices for drugs purchased by certain entities funded under the Public Health Service Act, S. 1523, to authorize funds for programs of certain Institutes of the National Institutes of Health, and S. 2055, to revise the Job Training Partnership Act to strengthen the program of employment and training assistance under the Act.
SD-430

9:30 a.m.
Select on Indian Affairs
Organizational meeting to consider committee rules of procedure and the committee's agenda for the second session of the 102d Congress; to be followed by an oversight hearing on the implementation of the Indian Gaming Regulatory Act.
SR-485

10:00 a.m.
Budget
To hold hearings on meeting America's domestic needs.
SD-608

Foreign Relations
To hold hearings on an overview of foreign policy.
SD-419

Governmental Affairs
To hold hearings to examine the effectiveness of the President's plan for managing government and the economy.
SD-342

1:30 p.m.
Armed Services
To hold hearings to examine U.S. efforts to assist the former Soviet Republics in dismantling their nuclear and chemical weapons and preventing their proliferation.
SR-253

2:00 p.m.
Budget
To hold hearings to examine the fiscal year 1993 defense budget, focusing on U.S. responses to a changed world.
SD-608

Foreign Relations
To hold hearings on the nomination of Parker W. Borg, of Minnesota, to be Ambassador to the Union of Burma (Myanmar).
SD-419

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

Commission on Security and Cooperation in Europe
To hold hearings to examine the prospects for peace and human rights developments in the Yugoslav republics.
SD-192

3:00 p.m.
Foreign Relations
East Asian and Pacific Affairs Subcommittee
To hold hearings to examine current U.S. policy toward Burma.
SD-419

3:15 p.m.
Foreign Relations
African Affairs Subcommittee
To hold hearings to examine the emergency situation in Zaire and Somalia.
SD-106

FEBRUARY 6

9:30 a.m.
Armed Services
To hold hearings to examine military conversion in the Russian Revolution.
SR-222

Energy and Natural Resources
To hold oversight hearings on the Hawaiian Homes Commission Act.
SD-628

10:00 a.m.
Banking, Housing, and Urban Affairs
Consumer and Regulatory Affairs Subcommittee
To hold hearings to examine the Federal Government's efforts to pursue financial institution fraud.
SD-538

Budget
To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1993 budget, and to examine the economic outlook.
SD-608

Commerce, Science, and Transportation
To hold hearings on the nomination of Barbara Hackman Franklin, of Pennsylvania, to be Secretary of Commerce.
SR-253

Foreign Relations
East Asian and Pacific Affairs Subcommittee
To hold hearings to examine U.S. policy toward North Korea.
SD-419

10:30 a.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Office of the Architect of the Capitol, the Capitol Police Board, and the Government Printing Office.
SD-116

Governmental Affairs
To continue hearings to examine management and budget problems in the U.S. Government.
SD-342

11:00 a.m.
Joint Economic
To hold hearings to review the economic report of the President.
SD-628

11:30 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-106

2:00 p.m.
Finance
Taxation Subcommittee
To hold hearings to examine the tax system's long-term effect on the cost of capital and the international competitiveness of U.S. business.
SD-215

2:30 p.m.
Foreign Relations
To hold hearings on a report on the situation in four former Soviet Republics possessing nuclear weapons.
SD-419

FEBRUARY 7

9:30 a.m.
Joint Economic
To hold hearings to examine the employment/unemployment situation for January.
SD-106

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Library of Congress, and the General Accounting Office.
SD-116

FEBRUARY 18

2:00 p.m.
Judiciary
Courts and Administrative Practice Subcommittee
To hold oversight hearings on problems with asbestos litigation.
SH-216

FEBRUARY 20

10:00 a.m.
Labor and Human Resources
Aging Subcommittee
To hold hearings on nutrition screening for the elderly.
SD-430

FEBRUARY 21

10:00 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings to examine possible Soviet space assets which may benefit the American space program.

SH-216

FEBRUARY 25

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Disabled American Veterans.

345 Cannon Building

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture.

SD-138

FEBRUARY 26

2:30 p.m.

Select on Indian Affairs

Business meeting, to mark up S. 1602, to ratify a compact between the Assinibone and Sioux Indian Tribes of the Fort Peck Reservation and the State of Montana; to be followed by an oversight hearing on the President's proposed budget estimates for fiscal year 1993 for Indian programs.

SR-485

FEBRUARY 27

9:30 a.m.

Veterans' Affairs

To hold hearings on proposed budget requests for fiscal year 1993 for veterans programs.

SR-418

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Transportation and related agencies.

SD-138

2:30 p.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the American Battle Monuments Commission, the Selective Service System, and Army Cemeterial Expenses.

SD-138

MARCH 3

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Veterans of Foreign Wars.

345 Cannon Building

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Agricultural Research Service, the Cooperative State Research Service, and the Extension Service.

SD-138

MARCH 5

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, the Blinded Veterans of America, and WWI Veterans.

345 Cannon Building

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Interstate Commerce Commission, and the Office of Inspector General.

SD-138

2:00 p.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Consumer Product Safety Commission, the Office of Consumer Affairs, and the Consumer Information Center.

SD-116

MARCH 17

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Food and Nutrition Service, and the Human Nutrition Information Service.

SD-138

MARCH 18

9:30 a.m.

Select on Indian Affairs

To resume oversight hearings on the implementation of the Indian Gaming Regulatory Act (IGRA).

SR-485

MARCH 19

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Science Foundation, and the Office of Science Technology Policy.

SD-124

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Highway Administration, Department of Transportation.

SD-138

MARCH 20

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Farmers Home Administration, the Federal Crop Insurance Corporation, the Rural Electrification Administration, and the Rural Development Administration.

SD-138

MARCH 25

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Neighborhood Reinvestment Corporation, and the National Credit Union Administration.

SD-116

Select on Indian Affairs

To hold hearings on S. 1752, to provide for the development, enhancement, and recognition of Indian tribal courts.

SR-485

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1992 for the National Highway Traffic Safety Administration, and the Research and Special Programs Administration, both of the Department of Transportation.

SD-138

MARCH 26

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Environmental Protection Agency, and the Council on Environmental Quality.

SD-G50

MARCH 27

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Animal and Plant Inspection Service, the Food Safety and Inspection Service, and the Agricultural Marketing Service.

SD-138

APRIL 1

9:30 a.m.

Select on Indian Affairs

To hold hearings on proposed legislation to authorize funds for programs of the Indian Health Care Improvement Act.

SR-485

APRIL 2

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Deposit Insurance Corporation, and the Resolution Trust Corporation.

SD-116

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Transportation Safety Board.

SD-138

APRIL 3

10:00 a.m.
Appropriations
Agriculture and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Agricultural Stabilization and Conservation Service, the Foreign Agricultural Service, the General Sales Manager, and the Soil Conservation Service.
SD-138

APRIL 7

10:00 a.m.
Appropriations
Agriculture and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Commodity Futures Trading Commission, the Food and Drug Administration, the Farm Credit Administration, and the Farm Credit System Assistance Board.
SD-138

APRIL 8

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the AMVETs, American Ex-POWs, Jewish War Veterans, and Non-Commissioned Officers Association.
SD-106

APRIL 9

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the National Aeronautics and Space Administration.
SD-G50

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for Amtrak, and the Federal Railroad Administration, Department of Transportation.
SD-138

APRIL 30

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Housing and Urban Development.
SD-G50

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Transit Agency, and the Washington Metropolitan Area Transit Authority.
SD-138

MAY 7

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Veterans Affairs, and the Court of Veterans Affairs.
SD-124

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Coast Guard, Department of Transportation.
SD-138

MAY 14

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Emergency Management Agency.
SD-124

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Aviation Administration, Department of Transportation.
SD-138

MAY 21

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the National Community Service, and the Points of Light Foundation.
SD-116

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the General Accounting Office.
SD-138

MAY 22

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Housing and Urban Development and certain related agencies.
SD-138

CANCELLATIONS

FEBRUARY 5

9:30 a.m.
Energy and Natural Resources
To resume hearings on two Federal Energy Regulatory Commission proposed rulemakings regarding pipeline service obligations (Docket No. RM91-11-000), and revisions to regulations governing authorizations for the construction of natural gas pipeline facilities (Order No. 555).
SD-G50

POSTPONEMENTS

FEBRUARY 4

10:00 a.m.
Budget
To hold hearings in preparation for reporting the first concurrent resolution for the fiscal year 1993 budget, focusing on the Department of Energy's future in weapons production and technology transfer.
SD-608

HOUSE OF REPRESENTATIVES—*Tuesday, February 4, 1992*

The House met at 12 noon.

The Reverend Dr. Gilbert W. Bowen, senior minister, Kenilworth Union Church, Kenilworth, IL, offered the following prayer:[H04FE2-X1]{H217}prayer

Eternal One, in whose hands are the rise and fall of the nations, we pause to remember who we are, creatures and colleagues of Thy purposes. So deliver us once more from the arrogance that thinks we alone can save the world, the cynicism that thinks nothing can be done, and the indifference that would keep us from doing what we can. Make vivid again the real world, faces and families who hunger not so much for privilege or power as for food, and freedom and future for their own. Soften the pride and deepen the determination of all of us who lead. Stir hope, discipline, and patience in all our people. We pause to be grateful for the heritage and promise which is ours, for the gift of one more day with its challenge to create, and opportunity to serve. Grant us renewed energy, focus, and enthusiasm that we may live it wisely and well, full of love for life, labor, and neighbor. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Missouri [Mr. HANCOCK] come forward and lead the House in the Pledge of Allegiance.

Mr. HANCOCK led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2927. An act to provide for the establishment of the St. Croix, Virgin Islands Historical Park and Ecological Preserve, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2. An act to promote the achievement of national education goals, to measure progress toward such goals, to develop national education standards and voluntary assessments in accordance with such standards and to encourage the comprehensive improvement of America's neighborhood public schools to improve student achievement;

S. 12. An act to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and to restore the right of local regulatory authorities to regulate cable television rates, and for other purposes;

S. 1256. An act to direct the Secretary of Health and Human Services to develop and implement an information gathering system to permit the measurement, analysis, and reporting of welfare dependency rates; and

S. 1963. An act to amend section 992 of title 28, United States Code, to provide a member of the U.S. Sentencing Commission whose term has expired may continue to serve until a successor is appointed or until the expiration of the next session of Congress.

The message also announced that, pursuant to Public Law 101-649, the Chair, on behalf of the majority leader, appoints Lawrence Fuchs of Massachusetts, and Nelson Merced of Massachusetts, as members of the Commission on Legal Immigration Reform.

The message also announced that, pursuant to Public Law 101-138, the Chair, on behalf of the Republican leader, appoints Michael Cutchall of Kansas, and Joshua Muravchik of Maryland, as members of the Commission on Broadcasting to the People's Republic of China.

IN RECOGNITION OF THE 100TH ANNIVERSARY OF THE KENILWORTH UNION CHURCH

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, in honor of the 100th anniversary of Kenilworth Union Church, I am pleased that its minister, Dr. Gilbert Bowen, was here to deliver this morning's prayer before the House.

Dr. Bowen's 22-year leadership of this active and growing church is outstanding. Last year, together with associate ministers Dick Ferris and Betsy Andrews, he led over 2,000 members of their congregation in raising more than $200,000 in benevolent funds. These funds went to 47 essential social service groups in the community, in the city of Chicago, and around the world. They include: Casa Central, a nursing home serving the Hispanic community; the Chicago Child Care Society, supporting counseling services for families where child abuse has occurred; Opportunity International, a group of business executives working to help the poor of developing countries through small enterprise development; and the Holy Family Lutheran Church School, an alternative school offering a caring and educational environment for kids in the Cabrini Green housing projects in Chicago. These are only the highlights of Dr. Bowen's enlightened efforts at Kenilworth Union Church—the list goes on and on.

Kenilworth Union Church has also helped to spread its message of goodwill and faith behind the now-withered Iron Curtain. The church is well on its way to realizing the goals that Associate Minister Dick Ferris set in his report this year. He said:

> I have a dream that someday every person in our church will be somehow involved with the giving of his or her talent through a volunteer activity * * *. I have a dream that our differing backgrounds would only serve as a stimulus for growth and understanding, appreciation and interest, and never as cause for suspicion * * * or fear.

The activities of Kenilworth Union Church are a shining example of many community-based organizations which are seeking to aid their fellow human beings—both next door and around the world.

Mr. Speaker, I am very proud to represent a congressional district that includes a spiritual leader of Dr. Bowen's dedication and standing. We have all been inspired by his words today. I want to thank him and Marlene Bowen for coming to Washington, and I also want to thank Dr. Ford for helping to make Kenilworth Union's centennial celebration a memorable and fulfilling one.

THE UNITED STATES-JAPAN RELATIONSHIP

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, the United States-Japan relationship is one of our most important bilateral alliances in this post-Communist era. We have fundamental differences over economic and foreign policy, differences which should be settled without rancor; but nearly once a week the civil dialog between us is somehow sidetracked by some ignorant expression of Japanese racism or ill-informed worker

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

bashing by a high official of their Government. These insults must stop. They serve only to inflame tensions on both sides of the Pacific.

The Bush administration, however, is utterly mistaken when it apologizes for these Japanese insults, when it confuses our desire to defend American jobs with bashing Japan. Our legislation to dismantle Japanese trade barriers is not anti-Asian. It is anti-Japanese protectionism. It is profree trade. It is pro-American worker, and it speaks volumes about the Bush administration, that they do not understand the difference.

A POSTAL SNOW JOB

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute.)

Mr. BROOMFIELD. Mr. Speaker, our colleague, the gentleman from Missouri [Mr. HANCOCK] has just gotten a letter from one of his constituents, a postal employee who is justifiably outraged by the postal snow job he just got from his employer.

The postal employee recently received this glossy 44-page booklet promoting the Postal Service's sponsorship of the Winter Olympics. He says all 740,000 of this fellow employees got the same booklet—by priority mail.

That is more than $2 million for postage alone—all of it spent on something any postal employee could have learned by picking up the sports section of his local newspaper.

Wasteful spending like this is just one more reason Congress should create a bipartisan commission to study the U.S. Postal Service.

More than 100 of our colleagues have agreed with me and are now cosponsors of my resolution to create such a commission. I urge other Members concerned by postal mismanagement to sign on as well.

TAX WITHHOLDING, A RUDE SURPRISE FOR TAXPAYERS

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, many Americans have faced high pressure sales people who offer them special deals if they only will act quickly.

The President has offered the American people a special tax deal and he wants Congress to act quickly, but before we act quickly I think it is important for us to do as wise consumers do, and that is to read the fine print of the deal.

The reduction in tax withholding proposed by the President will result in a rude surprise for taxpayers after the election, when many of them discover that they owe a tax payment to the Federal Government. This change will also cost the Government the use of $5.2 billion in withheld funds, which will increase Government borrowing.

The proposed increase in personal exemptions will benefit higher income taxpayers more than low- and middle-income families. For example, an increased deduction of $500 would be worth $155 to a family earning $150,000, but only $75 to a family earning $30,000. Families without taxable income would not benefit at all from this proposal.

The President also would create a new tax credit for first time home buyers, regardless of the taxpayer's income or the value of the home purchased. This indiscriminate tax benefit would cost $5.2 billion over 5 years.

Mr. Speaker, let us proceed with caution. We must not increase the Federal deficit by handing out tax benefits to people who do not need them in an election year merely to get their votes.

□ 1210

LET JAPAN TAKE A CRACK AT DEFENDING HERSELF FOR A CHANGE

(Mr. WELDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON. Mr. Speaker, the leaders of the Japanese Government have continued their leather-tasting ways, as Prime Minister Miyazawa inserted foot into mouth yet again.

American workers do not work on Monday and Friday? The work ethic is lacking? I would submit that the only thing lacking here, Mr. Speaker, is Mr. Miyazawa's intelligence and good taste. The only thing that does not work Mondays and Fridays is Mr. Miyazawa's gray matter. If American workers are so lazy, and American products are so deficient, then Mr. Miyazawa should have nothing to fear from free trade and open markets. Throw open your borders, Mr. Prime Minister, and lets see how our products stack up.

I am getting a little tired of Japan's condescending and insulting attitude. I say this: If Mr. Miyazawa has such disdain for American products, then no more American warplanes, no more American ships, and no more American soldiers and sailors. Remember, Mr. Miyazawa, all of those products are also made in the United States of America. Let Japan take a crack at defending herself for a change.

THE ANSWER TO UNEMPLOYMENT IS JOBS

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, today we consider an emergency extension of unemployment benefits that will bring some relief to millions of Americans put out of work by the recession.

The President has agreed to support this legislation. We should applaud his commitment to the unemployed, and I hope we can sustain this spirit as we work to forge a plan for economic recovery.

Today's unemployment bill, however, is only the beginning. It is the least we can do. We must also have a comprehensive package that helps working people and turns this economy around.

The package the President has offered simply will not do the job. It revolves around a tax cut for the wealthy that would give $19,000 to people with incomes exceeding $200,000. That will do nothing for the people I have talked to in the unemployment lines.

We need real tax relief for the middle class.

We need an industrial policy that concentrates on our tremendous resources and helps us compete in the world market.

We need tax incentives for business to help them grow.

And we need to front load the funding for the transportation bill to get people off the unemployment lines and back to work.

Let us hope the President will work with us toward the rapid achievement of these goals, and ensure that there is no need for more emergency extensions of unemployment benefits.

JAPANESE INSULTS PROVIDE INCENTIVE FOR GREATER PRODUCTION BY AMERICAN WORKERS

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, Members of the House, at another time in world civilization history the Japanese political leadership underestimated the will of the American people, the determination of the American workers, the genius of the American inventor and developer, and the result, also, is history, when they were able to provoke the greatest mass movement of mass production and technological advance that the world has ever known.

Mr. Speaker, I congratulate the Prime Minister of Japan for what he said and did very recently, because he now has provoked the American giant into another era, in my judgment, of mass production, technological advance, and worker competence like the world has never known. We can consider what insults Japan has made to the American worker as an incentive for greater production by the American worker.

WE NEED TO PROVIDE HEALTH CARE FOR ALL AMERICAN WORKERS, INCLUDING THE UNEMPLOYED

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, today is a sad day in the Louisville area. One of our revered companies, in business for over 74 years, is shutting down; Standard Gravure will end its operations today, dismissing 244 workers, most of whom are in their fifties with very little chance for job opportunities

Mr. Speaker, I am a cosponsor of legislation, sponsored by the gentleman from Kansas [Mr. GLICKMAN], which would give workers such as these an opportunity for up to 60 months to purchase health insurance coverage. One of the most fearsome aspects of being out of work is that you lose your health care.

A few nights ago, the President, from this podium, talked about his plan for health care in America. A step forward, perhaps, but not nearly enough.

We need to do much more than simply provide health insurance opportunities to uninsured or underinsured Americans. We need to provide health care for workers such as those at Standard Gravure and all over the country. Unless we get to that core question, we will not be doing right by the workers of America.

THE STATE OF THE UNION AND UNEMPLOYMENT BENEFITS

(Mr. FLAKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLAKE. Mr. Speaker, today we assemble to confront the immediate needs of the growing number of unemployed Americans. We will once again vote to extend the benefits for those who have been out of work so long that they have exhausted their standard 26 weeks of unemployment benefits. Everyday 2,600 Americans lose their jobs and therefore, must turn to unemployment benefits to provide for themselves and their families.

The State of the Union failed to honestly confront the needs of the unemployed and to adequately provide a plan to lead the Nation to recovery. The centerpiece of this economic package was an income tax deduction which averages about $1 a day. It is ridiculous to suggest that this token amount will spur our sluggish economy. Moreover, because the unemployed have no income, a dollar a day savings in income tax does not even begin to address the unemployment plight. Instead, today's unemployed need assistance in finding employment, paying the stack of unpaid bills, making the mortgage, putting food on the table, and clothing their children. It is crucial to continue to point out that today's unemployed were, in fact, contributing members of the American work force and to no fault of their own, lost their jobs.

I sincerely hope that the next time the House votes to address the needs of the unemployed, the vote will not be to extend benefits but rather to provide jobs. Providing jobs is the primary challenge before the Congress and the President. The Congress will continue its efforts to provide the most effective strategy to lead the economy on the road to recovery.

GET LOST, BOAT TAX

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, a lot gets lost in the legislative shuffle, but America's recreational boaters are not going to let us lose legislation repealing the boat decal tax.

The Nation's 4.1 million recreational boaters now know they have been unfairly singled out to pay for deficit reduction. No reason, no extra services—just because the Federal spending monster needed an infusion of cash.

Mr. Speaker, now, to bad legislation we have added bad implementation. Those boaters who try to purchase their decals are having trouble getting through to order one, or they order one but never get it, the computer is broken or they get so disgusted that they do not even put their boats in the water and do not use them. The Coast Guard is now moonlighting as a collection agency for the Internal Revenue Service. It is diverting attention from its true mission of ensuring safety in our waters and interdicting the flow of drugs. And, to add insult to injury, this program has come nowhere near raising the kind of revenue we were promised as unfair as it is. Mr. Speaker, 411 of our colleagues agree with America's boaters that the so-called recreational boat user fee was a mistake. A mistake that will not go away until we repeal it. Let us do it.

□ 1220

SUPPORT THE FREEDOM OF CHOICE ACT

(Mr. ANDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON. Mr. Speaker, 2 weeks ago, the Supreme Court agreed to hear a landmark case testing a women's fundamental right of choice. Groups on both sides of the abortion issue have suggested that the Supreme Court might use this Pennsylvania decision as a vehicle to overturn Roe versus Wade. Even if the Court does not take this extreme course, they will most certainly narrow Roe further. For the first time in American history, the Supreme Court may revoke a fundamental right afforded by an earlier court.

Only 6 years ago, the Supreme Court overturned a similar Pennsylvania law restricting abortion access. A plurality held at that time, quote, "States are not free * * * to intimidate women into continuing pregnancies." Six short years ago, the Supreme Court reaffirmed the constitutional protection of a woman's right to have an abortion.

America now has a new Supreme Court. Only two Justices remain who are known to support Roe.

Polls have shown an overwhelming majority do not wish to see the right of choice taken away. Congress must now act. We must take steps to protect a women's fundamental right to decide her own future. Please join me in support of the Freedom of Choice Act to keep reproductive decisions where they belong, with the woman, not with politicians.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCNULTY). The Chair will remind our guests not to respond positively or negatively to any statements made on the floor.

LET THE SUN SHINE IN

(Mr. BOEHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHNER. Mr. Speaker, I stand here today as a Member who is sincerely concerned about our future and the future of this great body.

Mr. Speaker, last year it was check bouncing by Members of Congress, it was unpaid bills in the House restaurant, and now allegations of serious wrongdoing in the House Post Office, allegations of drug sales in the post office, allegations of theft of money in the post office, allegations that Members of Congress and officers of this House were getting loans in the post office.

Mr. Speaker, we must let the sun shine in. Let us let the bright light of public scrutiny look at our operations in this body. Let us appoint a special counsel to find out what happened in the House Post Office, to inform Members. Let us allow the United States Post Office to take control of the post offices in our building. Let us order an independent outside audit of how this place operates so that the public can see. Even the Members cannot see it today.

In addition, Mr. Speaker, let us have the Freedom of Information Act so that these kinds of practices can never happen again in this body.

WHERE ARE THE JOBS?

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, I am reminded of President Bush's 30 in 8 speech, 30 million new jobs in 8 years. George Will points out that Mr. Bush only has 29,912,000 yet to go. In fact, we have lost between a million and a million and a half good jobs.

Listening to the President's State of the Union speech, it is not going to get any better. As a matter of fact, he wants to send hundreds of thousands of more jobs to Mexico. His bad trade policy is costing us hundreds and hundreds of thousands of jobs. His and his predecessor's out of balance, big budget deficits are killing America's ability to be able to perform and to be able to compete. That is costing hundreds of thousands of jobs.

So, Mr. Speaker, it is no wonder that the President supports unemployment compensation benefits now, so that he can take care of his victims. But more important, Mr. President, where are the jobs?

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind Members to address their remarks to the Chair.

THE TRUE LEGACY OF LIBERALISM

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, I have frequently said that big government really helps only the bureaucrats who work for it and big business. A good example of this was reported a few days ago by the Kansas City Star and the Associated Press.

Mr. Speaker, the U.S. Department of Agriculture spent $200 million in its market promotion program, giving much of it to big business. Pillsbury was given almost $3 million. Sunkist got nearly $10 million. Gallo wines got approximately $5 million. The Dole companies received about $3 million. Nabisco, Quaker Oats, Burger King, Welch's, Ocean Spray, Hershey, M&M Mars, and Del Monte were other profitable companies which benefited from this handout.

Mr. Speaker, this is money spent for advertising overseas. It is surely something we cannot afford when our Government is broke and over $4 trillion in debt. When Government gets too big, only big businesses are able to comply with all the rules, regulations, redtape, and qualify for all the lucrative Government contracts.

These programs also benefit bureaucrats with larger staffs, and offices, and more paper work and power to justify their existence.

Mr. Speaker, in the end Government benefits primarily the wealthy and those with power and influence. This is the true legacy of liberalism, welfare for the rich. The small businesses which are able to survive get the leftover crumbs while the taxpayers get the shaft.

AMERICA'S POLITICIANS DROWNING IN FRIED RICE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Japan's Prime Minister Miyazawa made us all mad. He said that American workers are lazy, and we all know that is not true. But the truth is it is not the American workers who have not lived up to their responsibilities. It is the American politician, from the White House down to the Congress, who have allowed American jobs to go overseas.

Mr. Speaker, the Japanese officials bash us and rip us off with illegal trade. The truth is we have an American Government constituted with a bunch of wimps that allow jobs to go overseas, and even the Japanese officials detect it.

I am going to vote for this unemployment bill, but let me say this: The American workers do not want any more unemployment compensation. They want Congress to look at their jobs, and, if we do not do that, this country is going to drown in fried rice.

SUPPORT FOR NATIONAL GRAPEFRUIT MONTH

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, today, Congressman TOM LEWIS and I are introducing a resolution to encourage investment in U.S. agricultural products, specifically grapefruit. This legislation calls for the proclamation of February 1992 as "National Grapefruit Month." There are several reasons for this action, the most important, however, is to support American citrus producers.

The United States was the first nation to make its grapefruit industry into a commercially viable operation and is today the world's leading producer and exporter of grapefruit, contributing significant revenues to the U.S. economy. Grapefruit is a highly nutritious fruit that supplies 100 percent of the U.S. recommended daily allowance for vitamin C and is a good source of vitamin A, potassium, folate, and dietary fiber.

I encourage all Members to join us in sponsorship of this resolution, which is intended to call increased attention to the valuable contributions that fresh grapefruit and grapefruit juice can make to the American diet and to create support for those American producers who provide this valuable nutritional resource.

SUPPORT THE EMERGENCY UNEMPLOYMENT COMPENSATION EXTENSION BILL

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, I rise today in support of the unemployment extension bill that will be on the floor. I wish that it were one of the 23 pieces of legislation that I presented last week in an economic growth package, whether it be trade, middle income tax fairness, education, infrastructure, building America. But while this Congress and administration move toward finding those solutions, it is important to provide relief to the people that desperately need it now, the 13,000 West Virginia families that qualify for extended unemployment benefits. Mr. Speaker, I walked the streets of Charleston yesterday and heard first hand the problems from small business people about the hundreds of workers laid off at the Dixie Narco plant who have no money to spend in any of the shops, or the Ravenswood workers, the oil and gas workers, or those who are out of work across our State. This bill will provide 13 additional weeks of extended unemployment benefits on top of the bill that passed previously, and so that will help pay the mortgage, make the car payment, keep that child in school.

Finally, Mr. Speaker, this is not a welfare bill. This is a bill for working Americans who are temporarily out of work and who are demanding that this Congress and this administration get us back to work again; give us some help so that we can keep body and soul together until that happens.

□ 1130

CATHOLIC SCHOOLS WEEK 1992

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute.)

Mr. DORNAN of California. Mr. Speaker, I would like to reaffirm unanimous consent from my colleagues on both sides of the aisle so I can talk about something uplifting and pleasant, something worthy of honor in these very strange times. That is a week that I missed last week because we had a short week. Catholic Schools Week 1992 was last week. Out of deference and respect and honor to the Dominican Sisters, the Christian Brothers, the Sisters of the Sacred Heart, and those unbelievable Jesuit priests who educated me, I would like to say something about parochial schools across this country.

They have an unbelievable 95 percent graduation rate from high school, and of those 95 percent, 83 percent go on to college. I think this is something to be very proud of, the intense education, the discipline and the morality that is taught in our parochial, and for that matter, all of our private, rabbinical, and Protestant private schools across this country.

I just would like to talk about two schools for an example, in Orange County, CA; not the district I represent, where there are great schools, but southern Orange County, a parallel between the old and the new.

The mission school at beautiful San Juan Capistrano was started by blessed Junipero Serra in 1776, the same time our country began, was reconstituted in 1928, has 405 young boys and girls in that school. Up the highway a piece at Rancho Santa Margarita High School, Msgr. Michael Harris is the principal there, with 1,360 students starting in their fourth class, opened up September 3, 1987; an excellent high school. Msgr. Paul Martin down there at the mission school, what an example for all of America in education. Thank you, Monsignor Martin and Monsignor Harris.

ROMER RAINS ON BUSH'S BLUE-SKY BUDGET

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, it is a rare day in Washington when we get to witness a spontaneous, honest, and public debate on the issues. Yesterday was one such rare day. Colorado Gov. Roy Romer took President George Bush to task for larding his 1993 Federal budget with blue-sky numbers.

If the President's budget were a stock offering, the SEC would raid the White House and shut it down.

Governor Romer even forced the President to admit that the defense budget was one big jobs program. "What bases do you want to close" was the only arrow in the President's quiver when the Governor called for deeper military cuts.

One would have thought that the President, who just last year was scorning Congress for opposing base closures, would have said we will close every base in the United States and overseas that is not necessary for the defense of the country.

INDEPENDENT COUNSEL NEEDED FOR HOUSE POST OFFICE SCANDAL

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Mr. Speaker, it seems that one way to make the Postal Service worse is to let the Congress operate it.

It is time to take immediate and decisive action to get to the bottom of alleged drug dealing and money laundering by employees of the House Post Office. The leadership must subject the House to the same scrutiny as the other branches of Government by appointing a truly independent counsel to investigate this mess.

It seems that not a week goes by when some scandal does not rock Capitol Hill. Americans are rightfully disgusted with the way Congress is doing business. Just last year, it was discovered that Members were bouncing checks from the House bank without penalty and not paying for their meals. Let's eliminate these many special privileges for Congress. Only after a tremendous public outcry did the leadership finally close the bank.

It is time to take action to restore the faith of the American people in this institution. Mr. Speaker, I urge you and the majority leadership to call for an immediate investigation by an independent counsel and to take action to turn the House Post Office over to U.S. Postal Service.

CONGRESS IS RESPONSIBLE TO PROVIDE FEDERAL WORKERS BASIC EMPLOYEE RIGHTS

(Mr. McCLOSKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLOSKEY. Mr. Speaker, can you imagine being employed by the Department of Defense for 14 years as an explosives worker without receiving health benefits, or working for 21 years for the Forest Service and not earning a single day of retirement?

This is a travesty in our Federal agencies. Some workers have been employed in a temporary capacity for 20 years or more. They do not receive one single benefit. They do not get health insurance; they do not get life insurance; they do not get any retirement rights; and on the job they get no statutory appeals rights. They cannot plan for their future, and in essence have no job security. Their 20th year of service is treated the same as their first. This exploitation of temporary workers is little different from sweatshop conditions at the turn of the century.

I urge my colleagues to support my Temporary Employee Benefits Equity Act, which would provide permanent position benefits to temporary workers once they have completed 4 cumulative years of service in a 6-year period. We cannot impose labor and medical standards in the private sector if we treat our own Federal workers as expendable fodder.

The benefits provided by the Temporary Employees Benefits Act include health and life insurance, participation in Federal retirement and adverse appeals rights. My legislation also mandates that the Federal Government will pick up its fair share of premiums for Federal employee health benefits after 1 year of continuous temporary employment.

I well understand the potential cost of this bill in these fiscally difficult times. However, Congress is considering mandating play or pay health insurance on the private sector—surely we should do the same for our own employees. The fact that a temporary worker has been employed for 20 years without any rights is heinous and must not be allowed to continue.

Congress has a moral responsibility to provide Federal workers the most basic employee rights.

GOV. ROY ROMER—A REAL CLASS ACT

(Mr. McEWEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McEWEN. Mr. Speaker, Colorado Gov. Roy Romer is a real class act. Whenever Governors get together and they invite teachers in or someone in and try to deal with difficult problems, Governors make difficult decisions as to how to apportion money. If they want to take advantage of that moment, they can sucker punch the Governor and say, "Why did you not give more to schools, or do more for this or that person?"

The same sort of experience happened yesterday. The President invited in Governors to talk about the difficult problems addressing us and his proposal for a solution. Roy Romer said:

> Before everyone leaves, we need the cameras here, please. I have a little show I want to give.

So then he looked at the cameras and said to the President:

> By the way, you are going to save some money on defense because of what you did in the 1980's. We are going to get some money back, and rather than giving it to tax relief for working Americans, and do not give it to the homeless, and we certainly do not want to use it for health care, and we certainly do not want to reduce the deficit with it. Mr. President, I think you ought to give it to me, the Governors. I think we need that money.

The President said, "Where are you going to get it? How are you going to do it?" Of course, by that time the show was over. He did not have any solutions. He was just playing to the camera.

So his friend from South Dakota jumped up and said, "I think we should increase taxes." So there we were. Mr. Speaker, I think the performance by the Governor was a real sucker punch. The next time he wants to show off in front of the cameras I think he ought to have some solutions and not just mud in the eye of the President.

ANOTHER WAR WE WILL WIN

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, for the second time in recent weeks we have heard a Japanese official criticize the American worker. I am tired of hearing this and I want to set the record straight. It was the American worker who rallied quickly in 1941 to provide the ships, planes, tanks, and weaponry against the imperialistic Japanese nation and defeated it. It was the American worker who provided the technology, know how, and weaponry that won the war last year in the Persian Gulf. It's the American worker who toils in the fields and on the assembly lines daily to feed the world and produce the American goods that provide the highest standards of living enjoyed around the world, even in Japan. It is the American worker who is called upon to sacrifice while our Nation lends a helping hand to people of other nations. Mr. Speaker, the American worker doesn't start wars. He finishes them. And along the way he learns that work and family can coexist.

Maybe the Japanese Prime Minister and lower House speaker should take a new look at the American worker. They will see the American worker is the reason why this Nation is the world's leader. And in doing so they will see past the foot protruding from their mouth.

Mr. Speaker, it's the American people that make this country great. The American people won the war in the 1940's and we will win this one, too.

RESTORE FUNDING FOR THE BLUE RIBBON SCHOOL PROGRAM

(Mr. JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JOHNSON of Texas. Mr. Speaker, yesterday, the Department of Education announced it will restore funding for the Blue Ribbon School Program through the President's America 2000 initiative. This is great news for the kids in Texas and the Nation.

Congress eliminated funds for the Blue Ribbon Program—one of the few Federal programs that works. A blue ribbon award recognizes schools where students, teachers, and parents have come together to foster excellence in our education system.

I received more than 800 letters from students in Dallas and Collin Counties, in my district, wanting to know why this program was cut. It was their letters that made the difference. What a great lesson for our school kids—they now know that government of, by, and for the people really works.

I would like to thank Secretary Alexander for funding this great program, and my colleague, PORTER GOSS, for leading this effort in the House.

DEPORTING HAITIANS IS WITHOUT PRECEDENT IN AMERICAN HISTORY

(Mr. OWENS of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of New York. Mr. Speaker, the administration's plan to forcibly deport 14,000 Haitians and return them to the terror of the police state controlled by Haitian military thugs is a racist act with deadly genocidal consequences. This condemnation of 14,000 human beings is without precedent in American history.

If we look at the front page of the New York Times today, we will see a 4-year-old Haitian boy being fingerprinted as he was forcibly returned by our Government. This is an act of intimidation, at least, and it may be worse, a preparation for future retaliation.

Refugees in much greater numbers have been allowed to enter into this country. Fourteen thousand is not a large number. Not 14,000, but 61,826 Hungarians were admitted to this Nation at the time of the Soviet invasion of Hungary. Not 14,000, but 488,796 anti-Castro Cubans had been admitted to this country between the time that Castro came to power and 1981.

□ 1240

Mr. Speaker, this Nation has the capacity to take humane action. The Congress has the obligation to make the administration do the right thing. Let us make the administration do what is just and merciful in the tradition of the American people.

IN-HOUSE INVESTIGATION NEEDED OF CONGRESSIONAL POST OFFICE

(Mr. KLUG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLUG. Mr. Speaker, I want to make two points that some of my colleagues had echoed earlier about the recent scandal in the House Post Office.

First of all and foremost, as we should have learned from the House Dining Room and also learned from the House Banking Account, until these records are available to the press and ultimately to the public we are going to continue to have repeats of these same kind of scandals.

Many of my constituents in Wisconsin, and frankly I think most voters across the United States, would be shocked to know that these records are not only hidden from the public and from the press corps, but they are also hidden from most Members of Congress.

My second point is to echo the request of the gentleman from Illinois [Mr. MICHEL] earlier this week to ask for an independent counsel. Now, while it is true the U.S. Attorney's Office may be looking at the allegations of drug trafficking and the U.S. Attorney's Office may be looking at allegations of money laundering, what the U.S. Attorney's Office is not equipped to do is to look at allegations that previous attempts by employees of the House Post Office to blow the whistle had been ignored, and in fact there are allegations that specific charges of money laundering and drug trafficking were ignored by higher-ups. And that is why we need an independent counsel to get to the bottom of this.

While Congress will be willing later in this week to take a look at allegations of sweetheart deals and underhanded methods involving hostage releases in Iran 6,000 miles away, we will not bother to take a look at allegations involving an office less than 600 yards from this very Chamber.

MESSAGE TO JAPAN: WE HAVE NOT YET BEGUN TO FIGHT

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEFAZIO. Mr. Speaker, today I am introducing legislation that should be noncontroversial. I want to give America's tree growers a tax incentive to sell their product to American lumber and plywood mills, instead of Japanese trading companies.

Too many tree growers in the Pacific Northwest and elsewhere are today selling their timber to the far-ranging buyers and scouts for the Japanese economic empire. The foreign trading companies who search the world over for cheap natural resources to fuel the Japanese industrial machine.

But I am determined to do whatever it takes to keep our vital natural resources here at home.

A nation that doesn't make anything, doesn't survive for long as an economic power. Our so-called friends in Japan understand that point perfectly. And do you know what, Mr. Speaker? They wonder why we don't do something to protect ourselves against their economic aggression.

There are some who warn against a trade war with Japan. But our own president is one of the foremost apologists for the Japanese Government's predatory trading practices. The trade war began years ago, and most of our fellow citizens know that we're losing by default.

So to the Japanese Government leaders who have questioned our work ethic and called our people lazy, I say this: We have not yet begun to fight, but we will.

ARAB BOYCOTTING OF ISRAEL CANNOT BE CONDONED BY STATE DEPARTMENT

(Mr. GREEN of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of New York. Mr. Speaker, while reviewing the President's budget for 1993, I was shocked to see that the State Department has proposed eliminating a provision of current law that prohibits the State Department from complying with the Arab boycott of Israel. The State Department is proposing to delete the "Prohibition on contracts with firms complying with Arab League boycott of Israel or discriminating on basis of religion," and also the "Prohibition on issuance of passports for travel to Israel only."

This message from the State Department could not do more to sanction the Arab boycott of Israel if the Arab League had written it itself, and I am committed to ensuring that the State Department position does not prevail.

What this says is that the State Department thinks it is OK to do business with firms that comply with the Arab boycott of Israel. Also, the State Department is implying that we should play along with the Arab countries' denial of entry to anyone with an Israel stamp on their passport.

Since the end of the Persian Gulf conflict, the Arab League's central boycott office in Damascus has added more than 100 new companies to its blacklist because of their alleged business associations with Israel, while removing only 10. If anything, the State Department should be insisting on an end to the Arab League's economic boycott of Israel. Instead it has practically signed on as a supporter of it. This is rotten diplomacy in the middle of the peace talks.

A COMMONSENSE DOMESTIC ENERGY POLICY IS NEEDED

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, I rise today to predict war. Only 1 short year since our successful defense of Middle East oilfields, America is more and more dependent upon those same oilfields—and, thus, more and more likely to militarily defend them again when that becomes necessary—as it surely will.

On Monday, it was reported that the United States active rig count—the measure of our domestic drilling activity—has sunk to the lowest number on record. On Monday, only 653 drilling rigs were active—down from 4,530 active rigs in 1981. For Louisiana that has meant depression and despair. For America it means we are hostage again to foreign oil.

Today one-third of all the world's oil tankers come to America. Today, two-thirds of our trade deficit goes to foreign oil. Soon Americans will spend $135 billion per year on oil imports—three times the cost of Desert Storm. Today, as we debate the unemployment benefit extensions, our jobs continue to leave for foreign oilfields. Our dollars go there too, and with them our independence and economic well-being.

How long before we send more American young lives to die in desert sand? How long before we wake up and end this now rapid destruction of our domestic energy capacity. How long must we wait for a commonsense domestic energy policy?

A 6000-PERCENT INCREASE IN SPENDING SINCE PRESIDENT WASHINGTON

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, the Los Angeles Times, on January 30, had some interesting statistics on Federal Government spending since President George Washington's budget 200 years ago. His budget called for only $4.5 million in spending and he had a surplus. President Benjamin Harrison's budget 100 years ago was $385.5 million and he too had a surplus.

This year's budget is $1,516,700,000,000. And there won't be a surplus. There will be a $351.9 billion deficit.

Mr. Speaker, Federal spending for each American in President Washington's day amounted to a measly $1.07. Yes, a $1.07. Federal spending for each American in President Harrison's day 100 years ago amounted to a still measly $5.72.

I hope everyone is sitting down now. Federal spending for each American in our day will be almost 6,000 times greater than 200 years ago. Spending for each American to pay for the 1993 budget will be $5,924.61.

Mr. Speaker, we have been listening to the big-spending, high-taxing liberals in Congress long enough. We need to make deep cuts in taxes and in the bloated Federal Government right now. And we need to do it by March 20 which is only 45 days from now, Let's roll up our sleeves now and get to work.

AMERICA NEEDS TO TAKE CARE OF ITS OWN AND NEEDS TO DO IT NOW

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, George Bush promised Americans 30 million new jobs. Since he has been President, we have lost 300,000 good jobs, and he still has no jobs plan. So what does he do? He blames Congress.

Well, if it was not for the Democrats, George Bush would still be playing golf in some far-off nation.

He called our first unemployment compensation bill garbage. His administration called the recession no big deal.

Well, it is not a big deal to George Bush's millionaire friends, who have seen their income increase 90 percent in the past 10 years while the middle class struggles.

Where is the strategy for the defense workers and all our workers? They are frightened, and they should be, because when our President had a chance to present his strategy, he had no strategy.

He called his plan Operation Domestic Storm. I call it Operation Domestic Sprinkle, because he sprinkles election-year promises all around.

In California we have lost 500,000 jobs in the last 18 months. One million people are out of work. Sprinkle down will not do it. We need to take care of our own, and we need to do it now.

TOTALITARIANS IN BURMA MUST BE QUARANTINED

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, Aung San Suu Kyi has been awarded a Nobel Prize, but what is happening to her people?

The brutality in Burma is reaching new levels of horror and outrage.

The totalitarians in Rangoon have gone berserk. Gens. Ne Win and Saw Maung have sent 18,000 to 20,000 troops to attack the last remaining outposts of freedom in Burma's Karen State near Thailand.

Especially disturbing are reports of Red Chinese advisers among the Burmese troops. The same regime that our Government chose to have high-level meetings with last week.

On the other side of the country, Burmese Muslims are being murdered and brutalized. The twisted and xenophobic Burmese thugs are pursuing a religious purification campaign against non-Buddhists. Next to be persecuted may be what is left of Burma's Christian community.

It's time to quarantine this outlaw regime. As we honor Aung San Suu Kyi let us keep faith with her cause and her people.

□ 1250

CELEBRATING 90 YEARS OF THE JEWISH NATIONAL FUND

(Mr. PASTOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PASTOR. Mr. Speaker, this year marks an important anniversary for the State of Israel and all those who support the Jewish homeland. Ninety years ago in Basel, Switzerland, the Fifth Zionist Congress founded the Jewish National Fund [JNF]. Established 46 years before the creation of Israel, the JNF bought and developed land in Palestine in an effort to fulfill the nearly 2,000-year-old dream to reestablish the Jewish homeland.

From the stony Galilee to the arid Negev Desert, the JNF has developed vast tracts of land and converted wasteland into thriving agricultural, recreational, and housing centers. Its work with international organizations, U.S. universities, including the University of Arizona, and the U.S. Department of Agriculture's Forest Service, has provided valuable scientific advances that have worldwide implications.

With the planting of 190 million trees, the reclamation of 250,000 acres of land, and the construction of thousands of miles of rural roads to its credit, the JNF looks forward to a new century where it will address new concerns for the State of Israel.

The hard work and enduring spirit of the Jewish National Fund truly exemplify Theodore Herzl's inspiring words: "If you will it, it is no dream." Today, I join with my fellow supporters of Israel to recognize that dream and praise the 90 years of growth and prosperity the Jewish National Fund had brought to Israel.

NO QUID, NO QUO

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, it seems like Yank bashing is big in Japan. Yesterday, Prime Minister Kiichi Miyazawa said Americans lack a work ethic.

This statement reminds me of the Pygmalion effect—say something long enough, people begin to believe it.

When it comes to importing our goods, the Japanese say our products are inferior. Their snow is different, therefore they can't use our skis; their stomachs are different, therefore they can't eat our beef or our rice; their economy is special, unique, therefore they cannot withstand unrestricted trade into Japan.

Trade is nothing more than a quid pro quo situation—a what for a what—this is the way Americans do business—free and open—and we do it well.

Down with this Pygmalion, Japmalion rhetoric. Americans do work hard—hard enough to rebuild and protect Japan for the last 45 years.

Americans don't need any more rhetoric—because Japanese rhetoric is like all of their other exports—well made and cheap via dumping. Maybe it's time America changed its motto to no quid, no quo—you don't buy our products, we won't buy yours. The proof is in the pudding, not the rhetoric.

THE PLIGHT OF HAITIAN REFUGEES

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, I rise to associate myself with the remarks of my colleague, the gentleman from New York [Mr. OWENS], when he referred to what happened over the weekend when we saw the beginning of the forced repatriation of Haitian refugees.

This action follows the attendance of world leaders at the United Nations to discuss the significance of its role in the postcold war world. The United Nations has shown its ability to play an important role in advancing the cause of peace worldwide.

How ironic then, Mr. Speaker, that only this week, the Bush administration has already acted against the better wisdom of U.N. officials, the U.N. High Commissioner on Refugees, by deporting Haitian refugees, fleeing uncertainty, violence, and death, back to Haiti. This action is a travesty.

The Haitians who fled their country, like other refugees, have been looking to the United States as a beacon of hope and freedom. How can we ignore their plight? I urge my colleagues to support the initiatives of our colleague, Representative CHARLES RANGEL, to grant the Haitian refugees temporary protected status until there is a resolution of the crisis in Haiti.

Our colleague, the gentleman from New York [Mr. OWENS] mentioned how many refugees were received and accepted from other countries in the past couple of decades. Not only were they welcomed to the United States, they were airlifted to the United States in many cases. How can we turn these refugees back to Haiti?

JAPANESE PRIME MINISTER'S ARROGANT REMARKS

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, like all Americans, I have to say that I am deeply offended by the irresponsible, inflammatory, and arrogant remarks of the Japanese Prime Minister yesterday.

American workers have a strong work ethic and certainly are not lazy. Hard work is what built our country into the strongest economic power in history.

If the Japanese Prime Minister believes his workers are so superior to Americans, why won't he open Japanese markets to our products? Japan will not even allow a single bag of American rice into their country. Lower those barriers, allow fair trade, and we'll find out whose workers make a better product.

I wonder if the Japanese Prime Minister thinks the United States service men and women who are defending his nation, at an enormous cost to American taxpayers, are lazy? Does he think America's Desert Storm veterans are lazy? After all, Japan had a lot at stake there too.

Yes, we know Japan is productive. They are productive with plants and equipment built with American taxpayer dollars after World War II. Japan would not be where it is today without the generosity of the American people.

Mr. Speaker, despite his backpeddling of this morning, the Japanese Prime Minister has slapped the American worker in the face. It will not be soon forgotten.

IN SUPPORT OF EXTENDING UNEMPLOYMENT BENEFITS

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN. Mr. Speaker, this afternoon we will have an opportunity to pass an unemployment compensation bill under suspension of the rules and with the full support of the White House. It is unfortunate that this willingness to cooperate has been so long in coming.

No one can deny that there are families across this country suffering from the ongoing effects of this recession. In my own district, which used to be recession proof, unemployment is rising. Individuals are being laid off, and the real estate market is continuing to contract after a decade of uncontrolled supply-side growth. There are 465,000 people who had to apply for the first time for jobless claims last week. That means that now there are 9 million people across this country who are currently unemployed. Industrial production and retail sales keep slipping and the index of leading indictors points down. I feel that this will not end soon.

Last November, we were finally able to pass an unemployment benefit extension bill for American workers who could not find work in this depressed economy and whose benefits had run out. Today, we have an opportunity to be proactive and ensure that those parents who are searching for work to support their families will be able to at least support those families, stay out of the cold, and I urge all of my colleagues to join in supporting this unemployment extension bill today.

OUR ECONOMIC FUTURE

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, the President says the key to our economic future is to approve a lobbyist wish list of tax cuts. He says we need to spur consumption, even if it has no purpose. And if it means allowing the deficit to spin out of control, he says, "don't worry about it—that's the next generation's problem."

For over a decade now, Republican Presidents have been telling us that the way to solve our problems is to buy another car, buy another TV, buy another refrigerator. And oh yes, we did. But the trouble is that now the cars are built in Japan, the TV's in Korea, and the refrigerators in Germany.

Japan's Prime Minister says the problem is the American worker. Wrong. It is the American political leadership, which does not admit our problems and challenge our people to solve them.

Why doesn't the President challenge Detroit to build a car of the future that gets 100 miles per gallon? Why doesn't he challenge corporate executives to stop lining their pockets and start increasing productivity? Why doesn't he challenge citizens to save 5 percent of their earnings so American businesses can invest with American dollars? Why doesn't he set up a new trust fund to reduce the deficit? And why doesn't he ask the wealthiest and most powerful Americans to do their fair share to end homelessness and poverty and create jobs?

If our leaders tell it to the people straight, then they will rise to the challenge and our responsibility to the country we love.

□ 1300

AMERICANS WANT COMPREHENSIVE STRATEGY TO GET ECONOMY MOVING

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, last night I had the 12th in a series of 22 listening sessions in my community, and oh, did I listen. I just want to report to my colleagues that my constituents are suffering, they are in pain, they are out of work, and they want us to do something. Yes, they want a comprehensive strategy to get this country moving again.

A cement finisher in Yonkers just got married 2 years ago. He had hoped to work, along with his wife. He had hoped to build a bright future. She is working; he is out of work. He wants to work. There is no work.

A banker came to a meeting in the middle of the afternoon. Usually I just have seniors at those meetings. He wants to work. There is no work.

Then I met an aeronautical engineer in Rye who told me his story. He wants to work. There is no work.

We have got to pass the extension of unemployment insurance today, but yes, we then have to get to work on a great package so that we can get this economy moving again, not just tinkering around the edges, but a real, comprehensive strategy.

PRESIDENT SHOULD REVERSE DECISION TO RETURN HAITIAN REFUGEES

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WEISS. Mr. Speaker, neither the years of death and oppression in Haiti, nor the terrible memory of European Jews forced back into the arms of Hitler's Germany, has jolted the President's conscience in the case of Guantanamo Bay and the Haitian refugees.

Despite the fact that things had deteriorated to a point where the U.S. Ambassador had to be removed;

Despite the fact that less than 2 weeks ago, the Haitian police attempted to kill the new Prime Minister and force an end to any negotiated settlement;

And despite the fact that Amnesty International and Americas Watch recently reported that the illegal junta was responsible for the deaths of hundreds of economically impoverished supporters of President Artistide.

The Bush administration has persisted in doing the minimum to protect the Haitian refugees and the maximum to wash their hands of the whole affair. It is a policy unlike any we have seen in this hemisphere and one that we in Congress cannot stand by and watch.

Mr. Speaker, I call on the President to forget politics and race, and at long last to take a stand for justice and humanity by reversing his decision to send the Haitian refugees back to the jaws of hell.

JOB OPPORTUNITIES TO BENEFIT SOCIETY [JOBS] ACT OF 1992

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BENNETT. Mr. Speaker.

> To be jobless in this society is to be cast onto troubled seas. To be jobless in an America that flaunts wealth and affluent lifestyles is to be tormented by aspirations always out of reach. There is nothing, nothing in this America more destructive and spirit corroding than to want to work, to look for work and to be forever without work. If there was ever a precious human right, it is the right to a job.

These words from Nation magazine writer John Jacobs poignantly describe the plight of the jobless in our country.

Sadly this recession, now into its 18th month, is creating new victims every day. Americans across the country are losing their jobs, not because they are lazy or ineffective, but because so many businesses cannot afford to keep operating. The same people who for years have committed themselves to excellence in the workplace are losing their jobs through no fault of their own. It is a sense of hopelessness that these workers must have when told that the doors to their economic livelihood are being locked shut.

Well, my colleagues, I have read and heard one too many stories of the worker losing his job after 20 years toiling in a factory, of the woman who must live with her children on the streets because the recession has stolen her job, of the merchant who lost his life savings in a business that just couldn't survive. To those and so many like them I want to give a sense of hope and pride, but more importantly, economic sustenance.

For that reason, I am today introducing the Job Opportunities to Benefit Society Act of 1992. Nicknamed "JOBS '92," this legislation would establish a State grant program through the Department of Labor to provide Federal funding of employment programs in States where the unemployment rate equals or exceeds 5 percent. In addition, the legislation includes a provision which says that any grant funds not expended by the Secretary of Labor at the end of each fiscal year shall be converted to the U.S. Treasury for purposes of deficit reduction. This will not be a wasteful government expenditure, but one that spends money for a specific purpose and dedicates the balance to the critical need to reducing this country's deficit.

JOBS '92 is not a welfare program—it puts people back to work—a place most unemployed Americans want to be. There are so many services these workers could provide; rebuild and repair American infrastructure, build homes, convert former defense plants for other manufacturing needs, clean and police national parks, staff day care centers—the possibilities are endless. All the States have to do is come up with a plan for employing the jobless and we can put America to work again.

But, the need is now. An economic recovery is nowhere in sight and the current unemployment rate of 7.1 percent is the highest it has been since this recession started 18 months ago. Today 8.9 million workers are without jobs. Studies indicate that jobless workers experience a higher rate of heart disease, lung disease, mental illness and other maladies and that children of unemployed workers also have increased chances of illness and disease.

So you see, not only is unemployment harmful to our Nation's economic health, but it also impairs the personal health of our fellow Americans. Hasn't the suffering gone on long enough? It time to act with courage and compassion for those who are such a vital part of our society. I ask you to support JOBS '92 and return hope to the hopeless and jobs to the jobless.

ANSWERING OUR JAPANESE CRITICS

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, I say, "All right, America, take a deep breath and count to 10."

Let us suppress the national urge to punch the Japanese leaders in their noses for their insulting remarks about America. It certainly is appropriate to raise issues about fair trade and burden sharing. But let us keep things in perspective.

Instead of taking a sledgehammer to a Subaru, let us address the very real need in America for a national health care plan.

Instead of taking a blood oath never to own a Sony product, let us agree that our Nation needs an industrial policy to help American companies create and keep good jobs here at home.

And instead of planting a rumor that sushi bars are fronts for Japanese economic intrigue, let us roll up our sleeves, stop talking about education and do something to put every eligible child in America in Head Start, and every qualified American student in college.

The best way to answer our critics in Japan and around the world is to get down to business and to demonstrate once again that the United States has neither lost the will nor the courage to lead.

H.R. 4095, EMERGENCY EXTENSION OF UNEMPLOYMENT BENEFITS

(Mr. HAYES of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES of Illinois. Mr. Speaker, the emergency extension of unemployment benefits, I believe, is in line with the broad view of public expressions and outcries. The economy is not getting any better. American workers are in dire straits.

The current recession shows no signs of lessening. Unemployment in December stood at 7.1 percent, with 8.9 million workers out of work—nearly 1.5 million of them have been out of work for more than 26 weeks. This recession has already lasted 2 months longer than any previous recession since the Great Depression.

H.R. 4095 provides 13 additional weeks of extended unemployment benefits in all States. When these 13 weeks are added to the weeks of extended benefits currently provided, a total of 33 weeks of extended benefits will be available in high unemployment States, and 26 weeks of extended benefits in other States.

The emergency unemployment benefits made available by this legislation will help to provide food for the tables of those workers who will run out of benefits within 2 weeks. I firmly support this effort. However, we must go further. American workers must be guaranteed much more than unemployment benefits when the economy is in a downturn. They must be guaranteed jobs, because the quality of life in America weighs heavily on economic security and independence.

At this critical stage of this Nation's economy, useful jobs for everyone and the right to earn enough to provide adequate food and shelter can be accomplished by putting Americans to work rebuilding the infrastructure of this country. There is much benefit for this Nation by taking this approach.

I realize that there is broad support for this legislation. I hope that this same support will shift to creating jobs for those who are unemployed.

THE AMTRAK POO-POO CHOO-CHOO

(Mr. KOPETSKI asked and was given permission to address the House for 1 minute.)

Mr. KOPETSKI. Mr. Speaker, I wish I could come here and comment upon the needed unemployment bill and the plight of Haitians, but instead, the poo-poo choo-choo is back.

Members will recall that on July 17, 1991, an Amtrak train discarded its human waste in downtown Oregon City, forcing Oregon City residents to pay for the cleanup of Amtrak's dirty, filthy action.

At the time I asked Amtrak to adopt a voluntary policy of not dumping human waste in urban areas. I see no reason why Amtrak cannot voluntarily end the practice of dumping human waste in urban areas effective immediately. If we cannot resolve this in a civil, civilized manner, we will do it legislatively.

Mr. Speaker, Amtrak has done it again, this time on December 26, 1991, in Woodburn, OR, again in my district, and the circumstances were the same. It was at noon time. They dumped it in front of some farm workers and residents there in the community. Has Amtrak done anything? No.

This action by Amtrak is an act of war, Mr. Speaker, no less than an act of war and we accept the challenge.

Amtrak, you are in deep doo-doo over this one.

THE PLIGHT OF THE HAITIAN REFUGEES

(Mr. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, I feel that I cannot sit idly by and not raise my voice in opposition to the policies of sending the Haitians back to Haiti where they surely will find persecution and maybe even death. Our country, the wonderful United States of America, has opened its doors for those fleeing persecution for many, many years. The Haitians are certainly no different and deserve the same kind of consideration.

If the President of the United States and the administration were afraid to open the floodgates and have too many refugees come, they could have clearly kept the refugees until democracy was restored in Haiti, as it surely will be, or the refugees who have been in Guantanamo for many, many months could have been allowed to come to the United States with the signal that no one else would have been allowed to come right away.

This Congress cannot sit idly by and allow these people to be sent back to persecution. Mr. Speaker, I raise my voice in strong, strong opposition to the repatriation of these Haitians and the persecution they will face when they return home.

THE AZERBAIJANI SANCTIONS ACT OF 1992

(Mr. OWENS of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of Utah. Mr. Speaker, today I am introducing, along with my colleagues, the gentleman from California [Mr. LEVINE], the gentleman from Wisconsin [Mr. SENSENBRENNER], the gentleman from California [Mr. CAMPBELL], and the gentleman from New York [Mr. MCNULTY], the Azerbaijani Sanctions Act of 1992.

Last Friday, Azerbaijani forces, supported by tanks, automatic weapons and artillery, attacked Armenian villages in the disputed Nagorno-Karabakh region.

□ 1310

In the ensuing battles, dozens have been killed; but bloodshed is not new to this region. For over 70 years, the 180,000 Armenians who make up over 90 percent of the population of Nagorno-

Karabakh have been oppressed and denied their fundamental human rights by Azerbaijan.

For months now, Azerbaijan has blockaded Armenia and Nagorno-Karabakh. Food and medical supplies have dwindled, and heating oil and gas are scarce, at times nonexistent.

This morning, I spoke by telephone with a friend in Yerevan. Everyone is cold. There is no heat. The temperature is at zero grade centigrade. No one is freezing to death, but all are constantly cold and only warm at night when they go to bed. Innocent men, women and children, and many elderly barely exist under the greatest hardship and deprivation.

All this, Mr. Speaker, because Azerbaijan controls railroad and fuel line access to Armenia. It is mean, it is spiteful, it is cruel.

In his now famous Princeton speech last month, Secretary of State Baker criticized Azerbaijan for its aggressive policy toward Armenia.

Our bill will add teeth to Secretary Baker's censure by denying MFN, U.S. foreign assistance, and other trade benefits that are being accorded to or considered for newly independent former Soviet Republics. The President under our bill could lift those sanctions only if he certifies that Azerbaijan has ceased the blockade and use of force against Armenia and Nagorno-Karabakh.

CUT DEFENSE AND SAVE THE ECONOMY

(Mr. AUCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AUCOIN. Mr. Speaker, 1 week ago the President came here and said he would sign today's unemployment bill. Well, it is about time. Almost 96,000 Oregonians are out of work today. In Douglas County, in the heart of the timber country, the unemployment rate there is over 10 percent. In Lane County, nearly 300 people get their final unemployment check every week.

In Jackson County, over 150 workers each week face mortgage payments, food bills, skyrocketing medical costs, without another unemployment check.

It is about time, Mr. President, and while you are at it, let us also get real about getting this economy moving again.

If we are really going to reduce unemployment, if we are really going to restore our competitive might, if we are really going to be a leader in the world of the 1990's and into the 21st century, there is only one way to do it. cut defense spending by 60 percent over the next 5 years and you have got $1.1 trillion by the year 2,000 to invest in America, to create jobs, to restore fairness in our tax system, and to put our kids in the best classrooms anywhere in the world, and it is time you joined us in doing it.

The SPEAKER PRO TEMPORE (Mr. MCNULTY). Members are reminded to address their remarks to the Chair.

WE NEED A PRESIDENT WHO PUTS PEOPLE BACK TO WORK

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, the President came to this Congress in his State of the Union Address and now recognizes the need for extended unemployment benefits. The President came to this realization as he saw his own poll numbers drop and the possibility that he might soon be unemployed, Mr. Speaker; but for the people of eastern Connecticut, we are already feeling the impact of the President's program. Four thousand workers in eastern Connecticut have been given notice that they may soon be laid off.

The President came to this Congress and gave his State of the Union and told the workers of eastern Connecticut to drop dead, as Jerry Ford told New York City to drop dead in its time of need.

We need a President who engages the economy, who tries to help the workers of this country and not a President who leaves them in their time of need.

Mr. Speaker, we need a program to put all Americans back to work, to give defense workers time to get through the transition, not to have them abandoned by a President who watches the polls and not the workers who will be going to those polls.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The Speaker pro tempore (Mr. MCCLOSKEY) laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
February 3, 1992.

Hon. THOMAS S. FOLEY,
The Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit two sealed envelopes received from the White House at 4:43 p.m. on Monday, February 3, 1992 as follows:

1. Said to contain a message from the President whereby he transmits the annual report of the Federal Labor Relations Authority for FY 1990 to the Congress; and

2. Said to contain a message from the President whereby he transmits the annual report of U.S. Participation in the United Nations to the Congress.

With great respect, I am
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

REPORT OF ACTIVITIES OF UNITED STATES PARTICIPATION IN THE UNITED NATIONS DURING 1990—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I am pleased to transmit herewith a report of the activities of the United States Government in the United Nations and its affiliated agencies during the calendar year 1990, the second year of my Administration. The report is required by the United Nations Participation Act (Public Law 264, 79th Congress; 22 U.S.C. 287b).

GEORGE BUSH.
THE WHITE HOUSE, *February 3, 1992.*

ANNUAL REPORT OF FEDERAL LABOR RELATIONS AUTHORITY, FISCAL YEAR 1990—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, without objection, referred to the Committee on Post Office and Civil Service:

To the Congress of the United States:

In accordance with section 701 of the Civil Service Reform Act of 1978 (Public Law 95-454; 5 U.S.C. 7104(e)), I have the pleasure of transmitting to you the 12th Annual Report of the Federal Labor Relations Authority for Fiscal Year 1990.

The report includes information on the cases heard and decisions rendered by the Federal Labor Relations Authority, the General Counsel of the Authority, and the Federal Service Impasses Panel.

GEORGE BUSH.
THE WHITE HOUSE, *February 3, 1992.*

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCCLOSKEY). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which vote is objected to under clause 4 of rule 15.

Such rollcall votes, if postponed, will be taken after debate has been concluded on all motions to suspend the rules.

EMERGENCY UNEMPLOYMENT COMPENSATION EXTENSION

Mr. ROSTENKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4095) to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4095

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN AMOUNT OF EMERGENCY UNEMPLOYMENT BENEFITS.

(a) Increase in Benefits.—

(1) Subparagraph (A) of section 102(b)(2) of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) is amended to read as follows:

"(A) In general.—Except as otherwise provided in this paragraph—

"(i) In general.—

"(I) In the case of weeks beginning during a high unemployment period, the applicable limit is 33.

"(II) In the case of weeks not beginning in a high unemployment period, the applicable limit is 26.

"(ii) Reduction for weeks after June 13, 1992.—In the case of weeks beginning after June 13, 1992—

"(I) clause (i) of this subparagraph shall be applied by substituting '20' for '33', and by substituting '13' for '26', and

"(II) subparagraph (A) of paragraph (1) shall be applied by substituting '100 percent' for '130 percent'.

In the case of an individual who is receiving emergency unemployment compensation for a week which includes June 13, 1992, the preceding sentence shall not apply for purposes of determining the amount of emergency unemployment compensation payable to such individual for any week thereafter beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act."

(2) Subparagraph (A) of section 102(b)(1) of such Act is amended by striking "100 percent" and inserting "130 percent".

(b) Conforming Amendments.—

(1) Subsection (e) of section 101 of such Act is amended by striking "in a 20-week period or 13-week period, as defined in section 102,".

(2) Subparagraph (B) of section 102(b)(2) of such Act is amended by striking "An individual's" and inserting "Except as provided in subparagraph (A)(ii), an individual's".

(3) Subsection (c) of section 102 of such Act is amended—

(A) by striking "20-week" in paragraph (1) and inserting "high unemployment", and

(B) by striking "20-Week" in the subsection heading and inserting "High Unemployment".

(4) Section 102 of such Act is amended by striking subsection (d).

(5) Subsection (e) of section 102 of such Act is amended to read as follows:

"(e) Special Rules.—

"(1) Minimum duration.—A high unemployment period shall last for not less than 13 weeks.

"(2) Notification by secretary.—When a determination has been made that a high unemployment period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register."

(6) Paragraph (1) of section 102(g) of such Act is amended by striking "20-week period or 13-week period" and inserting "high unemployment period".

(7) Paragraph (2) of section 102(g) of such Act is amended by striking "20-week period" and inserting "high unemployment period".

(8) Section 106(b) of such Act is amended by striking "paragraph (3), (4), or (5)" and inserting "paragraph (3) or (4)".

(c) Effective Date.—The amendments made by this section shall apply to weeks of unemployment beginning after the date of the enactment of this Act.

SEC. 2. EXTENSION OF PROGRAM.

Sections 102(f)(1)(B), 102(f)(2), and 106(a)(2) of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) are each amended by striking "June 13, 1992" and inserting "July 4, 1992".

SEC. 3. TEMPORARY INCREASE IN AMOUNT OF CORPORATE ESTIMATED TAX PAYMENTS.

(a) General Rule.—Subparagraph (A) of section 6655(d)(3) of the Internal Revenue Code of 1986 (relating to temporary increase in amount of installment based on current year tax) is amended by striking the table contained in such subparagraph and inserting the following:

"In the case of a taxable year beginning in:	*The current year percentage is:*
1992	93
1993 through 1996	95."

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1992.

SEC. 4. EXTENSION OF TIME FOR PAYMENT OF ADDITIONAL FUTA TAXES.

(a) In General.—Notwithstanding any other provision of law, if a qualified taxpayer is required to pay additional taxes for taxable years beginning in 1991 with respect to any employment in any State by reason of such State being declared a credit reduction State, such taxpayer may elect to defer the filing and payment of such additional taxes to a date no later than June 30, 1992.

(b) Interest.—Notwithstanding subsection (a), for purposes of section 6601(a) of the Internal Revenue Code of 1986, the last date prescribed for payment of any additional taxes for which an election is made under subsection (a) shall be January 31, 1992.

(c) Definitions.—For purposes of this section—

(1) Qualified taxpayer.—The term "qualified taxpayer" means a taxpayer—

(A) in a State which has been declared a credit reduction State for taxable years beginning in 1991, and

(B) who did not receive notice of such credit reduction before December 1, 1991 from either the State unemployment compensation agency or the Internal Revenue Service.

(2) Credit reduction state.—The term "credit reduction State" means a State with respect to which the Internal Revenue Service has determined that a reduction in credits is applicable for taxable years beginning in 1991 pursuant to the provisions of section 3302 of the Internal Revenue Code of 1986.

(d) Time and Manner for Making Election.—An election under this section shall be made at such time and in such manner as the Secretary of the Treasury shall prescribe.

SEC. 5. TREATMENT OF RAILROAD WORKERS.

(a) Extension of Program.—

(1) General rule.—Sections 501(b)(1) and (2) of the Emergency Unemployment Compensation Act of 1991 (Public 102–164, as amended) are each amended by striking "June 13, 1992" and inserting "July 4, 1992".

(2) Conforming amendment.—Subsection (a) of section 501 of such Act is amended by striking "June, 1992" and inserting "July 1992".

(b) Enlargement of Benefits.—Section 501 of such Act is amended by adding at the end the following:

"(d) Enlargement of Benefits.—

"(1) Generally.—During the period that begins on the date of the enactment of this subsection—

"(A) subsection (c) of this section shall be applied by substituting '130' for '65';

"(B) section 2(c) of the Railroad Unemployment Insurance Act shall be applied—

"(i) by substituting '13 (but not more than 130 days)' for '7 (but not more than 65 days)' in the table; and

"(ii) by substituting 'but not by more than 130 days' for 'but not by more than sixty-five days' in the second proviso; and

"(C) section 2(h)(1) of the Railroad Unemployment Insurance Act shall be applied by substituting '13' for 'seven'.

"(2) Phase-out.—Effective on and after June 14, 1992, paragraph (1) of this subsection shall not apply. Notwithstanding the preceding sentence, in the case of an individual who is receiving the extended benefits under section 2(c) of the Railroad Unemployment Insurance Act for persons with 10 or more but less than 15 years of service, or extended benefits under this section, for any day during the week ending June 13, 1992, paragraph (1) shall apply for purposes of determining the amount of extended benefits payable to such individual for any day thereafter in a continuous period for which the individual meets the eligibility requirements of this section and the Railroad Unemployment Insurance Act.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois [Mr. Rostenkowski] will be recognized for 20 minutes, and the gentleman from Texas [Mr. Archer] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. Rostenkowski].

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 4095, the pending legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of the bipartisan compromise on the extension of unemployment benefits, H.R. 4095, a bill to extend the Emergency Unemployment Compensation Program.

This is the sixth time in less than a year that I have stood before this body arguing for an extension of unemployment benefits for millions of unemployed workers and their families. Unfortunately, it probably will not be the last time this year that the House of Representatives must deal with this critical issue. H.R. 4095 is a good bipartisan package that deserves the support of all Members of Congress.

Mr. Speaker, H.R. 4095 is the product of bipartisan negotiations with the minority leader, Mr. MICHEL, and was approved in the Committee on Ways and Means last week. It is a fiscally responsible compromise which the President supports and will sign immediately.

H.R. 4095 would make a number of changes to the Emergency Unemployment Compensation Program enacted last year. First, it would extend the expiration date of the program from June 13, 1992, to July 4, 1992. Second, it would provide an additional 13 weeks of benefits to unemployed workers through June 13, 1992. Third, it would allow Michigan employers to delay payment of the Federal Unemployment Tax Act penalty tax that was due on January 31, 1992, until June 30, 1992, without penalty, but with interest on the delayed payment. Fourth, it would modify estimated tax payment rules for large corporations so that the safe harbor available for estimated tax payments would be 95 percent in taxable years 1993 and 1994, instead of 94 percent.

I also want to point out that the bill I am presenting today contains a provision that is within the jurisdiction of the Energy and Commerce Committee and is included at their request and with their support. This provision deals with railroad unemployment insurance benefits, and would extend 13 weeks of unemployment benefits to rail workers with fewer than 15 years of service in the same way it does for other workers.

Mr. Speaker, at this time I would like to submit for the RECORD a letter to me from the President assuring me that H.R. 4095 is consistent with the 1990 Budget Enforcement Act in each of the fiscal years 1992 through 1995:

THE WHITE HOUSE,
Washington, DC, January 28, 1992.

Hon. DAN ROSTENKOWSKI,
Chairman, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR DANNY: You recently introduced H.R. 4095, which proposes an extension of Federal unemployment benefits through a declaration of a budget emergency. As you know, I will propose a fully funded extension of these benefits in my State of the Union address tonight and in my Budget submission tomorrow.

I am pleased that, working together with you and Republican Leader Bob Michel, we have been able to reach agreement on an amendment to your bill that should allow for quick action in your Committee. I fully support that agreement. It is my hope that the Ways and Means Committee will approve the measure today and that the full House and Senate will quickly follow suit. Given that there are American workers whose benefits are expiring, I hope the bill will be on my desk to sign prior to the Congressional recess scheduled for February 7.

I am informed by the Director of the Office of Management and Budget that, according to our estimates, the compromise is consistent with the Budget Enforcement Act (BEA) in each of the Fiscal Years 1992 through 1995. Because OMB estimates that the compromise is fully funded in each of the five budget years, no sequester would be triggered by enactment of the compromise.

Again, thank you for your cooperation in seeking a bipartisan solution to this problem.

Sincerely,
GEORGE BUSH.

The Office of Management and Budget estimates the aggregate cost of the extension would be $2.7 billion. Balances in the extended unemployment compensation account of the unemployment trust fund would continue to be drawn down to cover the cost. The bill would be financed by the surplus pay-as-you-go funding from legislation enacted last year of about $2.2 billion, and $500 million from the change in the corporate income estimated tax. The letter goes on to note that because OMB estimates that the bill is fully funded in each of the 5 budget years, no sequester would be triggered by its enactment.

Mr. Speaker, this bill provides much-needed unemployment benefits to millions of our fellow citizens. In talking to citizens on the northwest side of Chicago, there is no higher priority—no larger concern—than job security. Thousands of people in Chicago stood in line in subfreezing weather to apply for 500 positions at the new Sheraton Hilton. Now that the Committee on Ways and Means has completed its hearings on the economy and the President has set forth his economic growth program in his State of the Union Message and in his fiscal 1993 budget, we are ready to act. The extension of unemployment benefits is the first step, but it will be followed quickly by a package to put our economy back on track.

Now is the time for partisan bickering to stop and for us to act. The administration and the States are ready to extend these benefits without interruption. I strongly urge my colleagues to pass H.R. 4095, so that it can be enacted as quickly as possible. Passage of this bill is the least we in Government can do to ease the pain of millions of unemployed Americans—struggling to pay their bills and make ends meet—until they can return to work.

□ 1320

Mr. Speaker, I want to thank my colleague, the gentleman from Illinois [Mr. MICHAEL], for having cooperated with us in this effort, and hope that we can see this legislation to fruition, concluding today.

Mr. Speaker, I reserve the balance of my time.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it has been clear since Congress returned last week that this bill would be passed by Congress and signed into law by the President.

While I would like to avoid being run over by a train, I would nonetheless like to make one observation that Congress and the administration will ignore at their own peril.

The unemployment insurance system is supported by the Federal Unemployment Tax Act [FUTA]. Proceeds from this tax flow into several Federal accounts, one of which we are now spending down to pay for the extended benefits Congress enacted last November.

The money to support the benefits provided in today's bill will also be taken out of this account. Importantly, not a single dollar of the taxes raised by this bill go into that account to replenish it. The taxes in the bill are purely a budgetary offset. The account itself will be depleted.

In October 1990, the account contained $7.6 billion. By this September, even without the benefits provided in this bill, the balance will decline to $3.7 billion. The benefits provided in this bill will force the balance down to $1 billion.

Members of the Ways and Means Committee were proposing legislation to fatten up the account by increasing the FUTA payroll taxes when there was a balance of $7 billion or so. Their argument then was that the account balance was too low. Can anyone doubt that they will propose new taxes when the balance is $1 billion or less?

Make no mistake, passage of this bill means that we will be back in this Chamber within a year to consider a proposal to increase the trust fund balance by increasing the FUTA tax.

Just as the Nation is coming out of a recession, in other words, Congress will be voting to increase the anti-employment tax in the Federal Tax Code. To say that this will be unwise policy is a dramatic understatement.

For many, a vote for this bill is an easy one to cast. It will not be so easy when Members are called upon to pay the piper and raise taxes on employment a few short months from now.

Mr. Speaker, I reserve the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. DOWNEY], the chairman of the subcommittee.

Mr. DOWNEY. I thank the chairman for yielding this time to me.

Mr. Speaker, I want to thank the chairman and our minority leader, the gentleman from Illinois [Mr. MICHEL], for their leadership which has been shown in this extension of unemployment benefits. Mr. Speaker, it is recognition, I think, that the unemployed need our help and that this extension should not be a partisan matter.

But it is with a sense of sadness, Mr. Speaker, that I rise today in support of this; sadness, I should say, because this recession has only gotten deeper; a further sense of sadness because there are only more jobless Americans. Indeed, some 630,000 of them will exhaust benefits if we do not provide them this necessary extension.

Mr. Speaker, if there is anyone who doubts this, I call your attention to the subcommittee hearings that the Committee on Ways and Means held and the testimony of one of my fellow Long Islanders, a fellow by the name of Herbert Stickler, which was both moving and sad testimony.

He talks about the fact that now that he is on benefits, he no longer has health insurance because he lost his job and does not have enough money to purchase the medicine that he needs to stay alive.

Fortunately for him, his doctor is willing to make some of his medicine available to him at cost so he can stay alive as a result of it.

I think this story is probably typical across our country. Families stay together, homes can be maintained, apartment rents can be paid, if extended benefits are paid.

Mr. Speaker, no one wants extended benefits; people want jobs. But in lieu of jobs, these benefits are absolutely essential.

I want to read, if I may, Mr. Speaker, from a letter I received from a woman in Massachusetts. She writes:

> Dear Mr. Downey, very few families are untouched by unemployment. My son, who is 39 years old and has 20 years of experience as a wall and ceiling worker, has not worked for over 18 months. He searches constantly, even going to job sites. He has kept up his spirits, but the other day he said he felt there was "no light at the end of the tunnel."

Mr. Speaker, this is frightening to hear a loved one say. I am sure thousands of families hear this statement as we slide further into what we feel is not a recession, but a depression.

Mr. Speaker, there are thousands of people like that lady from Massachusetts, and this temporary fix, as necessary and as important as it is to keep life and limb together, is not the answer. The answer is a growing economy. But with respect to unemployment, the specific answer is that we need to make permanent changes to the unemployment compensation law.

Mr. Speaker, to that end the chairman, the gentleman from Illinois [Mr. ROSTENKOWSKI] and I, and others who are interested in this matter, will hopefully be presenting the Congress with the legislation in the next couple of months, because, mark my words, when the final extension is done in July we are going to be back extending these benefits again and we are going to have a devil of a time explaining to some people why their benefits—those who have exhausted their first 26 weeks in June get 26 weeks of benefits, and if you exhaust them between June and July 13, and then after July, none. We have to fix this fund permanently.

Mr. Speaker, I thank the gentleman for yielding.

Mr. ARCHER. Mr. Speaker, I yield such time as he may consume to the respected Republican leader of the House, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. I thank the distinguished gentleman from Texas [Mr. ARCHER] for yielding this time to me.

Mr. Speaker, passage of H.R. 4095 today shows that Congress and the administration can work together in a timely fashion to respond to the problems of the country. Last year Members may very well recall that Congress and the administration were at odds over the issue of extending unemployment benefits. There were those who insisted on declaring the spending for extended benefits an emergency, adding to the already burgeoning Federal deficit.

□ 1330

Mr. Speaker, we felt this was the wrong signal to send. It was our belief that the additional spending should not add to the deficit, but rather be offset in some manner.

Agreement was finally reached in November, after we worked closely with the chairman of the Committee on Ways and Means, the gentleman from Illinois [Mr. ROSTENKOWSKI], and Senator DOLE to get that job done. The final agreement, with amendments enacted in December, put in place an extended unemployment program of 20 weeks for high unemployment States and 13 weeks for all other States, and the program costs then were fully offset. Then, of course, when Congress reconvened on January 22, it became clear that additional assistance for unemployed Americans was warranted. Certain individuals qualifying for extended benefits in November would begin exhausting their benefits in mid-February.

The gentleman from New York [Mr. DOWNEY], the acting chairman of the Human Resources Subcommittee, scheduled hearings on January 22. I was privileged to be invited to appear before that august body along with the gentleman from Illinois [Mr. ROSTENKOWSKI]. We both testified, and, working with the members of the Committee on Ways and Means and the administration, we were able to quickly craft a compromise to provide 13 weeks of benefits between enactment of the bill before us today and July 4.

Now what happens after that time, the distinguished gentleman from Texas [Mr. ARCHER] was just inquiring, and I am not altogether sure. Hopefully conditions will improve, but we have got to get through this day, and then we will see what happens in the future. The cost of the legislation is offset with a surplus pay-as-you-go funding from legislation enacted last year and with a modification of the estimated tax payment rules for large corporations.

I would like to commend both the chairman and subcommittee chairman for expediting this very important piece of legislation. This is the manner in which all major issues affecting the common good of the American people ought to be dealt with. Politics should be set aside in the best interests of the country and the American people. The President called upon us to do just that with regard to legislation promising economic growth and giving the economy a shot in the arm, as he recommended to the Congress in his State of the Union Address.

Incidentially, just today that distinguished Committee on Ways and Means is beginning their consideration of the President's proposals by hearing the administration witnesses, and it is quite obvious to me that the committee intends to move expeditiously and, hopefully, to meet the target set by the President. We hope that can be brought about.

Mr. Speaker, we have addressed a symptom of our economic problems with this unemployment benefit bill. Now let us also address some of the causes of these problems with economic growth legislation, as I indicated, by the March 20 date, if at all possible. The bill we are considering today I guess is something like an aspirin to relieve the pain. It eases the symptoms, but it certainly does not cure the illness, and now what we have to do is try to accurately diagnose the origins of the pain and treat its causes with the right kind of cure.

I would urge my colleagues to vote for the extended benefits in this bill, and then let us roll up our sleeves and move on to the next job of solving the underlying economic problems and get that job done expeditiously, too.

I thank the distinguished gentleman from Texas [Mr. ARCHER] for yielding to me, and I thank again the distinguished chairman, the gentleman from Illinois [Mr. ROSTENKOWSKI], and subcommittee chairman, the gentleman from New York [Mr. DOWNEY], for bringing the legislation to the floor as expeditiously as they have and in such manner as they have.

Mr. DOWNEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Washington [Mr. SWIFT].

Mr. SWIFT. Mr. Speaker, I rise in strong support of this legislation to provide 13 additional weeks of benefits to unemployed Americans. I want to compliment the committee and its distinguished chairman, Mr. ROSTENKOWSKI, for bringing this legislation to the floor so expeditiously in order to ensure continued assistance to those workers whose benefits were scheduled to expire in mid-February.

I want to particularly thank the chairman for accommodating the substantive and jurisdictional concerns of the Committee on Energy and Commerce during the processing of H.R. 4095. The cooperation you have provided to our committee, to me, and to the gentleman from Montana [Mr. WILLIAMS] both this year and last is greatly appreciated.

As a direct result of this cooperation, this legislation provides railroad workers with additional extended unemployment benefits. It is only logical that these workers should receive the same treatment and benefits that are to be provided to other unemployed workers.

I should mention that this equity argument prevailed the last time around as rail workers were included in the legislation that was enacted last November.

The reason I have requested this time is to explain that railroad workers are covered by a separate program under the Railroad Unemployment Insurance Act. That act is within the jurisdiction of the Energy and Commerce Committee. We have worked closely with the Ways and Means Committee to develop acceptable language which carries out the equitable principles I have just outlined and to make sure that railroad employees are not shortchanged.

Basically, the agreed upon language provides an additional 13 weeks of extended unemployment benefits to workers who have less than 15 years of rail service and extends last year's emergency program, from June 13, 1992 to July 4, 1992, for certain rail workers with less than 10 years of service.

Mr. Speaker, this can properly be described as a conforming provision to the bill and I urge my colleagues' support for it and for this essential legislation.

COMMITTEE ON WAYS AND MEANS,
Washington, DC, January 28, 1992.

Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: As you may be aware, the Committee on Ways and Means today approved H.R. 4095, a bill to extend the emergency unemployment compensation program. I plan to report the bill tomorrow, and with the Speaker's consent, expect to place H.R. 4095 on the suspension calendar next week.

I want you to know that during our markup session, I raised, with the support of our colleague Minority Leader Bob Michel, the issue of extended unemployment benefits for certain rail workers. Respecting the jurisdiction of your Committee, we did not officially include the provision in H.R. 4095. However, our Committee is prepared to include an extension of 13 weeks of benefits to workers on the railroad unemployment insurance program who have fewer than 10 years of service in the industry, if you concur. Please advise me as soon as possible if this is acceptable to you. If so, I will be glad to include this provision in the bill placed on the suspension calendar next week.

With warm regards, I am

Sincerely yours,

DAN ROSTENKOWSKI,
Chairman.

COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, January 30, 1992.

Hon. DAN ROSTENKOWSKI,
Chairman, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of January 28, 1992 expressing your interest, and that of Minority Leader Bob Michel, in covering railroad employees under H.R. 4095, a bill to extend the emergency unemployment compensation program. I appreciate both your concern for the interests of unemployed rail workers and the steps you have taken to respect the jurisdiction of the Committee on Energy and Commerce over railroad unemployment insurance benefits.

Following receipt of your letter, the majority and minority staffs of our respective Committees met to formulate legislative language to address this issue. I have enclosed a copy of their work product, which I am prepared to support fully, together with a preliminary Congressional Budget Office staff estimate.

Chairman Al Swift of our Subcommittee on Transportation and Hazardous Materials would like to receive an appropriate period of time on the floor to explain this provision and its relationship to our Committee's jurisdiction. With the understanding that this is agreeable to you, I am pleased to support your inclusion of the enclosed language in the version of H.R. 4095 to be taken up on the suspension calendar during the week of February 3, 1993.

Sincerely,

JOHN D. DINGELL,
Chairman.

Mr. ARCHER. Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. DOWNEY. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, today, we will pass the additional extension of unemployment benefits, and the legislation includes my amendment, which the gentleman from Washington [Mr. SWIFT] has just mentioned, to provide these extended benefits to railroad workers. We included this same amendment of mine in legislation that became law a few months ago.

Mr. Speaker, my amendment is actually to the Railroad Unemployment Insurance Act which is in the jurisdiction of the Committee on Energy and Commerce. It is an important step for the Congress to provide equity to the men and women who work on our Nation's railroads, just as we are providing it to all other workers. My amendment, which is now accepted and will be part of this legislation, provides coverage for railroad workers with 10 to 15 years of tenure, as well as continuing the benefits we provided in the legislation that we passed into law a few months ago, last November.

Mr. Speaker, I was glad to be able to work with my colleagues on the Committee on Ways and Means, as well as the Committee on Energy and Commerce, to assure that we treat American's railroad workers just as we treat all other unemployed workers, and I thank the gentleman from New York [Mr. DOWNEY] for yielding this time to me.

Mr. DOWNEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Indiana [Ms. LONG].

Ms. LONG. Mr. Speaker, I rise in support of this bill to provide an additional 13 weeks of extended unemployment benefits to those workers and their families who desperately need assistance. Given the lingering economic recession and the rising unemployment rate, extending emergency benefits to unemployed workers is necessary and justified. I commend Chairman ROSTENKOWSKI and the committee for their hard work and timely attention to this matter.

The emergency extension of benefits, however, illustrates a need for Congress to seriously examine reforming the entire unemployment compensation system. It is important to remember that the unemployment compensation system was created for two expressed purposes: To assist unemployed workers and their families in a time of need, and to help this Nation out of an economic recession. The concept behind establishing a trust fund for unemployment benefits was to ensure that money would build up in the trust during periods of economic growth and low unemployment. During periods of high unemployment and economic stagnation, the reserves in the trust fund would be spent down, pumping resources and spending power back into the economy. Clearly, there is something fundamentally wrong with the system when, during one of the longest recessions in recent history, a $7.7 billion surplus currently exists in the extended benefits portion of the trust fund.

I introduced legislation during the last Congress and this Congress to take the unemployment trust fund off budget. When the committee recently held hearings on this bill, moving the unemployment trust fund off budget was favorably discussed. I believe that adopting this approach would allow the surplus contained in the trust fund to be used for its intended purpose—funding needed unemployment benefits for workers and their families.

I am grateful that Chairman ROSTENKOWSKI and the committee have taken such quick and decisive action to extend unemployment benefits. Once again revisiting this issue illustrates the need to fundamentally reform the unemployment compensation system. I am hopeful that the committee will closely examine the option of moving the unemployment trust fund off budget. Taking this step would more appropriately serve unemployed workers and our Nation's economy.

Mr. DOWNEY. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Connecticut [Mrs. KENNELLY], a member of our subcommittee and supporter of this bill.

Mrs. KENNELLY. Mr. Speaker, as an original cosponsor of H.R. 4095, I would like to express my strong support for further emergency extension of unemployment benefits. We are all well aware that the recession has not yet ended. Almost 290,000 Americans joined the ranks of the unemployed in December, bringing the national total to nearly 10 million people without jobs. We already have 950,000 people receiving the emergency benefits we enacted last November. In just 10 days, 600,000 of them will have run out of benefits.

In my own State of Connecticut, over 107,000 people are out of work. And it is not getting better: With changes in the world unemployment, extended benefits will have to fill the gap, and we have to get ready for job training and retraining.

That is why the bill before us today is so important. Even if the economy were to take a sudden turn for the better today, it would take quite some time for the effects to be felt in the employment market. We must not abandon out-of-work Americans when they need us most. It is our responsibility to give them a fighting chance while they face the daunting task of looking for work and making ends meet.

I urge my colleagues to support the bill.

□ 1340

Mr. DOWNEY. Mr. Speaker, I yield 2 minutes to the gentleman from Madison Heights, MI, Mr. LEVIN.

Mr. LEVIN of Michigan. Mr. Speaker, the gentleman from New York is referring to the Madison Heights office. He has heard my story about visits to the Madison Heights office, and I try to do that periodically to see what is really going on. You find it out there. You see people, white collar workers, blue collar workers, workers from all walks of life who have been laid off for an extended period of time.

This bill is going to help over 50,000 people in Michigan. It is going to add 13 weeks of coverage for those who simply cannot find work. This is a program for those who have worked hard and do not want to be off the job, so I am very pleased with that. I hope we will act permanently in the future.

Chairman DOWNEY and others, the gentleman from Ohio [Mr. PEASE], and I have been working on permanent reform of this bill, and it is long overdue.

I also want to thank the gentleman from Illinois [Mr. ROSTENKOWSKI] for his willingness to let us amend the bill so we can help employers of Michigan who are going to incur a terrible penalty here because of the terrible recession in Michigan. With the chairman's help and also with the help of the gentleman from Michigan [Mr. VANDER JAGT], we took an idea originally introduced by Senator CARL LEVIN from the Senate and we provide until June 30 for the payment without penalty of the additional tax that is going to be assessed employers in Michigan because the unemployment fund is very much depleted because of this terrible recession.

As I close, I can see gentlemen here, the gentleman from Missouri [Mr. GEPHARDT], the gentleman from Michigan [Mr. BONIOR], the gentleman from New York [Mr. DOWNEY], and Mr. ROSTENKOWSKI and others who have worked together to try to bring to the attention of the American public that the long-term laid off are looking. They want work. They cannot find it. We should do more than thumb our nose at them.

Mr. DOWNEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the chairman of the subcommittee, and I want to rise in support of this legislation. The good news is that we have agreement on the passage of this legislation, so it will pass quickly. I congratulate Chairman ROSTENKOWSKI and the administration for working out that compromise. We have very little time before the people we first sought to help will run out of benefits.

The bad news is that we need this bill. The bad news is that America is not back to work. The bad news is we are talking about 7.1 percent unemployment, and far higher figure of those who have given up on entering into the workplace.

Last November, when the President signed legislation that extended unemployment benefits for the long-time unemployed. We hoped that the recession would begin to spiral downward. This unfortunately has not come to pass.

Almost every week, we hear of major corporations who are being forced to lay off thousands of workers in order to stay afloat. The automotive industry, computer industry, banks, oil companies—no industry, no matter how large, is immune from the harsh realities of a recession.

The Bureau of Labor Statistics has estimated that at some point during the past year, one out of every five workers experienced unemployment for a given period of time. White collar workers are falling victim to the recession in numbers so great that many are afraid to spend, for fear of losing their jobs.

Other workers, discouraged by the bleak prospect of finding a job, have given up or are accepting jobs way beneath their level of education and experience, just to have a job.

Spending for the construction of homes and offices has declined, and spending overall fell 9.3 percent in 1991, the most rapid decline since World War II.

Mr. Speaker, the recession continues, and we are here today, to help those people who continue to bear the brunt of the recession.

This legislation is critical because it says we have not forgotten those who are in real pain. In the next 45 to 60 days we will be working on a program to get America back to work, to regenerate, to reinvest, and to reinvigorate our economy. That will be the real test. This is a step to take, important, and critical. A caring Nation should do no less, but we must do more.

I rise in strong support of the legislation.

Mr. DOWNEY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Michigan [Mr. BONIOR] the majority whip.

Mr. BONIOR. Mr. Speaker, I'm glad the President approves of this bill.

It is about time.

This bill provides a lifeline for millions of Americans rocked by the continuing recession.

I wish this meant the President has seen the light. I am afraid it is just that he has felt the heat.

Of course we would not have to be doing this bill at all if the Reagan-Bush administration had seen the light about voodoo economics.

Or when it came to the trickle-down theory.

Or when the President turned his back twice on jobless Americans.

If he had seen the light, then, maybe 2,200 Americans would not be receiving pink slips each day.

But if the President had really seen the light he would have delivered a very different State of the Union speech.

Even Jack Kemp called it full of gimmicks.

Gimmicks for the middle class when it came to jobs.

Gimmicks when it came to health care.

Gimmicks when it came to tax cuts. Capital gains again?

An idea that gives most of its benefits to people making over $200,000 a year.

As Kevin Phillips put it: Pretzels for the middle class, caviar for the rich.

Yes, it is time to do unemployment benefits again. Let us get this bill on the President's desk before he changes his mind.

Then, let us move on an agenda that can really get the economy moving again.

Let us reject the politics of the past—the policies that gave us this deep and cruel recession.

Let us create an agenda for the middle class.

Let us rebuild by focusing on the working people of America—and let us put America back to work.

Mr. ARCHER. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. JOHNSON], a valuable member of our committee.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman from Texas, and I rise in strong support of this legislation to extend unemployment compensation benefits. I am very pleased that the Congress is sending to the President a funded extension-of-benefits bill. Indeed, it was one of the sadder chapters in our history last year that we could have sent forward two bills that were fiscally irresponsible at a time when the people were desperately in need of support and assistance, and finally a triumph for the Congress and for the President's good sense that we were able to get through a funded extension of unemployment compensation benefits. It is indeed a credit to the committee, but a credit to the body that there is a consensus on both the need for extension and the need to fiscally responsibly support that extension through funding.

I also want to comment that this is, while a triumph for all of us, a disappointment as well, because we are understanding that this is a different kind of recession. We are understanding that this is a dislocation that it will take many months, possibly some years, to recover from, and that many of the people needing extended benefits are people who have worked all their lives, who have bought a home, who have children in college, who are America's success stories, and yet they are the people not only losing their jobs but using up their retirement savings, losing their homes, at a time in their lives when it is not possible for them to rebuild their futures.

So there is a very serious challenge that has come to the Congress from this recession. It is the challenge of rewriting our unemployment compensation system to support the kind of unemployment that is likely to become more common in the decade ahead.

I am disappointed that we have not had the time to work with States to get them to allow those who are unemployed to work part time without benefit reduction, an extraordinarily important survival technique for this particular recession. I am very disappointed that the Congress is not engaging itself in how we should allow forgiveness of mortgage payments on a temporary basis for those who clearly are going to regain their footing, so that during this downturn they will not lose their homes and permanently disadvantage themselves on the course of not only life but ultimately of retirement.

I am disappointed that we are not providing a greater and more substantial reform of our unemployment compensation system reflecting the knowledge that we have gained through this extraordinarily painful experience for America of the kind of dislocation that our economy is likely to experience repeatedly in the future.

This is a good thing to do. We are doing it in a timely fashion. Democracy ought to be capable of that. But there is a larger challenge ahead, to rewrite not only our unemployment compensation legislation, but the kind of job training economic support programs that are the real meat and potatoes of successfully negotiating change. Since that is going to be a larger part of our lives, I hope that larger challenge will not be neglected by the committee or the Congress.

□ 1350

Mr. DOWNEY. Mr. Speaker, I yield the balance of my time to the distinguished majority leader, the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Speaker, 7 days after the President's State of the Union speech, we deliver on our promise to extend unemployment benefits for American workers.

We compliment the President for finally recognizing the depth of the recession and for supporting a good extended benefits law for Americans who have lost their jobs through no fault of their own.

Today, we keep their hopes alive for the near term. But you may be asking, what about the long term? Last week the President described his ideas as big enough to meet the task—but the program doesn't measure up. It contains:

A record-shattering $400 billion deficit;

No program to create jobs or dismantle Japanese protectionism;

A menu of special interest tax gimmicks and loopholes designed to cushion the rich rather than aid the middle class;

No comprehensive reform of the health care system; and

No long-term strategy to improve the economic foundation of the country.

In other words, the President asks us to relive Reaganomics, prolong the pain of the middle class, and rely on more of the budget gimmickry that created these huge deficits at the outset of the 1980's.

From reports we are getting throughout the country, the people see this program for what it is, and they are deeply disappointed in the President's decision to tinker at the margins.

We are personally committed to prompt passage of an economic recovery program. In the coming days, Democrats will not obstruct, but we will try and improve the President's package.

We have a vision of what policies this economy needs to assure American success in the 1990's and beyond—in education, health care, trade, tax fairness, and investment. We want people to have unemployment benefits when they are needed but, most of all, we want workers to have good-paying, stable jobs that will provide rising living standards for every American family.

Mr. FAZIO. Mr. Speaker, I rise today in support of H.R. 4095, emergency extension of unemployment benefits, a bill which will extend much needed relief to an estimated 2 million American workers and their families.

Last August and October, Congress attempted to pass legislation that would extend emergency benefits to American workers. Both times, we were shot down by the President.

Finally, in November, after an all-night marathon vigil here in Congress on behalf of American workers, and an increase in the national unemployment rate, we were successful in getting this legislation through—legislation which gave unemployed workers up to 20 weeks of unemployment benefits beyond the 26 weeks available under the regular unemployment program.

But, today unemployment is still over 7 percent. Nearly 9 million Americans are out of work and unable to find jobs, and almost 1.5 million of these workers have been out of work for more than 26 weeks. And the benefits that we extended in November are about to run out this month.

So, we have developed a new unemployment benefits extension bill—H.R. 4095—which will give workers another 13 weeks of extended benefits. And this time, the administration is not blocking our effort.

This means that, in high unemployment areas like California, workers will receive a total of 33 weeks of extended benefits. And those workers who qualified for extended benefits in November will be able to get them extended before they expire in a couple of weeks.

Mr. Speaker, I urge my colleagues on both sides of the aisle to once again do the right thing for the millions of unemployed American workers and their families. I urge their support for this bipartisan bill which will help middle-income workers who are struggling to meet their basic, everyday needs as they attempt to work their way out of this recession.

Mr. MATSUI. Mr. Speaker, the legislation before us today to provide an additional 13 weeks of unemployment benefits is extremely important to millions of unemployed Americans and I urge its swift passage. At the same time, we must also take a long and serious look at how to improve the unemployment insurance program to avoid the patchwork of benefit extensions that presently exists.

No one denies the value of further extending unemployment benefits to the long-term unemployed, but repeatedly offering a temporary fix is not the response to either the Nation's problems or the flaws in the Nation's unemployment insurance program. For Congress to truly address this problem we must implement permanent, significant reforms in the Nation's unemployment program.

Unemployment across the country continues to rise. The unemployment rate in California during the month of December was 7.7 percent. Unemployment in California has remained above 7 percent for the third straight month. During 1991, an average of 43,000 Californians exhausted their State unemployment benefits each month. This monthly figure in California is greater than the total 9-month exhaustion rate for most States. During the last week of December alone, 136,000 Californians made emergency unemployment claims.

The States are struggling to work within an ineffective program that is not designed for the problems it faces today. The present unemployment insurance system is ill equipped to serve the numbers of people needing continued benefits. Cuts made in the unemployment program during the 1980's have devastated the extended benefits program, rendering it unable to meet the needs of the long-term unemployed. The result is a continued patching and painting of benefits to keep people on their feet.

Stories abound of Americans valiantly attempting to find work, only to be thwarted by lack of opportunity. This country is made up of ambitious, hard working citizens who want to work. We should not deny them this opportunity. We must pass this legislation today, and then we must work to meet the challenge of stimulating real growth in the economy through the creation of jobs and increased investment in our Nation's infrastructure.

I urge my colleagues to join together and pass this temporary relief to unemployed Americans. What we are doing today is right and it is necessary, but it is not the solution. The bipartisan support displayed today is encouraging, and I urge my colleagues to demonstrate the same bipartisan spirit when the Ways and Means Committee moves ahead this spring with legislation to permanently make improvements in the Nation's unemployment insurance program.

Mrs. LLOYD. Mr. Speaker, I rise in support of H.R. 4095, the emergency extension of unemployment benefits. This legislation is essential given the current, tough economic climate.

Every day we read of new announcements by major corporations of their plans to reduce their work forces. Individual and business bankruptcy filings continue to soar. This has made many folks who have lost their jobs, and are struggling to find gainful employment, uncertain and anxious. People who would do anything for their children are finding it increasingly difficult to send them off to school in the morning ready to learn, because they may not have had enough food in the house for breakfast. Families whose breadwinners are unemployed or underemployed are struggling to pay their bills and make all those expenses that today's typical family has to meet, while companies continue to downsize and jobs are disappearing to foreign competition.

In December, the unemployment rate climbed to 7.1 percent. This means that nearly 9 million Americans are unemployed and 1.6 million have exhausted their unemployment compensation benefits. As high as these numbers are, it is also estimated that another 1.1 million men and women have become so discouraged that they have given up looking for work and are no longer counted officially among the unemployed. Taken together, these figures represent a significant portion of the U.S. work force that is steadily loosing ground and struggling.

The Emergency Unemployment Benefits Act provides a lifeline to workers whose jobs have disappeared during the recession. The measure extends the life of the Emergency Unemployment Compensation [EUC] Program until July 4, 1992, and provides 13 weeks of additional benefits to the long-term unemployed. Tennesseans who already qualified for the initial 13 week extension, which is due to expire in mid-February, will now be eligible for another 13 weeks of benefits. This will provide immediate assistance to families who have worked hard all their lives and need help to get back on their feet and make it through these difficult economic times.

These folks are not looking for a handout. They are taxpayers who have supported this Nation. Many have fought to defend our personal freedoms on foreign shores. They have sent their sons and daughters off to do the same without hesitation. They are looking to the Congress and the administration to provide job training and retraining programs and adequate funding for educational needs. But in the meantime, action must be taken to stave off the proverbial wolf at the door which has forced many families to choose between essentials which they cannot afford to do without. I urge my colleagues to join with me in supporting the Emergency Extension of Unemployment Benefits Act.

Mr. FORD of Michigan. Mr. Speaker, it's better late than never. I was glad to see that since the last time I came to this well to urge my colleagues to support an extension of unemployment benefits, President Bush has finally realized what everybody else in the United States already knew—our country is in the worst recession since the Great Depression and millions of Americans need a helping hand.

The President's record on job creating is the worst I have seen in 27 years in Congress. There simply are no jobs available in my district. I was interested to see that Vice President Quayle recently stopped his limousine on the way to the Bob Hope Celebrity Golf Tournament long enough to point out to the press a "Help Wanted" sign at a Burger King restaurant. The Vice President claimed that this was a sign of economic recovery. Mr. Speaker, I don't know whether Vice President Quayle can support his family working at Burger King, but most people in my district can't.

I am glad that the President has finally realized that something is wrong in America, but I'm still not sure he really understands what it is. Few places in the country have been hurt by the recession as badly as my district and my State of Michigan. Hundreds of thousands of people in Michigan have lost their jobs and simply cannot find work. Families are losing their houses. Some cannot even earn enough to feed their children.

What my people want is a job. Unless we can convince the President not only to have compassion for those in need, but to actually find a way to provide jobs in our country, we will be back in this Chamber extending unemployment benefits again and again. Our country needs a program to provide job training and education, and to get our citizens back to work. We need to offer our people a career and a better life, not just a way to scrape by.

On top of our already dismal unemployment rate, General Motors is currently considering closing a factory in my district that would eventually cost Michigan an additional 14,610 jobs.

Last week, when the hard-working Americans watched the State of the Union address, they heard their President talking once again about a cut in the capital gains tax, saying, "When you aim for the big guy, you end up hitting the little guy." Mr. Speaker, I'm not sure what President Bush thinks the little guy is concerned about; I'm not sure if he ever even met a little guy, but I can tell him that the average person in the 15th Congressional District of Michigan is not worried about the capital gains tax rate. They're worried about feeding their kids, dealing with their mortgages, and trying to pay their bills. A cut in the capital gains tax rate is not an economic program.

Once again, as I have done on every occasion in the past, I am pleased to strongly support legislation to extend unemployment benefits to our jobless American workers. I am especially pleased that I no longer have to fight to make George Bush see the need for this extension.

H.R. 4095, the bill that we are considering today, would allow jobless workers to apply for an additional 13 weeks of extended unemployment benefits. My State of Michigan, which has suffered badly during this past year, and currently offers up to 20 weeks of extended unemployment benefits, would have that number boosted to 33 weeks.

The bill before us today would also include a provision to help employers in Michigan. Because of the recession, the State of Michigan did not have enough money in its unemployment trust fund to repay a loan owed to the Federal Government. Many small businessmen in my district have had a hard time coming up with this money by the deadline of January 31. Language inserted in this bill by the Committee on Ways and Means would extend this deadline until June 30, 1992, without a late penalty.

I am also pleased that this measure has been paid for. The money needed for this extension is obtained without violating the budget agreement.

Mr. Speaker, my constituents are hurting like never before. I support this proposal to offer them help and urge my colleagues to pass the bill.

Ms. NORTON. Mr. Speaker, we are still suffering a ferocious, unceasing recession, 18 months of it, 2 months longer than any economic downturn since the Great Depression. Surely it could have been shorter had the Bush administration been on the domestic job and applied remedies much earlier.

Americans crave for jobs, not unemployment benefits. What we offer today is a 13-week extension of those benefits. As critically necessary as this extension is, it is a pale ghost of what is needed. It effects only a small portion of the unemployed.

Above all, this extension is no substitute for an economic stimulus program. What we offer today is a tourniquet that may stop the bleeding but leaves the problems in place. The larger concerns are unattended—the unemployed who do not qualify and the state of the economy itself. There is no lifeline for them.

The District, once thought to be recession proof, is now recession prone. In the third quarter of last year, the District was 12th highest among the States and 15th highest among the cities in unemployment. Baltimore, New York, Hartford, Detroit, and Philadelphia were higher still. And the Sun Belt cities—Miami and Los Angeles, for example—came in with rates even higher than the District's.

This is a national recession that has taken no prisoners. It has shattered the District's economy. The freeze on Federal jobs announced by the President will exacerbate economic conditions here. To add to this economic cruelty, prices in the District far outpaced the national average.

It is no wonder that this recession is worse everywhere. It is more than a cyclical downturn. We are feeling the cumulative effect of long-term neglect of the American economy. We are paying now for a dozen years during which we have literally disinvested in America—in education and training, in the infrastructure, in the health of children and adults, in short, in what makes the world go around in a global economy. We must now play catchup, the hardest way to run any race.

Left in the dust have been the great urban areas. The District and other cities receive in Federal aid less than half of what they were getting in 1980.

H.R. 4095, the emergency extension of unemployment benefits, does not pretend to address these economic problems. It is relief, not remedy. It is a life raft that rescues a few Americans from almost certain drowning. The real work of getting to shore lies ahead of us.

Mr. GREEN of New York. Mr. Speaker, unemployment in New York City has reached 9.3 percent, leaving thousands of jobless New Yorkers in a state of economic despair. In addition to the high level of unemployment, the current economic situation is very unsettled and any sign of recovery has been anemic, at best. Thus, I rise to express my strong support for H.R. 4095, legislation that will extend the emergency unemployment benefit compensation program and provide economic relief to many of our Nation's unemployed.

With 8.9 million Americans out of work and a relentless unemployment rate of 7.1 percent, I think it is imperative that Congress act to extend the emergency benefits program. That unemployment benefit extension program has served as a vital lifeline to those that have lost their jobs as a result of the current recession.

The New York State Department of Labor has advised me that there are more than 185,000 individuals receiving extended benefits in New York and over 15,000 reside in my congressional district. In addition to helping those who are unemployed, the benefits program will help slow the deterioration of the overall economy. In the past, the targeted benefit payments—which are spent on bills, groceries and clothing—have made a major contribution to shortening the length of recessions by increasing consumer spending.

The legislation under consideration provides for an additional 13 weeks of extended benefits. New Yorkers whose benefits expired any time after February 28, 1991 would be eligible for an additional 13 weeks of benefits on top of the 13 weeks authorized under the legislation we adopted in November 1991. The legislation also extends the temporary benefits program through July 4, 1992.

I should also like to note that the extension legislation, which costs $2.7 billion, will not bust the budget because it will be paid for with fiscal year 1992 monies that were never spent and through the modification of quarterly tax payments made by large corporations.

While I enthusiastically voice my support for this much needed legislation, I must give voice to another message. I say to the leadership, this is not enough. You must allow Members to vote on a comprehensive unemployment reform bill.

Unfortunately, all of the unemployment benefit measures that we have voted on throughout this session are temporary in nature. They all fail to reform the unemployment insurance system which has proven to be unresponsive to the needs of our Nation's jobless. Over the past 15 years there has been a steady and significant erosion in the unemployment insurance system. An erosion that must be addressed by Congress.

I also hope that Congress will move quickly to enact a responsible economic growth bill that will help spur our stagnant economy, create vital jobs and tackle our $399 billion budget deficit.

In closing, I encourage my colleagues to support the emergency extension and to commit to reforming the unemployment insurance system. After all, the American people want long-term solutions to our Nation's economic problems and deserve far more than a short-term, temporary fix.

Ms. PELOSI. Mr. Speaker, today, the House will consider a bill to provide 13 additional weeks of extended benefits to unemployed workers. Last November, we provided extended benefits for workers who had been out of work so long that they had exhausted their unemployment benefits. Congress passed the legislation three times before the President acknowledged that there was an unemployment problem in this Nation and finally signed the bill into law.

The recession is now in its 18th month, 2 months longer than any recession since the Great Depression. Almost 9 million workers are out of work. The people of this country are well aware of the troubled economic times in which we live. People who became eligible for the extended benefits in November will run out of benefits this month if we do not act.

Mr. Speaker, for many of the people who have exhausted their unemployment benefits and remain jobless, the passage of H.R. 4095 is necessary for survival. H.R. 4095 would give the unemployed workers of my State of California a total of 33 weeks of extended benefits. But, more must be done. We need more than stopgap emergency measures that address immediate concerns. We need a solid program for long-term economic recovery.

Mr. Speaker, a lack of leadership from the White House allowed this recession to grow as large as it is. We need a real jobs program. I support extending unemployment benefits as one piece of the economic recovery puzzle. The other pieces must be put in place if people are to ultimately find lasting jobs.

Mr. DINGELL. Mr. Speaker, I rise in support of H.R. 4095, the emergency extension of unemployment benefits. We face an unemployment emergency. For millions of people, the consequences of the recession show no signs of abating. The short-term horizon for America's jobless continues to be bleak. We must act to ameliorate the painful effects of persistent high unemployment rates on America's families and individuals.

This recession, coupled with the threat to the United States economy posed by the Japanese, has been devastating for Michigan. Michigan already has one of the highest unemployment rates in the Nation and there is little relief in sight. GM recently announced a layoff of 74,000 employees nationally. Michigan will be particularly hard hit by this decision. An extension of unemployment benefits is critical for the more than 420,000 jobless in Michigan.

This extension of unemployment benefits bill recognizes the plight of the unemployed. Today's bill will extend the safety net for Michigan's unemployment for another 13 weeks. It will also extend to July 4, 1992, the deadline for workers to file for these extended benefits. This latest extension brings unemployment benefits for Michigan workers to a total of 59 weeks.

We need to get our workers back on their feet. We cannot afford to leave our most valuable resource unprotected. We cannot afford to swell the homeless ranks. We owe our jobless our support until they can again be self-sustaining. I urge my colleagues to support this bill.

Mr. RIDGE. Mr. Speaker, last September this House moved to provide extended jobless benefits to the long-term unemployed. For those Pennsylvanians who had exhausted their regular benefits, our effort then was but the very least we could have done, should have done, to lend help, to extend a hand.

I had hoped then that by this year, at this time, at this moment, I might be here speaking of an economy on the rebound and of the men and women of my State finding jobs, of them going back to work. Sadly, that is not the case.

It is true that many see signs that a recovery is at hand. This time, I hope they are right. But for thousands of unemployed Pennsylvanians, hope for recovery will not pay the bills nor will it put food on their family's table.

So today, we again recognize our debt to those working Americans who have lost their job through no fault of their own by moving swiftly to pass another extension of unemployment benefits. Through our actions here, we will ensure another 13 weeks of assistance to those who have used up their regular or emergency benefits.

This important legislation will provide some additional income protection, some purchasing power, to workers while they struggle through this recession. It is not a handout. It is the Government simply fulfilling its obligation to those workers and their employers when they placed their funds in our hands. The need is now and the funds should be released.

Let me close by noting that back in September, I said that this body had better start thinking of ways to give people a job rather than a check. That message is no less urgent today. The President has given us a deadline for an economy recovery package. It is now incumbent on this Congress to meet it. For if there's still no hope for recovery or work after these additional 13 weeks, then we have done little to effect the plight of these families.

Mr. GAYDOS. Mr. Speaker, we are here to consider H.R. 4095, a bill to extend unemployment compensation an extra 13 weeks for the long-term unemployed of this Nation. I wholeheartedly support this measure that financially assists the unemployed and their families as they continue their long search for some type of new employment. However, the most interesting aspect of this proposal, unlike the previous ones, is it appears as if we have the President's support without having to indulge in any partisan haggling. Well, the most I can say is that it is about time the President realized the economic woes that are crippling the hard working men and women of our country and I am happy that he finally does understand the importance of extended unemployment benefits. On the other hand, my constituents and I are interested in knowing why the administration was so adamantly opposed to the previous attempts to extend benefits and what made him see the light.

In the months before the State of the Union Address, we were all told to wait for the unveiling of the President's domestic plan that would pull America out of its economic doldrums. I must confess, I was hoping to witness the uncloaking of a great vision into the future.

Then, along with millions of other Americans, I was disappointed when I heard the rehashing of the same conservative domestic policy proposals, mainly the capital gains tax cut, that helps the wealthy, overburdens the middle class, increases the deficit and further reduces this Nation's industrial capacity. Although I agree with our President in extending unemployment benefits, I believe his economic proposals for short- and long-term growth are unfair and unrealistic. It is obvious to me that this country needs the development of a more comprehensive approach aimed at strengthening our economic capacities, and above all protecting domestic industries and creating jobs.

In the days following the President's address to Congress, my constituents took the time to let me know what they thought of the various tax credits, tax breaks, and regulatory freezes. Their sentiment can be described in one word: Disappointed. Mr. Speaker, I think I can say that the 8.9 million unemployed men and women in the United States are not looking for capital gains tax cuts, tax credits, withholding gimmicks, or any other pathetic attempt to appease them. They are searching for one thing: Jobs.

The working men and women of this country are not as naive as the administration might think, or hope. The American public is well aware that if the components of the Bush plan are enacted, they will be taken to the bank again to support the wealthy who get the disproportionately favorable breaks of supply-side economics. This is a question of fairness and the middle class has been paying for lunch and dinner for far too long and it must stop.

Mr. Speaker, President Bush's cutting of the capital gains tax, enables those earning over $200,000 per year to receive an $18,000 tax break. That is like giving them a nice, mid-size luxury car when they receive a tax refund. Accordingly, 80 percent of the capital gains tax cut helps those making over $100,000. What is the price tag of this gift: $12 billion.

Back home in McKeesport, many people have asked me, "Joe, what is in this budget for me?" Well, I tell them, the Bush proposal will give you an extra $75 a year for each one of your dependent children. But, if you make $150,000, you can get $150. It is very hard for me to tell my older constituents and veterans that they will be losing billions in Medicare and veterans benefits over the next 5 years. In essence, the elderly will be paying for a portion of the President's tax breaks for the wealthiest of all Americans. In light of this, how can we not raise the question of fairness?

In my eyes, it is shameful to believe that these perks for the rich will trickle down to the regular, indebted, unemployed workers of our Nation. Is it not obvious that the President wants the American, working class taxpayer to fork out $12 billion to fund the capital gains tax cut when it is not even assured that it will increase investment and create jobs. So much for the vaunted conservative ideal of protecting the American taxpayer. This proposal will increase the deficit by up to $120 billion over the next 10 years and put in jeopardy any type of future growth in jobs and economies. Our children will pay dearly for this travesty.

The early 1980's predictions of noted economists, government officials and even Members of Congress regarding supply-side economics were correct and the American people know it. Anybody here with an understanding of macroeconomics knows that the concerns were with a slowed economic growth because of falling revenues and rising deficits. Supply-side economics has been the trend for the past 12 years and during this time our Nation has increased its national debt by over $3 trillion. Since 1988, the United States has incurred over $1.7 trillion escalation in national debt to coincide with the very nominal growth in gross domestic product in 1987 dollars. This stalls economic growth. It is obvious that supply-side economics is misguided, its smoke and mirrors have helped the wealthy, forgotten the middle-class and poor, and placed our country into the position of being the No. 1 debtor nation in the world.

Over the years, the McKeesport area of Pennsylvania—my district—has grudgingly suffered through unfair economic policies that have lowered income, eliminated jobs, and destroyed industries. Even now, the North American Free Trade Agreement [NAFTA], and the General Agreement on Tariffs and Trade [GATT] negotiations threaten to take even more jobs from the Monongahela Valley region. Mr. Speaker, I must ask, where does it end?

This country needs to take strides in investing in its own infrastructure, education, and economy; not give it away for the sake of free but unfair trade and then cut trade adjustment assistance for workers displaced by faulty policies. In his speech, after spending over 15 minutes on his foreign policy initiatives, the President gave a mere 10 second plug to the $151 billion Surface Transportation Act; potentially, the largest jobs producing bill in the past number of years. Where are his priorities? We must make him realize that his policies are wrong. Steps must be taken to protect Americans, create employment and to legislate fair trade practices to safeguard our industries and jobs.

This Congress must set out on a course to right the wrongs of the supply-side policies of the past 12 years. We must return to the ways of expanding the middle class and pulling people from poverty all over this great land rather than expanding the wealth of the richest of Americans and increasing foreign aid appropriations. I should not have to remind my fellow Members that this country was built on interdependence and support, not ignorance and neglect.

In closing, I want to again express my support for extending unemployment benefits to those who have been pushed to the streets of America because of flawed economic policies. But in doing this I must warn those who adhere to destructive supply-side measures, that if our outlook and economic policies do not change, we will be bankrupt and voting for unemployment extension every 4 months. We must make America economically strong again to pave the way into the 22d century.

Mr. OLVER. Mr. Speaker, I rise today in strong support of H.R. 4095, a bill to increase the number of weeks of emergency unemployment benefits compensation. I asked to be an original cosponsor of this legislation, as well as the previous bills which this House passed, and I applaud President Bush for his newfound concern for the unemployed workers of our country.

It's about time George Bush realized that the workers of western Massachusetts, and of this Nation, have been hurting through no fault of their own. The working people of America did not get the huge tax breaks of the 1980's which sent our budget deficit soaring and weakened our economy, and it certainly wasn't the unemployed workers in my district who sat on their hands while savings and loan executives treated deposits like monopoly money—building useless overpriced hotels everywhere.

What is more, these are not lazy, illiterate workers. The people I hear from in western Massachusetts are highly trained and educated—blue- and white-collar workers—who desperately want to work but simply have not been able to find jobs in the current recession.

I only wish that we could be sure the President is not just experiencing an election year, or a New Hampshire primary season, conversion. I suggest that those who have any doubt about his real intentions should read the fine print.

In his budget, President Bush proposes to eliminate trade adjustment assistance, which provides benefits to workers who have been laid off because of increased imports of foreign goods. Even as he negotiates the free trade agreement with Mexico, even as he professes to care for the unemployed workers, President Bush is trying to remove another support for people trying to stay afloat in our economy.

Mr. Speaker, I think we have a responsibility to help these people. And instead of trying, like George Bush, to eliminate assistance for displaced workers, I plan to find ways to make it easier for our workers to get the increased skills and education they need to find new jobs.

People in my district, like people across the country, need unemployment benefits and more jobs. I am pleased that we have been able to move swiftly on this legislation, and I look forward to passing broader legislation to provide meaningful long-term assistance for the working men and women of western Massachusetts and the entire country.

Mr. PASTOR. Mr. Speaker, once again we are faced with legislation to provide relief to hundreds of thousands of people who are jobless in our country.

At the national level, the economic recession is unsettling. The pace of recovery from our economic ills is slower than past economic cycles due to slumps in real estate, financial services, and spending in the Federal, State, and local sectors of the economy.

Unemployment in December rose to 7.1 percent, with 8.9 million individuals officially counted as unemployed and nearly 1.5 million of those workers having been out of work for more than 26 weeks. Since people who are working part-time, and those discouraged workers who have given up looking for jobs are not counted in the Government's official unemployment statistics, the jobless situation is more dismal than reported.

Nearly all of the December increase in unemployment occurred among persons who had lost their jobs for the first time, primarily those who had no expectation of being called back to work. The long-term unemployed—those without a job for 15 weeks or more—accounted for about one out of every three unemployed persons in December, up from one in five at the onset of the recession.

For years, Arizona has been blessed with good economic times and low unemployment. However, the current jobless situation in Arizona is troubling. For the first time ever since August 1983, Arizona's unemployment rate is higher than the national average. More job seekers, particularly spouses and older children who started looking for work to boost family income during tough times, unexpectedly pushed the jobless rate to 8.6 percent in December. This means that over 133,000 Arizonans are out of work. In Yuma County, in my district, the unemployment rate is an astounding 30.9 percent. Help wanted signs are prevalent throughout the county's hotels, restaurants, and stores.

Today, we have an opportunity to help these Arizonans and their fellow Americans who are the unfortunate victims of our economic recession. We need to pass H.R. 4095, the emergency unemployment benefits extension bill, and provide an additional 13 weeks of extended benefits to the long-term unemployed. To do less would be an injustice to those who have been the backbone to our country's economic strength.

I urge all my colleagues to vote for this important bill.

Ms. SLAUGHTER. Mr. Speaker, last November, Congress reached out to millions of workers who, through no fault of their own, had exhausted their regular unemployment insurance benefits.

We had tried twice before to extend unemployment benefits, only to have our efforts stopped by the President. At long last a compromise was reached near the end of last session, and we provided a 13- or 20-week period of additional benefits to all States, depending on each State's level of unemployment.

Since our actions in November, the unemployment situation has, unfortunately, become more severe. We are now in the 18th month of the current recession. That is 2 months longer than any recession has lasted since the Great Depression. The latest figures show that the unemployment rates for both my home State of New York and the Nation have increased to the highest levels of this recession.

There are an estimated 658,000 New Yorkers out of work. This number represents a statewide unemployment rate of 7.8 percent, up from 5.4 percent this time last year. In my district, the Rochester metropolitan area, unemployment jumped a half a percentage point during the month of December. Within the Rochester city limits, the unemployment rate currently stands at 7.2 percent, while in another part of my district, Genesee County, unemployment has soared to 10.5 percent.

These figures are alarming, and the impact they have on real families is much worse than the story the statistics tell. Many of today's unemployed workers have been without a job for much of the recession. Those who became eligible for a 13-week extension of benefits in November will run out of benefits before the end of February. Accordingly, it is time for us to reach out again.

H.R. 4095 will supply this needed help by providing an additional 13 weeks of benefits to workers in all States. When these 13 weeks are added to the extended benefits currently provided, a total of 33 weeks of extra insurance coverage will be available to workers in those States of highest unemployment. Eligible unemployed New Yorkers will have 26 weeks of extended benefits available to them. The bill also gives workers an extra 3 weeks to apply for the extended benefits created under the November Emergency Unemployment Compensation Act.

Mr. Speaker, a second extension of unemployment insurance benefits represents a recognition by Congress of how difficult this recession has been on those who have been affected. I urge swift passage and implementation of the assistance provided for in H.R. 4095 so that hope may be returned to the millions of families who continue to need our help.

Mr. ENGEL. Mr. Speaker, I rise today in support of H.R. 4095, a bill to provide additional unemployment benefits to people who have lost their jobs as a result of the ongoing recession.

H.R. 4095 would provide jobless workers in all States with an additional 13 weeks of extended unemployment benefits on top of the new benefits that were approved in November. This legislation will help people get through the tough times that we are currently experiencing.

The President has recently discovered that this country is experiencing a severe recession which shows no signs of ending. Last year, it took the President 4 months to agree to an extension of unemployment benefits. I am glad that the President is not opposing this bill which will ensure that people who have lost their jobs through no fault of their own will be able to continue to pay their mortgages, put their children through school, and put food on their tables.

I want to remind people that unemployment insurance is not welfare or a Government hand out. People pay into the unemployment insurance fund so that they can have a safety net should they lose their jobs.

Mr. Speaker, unemployment insurance is only a stopgap measure designed to get people through a temporary period when they do not have a job. We must pass an economic package which will help end the recession. In the meantime, we must pass this bill so that people adversely affected by the recession can continue to pay their bills.

Ms. SNOWE. Mr. Speaker, I rise to express my support for H.R. 4095, legislation before us today to provide an additional 13 weeks of benefits to the unemployed.

In Maine the unemployment rate for December was 7.2 percent. Over 31,000 jobs have been lost in the last 2 years. The extension today will provide additional assistance to those individuals who are in need of our help. Mainers who are on unemployment are not there because they want to be. They would prefer to get up each morning and go to work—not to the unemployment office. We need to help these people, and I am pleased the administration and Congress were able to reach agreement on this legislation. But we need to do more and we need to do it now.

Americans and Mainers want jobs and we need to pass an economic stimulus package to provide those jobs. We must put aside our partisan differences for the sake of all Americans and push a good package through this body that will stimulate the economy and provide jobs before the benefits provided in this package run out. That is what the unemployed really need and deserve.

Mr. WEISS. Mr. Speaker, I am in strong support of H.R. 4095, the emergency extension of unemployment benefits.

On November 14, 1991, the Congress passed, and the President eventually signed, legislation to extend unemployment assistance for American workers whose benefits have expired. We enacted this package of benefits only after a 3-month delay by the President and many of our colleagues across the aisle who did not believe it was necessary.

Now, 3 months later, we are into the 18th month of this recession, the longest suffered by this country since the Great Depression. The recovery that the President kept promising never materialized, and we watch as the number of people losing their jobs continues to climb. The Nation's official unemployment rate now stands at 7.1 percent. The ailing American economy and the pain felt by so many Americans has grown so severe that finally, even the President has acknowledged it.

We welcome the President's support for this legislation, but we need more. It is not enough to provide temporary assistance; we must take actions that will reinvigorate the economy and make further benefit extensions unnecessary. Unfortunately, the President's plan will not do so. His proposals will do little, if anything, to turn the economy around. We need action now that will put people back to work, rebuild America, and pump money into the economy.

With nearly 9 million Americans unable to find work, we must pass this unemployment extension bill; but we must also take immediate actions so that these people find productive, well paying jobs.

People are hurting, and this bill is not more than temporary, but necessary, relief. I urge my colleagues to support this legislation.

Mr. BRUCE. Mr. Speaker, I rise today to express my strong support for H.R. 4095, the emergency extension of unemployment benefits. The committee, this Congress, and the administration should be applauded for its swift, decisive action, in bringing this measure to the floor.

Our Nation continues to be gripped by a recession that has caused 8.9 million Americans to join the ranks of the unemployed. In my home State of Illinois, we have seen the unemployment rate jump dramatically to 9.3 percent. More importantly, we have seen educational opportunities missed, health care needs unattended, and homes lost.

There are some who will try to tell us that the American worker is lazy, that they have no motivation to work. We know this is simply not the case. Workers in my State and across this Nation want to work. They want to contribute to the productivity of America and they want to provide for their families. But this economy does not have a job for them.

I strongly support this legislation, but we have a responsibility to do more. We must undertake trade policies that fairly protect American jobs and we must adopt an economic plan that will put Americans back to work. The President has offered a number of proposals to this Congress, but I find little in his plan that will provide real economic stimulus.

This recession is the longest the United States has endured since the Great Depression. It has created hardship for millions of families and has fostered uncertainty in the economic future of our Nation.

It is apparent that the American people need these benefits. But more importantly they need a commitment from this Congress to do whatever is necessary to lead the Nation to a healthy economy. Today, Mr. Speaker, I am urging my colleagues to join with me in supporting H.R. 4095. But after this vote and in the coming weeks and months, This Congress must take further action to provide jobs for American workers and economic security for their families.

Mr. STOKES. Mr. Speaker, I rise today in strong support of H.R. 4095, the emergency extension of unemployment benefits bill. This bill is must-pass legislation as our Nation's economy continues its 18-month slide deeper and deeper into recession. I commend the gentlemen who have brought this bill to the floor, Chairman ROSTENKOWSKI and Congressman DOWNEY, for their dedication to providing assistance for the millions of Americans who are out of work because of Reagan-Bush economic policies.

This recession, brought about by 12 years of hollow promises of trickle-down economic benefits for middle and lower-income people, has left the United States economy crippled. We have experienced over a decade of bloated military spending, far in excess of the spending necessary to meet any threat to the United States; 12 years of huge tax breaks for the rich, at the expense of middle- and lower-class taxpayers; and 12 years of corporate greed and sleaze, most accurately reflected in the outright thievery of savings and loans owners and directors. The increase in the Federal debt, and the annual budget deficit over those 12 years is almost beyond comprehension. Together, Presidents Reagan and Bush are responsible for adding over $3 trillion to our national debt of $4 trillion.

Tragically, the African-American community frequently bears the brunt of this type of foolish and unsound national policy. For example, the 1990 unemployment rate for blacks in Cleveland was 20.7 percent while the corresponding rate for whites was 9 percent. Unemployment for both groups increased throughout 1991 to the point that Cleveland was cited as having one of the worst unemployment problems of major American cities.

The current recession, now in its 18th month, is the longest recession since the Great Depression. Unemployment rose to 7.1 percent in December, and over 8.9 million Americans are out of work. Of those 8.9 million Americans who are jobless, nearly 1.5 million of them have been without work for more than 26 weeks. Major corporations, such as General Motors and IBM, announce new rounds of layoffs nearly every week. These layoffs are not temporary, but are part of permanent restructuring, and these jobs are likely gone forever. This is the legacy of the Reagan-Bush years.

Last November, this House passed, for the third time, legislation to provide extended unemployment benefits to American workers who had exhausted their 26 weeks of benefits under the regular unemployment compensation system. The President, to his lasting credit, finally realized that the economy of the United States was in recession, and dropped his opposition to extending unemployment benefits.

Unfortunately, those workers who qualified for 13 weeks of additional benefits under the bill enacted in November will run out of benefits in 2 weeks. It is imperative that we pass legislation immediately to provide these workers with an additional benefits extension. With the economy showing no signs of recovery, we cannot leave our unemployed workers to the vagaries of a shrinking economy, with no prospects for immediate growth, and little hope of finding work anytime soon.

Mr. Speaker, we must stand up for the American people, and provide them with extended benefits until the Congress can pass economic growth measures designed to create jobs, and put money back into the hands of those who will spend it and stimulate the economy. What we do not need now is a President who proposes another series of tax cuts for the wealthy, and provides scant help to the great mass of Americans in the middle- and lower-class.

I urge all my colleagues to vote for passage of H.R. 4095, and demonstrate to America's workers that we are serious about helping them fight off the recession. It will take time to put fair, reasonable, and effective economic growth policies into place. The Democratic party is committed to enacting these measures into law as soon as possible. However, we must continue to provide extended benefits to Americans out of works, until good jobs can be created for them to go back to work.

Mr. BORSKI. Mr. Speaker, I rise in support of H.R. 4095, to extend unemployment compensation to the long-term unemployed.

H.R. 4095 is the first recession-relief measure of 1992 and it is the most positive step we can take early in this new year to show struggling Americans we will not turn our backs on them.

It is time to forget those rosy reports from the White House we have heard for a year and look at the muddy reality of today.

The current recession shows no sign of lessening. Unemployment in December stood at 7.1 percent. There are nearly 9 million Americans out of jobs, and the most shocking statistic of all, 1.5 million of those out of work have been that way for over 26 weeks.

My own city of Philadelphia understands these numbers all too well. As of November 1991, Philadelphia's unemployment rate stood at 7.6 percent.

These staggering numbers represent the kind of Americans who deserve our help. They are not lazy people or welfare cheats. They are Americans with the kind of work ethic this country was built on. Financial help is what they need and what Congress must give them.

This measure will provide an additional 13 weeks of extended relief to the unemployed. That is 13 more weeks of help to people who remain financially and emotionally crippled by this recession. It is 13 more weeks in which we hope to see signs that the recession is easing. It is also 13 weeks in which we can prove to Americans that Congress, unlike the President, has not turned away from the people we represent.

The President has not lived up to his promises and now Congress must take the bull by the horns.

We were promised a State of the Union Address with major policy announcements that will set the tone for change in America. We were promised an economic plan that would loosen the recessionary belt that is being pulled much too tightly around Americans.

We were promised a lot.

Very little was delivered.

In fact, the President failed to deliver the most important message America's unemployed people wanted to hear: Jobs—where are they and when can people go back to work?

Instead of the word "jobs" we heard about tax breaks to improve the lifestyle of the rich and famous.

Mr. Speaker, the President has fought us too long and too hard on the issue of relief for those without a place to work and we are right back where we were months ago. We are voting on a Band-Aid instead of cure for what is ailing America.

It is time Congress does what the President has failed to do.

We must pass H.R. 4095. It's title, the emergency extension of unemployment benefits clearly describes why it must be passed.

We are in a state of emergency regarding the Nation's unemployment rate and Congress must be the rescue crew that is ready to revive those who are in need of our immediate attention.

Mr. GALLO. Mr. Speaker, I wholeheartedly endorse this 13-week extension of unemployment compensation benefits in order to protect our unemployed American workers for as long as this recession persists.

Passage of this bill today demonstrates that this Congress is capable of putting aside its partisan differences to meet the needs of the American people.

This is a good start for 1992, but we have a long and difficult road ahead of us.

Now, of equal importance, we must continue to act as a Congress, in a bipartisan fashion, and enact an economic program by March 20 that addresses both the need for a short-term jump start and for a long-term investment incentive policy.

The Japanese and their comments about American workers notwithstanding, I know that the millions of unemployed American workers collecting unemployment would rather be working, productive members of the work force, than recipients of these benefits.

Our immediate concern must be with these unemployed workers, but our top priority must be to put these Americans back to work.

And the best way to move this economy forward and create jobs is by adopting the President's economic package with all deliberate speed. It is not acceptable to do nothing and try to blame someone else for the inaction.

Mr. Speaker, let's pass the unemployment extension today and get to work immediately on an economic package for our Nation. We owe it to the American people to act now.

Mrs. ROUKEMA. Mr. Speaker, I am pleased to rise today in support of H.R. 4095, a bill to extend for up to 13 additional weeks, benefits to unemployed American workers. In my State of New Jersey, where the unemployment rate exceeds the national rate, families are suffering—this relief is urgent.

During the 1980's, New Jersey generally experienced lower rates of unemployment than the Nation as a whole. It is my State's misfortune to find that in this recession, however, the reverse is true. New Jersey's seasonally adjusted unemployment rate for the month of December 1991, was 7.4 percent, up from 7.1 percent in November. The national rate during December was three-tenths of a percentage point lower, or 7.1 percent.

Mr. Speaker, there are approximately 100,000 unemployed individuals in New Jersey who currently collect unemployment benefits. The bill before us will provide up to an additional 13 weeks of benefits to many of those individuals. Also, since this measure opens an additional 3-week window of opportunity in which newly unemployed individuals can apply for benefits, from June 13 to July 4, approximately 9,000 additional unemployed New Jersey workers are expected to qualify for up to 20 weeks of benefits. Thus, Mr. Speaker, this measure is desperately needed to provide an economic cushion to those in New Jersey and across the Nation who are being hit hardest by this recession.

Mr. Speaker, I trust that we will approve and send this essential legislation to the President—who has committed his support for these extended benefits—at the earliest opportunity. We must assure those individuals and families who are suffering most during this recession that their Government will do all that it can to help them through this very difficult period.

Mr. KENNEDY. Mr. Speaker, I rise in strong support of this important legislation. No bill that we take up this session will be more urgent. Our country has been gripped by a terrible recession for over 18 months now—the longest by 2 months since the Great Depression. Close to 15 million Americans are currently unemployed or underemployed. Men and women are struggling against terrible odds to feed and clothe themselves and their children. If this bill can help them put food on the table until they get back on their feet, we will have performed a vital service.

The President's new-found spirit of cooperation is a welcome change from last fall, when he rejected two congressional efforts to help the unemployed before finally signing a bill. I only hope that the President will be just as willing to work with Congress to do what it takes to put people into jobs, not just help those without them. Americans want paychecks, not unemployment checks. The President must realize that tax cuts for the wealthy and accounting gimmicks will not move the country forward. We need investment—in our people, in our businesses, and in our infrastructure—to put people back to work and regain our competitive edge.

I regret that this bill did not address a serious problem affecting the unemployed in the State of Massachusetts. There, upwards of 1,000 unemployed have been declared ineligible for extended Federal benefits because, contrary to State law, they worked for at least 3 weeks and earned at least $1,200 during the prior year. I am told that one former AT&T worker lost out on $6,000 worth of Federal unemployment insurance benefits just because he earned $1,265 for a couple weeks work as a bartender. That's a painfully unfair outcome, and one that we must try to avoid. I look forward to working with my colleagues from Massachusetts to do what we can to rectify this problem at the earliest possible time.

Mr. EWING. Mr. Speaker, I rise in support of H.R. 4095, which will again extend the Emergency Unemployment Compensation Program. Because this recession continues to drag on I feel it is absolutely necessary that we pass this legislation. It will bring needed help to those who have been struggling for some time now to make it through these difficult times.

My home State of Illinois has been hit very hard in just the last few months. Unemployment in October was 7.7 percent, and now stands at 9.2 percent. This is a dramatic increase in a short period of time and the Illinois economy has gone from bad to worse. There are more and more Illinoisans chasing fewer and fewer jobs. I think most of my colleagues will remember the recent national news coverage of several thousand people standing in line during a fierce snow storm just to apply for a job at a new hotel in Chicago. Many of these people have been unemployed for a long period of time, and will directly benefit from passage of this legislation.

My area of the State, east-central Illinois, until recently has been considered the least affected area of the State. However, we have been very hard hit this winter and have several pockets of very high unemployment. Let me give my colleagues some figures. In Kankakee County we have 11.5 percent, in Vermilion County we have 13.4 percent, and in Edgar County we have 12.8 percent. Many of these are manufacturing jobs which will not be replaced quickly. This legislation is extremely important and absolutely necessary.

I support H.R. 4095 not only because the recession has hit Illinois hard, but because it has hit many other States hard. This legislation is necessary to help thousands of families from all walks of life to get through these tough times.

I want to thank the President and the Congressional leadership for working in a bipartisan spirit to bring this legislation before Congress today.

I hope that we will work in the same bipartisan spirit over the next 6 weeks to enact an economic growth package which will get our economy moving again and create new jobs for the unemployed. This must be done prior to the March 20 deadline set by the President. While passage of this legislation will help get unemployed Americans through these tough times, it will not create new jobs. If we do not pass the President's economic growth package, and soon, the economy will continue its dive and we will be back in July passing another unemployment benefits extension bill.

Again, I strongly support this legislation to further extend unemployment benefits. I urge my colleagues to support it as well.

Mr. SWETT. Mr. Speaker, I rise today in support of H.R. 4095, which extends unemployment insurance for the millions of Americans left jobless by this crippling and disheartening recession.

We can do nothing less in these trying economic times than offer some small solace in the form of extended unemployment insurance to the hardworking people in New Hampshire and across the country who have lost their jobs and exhausted their benefits.

I am pleased to say that I have voted to extend jobless benefits to unemployed people in New Hampshire on every occasion that the issue has come before Congress.

Mr. Speaker, having said that, I must also express my disappointment that it took the combination of an upcoming Presidential election and a sharp plunge in the President's popularity polls to get him to turn his attention away from foreign affairs and toward home where the American people are suffering.

While the President was concentrating on foreign affairs, hard working Americans were forced to suffer through a recession that left millions without jobs and without hope.

The people I represent in New Hampshire have been hit particularly hard. Sadly, the State now leads the Nation in per capita personal bankruptcy filings, while the unemployment rate has jumped to 7.8 percent.

The factory worker in Nashua, the construction worker in Concord, and the computer operator in Keene are not to blame for this recession, yet it is they who are paying the price for the failed policies and corporate greed of the 1980's. It is not right. These are the people who make America great. They helped generate all those profits in the 1980's—they paid their unemployment insurance and it is our duty to do what we can to help these workers through this difficult time.

Mr. Speaker, under the disinterested watch of the business as usual administration, the American dream has gone astray, and the promise of a better life for future generations is in danger of being broken.

It is important that we agree to extend unemployment benefits today, but what is more important is that we in Congress create a long-term comprehensive plan to revitalize the economy. Judging from the State of the Union Address, the American people have reason to doubt whether our President is up to the task.

Mr. Speaker, if we act boldly to implement an aggressive and comprehensive plan that harnesses the skills, spirit, and determination of the American people, then we can and will succeed.

Mr. Speaker, I ask my colleagues to join me in once again supporting the extension of jobless benefits.

Mr. MARKEY. Mr. Speaker, I rise in strong support of this crucial second extension of unemployment benefits during the 102d session of Congress. H.R. 4095 is not simply a welcome supplemental benefit; it is a necessary and timely one. These 13 extra weeks will mean the difference between survival and catastrophe for millions of Americans, including hundreds of thousands of Massachusetts residents.

The legislation that we passed last November was meant to rescue those people who had exhausted their regular State benefits and still could not find work. We had hoped that the 13 or 20 weeks of Federal supplemental compensation would give Americans who were trying desperately to find work that extra time needed to support themselves again. We had hoped that it would be enough time for the unemployed to pick themselves up again and rejoin the ranks of those with secure jobs.

However, we are living in a nation—in its longest recession since the 1930's—with almost 9 million people out of work and maintaining an official unemployment rate over 7 percent, although a more accurate method of calculation would show it to be significantly higher. We did not know when we passed the last extension of benefits that the President's economic plan wasn't even going to be unveiled until January 28 of the following year, not right then in November when millions were already suffering.

In my own State of Massachusetts, over 8.4 percent of the work force are on the official unemployment roles. In the month of December alone more than 110,000 people in the Commonwealth of Massachusetts applied for unemployment benefits. This is a region which has been ravaged by this 18-month-long recession. This extension of Federal benefits is essential for the men and women of Massachusetts if they are to outlast this affliction of recession.

While the passage of this bill is essential, a technical problem in the law may mean that many of our Nation's unemployed will be prevented from receiving their complete extension. This technical problem results from the interaction of State and Federal benefit calculation rules for claimants who are in their second year of benefits. This technical problem can affect unemployed individuals across the Nation, but particularly in the 15 States of Massachusetts, Washington, Michigan, California, Maine, Pennsylvania, Alaska, Connecticut, Mississippi, New Jersey, Oregon, Puerto Rico, Rhode Island, Vermont, and West Virginia. Ironically, the problem of benefit cut-off only arises for those individuals who found some work during their first year. I will be working hard in the weeks ahead with congressional leadership and Members from those States most immediately affected.

The 13-week extension of the Federal supplemental compensation embodied in H.R. 4095 is our obligation to the millions of Americans who are still struggling to rediscover their dignity through stable employment in the United States. I ardently support this legislation and call upon my colleagues to swiftly pass H.R. 4095.

Mr. DELAY. Mr. Speaker, I rise in opposition to this bill. I fully realize my position is not popular. The easy vote is to support the deal in the back room. Once again, Congress will vote to increase taxes and spending. What's worse is that Democrat majority which controls the House of Representatives continues to prevent any votes on legislation to correct the problems in our sick economy.

For more than 1 year now, I have come to the well of this floor to urge consideration of progrowth economic legislation.

For more than 1 year, the Democrats have refused to even allow a single vote on the issue.

Before I will agree to spend another dollar of taxpayers' money on treating the symptoms of a sick economy, I demand the opportunity to vote on a cure.

I have spent countless hours speaking on the floor of this House outlining the growth package I believe this economy needs. Many other Members of this body have their own proposals.

Why have unemployed Americans been denied a vote on my Economic Growth and Jobs Creation Act?

Why have unemployed Americans been denied a vote on any economic growth package?

My unemployed constituents want a paycheck, not a Government check. They want jobs.

This bill is a poor substitute for a Band-Aid. One of the biggest problems in our economy is the fiscal irresponsibility of Congress. Our budget deficit is projected to be $399 billion this year.

Yet to fund this additional spending we use accounting gimmicks. If we wanted to be responsible today, we would cut spending elsewhere in the budget to pay for these increased benefits, but we don't.

Further, the distinguished ranking Republican member of the Ways and Means Committee, Mr. ARCHER, accurately points out that soon the Democrat majority will be calling for another payroll tax increase.

One year ago, the Extended Unemployment Compensation Account had a balance of more than $7 billion. This legislation will leave it with about $1 billion. Several members sought a tax increase when they thought that $7 billion was too low. You can be certain they will return shortly. Those who make the easy vote today for increased benefits will be called upon shortly to raise the FUTA payroll tax.

The legislation before us today does absolutely nothing to create jobs for these people. The Democrat majority won't even guarantee a vote on a growth package in the future. Our economy has been in trouble for a long time and it is irresponsible for the Democrat majority of this House to ignore efforts to correct the problems.

I urge my colleagues to oppose extending benefits until the Democrat leadership guarantees consideration of economic growth legislation on the floor of this House.

Mr. COX of Illinois. Mr. Speaker, I rise today in support of extending unemployment benefits to those Americans who most need them—Americans who have been out of work for more than 26 weeks. It is crucial that we act now so these men, women, and their families can receive these extra benefits they desperately need.

As we all know, the current economic recession has made unemployment a pressing problem in this Nation and we, as the Congress, must do what we can to help those Americans who are out of a job. Significant numbers of Americans are currently out of work and I do not see any immediate signs of an end to the present economic situation. In Illinois, for example, Department of Labor statistics show a substantial increase from November to December 1991, in the number of persons who were unemployed due to the loss of a job. In Rockford, IL, the economic heart of my district, unemployment stands at 10.4 percent. The overall average in Illinois is 9.2 percent. In addition, these numbers also show a decrease in unemployed persons reentering the work force. Once becoming unemployed, Americans are finding it more difficult to get a job before their unemployment benefits expire. In addition Americans are also facing rising costs for necessities. They must pay health care and utilities, as well as buying food and clothes. These benefits are essential for these workers to meet the daily needs of their families.

In realizing that getting a job is becoming more difficult, we must also realize that this Congress must take some responsibility in helping the unemployed until jobs become available. We cannot send mixed messages to the jobless. This legislation is not a long-term solution, but it is the responsible approach to avoiding short-term economic despair for thousands of Americans. These extended benefits will aid unemployed workers as they move toward obtaining full and productive employment.

In November, this Congress extended regular unemployment benefits for an extra 13 to 20 weeks. Many workers who qualified for this original extension are still unemployed. If we do not act soon, their benefits will run out in the middle of this month. By extending jobless aid through July 4, 1992, we are giving these unemployed Americans a chance to qualify for assistance and an incentive to continue their contribution to our economy.

As we speak of helping the unemployed, we must also speak of fiscal responsibility. When I look at any piece of legislation, I am first faced with the question: How do we pay for this? I am happy to see that this legislation is budget neutral thanks to responsible leadership on both sides of the aisle.

With this in mind, I strongly urge my colleagues to support this important legislation. We must make these additional extensions available to those unemployed Americans who desperately need them.

Mr. BLACKWELL. Mr. Speaker, I am pleased to rise in this noble Chamber to offer my support for H.R. 4095, the emergency extension of unemployment benefits.

I am especially troubled over the rapid growth rate of unemployment in the Second Congressional District of Pennsylvania which I represent. The district now suffers with an all-time high unemployment rate of approximately 8 percent, and this percentage is subject to change overnight without warning and without any given set of criteria for determining who will be targeted. There is no consideration for a person's economic status or family size, thus, these circumstances trouble me and cause me to suffer a great deal of uneasiness.

There is no question, we are indeed in a recession, and we as lawmakers must take responsible steps to work our way back to a stable economy through legislative means or, for that matter, through whatever lawful means necessary. We as lawmakers have been elected to public office by those who have faith and confidence in our leadership ability—and we must deliver.

No doubt, an expression of support of H.R. 4095 is clearly a move in the right direction, although it does not solve the problem. Mr. Speaker, my colleagues and I certainly do have a tough job ahead of us in bringing the economy of this country back to stability. I will certainly do my part.

Mr. GEREN of Texas. Mr. Speaker, I rise today in support of H.R. 4095, the emergency extension of unemployment benefits. Like many of us here today, I have spent a great deal of time in my hometown lately, outside of the Washington Beltway, in real America, where the pain of our changing economic and political landscape is felt daily and most deeply.

In the case of my own hometown, the end of the cold war has been economically devastating. As I stand here, there are nearly 43,000 men and women who have lost their jobs through no fault of their own. Most are former defense workers who must dig themselves out of the rubble left by political events on the other side of the world. Others are victims of our struggling economy. All of them are shell shocked by the lack of economic opportunity available to them.

There is very little suspense today behind this debate on H.R. 4095. The American people know we will extend unemployment benefits for an additional 13 weeks and unemployed workers in this country will be able to make it another day. But what about all of the days to follow?

Mr. Speaker, when we finally approve H.R. 4095 today, our work will be far from finished.

Just how much longer will Congress and the administration extend emergency unemployment benefits while ignoring the need for new economic opportunities to help unemployed Americans rebuild their future? Just how much longer will Congress and the administration turn a blind eye to the economic reforms that this country so desperately needs?

Mr. Speaker, we need to renew our commitment to America's future. We need economic incentives to encourage American business to create new jobs that will take advantage of this country's highly skilled work force. We need incentives to encourage businesses to invest in areas that are hurting, and we need incentives to encourage our highly skilled workers to remain in these areas.

But incentives for American business are only part of the formula for American economic renewal. We must also look beyond our own borders and reform the way we do business with our trading competitors. That means telling the Japanese and our other economic competitors the facts—either they open up their markets to us or we will deny them access to ours. And words are not enough. We must follow up tough talk with tough action, with trading policies that will level the playing field for American workers.

And once the doors of fair trade are open, we need worker retraining programs that will prepare our workers for the fierce international competition they will face. We have the most capable and hard-working men and women in the world right here in America. Their toughest competitor should not be the out-of-date retraining policies within their own country.

Mr. Speaker, the clock is ticking for the 43,000 unemployed workers in my hometown. An additional 13 weeks of unemployment benefits should only be the beginning of our efforts to get them back on their feet. These benefits will keep food on their tables and the wolf from the door, but they won't help to create one new job.

They won't get north Texas back to work, and they won't get America back to work. For that, we have much work left to do.

Mr. LEVINE of California. Mr. Chairman, I rise today in strong support of extending unemployment benefits to the millions of laid-off workers who are the real victims of the current recession.

In my own State of California, we lost 660,000 jobs since the recession began in 1990. Many or our key industries such as high technology, agriculture, and aerospace have been particularly hard hit by the recession.

And, because of the stagnant national economy, those who have lost their jobs in these and other sectors have found it extremely difficult to find work.

Passage of this legislation will temporarily ease the pain of the unemployed. Hopefully, it will allow them to keep their homes, put food on their table, and pay some of their bills.

I am also pleased that the President, rather than fighting against this extension, and turning his back on the recession's victims as he did last year, has said that he will sign this bill.

But passage of this benefits bill is no solution to the problem. While it will ease some pain, it will do nothing to get Americans back to work and deal with our economy's underlying ills.

Congress and the President must get serious about enacting a legislative program to prepare our economy for the challenges of the 1990's and the 21st century.

While the President did offer some useful ideas in his State of the Union speech which Congress should enact quickly, he failed to offer any sort of plan to prepare our workforce or our business sector for the challenges of the post cold war world.

Since he seems to be without any useful ideas, I thought I would take a moment to offer a few of my own. First, and most important, we need to get serious about retraining our displaced workers. Many, and probably most, of the jobs lost in the current recession will be lost forever. They are victims of the restructuring we can expect to see more, not less, of in the future.

In order to cope with these changes in our economy, workers will need to become life long learners. Just as we invest in our children's education, we must be willing to invest in training and retraining our workers. If the United States is to compete in the high technology, knowledge-intensive economy of the future, we must ensure that we have the best trained, best educated workers anywhere in the world.

Similarly, we need a Federal Government committed to encouraging job creation and improving our international competitiveness. Once again, in this key area the President was silent in his State of the Union Message.

We cannot continue to do business as usual in the post cold-war world. We need to reorder our priorities and restructure our Government to prevail in the global economic competition of the 21st century just as we prevailed in the cold war.

I have proposed a number of ways to help accomplish this goal. Among them are:

Reprioritizing Federal R&D spending: We currently devote 70 percent of Federal R&D spending to the military. At the very least that percentage should be equalized, and ultimately, reversed.

Reorganize, the Federal bureaucracy: The Commerce Department should be reorganized into a department of industry and trade, with an advanced civilian technologies agency, a civilian counterpart of DARPA as a key part.

Technology Corporation of America: Just as the Radio Corporation of American [RCA] played a key role in making the United States the preeminent force in developing radio technology we need a TCA to provide desperately needed capital and assistance in the development of new products and technologies.

Invest in America: We need to orient our Federal spending priorities to invest in our country's future rather than squandering Federal dollars as we did in the 1980's. This means increased spending on education, physical infrastructure, and the infrastructure needed to compete in the high technology world of the future.

These are a few of the ideas I wish the President had mentioned in his State of the Union and that I hope that Congress will take action on this year.

As important as the extension of unemployment benefits is, it is only a stop-gap solution to the problems plaguing our economy.

I have no doubt that the United States has the ability to remain the dominant force in the world economy in the 21st century. But in order to do so we need to prepare now. We cannot afford to drift along without a leader or a plan.

Mr. MARKEY. Mr. Speaker, many of the Nation's millions of unemployed workers have been saved from the precipice of financial disaster by the two recently passed extensions of the emergency unemployment benefits. However, we are now learning that due to an unforeseen technical inconsistency in the law, tens of thousands of unemployed workers will not receive the full extension of benefits that is due to them.

I am pleased to introduce legislation, along with Representative MOAKLEY and others, to correct that inconsistency and assure that the unemployed receive the full benefits that are due them. The Unemployment Benefits Assurance Act of 1992 is also being introduced in the Senate by Senator EDWARD KENNEDY. Its timely passage is necessary to keep the unemployed from unfairly losing their benefits.

H.R. 4095, as was H.R. 3575 before it, was a necessary and timely bill. The 13 extra weeks will mean the difference between survival and catastrophe for millions of Americans, including many thousands of Massachusetts residents. While our passage of this bill was essential, a technical problem in the law will mean that many of our Nations' unemployed will be prevented from receiving their complete extension. This technical problem results from the interaction of State and local benefit calculations rules for claimants who are in their second year of benefits. This technical problem can affect unemployed individuals across the Nation, but particularly in the following 15 States: Massachusetts, Washington, Michigan, California, Maine, Pennsylvania, Alaska, Connecticut, Mississippi, New Jersey, Oregon, Puerto Rico, Rhode Island, Vermont and West Virginia.

Ironically, those who will be prevented from receiving their complete extension are the very individuals who somehow found work part-time, or work for some temporary period, during the last difficult year of recession. It is these people who will be locked out of their full Federal supplemental compensation benefit solely because they were fortunate enough to find some work during their first year of benefits.

States calculate benefits in benefit years, or 52 week periods in which an individual is entitled to receive unemployment compensation. If a person's benefit year expires while they are receiving Federal supplemental compensation, their claim must be interrupted while they file a new claim for regular State benefits.

When the new claim is filed, the States take into consideration any wage earnings from part-time or temporary employment during the previous year. If such earnings are too high—$1,300 in California and $1,200 in Massachusetts for example—the individual will not be allowed to resume collecting Federal supplemental compensation benefits.

Instead, these workers will qualify for a new State benefit year. Their new weekly benefit will be calculated using the lower wages, in some cases drastically lower wages, from the part-time or temporary employment. Consequently, the benefit that they receive will be far lower than the Federal supplemental compensation.

These unemployed, penalized for working in some capacity, will not receive the assistance of the emergency benefits which we secured for Americans just like them. These people would have been better off not having worked at all. That is not the message the Congress intended to send to the unemployed with the passage of The Emergency Unemployment Compensation Act and its extension.

Today's legislation is an essential step that is needed to rectify this situation. This legislation would require the unemployed to file their new State claim, but allow them to elect to receive their Federal supplemental compensation. Once a claimant's Federal benefits were exhausted, they could begin their second State claim. This would ensure that their original goal of providing emergency aid to the unemployed is not diverted. I urge my colleagues to join me in cosponsoring this bill and working for its speedy passage.

Mr. ARCHER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DOWNEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McCLOSKEY). The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and pass the bill, H.R. 4095, as amended.

The question was taken.

Mr. DOWNEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

PERSONAL EXPLANATION

Mr. DYMALLY. Mr. Speaker, due to a medical appointment in Los Angeles, I was unable to vote on H.R. 4095, the Emergency Unemployment Compensation Act and House Resolution 341, the October Surprise task force resolution.

Had I been present, I would have voted "yea" on both bills.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4046

Mr. TALLON. Mr. Speaker, I ask unanimous consent to have the name of the gentleman from Florida [Mr. LEWIS] removed from cosponsorship of H.R. 4046.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

REAUTHORIZING TITLE I OF THE MARINE PROTECTION, RESEARCH, AND SANCTUARIES ACT OF 1972

Mr. HERTEL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3749) to reauthorize title I of the Marine Protection, Research, and Sanctuaries Act of 1972, as amended.

The Clerk read as follows:

H.R. 3749

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

Section 111 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1420) is amended by striking "for each of" and all that follows through the end of the section and inserting the following: "for fiscal year 1991 and not to exceed $14,000,000 for each of the fiscal years 1992, 1993, 1994, and 1995, to remain available until expended.".

SEC. 2. SEIZURE AND FORFEITURE.

Section 105 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1415) is amended by adding at the end the following:

"(i) SEIZURE AND FORFEITURE.—

"(1) IN GENERAL.—Any vessel used to commit an act for which a penalty is imposed under section 105(b) shall be subject to seizure and forfeiture to the United States under procedures established for seizure and forfeiture of conveyances under sections 413 and 511 of the Controlled Substances Act (21 U.S.C. 853, 881).

"(2) LIMITATION ON APPLICATION.—This subsection does not apply to an act committed substantially in accordance with a compliance agreement or enforcement agreement entered into by the Administrator under section 104B(c).".

SEC. 3. NATIONAL FISH AND WILDLIFE FOUNDATION.

Notwithstanding any law, interest earned by the National Fish and Wildlife Foundation and its subgrantees on Federal funds drawn down but not immediately disbursed shall be used to fund direct projects and programs as approved by the Foundation's Board of Directors.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan [Mr. HERTEL] will be recognized for 20 minutes, and the gentleman from New Jersey [Mr. SAXTON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today the House of Representatives is considering H.R. 3749, the reauthorization of title I of the Marine Protection, Research, and Sanctuaries Act of 1972, commonly referred to as the Ocean Dumping Act. This legislation would extend existing provisions of the Ocean Dumping Act and provide a slight increase in the current authorization total from $12 to $14 million for each fiscal year from 1992 through 1995.

The Ocean Dumping Act of 1988 regulates the transportation and dumping of a variety of waste and hazardous materials into ocean waters. Under the direction of the Army Corps of Engineers and the environmental Protection Agency, restrictions are in force to limit the type, the extent, and the location of sludge and waste materials dumped into ocean waters. Permits are issued under strict guidelines to ensure that human and environmental health are not compromised. In fact, EPA has not issued new permits since 1988, and outright dumping of radiological, chemical, biological warfare agents, radioactive waste, and medical waste is prohibited under the Ocean Dumping Act.

A civil and criminal penalty structure is established under the Ocean Dumping Act to punish violators. H.R. 3749 amends section 105 of the act adding a new subsection (i) to authorize the seizure and forfeiture of any vessels used in knowing violation of the restrictions on ocean dumping. Liability for seizure, forfeiture, and disposal of materials carried as cargo are to be borne by the violating vessel titleholder.

In hearings before the Merchant Marine and Fisheries Committee, the Ocean Dumping Act was evaluated and found to have had a positive impact in limiting ocean dumping and preserving the public health. H.R. 3749 was subsequently introduced to extend the act without substantial changes. The House Public Works and Transportation Committee supports H.R. 3749.

The Merchant Marine and Fisheries Committee amendment on H.R. 3749 makes a change in the manner in which interest earned on donations to the National Fish and Wildlife Foundation are directed. This portion of the bill is solely within the jurisdiction of the Merchant Marine and Fisheries Committee and is necessary to make permanent a change afforded through the 1992 appropriations bill for the Department of the Interior last year.

Given these explanations of the bill before us, Mr. Speaker, I ask that the House adopt H.R. 3749 today and by so doing ensure that controls on ocean dumping remain in effect.

Mr. Speaker, I reserve the balance of my time.

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first let me commend the gentleman from Michigan [Mr. HERTEL], the chairman of the subcommittee, for the expeditious way in which this bill was handled throughout the committee process, as well as one of its prime sponsors, the gentleman from New Jersey [Mr. HUGHES], who for many years has played a very important and leadership role in getting us to the point where we are this afternoon in consideration of this bill.

Mr. Speaker, the Ocean Dumping Act is the established permit and enforcement system for controlling the disposal of materials into the ocean. Ironically, through its review and testing process, it has also provided a mechanism to stop some of the most egregious abuses of our ocean and coastal waters, while at the same time allowing for the careful disposal of dredged materials vital for maintaining our Nation's ports.

The permitting system established by the Ocean Dumping Act has forced dumping activities to be subjected to environmental standards necessary for the protection of human health, and necessary to protect our Nation's fishery resources and the marine ecosystems on which they depend.

As a result of enforcing these environmental determinations, this body has acted to ban the ocean dumping of radioactive waste, chemical warfare agents, and more recently medical and industrial wastes.

I am pleased to remind my colleagues that the Congress will add another item to that list of banned abuses when the ocean dumping of sewage sludge will finally end this year in June.

This reauthorization of the Ocean Dumping Act will continue the resources necessary for providing the environmental evaluations and enforcement activities vital for protecting our ocean and coastal habitats from unsound practices.

I urge my colleagues to support this reauthorization.

Mr. Speaker, I would like to make a final observation.

I note that section 2 of the bill, which authorizes the seizure and forfeiture of vessels used in criminal violations of the Ocean Dumping Act, will not apply to vessels used to transport and dump sewage sludge from certain New York municipalities in 1992, as long as they are in substantial compliance with their Environmental Protection Agency enforcement or compliance agreements. I appreciate Congresswoman LOWEY's cooperation in drafting this section of the bill, which I believe will strengthen EPA's enforcement options.

I urge my colleagues to also support this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. HERTEL. Mr. Speaker, I wish to thank my good friend the gentleman from New Jersey [Mr. SAXTON] for all of his leadership in this area, as well as that of the entire New Jersey delegation.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. NOWAK].

Mr. NOWAK. Mr. Speaker, I wish to engage in a brief colloquy with the gentleman from Michigan [Mr. HERTEL].

Mr. Speaker, the bill presently under consideration, H.R. 3749, extends the authorization for the Ocean Dumping Act, which provides for the regulation by the Corps of Engineers and the Environmental Protection Agency of dumping of materials in the ocean. Since the 97th Congress, bills dealing with the Ocean Dumping Act reported by the Committee on Merchant Marine and Fisheries, have traditionally been sequentially referred to the Committee on Public Works and Transportation in light of our jurisdiction over the regulatory program of the Corps of Engineers and pollution of navigable waters.

□ 1400

H.R. 3749, through an inadvertence, was not sequentially referred. We requested a delay in its consideration so that we might determine whether we wished to make substantive amendments before seeking a sequential referral, as we did not wish to unduly delay the bill's consideration.

We have no such amendments and therefore have concurred in the consideration of the bill.

Mr. HERTEL. Mr. Speaker, I thank the gentleman for his explanation and concur with his assessment of jurisdiction and the history of sequential referrals. I appreciate his cooperation in assuring that this bill was brought to the floor at an early date and that we passed it today.

Mr. NOWAK. Mr. Speaker, if the gentleman will continue to yield, I thank the gentleman and was pleased to be of assistance in this matter.

Mr. HERTEL. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. HUGHES], who has been a leader on this issue and many others that are before the Committee on Merchant Marine and Fisheries.

Mr. HUGHES. Mr. Speaker, I thank the distinguished gentleman from Michigan [Mr. HERTEL] for yielding time to me.

I would like to first of all commend my colleague, the gentleman from Michigan [Mr. HERTEL] for his leadership not just in ocean dumping but in a whole host of ocean policy issues.

Mr. Speaker, I rise today in support of title I of the Marine Protection, Research, and Sanctuaries Act which reauthorizes the Ocean Dumping Ban Act.

The issue of ocean dumping has been of interest to me throughout my tenure in Congress. Ocean dumping has been a primary source of pollution for the better part of a century, but with the enactment of the Ocean Dumping Ban Act, all dumping of municipal and industrial wastes in the ocean has ceased almost entirely.

Most cities and over 300 chemical dumpers that once dumped their sludge into the ocean have found environmentally sound alternatives. This has been largely due to legislation Congress overwhelmingly approved, which I authored in 1977, to end the ocean dumping of sewage sludge and industrial waste by December 31, 1981.

Unfortunately this law did not go unchallenged and during the 100th Congress, enactment of the Ocean Dumping Ban Act once again called for an end to the ocean dumping of sewage sludge and industrial waste. This law is comprehensive in scope, combining a ban on the ocean dumping of sewage sludge and industrial waste after December 31, 1991, with funding and enforcement mechanisms necessary to ensure that environmentally sound alternatives are developed.

I want to thank the gentleman from Michigan for his assistance and leadership in moving that legislation through and in particular the gentleman from New Jersey, JIM SAXTON, who picked up the reins after Ed Forsythe passed on and the gentleman from New Jersey, JIM SAXTON, has been one of the leaders in this area and ocean policy generally.

I appreciate his bipartisan assistance in making this legislation possible.

As a result, the remaining six New Jersey municipalities that once used the 106-mile dumpsite off Atlantic City ended the ocean dumping of their sewage sludge on March 17, 1991. Only the city of New York has been unable to meet the December 31, 1991 deadline. Instead, they will come into compliance by the end of June 1992.

The Ocean Dumping Ban Act also addresses the problems associated with medical and other waste. It places tough new restrictions and penalties on the dumping of medical wastes in coastal waters, and sets stringent regulations on the handling and transportation of garbage by barge.

Little is known about the long-term effects that dumping will have on marine ecology. We can't afford to ignore the potential impact of metals and organic compounds on marine life in the deep ocean and throughout the ecosystem. Therefore, it is essential to the preservation and protection of our fragile marine resources to reauthorize the Ocean Dumping Ban Act.

Accordingly, I strongly support title I of the Marine Protection, Research, and Sanctuaries Act, and urge my colleagues' favorable consideration of this legislation.

My colleague from the Committee on Public Works and Transportation just entered into a colloquy with the gentleman from Michigan. The Committee on Public Works and Transportation has been an important player, and nobody has provided more leadership in joining with the Committee on Merchant Marine and Fisheries than the gentleman from New Jersey [Mr. ROE], our colleague, the dean of our delegation, who at great risk to his own political base supported ocean dumping as well as the gentleman from New York, HENRY NOWAK.

Mr. HERTEL. Mr. Speaker, I thank the gentleman from New Jersey [Mr. HUGHES] for his leadership in this and many environmental areas. It is also proper that we should thank the gentleman from New Jersey [Mr. ROE] for all his help and assistance in this area.

Mr. Speaker, I yield 5 minutes to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Speaker, I rise in strong support of H.R. 3749, legislation to reauthorize title I of the Marine Protection, Research, and Sanctuaries Act—better known as the Ocean Dumping Act.

I want to express my appreciation to the chairman of the full committee, Mr. JONES, and to the chairmen of the subcommittees on Fisheries and Wildlife Conservation and the Environment, and Oceanography and Great Lakes, Mr. STUDDS and Mr. HERTEL, for their expeditious work in bringing this measure to the floor. Their prompt action in moving this legislation reflects the wide support in Congress for the Ocean Dumping Act's provisions and the well recognized success of its programs to regulate ocean discharges.

This straightforward reauthorization provides $14 million per year through 1995 to support the various permitting, enforcement, and monitoring activities of the Army Corps of Engineers, the Environmental Protection Agency [EPA], the Coast Guard, and the National Oceanic and Atmospheric Administration [NOAA]. The Ocean Dumping Act and its amendments have made a significant contribution to improving coastal water quality in this country. Congress should provide this program the necessary authority and funding to continue its important work.

The success of the Ocean Dumping Act's programs is clear to anyone who visits the beaches around the New York metropolitan area, where washups of medical waste slicks and drums of toxic material are becoming a more and more distant memory. The investment in controlling hazardous and medical waste dumping has paid off by the tens, even hundreds of millions of dollars in tourism gained each year by making the New York area's beaches free of harmful waste. Few programs authorized by Congress can match the cost-benefit ratio achieved by the Ocean Dumping Act.

After June 30 of this year, all ocean dumping of sewage sludge will have ended due to the successful implementation of the Ocean Dumping Ban Act. I am pleased to say that Westchester County met the deadline prescribed in the legislation and is now working to develop and implement a permanent alternative to ocean dumping sewage sludge. This summer, New York City is scheduled to become the last municipality to close the door on sludge dumping.

Spurred on by the Ocean Dumping Act, virtually all of the municipalities who once relied on ocean dumping are now investigating or developing innovative, beneficial uses for their sludge, including using it as fertilizer, top soil, or landfill material. By continuing to fund the ODA's programs, we can help these communities complete a successful transition away from ocean dumping sewage sludge and toward alternatives that make economic and environmental sense.

The Ocean Dumping Act also includes tough penalties to help ensure that the time and money spent on permitting and monitoring ocean dumping is not nullified by careless or criminal behavior at sea. H.R. 3749 contains a provision to strengthen the hand of enforcement agencies even more by authorizing the seizure and forfeiture of vessels used to commit criminal violations of the Ocean Dumping Act.

This provision, which I offered as an amendment in committee, provides the Justice Department the authority to seize the vessels of criminal ocean dumpers for whom fines and other penalties are not a sufficient deterrent. In the New York metropolitan area, we have seen numerous cases in which certain hauling companies have continued to dump illegally after being caught and fined. This provision hits those companies where it hurts by authorizing the seizure and forfeiture of vessels used to foul our marine environment.

This measure was inspired by a bill introduced by Congressman GEJDENSON and is narrowly drawn in order to target only criminal activity as defined by the Ocean Dumping Act. Vessels involved in accidents or equipment failures, which lead to unintentional releases, will not be subject to forfeiture. The amendment also specifically exempts communities, including New York City, that are engaged in sludge dumping pursuant to enforcement agreements, provided for by the Ocean Dumping Ban Act.

The Ocean Dumping Act has resulted in a significant reduction in harmful ocean dumping in our waters, and sludge dumping will soon cease altogether. Despite these efforts, unscrupulous marine haulers and other criminals, who are willing to risk being fined, are continuing to dump in our waterways, mocking Federal law and endangering the marine environment. There have even been reports about the dumping of radioactive material off the coast of Massachusetts. Under current law, the Federal Government would not be able to seize the vessels of those responsible for these heinous crimes.

This legislation will add some needed muscle to ODA enforcement efforts and will help to ensure that the success of the Ocean Dumping Act continues unimpaired. I urge adoption of this legislation.

□ 1410

Mr. HERTEL. Mr. Speaker, I thank the gentlewoman from New York for all of her support and really her leadership in this entire area.

Mr. Speaker, I yield such time as he may consume to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, I would first like to thank Chairman HERTEL and the gentlewoman from New York [Mrs. LOWEY], as well as the gentleman from North Carolina, Chairman JONES, and the gentleman from Massachusetts, Chairman STUDDS, and the gentleman from Michigan [Mr. DAVIS] and their staffs for working on this provision.

One of the things that has always struck me is that as we try to deal with environmental problems, whether at sea or on land, oftentimes we end up with a situation where the penalties are worth the risk when looked at economically, and the penalties for violating the law are so small and the cost of proper disposal becomes too high. For some medical wastes, the cost of proper disposal runs as high as $2,000 a ton, and some of the fines for ocean dumping are as low as $50,000. With a quick calculation, some of these companies have figured out that it was well worth the risk of a $50,000 fine per violation as compared to the hundreds of thousands of dollars it might cost to legally dispose of their hazardous substances.

So, what the committee does today in this legislation which I introduced in the previous Congress, with the great support of Chairman HERTEL and particularly Representative LOWEY, is I think an important step forward. I can remember as a young man reading two books by Thor Heyerdahl in his travels across the ocean in which there was about a 20-year gap, and in his most recent trip as he took it across the ocean what struck him most was 20 years earlier it was an ocean virtually without pollution as he traveled from Europe to the United States or from Africa to the United States. But in his more recent trip, the whole trip was covered by slicks and debris in the ocean waters. We need to understand that this planet we live on does not have the absorptive powers we once believed it did to deal with any pollution, and the laws we pass here will go a long way to protecting our natural resources, the fish we eat and the water that we and our children swim in in the oceans.

So I would just like to thank the committee for including this provision and for the great work it has done in protecting our oceans and our sounds.

Mr. Speaker, I rise today in strong support of H.R. 3749, legislation to reauthorize title I of the Marine Protection, Research, and Sanctuaries Act of 1972. In particular, I would like to express my support for section 2, which authorizes the seizure and forfeiture of vessels used to illegally dump waste into our Nation's oceans and waterways. I would especially like to express my appreciation to Representative LOWEY, my fellow Long Island Sound colleague for her tireless efforts on this bill, to Chairman HERTEL for his support, to Chairman STUDDS, Representative DAVIS and Chairman JONES and their staffs for all of their hard work and advice in crafting this language.

For the past several Congresses, I have introduced legislation very similar to this section, the Illegal Dumping Prevention Act, which would give the Environmental Protection Agency [EPA] and the Attorney General, the enforcers of the Nation's ocean dumping laws, the authority and flexibility that they need to seize boats and other vessels of waste transporters found guilty of illegally dumping waste, which will provide a strong incentive for potential polluters to comply with the laws.

At the end of the 100th Congress, legislation was passed and signed into law to ban future ocean dumping of sewage sludge. It also set tougher penalties for those caught dumping medical waste. However, the Illegal Dumping Prevention Act and section 2 of H.R. 3749, give the enforcers of the Ocean Dumping Act the additional muscle and flexibility to more effectively stop the illegal dumping of all types of waste. It will give these entities greater ability to deal with the short dumping of sewage sludge and waste that is permitted to be dumped in a particular site, but which is intentionally dumped short of the designated location.

This legislation will provide an additional sentencing option for the EPA and the Attorney General and more importantly provides a strong incentive for waste disposers and transporters to comply with the laws on the books. Failure to comply could result in the loss of their vessel and thus the potential loss of their livelihood.

Mr. Speaker, for most waste haulers the laws prohibiting ocean dumping and the fines associated with them are a sufficient deterrent. However, for some that is not the case. For some waste haulers, the cost of proper disposal far exceeds the potential fines for violations and thus for them, illegal dumping is worth the risk.

For some types of waste, including medical waste, hazardous and radioactive waste, proper disposal can cost more than $2,000 per ton, yet the fines can be as low as $50,000 per violation. It doesn't take an accountant to figure out that in these cases it can be cheaper to violate the law and pay the fine if they get caught.

In the Long Island Sound, for example, two ocean-going ships are currently being prosecuted for entering the Port of New Haven without any garbage on board because they are presumed to have dumped it overboard. According to some sources, this was not their first offense. For these ships—though not waste transporters but ocean vessels—they made a choice to dump their waste into the Long Island Sound. If guilty, this shipper made a conscious decision to take the risk on getting caught and simply pay the fine. For them, the penalties and fines are clearly not a deterrent. Vessel forfeiture, on the other hand, would definitely make them think twice about intentionally fouling the Long Island Sound or the ocean.

In 1983, Mr. Speaker, a number of fishermen reported that they were dragging up barrels containing radioactive waste in the Massachusetts Bay. Although some of the barrels were disposed of in a predetermined site by the Manhattan Project more than 20 years earlier, scientists from the EPA and the National Undersea Research Centers examined the drums and determined most of them could not have been 20 years old. The rust and degradation showed that they could not have been more than 4 or 5 years old. Although the specific contents of these barrels is not clear, they are presumed to contain hazardous materials. And while proper disposal of most types of hazardous waste can cost more than $2,000 per ton, considering the amount of this type of waste that is generated, the cost of proper disposal would still be higher than the fines for dumping illegally. For the dumpers of this waste, taking the chance of getting caught and paying the fines was still worth the risk.

Had this bill been law, these illegal dumpers may have thought twice about dumping hazardous wastes into the Massachusetts Bay and potentially poisoning one of the richest fishing grounds in the United States.

Mr. Speaker, the intent of this legislation is to provide additional muscle for the enforcers of the Ocean Dumping Act to crack down on repeat violators of the act who clearly are not deterred by the existing fines. It will also provide a strong economic incentive for waste haulers and shippers to comply with the law or face the loss of their boat.

In drafting the legislation and the amendment offered by Mrs. LOWEY of New York in the Merchant Marine and Fisheries Committee, we were very careful to ensure that accidental dumping or dumping activities that are in accordance with a compliance agreement are not subject to this act.

Though vessels can only be seized when waste transporters are found guilty, this bill sends a strong signal to illegal dumpers that their actions will no longer be tolerated. Illegal dumping threatens a vital economic and environmental resource on which our entire Nation depends and this legislation provides a strong economic incentive for waste transporters and shippers to comply with the laws. Section 2 of H.R. 3749 provides a tough sentencing option to use against those who profit from polluting and it makes it clear that we are serious about protecting our oceans.

I urge my colleagues to join me in support of this legislation and in sending that strong signal. It is time that we made it clear that polluters must stop using our oceans and waterways as their personal sewers.

Mr. HERTEL. Mr. Speaker, I want to thank the gentleman from Connecticut again for originally having had the idea as amended in the bill to deal with seizure and forfeiture and disposal of materials, and also again thank the gentlewoman from New York [Mrs. LOWEY] for introducing that in the committee.

Mr. Speaker, I yield my remaining 3 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I want to thank Chairman HERTEL for his efforts on behalf of this bill. I basically want to indicate my strong support for reauthorization of this legislation.

I think when the legislation was first proposed a few years ago no one realized necessarily how far flung it would be and how effective it would be. I know that it has been tremendously effective along the Jersey shore in terms of making sure that we are out of the ocean with our sludge.

The process that was set forth in the bill originally has led to a situation pursuant to consent decrees where as far as the State of New Jersey is concerned now all of the sludge that was being dumped off the coast is now out of the ocean and being disposed of on land, and we know that soon in 1992, maybe within the next few months, we will also see the end of ocean dumping of sludge material by the city of New York. That has a far-reaching effect. It has not only had effect in terms of dumping of sludge material, but also in other areas. I think within the State of New Jersey—and certainly nationwide—the effort has continued to try to remove ocean dumping of other sources, such as wood burning material, which has now also ended off the coast of New Jersey.

I just want to commend the sponsors, particularly my two colleagues, the gentlemen from New Jersey, Mr. HUGHES and Mr. SAXTON, who were also very instrumental from the very beginning in pushing for this legislation against some great odds at the time, and want to indicate that we are very much in support of this reauthorization and also very much supportive of the notion that we want to stop ocean dumping, not only of sludge material, but all other forms of dumping that continue to take place, in some cases off the coast, and we will be working in the context of the reauthorization of the Clean Water Act this year to address some of the other ocean dumping problems that relate to this, such as the dumping of toxic dredge materials.

Mr. JONES of North Carolina. Mr. Speaker, today I rise in support of H.R. 3749, a bill to authorize appropriations to carry out title I of the Marine Protection, Research, and Sanctuaries Act at $14 million a year for fiscal years 1992 through 1995. The bill also authorizes the seizure and forfeiture of vessels used to criminally violate title I.

Appropriations authorized under title I are used by the Environmental Protection Agency to regulate the dumping of sewage sludge in the ocean, designate and manage ocean disposal sites, and develop ocean dumping criteria.

Title I was authorized at $12 million a year until fiscal year 1991. Therefore, H.R. 3749 represents an increase of $2 million a year. This additional money will enable the Environmental Protection Agency to improve monitoring of its ocean disposal sites and to develop management plans for those sites.

H.R. 3749 will enable the Environmental Protection Agency to continue to expand its important title I regulatory activities, as well as allow enforcement agencies to take tough enforcement actions against violators of the act.

Finally, this bill contains an important provision for the National Fish and Wildlife Foundation. Section 3 directs that interest earned on Federal funds by the Foundation and any of its cooperating organizations—for example, Ducks Unlimited, Nature Conservancy, State and local governments—must be used to fund projects and programs. Interest may not, therefore, be used to fund the administrative costs of the foundation.

This provision effectively overrides OMB Circular A–110 which otherwise requires such interest to be returned to the Treasury, and a portion of Circular A–133 dealing with the auditing of interest earned on Federal funds. Compliance with these circulars would not only prevent use of interest revenues for fish and wildlife conservation, but would also require an elaborate accounting system to be implemented by the Foundation, detracting further from its conservation mission. Similar language was included in the fiscal year 1992, Appropriations Act for the Department of the Interior—Public Law 102–154—which forgave repayment of interest earned on funds drawn down to date but did not solve the problem permanently.

Although the committee intends that the Foundation be exempt from the elaborate accounting procedures necessary to comply with Circular A–133, it is expected that the Foundation will keep track of amounts accrued as interest on Federal funds in order to ensure that they are used solely for projects and programs and not for administrative costs.

I urge support for this legislation.

Mrs. MINK. Mr. Speaker, I rise today in strong support of H.R. 3749, the Ocean Dumping Act, which provides for the regulation of the transport and dumping into ocean waters of materials such as dredged material, solid waste, incinerator residue garbage, sewage, sewage sludge, munitions, radiological, chemical and biological warfare agents, radioactive materials, chemicals, biological and laboratory waste, wrecked or discarded equipment, rock, sand, excavation debris, and industrial, municipal, and agricultural waste.

Violation of the Ocean Dumping Act can result in a civil penalty of up to $50,000. A knowing violation can result in a criminal fine of up to $50,000, imprisonment for up to 1 year, or both. The penalties for violations involving medical waste dumping are substantially higher: $125,000 for a civil violation and $250,000 and/or 5 years imprisonment for a criminal violation.

Finally, this law authorizes the seizure and forfeiture of any vessels used to criminally violate these regulations.

I cannot adequately stress the importance of this issue. In my own State of Hawaii, we know only too well the profound value of our oceans, and the absolute necessity that we take care of them. We also feel firsthand the adverse effects of oceanic pollution.

We rely on the fish we catch for our diet and our economy, and we are acutely aware of the impact of pollution on this as well. Many of the pollutants being dumped into the oceans, often illegally, are being eaten by fish.

In addition, the dumped waste adds nutrients to the water, overloading the ecosystem and exacerbating existing problems like the low oxygen levels that we have seen in areas along both the east and west coasts. This is also responsible for a dramatic rise in the incidence of red tides of algae.

Red tides are bursts of growth by different species of algae or microscopic floating plants at the base of the ocean food chain. They usually aren't toxic and often aren't red—they can be brown, yellow or colorless, and they can be harmless. But now we are seeing more red tides that are toxic, and we are seeing them more often. The poisons in toxic red tides are transmitted to people through filter-feeding shellfish such as mussels, clams, and oysters, which strain nutrients from sea water and concentrate toxins in their internal organs.

Experts say that a worldwide epidemic of harmful algal blooms is developing due to many factors. These include global warming and coastal pollution. But this epidemic is also due to the dumping of sewage and industrial wastes. Blooms are cropping up in new places, and formerly nontoxic algae are turning toxic. The pattern suggests that red tides are becoming a major planetary trend, like acid rain and ozone-layer thinning.

Indiscriminate dumping of industrial garbage and hazardous waste is increasingly in the news. We have seen beaches closed along the continental east coast because of waste washing up on shore. It is high time that polluters are prevented from using our oceans as a dumping ground. This is a fundamental economic resource we are talking about; it is also a profoundly important component of our environment.

H.R. 3749 will allocate needed funds so that we can address this crucial problem; $14 million a year is not too much to spend to protect the oceans from the illegal dumping of sewage and industrial wastes. This bill will also provide the Coast Guard and the EPA with mechanisms of enforcement that will send a strong signal to potential polluters that we are serious about protecting our oceans. I urge my colleagues to join me in supporting this crucial legislation. Vote yes on H.R. 3749.

Mr. HOCHBRUECKNER. Mr. Speaker, today the House will vote on passage of H.R. 3749, the Ocean Dumping Act authorization. This measure provides for greater protection of the marine environment.

As Congressman for the First Congressional District of New York, I have been at the forefront of the battle to end ocean dumping. As many of my colleagues know, my district is bordered by water on three sides. Hoping to bring back the health of our marine environment, I was an original cosponsor of S. 2030, the Ocean Dumping Act of 1988. S. 2030 banned the ocean dumping of sewage sludge by New York and New Jersey.

I would like to highlight a particular provision of the original act that I believe is of the utmost importance. The act instructs the Federal Government to give Peconic Bay, a body of water on the east end of Long Island, priority consideration by the Environmental Protection Agency [EPA] for inclusion in National Estuary Program [NEP]. Peconic Bay is a vital national resource, supporting a wide range of economic activities including fishing, tourism, boating, and farming.

Although the three other estuaries listed in the law have already been included in the NEP, Peconic Bay awaits action by the EPA.

Mr. Speaker, I urge my colleagues to pass the Ocean Dumping Act authorization as it continues to create a healthier marine environment and remind everyone that our work on this issue will not be complete until Peconic Bay is protected as well.

Mr. SAXTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HERTEL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McCLOSKEY). The question is on the motion offered by the gentleman from Michigan [Mr. HERTEL] that the House suspend the rules and pass the bill, H.R. 3749, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HERTEL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3749, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

REPRINTING OF THE PUBLICATION "CONSTITUTION OF THE UNITED STATES"

Mr. ANNUNZIO. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 206) to provide for the printing of the Constitution of the United States of America.

The Clerk read as follows:

H. CON. RES. 206

Resolved by the House of Representatives (the Senate concurring), That the revised edition of the pamphlet entitled "The Constitution of the United States of America", prepared under the direction of the Committee on the Judiciary of the House of Representatives, shall be printed as a House document, with appropriate illustrations. In addition to the usual number, there shall be printed 241,500 copies of the pamphlet for the use of the House of Representatives (of which 20,000 copies shall be for the use of the Committee on the Judiciary), 51,500 copies of the pamphlet for the use of the Senate, and 5,000 copies of the pamphlet for the use of the Joint Committee on Printing.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois [Mr. ANNUNZIO] will be recognized for 20 minutes, and the gentleman from Nebraska [Mr. BARRETT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ANNUNZIO].

Mr. ANNUNZIO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Concurrent Resolution 206 is sponsored by the Honorable Jack Brooks, chairman of the Judiciary Committee. The resolution calls for the printing of a revised edition of the pamphlet entitled "The Constitution of the United States of America."

This publication is one of the most requested resources available on the Constitution and is extensively used by the House of Representatives, the U.S. Senate and the American public. This illustrated and informative House document offers a brief overview of the history and development of the U.S. Constitution along with the full text of the Constitution and all of its amendments.

The last printing of this useful and popular House document was in 1987, the year which marked the Constitution's Bicentennial. Since that time numerous requests for copies of the pamphlet have exhausted the supply.

House Concurrent Resolution 206 calls for 241,500 copies to be used by the House of Representatives which would provide each Member with 500 copies. 51,500 copies are to be used by the Senate and 5,000 for the Joint Committee on Printing.

Mr. Speaker, I reserve the balance of my time.

Mr. BARRETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 206 and urge Members to agree to the concurrent resolution.

Mr. BROOKS. Mr. Speaker, as the sponsor of House Concurrent Resolution 206, which provides for the printing of the Constitution of the United States of America, I wish to offer my strong support for it, and my appreciation to the Committee on House Administration for their favorable consideration.

The Constitution was last printed 4 years ago, in 1987. That year was, of course, the celebration of the Constitution's Bicentennial. Requests for copies of the Constitution since that time have exhausted the supply.

We recently celebrated the 200th anniversary of the adoption of the Bill of Rights, the first 10 amendments to the Constitution. This bicentennial event has once again sparked close attention to the hallowed document which sets out the durable structure of Government that has served our citizenry so well. Given the number and frequency of recent debates by this body on precepts underlying the Constitution, it is vital that the public have continuous access to the words behind the principles, which we all have sworn to defend.

House Concurrent Resolution 206 orders the printing of about 300,000 copies of the Constitution, with appropriate illustrations, primarily for the use of the House and Senate. Cost of this printing is estimated at $204,000. I especially offer my thanks to Chairman ANNUNZIO for his determined efforts to bring this legislation before us today.

Mr. Speaker, the Constitution is not an abstract legal document, accessible only to lawyers and scholars, but one that every American can read and comprehend. It is no less than the Government's compact with the people—renewed with each successive generation. The resolution will allow this document to be disseminated widely throughout the Nation, both to Americans who cherish the Constitution as their birthright and to those who seek to learn about America through its most fundamental charter of liberty and the rule of law.

Mr. BARRETT. Mr. Speaker, I yield back the balance of my time.

Mr. ANNUNZIO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ANNUNZIO] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 206.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The title was amended so as to read: "Concurrent resolution providing for the printing of a revised edition of the pamphlet entitled 'The Constitution of the United States of America' as a House document."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 206, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

□ 1420

PROVIDING FOR ADDITIONAL MEMBERSHIP ON LIBRARY OF CONGRESS TRUST FUND BOARD

Mr. CLAY. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1415) to provide for additional membership on the Library of Congress Trust Fund Board, and for other purposes.

The Clerk read as follows:

S. 1415

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADDITIONAL MEMBERSHIP ON THE LIBRARY OF CONGRESS TRUST FUND BOARD.

The first sentence of the first paragraph of the first section of the Act entitled "An Act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925 (2 U.S.C. 154) is amended—

(1) by striking "and" after "Librarian of Congress,"; and

(2) by inserting after "respectively)" the following: ", four persons appointed by the Speaker of the House of Representatives (in consultation with the minority leader of the House of Representatives) for a term of five years each (the first appointments being for two, three, four, and five years, respectively), and four persons appointed by the majority leader of the Senate (in consultation with the minority leader of the Senate) for a term of five years each (the first appointments being for two, three, four, and five years, respectively)".

SEC. 2. QUORUM PROVISION.

The second sentence of the first paragraph of the first section of the Act entitled "An Act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925 (2 U.S.C. 156, 157, and 158) is amended by adding at the end thereof the following new undesignated paragraph:

"In the case of a gift of money or securities offered to the Library of Congress, if, because of conditions attached by the honor or similar considerations, expedited action is necessary, the Librarian of Congress may take temporary possession of the gift, subject to approval under the first paragraph of this section. The gift shall be receipted for and invested, reinvested, or retained as provided in the second paragraph of this section, except that—

"(1) a gift of securities may not be invested or reinvested; and

"(2) any investment or reinvestment of a gift of money shall be made in an interest bearing obligation of the United States or an obligation guaranteed as to principal and interest by the United States.

If the gift is not so approved within the 12-month period after the Librarian so takes possession, the principal of the gift shall be returned to the donor and any income earned during that period shall be available for use with respect to the Library of Congress as provided by law.".

The SPEAKER pro tempore (Mr. MCCLOSKEY). Pursuant to the rule, the gentleman from Missouri [Mr. CLAY] will be recognized for 20 minutes and the gentleman from Nebraska [Mr. BARRETT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill provides for additional membership on the Library of Congress Trust Fund Board, among other purposes.

The Board's current membership is composed of: First, the Secretary of the Treasury; second, the Chairman of the Joint Committee on the Library; third, the Librarian of Congress; and fourth, two members appointed by the President of the United States.

The current number of public members (two) is not a sufficient representation of citizens to assist the Library in increasing its endowment funds. This legislation seeks to increase the size of the Board by eight public members. Four members will be appointed by the Speaker of the House of Representatives in consultation with the minority leader of the House, and four will be appointed by the Majority leader of the Senate in consultation with the minority leader of the Senate.

Section 2 of the proposed legislation increases the number of members necessary for a quorum from three to nine. The final provision gives authority for the Librarian of Congress to take possession of gifts of cash temporarily and to invest them temporarily in the U.S. Treasury prior to formal approval by the Board. Presently, such cash gifts can earn no interest because the Librarian of Congress lacks the authority to invest the principal until all members of the Board approve the gift. In this era of scarce economic resources, it makes sound fiscal sense to give the Librarian the authority to make the money work for the Library. If the Board fails to approve the gift within 12 months after the Librarian takes possession, the gift will be returned to the donor while the Library retains the interest earned.

By offering new opportunities to attract private sector support, this legislation will enhance the usefulness of the Trust Fund Board to the Library of Congress, and consequently, strengthen the Library's ability to serve the Congress and the Nation.

Mr. Speaker, I reserve the balance of my time.

Mr. BARRETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman for his explanation of the pragmatic amendments being offered in this bill. Mr. Speaker, the minority also supports the passage of S. 1415. I'd also like to add that the Library of Congress is also in favor of these changes.

Since 1925 the Trust Fund Board has been in existence to accept gifts for the benefit of the Library. Increasing the size of the Board is a practical way to expand the nationwide fundraising efforts, and diversify the profile of the Board. As Mr. CLAY explained, this legislation would also allow the Librarian of Congress to secure and invest gifts of money, while the Board is being polled for approval of the gift. Thus, the Library would benefit immediately upon receiving the donation, which only makes sense as the gifts are rarely rejected by the Board.

Mr. Speaker, I join the gentleman from Missouri [Mr. CLAY] in urging my colleagues to support this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. CLAY. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, just a couple of questions, if I could.

I am a little puzzled by the business that we are expanding the Board, and then we are giving the Librarian a chance to spend money while he polls the expanded Board. Would it not be easier to poll the Board if there were only 2 members rather than 10?

Mr. CLAY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Missouri.

Mr. CLAY. Mr. Speaker, no, we are not giving the Librarian authority to spend any money. We are giving him authority to invest the money.

Mr. WALKER. Invest the money and earn interest on it?

Mr. CLAY. And get some interest. Right now, the money sits there without interest, so we are giving him that authority.

Mr. WALKER. Could the gentleman tell me what he meant when he said that the four members are to be appointed by the Speaker and by the majority leader in consultation with the minority?

Mr. CLAY. Yes.

Mr. WALKER. Does that give the minority, for instance, an ability to veto someone?

Mr. CLAY. No. It does not. It is the same procedure that is used in a number of other pieces of legislation that we have passed here in the House relative explicitly to House functions and functions of the Congress.

Mr. WALKER. Normally I thought most of the times when we appoint a Board there is a specific number of people assigned to the minority that the minority leader gets to appoint. In this particular case, we are taking a 2-member Board, we are making it into a 10-member Board, and virtually all of the appointments are going to be made by the majority, and all they have to do is tell the minority who it is that they are appointing? Is that my understanding?

Mr. CLAY. I do not understand the word consultation meaning instruct or inform. It is in consultation. That is a word. It is a word of art, an art word, and it means that they consult. It is not any different from any other legislation that we pass around here where the Speaker and the majority leader of the Senate make appointments. It is in consultation.

Mr. WALKER. Could the gentleman tell me what consultation means in this instance then? I mean, consultation then means that they will specifically go to the minority, ask the minority about these people, whether or not these people are acceptable, and if the minority finds them unacceptable, then at that point the majority leader and the Speaker would reconsider those people? Is that the level of consultation?

Mr. CLAY. The majority leader, is the gentleman saying?

Mr. WALKER. The majority leader and the Speaker.

Mr. CLAY. The Speaker and the minority leader; the Speaker and the minority leader.

Mr. WALKER. The majority leader and minority leader in the Senate?

Mr. CLAY. Yes.

Mr. WALKER. So the answer to my question is that if the minority found an appointee unacceptable, at that point the consultation means that there would be reconsideration of those people?

Mr. CLAY. I would not go that far. I do not know what the Speaker and the minority leader would decide to do at that point. I would think that they have not had any serious problems up to this point in terms of reaching agreement on those whom the Speaker has consulted with.

Mr. WALKER. These people who are to be appointed, if I understand the remarks of the gentleman from Nebraska, one of the efforts here is to extend the fundraising apparatus of the Library? Are these people to be appointed in part so that they can go out and raise money for the Library?

Mr. CLAY. That is part of it, yes.

Mr. WALKER. So we are likely to be appointing then fairly wealthy Americans who will help the Library raise money as one of the functions of being a member of this Board?

Mr. CLAY. Not necessarily fairly wealthy. It might be people who know wealthy people. You do not have to be wealthy to know wealthy people.

Mr. WALKER. One of the reasons for expanding the Board here is to go out and use these people as fundraisers.

Mr. CLAY. To an extent.

Mr. WALKER. I thank the gentleman.

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 1415, the Senate bill just considered.

The SPEAKER pro tempore (Mr. HERTEL). Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri [Mr.

CLAY] that the House suspend the rules and pass the Senate bill, S. 1415.

The question was taken; and on a division (demanded by Mr. WALKERf) there were—yeas 3, nays 1.

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

□1430

OMNIBUS INSULAR AREAS ACT OF 1992

Mr. DE LUGO. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 2927) to provide for the astablishment of the St. Croix, Virgin Islands Historical Park and Ecological Preserve, and for other purposes.

The Clerk read as follows:

Senate amendment: Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Omnibus Insular Areas Act of 1992".

TITLE I—SALT RIVER BAY NATIONAL HISTORICAL PARK AND ECOLOGICAL PRESERVE AT ST. CROIX, VIRGIN ISLANDS

SEC. 101. SHORT TITLE.

This title may be cited as the "Salt River Bay National Historical Park and Ecological Preserve at St. Croix, Virgin Islands, Act of 1992".

SEC. 102. FINDINGS.

The Congress finds that the Salt River Bay area of the north central coast of St. Croix, United States Virgin Islands—

(1) has been inhabited, possibly as far back as 2000 BC, and encompasses all major cultural periods in the United States Virgin Islands;

(2) contains the only ceremonial ball court ever discovered in the Lesser Antilles, village middens, and burial grounds which can provide evidence for the interpretation of Caribbean life prior to Columbus;

(3) is the only known site where members of the Columbus expeditions set foot on what is now United States territory;

(4) was a focal point of various European attempts to colonize the area during the post-Columbian period and contains sites of Spanish, French, Dutch, English, and Danish settlements, including Fort Sale, one of the few remaining earthwork fortifications in the Western Hemisphere;

(5) presents an outstanding opportunity to preserve and interpret Caribbean history and culture, including the impact of European exploration and settlement;

(6) has been a national natural landmark since February 1980 and has been nominated for acquisition as a nationally significant wildlife habitat;

(7) contains the largest remaining mangrove forest in the United States Virgin Islands and a variety of tropical marine and terrestrial ecosystems which should be preserved and kept unimpaired for the benefit of present and future generations; and

(8) is worthy of a comprehensive preservation effort that should be carried out in partnership between the Federal Government and the Government of the United States Virgin Islands.

SEC. 103. SALT RIVER BAY NATIONAL HISTORICAL PARK AND ECOLOGICAL PRESERVE AT ST. CROIX, VIRGIN ISLANDS.

(a) ESTABLISHMENT.—In order to preserve, protect, and interpret for the benefit of present and future generations certain nationally significant historical, cultural, and natural sites and resources in the Virgin Islands, there is established the Salt River Bay National Historical Park and Ecological Preserve at St. Croix, Virgin Islands (hereafter in this Act referred to as the "park").

(b) AREA INCLUDED.—The park shall consist of approximately 912 acres of land, waters, submerged lands, and interests therein within the area generally depicted on the map entitled "Salt River Study Area—Alternative 'C' in the "Alternatives Study and Environmental Assessment for the Columbus Landing Site, St. Croix, U.S. Virgin Islands", prepared by the National Park Service and dated June 1990. The map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, and the Offices of the Lieutenant Governor of St. Thomas and St. Croix, Virgin Islands.

SEC. 104. ACQUISITION OF LAND.

(a) GENERAL AUTHORITY.—The Secretary of the Interior (hereafter in this title referred to as the "Secretary") may acquire land and interests in land within the boundaries of the park by donation, purchase with donated or appropriated funds, or exchange. Nothing in this section shall be construed to prohibit the Government of the United States Virgin Islands from acquiring land or interest in land within the boundaries of the park.

(b) LIMITATIONS ON AUTHORITY.—Lands, and interests in lands, within the boundaries of the park which are owned by the United States Virgin Islands, or any political subdivision thereof, may be acquired only by donation or exchange. No lands, or interests therein, containing dwellings lying within the park boundary as of July 1, 1991, may be acquired without the consent of the owner, unless the Secretary determines, after consultation with the Government of the United States Virgin Islands, that the land is being developed or proposed to be developed in a manner which is detrimental to the natural, scenic, historic, and other values for which the park was established.

SEC. 105. ADMINISTRATION.

(a) IN GENERAL.—The park shall be administered in accordance with this title and with the provisions of law generally applicable to units of the national park system, including, but not limited to, the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2–4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461–467). In the case of any conflict between the provisions of this Act and such generally applicable provisions of law, the provisions of this Act shall govern.

(b) COOPERATIVE AGREEMENTS.—The Secretary, after consulting with the Salt River Bay National Historical Park and Ecological Preserve at St. Croix, Virgin Islands, Commission (hereafter in this Act referred to as the "Commission") established by section 106 of this title, is authorized to enter into cooperative agreements with the United States Virgin Islands, or any political subdivision thereof, for the management of the park and for other purposes.

(c) GENERAL MANAGEMENT PLAN.—(1) Not later than 3 years after the date funds are made available for this subsection, the Secretary, in consultation with the Commission, and with public involvement, shall develop and submit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives a general management plan for the park. The general management plan shall describe the appropriate protection, management, uses, and development of the park consistent with the purposes of this title.

(2) The general management plan shall include, but not be limited to, the following:

(A) Plans for implementation of a continuing program of interpretation and visitor education about the resources and values of the park.

(B) Proposals for visitor use facilities to be developed for the park.

(C) Plans for management of the natural and cultural resources of the park, with particular emphasis on the preservation of both the cultural and natural resources and long-term scientific study of terrestrial, marine, and archeological resources, giving high priority to the enforcement of the provisions of the Archeological Resources Protection Act of 1979 (16 U.S.C. 470aa et seq.) and the National Historic Preservation Act (16 U.S.C. 470 et seq.) within the park. The natural and cultural resources management plans shall be prepared in consultation with the Virgin Islands Division of Archeology and Historic Preservation.

(D) Proposals for assessing the potential operation and supply of park concessions by qualified Virgin Islands-owned businesses.

(E) Plans for the training of personnel in accordance with subsection (e).

(d) TRAINING ASSISTANCE.—During the 10-year period beginning on the date of enactment of this title, the Secretary shall, subject to appropriations, provide the funds for the employees of the Government of the United States Virgin Islands directly engaged in the joint management of the park and shall implement, in consultation with the Government of the United States Virgin Islands, a program under which Virgin Islands citizens may be trained in all phases of park operations and management: Provided, however, That in no event shall the Secretary provide more than 50 percent of the funding for such purposes. A primary objective of the program shall be to train employees in the skills necessary for operating and managing a Virgin Islands Territorial Park System.

SEC. 106. SALT RIVER BAY NATIONAL HISTORICAL PARK AND ECOLOGICAL PRESERVE AT ST. CROIX, VIRGIN ISLANDS, COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Salt River Bay National Historical Park and Ecological Preserve at St. Croix, Virgin Islands, Commission.

(b) DUTIES.—The Commission shall—

(1) make recommendations on how all lands and waters within the boundaries of the park can be jointly managed by the governments of the United States Virgin Islands and the United States in accordance with this title;

(2) consult with the Secretary on the development of the general management plan required by section 105 of this title; and

(3) provide advice and recommendations to the Government of the United States Virgin Islands, upon request of the Government of the United States Virgin Islands.

(c) MEMBERSHIP.—The Commission shall be composed of 10 members, as follows:

(1) The Governor of the United States Virgin Islands, or the designee of the Governor.

(2) The Secretary, or the designee of the Secretary.

(3) Four members appointed by the Secretary.

(4) Four members appointed by the Secretary from a list provided by the Governor of the United States Virgin Islands, at least one of whom shall be a member of the Legislature of the United States Virgin Islands.

Initial appointments made under this subsection shall be made within 120 days after the date of enactment of this title, except that the appointments made under paragraph (4) shall be made within 120 days after the date on which the Secretary receives such list.

(d) TERMS.—The members appointed under paragraphs (3) and (4) shall be appointed for terms of 4 years. A member of the Commission appointed for a definite term may serve after the expiration of the member's term until a succes-

sor is appointed. A vacancy in the Commission shall be filled in the same manner in which the original appointment was made and shall be filled within 60 days after the expiration of the term.

(e) CHAIR.—The Chair of the Commission shall alternate annually between the Secretary and the Governor of the United States Virgin Islands. All other officers of the Commission shall be elected by a majority of the members of the Commission to serve for terms established by the Commission.

(f) MEETINGS.—The Commission shall meet on a regular basis or at the call of the Chair. Notice of meetings and agenda shall be published in the Federal Register and local newspapers having a distribution that generally covers the United States Virgin Islands. Commission meetings shall be held at locations and in such a manner as to ensure adequate public involvement.

(g) EXPENSES.—Members of the Commission shall serve without compensation as such, but the Secretary may pay each member of the Commission travel expenses, including per diem in lieu of subsistence, in accordance with section 5703 of title 5, United States Code. Members of the Commission who are full-time officers or employees of the United States or the Virgin Islands Government may not receive additional pay, allowances, or benefits by reason of their service on the Commission. The Secretary shall provide the Commission with a budget for travel expenses and staff, and guidelines by which expenditures shall be accounted for.

(h) FEDERAL ADVISORY COMMITTEE ACT.—Except with respect to the provisions of section 14(b) of the Federal Advisory Committee Act, and except as otherwise provided in this title, the provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the Commission.

(i) TERMINATION.—The Commission shall terminate 10 years after the date of enactment of this title unless the Secretary determines that it is necessary to continue consulting with the Commission in carrying out the purposes of this title.

SEC. 107. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as may be necessary to carry out this title.

TITLE II—INSULAR AREAS DISASTER SURVIVAL AND RECOVERY

SEC. 201. DEFINITIONS.

As used in this title—

(1) the term "insular area" means any of the following: American Samoa, the Federated States of Micronesia, Guam, the Marshall Islands, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands;

(2) the term "disaster" means a declaration of a major disaster by the President after September 1, 1989, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170); and

(3) the term "Secretary" means the Secretary of the Interior.

SEC. 202. AUTHORIZATION.

There are hereby authorized to be appropriated to the Secretary such sums as may be necessary to—

(1) reconstruct essential public facilities damaged by disasters in the insular areas that occurred prior to the date of the enactment of this Act; and

(2) enhance the survivability of essential public facilities in the event of disasters in the insular areas,

except that with respect to the disaster declared by the President in the case of Hurricane Hugo, September 1989, amounts for any fiscal year shall not exceed 25 percent of the estimated aggregate amount of grants to be made under sections 403 and 406 of The Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170b, 5172) for such disaster. Such sums shall remain available until expended.

SEC. 203. TECHNICAL ASSISTANCE.

(a) Upon the declaration by the President of a disaster in an insular area, the President, acting through the Director of the Federal Emergency Management Agency, shall assess, in cooperation with the Secretary and chief executive of such insular area, the capability of the insular government to respond to the disaster, including the capability to assess damage; coordinate activities with Federal agencies, particularly the Federal Emergency Management Agency; develop recovery plans, including recommendations for enhancing the survivability of essential infrastructure; negotiate and manage reconstruction contracts; and prevent the misuse of funds. If the President finds that the insular government lacks any of these or other capabilities essential to the recovery effort, then the President shall provide technical assistance to the insular area which the President deems necessary for the recovery effort.

(b) One year following the declaration by the President of a disaster in an insular area, the Secretary, in consultation with the Director of the Federal Emergency Management Agency, shall submit to the Senate Committee on Energy and Natural Resources and the House Committee on Interior and Insular Affairs a report on the status of the recovery effort, including an audit of Federal funds expended in the recovery effort and recommendations on how to improve public health and safety, survivability of infrastructure, recovery efforts, and effective use of funds in the event of future disasters.

SEC. 204. HAZARD MITIGATION.

The total of contributions under the last sentence of section 404 of The Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c) for the insular areas shall not exceed 10 percent of the estimated aggregate amounts of grants to be made under sections 403, 406, 407, 408, and 411 of such Act for any disaster: Provided, That the President shall require a 50 percent local match for assistance in excess of 10 percent of the estimated aggregate amount of grants to be made under section 406 of such Act for any disaster.

SEC. 205. TECHNICAL AMENDMENT.

Paragraphs (3) and (4) of section 102 of The Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122) are each amended by inserting after "American Samoa," the following: "the Northern Mariana Islands,".

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. AMERICAN SAMOA WATER AND POWER STUDY.

(a) The Secretary of the Interior shall undertake a comprehensive study, or as appropriate review and update existing studies, to determine the current and long-term water, power, and wastewater needs of American Samoa. Such study shall be conducted in consultation with the American Samoa government, and in consultation with those Federal agencies which have recent experience with the water, power and wastewater needs of American Samoa.

(b) The Secretary of the Interior shall report the results of this study to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives, before December 31, 1992. The report shall include:

(1) an assessment of the water, power and wastewater needs of American Samoa both currently, and for the year 2000;

(2) an assessment of, and recommendations regarding, how these needs can be met;

(3) an assessment of, and recommendations regarding, any additional legal authority or funding which may be necessary to meet these needs; and

(4) an assessment of, and recommendations regarding, the respective roles of the Federal and American Samoa governments in meeting these needs.

SEC. 302. INSULAR GOVERNMENT PURCHASES.

The Governments of American Samoa, Guam, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands are authorized to make purchases through the General Services Administration.

SEC. 303. FREELY ASSOCIATED STATE CARRIER.

(a) In furtherance of the objectives of the Compact of Free Association Act of 1985 (Public Law 99–239) and notwithstanding any other provision of law, a Freely Associated State Air Carrier shall not be precluded from providing transportation, between a place in the United States and a place in a state in free association with the United States or between two places in such a freely associated state, by air of persons (and their personal effects) and property procured, contracted for, or otherwise obtained by any executive department or other agency or instrumentality of the United States for its own account or in furtherance of the purposes or pursuant to the terms of any contract, agreement, or other special arrangement made or entered into under which payment is made by the United States or payment is made from funds appropriated, owned, controlled, granted, or conditionally granted, or utilized by or otherwise established for the account of the United States, or shall be furnished to or for the account of any foreign nation, or any international agency, or other organization of whatever nationality, without provisions for reimbursement.

(b) The term "Freely Associated State Air Carrier" shall apply exclusively to a carrier referred to in Article IX(5)(b) of the Federal Programs and Services Agreement concluded pursuant to Article II of Title Two and Section 232 of the Compact of Free Association.

SEC. 304. MARSHALL ISLANDS FOOD ASSISTANCE.

Section 103(h)(2) of the Compact of Free Association Act of 1985 (48 U.S.C. 1681 note) is amended by striking out "five" and inserting in lieu thereof "ten".

SEC. 305. NORTHERN MARIANAS COLLEGE.

Section 9(a) of Public Law 99–396 is amended by striking out the period at the end and inserting in lieu thereof the following: "and in subsection (b), by striking out 'and Micronesia' each place it appears and inserting in lieu thereof 'Micronesia, and the Northern Mariana Islands' and by striking out 'and to Micronesia' and inserting in lieu thereof ', Micronesia, and to the Northern Mariana Islands'.".

The SPEAKER pro tempore (Mr. HERTEL). Pursuant to the rule, the gentleman from the Virgin Islands [Mr. DE LUGO] will be recognized for 20 minutes and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the delegate from the Virgin Islands [Mr. DE LUGO].

Mr. DE LUGO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Senate amendment to H.R. 2927 would make this bill virtually identical to H.R. 1688, an omnibus insular areas bill that passed the House unanimously last November 25.

That bill incorporated provisions of several measures concerning the insular areas associated with the United States.

One set of provisions made up the Insular Areas Disaster Survival and Recovery Act. A second consisted of a number of miscellaneous measures concerning the insular areas. The final set included provisions to establish the Salt River Bay National Historical Park and Ecological Preserve at St. Croix in the U.S. Virgin Islands.

These latter provisions to establish the park had passed the House in H.R. 2927 earlier in the month.

A few days before the House passed H.R. 1688, the Senate Energy and Natural Resources Committee reported H.R. 2927 with an amendment that made it very similar to H.R. 1688.

A floor amendment by the Senate committee leadership last Friday made H.R. 2927 virtually identical to H.R. 1688.

In addition to changing the title of the bill to the Omnibus Insular Areas Act of 1992, there are only three minor differences between H.R. 1688, as it passed the House, and H.R. 2927, as the Senate amended it.

One difference relates to the deadline for submitting the Salt River Park Management plan to the Congress. H.R. 1688 would have required submission not later than 3 years from the date of enactment. H.R. 2927 would require submission not later than 3 years after the date funds are available.

The inclusion of $7 million for the Salt River Park in the President's budget for fiscal year 1993 makes this difference of no real concern. And I want to thank our former colleague, the Secretary of the Interior, Manuel Lujan, for getting this proposal in the budget.

The second difference concerns the training of Virgin Islands employees in the management of the park. H.R. 1688 would have required the Federal Government to pay half of the cost. H.R. 2927 would subject this requirement to appropriations. This difference is of little concern because the Secretary already has funds which could be used if there is no special appropriation.

The last difference relates to the provisions to enable insular areas to survive and recover from natural disasters. H.R. 1688 would have applied these provisions to American Samoa, Guam, the Northern Mariana Islands, and the Virgin Islands. H.R. 2927 would extend the assistance to Micronesia and the Marshall Islands as well.

The disaster relief provisions applied to Micronesia and the Marshall Islands in H.R. 1688 as reported by the Interior and Insular Affairs Committee, as well as in a predecessor bill which passed both Houses in the last Congress. But these freely associated states were reluctantly deleted from H.R. 1688 at the insistence of the administration.

Since the passage of H.R. 1688 last November, a typhoon in the Marshall Islands dramatized the justification for extending them to the freely associated states as well as the U.S. insular areas.

These changes are minor in comparison to what this legislation would do in the insular areas if enacted. Thus, Mr. Speaker, these are differences to which I believe the House can agree.

Mr. Speaker, the establishment of the Salt River Park is an achievement of which I am particularly proud. It would preserve the site where Christopher Columbus first landed in what is now a U.S. territory. And it would enhance the attractiveness of the Virgin Islands as a tourist destination.

Salt River is a microcosm of the entire history of early European colonization of the Caribbean built upon an Indian cultural resource that predates colonization. It also has a wealth of environmental treasures.

The preservation of the site will culminate an effort begun in 1958 when a bill I cosponsored in the Virgin Islands Legislature began the process to save the area for all to enjoy.

No less important is the unprecedented degree of Federal and territorial cooperation in the management of a park that this bill would provide.

The high frequency of destructive storms in the insular areas makes the extension of the additional disaster assistance that this bill would provide critical. Since the passage of H.R. 1688, three major disasters have occurred in the insular areas: Supertyphoon Yuri hit Guam; Cyclone Val devastated American Samoa; and Typhoon Zelda caused damage in the Marshall Islands.

The insular disaster assistance provisions were the driving force behind this omnibus legislation. They were developed after Hurricane Hugo, which hit the territory that I represent with what the Federal Emergency Management Agency described as a force unsurpassed in this century.

They respond to the extraordinary disaster problems in the insular areas caused by the frequency and severity of the storms which strike them, their distances from the rest of the Nation, and their relatively small size and lack of development.

In particular, insular areas lack infrastructure strong enough to withstand disasters.

The miscellaneous provisions of this legislation would require a report on American Samoa's water and power needs; make permanent the current temporary authorization for insular purchases through the General Services Administration; authorize agencies to contract with freely associated State airlines; extend the program of food assistance for the peoples of the Marshall Islands atolls affected by nuclear testing; and authorize an endowment for the Northern Marianas College.

Like the provisions for disaster assistance, these provisions had their origin in omnibus insular areas legislation that passed both Houses last Congress.

Last, I would like to note that the history and purposes of this legislation were fully described when H.R. 1688 passed the House last session as well as when H.R. 2927 passed, and when the predecessor bill to H.R. 1688 passed.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2927, a bill to authorize establishment of Salt River Bay National Historical Park at St. Croix, VI. As an original cosponsor, I support the concept of establishing a Federal park unit at the only known site on American soil where Columbus' men are believed to have landed. I also support the Omnibus Insular Areas Act portion of the bill, which provides meaningful assistance to different territories and the freely associated states and Micronesia. I want to comment Interior Secretary Manuel Lujan for his vigorous and focused support for the preservation of the Columbus landing site. Secretary Lujan personally surveyed the site at Salt River, and designated the preferred boundaries of the proposed park. The Secretary has been instrumental in informing Members of Congress of the importance of the site and the need for timely action to preserve the Archaeological sites which are being increasingly affected by development pressures in the Virgin Islands.

Certainly, the leadership of Mr. DE LUGO in the development of this bill deserves strong recognition by all Members of this body. He has been working with Secretary Lujan on this Columbus landing site park proposal for some time, with both the Virgin Islands Government and the National Park Service. Without his efforts, not only would we not be here today passing this bill, but the resource values at the site of this historic event may have suffered irreversible damage. Even today, important archeological materials are left exposed to the elements and need protection from the elements and inadvertent damage by vehicular and foot traffic.

I note that the Senate has addressed many of the concerns raised by Members on this side of the aisle when the bill originally was passed by the House. However, I still believe that the Committee on Interior and Insular Affairs, which has primary jurisdiction over this matter, should have gone further to clarify the respective rules of the United States and Virgin Islands Governments.

While the omnibus insular areas provisions are meaningful and helpful, they represent only a few of many legislative actions still outstanding. I particularly want to commend my good colleague from Guam, BEN BLAZ, who has been extremely supportive in these matters.

I urge my colleagues to support this bill to establish the Salt River Bay National Historical Park and Ecological Preserve at St. Croix, VI, as well as providing a number of provisions of import to United States territories and free associated states.

Mr. DE LUGO. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. VENTO], the chairman of the Subcommittee on National Parks and Public Lands of the Committee on Interior and Insular Affairs, one of the hardest working and most effective chairmen that we have in this Congress. It is a rare day when the gentleman is not passing some bills on this floor. I could not have gotten to this point without his great assistance.

Mr. VENTO. Mr. Speaker, I thank the gentleman from the Virgin Islands for yielding me this time and commend him for his very hard work on this important measure. Subcommittee Chairman DE LUGO has been working to establish a park at Salt River Bay since he was in the Virgin Islands Senate, and today he and his fellow Virgin Islanders will come one step closer to reaching that goal.

H.R. 2927 as amended and passed by the Senate would establish the Salt River Bay National Historical Park and Ecological Preserve at St. Croix, VI, and would authorize important disaster survival and recovery programs for insular areas so important to their needs today as storms have brought significant and unusual devastation to these fragile economies and social life.

As chairman of the Subcommittee on National Parks and Public Lands, I worked closely with Mr. DE LUGO on the development of title I of this bill, which would provide for a new National Park System unit consisting of approximately 915 acres at Salt River Bay on the island of St. Croix. This area has long been recognized for its unique combination of cultural and natural features including archeological remains, a large tropical reef, and the largest remaining mangrove forest in the U.S. Virgin Islands. I was fortunate to have the opportunity to view these unique resources during a subcommittee field inspection in 1989.

Salt River Bay is also the only known site where Christopher Columbus landed on what was to become U.S. territory. In 1493, on his second of four voyages to the New World, Columbus anchored his 17 ships outside the reef and sent his soldiers to investigate an Indian village on the western side of the bay.

H.R. 2927 was passed by the House with strong bipartisan support on November 5 last year. The Senate made several changes to the House passed bill including a reduction in the size of the park and a requirement that the Virgin Islands Government provide half the funds for a program to train Virgin Islands citizens in the park operations and management. Although the boundary in the House-passed bill would have provided more resource protection and was the preferred boundary of the Secretary of the Interior, I believe the boundaries in the Senate passed bill are workable.

The bill before us envisions a unique partnership approach between the national Government and the Government of the Virgin Islands in the management of the park. Cooperation between these Government entities will be essential, because it is a relatively small area and over half of the acreage of the park is owned by the Virgin Islands Government. I believe the safeguards built into the bill and the cooperative spirit which has been the hallmark of this project from the outset will ensure that management issues will be addressed in a cooperative fashion and that the park will be managed according to standards of other units of the National Park System.

Mr. Speaker, this legislation is a significant natural and cultural resource protection initiative which has strong bipartisan support from the Secretary of the Interior and the Governor and the Delegate from the Virgin Islands. As we approach the 500th anniversary of the voyages of Christopher Columbus later this year, I can think of no more appropriate way of commemorating this significant date than enacting this legislation. Not only will this park preserve a nationally significant natural and historical site, it will provide an excellent opportunity to interpret the diverse native cultures which existed prior to the arrival of Columbus and the impact that Columbus and other European explorers had on Caribbean culture and history. I again commend the gentleman from the Virgin Islands for his hard work on this matter and urge prompt passage of the measure before us.

□ 1440

Mr. DE LUGO. Mr. Speaker, I yield myself such time as I may consume.

In conclusion, I want to thank the gentleman from California, who is the ranking Republican of the Subcommittee on Insular and International Affairs which I am privileged to chair, for the cooperation he has given in developing this legislation. I also want to recognize the roles of the chairman and ranking Republican of the full Committee on Interior and Insular Affairs, our colleagues GEORGE MILLER and DON YOUNG; the chairman of the Subcommittee on National Parks and Public Lands, our colleague BRUCE VENTO; and the Resident Commissioner from Puerto Rico, JAIME B. FUSTER.

I want to express particular appreciation for the cooperation of the Secretary of the Interior, our former colleague Manuel Lujan. His leadership really helped make this bill possible. I also want to thank the chairman and ranking Republican of the Senate committee of jurisdiction, BENNETT JOHNSTON and MALCOLM WALLOP, respectively.

Finally, I want to urge the House to approve the Senate amendment and send what is truly a bipartisan compromise package of insular measures to the President for his approval.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today in support of H.R. 2927, a bill which addresses several areas of need in the U.S. insular areas. In particular, I want to speak of the needs of American Samoa.

American Samoa has been struck by three hurricanes in the last 4 years. Each time Samoa rebuilds itself. Not everything gets rebuilt because even with Federal disaster assistance and private insurance, not all losses are covered. The result of this process is government services are permanently reduced, and considerable private property is destroyed and not replaced. Despite the best efforts of the local government, with each hurricane thousands of people are forced to go from days to months, depending on the remoteness of their villages, without water, power, telephone, and sewage disposal.

This bill would go a long way toward ending this cycle. First, it authorizes the reconstruction of essential public facilities in insular areas which were damaged by recent natural disasters. Second, it authorizes enhancing these facilities to withstand future disasters. Third, with regard to American Samoa, the bill authorizes the Department of the Interior to conduct a comprehensive study of the territory's needs in the area of water, power, and sewage treatment.

Mr. Speaker, I also want to commend the leadership of the Committees on Interior and Insular Affairs on their work on the Salt River Bay National Historical Park and Ecological Preserve on the island of St. Croix in the Virgin Islands. I have been to St. Croix and have seen the beauty and diversity of tropical animals and vegetation available. The designation provided in this bill will preserve this beauty for all Americans to enjoy.

Finally, Mr. Speaker, this bill is alive today because of the leadership shown by Chairman MILLER and DE LUGO, and Congressman LAGOMARSINO. Without the efforts of these gentleman, and that of their staffs, H.R. 2927 would be another dead bill going nowhere. The needs of the people addressed in this bill do not make the front pages of our national newspapers, but Mr. Speaker, I want to assure you they deserve our attention. I urge my colleagues to support this bill.

Mr. LAGOMARSINO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DE LUGO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HERTEL). The question is on the motion offered by the gentleman from the Virgin Islands [Mr. DE LUGO] that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 2927.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LUGO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate amendment to the bill, H.R. 2927.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from the Virgin Islands?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to the provisions of clause 5, rule I, the Chair will now put the question on the motion on which further proceedings were postponed.

EMERGENCY UNEMPLOYMENT COMPENSATION EXTENSION

The SPEAKER pro tempore (Mr. HERTEL). The pending business is the question of suspending the rules and passing the bill, H.R. 4095, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and pass the bill, H.R. 4095, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 404, nays 8, not voting 22, as follows:

[Roll No. 4]

YEAS—404

Abercrombie
Ackerman
Alexander
Allard
Allen
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Blackwell
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hyde
Inhofe
Ireland
Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Marlenee
Martin
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—8

Archer
Armey
Combest
Crane
DeLay
Doolittle
Johnson (TX)
Stump

NOT VOTING—22

Barton
Bilirakis
Clement
Dannemeyer
Dymally
Edwards (CA)
Ford (TN)
Gibbons
Gordon
Hutto
Jefferson
Kolter
Markey
Martinez
McDade
Miller (WA)
Morrison
Mrazek
Rahall
Tanner
Thomas (CA)
Whitten

□ 1506

The Clerk announced the following pairs:

Mr. DELAY and Mr. ARMEY changed their vote from "yea" to "nay."

Mr. KOSTMAYER and Mr. BURTON of Indiana changed their vote from "nay" to "yea."

So (two-thirds having voted in thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DANNEMEYER. Mr. Speaker, I was unavoidably absent during rollcall vote 4. Had I been present during this vote, I would have voted "nay" on rollcall vote 4.

PERSONAL EXPLANATION

Mr. CLEMENT. Mr. Speaker, I was absent and unable to vote on rollcall No. 4, the Emergency Unemployment Compensation Act. Had I been present I would have voted "yea."

PERSONAL EXPLANATION

Mr. MARTINEZ. Mr. Speaker, inadvertently I missed the vote on H.R. 4095 this afternoon, a very important vote, one that is very important to the people of my district. In the past I have strongly supported these kinds of measures. I voted for the past extensions.

Mr. Speaker, I was in a meeting with school board members from my district and did not hear the bells go off.

Mr. Speaker, had I been here, I would have voted "Yes," and I would like that reflected immediately following the vote on H.R. 4095, the emergency unemployment compensation extension.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 323

Mr. MCCURDY. Mr. Speaker, I was inadvertently listed as a cosponsor of House Joint Resolution 323. I ask unanimous consent that my name be deleted as a cosponsor.

The SPEAKER pro tempore (Mr. HERTEL). Is there objection to the request of the gentleman from Oklahoma.

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON TOMORROW

Mr. DERRICK. Mr. Speaker, I ask unanimous consent that the business in order under the calendar Wednesday rule be dispensed with on tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

HOUR OF MEETING ON TOMORROW

Mr. DERRICK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 1 p.m. on tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

ANNOUNCEMENT BY MEMBER OF INTENTION TO CALL UP RESOLUTION ON TOMORROW

Mr. McEWEN. Mr. Speaker, I rise to notify the House that at the beginning of tomorrow's session, I intend to call up a resolution raising a question of House privileges relating to a letter written by a House committee staff member to a Federal judge urging a reduced sentence for a convicted arms dealer.

I intend to offer this privileged resolution just prior to consideration of the rule pertaining to debate on House Resolution 258, otherwise known as the October Surprise task force.

For the benefit of my colleagues, I am now submitting a copy of my resolution along with certain background material so that all Members may review it prior to the calling up of the resolution tomorrow. The intent of the resolution is simply to have the House Bipartisan Legal Advisory Group look into this matter and report back to the House at the earliest practicable date. It is a straightforward resolution, and one which I would urge all of my colleagues to support.

H. RES. —

Whereas on January 10, 1992, the chief counsel of the House Committee on Foreign Affairs wrote to the U.S. District Court of New York requesting leniency in the sentencing of Mr. Dirk Stoffberg, a convicted arms dealer, on grounds that he had provided the committee with evidence regarding the so-called "October Surprise;"

Whereas the chief counsel's letter was sent on committee letterhead purporting to be on behalf of the "House of Representatives Committee on Foreign Affairs * * * in an ongoing investigation;"

Whereas the U.S. District Court consequently granted the request for a reduced sentence on grounds that, "Comity between independent branches of government suggests the desirability of assisting Congress in its important work where there is no strong conflict with a court's other sentencing responsibilities;"

Whereas the Federal District judge further indicated in his sentencing "Memorandum and Order" that, "were it not for the intervention of Congress," the defendant would have been sentenced to a longer term of imprisonment "because he threatened violence during the course of his criminal activity;"

Whereas neither the House, the Committee on Foreign Affairs nor any subcommittee thereof has ever authorized an investigation into the "October Surprise" allegations;

Whereas the House Bipartisan Legal Advisory Group has not authorized any intention in the sentencing proceeding on behalf of the House or any of its committees;

Whereas at the time the chief counsel's letter was submitted to the U.S. District Court a resolution authorizing a special task force investigation into the "October Surprise" allegations was still pending in the House and had not yet been acted upon;

Whereas the misrepresentation of the position of the House and its committees in a judicial proceeding by an employee affects the rights of the House collectively, its dignity, and the integrity of its proceedings, and thereby raises a question of the privileges of the House under Rule IX: Now, therefore, be it

Resolved, That the House Bipartisan Legal Advisory Group (consisting of the Speaker, the majority and minority leaders, and the majority and minority whips) is hereby authorized and directed to inquire fully into the facts and circumstances surrounding the intervention by the chief counsel of the House Committee on Foreign Affairs in the sentencing of Mr. Dirk Stoffberg by the U.S. District Court for the Eastern District of New York and to submit to the House at the earliest practicable date but not later than 45 legislative days after enactment, its findings thereon together with any action taken or recommendations made in response to such incident or to prevent the recurrence of such unauthorized interventions in judicial proceedings by House Members, officers, or employees.

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 10, 1992.

Hon. JACK B. WEINSTEIN,
U.S. District Court Judge, U.S. District Court, Eastern District of New York, Brooklyn, NY.

DEAR JUDGE WEINSTEIN: Mr. Dirk Francois Stoffberg has to date provided the House of Representatives Committee on Foreign Affairs with substantial assistance in an ongoing investigation. It is expected that this substantial assistance will continue into the future.

In addition, Mr. Stoffberg has offered to have his testimony preserved by deposition. He has also agreed to testify at any open or closed Congressional hearing if and when requested to do so. Our investigation pertains to the question whether the 52 Americans taken captive in Iran were held past the election of 1980 in violation of any U.S. laws. this issue is commonly referred to as the "October Surprise."

Although Mr. Stoffberg's cooperation may not lead to any criminal action, the information which he has voluntarily provided to us has already been helpful and, to some extent, has been corroborated by other evidence. I would, therefore, request that Mr. Stoffberg's cooperation be taken into consideration by you in the determination of his sentence.

I would be pleased to discuss the matter of Mr. Stoffberg's cooperation with you or your law clerk at any time before Mr. Stoffberg's sentencing.

Sincerely yours,
R. SPENCER OLIVER,
Chief Counsel.

U.S. DISTRICT COURT, EASTERN DISTRICT OF NEW YORK—AMENDED MEMORANDUM AND ORDER

UNITED STATES OF AMERICA AGAINST DIRK STOFFBERG, DEFENDANT

WEINSTEIN, J.:

Defendant pled guilty to violation of munitions export laws. His sentencing guideline range is 8–14 months. Because he threatened violence during the course of his criminal activity, defendant would have been sentenced to 13 months, near the top of the guideline range, were it not for the intervention of Congress. He has already been in custody for 8½ months. The case poses the question: can a request for clemency by Congress support a downward departure in the guideline offense level? As indicated below, the answer is yes.

The Chief Counsel of the Committee on Foreign Affairs of the House of representatives requests that the court consider defendant's cooperation with the Committee. The letter reads:

"ONE HUNDRED SECOND CONGRESS,
CONGRESS OF THE UNITED STATES,
COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 10, 1992.

DEAR JUDGE WEINSTEIN: Mr. Dirk Francois Stoffberg has to date provided the House of Representatives Committee on Foreign Affairs with substantial assistance in an ongoing investigation. It is expected that this assistance will continue into the future.

"In addition, Mr. Stoffberg has offered to have his testimony preserved by deposition. He has also agreed to testify at any open or closed Congressional hearing if and when requested to do so. Our investigation pertains to the question whether the 52 Americans taken captive in Iran were held past the election of 1980 in violation of any U.S. laws. This issue is commonly referred to as the "October Surprise."

"Although Mr. Stoffberg's cooperation may not lead to any criminal action, the information which he has voluntarily provided to us has already been helpful and, to some extent, has been corroborated by other evidence. I would, therefore, request that Mr. Stoffberg's cooperation be taken into consideration by you in the determination of his sentence.

"I would be pleased to discuss the matter of Mr. Stoffberg's cooperation with you and your law clerk at any time before Mr. Stoffberg's sentencing.

Sincerely yours,
"R. SPENCER OLIVER, CHIEF COUNSEL."

It is the government's view that the court can impose a sentence of time served, within the guidelines, without considering whether a downward departure is permitted on request of a representative of Congress. Such an approach is generally appropriate. It is not, however, desirable to avoid the downward departure issue in this case; the matter may arise again and again without an opportunity for Congress to test the courts' authority to depart downward as a reward for a cooperating witness. Cf. Nebraska Press Ass'n v. Stuart, 427 U.S. 539, 546–48 (1976) (consideration not barred where the issue is likely to arise again and yet escape review); Evan Tsen Lee, Deconstitutionalizing Justiciability: The Example of Mootness, 105 Harv. L. Rev. 603, 634–35 (1991) (shift from constitutional to prudential standards on mootness, standing, and ripeness); 644–45, 648 (not an advisory opinion to decide a case on the merits over objection of mootness, ripeness, lack of standing, or that the opinion is not necessary for the disposition).

The proper relationship among the three branches of government, legislative, executive, and judicial, in the field of sentencing continues to be perplexing and important. Sea, e.g., Mistretta v. United States, 488, U.S. 361 (1989) (composition of United States Sentencing Commission does not violate the separation of powers). One aspect of that relationship is now presented.

There are a variety of sequences possible in applying departure rules. One is to determine what the sentence would be without a departure, U.S. Sentencing Comm'n Guidelines Manual, at 1 (Nov. 1991), then to consider whether a departure is desirable, then to decide the amount of the departure (in terms of time or offense level), and, finally, to apply the departure to arrive at the actual sentence. See id.; cf, United States v. Kim, 896 F.2d 678, 685 (2d Cir. 1990) (upward departure); United States v. Coe, 891 F.2d 405, 412–13 & n.9 (2d Cir. 1989) (same). This explicit, step-by-step method is desirable in the instant case since the court is being asked by Congress to signal to the present defendant and to future defendants a capacity to treat a Congressional request as an application for an appropriate downward departure.

Section 5K1.1 of the guidelines does not permit a downward departure because, as the government properly argues, in the language of the section, the defendant has not "provided substantial assistance [to prosecutors] in the investigation or prosecution of another person who has committed an offense * * *." Moreover, in the absence of a request from the United States Attorney, a downward departure under section 5K1.1 is generally not available. See, e.g., United States v. Agu, F.2d —, —, 1991 WL 237844 (2d Cir. 1991); United States v. Khan, 920 F.2d 1100, 1106 (2d Cir. 1990), cert. denied, 111 S. Ct. 1606 (1991).

By contrast, section 5K2.0 of the guidelines permits departure on the court's own motion or on request from the defendant or any other person or body. As the Sentencing Commission points out in its policy statement on section 5K2.0, "[some c]ircumstances [which] may warrant departure from the guidelines * * * cannot, by their very nature, be comprehensively listed and analyzed in advance." Guidelines Manual, Policy Statement to §5K2.0, at 320.

The Court of Appeals for the Second Circuit has suggested that cooperation with a body other than the United States Attorney's Office might fall within section 5K2.0. In United States v. Agu, — F.2d —, 1991 WL 237844 (2d Cir. 1991), for example, Judge Newman pointed out that the requirement of a prosecutor's motion for a section 5K1.1 departure was "settled" in this circuit, but he cited with approval United States v. Khan, 920 F.2d 1100, 1106–07 (2d Cir. 1990). See Agu, 1991 WL 237844, at —, Khan in dicta indicated that information offered "regarding actions [defendant] took, which could not be used by the government to prosecute other individuals" could be used for a downward departure. 920 F.2d at 1107 (defendant may have saved the life of a confidential DEA informant). Agu noted that "the cooperation covered by section 5K1.1 is cooperation with the prosecution, leaving cooperation with the courts available as a ground for departure in the absence of a government motion, presumably under section 5K2.0." Agu, 1991 WL 237844, at — (citing United States v. Garcia, 926 F.2d 125 (2d Cir. 1991)). In Garcia the Second Circuit approved a downward departure based on the defendant's "activities facilitating the proper administration of justice" in the courts. Id. at 128; cf. United States v. Sanchez, 927 F.2d 1092, 1094 (9th Cir. 1991) (based on defendant's assistance in a civil forfeiture proceeding, the district court properly denied downward departure under section 5K1.1 and exercised discretion not to depart under section 5K2.0).

If cooperation with the courts is covered by section 5K2.0, so, too, is cooperation with Congress. Cf. United States v. Harrell, 936 F.2d 568 (4th Cir. 1991) (unpublished opinion available on WESTLAW) (Murnaghan, J., dissenting) ("I would remand to the district judge to permit him to reconsider [the effect of] Harrell's cooperation with congressional authorities [investigating fraud at HUD.]"). The courts have sentencing authority to reward cooperation of a defendant with an agency other than the prosecution when the United States Attorney has not requested a downward departure.

The Chief Counsel's letter of January 10, 1992 is, in effect, a request for a downward departure. Comity between independent branches of government suggests the desirability of assisting Congress in its important work where there is no strong conflict with a court's other sentencing responsibilities. Balancing congressional needs and the judicial sentencing responsibilities in this case requires a downward departure in the exercise of the court's discretion.

In view of the importance of defendant's cooperation with Congress, a downward departure of three offense levels is appropriate. Absent such a departure, his offense level would be 11, with a guideline range of 8–14 months in prison. With the downward adjustment, his offense level is 8, providing a range of 2 to 8 months. Since he has served 8½ months, he is ordered released forthwith. The sentence is stayed for 7 days to permit the United States Attorney to appeal and to seek a further stay from the Court of Appeals.

So Ordered.

JACK B. WEINSTEIN,
United States District Judge.

Dated: Brooklyn, New York, January 21, 1992.

[From the Legal Times, Jan. 27, 1992]

GUNRUNNER PLAYS OCTOBER SURPRISE CARD—LAWYER EXPLOITS HOSTAGE PROBE, WINS CONGRESSIONAL HELP TO FREE CLIENT

(By Daniel Klaidman)

Two years ago, Thomas Dunn was scraping by as a court-appointed criminal defense lawyer in Brooklyn, taking the usual assortment of drug, robbery, and occasional murder cases. After 5½ years of this routine, he was a little bored.

But on Thursday, Jan. 18, 1990—Dunn's day of the week for picking up cases in U.S. District Court—his luck changed dramatically.

That day, a U.S. magistrate assigned Dunn the case of Ari Ben-Menashe, an Israeli intelligence operative accused of making illegal arms sales to Iran. By taking the case, Dunn was thrust into a world of international conspiracy and cloak-and-dagger intrigue that has taken him from Brooklyn to a jail cell in provincial Germany to the corridors of power in Washington.

The Ben-Menashe defense was a watershed for Dunn because it provided him entree into an even more byzantine international intrigue—the so called October Surprise.

Dunn's Ben-Menashe connection led him to take the case of Dirk Francois Stoffberg, a former South African intelligence agent and private arms merchant—who, like Ben-Menashe, is another shadowy figure involved in the October Surprise. The story of the October Surprise posits that in the fall of 1980, to help elect Ronald Reagan as president, Reagan campaign officials attempted to stall the release of 52 Americans held hostage in Iran.

Now, some crafty layering by Dunn on behalf of Stoffberg has sparked a nasty partisan spat in Washington that centers on the role a powerful congressional staffer is playing in the House of Representatives' October Surprise investigation. Dunn managed to convince a federal judge to make the unprecedented decision to reduce his client's sentence based on congressional intervention.

Through all the politics and security matters, Dunn has deftly played off competing interests in Washington to his client's advantage.

"My client had the information, and Washington was hungry for it," boasts the usually reserved 41-year-old solo practitioner.

While Dunn has good reason to crow, he got a lot of help from his client. Stoffberg claims that in the summer of 1980 he met with future Reagan administration officials William Casey and Richard Allen to discuss U.S. hostages held captive in Iran. He did not reveal this information until he was charged last April with violating the Arms Export Control Act for selling 1,000 9mm Smith & Wesson handguns to a U.S. Customs agent posing as a Chilean broker. In November, Stoffberg pleaded guilty to the charge.

Stoffberg's story of his 1980 activities lured R. Spencer Oliver, chief counsel to the House Foreign Affairs Committee, to Manhattan—and onto Stoffberg's defense team. The longtime Democratic staffer sent a letter praising the South African to U.S. District Judge Jack Weinstein, who later freed Stoffberg.

Oliver is probing the October Surprise for the House Foreign Affairs panel—although he apparently never made known to committee Republicans his actions concerning Stoffberg. His letter has proved a lightening rod for partisan anger over the October Surprise investigation. Republican lawmakers who are critical of the probe have lashed out at Oliver for intervening in a pending criminal case in pursuit of evidence to support the October Surprise hypothesis.

The members say that it was inappropriate for an unelected staffer under the auspices of Congress to lobby a judge to reduce a defendant's sentence.

"By what authority did Spencer Oliver intervene in this case, and why wasn't the minority notified?" asks Rep. Henry Hyde (R.–Ill.), a senior member of the House Foreign Affairs Committee." The letter should have been signed by somebody in authority.

"Maybe Mr. Oliver is running the Foreign Affairs Committee, and I didn't know it," adds Hyde.

Oliver declines comment. A spokesperson for his boss, Rep. Dante Fascell (D–Fla.), chairman of the House Foreign Affairs Committee, says that Fascell authorized the letter.

The spokesperson notes that the letter was also authorized by Rep. Lee Hamilton (D–Ind.), who heads the Democratic task force established to probe the October Surprise.

But a spokesman for Hamilton says the congressman "was not familiar with the letter that has been sent to the judge."

This partisan squabbling is of little concern to Dunn, who has sprung his client from jail and in so doing helped to create case law that gives Congress power in sentencing at the expense of federal prosecutors.

"If you have a guy arrested out in Texas," says Dunn, "and there's a congressional investigation totally unrelated to his particular case, now a judge has the power to make a downward departure in the sentencing guidelines based on U.S. v. Stoffberg."

CLIENT REFERRAL

For Stoffberg, the case began last year in Konstanz, Germany, when the U.S. Customs Service stung him. Stoffberg was arrested while attempting to cross the Swiss-German border and held by German authorities pending his extradition to the United States.

A German journalist who knew Stoffberg's financée advised him to retain Dunn. The German had seen Dunn try the seven-week-long Ben-Menashe case, which ended in an acquittal.

On Sept. 22, Dunn, a former insurance claims adjuster with a self-acknowledged fear of flying, flew to Germany to meet with his client.

During his first interview with Stoffberg, held in a German jail cell, Dunn learned that the former agent possessed some startling information that the lawyer hoped might give him leverage with the U.S. government.

In the 1970s, Stoffberg, as an agent of South Africa, sold weapons to the Shah of Iran's government. A remarkably smooth player in the international arms trade, he was able to continue selling weapons to the Iranians after the 1979 revolution.

According to Dunn, Stoffberg's good relations with officials in the Ayatollah Khomeini's regime led "two American Reagan campaign officials" to meet with his client in London on two occasions in the summer of 1980 to discuss the 52 U.S. hostages seized by Iranian militants after the revolution.

Dunn would not confirm that Casey and Allen were the two officials, but two Hill sources assert that Stoffberg has named those men to congressional investigators.

The claims were indeed explosive, and Dunn knew there had to be a way to use the information to his client's advantage.

"We wanted to cooperate with any governmental entity that was interested in Mr. Stoffberg's story," says Dunn.

But the 1980 graduate of the Western New England College of Law also realized that Stoffberg had been caught red-handed by U.S. agents and would almost certainly be convicted by a jury if the case went to trial.

Furthermore, Dunn surmised that revealing the conspiracy allegations to prosecutors in New York's Eastern District, where Stoffberg had been indicted, would be counterproductive.

"The prosecutors' Republican bosses in Washington were hardly going to allow a deal to be cut based on allegations about the October Surprise," says Dunn.

To make matters worse, Stoffberg refused to cooperate with U.S. prosecutors in their cases against his co-defendants. According to Dunn, his client was wary of violating the South African Secrets Act and returning to his native land to face stiff criminal penalties.

"We had no defense, that was clear," recalls Dunn.

DEALING WITH CONGRESS

Then Dunn remembered a conversation he had with Spencer Oliver, the House Foreign Affairs counsel who was interested in his other client, former Israeli spy Ari Ben-Menashe. Ben-Menashe also claimed knowledge of the October Surprise and was angling to provide testimony to congressional investigators.

In September, Dunn met with Oliver and asked to set up a meeting between Oliver and Stoffberg. To add credibility to his client's story, Dunn told Oliver that in 1981, Stoffberg had played a key role in freeing three Anglican clergymen who had been taken prisoner by the Iranians. The episode, he said, could be corroborated by Swedish diplomats.

According to Dunn, Oliver was interested but non-commital. He wanted to meet with Stoffberg before agreeing to intervene with the court on his behalf.

On Nov. 21, in the U.S. Courthouse in Brooklyn, Stoffberg pleaded guilty to one count of violating the Arms Export Control Act. He was detained in the Metropolitan Correctional Center in Manhattan.

Oliver tried to set up a meeting with Stoffberg at the Office of the U.S. Attorney for the Eastern District of New York. Although prosecutors denied the request, they became interested in Stoffberg's dealings with the congressional aide. Assistant U.S. Attorney Seth Marvin had several long conversations with Oliver in an attempt to learn what Stoffberg was telling the investigator, according to Dunn and others.

Oliver finally met with Stoffberg on Dec. 26 at the Metropolitan Correctional Center. The South African told Oliver about the two London meetings and provided documents, according to Dunn.

Shortly after Oliver returned to Washington, however, he told Dunn that he would not intervene for Stoffberg because Stoffberg had refused to reveal the name of a British intelligence officer who organized one of the London meetings.

PLAYING HARDBALL

The development came as a major blow to Dunn.

"All of the sudden it felt like my heart fell out of my chest," Dunn remembers.

So the slightly diffident solo practitioner from Fairlawn, N.J., decided it was time to play hardball with Washington.

"The committee needed my client," says Dunn. "I told Oliver 'no letter to the judge, no cooperation from my client,' and he got the message."

In Oliver's carefully crafted Jan. 10 letter to Judge Weinstein, he writes that Stoffberg has "provided the House of Representatives Committee on Foreign Affairs with substantial assistance in an on-going investigation." The controversial letter goes on to "request that Mr. Stoffberg's cooperation be taken into consideration by you in the determination of his sentence."

At a Jan. 14 sentencing hearing before Weinstein, a federal prosecutor argued that the Oliver letter was no different from any other character reference from a third party: "Congress, like any other party or private citizen, has a right to send a letter to the court, much like a family member would, a physician, a member of the clergy * * *"

The judge shot back rhetorically: "You're not putting Congress in the same position of influence as a family member in terms of its influence."

Weinstein ruled that under federal sentencing guidelines, Stoffberg was eligible to serve eight to 14 months, but that based on "the importance of defendant's cooperation with Congress, a downward departure of three offense levels is appropriate."

He sentenced Stoffberg to two-to-eight months' imprisonment; because Stoffberg had already served 8½ months, the judge ordered his release. In his Jan. 16 opinion, Weinstein also indicated that he would have sentenced the South African to 13 months in prison had he not taken Oliver's request into consideration.

The U.S. attorney's office declined to appeal Weinstein's ruling.

LEGAL REWARDS

Meanwhile, Rep. Hyde and other Republicans continue to cry foul over Oliver's role in reducing the sentence of a convicted arms merchant.

But such political infighting seems distant to Dunn, who was preoccupied last week with defending his client's interests before the U.S. Immigration and Naturalization Service, which is seeking to deport Stoffberg either to South Africa or to Germany.

Dunn says he has not seen the last of Stoffberg, and the work he hopes to do in the future will probably take him even further from his court-appointed criminal practice in Brooklyn.

Says Dunn: "I'll be Stoffberg's lawyer for his book deal."

□ 1510

ACCESS TO JUSTICE ACT OF 1992—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102–185)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on the Judiciary and ordered to be printed:

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the "Access to Justice Act of 1992". The purpose of this proposal is to reduce the tremendous growth in civil litigation that has burdened the American court system and imposed high costs on our citizens, small businesses, industries, professionals, and government at all levels.

A thorough study of the current civil justice system has been conducted by a special working group, chaired by the Solicitor General, Kenneth W. Starr. The working group's recommendations, which were unanimously accepted by my Council on Competitiveness, are reflected in the bill. The legislation seeks to reduce wasteful and counterproductive litigation practices by encouraging voluntary dispute resolution, the improved use of litigation resources, and, where appropriate, modified, market-based fee arrangements. Additional reforms would permit the judicial system to operate more effectively.

The Access to Justice Act would accomplish reforms in significant areas of litigation:

—a prerequisite for Federal jurisdiction over certain types of lawsuits (the amount in controversy requirement) would be redefined to exclude vague, subjective claims;
—prevailing parties could be entitled to award of attorney's fees in certain lawsuits brought in Federal court;
—the Equal Access to Justice Act would be amended to clarify and limit litigation over the amount of attorney's fees;
—innovative "multi-door courthouses" would be established to encourage utilization of alternative dispute resolution mechanisms;
—award of reasonable attorney's fees in disputes involving the United States would be permitted in appropriate instances;
—prior notice would be required, subject to reasonable limits, as a prerequisite to bring suit in any United States District Court;
—flexible assignment of district court judges would be authorized;
—immunity of State judicial officers would be clarified and protected;
—the Civil Rights of Institutionalized Persons Act would be amended to encourage resolution of claims administratively; and
—improvements in case management in Federal courts would be effected.

I believe this proposed legislation would greatly reduce the burden of excessive, needless litigation while protecting and enhancing every American's ability to vindicate legal rights through our legal system. I recommend prompt and favorable consideration of the enclosed bill.

GEORGE BUSH.

THE WHITE HOUSE, *February 4, 1992*.

APPOINTMENT OF CONFEREES ON H.R. 2194, FEDERAL FACILITIES COMPLIANCE ACT OF 1991

Mr. SWIFT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2194) to amend the Solid Waste Disposal Act to clarify provisions concerning the application of certain requirements and sanctions to Federal facilities, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore (Mr. MCDERMOTT). Is there objection to the request of the gentleman from Washington?

Mr. SCHAEFER. Mr. Speaker, reserving the right to object, which I will not do, I make this reservation for the purpose of asking the gentleman from Washington [Mr. SWIFT] what this request is?

Mr. SWIFT. Mr. Speaker, will the gentleman yield?

Mr. SCHAEFER. I yield to the gentleman from Washington.

Mr. SWIFT. Mr. Speaker, this is a request to go to conference on the Federal facilities bill, legislation that the gentleman from Colorado [Mr. SCHAEFER] has had considerable interest in over the years.

Mr. SCHAEFER. Mr. Speaker, I certainly support the request of the gentleman from Washington [Mr. SWIFT].

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington? The Chair hears none, and, without objection, reserves the right to appoint additional conferees:

From the Committee on Energy and Commerce, for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Messrs. DINGELL, SWIFT, ECKART, SLATTERY, SIKORSKI, LENT, RITTER, and SCHAEFER.

As additional conferees from the Committee on Armed Services, for consideration of section 113 of the Senate amendment, and modifications committed to conference: Messrs. RAY, HOCHBRUECKNER, and SAXTON.

As additional conferees from the Committee on the Judiciary, for consideration of section 2(a) of the House bill, and section 103(a) of the Senate amendment, and modifications committed to conference: Messrs. BROOKS, FRANK, and GEKAS.

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of section 304(a) of the Senate amendment, and modifications committed to conference: Messrs. JONES of North Carolina, STUDDS, and DAVIS.

As additional conferees from the Committee on Public Works and Transportation, for consideration of sections 102, 109, and 115–19 of the Senate amendment, and modifications committed to conference: Messrs. ROE, NOWAK, and HAMMERSCHMIDT.

As additional conferees from the Committee on Public Works and Transportation, for consideration of title IV of the Senate amendment, and modifications committed to conference: Messrs. ROE, SAVAGE, Ms. NORTON, and Messrs. NOWAK, BORSKI, HAMMERSCHMIDT, SHUSTER, and INHOFE.

There was no objection.

AMERICAN WORKERS SHOULD HAVE KNOWLEDGE OF THEIR POLITICAL RIGHTS

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BALLENGER. Mr. Speaker, imagine a portion of your paycheck going to the campaign of your political rival—a practice that Thomas Jefferson called both sinful and tyrannical—and then you'd have to go through a lengthy court battle to get a fair amount of that portion restored. For workers who don't agree with their union's political choices and yet have to support them, this is the situation in which they find themselves.

At the January 1992 meeting of the Republican National Committee a resolution passed calling for the Congress and the Department of Labor to do everything in their power to legislatively and administratively enforce the 1988 Supreme Court Beck decision so that American workers can have the knowledge of their political rights.

American workers, thanks to this landmark decision, will not have to pay that portion of their union dues that goes for political activity. The problem is that most workers are not aware of these rights, and, therefore, would have to go to court as Harry Beck did.

Mr. Speaker, I place this resolution in the RECORD and I ask that this administration restore freedom of political choice to the workers of our country by enforcing the Beck decision.

BECK RIGHTS RESOLUTION—1992

Whereas, the Supreme Court of the United States has ruled that it is a violation of the First Amendment guarantee of free speech to compel workers to fund political activities and candidates through their compulsory dues and other payments to unions, and

Whereas, the Supreme Court's decision in Communication Workers v. Beck (108 S. Ct. 2641 (1988) establishes these employee rights under the National Labor Relations Act, and

Whereas, compulsory dues pour millions and millions of dollars into the coffers of big labor which the union bosses spend in support of candidates whom working Americans do not support and, indeed actively oppose, and

Whereas, officials of the National Education Association union plan to spend teachers' dues money to defeat President Bush's reelection efforts, thus trampling on the political freedom of the NEA's 600,000 Republican members, and

Whereas, officials of the Teamsters union, and of the AFL–CIO, have announced their intention to spend members' dues money to defeat President Bush, despite the fact that nearly half of all union members in these organizations voted for President Bush in the last election, and

Whereas, union members, seeking to exercise their Beck rights have been put off, threatened with the loss of their jobs and benefits and, on occasion, asked to leave the union, and

Whereas, Republican-sponsored legislation has repeatedly called for increased enforcement of Beck rights, only to be rebuffed by the Democrat-controlled Congress, and

Whereas, Republican members of Congress have repeatedly tried to insure that workers' rights are no longer violated in such a grievous and illegal manner, only to be rebuffed by the liberal special interests, and

Whereas, President George Bush in June of 1989 said, "I also propose to strengthen the Supreme Court's Beck decision, which held that union members can't be forced to have their dues go to political causes they do not support. No Americans—not one—should be compelled to give money to a candidate against his or her will", and

Whereas, the United States Department of Labor has the right and power and obligation to act administratively to help protect workers from the forcible taking of their dues monies and other payments to unions to support causes and candidates they oppose, and

Whereas, the Republican National Committee, at its January, 1991 meeting in Washington, D.C., fully endorsed the right of American working men and women to support or oppose candidates of their choice, free from political tyranny and coercion, and

Whereas, the Republican National Committee, at its 1991 meeting called upon the Congress and the Department of Labor to do everything in their power to correct union abuses of the rights of workers, only to see those efforts attacked and assailed at every turn by these same liberal interest groups: Now, therefore, be it

Resolved, That the members of the Republican National Committee urge forceful action by the Department of Labor on behalf of the political rights of workers, and we further urge the Department of Labor to implement the Beck decision:

One, mandate the posting of notices in the workplace informing workers of their rights to refuse to fund political causes they oppose; and

Two, amend the LM-2 forms to force full and open disclosure of union expenditures, especially political expenditures, as well as collective bargaining costs, on a line by line basis.

Submitted by Morton C. Blackwell, National Committeeman, Virginia.

Note: Charlton Heston was asked to leave Actors Equity when he attempted to exercise his Beck rights.

AS FEAR OF A BIG WAR FADES, MILITARY PLANS FOR LITTLE ONES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, I submit the following article from the New York Times, Monday, February 3, 1992. The content addressed the issue of defense policy for the post-cold-war era. My constituents are very interested in the defense issue.

AS FEAR OF A BIG WAR FADES, MILITARY PLANS FOR LITTLE ONES

(By Patrick E. Tyler)

FORT KNOX, KY.—On a bleak, cold hillside one January afternoon, a class of future Army tank commanders huddled on a set of bleachers as Col. John Sylvester, one of the heroes of the Persian Gulf war, explained why the breakup of the Soviet Union would have no effect on their careers.

A towering Daniel Boone figure with muddy boots and a booming voice, Colonel Sylvester led the Tiger Brigade of the Second Armored Division of M1-A1 tanks against Kuwait International Airport a year ago. Now, as warrior-teacher, he was telling these young captains and lieutenants that even with the cold war's end they might still find themselves in a war someday.

And in war, Colonel Sylvester told them, the enemy will always try to put obstacles on the battlefield "to make you vulnerable so he can kill you." Simple as that.

But what the Colonel didn't say was who that enemy might be. The fact was, he didn't know.

With the cold war ended, the future is sweeping over the United States military. Nowhere is frustration as intense as here at the Army's tank school, where virtually every tank driver since World War II has trained with a Soviet enemy in mind.

AN OLD FEAR, NOW GONE

That vision of an enemy that could point 90 or more divisions at Western Europe and still wage global war with the United States was implanted in multiple generations of Americans in uniform. But now it has evaporated, leaving the United States military without the old certainties about its role in the world, its deployment overseas, its need for futuristic weapons and battlefield scenarios.

At no time since the end of World War II has America's two-million-member military establishment faced as much fundamental change and uncertainty as in 1992, the first full year that will unfold without a unified Soviet military and the industrial complex that supported it.

Significant military threats to American security are greatly diminished, but they have not disappeared altogether: Saddam Hussein reminded the world that sizable military challenges might arise in the undefinable era ahead, but these potential adversaries are vaporous shapes.

"This transition period is potentially dangerous," argued Maj. Gen. Thomas C. Foley, who commands the armor school at Fort Knox. "I don't want to say there is a bogey man behind every tree, but you have to admit when the American people say, 'Our interests are being threatened, let's do something about it,' we have got to be ready to go, on a much reduced scale maybe, but ready to go."

A GAME WITH ONLY ONE TEAM

For other officers, the loss of certainty is more distressing.

Col. Dennis H. Long is the director of "total armor force readiness" at Fort Knox. His job is to look 15 to 20 years into the future and recommend to the Army what kind of tanks and other armored vehicles the service should design.

"For 50 years, we equipped our football team, practiced five days a week and never played a game," he said. "We had a clear enemy with demonstrable qualities, and we had scouted them out."

Now, he continued, "We will have to practice day in and day out without knowing anything about the other team. We won't have his playbook, we won't know where the stadium is, or how many guys he will have on the field. That is very distressing to the military establishment, especially when you are trying to justify the existence of your organization and your systems."

THE QUESTIONS: HOW TO LEARN FROM SMALL WARS

The final collapse of the Soviet empire has caused millions of Americans and many of their representatives in Congress to call for dramatic reductions in the American military. And it has led the Bush Administration to retreat, though in small steps, from the large military budgets that characterized the Korean War era, the Vietnam War era, the late Carter Administration, the Reagan era and even the first days of the Bush Administration.

"For all of my lifetime," said Representative Les Aspin, Democrat of Wisconsin and chairman of the House Armed Services Committee, "the driving force for everything has been the Soviet threat." Now that it has gone away, he continued in an interview, "we are cut loose from a lot of our certainties, and we must ask ourselves first-principles questions which haven't been asked in 40 to 50 years."

What are those questions?

Former Defense Secretary Harold Brown said the first question Americans must answer is what kind of military power they want the nation to be.

"Is it really America's job to fight in North and South Korea?" he asked. "Apparently it is America's job to fight in the Persian Gulf. What about southern Africa and Latin America?"

"My own guess is that the American public wouldn't see the same motivation" in those regions that it did during the cold war, Mr. Brown said, when global military competition with the Soviet Union led to American intervention in Europe, Central America, the Caribbean, the Middle East and Asia.

"The end of the cold war should mean the end of the cold-war method of judging defense requirements," former Defense Secretary James R. Schlesinger wrote recently in Foreign Policy.

In an interview, Mr. Schlesinger said American society must recast its definition of power to include such elements as economic competitiveness, productivity and investment in industry. These other priorities, he suggests, will move to more commanding positions as the need for massive military strength disappears.

LOADED WORDS IN THE BUDGET

This transition holds practical problems, however, and most of them are in Washington, where the annual budget cycle requires the Pentagon and the Congress to define "threats" to national security and then to state the "requirements" for weapons and forces needed to meet them. From this process emerges an annual Pentagon budget and five-year spending plan to "acquire" the forces and weapons needed.

But without a big threat, there is little agreement on how to proceed.

Representative Aspin recently suggested that the Persian Gulf war should be the model for future wars. The Iraq experience would be transplanted around the globe to measure the relative strength of other troublesome regional powers as a means to plan forces to defeat them. Mr. Aspin has dubbed this method "Iraq equivalents."

In August 1990, Defense Secretary Dick Cheney and Gen. Colin L. Powell, chairman of the Joint Chiefs of Staff, defined a strategy that would shrink worldwide American forces by 25 percent from cold-war levels while increasing spending for a new generation of high-technology weapons to outfit the American military of the future.

MILITARY'S NEW TASKS

This transitional strategy foresaw the threat of regional wars in the Persian Gulf or Korea. It focused on the spreading ballistic missile threat, nuclear proliferation, terrorism, drug trafficking and the possible reemergence of a Soviet threat in Europe.

The collapse of the Soviet Union quickly undermined this strategy and highlighted the fact that Mr. Cheney and General Powell were building so many new weapons that future defense budgets, after a period of shrinkage, would actually begin growing again by tens of billions of dollars a year later in the decade.

But Mr. Cheney and General Powell have now retrenched further.

Oppressed by the new reality that it must justify itself in a relative vacuum of "threats," the military's leaders are clinging to the truisms of military philosophy, admonishing political leaders in the way Machiavelli might have instructed his prince or Clauswitz his king.

The advice is simple and blunt: any nation that disarms invites attack; wars, when they come, are seldom the wars expected; being as good as a potential adversary is not enough; winning means not only exceeding the strengths of the opponent, but dominating him so completely that the conflict is ended early with favorable results and minimal casualties.

THE BACKGROUND: A STRATEGY BUILT ON YEARS OF FEAR

On Aug. 25, 1989, Adm. William J. Crowe Jr., General Powell's predecessor as Chairman of the Joint Chiefs of Staff, distributed his last "national military strategy," a classified guide to waging global conflict with the Soviet Union. He did not know that in just 76 days the Berlin wall would fall, bringing the end of the cold war clearly into view.

"Should deterrence fall and war come," he wrote to Secretary Cheney, "the United States must be prepared for an extended conflict involving the survival of the nation." The document, which was sent to top military commanders, spoke of "total mobilization at home" to build the nation's wartime combat power.

"United States forces will seek out and destroy Soviet naval forces, project power ashore and be prepared to conduct attacks against the Soviet homeland," Admiral Crowe wrote. Should the war go nuclear, the document says, "our forces will hold at risk those assets that the Soviet leadership would need to prevail in a nuclear conflict and to dominate a postnuclear world."

It was a military catechism that epitomized an era—an era in which NATO developed strategies to offset the numerical superiority of the Warsaw Pact; an era in which the United States Navy focused on resupplying Europe in wartime, on dominating the oceans and on building a maritime strategy using aircraft carriers and marines to strike on the Soviet flanks.

HARKING BACK TO THEIR COMING OF AGE

For most senior general officers in the American military today, coming to adulthood coincided with the onset of prospective East-West conflict.

General Foley, now the commander at Ft. Knox, recalled that when he arrived in West Germany in 1961 as a young second lieutenant and watched the Berlin wall going up, "I think all of us took very seriously the fact that we could go to war at any time."

"There was a fear," he said, a recognition that those officers who had brought their families to Europe might not get the opportunity to warn them in the event that war broke out with nuclear weapons.

When his wife, Sandy, and two young children arrived by transport ship in Bremerhaven and traveled by train to Bavaria in June 1962, the Foleys had been separated for a year by the Berlin crisis. Their family reunion lasted only three days before Lieutenant Foley had to be back with his unit in a high state of readiness for war.

When there was spare time, the Foleys reconnoitered the escape routes through Germany that Mrs. Foley and the children would use if war broke out.

"That's how serious it was taken," he said.

This seminal cold war experience shaped General Foley's lifetime view, leaving him with the opinion today that the United States should strive to remain a potent military power to deter threats, even if the threats were not readily apparent.

THE ANALYSIS: THREAT IS DIVERSE RATHER THAN DEEP

For the military, and the nervous Foleys, the cold war was a time of great building and transition. The first bomber designed to carry nuclear weapons, the B-52 Stratofortress, went on 24-hour alert in 1957. The Air Force's Strategic Air Command became the first among equals of all military commands; its mission was to annihilate Soviet targets with nuclear fire.

In June 1962, the same month that Mrs. Foley followed her husband to Europe, Roy Alcala graduated from West Point and reported to tank school at Fort Knox.

The commencement speaker for Lieutenant Alcala's graduating class at West Point had been President John F. Kennedy, who admonished the cadets that the global competition between the Soviet Union and United States might send them into the third world as cold warriors against the spread of Marxist revolutions.

"I know that many of you feel, and many of our citizens may feel, that in these days of the nuclear age, when war may last in its final form a day or two or three days before much of the world is burned up, that your service to your country will be only standing and waiting," Mr. Kennedy said.

"Nothing, of course, could be further from the truth."

Five Soviet leaders and several wars later, Mikhail S. Gorbachev began the process of turning the world on its end. And after two tours in Vietnam and three years of graduate school at Yale University, Colonel Alcala and many of his contemporaries saw the decline of the Soviet Union long before the Pentagon officially acknowledged it.

"We began to see it in 1986 and the spring of 1987," he said. By this time, Colonel Alcala was running a small research group for Gen. Carl E. Vuono, the Army Chief of Staff.

Sensing the future, General Vuono mobilized his staff to formulate what he called a "successor strategy" that would allow the Army to shrink in size, while maintaining its lethalness and mobility for any crisis.

CHANGE IN RISK RATIO

"Changing from the containment of the Soviet Union," Colonel Alcala said, meant that "we were preparing our forces so they could act in areas other than mainland Europe while not knowing precisely what kind of threat they would face."

"Our conclusion was that while the risk to national existence was way down, the probability of having to engage was way up.

"It took the exercise against Iraq to shed much of the old language and to demonstrate what we had done," Colonel Alcala said.

General Vuono and Colonel Alcala also understood that the service would have to shrink substantially because no set of hypothetical threats could ever measure up to the demands the Soviet military had put on American military preparedness.

THE OUTLOOK: THE DEAD PAST SHAPES THE FUTURE

Veterans of the Pentagon's planning process say the military has spent most of its time for the last two years justifying a slimmed-down version of the cold-war military structure, rather than trying to design a force for the 21st century.

The notion of throwing out a decades-old system is a powerful bureaucratic threat. It rankles veterans.

"It can't be a clean sheet of paper," said Mr. Brown, the former Defense Secretary. "You have an immense capital investment, and you can't throw it away."

Planning for the future need not waste the investments of the past, some experts say. Without a clear and identifiable military threat, why not design a smaller, highly mobile and lethal military that could respond to a crisis anywhere in the world, seize territory, control the air over the battlefield and provide support from the sea, but at half the cost of the military that existed when the Berlin wall fell?

New ideas about so-called all-purpose forces are being offered. Some argue that the military has only begun to explore the possibilities offered by cost-effective combinations of computers, radars and high-technology munitions that can bring more firepower to bear on targets than at any time in history.

Mr. Aspin, head of the House Armed Services Committee, has advocated new procurement strategies to slow the development of new weapons: "rolling over" research and "skipping generations" of weapons instead of rushing into production with every new model.

It appears that the Pentagon is moving in that direction.

THE DOUBTS: INERTIA HOBBLES A VAST MILITARY

Just retired from the Army that he joined in the era of Dr. Strangelove, Colonel Alcala is proud of the imprint his generation left on his service. But he has also begun to believe that the United States can remain the strongest global military power while also shedding much of the "dishonesty, pork and near-term economic gain" that impels the Pentagon's budget.

He says he would be willing to scrap the Army's tank factories and deactivate divisions that have lost their purpose. He would experiment with so-called cadre divisions that would maintain a skeletal core and fill out with reservists in a crisis.

"The right answer is probably unachievable," he said, "because it requires traumatic change and the amputation of useless limbs if we do it right. You have to cut the money, change the strategy and make the force fit the strategy. And you'll never get that on Capitol Hill."

AFTER THE THAW—"THE RESIDUAL ROLE FOR THE MILITARY"

(By Robert S. McNamara)

The opportunity for the Western democracies at present is to establish a vision of a new world order. It's the first opportunity of conceiving of such a vision and moving toward it since Roosevelt and Churchill put forth their vision of a post-World War II world. They were looking to a world in which relations among nations were based on a rule of law and a form of collective security founded on the United Nations. That is possible now.

I'm not so naive as to believe this post-cold-war would be without conflict. There have been 125 wars leading to 40 million deaths, largely in the third world, after World War II and before the Gulf War. These were not a function of ideological differences between East and West. They were a function of the age-old causes of war—boundary disputes, economic conflicts, ethnic tensions.

The danger is not that some group of nations will engage in conflict that will endanger the military structure of the great powers. The danger is that the great powers will fail to follow through on the vision. If the United States will give leadership in that direction and the other great powers will follow, then I believe it should be possible to cut military expenditures in the world roughly in half.

The residual role for the military is to deal with the conflicts that can't be deterred—such as the Gulf. We have many, many problems in the world, such as the proliferation of weapons of mass destruction. We've got all kinds of common enemies and challenges, such as the sustainability of development in broadest sense around the world. Population stability and environmental stability are going to be increasingly serious problems.

NEW WEAPONS FOR AN OLD WAR

[Some weapon systems designed for cold-war applications]

Weapon	Original mission	Status
B–2 Stealth Bomber	To penetrate Soviet airspace undetected carrying nuclear weapons during wartime. Development by Northrop began in 1978; first flight was in July 1989.	The Pentagon wanted 75 planes at a cost of $65 billion, but President Bush's budget proposal for fiscal 1993 calls for halting production at 20 planes. The program has already cost $34 billion.
F–22 Advanced Tactical Stealth Fighter.	To replace the F–15 Eagle and F–16 Falcon fighters and maintain air supremacy over any improved Soviet fighters. The search for this new generation of aircraft that could fly at supersonic speeds without detection began in 1981; Lockheed won the design competition in April 1991.	Full-scale production to begin this year at an expected cost of $95 billion for 650 planes. In the fiscal 1993 budget, the Pentagon is requesting $2.2 billion for the program.
SSN–21 Seawolf, named for the first submarine in this class.	To succeed the Los Angeles-class submarine with the mission of preventing the Soviet Navy from seizing the oceans during wartime. The first boat, ordered in January 1989, is under construction.	The Navy wanted 30 boats for a total cost of $65 billion. President Bush's fiscal 1993 budget proposal calls for ending the program after only one submarine is built.
M1 Tank	To counter heavy armored Soviet tank divisions in Europe	Congress instructed the Pentagon to proceed with the M1–A2, an upgrade of the M1–A1, even though the Defense Department says it already has more tanks than it needs. Current proposals call for $315 million next year.
Aircraft carrier battle groups	To maintain "deep attack" capabilities against the Soviet Union, and to provide forward air attack abilities around the world.	Three new carriers are under construction, and the Navy wants to build another. The 15 carrier battle groups already deployed cost more than $20 billion a year to operate. Each carrier along with its battle group costs about $45 billion over its 30-year life cycle.

ACCESS TO JUSTICE ACT OF 1992

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. FISH] is recognized for 5 minutes.

Mr. FISH. Mr. Speaker, today I am introducing the Access to Justice Act of 1992, legislation that will bring about important and needed reforms in the Federal civil justice system. This bill is the outgrowth of certain recommendations made by the President's Council on Competitiveness in its Agenda for Civil Justice Reform issued in August 1991. As chairman of the Council on Competitiveness, Vice President DAN QUAYLE deserves high marks and high praise for his leadership in this reform effort.

I am very gratified to have the Honorable ROBERT MICHEL, the Republican leader, the Honorable NEWT GINGRICH, the Republican whip, and the Honorable DUNCAN HUNTER, the chairman of the Republican Research Committee joining with me as cosponsors of this important measure. Also, I am pleased to have my good friends and Judiciary Committee colleagues, the Honorable CARLOS J. MOORHEAD, and the Honorable BILL MCCOLLUM, as cosponsors as well.

At the very outset, it should be emphasized that this legislation is not intended as an attack on our Nation's legal system or the Nation's legal profession. I am a lawyer myself. I have served for over 23 years on the Committee on the Judiciary in the House of Representatives and have viewed this service as an opportunity to improve the administration of justice for all of our people. In short, I have the utmost respect for the American system of justice and our forms of jurisprudence.

But there is no aspect of our Government that should be considered to be immune from legitimate inquiry, review, and analysis. The Federal court system—with its complex rules and myriad procedures—is and should be subject to the regularized scrutiny of congressional oversight. Our civil justice system belongs to all Americans.

The fact is that the American people sense that something is wrong with our legal system. They believe there are too many lawsuits and too many excessive damage awards. They believe that too much litigation is hurting the American economy. They believe that too much litigation is costing Americans jobs. They believe that too much litigation is driving up the cost of financing Federal, State, and local government. They believe that too much litigation is driving up the cost of liability (auto, homeowners, commercial) insurance and is a key factor in driving up the cost of health care.

Civil justice reform is about balanced fairness in our legal system. Civil justice reform is about seeking legitimate alternatives to litigation. Civil justice reform is about jobs for Americans—keeping existing jobs in the United States and creating new ones here at home. Civil justice reform is about enhancing American competitiveness so that our economy is allowed to expand and prosper. Civil justice reform is about American productivity. Civil justice reform is about cutting back on wasted transactional costs that produce nothing.

Our bill would make a number of important reforms in the Federal civil justice system without limiting the legal rights of legitimate plaintiffs. It is important to emphasize that this legislation imposes no caps on damages and no limits on attorneys' fees. Instead, it makes commonsense adjustments in the manner of handling Federal civil litigation.

Allow me to briefly summarize what our bill is going to do:

Require that the amount in controversy—$50,000—for Federal court jurisdiction in diversity of citizenship actions should be based upon actual damages—that is, real economic losses.

Utilize the English rule or fairness rule in cases brought to the Federal courts through diversity jurisdiction. Under our adaptation of the English rule, the losing party will pay the attorneys' fees of the prevailing party but only up to the amount of their own attorneys' fees. This general loser-pays approach on legal fees is used by virtually every other civilized nation. It serves to discourage unnecessary and marginal litigation. Again, I would emphasize that our bill would not apply the rule in all Federal cases but rather only those that are in Federal court as a result of diversity in citizenship. This represents less than 25 percent of the Federal civil docket. For example, civil rights cases, environmental enforcement cases, and Federal question cases would not be affected.

As a means of further encouraging settlements, we propose a 30-day notice prior to filing actions in the Federal courts, specifying the basis of the claim and the amount of damages sought. If a plaintiff fails to notify, they are not substantively penalized. The statute of limitations would not expire; they simply would refile the same case as long as they give notice to the other parties.

To further the alternative disputes resolution [ADR] process, we would establish a pilot program through the designation of multidoor courthouse districts across the United States. These multidoor courthouses would adopt procedures for a speedier, nontrial way to resolve disputes and to expedite discovery.

Protect State court judges against possible personal liability for decisions made in the line of their judicial duties.

Authorize U.S. Government agencies to enter into fee shifting agreements with other litigants.

This civil justice reform legislation would streamline pretrial procedures, speed the trial process, and curb litigation costs. Now, there will be some who will charge that this legislation is inconsistent with the best interests of the American people. Nothing could be farther from the truth. The American people would be the direct beneficiaries of these reforms. Americans fully understand that changes need to be made and they will expect Congress to take a serious look at this comprehensive reform plan.

Again, I want to compliment the Vice President for his leadership on this extremely important issue. I look forward to working with him and my House colleagues toward the enactment of this very important legislation. Mr. Speaker, not every dispute that arises in our society needs to be resolved in a court. This legislation reflects that commonsense approach.

H.R. 4155

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Access to Justice Act of 1992."

SEC. 2. FEDERAL DIVERSITY JURISDICTION; SUM IN CONTROVERSY

Section 1332 of title 28, United States Code, is amended by redesignating subsection (d) as subsection (g) and inserting after subsection (c) the following new subsections:

"(d) In determining whether a matter in controversy exceeds the sum or value of $50,000, the amount of damages for pain and suffering or mental anguish, punitive or exemplary damages, and attorneys' fees or costs shall not be included.

"(e) On February 1 of each year, the monetary amounts referred to in subsections (a), (b), and (d) shall each be adjusted to the nearest thousand dollars to reflect the change in the Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average, All Items, under its current official reference base as designated by the Bureau of Labor Statistics of the United States Department of Labor. The adjusted amounts shall be calculated by multiplying the relevant monetary amount by the annual average CPI-U for the most recent calendar year, and then dividing that sum by the annual average CPI-U for 1992.".

SEC. 3. DIVERSITY OF CITIZENSHIP JURISDICTION; AWARD OF ATTORNEYS' FEES TO PREVAILING PARTY.

Section 1332 of title 28, United States Code, is amended by inserting after subsection (e) the following new subsection:

"(f)(1) The prevailing party in an action under this section shall be entitled to attorney's fees only to the extent that such party prevails on any position or claim advanced during the action. Attorneys fees under this paragraph shall be paid by the nonprevailing party but shall not exceed the amount of the attorneys' fees of the nonprevailing party with regard to such position or claim. If the nonprevailing party receives services under a contingent fee agreement, the amount of attorneys' fees under this paragraph shall not exceed the reasonable value of those services.

"(2) In order to receive attorneys' fees under paragraph (1), counsel of record in any action under this section shall maintain accurate, complete records of hours worked on the matter regardless of the fee arrangement with his or her client.

"(3) As used in this subsection, the term 'prevailing party' means a party to an action who obtains a favorable final judgment (other than by settlement), exclusive of interest, on all or a portion of the claims asserted in the action.

"(4) The court may, in its discretion, limit the fees recovered under paragraph (1) to the extent that the court finds special circumstances that make payment of such fees unjust.

"(5) This subsection shall not apply to any action removed from a State court pursuant to section 1441 of this title, or to any action in which the United States, any State, or any agency, officer, or employee of the United States or any State is a party.".

SEC. 4. AMENDMENT TO EQUAL ACCESS TO JUSTICE ACT.

(a) BASIS FOR ADJUSTING FEES.—Section 2412(d)(2)(A)(ii) of title 28, United States Code, is amended by striking "or a special factor, such as the limited availability of qualified attorneys for the proceedings involved," and inserting "as reflected by the change in the Consumer Price Index for All Urban Consumers (hereinafter referred to in this subsection as the "CPI-U"), United States City Average, All Items, under its current official reference base as designated by the Bureau of Labor Statistics of the United States Department of Labor."

(b) CALCULATION OF ADJUSTMENT.—Section 2412(d) of title 28, United States Code, is amended by adding at the end the following new paragraph:

"(6)(A) If a court determines that the cost of living adjustment permitted by paragraph (2)(A)(ii) should be made in a particular case, the court shall calculate the adjustment in accordance with this paragraph.

"(B) When compensable services in an action are rendered in the present calendar year, the hourly rate shall be calculated by multiplying $75 times the CPI-U for the month in which the last compensable services were rendered, and then dividing that sum by the CPI-U for October, 1981.

"(C) When compensable services are rendered in more than one calendar year, the adjustment for services rendered in the present calendar year shall be calculated using the formula set forth in subparagraph (B). The hourly rate for services rendered in each previous calendar year shall be calculated by multiplying $75 times the annual average CPI-U for the year in which the services were rendered, and then dividing that sum by the CPI-U for October, 1981.".

SEC. 5. PRIOR NOTICE AS A PREREQUISITE TO BRINGING SUIT IN THE UNITED STATES DISTRICT COURT.

(a) IN GENERAL.—Chapter 23 of title 28, United States Code, is amended by adding at the end the following:

"§ 483. Prior notice to suit

"(a) TRANSMITTAL OF PRIOR NOTICE.—(1) At least 30 days before filing suit in a civil action brought in a United States district court, the potential plaintiff shall transmit written notice to the intended defendant of the specific claims involved, including the amount of actual damages and expenses incurred and expected to be incurred. The potential plaintiff shall transmit such notice to the intended defendant at an address reasonably calculated to provide actual notice to each such party.

"(2) For purposes of this section, the term 'transmit' means to mail by first-class mail, postage prepaid, or contract for delivery by any company which physically delivers correspondence as a commercial service to the public in its regular course of business.

"(3) The plaintiff shall, at the commencement of the action, file in the court a certificate of service evidencing compliance with this subsection.

"(b) EXTENSION OF STATUTE OF LIMITATIONS.—In the event that the applicable statute of limitations for that action would expire during the period of notice required by subsection (a), the statute of limitations shall, subject to subsection (d), expire on the thirtieth day after the date on which written notice is transmitted to the intended defendant pursuant to subsection (a). The parties may by written agreement extend that 30-day period for an additional period of not to exceed 90 days.

"(c) EXCEPTIONS.—The requirements of this section shall not apply—

"(1) in any action to seize or forfeit assets subject to forfeiture or in any bankruptcy, insolvency, receivership, conservatorship, or liquidation proceeding;

"(2) where the assets that are the subject of the action or that would satisfy the judgment are subject to flight, dissipation, or destruction, or where the defendant is subject to flight;

"(3) where a written notice prior to filing suit is otherwise required by law, or where the plaintiff has made a prior attempt in writing to settle the claim with the defendant;

"(4) in proceedings to enforce a civil investigative demand or an administrative summons;

"(5) in any action to foreclose a lien; or

"(6) in any action pertaining to a temporary restraining order, preliminary injunctive relief, or the fraudulent conveyance of property, or in any other action involving exigent circumstances that compel immediate resort to the courts.

"(d) DISMISSAL FOR FAILURE TO COMPLY.—In the event that the district court finds that the requirements of subsection (a) have not been met by the plaintiff, and such defect is asserted by the defendant within 60 days after service of the summons or complaint upon such defendant, the claim shall be dismissed without prejudice and the costs of such action, including attorneys' fees, shall be imposed upon the plaintiff. Whenever an action is dismissed under this subsection, the plaintiff may refile such claim within 60 days after dismissal regardless of any statutory limitations period if—

"(1) during the 60 days after dismissal, notice is transmitted under section (a); and

"(2) the original action was timely filed in accordance with subsection (b).".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 23 of title 28, United States Code, is amended by adding at the end the following:

"483. Prior notice of suit.".

SEC. 6. AWARD OF ATTORNEYS' FEES IN DISPUTES INVOLVING THE UNITED STATES.

(a) IN GENERAL.—Chapter 161 of title 28, United States Code, is amended by inserting after section 2412 the following new section:

"§ 2412a. Award of attorneys' fees in disputes involving the United States

"(a) AGREEMENTS FOR ATTORNEYS' FEES.—Except as otherwise specifically provided by statute, the United States is authorized to enter into an agreement which provides that attorney's fees may be awarded against the United States or any other party to the action or proceedings—

"(1) in any civil action commenced by the United States;

"(2) in civil proceedings involving disputes pursuant to the Contract Disputes Act of 1978, including proceedings before boards of contract appeals pursuant to sections 7 and 8 of that Act; or

"(3) in a case in which the United States and another party have agreed to the use of outcome-determinative mediation as defined in section 484(b)(5) of this title, the mediation has resulted in a determination, and the United States or the other party has given notice pursuant to section 484(b)(8) of this title, pertaining to outcome-determinative mediation, that either party accepts the determination.

In a case described in paragraph (3), section 484(b)(8) shall apply to the award of attorney's fees.

"(b) REQUIREMENTS FOR AWARDING FEES.—The following shall apply to the award of any attorney's fees pursuant to subsection (a) (1) or (2):

"(1) Attorneys' fees may be awarded only to a prevailing party in the action or proceedings, subject to paragraphs (2) and (3). The prevailing party shall be entitled to attorney's fees from the nonprevailing party with respect to and only to the extent that such party prevails on any claim advanced during the action or proceedings, except that the amount of attorneys' fees shall not exceed the attorneys' fees of the nonprevailing party with respect to such claim.

"(2) In determining the amount of attorneys' fees for a private party, the court or board of contract appeals (as the case may be) shall take into account the degree of success obtained by that party relative to its original claim or claims, the prevailing market rates in the geographic area for the kind and quality of the legal services furnished, and any other factors relevant to whether an award of attorneys' fees would be reasonable and, if so, what a reasonable amount of attorneys' fees would be.

"(3) In determining the amount of attorneys' fees of the United States, the court or board of contract appeals (as the case may be) shall determine the number of hours spent by the attorneys employed by the United States on the action or proceedings, multiplied by the salaries and benefits paid to those attorneys, and an amount for overhead, computed as an hourly rate.

"(c) AWARD OF ATTORNEYS' FEES EXCLUSIVE.—A party who files an application for an award of attorneys' fees and expenses against the United States under any other provision of law may not pursue an award of attorneys' fees under this section. A party who files an application for an award of attorneys' fees under this section may not pursue an award of attorneys' fees and expenses under any other provision of law. A party who agrees to medication under section 484 of this title may seek an award of attorneys' fees only under this section and section 484.

"(d) PROCEDURES FOR AWARDING FEES.—(1) A party seeking an award of attorneys' fees under this section shall file an application for fees with the court or board of contract appeals (as the case may be) within 30 days after final judgment in the action or proceedings involved. The application shall show that the party is eligible to receive an award under this section and the amount sought, including an itemized statement from any attorney appearing on behalf of the party which sets forth the actual time expended and the rate at which fees are computed. The party shall serve the fee application upon the party against whom the fees are sought to be awarded.

"(2) Within 30 days after service of the fee application upon the party against whom the fees are sought to be awarded, that party may file a response setting forth its reasons why an award of fees would not be reasonable or why the amount of fees should be reduced. In a case in which an award of attorneys' fees is sought against any party, the attorney for that party shall submit a statement of the total amount of attorneys' fees incurred in the action or proceedings in order that the court or board may determine that the fees sought in the application do not exceed the amount of fees incurred by that party.

"(e) REQUIRED APPROPRIATIONS.—Agreements may be entered into under this section to the extent provided in appropriations Acts. Awards of attorneys' fees received by a Federal agency on behalf of the United States under this section shall be credited to an account of that agency, as provided in an appropriations Act. To the extent provided in advance in appropriation Acts, amounts credited to such account shall be available only to pay awards of attorneys' fees under this section against that agency on behalf of the United States. Each such agency is authorized to pay any shortfall caused if funds currently available in such account are insufficient to pay amounts awarded under this section against such agency on behalf of the United States.

"(f) DEFINITIONS.—For purposes of this section—

"(1) the term 'United States' includes any agency of the United States and any officer or employee of the United States acting in his or her official capacity;

"(2) the term 'final judgment' means a judgment that is final and not appealable; and

"(3) the term 'prevailing party' means a party to an action who obtains a favorable final judgment other than by settlement, exclusive of interest, on all or a portion of the claims asserted during the litigation.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 161 of title 28, United States Code, is amended by inserting after the item relating to section 2412 the following:

"2412a. Award of attorneys' fees in disputes involving the United States."

SEC. 7. AVOIDANCE OF LITIGATION THROUGH MULTI-DOOR COURTHOUSES.

(a) IN GENERAL.—Chapter 23 of title 28, United States Code, is amended by adding at the end the following new section:

"§ 484. Multi-Door Courthouses

"(a) DESIGNATION OF COURTS.—The chief judge of each judicial circuit of the United States (other than the United States Court of Appeals for the District of Columbia Circuit) shall designate one district court within the circuit to be a pilot Multi-Door Courthouse. The United States Court of Appeals for the Federal Circuit shall designate the United States Claims Court to be a pilot Multi-Door Courthouse for that circuit. Such designation, and the program established by this section, shall terminate at the expiration of a three-year period following such designation.

"(b) ESTABLISHMENT OF ALTERNATIVE DISPUTE RESOLUTION PLANS.—(1) Every court which has been designated as a Multi-Door Courthouse under subsection (a) shall, not later than six months after the effective date of this section, establish an alternative dispute resolution plan.

"(2) The alternative dispute resolution plan shall include, but not be limited to—

"(A) procedures for limited discovery;

"(B) confidentiality of proceedings as to possible subsequent pretrial and trial actions; and

"(C) the selection, use, and payment of nonjudicial personnel who may be selected to conduct alternative dispute resolution proceedings as neutrals, mediators, or arbitrators.

"(3) The plan shall also establish standards for determining which cases are appropriate for alternative dispute resolution, considering such factors as whether factual issues predominate over legal issues, whether the case involves complex or novel legal issues requiring judicial action, and any other factors the court considers relevant.

"(4) Each plan shall provide that each judge or magistrate judge assigned to a case in a Multi-Door Courthouse established under subsection (a) shall conduct a conference with counsel within 120 days after the complaint is filed to review nonbinding, voluntary alternative dispute resolution procedures that may be used in lieu of litigation to resolve the claims in controversy.

"(5) As used in this section—

"(A) the term 'outcome-determinative mediation' means a procedure in which either a single mediator or a panel of three mediators selected by or under the direction of a United States district court provides the parties with a dollar amount determination that would be awarded if the case is tried; and

"(B) the term 'neutral' means an individual who functions specifically to aid the parties to an issue in controversy in resolving the controversy.

"(6) Each plan shall authorize the parties, if they agree, to use nonbinding alternative dispute resolution procedures in lieu of litigation to resolve the claims in controversy. These nonbinding alternative dispute resolution procedures shall include, but are not limited to, early evaluation by a neutral, mediation (including outcome-determinative mediation), minitrials, summary jury trials, and arbitration.

"(7) Each plan shall provide that—

"(A) the parties may agree as to the use of any alternative dispute resolution procedure listed in the alternative dispute resolution plan to effectuate prompt resolution of the claims involved; and

"(B) the parties may choose to use the neutrals made available by the court or may, if all parties and the court agree, utilize the services of other neutrals not designated in accordance with the court's alternative dispute resolution plan.

"(8) Each plan shall also provide that if the parties choose outcome-determinative mediation and a determination is reached pursuant to such mediation—

"(A) any party may give notice that it intends to accept that determination, while any other party may reject the determination and continue with the litigation;

"(B) a plaintiff, including the United States or any agency, officer, or employee thereof, who rejects the determination and fails to obtain a final judgment that is at least 10 percent greater than the determination shall pay the defendant's costs, as set forth in section 1920 of this title, and attorneys' fees, as set forth in section 2412a of this title, that are incurred after the rejection of the determination; and

"(C) a defendant, including the Untied States or any agency, officer, or employee thereof, who rejects the determination and fails to obtain a final judgment that is at least 10 percent less than the determination shall pay the plaintiff's costs, as set forth in section 1920 of this title, and attorneys' fees, as set forth in section 2412a of this title, that are incurred after rejection of the determination.

If all parties reject the determination, no costs or attorneys' fees shall be assessed against any party.

"(9) In carrying out their plans, the district courts are authorized to use the volunteer services of nonjudicial personnel to conduct alternative dispute resolution proceedings as neutrals, mediators, and arbitrators. The courts are also authorized to establish and pay, subject to limits established by the Judicial Conference of the United States, the amount of compensation, if any, that each neutral, mediator, and arbitrator shall receive for services rendered in each case.".

(B) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 23 of title 28, United States Code, is amended by adding at the end the following:

"484. Multi-Door Courthouses.".

SEC. 8. FLEXIBLE ASSIGNMENT OF DISTRICT COURT JUDGES.

(a) STANDARD FOR TEMPORARY ASSIGNMENTS.—Section 292(d) of title 28, United States Code, is amended by striking "upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit wherein the need arises." and inserting "whenever the business of that court so requires.".

(d) DUTIES OF DIRECTOR OF ADMINISTRATIVE OFFICE.—Section 604(a) of title 28, United States Code, is amended—

(1) in paragraph (23) by striking "and" after the semicolon;

(2) in the first paragraph designated "(24)" by striking the period and inserting a semicolon;

(3) in the second paragraph designated "(24)"—

(A) by redesignating such paragraph as paragraph (25); and

(B) by striking the period and inserting "; and"; and

(4) by adding the following new paragraph after paragraph (25), as so redesignated:

"(26) Secure information as to the courts' need for temporary judicial resources to ease overcrowded dockets (including information on delays being encountered in the maintenance of civil suits) and prepare and transmit annually to the Chief Justice, the chief judges of the circuits, the Congress, and the Attorney General, statistical data, reports, and recommendations summarizing the results of this inquiry.".

SEC. 9. IMMUNITY OF STATE JUDICIAL OFFICERS.

(a) ATTORNEYS' FEES IN PROCEEDINGS IN VINDICATION OF CIVIL RIGHTS.—Section 722 of the Revised Statutes of the United States (42 U.S.C. 1988), is amended by inserting before the period at the end of the second sentence the following: ", except that, notwithstanding any other provision of law, a State judicial officer shall not be held liable for any costs, including attorneys' fees, in any proceeding brought against such judicial officer for an act or omission of such officer while acting in an official capacity".

(b) CIVIL ACTION FOR DEPRIVATION OF RIGHTS.—Section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983) is amended by inserting before the period at the end of the first sentence the following: ", except that in any action brought against a judicial officer for an act or omission of such officer while acting in an official capacity, injunctive relief shall not be granted unless a declaratory decree in the action was violated by such officer or declaratory relief was unavailable".

SEC. 10. CIVIL RIGHTS OF INSTITUTIONALIZED PERSONS; PROCEEDINGS IN FORMA PAUPERIS.

(a) EXHAUSTION OF ADMINISTRATIVE REMEDIES.—Section 7(a) of the Civil Rights of Institutionalized Persons Act (42 U.S.C. 1997e) is amended—

(1) by amending subsection (a) to read as follows:

"(a) In any action brought pursuant to section 1979 of the Revised Statutes of the United States, by any adult convicted of a crime confined in any jail, prison, or other correctional facility, the court shall continue such case for a period not to exceed 180 days in order to require exhaustion of such plain, speedy, and effective administrative remedies as are available."; and

(2) in subsection (b)—

(A) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively; and

(B) by inserting immediately after "(b)" the following:

"(1) Upon the request of a State or local corrections agency, the Attorney General of the United States shall provide the agency with technical advice and assistance in establishing plain, speedy, and effective administrative remedies for inmate grievances.".

(b) PROCEEDINGS IN FORMA PAUPERIS.—Section 1915(d) of title 28, United States Code, is amended to read as follows:

"(d) The court may request an attorney to represent any such person unable to employ counsel and may dismiss the case if the allegation of poverty is untrue, or if satisfied that the action fails to state a claim upon which relief can be granted or is frivolous or malicious."

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act, and shall apply to any civil action pending in any court on the date of the enactment of this Act and to any civil action filed on or after such date.

SEC. 11. IMPROVEMENTS IN CASE MANAGEMENT

Section 623(a) of title 28, United States Code, is amended—

(1) by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7) and (8), respectively; and

(2) by inserting after paragraph (4) the following new paragraph:

"(5) study and determine ways in which case and docket management techniques (including alternative dispute resolution techniques) may be applied to improve the cost-effectiveness of litigation and to eliminate unjustified expense and delay, and include in the annual report required by paragraph (3) details of the results of the studies and determinations made pursuant to this paragraph;".

SEC. 12. ASSIGNMENT OF JUDGES; PANELS; HEARING; QUORUM.

(a) IN GENERAL.—Section 46(c) of title 28, United States Code, is amended to read as follows:

"(c) Cases and controversies shall be heard and determined by a court or panel of not more than three judges (except that the United States Court of Appeals for the Federal Circuit may sit in panels of more than three judges if its rules so provide), unless a hearing or rehearing before the court in banc is ordered by a majority of the circuit judges of the circuit who are in regular active service. A court in banc shall consist of all circuit judges in regular active service, except that any senior judge of the circuit shall be eligible to participate, at his or her election, and upon designation and assignment pursuant to section 294(c) of this title and the rules of the circuit, as a member of an in banc court reviewing a decision of a panel of which such judge was a member.".

(b) ADMINISTRATIVE UNITS.—Section 6 of Public Law 95-486 (92 Stat. 1633) is amended to read as follows:

"Sec. 6. Any court of appeals having more than 15 active judges may constitute itself into administrative units complete with such facilities and staff as may be prescribed by the Administrative Office of the United States Courts.".

SEC. 13. SEVERABILITY.

If any provision of this Act or the amendments made by this Act or the application of any provision or amendment to any person or circumstance is held invalid, the remainder of this Act and such amendments and the application of such provision and amendments to any other person or circumstance shall not be affected by that invalidation.

SEC. 14. EFFECTIVE DATE.

Except as provided in section 10, this Act and the amendments made by this Act shall become effective 90 days after the date of the enactment of this Act, and shall not apply to any action or proceeding commenced before such effective date.

□ 1520

THE POSTAL SERVICE PILOT PROJECT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska [Mr. BEREUTER] is recognized for 5 minutes.

Mr. BEREUTER. Mr. Speaker, the U.S. Postal Service has done it again. Residents of the small community of Waverly, NE, are being victimized by the impersonal and insensitive Washington bureaucracy of the U.S. Postal Service. And, because of the tunnel vision of the Postal Service management, residents of Waverly, its businesses and its schools are not receiving all of their mail.

Permit me to explain with but one example. This Member recently received a letter from the superintendent of School District 145, a school district which includes two elementary schools, a junior high school, and a senior high school. The school district is not receiving many of its checks, bid proposals, State and Federal report forms, and other important documents.

Why are the residents of Waverly not receiving mail that is addressed to them? Because the management of the U.S. Postal Service is conducting a pilot project in Waverly. It is using a new automated sorting system. And, incredibly, in all of its wisdom, the management of the U.S. Postal Service has decreed that mail addressed to a resident or business or school that does not also include the proper box number will not be delivered, regardless of proper street address.

As the superintendent of schools points out, there are 825 box holders in Waverly and the surrounding rural area. In a community of less than one-half square mile in size, believe me, the schools in that community aren't that hard to find. The employees of the former U.S. Post Office could have and would have been allowed to deliver the mail. They knew Congress would demand service for the citizens of this country. The Postmaster General of that era would have placed a priority on delivering the mail, not in needlessly returning it to the sender for some petty and ridiculously ill-conceived policy. Yes, that is what happens: no box number and it is sent back to the sender.

Mr. Speaker, this is an outrageous way for the Washington Postal Service to conduct its affairs. The Postal Service was created to deliver the mail, to perform an important public service. In Waverly, NE, and in other communities across the country the Postal Service by this type of practice is causing inconvenience, expense, and delay for the very people it is supposed to serve, senders and recipients of mail. The Postal Service has made efficiency, efficiency at any cost, a much higher priority than service to the American public.

This unfortunate policy in Waverly is not, I stress, the fault of the local postal officials. It is time for the top management of the U.S. Postal Service to stop such nonsense and return to what it is supposed to be doing, that is, to provide service to the American people. There is something badly wrong at the top of the Postal Service, and it is giving public service and all of the people who work for the Postal Service a black eye.

If the Postal Service management would take its collective heads out of the sand, overcome its inside-the-beltway mentality, and listen to local postmasters and local letter carriers, perhaps it would learn something about delivering the mail and what its responsibilities to serve the public are all about.

My colleagues, this Member is going on record today with my demand that the U.S. Postal Service immediately stop this pilot program in Waverly and every place else in Nebraska. This Member will continue his effort until the Postal Service changes its treatment of the residents of Waverly.

H.R. 4150, THE ECONOMIC GROWTH ACT OF 1992

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, today I am introducing by request H.R. 4150 on behalf of myself, Mr. ARCHER, Mr. GINGRICH, Mr. LEWIS of California, Mr. EDWARDS of Oklahoma, Mr. HUNTER, Mr. MCCOLLUM, and Mr. WEBER. The bill encompasses the President's proposals to create jobs, promote economic growth, assist families, and promote health, education, savings, and home ownership. Below is a brief summary outlining the 49 titles contained in H.R. 4150.

ECONOMIC GROWTH ACT OF 1992

Title I: *Economic Growth Acceleration Act of 1992*—Implements the seven tax incentives outlined in the President's State of the Union Address—to promote job-creating investment, promote home ownership, and halt the slide of real estate values—as components of a short term economic recovery package.

Title II: *Tax Relief for Families Act of 1992*—Implements several tax incentives in the President's 1993 Budget to help working families with children; encourage savings; and pay for medical, educational, transportation and other expenses.

Title III: *Long Term Growth Act of 1992*—Provides incentives for investment in research and development through extension of the R&D tax credit; creates opportunity in distressed areas through enterprise zones; repeals the boat tax and implements other aspects of the President's program for promoting long-term economic growth.

Title IV: *Financial Institutions Safety and Consumer Choice Act of 1992*—Authorizes full nationwide banking and branching, and allows commercial firms to own financial services holding companies and permits separately-capitalized financial affiliates for well-capitalized banks.

Title V: *Pension Security Act*—Increases minimum pension plan funding requirements; limits growth in Federal insurance exposure in chronically underfunded plans; and clarifies the status of claims of the Pension Benefit Guarantee Corporation and the treatment of pension plans in bankruptcy proceedings.

Title VI: *Federal Insurance Accounting Act of 1992*—Proposes a change from cash basis accounting to an accrual basis to measure more accurately the liabilities associated with Federal insurance programs.

Title VII: *Medicare Premium Equity Amendments of 1992*—Increases from 25 percent to 75 percent the portion of the Medicare Part B (Physician) premium paid by beneficiaries with gross incomes of $100,000 ($125,000 for a couple) or more, effective April 1, 1992.

Title VIII: *Medicare Budget Amendments of 1992*—Changes the way Medicare pays for (1) anesthesia services; (2) durable medical equipment; and (3) laboratory services. Also, moves the Prospective Payment System hospital update to January 1 of each year.

Title IX: *Aid to Families with Dependent Children Savings Set-Aside Amendments of 1992*—Enables recipients of the Aid to Families with Dependent Children program to set aside savings in order to achieve self-sufficiency through self-employment, education, training, or home ownership.

Title X: *Food Stamp Amendments of 1992*—Requires households with absent parents, barring a good-cause exemption, to cooperate with State Child Support Enforcement agencies in order to be eligible for Food Stamps.

Title XI: *Child Support Enforcement Amendments of 1992*—Creates new Federal performance-based incentives for State Child Support Enforcement (CSE) agencies.

Title XII: *Housing Act Child Support Cooperation Amendments*—Provides incentives for families with absent parents to cooperate with State Child Support Enforcement agencies.

Title XIII: *Emergency Assistance under the Aid to Families with Dependent Children (AFDC) Program*—Establishes a general rule that limits AFDC Emergency Assistance to one 30-day period every 12 months.

Title XIV: *Medical Support from Absent Parents*—Enhances health insurance coverage of certain children by their non-custodial parents.

Title XV: *Child Nutrition Amendments of 1992*—Provides a higher percentage of available meal subsidies to lower-income students under the national school lunch and breakfast programs. The bill also provides for increased research funds to study the effects of the program on children.

Title XVI: *Social Security Cross Program Recovery Amendments of 1992*—Authorizes the recovery of supplemental security income overpayments by withholding social security benefits.

Title XVII: *AMERICA 2000 Excellence in Education Act*—Supports the National Education Goals through activities to promote education reform and improve educational achievement.

Title XVIII: *Student Financial Assistance Improvements Act of 1992*—Promotes greater accountability, and reduces defaults in the student loan program.

Title XIX: *National Energy Strategy Act*—Creates a national energy strategy to: (1) encourage energy efficiency; (2) encourage growth of future energy supplies of oil, natural gas, and nuclear power; and (3) change outmoded regulations which discourage the use of natural gas and competition in the electric-utility industry.

Title XX: *Arctic Coastal Plain Competitive Oil and Gas Leasing Act*—Authorizes environmentally responsible development of oil and gas in the Arctic National Wildlife Refuge.

Title XXI: *Coastal Communities Impact Assistance of 1992*—Authorizes Federal offshore continental shelf (OCS) revenue sharing payments to certain municipal governments located near OCS drilling sites.

Title XXII: *Alaska Power Administration Sale Authorization Act*—Authorizes the sale of the Alaska Power Marketing Administration in accord with an agreement negotiated by the Department of Energy.

Title XXIII: *Access to Justice Act of 1992*—Reforms the civil justice system to help reduce frivolous lawsuits, principally by: (1) allowing winning parties to recover attorneys' fees from losing parties in certain cases; (2) establishing "multi-door courthouses" to encourage the use of alternative dispute resolution mechanisms; and (3) requiring prior notice as a prerequisite to bringing suit in Federal district court.

Title XXIV: *Health Care Liability Reform and Quality of Care Improvement Act of 1992*—Helps control runaway medical malpractice costs by using pools of Medicare and Medicaid payments through the States to: (1) enhance the quality of care through increased research and improved peer review; (2) eliminate the collateral source rule; (3) expand structured judgments, including utilization of alternative dispute resolution mechanisms; (4) eliminate joint and several liability; and (5) cap certain tort damages.

Title XXV: *Product Liability Fairness Act*—Reforms product liability laws to: (1) base compensation on loss actually suffered; (2) impose liability based on fault; (3) provide alternatives to costly litigation for obtaining fair settlements; (4) limit the amount of punitive damages awarded; (5) provide offsets against awards for the amount of payments for public sources; and (6) provide fault-based manufacturer defenses to liability.

Title XXVI: *Civil Liberties Act Amendments of 1992*—Extends eligibility for restitution payments under the Civil Liberties Act of 1988 to certain non-Japanese spouses, increases the amount authorized for payments by $250 million, and changes the Act's sunset date to September 30, 1994.

Title XXVII: *Federal Credit and Debt Management Act of 1992*—Improves the collection of delinquent debt through increased use of debt collection tools, and improved guaranteed loan program management.

Title XXVIII: *Commodity Credit Corporation Subsidies*—Reduces certain Commodity Credit Corporation subsidies of those with off-farm income of $100,000 or more

Title XXIX: *Farm Credit System (FCS) Financial Assistance Corporation (FAC) Repayment Act of 1992*—Requires the FCS to begin paying annual amounts sufficient to redeem certain FAC debt.

Title XXX: *Recover Costs of Carrying out Federal Marketing Agreements and Orders*—Recovers the Department of Agriculture's costs of carrying out Federal marketing agreements and orders.

Title XXXI: *Land Grant Universities*—Eliminates provisions for mandatory payments to land grant universities which also receive support through the regular appropriations process.

Title XXXII: *Power Marketing Administration Timely Payment Act*—Establishes a schedule for the Bonneville, Western, Southwestern, and Southeastern Power Administrations to accelerate payments to the Federal Government.

Title XXXIII: *Emerging Telecommunications Technologies Act of 1992*—Makes available for assignment by the FCC a total of 200 megahertz (MHz) of the radio currently used by the Federal Government. Authorizes FCC to assign all future licenses using competitive bidding.

Title XXXIV: *Enterprise for the Americans Initiative (EAI)*—Authorizes investment, debt, and environmental programs to implement the President's initiative to promote economic reform and sustained growth in Latin American and Caribbean countries.

Title XXXV: *Repeal the Trade Adjustment Assistance Program*—Repeals the Trade Adjustment Assistance Program and consolidates it with the job-training programs with EDWAA.

Title XXXVI: *VA Medical Care Cost Recovery Amendment of 1992*—Makes permanent the Department of Veterans Affairs' existing authority to recover costs from health insurers.

Title XXXVII: *Veterans' Home Loan Improvement Act of 1992*—Requires certain fees and sets a minimum downpayment for a second home under the Veterans' Home Loan Program. The bill also corrects a flaw in the no-bid formula used to determine when it is cost-effective to acquire foreclosed property that was guaranteed by VA.

Title XXXVIII: *Permanent Extension of Certain Veterans-related Income Verification and Pension Provisions in the Omnibus Budget Reconciliation Act of 1990*—Makes permanent existing provisions regarding (1) benefits for certain veterans receiving Medicaid-covered nursing home care and (2) the use of Internal Revenue Service and Social Security Administration data for income verification.

Title XXXIX: *Amendments to VA Vocational Rehabilitation and Educational Benefits*—Targets entitlement to certain vocational rehabilitation benefits to veterans with service-connected disabilities and adjusts servicemembers' contribution for the Montgomery G.I. Bill.

Title XL: *Retirement Modification Act of 1992*—Increases employee contributions to the Civil Service Retirement System by 1 percent on January 1, 1993, and an additional 1 percent on January 1, 1994. Also makes permanent existing law regarding withdrawal of retirement contributions in a lump sum upon retirement.

Title XLI: *Railroad Sector Finance Amendment*—Conforms the definition of employee compensation under the Railroad Retirement Tax Act and the Railroad Retirement Act to that under the Federal Insurance Contributions Act.

Title XLII: *Patent and Trademark Office User Fee Surcharge*—Extends from FY 1995 to FY 1997 the termination date for certain Patent and Trademark Office user fees.

Title XLIII: *Army Corps of Engineers User Fees*—Expands existing Army Corps of Engineers user fees for use of developed recreational sites.

Title XLIV: *Extend Authority to Collect Abandoned Mine Reclamation Fees*—Extends authority to collect abandoned mine reclamation fees through FY 1997 at existing levels.

Title XLV: *Federal Communications Committee User Fee Act of 1992*—Requires the Federal Communications Commission to establish fees to cover the operational costs of the Commission, except for application processing.

Title XLVI: *Limitation on Mandatory Spending*—Establishes an annual enforceable cap on the growth of "mandatory" Federal spending.

Title XLVII: *Extension of Budget Enforcement Act and Application to Credit Programs*—Extends the Federal discretionary spending caps, refines accounting improvements, and extends the pay-as-you-go discipline contained in the Budget Enforcement Act of 1990.

Title XLVIII: *Congressional Budget Reform Act of 1992*—Requires that the annual budget resolution be a joint resolution subject to Presidential approval.

Title XLIX: *Legislative Line Item Veto Act of 1992*—Requires Congress to vote on Presidential rescission proposals.

HOUSE POLICY ON ILLEGAL DRUG USE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, I am sure many of the Members of this House are disturbed as much of America is disturbed by the recent reports of cocaine dealing in the Post Office of the House of Representatives. This is a matter that is disturbing to all people who are concerned about the illegal drug use in this country and the fact that this kind of corruption should occur in the House of Representatives or at least as alleged to have occurred in the U.S. House of Representatives is indeed disturbing.

It is disturbing from the standpoint that obviously we do not want illegal drugs here. But it is also an indication that Congress has failed to meet the demands of law and is continuing to fail to live up to its obligations under the law.

The law is quite clear with regard to keeping the workplace of Congress drug free. The law is part of Public Law 102-141. I am going to quote from the law. The law says:

> No department, agency or instrumentality of the United States receiving appropriated funds under this or any other Act for the fiscal year of 1992 shall obligate or expend any such funds unless such department, agency or instrumentality has in place and will continue to administer in good faith a written policy designed to ensure that all of its workplaces are free from illegal use, possession or distribution of controlled substances.

That is a law unlike many others that includes the Congress of the United States. When I inquired earlier today of whether or not such a policy was in place in the House Post Office, I received from the Postmaster, and I thank him for replying promptly, a copy of a letter from the Speaker indicating that all the employing authorities in the House should take appropriate action to have policies in place. But this is evidently the policy, the Speaker's letter.

There is no indication that the employees of that entity were required to sign any statements, were required to acknowledge the policy, simply that they had the Speaker's letter on file. That is not good enough.

Under the law, not under the Speaker's directive, but under the law, the entities of the House are supposed to be applying these measures in good faith. Simply having a Speaker's letter on file in the office is not a good-faith assurance that drug-free policies are being pursued in that particular agency of the House.

The law is also very specific. If and when a violation occurs, no funds can go to that agency. The question is, Is the House going to live up to its standard? If in fact the allegations prove true, if in fact we discover, as an investigation has already uncovered, that cocaine dealing was taking place in the House Post Office, are we then going to obey the law and cut off funds for that entity? Or are we going to replace it with some other contractor who can do the job but make certain that the present entity that is now in place obeys the law?

I have not heard. I am unclear. I tell my colleagues, I have been disappointed over a long period of time at the House's willingness to be compliant with the law in this case. There are still hundreds of Members of Congress who do not have drug-free policies in their offices despite the Speaker's directive and despite the law of the land.

Now it appears as though serious violations are taking place internally within the House, and the question of corrective action is very, very iffy. It appears as though some officers of this House knew about this investigation and knew about these charges as much as 3 to 6 months ago.

□ 1530

Yet, it is not clear how much action was taken. In fact, some reports indicate there was an attempt to get law enforcement officials to back out of the investigation.

That does not give me much confidence that we are going to move aggressively to see that the drug-free workplace laws apply in the House and are maintained in the House. The law is clear. The law says cut off the funds. I am not aware that the funds have been cut off. But I am aware that the allegations would indicate that no good-faith compliance with drug-free workplace policies has taken place, and it is absolutely essential that that happen.

The law is made to apply to Congress. Congress should obey the law.

URGING IMMEDIATE INDEPENDENT INVESTIGATION OF PROBLEMS WITH MANAGEMENT OF HOUSE POST OFFICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. ROBERTS] is recognized for 5 minutes.

Mr. ROBERTS. Mr. Speaker, yesterday I came to the House floor to urge an immediate independent investigation of problems with management of the House Post Office. The allegations that have been made are most serious. They include charges of employee drug dealing, theft of postal funds, slush funds, and a coverup of the problem. On balance, these charges are much more serious than the recent flaps involving restaurant bills and bad checks, because they go to the heart of our ability to manage the House, and because they involve criminal activity.

I recommended an independent counsel, a thorough independent investigation, turning over some activity to the U.S. Postal Service and suspending top management. That recommendation was based on the following:

No single House committee has jurisdiction over all aspects of the problems.

News reports allege some House committee staff and Members may have known about the problem but failed to act.

Allegations about slush funds, piles of money and stamps, interest-free loans to staff and Members of Congress, while not necessarily the basis for a criminal case, are serious enough in themselves to warrant an investigation by the House.

I am puzzled by statements that indicate the problems are not being taken seriously. Said this morning's Washington Post, "The problems reported at the post office have been met with less nervousness in House leadership offices because the Post Office problems do not reflect on legislators."

Quite the contrary. These serious charges reflect on all of us in two ways. First, they call into question our ability to run this institution. Second, sworn statements of House Post Office employees directly linked Members of Congress and other Capitol Hill staff with the slush fund and check cashing problems at the facility.

As background, the U.S. Postal Service conducted an audit and interviews with employees that raised the possibility of criminal charges regarding theft of funds and drug trafficking. It is my understanding that information has been turned over to the Justice Department for disposition. That investigation should run its course without interference from this body.

However, in the course of taking statements for the audit, postal inspectors detailed several major problems with the House Post Office. These problems may or may not be connected to criminal activity, yet they demand the attention of this House through an independent investigation.

Let me elaborate. Normally, I would be reluctant to publicly discuss details of a sensitive investigation. However, news organizations apparently have access to copies of the investigation reports and have reported on the reports in varying detail.

One employee charged that one House Post Office manager's office "had piles of money and stamps everywhere * * * there would be cash and stamps on the floor and [the official] was unconcerned."

The same employee stated that $100,000 in cash was kept by this manager to cash checks by employees, nonemployees, and even Congressmen. Said the employee being interviewed, "He cashed checks for Congressmen as if he had no other choice."

Numerous other employees corroborated the statements with further details about missing cash, bounced checks covered with post office funds, loans, and drugs.

One employee stated that a post office employee was "caught selling cocaine. [His] father was the lawyer for several people on the Hill and although he no longer works in the post office [he] works elsewhere in the House of Representatives."

Another employee stated she brought the drug dealing to the attention of the House Postmaster who "just turned his head the other way and nothing was done about the drugs."

Those statements should strike fear in the heart of every Member of this institution.

We must ask if they are true. If so, we must ask how those appalling situations were allowed to happen. We must ask who was involved. And we must ask what safeguards and procedures must be implemented so that this situation does not arise again—ever.

We must answer these questions, Mr. Speaker, fairly, firmly, and with no bias as to the answer we get. Our sole objective should be to sort out the truth and fix what's broken in this instance. Longer term, of course, we should be looking at other agencies of the Congress to make sure all is in order.

I am concerned, as all of us in this House should be, that news reports dating back to last summer have hinted at efforts to minimize this problem.

An independent investigation, supported by both sides of the political aisle, is the best way to accomplish the goals I have outlined and to get this mess behind us.

A personal aside, Mr. Speaker: I have spent most of my career and nearly all of my adult life in public service with the House of Representatives. I have a great amount of respect for this institution, for its role in freedom and democracy, and for those who labor here in many capacities.

It is out of that respect that I raise these concerns.

The House of Representatives is an important institution. Its reputation and credibility to a great extent reflect on the credibility and reputation of our Nation—and most certainly on us as individual legislators.

Let's fix the problem as fast as we can. Let's fix it so there is no question that it is, indeed, fixed.

Mr. ROSE. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I am happy to yield to my friend and colleague, the gentleman from North Carolina, and chairman of the House Administration Committee.

Mr. ROSE. Mr. Speaker, I want to say to the gentleman in the well that I talked to him just a few minutes ago before he took the well to tell him that the ranking member on our Committee on Administration and I have talked today, and we are going to conduct a very full, open, and thorough investigation of all of the things that the gentleman has mentioned. A great deal of what the gentleman has talked about has not been corroborated, has not been proven. We are going to look at it, and especially with an eye toward the future of the post office, the way the postal system here is managed, and make our recommendations for the future of that institution. And I think the public needs to know that in a bipartisan way we in the House Administration Committee, and the gentleman in the well is the ranking member on the subcommittee that is responsible for police and personnel, within the committee we are going to conduct that investigation and let the chips fall where they may.

Mr. ROBERTS. If I could reclaim my time, because I know there is a very short amount of time, I am pleased by what the gentleman has informed me. I stand ready to be of all possible assistance.

The gentleman knows I have worked with 3 subcommittee chairmen in regard to the 160 employees of the Postal Service here in the House and the Postmaster. I have tried to work as best I can through the years in a positive way, and I look forward to the investigation. The best news I have heard the chairman say is, "Let the chips fall where they may." I have every confidence that we will do that under your leadership, sir, and I will be right behind you.

Mr. ROSE. I thank the gentleman.

Let me make one final point. The Justice Department is already conducting its criminal investigation. We are going to look at management, and where we find criminal or rules violations we are going to report those to the proper authorities.

Mr. ROBERTS. I thank the gentleman for his contribution.

HAITIAN REFUGEES

The Speaker pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 5 minutes.

Mr. FRANK of Massachusetts. Mr. Speaker, I am making my first remarks in the session out of anguish that the role that this Government is playing with regard to the Haitians who came to this country, as so many people have come previously, seeking relief from tyranny. The inconsistency between American executive branch policy regarding the Haitians with American policy in so many similar situations is appalling. Those of us who think well of our country, who are proud of our country, who believe it has in fact been year in and year out a great defender of freedom are anguished by what can only be described as a racially motivated set of actions.

This is the Government that has been critical of the Government of the United Kingdom because that Government has sought to forcibly repatriate people from Hong Kong to Vietnam. This is a Government which when people arrive from Cuba, without questioning, without any degree of skepticism, automatically accept them as refugees within the law.

Yet, when people flee in desperate circumstances from Haiti, and these are people who are used to poverty, and the argument there motivated solely by poverty is a hard one to sell because there is nothing unique about poverty, tragically, in Haiti. What is new is the depth of despair many in that country have felt when the democratically elected president was overthrown by the military. Then again when efforts to try to put that situation back together with concessions that many regretted had to be made, but with concessions on the part of those who were democratically elected, that also is met with brutality and violence. So we have a situation where people are fleeing a tyranny so brutal that our Government says we do not know what to do. Our Government says that sanctions are not enough. We have perplexity expressed by the American Government because they do not know how to deal with the depth of the brutality of the current rulers of Haiti.

And then when citizens of that country, in desperation risk their lives to reach freedom, we turn them back physically. We do everything we can legally and in every other way physically to deny them.

What is the difference between the Cubans and the Haitians? What is the difference between the Haitians and the Vietnamese? Unfortunately, the major difference that presents itself is the color of the skin of the Haitians. And the suggestion that is hard to deny that that is one of the factors motivating our Government is as troubling to those of us who love this country as anything I can think of in a long time.

□ 1540

It is not too late for this executive branch to reconsider, Mr. Speaker. It is not too late for them to remember that this is a country which was born as a refuge for people who were fleeing oppression and, in fact, to take the veil off the Statue of Liberty which they have placed on it.

The number of people coming from Haiti, their behavior, nothing about that is threatening to us. Nothing about that relatively small number of desperate people fleeing a terrible tyranny ought to be producing this sad reaction from our Government.

I hope that the executive branch will reverse itself and, if not, Mr. Speaker, there is legislation that I have cosponsored, and our friend, the gentleman from New York [Mr. RANGEL], I know, has taken a lead and others. It is pending before us, and I would hope we would bring forward that legislation and at least give the people a chance to vote that America's commitment to freedom does not depend on the color of the skin of those who seek to take advantage of it.

ANNUNZIO URGES TAX BREAK FOR CAR BUYERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, there has been a lot of talk during the past few months on ways to get the country out of the doldrums and moving once again. We need to invigorate the economy to create jobs. The situation has not changed since last summer when I pointed out that the auto industry plays a vital role in our economy. In fact, it has become worse.

The past couple of years have been devastating to the auto industry. It is clear that the health of the automobile industry has been steadily declining. The National Automobile Dealers Association, an industry group, reported recently that in 1989, approximately 14½ million light-duty vehicles, namely automobiles, were sold in the United States. In 1990, sales dropped by about 690,000 units to approximately 13.9 million. Everyone was aware that sales in 1991 were going to suffer even more and at the beginning of the year, it was generally projected that sales would drop to around 13½ million units in 1991. What actually happened far exceeded even the most pessimistic outlook. Light-duty vehicle sales for 1991 fell by a whopping 1.5 million units compared with the previous year. Despite all of the rebates, discounts, free options and lower interest rates, sales for 1991 reached only 12.3 million units.

The decrease in automobile sales has had a devastating effect on all aspects of the country because the auto industry accounts for nearly six percent of the Nation's total output of goods and services. It is the largest U.S. consumer of steel, rubber, glass, plastic and carpeting. Economists have estimated that one in every six jobs in America are directly or indirectly related to the automobile industry.

Mr. Speaker, consumers must be encouraged to buy automobiles. Last summer, I said the elimination of tax deductions on the interest of car loans had crippled the industry, hindered the Nation's economic growth and unfairly increased the cost of consumers. I pointed out that enactment of the 1986 tax law instituted a 4 year phase out of the deductibility on consumer interest on car loans and removed an incentive for consumers to take out a loan to finance a car purchase.

I said then, and I say now even more emphatically, the tax deduction should be restored.

I introduced H.R. 2884 last July, in an effort to provide an impetus necessary to get the economy moving again. Passage of the bill is needed now more than it was last summer.

Chairman ROSTENKOWSKI of the Ways and Means Committee will continue hearings this week on economic growth and middle-class tax relief. In a recent letter, he said be believes the restoration of the deduction for interest on automobile loans probably would be part of the discussions.

Mr. Speaker, if we really want to get the economy moving again, then the enactment of my legislation should be of the highest priority. Reinstatement of the interest deductibility for automobile loans would provide a stimulus for sales which could be the jump start necessary to get the country moving again.

A BILL TO DESIGNATE THE MONTEREY BAY NATIONAL MARINE SANCTUARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I rise to introduce legislation to designate the Monterey Bay National Marine Sanctuary. The Congress passed legislation in 1988, that required the designation of the Monterey Bay in my congressional district as a national marine sanctuary—Public Law 100–629. The law directed the designation of the Monterey Bay National Marine Sanctuary by December 31, 1989. This deadline has yet to be met. More than 2 years beyond the required designation date, the National Oceanic and Atmospheric Administration [NOAA] has yet to even publish the final environmental impact statement and management plan for the Monterey designation.

On November 20 of this past year I engaged chairman DENNIS HERTEL of the Subcommittee on Oceanography, the Great Lakes, and the Outer Continental Shelf in a colloquy regarding the delays associated with the designation of the Monterey Bay National Marine Sanctuary. In an effort to promote prompt action on Monterey, Chairman HERTEL committed to pursuing legislation to mandate the designation of the Monterey Bay National Marine Sanctuary, with particular boundaries and an oil and gas activities prohibition, should NOAA fail to release the management plan for Monterey by February 3, 1992. Again, this deadline was not met.

While I am convinced that NOAA is committed to establishing the Monterey Bay Sanctuary, unfortunately, the administration has failed to devote the time and resources necessary to complete this urgently needed designation. In June 1990, the President announced his support for the Monterey Bay National Marine Sanctuary and his decision to permanently prohibit oil and gas activities within the sanctuary's borders. It was gratifying to know of the President's stated support for the sanctuary and his recognition that oil and gas activities are incompatible with the resource protection purposes of the sanctuary.

I was also pleased to hear of NOAA's decision late last month to endorse the largest boundary alternative for the Monterey Bay National Marine Sanctuary. I, along with the Governor of the State of California and members of the State's congressional delegation, wrote to Secretary Mosbacher in support of this boundary alternative for Monterey Bay. It is my belief that this boundary alternative will provide the full range of biological communities in the Monterey Bay region with the comprehensive protection the sanctuary designation was designed to achieve.

These endorsements concerning Monterey by the administration have been encouraging. But all of the administration's announcements, endorsements and press releases on Monterey Bay have not resulted in the final protection needed for this important marine resource. It has been 19 months since the President's 1990 endorsement of the Monterey Bay Sanctuary, 17 months since the release of the draft managemet plan for the sanctuary, and we are still waiting for the final management plan.

With the introduction of this legislation I hope to send a strong signal to the administration that we need action on the sanctuary now. If the administration is unable to act quickly on designating Monterey Bay, then the Congress will do it statutorily. The legislation I am introducing today will designate the Monterey Bay National Marine Sanctuary upon enactment with the largest boundary alternative and a permanent oil and gas prohibition. The remainder of the regulations for the sanctuary are permitted to be completed per the normal regulatory process.

I hope that it will not be necessary for the Congress to enact this legislation and that the administration will move quickly to release the final management plan for Monterey Bay. In the interim, I will be enlisting the assistance of Chairman HERTEL to actively pursue this legislation in the Congress.

The Monterey Bay, with its remarkable underwater canyon system, is home to one of our Nation's most beautiful and bountiful marine ecosystems. The designation of the Monterey Bay as a national marine sanctuary will ensure that this treasured coastal resource is protected for generations to come. I urge my colleagues to assist in this effort by supporting this legislation. A copy of the legislation follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MONTEREY BAY NATIONAL MARINE SANCTUARY.

(a) DESIGNATION.—The area described in subsection (b)(1) is designated as the Monterey Bay National Marine Sanctuary (hereinafter in this Act referred to as the "Sanctuary"), and shall be a national marine sanctuary under title III of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1431 et seq.). The Sanctuary shall be managed and regulations enforced under all applicable provisions of that title as if the Sanctuary had been designated under that title.

(b) AREA INCLUDED.—

(1) IN GENERAL.—Subject to paragraph (2), the area referred to in subsection (a) consists of all submerged lands and waters, including living marine and other resources within and on those lands and waters, within the area described and depicted as Boundary Alternative 5 in the Draft Environmental Impact Statement and Management Plan for the Proposed Monterey Bay National Marine Sanctuary, published by the Department of Commerce in August 1990.

(2) AREAS WITHIN STATE OF CALIFORNIA.—The designation under subsection (a) shall not take effect for any area located within the waters of the State of California if, not later than 45 days after the date of the enactment of this Act, the Governor of the State of California objects in writing to the Secretary of Commerce.

(c) MANAGEMENT.—

(1) MANAGEMENT PLAN.—The Secretary of Commerce shall issue a management plan and such regulations as may be necessary for the Sanctuary in accordance with section 304 of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1434).

(2) OIL AND GAS ACTIVITIES PROHIBITED.—Notwithstanding any other provision of law, exploration for, developing, and producing oil, gas, and other minerals in the Sanctuary is prohibited.

THE PLIGHT OF THE REFUGEES FROM HAITI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes

Mr. OWENS of New York. Mr. Speaker, the gentleman from Massachusetts, in speaking of Haiti, phrased quite well, and summarized it quite well, the conduct of our present Government, the conduct of the present administration, which is without precedent.

Mr. Speaker, never before have people fleeing persecution and terror that is obvious been treated as the people of Haiti have been treated, as the refugees from Haiti have been treated.

I think it is important to start with a basic clarification so that all American people will understand and the thousands of Haitians in my congressional district will understand that the Supreme Court has acted, but it has not ordered the Haitians must be deported from Guantanamo and sent home. The Supreme Court did not give such an order. The Supreme Court does not give such orders. The Supreme Court was the end of the process whereby legal advocates for the Haitian refugees were attempting to use the Constitution and the laws of the United States to protect the Haitian refugees and prevent them from being deported by exhausting every means legally.

The fight of the legal advocates was against the attempt by the administration to deport the Haitians. It was a fight between the advocates for the Haitian refugees on the one hand insisting that, according to law, the Haitians have a right to stay; according to law, the Government must make provision for them. They have made it to the United States territory, therefore, we must take actions in accordance with our previous precedents and traditions and our present law and allow them to stay.

The administration, on the other hand, took, the position that the law should be interpreted in a new way. They insisted on giving a new twist to the interpretation of the law, and that new twist, in essence, says that no, this is different, you know; these are not refugees seeking asylum for the right reasons. They are not seeking the protection of the U.S. Government for the right reasons.

The battle was waged for several months through several layers of courts, and finally the Supreme Court says by a vote of, I think, seven in favor of the majority decision that the administration is right, that the administration can interpret the law the way it wants to interpret the law and insist that the Haitians go back. That does not mean that the administration at this point does not have the option of doing something else. They do not have to, and nobody has ordered the State Department, the immigration authorities, nobody has ordered anybody to send the Haitians back.

It is up to the President. It is up to the administration, up to the State Department to make a decision now, and they have decided, as of right now, that they are going to deport most of the Haitians at Guantanamo and send them back to their own country which is now, by admission of the State Department and the administration, under an illegal government.

Not only is the present regime in Haiti an illegal regime, but it is also a police state. It is also conducting a reign of terror.

The Organization of American States has an embargo imposed because of the fact that it is an illegal government. The Amnesty International has cited the present government as being responsible for at least 1,500 murders. The military regime in Haiti—and really they are a group of military thugs, bandits—they have been responsible for the deaths of at least 1,500 persons and probably more, because what has happened is that the military thugs in charge have declared war on all of the allies of the legally elected government.

The legally elected government of President Aristide was elected by 70 percent vote, a vote of 70 percent of the people. The military thugs in Haiti who are in charge are not so stupid that they do not recognize that if they are declaring war on the allies of President Aristide, then they are declaring war on 70 percent of the people. Most of that 70 percent are poor people, people who live in the poorest areas of Haiti.

So they have waged a campaign where they have actually gone, dispatched units, into poor neighborhoods and indiscriminately shot people down, indiscriminately terrorized people.

People in Haiti have been forced to leave their shanties and their usual dwelling places, as bad as they are, and go out to the countryside and sleep in the hills in order to escape the terror of the thugs who are in charge.

Now, all of this has been pretty much documented, and certainly our Government recognizes the seriousness of the situation when they call the Ambassador to Haiti home, and all of the dependents of American Government employees have certainly been evacuated long ago. It is a dangerous situation.

Yet, we are insisting that 14,000 people be returned forcibly to this reign of terror in a police state. We are insisting that the only reason those 14,000 people fled was that they wanted to come here to get better jobs.

Why are we taking that position? Why do we make that interpretation?

We did not bother to interpret the flight of the Hungarian refugees, the freedom fighters we called them, freedom fighters when the Soviet Union invaded Hungary. We brought in 61,826 people from Hungary, 61,000, not 14,000, but 61,000, almost 62,000 people who were brought in from Hungary. We did not interview each one and say, "Are you fleeing the Soviet tanks and the terror, or are you coming here just to get a better job?" We did not interview each of those people and say, "Are you in some way connected with politics which would, therefore, define you as a target of the Soviet invading force or the Hungarian Communist Party?" We did not make that distinction. We did not do that. Because if we had done that, we would have found many, many thousands of people among those 62,000 who had no political connections whatsoever, who were not involved in politics whatsoever. They were fleeing a situation where there was violence and turmoil. They were fleeing a situation where there had been hardship for many years. They were taking advantage of an opportunity, the pressure on the border, to get out, many of them with their primary concern to seek a better life for themselves and their families. It had nothing to do with whether they believed in democracy, capitalism, or communism. It had nothing to do with that. They were not politically connected.

I personally knew several people who had fled Hungary at the time of the Hungarian revolution. There were a number of them who went into library science during the time that I was librarian at the Brooklyn Public Library, and I met some of them. They were not necessarily political people. They said they were not connected with politics. They were anxious to get out for many good reasons. They had never been interviewed and questioned closely about, "Are you coming here seeking freedom, or are you coming here just to get a good job?"

Large numbers, 61,826 were admitted.

□ 1550

Cubans, 488,000, from the time that Castro came to power to 1989, the most recent figures we have, 488,000, almost 489,000 Cubans have been admitted to this country as refugees fleeing an oppressive system.

Now, these are anti-Castro Cubans, anti-Communist Cubans. We have always taken a position that communism is automatically our enemy, and if you are against communism, you are all right. So these people have not been closely interviewed, either, whether they are coming here just to get a better job, take advantage of the higher standards of living, et cetera, the opportunities, or are they fleeing Castro. They have not been questioned that closely.

Numerous numbers of these people are in the country on a status called parole status. Thousands of Hungarians were brought into the country on a status called parole.

Now, parole is a status that can be granted most easily because it has no obligation. The Federal Government and local governments have no obligation to take care of the people in any way. They must have a sponsor. They are paroled into the country. They have no avenue into citizenship. They have to still clear the hurdle and qualify as permanent residents, after being brought in on parole, as parolees.

So we could admit all of the Haitians to the country tomorrow. They could be admitted into the United States as parolees under parole under present existing law, presenting existing procedures. They could be paroled to sponsors, and there are sponsors standing by waiting—churches, institutions, families, relatives. They are waiting and they will take responsibility for all 14,000 of the Haitians and the United States Government would not be responsible for a single obligation in terms of the taxpayers' money being used to take care of the refugees who are brought in. This has happened to more than 50,000 Hungarians, and it is not difficult to take care of 14,000 Haitians.

So understand the situation. The highest court in the land has not ordered the administration to do anything. They have merely said that if the administration wants to do it, it has the right to do it. I am saying that leaves many options open to the administration. One of those options is to bring everybody in as a parolee, take no responsibility financially, disperse them throughout the country to the people who will sponsor them and they will be taken care of, until such time as things are resolved in Haiti, until such time as the legally elected democratic President is restored, because that is a principle the United States cannot afford to abandon.

We cannot say to the world that we are going to be the leaders of a new world order and that we ushered that new world order in by going to war to liberate Kuwait and return the status of independence to Kuwait, insisting that every country has a right to its own self-determination and cannot be overrun by a foreign power. We cannot say now we are going to stand by and let a country be overrun by a group of military thugs after it has had a legally reviewed democratic election. Not only was that election legal in Haiti, in accordance with its Constitution, but we had monitors from the United Nations, monitors from the United States. Jimmy Carter was one of the celebrated monitors who monitored that election of President Aristide. So it was not only legal according to the course of their Constitution, it was monitored by internal observers.

We cannot sit by and say that we are going to allow that kind of elected government to be overturned by a group of military thugs and that we will sanction that.

So we must insist, we have insisted, we have talked out of one side of our mouths, that we are 100 percent in favor of the return of President Aristide to his rightfully elected position. We are in support of the Organization of American States resolution. We are in support of the United Nations resolution. We are 100 percent in favor of democracy and doing what is necessary peacefully to return Haiti to democracy.

We say that on the one hand; on the other hand, we have criticized President Aristide as being not a good President. We do not appreciate him because we did not sanction him. We did not support his election campaign. He came out of the blue. It is a mystery how he got elected. We do agree that it was all legal and the people came out and voted for him, but we cannot understand that. We could not control him. Therefore, automatically he must be bad. The choice of 70 percent of the people must be bad because he was not ordained. He was not coronated by the United States Ambassador to Haiti. That is basically the position we have taken, criticizing Aristide, slowing down the process of enforcement of the sanctions, allowing the Haiti military thugs to bring in several oil tankers and unload them while oil was under embargo. We made no attempt to restrain their getting all the oil that they needed. We are probably allowing them to get all the drug money they need in order to help prop them up, when our government is not paying for that military, because the truth of the matter is that the military thugs in charge were trained by the United States personnel for most of the last 30 years during times when we did not have them under some kind of sanction or embargo. We paid the salaries of the Haitian military. We have been basically in charge of this country. What has happened has been our problem. We have created the problem.

We have a moral obligation to solve the problem, resolve the problem. The best solution to the problem of 14,000 Haitians in Guantanamo is to return democracy to Haiti, restore the government of Aristide and then people can be sent home and it would be fitting and proper to do that.

During the period of time between the election of President Aristide and the overthrow of his government by the military thugs, the number of Haitians who were interdicted on the seas attempting to come into the United States dropped almost to zero. Before Aristide, there had been a significant number. After Aristide was elected, the number went down to almost zero. People did not have anymore to eat than they had before. They did not have any better jobs than they had before, but what they had was a sense of hope. They thought that their country finally was going to become normalized, that all the stealing by the rich middle class, the refusal to pay taxes, the rampant corruption, the exportation of oppression by the military, all that was going to come to an end and that they could look forward to a productive future as human beings, even though they would remain poor and would have to struggle. So they decided to stay.

We had no problem. We did not have to have Coast Guard cutters in large numbers picking up people from the sea. We did not have to have special camps set up at Guantanamo. None of that was necessary because the Haitians had hope and they stayed at home.

So if we move with dispatch and restore democracy in Haiti, we can solve the problem. But let there be no mistake about it, we can have an interim solution to the problem right now. We can have a humane solution to the problem right now by admitting all the Haitians to this country with a parolee status.

There have been proposals made that we pay special attention to the pregnant mothers who are on Guantanamo, to the children on Guantanamo, and at least we admit them under parolee status or special status.

I have a proposal from some church groups. Resolutions have been passed in the city council of New York. Church organizations are very active with concrete plans showing that they can take care of people who need immediate attention, like pregnant mothers and children. All these are underway and could be put into operation. All we need is a clarification or a change—not a clarification, a basic change in the position of the present Administration. The present Administration has the power to back away from what can be explained in no way, I see can no explanation for the treatment of the Haitians, except the current atmosphere of racism in the country, the fact that there are pressures, there are people openly advocating that this country declare itself as a white nation, a white man's country, and not accept immigrants from anyplace but Europe. There are people who are clammoring for the heads of all poor people and saying they are adding to our burden and that because of our serious economic problems we should not allow any of them into the country, especially not these people who have various kinds of special problems. It all adds up to a racist position.

We did not check the Hungarians out to see what kind of problems they had physically or otherwise. We did not check out the Cubans to see what kind of problems they had. As long as they were against communism, they came in.

We are penalizing the Haitians for never being Communists. They have never had a significant Communist movement in the country of Haiti. So therefore the people of Haiti, fleeing oppression and terrorists, fleeing a police state, because that police state and oppression does not happen to come from communism, we do not greet them with open arms. We do not welcome them into this country.

□ 1600

But we can take steps to deal with the situation.

Mr. Speaker, proposals have been made by other groups that we should welcome them. If we do not want to act, if we cannot make the executive branch of government act, then there are other alternatives, though more difficult ones.

Members of Congress have introduced bills. The gentleman from New York [Mr. RANGEL], my colleague, several months ago introduced a bill which had in it a provision which called for the immediate admission of Haitian nationals, the suspension of any procedures which would keep them out, and allow them to come in until such time as the problem in their country had been resolved.

Mr. Speaker, one provision of the resolution of the gentleman from New York [Mr. RANGEL] called upon the Attorney General to suspend all deportation and exclusion proceedings for Haitians in the United States pending the resolution of the deep political and military crisis in Haiti as called for by the Inter-American Commission on Human Rights.

It also said they should designate Haiti under section 244(a)(b)(1) of the Immigration and Nationality Act relating to temporary protected status, designating Haiti to fall under that act.

In other words, what I have just said before, in the law right now there are sections which will take care of the situation. Mr. RANGEL's resolution called upon the Government to do that months ago.

Mr. Speaker, Mr. MAZZOLI, the gentleman from Kentucky, is calling for the passage of a bill which would do probably no more than the same thing. It basically calls for, really requires, and directs the Government; that is what is becoming necessary now. If the executive branch will not act, if the Administration will not use the tools at its command to seek a humane solution to this problem, then what the bill introduced by the gentleman from Kentucky [Mr. MAZZOLI], which is being discussed, I understand, in the subcommittee of jurisdiction and is called the Haitian Refuge Protection Act of 1991, would direct the Government to do what it should do, what it has the option and power to do at present.

Mr. Speaker, I yield to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Speaker, let me thank my friend, the gentleman from New York, for bringing this issue down on the floor in this special order.

Mr. Speaker, not too long ago the world saw the power and the vision of the President of the United States when he thought that Kuwait City was under attack by someone he described as Adolf Hitler.

Yet, the President did not see fit just to rush United States troops there. What he did was to pick up the phone, call the heads of nations around the world, and then finally was able to gain support in the United Nations to where the United States would be part of that effort to remove the person who intruded on the sovereignty of this small, oil-rich country.

Now in our own hemisphere we find a small, fragile democracy that the military—which has no record of doing anything that is honorable since it has been formed—has overthrown the first President duly and democratically elected. The President of the United States, to his credit, has seen fit to condemn the coup which has taken place by the military and to support the Organization of American States in their efforts to negotiate a peaceful settlement in Haiti, and has also embarked upon the sanctions, an embargo against this country, in an effort to put economic pressures on them.

As a result of these initiatives, we find ourselves asking the Organization of American States, that has not really accomplished anything in a diplomatic initiative since its formation, with the responsibility of restoring peace, democracy and President Aristide to his presidency.

What bothers me is that I do not know now who is in charge of this initiative. I do not know where the leadership is coming from.

All I know is that people are being killed and people are fleeing this country, and yet the United States of America, the leader of the free world, finds itself, instead of providing the leadership to restoring the peace, relying on the Organization of American States, plucking these wretched souls out of the sea as they flee in shark-infested waters, and returning them to Haiti, returning them to a violent society controlled by the military to such an extent that when a person was selected as the compromise Prime Minister between the people who are running Haiti and the exiled President, that the military sought him out, to kill him, and indeed missed him and killed his bodyguard. And as a result of this criminal and horrible behavior, the United States of America has seen fit to withdraw our Ambassador from Haiti.

So, while he sits here in the security of the United States of America, Haitians are now being involuntarily transported back to Haiti and the State Department tells us that they have no reason to believe that retaliatory action is not being taken against these Haitians.

All we can see is that they are being fingerprinted by the same military thugs who shot down one of their own who was considered a compromise candidate for Prime Minister.

While that Statue of Liberty stands out there in New York Harbor, I do not know whether there is any word out there which talks about whether or not you are fleeing from economic or political persecution. It seems as though our President and our State Department would like to make some type of determination whether these people who are risking their lives on the high seas are victims of economic bullets or victims of political bullets.

How can you be just an economic refugee? Was the coup, the taking over of this country and the threatening of the president, was that economic? Was the military actually chasing our ambassador and killing Haitian representatives, was that economic? Were the thousands of Haitians who supported the President economic? And when we politically put an economic sanction on this country, an economic embargo, and the people find themselves fleeing not only from hunger and famine but also fleeing from the ends of rifles, is that economic or political?

And how do we determine this in these great United States of America? Do we pluck people who are starving to death, who have been taken out of shark-infested waters, whose native language is patois, which is a broken French, and take American citizens from the Immigration Department, pick these people out of the water, put them on Coast Guard cutters and, with forms and ballpoint pens, ask them to state their political background for us to determine whether or not they are fleeing for economic or political purposes?

I say to the gentleman from New York [Mr. OWENS] I suggest that the reasons that have been raised by this administration are not economic, but indeed are political; that there is no question in my mind that if we found 10,000 or 15,000 people fleeing from a European country, that we would not return them to the same type of holocaust that these people may face.

Indeed, those that follow what happened to the Jewish community, when Adolf Hitler allowed them to leave on a ship called the Ship of Fools in 1939, this ship was denied entry into the Port of New York, denied entry into Havana, Cuba. Additional ships were allowed to leave Germany, and those too were refused admission in London and cities in Europe and other European countries. And once that happened, what happened to the Jews? We all know.

What do people say today? "I wasn't there, I had nothing to do with it; I thought it was an internal matter in Germany. I never was against the Jews."

Well, this is a time for the Statue of Liberty to really stand up. It does not say whether you have to be economic or political. I do not think it does. Whether or not the President of the United States is washed into politics in New Hampshire rather than the compassion that America has, the only people who have a right claim to this country who did not come from foreign countries have been annihilated; and that is the native Americans.

It would seem to me, I say to the gentleman from New York, that now is the time for any people in these United States who can find any indication that they came here from some other country other than what we call the United States of America, ought to give the same opportunity to the Haitians, because one day their name may come up and the rest of America may ask, "Are those people economic or political?"

I thank the gentleman from New York [Mr. OWENS].

□ 1610

Mr. OWENS of New York. Mr. Speaker, I thank the gentleman from New York [Mr. RANGEL] for his remarks and for the intiatives that he has taken over the last few months in connection with this problem.

Mr. Speaker, I yield to the gentleman from Texas [Mr. WASHINGTON].

Mr. WASHINGTON. Mr. Speaker, I thank the gentleman from New York [Mr. OWENS] for yielding, and I would like to associate myself with the remarks by both gentlemen from New York who have spoken so eloquently on this occasion.

Mr. Speaker, I take the well today to join my colleagues from New York in addressing the American people on a matter that I think is of utmost importance because it seems to me that what we have to do is to define and redefine what America is. I do not want to think that the color of the skin of the people or their ethnic origin has absolutely anything at all to do with the forced repatriation.

I say to the gentleman from New York [Mr. OWENS], it seems to me to be a self-fulfilling prophecy, regardless if you take into consideration, and I have looked carefully at some of the work you have done on the Subcommittee on Immigration in the Judiciary Committee, the work they have done; but assume for the sake of discussion that the Bush administration is correct in their analysis that the people are fleeing from economic conditions rather than from political conditions. It seems to me though that to say that these people should be forced to be repatriated back to Haiti, when they have demonstrated that they want to leave Haiti, would not sit well with the people who are in control in Haiti. Can you just see them, regardless of what reason they have for leaving, being marched off those ships, those Coast Guard cutters, and being welcomed with opened arms by the same people, as the chairman has just said, who didn't have enough respect for democracy to allow a free election to stand, where the people in this country chose in a democratic way a president?

Mr. Speaker, President Aristide, regardless of his shortcomings, was chosen by the people, and, if we are going to talk about shortcomings, it seems to me there have been a lot of Presidents in American history about whose shortcomings we could speak. But this is a democracy, and in a democracy the people rule. So, these people who thought so little of democracy, who took away the election of the people, then would welcome with opened arms these persons who, for whatever reason, have chosen to attempt to make a break for freedom or of what they thought was freedom?

Mr. Speaker, it stands logic on its head to say that, even though they may be fleeing from economic conditions, that they should be repatriated because they would be welcomed back with open arms by the people who are killing and murdering people, and surely they would not kill these people. They would say, "We welcome you back, brother. You've erred in your ways. We know you were fleeing for economic reasons and not for political reasons, and you might have had to tell the INS some other reason, but we understand. Come on back. Let me put my arm around you. Take this weapon here, and help me kill democracy."

Mr. Speaker, that is ludicrous. It was ludicrous when they thought of it, it was ludicrous when they said it, and we do not believe it.

But I still want to believe that there is some other reason for the treatment, the special treatment given these people, when those Coast Guard cutters could be used out in the Caribbean Sea to interdict drugs. We are saying that it is more important to stop human beings who are fleeing from repression, as they see it, from coming to these shores, because they happen to be black than it is to stop another boat load of cocaine because every ship that is tied up out in that pass stopping these freedom boats from coming across the pass and taking them onto Guantanamo Bay could be used, I think the American people believe, for a much more worthy cause. It is better to stop one ounce of cocaine from coming over than 10,000 people.

Mr. Speaker, that is because people work. Most Haitians that I know, and I have very few in my district, are industrious, hard-working, democratic-believing, God-fearing people, and they want to come to this country for the same reason as did most of the other people within the sound of our voices, as the chairman has alluded to, as far as we know, and to the memory of man running not to the contrary. The so-called native Indian, which Columbus mistook because he mistook this for India, and they are probably not Indians, but we will not get into that because I only have 5 minutes, but those are the people who did not come here by boat. I do not care where they came from; Europe, or from Africa, or from Asia, or from Indonesia or wherever; but they came by boat, and they are no more entitled now to close the gate on some other ship of souls who come here believing in the Statue of Liberty, it seems to me, than anyone else.

So, Mr. Speaker, I look very carefully at the reasons, and I believe that the district judge in Florida was correct, and I am appalled that the Supreme Court in its wisdom, or for the lack of it, would set aside the order of the district court without having the record before it, which is a political decision. They did not have the record from the U.S. district court before them. They did not have the record from the Court of Appeals from the 11th Circuit before them. They went on the request of the Solicitor General and set aside the stay order, which is only to maintain the status quo, which makes it moot.

So, assume for the sake of discussion, and I will be finished because the gentleman from New York [Mr. OWENS] has been very generous with the use of the time, but ultimately those who advocate on behalf of the Haitian refugees are able to make a prima facie case. If they win in court, they lose the battle because all their clients will have been repatriated back to Haiti and probably killed in prison by the time the case gets to the Supreme Court on its merits.

So, we are saying, "Give us your tired, those yearning to be free, except if they happen to be black, except if they happen to be former slaves, and then we'll give them so much legal gobbledygook that, by the time the case gets to the Supreme Court, it won't mean anything to them. They'll be back in Haiti suffering whatever reward or punishment the people in control of Haiti believe is due them by the time we get a decision."

Mr. Speaker, I think it is wrong, and I do not think we have fooled anybody, and I am happy that the gentleman from New York [Mr. OWENS] has brought this important measure to the floor in order that we can shed light on it.

The only weapon we have is the people who are out there watching. We do not have any other voice. We cannot pass legislation soon enough to effect any change. They will ship up those Coast Guard cutters and have them all back in there before a bill can get through this Congress, and be vetoed by the President and overridden by the Congress, and so we are talking about a wrong for which there is no remedy.

But ultimately the people in this country have a voice. If they light up the telephones, if they call, not only Members of Congress, but the Secretary of State and the President, they can stop what is going on. They can stop pushing those people off those boats back over into Haiti to receive the most horrible kind of punishment imaginable. People who do not believe in democracy should not have our support, but we have this agreement with the Government of Haiti that allows them to stop these ships and interdict them, and ask these people these questions, and send them back to Haiti.

I can only add that I thank the gentleman from New York [Mr. OWENS] very much for allowing me this time, and I associate myself with his remarks. Anything that any of us can do to be helpful in the future, please let us know.

Mr. OWENS of New York. Mr. Speaker, I thank the gentleman from Texas [Mr. WASHINGTON] for his remarks, and I yield now to the gentleman from Detroit [Mr. CONYERS].

Mr. Speaker, in view of the fact that we have several additional Members who have come in, we would like to divide the time equally.

Mr. CONYERS. Mr. Speaker, I thank the distinguished gentleman from New York [Mr. OWENS] for calling this special order. I would like, Mr. Speaker, to make the following points:

The court merely lifted the stay of the lower court. The Supreme Court did not require that the United States begin forcing the return of Haitians. So, we are not operating under a court order to return anybody anywhere.

That being the case, the President, as the Chief Executive, has the ability still to make this Haitian crisis a priority, and, instead of merely accepting the coup in Haiti as a fate accomplished, he could bring his full power and influence to this crisis, and I would like to suggest that, in addition to stopping the forced return of Haitians, he could begin to make sure that we return to office the first elected president in the history of Haiti, President Jean-Bertrand Aristide.

□ 1620

The best solution to this crisis is to let the Haitian people manage it themselves, to allow the elected president to lead his people by allowing the embargo to be fine-tuned. This is a very crude embargo in which there are all kinds of sieves. I would suggest that there be a naval embargo also accompanying the embargo on goods. The United States and the Organization of American States could enforce a more finely tuned economic embargo. The goal would be then to force the Haitian military to accept the return of President Aristide and increase our leverage at the negotiating table.

The Haitians in the United States and on the U.S. ships should be granted temporary protective status. By bill, H.R. 3873, has been before the Committee on the Judiciary, on which I am proud to have served for some time, and I hope that it or some similar measure that accomplishes the same thing will be acted on.

Haitians should be treated in the same manner as others fleeing oppressive government, and it has been thoroughly documented that that difference and this unfair treatment in trying to determine whether a military bullet is an economic bullet or a political bullet is an exercise in futility, and will suggest terror and hard times for those people who are being forced against their will to go back to their country.

The Attorney General should implement existing authority under the immigration emergency fund to aid those who are fleeing the dictatorship in Haiti. The Coast Guard should stop the forced return of the Haitian boat people. There is nothing in the Supreme Court decision that requires that they force return of Haitian boat people. The Coast Guard can help rescue those who are trying to escape Haiti, but it should not be aiding the Haitian military.

Finally, we should increase the number of Haitian immigrants that are allowed to enter the United States, which is a pitifully small number. I include in the conclusion of my remarks editorials from both the Washington Post and the New York Times that add additional arguments to the cogent ones that have been heard on the floor during that special order.

Mr. Speaker, I want to join my colleagues in noting the terrible situation in Haiti and the dreadful response being made to that situation here in Washington. I believe that the Bush administration's decision to forcibly return Haitians to Haiti is an outrage and I have concluded that Congress should now grant temporary protective status to refugees.

I am personally saddened and distressed at the Bush administration's approach to the crisis in Haiti. It just makes no sense to celebrate the end of the cold war by enforcing a 1981 agreement signed with the Duvalier regime that was overthrown by the people of Haiti. I wish that the President had decided to treat Haitians in a manner that is consistent with our longstanding tradition of granting refuge to those fleeing oppression. President Bush likes to be called a foreign policy President, but he does not want to admit that the Haitian crisis is a priority. All that the Haitians are asking is to be treated like other refugees that have come to our shores because of antidemocratic coups. We should do no less.

During the closing days of the first session of the 102d Congress, I hoped for the best in Haiti and in Washington. But I also thought we had to prepare for the worst. That is why I introduced legislation, H.R. 3873, to legally grant Haitians temporary protective status and to terminate the interdiction of Haitians fleeing Haiti. I hope that my colleagues will read that bill and join me in pushing for its consideration.

Mr. Speaker, last year I had hoped that the negotiations led by the Organization of American States would bear fruit. The only solution to this crisis is for Haitian President Jean-Bertrand Aristide to be returned to the office he was elected to by the Haitian people. The best solution to this crisis is to let the Haitian people manage it themselves. The elected President should be allowed to lead his people. I also believe that the United States and the Organization of American States should enforce the OAS economic embargo. Our goal is clear: Force the Haitian military to accept the return of President Aristide. We should not tolerate other nations ignoring the embargo.

I also had hoped that the U.S. Federal court in Miami would be successful in forcing the Department of Justice to grant Haitians the most basic rights and basic American due process. We have watched the legal battle pay out over the past several months, and unfortunately the Supreme Court has refused to protect the rights of these refugees until the case can be settled.

I had also hoped that the United States State Department would recognize that real nature of the military dictatorship in Haiti.

Mr. Speaker, I regret that my hopes and the hopes of the Haitians were dashed.

Given this reality, it is hard to understand the stance of the U.S. Attorney General, William Barr. I think we should demand an explanation for why he does not use his authority under law to grant Haitians temporary permission to stay in the United States—so-called temporary protective status. The Attorney General is flouting the law, and because of his callousness, thousands of innocent Haitians will suffer needlessly.

Now we have seen all too clearly the face of the violence and repression in Haiti. The evidence of the repression has been clearly demonstrated in recent weeks. First, we have seen respected human rights groups, such as Amnesty International and Americas Watch, reporting the dangers of political activity in Haiti. Second, the State Department itself recalled the U.S. Ambassador last week to protest a violent attack on political leaders. Yesterday, the United Nations High Commissioner for Refugees criticized the United States deportation decision.

But most important, over 15,000 Haitians have voted with their feet. These thousands of Haitians have risked their lives to flee the crisis in their homeland. Haitians may be overwhelmingly poor and illiterate, but they know a violent dictatorship when they see one. I just do not understand how the U.S. Government can be so blind.

Mr. Speaker, we should let our Coast Guard help and rescue Haitians fleeing Haiti, but the United States Coast Guard should not be in the business of forcing Haitian men, women, and children to return to misery and torment at the hands of a military dictatorship. Watching the pictures of the Coast Guard taking Haitians back to Haiti makes this Member incredulous.

I hope that my colleague will join me in pushing for swift action to help these long suffering refugees. I insert editorial comments of the New York Times and the Washington Post for the RECORD.

HUMANITY FOR HAITIANS

Under ordinary circumstances, the United States cannot admit every Haitian who arrives on these shores seeking a better life. But today's circumstances are not ordinary. The U.S. cannot decently force terrified asylum-seekers to return to the hell their homeland has become.

Since the Supreme Court lifted a restraining order on Friday, the Bush Administration has seemed intent on shipping Haitians would-be refugees home. Congress needs to retrieve America's reputation for compassion by quickly approving emergency legislation.

Haiti has long been the Western Hemisphere's poorest nation. Its people have been willing to risk danger, detection and deportation for the opportunity to work in the U.S. Haitian immigrants have made a positive contribution to American society. But allowing in all who want to come would be unfair to the thousands of people from other impoverished, more distant countries who patiently wait their turn for legal admission.

Since a violent coup late last year, Haiti has become the hemisphere's most dangerous nation as well as its poorest. Armed thugs terrorize poor neighborhoods, trying to crush support for Haiti's exiled President, Jean-Bertrand Aristide. More than 1,500 people have perished, Amnesty International reports. The Bush Administration, hoping to dislodge the military regime, supports a trade embargo that adds to the privations of Haitian life.

But even as the Administration tries to force political change in Haiti, it has sought court permission to ship back all fleeing Haitians who do not meet the narrow legal requirements for asylum. Those requirements involve a demonstrable fear of direct personal victimization, but not say, a reasonable fear of being caught up in the deadly violence being unleashed by the military regime.

The Administration's own reasonable fear is that once word reaches Haiti that people are not being turned back, an unmanageably massive flight will begin. And it worries about alienating Florida voters with an inundation of Haitians in an election year. Those are real risks. But with safeguards like temporary sanctuary, both humanity and prudence can be served.

Further court tests lie ahead, but the Coast Guard is now free to repatriate most of the 12,000 Haitians held at Guantánamo, Cuba. Even though the situation in Haiti is particularly turbulent, the Administration seems determined to move quickly. That leaves it up to Congress to show the compassion America has displayed in the past for Cubans, Vietnamese and others in a similar predicament.

A bill introduced yesterday by Representative Romano Mazzoli would grant Haitians now in U.S. custody a "temporary protected status." It would hold up involuntary repatriations until the President could certify that a democratically elected government was again securely in power in Haiti. If Congress moves quickly, the bill could be on the President's desk in days.

An early return to democratic government may seem unlikely under Haiti's present circumstances. But it is the formal objective of U.S. diplomacy. If that is no longer a realistic goal, America's entire policy toward Haiti needs to be rethought, and strengthened.

Haiti's nascent democracy has been hijacked by thugs, some of them apparently involved in drug dealing. Good policy and good politics argue against the Bush Administration acquiescing in their rule. Common humanity argues against America forcing people back into their bloody hands.

HAITI'S REFUGEES

Forcible repatriation of refugees—sending people back to a country where they face not only great hardship but the risk of physical harm—is an ugly business. The United States has now returned to Haiti the first several hundred of some 10,000 whom the Coast Guard has plucked out of the sea on their way, they had hoped, to Florida. For a country with the resources of the United States and its deep commitment to human rights, this is a sorry response to the Haitian tragedy.

No Haitians ought to be forced to return until some degree of peace and order prevails in their land. But the Bush administration backs uneasily away from that standard. As things are now going, it may be a very long time before Haiti sees much peace and order.

In retrospect, it's clear that the United States and the Organization of American States made a fundamental political miscalculation last October. The army had pushed the democratically elected president, Jean-Bertrand Aristide, into exile. The hemisphere's governments immediately joined hands to impose a tight embargo. The idea was that the economic pain inflicted by the embargo would force the army to give up power and allow the president to return. But that overlooked the nature of the Haitian army.

It is much less an army in the modern sense than a loose confederation of armed bands not reliably under the control of its officers. Many of these armed bands are engaged in preying on the civilian population, running drugs and smuggling. Since the embargo enhances the smuggling trade, the soldiers have little interest in ending it. Diplomats of the OAS had worked out an intricate arrangement under which President Aristide would return and govern with another politician, Rene Theodore, as his prime minister. Ten days ago armed police, who in Haiti are subservient to the army, broke into one of Mr. Theodore's meetings, beat people at random and, to emphasize their purpose, murdered one of his bodyguards with a machine gun.

The embargo continues to cause great suffering, but not among the gunmen. Since it isn't serving its purpose, this embargo needs to be relaxed. The Bush administration has been debating the exemption of at least the assembly industry—the factories that imported components mainly from the United States and reexported the products. There were more than 35,000 jobs in those factories before the embargo. To persist in the present total embargo is to increase the distress, purposelessly, in a country now ruled by cruelty and violence. To force refugees to return there under these conditions is worse. It is a violation of American values.

Mr. OWENS of New York. Mr. Speaker, I thank the gentleman for his remarks and I yield to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Speaker, I want to thank the gentleman from New York, and I want to thank him for holding this special order. I would like to associate myself with the gentleman's remarks and with those of my colleagues.

I would like to just share some personal comments. A friend of mine has been calling me regularly, not just to cite the statistics, not just to share with me her feelings about how terrible and how immoral the actions are currently, but to share with me her personal fears of a mother who was left in Haiti, of a brother who was left in Haiti, of cousins and nephews left in Haiti.

In the last telephone call that she had, and I want to tell the Members that it was not easy, because during the whole term over there you could not even get through. You did not even know how a brother was doing or how a mother was doing. When she finally got through, the words of her mother, as the mother was trembling, because she did not know who was listening, were terribly frightening to me. You did not know when there was going to be a knock on the door, and even if they knocked, which they do not often do, you did not know who was going to be shot down next. You did not know, when you heard the gunshots in the house next door, whether it was going to be you. That is the kind of fear that people are living under in Haiti.

So when we see a little boy on the front page of the New York Times having his fingerprints taken, being sent back to his country where terrorism is rampant, where there is no democracy, where the rights of the individual are not respected, how can we in the United States of America who stand up tall, being proud of our democracy, how can we not stand up and speak out? This is immoral, this is wrong, and I want to associate myself with my colleagues on the legislation they have introduced.

Amnesty International has said that the refugees face a killing field and certain persecution if they are sent back to Haiti. That corroborates exactly what my friends have told me. So far it is estimated that 1,500 people have been executed by the new government.

The United States must stand up, because if we do not stand up now, how can we stand up as a democracy to the rest of the world?

Mr. OWENS of New York. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. PAYNE].

REQUEST BY MEMBER TO PROCEED OUT OF ORDER WITH A SUBSEQUENT SPECIAL ORDER

Mr. PAYNE of New Jersey. Mr. Speaker, I ask unanimous consent that at the end of the special order of the gentleman from New York [Mr. OWENS], I be allowed to proceed for 60 minutes with my special order.

The SPEAKER pro tempore (Mr. FROST). Is there objection to the request from the gentleman from New Jersey?

Mr. BONIOR. Mr. Speaker, reserving the right to object, I have no objection. If the gentleman wants to go ahead of me, I would be delighted. I was going to raise this issue in my special order and he can share that time with me then go ahead now, as far as I am concerned.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mrs. BENTLEY. Mr. Speaker, reserving the right to object. I understand the importance of the issue. I appreciate all that, but I wish they had indicated before. I have been sitting over here now for an hour or more waiting my turn. I have to object.

The SPEAKER pro tempore. Objection is heard.

PARLIAMENTARY INQUIRY

Mr. WASHINGTON. Mr. Speaker, I have a parliamentary inquiry.

Mr. Speaker, there was no objection to the original request for the addition of time. The only question was whether it be taken out of order. There being no objection, his additional 60 minutes has been granted?

The SPEAKER pro tempore. That is correct, but he may not have it out of order.

Mr. PAYNE of New Jersey. Mr. Speaker, as a member of the House Foreign Affairs Committee and as a person long committed to improving the plight of refugees worldwide, I am deeply disturbed by the mass deportation of Haitians longing for freedom from oppression.

In recent years, the United States, as the leader of the free world, has taken justifiable pride in our role as a model for emerging democracies around the globe. We have been eager to lend a helping hand to newly liberated nations as the Berlin Wall crumbled and the Iron Curtain fell.

We have been a strong advocate for many nationalities who have fled their homeland to escape danger and to seek asylum in the United States. Recent press reports detailed a daring exploit involving a plane carrying Cuban defectors which was guided safely to United States soil with radar cover and other technical assistance offered by our Government.

In view of our enthusiastic efforts to promote democracy around the globe, we cannot avoid this troubling question: Why is our Government treating Haitian refugees so differently? Why are we so callous about their fate?

In one of his most famous novels, the author George Orwell made the satirical observation that, "Everyone is equal, but some are more equal than others." Unfortunately, that notion seems to apply to our policy toward those seeking political asylum.

The dangers facing Haitians forced to return under the present regime are well-documented. The Inter-American Commission on Human Rights of the Organization of American States recently estimated that there have been 1,500 deaths since the September 30 coup.

I recently had the opportunity to meet the ousted leader of Haiti, the true, duly elected representative of the Haitian people, President Aristide, at his residence in exile in Venezuela.

During his service, President Aristide was committed to freeing his people from the economic slavery that has made their lives so hard for so long. Yet, the level of support from the United States was not what it should have been.

Our Government has criticized Singapore and Malaysia for not taking in the Vietnamese boat people. We criticized Hong Kong when they withdrew their policy of admitting boat people.

It seems very inconsistent that we would now turn our backs on our neighbors in Haiti, who are undoubtedly facing severe reprisals—possibly even death—upon their forced return. We know that already the Haitians who were sent back have been put through the intimidating process of being fingerprinted.

We can only pray that they will be spared from the terrible fate that others have no doubt faced.

Mr. Speaker, let us reclaim the role of the United States as a fair, compassionate haven of democracy. I urge my colleagues to support Mr. RANGEL's initiative and to help us halt these inhumane deportations immediately.

Mr. Speaker, let me thank the gentleman from New York for taking this special order.

□ 1630

Mr. OWENS of New York. I thank the gentleman from New Jersey for his remarks.

Mr. Speaker, I yield to the gentleman from New York [Mr. SERRANO].

Mr. SERRANO. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I simply want to join the gentleman from New York [Mr. OWENS], the gentleman from New York [Mr. RANGELL], and other colleagues, because I believe that this is the kind of an issue where no one should be quiet, whether it is a private citizen writing a letter, whether it is a telephone call as the gentleman from Texas [Mr. WASHINGTON] has suggested, a telephone call to a Representative, or whether it is doing it the way we are doing it here on the floor. No one should keep quiet when the real integrity of this country I believe is at question.

Mr. Speaker, every day we hear Members get up here at this same podium and speak about how great it is to live in this country and how great it is to see the rest of the world going out of their way in life-risking circumstances to be more like us.

Even those of us who stand up here and claim that all is not well understand that this is a wonderful country and the world is trying to change to be like us.

But I think in the process we run into a danger. The danger is that if we are not true to ourselves, if we are not true to our own ideals, then we run the risk of speaking out of both sides of our mouths and eventually losing all the good will that we either won through military action in the gulf or by simply behaving over the last 40 years as people who defended peace and democracy and justice.

And so when we look at the Haitian situation, I think it is really, if you will pardon the expression, larger than Haiti. It is us. We are in those boats. We are at risk, just like the Haitian people are. Because if at this moment in our history, after saying all the wonderful things we said about Europeans just a year or two ago who were hurting, in danger of being slaughtered, who are in danger now of civil strife, if we said all the things that we said in favor of their defense and their freedom and their dignity, and then turn around and push, physically push out of our borders, people who everyone can see are hurting, people who tell you either in broken English, in perfect English, or in their own language, that if they go back they run the risk of being killed, and yet we say there is no proof that they will, we have never had any proof that anyone is going to be killed all over the world.

Yet we have committed people, committed resources, committed the soul of this country in many instances throughout the world, understanding that, well, dangers existed.

Every time I see a Haitian being given $15 and put on a bus to eventually get on a boat to return to Haiti I feel bad for them, but I feel worse for us. Because we cannot continue to lie to ourselves. That is what we are doing at this point in our history.

This moment, it seems to me, is a crucial moment. Everyone has said it and will keep saying it because it is wonderful, the world has changed, and we are the ones that are being imitated. And what do we do? Well, we have a war, and that war is supposed to be part of the new world order.

And then the first instance, interestingly enough, ironic enough, the first instance we have to show a new world compassion, which is part of that world order, we say "You are not allowed here. You are not allowed here because you are not here for political reasons, you are here for economic reasons."

As the gentleman from New York has well stated on so many occasions in the well of this House, during the time that the dream of democracy and possibility of democracy existed in Haiti, people were not running to this country. Now, the poverty was the same. President Aristide, as much as he promised he would in his presidency and administration, did not have enough time to make a change in the economy of their country. Yet people did not run here. Why? Because the thought of democracy, the thought of freedom, the through of a better tomorrow, kept them at home. So they are obviously here for political reasons.

What do we do? We say we have to figure our a different way to deal with you.

In addition to this, as the gentleman well knows, it creates for us right here in our own communities, communities like the ones that we represent, friction. We have one island in the Caribbean where nobody wants to come or is allowed to come. Then we have another island in the Caribbean where if you want to come, you cannot come.

Now, the President, the administration and the Supreme Court, does not have to go to 138th Street in the Bronx and deal with the fact there are members of two communities saying, "Mr. Congressman, how come he can stay and I can't stay?"

There is no answer, because they both should stay. They are both running away from a situation that we condemn, that we say should not exist.

So as the gentleman from Texas suggested, perhaps it is not within a single group's power, be it this Congress, be it someone else, to change this. But maybe, just maybe, this is one of those occasions where the American people set foreign policy before government does. Maybe this is the time where American people stand up and say, "My God, I can see by the look on the faces of these people that the Haitians are not here on a vacation. They are here to escape some thug," incidentally, as has been said in this well, that we trained militarily, who is going to kill them.

People do not go back to their country and get fingerprinted because they think it is some guy from Harlem who just came back from Haiti. This is not the reason they are fingerprinted. They are being fingerprinted to keep a record of who dared defy the government and leave and make comments against the government.

□ 1640

I would not want to be in their shoes, but we are. Our soul is in their shoes because the world is looking at us and, again, the first chance we get at proving that we are the leaders of this new world order, we show new vision by sending people back.

Let us all join together not only in this House but let us join together throughout this country, stand up for what is right and say, "They are our brothers and sisters and they should stay here with us until we can solve the situation."

Mr. OWENS of New York. Mr. Speaker, I thank the gentleman from New York. I think those are fitting words with which to close.

Mr. BLACKWELL. Mr. Speaker, I rise today to bring to the attention of this body the tragic and difficult situation in Haiti which has impacted on the conscience of all Americans of good will. The events in Haiti born from violence, intolerance, and economic injustice have brought to our shores once again, thousands of Haitians who have fled a distorted political economy.

The policies designed to restore constitutional order in Haiti must be reviewed and their focus must be sharpened. The enemies of the Haitian people are those in Haiti who seek to impose their political will through violence.

A solution must be directed to all of those who have been identified as having used violence or advocated violence. The trade embargo, while intended to restore democracy, has aimed high but hit low.

Policies must be developed that hit at the coup makers and those who break up political meetings with murderous violence. To gain a nonviolent solution, pressure must be put on all parties to the conflict. Only then will the international community be able to focus its attention on the underlying problems in Haiti, problems of gross economic disparity, social injustice, and the lack of a democratic political culture.

I am most interested in the tremendous amount of work that needs to be done to help Haitians develop a strong and free labor movement. I am committed to do my part in this effort.

It will be in postcoup Haiti that the character and resolve of the international community will be tested. We cannot afford to wash our hands of Haiti. Our brothers and sisters in Haiti require that we bring the best America has to offer to Haiti. Let's keep our eye on Haiti.

Ms. NORTON. Mr. Speaker, today Haiti is completely out of control, with a government terrorizing its own people. Yet, shamefully, the Bush administration has decided that the thousands of Haitians who have fled in horror will be in no danger if they are returned.

The human tragedy unfolding in Haiti is no less significant in this hemisphere than the invasion of Kuwait was in the Middle East. President Bush needs to take two actions immediately. First, until a political solution is obtained which restores democracy in Haiti, the United States and other countries should continue to offer a safe haven to Haitian refugees. Second, the President should take the leadership, as he did in the Persian Gulf, with the OAS and the international community, to help achieve stability in Haiti.

We have insisted upon democracy thousands of miles across the oceans. We can demand no less in our own hemisphere. The fledgling democracy in Haiti was killed in its infancy. We must help it to be born again.

I do not underestimate the task. The economic sanctions we have applied may have had an unintended effect on the Haitian people. All the more reason to look again at ways to start again.

We have stood with refugees from everywhere—from the Soviet Union, from Eastern Europe, from Southeast Asia. We must find a way to stand with the refugees in our own backyard.

GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days within which to revise and extend their remarks on the subject of my special order today.

The SPEAKER (Mr. FROST). Is there objection to the request of the gentleman from New York?

There was no objection.

HAITIAN REFUGEES AND THE AMERICAN ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes.

Mr. BONIOR. Mr. Speaker, I wanted to come down and join my colleagues here on this issue and then speak about the broader economic issues that face this country. I listened with deep interest to my colleagues speak about the situation that so many Haitians face at this very hour. This issue has been with us for many, many years. But it crystallized itself in the fall.

I thought perhaps we might even act on the legislation that was needed before we left here last fall and was terribly disappointed that we did not. It is beyond me to understand, and I cannot express this more eloquently than my colleagues who have just spoken, the gentleman from New York [Mr. SERRANO] and the gentleman from New York [Mr. OWENS] and the gentleman from Texas [Mr. WASHINGTON] and the gentlewoman from New York [Mrs. LOWEY], but what troubles me so deeply about this issue is that here are people who have risked their lives at incredible peril to them, to themselves and their families, to get away from a land that has persecuted them and their relatives, to get away from a situation that offers no hope.

And they are told they have to go back, that we have no room for them. And they say to themselves, "Well, you had room for the Irish, and you had room for the Germans. And you had room for the people who came or wished to come to this country from Nicaragua just a few years ago, and you had room for the Salvadorans. And you have room for the Cubans. But you have no room for us."

There is something going on here that I think everybody understands quite clearly. And one would think, given the tremendous emotional debate that we had in this country on political asylum that was given to those from Cuba and El Salvador and Nicaragua, that our hearts and hands would be open to these poor people who have risked so much. But there is an issue here that is operating, and it is color of skin. And we all know it.

I would just say to this administration that please revisit this issue. It is terribly important, as my colleague from New York has said, it is terribly important because it deals with our own soul. It is our own soul that is at stake here. We will send a terrible, terrible message, we have already sent a terrible message, if we continue on the policy that is in place today.

I hope in the next day or two that we will have before us on the floor of this House a resolution that will express the views that were so eloquently expressed by my colleagues this afternoon and that, in fact, we can move legislation that will put an end to this regretful policy that this administration has adopted.

Mr. Speaker, I would like to move on to another issue, and that is the state of the economy today and what is happening out there in America.

On the day before Thanksgiving a man from my district in Michigan went to his mailbox. He had worked for 40 years in a factory, tough work, work where his muscles were sore, where his hands were dirty at the end of the day. And he was expecting his $500 monthly pension check in the mailbox. He has got that check every month since he left his job.

Well, the envelope was there, but in the envelope was not $500. It was 32 bucks. And a letter that said this was all he was going to get from now on.

It turned out that the monthly health insurance premium that he had negotiated for him had tripled and it was taken out of his check. His dreams were shattered and, as I later found out that weekend, we had literally hundreds of employees who received the same bad news, received the same letter.

Last week these people listened to the President's State of the Union Address with great expectation, hoping that finally the President would understand their situation as it relates to health care and other issues, but particularly health care, and do something about it, that he would come forward and offer to the country a bold new vision to deal with the health care crisis in America, to control costs and to provide affordable quality health care to the American people.

But like middle-class families all across this country, they left the speech scratching their heads. They wondered why the President still does not seem to get it, why he still does not understand the real problems facing middle Americans.

That is just not my perception of what I heard from my constituents on the speech or about the speech. It is what pollsters are reporting all across America. Seventy percent of the people that were polled in this country in poll after poll indicated that they did not think the President went far enough to solve the problems of the economy.

Look at his State of the Union speech. Just last Saturday, his own appointed Secretary of Housing, Jack Kemp, called it full of gimmicks, gimmicks, gimmicks for the middle class when it comes to jobs, gimmicks when it comes to health care, gimmicks when it comes to tax cuts. The President offered us a capital gains tax cut. And then he said, right there, that it is time for the gimmicks to end. And he threw out some statistics that people making $50,000 or less, 60 percent of the tax cuts on capital gains will go to them.

What he did not tell us, what he did not tell us is that 60 percent of the overall benefits will go to the top 1 percent or 2.5 million people with an average salary, yearly income of a half a billion dollars a year.

If we take that a little lower, for those top 4 or 5 percent, they will get 85 percent of capital gains benefits if they have it. People making $200,000 a year or more will do very, very well. The rest will not.

There is an old Abbott and Costello joke where Abbott asks Costello, he says, "Lou, if you had $50 in one pocket and a $100 in the other pocket, what would you have?"

And Costello says, "I would have somebody else's pants."

Well, the fact of the matter is that the American people know that these tax cuts have been going into somebody else's pockets. And what we saw last week was the same type of game trying to be forced on the American people, thinking it was going to go into their pockets when in reality we know that plan was basically put together to help the people who have gotten the benefits over the last 10 or 12 years, the people of extreme wealth who need, and I believe in many instances want to sacrifice to help this economy move, get moving again by providing their fellow citizens with a break this time.

The speech was just another repetition of the same tired trickle-down theories that I believe got us into the recession in the first place.

Kevin Phillips, the writer, pundit, put it, I think, very well, in characterizing the speech. He said, "Pretzels for the middle class and caviar for the rich."

□ 1650

This year we should see America in its dawning moment. This should be an exciting time for us. There should be great joy. After all, the cold war is over and we won it, and the President, to his credit, was eloquent on that issue when he spoke to us. I sat right there and I watched him become emotionally choked when he talked about the victors who had sacrificed for these 47 years in a variety of different wars to make the victory possible. Stories about our victory should make us rejoice. Stores sell chunks of the Berlin Wall as souvenirs. The very dateline of news stories' imply a victory for freedom and democracy: Ukraine, Croatia, Slovenia, and with an ease that nobody could have predicted a few years back, the Soviet Union has disappeared. FSU, former Soviet Union.

But at the very moment we should be celebrating, the country is in a funk, it is frustrated. It is frightened, and in many ways it is fed up. People who have played by the rules all their lives, they got their education, they married, they may have served in the service for their country, they had kids, they bought a home, they punched a clock, they ate at their desk, they worked overtime when they could get it to make all of this, and now these people cannot make ends meet today. They just feel a terrible squeeze from every direction possible. Middle-class people work harder, they work longer, and they are falling further and further behind. The American dream that our kids can have it better than we could is slipping from our grasp.

Americans have never expected the Moon, but we did expect a few things, that when we got sick we could afford a doctor, if we saved we could afford a home or send our kids to college. Now middle-class Americans feel like an endangered species. We are now in the 18th month of a very cruel, long, and a protracted recession, and an administration that has been preoccupied with events around the world just cannot seem to focus on the problems of the people around the block.

The Secretary of Treasury said the recession, when it was blooming, was not a big deal. Well the recession is a big deal. Look at the figures that came out last month. The jobless rate is 7.1 percent, a new high. But we know that is not the figure. That is the official figure. The real figure is 10 percent, and that includes people who have given up looking for work, that are not counted in that figure, and it includes people who have taken part-time jobs, maybe 15 or 20 hours a week because they cannot get full-time jobs. That is 15 million people in this country who reside in households that make up roughly 40 million people.

Almost half a million people are out of work in my State of Michigan alone. It is a big deal all right.

Someone once wrote that statistics do not bleed. These figures do not tell the whole story. They certainly do not tell the whole story of my community in Michigan.

Working families there have been squeezed from almost every angle, squeezed by this recession, squeezed by a system that has raised taxes on the middle class but given the very wealthy a $25,000 a year tax cut, a repetition of that advocated just recently by our President a week ago, squeezed by a system that has got a health care system whose costs are increasing more than three times as fast as people's wages, squeezed by an education system that is leaving millions of Americans unable to read the label on a bottle of poison, and which had increased the cost of a college education 88 percent over the last 10 years, and squeezed by tough competition from abroad.

For a decade, middle-class Americans have been told that the solution was this idea of trickle down economics. We have been told that that would produce good jobs, that would keep us healthy and wealthy and wise and competitive.

We have waited and we have waited for 10 years, and where are the jobs? The President says we need economic growth. Of course we need economic growth, but under this administration over the past 3 years we are losing 9,400 jobs a month.

The way to economic growth is not the same policies that have put us into this sorry mess, and that is what we got last week, try the same thing. Let us stay with the status quo. Capital gains, untargeted, unspecified, capital gains on race horses, capital gains on artworks, nothing specified to put this country to work, nothing specified to get our economy moving in the sectors where it is needed, with one exception in housing. The way to economic growth is not the same policies that have put us into this situation. It is not the kind of economic royalism whose tax cuts for the wealthiest have added $1.2 trillion, that is with a "t," $1.2 trillion to our Nation's national debt.

How do we get out of this mess? How do we recover? Not with the President's grab bag of halfway measures and giveaways for the wealthy. We need to think big. We need to think where we want this country to be 5, 6, 7, or 8 years from now or at the end of this century. We need an outline for a 10-year plan to rebuild America, rebuild America's future with an agenda for the middle class. And that incorporates a lot of things. It incorporates an industrial policy. That is going to take the Government sitting down with business and labor and deciding where we want to be in 5 years in computers, in microbiology, in automobiles, in steel, in textiles, and you name it, where we want to be and how we want to get there. It incorporates an idea called planning, this terrible word that people have run away from since I have been here. For some reason we think it cannot just happen willy-nilly, it will just come together. It takes a little thought, a little more foresight, a little strategic thinking.

Everybody does it now. The Koreans do it, the Taiwanese do it, the people from Singapore do it, and of course we know the Japanese and the Germans and the French do it. But it takes that type of foresight and that type of strategy.

It also takes some other things. Let me start with a few.

We have heard a lot of talk about tax cuts lately. A middle-class tax cut is in order, and it should not be paid for, in my opinion, by the defense savings that we are going to generate because the world has changed. And we will save anywhere from between $50 and $100 billion over the next 5 years. Those savings ought to be used to rebuild this country, our roads, our highways, our bridges, our parks, our schools, which are falling apart. That ought to be reinvested in the wealth that we already have in this country that is crumbling, that is falling apart. It creates jobs, and it rebuilds America.

It ought to be reinvested in education. It ought to be reinvested in a plan for apprenticeships, a plan in higher education so anybody who wants to get a higher education in this country is not denied it. Somebody suggested to me the other day an idea that makes sense to me. I am sure there are problems with it and I am sure there are traps in it, but it makes sense to me.

I would like for just a second for us to think differently, and think bigger and think new. And the idea was if you wanted to go to college and you could not go to college, we are going to let you go to college. We will pick up the tab. But once you graduate and you are skilled and you go to work, you pay us back.

□ 1700

And maybe you pay us back with a little bit more so that the next kid down the street who wants to go to college can do it. It makes a lot of sense to me. I know there would be some people who would fall through the cracks from whom we would not get paid back, but it seems to me that it expands the opportunity, and it provides some hope for the future.

Mr. Speaker, let me get back to taxes for a second. You know, this idea that we should not do this middle-income tax cut for middle-income people, I think we need to do that. I think we need to regain the confidence of middle-income people.

Some people say, well, you know, you put 500 bucks in their pockets, that is not a lot of money. That is a lot of money to a lot of people. That is a downpayment on an automobile, that is a mortgage payment perhaps for some people, that is putting some money aside for them so that they could send their kids to school, and it is building from the middle up. It is putting money in people's pockets so they can spend it, so they can invest it in their future.

I have not figured out yet this idea of trickle down. You give the capitalist and the venture capitalist and the other capitalists all of this money, and people who already have it, and for some unknown reason they are going to buy machinery and equipment, and that is going to get us moving again. Well, of course, that is a part of it, but if the people in the middle do not have the dollars to purchase what they make, there will not be the jobs to produce the goods to sell here or abroad.

What I and others have suggested is that we start this movement with the middle class in the broad middle rather than at the top, and by doing so, we are going to send an important message, an important signal to the people of this country that we reject the politics of the past, and the way to do that is to give the middle-income people of our country a break and let the wealthy share in a part of it, let the wealthy share in the payment of that tax cut to the middle class. You can do that. It is possible with the numbers to do that.

Second, we need a fundamental reform of our health care system. We need a system of national health insurance.

You know, in 1980, health care for the average American family cost about $2,500 a year, in 1980, and now it is about $6,500 a year, and if we continue to do nothing, if we continue to bury our heads in the sand, it will be $14,000 by the turn of the century. That will bankrupt families, businesses, and certainly the Government. We cannot afford that.

Such premiums are a cruel and a hidden tax on American families. After you have worked hard all day, you should not have to stay up all night worrying about whether your kids' health care is covered, and you should not have to work 40 years in a plant, come home to get your pension check out of the mailbox and find it has been cut from $500 to $32 because your health care premium has tripled, and you should not have to, because you have worked as a nurse in nursing homes around this country taking care of our fathers and mothers and grandparents, have to come home without any health insurance and take care of your own child.

I have had women in my district, single mothers, come into my office and plead with me, even belonging to unions, to do something about a national health care plan for America, because they were taking care of our fathers and mothers and grandparents in nursing homes without any health insurance for themselves or their children.

Americans have been hit by a triple whammy: Health care costs are up, benefits are down, and employers are not paying the bill. The costs are coming right out of the average American's paycheck. We are paying more and more for less and less coverage.

It does not have to be that way. It is not that way in most countries, industrialized countries, in the world. It is not that way in France. It is not that way in Germany or Japan or Canada.

We need a national health care system that will control costs so that they never, never increase more than wages, a system perhaps like Medicare that will preserve your right to choose your own doctor. Choosing your own doctor is a right that ought to be in the plan we adopt, one that will make sure no job is without health insurance, that will include long-term care, so that you do not have to worry about breaking your own savings that you have built up over a lifetime, or ruining your children's future economically.

That will, above all, improve quality. Americans have a right to health care, and we have a right to the very best health care. And for those who argue that we have the very best health care, what is your retort to the fact that the United States is 23d in the recovery from heart attacks and 22d in the world from infant mortality? A baby born in Detroit has less of a chance to survive than a baby born in Honduras. We can do better than that. A child is twice as likely to reach the age of 1 in Japan than it is in the United States.

Today's health care costs threaten the security of our families, and they strangle economic opportunity as well. It is a big economic issue.

The experts call it the job lock. The other day I heard a story about a man who desperately wanted to change jobs. We all know of people who want to move on or change jobs because they feel trapped, and this man could not. He was locked in. It turns out he had a son with Down's syndrome, and if he changed, his new company's insurance would not pick up the tab. Down's syndrome, as you know, is a preexisting condition. That has got to change. Nobody should be locked out of a job because of a system we could change with just a little bit of common sense.

The costs of health care are stifling our ability to compete. Last year General Motors spent more on health care than it did on steel, and Chrysler tells us that health care adds $700 to the sticker price of a car built in Detroit, but just across the river in Ontario, $223.

In this Nation, American families pay a tremendous price for our failure to act in the Reagan and Bush years. It is time for change. Each day we delay, the cost rises, and in health care, it rises at an astronomical rate.

The best care spins out of reach of even the average family. Businesses, large and small, see their profits vanish. we must act now.

Tax cuts for the middle-income people. Health care. What else?

Well, third, it is time to recognize that the world is changed. With the fall of the Soviet Union, it is time to get our own house in order here at home. It is time we started to take care of our own here in America.

We can cut the defense budget and invest that money here, and as I said, it ought to be used, I believe, to help reduce that deficit. It ought to be used on housing, roads, bridges, schools, parks, jobs for America.

And, fourth, and finally, we have got to be tough on trade. You know, in places like Macomb and St. Clair Counties in Michigan, people grew up thinking of themselves as GM families or Chrysler families or Ford families. I remember seeing my grandfather go off to work each morning at Dodge Main in Hamtramck in Michigan, so I find remarks about America's workers that we heard out of Japan over the last few days outrageous to call American workers lazy, which is the height of arrogance. You will never hear me utter a derogatory word about the Japanese people, but it is perfectly proper to take on their policies.

Japan has taken advantage of the United States in a way just as outrageous as the remarks of some of their leaders, and we have got to fight back. The only way to do that is to demand results from a country that is undercutting our economy at every turn.

From that standpoint, the President's trip to Tokyo was a disaster, and I do not laugh about his getting the flu. We all get sick, and he was.

But look at the agreement: the Japanese have a $100 billion auto parts market in Japan, and we get 1 percent. The agreement? A target maybe of another 1 percent. It is not good enough. We need reciprocity.

They can sell here. We should be able to sell there. It is as simple as that. It is not a complicated issue, and we cannot.

They complain that our goods are not quality goods. They are quality goods. We are making better products today. For those of you who may not have seen the Washington Post today, in the business page, "U.S. Cars, Vans Make Inroads In W. Europe." "Detroit's Big Three Saw Sales Rise 65% in '91."

We are selling American automobiles over there because they let us. We can get into their markets and their people are discovering we are making a better vehicle.

Yes, we had bad years, and yes, we did not make good cars in the early 1980's, the 1970's and mid-1980's, but we have improved our quality.

The guru of quality, J.D. Powers, a person who measures quality of American foreign cars, says this:

> Quality has improved so much in recent years that there is less than 1 percent car difference among the 72 highest quality models sold in America. Thirty-four of those are from U.S. nameplates: 17 from G.M., 11 from Ford, 6 from Chrysler.

The perception out there is that we do not, but the fact of the matter is that we do make good quality automobiles today.

We need to stop playing the fall guy, though, for Japan. If they will not let us into their markets, by God, we have got to give them the message. They understand tough talk. They understand, more importantly, tough action.

My colleagues might remember, and I keep raising this because I think it is a good illustration, not because I was involved in it, but about 18 months ago when we had Desert Shield before Desert Storm was put into action, we were sending a half million troops over to the Mideast to the Persian Gulf, I had an amendment pending on the defense bill. The amendment basically said, Japan, pay your share of your own defense. They spend 1 percent of their GNP on defense. We spend 6 times that. Yet we have 50,000 troops, and had them, stationed in Japan, costing us, the taxpayers here in the United States, $5 billion a year. We have got a $42 billion trade deficit with the Japanese, yet we are defending them with 50,000 of our troops, taking $5 billion out of our taxpayers' pockets. That did not make any sense to me, especially since Japan was only picking up a very small, from my perspective, share of that cost.

I said, pick up a share of that cost, get it up to 75 percent or we are bringing them home.

I offered that amendment right when we were talking about sending our troops to the Persian Gulf and, of course, the Japanese constitutionally are not allowed to send their troops out, nor are the Germans, as a result of an agreement after the Second World War, but they are not prohibited from helping to defray the costs, especially when the Japanese were getting 90 percent of their oil from the Persian Gulf.

So we asked them to contribute $4 billion to that effort. They said, "No, we can't do that." They are very good bargainers. "We will give you $1 billion."

We said, "No, we want $4 billion."

They said, "No, we will give you only $1 billion."

Two days later, I believe it was 2 days later, I offered the amendment on the floor on defense. It passed 273 to 50, something like that, the biggest defeat they had, and boy, I will tell you, they have got lobbyists all over this town, high-paid people who work this Congress for their interest. And they got beat pretty bad.

So I am sitting at home, sitting in my living room at home the next evening or the evening after that, I cannot remember, and I get a call late in the evening, 10:30, the Japanese Ambassador to the United States.

"Mr. Congressman, the Cabinet has just met and we have agreed to increase our payment for the Persian Gulf effort from $1 billion to $4 billion, as you asked."

When you get tough, you get results. I am not asking for anything more for us than a chance to compete, just a chance to compete.

This year I joined the distinguished majority leader and others to cosponsor legislation that would require Japan to reduce its auto trade deficit 20 percent each over the next 5 years. It is time to stand up for America in trade.

In his poem "Mending Walls," Robert Frost, narrator of the poem, describes a man who thinks good fences make good neighbors. He comments, "Before I build a wall, I would ask to know what I was walling in or walling out."

I do not want America to wall our opportunity, new ideas, and competition.

Yes, we have to correct our own flaws here. I understand that. I have tried to illustrate that we are doing that. We are making a better product and we can make a better product than we are making now, a newer more innovative product.

Certainly when it comes to education, we must improve the way we train young people before they enter the work force. Right now there is no link between what our young people are learning in school and what they need to know for the sophisticated jobs of the 21st century. We need for instance, I believe, an apprenticeship program, patterned to some extent, not exactly, but taking some of the ideas of the German apprenticeship program.

Most people in this country do not get out of school until they are 22. We need a school system that builds skills for them, not skills imposed by some rigid bureaucracy that is living in the State capitals or in Washington, but relevant skills, skills taught through a partnership with schools, businesses, government, and labor. That gets back to the whole notion of an industrial policy, an industrial strategy, knowing where we are going, where we want to be and then putting the troops and training the troops to get us there.

I use a military term because I think we are in fact in an economic war and we have to train those individuals in our society who are in school to be competitive, to function in that economic battle that they are about to be engaged in.

We need education that can prepare us for the tough competition that is out there. Americans do not shrink from competition. We are used to it. We welcome it, and I dare say the comments that have been made over the last several days by the governmental leaders at the highest level in Japan will stir Americans to compete in a way that the Japanese will wish they never would have shaken.

We do not shrink from competition. We are used to it. We welcome it.

Look at the booming sales last year of American cars in Europe, as I mentioned. Last year alone Detroit's Big Three sold 1.6 billion dollars' worth of U.S. made cars and vans, a 65-percent increase, because we have access.

American workers are making quality products at competitive prices, and those products sell when we get a chance.

But we cannot be fools. Japan has gotten virtually a free ride from the United States. It is time they learned that the free ride is over.

So, first, a middle-income tax cut, put some confidence back into the average working family and some money into their pockets.

Second, reform of the health care system.

Third, cut defense and invest savings in America's future by rebuilding this country again.

Fourth, get tough on trade. That is how we get this economy moving again.

Can we do it? Well, we have a sense of pessimism and gloom in the country. Of course, we can do it. We can really create that middle class agenda for America's future. I believe we can do it. I believe we can.

How can you believe anything else after four decades of America's triumph, whether it is going to the Moon or conquering polio? Since 1945, America has fed, it has clothed, it has protected much of the world. Tremendous sacrifices we have made. We won the World War and then almost single-handedly engineered the greatest prosperity that the world had ever seen, and we did it greatly by hard-working men and women who made those Chevys and those Fords and those Chryslers that rolled off the assembly lines, one of the most universal symbols of greatness that we have seen in the modern world.

Even in these days, it is to America that people turn. Those people who are trying to reach our shores from Haiti, that disgracefully we will not allow them to stay, they are coming here because they know what America stands for in terms of freedom of expression, economic freedom, whether it is a newly elected President of Czechoslovakia quoting Thomas Jefferson or those Haitians setting out in their leaky boats to reach the Florida coast.

This has truly been an American century. President Bush is probably the last person in America to have recognized the recession. It was with such pain that I watched after we here pleaded for him and his party to recognize what the country was going through, watched him day after day saying, "It's behind us. It's over. We are on our way up, not to worry," and he said it in Maine near a boat or a boat dock or on the first tee of a golf course.

□ 1720

Not that he does not deserve those things. He works very hard. But the contrast was very, very biting and difficult for many people to take. But the President has admitted now that we have a problem and that we want to work together on common grounds to solve this problem. I do not believe a lot of what he said is going to work, and we are going to try to steer him in the direction, like we steered him in the right direction on unemployment, on middle-income tax cuts and on other things.

We are going to do the best we can to get there. There is much more to do. I believe we can create an America where a person who has worked hard all his or her life can go to the mailbox and find that pension check that was promised to them; we can create an America where you can take a new job knowing you will still be able to pay the doctor's bills for you and your family. We can shift our focus to a middle class again. We built America with our middle class, with people who are at the heart of this country, what this country is all about; cut their taxes, reform health care, and get tough on trade.

We need to turn this country around, and we need to start now.

I think I can speak for our leadership in this body by saying we are going to do all we can to move a package to get this country turned around. We began today by taking care of those less fortunate, who need some time and space until we can get the economy moving again, by extending the unemployment benefits, but they want a job. We are going to report a package that will help. It will not be the total answer, it might even be the biggest part of the answer, but will help stimulate, we believe, the economic growth in this country, to help get people back to work again, to create some optimism, not just for the wealthy. They have had their day, they have had their decade. But for those people in the middle, those people who have been struggling to get to the middle, who have been left out, who have been shut out, where the door has been closed in their face; we are going to try to create that opportunity. We are going to do all we can as fast as we can to get there.

I look forward to working with each and every one of my colleagues to make the promise of a real America, the promise for which Haitian-Americans are struggling to arrive and stay, the struggle for which our ancestors from Europe and Asia and all the other places from which they came to create this great Government, this great country of ours, make that a reality again.

I thank my colleagues.

REACTIONS ON THE STATE OF THE UNION WITHIN THE BELTWAY VERSUS THOSE REACTIONS OUTSIDE THE BELTWAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I want to talk some about the necessary revolution between the country and the capital.

Mr. Speaker, I have spent the weekend thinking about the State of the Union, the reactions I have heard around the country, about some of the complexities of how we deal with issues in Washington. It has occurred to me that it is very hard for the news media to cover fundamental change, because they do not have the words to explain it, they do not have the framework to think about it. It is very hard for people to understand what the argument is about if you are truly in the middle of a very fundamental shift in how people think and how people describe what is going on.

That is compounded by a problem which, having gotten away from Washington this weekend, I had a chance to be in Arizona and to be back home in Georgia, to think about how people talk in Georgia, for example, compared to how they talk here in Washington.

It occurred to me there are two very different realities in America today. There is the reality in Georgia—I will use one example—on the issue of workfare. Workfare is a very popular basic concept. That is, the requirement that able-bodied adults under the age of retirement should have to work if they get money from the Government, that is supported, according to U.S. Today, by about 80 percent of all Americans and only 13 percent opposed.

When the same question was asked in what I think is its hardest form, that is, "Do you believe people on welfare should be required to work, including mothers with young children," which I think is the toughest way to say it. In an Atlanta Constitution poll across the South, it was about 78 to 10 overall, and in the black community it was 82 to 11 in favor of work.

So, again and again and again we have a situation where the American people, by huge numbers, somewhere around 8 to 1 or 7 to 1, are saying, "We want workfare."

Then you come to Washington; you run into staffs who have spent their lifetimes studying the minutiae of the welfare state, and they begin to say, "You have to understand why you cannot do this, why you cannot do that, why you cannot do the next thing."

What I have concluded is that there are two realities in this country. There is the reality of America, what people think who live outside Washington, and there is the reality of the Washington news media, the Washington intellectuals and the Washington bureaucrats. Of course, you have people who got almost like——

You have people who might be at Stanford or Harvard or at Princeton, who actually are an extension of the Washington bureaucracy and of the Washington experience. So, you have these two very different views.

Now, the Washington reality, as best I can understand it, is about 13 to 15 percent of the country. The American or national viewpoint is somewhere between 75 and 80 percent of the country. You see this in a wide range of issues.

I am struck by the fact that when I talk about the necessary revolution to replace the welfare state, that almost everywhere I go and talk about it, if it is outside of Washington, people respond very enthusiastically; or if I talk about it in Washington to people who are visiting for a couple of days, a trade association, a corporate group or tourists or almost any group, when they come here and you say, "Look, the welfare state is failing and we need to replace the welfare state, we have to go to workfare to replace welfare, we need to make prisoners work and pay them a minimum wage and charge them the cost of incarceration, we need to have a fundamental change in our education system so that our children can compete with Germany and Japan," well, in case after case after case when I talk to people even in Washington if they live outside Washington they nod their head, "yes," they applaud, they say, "That is right, that is where we have to go."

Then you talk to the professional Government, and the professional Government begins to explain to you, "No, you can't change this; no, you can't change that; no, you can't change the next thing."

I think the easiest way to explain what is going on, and this is, frankly, an issue which affects every Democrat and every Republican, affects the Congress, affects the executive branch, affects the White House, what is going on is very simple: If you think in terms of Thomas Kuhn's "The Structure of Scientific Revolution," his concept of a paradigm—that is, an intellectual model—the welfare state is an intellectual model. It assumes higher taxation. It assumes a bigger bureaucracy, a redistribution of wealth, defines the poor as essentially helpless, they cease to become citizens and become clients, and the welfare state is supposed to take care of them. It is essentially anti-free enterprise and assumes that people do not change their behavior based on what happens to them economically.

That is, in the welfare state, if you lower taxes, that does not increase work, so you do not get any feedback, what is called a dynamic model; you get a static model.

When you raise taxes, people do not avoid it, and again you do not get a dynamic model, you get a static model. It is a very important concept because it goes to the heart of the tax fight we are going to see here in the next few weeks. It goes to the heart of the difference between the left and how the rest of us feel.

□ 1730

Mr. Speaker, I want to simply emphasize this point, and let me give this example. I say to my colleagues, "If you were to wake up in the morning, and you believed in the traditional, medieval way that the Sun revolved around the Earth, you would have one set of views that come from that. If, on the other hand, you woke up, and you believed that the Earth revolved around the Sun, you would have a different set of views, and you would say different things, and you would expect different things."

Well, in a very real sense, the difference between those of us who would replace the welfare state and those who would try to make the welfare state work, and who would try to improve it, protect it, and strengthen it, is about as big a difference as the difference in believing the Sun goes around the Earth or believing that the Earth goes around the Sun, and I think what happens in a lot of our news coverage, and what happens in a lot of our debates in Washington is that we never get down to the fundamental debates. The result is a large number of Washington institutions are simply wrong intellectually by the standards of the rest of the country, but they are dominant in Washington, and they then define what happens.

Let me give my colleagues just a couple of examples by saying, "If you cut taxes, I believe you encourage people to work, and you encourage them to invest, and you encourage them to create jobs. On the other hand, if you raise taxes, I think you discourage people from working, and you discourage people from investing, and you discourage people from creating jobs. That's very fundamental."

On the other hand, in the welfare state, their computer model does not show any change in behavior, so if, for example, we were to raise the income tax to 90 percent, the Joint Committee on Taxation, which is a perfect welfare state example of a committee, would take 90 percent times everybody's income and would say, "Here's the amount of money you would get."

Yet the truth is, if people began to realize that for every dollar they earned, 90 cents was going to the Government, they would work less. They would start saying, "Wait a second. I'm not going to get a job on the weekend. I'm not going to work overtime. Why should I give the U.S. Government 90 cents out of every dollar?"

Mr. Speaker, the result would be a decline in work, and, in addition, cheating would go up. There is a point on the scale where it suddenly becomes worthwhile to avoid taxes and to hide taxes. People start opening Swiss bank accounts, and they start doing things in cash.

I have a friend who moved out of a welfare state, and he said that the reason he left was he was trying to build a house. Four different contractors told him they would build the house for 45 percent less if he paid them in cash because then they would not report any of the cash, and they would not pay any taxes on it. He said he did not want to live in a community which was now that corrupt, that every single person, four consecutive contractors, had said in effect, "If you will break the law in order for me to avoid taxes, then I'll build your house for a lot less money."

Mr. Speaker, I say to my colleagues, if you believe in a dynamic model; that is, if we raise your taxes, you will work less; if we lower the taxes, you get to keep the money you earn more; if we make it more rewarding—a simple way to put this: Imagine that we put a dollar reward on every time someone drank a glass of water, and we put a $10 tax every time someone drank a Coca-Cola, and I come from Atlanta. I do not want anybody who is in Coca-Cola to think that I am proposing a $10 tax. But this is a theory. We would tomorrow see a lot more people drinking water because they would want the dollar reward, and we would see a lot fewer people drinking Coca-Cola. In fact, their sales would collapse overnight.

Now that is a dynamic model. We have changed the equation in behavior changes. Humans do different things. Yet here in the Joint Committee on Taxation, in the entire fight that we are going to have in the Committee on Ways and Means, what we are going to see is the Democratic leadership imposing a welfare state model which does not show any behavior change.

Another example: In the welfare state, people were told, "Oh, you can give young children money when they get pregnant, but you won't change their behavior. You won't have 12-year-olds getting pregnant just because you give away money."

Well, what we now know of course is that for two generations the welfare state has steadily lowered the age at which women are getting pregnant, and it has steadily lowered the likelihood that they will get married. So, by giving away money, and giving away public housing, and giving away food stamps, we have created an environment in which the signal we sent to young girls was: "It's OK to get pregnant earlier and earlier because the Government will take care of you." The signal we sent to young boys was: "It's OK to get the girl pregnant because nobody is going to expect you to marry her, or to live with her, or to take care of her," and then suddenly one day, having sent those signals which lead to a very dynamic human response, the welfare state wakes up and says, "Oh, gee. Why do we have all these young girls, 12, 13, 14 years old, getting pregnant and having children?"

There seems to be a state of shock that, having rewarded the behavior, we are getting what we reward.

Now why is this concept important? Why is it worth taking time this afternoon to talk about? I have to say that I am just sort of fed up with living in a leftwing legislative dictatorship in which all the rules of the game are designed to punish those of us who believe there has to be a necessary revolution to replace the welfare state. I am fed up with being told we are going to have to accept rules of the House which are totally artificial, leftwing, welfare state rules which will count the Joint Committee on Taxation's estimates even though we know intellectually they are wrong.

Imagine that we had on the Committee on Armed Services a computer that said only lead airplanes can fly, that an airplane has to weigh at least 50,000 tons and be made out of solid lead or it cannot count as an airplane. We would all laugh it out of existence. We all know that an airplane cannot be made out of lead that will fly, and yet what we have on the Joint Committee on Taxation and on the rules of the Committee on Ways and Means is a totally rigged game designed to favor the welfare state.

How is it rigged? Well, it is rigged, first of all, because the Democrats have a 2-to-1 majority, and they are willing to use the majority in a very partisan way. Second, it is rigged because they want to take up a tax bill only counting other tax measures to offset it.

Let me give my colleagues an example of what I mean. I am prepared to support a cut in defense spending to have a middle class tax cut. Now that means, when we bring a bill to the floor, it has to have both the middle class tax cut and it has to have the defense cut in the bill, because otherwise we would have an unbalanced bill. What I am told that the welfare state Democrats want to do is, they want to bring in a bill which will only count taxes. So, they will then say to us, "Since you can't count the defense cuts, you're not allowed to have a middle class tax cut paid for by defense cuts because the rules of the House say that."

Now they will ignore the fact that for all of the last couple of years, over and over and over, the welfare state Democratic leadership has waived the rules any time they want to. If they want to bring a bill to the floor, they write a rule to bring it to the floor. If they want to write a bill that has never been to a committee, they write the rule so it comes straight out of the Committee on Rules. Anything they want to do. It is like playing against a team who owns the referee, and the referee says, "When their team is at bat, you get 15 strikes, and, when our team is at bat, you get one strike."

Now they say that is fair; we have got to play by the rules. So, rule No. 1 that they are going to try to make up is: "We cannot, representing the President, working with conservatives, trying to replace the welfare state; we cannot be creative in how we pay for the tax cut." Rule No. 2 they are going to say: "You have to count the incredibly archaic, wrong computers that the Joint Committee on Taxation—which are a joke if you believe in an economic model."

Let me give my colleagues an example of what I mean by being a joke. They are going to produce what they call a distribution chart. Now a distribution chart is a fancy chart which provides for how much money different people get out of a tax change. For example, if we raise taxes, they are going to say in a certain way that the rich will pay this amount and the poor will pay that amount. If we cut taxes, they will say that the rich will benefit by this amount, the poor will benefit by that amount.

Now let me explain. My No. 1 goal and, I think, President Bush's No. 1 goal in trying to cut taxes this year is to create jobs. Our No. 1 goal is to try to help the economy recover. The tax cuts we care about are going to put the people to work by encouraging investment, by encouraging the creation of factories, by opening up new opportunities. Let us say, as one economist told me today, that President Bush's capital gains tax cut to 15 percent will generate enough new jobs that it will literally be worth, let us say to take a modest example, 2 million jobs over the next 5 years.

Now, 2 million jobs is not a lot, but it is a start. It helps us get out of the recession, and to the 2 million families that have those jobs it means a whole lot.

Let me make two points here. Point No. 1, at no point in the Joint Committee on Taxation study are we going to find the income tax from 2 million jobs added to the Government revenue, nor are we going to find the 2 million people leaving unemployment detracted from the Government revenue. Now, 2 million people who leave unemployment, therefore, they do not get an unemployment check. They go to work so they send in an income tax check. They represent a tremendous change in how much the Government is spending and how much the Government is raising. The Joint Committee on Taxation, which is in my judgment, intellectually a joke, is going to have none of that in its model.

The second point. Two million Americans having a job who are unemployed today have an enormous benefit. When we look at a distribution table of benefits, I believe we ought to count the income from the 2 million jobs. Now, if you assume that that average American makes $23,000 a year, then that capital gains tax cut to middle class working Americans is worth $46 billion the first year in new jobs. That is, the first year they go to work they will get $46 billion in additional income. Yet no place on the distribution chart are you going to see that $46 billion show up, so the chart is simply intellectually phony. It is a welfare state bureaucrat writing up a static welfare state model as though the free market did not exist and entrepreneurship did not exist and the whole system of the market economy did not exist. It is something we would expect in Russia before we had Yeltsin, but we certainly would not expect it in a free society that accurately modeled what really happens.

So the rules will be rigged. They will say to us, the welfare state Democrats will say first, you cannot bring to the floor a bill which shows spending cuts as a way of paying for a tax cut. Second, you cannot bring to the floor a bill which counts the flow of money to the Federal Government from economic growth. Third, we are going to score it under a distribution table which will not count a single job held by a single person, as though we could have a 15-percent capital gains, and which is a 13-percent cut for somebody in the 28-percent bracket.

One could have, as the gentleman from Texas [Mr. ARCHER] pointed out today, under the very same principle about an 8-percent capital gains tax for people in the 15-percent bracket. That means that we have a tremendous chance here for a person in the 15-percent income tax bracket, if they inherit a little money, if they saved a little bit, if they own a small business, to have only an 8-percent tax rate when they pay a capital gains tax, so it is an advantage to those folks. In addition, it is a tremendous advantage to every person who will have a job.

Yet, in the welfare state people just cannot think that way. Let me carry it a stage further. I cited last week the Reader's Digest article from the January Reader's Digest, "How the Union Stole the Big Apple." I think it is one of the most important articles I have read in years. I think it raises a very profound question.

When we talk about aid to education, the Reader's Digest article points out that in New York City the contract they were describing in the article pays $57,000 a year to janitors in public schools who are required to mop the floor three times a year; not three times a week, not three times a month, not three times a quarter; they are required three times a year, once every 4 months, to mop the school floor, and for that they get $57,000 a year.

Now, they are required to sweep every other day. They cannot be required to sweep daily. They are required to mop the cafeteria once a week. The cafeteria is used five times a day. That is, it is used 25 times a week. They mop it once a week.

The Reader's Digest, in the article "How the Union Stole New York City," quotes a principal saying. "When I have students in a class in the cafeteria after lunch, they study around the filth."

There are two points to be made here. First of all, no American child should be forced to go through a cafeteria whose union contract only requires mopping the cafeteria once a week when there are 25 meals served in that cafeteria. They should not be forced to eat around filth.

Second, consider the budget point. Why should we take as a given, paying $57,000 a year to a person who only mops three times a year? Why should we not say as part of our budget process, "Yes, we are going to give Federal aid to New York City, but in return for that Federal aid we expect real work to be done. We expect that work to be done on a regular basis. We expect to be able to actually get something for the taxpayers' money."

It turns out if we look at the Citizens Budget Commission analysis of New York City, that New York City, by simply becoming as efficient as other big cities, that is, by simply becoming as efficient as Cleveland or Detroit or Philadelphia, hardly paragons of efficiency, hardly systems like IBM or Federal Express or United Parcel Service, but just by getting New York City to cut out the inefficiency that is worse than a normal big city, they would save $5 billion a year.

Now, if we were to pass a budget here that said in order to get Federal aid New York has to be no more inefficient than Detroit or Philadelphia, we should be able to write in there that saves $5 billion. It saves $5 billion to the taxpayers in New York, it saves $5 billion to taxpayers in New York State, it saves that $5 billion to the taxpayers in the country. That is money we do not have to transfer to pay for inefficiency.

Yet under the rules of the House there is almost no way to get at that, because the truth is that the welfare state Democrats are not going to bring to the floor a bill which gets at a $57,000 janitor who only has to mop three times a year.

Let me carry it a step further. We believe that we ought to encourage long-term savings. We think that in an opportunity society healthy economies come when people save their money, put it away, and have that money invested to buy houses, to buy factories, to create jobs, to do all the many things, and to buy municipal bonds so the city can build a waste sewer treatment plant. The more the American people save, the lower the interest rate, the less expensive it is for businesses to go out and build new factories, for cities to go out and build the new incinerator or build the new library or build the new bridge or build the new highway, and the less expensive it is for the Federal Government to pay for its bonds, and finally, the less expensive it is for a couple to buy a new house.

Yet, because the welfare state bureaucracy is so embedded in the city of Washington, even when we are trying to move toward new savings we have proposals by the bureaucracy that would lead to less savings.

I was fascinated over the weekend to notice that one of the minor items in the President's budget is to cut off annuities that are essentially a way of buying an insurance program that adds up interest over the years without taxation. There is no question in the welfare state that an annuity is in a sense sort of cheating. It is allowing people to have savings that are in an insurance company that grow without being taxed, something that other people cannot do.

Yet I would argue if you started from the model of an opportunity society and you want to encourage people to save, instead of cutting out the tax-free savings annuities we would be extending the tax-free provisions to other savings accounts. We would allow other people to save.

Why is this so important? If you are 25 years old and you save $100, that is not very much money unless you are allowed to compound the interest. Let us say you can get 8 percent a year over time. Eight percent a year means that every 9 years you money is going to double, so you get 8 percent the first year and then you get 8 percent the second year and it compounds, and everybody who is watching knows that compound interest builds up, so at 25 you get $100 if you do not save another dime. At 34, if we do not tax interest on savings, you have $200. At 43 you have $400. At 52 you have $800. At 61 you have $1,600. At 70 you have $3,200 from that initial $100.

However, what if the Government comes in and taxes the interest on your savings? Then you lose for your whole lifetime the compound interest. In other words, instead of having $8 extra the very first year you saved at 8 percent and you had $108, the Government comes in and says, "No, we want our share." To make the math easy, if you are in the 28-percent bracket they take $2 away.

□ 1750

You do not just lose that $2, you lose the $2 the first year, plus all of the interest that would build up for your entire lifetime. And the result is an amazing amount of money.

So what we have got going today is a situation in which by taxing interest on savings, we dramatically lower the value of savings. We dramatically lower the advantage of savings.

So this person over here who is saving and working hard and doing the right things, we tax them. Meanwhile, if they have a twin brother or a twin sister who is on welfare, we do not charge them any taxes.

So they are in effect paying taxes on their savings in order to take care of their brother or sister who is not paying any taxes and is not doing any work. And that is why so many people believe in workfare.

But let me carry it a step further. What the bureaucrats in Washington will tell you is we ought to punish the insurance companies and we ought to punish the people who save by raising taxes on annuities, because, after all, we are taxing everything else.

I would say no, no, no. Just the opposite. In order to begin the transition, in order to have a necessary revolution that will replace the welfare state, what we need to do is stop taxing interest on savings.

I think in that sense one of the President's great problems is that he says to the bureaucracy, "I want to go to the right." The bureaucracy says, "Well, sir, we agree, and we understand you want to go to the right. But not now. Can we go a little bit to the left before we go to the right?"

The answer is going to have to be no. If we are going to truly have a revolution and replace the welfare state, the answer has to be no, we are not going to go any more to the left. We are not going to create any more welfare state. That is over. It has failed. We have to instead move in the right direction.

Now, I think this revolution is tremendously important because unless we are prepared to replace the welfare state, and I mean replace it in health care, replace it in education, replace it in our city governments and our Federal Government, replace it in our industries, unless we are prepared to have a revolution, to replace the welfare state, to go out and vote for candidates who are committed to workfare, who are committed to making prisoners work and paying the minimum wage and then charging the costs against prison, who are prepared to change the education system until our children can compete with the Germans and Japanese.

I look forward to the day that I wake up and the Atlanta newspaper or the Marietta newspaper or the Jonesboro newspaper says, "Georgia students outscore Germans and Japanese in math and science." That is when I will know we have begun to truly effectively replace the welfare state.

Yet in that setting, when we come in with an idea that we know will work, and I am going to give you one in just a second, an idea that will make health care less expensive, our welfare state Democrats tell us, "Oh, no. You can't even bring that to the floor of the House."

I will give you a specific example. President Bush has proposed for 3 years in a row that we pass legislation to reform malpractice.

Now, malpractice lawsuits are essentially a device by which trial attorneys, trial lawyers, working with plaintiffs, file charges against doctors or against hospitals. In a lot of cases the goal is to force a negotiation. Never to get to trial, but just to raise the threat enough to force a negotiation.

Doctors increasingly, in order to be ready for that kind of trial, engage in what is called defense medicine. Defensive medicine is the process where a doctor will say, "You really don't medically need this test, but because I don't want you to sue me, I am going to give you a test you don't need so if you ever sue me, I will already have the proof that I did the right thing."

Dr. Louis Sullivan, the Secretary of Health and Human Services, estimated that defensive medicine raised the cost of Medicare by 20 percent. That is, we spend billions of additional dollars on unnecessary tests and unnecessary diagnoses, sometimes on unnecessary surgery and on unnecessary medicine, in order to be prepared in case there is a lawsuit.

Now, you will hear many of our welfare state Democrats say they are very worried about health care. Ask them, are they worried enough about health care to pass a malpractice bill, to reform the system, to bring down the defensive medicine, to allow doctors to practice medicine without fear, to go back to only requiring tests that are necessary?

That would save, I would guess, a minimum, based on Dr. Sullivan's estimate, a minimum of $15 billion this year. It would save private insurance companies even more money.

This may be a provision that saves $30, $40, $50 billion.

Yet, because you cannot prove it, because it does not fit the welfare state model, it is impossible to bring a health bill to the floor that counts any of the savings, even though we know they are there and we know they are real.

So once again we are put in a box. If it is a new idea to replace the welfare state, that does not count. You cannot quantify it. You cannot put it in your budget. You cannot use the dollars for anything else. You are driven into which welfare state idea do you like best, which new Government proposal do you like best, because you are not allowed to have innovative, preventive, better ideas.

I will give you a second example. The concept of quality we now know saves a lot of money. One of the great ironies of what Edwards Deming and Juran and others did was in developing quality as a set of techniques. They developed a program which actually lowers cost.

When I was a child people said quality is more expensive. What they have discovered is quality is cheaper. It is cheaper for a very commonsense reason. In a lot of our automobile plants up to one-third of the work is fixing something which wasn't done right the first time. There are very big areas in European and American automobile factories where the cars that are not quite right, the cars that have defects, have to be repaired. And it turns out that is very expensive.

If instead, and you can think of this with regard to something as simple as typing a letter, imagine that you only typed letters correctly. You did not have to go back and proofread them, you did not have to go back and change them, you did not have to go back and edit them so much you had to retype them.

It is estimated that we spend as much as 35 percent of our work redoing something that was a mistake the first time. That is, 65 percent of our work is doing it the first time; 35 percent of our work is having to redo it.

Now let me apply that to a 40-hour week. That means that 14 hours out of a 40-hour week. That means that 14 hours out of a 40-hour week are just fixing things we did wrong. We are only actually working productively 26 hours out of 40.

What Deming and Juran and others are suggesting is that if you think through quality systematically, as Phil Crosby says, if you do something right the first time, he says do the right thing right the first time, then you could lower the cost by an amazing minimum of 15 percent, maybe as much as 35 percent.

Let us apply that to domestic discretionary spending, about a $208 billion item.

If you believe the quality experts, the people who taught Japan how to be productive, about a minimum of $30 billion and as much as $70 billion of that amount is going to be wasted effort. Things that are not built quite right, things that have to be repaired, work that has to be done over.

Now, if we were to come in and say we want to liberate the civil service, we want to allow let us say the Department of Labor or the Department of Commerce or the Department of the Interior to rethink its entire Department built around the concepts of quality, what we would find is that it violates the civil service laws, it violates the procurement laws, it violates the union contracts, it violates the work rules, it violates the Office of Personnel Management, and we would be just thrown out automatically. People would laugh at us. They would say that is not realistic.

Yet when you go out and talk to IBM or you talk to Federal Express or you talk to United Parcel Service, what you discover is that to truly get to quality you have to change a lot of things. And when you change them, you have a revolutionary increase in productivity.

In a new study of the automobile industry by a team at MIT [the Massachusetts Institute of Technology] a study which was called The Machine That Changed the World, a study of the Japanese, but also of American and European manufacturing, they concluded that what they call lean production, that is, applying quality across the board so that everything is done right the first time, that the model that they have studied at Toyota and elsewhere takes one-half the manpower, one-half the space, one-half the inventory, and one-half the time to produce products.

Now, you can tell competitively if your competitor is taking half the manpower, half the time, with half the space, using half the inventory, to produce a product, they are going to beat you every time.

American automobile companies are trying to learn how to do it. They are trying to apply lean production. The Ford Motor Co. has come the furthest. It is fair to say I think today that the Cadillac and Buick divisions of General Motors are beginning to make progress.

□ 1800

Then we look at the Federal Government. If we see some efforts to get to lean production, we certainly see this with Motorola. We see it with Milliken. We see it with a number of other companies that are much more efficient than they were 10 years ago. But then we look at the Federal Government or New York City government or State governments, none of which are applying anything like the kind of downsizing.

Notice when we see banks that are going through a process of using information systems, applying quality, getting more work done with fewer people, when we watch IBM do the same thing, when we watch Xerox do the same thing, is it not fascinating that there is no downsizing of the Federal Government?

There are no agencies that become more efficient. There are no agencies that apply the information systems so that they have fewer people overall. The result is the Government just gets bigger, and bigger, and bigger, and it hires more and more people. And it absorbs more resources.

What is even worse, because it is not modernizing, government is incapable of applying quality because it is not using the new technologies and the new management approaches. Government cannot deliver the services that we are getting used to in the private sector.

Everyone is used to this. In fact, we are so used to it we have two clocks in our heads. One clock we use in the private sector. We walk into an automobile showroom. We walk into a McDonald's. That clock has a second hand, and we measure whether or not those businesses are responsive by how many seconds it takes to notice that we are in the room.

Then we have a totally different clock in our head. The clock that is there when we walk into a government office, and that clock has 15-minute intervals.

Now, there is no reason that has to be true because the fact is we pay for government just as much as we pay for a hamburger. Our taxes make us a customer of government just as much as we are a customer at the auto dealership.

We are used to the idea that we cannot apply quality, and we cannot apply the improvement of productivity. And we cannot apply the new lessons of lean production to develop a government that is more effective.

For example, if we were to come to the floor on the Republican side and say we are prepared to replace the welfare state; we are going to have workfare in our budget. We think that will save $7 billion. The welfare state bureaucrats would rule it out of order. "You cannot do that."

We are going to say we are going to repeal malpractice. We estimate that is worth $20 billion. We are going to go to a new system of arbitration and a new system of listening to complaints and allow people to get reasonable compensation but no more $1, $5 and $10 million grants with the lawyers getting expenses plus a third.

Bureaucrats from the welfare state say that does not count.

If we said we are going to modernize five Federal bureaucracies and we are going to go through the process of change that we can absolutely show is happening in banking and in insurance companies and in newspapers and in television stations and at IBM, and we are going to estimate that our cost next year, using this new approach, will be 12 percent less than the current system and that will save $6 billion, they would rule it out of order.

What the welfare state does is it says, we will not count any changes based upon better efficiency, better approaches, based upon new technologies. We will only count increases. We will only count more money and more space and so we end up with a system which, if we try to apply it to a company, would guarantee they went broke.

It is a totally crazy way of doing business. It makes no sense, except in Washington, DC.

Let me come back and summarize. I believe we have to have a revolution to replace the welfare state. I believe it is absolutely necessary because we are never going to compete with Germany and Japan and other countries when we have welfare, drug addiction, illiteracy, 12-year-olds getting pregnant. The whole process of high taxation, high regulation, lots of red tape, Government domination. We are just not going to be competitive.

I thought it was very prophetic that when Boris Yeltsin came to the United Nations that the one place he went to that was away from the United Nations was the Federal Reserve Bank where he had dinner and made a speech to 50 industrialists, asking them to invest in Russia to create jobs, to modernize the country. I thought to myself, would it not be wonderful if someday Mayor Dinkins of New York City could go to the very same bank in his city and learn how to make New York City productive again and learn how to encourage businesses.

The fact is, businesses are fleeing New York City. Jobs are running away from this city. Taxes go up; bureaucracies go up; welfare goes up; crime goes up; regulations go up. Safety goes down; comfort goes down; service goes down. And the businesses just say it is not worth the cost anymore and literally hundreds of thousands of jobs have left New York City. And every principle which those business leaders told Boris Yeltsin about ought to be applied to New York City. And yet we live in a world where the mayor of St. Petersburg is now more conservative than the mayor of New York City. It is a very strange situation.

If we are going to have the necessary revolution to replace the welfare state, those of us who believe in it, I think, have to be prepared to stand by our principles every day of this session of Congress. I am not going to stand by and allow the Committee on Ways and Means to rig the game against job creation, against free enterprise, against a dynamic incentive-oriented model that recognizes the way entrepreneurs behave. I am not going to stand by and let the Joint Committee on Taxation apply a welfare state model which is intellectually mindless and then claim that that represents the real results or claim that that represents the distribution table.

I am not going to stand by and have the welfare-state-dominated Committee on Rules set up a rule which rigs the game. I am going to insist that we be allowed to count a dynamic model, that if we cut taxes, we show that more people are going to go to work, that more people are going to be involved, that more people are going to invest, that we show that if we are prepared to cut defense spending to pay for a middle-class tax cut, that that be made in order so we can use that money.

And then if there is a distribution table of benefits, that the benefits include the jobs that are created and that it does not just measure Government but it measures the private sector. And that this incredibly antiprivate sector, antiprivate business, antientrepreneur bias for the welfare state Democrats not be made part of the playing field.

They have every right to come in here and make their debate about their issues the way they believe. I recognize that. I respect it.

But they cannot be allowed to rig the game so that only the welfare state can win. They cannot be allowed to rig the game so that business and job creation and opportunities and the chance for people to have a better life is ruled off the board. That is not fair. That is totally wrong.

I hope, Mr. Speaker, that we can agree in the next few weeks to genuinely fair rules. I hope that we can agree to find a way to replace the Joint Committee on Taxation's current model with something which resembles the real world. I hope that we can agree to a rule which is going to bring to the floor a tax program which does cut defense in order to have a middle-class cut and which does count the real flow of jobs, the real wealth created by jobs and the real creation of opportunity as part of how it measures what is going on.

I look forward very much to the next few months. I believe this year could be one of the most creative years in American governmental history, because I think the American people by huge margins do want workfare. They do want to replace the welfare state. They are tired of the same old baloney, and they are ready to have a chance to have the kind of Congress and the kind of representation and the kind of change that they believe is so desperately necessary.

And I am going to do all I can to help every American communicate with their Congressman and their Senator to make sure that they get the kind of opportunities that they deserve so our children can have the kind of opportunities that they deserve.

WE WUZ ROBBED OF TAX REVENUE

The SPEAKER pro tempore (Mr. HARRIS). Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, the current blasts of criticisms from Japan of American workers is unwarranted. American workers are working longer with a shrinking of leisure time. We have become more productive. Manufacturers have been holding down costs. Productivity has improved. From 1979 to 1985, hourly output in factories increased 2.8 percent annually and from 1985 to 1990 it rose to 3.5 percent. Compensation for Americans changed radically in 5 years. In 1985 it averaged $13.01 for production workers but, by 1990, France, Canada, Norway, and Germany were surpassing American pay levels.

This is contrary to remarks made by politicians in Japan that 30 percent of American workers are illiterate and lazy, that they need to learn how to work harder, that they are only interested in fat paychecks.

Certainly there are some workers who need to reevaluate how they work. Why don't each of us do an unofficial survey wherever we are working on how much time we really spend on our jobs? Do we waste time at the water cooler or on the phone instead of tending to work? For the next week, why not check ourselves on just how we do work? Then we will have a polled result to combat the Japanese insult.

I, personally, know that the maritime industry had poor statistics a few years ago, but the work situation has turned around substantially.

Sure, we will hear some horror stories of work not done in American business, but I put my faith in the American worker. Today's Journal of Commerce quotes Richard Huber, Continental Banking Corp. vice chairman, about the work habits in Japan.

He said:

> Having worked in Japan for five years and having been there last week, the Japanese office is as inefficient as any I've seen outside the Third World. It is a little comical. Their offices are grossly inefficient with people sitting around hours just to be there.

We will find out that Americans are also doing better in other areas than the Japanese. Just one example is in the manufacturing of steel. We are outshining the Japanese who are supposed to have the state-of-the-art technology.

But, in manhours per ton we are lower than Japan, Germany, the United Kingdom, and France. In employment costs per ton we are lower than Japan, Germany, the United Kingdom, Canada, Korea, Mexico, Brazil, and Taiwan. Steel is just one area where American workers are shining through in the workplace.

What is causing the problem between the United States and Japan is not the American worker, instead it is the trade deficit. If the U.S. worker is so bad then how have we managed to change a merchandise deficit of nearly $30 billion with the European Community to a surplus of nearly $20 billion in 5 years.

Americans must be doing something right and perhaps, just perhaps, the Japanese share a portion of the blame for the trade deficit.

What happens when a Japanese transplant firm is located in the United States. According to Clyde Prestowitz, the author of Trading Places.

> A transplant factory which opened recently generated $595 million in capital costs of which $312 million was spent in Japan and $283.2 million spent in the United States.
>
> A Big Three assembly plant cost $595 million, but all but $20 million was spent in the United States.

Now just what does that mean to the American taxpayer?

Evidence given in the hearing of the Subcommittee on Oversight of the House Ways and Means Committee revealed that an estimated tax bill of $50 billion is unpaid by foreign firms, $30 billion of which is owed by Japanese firms. This figure is without the interest, penalties, and fines that American firms would have to pay if they were in tax arrears.

Senator HELMS explained clearly and concisely in his testimony to the committee of the consequences for American competitiveness when foreign firms underpay their taxes.

He said:

> Individuals and competing American firms—have had to make up the loss. That is, they have had to shoulder an additional burden of tens of billions of dollars in additional taxes to compensate for this cheating. To the extent that Americans do not pay the complete bill, it simply adds to the federal deficit.

The Senator said:

> The American economy takes a double shot from this system. First, the money which foreign firms should have paid in taxes originates in the private sector. Second, the additional taxes which American individuals and firms have to pay are just that much more which is extracted from the productive private sector of the economy and transferred to government.

Just how is this done? One way is through transfer pricing. The price of a product is artificially raised when shipped to the United States so the margin of profit is cut in the United States, thus reducing the tax burden for the foreign firm.

Or, a subsidiary may borrow from the parent company and repatriate the money to their country of origin. Foreign firms have an advantage over American firms in the filing regulations of the Security and Exchange Commission.

Foreign companies do not have to reveal financial information which is required of American firms, so it is impossible for our Government to check to see if they are paying their fair share of taxes. In fact, American firms are required to file this information all over the world and sometimes it is published in the newspapers. But not here. Foreign companies have a privilege to hold on to their financial information.

There are many ways in this bag of tricks to avoid taxes and the Japanese have found most of them, if not invented new methods.

According to the Chrysler Corp., the Japanese automobile firms lost $11.7 billion on sales of motor vehicles in North America from 1987 to 1990. During the same period of time, Japanese manufacturers realized a profit of $36.4 billion in the Japanese market. Some American officials have alleged the loss is due to trying to undercut the American market.

Work at these foreign companies translates into value added in terms of jobs. There the figures of the foreign company versus an American company are revealing. For automobiles it means that Japanese imports account for 1 percent value added, Japanese transplants, 48 percent, and United States manufacturers, 88 percent.

As I understand those figures, there is a 40-percent difference in value-added jobs in the American company over the Japanese. That means more tax revenue.

In December, the Christian Science Monitor reported that Yamaha Motor Co. paid $123 in taxes in 1987. For a multibillion-dollar company to have that kind of tax bill in the United States is strange to me.

Incidents like this are also happening in other countries. The Financial Times reported last week that the British have a warrant out for the arrest of Octav Bodnar, chairman and managing director of Nissan United Kingdom for alleged corporate tax fraud over a period of 17 years. Charges included an intent to defraud.

Perhaps this is the way the game is played in Japan and elsewhere, but not in the United States.

Direct quotes from the Japanese, which were originally omitted in the English translation from the hearings were entered in the record. They said, "in light of IRS examination of other Japanese automobile importers, it is unlikely our pricing procedures would stand up to scrutiny."

In fact, all Japanese subsidiaries have reported a steady decrease in their income in the United States from $1.8 billion in 1984 to $219 million in 1987. In fact, all foreign subsidiaries made a total gross profit of US$543 billion and claimed tax deductions of US$544 billion.

This means the American taxpayer is picking up the slack for the foreign subsidiaries who avoid paying their fair share of taxes.

American firms must ante up their taxes and face an unfair challenge if foreign firms do not. In fact, American businessmen can safely say, "we wuz robbed" competitively by these foreign shenanigans.

The United States has carried the burden of Japan's defense for 50 years, so it is unfair that they also expect the American taxpayer to carry the burden of taxes owed by Japanese firms. Let the Japanese show their often-proclaimed good faith and friendship in America by paying taxes owed by Japanese firms instead of criticizing American work habits.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. McDADE (at the request of Mr. MICHEL), for today, on account of illness;

Mr. CLEMENT (at the request of Mr. GEPHARDT), for today after 2:30 p.m., on account of official business; and

Mr. HUTTO (at the request of Mr. GEPHARDT), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McEWEN) to revise and extend their remarks and include extraneous material:)

Mr. FISH, for 5 minutes, today.

Mr. BEREUTER, for 5 minutes, today.

Mr. MICHEL, for 5 minutes, today.

Mr. WALKER, for 5 minutes, today.

Mrs. BENTLEY, for 60 minutes each day, on March 4, 5, 10, 11, 12, 17, 18, 19, 24, 25, 26, and 31.

Mr. ROBERTS, for 5 minutes, today.

Mr. PAXON, for 30 minutes, on February 18.

Mr. MCEWEN, for 5 minutes, today.

(The following Members (at the request of Mr. SMITH of Florida) to revise and extend their remarks and include extraneous material:)

Mr. HOYER, for 5 minutes, today.

Mr. MORAN, for 5 minutes, today and 5 minutes on February 6.

Mr. LIPINSKI, for 5 minutes, today and 60 minutes on February 5.

Mr. FRANK of Massachusetts, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GEJDENSON, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. MCCURDY, for 5 minutes, on February 5.

Mr. GONZALEZ, for 60 minutes each day, on February 20 and 24.

Mr. BONIOR, for 60 minutes each day, on April 1, 7, 8, 28, and 29.

Mr. GEJDENSON, for 60 minutes each day, on February 18, 25, March 3, 10, 17, 24, 31, and on April 7 and 28.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. PAYNE of New Jersey, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCEWEN) and to include extraneous matter:)

Mr. FISH.
Mr. VANDER JAGT in two instances.
Mr. BEREUTER.
Mr. GRADISON.
Mr. DAVIS.
Mr. SOLOMON.
Mr. OXLEY.
Mr. GINGRICH.
Mr. CLINGER.
Mr. GALLO.
Mr. RIDGE.
Mr. IRELAND.

(The following Members (at the request of Mr. SMITH of Florida) and to include extraneous matter:)

Mr. EDWARDS of California.
Mr. YATRON in three instances.
Mrs. COLLINS of Illinois.
Mr. FALEOMAVAEGA.
Mr. TRAFICANT.
Mr. ENGEL.
Mr. THOMAS of Georgia.
Mr. GAYDOS.
Mr. TALLON.
Mr. LANTOS.
Mr. DOWNEY.
Mr. DARDEN.
Mr. SWETT.
Ms. HORN.
Mr. YATES.
Mr. STALLINGS.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1256. An act to direct the Secretary of Health and Human Services to develop and implement an information gathering system to permit the measurement, analysis, and reporting of welfare dependency rates; to the Committees on Ways and Means, Agriculture, and Education and Labor.

S. 1963. An act to amend section 992 of title 28, United States Code, to provide a member of the U.S. Sentencing Commission whose term has expired may continue to serve until a successor is appointed or until the expiration of the next session of Congress; to the Committee on the Judiciary.

ADJOURNMENT

Mrs. BENTLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 20 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, February 5, 1992, at 1 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2764. A letter from the Assistant Secretary for Legislative Affairs, Department of the Treasury, transmitting the first annual report on the operation of the Enterprise for the Americas Facility; to the Committee on Agriculture.

2765. A letter from the Secretary of Defense, transmitting notification of the Defense Nuclear Agency's decision to exercise the provision for exclusion of the clause concerning examination of records by the Comptroller General, pursuant to 10 U.S.C. 2313(c); to the Committee on Armed Services.

2766. A letter from the Oversight Board, Resolution Trust Corporation, transmitting the salary plan for Oversight Board graded employees and executives; to the Committee on Banking, Finance and Urban Affairs.

2767. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide funding for the Resolution Trust Corporation, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

2768. A letter from the Potomac Electric Power Co., transmitting a copy of the balance sheet of Potomac Electric Power Co. as of December 31, 1991, pursuant to D.C. Code, section 43-513; to the Committee on the District of Columbia.

2769. A letter from the Secretary, Department of Health and Human Services, transmitting the status and accomplishments of transitional living youth projects funded under part B of the Runaway and Homeless Youth Act, pursuant to 42 U.S.C. 5715(b); to the Committee on Education and Labor.

2770. A letter from the Secretary of Education, transmitting the final report on the distribution of Federal elementary-secondary education grants among the States, pursuant to Public Law 100-297, section 6207; to the Committee on Education and Labor.

2771. A letter from the Secretary of Health and Human Services, transmitting the annual report for 1991 on compliance by States with personnel standards for radiologic technicians, pursuant to 42 U.S.C. 1006(d); to the Committee on Energy and Commerce.

2772. A letter from the Acting Assistant General Counsel, Department of Energy, transmitting a notice of meeting related to the International Energy Program; to the Committee on Energy and Commerce.

2773. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed lease of defense articles to the Netherlands (Transmittal No. 5-92), pursuant to 22 U.S.C. 2796a(a); to the Committee on Foreign Affairs.

2774. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report on human rights in countries receiving development assistance, pursuant to sections 116(d)(1) and 502(b) of the Foreign Assistance Act of 1961, as amended, and section 505(c) of the Trade Act of 1974, as amended; to the Committee on Foreign Affairs.

2775. A letter from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2776. A letter from the Acting Director, U.S. Information Agency, transmitting the follow-up report on Public Diplomacy of the 1990's, pursuant to 22 U.S.C. 1469; to the Committee on Foreign Affairs.

2777. A letter from the Chairman, Advisory Commission on Intergovernmental Relations, transmitting the Commission's 33d annual report of the Advisory Commission on Intergovernmental Relations, pursuant to 42 U.S.C. 4275(3); to the Committee on Government Operations.

2778. A letter from the Secretary, Commodity Futures Trading Commission, transmitting the follow-up to Privacy Act New Systems Report on Intended Addition to Systems of Records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2779. A letter from the Director, Congressional Budget Office, transmitting CBO's study on budgeting for administrative costs under credit reform, pursuant to section 503 of the Federal Credit Reform Act of 1990; to the Committee on Government Operations.

2780. A letter from the Secretary, Smithsonian Institution, transmitting a copy of the National Society of the Daughters of the American Revolution's "Annual Proceedings of the One Hundredth Continental Congress," pursuant to 36 U.S.C. 18b; to the Committee on the Judiciary.

2781. A letter from the Postmaster General of the United States, transmitting the Annual Report of the Postmaster General for Fiscal year 1991, pursuant to 39 U.S.C. 2402; to the Committee on Post Office and Civil Service.

2782. A letter from the Administrator, General Services Administration, transmitting prospectuses for the fiscal year 1993 General Services Administration's Public Buildings Service Capital Improvement Program, pursuant to section 7 of the Public Buildings Act of 1959; to the Committee on Public Works and Transportation.

2783. A letter from the Chairman, U.S. International Trade Commission, transmitting the Commission's 68th quarterly report on trade between the United States and the nonmarket economy countries, pursuant to 19 U.S.C. 2441(c); to the Committee on Ways and Means.

2784. A letter from the U.S. International Trade Commission, transmitting a draft of proposed legislation to provide authorization of appropriations for the U.S. International Trade Commission for fiscal year 1993 and fiscal year 1994; to the Committee on Ways and Means.

2785. A letter from the Administrator, Agency for International Development, transmitting a report on the quantity of agricultural commodities programmed under II in fiscal year 1991; jointly, to the Committees on Agriculture and Foreign Affairs.

2786. A letter from the U.S. Coast Guard, transmitting the report regarding a reexamination of the policies of the United States restricting use of certain ports of entry by ships, and crewmembers thereof, of the former Union of Soviet Socialist Republics; jointly, to the Committees on Appropriations and Merchant Marine and Fisheries.

2787. A letter from the Department of the Air Force, transmitting notification that the performance of a Rockwell B-1B full scale development [FSD] contract will continue for a period exceeding 10 years; jointly, to the Committees on Armed Services and Small Business.

2788. A letter from the Federal Inspector, Alaska Natural Gas Transportation System, transmitting a copy of the report to the President on the construction of the Alaska Natural Gas Transportation System, pursuant to 15 U.S.C. 719e(a)(5)(E); jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

2789. A letter from the Secretary of Labor, transmitting a report on the new interim final H-1B visa regulations; jointly, to the Committees on the Judiciary and Education and Labor.

2790. A letter from the Deputy Administrator, General Services Administration, transmitting an informational copy of a lease prospectus, pursuant to 40 U.S.C. 606(a); jointly, to the Committees on Public Works and Transportation and Appropriations.

2791. A letter from the Director, Office of Management and Budget, transmitting a draft of proposed legislation entitled, "Economic Growth Tax Act of 1992"; jointly, to the Committees on Ways and Means, Agriculture, Banking, Finance and Urban Affairs, Education and Labor, Energy and Commerce, Government Operations, House Administration, Interior and Insular Affairs, the Judiciary, Merchant Marine and Fisheries, Post Office and Civil Service, Public Works and Transportation, and Veteran's Affairs.

REPORT OF COMMITTEE ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DELLUMS: Committee on the District of Columbia. H.R. 3581. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to eliminate congressional review of newly passed District laws, to provide the District of Columbia with autonomy over its budgets, and for other purposes (Rept. No. 102-429). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 1558. A bill to amend the Panama Canal Act of 1979 to provide for a Chairman of the Board of the Panama Canal Commission, and for other purposes; with an amendment; referred to the Committee on Armed Services for a period ending not later than February 21, 1992, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(c) of rule X (Rept. No. 102-428, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PANETTA:

H.R. 4148. A bill to designate the Monterey Bay National Marine Sanctuary; to the Committee on Merchant Marine and Fisheries.

By Mr. BENNETT:

H.R. 4149. A bill to establish an employment program to make grants available to the States to provide employment to the unemployed, and for other purposes; to the Committee on Education and Labor.

By Mr. MICHEL (for himself, Mr. Archer, Mr. Gingrich, Mr. Lewis of California, Mr. Edwards of Oklahoma, Mr. Hunter, Mr. McCollum, and Mr. Weber) (by request):

H.R. 4150. A bill to create jobs, promote economic growth, assist families, and promote health, education, savings, and homeownership; jointly, to the Committees on Ways and Means, Agriculture, Armed Services, Banking, Finance and Urban Affairs, Education and Labor, Energy and Commerce, Foreign Affairs, Government Operations, House Administration, Interior and Insular Affairs, the Judiciary, Merchant Marine and Fisheries, Post Office and Civil Service, Public Works and Transportation, Rules, and Science, Space, and Technology and Veterans' Affairs.

By Mr. BOEHLERT:

H.R. 4151. A bill to revive the authorization of appropriations for the general revenue sharing program for fiscal year 1992; to the Committee on Government Operations.

By Mr. DARDEN:

H.R. 4152. A bill to amend the Commercial Motor Vehicle Safety Act of 1986 to permit an eligible individual to operate a public works vehicle without requiring the individual to pass a written or driving test for operation of a commercial motor vehicle; to the Committee on Public Works and Transportation.

By Mr. DeFAZIO (for himself, Mrs. Unsoeld, Mr. Wilson, and Mr. AuCoin):

H.R. 4153. A bill to amend the Internal Revenue Code of 1986 to provide incentives for domestic timber production and processing; to the Committee on Ways and Means.

By Mr. DELLUMS:

H.R. 4154. A bill to provide for participation by the United States in a climate stabilization program; jointly, to the Committees on Interior and Insular Affairs, Rules, Ways and Means, Agriculture, Energy and Commerce, Merchant Marine and Fisheries, Foreign Affairs, Science, Space, and Technology, and Education and Labor.

By Mr. FISH (for himself, Mr. Michel, Mr. Gingrich, Mr. Hunter, Mr. McCollum, and Mr. Moorhead :

H.R. 4155. A bill to provide greater access to civil justice by reducing costs and delay, and for other purposes; to the Committee on the Judiciary.

By Mr. JONES of North Carolina (for himself, Mr. Lent, and Mr. Davis):

H.R. 4156. A bill to authorize appropriations for fiscal year 1993 for the Federal Maritime Commission, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. KOLTER (for himself, Mr. Roe, Mr. Hammerschmidt, and Mrs. Bentley):

H.R. 4157. A bill to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965; jointly, to the Committees on Banking, Finance and Urban Affairs and Public Works and Transportation.

By Mrs. LOWEY of New York:

H.R. 4158. A bill to prohibit grants under the community development block grant program to communities that fail to enforce laws preventing the use or threat of force against individuals for exercise of abortion rights; to the Committee on Banking, Finance and Urban Affairs.

By Mr. McCLOSKEY (for himself, Mr. Jacobs, Mrs. Schroeder Mr. Kopetski, and Mr. Williams):

H.R. 4159. A bill to amend title 5, United States Code, to provide that a Federal employee who, in the aggregate, serves for at least 4 years in a 6-year period, on a temporary basis, may not by regulation be excluded from the Government's health insurance, life insurance, or retirement program, by reason of being a temporary employee, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. NAGLE:

H.R. 4160. A bill for the relief of Aloysius H. Schmitt; to the Committee on Armed Services.

By Mr. OWENS of Utah (for himself, Mr. Levine of California, Mr. Sensenbrenner, Mr. Campbell of California, Mr. McNulty, Mr. Broomfield, Mr. Pallone, Mr. Dooley, Mr. Annunzio, Mr. Lehman of California, Mr. Condit, Mr. Rohrabacher, Mr. Frank of Massachusetts, Mr. Waxman, Mr. Visclosky, Mr. Moorhead, Mrs. Boxer, and Mr. Bonior):

H.R. 4161. A bill to restrict trade and other relations with the Republic of Azerbaijan; jointly, to the Committees on Ways and Means, Foreign Affairs, and Banking, Finance and Urban Affairs.

By Mr. YATRON:

H.R. 4162. A bill to amend the Internal Revenue Code of 1986 to allow the one-time exclusion of gain from the sale of a principal residence to individuals who are permanently and totally disabled; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska (for himself, Mr. Bateman, Mrs. Bentley, Mr. Tauzin, and Mr. Fields):

H.R. 4163. A bill to ensure the availability of the vessel SS *United States* for use as a maritime museum in the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. CAMP (for himself, Mr. Ackerman, Mr. Bevill, Mr. Clement, Mr. Coble, Mr. Davis, Mr. DeFazio, Mr. Donnelly, Mr. Doolittle, Mr. Emerson, Mr. Espy, Mr. Faleomavaega, Mr. Ford of Michigan, Mr. Gekas, Mr. Gilman, Mr. Grandy, Mr. Horton, Mr. Hughes, Mr. Hyde, Mr. Lagomarsino, Mr. Lehman of Florida, Mr. Levin of Michigan, Mr. McDade, Mr. McGrath, Mr. McNulty, Mr.

Martin, Mr. Martinez, Ms. Norton, Mr. Quillen, Mr. Ramstad, Mr. Rangel, Mr. Riggs, Mr. Schumer, Mr. Tallon, Mr. Taylor of Mississippi, Mr. Traxler, Mr. Vander Jagt, and Mr. Wolpe):

H.J. Res. 397. Joint resolution designating the week May 3, 1992, through May 9, 1992, as "National Correctional Officers Week"; to the Committee on Post Office and Civil Service.

By Mr. COUGHLIN (for himself and Mr. Hughes):

H.J. Res. 398. Joint resolution designating August 4, 1992, as "National Neighborhood Crime Watch Day"; to the Committee on Post Office and Civil Service.

By Mr. DUNCAN:

H.J. Res. 399. Joint resolution designating the week beginning November 1, 1992, as "National Medical Staff Services Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. ENGEL. (for himself and Mr. Pallone):

H.J. Res. 400. Joint resolution designating October 1992 as "Italian-American Heritage and Culture Month"; to the Committee on Post Office and Civil Service.

By Mr. IRELAND (for himself, Mr. Lewis of Florida, Mr. Dornan of California, Mr. Callahan, Mr. Martinez, Mr. Bacchus, Mr. Hutto, Mr. Fascell, Mr. Lewis of California, Mr. Bennett, Mr. Emerson, and Mr. Frost):

H.J. Res. 401. Joint resolution designating February 1992 as "National Grapefruit Month"; to the Committee on Post Office and Civil Service.

By Mr. MORAN:

H.J. Res. 402. Joint resolution approving the location of a memorial to George Mason; to the Committee on Interior and Insular Affairs.

By Mr. ROE (for himself, Mr. Dingell, Mr. Ireland, Mr. LaFalce, Mr. Jones of Georgia, Mr. McMillen of Maryland, Mr. Lehman of Florida, Mr. Livingston, Mr. Matsui, and Mr. Traxler):

H.J. Res. 403. Joint resolution to authorize the President to proclaim the last Friday of April 1992 as "National Arbor Day"; to the Committee on Post Office and Civil Service.

By Mr. GONZALEZ:

H. Res. 336. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Banking, Finance and Urban Affairs in the second session of the One Hundred Second Congress; to the Committee on House Administration.

By Mr. ROSTENKOWSKI:

H. Res. 337. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Ways and Means in the second session of the One Hundred Second Congress; to the Committee on House Administration.

By Mr. FORD of Michigan (for himself, Mr. Williams, Mr. Goodling, and Mrs. Roukema):

H. Res. 338. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Education and Labor in the second session of the One Hundred Second Congress; to the Committee on House Administration.

By Mr. STOKES:

H. Res. 339. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Standards of Official Conduct in the second session of the One Hundred Second Congress; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII:

325. The SPEAKER presented a memorial of the General Assembly of the State of New Jersey, relative to lead-abatement programs; jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 44: Mr. Engel, Mr. Kostmayer, Mr. Matsui, Mr. Torres, Mrs. Lloyd, Mr. Herger, Mr. LaFalce, Mr. Oberstar, Mr. Ortiz, Mr. Coyne, Mr. Roe, Mr. Swett, Mr. Hertel, Mr. Skaggs, Mr. Bunning, Mr. Dornan of California, Mr. Regula, Mr. Cunningham, Mr. Gordon, and Mr. Traxler.

H.R. 78: Mr. Smith of Oregon.

H.R. 187: Mr. Borski, Mr. Bonior, and Mr. Levin of Michigan.

H.R. 213: Mr. Synar.

H.R. 413: Mr. Carr, Mr. Roberts, and Mr. Orton.

H.R. 431: Mr. Klug, Mr. Hastert, Mr. Kopetski, Mr. Alexander, Mr. Spence, Ms. Norton, Mr. Blaz, and Mr. English.

H.R. 461: Mr. Kildee and Ms. Snowe.

H.R. 565: Mr. Upton, Mrs. Collins of Illinois, and Mr. Smith of Oregon.

H.R. 670: Mr. Johnson of South Dakota.

H.R. 793: Mr. Boucher, Mr. Price, Mr. Chandler, and Mr. Spence.

H.R. 911: Mr. Engel, Mr. Green of New York, and Mr. Weber.

H.R. 1124: Mr. Martin, Mr. Doolittle, Mr. Myers of Indiana, Mr. Sensenbrenner, Mr. Sanders, and Mr. Wolpe.

H.R. 1126: Mr. Olver, Mr. Kopetski, Mr. Waxman, Mr. Matsui, Mrs. Boxer, and Mr. Bonior.

H.R. 1240: Mr. Owens of New York.

H.R. 1241: Mr. Browder, Mr. Bryant, Mr. Costello, Mr. Ewing, Mr. Inhofe, Mr. Ireland, Mr. Johnson of Texas, Mr. Jacobs, Mr. Kopetski, Mr. Livingston, Mr. Richardson, Mr. Stallings, Mrs. Mink, and Mr. Lewis of California.

H.R. 1335: Mr. Martinez.

H.R. 1380: Mr. Lewis of California, Mr. Cunningham, Mr. Martinez, Mr. Ramstad, and Mr. Sensenbrenner.

H.R. 1414: Mr. Russo.

H.R. 1473: Mr. Donnelly.

H.R. 1531: Mr. Wise, Mr. Alexander, Ms. Norton, and Mr. Traficant.

H.R. 1536: Mr. Owens of Utah.

H.R. 1546: Mr. Penny, Mr. Rohrabacher, Mr. Wilson, and Mr. Lewis of Florida.

H.R. 1628: Mr. Dymally, Mr. Rinaldo, Mr. Myers of Indiana, Mr. Lehman of Florida, Mrs. Kennelly, Mrs. Unsoeld, Mr. Sikorski, Mr. Anthony, Mr. Archer, Ms. Waters, Mr. Sawyer, Mr. Goodling, Mr. Hammerschmidt, Mr. Zimmer, Mr. Gallo, Mr. Baker, Mr. Ritter, Mr. Lowery of California, Mr. Franks of Connecticut, Mr. Coyne, Mr. Ridge, Mr. Weldon, Mr. DeLay, Mr. Coughlin, Mr. Hamilton, Mr. Miller of Washington, Mr. Fascell, Mr. Porter, Mr. Evans, Mr. Rahall, Mr. Quillen, Mr. Fawell, Mr. Shuster, Ms. Oakar, Mr. Tanner, Mr. Johnson of Texas, Mr. Wise, Mr. McCloskey, and Mr. Borski.

H.R. 1655: Mr. Kopetski, Ms. Norton, Mr. English, and Mr. Traficant.

H.R. 1801: Mr. Hoyer.

H.R. 1882: Mr. Lent, Mr. Kolter, Mr. Markey, Mr. Camp, Mr. Walsh, Mr. Dorgan of North Dakota, Mr. Barrett, Mr. Pickle, Ms. Kaptur, Mr. Crane, Mr. Hansen, Mr. Ewing, and Mr. Berman.

H.R. 1987: Mr. Edwards of California, Mr. Slattery, Mr. Kildee, Mr. Martinez, Mr. Sanders, Mr. Lantos, Mr. Kopetski, and Mr. Owens of New York.

H.R. 2070: Mr. Harris, Mr. Solomon, Mr. Moorhead, Mr. de Lugo, Mrs. Morella, Mr. Lowery of California, Mr. Smith of Oregon, Mr. Skelton, and Mr. Ravenel.

H.R. 2106: Mr. Olver and Mr. Lewis of Georgia.

H.R. 2179: Mr. Brown.

H.R. 2248: Mr. Davis, Mr. Borski, and Mr. Staggers.

H.R. 2374: Mr. Borski.

H.R. 2401: Mr. Lightfoot.

H.R. 2448: Mr. Regula, Mr. Kleczka, Mr. Lipinski, and Mr. Olin.

H.R. 2492: Mr. Borski.

H.R. 2528: Mr. Fish, Mr. Machtley, Mr. Dickinson, Mr. Oxley, Mr. Upton, and Mr. Gallegly.

H.R. 2569: Mr. Ramstad and Mr. Campbell of California.

H.R. 2579: Mr. Baker.

H.R. 2618: Mr. Richardson, Mr. Rahall, Mr. Whitten, Mr. Staggers, Mr. Hammerschmidt, Mr. Lewis of Florida, Mr. Boucher, Mr. Panetta, Mr. Moorhead, and Mr. Frank of Massachusetts.

H.R. 2649: Mr. Crane.

H.R. 2715: Mr. Lipinski and Mr. Guarini.

H.R. 2766: Mr. Ramstad and Mr. English.

H.R. 2815: Mr. Hansen.

H.R. 2872: Mr. Armey.

H.R. 2890: Mrs. Mink and Mr. Emerson.

H.R. 2906: Mr. Lent and Mr. Emerson.

H.R. 3015: Mr. Shays and Mr. Foglietta.

H.R. 3071: Mr. Alexander.

H.R. 3138: Mrs. Johnson of Connecticut, Mr. Gilman, Mr. Owens of New York, and Mr. Lancaster.

H.R. 3142: Mr. Petri.

H.R. 3166: Mr. Walker, Mr. Livingston, Mr. Lewis of Florida, Mr. Condit, Mr. Smith of New Jersey, Mr. Browder, Mr. Hammerschmidt, Mr. McCloskey, Mr. Markey, Mr. Gekas, Mr. Cunningham, Mr. Slattery, Ms. Snowe, Mr. Mollohan, Mr. Coleman of Texas, Mr. Saxton, Mr. Spratt, Mr. Ravenel, Mr. Bustamante, Mr. Lowery of California, Mr. Kyl, and Mr. Hertel.

H.R. 3352: Mr. Smith of Florida.

H.R. 3373: Mr. Atkins, Mr. Kyl, Mr. Wheat, Mr. Mrazek, and Mr. Duncan.

H.R. 3393: Mr. Dellums and Mr. Glickman.

H.R. 3395: Mr. Lent.

H.R. 3438: Mr. Riggs.

H.R. 3439: Mr. Riggs.

H.R. 3440: Mr. Riggs.

H.R. 3451: Mr. Schaefer.

H.R. 3501: Mr. Oxley, Mr. Payne of Virginia, and Mr. Hall of Ohio.

H.R. 3553: Mr. Hall of Texas and Ms. Pelosi.

H.R. 3616: Mr. Armey.

H.R. 3641: Mr. Nowak and Mr. Martin.

H.R. 3654: Mrs. Bentley, Mr. Bonior, Mr. Bryant, Mr. Carper, Mr. Doolittle, Mr. Gilman, Mr. Hammerschmidt, Mr. Horton, Mr. Hunter, Mr. Hyde, Mr. Ireland, Mr. Johnson of Texas, Mr. Livingston, Mr. Oxley, Mr. Roberts, Mr. Roth, Mr. Savage, Mr. Smith of Texas, Mr. Vander Jagt, and Mr. Wilson.

H.R. 3742: Mr. Brown.

H.R. 3776: Mr. Levine of California and Mrs. Morella.

H.R. 3779: Mr. HOCHBRUECKNER, Mr. PETERSON of Minnesota, and Mr. KOPETSKI.

H.R. 3782: Mr. MRAZEK, Ms. PELOSI, Mr. SWETT, Mr. SWIFT, and Mr. OWENS of New York.

H.R. 3785: Mr. SENSENBRENNER.

H.R. 3801: Mr. HARRIS, Mr. SCHIFF, Mr. PICKETT, Mr. FROST, Mr. JEFFERSON, Mr. TOWNS, Mr. JONES of North Carolina, and Mr. BENNETT.

H.R. 3826: Mr. DURBIN, Mr. EVANS, Mr. JEFFERSON, Mr. KOLTER, Mr. MRAZEK, Ms. NORTON, Ms. PELOSI, Mr. RANGEL, Mr. ROGERS, and Mr. VENTO.

H.R. 3844: Mr. MFUME, Mr. ROYBAL, and Mr. PAYNE of New Jersey.

H.R. 3852: Mr. FRANK of Massachusetts.

H.R. 3908: Mr. STALLINGS.

H.R. 3937: Mr. GOSS, Mr. FROST, Mr. GUARINI, and Mrs. LLOYD.

H.R. 3975: Mr. GEJDENSON, Mr. TORRES, Ms. KAPTUR, Mr. POSHARD, and Ms. WATERS.

H.R. 3978: Mr. NOWAK, Mr. KOLTER, Mr. RAY, and Ms. KAPTUR.

H.R. 3982: Mr. SMITH of Florida.

H.R. 3994: Mr. ECKART.

H.R. 4002: Mr. ACKERMAN, Mr. BRYANT, Mr. DEFAZIO, Mr. ERDREICH, Mrs. LLOYD, and Mr. SERRANO.

H.R. 4019: Mr. FAWELL, Mr. KOSTMAYER, and Mr. ZIMMER.

H.R. 4023: Mr. DOWNEY, Mr. MCGRATH, Mr. LENT, Mr. SANDERS, Mr. SPRATT, Mr. SMITH of New Jersey, Mr. DWYER of New Jersey, Mr. ROE, Mr. PASTOR, and Mr. MORRISON.

H.R. 4024: Mr. BROWN.

H.R. 4025: Mr. BROWN, Mr. CAMPBELL of Colorado, Mr. WELDON, and Mr. HUGHES.

H.R. 4040: Mr. MCGRATH, Mr. BURTON of Indiana, and Mrs. LLOYD.

H.R. 4051: Mr. HARRIS, Mr. KLECZKA, Mr. BRUCE, Mr. CHAPMAN, and Mr. LIPINSKI.

H.R. 4073: Mr. DE LUGO, Mr. SANDERS, Mr. YATES, Mr. FRANK of Massachusetts, Mr. HUBBARD, Mr. MCNULTY, and Mr. VENTO,

H.R. 4080: Mr. SENSENBRENNER, Mr. FORD of Tennessee, and Mr. GALLEGLY.

H.R. 4086: Mr. COSTELLO, Mr. HALL of Texas, Mr. SMITH of New Jersey, and Mr. FORD of Michigan.

H.R. 4097: Mr. HOYER.

H.R. 4107: Mr. GILMAN and Mr. FASCELL.

H.R. 4121: Mr. WALSH, Mr. CUNNINGHAM, Mr. SCHIFF, and Mr. FIELDS.

H.R. 4127: Mr. SENSENBRENNER, Mr. STEARNS, Mr. DOOLITTLE, Mr. EMERSON, Mr. LIVINGSTON, Mr. MCCRERY, Mr. HANSEN, Mr. DANNEMEYER, and Mr. ROHRABACHER.

H.R. 4128: Mr. YOUNG of Alaska, Mr. WILSON, Mr. DUNCAN, and Mr. BATEMAN.

H.R. 4145: Mrs. JOHNSON of Connecticut, Mr. SWETT, MR. ZIMMER, and Mrs. MEYERS of Kansas.

H.J. Res. 22: Mr. PAXON.

H.J. Res. 99: Mr. PAXON.

H.J. Res. 122: Mr. LIPINSKI.

H.J. Res. 200: Mr. HOYER, Mr. VENTO, and Mr. OBERSTAR.

H.J. Res. 234: Mr. ENGEL.

H.J. Res. 283: Mr. ESPY and Mr. MATSUI.

H.J. Res. 350: Mr. ANDREWS of New Jersey, Mr. ASPIN, Mr. ATKINS, Mr. BATEMAN, Mr. BOUCHER, Mr. BROWDER, Mr. BRYANT, Mr. CAMP, Mr. CHANDLER, Mr. CONDIT, Mr. DELLUMS, Mr. DINGELL, Mr. DOOLITTLE, Mr. DUNCAN, Mr. DYMALLY, Mr. ERDREICH, Mr. FIELDS, Mr. FRANK of Massachusetts, Mr. FUSTER, Mr. GORDON, Mr. HAYES of Louisiana, Mr. HUBBARD, Mr. JOHNSON of South Dakota, Mr. JONES of Georgia, Mr. KLECZKA, Mr. KLUG, Mr. LAGOMARSINO, Mr. LEACH, Mr. LEWIS of California, Ms. LONG, Mr. MARKEY, Mr. MARTIN, Mr. MATSUI, Mrs. MEYERS of Kansas, Mr. MINETA, Mrs. MINK, Mr. NATCHER, Mr. NEAL of North Carolina, Ms. OAKAR, Mr. OBERSTAR, Mr. OBEY, Mr. OLVER, Mrs. PATTERSON, Mr. PAXON, Mr. PRICE, Mr. RAVENEL, Mr. REGULA, Mr. RITTER, Mr. ROYBAL, Mr. SABO, Mr. SAVAGE, Mr. SAWYER, Mr. SERRANO, Mr. SKELTON, Mr. SMITH of Iowa, Mr. SPENCE, Mr. STOKES, Mr. STUDDS, Mr. TALLON, Mr. TAUZIN, Mr. TAYLOR of North Carolina, Mr. TORRES, Mr. VENTO, Mr. WAXMAN, Mr. WISE, and Mr. YOUNG of Florida.

H.J. Res. 351: Mr. AUCOIN, Mr. FRANK of Massachusetts, Mr. PAYNE of Virginia, Mr. DORGAN of North Dakota, Mr. WALSH, and Mr. OWENS of New York.

H.J. Res. 388: Mr. EMERSON, Mr. PAXON, Mr. WALSH, Mr. HARRIS, Mr. FROST, Ms. LONG, Mr. TOWNS, Mr. VENTO, Ms. KAPTUR, Mr. MCDERMOTT, Mr. ROE, Mr. FORD of Tennessee, Mr. OWENS of Utah, Mr. OWENS of New York, Mrs. KENNELLY, and Mr. UPTON.

H.J. Res. 390: Mr. BATEMAN, Mr. STOKES, Mr. RICHARDSON, Ms. SNOWE, Mr. TAYLOR of North Carolina, Mr. HUGHES, Mr. MCHUGH, Mr. JEFFERSON, Mrs. MORELLA, Mr. JONES of North Carolina, Mr. VANDER JAGT, Mr. KOLTER, Mr. TORRICELLI, Mr. NOWAK, Mr. HAMMERSCHMIDT, and Mr. JONES of Georgia.

H.J. Res. 394: Mr. GEJDENSON, Mr. MACHTLEY, Mr. TOWNS, Mr. RAY, Ms. PELOSI, and Mr. SHARP.

H.J. Res. 395: Mr. BILBRAY, Mr. OBERSTAR, Mr. SCHEUER, Mr. RAMSTAD, Mr. LEHMAN of Florida, Mr. TALLON, Ms. OAKAR, Mrs. MEYERS of Kansas, Mr. KASICH, Ms. KAPTUR, Mr. GREEN of New York, Mr. MCDERMOTT, Mr. JACOBS, Mr. VALENTINE, Mr. MARTINEZ, Mr. DEFAZIO, Mr. TRAFICANT, Mr. HASTERT, Mr. FORD of Tennessee, Mr. MARKEY, Mr. RAVENEL, Mr. LAROCCO, Mr. KOPETSKI, Mr. TAUZIN, Mr. ASPIN, Mr. HAMMERSCHMIDT, Mr. FUSTER, Mr. NATCHER, Ms. MOLINARI, Mr. EMERSON, Mr. SKEEN, Mr. LEACH, Mrs. LOWEY of New York, Mr. MAZZOLI, Mr. WILSON, Mr. TANNER, Mr. PRICE, Mr. PAXON, Ms. LONG, Mr. LUKEN, Mr. JONTZ, Mr. FROST, Mr. HARRIS, Mr. WALSH, Mr. BEVILL, Mr. INHOFE, Mr. DOWNEY, Mr. GORDON, Mr. GINGRICH, Mr. HYDE, Mr. EVANS, Mr. SMITH of New Jersey, Mr. SMITH of Texas, Mr. DELLUMS, Mr. WOLPE, Mr. SOLOMON, Mr. MCHUGH, Mr. NEAL of North Carolina, Mr. MCCLOSKEY, Mr. VANDER JAGT, Mr. HOYER, Mr. SABO, Mr. FISH, Mr. MILLER of California, Mr. ATKINS, Mr. LEWIS of California, Mr. PICKETT, Mr. HUGHES, Mr. LEWIS of Georgia, Mr. PURSELL, Mr. SPRATT, Mr. STENHOLM, Mr. STOKES, Mr. BENNETT, Mr. KENNEDY, Mr. OXLEY, Mr. IRELAND, Mr. WYDEN, Mr. STAGGERS, Mr. QUILLEN, Mr. DOOLITTLE, Mr. CLINGER, Mr. JONES of Georgia, Mr. YATRON, Mr. MINETA, Mr. SLATTERY, Mr. DARDEN, Mr. MORAN, Mr. WEBER, Ms. WATERS, Mr. JENKINS, Mr. BARNARD, Mr. SAWYER, Mrs. VUCANOVICH, Mr. WEISS, Mr. OWENS of New York, Mr. MURPHY, Mr. FRANKS of Connecticut, Mr. DIXON, Mr. HOCHBRUECKNER, Mr. PAYNE of New Jersey, Ms. DELAURO, Mr. RIGGS, Mr. HEFNER, Mr. VENTO, Mr. CARDIN, Mr. ACKERMAN, Mr. RUSSO, Mr. BERMAN, Mr. DORGAN of North Dakota, Mr. SMITH of Florida, Mr. NAGLE, Mr. AUCOIN, Mr. GONZALEZ, Mr. ERDREICH, Mrs. KENNELLY, Mr. GEJDENSON, Mr. MONTGOMERY, Mr. MACHTLEY, Mr. HAYES of Illinois, Mr. DYMALLY, Mr. HORTON, Ms. NORTON, Mr. PANETTA, Mr. LENT, Mr. ANDREWS of Maine, Mr. GEKAS, Mr. MCNULTY, Ms. PELOSI, Mr. RANGEL, Mrs. MINK, Mr. DE LUGO, Mr. SCHAEFER, Ms. HORN, Mr. FAZIO, Mr. JEFFERSON, Mr. KOSTMAYER, Mr. MCMILLEN of Maryland, Mr. ESPY, Mrs. PATTERSON, Mrs. UNSOELD, Mr. MCGRATH, Mrs. JOHNSON of Connecticut, Mr. CLEMENT, Mr. VOLKMER, Mr. BUSTAMANTE, Mr. GUARINI, Mr. LANTOS, Mr. MATSUI, Mr. SCHUMER, Mr. TOWNS, Mrs. BENTLEY, Mr. DICKS, Mr. OWENS of Utah, Mr. TRAXLER, Mr. WOLF, Mrs. MORELLA, Mr. BLILEY, Mr. RITTER, Mr. SAVAGE, Mr. PETERSON of Florida, Mr. FLAKE, Mr. COX of Illinois, Mr. ENGEL, Mr. WASHINGTON, Mr. MILLER of Washington, Mr. STEARNS, Mr. SHAYS, Mr. MFUME, Mr. CONYERS, Mr. DWYER of New Jersey, Mr. SOLARZ, Mr. DONNELLY, Mr. ECKART, Mr. GILCHREST, Mr. BILIRAKIS, Mr. MAVROULES, Mr. BROOMFIELD, Mr. BREWSTER, Mr. STUDDS, Mr. GILMAN, Mr. HAMILTON, Mr. HANSEN, Mr. HATCHER, Mr. EDWARDS of Texas, Mr. GUNDERSON, Mr. NEAL of Massachusetts, Mr. ROBERTS, Mr. MILLER of Ohio, Mr. LAGOMARSINO, Mr. GALLO, Mr. BORSKI, Mr. ANDREWS of New Jersey, Mr. SWETT, Mr. FALEOMAVAEGA, Mr. SAXTON, Mr. ROWLAND, Mr. WAXMAN, Mr. TORRICELLI, Mr. KLECZKA, Mr. CHANDLER, Mr. MARTIN, Mr. LEVINE of California, Mr. LAFALCE, Mr. REED, Mr. SERRANO, Mr. MOORHEAD, Mr. DICKINSON, Ms. SLAUGHTER of New York, Mr. MCDADE, Mr. BLAZ, Mr. FRANK of Massachusetts, Mr. NOWAK, Mr. REGULA, Mr. YOUNG of Florida, Mr. CRANE, Mr. KLUG, Mrs. COLLINS of Michigan, Mrs. BOXER, Mr. ABERCROMBIE, and Mr. HUBBARD.

H. Con. Res. 177: Ms. PELOSI.

H. Con. Res. 180: Mrs. UNSOELD.

H. Con. Res. 182: Mr. ROWLAND and Mr. SANGMEISTER.

H. Con. Res. 220: Mr. MRAZEK, Mr. KOPETSKI, Mr. ROYBAL, Mr. PENNY, Mr. WHEAT, Mr. PERKINS, Mr. SANDERS, Mr. FAZIO, Mr. JOHNSTON of Florida, Mr. GILMAN, Mr. HAYES of Illinois, Mr. SAVAGE, and Mr. WASHINGTON.

H. Con. Res. 224: Mr. AUCOIN and Ms. SLAUGHTER.

H. Con. Res. 227: Mr. EVANS.

H. Con. Res. 232: Mr. BILBRAY.

H. Con. Res. 233: Mr. BURTON of Indiana, Mr. VOLKMER, Ms. ROS-LEHTINEN, Mr. SENSENBRENNER, Mr. TOWNS, Mr. MORAN, Mr. WOLF, Mr. GILMAN, Mr. ROHRABACHER, and Mr. STUMP.

H. Con. Res. 236: Mr. PANETTA, Mr. KOPETSKI, and Mr. DEFAZIO.

H. Con. Res. 245: Mr. SMITH of Florida and Mr. SANDERS.

H. Con. Res. 257: Mr. BAKER, Mr. BILBRAY, Mr. EMERSON, Mr. FRANK of Massachusetts, Mr. HORTON, Mr. KOLTER, Mr. STARK, Mr. STUDDS, and Mr. DE LUGO.

H. Con. Res. 263: Mr. LAGOMARSINO, Mr. VENTO, Mr. TORRES, and Mr. DELLUMS.

H. Res. 155: Mr. OWENS of Utah, Mr. LANCASTER, Mr. CAMPBELL of Colorado, and Mr. MCCLOSKEY.

H. Res. 302: Mr. DEFAZIO and Mr. KLECZKA.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 4046: Mr. LEWIS of Florida.

H.J. Res. 323: Mr. MCCURDY.

PETITIONS, ETC.

Under clause 1 of rule XXII:

139. The SPEAKER presented a petition of the Western Governors' Association, Denver, CO, relative to the Department of the Interior inspector general audit authority; which was referred to the Committee on Interior and Insular Affairs.

SENATE—*Tuesday, February 4, 1992*

(Legislative day of Thursday, January 30, 1992)

The Senate met at 9:10 a.m., on the expiration of the recess, and was called to order by the Honorable RICHARD H. BRYAN, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

So God created man in his own image, in the image of God created he him; male and female created he them. And God blessed them, and God said unto them, Be fruitful, and multiply, and replenish the earth, and subdue it * * *.—Genesis 1:27-28.

Eternal God, our Founding Fathers conceived this Nation on the basis of the "self-evident" truth that we are created beings, "endowed with certain inalienable rights * * *." We were created "in his image * * * male and female," and mandated to "be fruitful, and multiply, and replenish the earth, and subdue it * * *."

Our present indifference as a society to this "self-evident" truth has led us to repudiate the mandate. We now treat being fruitful and multiplying as an enemy, and rather than replenish the earth and subdue it, we exploit the earth and are in the process of destroying it. Meanwhile, our indifference to God feeds our disobedience to his mandate.

Patient God, we desperately need a spiritual visitation—a mighty, cosmic touch of the Holy Spirit—lest in our indifference, our blindness, our Godlessness, we pursue our self-destruction. Forgive us, gracious Father in Heaven; lead us out of our mindless materialism, our incipient secularism, to spiritual and moral awakening.

In the name of Jesus, the Way, the Truth, and the Life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 4, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD H. BRYAN, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. BRYAN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF ACTING REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The acting Republican leader, Mr. JEFFORDS, is recognized.

Mr. JEFFORDS. Mr. President, I ask unanimous consent I be allowed 5 minutes of leader time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE JEFFORDS AMENDMENT

Mr. JEFFORDS. Mr. President, I would like to take a moment this morning to discuss the up and going energy bill. It is an extremely important bill, as we all know, and I previously voted against the motion to proceed. This morning, I intend to vote in favor of the motion to proceed, and I want to explain why I am going to do that.

First of all, I have an amendment which I want to make everyone aware of. It is an extremely important amendment. It is the only amendment which will put this Nation in a position where it may become energy independent. I approached the committee earlier last year with an amendment to let them know that there is a way that we can overcome the power that OPEC holds over us in dictating what our energy policy would be. At that time, I had good support for that amendment. The Energy Committee considered it. A majority of the Energy Committee even endorsed it initially.

However, several problems were raised with it. I will be very candid with you. The big oil companies recognized that it would take the energy policy of this Nation out of their hands and put it into the hands of the people of the country and this body. Thus, they now say that this amendment is worse, as far as their interests are concerned, than ANWR or CAFE; and that they must defeat it.

I come before you to, hopefully, suggest that perhaps we do want to put this Nation in charge of its own energy policy. Now, in fairness to the committee, there were some problems which were raised with my amendment, problems which we have since worked on, and I believe, cured.

Second, the committee did adopt the goals of my amendment, but they changed a plan of action into a voluntary plan of begging for compliance. Anyone who understands what the threat of OPEC does to anyone who wants to compete with it can readily recognize that the hope of voluntary compliance is not something which is likely to be achieved, because OPEC has the control over the price. Two-thirds of the world's oil supplies lie in that small area of the Middle East, so fraught with problems and difficulties that the chance of its becoming peaceful, such that we are no longer under that hammer, is very unlikely.

So to think we can do this by voluntarism is very unlikely. However, later on, after the motion to proceed was defeated, I did meet with those that were upset with not having the energy bill go forward. And I worked with them—the Department of Energy; the administration, in particular—to try and see if we could reach a middle ground and to correct some of the problems which were seen in my amendment.

I believe we have done that, but I would have to say that the administration has not come forward with the compromise which we hoped would be delivered. But we have come forward with changes which we believe meet the problems of the original amendment.

One of the requests that I was given in order to reach a compromise was: You have to do something for domestic oil. You have to do something to bring them into the picture.

This we have done. What we have done is to say that the mom-and-pop oil producers of this Nation need to be protected from the impact of OPEC. Thus we include in our definition of those that can take advantage of the free market—the free market we open up, free of OPEC's dominance—that stripper wells qualify. This means we will be setting a floor for the price of stripper oil, and allow them to compete with other alternative sources, which should raise over the course of time the price for their oil, and thus increase the amount of domestic oil which will be produced in the Nation.

We think because this is a declining resource, which is going to expire sometime within 10 years or so, that while that is decreasing, we can build the alternative fuels business and replacement fuels business necessary to reach the point where, after 20 years, we will have 30 percent of our alternative fuels for the motor fuels received from domestic sources. And this will place us in a position where we will have the option to go forward and say we want to be totally energy independent.

Mr. President, in summary, I urge Members to look at my amendment and ask themselves this question: Do I want to be opposed to something which will place us in a position to be energy independent, which will reduce our dependence on foreign oil, which will decrease our trade deficit, which will decrease our own Federal deficit, which will create hundreds of thousands of jobs in this country? I believe you do not want to be opposed to this amendment.

I thank the President.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the remainder of leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 9:30 a.m., with Senators permitted to speak therein.

The Senator from Wisconsin [Mr. KASTEN] is recognized.

PASS GROWTH PLAN BY MARCH 20

Mr. KASTEN. Mr. President, President Bush has proposed a future-oriented economic game plan that will help restore economic growth and put people back to work.

Specifically, his growth package would cut the capital gains tax to 15.4 percent and provide investment tax allowances to promote job-creating investment in new plant and equipment.

It creates a new $5,000 first-time homebuyer tax credit to get the housing sector of our economy moving again. And it takes an important first step in reducing the tax burden on families with children by increasing the personal tax exemption by $500 per child.

During his State of the Union Address, the President issued a challenge to the Congress to put his economic growth plan on a fast track—and pass it by March 20, 1992. Despite complaints by some in Congress that this deadline is too soon, history shows that the Congress is able to act with great speed when presented with important issues:

For example, in response to the emergency of the Great Depression, Congress enacted the Emergency Banking Relief Act in 1 day. Congress enacted major legislation during the first months of the FDR administration.

In 1964, Congress took 2 days and President Lyndon Johnson 4 more days to adopt the Gulf of Tonkin resolution, which said the United States was prepared to use force to defend the countries of Southeast Asia.

On November 8, 1989, antidrug legislation was introduced to authorize funds for military and law enforcement assistance to Bolivia, Colombia, and Peru. It passed the House on November 13, 1989, and the Senate on November 15, 1989.

Last year, Congress enacted the authorization of aid to the Kurdish rebels in just 19 days.

Unemployed and underemployed Americans cannot wait another 3 or 6 months for Congress to act. They are not concerned about committee jurisdictions, floor procedures, points of order, and other Washington practices; the people across Wisconsin and the people across this country are worried about their jobs, their families, and their ability to pay their mortgages.

If Congress can pass an aid bill for Kurdish refugees in just 19 days, then it ought to be able to pass an economic aid package for Americans in less than 2 months.

I want to emphasize that President Bush has set the March 20 deadline to pass a growth package that will create jobs and promote upward mobility—not an income redistribution package that will destroy jobs and foster class envy.

Many of the so-called middle class tax plans are not tax cuts at all—but tax increases on people who have the resources to save and invest in our economic engine. These plans attempt to redistribute wealth, not create it.

The American people want—and need—new jobs. It is time to roll up our sleeves and pass a growth package that will spark investment and put unemployed Americans back to work.

I ask unanimous consent that my "Dear Colleague" letter listing examples of congressional action be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FOREIGN POLICY EXAMPLES

1. Gulf of Tonkin Resolution (P.L. 88–408)

Incidents occurred in the Gulf of Tonkin on August 2, 1964, and August 4, 1964. President Johnson sent a message to Congress on August 5, 1964, regarding these incidents and the "Gulf of Tonkin Resolution" was introduced the same day (H.J. Res. 1145). It stated that the U.S. was prepared as the President determines to take necessary steps, including use of force, to assist Members or Protocol States of the Southeast Asia Collective Defense Treaty in the defense of freedom. The resolution passed both Houses of Congress on August 7, 1964, and was signed into law on August 11, 1964.

2. Desert Shield/Iraqi Invasion of Kuwait

On August 2, 1990, Iraqi invaded Kuwait. That same day, the Senate passed S. Res. 318, which urged the President to seek international cooperation in applying sanctions against Iraq.

3. Authorization of Aid to the Khurdish Rebels (P.L. 102–45)

On April 25, 1991, the President sent a message to Congress regarding aid to the Khurds. On April 29, 1991, H.R. 2122 was introduced to authorize emergency assistance to Iraqi refugees displaced as a result of the Persian Gulf War. H.R. 2122 passed the House on April 30, 1991, and the Senate on May 9, 1991. It was signed into law on May 17, 1991.

4. Appropriation of Aid to the Khurdish Rebels (P.L. 102–55)

On May 8, 1991, H.R. 2251 was introduced to make dire supplemental appropriations for humanitarian assistance to refugees and displaced persons around Iraq as a result of the recent invasion of Kuwait. H.R. 2251 passed the House and the Senate on May 9, 1991. The conference report passed the House and the Senate on May 22, 1991. H.R. 2251 was signed intô law on June 13, 1991.

DOMESTIC POLICY EXAMPLES

1. New Deal Legislation

Responding to the emergency of the Depression, Congress enacted major legislation during the first months of the Franklin Roosevelt Administration in 1933.

A. The Emergency Banking Relief Act (P.L. 73–1)

This legislation was enacted in one day, an all time record for that period. H.R. 1491 was introduced, passed by Congress, and signed into law on March 9, 1933, just five days after President Roosevelt took office.

B. Tennessee Valley Authority (P.L. 73–17)

On April 10, 1933, President Roosevelt proposed to Congress the creation of a Tennessee Valley Authority. The House passed H.R. 5081 which encompassed the President's plan on April 25, 1933, and the Senate approved a similar measure on May 3, 1933. The conference report was adopted by the Senate on May 16, 1933, and the House on May 17, 1933. H.R. 5081 was signed into law on May 18, 1933.

C. The Federal Securities Act (P.L. 73–22)

On March 29, 1933, President Roosevelt sent a measure to Congress to regulate the securities market. H.R. 5480 was passed by the House on May 5, 1933, and the Senate on May 8, 1933. The conference report passed the House and Senate respectively on May 22, and May 23, 1933. H.R. 5480 was signed into law on May 27, 1933.

2. Secret Service Protection for Major Presidential and Vice Presidential Candidates (P.L. 90–331)

After Robert Kennedy was assassinated on June 4, 1968, Congress quickly approved (voice vote) legislation with no hearings, no reports, and only abbreviated floor consideration to provide Secret Service protection for major presidential and vice presidential candidates. H.J. Res. 1292 was introduced, passed by both Houses, and signed into law on June 6, 1968.

3. Drug Fighting Assistance to Columbia, Bolivia, and Peru (P.L. 101–231)

On November 8, 1989, anti-drug legislation H.R. 3611 was introduced to authorize funds for military and law enforcement assistance to Bolivia, Columbia, and Peru. It passed the House on November 13, 1989, and the Senate on November 15, 1989. The House passed the conference report on November 21, 1989, and the Senate on November 22, 1989. H.R. 3611 was signed into law on December 13, 1989.

4. Amendments to the Drug-free Schools and Communities Act (P.L. 101–226)

On November 8, 1989, H.R. 3614 was introduced to revise provisions relating to drug abuse education and prevention programs in schools. It passed the House on November 13, 1989, and the Senate on November 15, 1989. The conference report passed the House on November 21, 1989, and the Senate on November 22, 1989. It was signed into law on December 12, 1989.

5. Special Senate Independent Counsel (S. Res. 202)

Following the reopening of the Clarence Thomas Supreme Court confirmation hearings on October 11–13, 1991, Judge Thomas was confirmed by the Senate on October 15, 1991. On October 24, 1991, the Senate adopted S. Res. 202, to appoint a special independent counsel to investigate unauthorized disclosures of confidential information from this case and the case of the so-called "Keating Five."

Source: Preliminary information compiled by Congressional Research Service, January 30, 1992.

Mr. KASTEN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

If the Senator will suspend for just a moment, as the Senator is aware, at 9:30 under the previous order the time is scheduled for debate on the motion to invoke cloture. Does the Senator seek unanimous consent to extend his own time?

Mr. DECONCINI. Mr. President, I ask unanimous consent that I have up to 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DECONCINI. I thank the Chair.

(The remarks of Mr. DECONCINI, pertaining to the introduction of S. 2182 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DECONCINI. I thank the Chair and yield the floor.

TRIBUTE TO JUSTICE ERIC EMBRY

Mr. HEFLIN. Mr. President, I rise today to pay tribute to my friend and former colleague, Eric Embry, who died on January 12 after an extended illness. The retired justice, who successfully defended the New York Times in a landmark libel case brought by a Montgomery, AL, Police Commissioner, was one of the finest justices ever to serve on the Alabama Supreme Court. His quick mind and ability to immediately get to the heart of an issue were invaluable to the court. Through his trial practices, he developed a reputation of excellence in the courtroom.

The son of a circuit judge, Eric Embry served as an infantryman in the Pacific theater during World War II, and obtained his undergraduate and law degrees from the University of Alabama shortly thereafter. He first practiced law in Pell City, where he was born, and later with Beddow, Embry & Beddow in Birmingham, among the city's most prominent firms. He was elected to Alabama's Supreme Court in 1974, serving there with distinction for 11 years.

Judge Embry gained notice in the early 1960's when he was the attorney for the New York Times at the trial stage in Montgomery in a libel case brought by L.B. Sullivan, the police commissioner in the State capital. The case eventually went to the U.S. Supreme Court, which established new standards in libel law in its 1964 ruling in favor of the newspaper. The High Court held that public officials could not recover in libel suits unless they prove actual malice, showing that false statements were made with prior knowledge they were false, or reckless disregard for whether they were false or not. The Alabama court had originally awarded the commissioner a $500,000 judgment.

Of course, the professional and moral courage exemplified by Judge Embry during the case is even more remarkable given the period of bitter racial conflict in which it took place. Sullivan's suit against the Times was over an advertisement printed in the paper by supporters of the Reverend Martin Luther King, Jr., and other civil rights activists alleging abuses by State officials against demonstrators. Judge Embry's representation of the New York paper was, obviously, a very unpopular, even dangerous, cause in Alabama during the early 1960's.

Mr. President, Eric Embry possessed the kind of moral character which carried with it a social obligation to do what was right regarding his fellow man. When we honor the life and achievements of Dr. King and the civil rights movement each January, we can be proud of Alabamians like Judge Embry, whose brave and selfless leadership truly embraced those early dreams of equality. I was proud to have served with him and to have counted him among my friends.

I extend my sincere condolences to his daughters, Corinne Embry Vickers of Birmingham and Alden Embry Burchfield of Theodore, and their families. I ask unanimous consent that an editorial by the Montgomery Advertiser on the late justice's life be printed in the RECORD following my remarks.

ERIC EMBRY: JURIST HELPED SHAPE LIBEL LAW

Former Alabama Supreme Court Justice Eric Embry contributed greatly to expanded discussion of vital public issues when he played a major role in a landmark libel case.

Justice Embry died of cancer Sunday at age 70 in Birmingham after a distinguished legal career.

When racial passions were at their height here in 1964, Embry defended The New York Times at the trial level in libel case brought by L.B. Sullivan, then police commissioner of Montgomery.

A former state official, Sullivan claimed he had been libeled by a Times advertisement submitted by supporters of the Rev. Martin Luther King Jr. and other civil rights activists.

The advertisement alleged that state officials abused demonstrators. It contained some factual errors.

A jury here awarded $500,000 to Sullivan, but the U.S. Supreme Court threw out that verdict.

Embry, who had defended the Times initially, assisted at the appeal level.

In deciding the case, the court wrote new libel law standards which said that public officials could recover libel damages only if they could prove "actual malice"—could show that false statements were made with knowledge that they were false or a reckless disregard of whether they were true or false.

The new, expanded landmark libel standard greatly broadened public affairs reporting.

Embry's reputation as an excellent trial lawyer was later enhanced by his election to the Alabama Supreme Court.

Justice Embry was an Alabamian who made a difference to all Americans and his contributions should be remembered.

TRIBUTE TO WITT STEPHENS

Mr. BUMPERS. Mr. President, I rise today to pay tribute to a man who became, not just an Arkansas legend, but a national legend.

Witt Stephens was the personification of the classic rise from poverty to riches and political power. He started his career selling belt buckles and wound up, with his brother, Jack, owning the biggest off-Wall Street investment banking house in America.

He was not just a financial power in Arkansas, he was a political power, and, I believe, loved politics above everything else. In his declining years, he hosted lunches 5 days a week for a chosen few friends, many of whom disagreed with him on many issues, and, in effect, moderated a roundtable discussion on topical subjects of the day.

Like all strong-willed people, he accumulated a few diehard opponents, but even those were always respectful.

I found him to be one of the most engaging men I have ever known. His vision was always unique, and nobody discarded his ideas out of hand, because he had been right too many times.

His humor was dry and poignant. Father George Tribou, a well-known Catholic priest in Little Rock, told a wonderful story at Witt's funeral. He said he asked Witt, generally reputed to be a billionaire, about the well-known Biblical Scripture which says it would be "easier for a camel to go through the eye of a needle than for a rich man to get into heaven." Witt replied, "I'd sure hate to be Sam Walton."

He was a devoted husband, adoring father, and loved his native Grant County and the State of Arkansas almost to a fault.

Crossword puzzles often use clues such as a-one or topnotch. The answer is "oner." Witt Stephens was, indeed, a oner.

Witt Stephens died December 2, 1991, and his death leaves a big void in the lives of thousands all over the State of Arkansas. I am one of them.

THE 100TH ANNIVERSARY OF THE CREIGHTON UNIVERSITY SCHOOL OF MEDICINE

Mr. EXON. Mr. President, I rise to give special recognition to the 100th anniversary of the Creighton University School of Medicine; 1992 marks the centennial year of the medical school. What started as a dream of Omaha philanthropist, John A. Creighton, has grown into an international leader in medical education, research, and care.

The university will soon kick off the medical school's centennial celebration to honor the teachers, scholars, and students of the last century who have made the Creighton University School of Medicine the great school that it is. Nearly 6,000 physicians, scientists, and health educators learned their professions at Creighton University. There are presently over 4,000 living Creighton medical school alumni healing the Nation.

Many medical landmarks have been posted by the Creighton University School of Medicine. Creighton was the first 4-year medical school in the west, one of the first to use x-ray technology, and one of the earliest to establish an air ambulance system.

The university has gained international recognition for its research in cancer genetics, hypertension, immunology, osteoporosis, medical ethics, and pet diagnosis to name just a few areas.

The Creighton ethic has always been one of service. Each year scores of Creighton medical students travel to the Dominican Republic to provide health care for the poor. In Omaha, the medical school assures that the city's indigent receive care. The school of medicine and its primary teaching hospital provide more than $3 million in free health care to Omaha's poor annually.

I am pleased to bring the 100th year anniversary of Creighton University School of Medicine to the attention of the U.S. Congress and am certain that my colleagues join me in wishing the Creighton University School of Medicine hearty congratulations on the occasion of their centennial.

OZONE DEPLETION OVER THE UNITED STATES

Mr. PELL. Mr. President, yesterday we received a stern warning from science: namely that despite efforts to reduce ozone depletion the problem appears to getting worse.

According to scientists, if weather conditions over New England persist in historical patterns, a new ozone hole could form over the region. In that region, we could see total column depletion of 20 percent and up to 30 or 40 percent depletion at certain altitudes.

Reports on measurements taken over New England and eastern Canada have shown that the level of chlorine monoxide—a significant ozone depleting substance—is at the highest level recorded anywhere in the world. Moreover, a group of substances—known as nitrogen oxides—which protect the ozone layer from damaging compounds was also found to be depleted.

James G. Anderson, a Harvard scientist involved in ozone research succinctly summed up the findings as follows: "None of the news is good."

Fortunately, unlike some other environmental problems, the science of ozone depletion is fairly well understood. We know what we need to do to stop it. The question before us now and that has been before us for some time is, do we have the political will to take those actions?

In the Clean Air Act amendments passed by Congress in 1990, the Congress provided the Administrator of the Environmental Protection Agency with the authority to accelerate the phaseout of ozone depleting chemicals in the United States. Internationally, the Vienna Convention for the Protection of the Ozone Layer and the Montreal Protocol on Substances that Deplete the Ozone Layer provide a framework for multinational action to protect the ozone layer.

Last year, the Foreign Relations Committee reported out the London amendment to the Montreal Protocol with a strong endorsement. The amendment has two principal features: the addition of new substances to be controlled and the creation of a financial mechanism to assist developing countries comply with the protocol's requirements. In addition, the amendment urges developed countries to promote the transfer of environmentally safe substitutes for CFC's and related technologies to developing countries.

In its report, the Committee noted that additional action was necessary to protect the ozone layer. Among the Committee's recommendations:

The Administrator of the Environmental Protection Agency should make use of authority granted him in Section 606 of the Clean Air Act of 1990 to accelerate the phaseout of ozone depleting chemicals in the United States.

The Secretary of State should make use of the fourth meeting of the contracting parties to the Montreal protocol to strengthen efforts to reduce emissions of ozone-depleting substances.

The administration should move to: First, phaseout as quickly as possible long-lived chlorofluorocarbons; methylcholoroform, carbon tetrachloride, and halons; Second, substitute long-lived CFC's with hydrochlorofluorocarbons with the lowest possible ozone depleting potential—generally those with short lifetimes; Third, recycle HCFC's to the maximum extent possible; Fourth, substitute CFC's on a not-in-kind basis wherever practical; and Fifth, accelerate and expand actions to facilitate the participation and earliest possible phaseout by developing countries.

Mr. President, I believe yesterday's report makes action on these recommendations more urgent.

I would also note that last year, the committee reported out Senate Resolution 95, a resolution introduced by Senator GORE, calling for the accelerated phaseout of ozone depleting substances. Unfortunately, the Senate was not able to act on that resolution last year; I believe that it would be appropriate to do so now.

Mr. President, as I said before, what we need now is political leadership and political will. We know what we need to do, now we need to take action.

THE 150TH ANNIVERSARY, CITY OF CLEVELAND, TN

Mr. SASSER. Mr. President, today I rise to pay tribute to the city of Cleveland, TN, and join its citizens in celebrating the 150th anniversary of that fine community.

Cleveland was named to honor Benjamin Cleveland, a veteran of the Revolutionary War who saw action at the Battle of King's Mountain. The city was fashioned by settlers out of the Ocoee District, which had been part of the Cherokee Nation. In 1838, the Tennessee Legislature authorized a group of commissioners to survey the town, assign site numbers, and sell lots at a public auction. Proceeds from the sale were to pay the State for two sections of land upon which the town was to be located, and to raise an additional amount of up to $8,000 to build a courthouse and jail. Cleveland was incorporated by the State legislature on February 4, 1842, 150 years ago today. The first election was held on Monday, April 4, 1842, and a mayor and six aldermen were elected. Thus, the municipality we know today as the city of Cleveland was born.

Cleveland's growth in the early 1800's can be attributed to its status as a religious center for the area and the arrival of the railroad. The city's first newspaper was the Cleveland Dispatch, a Whig journal, which premiered 2 weeks before its Democratic rival, the Cleveland Banner. The Cleveland Banner continues to report the daily news. The town's first financial institution, the Ocoee Bank, was chartered in 1854. Growth and recovery from the Civil War was slow; however, by 1866 the population was 1,500 and was double that only a decade later. In 1879, Hardwick Stove, Cleveland's oldest industry, brought the city into the Industrial Revolution along with Cleveland Woolen Mill, Cleveland Chair Co., Dixie Foundry, and Magic Chef.

By the late 1800's, Cleveland was fast putting on city airs. They had a streetcar line, a telephone exchange system, a water works system, free mail delivery, electric lights on the way, and numerous fine schools. By 1900, there was not a more desirable location for a home in the South than Cleveland, TN. Many outstanding leaders have committed time and service to the city, including Mayors W. J. Parks, W.J. Campbell, J.C. Tipton, F.E. Hardwick, J.H. Gant, James F. Corn, Sr., Jay Y. Elliott, W.K. Fillauer, and Bill Schultz. Perhaps one of the most loved was the Honorable Harry Dethero, who served for 17 years. Today, Cleveland is governed by Mayor Tom Rowland and commissioners Mitchell Lyle, Sonny Hicks, Steve Ratterman, and Eddie Botts.

Cleveland continues to earn the reputation as the most desirable location for a home in the South due to its diverse social and economic base. It is the 11th largest city in Tennessee with a population of 30,470. Its citizens are good, hard working people. It gives me great pleasure to salute the city of Cleveland and its residents on this important milestone in their history.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The time set for morning business is closed.

NATIONAL ENERGY SECURITY ACT

MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. The remainder of the time until 10 o'clock this morning will be for debate on the motion to invoke cloture on the motion to proceed to S. 2166, the time to be equally divided and controlled by the Senator from Louisiana [Mr. JOHNSTON] and by the Senator from Wyoming [Mr. WALLOP].

Who yields time?

The Senator from Louisiana [Mr. JOHNSTON] is recognized.

Mr. JOHNSTON. Mr. President, at 10 o'clock we vote on cloture on the motion to proceed. Let me say for the benefit of my colleagues that we hope cloture on the motion to take up will pass overwhelmingly and we will then proceed to the bill itself.

We have some dozen amendments, largely relating to energy efficiency, all of which we have cleared, I think most of which will take very little time. Senator GLENN has three amendments, all of which have been cleared, which should not take a great deal of time since we have agreed to them on both sides. Those are some dozen amendments which I hope collectively we could deal with this morning in rather rapid succession. The only amendment other than that of which we are aware is Senator JEFFORDS' amendment, which I hope he would put in today. I have been discussing that with him, and I think perhaps that will be available today.

So that I expect at the time we have finished with the Jeffords amendment, which I hope to be sometime today, the bill would be open—of course, it is open for further amendment at any time, but it would then be open for further amendment if there are amendments or, other than that, for third reading.

I hear rumors that there are possibly many amendments, but no Senator has communicated to us or the floor staff that they have an amendment. And so I would beseech Senators, if they have amendments, to please let us know of them. Then we cannot only protect them but possibly clear those amendments. I hope they will let us know rather than simply let the majority leader's staff know, because we have to clear the bill, and only we can clear those amendments and schedule them for consideration.

So I hope, in short, Mr. President, that progress on this bill will proceed very rapidly and we can help reach President Bush's desire to deal with legislative matters quickly and we can have this bill substantially disposed of before the recess. I see no reason why that should not be possible, and I hope it is. I urge Senators to let us know about their amendments in order that we may do so.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming [Mr. WALLOP] is recognized.

Mr. WALLOP. Mr. President, I join with Senator JOHNSTON in hoping we can. I do not know of any plan to utilize the 30 hours between the invoking of cloture and the actual getting onto the bill. I hope no Senators have that in mind, but I must also say that Senators know it is their right, if they wish to seek to utilize that 30 hours.

The issues that will need to be decided—although we have not seen amendments, and I agree with Senator JOHNSTON none have been shown to us—we knew of from the last time and know them from rumor. There are some very contentious issues. The only way I know to resolve them is through the process which the Founding Fathers devised for it, and that is to debate them on the floor of the Senate and to vote them up or down. We cannot get to an energy policy without doing that.

In the 15 years in which I have been in the Senate—and I come from an energy-producing State—one of the first things on which I first ran for office was the need for an established energy policy. I have never seen a comprehensive strategy offered until last year when Senator JOHNSTON and I began to work on this piece of legislation.

I have seen Presidents offer bits and pieces. I have seen various Members of Congress offers bits and pieces. I have seen the most complicated things go to committees and never come out. I have seen the least complicated things go to committees and get passed, and then distort the whole energy picture because the natural reaction of a society such of ours is to do what is permitted and to steer away from what is prohibited.

And by working on all these fringe areas, and accomplishing the simple and avoiding the complicated, we have so distorted America's energy picture that only by the passage of such a comprehensive strategy as has been devised by the two of us, and as will be modified by the Congress, can America begin to sort of right its ship and sail with the winds. I hope that we do that.

Mr. President, I suggest the absence of a quorum, and I ask that the time be charged equally between the two of us.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WALLOP. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, what is the time circumstance?

The ACTING PRESIDENT pro tempore. The Senator from Wyoming has under his control 9 minutes. The Senator from Louisiana has 6 minutes.

Mr. WALLOP. Mr. President, I yield 6 minutes to the Senator from Alaska [Mr. MURKOWSKI].

The ACTING PRESIDENT pro tempore. The Senator from Alaska [Mr. MURKOWSKI] is recognized for 6 minutes.

Mr. MURKOWSKI. Mr. President, I thank the Chair. I thank my colleagues.

Mr. President, I think it is an extraordinary set of circumstances that we are faced with as we contemplate the disposition of the energy legislation. What we have before us is in one sense either fish or fowl. We have no provision for the major exploration program in the United States where significant discoveries of oil might be made namely on the North slope of ANWR. On the other hand we do not have the CAFE one.

One wonders just what we are fearful of. We have an economy that is in decline. And as we address the energy bill before us we have an automobile industry in decline. We are importing over half our crude oil today. We are exporting our dollars. We are exporting our jobs.

I would like to commend the chairman of the Energy Committee and the ranking member respectively for their continued commitment to ANWR and the reality that this Nation must reduce its dependence on imported oil. Nevertheless the harsh realities of where we are in this body must be examined because, Mr. President, we are truly hypocritical in relationship to the objectivity of recognizing you cannot have one without the other. You cannot reduce your dependence on imported oil without increasing domestic production.

CAFE implies savings. That is the good news. But it is bad news to the automobile industry. ANWR provides less dependence, more jobs.

It is kind of interesting to note, Mr. President, that this time the Independent Petroleum Association of America is prepared to come to Washington. They are running ads, Mr. President, "317,000 Jobs Lost." The statement is that there is no energy policy. They indicate that more jobs have been lost in the U.S. oil and natural gas-producing industry than almost any other industry over the last 10 years, more than in steel, chemical, electronics, textile, or the automobile industry.

What are we doing about it? We are not stimulating the greatest expections that we might have nor lessening our dependence.

I think it is appropriate also, Mr. President, to recognize the continued support base from our President. I ask unanimous consent to have printed in the RECORD a letter from the White House signed by President Bush of February 3.

There being no objection, the material was ordered to be printed in the RECORD as follows:

THE WHITE HOUSE,
Washington, February 3, 1992.

Hon. FRANK H. MURKOWSKI,
U.S. Senate,
Washington, DC.

DEAR FRANK: As I stated in my State of the Union address, I am continuing to call on Congress to act on my National Energy Strategy. Opening access to a discrete portion of the Arctic National Wildlife Refuge coastal plain, with environmental safeguards, to oil development is a critical component of my energy strategy. Congress' failure to act on this vital legislation, thus far, is at the expense of American jobs and energy security. This is why I have repeatedly called on Congress to take action.

ANWR development will provide additional domestic oil resources to reduce our dangerous dependence on imported oil. The coastal plain offers our best prospect for a major oil discovery. It will provide hundreds of thousands of desperately needed jobs spread throughout nearly every State in the Nation. It will add $50 billion to our gross national product. The environmentally responsible development of this area potentially could save $250 billion in payments to foreign oil producers and governments while providing $125 billion in revenues for Federal and State governments.

When the Senate once again deliberates legislation to implement the National Energy Strategy, it is my strong hope that the ANWR provision will be included in the final bill. The development of a small portion of ANWR as a potential source for oil is simply too important to leave out of any comprehensive energy plan.

Sincerely,

GEORGE BUSH.

Mr. MURKOWSKI. I am going to read this, Mr. President, because I think it is germane to where we are and what the administration stands for.

It reads as follows:

DEAR FRANK: As I stated in my State of the Union address, I am continuing to call on Congress to act on my National Energy Strategy. Opening access to a discrete portion of the Arctic National Wildlife Refuge coastal plain, with environmental safeguards, to oil development is a critical component of my energy strategy. Congress' failure to act on this vital legislation, thus far, is at the expense of American jobs and energy security. This is why I have repeatedly called on Congress to take action.

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Sincerely,

GEORGE BUSH.

Mr. President, truly, we are at a watershed in this regard. The arguments have been presented over an extended period of time. Mr. President, it is inconceivable to this Senator from Alaska that if we can send a man to the Moon and return him safely, we ought to be able to open up ANWR safely.

Where is the spirit that made America great, the spirit that said we can overcome challenges by advanced technology?

As we reflect on America's role today, we are concerned about our competitiveness. The spirit of competitiveness is the challenge, and the challenge here is to open ANWR safely. It is a challenge to engineers, and it is a challenge to America. If America is to succeed in the coming decades, we must regain that spirit of competitiveness, and to suggest that we cannot open up ANWR safely with advanced technology has no sound scientific basis of any kind.

I urge my colleagues to reflect on the merits of the legislation before us, and to recognize the significance of what we are doing here. We are not addressing the potential of relieving our dependence on imported oil. We are not rising to the realization that we can create 735,000 jobs in 47 States.

These are the issues before us, and I find it just incredible, as we reflect on the status of this bill, that there is not enough support, there is not every Member of this body standing before us saying we want to relieve our dependence on imported oil, and we want to stimulate our economy with the largest single identified project that we might have in this country.

Well, Mr. President, Senator STEVENS and I are somewhat alone in this regard, but I think our message is clear. It is a challenge to America, and it is a challenge that we ought to be up to, because if we are not, clearly, we are going to be exporting jobs. Our balance of payments will increase, and as a consequence, we will see our domestic industry move overseas where they are moving now because of the climate associated with taxes and environmental concerns prevailing.

I thank the Chair, and I thank my colleagues for allowing me the extra time. I thank, particularly, the chairman for his continued encouragement against some very significant odds.

I ask unanimous consent to have an article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

317,000 JOBS LOST—THAT'S NO ENERGY POLICY

More jobs have been lost in the U.S. oil and natural gas producing industry than almost any other U.S. industry over the last ten years. More than in the steel, chemical, electronics, textile or automobile industries.

More than 317,000 families lost their paychecks. Thousands of small businesses have closed—because America's energy policy doesn't make sense.

Why fight another desert war to protect America's energy future? Let's put Americans back to work developing energy here at home by eliminating the tax penalty on domestic drilling. We think that makes more sense.

We are the Independent Petroleum Association of America. We are visiting Congress this week with a plan to help put America's natural gas and oil workers back to work. Won't you help?

There are 317,000 reasons why you should.

(Independent Petroleum Association of America, Washington, D.C.)

Mr. JOHNSTON. Mr. President, I congratulate the Senator from Alaska on a very persuasive statement with respect to ANWR. At least it persuades me. Unfortunately, it does not persuade a majority of the Senate or, to be more specific, it does not persuade 60 Senators, which it takes in order to pass ANWR. And it is for that reason that we have taken ANWR out of this bill, along with the CAFE issue, because both of those require cloture in order to pass. And 60 votes are not here.

So it is not out of a lack of conviction or lack of being persuaded by the argument of the distinguished Senator from Alaska with respect to ANWR, but it is a recognition of the fact that as part of this bill, it cannot pass, and that this bill, without ANWR and without CAFE, is a very excellent comprehensive balance and effective energy policy, one that ought to pass.

So I do not want the best to be the enemy of the good. This is a very good bill, and I hope that the Senators from Alaska will begin to think that ANWR is not a battle that should be given up on, it is not a lost cause, but it is a cause that ought to be delayed and not pursued in the context of this bill.

I think the fact that it should not be pursued as part of this bill is illustrated by the fact that I think at the appropriate time the opponents of ANWR will allow a vote up or down. I do not speak for them, but I believe they would; such is their confidence in the ability to beat ANWR on an up-or-down vote. Part of the reason is, I think, there is a pervasive sense that it cannot pass as part of this bill.

So, therefore, many Senators who might otherwise be inclined to vote for it should vote against it, because they see no reason to sacrifice themselves politically in the cause of ANWR when it has no chance of winning.

These are familiar arguments. Everyone on both sides is familiar with them.

Mr. President, I yield, at this point, 2 minutes to the distinguished Senator from New Mexico.

Mr. DOMENICI. Mr. President, I think it is high time we proceed with the bill before us. I am sure we are going to get the issues that were discussed in due course.

I rise today to remind the Senate that just a few days ago on January 31, 1992, the rig count in the United States reached an all-time low. There has never been a day in the recorded history of rig count activity—which is a pretty good indicator of domestic oil activity—where it was lower. On that day the rig count reached 635, I say to my friend, the chairman of the Energy Committee.

And I am prepared today with a few remarks to indicate to the U.S. Senate that in addition to the bill which we ought to pass, we ought to pass the bill because alternative fuels, clean fuels and other things will be pursued with more vigor, if it is adopted.

I think it is time that the tax-writing committees take a look at the alternative minimum tax as it applies to independent producers in the United States. It is clear that it has now become counterproductive, and when independent producers avail themselves of the tax deductions that are reasonable and thrown into an alternative minimum tax, they are paying a punitive tax. We can cite cases where they are paying 60 to 70 percent effective tax rate, as compared with the various brackets that other Americans are confronted with. I think that it is punitive, counterproductive, and we can change it.

During this debate we ought to point out areas where the tax-writing committees of the Congress must supplement the intentions and desires under this bill, or many of the proposals will go nowhere. Increasing domestic production will go nowhere unless the 15-percent investment tax credit for enhanced oil recovery is continued. It has only a few months remaining. We are asking the tax-writing committees to put that into effect for a couple years to see that we get that oil in production.

TAX INCENTIVES FOR THE OIL INDUSTRY ARE NEEDED FOR ENERGY STRATEGY AND ECONOMIC GROWTH

Mr. President, it appears that a tax bill is on a very fast track. I want to urge the Finance Committee to seriously look at the problems the alternative minimum tax is causing independent oil and gas producers and to urge the committee to extend meaningful oil and gas tax incentives.

The Senate is beginning to debate the energy strategy and tax writing committees are beginning work on an economic growth package. Energy tax incentives are a necessary complement to both.

When Congress enacted the alternative minimum tax [AMT] in 1986, fairness was the objective. All taxpayers should pay their fair share. We didn't intend to create a punitive alternative minimum tax system. The AMT acts as a second system of taxation, under which tax payers are required to pay the higher of the regular tax on AMT liability. Yet, when a recession coincides with sustained low oil and gas prices, the AMT works like a severe penalty that gets progressively worse the longer a taxpayer falls under the AMT. The longer prices are low and profits thin, the harsher is the AMT's impact.

Today's bad news is that the rig count statistics are the worst ever. Baker Hughes reports that the rig count stands at 653 for week ending January 31. This is the lowest level of drilling activity since records were begun in the 1940's.

But the rig count is not just a statistic. It is an important economic indicator that relates to our prospects for economic growth because energy is an indispensable input. It is the barometer that measures our future ability to produce domestic energy.

A rig count of 653 indicates that the industry has entered a period of accelerated decline. The Nation's domestic oil production is falling at an annual rate of 300,000 barrels a day and foreign imports are rapidly approaching 50 percent of our domestic needs.

We have lost 326,000 jobs, almost half of the oilfield worker jobs since the peak in 1982 when the rig count was 3,105. The number of oilfield workers in the United States declined to 382,000 in November, from the yearly peak of 708,300 in 1982 according to the Bureau of Labor Statistics.

The Independent Petroleum Association of America believes that tax relief is needed to save the domestic industry from collapse. I tend to agree.

In 1990, Congress enacted a package of oil and gas tax incentives for enactment in the Omnibus Budget Reconciliation Act. These incentives included modest relief for stripper wells with marginal production, enhanced oil recovery incentives and the reform of the nonconventional fuels credit. These provisions expire at the end of this year.

At the time we were developing the oil and gas package, I urged that the new incentives be creditable or applicable against alternative minimum tax. This issue was discussed but AMT was, for the most part, left out of the package.

Two years of experience have led me to believe that AMT relief is the single most important agenda item for the oil and gas industry. It does little good to talk about extending incentives unless we also remove AMT impediments.

Intangible drilling costs [IDC's], can make up to 80 percent of the costs of drilling a well. IDC's are the ordinary and usual expenses that other businesses are allowed to take expenses such as labor, fuel, repairs, and supplies. Yet IDC's and percentage depletion are add-backs or preference items under the AMT. Since most independent producers are AMT taxpayers their IDC's and percentage depletion allowances are worse than useless because as add-backs they contribute significantly to the punitive nature of the AMT.

Under current law, when percentage depletion and IDC's are added back to income in calculating AMT tax liability, it can result in a 70- to 80-percent effective tax rate for some producers. The result is indisputely punitive, if not confiscatory.

Intangible drilling costs and percentage depletion must be removed as preference items under the AMT. Mr. President, this is a tight budget year and AMT relief will have to be paid for consistent with the "pay as you go provisions" of the budget agreement. I will work with the tax writing committees to find ways to pay for these provisions.

In 1990, the alternative minimum tax was a problem for the oil and gas industry and the same is true now, only more so. The President has put AMT reform on the agenda and I urge the Congress to provide some equitable relief to the oil and gas industry.

Another issue is enhanced oil recovery.

We leave behind 70 percent of the oil when we drain proven fields using primary and secondary oil recovery techniques. To stop this wasteful management of our natural resources, Congress enacted a 15-percent investment tax credit for enhanced oil recovery. This incentive expires at the end of the year. Since the regulations for implementing this provision were only recently published in the Federal Register, I urge the chairman of the tax writing committee to include an extension of this credit high on the list of must do items.

I look forward to working with the members of the Finance Committee to craft a package of oil and gas incentives that will enhance economic growth and correct the AMT inequity.

I yield the floor.

Mr. DURENBERGER. Mr. President, today the Senate will vote on a cloture motion on the motion to proceed to S. 2166, the National Energy Security Act of 1992. I will vote against cloture. I do not believe this bill to be the energy policy that the Nation needs.

REACTIVE "POLICIES"

On several occasions over the past 20 years this Nation has tried to establish a comprehensive energy policy. Each of these efforts has come after turmoil in the Middle East that disrupted our energy supplies and damaged our economy. American hostages and American troops have been at the center of some of these events.

In response to each new crisis, there has been a demand for energy independence. "Let us free America from this entanglement in the Middle East. Let us be energy independent so that we need not risk American lives for foreign oil. No blood for oil."

And Presidents and the Congress have responded. President Nixon gave us "Operation Independence." President Ford called it "Project Independence." President Carter called it the "Moral Equivalent of War." And now we have the National Energy Security Act of 1992.

THE SIREN CALL OF "INDEPENDENCE"

During the debate on this bill we will hear the now familiar refrains time and again. "We need to do everything we can to reduce our dependence on foreign oil. We have plenty of domestic energy—coal, natural gas, corn power—to replace foreign oil. We are the Middle East of coal. And, if we were just more efficient we could save as many barrels of oil as we import from the Middle East." The premise that we can and should strive to be energy independent is behind each of these slogans.

But in our drive to be energy independent, we have made some colossal errors over the years. President Nixon put price controls on domestic oil, encouraging its use and actually increasing our dependence. The 1977 spasm of energy policy brought us the Powerplant and Industrial Fuel Use Act that tried to limit the use of natural gas, especially to generate electricity. The Industrial Fuel Use Act was repealed and the Clean Air Act passed last year tries to encourage the use of natural gas to produce electricity.

Many of us were here for the windfall profit tax, a centerpiece in our response to the Iranian Revolution and attendant oil problems in 1979 and 1980. It has also been repealed. And most of the solar energy and conservation tax credits that went with it have also been allowed to lapse.

And who can forget the Energy Security Act of 1980? It created the Synthetic Fuels Corporation that was authorized to spend up to $80 billion subsidizing energy from shale oil and liquid fuels from coal. A truly excessive proposal that was also repealed.

The purpose of reciting this history is to remind the Senate of what has so often happened when we have taken up big energy bills in response to Middle East turmoil. We have made very big mistakes. Very costly mistakes in judgment and policy. Let me review that list again. Price controls on domestic oil. The Powerplant and Industrial Fuel Use Act. The windfall profit tax. The Energy Security Act of 1980. The Synthetic Fuels Corporation.

These are pieces of comprehensive energy policies that failed miserably and have since been repealed. These policies were generated in the heat of war or in the malaise of economic collapse and were offered to the American public as ways to achieve that elusive goal of energy independence. They were designed to insulate us from the realities of the world energy economy. The National Energy Security Act of 1992 has germinated in that same climate of dependence hysteria, it is held out to us with that same promise of energy independence and it contains the same kinds of mistakes we have so often voted for in the past.

ALTERNATIVE FUELS

For instance, this bill has a national goal of 30 percent alternative fuels in the transportation sector by the year 2010. That is an example of excess. One of the problems that goes with importing oil is a negative balance of trade. Importing a million barrels of oil per day imposes a $9 billion per year penalty in our trade balance. It is a cause for concern. As a nation we need to find ways to reduce that imbalance or offset it with exports.

But simply setting our sights on 30 percent alternative fuels does not necessarily qualify as a reasonable response to the problem. It would cost about $60 billion in capital investment to replace 1 million barrels per day of oil with natural gas. It would cost 80 billions of dollars—equivalent to the now repealed authorization for the Synthetic Fuels Corporation—to replace that million barrels of oil with ethanol or methanol. And it would cost $240 billion in capital investment to replace 1 million barrels of oil per day with electric vehicles. Those costs are staggering. They are excessive. They are the very same excesses that we have voted for in the past and that have subsequently been repealed.

ENERGY DEPENDENCE

We have a tendency to see our dependence on foreign oil as a sickness, as an addiction. Middle East oil is the heroin of the American economy. Whenever there is turmoil in the Middle East, we resolve to come to our senses and break this dependence.

We are willing to try the most extravagant cures to get well.

No scheme is too expensive.

Every untried proposition is a potential magic bullet.

The more exotic the solution—shale oil, fusion, hydrogen fuels—the more we are willing to spend to replace foreign oil.

That mentality has led us astray so many times in the past. And that is the mentality that continues to inform this bill. Excess in the name of energy independence has become the very test of sincerity.

There is a book that was published last winter on the history of petroleum in the world economy. It is by the distinguished energy economist, Daniel Yergin. It is titled "The Prize." The prize. The prize is 600 billion barrels of Middle East oil that can be produced for $2 per barrel. It is a treasure that can fuel prosperity for economies around the globe for a hundred years into the future. For most of the past 100 years, the United States has been the principal supplier of oil to the world. Texas was the Mideast of 1890, 1910, and 1930. But the reserves of Texas pale in comparison to the oil wealth found in the Persian Gulf.

It is not our oil. But the nations that own it want to sell it. Some of those nations are our friends and allies. But even our enemies in the region are not trying to withhold their oil from the marketplace. It does them no good in the ground.

This is very cheap oil. Much less than a buck a gallon. It fueled the boom of the 1950's and 1960's in the United States. That is how we became dependent. In real terms it is just as cheap today. It is much less expensive than many of our domestic alternatives including the nonconventional gas reserves that have been discussed at length here on the floor by the Senator from Colorado. Much less expensive.

It may be that some here in the Senate think it makes sense to pay $2 a gallon for corn derived ethanol or $3 a gallon for liquid fuel from coal or $4 a gallon to avoid using fuel with some exotic conservation technology. That's the theory of this bill—and some of the amendments we will see, if this bill comes to the floor.

AN ENERGY POLICY

There has been much said about whether Senators want to have an energy policy or not. It has been suggested that those who oppose cloture do not want an energy policy. Throughout this discussion there has been an underlying assumption that this Nation can only be considered to have an energy policy, if we have in place some mix of programs likely costing billions of dollars to taxpayers and consumers that is designed to end our dependence on foreign oil—or for some Senators on oil altogether.

That's not my definition of an energy policy. And that's not a definition the American people are going to support when they understand the true costs of the alternatives put forward in this bill.

I am not against an energy policy for this country.

I am for the strategic petroleum reserve.

I am for research and development on new technologies.

I am for alternative fuels in niche markets where they can have significant environmental payoffs.

I am for provisions in this bill that would encourage wiser energy use by the Federal Government.

Those are all elements of a national energy policy.

But I am opposed to spending billions of taxpayer dollars and tens of billions of consumer dollars in the elusive quest for energy independence. That is not the only definition of an energy policy. That is a formula for foolishness that we have followed too often in the past.

Mr. HATFIELD. Mr. President, once again we gather here on the floor of the Senate to discuss the fate of our Nation's energy security. I am pleased to be involved in this most critical debate.

I would like to begin by commending both of my colleagues, Senator JOHNSTON of Louisiana and Senator WALLOP of Wyoming, for their tremendous efforts in developing and shepherding this legislation through the Energy and Natural Resources Committee. I am grateful to these gentleman for their perseverance in negotiating a settlement whereby debate on this critical measure could proceed.

Many times in the last 20 years the U.S. Congress has been called to action by the need to reduce our dependence on fossil fuels. Like the energy crises of the 1970's, last year's war in the Persian Gulf catapulted the need for energy security back to the surface of public concern. This concern, however, has been short-lived. No visible crisis is at hand. No lines are forming at gas pumps across our Nation. In fact, gas prices remain at just a little over $1 per gallon—a price which is virtually unchanged since the mid-1980's.

So what is all the fuss about? Why is a national energy strategy so important? Gas is cheap and abundant, and concern about energy remains buried at the bottom of public opinion polls across the Nation. Education, health care, child care, and crime are currently at the forefront of people's lives. And while all of these areas are imminently significant in the lives of Americans, a future crisis over our Nation's lack of a diversified energy source still looms large, even in the shadow of a war which was fought and won for access to oil.

Like much of the industrialized world, the United States has increased its use of fossil fuels over the last 20 years. This fossil fuel use has grown to the point where some characterize it as dependency, as habit, as fixation, as addiction. In fact, few would debate the premise that Americans are addicted to oil. And just like any other addict, our Nation, and this Congress, have been denying this dependency for the last 20 years.

The cravings of an addict can lead to desperate measures, and history has shown that Nations addicted to oil will risk everything to gain access to that drug. The desperate measures about which I speak today are military conflict.

During the 1930's and 1940's, for example, Japan endeavored to build a greater Japan or a greater Asia through the broadening of its sphere of influence into Southeast Asia. Oftentimes this expansionism took the form of military aggression and was not looked upon favorably by many Nations of that era, including the United States of America. In fact, the United States, which at that time supplied Japan with approximately 80 percent of its petroleum needs, so disliked Japan's attempts to broaden its sphere of influence that it threatened to cut off the very lifeline of the Japanese military machine—oil.

In response to this threat, on December 7–8, 1941, Japan, a Nation addicted to and dependent on foreign oil, launched numerous attacks on Nations throughout the South Pacific in an effort to secure a stable supply of oil from the Dutch East Indies, now Indonesia. Japan realized, that in order to secure this oil supply, it needed to isolate the American ground troops based in the Philippines—and the only way to do this was to strike a debilitating blow to America's Naval fleet based in Pearl Harbor, HI.

Truly, Japan's oil addiction and dependency drove it to desperate measures. But Japan has not been the only Nation in history to fall victim to the seductive and alluring thirst for oil.

In January of 1991, desperate measures were again taken to secure access to vital oil supplies. This time it was American men and women who were sent to the deserts of the Middle East to kill and die in order to secure access to Kuwaiti oil; 370 American service personnel and approximately 100,000 Iraqis lost their lives in the Persian Gulf war. Our Nation's dependence has been translated from long lines at gas stations and high prices for heating oil to something immeasurably more personal and intimate—the lives of Americans. This loss of life is a price far too high to pay for 20 years of denial.

Despite our lack of drive to find a solution to our addiction, today Congress has a chance to take America's oil dependency by the horns and establish a program designed to eradicate this fossil fuel infirmity. We have a chance to reduce the prospect of future wars and loss of human life over this finite resource. What we need to begin breaking this addiction and enhancing our national security is a well-balanced national energy policy.

The security of America and of American lives everywhere depends upon our action or inaction on this legislation. America's future depends on the wise stewardship of this Nation's energy resources and our unwavering commitment to a balanced energy plan.

The U.S. Congress has before it the golden opportunity to change the course of American energy use from a mentality of consumption to one which balances conservation, energy efficiency, and renewable energy development with the wise use of domestic energy resources.

We have already taken this first step in the Pacific Northwest. In 1980, with the passage of the Northwest Power Act, Congress for the first time realized the importance of energy conservation by recognizing it as a new energy resource. I hope that during debate on this national energy strategy legislation Congress will work to expand upon the wisdom it exercised in 1980 by pursuing conservation, efficiency and renewable energy as genuine, reliable, and cost-effective energy sources.

Again, I thank the chairman and ranking member of the Energy Committee and look forward to working with them to institute a balanced national energy strategy.

Mr. RIEGLE. Mr. President, I rise today in support of the motion to proceed to S. 2166, the National Security Act of 1922.

As many of my colleagues know, I did not support S. 1220 on November 1 because I felt the bill had many problems. One was title 15, the section dealing with the Public Utility Holding Company Act. Another was the section dealing with oil and gas exploration in Arctic National Refuge, which is clearly not acceptable to this body, and the section on nuclear licensing.

But most importantly, S. 1220 would have opened up the possibility of increasing CAFE standards and that poses great dangers to the U.S. auto industry and tens of thousands of U.S. jobs.

True, S. 1220 did contain a CAFE section that was reasonable. However, the chairman of the committee had indicated that he intended to offer an amendment that would have greatly increased CAFE standards and that troubled me greatly.

By all indicators there was a real danger that unrealistically high CAFE standards would have been adopted, which would have done tremendous damage to the long-term viability of our Nation's auto industry.

The CAFE standards being sought by some would have added more than $70 billion in new capital costs to the Big Three auto makers, which have lost nearly $10 billion over the last five quarters. This arbitrary increase would have come on top of new safety and clean air requirements enacted in the last few years, placing a huge burden on the industry. This would result in more plant closings and job losses at a time this economy can least afford them.

Today, our economy is in deep trouble. The President's Plan to deal with it is insufficient. And clearly, any untimely and unreasonable CAFE increase will make it more difficult for the U.S. auto industry to recover.

For these reasons, I am pleased that the chairman of the Energy and Natural Resources Committee and his staff have assured me that there will be no CAFE or ANWR titles in this energy bill, and that they will oppose amendments to add these sections.

Even further, I am pleased to know that I have his assurances that he will oppose the Seymour amendment, which I view as a back-door CAFE amendment.

In the area of Public Utility Holding Company reform, I am pleased to tell my colleagues that the chairman and I are close to completing a compromise amendment. We are working to make these provisions fair and balanced.

Clearly, S. 2166 still needs work. The section dealing with nuclear licensing is a problem and I hope an equitable and environmentally safe solution can be worked out. I am also concerned about the section dealing with natural gas importation.

My home State of Michigan imports a large amount of natural gas from Canada, which in many cases is cheaper than domestically produced gas. Michigan ratepayers should have the right to continue to pay the cheapest prices for natural gas and I will fight hard to maintain this right for them.

Mr. President, I look forward to working with the distinguished chairman on this bill. I urge my colleagues to vote for the motion to proceed.

The ACTING PRESIDENT pro tempore. The Chair will inform the Senate that all time has expired.

CLOTURE MOTION

The ACTING PRESIDENT pro tempore. The hour of 10 a.m. having arrived, under the previous order, the clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to S. 2166, a bill to reduce the Nation's dependence on imported oil, to provide for the energy security on the Nation and for other purposes:

D.K. Inouye, Quentin Burdick, Howard M. Metzenbaum, George Mitchell, John Breaux, Jeff Bingaman, Alan Cranston, Tom Daschle, Wendell Ford, Jim Sasser, Kent Conrad, Charles S. Robb, J. Bennett Johnston, Timothy E. Wirth, Max Baucus, J. Lieberman.

CALL OF THE ROLL

The ACTING PRESIDENT pro tempore. By unanimous consent, the quorum call has been waived.

VOTE

The ACTING PRESIDENT pro tempore. The question is, Is it the sense of the Senate that the debate on the motion to proceed to S. 2166, the National Energy Security Act, shall be brought to a close? The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Oklahoma [Mr. BOREN], the Senator from California [Mr. CRANSTON], the Senator from Iowa [Mr. HARKIN], and the Senator from Nebraska [Mr. KERREY], are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Virginia [Mr. WARNER], is necessarily absent.

The PRESIDING OFFICER [Mr. WOFFORD]. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 90, nays 5, as follows:

[Rollcall Vote No. 15 Leg.]

YEAS—90

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Exon
Ford
Fowler
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Thurmond
Wallop
Wellstone
Wirth
Wofford

NAYS—5

Durenberger
Garn
Murkowski
Stevens
Symms

NOT VOTING—5

Boren
Cranston
Harkin
Kerrey
Warner

The PRESIDING OFFICER. On this vote, there are 90 yeas and 5 nays. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion to invoke cloture is agreed to.

Mr. JOHNSTON. Mr. President, we now have a number of amendments, as soon as we can get on the bill, which have been cleared. There are a number by Senator GLENN. Senator JEFFORDS has an amendment, which has not been cleared, which will take some debate. I hope we can get right on the bill so we can plow through some of these amendments.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, let me say to my friend from Louisiana, I would hope that, too. But we are not quite yet ready to proceed to the bill. There is a privilege of 30 hours, some of which is going to be used. It is my hope not much of it. It is my hope we do get to the bill and do those amendments which have been cleared.

But at this moment in time, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, the Senate has voted to invoke cloture on the motion to proceed to the energy bill. Under the rules of the Senate, a maximum of 30 hours may now be utilized by those who wish to prevent consideration of the bill; that is consideration of the bill can be delayed but not prevented.

It is my hope that we could proceed to consideration of the bill and eliminate the necessity for consuming 30 hours. I understand that discussions are underway which may ultimately lead to a saving of time, and I hope that is the case. But by a prior discussion with the distinguished Senator from Wyoming, it is my intention now to seek unanimous consent to proceed to the bill.

I understand that action will be made and then I will ask that we go to morning business with the time being charged against the 30 hours, and I hope that we will be able to get to the bill. If we cannot get to the bill, the Senate will simply stay in session until the 30 hours have been either expired or agreement has been made to proceed to the bill. I hope that is not necessary. It will serve no useful purpose, in my judgment, but the Senate having voted to invoke cloture on the motion to proceed, we want to get to the bill as soon as possible. Of course, we are trying to complete action on the bill as soon as we can.

UNANIMOUS-CONSENT REQUEST—
S. 2166

Mr. MITCHELL. Accordingly, Mr. President, I now ask unanimous consent that the Senate proceed to consideration of the energy bill.

The PRESIDING OFFICER. Is there objection?

Mr. WALLOP. Mr. President, Reserving the right to object, and I am constrained to object. I say to the majority leader this is certainly not the plan of the Senator from Wyoming, having worked 15 years to get an energy bill to the point where we can debate it on the floor. But there are negotiations and there are things going on which may in the long run, and I trust they will, save us some time.

In the meantime, Senator JOHNSTON and I have suggested to a couple of Senators whose amendments we know of and have been cleared, that they send their amendments to the desk and debate them. But we can take no action on them nor can they be received from the bill. At least the debate would be accomplished. We would, I hope and trust, save a little time by that action.

With that in mind, Mr. President, I do object.

The PRESIDING OFFICER. Objection is heard.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business, with the time to be charged against the 30 hours postcloture on the motion to proceed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, could I direct an inquiry to the majority leader? Does he have a time as to how long the morning business might run?

Mr. MITCHELL. I did not include a time. Under a prior order, we are scheduled to go into recess at 12:30 p.m. to accommodate the party conferences, and then at 2:15 p.m., we will go to the unemployment insurance bill. It is my hope that we can proceed to the energy bill prior to 12:30 but I did not want to put a time limit on it in light of the Senator's comments that discussions are underway. Perhaps it is best to let them proceed in the hope that we can get to it.

If at any time the Senator is in a position to permit the Senate to consider the energy bill, why, then if he would notify me, then we can come back and terminate the morning business period and get to the bill.

Mr. WALLOP. I understand that. My guess is that it would probably extend to the regular noon luncheons of the two parties because that is probably the place where both sides will see what may or may not be able to be accomplished.

Mr. MITCHELL. As I said, I hope we can get to the bill. I used to think that only two things were certain, death and taxes. Since I have been majority leader, now there are three: death, taxes, and when we get close to a recess, Senators on both sides begin to ask me when are we going to be able to leave. I know a couple days from now Senators on both sides are going to be asking when are we going to be able to leave. Of course, the more we can get done today, the more favorable can be my response then.

So I encourage Senators, to the extent possible, consistent obviously with the advocacy of their positions, to enable us to proceed to the bill and not have to utilize this 30 hours of waiting until we get to it.

Mr. WALLOP. If the leader will yield further, I am going to try my best to do that. It is my certain belief that some of that will have to be solved in our party caucuses at lunch. I doubt seriously we can get to the bill before lunch although we can undertake the procedure with Senator GLENN and others.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

AIR FORCE IMPLEMENTATION OF REQUIREMENTS REGARDING CONTRACTING WARRANTIES FOR B-2 AIRCRAFT

Mr. LEVIN. Mr. President, I want to speak about a letter I recently received from the Secretary of the Air Force, Donald Rice, concerning the warranty which the Air Force just negotiated for the B-2 bomber. I regret to report that the warranty does not comply with our law, and that failure could cost the taxpayers of this country millions of dollars to correct contractor-caused defects while at the same time the B-2 contractor, Northrop, could be realizing a significant profit.

That does not sound fair, Mr. President, because it is not fair. No one should have to pay for an item that does not work. When you or I purchase a washing machine, the manufacturer provides us with a warranty. If it does not do what it is supposed to do, the manufacturer will replace it or pay to fix it. The same should be true in the Department of Defense. If we spend nearly a billion dollars to buy an airplane and it does not work because of contractor-caused defects, the contractor, not the taxpayers, should be required to pick up the tab for fixing the problem.

Unfortunately, the Department of Defense has often not appeared to share this view. Over and over again the Pentagon has entered contracts for costly weapons systems without adequate protection for the Government against a system that does not work. If the system does not work the way it was supposed to, the way too many contracts are written the contractor who designed and built the system gets to walk away and the taxpayer is left holding the bag.

This is what happened with the B-1 program. One of the contractors on the B-1 delivered an electronic countermeasure, an ECM system, that did not work the way it was supposed to. After we paid the contractor billions of dollars to design, develop, and build this system, we learned that the ECM system could not effectively receive, identify, and jam the frequencies which were deemed necessary to keep the bomber from being detected. Because of the limited warranty provision in that contract, we were told that the taxpayers, not the contractor, would get socked with the billion dollars plus cost of correcting the problem.

In 1989, I introduced specific legislation which was enacted as part of the Defense Authorization Act, to prevent a reoccurrence of this problem on the B-2 program. However, the Pentagon has not complied with the law. The Air Force last month entered into a new B-2 contract with a severely limited warranty provision that violates the terms of the 1989 legislation. As a result, the taxpayer could once again be left to pick up the tab if the B-2 fails to meet the essential performance requirements of the contract, even though the problem might be caused by the contractor.

Mr. President, section 117 of the fiscal year 1990 DOD Authorization Act which was signed into law in November of 1989 requires the Air Force to negotiate a new, significantly strengthened warranty provision for B-2 contracts. In particular, section 117 required that the Secretary of the Air Force either—he has two options—must require the contractor to assume liability for the correction of defects that it causes up to the full amount of the contractor's target profit or if the Secretary of the Air Force wants, he can make a determination that the specific benefits of exclusions or limitations on such liability would substantially outweigh the potential costs and notify the Congress of the specific reasons for that determination.

Two options: The contractor either has to be made liable for the correction of defects it causes up to the amount of that contractor's target profit, or the Secretary of the Air Force must notify

Congress that the cost of requiring that warranty substantially outweighs the benefits. Those are the options.

There is an escape clause if the Secretary wants to use it, but he cannot just ignore it; he cannot ignore the requirements of the law that there be a warrant. The reason is that there is no reason, no reason, that the contractor should be making a significant profit at the same time we are paying to repair the defects that are caused by the contractor. That is the hole we dug ourselves with the B–1 contract, and I specifically made an effort, which succeeded in this Senate, to avoid that problem on the B–2 contract. But the Secretary has not pursued either of the options which the law gives to him.

On December 23, 1991, the Air Force entered a $5 billion contract for the production of 10 B–2 aircraft without requiring the contractor to assume liability up to the amount of target profit and without a determination and report to Congress as required by the provision.

The December 23, 1991, contract was signed which places a $250 million cap on contract liability for the correction of contractor-caused design and manufacturing defects and failures by the contractor to meet essential performance characteristics. But because the contractor only pays 20 percent of the costs under the contract, the contractor's share of the potential liability is not $250 million but one-fifth of that or $50 million—far less than the contractor's target profit of $1 billion on this contract.

So instead of being liable for up to the $1 billion in profit to repair the defects caused by the contractor, as the law requires in the absence of a waiver by the Secretary, the contractor's liability is limited to just 5 percent of that amount, of that profit.

The Secretary made no determination that the specific benefits of this limit on contractor's liability would substantially outweigh the potential costs, nor has he notified Congress of the specific reasons for this limitation as required by section 117.

It is extraordinary to me, Mr. President, that the Air Force would negotiate an agreement that gives to the B–2 contractor a target profit of $100 million for each of the 10 B–2's covered by the contract but puts only $5 million of that profit at risk if the plane does not work because of contractor-caused defects.

This is not an academic point. The possibility that the taxpayers could end up picking up the tab to fix contractor-caused problems on the B–2 is not a farfetched possibility. Already there have been reports of recent tests on the B–2 which identify a significant problem with the airplane's stealthiness. We do not know whether or not that will prove to be true, but those are the reports.

Moreover, the Air Force itself has told us that testing on the B–2 will not even be completed until after most or all of the aircraft have been delivered, and by then it will be too late to correct any problems that are identified, perhaps, under the contract.

We have been placing a heavy burden on the taxpayers of this country already, and we are placing a heavier burden on them if we ask them to pay almost $1 billion for a single airplane. But to pay that much for an airplane which might not even meet the essential performance requirements in the contract is not only wrong; it violates the applicable legal requirements which this body placed into law.

I have sent a letter to the Secretary of the Air Force notifying him that the Department has failed to comply with section 117, and I ask unanimous consent, Mr. President, that a copy of this letter appear in the RECORD immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LEVIN. Mr. President, I am keenly disappointed that the Air Force has failed to comply with this provision, and I intend to raise this issue when the Secretary of the Air Force testifies before our Senate Armed Services Committee later this year.

Mr. President, I yield the floor.

EXHIBIT 1

U.S. SENATE,
Washington, DC, February 4, 1992.

Hon. DONALD RICE,
Secretary of the Air Force,
The Pentagon, Washington, DC.

DEAR MR. SECRETARY: As you know, Section 117 of the FY 1990 DOD Authorization Act required the Air Force to negotiate a new warranty provision in future B–2 contracts, which would be significantly tougher than existing provisions. In particular, Section 117 states that:

"(2) * * * [T]he Secretary may not negotiate exclusions or limitations on the prime contractor's financial liability for the cost of corrective action for defects under section 2403(b) [of Title 10] for the B–2 aircraft [authorized for FY 1989 and FY 1990] that would result in the total of such liability for such costs being less than the total of the contractor's target profit on the production of such aircraft unless the Secretary determines that the specific benefits of such exclusions or limitation substantially outweigh the potential costs.

"(3) Whenever the Secretary makes a determination under paragraph (2), the Secretary shall notify the congressional defense committees of that determination and shall include in such notification the specific reasons for such determination and copies of any relevant exclusions or limitations."

This provision requires the Secretary of the Air Force to either (1) require the B–2 contractor to assume liability for the correction of defects up to the full amount of its target profit; or (2) make a determination that the specific benefits of exclusions or limitations on such liability would "substantially outweigh" the potential costs and notify Congress of the specific reasons for this determination.

On the basis of your December 20, 1991, letter to me and a subsequent briefing of my staff, I have concluded that the Air Force is in non-compliance with this provision. In particular, the B–2 contract signed by the Air Force on December 23, 1991, places a $250 million cap on contract liability for the correction of design and manufacturing defects, and failure to meet essential performance characteristics. Because the contractor pays only 20 per cent of these costs under the contract, the contractor's share of this liability is only $50 million—far less than the contractor's target profit of $1 billion on the contract.

Section 117 is clear that the contractor's liability for corrective action may be less than the contractor's target profit only if you make the determination required by that Section. As you have made clear in your letter and your staff has made clear in its briefing of my staff, you have made no such determination.

Your December 20, 1991, letter contends that the warranty provision negotiated by the Air Force meets the requirements of Section 117 because the warranty cap applies only to two of the three categories of contractor-caused defects—design and manufacturing defects and failures to meet essential performance characteristics. Contract liability for the third category of defects—defects in materials and workmanship—is unlimited.

This argument is inconsistent with the plain requirements of Section 117, which states that you "may not negotiate exclusions or limitations on the prime contractor's financial liability for the cost of corrective action for defects under section 2403(b) [of Title 10]" without making a waiver determination. Defects under section 2403(b) include all three categories of contractor-caused defects—not only defects in materials and workmanship, but also failure to conform to "design and manufacturing requirements" and meet "essential performance requirements."

The warranty provision negotiated by the Air Force places significant limitations on the contractor's liability for the cost of correcting contractor-caused defects. This limitation would—in many, if not most, circumstances—result in the total of such liability being less than the total of the contractor's target profit. Accordingly, I can only conclude that the Air Force is not in compliance with the requirements of Section 117.

Thank you for your attention to this important matter.

Sincerely,

CARL LEVIN.

Mr. LEVIN. Mr. President, I thank the Chair and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GLENN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL ENERGY SECURITY ACT

MOTION TO PROCEED

The Senate continued with the consideration of the motion to proceed.

FEDERAL AGENCY ENERGY EFFICIENCY AND MANAGEMENT AMENDMENTS

Mr. GLENN. Mr. President, I am not sending to the desk for consideration, but I have filed at the desk four amendments that I would like to discuss for a little while, even though we cannot bring them to a vote at this point. But I would like to discuss them, and at the appropriate time I will ask to have these accepted as part of the energy bill.

Mr. President, the four amendments that I have proposed will promote far greater energy conservation and efficiency with the Federal Government. Certainly, no one can disagree that the Federal Government should be taking the initiative in setting the standards and setting an example for the rest of the country on energy conservation and efficiency.

Mr. President, I ask unanimous consent that Senators KOHL and FOWLER be included as cosponsors of this amendment when it is apropos for it to be considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, I have long been involved in promoting energy research and development. It is essential both for our competitiveness and environmental protection to develop technologies which improve efficiency and conservation in our Nation's energy use.

Every gallon saved, every dollar saved on energy the Federal Government spends or consumes is a dollar saved for the taxpayer. Certainly, we have been too long in arriving at emphasizing this with Federal uses.

It is my responsibility as chairman of the Senate Committee on Governmental Affairs to oversee the management, efficiency, and operations of the Federal Government. That is a broad mandate. To this end, I have been very concerned about how effectively and efficiently the Federal Government manages its own energy.

Last May, I introduced legislation, S. 1040, designed to improve energy conservation and efficiency within the Federal Government. Our committee held a hearing on this measure on May 14 and reported out the bill on August 2.

I am pleased to say that the amendments I am about to offer incorporate almost all the provisions from my original bill. These amendments are designed to restore some effective management and accountability to the Federal Government's energy costs and consumption, and put some punch back in the Federal Government's investments in energy efficiency.

The amendments also seek to ensure that the Federal Government becomes a leader in the acquisition and use of energy efficient products and technologies. The Federal Government spends $9 billion a year on energy to manage its own facilities. I repeat that: We spend $9 billion a year on energy just to manage our own facilities.

The Office of Technology Assessment's report on this subject that I requested estimated that the utility bill for the Federal Government could be cut by some $9 billion a year; could be cut about 10 percent, grand total, if cost-effective but commercially available energy conservation measures were implemented in Federal buildings.

This does not require new research. This does not require new activities. It just means doing things that many other people do to conserve energy in their own homes or their own businesses, and we have for too long not done, at the Federal level.

When Old Man Winter rolls into Ohio, the monthly utility bills of my fellow Ohioans go up. And when these costs rise, many households respond by doing a lot of very simple and sensible energy saving improvements, like weatherizing and caulking windows, cleaning heating vents, taping the pipes on the water heater, turning down the thermostat at night, installing energy efficient insulation, and if you have a pet, even sealing the dog or the cat door. While these steps are but small, they all add up to the fixed savings in the monthly fuel bill.

Unfortunately, however, the Federal Government is the Nation's largest single energy consumer, spending over $3½ billion per year just to heat, to cool, or to power buildings. It does not seen to exhibit a similar concern over cost.

In short, we are not sure who, if anyone, is watching the Federal energy meters. If the truth be known, the Federal Government did make some headway in cutting energy use between 1975 and 1985, but now, regrettably, it is on an energy binge again, it seems, in spite of a modest congressional mandate to achieve a 10-percent reduction by 1995.

This disappointing news is borne out by an analysis done by the Alliance to Save Energy, in the Department of Energy's recently released 1990 report on Federal energy management. Let me give you some examples.

Federal building energy use has actually increased by almost 2 percent since 1985. Now, that may not sound like a big deal, 2 percent. But the Alliance estimates that, had the Government made a serious effort at attaining energy reduction goals outlined by Congress, we could have saved some $350 million in energy costs in just 2 years, in 1989 and 1990 alone.

Since 1985, the consumption of electricity in Federal facilities has increased by almost 13 percent. Electricity now accounts for two-thirds of the energy costs in Federal buildings.

Total Federal building energy costs shot up more than $500 million in 1990, a 16-percent increase over 1989 levels.

Federal investment in conservation retrofits continues to be woefully inadequate. For instance, although DOD spends $2.7 billion on energy in its buildings in 1990, it dedicated—get this—$1 million to energy conservation retrofits.

Mr. President, that is less than $3 per building. We are talking about a bill of $12.7 billion on energy in 1990. And in spite of the guidelines already set down by the Congress, only $1 million to energy conservation retrofits; less than $3 per building.

Let me emphasize that last point again. When we are looking at enormous savings to be realized from improved conservation and efficiency measures, it is nothing too complicated. We are talking about relatively simple steps like replacing incandescent light bulbs with fluorescent lighting, retrofitting old building heating systems, shutting down computer systems at night, installing higher efficiency windows. Obviously, that takes some serious commitment and some up-front funding costs, but the potential paybacks that the taxpayers will reap are substantial.

Let me cite an example where a smart investment in energy conservation can save both money and energy. This may sound like a very small example, but bear with me and I'll show you savings the Federal Government can get out of this.

In all of the Federal buildings we have exit signs, the red signs that show people the way out. Most are lit by incandescent bulbs. Replacing these signs with newer, more efficient exist signs, that very simple step, which rely on light-emitting diodes, LED's, would cost about $70 per sign. However, LED signs would recoup their investment in just 1 year through savings gained by the lower energy and maintenance costs needed to operate the signs. Since LED signs have a life expectancy of 25 years, their installation would result in savings of over $1,500 per sign when compared to the cost of continued operation of an incandescent-lit sign over the same time period. That is a $1,500 savings per sign over that 25-year period.

Now, if the Federal Government can save that much by installing more efficient exit signs, something just as simple as that, imagine what the Federal Government could save by tackling more energy-intensive projects, such as retrofitting old boilers or updating air conditioning systems, or by the installation of energy management control systems, which are sophisticated, computer-controlled systems that electronically calibrate and operate a building's heating and lighting system. Why can't the Federal Government realize the huge savings energy efficiency has to offer?

The Office of Technology Assessment has identified several factors which inhibit this effort. Among them, a lack of coordination and accountability, low priority, few incentives, poor information, and inadequate personnel and monetary resources throughout the Government.

The amendments I am proposing today are aimed at addressing these persistent problems. They contain no magic solutions or no easy solutions, but rather, they represent a nuts and bolts program that will, hopefully, reestablish some direction, accountability, and efficient energy management practices within agencies and throughout the Government.

Before I give details on these four amendments, I stress once again that this is not anything magic, it is not something that requires a large R&D program, and it is not something that requires a big investment. It is mainly commonsense management of Federal buildings and energy management in those buildings, like most people do in their homes. In some respects, our people back home in Ohio, and in other States are leading the way, because their efforts save money on the monthly utility bills in both the wintertime or summertime. What the amendments basically say is, let us make the same commitment to energy conservation and efficiency at the Federal level. The Federal Government can save some $900 million a year, and with energy costs going up, that means pretty soon the Federal Government is saving $1 billion a year if we put some of these measures into action.

The first amendment comprehensively addresses energy consumption in the more than 500,000 federally owned and leased buildings. First, it would establish standards by which Federal agency spending on energy costs and energy efficiency and conservation will be monitored.

It designates a new and ambitious goal for agencies to install in all Federal buildings by January 1, 2000, all energy conservation measures with payback periods of less than 10 years. In other words, those that would add the greatest savings the soonest are the ones that the Federal Government should concentrate on.

The amendment authorizes $50 million and provides guidelines for the Secretary of Energy to transfer up to $1 million per project to encourage other Federal agencies to undertake energy efficiency upgrades.

It requires that the Federal Government, through the General Services Administration, identify and purchase energy-efficient products and services, thus helping to stimulate general market demand in this growing industry.

It clarifies agencies' authority to accept utility rebates for energy efficiency programs as well as authorize the creation of a cadre of trained energy engineers to tackle the most energy wasteful buildings.

My amendment sets up an incentives program to reward Federal agencies and employees who undertake conservation and efficiency improvements in buildings that yield substantial savings in taxpayer dollars.

It also provides for regional energy management planning conferences where Federal, State, and local authorities can share the latest data on energy-saving ideas and technologies and cooperate in efficient energy management planning.

That is my first amendment.

The second amendment sets criteria for the expanded use of alternative fuel vehicles by the Federal fleet. As some of my colleagues are aware. GSA has just purchased over 3,000 cars, vans, and pickups that operate on methanol and on compressed natural gas. This is the largest Federal procurement to date of alternative fuel vehicles, and I praise GSA for moving aggressively in this direction.

This amendment contains important management guidelines on how these vehicles are to be integrated into the Federal fleet, as well as contains incentives to encourage their use by Federal agencies and employees. These guidelines and incentives are especially critical given that management of the Federal fleet is decentralized, and the fleet itself is spread across the whole Nation. Alternative fuel vehicles incorporated into the Federal fleet will spread out over our whole country, not just placed in one locale. Because of these factors, increased Federal procurement, placement, and operation of Federal alternative fuel vehicles, will present agencies with many logistical and management challenges.

My third amendment will expand and improve DOE's renewable energy and energy efficiency program, which focuses on some of the Nation's most promising energy research and development projects.

Together, these three amendments attempt to address the problems I have mentioned concerning the Federal Government's use of energy, and I have one other amendment that I would like to discuss. This amendment would authorize the General Services Administration to enter into contractual arrangements with private companies to allow for the fueling of Federal alternative fuel vehicles, should publicly available facilities not be convenient or accessible. That has been one of the problems with alternative fuel vehicles, there is not a methanol pump, or compressor, or battery recharger, at every location where people may want to fill up with compressed natural gas tank, methanol, or other fuel in their alternative fuel vehicle.

S. 2166 contains language to encourage GSA to display its alternative fuel vehicles at facilities that are open to the public. This is to help acquaint the public with alternative fuels and encourage the development of publicly available commercial fueling infrastructure. I support that initiative. In fact, the language in S. 2166 is similar to what I originally proposed in my bill, S. 1040.

However, many of the demonstrations of alternative fuel vehicles, particularly those involving compressed natural gas and electricity, going on around the country are utilizing centrally located fueling facilities that are not yet open for public use. Rather than not locating alternative fuel vehicles in these regions, or not buying certain types of alternative fuel vehicles, GSA should be able to enter into fueling contracts with local utilities so it can purchase a diverse mix of alternative fuel vehicles and place them in several areas across the country. This amendment gives them that authority.

Mr. President, I certainly hope my colleagues will support these amendments. I believe that they have been cleared on both sides of the aisle. While the Senate cannot bring my amendments to a final vote at the moment because of the parliamentary situation on the floor, I will at a later time ask that this discussion be included as the preface to consideration of those amendments when they are brought up for a final vote.

Mr. President, I look forward to working with my colleagues and with the Energy Committee to make these effective Federal energy management proposals a reality.

I want to also thank the floor managers of the bill, Senators JOHNSTON and WALLOP, and their staffs, for working with me to adopt these amendments and I very much appreciate their efforts in this regard.

I close by saying that I think we have been remiss for a great number of years in not pushing better Federal energy management because it can result in big savings of taxpayer dollars. Just these proposals, OTA estimates, will save taxpayers somewhere around $900 million a year. Even if we only safe half of that, it is certainly well worth the effort, and something I think we are long overdue in stressing.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Louisiana [Mr. JOHNSTON].

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the debate with respect to these amendments be placed in an appropriate place in the RECORD, once we get on the bill in connection with these amendments, when and if, as we expect, they are brought up for consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The statement of the Senator from Ohio will be placed in the RECORD at an appropriate place as requested.

Mr. JOHNSTON. Mr. President, we strongly endorse these amendments which represent not a few days of work but many months of work and discussion with the distinguished Senator from Ohio, his excellent staff, of this committee as well as the staff members of our committee, and Senators from our committee.

Mr. President, energy efficiency matters and conservation are easy to talk about in broad-brush terms but are very difficult and very painstaking and very detailed to bring to fruition, to have something that really works.

What the Senator from Ohio and his committee have done is to put together a framework for action with respect to energy efficiency and conservation that will reinvigorate the Federal Government's efforts to achieve the full energy efficiency potential.

Both the Office of Technology Assessment and the Alliance to Save Energy have completed reports identifying the substantial opportunity that exists to improve the Federal Government's energy efficiency. OTA estimates that the Federal Government spent nearly $4 billion in fiscal year 1989 for energy in Federal facilities. They further estimate that the cost effective improvement could save as much as 25 percent of that cost, or a full billion dollars, without any sacrifice in comfort and productivity. So what the Senator from Ohio has done with these amendments is put together a framework to save, we hope, as much as a billion dollars a year from energy efficiency and conservation.

Mr. President, we strongly approve this amendment and look forward to its incorporation in this bill.

The PRESIDING OFFICER. Who seeks recognition?

The Chair recognizes the Senator from Colorado.

Mr. WIRTH. Mr. President, I listened with interest to the amendments being discussed and offered by the distinguished Senator from Ohio. And there were a couple of places there where I had questions and may want to offer second-degree amendments.

One of those relates to the potential for the private sector to come in and make a contract with a Federal agency for energy efficiency, in doing so to have the private contractor come in and provide the capital for making that Federal facility more efficient, and in return for that the private entrepreneur coming in would be able to recoup some of the savings that came out of making that building more efficient.

This is a standard procedure in the private sector. If you are an office building owner in the private sector, you make a contract with an energy efficiency firm. That energy efficiency firm comes into your building, puts in the efficiency improvements, and recoups the energy savings from those efficiency improvements. So you are better off as a building owner because you are paying less for heating, and there is a return that comes to the private sector person who puts those improvements in. It is a win-win situation.

We had originally developed that incentive program in this legislation related to Federal buildings as well, so that the Federal Government could take advantage of the same kind of incentive and save energy, particularly at a time when we are constrained with capital at the Federal level. Let the private entrepreneur come in and do the same thing with the Federal Government that we had with the private sector.

It is my understanding that that provision which had originally been one of our Federal energy management titles has now been knocked out because the argument was made that the Federal Government under the procurement laws is not allowed to do this.

What I would like to do is just to notice the fact that we are trying to work this out with Senator GLENN's committee to make sure that in fact this very cost effective incentive program for the private sector saving energy for the public sector can remain in the law and we can figure out how to do that, given other procurement rules in the public sector which will preclude this. We are sort of between the rock and hard place.

This kind of energy savings is a good idea. We have a set of laws, apparently, which says you are not allowed to do this. We want to try to figure out how to combine that and neutralize those laws and allow this kind of incentive program for saving energy in the public sector.

I just wanted to rise at this point to notice that we may have a second-degree amendment coming up with the first of the Senator's amendments, the first one he described that relates to this very set of issues.

Mr. GLENN. Mr. President, will the Senator yield?

Mr. WIRTH. I am happy to yield.

Mr. GLENN. The Senator is correct in making this point because if we can work out some of the difficulties in the Federal procurement law which require competition in contracting, competitive bidding, and other provisions, if we can work out some of these difficulties, then I think Senator WIRTH's proposal makes a great deal of sense. We have not been able to work those differences out yet. The staffs are still working on it.

If we can reach agreement, this proposal would not require as great a Government investment, No. 1, and we would get the same benefits over a period of time because while the contractor comes in and gets his money from a payback in future energy savings, then the Government is left with more energy-efficient buildings, more energy-efficient services beyond that and then much of the savings recur completely to the Government. If we can resolve these differences and still have them comply with our competition in contracting laws, then I am all for this. That is what we are trying to work out now.

I think the distinguished Senator from Colorado is very proper in pointing this out, and I hope he works something out on this when we finally get around to considering the actual amendment on the floor. Right now, of course, the parliamentary situation is such we cannot consider any amendment or second-degree amendment at this moment.

Mr. WIRTH. Understanding that, I know that our staffs have been working at it for the last day or so. We might be able to do this by the time we get to this bill. I hope we can have action on these amendments. If not, maybe we can take a little more time and get the assurance of the Senator that if we need a little more time we might get a little more time, and to see if he can come to a sensible resolution of this which I think we both want to arrive at.

Mr. GLENN. I hope we can work things out. If we can do it by this afternoon, fine. I hate to see other amendments delayed because of this.

Mr. WIRTH. I suggest we not act on other amendments although I did have a question on that, if I might.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado retains the floor.

Mr. WIRTH. I wanted to comment briefly on another one of the Senator's attempts.

Mr. JOHNSTON. Will the Senator yield on this point?

Mr. WIRTH. I am happy to yield.

Mr. JOHNSTON. Mr. President, I thank the Senator for yielding. I strongly share his enthusiasm as well as that of the Senator from Ohio for the second-degree amendment which he just discussed.

The advantage of the proposal, which he points out, is not only that you do not have to invest the Federal Government's money up front, but there is a measurable and palatable amount of savings which is the trigger for the payment to the private sector company.

One of the biggest problems in energy conservation and energy efficiency is you never could measure what it is you were doing. There are a whole series of good things that we do, but we never know whether they do any good or not.

Under this kind of private sector initiative, the private sector company does not get paid until and unless it produces a measurable, certifiable, meterable amount of savings. So it seems to me there ought to be a way that we can work that out consistent with our contracting laws. I hope we can because I think it is one of the most helpful kinds of ways to save energy.

I thank the Senator for yielding.

Mr. WIRTH. I thank the distinguished chairman of the committee and I thank the Senator from Ohio. I hope we can work this out.

If I might add one question on I believe the third amendment which the Senator is offering related to GSA purchase of natural gas vehicles. It is my understanding that in the law now we have a requirement for the purchase of 3,000 alternative-fueled natural gas vehicles. I think that that is the figure that is in the legislation now.

I am struck by the fact that only last week the State of Texas, one State, announced that it was going to move into a purchasing plan of 12,000 alternative-fueled vehicles. Now here we have one State moving a lot more aggressively than we are at the Federal level for the GSA, and I think that there may be room here, I am not sure if this is the appropriate amendment or if it is the place, I am not sure whether the Senator's third amendment on GSA fueling of GSA alternative-fueled fleets sets in. I think there may be a time when we want to go back and address the level of purchasing by GSA, given how rapidly this market appears to be moving, and to try to encourage GSA to move more rapidly than so far in the legislation.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. WIRTH. I am happy to yield.

Mr. JOHNSTON. I invite the Senator's attention to page 21 of the bill which deals with Federal fleets and the purchase requirements, 10 percent beginning in 1995, moving up to 90 percent by the year 2000. We are working with a number of groups and with the minority to try to accelerate that schedule. From my standpoint, I would like to accelerate it and I do not know the state of play with our friends on the minority but I am hopeful that we can, and I hope the Senator from Ohio would want to accelerate that.

Mr. WIRTH. It would be my hope that we might do that. It seems to me we have an enormous opportunity right now. And, again, this market I think is moving very, very rapidly.

Mr. GLENN. Will the Senator yield?

Mr. WIRTH. I am happy to yield.

Mr. GLENN. One of the problems is finding a place to refuel. You cannot just wheel into any service station and get filled up with natural gas. And so Texas may have an advantage in that regard in that they may have more refueling spots right now to absorb greater demand. Increasingly, the use of alternative fuels is going to require building an infrastructure all over the country where people can actually refuel with compressed natural gas in order to keep going.

In Washington, I believe we only have one spot in town. I asked about this a short time ago. There is one service station here in Washington that offers compressed natural gas. Obviously we need to continue building more infrastructure and I hope we can do that in very rapid fashion.

Let me add a personal note. My distinguished colleague from Colorado, and I was at a meeting with him not long ago in Colorado and he drove up in his own vehicle which is an alternative-fueled vehicle. And I believe he told me at that time of his work on compressed natural gas, which he has had for some time. So he is not only interested in putting these things into place for the Federal Government, but he has also made a personal commitment by driving his own alternative-fueled vehicle when he is back home in Colorado. I want to compliment him for that.

Senator WIRTH has been a leader in this particular area, and has talked long and hard to all of us about the need to increase the use of alternative fuels. He does not need to convince me. I already was convinced. But he has taken a lead in this in a personal way.

Also I do not know whether any other Members of the Senate here actually own and drive on a regular basis their own alternative-fueled vehicle or not. I know Senator WIRTH has taken a personal interest in this and is getting some experience with his own vehicle. I want to compliment him on his initiative this morning also.

Mr. WIRTH. I thank the Senator from Ohio.

The issue of distribution systems is a very important element of this. In a way, this is sort of the chicken and egg situation. If you do not have the vehicles, obviously you do not have the distribution system. If you do not have the distribution system you cannot fuel the vehicles.

I think if we know this is being done, I think there will be this demand there. If you look at what is happening in Texas, look at what we might be able to do to accelerate GSA, obviously that is going to illustrate the fact to distribution companies that the demand is going to be there. I think that will grow quickly.

That has already happened in the Denver metropolitan area where I think 2 years ago we only had 2 sites where you could refuel with natural gas. Both of those were owned by the public services company who has done their own refueling, as has the Cherokee school system. Then the natural gas community got together and we now have within the commuting distance from my home in Boulder to Denver, back and forth along just that route, 13 places where I can refuel my vehicle. It is very, very convenient. That has happened rapidly.

And the point that the Senator makes in, I believe, his third amendment about the infrastructure is so terribly important, and having that publicly available is very important as well. So that if the Government is going to refuel, have it be done in a public place so that you do not have to go to the public service company, or go to the GSA motor pool place, but the public can go to the Texaco station or Mobil station or whatever it may be. So I think that is a constructive amendment that the Senator is offering and we hope we can push that demand a little more rapidly.

I yield the floor.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Let me make one further comment and further personal observation on alternative fuel use.

Back a couple of years ago, my wife and I had occasion, about Thanksgiving time, to drive a car to the west coast that our son wanted in San Francisco. So we had a short vacation and drive across country, which we had not done for many, many years. It was a most enjoyable trip.

But that is not the point of my discussion this morning. The point is, when we got, I believe it was, to about western Indiana or into Illinois, at every station we stopped there was a pump that had an ethanol-gasoline mix, a 10-percent blend. And those blends were available at stations almost clear through to the west coast.

Now I do not know—in fact I never really looked into this after I got back as I had planned to—but I do not know why in the Eastern parts of the United States, where a large part of our fuel consumption occurs, that gas stations do not have present the 10-percent ethanol-gasoline mix that seems to be available in both the Midwest and the West, at least on the route that we were driving across country. I do not know whether this is due to resistance from the oil companies or what the problem may be.

But I know this country is producing a lot of ethanol in southern Ohio, in a plant there at South Point, that I believe was originally scaled up to take some 24 million bushels of corn a year and convert it into ethanol to be used in a gasoline mix. That mix even has some emission benefits over traditional gasoline.

Now that is just a personal observation again from that one cross-country trip I rode a couple of years ago that this type mix seemed to be available at almost every gasoline station we stopped at all the way to the west coast but is not available yet, certainly around the Washington, DC, area, nor do I believe that it is common in other parts of the east coast. When I pull into gas stations here or in Ohio, I see that they do not offer ethanol-gasoline blends. So maybe that is something we need to encourage also as we move to greater use of alternative fuels in the transportation sector.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition? In the absence of any Senator seeking recognition, the Chair, in his capacity as a Senator from Virginia, notes the absence of a quorum.

The clerk will call the roll.

Legislative clerk proceeded to call the roll.

Mr. KOHL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KOHL. Mr. President, I rise to support the amendment offered by Senator GLENN, of which I am a cosponsor, and to offer a second-degree amendment to the Glenn amendment.

The PRESIDING OFFICER. The Chair reminds the Senator that under the current provisions, that amendments have not been offered formally, but the Senator is certainly at liberty to speak on the amendment.

Mr. KOHL. Mr. President, Senator GLENN has worked diligently to put together this comprehensive and commonsense amendment designed to make the Federal Government more energy efficient. I believe that this amendment, if enacted into law, will lead to tremendous improvements in energy efficiency throughout the Federal Government.

As Senator GLENN has explained, this is truly a problem in need of a solution. The Federal Government is both the biggest user of energy in the Nation, and the biggest energy waster in the Nation. That is a problem for several reasons: It wastes scarce taxpayer dollars; it causes needless harm to the environment; and it sets a very poor example to the private sector.

Mr. President, we all know that the biggest impediment to energy efficiency is the fact that it takes money to save money. Improving energy efficiency requires up-front capital investment in energy-saving systems and technologies. And in these days of tight budgets, the administration and the Congress are reluctant to make those investments. In 1990, the Federal Government invested less than $50 million in energy conservation measures, compared to over $250 million annually during the late 1970's.

But I am here to argue that if we want the Federal Government to run more like a business, then we have to start taking a long-term approach toward Federal spending. In other words, we have to make smart investments in proven energy efficiency technologies which we know will more than pay for themselves in a short period of time.

President Bush, to his credit, signed an Executive order on April 7, 1991, that mandates new energy conservation measures in Federal facilities. He directed all Federal agencies to reduce overall energy consumption in Federal facilities by 20 percent by the year 2000. If accomplished, that could save the American taxpayer $800 million in annual energy costs. It could cut Federal consumption the equivalent of 100,000 barrels of oil per day.

But the President's Executive order is meaningless unless we commit the resources to back it up. It is one thing to say that we are going to reduce the Federal Government's energy bill. It is another thing to invest the resources necessary to meet our goal. The beauty of this type of Federal spending is that over time, it will end up actually saving taxpayers dollars by lowering energy cost over the years.

That is why I am offering a second-degree amendment to the Glenn amendment. My amendment increases the funding authority for expenditures on energy efficiency improvements in Federal buildings and facilities. The original bill and Senator GLENN's amendment would establish a fund at DOE for investment in energy efficiency, but it is only authorized at $50 million a year. This amendment increases that amount to $200 million a year, because the more we spend on smart energy investments, the more we will save. I remind my colleagues that $200 million is still less than we were spending on energy efficiency in the late 1970's.

I originally became interested in this issue because a company in my State, Johnson Controls, has been involved in finding ways to reduce Federal energy consumption. I worked with Johnson Controls to develop legislation creating a Federal energy efficiency bank, a self-financing fund in the Government to fund energy-efficient investments. I will continue to push ahead on that measure. In the meantime, I am offering this amendment to get the ball rolling.

If enacted, I am hopeful that Federal agencies and the OMB will aggressively invest in energy efficiency. And through oversight, I will carefully monitor the expenditure of these funds, to ensure that we are making the most cost-effective investments in energy efficiency.

I understand this amendment has been cleared on both sides of the aisle, and I thank the comanagers of the bill, and Senator GLENN, and I urge adoption of my amendment.

Mr. JOHNSTON. Mr. President, we think this amendment is a good one. We would support it. By increasing the funds available for this energy conservation purpose, we think we increase the energy security of the country. Therefore, we are prepared to accept the amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that Senator KOHL's remarks, as well as my remarks, be placed in the RECORD later when and if the Kohl amendment is offered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. Mr. President, I ask unanimous consent to proceed for 8 or 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

OUR ECONOMIC PROBLEMS

Mr. GORTON. Mr. President, American taxpayers' blood is once again being spread on the waters and the congressional sharks are gathering for their annual feeding frenzy with tax cuts and deficit spending. As usual, the sharks are circling and the intended victim cannot get out of the water fast enough.

In the view of this Senator, if legislation is enacted like that outlined on the 21st of January by the majority leader, this fictional solution to our economic problems—tax cuts financed by a huge reduction in defense spending and further deficit spending—will only add to the structural problems with which this country is faced and make tomorrow's solutions that much more difficult to adopt.

The basic causes of the current recession are excessive Government spending, excessive Government regulation, and the lack of meaningful incentives to invest and create jobs. Congress should take its cue from private businesses and individuals, not from its own history of taxing and spending. The private sector of the economy and individual Americans are reducing their debt load, not increasing it. For example, consumer indebtedness rose to an all-time high between 1982 and 1989. Since that year, however consumers have erased 40 percent of that increase in debt. Congress should follow this lead by reducing the Government's spending policies to reduce the deficit.

Congress should also follow the President's lead. The President has ordered all agencies to review their regulations to determine if legislative goals can be met with less burdensome regulations. This Congress should pass legislation quickly, legislation aimed at reducing regulatory burdens that unduly inhibit economic growth and job creation.

For these reasons, I listened to the Senate majority leader's remarks on January 21 with genuine sadness. Mr. President, it seems to me that it is business as usual in the Nation's Capital.

From my rough calculations, the 20 or so programs the leader discussed passing in the name of righting what is wrong with this country's economy will cost about $300 billion over the next 5 years. That is $3 of new spending or lost revenue for every $1 of defense spending which he proposes to cut, without regard to the impact of those cuts on our Nation's security.

Has not the leader read that this country's deficit this year will be more than $300 billion? His approach will add $60 billion a year to that deficit for the next 5 years.

Mr. President, how can sending us even further in debt correct what is wrong with this country?

I support the counter agenda many of the Members on my side of the aisle to many of the leader's agenda items for 1992. I support middle income tax cuts especially targeted for families with children. I support efforts to spur investment in this Nation's private sector.

I do not believe in, and will not support, the initiatives offered by the majority leader as a panacea for everything which ails the economy. I have listened to my constituents in Washington State and they do not believe that this package of business as usual will provide much help either.

The focus of these bills is not targeted toward and does not insure attaining the two goals important to economic recovery: Deficit reduction and regulatory relief.

First, the majority leader proposes to grant modest tax relief to the middle-income Americans. While he did not flesh out the concept in his speech, I assume that the leader's plan is similar to that of Representative ROSTENKOWSKI providing a $200 to $400 tax credit for each dependent child.

This Senator is a cosponsor of several bills introduced by the distinguished junior Senator from Indiana which have the same goal, reducing the burden of taxes for middle-income families. The problem I have with the leader's plan is that its stated goal is to "move the economy out of recession and return to growth and job creation, and expansion."

I must disagree with the majority leader; $200–$400 for every child of a middle-income family is a good thing, but it will not lead the country out of recession.

As every Senator, every economist, and every American realizes, a dollar a day will not end a recession.

The Democratic leadership needs to realize that this recession was caused by spending and by debt. Getting this country moving forward again can only be accomplished by reducing the Government's drag on saving and investment by lowering the deficit and reducing the Government's regulatory drag on America's businesses so they can create and retain more jobs.

Second, the majority leader advocate creating a better climate for this country's business through a temporary investment tax credit. Most economists warn, however, that temporary programs like that one only distort spending and investment decisions precisely because they are temporary.

Here also, this Senator is a cosponsor of Republican legislation whose aim is a more healthy and receptive climate for business in this country.

This Senator cosponsored the Kasten-Mack Economic Growth and Venture Capital Act of 1991. This bill reduces the capital gains rate for long-term investment to a top rate of 15 percent. This Senator believes a capital gains tax cut will provide long lasting and permanent benefits to the economy. It will create jobs for people who need them; its opponents, however, prefer the rhetoric of class envy to real growth and jobs.

As the distinguished senior Senator from New Mexico pointed out 10 days ago, most fiscal remedies to past recessions have come too late and have added virtually nothing to the recovery. If the majority leader's plan is enacted on the timeline most expect, the fiscal remedy of the Democratic leadership will be no different—except that it will not only not help, it will hurt by piling more debt on top of the insupportable burden we already carry.

Finally, the members of the majority party themselves cannot decide about tax relief versus extra spending. Both Senator KENNEDY and Senator BYRD argued, contrary to the majority leader, on the floor on January 21 that spending significantly more than any planned defense cut was the only way to get this country out of the recession. Senator KENNEDY and Senator BYRD do not even pretend to believe that middle-income individuals need relief from the burden of taxes imposed by their own party.

The majority leader, and many of his Members have lost focus on why we are even talking about tax cuts. In the abstract, it is certainly appropriate to state that this country cannot afford tax cuts. Our budget deficits are headed into the stratosphere. Because of the dire straits of the economy our constituents demand that Congress and the President work to stimulate the economy.

But, while President Bush is trying to stimulate the economy, many of his opponents are complaining about fairness. They prefer the politics of class war to providing a real stimulus for the economy. The President's proposals are about creating jobs for unemployed Americans. The Democratic proposals are about splitting this country apart by pushing policies which cause the country's economic pie to shrink.

Mr. President, I can enthusiastically vote for programs which help our middle-income families by increasing the incentives to save and invest and reward risk and get the country's economy going. I will not participate in the fantasy that the majority leader's program, or that of his free spending compatriots, will get this country's economy going again. And getting this country going again is what my constituents are demanding, and what I believe this Congress should do.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware [Mr. ROTH].

Mr. ROTH. Mr. President, I ask unanimous consent to speak as though in morning business, and that this statement be included as a part thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Delaware is recognized.

Mr. ROTH. I thank the Chair.

(The remarks of Mr. ROTH pertaining to the submission of Senate Concurrent Resolution 90 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

Mr. ROTH. Mr. President, I yield back the floor.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KERRY). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to address the Senate as if in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Iowa is recognized.

Mr. GRASSLEY. I thank the Chair.

(The remarks of Mr. GRASSLEY and Mr. MCCONNELL pertaining to the introduction of S. 2180 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. MCCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ARMS PROLIFERATION AND CHINA

Mr. MITCHELL. Mr. President, in his State of the Union Address last week, President Bush hailed the close of the cold war era and told Americans that communism was defeated.

We all wish that his words reflected reality, but of course they did not. One-fourth of all of the people in the world still live under communism. Those human beings suffer the repressions of Communist regimes every bit as repugnant as that which dominated the Soviet Union for so long.

The Chinese people still face arbitrary arrest and detention without charge. In the words of our own State Department—this administration's State Department—the Chinese ruling regime is, "a closed inner circle of senior leaders," not a domocratically elected government. Those leaders hold their power through a vast security apparatus which uses torture, arrest, detention, and brutality to remain in power.

The governing circle of Chinese leaders preserve their prerogatives by silencing all opposition. Their opponents, whether young students seeking a freer life or humble workers and peasants, are relegated to prison camps, labor camps, and reeducation camps closed to international inspection.

Religious repression continues apace; Catholic, Protestant and Buddhist believers alike are subject to intimidation and arrest. The cultural genocide against Tibet has not slowed. The steady brutalization of a people and the eradication of an ancient culture continues today in Tibet. Political prisoners toil in labor camps and prison camps when they do not languish in sealed cells. Only rumors reach the outside world of one prisoner suffering a broken arm as guards tried to force-feed him; of others trying to mount a hunger strike when our own Secretary of State, James Baker, paid an official visit to the regime which is their jailer.

In every respect, the Communist Government of China imposes its will by force on a helpless people. The ugly reality of Chinese human rights abuses has once again been documented by our own State Department, confirming the reports from Chinese exiles and other observers. The Department of State reports that Chinese respect for the most basic, fundamental human rights still falls "far short of internationally accepted norms."

So the President's celebration of the end of communism is premature. So long as a billion of our fellow human beings suffer under a communist, tyrannical regime, we cannot comfortably assert that freedom has won worldwide and that human rights are secured.

What is most disturbing, however, is not just that the President's speech ignored the reality of repression now facing a billion people. What is most disturbing is the policy he has pursued since the tanks rolled over unarmed demonstrators in Tiananmen Square—the policy he still pursues today. That policy is a failure.

The President has followed a lenient policy toward the butchers of Tiananmen Square. He says he has done so because it would be wrong to isolate China. But it is not a question of isolation. No one wants to isolate China. It is a question of disapproval of China's actions. Our revulsion at the killing of civilians does not create disapproval of China's actions. It is the killing of innocent people by China's Government that causes the disapproval, indeed the revulsion, of the world.

The first official meeting between an American President and the Premier of China, an event that will help reestablish the legitimacy of this regime in the world community, underscored the dismal failure of the President's policy.

Even as President Bush sought to bring human rights concerns to the attention of the Chinese Premier, he was soundly rebuffed and told that the internal affairs of China are none of America's business.

Premier Li Peng said publicly at the Security Council meeting that, "China is opposed to interference in the internal affairs of other countries using the human rights issue as an excuse." Secretary of State Baker confirmed that Premier Li Peng said substantially the same thing to President Bush privately.

Before the Security Council meeting, I joined several of my colleagues and sent a letter to the President urging that he not meet with the architect of the Tiananmen Square massacre.

The President chose otherwise. The result, as one of the Nation's leading papers reported, was a snub administered to the leader of the world's freest nation by the leader of its most repressive nation. This is not a policy that can or should command the support of Americans.

This latest setback comes after more than 2 years of assurances by President Bush that his policy will produce improvements in human rights, improved trade conditions, and the emergence of China as a responsible nation in the world community.

Yet none of these results has been forthcoming—not one of them. The Chinese record on human rights is as abusive and arrogant as ever, as just last week documented by the President's own Department of State.

Premier Li told the U.N. Security Council that, "A country's human rights record should not be judged in isolation from its history and culture. * * *" Consider that statement. A suggestion that Chinese history gives the current leaders a dispensation to violate human rights is offensive. Internationally recognized standards of human rights do not reflect history—they reflect our aspirations for a future free of governmental terror.

The Chinese record on trade remains abysmal. Despite free access to American markets for Chinese products, American producers do not enjoy equal free access to Chinese markets. By the end of the year, the United States will have racked up a $30 billion trade deficit with China, most of it since the massacre in Tiananmen Square.

Despite a belated admission by the President that China uses political prisoners and criminals to produce goods for the export market—forced labor—nothing has been accomplished in stopping such products entering the United States. The President's claim that the trade relationship with China is important reflects the perspective of China, not the perspective of the United States.

But it is in connection with the role of China as a responsible member of the international community that the administration policy has most obviously failed.

China today leads the movement in Asia to strengthen nonelected authoritarian governments while seeking economic growth to sustain them in power.

Chinese relations with Vietnam and North Korea have grown closer; China is a major arms supplier to the junta ruling Myanmar, formerly Burma, and Thailand, where a military coup dislodged an elected government a year ago.

Chinese patronage of the murderous Khmer Rouge in the Cambodian peace negotiations preserved the power of this genocidal movement. During January, Khmer Rouge attacks drove an estimated 10,000 Cambodian villagers from their homes. There is no evidence that China will try to stop a new Khmer Rouge rampage.

These are not the actions of a government interested in regional stability. These are the policies of a government determined to exert control over smaller neighbors and preserve totalitarian and tyrannical regimes as a means of solidifying its own power.

China's role in global arms proliferation is just as negative and blatant. Repeated verbal commitments by China to adhere to international regimes designed to restrict the growth of the arms trade have been abandoned.

Last June, the United States was forced to impose an export ban on high-speed computers and satellite parts to China when a secret sale of Chinese missile launchers to Pakistan was revealed.

During his visit to China last November, Secretary Baker urged the Chinese Government to abide by the 1987 Missile Technology Control Regime to prevent the proliferation of ballistic missile technologies to countries in the developing world. China's price was the lifting of the June sanctions.

So Secretary Baker agreed. By mid-December, the State Department was ready to lift the ban, but the Chinese failed to provide written assurance to back up their verbal commitment. And they have still not done so. Premier Li told President Bush he would get "a letter" on the subject sometime soon.

Yet, the day before the Premier met with President Bush, the New York Times reported that China is continuing to sell missile technology to Syria and Pakistan. The story reported that guidance units for M-11 missiles were sold to Pakistan, and 30 tons of chemicals to produce solid fuel for rockets were sold to Syria. It was reported that the Chinese have plans to deliver an additional 60 tons of chemicals to Syria this spring.

The gulf war should have warned all that widely dispersed ownership of medium range missiles represents a significant escalation in the ability of regional despots to threaten their neighbors.

The administration has repeatedly claimed that its top priority in shaping the security outlook for the new world order will be to prevent the proliferation of nuclear, chemical, biological, and ballistic missile technologies.

That is an appropriate security goal and one that has the support of all Americans. But a goal cannot be reached by policies that have the opposite effect. Yet, that has been the case with the administration's tolerance of China's arms and technology sales for the past several years.

Central Intelligence Agency Director Gates told Congress in mid-January that Iran's rearmament is proceeding with the purchase of battlefield missiles, cruise missiles, and nuclear technology from China.

It does not take a great deal of imagination to predict potential instability in the Middle East if the rearmament process in Iran moves it toward a nuclear capability.

Just last week, the Director of the Defense Intelligence Agency told the Senate Armed Services Committee that China "is currently assisting many of the nations that we estimate will acquire a ballistic missile capability by the end of the decade." China currently is assisting those nations.

Defense Secretary Cheney said, "They have"—referring to the Chinese—"in the past, on occasion, been less than scrupulous in their concern for maintaining control over that technology."

The Bush policy of placating the Chinese leadership in order to encourage the regime to become a more responsible member of the world community is a failure, a dismal failure. Yet, the president rejects the evidence so clear to all and to the watching world, and pursues the failed policy into deeper and more dangerous territory.

The recent developments with respect to the proliferation of missile technology and chemicals are serious and troubling.

I urge every Senator to seek and obtain a classified briefing from the Intelligence Committee about the extent and scope of Chinese arms shipments and their destinations. No Senator should make a decision on future policy with China without having received and considered all relevant information.

I hope Senators will take the time to become acquainted with the range of information that has been developed on this subject. It is not a matter that can be debated in open session, but it is a matter that has serious implications for our security and that of the world.

I hope that we can consider the China MFN legislation with all of the relevant facts in mind when it is called up. We have now given President Bush's policy more than 2 years to achieve its stated goals, and the President's own State Department has said it failed. It has failed.

I believe it is time to change that policy, and I believe that doing so is in the best interests of the United States and the preservation of a peaceful world.

Mr. President, I ask unanimous consent that three newspaper articles, one a column that appeared in the Los Angeles Times, a column in the Washington Post, and a column in the New York Times, all on this subject, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times]

BUSH RUNS INTO A WALL ON CHINA, AGAIN

(By George Black)

Li Peng, the Chinese premier, came to New York on Friday, and exiled Chinese students greeted him by erecting replicas of a tank and the Tian An Men Square Goddess of Democracy. This time around, the statue crushed the tank.

Li Peng's normal range of facial expressions covers the full spectrum from a scowl to a frown. But on this occasion he was no doubt encouraged by his PR advisers, Hill and Knowlton, Inc., to force a smile, since the Senate is once again poised to take up the controversial matter of renewing China's most-favored-nation trade status. Yet if the smile was pasted on at the start of the day, it was genuine by the end—for Li Peng knew that he could go home to Beijing with a briefcase full of photos of him shaking hands with George Bush.

The details of U.S. policy on China are controlled by the White House to such an extent that State Department officials joke that the President himself is their China desk officer. And when congressional critics of China try to attach conditions to the renewal of MFN—angered by Beijing's huge trade surpluses with the United States, its occupation of Tibet, its sale of missiles to Syria and Iran, or its brutal human rights violations—they are either silenced by presidential veto or cowed by the assertion that George Bush possesses some special expertise on the subject.

This all goes back to the time that Bush spent as envoy to the U.S. liaison office in Beijing from September, 1974, to November, 1975. Under the tutelage of Henry Kissinger, he learned two lessons: that China was a vital strategic counterweight to the Soviet Union; and that diplomatic dealings with the Chinese, who could turn the cryptic phrase into an art form, was best left to a handful of initiates freed from the constraints of democratic debate.

Bush found himself in Beijing during dramatic times. In company with Kissinger, he paid a call on the dying Mao Tse-tung, who was barely able to speak coherently. Deng Xiaoping, restored to grace after his earlier humiliations in the Cultural Revolution, was locked in a power struggle with the ultraradical Gang of Four. Bush pinned all his hopes on Deng as the leader who would bring much-needed stability to China. He prided himself on his personal rapport with Deng, and on his folksy, people-to-people approach to the Chinese. The Bushes' cook, he informs us in his autobiography, called him "Busher, who ride the bicycle, just as the Chinese do."

Since the 1989 Beijing massacre, Bush has shielded the Chinese government from the threat of sanctions His argument for constructive engagement is that Deng's economic reforms and trade with the West are steadily undermining communist authority, and that trade provides the framework of trust in which other issues of concern—such as human rights—can be discussed.

But as MFN renewal comes around again, what further reason is there to defer to the President? His "expertise," such as it ever was, has long evaporated. The argument for cultivating China as an anti-Soviet ploy died with the Cold War; the vision of Deng as the agent of political reform and guarantor of stability was buried in Tian An Men Square, and Li Peng continues to brush off any questions about China's human rights record as "internal interference."

The behavior of the leadership in Beijing suggests that U.S. policy may actually have managed to produce the worst of both worlds. The stream of high-level contacts that culminated in the visit of Secretary of State James A. Baker III to Beijing last November seems to have persuaded the Chinese that they need fear no threat from this Administration. Baker did not just come away empty-handed; he was publicly humiliated by Deng's refusal to meet him to receive a letter from Bush.

While benefiting handsomely from Bush's indulgence, much of the present Chinese leadership has an ingrained suspicion of the Administration's support for economic reforms, fearing that the end purpose of U.S. policy for the last 40 years has been China's "peaceful evolution" toward capitalism. (The restoration of capitalism in the former Soviet Union, of course, only lends credence to this view.) China is therefore vehemently opposed to any hint of a demand for concessions from a government that it might arguably see as its best ally.

Incredibly, George Bush gave the Chinese the ultimate plum: a face-to-face meeting in New York with Li Peng, the architect of the 1989 massacre and the most detested man in China. Li Peng's unaccustomed smile is all that has been given in return to Busher, who sometimes rides his bicycle into a wall, just as the Chinese do.

(George Black is completing a book on Wang Juntao and Chen Ziming, two leaders of the Chinese democracy movement.)

[From the Washington Post, Feb. 4, 1992]

REMEMBER THE LONE MAN IN THE WHITE SHIRT

(By Jim Hoagland)

Pictures do lie. The rehabilitation of China's Li Peng during a visit to Europe and America proves how thoroughly.

Think back to June 1989 and the Tiananmen massacre, which the Chinese prime minister personally organized, ordered and justified. Recall the indelible image conveyed by a photograph of a lone Chinese man in a white shirt halting a column of four tanks. Time magazine caught the thrill and wonderment inspired by that picture, which seemed to show the victory of spirit over steel:

"One man against an army. The power of the people versus the power of the gun. There he stood, implausibly resolute in his thin white shirt, an unknown Chinese man facing down a lumbering column of tanks . . . The state clanking with menace, swiveling right and left with uncertainty, is halted in its tracks because the people got in its way, and because it goes in theirs."

Except that the state wasn't halted, not even for a moment. After killing hundreds if not thousands of pro-democracy demonstrators on the streets of Beijing, it hounded students, union activists and anyone else who dared speak up for freedom into jail, exile or silence.

Today we have no idea if that man in the white shirt is dead or alive. Nor do we know what happened to the tank commander who disobeyed orders and refused to crush him on the spot. The standards of Li Peng's justice suggest that both will have paid dearly for their complementary acts of humanity and courage.

We do know 31 months later what has happened to Li Peng. The Soviet-trained, Stalinist-minded apparatchik who prevailed over the unknown citizen in the white shirt and millions like him is granted undeserved respectability by the powerful in the West.

Li Peng flew to New York Friday and met with President Bush, after stopping off in Switzerland to make a sales pitch to businessmen and officials gathered at the annual World Economic Forum. Four years ago, the star attraction of the Davos gathering (and the man America then saw as China's savior) was Zhao Ziyang, the reformminded ex-leader Li Peng keeps under house arrest in Beijing, under an implicit threat of death.

Li Peng's propaganda machine will publicize these meetings at home as proof that the West does not care about democracy in China. The Chinese will be told that all the West cares about is profit for itself and control in Third World countries, as good communists always said.

It is more complicated than that, of course, China exists and has to be dealt with. Bush and the businessmen argue—correctly—that it does no good to break diplomatic relations and to isolate China completely. They also argue that by pursuing contact they influence Li Peng to be more reasonable, more humane, more amendable to free market reform.

That is where the argument goes wrong. The choice is not complete isolation or complete acceptance. The choice is to use the contact with China that is necessary to extract meaningful concessions from rulers whose existence and control depend on being not reasonable, not humane, not amenable to reform.

But that is not being done. The gentle handling of Li Peng in New York and Davos shows that the Saddam Syndrome lives on.

The same arguments were made for years by the Reagan and Bush administrations, and by groups like the U.S.-Iraq Business Forum, to justify placating and defending Saddam Hussein as a potential force for moderation in the Middle East even as Saddam spelled out his murderous ambitions in speeches at home. By lulling those who listened to him, such contact served Saddam's purposes, not America's.

That is happening again in the case of China. Li Peng's regime has now lied repeatedly to the Bush administration, without paying any penalty. Every other month China pledges it will no longer export missiles and dangerous technology to the Middle East, just before a new shipment is discovered. The discovery is either denied by Secretary of State Jim Baker and his minions or used as the excuse for another trip to Beijing to extract another worthless pledge.

The reality is that the Chinese Defense Minister holds absolute power over the country's arms manufacture and export. The army ignores agreements made by the Foreign Ministry or even by Li Peng when they do not suit the army's purpose. Yang Shangkun, the titular president and former general, is building up a family dynasty to control the military and extend this arrangement into the future.

The indisputable economic explosion occurring in China's coastal provinces is also beyond Li Peng's control. Double digit growth rates in the south do not mean that the anti-reform forces now in control of Beijing have changed their ways. They mean the Stalinists do not have the ability to extend their grip over the entire country.

The benefits to Li Peng of his Davos and New York outings are clear. The burden is on those who granted him these benefits to show they dealt with him without illusions and extracted real change in his positions in return.

The world owes the man in the white shirt that much.

[From the New York Times, Feb. 4, 1992]

PRISONERS OF CHINA

(By A.M. Rosenthal)

SAN FRANCISCO.—President Bush knows the names of almost all of Communist China's leaders, an achievement that he takes as testimony to his expertise on China.

But does he also know the names of Chinese political prisoners who have their handcuffed hands ratcheted tight behind their backs, deliberately so tight that they cannot clean themselves after they have used the toilet bucket in their cells?

In San Francisco I keep wondering about that. And the other day when he shook hands with Prime Minister Li Peng, did he remember the names of any of the hundreds of young people shot dead at the time of Tiananmen Square in 1989—one?

That might have come in useful because it was Mr. Li, acting for himself and the rest of the Politburo, who had them killed.

Did Mr. Bush, or any of the American businessmen who met with Beijing's Prime Minister and decided he was a decent fellow, know the name of a single Tibetan Buddhist monk among thousands, tortured or killed by this decent fellow Li and his Government? One?

I think about this in San Francisco because I have been talking with Nancy Pelosi. She is a calm, determined person skillful in her job as a member of the House of Representatives.

Ms. Pelosi, a liberal Democrat, uses her calm, determination and skill to try to liberate the political prisoners—and to liberate this country and its President from a shameful China policy that has helped keep the prisoners where they are.

She is not alone. A majority of both houses of Congress have tried to change that policy by putting a pocketbook price on Communist viciousness in China.

The House approved a bill worked out by Ms. Pelosi and other members of Congress, both houses, both parties, left and right. The vote was a stunning, veto-proof 409 to 21.

The Senate approved action too, but pressure from the President and some Americans in the China trade blocked mustering a majority that could override a veto. Soon the Senators will try again, which is where their constituents can knock.

The bill has been streamlined and pared down but it is based on an idea Mr. Bush has rejected so far. That is to use the $15 billion trade balance in favor of China as a pressure point for freedom.

The Chinese owe that obese balance to convict labor and to American regulations that permit Beijing the "most favored nation" status—the lowest available tariff rates.

The bill says that to earn those rates in 1992, Beijing would have to free all Tiananmen prisoners; about 1,000 are believed to be still in the cells. And Beijing would have to stop lying and actually end the transfer of long-range missiles to Syria and Iran.

For all the rest, Beijing would simply have to show "progress" in granting free speech, press and religion in China and Tibet, in giving "assurances" that it is not selling nuclear technology around the world and in ending convict labor.

This "progress" provision is not tough enough to persuade today's Chinese Communist leadership to do anything in those fields but keep thumbing their noses at the United States. But it is being put that way to try to get enough Senate support to override a veto.

Still the legislation would be important for freedom. It would not really make decent chaps out of Mr. Li and the rest of today's Politburo. But they can count, and it might persuade them to release political prisoners as just not worth the bottom line.

Also: Waiting for the old leaders to die off are somewhat younger Communist chieftains. They are the usual Communist mixture of hard-liners and "moderates" who think they can preserve the system with rather less murder and imprisonment.

If the Senate can override a veto, tomorrow's Communist leadership might understand that there is a minimum price of decency to be paid for American quiescence and maybe even make some real "progress."

Readers say that I suggest so often that they phone or write the White House and their members of Congress that their fingers are weary. But I don't know any other way to counter White House and business pressure against a bill that would liberate the political prisoners of China, including the United States and its President.

Mr. MITCHELL. Mr. President, I yield the floor.

Mr. BUMPERS. Mr. President, I wonder if the majority leader, before he leaves, would be willing to extend the time for morning business. I need about 5 minutes, and I think the Senator from Washington needs 5 minutes. I think the present time is 10 minutes till 1. Will the majority leader be willing to extend that to the hour of 1?

Mr. MITCHELL. Yes, I will do so. I remind my colleagues that the business meeting in the caucus will begin at 1, so I hope my colleagues will be present.

Mr. BUMPERS. We can conclude at 5 till.

EXTENSION OF MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the period for morning business be extended until 1 p.m.

The PRESIDING OFFICER (Mr. ADAMS). Without objection, it is so ordered.

The Senator from Arkansas is recognized.

Mr. BUMPERS. I thank the Chair.

(The remarks of Mr. BUMPERS pertaining to the introduction of S. 2181 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER (Mr. BUMPERS). The Senator from Washington is recognized.

UNEMPLOYMENT COMPENSATION

Mr. ADAMS. Mr. President, today, we are going to be debating the unemployment compensation bill, and I hope we will pass it.

We are here for the fourth time in 6 months to help unemployed Americans because the administration has failed to help them with what they really need, jobs.

In the State of the Union, President Bush finally saw the light in calling for an extension of unemployment compensation benefits. perhaps it was a reflection from the committee rooms where we were already working on this bill. But if his other ideas to deal with the recession are an indication of where we are going there is indeed darkness ahead.

Unemployed workers do not need tax breaks to buy a new house. What good is repeal of the luxury tax on yachts when workers do not even have a lifeboat?

We need a domestic Marshall plan to rebuild America and put Americans back to work. One element of such a plan is a supplemental transportation appropriations bill, introduced by Senator LAUTENBERG. By expediting the expenditure of $7.13 billion in transportation funding we would create 180,000 jobs over the next 5 years.

Mr. President, I am familiar with this as a former Secretary of Transportation. These types of public works rebuild the infrastructure of America, and at the same time provide jobs immediately in the areas affected because the States have already done the planning and we are ready to go.

In Washington the Puget Sound regional transit project is expected to generate several thousand jobs a year and give us a better and more efficient regional transportation system. These types of projects create jobs. Tax cuts for the wealthy do not.

Rural areas in Washington have been particularly hard hit. The Senator from Arkansas pointed out very well just a few moments ago, and I am very pleased to help sponsor his bill; the hardest hit areas in the country are the rural areas. Okanogan County in the State of Washington has 16 percent unemployment; Yakima County has 12.7 percent unemployment. The President offers them nothing.

Farmers need an export American initiative to help them compete for new markets overseas. For example, why don't we send our food products over to the Soviet Union in exchange for the nuclear warheads that we are concerned about at the present time, and ship them in our ships? That is just one example of what can be done with a little innovation in this country, and in that case we are not worried about the funding.

Displaced timber workers need a conservation conversion program that will help them to continue to lead productive lives. These proud and independent Americans are the backbone of so much of our society. They deserve an aggressive attack on this recession.

Today our unemployment and our unemployed need an extension of benefits. I support it. I hope that we will pass it this afternoon, but tomorrow they need an extension of opportunities.

I yield the floor. I thank the Senator for his time.

The PRESIDING OFFICER. Under the previous order the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:56 p.m., recessed until 2:15 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer [Mr. ADAMS].

EXTENSION OF UNEMPLOYMENT BENEFITS

The PRESIDING OFFICER. Under the previous order, the hour of 2:15 p.m. having arrived, the Senate will now proceed to the consideration of S. 2173, which the clerk will report.

The bill clerk read as follows:

A bill (S. 2173) to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. Under the previous order, there is a 2-hour time limit which has been established on this bill.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the Senator from Florida be allowed to proceed for 2 minutes as in morning business.

The PRESIDING OFFICER. The Senator from Florida is recognized.

THE U.S.S. "FORRESTAL"

Mr. MACK. Mr. President, the arrival of the U.S.S. *Forrestal* in Pensacola, to begin its new mission as the Navy's training aircraft carrier, heralds a new chapter in Pensacola's storied role as the cradle of naval aviation. *Forrestal's* arrival clearly indicates that as long as the Navy continues to fly aircraft into battle, Pensacola will oversee their training.

At his press conference on President Bush's new defense budget last Wednesday, Secretary of Defense Richard Cheney reiterated the vital need for a 12-carrier Navy. Citing their value in responding to crises, he spoke of our carriers' role in Desert Shield and Storm and called them "a capability we should not give up." I could not agree more.

As *Forrestal* begins her new mission in her new home, let us reaffirm our commitment to maintaining America's military strength. The men and women who proudly wear the uniform of the U.S. Navy are the best our country has to offer. They have risked their lives to defend freedom. Let us make sure that none destroy all that they have worked so hard to build.

The Navy has a true home in Pensacola. We should continue to build on this foundation which has taken 70 years to lay. The fact that such a warm reception has been organized for the *Forrestal* is clear evidence that the bond is once again being forged anew. I extend a warm welcome to the crew of the *Forrestal*; I am certain they will find Pensacola a marvelous community which stands with open arms. I congratulate and thank the citizens of Pensacola and the rest of west Florida on their years of support of naval aviation.

I yield the floor.

EXTENSION OF UNEMPLOYMENT BENEFITS

The Senate continued with the consideration of the bill.

Mr. BENTSEN. Mr. President, I yield to the majority leader.

MODIFIED UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I thank my colleague, the distinguished chairman of the Finance Committee.

Mr. President, I intend, momentarily, to ask that the consent agreement governing the consideration of S. 2173, the unemployment extension bill, be modified to permit a point of order to be raised against the bill.

Under the agreement that was obtained, no point of order is permitted.

But my reason for asking for this modification is simple. The agreement was reached in good faith, but I am now advised that due to a misunderstanding and an inadvertent error, a Senator's right to make a point of order was not protected and included in the agreement. That was an honest mistake. And since becoming majority leader, I have taken the position that whenever an agreement is reached that includes a provision placing a Senator at a disadvantage as a result of an inadvertent error or mistake, either by a Senator or staff, that the disadvantage should be removed and the agreement modified to reflect the circumstances which should have existed when the agreement was adopted.

Therefore, Mr. President, I now ask unanimous consent that the agreement governing the consideration of S. 2173 be modified to permit the raising of a single point of order, as well as any relevant motion in relation thereto at the conclusion or yielding back of time on the bill.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, it is my understanding that the distinguished Senator from Colorado [Mr. BROWN] intends to raise a point of order with respect to the bill pursuant to this modification. He is present, and I just wanted to assure him he now has that right under this agreement.

The PRESIDING OFFICER. The Chair will inquire of the majority leader, this point of order you indicated under your request was to be at the end of the debate; is that correct?

Mr. MITCHELL. Yes, at the conclusion or yielding back of time on the bill. That is correct, Mr. President.

The PRESIDING OFFICER. I thank the majority leader.

Mr. MITCHELL. I believe that this modification of the agreement was cleared on both sides and the procedures are acceptable both to the chairman and the ranking manager and to the Senator from Colorado.

Mr. BROWN. Will the Senator yield?

Mr. MITCHELL. I yield.

Mr. BROWN. I express my thanks to the distinguished Senator for his willingness to adjust the unanimous consent. He has gone the extra mile, I think, to be fair in this regard. I deeply appreciate his efforts.

Mr. MITCHELL. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. BENTSEN. Mr. President, last Thursday the Committee on Finance voted unanimously to report this bill to extend the program of Federal emergency unemployment compensation benefits that was enacted late last year. Today, I urge Senators to pass the bill without amendment so it can be sent to the President without delay.

S. 2173 is supported by the majority and minority leadership of the Senate and has broad bipartisan backing. It reflects the compromise that was agreed to in the House and enjoys the support of the President. On Friday of last week, I entered into the RECORD the text of a letter from President Bush stating he hoped the bill would be passed without amendment, that he will sign it, and that its enactment will not trigger a sequester under the Budget Enforcement Act.

Mr. President, the reasons for acting now to pass this legislation are very clear. The unemployed need it, the state of the economy demands it, the Congress strongly supports it, and the President will sign it.

In December, the unemployment rate rose to 7.1 percent. That was up from 6.9 percent the previous month, and the highest level during this recession. In other words, 290,000 more people were out of work. That is the equivalent of wiping out all the employment in a mid-sized American city. Since December, we have seen layoffs by blue chip companies continuing to increase—firms like General Motors and Xerox. Layoffs by these blue chip firms alone have averaged some 2,600 a day. Last week we learned that initial claims for unemployment benefits rose by 24,000, to a level of 464,000.

Unfortunately, Mr. President, there is no indication we will see any quick turnaround. What it looks like we are going to enter is a sideways movement, with nothing like the kind of recovery that we experienced after earlier recessions. While we hope for recovery, we do not really see the signs of it at this time.

The fiscal year 1993 budget just released forecasts such slow growth ahead that the unemployment rate will not be pared to the 5.3 percent that it was when the recession began until 1997. Even that outlook may be unrealistically optimistic. I scarcely need to dwell on the administration's record of economic forecasting during this recession. Last year, the President assured the Nation that recovery was right around the corner and growth would be rolling along at a 3.6-percent clip in 1992. Instead, the economy inched up a bare 0.3 percent in the fourth quarter of 1991, and groups as diverse as the major forecasting firm of DRI/McGraw-Hill and the Chamber of Commerce are projecting negative growth for the current quarter.

I believe that the Federal Government has the responsibility to try to alleviate the economic distress which the lingering recession has imposed on jobless workers. Three times last year, the Congress passed legislation to extend expiring unemployment benefits, and twice the President rejected that legislation.

Congress knew better. We saw the pace of layoffs accelerating, not dwindling. We saw the pace of bankruptcies increasing, not falling. We witnessed auto sales plunging to depression levels, not soaring in recovery. And we saw the number of initial claims at State unemployment offices skyrocketing to recession levels. Millions of capable working men and women were fruitlessly seeking jobs as layoffs multiplied, scrambling to make rent or mortgage payments, trying to keep the cars they need to look for a job, trying to keep food on the table. They deserved help, and Congress tried to provide it.

Events have proven that Congress was right. The recovery was not underway last autumn. Last Thanksgiving, we passed the extended benefits bill and, I must say, we passed it with the strong support of the ranking minority member of the Finance Committee.

To my mind, events have changed little since then. The recovery still seems far away. Consumer purchases, corporate investment, and industrial production are all dropping. The index of leading economic indicators has just fallen for the second month in a row. Consumer confidence has declined steadily this winter to the lowest level in 12 years. Not since Americans waited in gas lines in 1980 have families been so pessimistic about their economic future. Corporate restructuring, eliminating tens of thousands of white collar jobs permanently, is part of the reason. But the biggest explanation is that unemployed men and women face a grim job market where job layoffs are outpacing job creation.

Indeed, as Senators know, labor market conditions are worse today than last November when unemployment benefits were first provided. This unhappy state of affairs is likely to continue for some time because unemployment is a lagging indicator of the economy. Coupled with weak prospects for growth this year, the Director of Research for DRI testified before the Finance Committee last week that unemployment will show little or no improvement in 1992, and that the jobless rate will hover at about 7 percent, or may even increase, before the end of the summer.

Last November's extension of unemployment benefits provided a critical lifeline for victims of this recession. But these benefits are going to begin to expire about February 15. We have more than 600,000 unemployed workers who are going to begin exhausting their benefits, and that number is going to mount steadily in the weeks that follow.

The budget is tight, but it is time to extend unemployment benefits again. The legislation reported last Thursday by the Finance Committee will do that.

Let me summarize what the committee bill will do. As Senators know, the Federal emergency unemployment compensation legislation enacted last year provided unemployed workers who had exhausted their regular benefits with an additional 20 weeks of benefits in States with the highest unemployment, and 13 weeks in all the other States. That legislation expires on June 13. The bill before the Senate today will extend the 13 and 20 weeks of benefits payable under the current unemployment compensation program from June 13 to July 4. In addition, the bill will increase by 13 weeks the number of weeks of Federal emergency benefits that workers who have exhausted their regular benefits can receive, effective with the date of enactment and continuing through June 13.

What is that going to mean for unemployed workers in this Nation? Unemployed workers will be eligible for up to 33 weeks of emergency benefits in States with the highest unemployment and 26 weeks in all the other States.

When these emergency benefits are combined with the 26 weeks of regular unemployment benefits paid by the States, it means that workers who have lost their jobs and cannot find work will be eligible for a maximum of 59 weeks in those States with the highest unemployment, and for 52 weeks in the other States.

The bill provides a similar 13-week temporary increase in the extended benefits for unemployed railroad workers, assuring that railroad workers will receive unemployment benefits comparable to those paid to other unemployed workers.

The committee bill is estimated to cost $2.7 billion in fiscal year 1992. The bulk of this cost, $2.2 billion, is offset by the budget savings that the Office of Management and Budget estimates were achieved by the pay-as-you-go legislation that we enacted last year. The remaining costs are offset by revenues from a small increase in the minimum amounts due for corporate estimated tax payments for taxable years beginning after December 31, 1992, and before 1995. Under current law, this increase is already scheduled to occur in the taxable years 1995 and 1996. So what we are talking about is an acceleration of the time in which these payments will be made.

Mr. President, I call on my colleagues to join with me; the distinguished ranking member of the Senate Finance Committee, Senator PACKWOOD; Majority Leader MITCHELL; and Republican Leader DOLE in support of the pending bill. The working men and women of this country need jobs, Mr. President, millions of good-paying jobs. But even more urgently now, we need to bridge this jobless gap until a genuine recovery takes place for the families of this country.

Mr. President, I yield the floor and retain the remainder of my time.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, I am reminded of the old song, "What a Difference a Day Makes, 24 Little Hours." As we consider this bill, what a difference 6 months makes. Six months ago we were arguing partisanly—not me; the chairman and I were united on one side of this—but there was a Republican-Democratic difference of opinion. The President was opposed to the bill. He had some fair comments. We were not going to pay for it. We wanted to expand the deficit. He said that is not wise, but he was not enthusiastic about the bill, whether or not we expanded the deficit.

We finally reached a begrudging compromise with him. He signed the bill, but with much grumbling on all sides.

And, in fairness to the President, I must say his administration was not the only one that was predicting we would be out of this recession before then. Most of us can now recall, 6 months, 9 months ago, most of what we would call the blue-ribbon economists—and by that I do not mean conservatve—conservative, moderate, liberal—were predicting we would be out of this.

They all missed. It is nobody's fault. These are the best minds around in this business. They simply missed and we followed their advice. Now we are not much better off than we were 6 months ago, or somewhat worse.

In answer to the question directly, this bill is not going to get us out of the recession. That is not the point of this bill. That is the point of the President's entire economic message. But this bill is to help people who are in the recession, out of a job, tide them over until, hopefully, we start to come out of it and they have a job again.

That is the only decent thing to do, and this time we have paid for the bill. And this time the President is on board and the House is on board and the Republicans and Democrats are on board and there is no fractious dispute about this issue now. It is no solace however to those who are out of work.

I might say this recession has left tracks on the backs of many people in Oregon, especially in the timber industry. I have numerous counties that have unemployment in excess of 10 percent, a number in excess of 15 percent unemployment. And for the people out of work now, it is no solace to them to say, do not worry, we are coming out of this. They have a car payment to make next week; they have a mortgage payment to make next month; they have kids to feed and educate, and it is no comfort to them to have somebody say, on average, we are going to be OK. A man standing with one foot on a cake of ice and one foot on a hot stove on average is OK, but both of his feet are pretty uncomfortable. This bill will take care of people for a modestly short period of time until, hopefully, we start to come out of this recession.

I want to read those counties: Douglas County, Grant County, Josephine County, Morrow County, and Wasco County—all have unemployment figures of over 10 percent. The timber workers in Douglas and Grant Counties are being penalized because we are not allowing the forests of Oregon, Washington, and northern California to be managed by professionals so that these people can work.

Not only is there a recession, they are out of work in addition to the recession because of actions being taken by the Federal Government that are no fault of theirs. These are people 35 years of age, 40, 45, 50. They worked in the mills since they left high school. Their fathers and grandfathers may have worked in the mills. They have lied in these towns as a family for 60 to 70 years and they would like to continue living there. And it is fine to say to them, well, the economy in Portland is not too bad. They live 200 miles from Portland in a rural community of 3,500, and the sole source of employment is the mill and the mill is down.

So do not tell them about averages. Do not tell them about future prospects. This bill will help them pay their bills now. That is the minimum, decent, humane thing that this Congress can do.

I can simply say I am happy this time not only to be allied again with my distinguished chairman, as I was 6 months ago, but doubly happy this time we are allied with the chairman of the Ways and Means Committee, with the President, with the Republicans and the Democrats in the House and the Senate. And we go forward this time with no rancor and no spite and united in the hopes that we could give some modest relief to people who are unemployed and who want to work, who are not asking for a dole. They are not asking for a handout. They really want a job. As we cannot give them a job now, this is the next best substitute. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I have control of the time on this side. I ask unanimous consent that the Senator from Colorado [Mr. BROWN] be allowed to manage the time.

The PRESIDING OFFICER. Is there objection? Hearing no on objection, it is so ordered and Mr. BROWN will assume the leadership position and manage the time.

Mr. PACKWOOD. I thank the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Forty-nine minutes and seventeen seconds.

Mr. BENTSEN. I yield 5 minutes to the distinguished senior Senator from the State of Maryland.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I thank the chairman for yielding me time. I want to first congratulate the very able chairman of the Finance Committee, the distinguished Senator from Texas, for the extraordinary leadership he has provided for many months on this unemployment insurance issue, and I want to commend the committee for moving so quickly on this legislation.

I want to note that the Congress was moving on this issue from the very beginning of this session, even before the President finally included it as part of his program and put it forth in the State of the Union Message. Three times last year we had to go to the well with the President on this issue before the President finally signed a bill to extend unemployment insurance benefits.

This bill is very badly needed. Mr. President, this chart shows that the weekly claims for unemployment insurance are once again on the rise. You can see they went up, then they came down, now they have started back up again. So the weekly claims people are filing for unemployment insurance are now on their way back up. As one would expect in a recession which is now the longest since the Great Depression, the number of people unemployed for 27 weeks or more is rapidly escalating. This recession, which the administration assured us throughout most of last year would be short and shallow. The recession has now exceeded in its duration any of the post World War II recessions. It now stands at 19 months. Therefore, the number of people out of work for an extended period of time, defined as 27 weeks or longer, is rapidly on the rise. It is now almost 1.5 million people. Prior to the recession, it was down at 600,000. So it has more than doubled over the course of this recession.

What that means is that people who lose their jobs and use up the 26 weeks of basic benefits under the program find themselves back out looking for a job with no income support in an economy which is continuing to deteriorate. In fact, the unemployment rate last month at 7.1 percent was the highest it has been in this recession: 7.1 percent. So if you lost your job a year ago when the unemployment rate was 6 percent, you are now out looking for a job in a more difficult labor market than when you lost your job.

The 7.1-percent figure only tells part of the story. That is the so-called official unemployment rate. It is people who are out of work and looking for work. But in addition, there are 1.1 million people who are so discouraged by job prospects that they have dropped out of the labor market. There are another 6.3 million people who are working part time and want to work full time; they are seeking full-time work, they can only find part-time work.

If you factor both of these groups in with the officially declared unemployed, you have an unemployment rate not of 7.1 percent, but 10.4 percent.

In addition, the economic indicators are very grim. The indicators are down, housing starts are down, durable orders are down and the prospects are not that bright. It is no wonder that consumer confidence is reflecting this development by a very sharp drop.

Consumer confidence dropped markedly last fall. It came back up again, and now it has dropped below anything we have experienced in this recession and, in fact, only one other time in the entire postwar period did it get this low.

One of the problems is that we have had difficulty getting the President to say the "R" word: recession. As late as mid-November of last year the President was denying that there was a recession.

My own view is one reason consumer confidence is so far down is that the American people said, does the President really understand what is happening in the country? The President says there is no recession. He is saying, no problem. We know there is a problem. We can feel it and see it right here in our everyday lives.

The unemployment insurance system was designed to provide income support for people who had lost their jobs, to carry them through a difficult time until the economy picked up again and hopefully they would be called back to work or be able to find another job opportunity.

One thing that has happened in this recession that differs from previous recessions is that a larger percentage of those losing their jobs are being terminated rather than simply laid off. In previous recessions, people would be laid off but their employer would say, as soon as economic circumstances pick back up, we can start our factories humming again, we hope to call you back. You will have your old job back. Not in this recession.

The ratio has shifted and more and more people are being told you are out of a job altogether; we are downsizing our operation. There is no job for you to come back to even if economic circumstances pick up.

So, many people for the first time are being dumped cold, as it were, into the labor market and have to go elsewhere to try to find a job opportunity: People who have worked 10, 12, 15, 20 years, steady work with one employer.

We urged the President last year to move on this unemployment insurance issue. It accomplishes two purposes: First of all, it deals with the pressing individual problems of people who have lost their jobs, they have no income flow, they are worried about how to pay the mortgage on their homes, meet the payment on their cars. People are thrown into absolutely desperate situations.

Most people in this country, if their income flow is disrupted, have no way to make up for that. They do not have huge trust funds or inherited wealth.

They have no inherited wealth or trust funds to carry them through this period. I sometimes think the policymakers downtown do not fully appreciate that fact. They need an income coming in in order to carry them through.

Many, many people suffered real harm, real hurt as a consequence of the delay in extending these benefits last year. People lost their homes. They lost their cars. We have had any number of stories that recount that development.

The other thing the unemployment insurance was intended to accomplish was to be a countercyclical stimulus to the economy. If the economy starts down, unemployment goes up, people are being laid off. Through the unemployment insurance system you inject purchasing power into the economy to try to move it back up again, to keep it from dropping as much as it was dropping.

It is really a very well designed system because the benefits flow, by definition, to where they are most needed, namely where the unemployed are. If you do not have the downturn, you do not use the benefits.

I could not understand last year why the President would not move with this even if he thought we were going to come out of the recession. It would have provided insurance. If we continued to go down it would counteract that trend. If we did not go down and we started up, it would not be called upon because you would not have the additions to the unemployed rolls.

Mr. President, this is a very important development here. I want to commend the committee for coming forward with this legislation. I commend the chairman. I have been delighted to work with Senators SASSER and RIEGLE on this issue and appreciate very much their efforts, and that of the majority leader, Senator MITCHELL. For millions of Americans, at least for now, they can know they are not simply going to be abandoned by the National Government on a program which has consistently, since its inception, provided important income support at a time of an economic downturn.

Mr. President, I ask unanimous consent that an article in the Baltimore Sun at the end of last year be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, Dec. 26, 1991]

RANKS OF UNDEREMPLOYED ALSO SWELL IN RECESSION

(By Gregg Fields)

MIAMI.—Maurice Gray hasn't lost his job, but sometimes he feels as if he might as well have.

Mr. Gray is a structural engineer in Miami. He owns his own firm, which once had 10 employees. Now, Mr. Gray is down to "about 4½" workers, and he is putting in longer hours than ever for far less money.

"I've had to do the drafting, clean the offices, secretarial—everything," he says. It adds up to more than 90 hours a week, and some weeks he can't afford to draw a salary.

"You do a lot of things differently," Mr. Gray says. "You juggle your mortgage. You debate whether to go to lunch or make a sandwich. We even had trouble making our payments to the engineering society."

If there's any solace to be had, he says, it's knowing some engineers are even less fortunate. "I would rather have half a loaf than none at all," he sighs.

Welcome to the world of the underemployed. Much has been written about the army of the jobless.

But the recession has created a second division of disadvantaged workers—the underemployed. They are people who survived layoffs but now must work longer hours for less money; or people who drive taxis because their degrees are worthless; or those forced into part-time jobs when they desperately need full-time work.

Underemployment can be just as devastating as unemployment. As with the jobless, the underemployed see their savings shrivel, their careers shift into reverse and their dreams evaporate. They file for bankruptcy, worry a lot and cope with a fair amount of indignity.

"It's sort of like a tied football game," says William Werther, a management professor at the University of Miami. "It's better than a loss, but it's not a victory, either."

Measuring underemployment is tough. Hard statistics are difficult to come by. But economists and labor market analysts say the ranks of the underemployed are clearly growing. As one example, the Labor Department says there are 6.3 million part-timers who want full-time positions. That's up 900,000 from a year ago.

Just how bad underemployment hurts depends on the individual. Still, there's little doubt that, for most people, underemployment is a forced detour down a bumpy economic highway.

It isn't just a problem for low-skilled workers, either. In this recession, many highly trained individuals have lost their jobs and been forced into underemployment.

Katrina Baroni Pierre is one example.

Earlier this year, she lost her teaching job in Broward County, Fla. She had to make do with unemployment benefits and sporadic substitute teaching work.

"How do you live on $200 a week?" she says. "I said, the No. 1 priority is rent and No. 2 is the car payment." Even then she and her husband, who's in college, fell a month behind.

Then disaster struck. Their only car broke down. It cost $3,000 to fix. "We had no choice but to put it on Mastercard."

She has since landed a teaching job in neighboring Dade County, paying almost $27,000 annually. But paying off bills from underemployment takes money they wish they could save for a house. And cutbacks in Dade County schools have her worried she'll face underemployment again.

People forced into part-time work are only one measure of underemployment. Another type of underemployment involves taking jobs beneath a person's skill level. Unfortunately, the government doesn't measure this group.

There's ample anecdotal evidence suggesting this is a pervasive problem. For instance, temporary help agencies are bulging with qualified applicants, says the president of a personnel pool. In Palm Beach County, Fla., the mundane task of delivering phone directories, the kind of job the underemployed would seek, drew 1,200 applicants. That's six times the typical volume.

And many, many workers say they're taking lower-skilled jobs to stay afloat. "From what I was making, to now, is about a 60 percent pay cut," says Charles Kelly of Hollywood, Fla. Mr. Kelly was a mechanic with Midway Airlines until it closed its Miami base earlier this year. He was making $18.33 an hour. The airline has since folded.

Mr. Kelly's treasured airline mechanic certification no longer can get him a job. So he's driving a tractor-trailer.

He's hanging onto his house, but little else. He had to file for personal bankruptcy. He rides a motorcycle to work because he can't afford car insurance.

Nevertheless, he's thankful things aren't worse.

"I know a lot of guys in my position," he says. "One guy I work with, driving trucks now, used to be an Eastern pilot."

Stephen Morrell, a professor at Barry University of Miami, says many leading industries have been devastated. They won't bounce back when the recession ends.

"One obstacle to full employment will be acquiring different skills," says Mr. Morrell, "because when the economy comes back, the same sorts of jobs won't be there."

Many workers are already undertaking this adjustment. Rose Bazan, who sells residential real estate in Hialeah, Fla., is essentially underemployed. Sales have slumped, and sales that do go through take a lot more effort than they used to. "I've had to work more hours for the same salary," she says.

Worried about her long-term job prospects, she has taken several assignments in other fields with Kelly Temporary Services.

"It's provided me a window," she says. "But it's not easy to go from being an office manager or taking orders from someone who's younger than you."

Virginia Gunther, district manager for Kelly, says she has many employees in Ms. Bazan's situation "People who are having their skills underutilized are looking to be entrepreneurs and supplementing that with temporary work," she says. "Some people are frustrated with the fields their old job were in."

Embarking on a new career can be an emotionally wrenching expectence, however.

Jane Henderson knows. Though she isn't underemployed yet, it's likely just a matter of time. As one of the few remaining employees of Eastern Airlines, in the collections department, she'll probably lose her job within six months.

"I'm 60 years old, and for the next five years I have to work for the medical insurance," she says.

Ms. Henderson has prepared herself for a pay cut or lower-skilled work. But she's worried about landing anything. Skilled airline workers aren't in demand. And she's concerned about age discrimination. When she answered an ad for flight attendants, for instance, she didn't even get a response.

"Hopefully, I'll get in with another airline, if just as a file clerk," she says. "There's not a lot of people out there wanting airline workers."

Mr. SARBANES. Mr. President, this is an article that addresses the ranks of the underemployed as opposed to the ranks of the unemployed during this recession. Let me just quote very quickly from it.

But the recession has created a second division of disadvantaged workers—the underemployed. They are people who survived layoffs but now must work longer hours for less money, or people who drive taxis because their degrees are worthless; or those forced into part-time jobs when they desperately need full-time work.

Underemployment can be just as devastating as unemployment. As with the jobless, the underemployed see their savings shrivel, their careers shift into reverse and their dreams evaporate.

The people working part time do not get the benefit of the unemployment insurance, and they need to be addressed by an economic stimulus program to get this economy out of recession, something we have been calling on the administration to do now for more than a year. But this article also reflects the serious economic circumstances which exist across the country.

The PRESIDING OFFICER. The time of the Senator has expired. The Senator from Texas.

Mr. BENTSEN. The distinguished chairman of the Joint Economic Committee early on recognized this problem, and he was in the forefront supporting what had to be done. He has been for this every step of the way. I congratulate him and appreciate his comments.

I would like to now yield 5 minutes to the distinguished chairman of the Budget Committee.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, I thank the distinguished Senator from Texas for yielding. And, Mr. President, I want to take this opportunity to pay tribute to the efforts of the distinguished Senator from Texas [Mr. BENTSEN], the chairman of the Senate Finance Committee, for his long and valiant efforts in behalf of the long-term unemployed in this country.

It was Senator BENTSEN who stood on this floor last fall and, twice, fought for an extension of long-term unemployment compensation benefits that were blocked by the President. But he came back a third time. Thanks to his leadership, literally millions of our countrymen saw an extension of their unemployment benefits of 20 weeks in some cases, 13 weeks in other cases, and that was a lifesaver for hundreds of thousands of families all across this country.

I am pleased to join with the distinguished Senator from Texas today in urging once again an extension of benefits for the long-term unemployed who have exhausted their benefits.

As my friend the chairman of the Joint Economic Committee said, this has been the longest recession since World War II. It is now moving into its 19th month and the unemployment numbers themselves really do not tell the full story, as the distinguished Senator from Maryland said.

This is a different kind of recession. We have not seen a recession like this in my lifetime. We are accustomed to so-called blue-collar recessions where people, fine working people, the backbone of this country who work by the hour, are laid off in recessions. That has occurred in this recession also. The hourly workers, the blue-collar workers, have been laid off. But it has gone deeper than that. They have lost their jobs on permanent basis.

What we are seeing in this recession is not just layoffs or terminations for the present time, we see far out into the future terminations that have been announced. General Motors has announced the termination of 74,000 employees. Those jobs have not been lost yet. They are out in the future somewhere. And so it is with almost all of the major American corporations across the length and breadth of this land.

Mr. SARBANES. Will the Senator yield on that point?

Mr. SASSER. I yield to the distinguished Senator from Maryland.

Mr. SARBANES. The other thing is, Mr. President, these major corporations who have announced these layoffs have not identified where they are going to be and who is going to be affected by them. The consequence of that, of course, is to send apprehension and tremor through the entire work force. Everyone, in effect, freezes.

You talk about something that undercuts the potential of consumer confidence. The company announces "We are going to have major layoffs, cutbacks in the work force." But they do not tell you who or where. Then, virtually, all of the work force freezes in place. They all become very apprehensive as to what is going to happen to them specifically. And the consequence, of course, is a major economic impact on the functioning of the economy.

Mr. SASSER. The Senator from Maryland is quite right. This recession is different from others. What we are seeing are layoffs and terminations that are reaching up into the white-collar middle class in this country, terminations that are affecting middle-level management.

I wonder if any of my colleagues happened to see just a few weeks ago—I think it was on public television—there was an hour-long special about what was happening to workers in the State of Wisconsin. They followed three or four workers' families: a blue-collar family that had lost their job; a middle-level manager who had been terminated, desperately looking for work, finally settling on a job much below the level that he left.

This recession reaches up into middle-level people, middle-level managers, middle-class, white-collar workers, and entrepreneurs. Small business people all across this country are going bankrupt as a result of this recession. We are setting record levels for bankruptcies all across the country.

In this recession, we find that 1 out of every 10 Americans is on food stamps. When I was first given that information, I could not believe it—10 percent of the people of this country on food stamps? That cannot be true.

But we checked that statistic very carefully, and we found that 1 out of every 10 Americans today in this long recession is utilizing food stamps. And those who distribute the stamps are telling us they are seeing a different kind of recipient now—people coming in from the middle-class, white-collar people, who have never been on food stamps in their lives, who have worked all their lives, productive members of this society—now reduced, because of the recession and unemployment, to food stamps.

The Chairman of the Federal Reserve Board, Alan Greenspan, appeared before the House Banking Committee and later before the Senate Banking Committee. He told the Congressmen on the House Banking Committee—and I will not quote him precisely, but this is the essence of his remarks: "Never in my lifetime have I seen such fear and anxiety about the long-term prospects for this economy." So says Alan Greenspan, the Chairman of the Federal Reserve Board.

What is the germ of this fear and anxiety that is abroad in this country?

Mr. President, I thought a long time about that, and you can analyze the statistics and see that over the past 13 years, the great middle class of this country has seen their real incomes shrink by 3 percent. The middle class of this country have been in a long running depression. While on the other side, they have seen the wealthiest 1 percent over the past 13 years increase their real income, corrected for inflation, by 65 percent.

So the fear and anxiety of the great middle class is that this recession, coming in the end of what has been a long decline for them, is the last straw. This is the straw that broke the camel's back.

So that is why, Mr. President, there is such great fear and anxiety all across this country. That is why the efforts of the distinguished chairman of the Finance Committee to extend these unemployment benefits today for these long-term unemployed workers is so crucial and so critical.

I see the distinguished chairman on his feet.

At some juncture, I think a point of order will be made, and I will rise to address that.

Mr. BENTSEN. Mr. President, I want to thank the distinguished chairman of the Budget Committee for his very generous remarks, but I must say we stood side by side, along with the distinguished Senator from Maryland, as we fought this fight. I am delighted to see his interest has never waned for a moment fighting for the people of Tennessee and the people of the United States in that regard.

Mr. President, I ask unanimous consent that the control of the time for the majority be now extended to the distinguished Senator from South Dakota.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Dakota has 30 minutes. The Senator from Colorado has 52 minutes.

Mr. BYRD. Mr. President, will the Senator yield me 15 seconds?

Mr. DASCHLE. I yield such time as he may consume to the distinguished President pro tempore, the Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the distinguished Senator from South Dakota [Mr. DASCHLE].

Mr. President, I am pleased that the Senate, following swift action in the House of Representatives, has been able to move forward on this important legislation. Our economy remains mired in a recession—the longest recession since the Great Depression of the 1930's—and the employment outlook is bleak. People are hurting and are looking to us to help them through these tough times.

Unemployment stands at 7.1 percent, 1 full percentage point higher than where it was a year ago. The number of Americans unemployed, those looking but unable to find work, stands at 8.9 million, an increase of more than 1.2 million over the number unemployed 1 year ago. Another 6.3 million Americans are working part time, even though they would prefer to work full time. Finally, 1.1 million out-of-work Americans have become so discouraged about the prospect of finding work that they have given up looking.

These are staggering numbers—8.9 million unemployed, 6.3 million working only part time for economic reasons, and 1.1 million so discouraged that they have simply dropped out of the labor force. Taken together, there are 16.3 million Americans who are unemployed, underemployed, or so discouraged that they have just given up.

In my home State of West Virginia, unemployment has once again climbed to double-digit levels. In December, it stood at 11.1 percent, up from 9.5 percent a year earlier.

Something must be done to reinvigorate our economy. To repeat, this is the longest recession since the Great Depression. We cannot afford to stand idly by and hope that sooner or later the engines of economic growth will begin to lift us from our current plight. We must take action, and the legislation before us will do just that. It will provide a much-needed countercyclical economic stimulus. Standing alone, it will not lift us from the grips of the recession, but it is a step in the right direction.

At the same time, and certainly of equal importance, this bill will extend a helping hand to those who have been hardest hit by the current downturn—those who are suffering from long-term unemployment. This bill will provide an additional 13 weeks of extended unemployment compensation to those who will exhaust their current benefits between now and July 4. There are 1.5 million Americans who have been unemployed for 27 weeks or more. Many of these individuals have benefited from the extended benefits legislation passed last year. Yet, for many the benefits enacted into law last November will soon run out. The recession, however, has not run out, and we must act now to provide yet another extension of unemployment benefits for the long-term unemployed.

In his State of the Union, the President told the American people that the recession "will not stand." While I certainly hope the President is right, what we must do is ensure that the unemployed can continue to stand as long as the recession does. What we must do is ensure that the unemployed can continue to survive. Providing extended unemployment benefits will help achieve that goal.

I commend Senator BENTSEN and my other colleagues on the Finance Committee for bringing this legislation to the Senate floor. I commend the President for not standing in the way as he did for so long when similar efforts were made last year. With passage of this legislation, we will be helping the unemployed to get through these tough times. In addition, we will be taking a small step forward in the effort to stop our economic slide and restore the health and vitality of our economy. It is but one step—one that I hope will be the first of many efforts to deal with our Nation's economic problems.

Mr. DASCHLE. Mr. President, I yield 3 minutes to the distinguished Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 3 minutes.

Mr. LEVIN. Mr. President, first, I want to compliment the majority leader and the chairman of the Finance Committee for their work in moving the legislation so quickly. It is important to do everything that we can to alleviate the present suffering while we consider longer range steps that we can take to get our economic house back in order.

I hope that our quick action on this legislation and our ability to bring the President on board, holds out the prospect that a similar spirit of urgency and cooperation may yet prevail on the economic package that we will be considering within the next couple of months.

My constituents in Michigan who have known the bitter taste of bad economic times too often in the past dozen years are looking for us to act in a way that restores their confidence and meets the test of just plain common sense.

I also want to thank the chairman and other members of the committee for including in this legislation a provision to allow Michigan employers an extension of time to pay, in addition to the Federal unemployment tax, the so-called FUTA, a tax which they were only recently informed that they owed.

In light of the unemployment rate in Michigan, which exceeds 9 percent, it would be a tragedy if employers felt forced to lay people off in order to raise money necessary to pay this tax on such unusually short notice. This legislation will provide employers with an extra 6 months to pay this additional tax. It incorporates a proposal that I made in S. 2150, which was introduced just 2 weeks ago. It is also included in the House provision through the efforts of Congressman SANDER LEVIN in the House, and other members including Congressman VANDER JAGT.

Again, I appreciate very much the committee's sensitivity to the plight of Michigan employers and its speed of addressing the problem in a very fair and just manner.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. FOWLER). The Senator from Colorado.

Mr. BROWN. Mr. President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator is recognized.

Mr. BROWN. Mr. President, S. 2173 is a measure that deals with unemployment benefits and would extend those benefits, but it deals with an issue that is equally important or perhaps even more important. There is little dispute in this Chamber or even within our Nation about the extension of these benefits. The President has endorsed them as well as the Democratic leadership and the Republican leadership. What is at stake here, though, is a more fundamental question, and that is what really will lead to jobs for the unfortunate men and women of this country who find themselves unemployed.

The simple facts are these. The bill before us violates the Budget Act. It violates it in three sections. Section 302(f). The Senate Finance Committee already exceeds its committee allocations established in the fiscal year 1992 budget resolution by $4.3 billion in outlays for 1992. Secondly, section 311(a). The aggregate outlay levels in the fiscal year 1992 budget resolution are already exceeded before consideration of this bill by $3.2 billion. Section 605(b). The maximum deficit amount in the fiscal 1992 budget resolution is already exceeded by $300 million. And all of these things are made worse by this bill.

Mr. President, the point is not that we disagree over unemployment benefits. That has strong support of both parties. But we have a fundamental question that comes up with this bill, which is whether or not you simply ignore the budget.

There are two ways we can deal with these benefits that all Members support. One, we can pass the bill as it is, violate the budget, increase the deficit, and pretend that deficits do not matter, or specifically run the deficit up higher.

Now, what are the facts? The Congressional Budget Office has done an estimate. They estimate this bill would add $2.7 billion to the 1992 Federal deficit.

Let us take a look at where we are. In the President's fiscal 1992 budget, the consolidated budget deficit was $281 billion for this fiscal year. That is what he recommended. He estimates for next fiscal year a $399 billion consolidated budget deficit. Well, those numbers I think are so big sometimes they glaze the eyes. But let us put it this way: For every working American, every American who has a job, that is about $3,600. Let me repeat. You would have to increase taxes by $3,600 for every American who has a job in this country to balance the budget this coming year.

Now, are we going to balance it? No, there are no proposals for those kinds of tax increases. But it really comes down to what you and I may think is a cure for this economy. Is the economy sick? You bet it is. Does it need a cure? Absolutely. There are many of our good friends in the Chamber who sincerely and honestly believe the problem with this economy is we do not have enough deficit spending. And so they eagerly pursue an opportunity to add to the deficit, convinced in their own minds that a little more deficit spending will cure our problems.

Mr. President, I submit to you and to the American people if deficits would solve our problem, we would not have a problem. If a $351.5 billion deficit—and that is what is suggested for this year, estimated this year—$3,600 for each worker for this year—not next, but this year—is not a big enough deficit, what is?

Let us ask the question the other way. As the deficits have skyrocketed, has the economy gotten stronger or weaker? It is very clear that, rather than curing the economy, the enormous deficits threaten to engulf our future and drown the economy. The deficit this year, $351.5 billion, according to the latest CBO estimate, is the biggest deficit in the history of this Nation or of any nation on the face of the Earth. It is the grand champion. It is only exceeded by what is estimated for next year.

What do we face? What is our choice with this bill? You can either fund this by increasing the deficit or you can fund this by eliminating wasteful programs.

I, for one, believe you ought to fund it by eliminating wasteful programs. Should we help those in need who find themselves unemployed? Absolutely. But let us help them by eliminating waste. Let us not come up with the funds by making the deficit worse. Why? Because, as we make this deficit worse, we send a message around the world that the United States will not deal with its problems, will not face up to its difficulties, will not trim waste. And that message not only destroys our credit and undermines our credibility, it also indicates this Nation is unwilling to face up to its problems.

On the other hand, we can fund this out of eliminating waste and by eliminating waste we can do two things. We can build credibility and lower interest rates, and secondly, we can eliminate some of the waste that drags our economy down. We talk about being competitive with the Japanese, Mr. President. The simple facts are these. The American working men and women are more competitive, have a higher rate of productivity than any major industrialized nation in the world.

The Japanese are not ahead of us. They are behind us when it comes to productivity. The uncompetitive portion of our economy is right here. Congress is not competitive. Our staff is 10 times bigger than any staff in the world for any deliberative body. Our wasteful programs threaten to devour the future of this Nation.

At the appropriate point, I will make a point of order against this bill. I hope that point of order is sustained, and I hope this Congress comes back and does the right thing by funding this program from the elimination of waste.

Mr. President, I ask unanimous consent at this time to enter the letter from the director of the Congressional Budget Office concerning the fiscal impact of this bill. I ask unanimous consent it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, February 4, 1992.

Hon. LLOYD BENTSEN,
Chairman, Committee on Finance, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate of S. 2173, a bill to amend the current Extended Unemployment Compensation program, as ordered reported by the Committee on Finance on January 30, 1992.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,
ROBERT D. REISCHAUER,
Director.

Enclosure.

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

1. Bill number: S. 2173.
2. Bill title: None.
3. Bill status: As ordered reported by the Senate Finance Committee on January 30, 1992.
4. Bill purpose: To increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes.
5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1992	1993	1994	1995	1996	1997
Direct spending:						
Emergency unemployment compensation:						
Estimated budget authority	2,600	600	0	0	0	0
Estimated outlays	2,600	600	0	0	0	0
Railroad unemployment:						
Estimated budget authority	6	0	0	0	0	0
Estimated outlays	6	0	0	0	0	0
Administrative expenses [1]	100	(2)	0	0	0	0
Receipts: Modify estimated tax payment rules net revenues [3]	0	500	100	−500	−100	0

[1] For fiscal year 1992 the administrative expenses would not need any further appropriation action because of language in the Labor-HHS 1992 appropriation bill. The administrative expenses for fiscal year 1993 would require further appropriation action.

[2] Less than 550,000,000.

[3] Estimates provided by the Joint Committee on Taxation.

Basis of Estimate: S. 2173 would amend the current Extended Unemployment Compensation program. The bill would change the maximum weeks of benefits available (depending on unemployment rates in individual states) from 20 weeks or 13 weeks to 33 weeks or 26 weeks for those starting benefits between November 17, 1991 and June 13, 1992. Also, the bill would extend the current program 3 weeks to July 4, 1992. Those people coming onto the program between June 14, 1992 and July 4, 1992 would be eligible for either 20 weeks or 13 weeks of benefits. CBO estimates the additional benefit payments from these amendments would be $2.6 billion in fiscal year 1992 and $.6 billion in fiscal year 1993. Also, these changes would apply to the railroad unemployment compensation program. CBO estimates the additional benefit payments through the Railroad Unemployment Insurance program would be $6 million in fiscal year 1992.

In addition, CBO estimates there would be additional administrative costs of approximately $100 million to process the additional claims for Extended Unemployment Compensation.

Finally, S. 2173 would modify the estimated tax payment rules for large corporations. Under the new Ways and Means passed provision, from 1993 through 1996 large corporations would have to pay 95 percent of their annual tax bill as estimated payments. Under current law as recently updated in the Tax Extension Act of 1991, the payment percentage is increasing from 90 percent in 1991 to 93 percent in 1992, 94 percent in 1993 and 1994, and 95 percent in 1995 and 1996. The percentage then reverts to 90 percent in 1997 under current law and this is not changed by the new Ways and Means provision. The new provisions in the Ways and Means reported bill, therefore, would push the 95 percent estimated payment rate to 1993 and 1994, years when it is currently scheduled to be 94 percent. The provision has a zero net revenue effect over the 1992-1997 period, although it picks up revenue in 1993 and 1994.

6. Pay-as-you-go considerations: Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts through 1995. The direct spending and receipts shown in the table above are subject to pay-as-you-go procedures.

7. Estimated cost to State and local government: None.

8. Estimate comparison: None.

9. Previous CBO estimate: On January 29, 1992, CBO prepared an estimate of H.R. 4095 as ordered reported by the House Ways and Means Committee. S. 2173 is similar to H.R. 4095 with the exception of the railroad unemployment estimate that is not within the jurisdiction of the House Ways and Means Committee.

10. Estimate prepared by: Cory Oltman.

11. Estimate approved by: C.G. Nuckols, Assistant Director for Budget Analysis.

Mr. DASCHLE. Mr. President, I yield myself such time as I may consume. I intend to yield in just a moment to the distinguished Senator from Illinois.

Let me respond to a couple of points made by the distinguished Senator from Colorado. I have a great deal of respect for him. He is a thoughtful Member in this body when it comes to budget issues. I think there was a lot of merit to the distinguished Senator's comments.

But I have a couple of clarifications that I think ought to be made in the RECORD as we debate this issue. One is the understanding that everyone has with regard to the collection of unemployment taxes. The fact is that everyone, in good faith, contributes to a fund that they fully expect will be there when we need to draw down those funds.

In good faith, this body has deliberated extensively about the need to create special trust funds for various designated purposes, for highway use, for airport use, for a broad range of very important uses. For many years now, this country has come to accept the importance of designated funds.

Again, we find ourselves debating the advisability of creating further funds when this very issue is at stake in this particular debate.

The fact of the matter is that, in good faith, we created a trust fund; in good faith people contributed to the trust fund; and now, in good faith, we are trying to make this trust fund respond to the needs that are clearly a devastating consequence of the recession we face. That is really what this issue is about. Unfortunately, because we were not able to generate the revenue necessary from other sources, we have had to use this trust fund for many purposes for which this fund was not intended. That is the issue.

There clearly are many examples of wasteful spending in the budget. We have to address those. The Senator is absolutely right in calling attention to the need to scrutinize the budget. But I think it is fair to say that we could eliminate every discretionary program, not just cut out the waste, but eliminate every discretionary spending program today and still have a deficit of over $100 billion. Why? Because of spending on all of the entitlement programs now to which we are permanently committed. These programs absorb a tremendous amount of revenue that comes into this budget. We are talking about defense spending, we are talking about income security programs, we are talking about health care, and we are talking about interest on the debt itself.

In terms of defense, there is a lot of debate about the peace dividend and how we can reduce defense spending this year. We will probably be getting into that debate extensively in the coming months. There will be savings generated from the peace dividend.

To a certain extent, perhaps, we could also change Social Security financing and from that derive benefits. That will certainly be the subject of debate.

But if you are talking about what is really driving the budget, and certainly the deficit this year, it is the fact we do not have any growth in the economy; it is the fact that we simply do not have the revenue that we anticipated we would have, that OMB anticipated we would have. Without that revenue, you are going to have a larger deficit.

We have to tackle the budget deficit from two ends. We have to bring down the size of the deficit through elimination of wasteful spending, and we have to find ways in which to make this economy grow again. Certainly, that also should be the subject of a good debate.

I think it is important that we learn from the lessons of the past and recognize the commitment that we have made in good faith to the people who contributed to all trust funds, especially to the unemployment trust fund. And we must recognize that the real giants in the budget, the S&L bailout, defense, interest on the debt, health, and income security programs, are the budget items that in large measure are creating the problem that we face today. If you eliminate discretionary spending, you still have over a $70 billion deficit this year.

So with that, let me yield 5 minutes to the distinguished Senator from Illinois, Mr. DIXON.

The PRESIDING OFFICER. The Senator from Illinois [Mr. DIXON] is recognized.

Mr. DIXON. Mr. President, one of the great joys of being a Senator from Illinois is having the opportunity to meet so many Illinoisans of diverse backgrounds and interests.

From Rockford in the north to Cairo in the south, the people of Illinois have 1,000 stories to tell at town meetings, county fairs, and just on the streets. I cherish the privilege of talking with Illinois citizens from across my State. But, sadly, many of the stories I have been hearing lately have been tales of economic woe.

My State has the misfortune of suffering the Nation's highest unemployment rate, 9.3 percent in December 1991, more than 2 full points above the national average of 7.2 percent. What I hear from people across my State is disheartening. More and more Illinoisans who have spent their whole lives working hard to buy homes, provide for their families, and send their children to college now find themselves out of work.

I was, of course, pleased that the President acknowledged the crisis our Nation is facing by making reference to the millions of unemployed Americans in the State of the Union Address and by stating his intention to join us in further extending the emergency unemployment benefits now.

It is difficult to forget, however, that the President joined us in passing the original extension of unemployment insurance benefits last fall only after mounting public pressure and after Congress, not once, not twice, but three times passed an extension of these critically needed benefits.

Just over 1 year ago, in December 1990, the unemployment rate in my State of Illinois was only 6 percent. That was the first time in over 11 years that the Illinois unemployment rate fell below the flat rate. As I am sure my colleagues will all remember, the President was then still denying that the Nation was entering a recession.

By August of last year, the unemployment rate of Illinois had risen to 7.2 percent, and while the President signed our first attempt to extend benefits, he cynically declined to make the emergency designation necessary to make the benefits available.

In October last year, the unemployment rate in Illinois had climbed to 7.7 percent, and this time the President vetoed legislation that would have provided the critically important benefits to the growing millions of Americans that had exhausted their regular unemployment benefits. While by the end of November the President saw it in his heart to join us in providing emergency unemployment to the victims of the ongoing recession, by that time, Mr. President, my State had an unemployment rate of 8.5 percent, while then grew to 9.3 percent in December, the highest in the Nation.

So I am pleased that the President is committed to signing the additional extension of benefits that we will pass today. I am pleased that we will once again try to ease the impact of this recession for those who have been its victims. I cannot help but believe, however, that the workers of my State would not be in so much pain today had our President acknowledged the crisis our Nation faced more than a year ago.

I yield the remainder of my time should any be remaining.

Mr. DASCHLE. Mr. President, I yield to the distinguished Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee [Mr. SASSER] is recognized.

Mr. SASSER. Mr. President, I am advised that at the appropriate time, at the end of debate on this issue, the Senator from Colorado [Mr. BROWN] intends to make a point of order against this bill, if I am not mistaken. I do not want to misquote the Senator. Perhaps he could state what his position is.

Mr. BROWN. If the Senator will yield, I say to the distinguished chairman that, unless another makes that point, it would be my intention to make a point of order that this bill does not comply with the Budget Act.

Mr. SASSER. Well, Mr. President, just let me say that I am not unsympathetic with the point of order that the Senator from Colorado will probably ultimately raise. But I might say that under our rules, the Office of Management and Budget—under the Budget Enforcement Act, which was enacted into law in 1990—makes the ultimate determination as to whether or not a sequester will lie under the pay-as-you-go mechanism of the Budget Enforcement Act.

The Office of Management and Budget has indicated that there is room in the budget to pay for this extension of unemployment benefits. According to the Office of Management and Budget, the Congress saved $2.2 billion more than it spent last year on entitlements and taxes.

Under the Budget Enforcement Act as interpreted by the Office of Management and Budget, we can spend that $2.2 billion without causing a sequester. The unemployment bill would also change the estimated tax payment rules for corporations, raising another $500 million in 1993. So under OMB scoring Mr. President, we have $2.7 billion in room to spend for extension of the unemployment compensation benefits.

What prompts the distinguished Senator from Colorado to raise his point of order, as I understand it, is that the Congressional Budget Office does not agree with OMB on this subject. The Congressional Budget Office says that this bill will indeed exceed the allocation, and that technically the bill would cause spending further to exceed the outlay total in the budget resolution, violating section 311 of the Budget Act, and would cause spending to exceed the Finance Committee's allocation as well, violating section 602 of the Budget Act.

When that point of order is raised, it will take 60 Senators to waive that point of order. I am going to support the motion to waive the point of order, because I have always considered the unemployment problem to be an emergency situation that would be covered by the emergency language of the Budget Enforcement Act.

The administration takes the position that the extension of these unemployment benefits conforms with the Budget Enforcement Act because of additional savings that were made last year and because of additional revenues that will be raised. So it will be paid for. That is the administration's view.

The Congressional Budget Office has a different view. I have sympathy for the problem raised by the Senator from Colorado. It is terribly frustrating to have a budget system that rests on two different estimating powers. On one hand, you have the Office of Management and Budget making the estimating and determining when a sequester will lie. On the other hand, you have the Congressional Budget Office telling us whether or not a certain piece of legislation meets the requirements of the Budget Enforcement Act or whether or not a committee is exceeding its allocation.

It is very much like buying a left shoe made by one manufacturer and buying a right shoe made by another shoe company. It would not be surprising if every now and then they just do not match. It would not be surprising if every now and then the shoe would pinch on one foot or the other and we get tripped up, if we are buying a left shoe from one company and a right shoe from the other. They have different size patterns that they go on.

If the Senator from Colorado objects to the way the system works, that it uses OMB for one thing and CBO for another, I could not agree with him more. I think he makes a rational argument in that regard. And I hope that he will join with those of us who argue that OMB should not be the final arbiter of what amounts to a sequester.

In essence, you have CBO doing the scoring on the bills over here, and you have OMB having their own scoring process that determines when there will be a sequester. In the budget negotiations, I agreed very strenuously against letting OMB be the final arbiter. But they are in this particular case, and that is the law.

In the final analysis, I do not think that this is the time to allow a technical point about scorekeeping to stand in the way of this very vital legislation, which I feel is needed on an emergency basis to get these benefits to the long-term unemployed. They are unemployed through no fault of their own, but as a result of this long-enduring recession now entering upon its nineteenth month.

I do understand the frustration of the Senator from Colorado. I share that same frustration, and I hope at some juncture we can count on the Senator from Colorado raising his eloquent voice to help to move this power of who is the final scorekeeper for sequestration back to the Congressional Budget Office where, in the judgment of this Senator, it ought to be.

So when the Senator from Colorado raises his point of order at the end of the debate, I want my colleagues to know that I will join in the motion to waive.

Mr. BROWN. Mr. President, I simply want to commend the distinguished chairman of the Budget Committee for his very helpful, concise appraisal of the situation. I think he has fairly described the circumstance that this body now finds itself in.

Frankly, we are at a point where we have two estimates. The Congressional Budget Office is the one that is the determinative for us with regard to our rules and the point of order that will be made. The Office of Management and Budget does indeed have a different one, and he has accurately summarized their conclusions.

I might say with regard to the point that the distinguished Senator made as to whose view should be determinative, I am one who thought it would be helpful to have the independent source that had the highest level of integrity viewing this. I think, particularly in light of Congress' inability to deal with these matters, or to reach conclusions and limit spending, that is important. I am one who thought that surely the Office of Management and Budget would be that one. I must concede to the distinguished Senator that, as we come to the floor, my belief is that the Congressional Budget Office estimate is the best, certainly, in this regard.

I might say that I intend to support whatever proposal leads to the most integrity in the process.

I do not think this decision ought to be made on the basis of Republicans favoring a Republican estimate and Democrats favoring the Democratic estimate. If there is one thing this Government needs to do it is to rebuild credibility in the area where it has the least credibility and that is clearly in budget estimates. At least I know of no other that can challenge our credibility the way those have.

So with regard to the point of the distinguished Senator from Tennessee with regard to changing the estimate, I must say I think there are a significant number of Members in this body that if they come to the conclusion that the Office of Management and Budget cannot be independent, cannot be objective, they will indeed support the change.

Mr. DASCHLE. Mr. President, how much time do we retain?

The PRESIDING OFFICER. The Senator from South Dakota has 9 minutes remaining; the Senator from Colorado 42.

Mr. DASCHLE. Mr. President, I yield 5 minutes to the distinguished Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts [Mr. KENNEDY] is recognized.

Mr. KENNEDY. Mr. President, I commend the Senate for taking prompt action to extend additional needed help to the unemployed in this continuing, endless recession.

Today's legislation will provide 13 more weeks of unemployment insurance, on top of the 20 weeks enacted last fall. As a result of this action, jobless workers in Massachusetts and other hard-hit States will now be eligible for 33 weeks of extended unemployment benefits. This will aid over 70,000 unemployed persons in the State.

This step is timely and necessary, as even the President now agrees. The administration's own economic forecasts show that the recession will continue well into 1992 at a minimum.

As we all know, previous administration forecasts have been wrong throughout this recession, and the current predictions of recovery have sufficiently little credibility that the administration no longer opposes sensible steps to help the unemployed.

In his State of the Union Address, the President laid great importance on passing his economic proposals in order to launch the recovery. Many economists and other experts are skeptical that the President's proposals will have any real impact on economic growth. Even the administration's predictions suggest that the recovery will be weak.

For 1992, they foresee real economic growth of only 1.5 percent, which would be the most anemic recovery from recession since World War II.

And they predict annual unemployment for 1992 to average 6.9 percent, with unemployment in the fourth quarter still stuck at 6.8 percent. Some recovery.

These grim forecasts are in line with others coming from outside the administration.

The Massachusetts Taxpayers Foundation, a nonpartisan group with close ties to the business community, foresees lower growth and higher unemployment nationally.

They predict that, in 1992, Massachusetts will see a decline in personal income, a rise in the unemployment rate, and a further loss of 40,000 jobs, on top of the 275,000 jobs lost in the past 2 years.

That kind of recovery is too weak. It means no real economic growth and no growth in personal income or employment, with further losses a distinct possibility. It may well mean no recovery at all. In the face of these disturbing forecasts, Congress clearly has an obligation to do more.

At bottom, the Bush administration's plan is a calculated and unacceptable gamble with the health of the economy. They are ideologically incapable of abandoning their laissez-faire policy. They believe the economy is basically sound, and will soon heal itself.

Their policy is a thin veneer of stimulus, without the solid action we need to guarantee that the recession ends and the recovery begins.

If the administration declines to act to end this recession, then Congress must do so.

We must put forward a sound alternative that helps to jump-start the economy, makes investments for the long-term, relieves the burden of State and local governments, and provides fair tax relief for the middle class.

I have submitted a proposal to achieve these goals, and other Senators have made their own positive recommendations. I am confident that we can work together to develop a realistic alternative to get the economy and the country back on the right track.

We must deal more effectively with the urgent needs of the economy. If anyone doubts the need for such strong action, they should look at the administration's own depressing economic forecast. We can and must be better than that.

While I strongly, support the pending legislation, I want to call attention to a significant flaw in its design which is already having a negative impact on workers in Massachusetts and many other States.

The eligibility rules for the long-term unemployed are unfair to workers who have been enterprising enough and fortunate enough to find part-time work to help tide their families over, while they look for full-time jobs.

When a full year passes after a worker first becomes unemployed and applies for unemployment benefits, current rules require that there be a redetermination of eligibility.

If the worker had sufficient income in the last four of five quarters from part-time work to meet State eligibility requirements, the worker qualifies again for regular State unemployment benefits.

But there's a catch. The amount of the State benefit is recalculated—not on the basis of what the worker was earning at his previous, full-time job, but on the basis of the income earned at the part-time job.

Moreover, because the worker is no longer in the position of having exhausted eligibility for benefits, he no longer qualifies for the extended Federal benefits.

In Massachusetts, workers who had been collecting nearly $300 a week in unemployment compensation who have suddenly found their benefits reduced to less than $50 a week—just because they managed to earn a paltry $1,200 from part-time work during the past year.

If they had not taken the part-time job, and had less than $1,200 income for the year, they would qualify for the full 33 weeks of Federal extended benefits at their original higher rate.

This catch-22 has already had a devastating effect on nearly 1,000 workers in Massachusetts whose benefits have been recalculated and reduced by more than 50 percent, just because their part-time earnings last year totaled a few dollars more than $1,200.

This problem will steadily increase in the coming months, as more and more workers come to the end of their first year of unemployment.

The problem is already acute in Massachusetts, which has been suffering high unemployment longer than any other State in the Union, but it will become a problem in many more States as more and more workers continue to suffer from long-term unemployment.

I recognize the need to get this legislation passed and sent to the President's desk as soon as possible, and I am therefore not offering an amendment to correct this inequity at this time.

However, it is my intention to pursue this matter with supplementary legislation. My hope is that the Senate will address this issue at the earliest opportunity.

As this endless recession drags on well into its second year, no workers or their families should be penalized by a steep reduction in their unemployment benefits because they sought and found part-time work.

I urge my colleagues to work with me in seeing to it that this unintended anomaly is corrected at the earliest possible date.

MESSAGES FROM THE HOUSE

At 3:36 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1415. An act to provide for additional membership on the Library of Congress Trust Fund Board, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4095. An act to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes.

The PRESIDING OFFICER. The Senator from South Dakota.

EXTENSION OF UNEMPLOYMENT BENEFITS

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Who yields time?

The Senator from South Dakota has 4 minutes remaining, and the Senator from Colorado has 42 minutes remaining.

Mr. DASCHLE. Mr. President, I would like to retain the remainder of my time. As I understand it the leader intends to use some of his morning business time, so I yield to him for that purpose.

The PRESIDING OFFICER. The majority leader has 10 minutes remaining of his leader time, and he is recognized.

Mr. MITCHELL. Mr. President, what was repeatedly called a short and shallow recession by this administration has now become the longest recession since World War II. This country has had eight recessions since that time, but all of them have been shorter in duration than the recession that began in July 1990.

There are nearly 9 million Americans unemployed. Another 6.3 million are working part time because they simply cannot find full-time work. An additional 1 million Americans have dropped out of the work force, discouraged having tried repeatedly to find employment but never meeting with success.

Therefore, while the unemployment rate is officially at 7.1 percent, the reality is that more than 13 percent are actually unemployed or underemployed.

My own State of Maine is in a unique position, shared by only seven other States and Puerto Rico. Since Maine triggered on and off the Extended Benefits Program in 1991, many individuals exhausted their 26 weeks of regular benefits and an additional 13 weeks under the Extended Benefits Program during 1991.

Under the rules of the Extended Unemployment Compensation Program enacted by Congress before Thanksgiving, a high unemployment state can offer 20 weeks of additional compensation to all individuals exhausting their State benefits except for those who participated in the Extended Benefits Program. Those who participated in extended benefits are only eligible for 20 weeks of compensation minus the amount they received under the Extended Benefits Program. Therefore an individual who exhausted extended benefits of 13 weeks and still was unable to find a job, was only eligible for an additional 7 weeks under the extension package enacted last year.

Already over 2,000 individuals in Maine have exhausted the compensation we provided last November. Every week now another 1,000 people, unable to find employment, are exhausting their benefits in Maine. That is why I am especially glad that Congress is acting so quickly on this legislation.

While I have heard others mention that some 600,000 individuals will exhaust their compensation in mid-February, in Maine the crisis period for too many families has already begun. Statewide the unemployment rate is 7.1 percent, but parts of Maine have incurred unemployment levels above 10 percent. Over 31,000 jobs have simply disappeared during the last 2 years, 18,000 in the last year alone.

American families who have exhausted their compensation need an extension now. I hope the Congress and the President act quickly to ensure that extended insurance continues for those who need it most.

Mr. President, I thank my colleagues for the courtesy in permitting me to make the statement.

The PRESIDING OFFICER. Who yields time?

Mr. DASCHLE. Mr. President, I yield 3 minutes to the distinguished Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan [Mr. RIEGLE] is recognized for 3 minutes.

Mr. RIEGLE. Mr. President, I thank the manager of the bill.

This is an essential piece of legislation. We fought very hard to get it enacted initially over two rejections by President Bush. We have argued for many months that the scale of the unemployment problem in America is so severe that it has been extremely important that extended unemployment benefits be made available to those who have lost their jobs, exhausted their benefits, and cannot find replacement jobs.

At the present time, there are at least 16 million people in America that want to work full time and cannot find work. We saw the scene the other day on national television in Chicago, subzero temperatures, the snow flying, several thousand people lined up outside a new hotel in Chicago to turn in a resume or employment application in the hopes of getting one of a handful of jobs available at that hotel. But, obviously, several thousand people would end up and were turned away because there just are not the jobs available there or elsewhere around the country.

Every day we read about another company that is reducing their work force. Last week it was United Technologies announcing that they are getting rid of 14,000 permanent positions. We have heard that from IBM. We have heard it from AT&T. We have heard it from General Motors. Virtually, every county across America. It is not just the large companies, but the medium-size companies and the small companies increasingly that are in trouble.

We need an economic plan for America. The Bush administration has not wanted to acknowledge the extent of this problem and therefore has been unwilling to really craft the kind of broad economic plan that is necessary to get America back on a strong growth track and to provide the number of jobs needed in our society for our people.

I think one of the first goals of Government should be to say that we should, in sitting down together—business and Government and labor—formulate an economic strategy for America where we have enough good jobs in America so that every single person that wants to work is able to find work and could go to work each day to support themselves, support their family, and make a contribution to the economic well-being of this country.

Today, we have massive Government deficits in part because the economy is running at such a low pace. When we have massive unemployment like this, it costs us tens of billions of dollars in lost revenue to the Government, and it only drives the deficit up higher and higher. So we need a plan for America that is designed and implemented in this country to see that there are enough jobs for our people.

The original unemployment extension, in the case of the State of Michigan, put $575 million into the hands of 170,000 unemployed workers in Michigan. But for this extension, that would expire in June of this year, and this extension today before us extends it out several months further into the future.

But this, by itself, is not enough to respond to the problem. We need an aggressive economic plan for America. And that means, among other things, stopping the trade cheating by other nations and very particularly Japan. Japan in the month of December, according to their numbers, took $4½ billion out of the United States and the jobs that go with it. Last year alone, $42 billion taken out of the United States by Japan, much of it through unfair, predatory trading practices.

Will the Senator yield me 1 additional minute?

Mr. DASCHLE. Mr. President, I am virtually out of time. I believe I have a minute left. The Senator from Colorado has graciously expressed a willingness to provide additional time.

Mr. BROWN. Mr. President, I yield the distinguished Senator from Michigan 2 additional minutes.

Mr. RIEGLE. I thank the Senator from Colorado for his courtesy and graciousness.

Since 1980, just the trade deficit that has piled up with Japan, that particular country has taken $460 billion out of the United States and hundreds of thousands of jobs that go with it.

So part of our problem right now is unfair trading practices that are still out there, have not been corrected.

Another part of the problem is the absence of an aggressive, economic growth plan for America here at home that can really set some aggressive economic growth targets and goals and see to it that we invest in our country, invest in our people, invest in job growth, and get the kind of economic surge that America needs.

This unemployment help will help families hold their lives together. It will help some of them avoid losing their homes, losing their cars. It will help keep food on the table. But it is only a stopgap. It is not a solution to the problem.

So we need to go beyond this very important unemployment compensation extension and we need to fight for and put in place an aggressive economic growth plan for America. I call it a "Team America" plan, where we, as I say, business and Government and labor, sit down together to map out these goals and to map out the strategy for getting there.

But this legislation today is vitually important. I thank Senator BENTSEN for moving aggressively on it and the other colleagues that have worked on it.

I thank the Chair and my colleagues for the time. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BROWN. Mr. President, I expect Senator DOLE to be with us shortly. I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, shortly, we will vote on a point of order that I will raise. The point of order deals with one violation of the Budget Act.

The Senator from Tennessee has correctly outlined the fact that the Office of Management and Budget indicates the cost of this bill has been offset, but the Congressional Budget Office clearly indicates in a letter that has been submitted for the RECORD that this measure does violate the Budget Act, is not offset by amounts raised. Clearly, it violates the Budget Act.

The question will be whether or not this body wishes to waive the Budget Act. My view is that we ought to pass this bill but we ought to pay for it by eliminating waste. The deficit this year is estimated at $351.5 billion and that is on a consolidated basis. It is even more if you look at on-budget items alone.

The simple fact is the deficit will explode next year to at least $400 billion and perhaps beyond. We need to send a clear signal that we are willing to deal with our economic problems. By waiving the Budget Act point of order, waiving the one protection we have against a flood tide of red ink, we will not help this economy; we will harm it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WELLSTONE). Without objection, it is so ordered.

Mr. BROWN. Mr. President, I yield such time as he may consume to the distinguished Republican leader, Mr. DOLE.

Mr. DOLE. Mr. President, I am pleased to be an original cosponsor of S. 2173, which expands the Unemployment Extended Benefits Program passed by Congress at the end of the session last year.

The legislation before us this afternoon comes to the relief of families who need help by adding another 13 weeks of extended benefits. This means that eligible unemployed Americans are guaranteed at least 1 full year of benefits and could—depending on their State's unemployment rate—receive as much as 59 weeks of benefits.

BILL IS PAID FOR

A key part of this legislation is that based on Office of Management and Budget estimates—it is paid for—something that the administration and my colleagues on this side of the aisle have fought hard for.

The American people are deeply concerned about the deficit, and I am glad that Congress is showing some fiscal responsibility. I know that was the aim of the distinguished chairman of the Finance Committee and members of the Finance Committee in the markup just this past Thursday.

Just before lunch today, I spoke to the American Collectors Association which represents 3,600 debt collection service companies. I joked that I hoped that they had not come to Washington to collect on the Federal deficit.

The important thing is that this is paid for. I know the Associated Press, as usual, is running a misleading story saying Bush has caved in again. This is not a cave-in by President Bush, I might tell the Associated Press and maybe some responsible people with the Associated Press. This is a bipartisan effort. It is a bipartisan effort that is paid for and that is why it is here today under a 2-hour time agreement with no amendments because we have met the objections of President Bush. It is not that President Bush was ever opposed to the extension of unemployment benefits—he wanted it paid for. He did not want to add $6.2 billion to the Federal deficit the last time we discussed this and billions more to the Federal deficit today.

So I hope those who are writing the stories at least understand the genesis of this legislation.

QUICK PASSAGE

The administration strongly supports this legislation. It is cosponsored by the distinguished chairman and ranking member of the Finance Committee, by the distinguished majority leader and myself, and by a number of other distinguished Members of this body.

I am very pleased that we are taking quick action as the administration has requested. According to the Department of Labor, nearly 600,000 unemployed workers will exhaust their benefits by February 15 without the additional benefits provided in this legislation.

While a day or two of delay may not impact any of us sitting in this Chamber, it means a great deal to the unemployed who are trying to figure out how they will pay their bills and put food on the table tomorrow.

By acting now, we are ensuring that there will be no gap in these benefits, and therefore no gap in the ability of the unemployed to survive through these tough times.

BIPARTISAN COOPERATION

Finally, let me just add that the challenges facing this Congress are great. This legislation is a prime example that if we work together on a bipartisan basis, the American people win.

I hope we will continue this when we get into the economic growth package. I think, if we work together on the growth package, we will meet the March 20 deadline, we will do it in a bipartisan way and a bipartisan spirit, and the winners will be the American people.

If, however, we pursue politics for our own selfish agendas, everyone loses.

This great Nation of strength and spirit is counting on the strength and spirit of its Representatives.

Let us not forsake our duty to the good citizens who put us here.

I yield the floor.

Mr. BROWN. Mr. President, I yield 10 minutes to the distinguished Senator from New Mexico, the ranking Republican on the Budget Committee, Senator DOMENICI.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I am not sure, I say to my friend from Colorado, that I need 10 minutes, so if someone else would like some time, I probably will be able to yield.

Mr. President, this proposal that is before us, the unemployment benefits extension, is consistent with the President's request for an extension of benefits, and it is in compliance with the Budget Enforcement Act, as it is estimated by OMB to be deficit neutral.

Frankly, I have grown weary of listening to the political charges that this administration is insensitive to the needs of the unemployed. The other side of the aisle would have you believe that only by forcing the President to change his mind did we achieve a compromise last fall. Essentially, he did not change his mind. Congress changed its mind. The first bills that went through were Congress' ideas, predominantly the other side of the aisle. On each occasion, the President said, why do we not pay for it? Eventually we saw the light and we paid for the bill. That is what we are doing again today.

Nonetheless, let me suggest that one of the ways we are going to pay for this bill leads me to ask a question why—while we are so worried about jobs—are we putting about $1 billion less into the highway funds that we distribute to the sovereign States now as compared with the Federal Highway Administration estimates for this year? Why are eight States going to get less highway funds now than last year?

Approximately $1 billion in fiscal year 1992 contract authority has been lost as the result of an unrelated, mandatory project put into last fall's transportation bill during the final hours of the conference. That translates into a loss of up to 50,000 jobs.

Why do I raise this issue? Mr. President, I raise it because the highway funds and the programs and projects that stem from it are probably the most significant and appropriate jobs-creating bill that we can pass. Some in America think because jobs are spoken of so deliberately, that we have them in abundance on the floor of the Senate. We can pass something, and people go to work. Normally we do not know how to do that, but when we have a highway program, it does put people to work. $1 billion is about 50,000 jobs.

Frankly, I do not think we should have done that.

I have asked those who put into the highway bill a mandatory expenditure for the Brooklyn courthouse, to initiate the effort to restore the $1.2 billion reduction in obligation authority for fiscal year 1992. I have asked that they reconsider that and that they find another way to pay for it rather than out of the highway funds as a mandatory expenditure of budget authority.

You might ask, how can $450 million for a courthouse in Brooklyn amount to a $1 billion reduction in the funds available to our States under the highway fund? The budget process in the United States is full of strange things. But the highway funds spend out at a much different rate than this project in Brooklyn.

So what they had to do was hold out $1.2 billion in fiscal year 1992 highway funds distributed to the States in order to cover the estimated future outlays for the Brooklyn courthouse.

Now, frankly, I am not aware of any of the propriety, or the need for any of this. I assume that courthouse is needed. I assume, however, that it cannot get through under some normal approach for some reason or another and, frankly, I am not part of that. I just happened to be charged with the responsibility of sort of seeing where moneys go.

People ask me why we did not get more highway funds and I have to run over and ask people where did the highway funds go. I regret to say that $1.2 billion that should have been distributed now, permitting the States to get on with contracting, putting people to work, has been used to defer the estimated outlay costs for the Brooklyn courthouse. Wherever this fits, I hope it will be worn by someone and we will get on to righting this, because I think it should be turned around; some way or another this ought to be fixed.

We ought not be talking about the President of the United States not being for unemployment compensation, which is ridiculous, at the same time we are doing things like the one I just described which is about jobs.

I ask that the tables I asked heretofore be made a part of the RECORD attend my remarks.

There being no objection, the data was ordered to be printed in the RECORD, as follows:

[In millions of dollars]

State	1992 Federal-aid highway obligations	Estimate before reduction	Difference
Alabama	238.499	253.722	−15.223
Alaska	201.393	214.248	−12.855
Arizona	182.985	194.665	−11.680
Arkansas	138.312	147.140	−8.828
California	1,339.324	1,424.813	−85.489
Colorado	183.496	195.209	−11.713
Connecticut	303.461	322.831	−19.370
Delaware	64.903	69.046	−4.143
District of Columbia	90.552	96.332	−5.780
Florida	503.333	535.461	−32.128
Georgia	388.588	413.391	−24.803
Hawaii	143.360	152.511	−9.151
Idaho	108.830	115.777	−6.947
Illinois	489.565	520.814	−31.249
Indiana	267.616	284.698	−17.082
Iowa	168.418	179.168	−10.750
Kansas	179.552	191.013	−11.461
Kentucky	207.822	221.087	−13.265
Louisiana	216.659	230.488	−13.829
Maine	77.820	82.787	−4.967
Maryland	278.177	295.933	−17.756
Massachusetts	687.283	731.152	−43.869
Michigan	372.527	396.305	−23.778
Minnesota	230.623	245.344	−14.721
Mississippi	158.769	168.903	−10.134
Missouri	288.699	307.127	−18.428
Montana	148.784	158.281	−9.497
Nebraska	130.794	139.143	−8.349
Nevada	85.303	90.748	−5.445
New Hampshire	75.885	80.729	−4.844
New Jersey	448.503	477.131	−28.628
New Mexico	170.016	180.868	−10.852
New York	761.204	809.791	−48.587
North Carolina	351.541	373.980	−22.439
North Dakota	97.849	104.095	−6.246
Ohio	475.670	506.032	−30.362
Oklahoma	187.566	199.538	−11.972
Oregon	187.966	199.964	−11.998
Pennsylvania	711.650	757.074	−45.424
Rhode Island	95.158	101.232	−6.074
South Carolina	172.863	183.897	−11.034
South Dakota	109.981	117.001	−7.020
Tennessee	288.013	306.397	−18.384
Texas	897.691	954.990	−57.299
Utah	121.715	129.484	−7.769
Vermont	69.609	74.052	−4.443
Virginia	358.286	381.155	−22.869
Washington	319.841	340.256	−20.415
West Virginia	145.485	154.771	−9.286
Wisconsin	251.896	267.974	−16.078
Wyoming	103.706	110.326	−6.620
Puerto Rico	67.810	72.138	−4.328
Total State allocations	14,344.347	15,259.944	−915.597
Other obligation limitation programs			−198.039
Total obligation reduction			−1,113.636

Note.—Prepared by Senate Budget Committee Republican staff, Feb. 4, 1992.

PAY-GO SCORECARD

[In millions of dollars]

	1992	1993	1994	1995	Sequester 1992 plus 1993	4-yr. total
OMB Scoring						
Enacted pay-go	−1,095	−1,136	−476	−1,005	−2,231	−3,712
Unemployment [1]	1,095	1,136			2,231	2,231
Subtotal			−476	−1,005		−1,481
Highway restoration	204	643	193	58	847	1,098
Courthouse repeal	−46	−206	−160	−46	−252	−458
New pay-go total	158	437	−443	−993	595	−841
CBO Scoring						
Enacted pay-go	752	−1,762	111	−9	−1,010	−908
Unemployment	2,700	100	−100	500	2,800	3,200
Subtotal	3,452	−1,662	11	491	1,790	2,292
Highway restoration	592	1,849	536	161	2,441	3,138
Courthouse repeal		−46	−206	−160	−46	−412
New pay-go total	4,044	141	341	492	4,185	5,018

[1] Official OMB scoring is unavailable. Assumes cost of the unemployment bill is completely offset by enacted pay-go savings.

PAY-GO SCORECARD—Continued

[In millions of dollars]

	1992	1993	1994	1995	Sequester 1992 plus 1993	4-yr. total

Source: Senate Budget Committee Republican staff, Feb. 3, 1992.

Mr. GORTON. Mr. President, today this Senate is acting on another extension of unemployment benefits. The extension is needed and is right for America's unemployed.

This Congress, however, is attacking symptoms and not the underlying disease. The symptoms are unemployment, and the Congress can and is providing therapy for these symptoms. The disease is excessive Government spending and excessive governmental regulation both of which inhibit private investment and economic growth. Since this recession began, this Congress has done nothing to combat the disease of excessive debt and regulation.

Last year, Congress passed more than 700 pieces of legislation in one House or the other. Thirteen of those were appropriations bills and therefore necessary. One of those, the highway bill, will provide some economic stimulus and some jobs. The other 700 or so pieces of legislation do nothing for the economic problems of this country.

Over the next 4 years, if Congress continues with business as usual we will add a trillion dollars to the Federal debt. By 1996, if Congress continues with business as usual, the payment on interest on the national debt will be a quarter of a trillion dollars a year.

I have listened to Washington State constituents. My constituents aren't asking for business as usual from Congress. They want concrete, responsible congressional action which will benefit the economy.

Mr. President, how can we continue down this path, living beyond our national means and claim that we are providing this country real leadership?

We must work toward a balanced budget in a real and comprehensive manner. We cannot get to a balanced budget by restricting discretionary spending, which only represent one-third of the total amount of money spent by the Federal Government this year. Neither will spending three times over every dollar cut from our national defense budget as some Democratic leaders have proposed.

We cannot get there overnight, but we must start moving toward financial responsibility and by relieving the regulatory burden on businesses. If we act, reducing spending and regulation will do more for this Nation's economic standing in the world than anything else this Congress can do to enable our country's businesses to grow and create more jobs. A healthy economy that creates new opportunities to invest, increasing the number of jobs, is what the unemployed need to cure their problems.

Mr. DURENBERGER. Mr. President, I am pleased that the Finance Committee and the full Senate have taken such swift action to extend unemployment benefits so early in the year. Because it appears that the need for these benefits will exceed the current program's life, I believe that it is wise to ensure that the means to assist unemployed Americans is available as soon as the need may arise. It is my hope that the speed of this legislation is an indication for how quickly and how seriously the Congress will address the country's current economic needs.

Last year, when extended benefits were originally enacted, this process dragged on entirely too long. Political games were played at the expense of unemployed Americans. I hope and believe that this is behind us.

I am encouraged that both the administration and the leadership of the Congress have embraced as a high priority the extension of this valuable program and to doing it quickly. I hope that my colleagues will follow the lead of the Finance Committee in resisting amendment to this extension so that consideration will not be delayed. American workers, who are unemployed through no fault of their own, should not have to endure unnecessary delay in guaranteeing relief.

Like the extended benefits bill which preceded it last year, this legislation combines effective relief with fiscal responsibility. I commend its authors for the decision to abide by the pay-as-you-go requirements of the Budget Enforcement Act and to address the concerns of the administration which delayed passage last year. This decision leads me to believe that the lessons from last year's debate have indeed been taken to heart.

With an unemployment rate of 5 percent, my State has not been hit as hard as some other States. This is, however, of little comfort to the 121,000 Minnesotans who were without work last month. Extension of unemployment compensation benefits will go a long way toward meeting the real needs of this group of people whose numbers are expected to grow in the coming months. This extension will ensure that assistance is available throughout the recovery period.

Like many of my colleagues, I continue to support repeal of the misnamed luxury tax on boats, but have agreed to refrain from offering amendments which would delay this bill. This effort to sock it to the rich has been a disaster for the men and women who build boats in Minnesota and throughout the country. Regardless of who buys these boats, rich people are not the ones who build them. All of the so-called luxury taxes, on boats, planes, jewelry, and furs, have all caused the same problems for the workers employed in these industries. I look forward to joining my colleagues in wholeheartedly supporting the repeal of these job-reducing taxes at the earliest possible occasion.

Thank you, Mr. President.

Ms. MIKULSKI. Mr. President, I rise to express my support for extended unemployment benefits.

I speak on behalf of the people in my State of Maryland who find themselves jobless—many of them, for the first time in their lives.

Last year, in Maryland, 2,500 Westinghouse employees lost their jobs. These are not vagrants or drifters, Mr. President. These are educated people, scientists, and engineers and workers with great technical skill.

And now they are looking at taking jobs at half their previous pay, or finding no jobs at all.

Last year, in Maryland, 150 employees of the Schmidt Baking Co. in Cumberland were laid off and hundreds of employees of Bethlehem Steel in my home town of Baltimore.

Extending unemployment benefits will not provide jobs for these workers.

But while they are looking, this legislation will make sure they keep the electric lights shining and the gas heat burning. It will provide milk for the baby.

It will prevent those who are jobless from becoming homeless as well.

In this recession, the Senate has a clear responsibility. We need to adopt an economic growth package that will provide immediate jobs. We need to look at a long-term investment strategy to make America competitive.

And as we consider how to create jobs for today and jobs for the future, we must not forget those who are without jobs. Let us take care of them today.

I yield the floor.

Mr. WOFFORD. Mr. President, our Nation is experiencing the longest economic downturn since the Great Depression. Whatever the economists may now predict for the months ahead, we are continuing to lose jobs—good manufacturing jobs—in my State and across the Nation.

Nothing said more about the state of the Union last week than Bethlehem Steel's announcement of plans to lay off some thousands of workers in Steelton, Johnstown, and Monessen.

And while Pennsylvania may not be directly affected, the announcement in December by General Motors of cutbacks and closings of some 20 plants across the country drives another stake into the heart of the American dream for some 74,000 working families.

We must respond to the needs of these Americans who have lost their jobs through no fault of their own. This legislation does that.

Unfortunately, this bill is only a temporary stopgap. It neither promotes business creation nor confronts fundamental weaknesses in the Federal-State Unemployment Compensation System.

First, I believe that we should use taxes that employers have already paid into the unemployment trust fund for their intended purpose: Extended benefits for emergencies like right now. We should not have to raise new revenues in the middle of a recession to fund emergency benefits when funds for this exact purpose are already available in the unemployment trust fund.

Second, as Pennsylvania's Secretary of Labor and Industry, I administered our State's unemployment compensation programs. I know the problems in this system, and I can propose several useful reforms that the Congress might explore and consider in the near future, once we have dealt with the current emergency.

These ideas include:

Identifying dislocated workers early in their unemployment so that States can quickly provide reemployment assistance;

Enhancing labor-management cooperation, training incentives, and work-sharing programs;

Using unemployment funds more creatively to support worker retraining, job placement, and even new business formation; and

Scrutinizing unemployment rate levels that trigger States' extended benefits periods.

The bill we passed today will provide the necessities of life for thousands of American families who are suffering during this recession. I am glad this time around President Bush has actually signaled his willingness to support this effort, instead of blocking it as he did twice last year.

Extending benefits was the very first issue I pressed with my colleagues when I arrived here last May. It is disappointing that, 8 months later, the need for continued action remains great, and growing.

What we need most is a comprehensive program to get us out of this recession and get our economy off dead center. This legislation will help. But we must do more. I look forward to working with my colleagues to explore improvements to the Federal-State Unemployment Compensation System and get our economy moving in the right direction.

Mr. LAUTENBERG. Mr. President, I rise in support of S. 2173, the Unemployment Compensation Extension Act of 1992. This legislation will provide 13 more weeks of additional benefits to those who exhaust their unemployment benefits and extend eligibility from June 13, 1992 to July 4, 1992. As a cosponsor of this legislation, I am glad that the Senate can finally pass an extension of unemployment benefits without the President objecting. It appears that the President has finally recognized the actual severity of this recession.

In my State, the unemployment rate is 7.4 percent. This is the highest unemployment rate in New Jersey since this recession began 21 months ago. In May 1990, the unemployment rate was 4.8 percent. Currently, there are approximately 100,000 New Jerseyans on the verge of exhausting their unemployment benefits, who will be eligible to receive the additional benefits contained in this legislation.

Mr. President, I would like to reiterate that I am pleased that the President will not block this legislation like he did with the last two extensions of unemployment benefits passed by Congress. This extension is designed to help families pay their mortgages, car payments, grocery bills, and educational expenses. But it is surely not a substitute for jobs and economic recovery. The economy is still struggling. We need bold action to help put our people back to work.

We need to put forth long-term economic policies designed to increase our productivity, but for now we need to focus on the plight of our Nation's unemployed. That is why I have introduced emergency infrastructure spending legislation to put people back to work and repair our Nation's deteriorating infrastructure. My start-up proposal will create 180,000 new jobs in the next 2 years. I will also introduce legislation to provide businesses a tax incentive for hiring the long-term unemployed.

These are some of the bold actions we need to take, in combination with other long-term economic policies focusing on increasing our productivity, to move our economy out of this recession, put people back to work, and once again become a leader in the world economy.

Mr. JOHNSTON. Mr. President, I am very pleased that the President has assured prompt approval of S. 2173, legislation which was the result of a bipartisan agreement among the administration, the chairmen of the Senate Finance and House Ways and Means Committees, and the Republican leaders in the House and Senate. This agreement will provide needed help for workers who have exhausted their unemployment benefits during the current recession. I commend all parties for their efforts and I hope that this legislation will be the first of a series of bipartisan agreements to shift our budget priorities and meet urgent needs at home. We must continue to work together to address the long-neglected problems which have resulted in the loss of jobs and income decline that threaten the living standards of our American work force.

As a result of S. 2173, approximately 5,000 of the 25,000 unemployed workers in Louisiana now receiving emergency unemployment compensation will benefit from the immediate 13-week extension. Also, other workers who are expected to exhaust their benefits after June 13 will be eligible for extended and much needed benefits through July 4.

Not only in Louisiana, but in every State a growing number of workers are exhausting their benefits without finding suitable employment. This legislation will equally assist all States and is consistent with the Budget Enforcement Act. It will provide all States 13 additional weeks of unemployment compensation and extend the duration of the current emergency benefit program approved by Congress last year from June 13 to July 4, 1992.

While I am pleased with the temporary relief this measure will provide to so many unemployed Americans, I also hope that we will act expeditiously to develop measures to provide jobs for the unemployed and permanent income stability for them and their families.

Mr. KERRY. Mr. President, I want to state my strong support for the legislation before us today to provide additional weeks of emergency unemployment benefits to the long-term unemployed.

Even President Bush finally acknowledged that our Nation is in the midst of a recession—a fact that has been brutally clear for months to virtually everyone in my State of Massachusetts. The unemployment rate there has been at historically high levels for over a year—reaching almost to 10 percent. It now sits at 8.4 percent. While that is mercifully somewhat lower than it was at its peak, nonetheless the difference between that level and normal unemployment levels represents tens of thousands of additional persons who are unable to find work. All told, nearly 100,000 workers are without work in Massachusetts today.

When unemployment is this severe, it is terribly difficult for many people to find work regardless of how hard they try. In such a situation it is not only appropriate but essential that we increase the support we give to those who have been unemployed long enough to exhaust the basic benefits that are available from the unemployment insurance program. That is what we attempted to do last summer, when President Bush refused to fund the bill we passed and he signed into law, and again in the early fall when he vetoed the second bill we passed. And that is what we finally accomplished when we passed bills number three and four in November which the President agreed to sign into law, and which provided up to 20 additional weeks of benefits to the long-term unemployed in Massachusetts.

Mr. President, the majority leader, the chairman of the Finance Committee, and others, have provided strong and unwavering leadership on this issue. They and their staffs are to be commended.

I join in enthusiastically supporting the extension of benefits contained in the bill before us today.

It should be noted, however, Mr. President, that while this legislation is an essential response by our Government to some of the suffering caused by this recession, it does not attain what must be our ultimate objective with respect to those who have lost their jobs: creating real jobs for these people. They want to work. They want to earn a living for themselves and their families. The want to be contributing citizens as most of them have been for many years.

This Congress has an obligation to act to enable our economy to get back on sound footing—to provide work and prosperity for Americans individually and collectively. The Government, in a free-market economy, cannot and should not be expected solely by its own actions to return stability to the economy. But we can and must take concrete steps to ease the way for the private sector, and to provide a stimulus to which the components of the economy will respond. We will be working toward that end in the coming weeks.

I do not believe that we will or should pass the program of which the President provided various glimpses in his State of the Union Message. That program is neither sufficiently fair to all Americans, especially those of the middle class who form the backbone of our Nation, nor sufficiently bold. But I am confident that the Congress will act decisively and usefully combining ideas and components which many of us have proposed.

It is necessary that I register one significant note of concern about the additional benefits being provided under the legislation enacted in November and that will be provided under the legislation on which we are voting today. During the recent recess as I traveled across Massachusetts, I had the opportunity to listen to the concerns of my constituents and how they are dealing with this devastating recession. I heard many disturbing stories, but one of the most disturbing to me were those of the long-term unemployed who are being penalized for temporarily returning to work.

Mr. President, I want to share with you the experience of one laid-off worker in Massachusetts who, by returning to work for 2 weeks after he was initially laid off, reduced his unemployment benefits from $282 to $23 per week.

Don—I will use only his first name to protect his privacy—worked for the same company for 10 years. In February of last year, the company and in turn Don became victims of the recession. Two weeks after he was initially laid off, the company recalled him to work, but laid him off again two weeks later. Don received unemployment benefits for 25 weeks, at the end of which period his unemployment insurance claim was exhausted.

At the time his benefits were exhausted, President Bush had refused to release funds for one unemployment insurance extension bill the Congress passed in the summer of 1991 and had vetoed a second bill the Congress passed in the early fall. As a result, while the President was refusing to admit the Nation was mired in a recession and Americans from coast to coast needed help, Don was forced to use all his life savings, and then sank further and further into debt.

In November, Don was relieved to learn that President Bush had finally acknowledged that long-term unemployed workers needed help, and had agreed to sign a third unemployment insurance bill passed by the Congress. He applied for benefits under the so-called reach-back provisions permitting those who had exhausted their benefits after March 1, 1991, but before the law was signed, and who remained unemployed, to receive additional benefits. Don qualified for the maximum amount of 20 weeks of additional benefits under his earlier unemployment claim.

Under current law, all benefit recipients must file a new claim 52 weeks after they filed their last claim. The Massachusetts Department of Employment and Training reviews the person's employment and wage records for the previous 52 weeks and if there were earnings exceeding $1,200, the benefit rate for any remaining benefits for which the person is eligible is computed and based on those earnings rather than continuing the benefit being received previously.

When Don's initial 52-week claim period ended, he was required to file a new claim. At that point, he had received only 7 of the 20 weeks of additional benefits under the emergency program to which he had been told he was entitled. But when the Department of Employment and Training analyzed his work history for the new 52-week period, current law required it to take into account the 2-week period when Don had returned to work early in 1991. Since Don earned something more than $1,200 in that period, Don's new benefit computation was based on that $1,200-plus of income in the most recent 52-week claim period rather than, as previously had been the case, on the proceeding 52-week claim period when Don had been employed full time and, of course, had a much higher income.

As a result, for the remaining 13 weeks of his eligibility for the additional benefits, Don's benefit amount was dropped from $282 per week to $23.

Sadly, Don's experience is not unique. I am advised that in Massachusetts alone over 2,000 persons have found themselves in a similar situation—where benefits are dramatically reduced in mid-stream when the claim year changes and benefits are recomputed based on a very short period or periods of reemployment.

Mr. President, I am distressed by what I see as the larger issue illustrated by Don's case as I have recounted it. The unemployment insurance eligibility and benefit computation requirements and procedures are operating to discourage unemployed American workers from seeking or accepting any employment they do not believe to be long-term or permanent until they have exhausted all unemployment benefits for which they are eligible or for which they believe they may become eligible. There is something fundamentally wrong in a program that punishes men and women for returning to work whenever they can find an opportunity to do so.

I reluctantly recognize that it is not possible to remedy this problem today. The President has stated that he will accept nothing other than the simple extension of the additional benefits legislation previously enacted, with the addition of 13 more weeks of benefits for the long-term unemployed in all States. That, of course, is what the bill does which has been brought before the Senate today by the distinguished chairman of the Finance Committee. I can assure my colleagues—and the long-term unemployed in Massachusetts—that I will not take any step that will create an excuse for the President to veto another unemployment insurance bill and thereby deny badly needed assistance to unemployed workers and their families who have nothing else on which to depend to pay their mortgages and rent, buy food, and pay for medical care.

But the fact remains, Mr. President, that this is a matter which ought to be addressed and remedied by the Congress in the near future. I have presented this information and my concerns to the committee's chairman, Mr. BENTSEN, and he graciously considered the situation and has offered his assurance to me that the Finance Committee in coming weeks, as it is considering other legislation to make alterations in the unemployment insurance law, will carefully consider this problem and possible means to resolve it satisfactorily.

I very much appreciate the attention the chairman and his very capable staff have given to this problem in the past several days, and his assurance that his committee will examine it carefully. I look forward to working with him, the other members of the Finance Committee and the committee's staff and with my senior colleague from Massachusetts, Mr. KENNEDY, in this effort.

Mr. President, in conclusion, let me reiterate that we must multiply our efforts to pull our Nation out of the economic tailspin into which it has gone. We must not rest, and we cannot be satisfied, until the economy has returned to equilibrium and Americans are back at work and prosperity has returned to our States and communities. We in the Government have no greater or more important challenge than this in the weeks before us.

Mr. DODD. Mr. President, I rise today to voice my strong support for the bill to extend unemployment compensation for an additional 13 weeks. We could not take action on this measure soon enough. Over 600,000 long-term unemployed Americans will exhaust their benefits by the end of this month.

While many of us remain hopeful, there is absolutely no evidence that this stubborn recession will end by mid-year. Economic indicators continue to show signs of weakness in our economy.

The index of leading economic indicators fell by 0.3 percent in December.

Factory orders for durable goods dropped by 5 percent in December, the largest decline in over a year.

Consumer confidence, which must gain strength for the economy to rebound, remains low.

And the unemployment rates for my State of Connecticut and the Nation reached all time highs in December. Connecticut's unemployment rate of 6-9 percent is the highest rate in 9 years. The national rate reached 7.1 percent, the highest rate since 1985.

The news is not good for the millions of Americans struggling to make ends meet. And the news is certainly not good for the 8.9 million Americans who are out of work. Our unemployment compensation program must get the jobless through these hard times.

However, the measure before us today only helps Americans address their shortterm needs. It helps them pay their bills for a few more months. But it does not create jobs or offer longterm solutions to this recession. It will not turn this economy around and it will not place our economy on a straight path to recovery.

We have a bigger challenge ahead of us. We must act swiftly to adopt a package of economic reforms that will provide much-needed stimuli to our economy. We must establish priorities and policies that will promote longterm investment and growth.

Almost 1 year ago, I joined Members of this Chamber in pushing for consideration of a payroll tax cut, offered by my colleague from New York, Senator MOYNIHAN, for hard-working Americans and businesses. Over a year ago, many of us joined Senator BENTSEN in calling for a reinstatement of the full deductibility of IRA investments. Each year, many of us have fought to make permanent the R&D tax credit, the employer-sponsored education tax credit and the housing tax credits. With the President's plan in hand, we now have a chance to act.

We need to do our part to adopt policies that will encourage the creation of jobs. We must restore fairness to our Tax Code. We must provide incentives for businesses to invest, for businesses to expand their research and development operations, and for businesses to train their employees. As a government, we must invest in our children and families, our communities and our infrastructure.

Mr. President, it is time for us to provide real relief to Americans. The Band-Aid approach to helping the unemployed will not last. It is time for us to stop talking about the solutions. It is time for us to act. For this reason, I urge my colleagues to join me in passing this extension and then moving to take up more comprehensive economic reform initiatives.

Mr. PELL. Mr. President, I welcome the swift action of the Senate in approving legislation to provide extended unemployment benefits to the victims of our faltering economy. This legislation will provide 13 additional weeks of unemployment benefits to those who are already receiving or will be receiving extended unemployment benefits.

In Rhode Island, passage of this legislation means that if you are receiving the 20 additional weeks of unemployment benefits approved by Congress last November, you will now be eligible for 13 additional weeks of unemployment benefits.

Mr. President, the crisis of unemployment in this country deserves quick action. In my own State of Rhode Island, the unemployment rate continues to hover at about 9 to 10 percent. The safety net provided by Federal unemployment benefits needs to be extended as long as possible to help those who have been put out of work in our sputtering economy.

I am pleased that we are taking action on extended unemployment benefits, but I am disappointed that we are not taking more effective action. According to an article in today's Wall Street Journal, the legislation we are acting on today "leaves unchanged a restrictive system that allowed fewer than 40 percent of the unemployed to get aid last year."

My office has heard stories of anguish and sadness from Rhode Islanders who slip through the cracks, who do not meet eligibility limits for benefits that were tightened by the Federal Government and States during the 1990's.

These restrictions need to be addressed and revised so that unemployment benefits can once again function as a true safety net and not as a program that only applies to a lucky minority of unemployed.

Mr. President, I would also be remiss if I did not note the recognition of our unemployment problems by the administration. Last November, when Congress managed to win administration approval of legislation to extend unemployment benefits, it was only after the administration blocked two previous attempts by Congress to extend unemployment benefits. I welcome the administration to the ranks of those who want to help the unemployed as quickly as possible and as often as may be needed during our current economic troubles.

Mr. GRASSLEY. Mr. President, I appreciate the efforts of the leadership in bringing the issue of extended unemployment benefits so quickly to the Senate floor for action. President Bush also deserves a great deal of credit for supporting this measure early on and expediting the whole process.

Mr. President, as you remember, last November, the Congress and President Bush reached a bipartisan extended unemployment agreement that brought relief to hundreds of thousands of unemployed Americans.

At that time, there was no question that the President and most of Congress supported extended benefits. The basic question or disagreement regarded whether the program was going to be paid for, or was the deficit just going to be increased. Congress finally listened to the President and agreed to pay for the program in a responsible manner.

Another major disagreement arose among Senators in regard to whether every State was treated fairly, since a number of States, including my State of Iowa, would have gotten only 6 weeks of benefits that were not retroactively applied. Once the unfairness of this situation was fully aired and addressed, the legislation went forward.

I am very glad to be able to say that neither of these problems that hindered our deliberations in November are present in the legislation before us. Consequently, we have been able to move very expeditiously on this bill, and I would hope that we will be able to send a bill to the President in just a few days.

Mr. President, unfortunately, hard times continue, and people are still hurting and still struggling. President Bush has voiced his support for further extended benefits, and, has worked with the Congress in reaching a bipartisan agreement.

Beyond voicing my support for this bill, I would only offer this further observation. There are a number of underlying problems with the current law that are preventing people from getting help even with the passage of this new bill, and these problems need to be addressed.

For instance, there are major conflicts between State and Federal law regarding work search, qualifying base periods, job placement requirements and others. These problems have precluded thousands of exhaustees from getting help. And, of course, there are still people out of work who lost their jobs prior to March 1991 who were not helped in the last bill, and will not be helped in this bill.

Mr. President, I would hope that, at least some time down the road, these issues can be addressed. I also sincerely hope that we will meet the President's challenge and pass an economic growth package by the end of March, so that we can do our part in helping this economy turn around so that, maybe, we will not need to consider yet another unemployment bill.

Thank you, Mr. President, and I strongly urge the adoption of the bill.

Mr. HATFIELD. Mr. President, I wish to add my voice in support for extending additional emergency unemployment benefits to our Nation's unemployed. I am very encouraged that the administration as well as Congress agrees that further help is desperately needed.

The current recession is now into its 18th month with no sign of a solid recovery in sight. Last month, the unemployment rate in the United States was 7.1 percent. We all know that recessions are even more acute within certain segments of our society such as the automobile and timber industries. While I am encouraged that my home State has weathered our recent economic decline better than some other areas in the country, Oregon is currently facing a 6.6-percent unemployment rate. With housing starts recently at their lowest level since 1945, many timber industry employees in Oregon are suffering tremendously from the current state of our economy. In my State alone, we have lost 14,200 jobs in the lumber industry alone in the last 3 years, and we are facing the loss of tens of thousands of direct and indirect jobs as a result of further protection for the northern spotted owl. While not a panacea for the long term, extended benefits are a critical safety net for those who have been impacted by these changes, both in Oregon and elsewhere.

The fact that the administration has agreed to make funds available in the recently released budget proposal to pay for further unemployment benefits and the fact that Congress has acted promptly in an effort to make these funds available to the unemployed is very encouraging. However, I feel we have some serious problems facing our work force that can not be corrected solely by periodic unemployment benefit extensions. The key ingredient to any nation's economic competitiveness is human capital—a principle America has overlooked for far too long.

The American workplace, Mr. President, is drifting toward an increasing number of low-paying jobs and a related decrease in the number of positions that require more job-related skills. This ultimately places our economic competitiveness at risk. Unless we alter productivity now, we face the economic peril of trailing behind as many as nine other developed countries in total output per worker by the year 2020. Further complicating this problem is a lack of opportunity to obtain technical training for our future work force. We must be willing to train our current workers and our future work force to be competitive with the world.

Good, reliable, and permanent jobs depend on people who can put new knowledge to work. We have all heard of the 4,000 unemployed people who recently lined up in subzero weather to apply for 500 job openings in a new Chicago Hotel. However, consider the fact that when the New York Telephone Co. was looking for people with the skills to become entry-level operators and technicians, the company had to screen 57,000 applicants before it found 2,000 possibilities. Workers need opportunities to learn to be creative and responsible problem solvers and to develop the skills and attitudes on which employers can build to offer more jobs to the American work force. To that end, I have worked with Senator KENNEDY to develop S. 1790, the High Skills, Competitive Work Force Act, which addresses many of these difficult problems by creating new training programs to prepare workers for the job market of the 1990's and beyond.

Again, I am delighted that the Congress and administration have agreed to work together to enact further unemployment benefits as quickly as possible. I know that we can all rest a little easier when we know that the American unemployed will at least have an additional 13 weeks of assistance. Beyond today's immediate need, I hope my colleagues will join me in pursuing new initiatives in work force training so that we can address our future competitiveness.

Mr. SANFORD. Mr. President, I rise to voice my support for S. 2173, a bill to provide additional unemployment benefits to out-of-work Americans. I am pleased that Congress has been able to act so quickly and decisively to bring this vitally important legislation to the Senate floor. And now that the President finally has realized the severity of the current recession and has come on board in support of extended unemployment insurance, there will be no disruption in benefits to those who have been out of work the longest during this recession.

Last week on the Senate floor I introduced a wide-ranging economic recovery plan. At that time, I noted that as I traveled throughout North Carolina these past few months, anxiety about the state of our economy was clearly the No. 1 concern on most everyone's mind. In my statement I outlined a number of steps we must take to get our economic engine chugging along again. The first item on my list, the one requiring immediate implementation, was extending unemployment insurance benefits. Extending these benefits is only a short-term remedy, but it is still a crucial need. While we pursue action to stimulate the economy, we must provide badly needed support to the over 2 million long-term unemployed throughout the country. Until the economy improves and unemployment falls, these benefits will help pay the mortgage and the doctor bills; they will help put food on the table and gasoline in the car. In North Carolina alone, an average of 22,000 people are collecting extended benefits each week. These are people who have been looking but unable to find work for at least the past 26 weeks. We must ensure that these out-of-work Americans—the biggest victims of a decade of voodoo economics—have the helping hand they need until the economy stabilizes.

I applaud the quick action on this bill to extend unemployment insurance benefits. But I must again emphasize that this is only a short-term remedy to a very serious problem. Let us now move as quickly with an economic recovery plan that will provide long-term solutions. We must invest in our future in a way that provides for job growth. To create good jobs, businesses need to make good investments. To do this, of course, they must have the money to invest, but that is difficult when the Government is gobbling up such a large percentage of the country's investment dollars. The long-term solution for reducing unemployment must be a commitment to enhanced savings, to provide the capital for investment in job-creating technologies.

Mr. WELLSTONE. Mr. President, our Nation continues to face an unemployment emergency, and this bill will help to address that emergency immediately.

The ranks of America's jobless continue to swell. According to the Department of Labor, the unemployment rate rose to 7.1 percent in December, up from 6.9 percent in November. In Minnesota, total unemployment in December rose three-tenths of 1 percent, with some counties in northern Minnesota, including Lake and Aitkin Counties, experiencing unemployment of from 9.5 to over 10 percent.

There are 8.9 million Americans out of work, an increase of almost 300,000 over November. Another 6.3 million are working part-time because they cannot find full-time work, and at least an additional 1 million have dropped out of the work force altogether, frustrated by repeated unsuccessful attempts to find work at a decent wage; 600,000 of the over 1 million Americans currently receiving unemployment benefits will stop getting checks on February 15. Almost 1.5 million Americans have been unemployed longer than 26 weeks. The Nation's civilian employment figure has dropped to a nearly 3-year low of 116 million workers.

But these are statistics. They tell only part of the story. The real story can be read in the lined faces of the unemployed, in the stress and anxiety they are forced to undergo as they look, month after month, for a job—any job. Some of these workers are even forced to compete for low-paying jobs against their own children.

This persistent recession has been with us for many months, with few signs of letting up. These benefits should be extended now, to ease the anxiety and uncertainty of workers facing imminent cutoff of their benefits. I am glad to see we are not going to be caught in the same crunch for time we confronted before the holidays due to the administration's persistent refusal to approve extension of these benefits.

Last November, we extended unemployment benefits to millions of American workers after an almost 6-month struggle with the President. For over 6 months, the administration dithered, vetoing each attempt by this Congress to rush critical benefits to unemployed workers as the recession has deepened. We provided to the unemployed an additional 13 or 20 weeks of benefits, depending on the unemployment rate where they lived. This bill provides an additional 13 weeks of emergency benefits for unemployed workers above those current emergency program levels, and extends similar benefits to America's unemployed railroad workers.

Workers in some of these States with high unemployment have already begun to exhaust those benefits, and many more will exhaust in the next 6 weeks. We must prepare now for that looming crisis by extending further these emergency benefits. The financing mechanism developed to pay for these additional emergency benefits, which uses fiscal year 1992 and fiscal year 1993 savings from adoption of pay-as-you-go requirements last year and from increases in the rate of corporate tax collections, is a reasonable compromise—though I believe we could have drawn upon the over $8 billion currently in the unemployment trust fund designed for that purpose. Our primary concern in this recession must be to get these benefits out soon. We must not put people through the same long and anxious period of waiting they endured last fall because of the President's unwillingness to fund these benefits.

Hearings are being held in the Banking, Budget and Finance Committees of the Senate in the coming weeks to refine major new initiatives to create jobs and put us back on the road to recovery. And there is no more work more important than this. But while we slay the dragons, the wounded must be cared for. While we address our systemic problems, brought on by a decade of voodoo economics and disinvestment in our human capital and in our physical infrastructure, people are slipping through the cracks. We must not let that happen.

I commend Chairman BENTSEN on this package, and I am grateful that he has moved so quickly to extend further emergency unemployment benefits. I think it is also a helpful sign that in this election year President Bush appears much more flexible on this question than he has been in the past, announcing his change of heart in his annual State of the Union address by agreeing to fund these benefits. Finally recognizing the seriousness of the recession, he has also begun to recognize the profound impact it has had on the unemployed. I hope that when it comes to actually being asked to sign another unemployment benefits extension bill, he will agree without the delays and equivocation of last year.

I should add that I continue to believe the Unemployment Insurance Program must soon undergo a thorough reevaluation and reform, to ensure that it efficiently, effectively and fairly serves the needs of America's unemployed. In this process, we should address particularly the problem of Federal benefit formulas which prevent benefits flowing to certain recipients under the emergency program who otherwise would be eligible under the regular program. I hope we can move forward on such comprehensive reform legislation soon.

Enough talk. This is the time to deliver. I urge my colleagues to support this measure to deliver these additional benefits soon, so America's unemployed will not be forced to wait and wonder, as they did for months last year, if they could pay for heat, and light, and food for themselves and their families. I urge my colleagues to move quickly and effectively on this bill well before the February 15 deadline, and I urge the President in the strongest possible terms to sign this bill into law immediately so there will be no disruption in the flow of benefits to America's long-term unemployed. While we put our economic house in order, while we restructure our economy, while we slay the dragons, the wounded must be cared for.

Mr. MCCAIN. Mr. President, I strongly support further extending unemployment insurance benefits to those in need. The President, in his State of the Union speech, called on the Congress to expeditiously act on this subject and I am pleased that the Senate is heeding the President's advice.

Some 600,000 individuals will exhaust benefits in February alone. Unemployment in Arizona has risen to over 8 percent. These unfortunate individuals are in desperate need of help. The 13 extra weeks of unemployment benefits this legislation mandates are needed now.

We now have the opportunity to help those who are seeking employment and are not able to find it. However, Mr. President, let me emphasize that we must not accept this benefits extension as a solution to our problems.

Mr. President, President Bush and many of my colleagues on this side of the aisle have put forth many proposals to stimulate our economy and create jobs for the unemployed. Arizonans do not want to depend on unemployment insurance benefits for their well-being. Arizonans are some of the hardest working individuals in our great Nation. Mr. President, they want jobs and they want a strong economy.

The Senate must now turn its attention to passing legislation that will stimulate economic growth that will truly create jobs, not create more debt for our Nation.

The majority in the Senate has again and again brought forth legislation that seeks to help one group at the cost of another. Past legislation on this issue is a perfect example. Mr. President, the Democratic proposals of the past were not fully funded from existing revenues. In in other words, they further increased the deficit. Another way to phrase it would be to say that they sought to further leverage our children's and grandchildren's futures.

Mr. President, I support this legislation because unemployment continues to be high, the Congress has an obligation to help those in need, and this bill is fiscally sound. However, let me register by strong discontent with Democratic Members of the Congress who blatantly continue to use legislation to further their election year political aspirations.

The President has called on the Congress to help the unemployed. The President additionally called on this body to do so in an economically sound manner that will not increase the deficit. It is particularly pleasing to see that at least on this bill, the Congress has done so and put the needs of our Nation ahead of politics.

As we pass this legislation—and I hope my colleagues will pass this measure to help the unemployed—I urge the Senate to quickly act on needed measures to ensure real economic growth for our Nation.

Mr. President, I yield the floor.

Mr. DOMENICI. I yield whatever time I have back to the distinguished Senator from Colorado for his use. I yield the floor.

Mr. BROWN. Mr. President, I yield back the remainder of our time on this side.

Mr. DASCHLE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

Mr. BROWN. Mr. President, I raise a point of order against H.R. 4095 on the basis is violates section 311(a) of the congressional budget.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. If the Senator will withhold, the Senator has a right to raise objection to the Senate bill which is now before us, not a House bill.

Mr. BROWN. I thank the Chair. Mr. President, I raise a point of order against S. 2173 on the basis that it violates section 311(a) of the Congressional Budget Act.

Mr. DASCHLE. Mr. President, pursuant to section 904(c) of the Congressional Budget Act of 1974, I move to waive section 311 of that act for purposes of the pending legislation.

Mr. DASCHLE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Indiana [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY], are necessarily absent.

I also announce that the Senator from Hawaii [Mr. INOUYE], is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Virginia [Mr. WARNER], is necessarily absent.

The yeas and nays resulted—yeas 88, nays 8, as follows:

[Rollcall Vote No. 16 Leg.]

YEAS—88

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bord
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Hollings
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pryor
Reid
Riegle
Robb
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Thurmond
Wellstone
Wirth
Wofford

NAYS—8

Brown
Craig
Garn
Helms
Pressler
Roth
Symms
Wallop

NOT VOTING—4

Harkin
Inouye
Kerrey
Warner

The PRESIDING OFFICER. On this vote, the yeas are 88, the nays are 8. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to, and the point of order falls.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to consider the House unemployment bill, H.R. 4095, recently received from the House.

The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4095) to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The question occurs on H.R. 4095.

Mr. BENTSEN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays are ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

I also announce that the Senator from Hawaii [Mr. INOUYE] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Virginia [Mr. WARNER] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 94, nays 2, as follows:

{Rollcall Vote No. 17 Leg.}

YEAS—94

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Hollings
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Thurmond
Wallop
Wellstone
Wirth
Wofford

NAYS—2

Helms
Symms

NOT VOTING—4

Harkin
Inouye
Kerrey
Warner

So the bill (H.R. 4095) passed.

EXPLANATION OF VOTE

Mr. SYMMS. Mr. President, I came to the floor planning to vote for the extension of unemployment compensation. I suppose if my vote would have mattered that I might have voted for it, but I got to thinking, walking over to the floor, that the American people really deserve better than what they are getting out of their Government in Washington.

You do not have to be a rocket scientist to know that if all you do is continue to extend the welfare state that the welfare state is going to grow and that the private sector is going to continue to suffer. I do not have any lack of compassion for those people in Detroit, in Boise, in Pocatello, in Los Angeles, and other places where people are unemployed. I think we do have a responsibility to help those people. But we also have a responsibility to not continue to carry on business as usual, Mr. President. That is what is going on here. Congress is sweeping our economic problems under the rug.

What this Congress should be doing is freezing all spending across the board in the budget so that it could then reduce the payroll tax and give middle-income Americans and small business and all business a boost of extra cash flow. We should then reduce the capital gains rate of taxation. We should put passive losses back in for real estate losses so that we can get some incentive back into the real estate market in this country.

We should cut off about half of the spending of this army of bureaucrats that are hostile to people who are trying to produce goods and services in this country and starve them out. If that is all we can do, pay all these bureaucrats and regulators who run around and interfere with the progress of people trying to do things to improve the lifestyle of the American people, then we are doing a disservice to the American people.

I would say this, Mr. President. I think it is a safe bet to say that business-as-usual is going to continue in this Congress. We will not freeze the budget. The only place the Congress will cut spending is in the defense of the country. It is the only place they will cut spending. They have been doing it every year since 1985 when we reached the peak. We have been reducing spending on defense since then.

It took the United States military 43 days to decimate the fourth strongest military organization in the world, that of Saddam Hussein's Iraq; 43 days is how long it took.

It will take the Congress about the same length of time to decimate the military service that did that wonderful job. And these are people we are talking about. When we in Congress want to cut $100 billion out of defense, it is people. The investment is made, in many cases, in the ship or in the airplane or in the material or in the base, whatever. We are talking about cutting people out, people who have been promised work for our Nation's defense. So where will we be when Saddam Hussein himself gets reorganized and retooled? Or what if Iran goes in collusion with two of the Moslem Republics in what used to be the Soviet Union and gets fired up for another war? Where will the U.S. military be if we allow Congress to continue to cut them? I will predict here that the only thing Congress will do with reduction of spending will be to cut military spending. It will not look at anything else.

Now, Mr. President, in addition to this, this Congress and the administration, whom I usually support, will allow business-as-usual to go along. That is why we are here today to opt to just extend unemployment compensation. This is the Government that owns one-third of all the land in the United States. Now, you would think if we had economic problems, which I hear my colleagues talking about, you would think that maybe an unemployed couple in Detroit could be given an opportunity to go to Oregon or Washington or Idaho or Alaska on some of that Government-owned land and let them cut down some trees and earn a living. You would think that would be a U.S. policy. No, that is not the policy. We are going to preserve some of the best softwood timber in the world and let it fall and rot and die so that we can let two northern spotted owls have 3,600 acres. I think the American people deserve better than that, Mr. President.

Mr. President, I want to make another point. I see the distinguished senior Senator from Alaska on the floor. If we really have an unemployment problem in this country, why is it that we will not allow people in Alaska to drill oil wells in a covenant agreement that was made here when I was in the other body in 1980? They should be permitted to drill oil wells on the North Slope of Alaska.

I invite any Senator, Mr. President, who has not been to Alaska to go up and visit the Arctic slope. What they ought to do is go in December or go in January. If you cannot drill an oil well up there, you should not be able to drill an oil well anywhere on Earth. It is a sheet of ice. But somehow we have been mixed up to think that out of 19 million acres in the Arctic National Wildlife Refuge, this Congress is blocking this country from the opportunity to have a footprint up there where oil wells would be drilled that would be the same size as Dulles Airport. That is what it is. It is so ridiculous. It is absolutely ridiculous, Mr. President. And yet we go along with business as usual.

We are bankrupting the country. We have an absolutely hostile, antagonistic Government to the producers in this country. There is no country in the world that the government is as hostile to their own producers as is the U.S. Government. The other ones that were that hostile, like the former Soviet Union, have been overthrown by their people, and now they are saying they want the people to own 60 percent of the land in those countries. In the State of the Senator from Alaska, the people only own 2 percent of the land—only 2 percent of it. This is the so-called United States, the country where private ownership is the fundamental difference between us and the countries that have failed in the recent year.

The fundamental difference between the United States and the former Soviet Union, Mr. President, is the right to own private property. But what has happened in this Government is taxes are too high, regulations are too excessive, and people cannot do business. So, they have to invest money out of the United States or lay people off because their companies are not competitive, and we, the Government's leaders, are still doing business as usual. It is as though we are the last people on the face of the Earth here in Congress to recognize what the problem is.

So it may be that it is right to extend unemployment. But, I would say that what is happening is that business-as-usual in the United States is that the people here in this Congress in the majority, who are running the agenda—and then the administration is forced to capitulate and cave in to them—if they were in the politburo in the former Soviet Union, they would be opposing perestroika. They would say, "Oh, no, we have to have more socialism, more government, that is our solution."

The solution is private ownership. The solution is to allow people an opportunity to go out and work, earn some money and keep it, but we are destroying that initiative in this country. So I only cast that vote just as a protest to the fact that I believe the American people deserve better. I hope they will start paying attention to what their Congressmen have been doing and their Senators have been doing in the Congress these past many years and make some changes this fall, because the American people have it within their grasp to change this. They do not have to put up with a government that continues to run $300 billion deficits, continues to raise their taxes, continues to regulate them, continues to tell every theater owner, every small business operator exactly how they have to fix everything in the store to comply with some utopian regulation.

I know the two Senators from Alaska must feel a great frustration to know the potential resources that their State can put out. The potential resources that their State could put out to help solve the unemployment problems in the United States of America could lead an economic recovery nationwide. But, the coercive utopians have the votes so they cannot open up their resources.

So what do we do this afternoon? Vote to extend unemployment compensation so we encourage people to stay there and sit by a factory that may never open again. Then we will wonder why it does not open. The reason it will not open again is because there is such an anticapitalistic attitude on the part of the Government here in the United States of America, Mr. President. That is what the problem is. I think we should start protesting business-as-usual and start getting back to basics, getting back to freedom, getting back to opportunity, capital growth and development, and give people an opportunity to be rewarded when they work and save and invest.

Mr. President, I yield the floor.

NATIONAL ENERGY SECURITY ACT

MOTION TO PROCEED

The PRESIDING OFFICER. The question recurs on the motion to proceed to S. 2166. The clerk will report.

The assistant legislative clerk read as follows:

A motion to proceed to S. 2166, a bill to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

The Senate continued with the consideration of the motion to proceed to the bill.

Mr. WALLOP. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. The Senate is still on the motion to proceed to the bill?

The PRESIDING OFFICER. The Senator is correct.

Mr. WALLOP. I thank the Chair.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

VISIT TO THE SENATE BY MEMBERS OF THE BRITISH HOUSE OF COMMONS

Mr. MITCHELL. Mr. President and Members of the Senate, I call the attention of Senators to the presence in the Chamber of five of our distinguished colleagues from the British House of Commons, who have joined us here today. They are Mr. Twinn, Mr. Coombs, Mr. Corbet, Mr. Cox, and Mr. Gale.

We welcome them, as we have others. The British House of Commons is the institution most responsible in all of human history for the establishment and preservation of individual liberty. We are grateful to them for the heritage which they passed on to our Congress and for their cooperation today. We welcome our colleagues from the British House of Commons.

[Applause, Senators rising.]

The PRESIDING OFFICER (Mr. KOHL). The Chair recognizes the majority leader.

Mr. MITCHELL. Mr. President, last October, I appointed a Senate Democratic Task Force to determine what improvements, if any, could be made in the nomination and confirmation process. The task force was chaired by our distinguished majority whip, Senator FORD, and included four committee chairmen who have important responsibilities in this area: Senators BIDEN, BOREN, NUNN, and PELL.

That task force has made its report to me. I, in turn, have shared it with the President and with the distinguished Republican leader. Today, I am placing this report in the RECORD. I ask each Senator to give it consideration.

The American Constitution does not assign different weights to the President's nominating power and the Senate's decision as to whether it shall "advise and consent" to the confirmation of nominees. Instead, it establishes a process whereby the principal positions in our government can only be filled when the President and the Senate act jointly. Thus, from the time of our Founders, the Senate has been a vital partner in the process of evaluating candidates for service in high government positions.

Even Alexander Hamilton—an exponent of executive power—called this process a "union of the Senate with the President, in the article of appointments." In rejecting the argument that the "advise and consent" power would give the Senate undue influence over the President's selections, Hamilton wrote, "if by influencing the President be meant restraining him, this is precisely what must be intended."

The Senate's role in the process of evaluating nominees is particularly important, and particularly significant, when it comes to filling vacancies in the independent, third branch of government: the judiciary. Early drafts of the Constitution vested the power to select judges in the Congress alone, and then in the Senate alone. Only in the final hours of the Constitutional Convention was the President assigned any role in the selection process—and then, as I noted earlier, it granted him a power that could only be exercised in concert with the Senate.

Thus, our constitutional history and tradition firmly establish an active role for the Senate in evaluating the fitness of candidates to serve in high executive branch offices, and in the Federal judiciary. Any proposed reforms of this process must begin with this basic understanding.

The task force started from this point, and sought to provide answers to four key questions about the confirmation process. First, how can we make this process less contentious? Second, how can we make it function more quickly, without sacrificing thoroughness? Third, how can we improve the way in which the Senate gathers information on nominees? And fourth, how can we make committee hearings on nominees more useful to the Senate and the public?

First, how can we make the confirmation process less contentious?

Controversial nominations gain considerable attention from the press and the public. But the fact is that, far more often than not, the Senate's confirmation process functions without contention. In the last 10 years, the Senate has received over 600,000 nominations from Presidents Reagan and Bush—and of that number, over 97 percent have been confirmed. In the last Congress, the Senate confirmed 99.8 percent of the 850 civilian nominations that it considered. In only a handful of these cases were any dissenting votes cast against the nominee.

Nonetheless, there have been several contentious nominations of the past few years. Though they are few in number, these are experiences that none of us involved in the confirmation process—either in the White House or the Senate—should wish to repeat.

As the task force suggests, one way to avoid such confrontations in the future is for the President to engage in meaningful consultation with the Senate before making significant nominations. With respect to the selection of Supreme Court Justices—where such consultations are most especially needed—a long line of President Bush's predecessors, starting with George Washington and going right through to Ronald Reagan, have consulted with Senate leaders on their selections. Countless historical examples justify consultations; the public supports it; and common sense counsels it.

In the past, President Bush has rejected the idea of consultation, saying that he will not yield on his "Presidential prerogatives." Yet this concern did not prevent many of his predecessors from undertaking consultations, nor does it prevent him from consulting Senators on nominees for the lower Federal courts—nominations which, as a result, almost always move through the Senate without controversy.

We do not expect the President to shrink the scope or exercise of his constitutional powers—but he cannot expect Members of the Senate to do so either. The American system of government is a constitutional democracy, where power is shared, not a monarchy, where power is concentrated in one person.

In an era of divided government, the choice the two branches face with respect to nominations is the choice we face with respect to all other matters: cooperation or confrontation.

Senate Democrats stand ready to consult with the President to discuss future nominations, to avoid the kind of conflict we have seen in the recent past. We are confident that meaningful consultation can occur without reducing the prerogatives of either branch of government, and in a way which more fully informs the President of other points of view prior to rather than after a nomination is made.

Our second challenge is to make the confirmation process function more quickly, without sacrificing thoroughness.

Last October, the President called on the Senate to act on nominations within 42 days. It is a reasonable goal, one we should seek to achieve here in the Senate. While there will be exceptions, I believe the committees can report, and the Senate can act upon nominees, within 42 days of the date on which their necessary paperwork is available for our consideration. And we say to the President we accept your recommendations. We will try to meet it.

So the Senate can and will do its part to speed up this process. But no one should over estimate the impact this will have on the process as a whole. The task force report shows that an average of 350 days—almost a year—passes between the creation of a vacancy and the Senate's confirmation of a nominee to fill that position. But of these 350 days, about 270 pass, on average, while waiting for the President to determine whom he will nominate. Then on average, another 28 days are consumed while the executive branch delays in submitting the paperwork needed to process these nominations.

Put another way: currently, the Senate waits almost 300 days before a nominee is selected by the President and his or her paperwork is completed—and then the Senate, on average, moves to confirm these nominees within roughly 50 days after this point.

I agree that the Senate should try to reduce its period for action from 50 days to meet the President's 42-day goal. But if this extra week is significant enough to merit the President's attention, then surely the 300-day period that lapses while the Senate awaits action by the executive branch is also worthy of review. If we speed up our consideration of nominees, which accounts for just one-seventh of the time consumed in the appointments process, than surely the executive branch, which consumes six-sevenths of the time, has a duty to do the same—and more.

The delays in executive branch's action on nominees are dramatic, and at times inexcusable. After taking almost 270 days to select a nominee, why does it then take the administration, on average, another month to submit the nominee's forms to the Senate? Why not, as the task force urges, submit all the needed forms when the nominee's name is submitted to the Senate?

Currently, almost one of every six Federal judgeships is vacant. Yet for 91 of these 135 posts, the President has failed to submit any nominee to the Senate. One of these judgeships has been vacant for over 1,000 days without a nominee; 10 vacancies have been open for more than 600 days without a nominee from the President.

The President should take action to address these inordinate delays in the nomination process, as the Senate looks at the reductions needed in the time consumed in our confirmation process.

The task forces's third challenge was to determine how we can improve the process under which the Senate gathers information on nominees.

We start with the recognition that the necessary process of reviewing a candidate's background, character, and fitness for high office inevitably involves the collection of sensitive information about a nominee, and perhaps other persons as well, When the Senate, its Members, its committees, and their staffs review such information, the privacy rights of those involved must be respected.

The task force reaffirms the seriousness of this trust, by calling for the "swift and severe punishment" of any Member or employee of the Senate who discloses confidential information obtained in the confirmation process. The task force also recommends a procedure for investigating any suspected leaks, and timetable for disciplining employees found to have engaged in unauthorized disclosures.

The task force addresses several other aspects of the information gathering process.

The first of these concerns the forms which nominees must complete before they take office. The President has commented on the burdensome nature of the confirmation process, and an earlier commission that he appointed called on Senate committees to adopt one standard form for all nominees, with specific addenda as appropriate. The task force accepted this proposal, and has recommended it to the Senate, a position with which I agree as well.

But as we undertake this reform, perhaps the executive branch should reconsider its forms, too. While Senate committees may now have different forms, each generally asks nominees to complete only one form. The executive branch, by contrast, often asks for duplicative data on three distinct forms from each nominee. Once again, if the Senate is to consider whether our single form is too burdensome—as it will—surely the executive branch can determine how its multiple forms can be streamlined.

Another area reviewed by the task force was the willingness of the executive branch to share the information it compiles about nominees with the Senate.

As noted above, the executive branch takes more than five times as long to perform its portion of the appointments process as does the Senate. Yet if the Senate is not given the benefit of the information obtained in this lengthy process, then surely the length of Senate review will grow closer to that of the White House. As a result, the task force specifically recommends—and I endorse—restoration of the previous agreements between the executive branch and Senate committees regarding the sharing of background information. It is my understanding that the specific arrangements between the administration and the Judiciary Committee are under discussion at the present time.

The task force also calls on the executive branch to provide a certification that its files on a nominee contain no adverse information on that person—or an explanation when a nominee is submitted to the Senate notwithstanding the presence of such information.

The task force also calls for greater thoroughness in initial background checks performed on nominees by the FBI, so that fewer followup investigations by the Bureau or the Senate—which add to delay—are required.

The report also observes, properly in my view, that if the appropriate information on nominees is not forthcoming from the executive branch, the Senate will have no choice but to expand its own investigative capacities to make up the difference. This is a step I hope we will not have to take.

Finally, the task force considered how committee hearings on nominees can be made more useful to the Senate and to the public.

It is appropriate to begin by reviewing how the Senate's process for considering nominees differs from the executive branch's process. While there are many differences, none is more fundamental than this one: The Senate's process, unlike the President's, is conducted within the full view of the public, in the form of open confirmation hearings.

Critics bemoan the nature, the extent, or the scope of the questioning in Senate confirmation hearings. But these critics should keep in mind that they have no idea what questions—what political or ideological considerations—are brought to bear in the executive branch's review of potential candidates for a position. That is a process conducted entirely in private. It is insulated from public scrutiny. It is wholly unbalanced to hyperanalyze the process that the Senate uses to consider nominees, while uttering not a word about the process the President uses to consider and reject many possible candidates for each nomination.

The wisdom of the open nature of Senate hearings was widely questioned during the Judiciary Committee's consideration of the charges of sexual harassment against Judge Thomas last fall. After being criticized for conducting its investigation of the charges in confidence before the public disclosure of the allegations, the committee was then criticized even more for conducting its subsequent hearings on these matters in public.

As Chairman BIDEN noted at the time, Senate rules already provide for the closing of hearings under certain circumstances. Among those circumstances is the prospect that a witness testimony would constitute an undue burden on his or her right to privacy. At the outset of the Thomas-Hill hearings, Chairman BIDEN invited any witness so concerned to request a private session—a request he pledged to honor with the committee's assent. No witness who appeared those days ever made any such request of the committee—all preferred to have their stories heard by the public, rather than behind closed doors.

The task force reviewed this situation, and concluded that the current Senate rules strike an appropriate balance between an individual's right to privacy and the public's right to know. The task force calls on Senate committees to consider a closed session on a nomination when any witness deems that his or her testimony in open session will invade or injure his or her reputation.

Though ultimately it is each committee's decision whether to hold a closed session, the task force properly recognizes that the initial choice must be that of a witness who appears in a confirmation proceeding. If that witness makes no request to testify in private, after having been notified of the right to do so, then the Senate rules and the public interest support an open session. If, conversely, a private session is requested, then the rules provide the appropriate factors to be weighed when the committee votes upon that request.

The task force further reviewed various proposals that have been made for changing the conduct of confirmation hearings. By and large, it concluded that each committee must determine what processes and procedures are right for its needs, under the circumstances. But some general conclusions, with applicability to all confirmation hearings, were reached by the task force.

It flatly rejected the notion, which has been mentioned recently, that the Senate should abandon its modern practice of inviting nominees to appear before committees as part of the confirmation process.

Some critics have complained about confirmation hearings, and have suggested that they are unfair to nominees. Yet it is hard to imagine anything more unfair than a return to the earlier era in which the Senate voted on nominees without giving them the opportunity to present their views to the public. The President knows this, and so do nominees—they come to testify of their own free will. Indeed, it has been my observation that nominees whose confirmations are contested are among those most eager to come to make their case.

Like many other criticisms of the confirmation process, the complaint that nominees are obliged to appear before our committees is unfounded. And for all the concern expressed over such hearings, they create an atmosphere that is fairer to all involved, and more likely to result in the confirmation of a worthy nominee, than does the alternative. As an aside, I note that in the case of Supreme Court nominees, the Senate's rate of confirming justices has been higher since the advent of hearings than it was in the period before such hearings were conducted.

The effect of hearings has been to increase the rate at which confirmations have occurred.

One hearing reform proposal that the task force did recommend was better communication between nominees and committees prior to the onset of confirmation hearings. Specifically, the task force called on Senate committees to make clear, in advance, which subjects and which documents will be the basis for questioning a nominee, before any confirmation hearing is held. The task force also said, however, that in exchange for such advance notice, nominees should come to their hearings familiar with these subjects and documents, and prepared to answer any appropriate questions about them.

In closing, I want to reemphasize that genuine reform of the appointments process will require cooperation from both the Senate and the President.

I hope the President is interested in joining us in the spirit of true reform. The task force report lays out a sound and balanced agenda for such action. I hope we will not see more delay and more confrontation in the appointment process.

That is an outcome that I do not want to see; that, Senate Democrats do into want to see; that I am confident our Republican colleagues do not want to see, and that the American people do not want to see.

I thank Chairman FORD and the other members of his task force for their work on this report, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE TASK FORCE ON THE CONFIRMATION PROCESS

(U.S. Senate, December 18, 1991)

FOREWORD

Article II, Section 2 of the Constitution provides that the President "shall nominate, and by and with the advice and consent of the Senate, shall appoint Ambassadors, other public Ministers and Consuls, Judges of the Supreme Court, and all other officers of the United States * * *." Through the debates at the Constitutional Convention, the debates on the ratification of the Constitution, and two centuries of Senate precedent, the confirmation process has become deeply rooted in our nation's constitutional heritage.

Several recent confirmations of presidential nominees have generated intense interest in the confirmation process. Much of this scrutiny has focused on only a few of the thousands of nominations which are routinely and expeditiously considered by the Senate during each legislative session. Most confirmations are considered without fanfare and with little public attention. There are exceptions and these have generally involved nominations to high public offices involving issues of a national and sensitive nature.

The Task Force has carefully examined current Senate Rules and has concluded that they provide a sound basis for conducting confirmation proceedings in a manner that balances the nominee's privacy interests and the public interest in open confirmation proceedings. It would be a mistake for the Senate to abandon its role of "advice and consent" by revising the Standing Rules simply to avoid controversy. Rather, the President should seek to engage in prior consultations with the leadership of the Senate in an effort to minimize unnecessary conflict and controversy in the confirmation process.

In a system of government composed of three separate and equal branches, the Senate cannot abrogate its constitutional responsibilities for any nomination, especially those for a lifetime appointment. The Senate confirmation process is an integral part of the system of checks and balances. Without the confirmation process, the Executive Branch would be able to dominate the Judicial Branch to the point that it would no longer function as a separate and independent branch of government.

The objective of the Task Force on the Confirmation Process was to consider ways in which the Senate can fulfill its constitutional responsibilities in the confirmation process in a timely and accountable manner, maintaining the integrity of three separate and equal branches of government with the checks and balances devised by the Founding Fathers.

I. HISTORICAL PERSPECTIVE OF THE "ADVISE AND CONSENT" CLAUSE

The Constitution does not speak of a confirmation process. It assigns to the Senate the responsibility to provide its "advice and consent" before nominees are permitted to assume government office. Consultations between the branches before a nominee is selected permits the Senate to exercise its advisory role under the Constitution. This is particularly true in the appointment of members of the third and independent branch of government, the judiciary.

The history of the Constitutional Convention demonstrates that the Framers did not intend to give the appointment power solely to the President. As the Convention met, it adopted a plan to vest the Congress with the exclusive role of appointing officers. As the Convention progressed, alternative proposals to give the President the exclusive authority to make appointments were rejected because of a shared commitment to keep the President from amassing too much power. Not until the closing days of the Convention was a compromise reached which gave the President any role in the nomination process, and even then it was only with the "advice and consent" of the Senate.

The ratification debates make it clear that the Senate was expected to play an active role in the appointment process, particularly with respect to judicial nominations. In Federalist 76, Hamilton wrote that Senatorial review would prevent the President from appointing justices to be "the obsequious instruments of his pleasure." Responding to the argument that the Senate's refusal to confirm a nominee would give the Senate an improper influence over the President, Hamilton wrote in Federalist 77: "If by influencing the President, be meant restraining him, that is precisely what must have been intended."

From the beginning, the Senate has taken its "advice" function as seriously as its "consent" role. During the first four Presidential administrations, a committee appointed by the Senate occasionally consulted with the President as an advisory council regarding nominations. This formal consultation was not practiced routinely. An informal process developed whereby the President conferred in person or through assistants with the leadership of his party in Congress. At other times, the entire congressional leadership met with the President.

There is considerable precedent of informal consultations between the President and the Senate in the selection of nominees, particularly those for the Supreme Court. In a famous incident, President Hoover consulted with Senate leaders, presenting them with a list of names that placed New York judge Benjamin Cardozo at the bottom. Senator William Borah, after reviewing the list is said to have told President Hoover: "Your list is all right, but you handed it to me upside down." Hoover nominated Cardozo.

The Senate became involved in the selection of officials for certain positions through a procedure which has become known as "senatorial courtesy." This procedure permits Senators of the President's party to express their views on a candidate or to even propose a candidate for positions in their respective States. If a Senator does not favor a nominated candidate, that Senator may claim the candidate to be objectionable, which can lead to withdrawal or rejection of the nominee. This custom may also be invoked by Senators when a citizen of their State is nominated for a regional or national position. While the growth of the professional civil service has reduced the scope of senatorial courtesy, numerous positions are still subject to the custom. These positions include appointments to U.S. district courts and the offices of U.S. Attorneys and U.S. Marshals.

Under Article 2, Section 2 of the Constitution, virtually all executive officers and judges must be confirmed by the Senate unless Congress, by law, vests the appointment power in the executive branch. Although Congress has authorized the President to appoint a wide variety of officers without Senate confirmation, Congress has reconsidered such delegation when necessary to strengthen Congressional oversight of appointments. For example, in 1974 the Director and Deputy Director of the Office of Management and Budget were made subject to Senate confirmation. Additionally, the Congress has sought to enhance the Senate's role by creating fixed terms for certain positions.

The Congress has also sought to protect the Senate's role in the appointment process by enacting legislation concerning the President's authority to make recess appointments during the periods the Congress has recessed or adjourned. By statute, a recess appointment to a position that was vacant while the Senate was in session may trigger a salary cutoff of Treasury funds for the position, unless specific criteria are met, *i.e.* the vacancy arose 30 days prior to the end of the Senate session; a nomination was pending at the end of the session; or a nomination was rejected by the Senate 30 days before the recess or adjournment and the individual appointed is other than the nominee previously rejected. 5 U.S.C. § 5503(a).

II. STATISTICAL ANALYSIS OF CONFIRMATIONS

In any given year, less than one percent of all nominations are subject to intense scrutiny by the Senate. Historically, the Senate has confirmed the overwhelming majority of nominations, including those for full-time policy making positions. In the last ten years, the Senate has received over 600,000 nominations. Of that amount, 97 percent have been confirmed.

Since the confirmation process began in 1789, approximately twenty percent of the nominations to the Supreme Court have failed to gain Senate approval. In contrast, less than two percent of Cabinet nominations have failed to receive that approval. Over the course of two centuries, the judicial system has grown dramatically; this has resulted in a corresponding increase in judicial nominations requiring Senate approval. Today, under existing law, there are ten distinct court systems in the United States, involving a total of 961 judgeships.

During the last ten years, the Senate received 630 judicial nominations. Of these nominations, 86.6 percent submitted by President Reagan and 95 percent submitted by President Bush, received Senate confirmation. These percentages actually understate significantly the success in nominations approved because some nominations that failed to receive Senate confirmation involved nominees who eventually were confirmed after being renominated at a later time. Only twice during this ten-year period did a negative committee vote prevent a judicial nomination from being considered by the full Senate, and only once did the Senate vote to reject a judicial nomination.

In the 101st Congress, the Senate received over 93,000 nominations and promotions for confirmation. The nominations were to civilian positions; civilian positions in the Foreign Service, Coast Guard, National Oceanic and Atmospheric Administration, and the Public Health Service; and military positions in the Army, Air Force, Navy and Marine Corps. Promotions requiring confirmation include those in the military and the Coast Guard, Foreign Service and civilian uniformed services (National Oceanic and Atmospheric Administration, and Public Health Service). Of the total nominations received in the 101st Congress, 1021 were civilian nominations (exclusive of those to the Foreign Service, Coast Guard, National Oceanic and Atmospheric Administration, and the Public Health Service); of those, 853 nominations were actually considered by the Senate, and 99.8 percent of those nominations were confirmed.

Not only has the Senate confirmed the vast majority of nominations, but it has done so in an expeditious and timely manner. In preparing its analysis of the confirmation process, the Task Force surveyed the Standing Committees of the Senate on the various issues surrounding the confirmation process. This survey requested information from the committees spanning the last five years. Based on the information provided by committees which receive and consider nominations, the average time of consideration for a nomination was 48 days. This figure represents the time between the date the committee received all the necessary paperwork and information on a nominee and the date the committee reported the nomination to the full Senate.

These statistics indicate that the real delay in the process lies with the Presidential nomination rather than the Senate confirmation. Based on information provided by the committees in response to the Task Force survey, the average length of time a position has been vacant, before a nomination is made by the President, is 267 days. The White House has averaged almost 28 days between making a nomination and transmitting the information relevant to that nomination to the appropriate committee. A timely and accountable appointment process requires prompt action by the White House. The Senate cannot begin confirmation procedures until a nomination is submitted by the President. Nevertheless, the Senate recognizes its responsibilities and should review and streamline the confirmation process to assure the public that it can and will act responsibly.

III. NATURE OF POSITIONS

Senate confirmations encompass a wide range of positions, with considerable differences in the nature of duties, impact on national and international affairs, the degree of independence from the President, full or part-time status, and tenure. In assessing the fitness of any nominee, it is difficult at best, to establish one standard that could be applied by either the President or the Senate.

The nominations considered by the Senate include: Ambassadors; U.S. representatives to international organizations; Cabinet and sub-Cabinet positions; officials in the Executive Office of the President; officials in separate agencies; officials in independent agencies; officials serving in short-term positions addressing specific policy decisions; officials in part-time positions on advisory panels; foreign service officers; military officers selected for promotion by statutory selection boards; military officers selected for promotion under the President's Article II appointment authority without the involvement of a selection board; military officers selected for assignment to a position for which a selection board is not required; Article I judges; and Article III judges.

The terms of office vary as well as the positions. Executive branch officials usually serve at the pleasure of the President, while officials of independent agencies normally serve terms that extend beyond the term of a President. Military officers also serve at varied tenure levels. Article I judges, *i.e.* Tax Court, Claims Court, Court of Military Appeals, Court of Veteran Appeals, usually serve a 15 year term, and may be removed for a specified statutory reason.

The unique distinction of Article III appointments makes the Senate role all that more crucial. Appointments to the Supreme Court, and the various Federal circuit and district courts, are to an independent branch of the Federal government and are tenured for lifetime. Removal is only through impeachment. The Senate has one opportunity to review the credentials, the political and constitutional views of the nominees. For positions to the Supreme Court, this review is of paramount importance. As the only court of no further appeal, the Supreme Court itself is the only court with unreviewable power to change precedents. Only the Senate can guard against the abuse of this power.

IV. THE COMMITTEE HEARING

The appointment process for federal positions that require Senate confirmation begins with the President's selection. This aspect of the process is conducted, for the most part, in private. The President's selection process involves background investigations, including an investigation conducted by the Federal Bureau of Investigation. Access to this information is controlled by the President, and he selects which, if any, of his advisors may review that information. Only such information as the President chooses to divulge is released to the public.

The Constitution assigns to the Senate alone the responsibility for reviewing Presidential nominations. In conducting this responsibility, the Senate has made the determination to conduct a significant aspect of its nomination process in public. The confirmation hearing is the only point in the appointment process of Federal officials that offers the public an opportunity to evaluate the qualifications of a nominee. The Senate has taken this obligation seriously and believes that the public hearing process is vital to the Senate's constitutional role of "advice and consent."

The Senate has not formally established a set of uniform guidelines for the evaluation of a nominee's fitness for a particular position. This reflects the fact that there are significant differences in the nature of the duties, authorities, and tenure of the positions subject to Senate confirmation. Each committee, however, has developed similar rules and criteria for judging a nominee's qualifications. In the process, the Senate and its committees routinely focus on four factors—conflicts of interest, character and integrity, professional competence and relevant experience, and views and ideology.

Any consideration of the confirmation process must also recognize that concern about a nominee must focus on public policy issues, and how the nominee is likely to affect those issues. This concern has been apparent from the very beginning of the Senate's history when the Senate rejected John Rutledge to be Chief Justice of the Supreme Court in 1795 because of his outspoken opposition to the Jay Treaty. Two centuries of Senate precedent firmly establish that the Senate has taken seriously its role in restraining the President by considering the political and constitutional views of nominees to determine their fitness to serve in high government positions. Since Washington's day, and the Rutledge rejection, the precedent of considering political and constitutional views of a nominee has been frequently reinforced and extended.

Confirmation hearings are not adversarial proceedings; they are part of the Senate's exercise of a constitutionally-mandated duty. They should consist of a productive exchange of views. The American people have a right to hear the testimony of nominees, wherein they describe their competence and their positions on issues of public policy relating to the office for which they have been nominated. The public hearing is an integral part of the confirmation process for determining the fitness of a nominee to fill a specific position; it is important for the nominee to actively participate in the process. As the only public aspect of the appointment process, the Senate hearing is necessary so that the public may witness and judge a nominee's fitness and qualifications.

The duty of reviewing a nominee's qualifications should remain with the Members of the Senate. Senators have the unique qualifications and historical perspective to put nominee's answers in their proper context, based on prior confirmation hearings in which those Senators have participated. The Task Force considered recommending that all committees use committee counsel to conduct the questioning of nominees at confirmation hearings and rejected that option. Current rules permit committees to give their legal counsel a more active role in a committee hearing, including a confirmation process. The determination to use committee counsel should be made by the respective committees, based on their unique needs and circumstances.

V. CONDUCT OF HEARINGS—PRIVACY RIGHTS OF THE NOMINEE AND COMPETING PUBLIC INTEREST IN OPEN HEARINGS

There is a natural tension between the interest of privacy and the context of a public hearing in the confirmation process. Given the critical importance of the Senate's consideration of a nominee in public, only in the case of significant concern for the interests of an individual's right to privacy should a hearing be closed to the public and then, only to the extent necessary to protect the specific privacy interest.

The first public confirmation hearings were held in 1916 to consider the nomination of Louis Brandeis to be an associate justice of the Supreme Court. The Standing Rules of the Senate were not amended until 1975 to require public committee hearings. A significant development has been the advent of television coverage. Like the practice of public hearings, the televising of hearings began before a provision in the Senate rules. The first televised hearings were in 1969 with the confirmation proceedings of Walter J. Hickle to be the Secretary of the Interior, followed in 1973 and 1974 by the Committee on Rules and Administration hearings on Gerald Ford and Nelson Rockefeller, respectively, to be Vice President.

Rule 26 of the Standing Rules of the Senate provides that committee hearings are to be open to the public, except that a hearing may be closed "on a motion made and seconded to go into closed session to discuss" whether certain enumerated provisions of the rule require a closed meeting. Such a motion must be determined by a recorded and public vote of the committee. The rule's specific reasons to conduct a closed meeting cover a wide array of situations which are set forth in paragraph 5(b)(3) of Rule 26. The rule provides a committee sufficient latitude for the exercise of discretion in determining when to conduct a closed hearing. The rule accomplishes this while safeguarding the right of public access to information regarding nominees. Committees should be cognizant of the importance of a nominee's, or a witness' right to privacy. In instances when the testimony is likely to involve allegations that could invade and injure a person's reputation, a committee should consider a closed session when that person so requests.

While the Standing Rules of the Senate permit the closing of hearings to protect individuals' privacy interests, the entire nomination and confirmation process is undermined by unauthorized disclosures of confidential information. Confidentiality must be respected by the Executive Branch as well as the Senate.

The release of confidential information, whether by the Executive Branch or the Senate, is condemned as injurious to the nomination and confirmation process. The Senate should be aggressive in pursuing the source of unauthorized disclosures of confidential information. Each committee should adopt a rule on improper disclosures of confidential information. Any staff member of the Senate who improperly releases information, without the authorization of the committee, should be subject to swift and severe punishment, which could extend to termination of employment. In those instances where information is improperly released, the committee involved should immediately undertake an investigation to determine the responsible party. In the event that a committee does not act promptly, the Senate Leadership should be authorized to appoint outside counsel to conduct an investigation pursuant to established procedures of the Senate with regard to contracting for professional services.

The improper release of information by a Member should be subject to consideration by the Select Committee on Ethics.

VI. ACCOUNTABILITY AND RESPONSIBILITY FOR A TIMELY CONFIRMATION PROCESS

While the confirmation process has been criticized as lengthy and unduly contentious, a review of the facts with respect to nominations demonstrates that the Administration's approach to the nomination process is responsible for the vast majority of delays. Judicial appointments in the 102nd Congress have been confirmed, on average, in 10 weeks. The President has averaged 10 months or more to select nominees. One out of ten federal judgeships are currently vacant. Eleven federal judicial circuits and district courts are in an officially proclaimed "state of judicial emergency" because of these vacancies. For 100 of the 135 vacant positions, President Bush has yet to nominate a candidate for Senate consideration. Ten judgeships have been vacant for 550 days, and seven judgeships have been vacant for over two years, without the President making a nomination.

The most critical evaluation of potential nominees occurs before submission to the Senate. If the process functions properly, unsuitable candidates will be screened out by the President before they are nominated. The responsibility for screening nominees lies first and foremost with the President and his administration. Their investigations must be thorough and complete. It is not in the interest of any party for unfit candidates to be nominated, with the Senate left to identify and reject such an unfit nominee. Too often, Executive Branch investigative reports received by the Senate are incomplete in obvious respects. The confirmation process is needlessly slowed when Senate committees are forced to ask the President for supplemental information where such requests are reasonably capable of being anticipated by the Administration.

Historically, comity has existed between the Executive Branch and the Senate in the nomination process. Through its investigation of nominees, the White House compiles a substantial amount of information about candidates. These investigations include the development of detailed reports by the Federal Bureau of Investigation. As part of the comity between the two branches, the White House has traditionally shared such F.B.I. information with senior Committee members. Recently, the Administration made the determination to provide only summaries of these reports to committees. Such summaries are known to be incomplete and potentially misleading. The Task Force does not challenge or question the quality of the F.B.I.'s investigative work; the routine F.B.I. background investigations on nominees are generally thorough and usually reliable. However, when difficult questions are raised in a committee regarding a nominee, reliance on the summaries is not acceptable. The Senate is restricted in directing the F.B.I. to provide further investigative reports because that agency works at the direction of the White House counsel, who, having participated in the selection of a nominee, has a strong interest in the nominee's confirmation.

If the Administration does not provide timely and responsive access to investigative materials, the Senate will be compelled to expand its resources and establish an internal process for committees to investigate serious allegations about a nominee. Committees with their own existing investigative personnel might expand their staffs; experienced special investigative counsel could be retained on an as-needed basis; such counsel could be retained on a full-time basis by a centralized unit in the Senate and detailed to different committees as required; or investigators and auditors could be detailed from existing Federal agencies, such as the General Accounting Office.

Despite the utilization of extensive resources in the Government (including the F.B.I., the Internal Revenue Service, military, intelligence and diplomatic security clearance procedures, agency or department ethics officials, Inspector General offices, and the Office of Government Ethics) to review the character, qualifications and fitness of a nominee, at present only one formal certification of nominees is prepared: that of the Office of Government Ethics. This certification is based solely on a review of the financial information submitted by a nominee pursuant to the Ethics in Government Act, and reports to the appropriate Senate committee the nominee's compliance with applicable laws and regulations governing conflict of interests with respect to the nominee's proposed duties.

In addition to the information provided by the Executive Branch, the Senate should request that the Administration submit a certification or other formal statement that indicates that in the full field background investigation and White House conflict of interest review, nothing was found that reflects adversely on the nominee that is not explained or revealed in the reports submitted by the Administration. Should adverse information have been found and viewed by the White House to be not disqualifying, the President's counsel should so inform a Committee of this information in a confidential communication or meeting. It should be noted that the current practice of the Committee on Armed Services requires that the

Executive Branch submit a similar certification when it transmits nominations for promotion to a general officer position.

In 1990, a Presidential Commission proposed that the Senate committees adopt one standard questionnaire for completion by all nominees to be confirmed by the Senate. The Commission recommended that each committee would be able to use a supplemental questionnaire for specialized information relevant to that committee's area of expertise. While the development of a standard Senate form is a desirable goal, the nomination process requires the cooperation of the nominee and the President. Expeditious handling of the Senate's request for information would propel the confirmation process.

An indispensable element of information gathering on nominees is the submission of Senate committee questionnaires. Some have complained that these questionnaires are unduly burdensome. It should be noted that nominees are currently required to complete two similar questionnaires for the Executive Branch—the Presidential Data Form and the Standard Form (SF-86). Neither form is shared with the Senate. The single Senate form provided by committees to nominees is a necessary aspect of the confirmation process. In developing a single form for nominees to complete, committees would not be precluded from requesting supplemental information. In an effort to streamline the confirmation process, the Executive Branch should transmit the completed Senate questionnaire at the same time it transmits the nomination to the Senate.

Through joint cooperation, the Senate and the Administration would be able to act quickly and confidentially to evaluate and resolve potential problems at the outset of the process. By restricting access and availability of information, the Senate is placed in the position of delaying the confirmation process through needless repetitive investigations which only results in a harmful delay to the nominee and the Senate's ability to act in a deliberative manner.

VII. RECOMMENDATIONS

Having considered the constitutional and historical perspectives of the confirmation process, and in an effort to expedite the process and preserve the Senate's constitutional role of "advice and consent," the Task Force makes the following recommendations:

1. The President should respect the "advice and consent" role of the Senate by engaging in more extensive consultations with Senate leaders before making future nominations. Under the Constitution the Senate has the obligation to provide its "advice and consent" to Presidential nominations. Consultation between the branches would enhance comity between the Executive Branch and the Senate. Specifically, the Task Force recommends:

a. Immediate consultations between the President and Senate leaders on future Supreme Court nominations should now begin. There is strong precedent and broad public support for such cooperation. The Supreme Court is part of the independent branch of government that both the Executive and Legislative Branches must jointly shape, and it, in turn, shapes them.

b. Consultations on Executive Branch nominees should be conducted, with advanced notice wherever possible. Such consultations would minimize conflict between the two branches, and expedite the confirmation process.

2. To speed the confirmation process, the Executive Branch should submit nominations promptly when a vacancy occurs, streamline and expedite its investigative process, and certify that nominees are fit for confirmation. The Task Force recommends the following:

a. The Executive Branch should set a target date for filling vacancies.

b. Administration investigations of nominees should be thorough and complete. The failure to conduct a thorough investigation of a nominee results in a duplication of efforts because the Senate must conduct supplemental investigations. As a result, time is needlessly consumed.

c. The Executive Branch should consolidate forms it asks nominees to complete. The Senate requests one form from nominees, while the Executive Branch asks nominees to complete three forms.

d. The Executive Branch should certify that its files contain no adverse information on a nominee that is not explained or disclosed in the reports submitted to the Senate. In the event that the Executive Branch investigations reveal adverse information which is viewed as not disqualifying, and the President nonetheless proceeds to nominate the candidate, the President's counsel should so inform a committee in a confidential communication or meeting.

e. All information needed to review a nominee should be submitted when the President forwards the nomination to the Senate. In an effort to streamline the process and confirm the nominee in an expeditious manner, the White House should forward all relevant information and forms, including ethics forms and a completed Senate questionnaire, at the same time the President submits a nomination to the Senate.

3. Any unauthorized release of confidential information in the confirmation process should be promptly investigated and fully punished. Each committee should adopt a rule on improper disclosure of confidential information. The Task Force recommends:

a. Any unauthorized release should be swiftly and severely punished.

b. Any such unauthorized release (i) by staff, should be subject to sanctions, which could extend to termination of employment; and (ii) by a Senator, should be subject to consideration by the Select Committee on Ethics.

c. Any suspected leak should be promptly investigated. If a committee does not undertake an investigation, the Senate Leadership should be authorized to direct the Senate Legal Counsel to appoint an outside counsel to conduct an investigation. Within ten days of any report revealing an unauthorized disclosure by a Senate employee, his or her employer should report to the Senate Leadership the disciplinary action taken.

4. The Committees of the Senate should adopt a questionnaire for Presidential nominees, with each committee permitted to request supplemental information as needed. This is a recommendation of the President's Commission on the Federal Appointment Process which the Task Force endorses. The Task Force urges the Administration to provide Senate forms to nominees for advance completion, and to submit the form at the same time and the nomination is transmitted to the Senate.

5. Comity should be restored between the Executive Branch and the Senate with the sharing of information on nominees; the failure to exchange information will require the Senate to conduct more extensive independent investigations in the future. Historically, the Executive Branch has shared the background information it compiles on candidates. This sharing of information eliminates the need for duplicative Senate investigations. Recently, the Administration has announced new restrictions on the use of this background information by Senate committees. The Task Force recommends that the Administration restore the previous agreement for Senate access to background information. This generally entailed providing FBI summaries to committee chairmen and ranking members; in some cases, where appropriate, wider access to the data or access to the full reports was provided. The previous arrangements functioned well.

6. If the Administration restricts the background information on nominees it provides to Senate committees so that the committees cannot adequately evaluate the qualifications and fitness of nominees, it will be necessary for the Senate to expand its capabilities for Senate committees to conduct thorough investigations of nominees. Committees with investigators now on staff might expand their existing personnel; special investigative counsel could be retained on an as-needed basis; such counsel could be retained on a full-time basis by a centralized unit in the Senate and detailed to different committees as required; or investigators and auditors could be detailed from existing Federal agencies, such as the General Accounting Office.

7. The confirmation process must carefully balance the nominee's right to privacy against the public's right to know, with any curtailment of the latter approached cautiously. Unlike the Executive Branch's closed process for selecting nominees, the Senate's confirmation hearings are the only aspect of the appointment process open to the public. The Task Force recommends:

a. While the nominee's right to privacy is important, the public's right to know must be zealously guarded. Any curtailment of this right to know must be approached cautiously.

b. The Standing Rules of the Senate should be applied carefully in determining whether to conduct a closed hearing. In instances where testimony is likely to involve allegations that could invade and injure the reputation of a nominee, a committee should consider a closed session when a nominee so requests.

8. Committees and nominees should work together to make the confirmation hearings useful inquiries into the nominee's background, qualifications, and views. The Task Force continues to believe that Committee hearings play a vital role in the confirmation process. The Task Force recommends:

a. Committees should continue to invite nominees to appear at confirmation hearings. These hearings provide the only opportunity for the Senate and the public at large to judge the qualifications and fitness of nominees.

b. Committees should make clear, in advance, which subjects and documents will be the basis for questioning a nominee; in return, the nominee should be familiar with these matters, and prepared to answer questions about them.

9. Serious consideration should be given to the establishment of a separate office in the Executive Branch for the purpose of processing nominations. This office could serve to process nominations in a timely, efficient and objective manner. In addition, the information needs of the President and his staff, as well as the needs of the Senate could be served by this office. The Task Force recognizes that the creation of a separate office within the Executive Branch will not nec-

essarily result in an objective analysis of a nominee's qualifications. It would represent an improvement in the compilation of information about a nominee over the current process which uses the Office of the White House Legal Counsel, who serves as an advocate for the President.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kentucky.

Mr. FORD. Mr. President, late last fall, the majority leader appointed a Task Force on the Confirmation Process, consisting of Senators BIDEN, BOREN, NUNN, PELL, and myself. We were asked to find a way to restore the confidence of the American people in the appointment process.

Our objective was to streamline the confirmation process with full recognition of the constitutional responsibilities of the Senate and our accountability to the American people. The recommendations of the task force are premised on that objective and are incorporated in our report.

The Constitution is very clear. The Senate and the President have roles in the appointment process. For the system to work best, comity between the two branches is necessary. Consultation and cooperation, rather than conflict and confrontation, are the most effective ways to fill important positions in the judicial and executive branches which affect the shaping of national policy.

Several recent confirmations of Presidential nominees have generated intense interest in the confirmation process. Much of this scrutiny has focused on only a few of the thousands of nominations which are routinely and expeditiously considered by the Senate during each legislative session. Most confirmations are considered without fanfare with little public attention. There are exceptions—and these have generally involved nominations to high public offices involving issues of a national and sensitive nature.

The task force reviewed considerable material. Each committee of the Senate was contacted and responded to our request for information on confirmations. Statistical data on nominations and confirmations was reviewed. Briefs were also prepared by staff on major issues involved in this process. Thus, our report is based upon a careful review of the history and practice of the confirmation process in the Senate. I would like to point out that the task force invited the President's White House counsel to submit suggestions for improving the confirmation process. Unfortunately, no written response was received from the White House prior to our deadline for completing our report.

Our objective was to streamline the confirmation process with the full recognition of the constitutional responsibilities of the Senate and our accountability to the American people. The task force carefully examined current Senate rules and concluded that they provide a sound basis for conducting confirmation proceedings in a manner that balances the nominee's privacy interest and the public interest in open confirmation proceedings. It would be a mistake for the Senate to abandon its role of "advice and consent" by revising the Standing Rules simply to avoid controversy. Rather, the President should seek to engage in prior consultations with the leadership of the Senate in an effort to minimize unnecessary conflict and controversy in the confirmation process.

Moreover, in a system of government composed of three separate and equal branches, the Senate cannot abrogate its constitutional responsibilities for any nomination. The Senate confirmation process is an integral part of the system of checks and balances. Without the confirmation process, the executive branch would be able to dominate the judicial branch to the point that it would no longer function as a separate and independent branch of Government.

After extensive review of the materials provided by the committees and submitted by staff, the task force reported nine recommendations. Let me take this opportunity to briefly discuss these recommendations.

First, the President should respect the "advice and consent" role of the Senate by engaging in more extensive consultations with Senate leaders before making future nominations. Under the Constitution, the Senate has the obligation to provide its "advice and consent" to Presidential nominations. Consultation between the branches would enhance comity between the executive branch and the Senate.

It is important to note that the Constitution does not speak of a confirmation process. Rather, it assigns to the Senate the responsibility to provide its "advice and consent" before nominees are permitted to assume their duties. The debates of the Constitutional Convention and the ratification of the Constitution indicate that the Framers intended that the Senate play an active role in the appointment process, particularly with respect to judicial nominations. Second, to speed the confirmation process, the executive branch should submit nominations promptly when a vacancy occurs, streamline and expedite its investigative process, and certify that nominees are fit for confirmation.

In any given year, less than 1 percent of all nominations are subject to intense scrutiny by the Senate. Historically, the Senate has confirmed the overwhelming majority of nominations, including those for full-time policymaking positions. In the last 10 years, the Senate has received over 600,000 nominations, of which 97 percent have been confirmed.

Not only has the Senate confirmed the vast majority of nominations, but it has done so in an expeditious and timely manner. The task force surveyed the Standing Committees of the Senate on various issues surrounding the confirmation process and specifically requested information spanning the last 5 years. Based on the information provided by the committees which receive and consider nominations, the average time of consideration for a nomination was 48 days. This figure represents the time between the date the committee received all the necessary paperwork and information on a nominee and the date the committee reported the nomination to the full Senate.

These statistics indicate that the real delay in the process lies with the Presidential nomination rather than the Senate confirmation. The average length of time a position has been vacant, before a nomination is made by the President, is 267 days. The White House has averaged almost 28 days between making a nomination and transmitting the information relevant to that nomination to the appropriate committee.

The executive branch should certify that its files contain no adverse information on a nominee that is not explained or disclosed in the reports submitted to the Senate. In the event that the executive branch investigations reveal adverse information on the nominee, the President's counsel should inform the committee leadership in a confidential communication or meeting. It should be noted that the current practice of the Committee on Armed Services requires that the executive branch submit a similar certification when it transmits nominations for promotion to a general officer position.

The task force calls for the restoration of comity between the executive branch and the Senate. Historically, the executive branch has shared the background information it compiles on nominees. This sharing of information eliminates the need for duplicative Senate investigations. Recently, the administration announced new restrictions on the use of this background information by Senate committees. The task force recommends that the administration restore the previous agreement for Senate access to background information. This generally entailed providing FBI summaries to committee chairmen and ranking members only; in some cases, where appropriate, wider access to the data or access to the full report was provided. The task force found that the previous arrangements worked well and should be restored.

If the administration restricts background information on nominees it provides to Senate committees so that the committees cannot adequately evaluate the qualifications and fitness of nominees, the task force recommends that the Senate expand its capabilities for Senate committees to conduct thorough investigations of nominees.

Committees with investigators now on staff might expand their existing personnel. Special investigative personnel could be retained on an as-needed basis. Alternatively, such counsel could be retained on a full-time basis by a centralized unit in the Senate and detailed to different committees as required. Another alternative would be to detail investigators from other existing Federal agencies, such as the General Accounting Office.

The committees of the Senate should adopt a single questionnaire for Presidential nominees, with each committee permitted to request supplemental information as needed.

In 1990, a Presidential Commission on the Federal Appointment Process recommended that the Senate committees adopt one standard questionnaire. The task force endorses this recommendation. However, while the development of a standard questionnaire is a desirable goal, the nomination process requires the cooperation of the President and the nominee. Expeditious handling of the Senate's request for information would propel the confirmation process. The task force recommends that the executive branch should transmit the complete Senate questionnaire at the same time it transmits the nomination to the Senate.

Moreover, committees and nominees should work together to make the confirmation hearings useful inquiries into the nominee's background, qualifications and views. Committee hearings play a vital role in the confirmation process. In fact, the confirmation hearing is the only point in the appointment process of Federal officials that offers the public an opportunity to evaluate the qualifications of a nominee. Therefore, the task force recommends that committees should continue to invite nominees to appear at confirmation hearings. Moreover, committees should make clear, in advance, which subjects and documents will be the basis for questioning a nominee; in return, the nominee should be familiar with these matters and prepared to answer questions about them.

The confirmation process must carefully balance the individual's right to privacy against the public's right to know, with any curtailment of the latter approached cautiously. This right to privacy extends not only to nominees but to witnesses as well. Unlike the executive branch's closed process for selecting nominees, the confirmation hearings are the only aspect of the appointment process which is open to the public.

Rule 26 of the Standing Rules of the Senate provides that committee hearings are to be open to the public, except that a hearing may be closed "on a motion made and seconded to go into closed session to discuss" whether certain enumerated provisions of the rule require a closed meeting. Such a motion must be determined by a recorded and public vote of the committee. The rule's specific reasons to conduct a closed meeting cover a wide array of situations which are set forth in paragraph 5(b)(3) of rule 26. The rule provides sufficient latitude for a committee to make a determination when it should conduct a closed hearing. And the rule accomplishes this while safeguarding the right of public access to information regarding nominees and witnesses. Committee's should be cognizant of the importance of an individual's right to privacy. The task force recommends that in instances when the testimony is likely to involve allegations that could invade and injure the reputation of an individual, a committee should consider a closed session if requested by an individual.

Another recommendation of the task force relates to the unauthorized release of confidential information. The task force specifically recommends that each committee adopt a rule on improper disclosure of confidential information. Moreover, any unauthorized release should be swiftly and severely punished. Any unauthorized release by staff should be subject to sanctions, which could lead to termination of employment. Any unauthorized disclosure by a member should be subject to consideration by the Select Committee on Ethics. Any suspected leak should be promptly investigated. If a committee does not undertake an investigation, the task force recommends that the Senate leadership should be authorized to direct the Senate legal counsel to appoint an outside counsel to conduct an investigation. Within 10 days of any report revealing an unauthorized disclosure by a Senate employee, his or her employer should report to the Senate leadership the disciplinary action taken.

Finally, serious consideration should be given to the establishment of a separate office in the executive branch for the purpose of processing nominations. This office could serve to process nominations in a timely, efficient, and objective manner. In addition, the information needs of the President and his staff, as well as the needs of the Senate could be served by this office. The task force recognizes that the creation of a separate office within the executive branch will not necessarily result in an objective analysis of a nominee's qualifications. However, the task force believes that it would represent an improvement in the gathering of information about a nominee over the current process which uses the Office of the White House Legal Counsel, who serves as an advocate for the President.

Mr. President, two centuries of Senate precedent have firmly established the role of the Senate in the confirmation process. While these two centuries have not been without controversy, the system has worked well. I hope that my colleagues will take the opportunity to read the task force report and that they will support the majority leader in seeking to improve the confirmation process.

Mr. PELL. Mr. President, I was pleased to participate as a member of the Task Force on the Confirmation Process under the able leadership of the Senator from Kentucky [Mr. FORD] at the request of our distinguished majority leader.

Under article II, section II of the Constitution, the appointment power is shared between the President and the Senate. The President alone has the power to nominate and with that power comes a responsibility to select individuals of suitable character and qualifications to hold public office.

Under the Constitution, the Senate is given the power of advice and consent. With that power comes a responsibility to consider a nomination in a timely manner and to exercise the independent collective judgment conferred upon it by the Constitution.

The objective of our task force was to consider ways in which the Senate could continue to fulfill its constitutional responsibilities in a timely and accountable manner, while maintaining the integrity of three separate and equal branches of Government.

I commend the specific recommendations of our task force to the Senate and the President as constructive proposals which will enhance the historical comity between the executive branch and the Senate. I am hopeful they will result in closer consultation between the White House and the Senate prior to the submission of nominees for advice and consent. They will also facilitate the Senate's timely consideration of nominations, assure that the nominee's right to privacy is carefully balanced against the public's right to know and enhance the Senate's ability to fulfill its obligations to the country under the Constitution.

The Committee on Foreign Relations has responsibility for a wide variety of distinguished and sensitive nominations for positions with extensive foreign policy and national security responsibilities. During the 101st Congress, this committee considered 288 nominations not including foreign service promotions which totaled 1758. During the first session of the 102d Congress our committee considered 122 nominations, plus 1,248 foreign service promotions.

As chairman of the Committee on Foreign Relations, I look forward this year to working with the distinguished ranking minority member of the committee, Senator HELMS, and the other members of the committee, as we consider what may become the most important ambassadorial nominations to be submitted by the President to the Senate.

On January 28, Senator HELMS and I informed the President of our strong support for his recent decision to establish diplomatic relations with Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Ukraine. I believe that it is a matter of urgent priority to send ambassadors to those countries and urged the President to submit nominations to the Senate as soon as possible.

With regard to the Baltic States, where the United States is currently represented by chargé d'affaires, we indicated we were pleased to be advised of the President's intention to nominate an ambassador to Estonia. We urged him to do the same with regard to Lithuania and Latvia.

Regarding the six States of the former Soviet Union that the administration has recognized, but with which it is not yet prepared to enter into diplomatic relations, I hope that the President will review the applicable criteria with a view toward establishing an early diplomatic presence, even if it is only at a chargé level, with Moldova, Tajikistan, Turkmenistan, and Uzbekistan. In the cases of Georgia and Azerbaijan, I believe that the establishment of diplomatic relations should be withheld until there is a resolution of the government crisis in Georgia and the status of Nagorno-Karabagh in Azerbaijan.

I ask unanimous consent that the full text of the letter to President Bush on this important matter be included in the RECORD at the conclusion of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, January 27, 1992.

The President,
The White House.

Dear Mr. President: We strongly support your recent decision to establish diplomatic relations with Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Ukraine. We believe that it is a matter of urgent priority to send ambassadors to those countries; consequently we urge you to submit nominations to the Senate as soon as possible.

With regard to the Baltic states, where the United States is currently represented by chargés d'affaires, we were pleased to be advised of your intention to nominate an ambassador to Estonia. We urge you to do the same with regard to Lithuania and Latvia.

Regardging the six states of the former Soviet Union that the Administration has recognized but with which it is not yet prepared to enter into diplomatic relations, we hope that you will review the applicable criteria with a view toward establishing an early diplomatic presence, even if it is only at the chargé level, with Moldova, Tajikistan, Turkmenistan and Uzbekistan. In the cases of Georgia and Azerbaijan, we believe that the establishment of diplomatic relations should be withheld until there is a resolution of the government crisis in Georgia and the status of Nagorno-Karabagh in Azerbaijan.

We understand that Robert Strauss, who was confirmed as ambassador to the former Soviet Union, will serve as ambassador to Russia as well as to Armenia, Belarus, Kazakhstan, Kyrgyzstan and Ukraine until ambassadors to those countries have been confirmed. If this is correct, we would appreciate a clarification as to why the Administration apparently believes that Mr. Strauss need not be reconfirmed as ambassador to Russia. We would also appreciate being informed as to the legal basis for his interim representation to the five other states listed above; and will he also represent the United States in the six states in which the Administration does not now intend to establish embassies?

Finally, we are concerned about the status of our embassy personnel in Moscow when they travel outside Russia. Will their diplomatic status be respected by the other former Soviet republics, particularly those with which the Administration has no current plans to establish diplomatic relations?

With very real regard and respect.

Sincerely yours,
CLAIBORNE PELL,
Chairman.
JESSE HELMS,
Ranking Minority
Member.

NATIONAL ENERGY SECURITY ACT

MOTION TO PROCEED

The Senate continued with the consideration of the motion to proceed.

PRIVILEGE OF THE FLOOR

Mr. FORD. Mr. President, I ask unanimous consent that David K. Sharma, an IEEE Congressional Fellow assigned to my personal staff, be granted temporary floor privileges to be exercised during consideration of S. 2166, the revised national energy strategy legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the minority leader.

Mr. DOLE. Mr. President, I have just had a discussion with the majority leader, and in about 10 or 15 minutes I am going to propose a unanimous-consent request, and let me state what it is. I guess it has to be hotlined on the Democratic side. We have it cleared on our side, and I have given copies to the manager and others on the Democratic side.

I will ask unanimous consent that at an appropriate time to be determined by the majority leader after consultation with the Republican leader, the managers of S. 2166 and the sponsors of the ANWR amendment, the Senator from Alaska [Mr. MURKOWSKI] be recognized to offer an amendment for himself and Mr. STEVENS regarding ANWR; that there be 4 hours to be equally divided with no amendments in order to the Murkowski-Stevens amendment.

I further will ask consent that following the use or yielding back of time, the Senate proceed to vote on the amendment without any intervening action or debate.

That is the request I will make whenever I am advised by the majority leader——

Mr. JOHNSTON. Mr. President, will the Senator yield for a question?

Mr. DOLE. I will be happy to yield.

Mr. JOHNSTON. If this were voted affirmatively—and I have said all along I think this would not pass—but if all the vote counts are wrong and this were passed, would the bill then be open for further amendment, that is, for filibuster and for further action?

Mr. DOLE. That would be my understanding, yes; unless cloture would be invoked.

Mr. MITCHELL. Mr. President, will the Senator yield just for a question?

Mr. DOLE. I will be happy to yield.

Mr. MITCHELL. As the Senator knows, I have just this moment seen it and I just wanted to be clear.

Does this give the majority leader the authority to determine when the amendment would be called up after consultation with the Republican leader, and the Senators from Alaska would have to be present at that time or would they not have the opportunity to offer the amendment?

I am not clear under that what happens under this agreement if I make the decision, after consultation with the Republican leader, to set a designated time and the designated Senators simply do not appear to offer the amendment at that time.

Mr. DOLE. It would be my hope that that would be discussed in the consultation with the Republican leader.

Mr. STEVENS. And it says "and the sponsors of the amendment and the managers of the bill."

Mr. DOLE. Managers and sponsors.

Mr. STEVENS. We would work out an appropriate time, but the leader has the right to determine that time.

Mr. MITCHELL. Mr. President, as the distinguished Republican leader indicated, this has not been communicated to democratic Members of the Senate. We will engage in that process right now, and perhaps before it is put to the Senate, we can have an opportunity to discuss it and perhaps make it clear so there is no misunderstanding as to how we proceed if that is agreeable.

Mr. DOLE. That is agreeable. I have discussed this agreement—in fact, it has been worked out with the help of both Senators from Alaska, and we believe this might expedite consideration of the energy bill. And that is the purpose of this request. We would like to move as quickly as we can. We do not have any desire to hold up any further consideration. We would be happy to move to the bill immediately after this agreement. If this agreement is granted, we are ready to go to the bill immediately without any vote on the motion to proceed.

Mr. MITCHELL. Mr. President, I thank my colleague.

As Senator DOLE knows, I have another meeting in the office now that he and I have to go into. We will hotline this and then in just a few minutes, if we could discuss this in a little more detail, put it to the Senate.

I thank my colleague, and I thank the distinguished chairman.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, the results of our hotline are in, and I understand there are some six objections to the unanimous-consent request that are ready to be lodged.

So as soon as the minority leader comes on the floor to make the unanimous-consent request, then I will, on behalf of the objections on our side, even though I would like it to be otherwise, lodge that objection. Here he is.

I was just saying, unfortunately, there are some 6 objections on our side to the unanimous consent-request. So if the Senator would lay down his request, I will object 6 times.

Mr. DOLE. addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the minority leader.

UNANIMOUS-CONSENT REQUEST

Mr. DOLE. Mr. President, earlier I indicated that, after there has been time to check with our colleagues, I would entertain a unanimous-consent request, and I now make that request.

Mr. President, I ask unanimous consent that at the appropriate time, to be determined by the majority leader, after consultation with the Republican leader, the managers of S. 2166 and the sponsors of the ANWR amendment, that the Senator from Alaska [Mr. MURKOWSKI] be recognized to offer an amendment, for himself and Senator STEVENS, regarding ANWR, and there be 4 hours equally divided with no amendments in order to the Murkowski-Stevens amendment.

I further ask unanimous consent that, following the use or yielding back of time, the Senate proceed to vote on the amendment without any intervening action or debate.

The PRESIDING OFFICER. Is there objection to the request?

Mr. BAUCUS. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. JOHNSTON. Mr. President, on tomorrow, when and if this bill is laid down, I ask unanimous consent that the Senator from Vermont [Mr. JEFFORDS] be recognized to offer up an amendment when the bill is laid down, if it is laid down.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Vermont.

Mr. JEFFORDS. I thank the Presiding Officer.

I deeply appreciate the ability to proceed in an orderly manner on my amendment. I think it would be appropriate at this time if I did alert the body as to just what that amendment is and the controversy.

I am sure every office has been visited by the big oil companies informing them that they consider this amendment worse than ANWAR and CAFE combined, and thus I can understand the consternation of those who may feel constrained to oppose it. I also know that the administration and Admiral Watkins have let it be known that they are also opposed to the amendment. I am hopeful, though not at all confident, that they have not seen the most recent version of my amendment.

Some time ago, as you may remember, we had a previous vote on a motion to proceed which was defeated. At that time, I met with the administration and agreed to work with the Department of Energy to try and find a compromise. I was told at that time that perhaps if we could do something for oil that we might be able to reach an agreement.

The amendment that I will propose and have distributed did make that move forward on our part by including stripper wells in the definition of those fuels which would qualify in this case as replacement fuels. I did that with the recognition that stripper wells would be assisted by the program that I am proposing by placing a floor under their price and allowing them therefore to operate for a greater length of time and therefore enhance our ability to cut back on the amount of oil that will be imported into this Nation.

Now let me turn to the rationale and the reasoning behind my amendment.

I believe we need an energy policy, yet I do not believe the current legislation addresses our oil dependency. Thus, I have an amendment that I will offer to this bill. Contrary to what my colleagues and their staff may have heard from the oil industry, my proposal is not anti-American, not an expensive boondoggle, not a command-and-control solution to our energy security problems.

This proposal, if enacted, will put us in the position, will give us the option, to become energy independent in the future. Without this amendment, we will not be headed toward energy independence. And I do not think there is anyone that will get up here and say that the present energy program, even with ANWR in it, will lead us toward energy independence, but rather toward more energy dependence.

In fact, in preparing for this debate, which I expect will be very contentious by those who oppose this concept, I spent a great deal of time reviewing our current energy situation and the present bill. I realize that my colleagues on the Energy Committee spent considerable effort putting this bill together, and I appreciate that. I believe it represents a significant improvement over an earlier version of the bill or over many of the competing bills. One of my concerns about this legislation is what I perceive to be the underlying philosophy that I believe is represented by this bill. It is the belief that America cannot be energy independent. A man I have a great regard for, Admiral Watkins, himself has been quoted as saying that the national energy strategy that we are voting on here is based on the premise that we cannot be energy independent. One of my colleagues on the Energy Committee echoed this belief during the hearing on my legislation. I believe America can be energy independent. Not today, not tomorrow, but in the years ahead if we adopt my plan to shift us gradually away from oil to the more plentiful resources of this Nation.

We have more energy resources in this country than I dare say any other country. We have billions of barrels of oil—not enough—billions of tons of coal—more than enough—plentiful oil shale and tar sands, and a great deal of natural gas. In terms of renewable resources—a more favorable option—again, I believe we are unmatched. We have the best farmers in the world. Put to the task, I believe they could produce enough biomass to fuel the whole country. So how come we cannot be energy independent? Why must we give up without even a fight; without even a whimper? How can we expect Americans to believe in us if we are unwilling to believe in them. I believe Americans can reach any goal we have the vision to set. I believe in my countrymen.

I agree with my colleague from Louisiana when he said "The administration's position seems to be 'don't worry, be happy, everything will be all right.'" He was right on target. The oil companies would have us believe that they are the good hands people. Trust us, they say, we will take care of you. Well, some of my colleagues, and I suspect, a certain insurance company, take issue with their claims. Everything is not going to be all right. The Energy Information Administration believes that by the year 2010, our oil import bill could more than triple. That will put our trade deficit off the chart. Meanwhile, we are losing hundreds of thousands of barrels of oil production each year in this country. And it does not have to be that way. My amendment can be used to help our domestic oil producers without controversial import fees, floor prices, or further tax subsidies. We must act to do that.

Unfortunately, I confess some of my colleagues share the administration's and their friends the oil companies' sentiment, there is no problem. I know my colleagues on the Energy Committee understand the problem, although we disagree on the solution. Again, the distinguished chairman of the Energy Committee is correct when he said that Americans do not think in long-range terms when it comes to energy. He is right that many only think about tomorrow. But that is why we are here: To think about the future and to put this country on course for a sound, secure future.

My Republican colleague from New Mexico commented last year that within 4 or 5 years, 6 at the most, our energy dependence will be at the top of the political agenda. Our citizens will be clamoring that something be done to counteract yet another devastating energy crisis. I hope then that they look back at the vote on this amendment and they read the statements of those in opposition who say we cannot strive for energy independence, I hope they will recognize what we are up to here today.

My colleagues know how strongly I believe in reaching the goal of an energy secure America. I am looking forward to offering my amendment to this bill. My predicament is that I also strongly disagree with some of the provisions of the bill and in the philosophical basis of the bill.

Admiral Watkins, Secretary of Energy, as I mentioned before, was quoted at a conference earlier this year as saying that the national energy strategy begins with the premise that the independence of this country from foreign energy sources cannot be achieved. An earlier version of this bill proposed that to reduce our dependence we look north to the Arctic National Wildlife Refuge. Another of my colleagues has been quoted as saying, "If you gut the ANWR provisions, you don't have an energy policy, because you haven't got any funding for all the technologies we want to adopt."

Basically, this implied that our entire energy policy rests on ANWR. Since ANWR is no longer in the bill, how do we pay for the bill? It seems that the basis for our energy policy still rests largely on opening up an area for oil exploration that I believe, personally, should be left alone. Even if you favor ANWR development, our strategy should not be based on an area with uncertain resources.

I would like to say for the record that I appreciate the respect and consideration my colleagues on this committee and their staffs have shown me. I know they disagreed with my earlier proposal. I have yet to hear their opinion on the modified approach. I know I will. In spite of this, I believe my staff and I were accorded the full courtesy of the committee, and I deeply appreciate that.

Months ago, Mr. John Sawhill of the Nature Conservancy predicted a stalemate on energy. He said that both the energy industry and environmentalists have firm beliefs about what our energy policy should be and neither seems desirous of compromise. This stalemate results in an energy policy of the status quo.

Mr. Sawhill said:

> The strong differences between the parties to the debate—on the one hand, those that stress energy efficiency, energy conservation, and alternative energy sources and, on the other, those that seek expanded energy supply—constrains progress toward a comprehensive national energy policy. There is clear evidence that the groundwork for the sort of compromises necessary between these parties has not been laid.

I do not like the status quo, and I imagine neither side of the debate likes the status quo either. Someone has to come into the middle and try to provide some sort of a compromise. We have become a Nation dependent on foreign governments for our energy, our debt financing, and our consumer products. I remember quite well the time when we supplied the world.

We have to move forward. I congratulate my colleagues for their efforts to end the stalemate. A stalemate benefits no one but our foreign energy suppliers. Conservation measures as well as production measures will languish. Environmentalists lose, the energy industry loses, most important, the American people lose.

Again, I would like to thank my colleagues on the Energy Committee for their efforts thus far and I look forward to working with them soon as we move to the bill and when I offer an amendment to put the country in a position to be energy independent.

I know that I have talked for some time, but I beg the indulgence of my colleagues and staff for a little while longer. The oil companies have bent the ear of most of the energy legislative assistants. I believe it is important that we set the record straight and, in fairness, some of that, if not most of it, was aimed at my previous amendment offered to the committee.

As many of you know, I have been working on this proposal for many years. I developed it during the debate on authorizing the Synfuels Program. At that time, I knew Synfuels would not work. Our country cannot afford to subsidize the differential between OPEC production and domestic costs. OPEC's production costs are as low as $2 a barrel. If they wanted to, there is no reason why we could not have oil prices 5 to 10 times lower than they are right now. But, of course, we do not. OPEC is a cartel whose sole purpose is to control prices and protect market share. They own two-thirds of the oil in this world.

No proposal based on a Government subsidy can work if OPEC plays hardball. Tax incentives are a subsidy. Synfuels was heavily subsidized. We have a budget crisis. The Government cannot afford it. This is where my proposal comes in. My proposal is to provide a free market separate from OPEC, a market where domestic producers can compete without fear of OPEC plunging the oil price to defend market share and bankrupting them. My proposal does not pick a winner. It is not central planning, as some would claim. In fact, I am getting pretty tired of hearing about how the centrally planned economies have failed and how this is proof the Government should not "interfere in the market or take actions to protect its citizens or workers."

The function of Government is to protect its citizens and to provide opportunities for them to provide for themselves and their families. The function of Government is not to sit idly by while our country is sold acre by acre to foreign interests in order to pay for our oil imports. The function of Government is not to impoverish our citizens, and that is what we are doing. We are creating a debt burden that our grandchildren will still be paying. What I am trying to create is an opportunity for Americans to participate in providing for the energy for tomorrow here in this country with our resources.

In a centrally planned economy, the planners describe what products will be made and in what quantity. Nowhere in my amendment can anyone find any evidence that my bill will have DOE saying what energy company will be producing what.

All my amendment says is that in the year 2001, at least 10 percent of our gasoline demand should be produced domestically, or substitutes for it. The fuels used to meet this goal and the quantity of each is left entirely to the market, a free market. No Government planner is going to tell the refiners what fuels they have to produce. They can keep right on producing gasoline if they want. Let me make that clear: Gasoline counts. The energy industry has gone around saying that there will not be the demand for these new fuels I am mandating. Since when have they had any problem selling gasoline? So to those who have been swayed by the industry's argument that we are going to have to produce millions of dedicated vehicles to burn exotic fuels, please reexamine this issue. That is an irrelevant argument. Gasoline counts.

Reformulated gasoline counts as long as the reformulated aspects are domestically produced. Ethanol counts.

Methanol counts. Electricity counts. Pick a fuel that will work in a motor vehicle and it counts. And nowhere in the bill is a winner picked. Nowhere.

I hope I have dispelled that misinformation. The oil industry's misinformation campaign has been very effective. Now let us look at another issue related to this central planning bunk: The free market. When I was putting this proposal together, I got a tremendous amount of help from the Department of Energy and I deeply appreciated the help they gave me. The facts that we will use will be from the Department of Energy. To verify my confidence in the approach I would note that they made a similar proposal. DOE made a similar proposal. But it was knocked down at the White House.

As they have been called, the "keepers of the White House Economic Gospel" shot it down. And do you know why? Because it was messing with the free market. The almighty free market. Who are we kidding. There is no such thing as a free market in energy. Cartels, like OPEC, are not instruments of a free market. Vast subsidies, which are an integral part of both our Tax Code and our current energy policy, are not the instruments of a free market. The energy market is not free. Let me repeat this again, the energy market is not free. I know, however, that when debate on my amendment comes up, I will probably be debating this point countless times. It is one of the sound bite phrases that is being used to try to defeat this amendment.

What my amendment will do is create a free market for domestic producers. That is right, my amendment will create a free market; a market safe from the power and the hammer of OPEC. And that terrifies the oil companies. So much so that my amendment is their No. 1 target.

The one thing they are most afraid of is a truly free market. Why is that? Because we do not have the oil. The energy industry has sold their infrastructure here for a promise of oil tomorrow. Anything that interferes with selling our country piece by piece for oil scares them. This amendment is their No. 1 target out of the whole energy bill. That is a rather sad commentary on our domestic energy producers. I am trying to create an independent market for domestic producers, a market safe from the Middle East, and American companies are fighting it. What happened to the pride American companies used to have in our country? What happened to American companies trying to put Americans to work?

Oh, they will say it is a global business environment out there now. We must go where resources are the cheapest even if they are kept artificially high and indefinite and subject to interdiction. I would like to quote from a recent Greenpeace report. This report says that Saudi Arabia and Texaco jointly own 3 major refineries and gas stations in 26 States. Texaco agreed to use Saudi oil for its refineries and Saudi Arabia gets 50 percent of the profits. As a recent Time magazine article put it: "The man who wears the star is also wearing an Arab burnous."

I do not mean to pick on Texaco. In 1986, for instance, Venezuela acquired 50 percent of CITGO and in 1987 purchased equity in Champlin refining. This gives Venezuela 6,000 or so gas stations to sell their product. More chances for Americans to invest in countries other than ours. That is the key issue of this debate. Let there be no mistake. What this bill comes down to is Americans investing in Americans.

The oil companies say my amendment is not consistent with the Clean Air Act which, by the way, they now say they endorsed heartily. That is not quite the way I remember it a year or so ago. That is not true. Reformulated gasoline counts as long as the contents are domestically produced to comply. But here is what they are really saying. They are saying, yes, we are making the investment in providing the Clean Air Act fuels. What they are not saying is that they are building the plants everywhere but here. That is right, they are not investing here to meet the Clean Air Act. When I voted for the Clean Air Act, it was certainly not my intent to give the oil companies an excuse for abandoning Americans. Does that not just gall you? I would like all of my colleagues and their staffs who may be listening now to pause for a minute and ask yourself is it not about time we provided opportunities in America. Do you want a future for your children of limited jobs?

Allow me to quote Mr. Fred Potter, president of Information Resources, Inc. He said that you would hear opposition to bills like mine.

> Primarily, the opposition will come from the oil companies. Specifically, from those oil companies which have international crude oil assets in other nations. Of course, it is this same crude oil, owned by U.S. companies overseas, which we as taxpayers finance, and the American Armed Forces are required to defend in the Persian Gulf and elsewhere. * * * Congress must recognize that the primary objective of the international oil companies is to maintain crude oil and gasoline market share in the United States. Concerns over preserving their market share, rather than technical or general economic considerations, lie at the heart of their opposition.

Let me ask my colleagues, have any of you heard one word of opposition from anybody who was not somehow, past or present, associated with an oil company? I have not. My staff has not. I suspect you have not.

The oil companies are not about making America better. They are about making money. That is perfectly appropriate. Money at our expense? Money at your constituents expense?

We are a debtor nation. We used to be a creditor. We are a net importer. We used to be an exporter. We used to be the land of opportunity. What happened?

America has been living beyond its means. That is basically what the trade deficit means. It means we import more than we export. We buy more than we sell. Allow me to borrow an idea from Sir John Hicks. He says a man's income should be defined as the maximum value which he can consume during a week and still be as well off at the end of the week. Thus, when a person saves, he plans to be better off in the future, when he lives beyond his means he plans to be poor in the future. This same idea holds true for a country. We consume more than we produce. We are living beyond our income. We are planning to be worse off tomorrow than today.

We are planing to be worse off tomorrow than today. That sure is not why my constituents sent me here. I am doing all I can to see to it that we are better off tomorrow.

Oil is the largest part of our trade deficit and gasoline consumption is the largest part of our oil use that cannot be easily replaced now. That is why I am focusing on gasoline. My amendment does not interfere with oil for plastics, consumer products, home heating oil, jet fuel, you name it. My amendment is targeted at gasoline. We must begin to develop an energy system that does not guarantee continuing trade deficits.

Do you want to hear something frightening? We are now hooked on $20 a barrel of imported oil. This cost will gradually increase. The oil companies are planning to import $60, $70, $80 a barrel reformulated gasoline components. Our trade deficit will soar out of sight.

I hope I have given enough background for now about why my amendment is so important. If we miss this opportunity to act, I fear for our future. I feel that we will have lost perhaps the only moment we will have, the last energy bill. You heard the distinguished ranking Republican on the Energy Committee say it was 15 years ago. It was back in that urgent time of the tremendous oil shortages and gas shortages of the 1970's. I do not know when the next opportunity will be. This may be it. If we do not do it now, when will we ever do it?

Tomorrow we will begin in earnest on the bill starting in the morning, and I urge everyone to listen very carefully to the arguments and ask yourself: If you vote against this amendment, do you want to try and defend that vote? Do you want to try and say that I voted no on a bill that would create hundreds of thousands of jobs, which would end our dependency on foreign oil, that would reduce the deficit, that would give us an option to be energy independent and give us an option which I did not touch on and that is to be concerned and to do something about global warming?

Only with my amendment will you be able to give this country an option to become energy independent, and it will not be for 20 years, and an option to be able to produce those fuels which will make this country environmental neutral with respect to carbons. So I urge my colleagues to carefully look at this. It may be your only chance to save us from the problems that will be created for us in the future.

Mr. President, I yield the floor.

NATIONAL ENERGY SECURITY ACT

The Senate continued with the consideration of the motion to proceed.

Mr. STEVENS. Mr. President, while I am not surprised, it is a sad development, in my opinion, that we now note we will not have the guaranteed right to raise the issue of ANWR on this bill. The ANWR amendment was a portion of the bill as reported to the Senate floor from the Senate Energy Committee. That is the provision that would allow drilling in the Arctic National Wildlife Refuge area that has been set aside for drilling, a million and a half acres along the Arctic coast of Alaska.

This was the area the Senator from Idaho was just discussing. We had anticipated that we would have the opportunity presented to both the ANWR proponents and the CAFE proponents to offer an amendment to add to the bill the two items that were taken out of the Senate Energy Committee draft bill as reported to the floor.

It is clear that we will not have that opportunity. My colleague will discuss it tomorrow at length. But I do believe that it is clear that we have not given up on ANWR. We will pursue our rights as this bill goes forward, and as other bills come before the Senate this year.

But clearly, Mr. President, the problem that exists in this country today—someone told me it is not original, I wish I could remember exactly who said it, but our economy is like someone had laid fat wood all over the economy. As anyone knows who is from the part of the country that the current occupant of the Chair is from, fat wood is the kindling that has enough sap in it that immediately after it receives a spark it turns right into a fire.

This person was talking to me and said, look, the economy is ready to go. It needs a spark.

If there is one spark that is available to the Congress, it is ANWR. ANWR we know will create about 735,000 jobs. It will deal with one of our most pressing problems; that is, the problem of our continued increase in imported energy. We now are importing about 55 percent of our petroleum needs daily.

Mr. President, last year we imported over $55 billion in oil and that was at a lower rate than we are importing now.

We are importing, as I am told, about 55 percent. If we recall the days of the oil embargo that was imposed by the Arab countries against this country in 1973, at that time we imported only 36 percent of our Nation's supplies.

Now production from all major fields in the United States is dropping. Mr. President, our reserves now are at the lowest they have been in 26 years. We have a production from all fields in the United States of 7.3 million barrels a day. Currently our one field Prudhoe Bay provides 24 percent of that oil. We are now producing approximately 2 million barrels a day. But that production is dropping at a rate of 10 percent per year.

The Department of Energy projections indicate that that will result, slightly after the turn of the century, in the Trans-Alaska pipeline not having enough oil to continue operation. It really means that unless we find additional oil supplies to keep the Alaska pipeline filled when the Alaska oil pipeline shuts down, more energy will have to be imported from offshore. There is no other source in the United States.

What we were trying to do is attempt to look at ANWR, this area of 1.5 million acres set aside in 1980 to be looked at for oil and gas production, but unfortunately that is not possible.

The Department of the Interior now estimates that there is a 46-percent probability that drilling any oil or gas well in ANWR will be productive. That is a fantastic probability of success. It means that according to this estimate there is an estimated average recoverable oil of 3.5 billion barrels. The high estimate that they give us is 9.2 billion barrels.

I am reminded of the time I stood on this floor talking about the oil Alaska pipeline right after the Prudhoe discovery. There was an estimate of 1 percent chance there was 1 billion barrels. We have already produced 9 billion barrels. All of these estimates are conservative.

We believe that this will be the largest field ever discovered and produced on the North American Continent. It is a tremendous opportunity. It will bring immediately about $3 billion into the Federal Treasury. It will mean that we will not send $180 billion over the course of production from ANWR overseas to purchase foreign oil.

I really think it belongs on this energy bill. That is the main reason I have come here.

We just passed an unemployment compensation bill extension to extend the availability of unemployment compensation.

Mr. President, by creating some 735,000 jobs over a period of 12 years, this bill would provide the spark that would be needed to shove this economy of ours forward.

A chart was prepared for us by the oil industry in my State and reflects actual expenditures spent by them to develop Prudhoe Bay. The amount of money actually spent in the last 10 years by those who have developed the oil on the North Slope in the 10 States having the largest amount.

Just look at it, Mr. President: in Texas, $6.7 billion; in California, $3 billion; in Pennsylvania, $1.5 billion; in Washington State, $1.3 billion; in New York, $679 million; Oklahoma, $517 million; Colorado, $291 million; Illinois, $217 million; Oregon, $209 million; Wisconsin, $186 million.

I ask unanimous consent that this table be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Dollars spent in each State for North Slope oil development: 1980–91

[In millions of dollars]

Texas	$6,747.6
California	3,006.7
Pennsylvania	1,594.5
Washington	1,350.9
New York	679.6
Oklahoma	517.4
Colorado	291.6
Illinois	217.6
Oregon	209.0
Wisconsin	186.9

Mr. STEVENS. Mr. President, I read that to demonstrate that if the money started to be spent to pursue oil and gas exploration and develop it in my State, it spreads out all over our country. It is money spent in the United States that creates U.S. jobs from suppliers of every kind of material you can think of, from doorknobs to valves. We have to have the production of America to explore in the Arctic. It is a very costly process.

Mr. President, I am saddened that we are not going to be able to proceed now, but my real message to the Senate is we tried to expedite the consideration of this bill by seeking this agreement. We tried to assure ourselves that we would have the opportunity to give the Senate the chance to put back into this bill the major provision, really the cash resource that is necessary to make the energy bill pending before the Senate work.

It will be subject to appropriations. I ask any Senator. Where are you going to get the extra money to pay for this energy bill? There is no answer. It is just like a dozen bills that are pending around here. The people are thinking about voting for them and passing, but no one will tell the American public where the money is coming from.

In this instance, we know the oil industry is standing by, ready to explore ANWR. If there is a discovery, and we believe there would be very quickly, that is the economic spark we need to really put the oil industry back in business.

Mr. President, I hope that through the further consideration of this bill we will have the opportunity to get back into the discussion on the merits and get a vote up or down on ANWR.

I cannot tell my people at home how that will happen, but I still express the hope that it may happen.

ABESENCE FROM THE SENATE PURSUANT TO RULE VI(B)

Mr. STEVENS. Mr. President, pursuant to rule VI(b) of the Standing Rules of the Senate, I ask unanimous consent to be excused from legislative business from Wednesday, February 5 through Friday, February 7, so that I may attend to some important business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I state for the record that during this period I will attend conferences in Los Angeles, attend the 85th birthday celebration of a close friend, and then go to Alaska where it is my intention to consult with the Alaskan people concerning the best course of action to pursue regarding the ANWR provisions which have now been deleted from the national energy strategy legislation. As I have just stated, that issue is critical to my State. Senator MURKOWSKI and I believe it is imperative that we seek the advice of every Alaskan we can talk to during the recess regarding the course of action.

I thank the Chair and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that I may speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPUBLICAN SUPPORT FOR ANWR

Mr. MURKOWSKI. Mr. President, we have just experienced, I think, a rather revealing realization today relative to the opening of ANWR as part of the energy bill. The senior Senator, Senator STEVENS, and I had asked the Democratic leadership for a fair opportunity for an up-or-down vote on ANWR. And the matter was presented to the Republican caucus, and I am very pleased to say that we showed a commitment of solidarity and support for this very worthwhile effort.

Unfortunately, it was objected to on the other side, not once, but at least six times. As a consequence, we feel that we were denied a fair vote on the issue. And this issue, Mr. President, is by far the most significant single jobs issue before this country, meaning some 735,000 jobs in 47 States, and a contribution to the gross national product of some $50 billion.

As a consequence of this action, by denying the opportunity for an up-or-down vote on this issue, one could conclude that the Democrats across the aisle clearly do not care about jobs, this recession, the gross national product, the balance of payments, and so forth. If one looks at the balance of payments, he can recognize that one-half is the cost of imported oil. As a consequence, we are exporting jobs and, of course, exporting dollars. We are currently dependent on over 50 percent for oil imports coming into this Nation.

Mr. President, I think it is fair to point out that a number of my colleagues on the other side—led certainly by the leader of the Energy Committee, the chairman of that committee, Senator BENNETT JOHNSTON—have always supported the inclusion of ANWR. But the fact remains that objection was shown on that side, so we are precluded from a fair evaluation. Alaskans have asked the delegation for an up-or-down vote. We have exhausted our efforts to achieve that on this energy bill. There are other opportunities, obviously, from time to time. It is a Presidential election year, and ANWR is a very partisan issue.

But I think it is interesting to note that all six Presidential candidates on the other side, Democratic side, have indicated no support for ANWR.

So, in that climate, with an election year pending, it is going to be very, very hard to get a fair vote, and we can consider simply an up-or-down vote as a fair vote. We were offered the alternative for a vote with a proposed tabling motion and Alaskans felt that was unsatisfactory. So we continue to demand an up-or-down vote, and the response to that has already been made evident.

Now, tomorrow, we will proceed to the bill. We will have alternatives before us at that time. We also may have an opportunity to take back to Alaskans the reality of the political situation facing us in our inability to get an up-or-down vote on ANWR.

I thank the ranking member of the Energy Committee, Senator WALLOP, for his continued support of our position to try and get an up-or-down vote as it has been evidenced all along by his support of ANWR.

So, I think, in conclusion, Mr. President, what really is at issue here is a reality that the major jobs issue is not supported by our friends across the aisle, nor is there a recognition, and I think this is probably most significant, Mr. President, of the ability of this country to open up ANWR safely by using advanced technology and expertise.

We have gained, make no mistake about it, Prudhoe Bay, which is supplying this Nation with 20 percent of the total crude oil as the finest oil field in the world. If we were lucky enough to open up ANWR, we could even do a better job.

What made America great was the ingenuity and commitment toward excellence. In the advancement of scientific technology when we can put a man on the Moon to suggest we cannot open up ANWR safely just does not hold water.

Mr. President, in conclusion, I thank my senior colleague, Senator STEVENS. We have worked together in trying to obtain this up-or-down vote. We were precluded in that by the objection.

Tomorrow is another day, Mr. President, and our commitment and our hard work will continue because what we are doing is in the national security interests of our country, I might add, totally supported by our President as evidenced by the letter which I entered into the RECORD yesterday which was presented by his Chief of Staff supporting ANWR as part of his energy package, and the statement that it was imperative, that it be so included.

Mr. President, I thank the Chair. Tomorrow, I will have more to say about the current circumstances surrounding the action taken by this body today.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CONRAD). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I think we have reached an agreement on how to move forward with the so-called energy bill, and when the majority leader comes to the floor, if I am not here, I just say we have no objection to the agreement—in fact, with an hour debate tomorrow and then probably voice vote on the motion to proceed.

I would say that we are yielding back about 25-plus hours under the time after cloture was invoked on the motion to proceed. And it would be our understanding that we would not be in late tonight and we would not be in late tomorrow evening.

So I assume that has been mentioned at least to staff on the other side. It is our hope that we can still figure out some way to have a vote up or down on the so-called ANWR amendment. It seems to me it is very important.

I regret there was an objection today on an up-or-down vote on the other side of the aisle. But we will be working with our colleagues on both sides.

This is a very important amendment, an amendment to our national energy policy. It is also important, obviously, to the distinguished Senators from Alaska, Senators STEVENS and MURKOWSKI. We will be working with them and with the manager of the bill on the other side, Senator JOHNSTON, and the manager on this side, Senator WALLOP, to see if we can devise some way that we can get an up-or-down vote. It seems to me that it is important that that be done before we complete action on this bill. I think it is also fair to say that we may or may not complete action on this bill this week.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY BILL CLOTURE VOTE

Mr. BIDEN. Mr. President, earlier today, I voted to invoke cloture on the motion to proceed to S. 2166, the energy bill. Last year, I voted against cloture on the motion to proceed to an earlier version of a national energy strategy. However, S. 2166 omits the most controversial issues, those relating to drilling in the Arctic National Wildlife Refuge and raising auto mileage standards, that doomed the earlier energy bill. While I do not view the unamended bill before us as representing the best in an energy policy, it is important to move forward with development of a solid plan.

I would like to emphasize this point. I am not convinced that S. 2166 as it stands right now is a bill that I would support if the vote were on final passage. The chairman of the Energy and Natural Resources Committee has acknowledged similar concerns. He has already stated that amendments which I would consider strengthening ones will be added to the bill during the Senate's debate. I have no doubt that additional amendments, beyond those already cleared by the bill managers, need to be added if the Senate is to produce a strong energy policy.

In his State of the Union Address, the President called for passage of a national energy policy. However, passage of the policy he originally proposed would have been the wrong step to take. It would have been an energy policy, but it would be a policy that continues our current foolishness on energy.

No matter how we would wish it, we cannot produce our way out of our oil deficit. Oil companies have indicated as much. There are very few areas left in our country that have not been thoroughly explored. And they tend to be in areas like coastal waters, national parks and other ecological treasures that the public does not want to lose. To base an energy policy largely on the hope that those areas will hold so-called supergiant fields that could displace imports from the Middle East is foolhardy at best. Production has a role in a national energy policy, but it cannot be the beginning and end of that policy. It must be part of a balanced approach.

We must start the process of reducing our consumption of oil. It will not be an easy task since oil and petroleum are a central part of our everyday life and our national economy. But it should be clear that those who claim cutting energy consumption means shivering in the dark, banning cars or halting economic growth are ignorant of the opportunities that have been demonstrated since the first energy shock in the early 1970's.

For years, our economy grew while energy consumption dropped; until Federal support for those efforts dwindled, that is. But the case was made clear that the notion that our Nation's economic growth can only occur with greater energy use is wrong. And there is still tremendous room for further improvements in energy conservation, energy efficiency and alternative fuels.

I expect these issues will be addressed extensively during debate on this bill. Other issues are also certain to be raised, such as those related to nuclear energy, that I believe we must develop a more reasonable and balanced approach to.

So, while I am willing to move forward with S. 2166 as a vehicle for development of an energy policy, I fully expect to support amendments to strengthen the provisions of the bill. This bill may not prove to be a dramatic turning point in our energy policy, but I hope that by the end of the Senate's debate, we will have crafted a bill that will move us away from current approaches and toward energy policies that will leave us with a more stable and secure future.

THE CRISIS THAT WON'T WAIT

Mr. MOYNIHAN. Mr. President, in his State of the Union Address President Bush observed that "in the past 12 months the world has known changes of almost biblical proportions." That he borrowed the phrase from Charles Krauthammer merely adds to the force of the observation. It is true and we all know it: even if it takes a person of special gifts to find the right term.

The joint statement issued this weekend by Presidents Bush and Yeltsin at Camp David extends and expands—if such be possible—this period of epic change. Our two nations declare that henceforth ours will be a "relationship***characterized by friendship and partnership founded on mutual trust and a common commitment to democracy and economic freedom."

In this setting I would draw the Senate's attention to a compelling analysis of this relationship presented by Jim Hoagland in the Washington Post of January 23d. It is entitled "The Crisis Won't Wait." The subtitle reads "The West must not underestimate the gravity of the danger the ex-Soviet population faces." He cites Murray Feshbach's judgment that "1.5 million people are likely to die this year in the former Soviet Union because hospitals and doctors lack the most rudimentary medicines and other medical supplies." Food shortages could be just as devastating.

Mr. Hoagland goes on to note that "Feshback is no stranger to controversy. While the Central Intelligence Agency, the Pentagon and others were predicting, in the early 1980's, continued and menacing growth for the Soviet economy, Feshbach was discovering and calling attention to an alarming drop in Soviet life expectancy. His assessments of the spreading rot in Soviet society were dismissed by hawks and doves alike—through for differing reasons—as too gloomy."

"We know now," writes Mr. Hoagland, "that they were understated." He goes on to note that Freshbach is worried that once again the West is missing the gravity of events in the former Soviet Union. Mr. Hoagland worries that despite the President's commitment of $600 million in technical and emergency aid, for some reason things do not move.

Let me offer a theory of this case. I speak as one who has been in Feshbach's situation, although I could hardly claim any of his genius as demographer. My claim simply is that I read him when be began writing on this subject. It is important to the argument I present that Feshbach's findings were first published in the mid-1970's. Specifically in "The Soviet Economy in New Perspective," Joint Economic Committee, 1976. In essence he had determined that life expectancy for males in the Soviet Union was declining. I believe there is only one other instance of such a decline in the annals of 20th century demography. So much was summed up in that single fact: that and the confirming fact that the Soviets stopped publishing their data. Demography, as the saying goes, is destiny. For some of us—I was one—it was the datum that fleshed out the theoretical case that far from descending on us from the mountains of Central America, the Soviet Union was in fact about to break up.

In 1979 Newsweek had a forum on the eighties. What would happen. Large thoughts only, if you please. I wrote a brief essay. In the 1980's the Soviet Union would blow up, and if we didn't watch where those nuclear warhead went, the world could very will blow up with it. Now obviously I was both right and wrong. The Soviet Union did not blow up. It broke up. And there are good signs that they understand the problems of nuclear proliferation. Even so, the more important point is that nowhere in the U.S. Government was there anyone who could conceive of anything like that happening.

I was then a member of the Intelligence Committee; soon to be vice chairman in our nonpolitical way. I must report. The intelligence community didn't have a clue. Nor did I drop the subject. Here are excerpts:

SENATE FLOOR, JANUARY 10, 1980

* * * the Soviet Union is a seriously troubled, even sick society. The indices of economic stagnation and even decline are extraordinary. The indices of social disorder—social pathology is not too strong a term—are even more so. The defining event of the decade might well be the break-up of the Soviet empire. But that * * * could also be the defining danger of the decade.

NEW YORK UNIVERSITY COMMENCEMENT ADDRESS, MAY 24, 1984

The truth is that the Soviet idea is spent. It commands some influence in the world; and fear. But it summons no loyalty. History is moving away from it with astounding speed. I would not press the image, but it is as if the whole Marxist-Leninist ethos is hurtling off into a black hole in the Universe. * * *

If we must learn to live with military parity, let us keep all the more in mind that we have consolidated an overwhelming economic advantage. * * *

Our grand strategy should be to wait out the Soviet Union; its time is passing. * * * It will be clear that in the end, freedom did prevail.

ADDRESS TO THE COALITION FOR A DEMOCRATIC MAJORITY, NOVEMBER 28, 1984

The United States is not, and has never been militarily inferior to the Soviets. [Thinking this was] bad enough a mistake. But vastly more important is the underlying, pervasive mistake of not perceiving that the Soviet Union is a declining power.

First, that the Marxist-Leninist ideology is now largely a spent force in the world. * * *

And second, Soviet society just isn't working. What was to have been a transformation in personal and social relations has simply turned into a mess.

SENATE FLOOR, AUGUST 9, 1986

Let us be clear. We are dealing with a doctrinal adversary. There is a real sense in which it must be said of the leaders of the Soviet Union, and some of their satellites, that they are a People of the Book. They have texts which prophesy the ultimate triumph of their system through the collapse of ours, not through its overthrow from outside but from its collapse from within. * * * [I]t was confidently expected that the Socialist mode of production * * * would be superior in its productive capacity, and that Russians * * * would be richer than the West because their system would work better. That expectation soon disappeared. * * * All those prophecies are gone.

There was one exception to the general obliviousness. In July 1985 I visited Geneva as a member of the Senate Arms Control Observers Group. Our chief negotiator was the Honorable Max M. Kampelman who promptly and graciously had us over to lunch. Just as promptly he turned the conversation to this subject and asked if I would elaborate my views. But Ambassador Kampelman, in a sense, proves the rule. He was not a member of the intelligence community; not a defense analyst; a policy planning staff director. He is a man of politics in the large and best sense of that term; he would not mind being called a Hubert Humphrey loyalist. He comes out of political tradition that takes ideas seriously and can conceive what it might mean when ideas such as those of the Marxist-Leninist regime in Moscow turn out to be utterly without predictive power.

And so to my theory of the case. The institutions of American defense and foreign policy having failed so utterly to foresee the collapse of the Soviet regime are having huge institutional difficulties responding that this "Crisis [That] Won't Wait" for the simple reason that to do so would be to acknowledge that earlier failure.

Do not doubt the depth of this institutional dilemma. Writing in the fall 1991 issue of Foreign Affairs, Adm. Stansfield Turner spoke of the "enormity of this failure to forecast the magnitude of the Soviet crisis." The current issue of the Foreign Service Journal speaks of the CIA's "gargantuan failure to understand the problems of Communist economies." But it is not the CIA. At the end of my 8 years on the Intelligence Committee I was asked over to Langley and presented the Agency Seal Medallion, an honor of which I am more than sensible. The failure was systemwide.

But we must not now compound it by denial. The proposition goes something like this—in the institutional subconscious. If you can avoid facing the crisis in the former Soviet Union at present, maybe you can avoid facing up to the fact that you did not foresee the crisis. Nonsense. This is not worthy of the fine men and women involved. Confession is good for the soul. I plead from the Senate floor: Back the President. Help make his case. Help the country to understand Hoagland and Feshbach.

More. Penance is good for rehabilitation. One of the problems of having served on the Intelligence Committee is that you are thereafter bound by its confidentialities. Without breaking any such, I believe I can say that the American people would be baffled if they knew the true size and extent of the intelligence budget. Boggled. I recommend that they read Elaine Sciolino's article "CIA Casting About for New Missions" in this morning's New York Times. Would it not be possible to take just a small portion of this budget and devote it to emergency aid to the Soviet Union? It would.

I ask unanimous consent that Mr. Hoagland's article be printed in the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 23, 1992]

THE CRISIS WON'T WAIT

(By Jim Hoagland)

The Great and the Good, in the form of 45 or so foreign ministers from around the world, have descended on Washington this week to talk about the immense human disaster spreading through the ruins of the Soviet empire. That disaster is worse than anything the foreign ministers and their governments have admitted until now.

Worse: It has been exacerbated by the hesitant, ineffectual international response seen thus far, another reality not likely to be dealt with openly at the two-day State Department conference, due to end today.

This is the view of Murray Feshbach, a man with the credentials to make strong judgments and the boldness to state them publicly. If the Great and the Good tire of hearing their own voices (an unlikely event) they should walk a few blocks to Georgetown University and ask Feshbach to describe the trip he made to Russia last month.

They would hear detailed accounts of why 1.5 million people are likely to die this year in the former Soviet Union because hospitals and doctors lack the most rudimentary medicines and other medical supplies. They would hear of a food distribution system that contaminates 42 percent of all baby food sold to consumers. They would hear of pollution so severe that a health ministry official says seriously: "To live longer, breathe less."

But there is also an element of hope they could grasp in Feshbach's account of the successful distribution of 200 tons of emergency food and medicine in Russia last month by a private U.S. group he works with, the Russian Winter Campaign.

The results achieved by this citizens' effort stand in sharp contrast to the failure of the United States to deliver any food under the $165 million emergency program announced two months ago by the Bush administration. That's right: Two months after Washington said it was sending free food to help starving Russians, none of that food has been shipped.

The U.S. effort, and much of the rest of the international governmental response to the humanitarian crisis, is "bogged down by Western red tape and Soviet corruption," the New York Times reported in its news columns on Tuesday.

But Russian Winter Campaign got its food distributed without such problems. Former foreign minister Eduard Shevardnadze helped organize Interior Ministry and KGB troops to guard the emergency supplies and to make sure they were delivered to the intended recipients, Feshbach noted.

Feshbach is no stranger to controversy. His battles with more conventional bureaucrats when he was in the Department of Commerce, working as chief of the Soviet branch in the Foreign Demographic Analysis Division, earned him a reputation in parts of the foreign policy establishment as being a touchy, difficult person.

While the Central Intelligence Agency, the Pentagon and others were predicting, in the early '80s, continued and menacing growth for the Soviet economy, Feshbach was discovering and calling attention to an alarming drop in Soviet life expectancy. His assessments of the spreading rot in Soviet society were dismissed by hawks and doves alike (though for differing reasons) as too gloomy.

We know now that they were understated. And Feshbach, currently professor of demography at Georgetown, worries that once again the West is underestimating the gravity of the danger the ex-Soviet population faces, and ultimately poses to the rest of the world.

"The spread of malnutrition will lead to disease, in a country that has no aspirin, let alone more sophisticated medicines," Feshbach told a seminar at Georgetown's Institute for the Study of Diplomacy last week. "The spread of disease will lead to lower production and much less efficiency . . . in a country that has 50 Chernobyl-type atomic reactors in operation." Many of those are already leaking radioactivity, Feshbach believes.

These are urgent matters. But it remains business as usual for much of the bureaucracy. Although two Japanese officials came from Tokyo recently to talk to Feshbach about his new research, no one from the U.S. Agency for International Development has traveled the few blocks to his office to discuss his trip.

The impulse of getting the foreign ministers and other officials from 54 countries together was a well-intentioned effort by Secretary of State Jim Baker to focus attention on the problem. President Bush's announcement of a new commitment of $600 million in technical and emergency aid at the conference's opening yesterday was also a helpful gesture.

But in its closing statements, the Washington aid conference needs to show that these talks were not scheduled as a substitute for action, as the Europeans and Japanese suspected when Baker muscled them into coming here.

This is the risk in conducting high-profile diplomacy on such an urgent problem. Unless the conference ends up adopting an immediate and credible action program of emergency aid, its effect will be to call attention to how little the world, led by the United States, is prepared to do even at this late date, even when the evidence of the need is so clear.

S. 2070—THE JUDICIAL SPACE AND FACILITIES MANAGEMENT ACT OF 1991

Mr. SPECTER. Mr. President, I am pleased to add my name as a cosponsor of S. 2070, the Judicial Space and Facilities Management Act of 1991.

While a bill on this subject was introduced in the 101st Congress by the distinguished senior Senator from New York, it did not come to my attention. When the 102d Congress convened, I was contacted by my good friend, Judge Edward R. Becker of the U.S. Court of Appeals for the Third Circuit, one of our most distinguished Federal judges, who urged me to consider cosponsoring legislation to enable the Federal judiciary to manage its own facilities. I agreed to study the issue and, after reviewing Senator MOYNIHAN's bill of last Congress and information provided by the Administrative Office of U.S. Courts, I decided to cosponsor legislation on the subject upon its reintroduction. Senator MOYNIHAN has again introduced such legislation, cosponsored by the distinguished chairman of the Committee on Environment and Public Works, Senator BURDICK. I am pleased to join them as a cosponsor of S. 2070.

This legislation represents an important first step in allowing the judiciary to manage its own facilities and giving it the wherewithal to do so. I have always found it awkward, under our tripartite government, to have the independent Federal judiciary depend on the executive branch for its space and its facilities management. The judiciary should not be a ward of the executive in the management of its facilities if it is to be truly independent. The courts should not be competing with executive branch agencies for space while an executive agency, the General Services Administration, makes the space determinations and allotments. In addition, the current system allows the Office of Management and Budget to approve and disapprove of judicial construction needs in deciding the size of GSA's budget. Such executive power over the judiciary is improper, especially when other executive branch agencies have some statutory real property authority independent of GSA's.

Such legislation will also improve the judiciary's efficiency and save money. As I noted, the judiciary currently works through the executive branch, which must balance competing space needs of many agencies. While GSA has made great efforts to meet the judiciary's needs, the demands on GSA from executive agencies and OMB are severe.

In such an environment, facilities planning becomes difficult for the judiciary, because it cannot know how GSA and OMB will balance its space requests. The judiciary needs greater control over its facilities so that it can plan for and meet its own space needs in a timely manner. In operating more efficiently, the judiciary would be able to save the Government money.

While there are aspects of the bill that could be improved upon, I am satisfied with this measure as an important first step in ensuring the independence of the Federal judiciary as contemplated in article III of the Constitution and in making the management of the judiciary more efficient. Therefore, I am pleased to join in cosponsoring this measure. I wish to compliment Senator MOYNIHAN for his interest in and dedication to this issue, and I urge all my colleagues to support this measure.

A FRIEND'S BIRTHDAY

Mr. BYRD. Mr. President, I am privileged today to call our colleagues' attention to the special significance of this day for one of the Senate's most valuable and respected assets, our Chaplain, Dr. Richard C. Halverson.

Today is Dr. Halverson's 76th birthday. I know that I speak for all of our colleagues and for the whole Senate staff and family in extending to Dr. Halverson the sincerest of birthday greetings and in wishing him many more birthdays to come.

In the years of Dr. Halverson's tenure as Senate Chaplain, he has created a distinct niche for the gifts and graces that he brought with him from the conventional pastorate. Many on this side of Capitol Hill have been the direct beneficiaries of his long experience in the pastorate, of his unique spiritual care, and of the irrepressible spirit and selflessness that mark his daily walk and discipleship.

More important for many, Dr. Halverson has been a spiritual physician and a caring friend in hours of real need—in hours when death, tragedy, and heartbreak have shaken the foundations of otherwise confident lives and the way ahead appeared shadowed and grief-bound. In so many of those moments, Dr. Halverson has been a ray of grace and an instrument of hope and healing.

Mr. President, Dr. Halverson was serving one of the most active and potent congregations in the Washington area before he accepted the invitation to serve as our Chaplain. Indeed, his national reputation is such that he could have his choice of pulpits and parishes were he to leave Senate service. That Dr. Halverson has chosen to remain in our midst and to minister to us is our blessing, and one which I do not take for granted.

Therefore, I thank Dr. Halverson for the loyalty, spirit, and commitment that have marked his years of service among us, and I again wish him the most joyous of birthdays on this, Dr. Halverson's special day.

ACCESS TO JUSTICE ACT—MESSAGE FROM THE PRESIDENT—PM 105

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on the Judiciary:

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the "Access to Justice Act of 1992". The purpose of this proposal is to reduce the tremendous growth in civil litigation that has burdened the American court system and imposed high costs on our citizens, small businesses, industries, professionals, and government at all levels.

A thorough study of the current civil justice system has been conducted by a special working group, chaired by the Solicitor General, Kenneth W. Starr. The working group's recommendations, which were unanimously accepted by my Council on Competitiveness, are reflected in the bill. The legislation seeks to reduce wasteful and counterproductive litigation practices by encouraging voluntary dispute resolution, the improved use of litigation resources, and, where appropriate, modified, market-based fee arrangements. Additional reforms would permit the judicial system to operate more effectively.

The Access to Justice Act would accomplish reforms in significant areas of litigation:

—a prerequisite for Federal jurisdiction over certain types of lawsuits (the amount in controversy requirement) would be redefined to exclude vague, subjective claims;

—prevailing parties could be entitled to award of attorney's fees in certain lawsuits brought in Federal court;

—the Equal Access to Justice Act would be amended to clarify and limit litigation over the amount of attorney's fees;

—innovative "multi-door courthouses" would be established to encourage utilization of alternative dispute resolution mechanisms;

—award of reasonable attorney's fees in disputes involving the United States would be permitted in appropriate instances;

—prior notice would be required, subject to reasonable limits, as a prerequisite to bringing suit in any United States District Court;

—flexible assignment of district court judges would be authorized;

—immunity of State judicial officers would be clarified and protected;

—the Civil Rights of Institutionalized Persons Act would be amended to encourage resolution of claims administratively; and

—improvements in case management in Federal courts would be effected.

I believe this proposed legislation would greatly reduce the burden of excessive, needless litigation while protecting and enhancing every American's ability to vindicate legal rights through our legal system. I recommend prompt and favorable consideration of the enclosed bill.

George Bush.

The White House, *February 4, 1992.*

MESSAGES FROM THE HOUSE

At 3:36 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1415. An act to provide for additional membership on the Library of Congress Trust Fund Board, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4095. An act to increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes.

At 4:40 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 2927) to provide for the establishment of the St. Croix, Virgin Islands Historical Park and Ecological Preserve, and for other purposes.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2194) to amend the Solid Waste Disposal Act to clarify provisions concerning the application of certain requirements and sanctions to Federal facilities; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Energy and Commerce, for consideration of the House bill, and the Senate amendments, and modifications committed to conference: Mr. Dingell, Mr. Swift, Mr. Eckart, Mr. Slattery, Mr. Sikorski, Mr. Lent, Mr. Ritter, and Mr. Schaefer.

As additional conferees from the Committee on Armed Services, for consideration of section 113 of the Senate amendments, and modifications committed to conference: Mr. Ray, Mr. Hochbrueckner, and Mr. Saxton.

As additional conferees from the Committee on the Judiciary, for consideration of section 2(a) of the House bill, and section 103(a) of the Senate amendments, and modifications committed to conference: Mr. Brooks, Mr. Frank of Massachusetts, and Mr. Gekas.

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of section 304(a) of the Senate amendments, and modifications committed to conference: Mr. Jones of North Carolina, Mr. Studds, and Mr. Davis.

As additional conferees from the Committee on Public Works and Transportation, for consideration of sections 102, 109, and 115–119 of the Senate amendments, and modifications committed to conference: Mr. Roe, Mr. Nowak, and Mr. Hammerschmidt.

As additional conferees from the Committee on Public Works and Transportation, for consideration of title IV of the Senate amendments, and modifications committed to conference: Mr. Roe, Mr. Savage, Ms. Norton, Mr. Nowak, Mr. Borski, Mr. Hammerschmidt, Mr. Shuster, and Mr. Inhofe.

ENROLLED BILL SIGNED

The PRESIDENT pro tempore (Mr. Byrd) announced that on today, February 4, 1992, he had examined and signed the following enrolled bill, which had previously been signed by the Speaker of the House:

H.R. 1989. An act to authorize appropriations for the National Institute of Standards and Technology and the Technology Administration of the Department of Commerce, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

Mr. GRASSLEY (for himself, Mr. McConnell, Mr. Garn, Mr. Dole, Mr. Wallop, Mr. Murkowski, and Mr. Nickles):

S. 2180. A bill to provide greater access to civil justice by reducing costs and delay and for other purposes; to the Committee on the Judiciary.

Mr. BUMPERS (for himself, Mr. Cochran, Mr. Adams, Mr. Akaka, Mr. Sanford, Mr. Simon, Mr. Mitchell, Mr. Wellstone, Mr. Gore, and Mr. Cohen):

S. 2181. A bill to improve the capacity of rural communities to respond to homelessness, to establish effective program delivery models for prevention and remediation of homelessness in rural areas, to collect data on the extent and characteristics of homelessness in rural areas, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. DECONCINI:

S. 2182. A bill to amend the Child Nutrition Act of 1966 to make the special supplemental food program for women, infants, and children (WIC) and entitlement program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. SHELBY:

S. 2183. A bill to prohibit the Secretary of Veterans Affairs from carrying out the Rural Health Care Initiative; to the Committee on Veterans Affairs.

Mr. DECONCINI (for himself and Mr. McCain):

S. 2184. A bill to establish the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation, and for other purposes; considered and passed.

Mr. KENNEDY (for himself, Mr. Simon, and Mr. DeConcini):

S. 2185. A bill to suspend the forcible repatriation of Haitian nationals fleeing after the coup d'etat in Haiti until certain conditions are met; read the first time.

Mr. ADAMS:

S. 2186. A bill for the relief of Rolando and Amelia Degracia; to the Committee on the Judiciary.

S. 2187. A bill for the relief of Celestina Maes; to the Committee on the Judiciary.

Mr. GRAHAM (for himself, Mr. Mack, Mr. DeConcini, Mr. Stevens, and Mr. Inouye):

S.J. Res. 250. Joint resolution to designate February 1992 as "National Grapefruit Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

Mr. ROTH:

S. Con. Res. 90. Concurrent resolution relative to the role of the North Atlantic Treaty Organization; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for himself, Mr. McConnell, and Mr. Garn):

S. 2180. A bill to provide greater access to civil justice by reducing costs and delay and for other purposes; to the Committee on the Judiciary.

ACCESS TO JUSTICE ACT OF 1992

Mr. GRASSLEY. Mr. President, today I am pleased to introduce the Access to Justice Act of 1992, a bill designed to make some significant reforms in our legal system.

At the outset, Mr. President, let me say what this bill is not. It is not a bill to shut the courthouse doors on people. It is not a bill to eliminate lawyers or prevent them from practicing their profession. And it is not a bill to impose settlements on parties suing each other.

But it is a bill to rationalize and streamline our legal system. The bill is a product of the President's Council on Competitiveness, chaired by Vice President QUAYLE. Last summer, the Council issued a comprehensive agenda for civil justice reform in America, covering everything from changes in State law on punitive damages to changes in the Federal rules governing discovery. All of the proposals were directed at making our legal system more fair and reducing the burden on our economy caused by excessive and needless litigation.

This bill is only one piece of the agenda for civil justice reform. The President has already issued an Executive order incorporating a number of the provision, such as encouraging alternative dispute resolution in the Federal agencies. The President's Executive order put the Federal bureaucracy in the lead of the civil justice reform. Not it is time for Congress to put its mark on making our legal system more efficient.

Over the last 30 years we have had an explosion of litigation. But more litigation doesn't mean more justice or fairness for the American people. Our legal system is out of touch with the needs of the American people. It's time we recognize it and that we do something about it.

This bill is one step in that direction. First, the most controversial part of the bill—introducing the concept of the loser paying for the lawsuit in certain very limited situations.

We operate under what the bar refers to as the American rule—where each party is supposed to pay his own costs of the lawsuit. Most other Western democracies use what is known as the English rule—where the loser pays. The reality is, however, that we shift attorneys' fees in a whole variety of cases, like civil rights and employment discrimination. If the defendant loses, he has to pay damages and the plaintiff's lawyers' fees.

So the bill seeks to provide for the loser to pay in certain cases—in diversity cases, in contract dispute cases with the Federal Government, and in cases initiated by the Federal Government. The judge can limit the fees and can decide that the loser should not pay if the judge thinks it would be unjust. This provision is really quite modest, but will cause an earthquake within the Trial Bar Association.

But why should the loser not pay? The economic costs of litigation are estimated to be $300 billion annually. That is a drain on scarce economic resources, resources that could be better spent on investment in the economy, actually creating jobs. An individual or a business should think twice about suing, and if shifting fees will make everybody think twice, then it is a change whose time has come. Remember, it is not really the English rule—it is really the everywhere but America rule.

Another key part of the bill is the alternative dispute resolution provision. We must do more to create incentives for people to choose alternative dispute resolutions [ADR] to keep cases that are highly costly and adversarial out of that costly adversarial environment.

We know it works in many kinds of disputes and we need to do more of it. So, this bill would create a pilot program for voluntary ADR [alternative dispute resolutions.] That means it is not mandatory, no one will be deprived of his day in court. Each circuit would establish one district as a multidoor courthouse. The judge would hold a conference at the beginning of every lawsuit to see if alternative dispute resolution can be used. One or both of the parties can choose to be bound by the ADR. And here is the incentive—where only one party chooses to be bound and the parties go to trial, if the party declining to be bound by ADR does not get at least 10 percent more from the litigation than he would have gotten from ADR, he has to pay his opponent's costs.

The bill includes a number of other important provisions, from indexing the amount in controversy in diversity cases, to creating uniformity in Equal Access to Justice Act awards. The bill would also allow for more flexibility in moving judges around between districts, and improve case management.

It would restore judicial immunity for State court judges, something many of us have been trying to do for several years now. And it would require prison inmates to exhaust administrative remedies before suing in Federal court over the conditions of their incarceration. Prisoner litigation now makes up about 10 percent of the Federal docket.

In sum, Mr. President, it makes some important strides, but it is by no means an overhaul of our legal systems, as the critics will no doubt charge.

Mr. President, I have had the opportunity to examine our Federal court system, as a member of the Federal Courts Study Committee in 1989 and 1990. The report of our Courts Study Committee identified a coming crisis in the Federal courts. The courts are overburdened, and simply creating more Federal judges just does not solve the problems of our judicial system. We need to fix our litigation system, and this bill begins that process.

There will be much debate over this bill and the other aspects of the agenda for civil justice reform. And I look forward to participating in that debate. In fact, we have begun that debate in the Judiciary Committee over the last couple of years. The debate will be important, and it has to include all Americans, and it has to take place in the sunshine. There is an old saying, "war is too important to leave to the generals."

Likewise, we cannot afford to leave this debate to those who feel they have the only vested interests in this—the lawyers and their trade associations. There is too much riding on it—justice and a sound economy for all Americans, now and in the future.

In closing, I commend Vice President QUAYLE for his leadership on this important subject. I am hopeful we can have hearings on the bill in the Judiciary Committee at an early date.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2180

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Access to Justice Act of 1992".

SEC. 2. FEDERAL DIVERSITY JURISDICTION; SUM IN CONTROVERSY

Section 1332 of title 28, United States Code, is amended by redesignating subsection (d) as subsection (g) and inserting after subsection (c) the following new subsections:

"(d) In determining whether a matter in controversy exceeds the sum or value of $50,000, the amount of damages for pain and suffering or mental anguish, punitive or exemplary damages, and attorneys' fees or costs shall not be included.

"(e) On February 1 of each year, the monetary amounts referred to in subsections (a), (b), and (d) shall each be adjusted to the nearest thousand dollars to reflect the change in the Consumer Price Index for All Urban Consumers (CPI–U), U.S. City Average, All Items, under its current official reference base as designated by the Bureau of Labor Statistics of the United States Department of Labor. The adjusted amounts shall be calculated by multiplying the relevant monetary amount by the annual average CPI–U for the most recent calendar year, and then dividing that sum by the annual average CPI–U for [1992].".

SEC. 3. DIVERSITY OF CITIZENSHIP JURISDICTION; AWARD OF ATTORNEYS' FEES TO PREVAILING PARTY.

Section 1332 of title 28, United States Code, is amended by inserting after subsection (e) the following new subsection:

"(f)(1) The prevailing party in an action under this section shall be entitled to attorneys' fees only to the extent that such party prevails on any position or claim advanced during the action. Attorneys' fees under this paragraph shall be paid by the nonprevailing party but shall not exceed the amount of the attorneys' fees of the nonprevailing party with regard to such position or claim. If the nonprevailing party receives services under a contingent fee agreement, the amount of attorneys' fees under this paragraph shall not exceed the reasonable value of those services.

"(2) In order to receive attorneys' fees under paragraph (1), counsel of record in actions under this section shall maintain accurate, complete records of hours worked on the matter regardless of the fee arrangement with his or her client.

"(3) As used in this subsection, the term 'prevailing party' means a party to an action who obtains a favorable final judgment (other than by settlement), exclusive of interest, on all or a portion of the claims asserted during the action.

"(4) The court may, in its discretion, limit the fees recovered under paragraph (1) to the extent that the court finds special circumstances that make payment of such fees unjust.

"(5) This subsection shall not apply to any action removed from a State court pursuant to section 1441 of this title, or to any action in which the United States, any State, or any agency, officer, or employee of the United States or any State is a party.

SEC. 4. AMENDMENT TO EQUAL ACCESS TO JUSTICE ACT.

"(a) BASIS FOR ADJUSTING FEES.—Section 2412(d)(2)(A)(ii) of title 28, United States Code, is amended by striking "or a special factor, such as the limited availability of qualified attorneys for the proceedings involved," and inserting "as reflected by the change in the Consumer Price Index for All Urban Consumers (CPI-U), United States City Average, All Items, under its current official reference base as designated by the Bureau of Labor Statistics of the United States Department of Labor.".

(b) CALCULATION OF ADJUSTMENTS.—Section 2412(d) of title 28, United States Code, is amended by adding at the end of the following new paragraph:

"(6)(A) If a court determines that the cost of living adjustment permitted by paragraph (2)(A)(ii) should be made in a particular case, the court shall calculate the adjustment in accordance with this paragraph. [When compensable services in an action are rendered in more than one calendar year, a calculation of attorney fees shall be made for each year in which compensable services are rendered.]

"(B) When compensable services in an action are rendered in the present calendar year, the hourly rate shall be calculated by multiplying $75 times the CPI-U for the month in which the last compensable services were rendered, and then dividing that sum by the CPI-U for October, [1981].

"(C) When compensable services are rendered in more than one calendar year, the adjustments for services rendered in the present calendar year shall be calculated using the formula set forth in subparagraph (B). The hourly rate for services rendered in each previous calendar year shall be calculated by multiplying $75 times the annual average CPI-U for the year in which the services were rendered, and then dividing that sum by the CPI-U for October, [1981].".

SEC. 5. PRIOR NOTICE AS A PREREQUISITE TO BRINGING SUIT IN THE [UNITED STATES DISTRICT COURT].

"(a) IN GENERAL.—Chapter 23 of title 28, United States Code, is amended by adding at the end the following:

"§483. Prior notice to suit

"(a) TRANSMITTAL OF PRIOR NOTICE.—(1) At least 30 days before filing suit in a [civil] action brought in a court of the United States or the Claims Court, [a claimant] [the potential plaintiff or plaintiffs] shall transmit written notice to the intended defendant or defendants of the specific claims involved, including the amount of actual damages and expenses incurred and expected to be incurred. The [claimant] shall transmit such notice to the intended defendant or defendants at an address reasonably calculated to provide actual notice to each such party.

"(2) For purposes of this section, the term 'transmit' means to mail by first-class-mail, postage prepaid, or contract for delivery by any company which physically delivers correspondence as a commercial service to the public in its regular course of business.

"(3) The [claimant] shall, at the commencement of the action, file in the court a certificate of service evidencing compliance with this subsection.

"(b) EXTENSION OF STATUTE OF LIMITATIONS.—In the event that the applicable statute of limitations for that action would expire during the period of notice required by subsection (a), the statute of limitations shall expire on the thirtieth day after the date on which written notice is transmitted to the intended defendant or defendants pursuant to subsection (a). The parties may by written agreement extend that 30-day period for an additional period of not to exceed 90 days.

"(c) EXCEPTIONS.—The requirements of this section shall not apply—

"(1) in any action to seize or forfeit assets subject to forfeiture or in any bankruptcy, insolvency, receivership, conservatorship, or liquidation proceeding;

"(2) where the assets that are the subject of the action or that would satisfy the judgment are subject to flight, dissipation, or destruction, or where the defendant is subject to flight;

"(3) where a written notice prior to filing suit is otherwise required by law, or where the claimant has made a prior attempt in writing to settle the claim with the defendant;

"(4) in proceedings to enforce a civil investigation demand or an administrative summons;

"(5) in any action to foreclose a lien; or

"(6) in any action pertaining to a temporary restraining order, preliminary injunctive relief, or the fraudulent conveyance of property, or in any other [type of] action involving exigent circumstances that compel immediate resort to the courts.

"(d) DISMISSAL FOR FAILURE TO COMPLY.—In the event that the [district court] finds that the requirements of subsection (a) of this section have not been met by the [claimant], and such defect is asserted by the defendant within 60 days after service of the summons or complaint upon such defendant, the claim shall be dismissed without prejudice and the costs of such action, including attorneys' fees, shall be imposed upon the [claimant]. Whenever an action is dismissed under this subsection, the [claimant] may refile such claim within 60 days after dismissal regardless of any statutory limitations period if—

"(1) during the 60 days after dismissal, notice is transmitted under subsection (a); and

"(2) the original action was timely filed in accordance with subsection (b).".

"(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 23 of title 28, United States Code, is amended by adding at the end the following:

"483. Prior notice of suit.".

SEC. 6. AWARD OF ATTORNEYS' FEES IN DISPUTES INVOLVING THE UNITED STATES.

(a) IN GENERAL.—Chapter 161 of title 28, United States Code, is amended by inserting after section 2412 the following new section:

"§2412a. Award of attorneys' fees in disputes involving the United States

"(a) AGREEMENTS FOR ATTORNEYS' FEES.—Except as otherwise specifically provided by statute, the United States is authorized to enter into an agreement which provides that attorneys fees may be awarded against the United States or any other party to the action or proceedings—

"(1) in any civil action commenced by the United States;

"(2) in civil proceedings involving disputes pursuant to the Contract Disputes Act of 1978, including proceedings before boards of contract appeals pursuant to sections 7 and 8 of that Act; or

"(3) in a case in which the United States and another party has agreed to the use of outcome-determinative mediation as defined in section 484(b)(5) of this title, the mediation has resulted in a determination, and the United States or the other party has given notice [pursuant to] section 484(b)(8) of this title, pertaining to outcome-determinative medication, that either party accepts the determination.

In a case described in paragraph (3), subparagraphs (A) through (C) of section 484(b)(8) shall apply to the award of attorneys' fees.

"(b) REQUIREMENTS FOR AWARDING FEES.—The following shall apply to the award of any attorneys' fees pursuant to subsection (a)(1) or (2):

"(1) Attorneys' fees may be awarded only to a prevailing party in the action or proceedings, to paragraphs (2) and (3). The prevailing party shall be entitled to attorneys' fees from the nonprevailing party with respect to and only to the extent that such party prevails on any claim advanced during the action or proceedings, except that the amount of attorneys' fees shall not exceed the attorneys' fees of the nonprevailing party with respect to such claim.

"(2) In determining the amount of attorneys' fees for a private party, the court or board of contract appeals (as the case may be) shall take into account the degree of success obtained by that party relative to its original claim or claims, the prevailing market rates in the geographic area for the kind and quality of the legal services furnished, and any other factors relevant to whether an award of attorneys' fees would be reasonable and, if so, what a reasonable amount of attorneys' fees would be.

"(3) In determining the amount of attorneys' fees of the United States, the court or board of contract appeals (as the case may be) shall determine the number of hours spent by the attorneys employed by the United States on the action or proceedings, multiplied by the salaries and benefits paid to those attorneys, and an amount for overhead, computed at an hourly rate.

"(c) AWARD OF ATTORNEYS' FEES EXCLUSIVE.—A party who files an application for an award of attorneys' fees and expenses against the United States under any other provision of law may not pursue an award of attorneys' fees under this section. A party who files an application for an award of attorneys' fees under this section may not pursue an award of attorneys' fees and expenses under any other provision of law. A party who agrees to mediation under section 484 of this title may seek an award of attorneys' fees only under this section and section 484.

"(d) PROCEDURES FOR AWARDING FEES.—A party seeking an award of attorneys' fees under this section shall file an application for fees with the court or board of contract appeals (as the case may be) within 30 days after final judgment in the action or proceedings involved. The application shall show that the party is eligible to receive an award under this section and the amount sought, including an itemized statement from any attorney appearing on behalf of the party which sets forth the actual time expended and the rate at which fees are computed. Within 30 days [after service of the fee application upon the party] against whom the fees are sought to be awarded, that party may file a response setting forth its reasons why an award of fees would not be reasonable or why the amount of fees should be reduced. In a case in which an award of attorneys' fees is sought against any party, the attorney for that party shall submit a statement of the total amount of attorneys' fees incurred in the action or proceedings in order that the court or board may determine that the fees sought in the application do not exceed the amount of fees incurred by that party.

"(e) REQUIRED APPROPRIATIONS.—Agreements may be entered into under this section to the extent provided in appropriations Acts. Awards of attorneys' fees received by a Federal agency on behalf of the United States under this section shall be credited to an account of that agency, as provided in an appropriations Act. To the extent provided in advance in appropriation Acts, such amounts shall be available only to pay awards of attorneys' fees under this section against that agency on behalf of the United States. Each such agency is authorized to pay any shortfall caused if amounts credited to such account are insufficient to pay amounts awarded under this section against such agency on behalf of the United States from funds currently available in such account.

"(f) DEFINITIONS.—For purposes of this section—

"(1) the term 'United States' includes any agency of the United States and any officer or employee of the United States acting in his or her official capacity;

"(2) the term 'final judgment' means a judgment that is final and not appealable; and

"(3) the term 'prevailing party' means a party to an action who obtains a favorable final judgment other than by settlement, exclusive of interest, on all or a portion of the claims asserted during the litigation.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 161 of title 28, United States Code, is amended by inserting after the item relating to section 2412 the following:

"2412a. Award of attorneys' fees disputes involving the United States.".

SEC. 7. AVOIDANCE OF LITIGATION THROUGH MULTI-DOOR COURTHOUSES.

(a) IN GENERAL.—Chapter 23 of title 28, United States Code, is amended by adding at the end the following new section:

"§ 484. Multi-Door Courthouses

"(a) DESIGNATION OF COURTS.—The chief judge of each judicial circuit of the United States (other than the United States Court of Appeals for the District of Columbia Circuit) shall designate 1 district court within the jurisdiction of the circuit to be a pilot Multi-Door Courthouse. The United States Court of Appeals for the Federal Circuit shall designate the United States Claims Court to be a pilot Multi-Door Courthouse for that circuit. Such designation, and the program established by this section, shall terminate at the expiration of a 3-year period following such designation.

"(b) ESTABLISHMENT OF ALTERNATIVE DISPUTE RESOLUTION PLANS.—(1) Every court which has been designated as a Multi-Door Courthouse under subsection (a) shall, not later than 6 months after the effective date of this section, establish an alternative dispute resolution plan.

"(2) The alternative dispute resolution plan shall include, but not be limited to—

"(A) procedures for limited discovery;

"(B) confidentiality of proceedings as to possible subsequent pretrial and trial actions; and

"(C) the selection, use, and payment of nonjudicial personnel who may be selected to conduct alternative dispute resolution proceedings as neutrals, mediators, or arbitrators.

"(3) The plan shall also establish standards for determining which cases are appropriate for alternative dispute resolution, considering such factors as whether factual issues predominate over legal issues, whether the case involves complex or novel legal issues requiring judicial action, and any other factors the court considers relevant.

"(4) Each plan shall provide that each judge or magistrate judge assigned to a case in a Multi-Door Courthouse established under subsection (a) shall conduct a conference with counsel within 120 days after the complaint is filed to review nonbinding, voluntary alternative dispute resolution procedures that may be used in lieu of litigation to resolve the claims in controversy.

"(5) As used in this section—

"(A) the term 'outcome-determinative mediation' means a procedure in which either a single mediator or a panel of three mediators selected by or under the direction of a Federal district court provides the parties with a dollar amount determination that would be awarded if the case is tried; and

"(B) the term 'neutral' means an individual who functions specifically to aid the parties to a claim in controversy in resolving the controversy.

"(6) Each plan shall authorize the parties, if they agree, to use nonbinding alternative dispute resolution procedures in lieu of litigation to resolve the claims in controversy. These nonbinding alternative dispute resolution procedures shall include, but are not limited to, early evaluation by a neutral, mediation (including outcome-determinative mediation), minitrials, summary jury trials, and arbitration.

"(7) Each plan shall provide that—

"(A) the parties may agree as to the use of any alternative dispute resolution procedure listed in the alternative dispute resolution plan to effectuate prompt resolution of the claims involved; and

"(B) the parties may choose to use the neutrals made available by the court or may, if all parties and the court agree, utilize the services of other neutrals not designated in accordance with the court's alternative dispute resolution plan.

"(8) Each plan shall also provide that if the parties choose outcome-determinative mediation and a determination is reached pursuant to such mediation—

"(A) any party may give notice that it intends to accept that determination, while any other party may reject the determination and continue with the litigation;

"(B) a plaintiff, including the United States or any agency, officer, or employee thereof, who rejects the determination and fails to obtain a final judgment that is at least 10 percent greater than the determination shall pay the defendant's costs, as set forth in section 1920 of this title, and attorneys' fees, as set forth in section 2412a of this title, that are incurred after the rejection of the determination; and

"(C) a defendant, including the United States or any agency, officer, or employee thereof, who rejects the determination and fails to obtain a final judgment that is at least 10 percent less than the determination shall pay the plaintiff's costs, as set forth in section 1920 of this title, and attorneys' fees, as set forth in section 2412a of this title, that are incurred after rejection of the determination.

If all parties reject the determination, no costs or attorneys' fees shall be assessed against any party.

"(9) In carrying out their plans, the district courts are authorized to use the volunteer services of nonjudicial personnel to conduct alternative dispute resolution proceedings as neutrals, mediators, and arbitrators. The courts are also authorized to establish and pay, subject to limits established by the Judicial Conference of the United States, the amount of compensation, if any, that each neutral, mediator, and arbitrator shall receive for services rendered in each case.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 23 of title 28, United States Code, is amended by adding at the end the following:

"484. Multi-Door Courthouses.".

SEC. 8. FLEXIBLE ASSIGNMENT OF DISTRICT COURT JUDGES.

(a) STANDARD FOR TEMPORARY ASSIGNMENTS.—Section 292(d) of title 28, United States Code, is amended by striking "upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit wherein the need arises." and inserting "whenever the business of that court so requires.".

(b) DUTIES OF DIRECTOR OF ADMINISTRATIVE OFFICE.—Section 604(a) of title 28, United States Code, is amended—

(1) in paragraph (23) by striking "and" after the semicolon;

(2) by redesignating paragraph (24) as paragraph (25); and

(3) by inserting the following new paragraph after paragraph (23):

"(24) secure information as to the courts' need for temporary judicial resources to ease overcrowded dockets (including information on delays being encountered in the maintenance of civil suits) and prepare and transmit annually to the Chief Justice, the chief judges of the circuits, the Congress, and the Attorney General, statistical data, reports and recommendations summarizing the results of this inquiry; and".

SEC. 9. IMMUNITY OF STATE JUDICIAL OFFICERS.

(a) ATTORNEYS' FEES IN PROCEEDINGS IN VINDICATION OF CIVIL RIGHTS.—Section 722 of the Revised Statutes of the United States (42 U.S.C. 1988), is amended by inserting before the period at the end of the second sentence the following: ", except that, notwithstanding any other provision of law, a State judicial officer shall not be held liable for any costs, including attorneys' fees, in any proceeding brought against such judicial officer for an act or omission of such officer while acting in an official capacity".

(b) CIVIL ACTION FOR DEPRIVATION OF RIGHTS.—Section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983) is amended by inserting before the period at the end of the first sentence the following: ", except that in any action brought against a judicial officer for an act or omission of such officer while acting in an official capacity, injunctive relief shall not be granted unless a declaratory decree in the action was violated by such officer or declaratory relief was unavailable".

SEC. 10. CIVIL RIGHTS OF INSTITUTIONALIZED PERSONS ACT.

(a) EXHAUSTION OF ADMINISTRATIVE REMEDIES.—Section 7 of the Civil Rights of Institutionalized Persons Act (42 U.S.C. 1977e) is amended—

(1) by amending subsection (a) to read as follows:

"(a) In any action brought to section 1979 of the Revised Statutes of the United States, by any adult convicted of a crime confined in any jail, prison, or other correctional facility, the court shall continue such case for a period not to exceed 180 days in order to require exhaustion of such plain, speedy, and effective administrative remedies as are available."; and

(2) in subsection (b)—

(A) by redesignating paragraphs (1) and

(2) as paragraphs (2) and (3), respectively; and

(B) by inserting immediately after "(b)" the following:

"(1) Upon the request of a State or local corrections agency, the Attorney General of the United States shall provide the agency with technical advice and assistance in establishing plain, speedy, and effective administrative remedies for inmate grievances.".

(b) PROCEEDINGS IN FORMA PAUPERIS.—Section 1915(d) of title 28, United States Code, is amended to read as follows:

"(d) The court may request an attorney to represent any such person unable to employ counsel and may dismiss the case if the allegation of poverty is untrue, or if satisfied that the action fails to state a claim upon which relief can be granted or is frivolous or malicious.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act.

SEC. 11. IMPROVEMENTS IN CASE MANAGEMENT.

Section 623(a) of title 28, United States Code, is amended—

(1) by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively; and

(2) by inserting after paragraph (4) the following new paragraph:

"(5) study and determine ways in which case and docket management techniques (including alternative dispute resolution techniques) may be applied to improve the cost-effectiveness of litigation and to eliminate unjustified expense and delay, and include in the annual report required by paragraph (3) details of the results of the studies and determinations made pursuant to this paragraph,".

SEC. 12. ASSIGNMENT OF JUDGES; PANELS; HEARING; QUORUM.

(a) IN GENERAL.—Section 46(c) of title 28, United States Code, is amended to read as follows:

"(c) Cases and controversies shall be heard and determined by a court or panel of not more than three judges (except that the United States Court of Appeals for the Federal Circuit may sit in panels of more than three judges if its rules so provide), unless a hearing or rehearing before the court in banc is ordered by a majority of the circuit judges of the circuit who are in regular active service. A court in banc shall consist of all circuit judges in regular active service, except that any senior judge of the circuit shall be eligible to participate, at his or her election, and upon designation and assignment pursuant to section 294(c) of this title and the rules of the circuit, as a member of an in banc court reviewing a decision of a panel of which such judge was a member.".

(b) ADMINISTRATIVE UNITS.—Section 6 of Public Law 95-486 (92 Stat. 1633) is amended to read as follows:

"SEC. 6. Any court of appeals having more than 15 active judges may constitute itself into administrative units complete with such facilities and staff as may be prescribed by the Administrative Office of the United States Courts.".

SEC. 13. SEVERABILITY.

If any provision of this Act or the amendments made by this Act or the application of any provision or amendment to any person or circumstance is held invalid, the remainder of this Act and such amendments and the application of such provision and amendment to any other person or circumstance shall not be affected by that invalidation.

SEC. 14. EFFECTIVE DATE.

Except as expressly provided otherwise, this Act and the amendments made by this Act shall become effective 90 days after the date of the enactment of this Act. This Act shall not apply to any action or proceeding commenced before such effective date, except that the amendments made by section 10 shall apply to civil actions pending in any court on the date of the enactment of this Act.

Mr. McCONNELL. Mr. President, I am pleased to join Senator GRASSLEY in introducing the Access to Justice Act of 1992.

As a former chairman of the Subcommittee on Courts in 1985 and 1986, I began to be interested in this issue and have introduced comprehensive tort reform legislation in every session since then, the most recent being last year with S. 1979, the Lawsuit Reform Act.

Mr. President, we have heard a lot of talk recently about our competition with the Japanese, and there has been suggestions by the Japanese that somehow we are not productive. I dispute those notions outright. But I do think there is one area in which we are clearly unproductive and that is the degree to which we engage in civil litigation.

As the Vice President has pointed out, we have 70 percent of the world's lawyers. We have 20 times per capita the number of lawyers as they do in the United Kingdom. In fact, Mr. President, there is, I think, what could best be called a lawyer's tax as a result of all our litigation—on all of our products and services. And it is high time we began to get a handle on it.

The administration's bill, the Access to Justice Act, is a first step in the right direction. The lawyer's tax is an insidious thing, Mr. President, and it is also regressive. Ninety-five percent of the cost of a childhood vaccine is the lawyer's tax; a third of the cost of a stepladder. The lawyer's tax costs us $80 billion annually in direct litigation costs. It is estimated that the total cost to the United States is $300 billion, including costs incurred in efforts to avoid liability.

So, Mr. President, this is a very, very serious problem. It is one of the few pieces of legislation we could pass that would not cost the Government anything. This is a way of getting at excessive litigation in our country.

So I commend Senator GRASSLEY. I am pleased to be a principal cosponsor along with him. I hope that the Senate will finally, after all of these years, take some steps to enact effective tort reform.

Mr. President, I ask unanimous consent that a summary of S. 1979, the Lawsuit Reform Act be printed at this time in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF S. 1979, THE LAWSUIT REFORM ACT

JOINT AND SEVERAL

Abolishes the joint and several liability doctrine. No party shall be held liable for the actions of others. Each party must pay only their proportional share of total damages, based on their share of responsibility for causing the injury.

LOSER PAYS

Requires losing party of any civil action covered by this bill to pay the attorney's fees and costs of the prevailing party. No one would be required to pay the prevailing party more than what the loser had paid or agreed to pay their own attorney. Would not apply if the loser had offered to submit the case to alternative dispute resolution, or if the loser would be considered indigent under the guidelines of the Legal Services Corporation.

DRUG AND ALCOHOL DEFENSE

If a person was under the influence of alcohol or an illegal drug at the time of the injury, and the intoxicated condition was at least 50 percent responsible for the injury, the bill will not allow the person to sue someone else for damages for this injury.

ALTERNATIVE DISPUTE RESOLUTION (ADR)

All defense and plaintiff attorneys are required to inform clients of alternatives to civil litigation, and certify to the court upon filing any action that such information was provided. If both parties voluntarily agree to submit to alternative dispute resolution, the decision of the alternative forum shall be binding, and there shall be no right of appeal.

SUBROGATION AND WORKERS' COMPENSATION

Provides that awards for damages in product liability suits will be offset by payments from workers' compensation programs, and allows for a right of subrogation.

LOCAL GOVERNMENTS (42 U.S.C. 1983)

In any action for damages against a local government under 42 U.S.C. 1983, the local government shall not be liable for the actions of its employees, unless attributable to an official policy or custom of that local government. A local government and its employees shall not be liable for any actions taken in good faith, and punitive damages shall not be awarded against a local government in any such statutory suit. Nothing in this provision shall prevent a person from obtaining full redress through a conventional civil tort lawsuit.

Applicability: This bill applies to all civil actions in Federal or State courts for negligence, professional malpractice, breach of implied warranty, and product liability; but not to actions for intentional torts, commercial loss, or damage to goods.

By Mr. BUMPERS (for himself, Mr. COCHRAN, Mr. ADAMS, Mr. AKAKA, Mr. SANFORD, Mr. SIMON, Mr. MITCHELL, Mr. WELLSTONE, Mr. GORE, and Mr. COHEN):

S. 2181. A bill to improve the capacity of rural communities to respond to homelessness, to establish effective program delivery models for prevention and remediation of homelessness in rural areas, to collect data on the extent and characteristics of homelessness in rural areas, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

RURAL HOMELESSNESS ASSISTANCE ACT

Mr. BUMPERS. Mr. President, I rise today to introduce the Rural Homelessness Assistance Act. It is legislation designed to aid those Americans who find themselves homeless in the most rural parts of America. I am pleased to be joined by Senators COCHRAN, ADAMS, AKAKA, SANFORD, SIMON, MITCHELL, WELLSTONE, GORE, and COHEN.

Most people think of homelessness as a peculiarly urban problem. Yet recent studies provide clear evidence that homelessness has spread to even the most remote corners of America's heartland. Increasing poverty, plant closings, and rising housing costs have combined to push many rural families over the edge into homelessness. In 1990, over 13,000 men, women, and children suffered the horror of homelessness in my State of Arkansas; and at least 25 percent of them resided in rural parts of the State. Reports from other rural States are equally alarming. In Tennessee, roughly 20 percent of the estimated 10,000 homeless people live in rural areas. In the southern 24 counties in Illinois in 1991, there was a 150-percent increase in requests for emergency shelter. There are an estimated 100,000 homeless people in Illinois with approximately 20 percent living in rural areas. Of 35,000 homeless in Mississippi, an estimated 10,000 of them are in rural parts of the State. In other States, the problem is just as severe, and service providers who care for homeless people are in desperate need of assistance.

Perhaps the most common manifestation of homelessness in rural areas is doubling up. This is where homeless people are taken in by friends and family—often in dangerously overcrowded houses. In the absence of sophisticated shelter and service delivery systems common in larger cities, homeless people in rural communities—including entire families—have been forced to take up residence in abandoned buses, chicken coops, and other health threatening, makeshift dwellings, isolated from the services they need to help them back on their feet.

I have spoken with several county officials in Arkansas, and they all say they are struggling to reach the people who most need help. They all agree that the near total lack of services in rural communities, and the scattershot nature of the services that do exist, make it virtually impossible for the most needy of our rural citizens to get the help they so desperately need. Too often that means that a temporary setback leads to permanent loss of a family home. And once homeless, the road back to self-sufficiency is that much harder.

Thus far, Federal efforts responding to homelessness have focused on big cities. Very little is being done to address the rising needs of homeless people in rural areas. For example, the latest census count of the homeless completely ignored homeless people in rural areas, and instead focused exclusively on homeless people in urban areas.

My bill is offered as a first step toward developing effective approaches to combatting the unique problems that contribute to homelessness in rural America and aiding communities in creating long-term solutions to the problem. My bill has been endorsed by several national groups, including the National Coalition for the Homeless, the National Association of Community Health Centers, and the Rural Housing Coalition.

Title I of this bill establishes a demonstration program designed to improve the capacity of small rural communities to address the comprehensive shelter, health and social service needs of homeless individuals and families. It will enable these communities to fill in the gaps in existing service systems that prevent homeless persons from gaining the employment, housing and social services they need to rebuild their lives. Title I provider for a three-to-one matching grant, and will coordinate existing services.

Title II of the bill will improve homeless families' access to transitional and permanent housing by expanding the availability of vacant single family homes currently held by the Farmers Home Administration. Thousands of families could be re-housed with this initiative by using available resources.

This bill would be the first attempt by Congress to deal specifically with the problem of rural homelessness. It is a problem that deserves the attention of Congress, because rural homelessness is a tragedy that undermines all that is good about this nation. If Government provides the leadership, then maybe private enterprise will follow suit. Maybe this nation will once again see to it that it is the responsibility of the whole community to take care of the poorest among us. If we cannot provide the most basic resources to help people shelter their families, then I fear that we have failed in our most basic mission of providing hope for those Americans who live in a world of unrelieved despair.

Mr. President, I ask unanimous consent that an article from the Wall Street Journal detailing the tragedy of rural homelessness in the United States be inserted in the RECORD, together with a copy of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2181

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Homelessness Assistance Act".

TITLE I—RURAL HOMELESSNESS GRANT PROGRAM

SEC. 101. ESTABLISHMENT.

The Secretary shall establish and carry out a rural homelessness grant program. In carrying out the program, the Secretary may award grants to eligible organizations in order to pay for the Federal share of the cost of—

(1) assisting programs providing direct emergency assistance to homeless individuals and families;

(2) providing homelessness prevention assistance to individuals and families at risk of becoming homeless; and

(3) assisting individuals and families in obtaining access to permanent housing and supportive services.

SEC. 102. USE OF FUNDS.

(a) IN GENERAL.—An eligible organization may use a grant awarded under section 101 to provide in rural areas—

(1) rent, mortgage, or utility assistance after 2 months of nonpayment in order to prevent eviction, foreclosure, or loss of utility service;

(2) security deposits, rent for the first month of residence at a new location, and relocation assistance;

(3) short-term emergency lodging in motels or shelters, either directly or through vouchers;

(4) transitional housing;

(5) rehabilitation and repairs such as insulation, window repair, door repair, roof repair, and repairs that are necessary to make premises habitable;

(6) development of comprehensive and coordinated support services that use and supplement, as needed, community networks of services, including—

(A) outreach services to reach eligible recipients;

(B) case management;

(C) housing counseling;

(D) budgeting;

(E) job training and placement;

(F) primary health care;

(G) mental health services;

(H) substance abuse treatment;

(I) child care;

(J) transportation;

(K) emergency food and clothing;

(L) family violence services;

(M) education services;

(N) moving services;

(O) entitlement assistance; and

(P) referrals to veterans services and legal services; and

(7) costs associated with making use of Federal inventory property programs to house homeless families, including the pro-

gram established under title V of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411 et seq.) and the Single Family Property Disposition Program established under section 204(g) of the National Housing Act (12 U.S.C. 1710(g)).

(b) CAPACITY BUILDING ACTIVITIES.—Not more than 20 percent of the funds appropriated under section 109(a) for a fiscal year may be used by eligible organizations for capacity building activities, including payment of operating costs and staff retention.

SEC. 103. AWARD OF GRANTS.

(a) COMMUNITIES WITH POPULATIONS OF LESS THAN 20,000.—

(1) SET ASIDE.—In awarding grants under section 101 for a fiscal year, the Secretary shall make available not less than 50 percent of the funds appropriated under section 109(a) for the fiscal year for awarding grants to eligible organizations serving communities that have populations of less than 20,000.

(2) PRIORITY WITHIN SET ASIDE.—In awarding grants in accordance with paragraph (1), the Secretary shall give priority to eligible organizations serving communities with populations of less than 10,000.

(b) COMMUNITIES WITHOUT SIGNIFICANT FEDERAL ASSISTANCE.—In awarding grants under section 101, including grants awarded in accordance with subsection (a), the Secretary shall give priority to eligible organizations serving communities not currently receiving significant Federal assistance under the Stewart B. McKinney Homeless Assistance Act (Public Law 100–77; 101 Stat. 482).

(c) STATE LIMIT.—In awarding grants under section 101 for a fiscal year, the Secretary shall not award to eligible organizations within a State an aggregate sum of more than 5 percent of the funds appropriated under section 109(a) for the fiscal year.

SEC. 104. APPLICATION.

In order to be eligible to receive a grant under section 101, an organization shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. At a minimum the application shall include—

(1) a description of the target population and geographic area to be served;

(2) a description of the services to be provided;

(3) an assurance that the services to be provided are closely related to the identified needs of the target population;

(4) a description of the existing services available to the target population, including Federal, State, and local programs, and a description of the manner in which the organization will coordinate with and expand existing services or provide services not available in the immediate area; and

(5) an agreement by the organization that the organization will collect certain data on the projects conducted by the organization, including services provided, number and characteristics of persons served, causes of homelessness for persons served, and outcomes of delivered services.

SEC. 105. ELIGIBLE ORGANIZATIONS.

Organizations eligible to receive a grant under section 101 shall include private nonprofit entities, Indian tribes (as defined in section 102(a)(17) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(17)), and county and local governments.

SEC. 106. FEDERAL SHARE.

(a) FEDERAL SHARE.—The Federal share of the costs of providing assistance under this title shall be 75 percent.

(b) NON-FEDERAL SHARE.—The non-Federal share of the cost of providing the assistance shall be in cash or in kind, fairly evaluated, including plant, equipment, staff services, or services delivered by volunteers.

SEC. 107. EVALUATION.

(a) EVALUATION.—The Secretary shall perform an evaluation of the program to—

(1) determine the effectiveness of the program in improving the delivery of services to homeless persons in the area served; and

(2) determine the types of services needed to address homelessness in rural areas.

(b) REPORT.—The Secretary shall submit to Congress, not later than 18 months after the date on which the Secretary first makes grants under the program, the evaluation of the program described in subsection (a), including recommendations for any Federal administrative or legislative changes that may be necessary to improve the ability of rural communities to prevent and respond to homelessness.

SEC. 108. TECHNICAL ASSISTANCE.

The Secretary shall provide technical assistance to eligible organizations in developing programs in accordance with this title, and in gaining access to other Federal resources that may be used to assist homeless persons in rural areas. Such assistance may be provided through regional workshops, and may be provided directly or through grants to, or contracts with, nongovernmental entities.

SEC. 109. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this title $30,000,000 for fiscal year 1993 and such sums as may be necessary for each of the subsequent fiscal years.

(b) AVAILABILITY.—Any amount paid to a grant recipient for a fiscal year that remains unobligated at the end of the year shall remain available to the recipient for the purposes for which the payment was made for the next fiscal year. The Secretary shall take such action as may be necessary to recover any amount not obligated by the recipient at the end of the second fiscal year, and shall redistribute the amount to another eligible organization.

SEC. 110. DEFINITIONS.

As used in this title:

(1) HOMELESS.—The term "homeless" has the meaning given the term in section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302).

(2) PROGRAM.—The term "program" means the rural homelessness grant program established under this title.

(3) RURAL AREA; RURAL COMMUNITY.—The term "rural area" or "rural community" means an area or community, respectively, no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget.

(4) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

TITLE II—RURAL HOUSING AMENDMENTS

SEC. 201. USE OF FMHA INVENTORY FOR TRANSITIONAL HOUSING FOR HOMELESS PERSONS AND FOR TURNKEY HOUSING.

Title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.) is amended by adding at the end the following:

"SEC. 542. USE OF FMHA INVENTORY FOR TRANSITIONAL HOUSING FOR HOMELESS PERSONS AND FOR TURNKEY HOUSING.

"(a) IN GENERAL.—The Secretary shall, on a priority basis, lease or sell program and nonprogram inventory properties held by the Secretary under this title—

"(1) to provide transitional housing; and

"(2) to provide turnkey housing for tenants of such transitional housing and for eligible families.

"(b) OTHER PRIORITIES NOT AFFECTED.—The priority uses of inventory property under this section shall not have a higher priority than—

"(1) the disposition of such property by sale to eligible families; or

"(2) the disposition of such property by transfer for use as rental housing by eligible families.

"(c) TRANSITIONAL HOUSING.—

"(1) LEASES AUTHORIZED.—The Secretary shall lease inventory properties to public agencies and nonprofit organizations to provide transitional housing for homeless families and individuals and to provide such agencies the option to provide turnkey housing opportunities for homeless persons and other inadequately housed families.

"(2) RENTAL TO ELIGIBLE FAMILIES.—A public agency or nonprofit organization may rent housing leased to it under paragraph (1) to a family for up to 10 years and may, during that period, assist the tenant in obtaining a loan and credit assistance under this title to purchase the housing from the Secretary.

"(d) LEASE PROCEDURES.—

"(1) IDENTIFICATION OF PROPERTY.—Upon receipt by the Secretary of written notification from a public agency or nonprofit organization that it proposes to lease a property for the purpose of providing transitional housing or for the purpose of providing transitional housing and turnkey housing opportunities, the Secretary shall—

"(A) withdraw the property from the market for not more than 30 days for the purpose of negotiations under subparagraph (B),

"(B) negotiate a lease agreement with the organization or agency, and

"(C) if a lease is agreed to, commence the repairs necessary to make the property meet standards for decent, safe, and sanitary housing.

"(2) LEASE TERMS.—A lease of inventory property under this section shall—

"(A) be for a period of not more than 10 years;

"(B) provide for the payment of $1 for the 10-year lease; and

"(C) provide the nonprofit organization or public agency—

(i) the right to use the property for transitional housing; and

(ii) the option to arrange for the sale of the property to an eligible purchaser.

"(e) PURCHASE PROCEDURES.—

"(1) IDENTIFICATION OF PROPERTY.—Upon receipt by the Secretary of written notification from a public agency or nonprofit organization that it proposes to purchase a property for the purpose of providing transitional housing or for the purpose of providing transitional housing and turnkey housing opportunities, the Secretary shall—

"(A) withdraw the property from the market for not more than 30 days for the purpose of negotiations under subparagraph (B),

"(B) negotiate a purchase agreement with the organization or agency, and

"(C) if a purchase agreement is agreed to, commence the repairs necessary to make the property meet standards for decent, safe, and sanitary housing.

"(2) PURCHASE TERMS.—A purchase of inventory property under this section shall provide for a purchase price equal to not more than the fair value of the property minus 10 percent.

"(f) DEFINITION.—As used in this section, the term 'Secretary' means the Secretary of Agriculture.".

NO HAVEN: HOMELESSNESS SPREADS TO THE COUNTRYSIDE, STRAINING RESOURCES

(By Scott Kilman and Robert Johnson)

HUNTSVILLE, MO.—The homeless, long a big-city phenomenon, are emerging as a rural crisis, too. Ask Lowell Rott. After his small, debt-ridden farm here was auctioned off on the courthouse steps in 1986, he slept for a time in his 1973 Dodge pickup. Now he's a squatter in an abandoned two-room house with no running water.

There isn't much demand for 50-year-old farmers like him. A high-school dropout, he works as a handyman for $10 a day and shower privileges. The faded old suit he wears for job interviews in town hasn't made him any more attractive. His face is streaked with cinders from a wood stove that generates so little heat he wears a parka to bed. He stubbornly keeps a hand in farming by raising castoff horses on the land of sympathetic neighbors. "The horses are homeless and so am I," he says. "We belong together."

A surprising—and growing—number of rural homeless like Mr. Rott are seeking shelter wherever they can find it: In caves near Glenwood Springs, Colo., under bridges in Des Moines, Iowa, and in junk cars close to Coventry, Vt. A scramble is on to build shelters in small towns from Boonville, Mo., to Wilmington, Ohio.

'THE HIDDEN HOMELESS'

Many small towns can't cope. They lack soup kitchens, subsidized housing, federal grant dollars and sometimes the bureaucratic savvy to snag such funds. Some rural communities have been slow to recognize a homelessness problem that shakes their idyllic self-image.

Some of the homeless are leaving big cities in search of safer streets and cheaper rent. But many of them are local people, thrown out of work by the farm depression of the '80s, displaced by the national recession of 1991 or crowded out of shelter by a declining stock of housing.

They have escaped the national attention attracted by the urban problem because they're scattered over remote areas. In addition, many are still in a transition stage of homelessness—they're still being sheltered by friends or sympathetic onlookers—so they're not yet out on the street and thus less visible. University of Colorado public-policy researcher Roger Carver calls the rural homeless "the nation's hidden homeless: out of sight, out of mind."

No one knows how many homeless people there are in rural areas nationwide—and any survey of homeless people is bound to be a very rough estimate. But an Ohio State University study put that state's rural homeless at 20,000, triple the estimated total in 1984. Officials in New Hampshire say the homeless in the countryside there have quadrupled to 8,000 in the last decade. Iowa figures it has about 2,500 people in shelters.

All this is awakening communities like Glenwood Springs, Colo., to the problems of the late 20th century. A decade ago, the rare down-and-out person could count on someone in the town of 7,000 to offer a spare bed and a meal, says Mary Wierenga, a veteran police officer there. "Now there are just too many," she says. The town's concern has sometimes turned to cynicism. When a homeless man sleeping on a sidewalk recently rolled under the wheels of a moving car, suffering several broken bones, some residents nicknamed him "Speed-bump."

The good will of many small towns is severely strained, and they are wrestling with their consciences. Outside Washington, Iowa, an abandoned county-supported poorhouse in the corn fields is being converted with a federal grant into a homeless shelter for 60 people, and the waiting list already stands at 12 families. But many dread it will become a mecca to the poor for miles around. "I have a spiritual side, but I'm worried about ruining a good town," says Raphael Gonshorowski, a councilman in Washington, where the desperate appearance of some homeless people has residents locking their cars for the first time.

The problem has been building for a while. Many rural communities saw the earning power of their poorest workers shrink in the 1980s as some manufacturers cut wages and jobs shifted to the low-paying service sector. Measured in 1989 dollars, the pay of a worker in the bottom 10% of wage earners in Iowa dropped 16% to $241 a week in 1988 from $286 a week in 1979, according to Thomas F. Pogue, a University of Iowa economics professor.

Unemployment in Washington has fallen by half from five years ago. But many of the new jobs are part-time at a Wal-Mart store, or in a neighboring county at a meat-packing plant, where turnover is high. Homeless people in Washington County (pop. 19,439) number about 150; there weren't enough to count five years ago. Since then, the ranks of those dipping into the county's tiny relief fund have tripled. "A lot of people are working for $4-an-hour nowadays," says Marian McCreery, who heads the state's welfare office there. "That isn't enough." (The minimum wage is $3.80.)

Seemingly, the population decline in rural America in the 1980s would have left cheap places for the homeless to go. But, in many rural towns, there is an acute shortage of affordable and inhabitable housing. Construction has evaporated because values collapsed amid the farm failures and plant closings of the past decade. Meanwhile, homes are getting older, in Iowa between 1980 and 1987, more housing units were knocked down than new ones built, resulting in a loss big enough to erase a city the size of Ames, Iowa. Rents haven't gone up enough to spur construction, but they have gone up enough to put some people on the street.

Lisa Bohlen, a single mother of two in Washington, found that a 40% rise in rents over the past three years overwhelmed her wages as a temporary store clerk and kitchen helper. Now she and the children are staying with a friend—she sleeps in the dining room, they sleep in a bedroom—but she worries that the welcome is wearing thin. "I never knew of anyone being homeless around there," she says. "Now, I am."

A CAVE LIKE A TOMB

Rents in rural America are much lower than in cities, of course, but rent is only part of the problem. After Stephen Capell lost his job as a welder in Los Angeles two years ago, his house was repossessed and he headed for Glenwood Springs, Colo. But to get an apartment there—even one at $300 a month—requires roughly $600 for a deposit and one month's rent. So Mr. Capell, who is 43 years old, lives in a cave in the Rocky Mountains outside of Glenwood Springs. A flickering of lantern illuminates the 20-foot-high ceiling of his cave, which he says reminds him of a tomb. "I believe I'm capable of more than this, worth more than this," he says.

He is one of at least six people living in the cluster of caves, which are warmed by hot springs. Muddy wool blankets are draped over the openings, and smoke from cooking fires hangs in the air. A growling 125-pound Rottweiler guards one of the caves, which is inhabited by an unemployed construction worker who says he is too embarrassed to give his name. Nearby, a woman is hanging clothes washed in a creek on a line strung between two sticks. Families with children sometimes sleep in the caves, but the climb up is too hazardous for most.

Some people have migrated here partly to escape big-city violence. "I got rolled in Phoenix and Denver," says Tim Travelstead. "People are nicer out here. In the big city, I'm just a skid-row bum." But what little research exists indicates that the homeless are often subject to crime in rural areas, too.

A TEEN-AGER'S WISH

Larry Sumpter worries about life for his family in the Salvation Army shelter in Columbia, MO. The only such facility for families in Boone County. It handles 70% more people than it did four years ago. The shelter operates in the red because it has had to quadruple the number of beds to 42.

Mr. Sumpter, his wife and three children—one just two months old—have been in the shelter for a month. He ran out of cash after losing a job delivering farm produce. Another prospective employer rejected him when he gave his address at the Salvation Army. "It was the first time anybody ever called me a 'transient,' and it doesn't seem right. I don't turn down work of any kind, and I have good references," he says. Mr. Sumpter, 38, stands in line to land temporary jobs at a day-labor service and made $3.85 ringing a bell for Salvation Army donations. His wife, Tammy, is a motel maid.

They fret over their 15-year-old daughter's dislike of school, where classmates have taunted her about being broke. After her parents leave for work, teen-ager Glenda babysits and struggles to maintain her dignity in the face of uninvited sexual advances from some men in the shelter. "Just to go to sleep at night without strangers all around would be so nice," she says.

Donald Ruthenberg, president of nearby Columbia College, says he is quietly allowing homeless families brief stays in the small school's empty dormitory rooms. "I suppose it could be a problem if certain people knew, what with security worries these days," he says. "But what am I supposed to do when I see parents and little children walking around town at dusk with nowhere to go?"

BUILDING A SHELTER

Ronald V. Good is asking the same question in Washington, Iowa. He is a transplanted Reformed Presbyterian pastor and part-time jailer from suburban Pittsburgh who got community support for the new homeless shelter by pulling heart strings, and pushing old-fashioned principles. He cast the renovation of the poorhouse as "transitional housing" and promised to be tough on bums. He bolstered his credibility by walloping two bullies on the town square for ridiculing his bald head.

Inspecting work on the shelter, which is slated to open in May, Mr. Good pats the beds and lumber he persuaded local firms to donate. He peers through a dirty window at the plot of land he envisions families using to raise goats and vegetables. "There should be at least one advantage to being homeless in the countryside," he says.

But many small towns can't afford a shelter and are afraid of drawing more poor to their doorstep. Others are torn by rural values such as self-reliance and independence. "There's a 'Lone Ranger' mentality out here—a belief that everyone should make it on their own," says Tere Wilson, a former priest at St. Mark's Episcopal Church in Durango, Colo. He resigned from that church largely, because congregation members such as Dorothy Gore objected to his putting 20 homeless people in a church hallway. "The church isn't the place for the homeless," says Ms. Gore, a retiree who takes daily walks through the surrounding historic neighborhood. "We just couldn't have the homeless there: the smells, the mess of their grease from their cooking in the kitchen."

In Cambridge, Ohio, Mayor C. Charles Shaw says he vetoed a $48,000 federal grant to build a shelter partly because he feared it would become a "beacon" for transients. So a private group there quietly runs a shelter of its own. But Evelyn King, the city's housing program manager, worries that her volunteer group there jeopardizes her job. "People here don't want to see the homeless," she says. "But we're starting to have plenty of them in junk cars, abandoned buildings and dealing with Mother Nature."

Street people are almost beyond the imagination of many residents in Manchester, Iowa. Nestled among lush farms, the town is just up the road from the site of the movie "Field of Dreams." Local leaders dismiss a 1989 survey showing 745 people in the county were doubling up with friends or family, helping give the county the highest homeless rate in the state.

"The homeless are people on the street. We don't have that problem," says Jim Wiewel, president of the First State Bank of Manchester. "We want people to see us as a viable community. A high homeless rate doesn't help." Some officials in the county didn't cooperate with a 1990 statewide homeless survey, the official results of which haven't been released yet.

In Columbia, Mo., officials shun the idea of a city-supported shelter. "It's hard for me to see our homeless the same as those in a big city," says Lila Dewell, manager of city community services. "We were ranked the fifth most livable place in the country by Money magazine. We're a wonderful place."

Mr. WELLSTONE. Mr. President, I rise today as an original cosponsor of the Rural Homelessness Assistance Act. We are all aware of the difficult problems posed by the growth of homelessness in American cities in recent years. We have all seen people sleeping on grates, in subways, and in bus shelters, and we have all heard stories of the difficulties faced by individuals and families without permanent homes. There is, however, another homeless population in America, one that is largely invisible because it is not in the cities. I am speaking of the rural homeless, a population with characteristics and needs that are distinct from those of our cities. with this bill, we can begin to address the specific, and difficult, problems of this population.

There can be no doubt that the problem of rural homelessness in this country needs to be addressed. It is estimated that 14 percent of the homeless nationwide are from rural areas. More importantly, it is in nonmetropolitan areas that homelessness is growing most rapidly. In Minnesota the number of persons served in shelters in nonurban areas has increased by 150 percent since 1985. And, as most advocates for the homeless point out, the number of people in shelters is only the tip of the iceberg with respect to this problem, since people in rural areas are more likely to be doubled up with extended families, or to have taken shelter in abandoned houses where they lack essential services such as water, electricity, or heat. It does not take much imagination to understand the difficulties faced by individuals and families who live isolated from the services provided in urban areas when they face life without permanent housing.

The rural homeless are also distinct from those of the cities because they tend to include more families, fewer people with substance abuse problems, and fewer who are suffering from mental illnesses. On the other hand, family conflicts, as well as economic conditions, seem to be major factors in the rise in rural homelessness. This population is different from the urban homeless—this is why we need specific legislation to address their problems.

That is the goal of this act and that is why I have decided to become an original cosponsor. We need to recognize that when people in rural areas are faced with the loss of their homes there is often nobody for them to turn to, no organization that can provide them with the help they need to stay in their homes, or to find new shelter. Our first goal with this bill is the creation of denser networks of service providers in rural areas. This means providing resources for communities and nonprofit organizations that will help people not become homeless in the first place, by helping find ways for families to make difficult mortgage or rent payments, or to pay their gas and electricity bills. It will fund organizations that give people a place to turn in order to learn how to deal with domestic problems that might otherwise lead to the loss of their shelter.

When people do become homeless, this bill facilitates the efforts of organizations that work to create more emergency housing in rural areas. It encourages the establishment of groups to provide supportive services to the homeless as well as help in their search for permanent housing and self-sufficiency. The Rural Homelessness Act will work to encourage community-based organizations to fill in the service gaps in rural areas, creating a more comprehensive service system, such as the ones we have already established in our cities. It provides them with the resources they need to move toward these goals.

At the same time, this act does not simply take an approach to the problem of homelessness developed for the cities and apply it to rural areas. Recognizing that rural America has specific needs, and that different rural communities have needs that are distinct from each other, it is structured to leave communities the ability to design their programs to suit the needs of the homeless population in their particular area. Furthermore, it creates a means to evaluate the effectiveness of the programs that are established under this act.

Rural communities in America have not been given the resources to adequately help their homeless people. This bill is intended to assist communities and community organizations help homeless people maintain a sense of dignity. It has been endorsed by many of my colleagues, as well as by some of the major organizations of advocates for the homeless. This is a much needed and well thought out piece of legislation. I would like to thank Senator BUMPERS for introducing this bill and I urge my colleagues to join me in support of it.

By Mr. DECONCINI:

S. 2182. A bill to amend the Child Nutrition Act of 1966 to make the special Supplemental Food Program for Women, Infants, and Children [WIC] an entitlement program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

PERMANENT FUNDING OF SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN

Mr. DECONCINI. Mr. President, for the last several years my friend from Rhode Island, Senator CHAFEE, and I have led the efforts in the Senate to increase appropriations for the Special Supplemental Food Program for Women, Infants, and Children [WIC].

As my colleagues will recall, our effort last year sought to increase WIC funding by $250 million over the prior year's current services level in order to maintain the schedule for full funding of WIC by 1995. Despite a record number of cosponsors for our annual WIC appropriations initiative, the enacted appropriations level for the fiscal year 1992 for WIC was a full $100 million short of the target. It is very hard to imagine that 88 Senators can agree on anything; it is even harder to imagine that such a consensus could be formed and fail to achieve its goal.

Mr. President, I do not find fault in any way with the conferees on the fiscal year 1992 Agriculture appropriations bill. Their task was nearly impossible given an insufficient subcommittee allocation to meet all the demands placed upon them, especially in light of continued problems related to crop disaster insurance.

I sincerely applaud the efforts of Agriculture Subcommittee chairman, Senator BURDICK and ranking member, Senator COCHRAN, last year—both have consistently done whatever they could on behalf of WIC and last year's effort was no exception.

Mr. President, the reason our efforts failed to keep pace with the WIC full funding schedule by 1995 are many, the most important of which is that the number of new poor at nutritional risk is growing faster than our ability to serve them. Hence, I am calling for WIC to be permanently funded as an entitlement to assure that our Nation's most needy children have a fighting chance to live, learn in school, and reach their full potential.

Mr. President, I realize those are words that set people on edge, an entitlement. But what is more important than to be entitled to enough food and nutrition so that you can grow up healthy. If that is not paramount in any nation's priority, I do not know what is.

WIC provides critical nutrition and health benefits to over 4.5 million low-income pregnant women and young children at risk of diet-related health problems, but almost as many other needy women and children are unserved. Tragically, America ranks 19th in the world in infant mortality.

Every year 40,000 infants die in the United States and another 11,000 babies are born with long-term disabilities that result from their weakened condition. Unless we act—and act soon—to provide full funding for WIC, we will lose more American infants in the next 13 years than we have lost soldiers in all the wars fought by this country in this century.

WIC is a Government program that works and I have been a leading advocate for this program since its inception because it is the right thing to do. WIC not only prevents infant mortality and low birth weight, study after study has also shown that WIC is the most cost-effective method to do so. WIC reduces Medicaid costs: Each dollar invested in WIC's prenatal components saved between $1.77 and $3.13 in Medicaid costs. In addition, studies show that future special education costs are reduced through WIC's early nutrition intervention.

Nevertheless, there is room for improvement. WIC has not come close to fulfilling its potential. Current funding levels support about 60 percent of the eligible women, infants, and children nationwide. Arizona currently receives funding that enables the WIC Program to assist approximately 60 percent of those eligible throughout the State, but serves only 40 percent of those eligible in the urban areas. Nationwide, WIC isn't doing any better—less than 60 percent of all women, and just over 40 percent of children eligible for the program are being served. The bipartisan National Commission on Children's report says that the Federal Government isn't investing enough in WIC and recommends WIC be expanded to serve all financially needy pregnant and nursing women, and infants and children at nutritional risk. To do so will require increased annual funding of approximately $1.15 billion, or 44 percent more than the $2.6 billion appropriated for fiscal year 1992.

Mr. President, I wish we could proceed along the current phased-in full funding schedule.

However, the reality is that we are never going to serve the 8.7 million currently eligible by 1995 if we proceed on the current track. We have to get beyond the way money is currently budgeted. WIC funding tripled during the 1980's—faster than any other nondefense, domestic program—but rising poverty rates have all but wiped out the earnest efforts which many of my colleagues and I have made. In 1990 alone, the number of children in poverty in America rose over 840,000 to 13.5 million children, a substantial number of whom are nutritionally at risk. That is why WIC needs permanent funding.

Many child nutrition advocates have not agreed with me about seting up an entitlement for WIC. They fear that other Government programs, including other child health and nutrition programs, will unduly suffer from rapid expansion of WIC. If that were true, I would not embark upon this effort.

The reality is that WIC can be transformed into an entitlement with barely more than the short-term and long-term savings it will produce. We need only to reform the Federal budget process to allow WIC to be able to recoup the savings it creates for Medicare as well as other Federal health care and education programs.

Mr. President, some other funds would be needed to fund WIC until the savings are realized, but these early outlays are insignificant in relation to the long-term savings. Even if the money was deducted out of the defense budget, it still would amount to only a fraction of their expenditures.

The cost of infant mortality is borne by all of American society. The lifetime costs of caring for just one low birth weight infant can total $400,000. The cost of prenatal care—care that might prevent the low birth weight condition in the first place—can be as little as $400. As a nation we have a choice. We can pay now or we can pay much more later.

Mr. President, until this legislation is enacted, I will continue to fight as hard as I can for the highest level of appropriation possible for the WIC program. I have not given up all hope that we can achieve full funding by 1995. The odds are not good, but I remain committed to do whatever I can do to achieve phased in full funding by 1995.

Mr. President, the bottom line is WIC is a Federal initiative that works and we should work to make it a reality for the millions of women and children whose health will continue to suffer without it.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2182

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SPECIAL SUPPLEMENTAL FOOD PROGRAM.

(a) IN GENERAL.—Section 17(c)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(c)(1)) is amended—

(1) in the first sentence, by striking "may" and inserting "shall"; and

(2) by inserting after the first sentence the following new sentence: "Subject to the other provisions of this section, an eligible individual shall be entitled to receive the full amount of benefits authorized under this section.".

(b) APPROPRIATION.—Section 17(g)(1) of such Act is amended by striking the first sentence and inserting the following new sentences: "For purposes of providing benefits to all eligible individuals in the program and otherwise carrying out this section, there are authorized to be appropriated, and there are appropriated, to carry out this section such sums as may be necessary for fiscal year 1992 and each succeeding fiscal year. The Secretary shall make available the sums described in the previous sentence to carry out this section.".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective on October 1, 1992.

By Mr. SHELBY:

S. 2183. A bill to prohibit the Secretary of Veterans Affairs from carrying out the Rural Health Care Initiative; to the Committee on Veterans' Affairs.

PROHIBITION ON IMPLEMENTATION OF RURAL HEALTH CARE INITIATIVE

Mr. SHELBY. Mr. President, in the past two centuries the standard for good public policy has vacillated between two often contradictory ends: the reasonableness or rationality of a policy and the morality or rightness of that policy. I rise today to introduce legislation that will end a policy that is neither reasonable nor right, neither rational nor justified. The Department of Veterans Affairs Rural Health Initiative meets neither test of good public policy. As such, the legislation that I am introducing today would eliminate the Secretary of Veterans Affairs authority to treat nonveterans, other than qualified dependents, in health care facilities administered by the DVA under the current sharing program with HHS.

While this program has been praised in some quarters as an innovative policy that addresses the deficiencies of rural health care, I contend that the program, if fully implemented, would equate to the attempt to empty an ocean with a spoon. No one is more painfully aware than I of the current crisis in rural health care. In the past decade, my home State of Alabama has seen numerous closings of rural hospitals and a steady decline in the delivery of rural health care. I am a staunch proponent of quality, affordable health care for all Americans, rural or urban. Yet, such health care should not be provided at the expense of our Nation's veterans. Despite the DVA's claim to the contrary, the rural health initiative will cost our veterans a further share of their ever decreasing and declining benefits.

I stated at the outset that this program fails the test of good policy on two points: Its reasonableness and its justness. As to its reasonableness, for this policy to be successful it must fulfill one primary intention. The initiative must not interfere with the DVA's ability to deliver health care to all qualified veterans and qualified dependents. Veterans must not be turned away from facilities as a result of the added pressure of treating HHS cases nor should the quality of their care decline.

Mr. President, there can be no doubt that should this program move from the pilot stage to large scale implementation, in the coming decade such a program will overburden an already understaffed and underfunded veterans hospital system. Numerous studies show that during the next two decades the number of veterans over the age of 75 will increase by nearly 200 percent. In addition, the DVA's own commissioned study stated that at present funding levels the veterans health care system cannot possibly meet its future obligations. A clear picture emerges of an overburdened and under funded system. Everyday my constituents write me with account after account of the often poor health care in VA hospitals. What leads the Secretary to believe that any additional pressure on these hospitals at present funding levels will do anything other than worsen an already deplorable situation for our Nation's veterans? Presumably this program would affect only those hospitals that are under capacity. The director of the veterans hospital in Tuskegee, AL, one of two pilot hospitals in this program, notes that in terms of unused capacity his hospital has very few vacant beds.

To worsen matters still, the treatment of nonveterans in these facilities may provide treatment to nonveterans that is not available to veterans. We all know of the often complicating and confusing nature of veterans health programs. Often a veteran may qualify for the treatment of one condition while being denied treatment for another. How does it look for a facility constructed and chartered to serve the needs of veterans to provide services to individuals on a third party payment plan while denying the same procedure to a veteran in the same facility? The Secretary promises that veterans will see no reduction in services. Demographic trends and funding levels suggest that reduction will take place regardless of whether or not the rural health initiative becomes a full scale program. The initiative will only serve to further reduce the quality of programs already in dire need of help. While I am sure that the Secretary is most sincere in his efforts and intends no harm to our veterans, many well intentioned efforts have had most adverse results. VA facilities have been asked to do more with less for many years. Generally, they have done less with less, and such reductions or added responsibilities have only been to the detriment of our veterans.

The question of right or wrong with regard to this policy is clearly and easily answered. Only a year ago we praised the bravery of our Nation's veterans and appreciated in the most direct manner their sacrifices for our Nation's security and welfare. Yet simultaneously we continued to pass veterans budgets that did not measure up to our stated appreciation. Everyday our veterans suffer great indignities in these under supported facilities. Now we ask them to suffer one more indignity and to believe one more promise that they will not suffer in the name of innovation and administration. Veterans hospitals are the exclusive domain of veterans and their qualified dependents. I cannot support any program that in any way reduces further the dignity of our Nation's veterans or further erodes the commitments to certain exclusive services to them for their sacrifice to our Nation. This policy is neither reasonable nor is it right. I ask my colleagues to join me in support of this measure.

By Mr. KENNEDY:

S. 2185. A bill to suspend the forcible repatriation of Haitian nationals fleeing after the coup d'etat in Haiti until certain conditions are met; read the first time.

SUSPENSION OF FORCED REPATRIATION OF HAITIANS

Mr. KENNEDY. Mr. President, I am introducing today, along with my colleague on the Immigration and Refugee Subcommittee, Senator SIMON and Senator DECONCINI, emergency legislation to temporarily suspend—for 2 weeks—the forced repatriation of Haitians from Guantanamo Bay, and to require the President to certify at that time that the repatriation program is safe and meets a number of conditions.

At a minimum, we should suspend the currently planned forced repatriation program until the United Nations, the Organization of American States, or the International Federation of the Red Cross can determine conditions in Haiti are safe to do so.

Mr. President, although the Supreme Court has given the administration the legal authority to forcibly repatriate Haitians, it would be wrong for this country to do so until conditions are clearly safe for their return.

Reports of continuing violence and threats of violence in Haiti in recent weeks require us to give temporary protection to all Haitians unwilling to return at this time. In the present deplorable state of the record, it would make a mockery of America's highest ideals to compel any Haitians to return to their country against their will.

The United Nations High Commissioner for Refugees has sought assurances from the administration that Haitians will not be returned until it is safe. We should urge the United Nations or the OAS to immediately send a delegation to Haiti to determine if conditions are safe, before we begin a forced repatriation program.

Until that assessment is made, no Haitian should be sent back to a potentially dangerous and violent future.

Mr. President, the bill we are introducing today will suspend forced repatriation for the next 2 weeks, until the President can certify to Congress that conditions are safe; that adequate international monitors are in place in Haiti, with freedom of movement and access to all parts of the country; and that a viable screening process will remain in place in Guantanamo to protect legitimate refugees.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following the texts of recent editorials supporting the suspension of forced repatriation.

I ask that these editorials be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2185

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROHIBITION.

No Haitian national described in section 3 may be repatriated against his or her will to Haiti from the United States military installation at Guantanamo Bay, Cuba, or from the United States, until after—

(1) February 21, 1992, or

(2) the date on which the President makes the certificate described in section 2,

whichever is later.

SEC. 2. CERTIFICATION REQUIREMENTS.

Whenever the President determines the following, he shall so certify to the Judiciary Committees of the Congress:

(1) That the number of staff personnel of the Organization of American States, the International Federation of the Red Cross, the United Nations, or any other appropriate international agency has been augmented in Haiti sufficiently to monitor repatriated Haitian nationals throughout Haiti and to report accurately on conditions relating to their safety.

(2) That such international monitors have free and unimpeded access to repatriated Haitian nationals, regardless of their location in Haiti.

(2) That—

(A) violence in Haiti, both random and targeted, has been reduced since the September 30, 1991, coup d'etat sufficiently to assure that future repatriated Haitian nationals will not face persecution or politically motivated violence; and

(B) those Haitians already repatriated have not been harmed.

(4) That the United States has in place an administrative system under the Refugee

Act of 1980 and the Immigration and Nationality Act to assure that Haitian nationals who may continue to flee Haiti, and are in United States custody, would have ample opportunity under a viable screening process to seek admission to the United States as refugees under section 207 of the Immigration and Nationality Act or for the purpose of applying for asylum under section 208 of such Act.

SEC. 3. HAITIAN NATIONALS COVERED.

A Haitian national referred to in section 1 is a Haitian national who fled Haiti on or after September 30, 1991, without a visa for entry into the United States.

[From the Boston Globe, Feb. 4, 1992]

REPATRIATION CRISIS FOR HAITIANS

Within weeks after the coup in Haiti that ousted President Jean-Bertrand Aristide, resolutions were pending in both houses of Congress to address the refugee issue. That was in October. Action is yet to be taken.

The resolutions, introduced by Sen. Connie Mack of Florida and Rep. Charles Rangel of New York, called for the attorney general to suspend deportation proceedings of Haitians until Aristide was restored to power.

In three months since those resolutions were introduced, Aristide's return to power seems a dim possibility, and what was once a refugee problem has now become a full-blown crisis—a crisis made worse, not better, by the court's decision to allow forced repatriation.

The congressional resolutions mandated that the White House abide by the Immigration and Naturalization Act, which allows for temporary protected status for refugees whose home countries are deemed dangerous. Such status has been granted to those fleeing Lebanon, Kuwait and Cuba.

The Bush administration—haunted by anti-immigrant sentiment in this country—insists that no such danger exists, despite well-documented reports by human-rights monitors of rape, murder and mayhem. Apparently, there are members in Congress who fear the same backlash, which might explain its failure to act more swiftly in demanding asylum for Haitians.

Sen. Edward Kennedy is now urging the administration to halt the repatriations and grant temporary protected status, a position he has wavered on in recent weeks. He has also encouraged the United Nations high commissioner to go to Haiti to determine whether the country is indeed unsafe. Legislation to halt the repatriations, proposed by Rep. Romano Mazzoli of Kentucky last November, is scheduled to be discussed today by the House Judiciary subcommittee on international law, immigration and refugees.

These actions come to late, however, for hundreds of Haitians who have already been returned. Their fate will now be in the hands of brutal police and military forces who will, no doubt, be encouraged by the repatriations. Perhaps Congress still has time to intervene in behalf of those who remain at Guantanamo Bay. Let us hope they will use that time and influence more expeditiously.

[From the Boston Herald, Feb. 4, 1992]

LADY LIBERTY'S WORDS

There is unseemly haste to repatriate 10,000 Haitian refugees currently in the custody of the federal government. It's almost as if we hope that by forcibly returning them to the troubled island we can pretend the problem no longer exists.

On Saturday, the U.S. Coast Guard sent back the first 250 refugees from our naval base at Guantanamo, Cuba, after the Supreme Court lifted an injunction barring their return.

The government maintains the Haitians aren't legitimate refugees, that they merely seek to escape bone-crushing poverty, as opposed to political persecution.

If what has been going on in Haiti since September, when the nation's first democratically-elected government was overthrown by a military coup, isn't repression, it will do until the real thing comes along.

Since the overthrow of the government of Jean-Bertrand Aristide, the military has launched a search and destroy mission against political opposition, real and potential.

Human rights monitors stationed there speak of mass arrests and the disappearance of detainees. If most of the island's populace live in fear of their lives, it is not without good cause.

But why must political persecution be the sole criterion for granting refugee status? Death by hunger, disease and malnutrition are just as certain (and frequently more painful) than a bullet in the back of the head. Most of our immigrant ancestors were "economic refugees."

The Justice Department says there are 20,000 Haitians massing on the shores of their homeland, preparing to depart for America, and quick repatriation is needed to discourage the exodus. The claim is dubious. But if true, doesn't that say something about dismal conditions in Haiti?

America has the capacity to absorb these refugees, or five times their numbers, handily. The keelhauling of Haitian refugees, without even a semblance of due process, belies our claim to be a haven for the oppressed.

Have we as a nation forgotten those words at the base of the Statue of Liberty?

"Give me your tired, your poor.
Your huddled masses yearning to breath free."

Have we forgotten, or are we merely determined to make a mockery of them?

[From the New York Times, Feb. 4, 1992]

HUMANITY FOR HAITIANS

Under ordinary circumstances, the United States cannot admit every Haitian who arrives on these shores seeking a better life. But today's circumstances are not ordinary. The U.S. cannot decently force terrified asylum-seekers to return to the hell their homeland has become.

Since the Supreme Court lifted a restraining order on Friday, the Bush Administration has seemed intent on shipping Haitian would-be refugees home. Congress needs to retrieve America's reputation for compassion by quickly approving emergency legislation.

Haiti has long been the Western Hemisphere's poorest nation. Its people have been willing to risk danger, detection and deportation for the opportunity to work in the U.S. Haitian immigrants have made a positive contribution to American society. But allowing in all who want to come would be unfair to the thousands of people from other impoverished, more distant countries who patiently wait their turn for legal admission.

Since a violent coup late last year, Haiti has become the hemisphere's most dangerous nation as well as its poorest. Armed thugs terrorize poor neighborhoods, trying to crush support for Haiti's exiled President, Jean-Bertrand Aristide. More than 1,500 people have perished, Amnesty International reports. The Bush Administration, hoping to dislodge the military regime, supports a trade embargo that adds to the privations of Haitian life.

But even as the Administration tries to force political change in Haiti, it has sought court permission to ship back all fleeing Haitians who do not meet the narrow legal requirements for asylum. Those requirements involve a demonstrable fear of direct personal victimization, but not, say, a reasonable fear of being caught up in the deadly violence being unleashed by the military regime.

The Administration's own reasonable fear is that once word reaches Haiti that people are not being turned back, an unmanageably massive flight will begin. And it worries about alienating Florida voters with an inundation of Haitians in an election year. Those are real risks. But with safeguards like temporary sanctuary, both humanity and prudence can be served.

Further court tests lie ahead, but the Coast Guard is now free to repatriate most of the 12,000 Haitians held at Guantánamo, Cuba. Even though the situation in Haiti is particularly turbulent, the Administration seems determined to move quickly. That leaves it up to Congress to show the compassion America has displayed in the past for Cubans, Vietnamese and others in a similar predicament.

A bill introduced yesterday by Representative Romano Mazzoli would grant Haitians now in U.S. custody a "temporary protected status." It would hold up involuntary repatriations until the President could certify that a democratically elected government was again securely in power in Haiti. If Congress moves quickly, the bill could be on the President's desk in days.

An early return to democratic government may seem unlikely under Haiti's present circumstances. But it is the formal objective of U.S. diplomacy. If that is no longer a realistic goal, America's entire policy toward Haiti needs to be rethought, and strengthened.

Haiti's nascent democracy has been hijacked by thugs, some of them apparently involved in drug dealing. Good policy and good politics argue against the Bush Administration acquiescing in their rule. Common humanity argues against America forcing people back into their bloody hands.

[From the Washington Post, Feb. 4, 1992]

HAITI'S REFUGEES

Forcible repatriation of refugees—sending people back to a country where they face not only great hardship but the risk of physical harm—is an ugly business. The United States has now returned to Haiti the first several hundred of some 10,000 whom the Coast Guard has plucked out of the sea on their way, they had hoped, to Florida. For a country with the resources of the United States and its deep commitment to human rights, this is a sorry response to the Haitian tragedy.

No Haitians ought to be forced to return until some degree of peace and order prevails in their land. But the Bush administration backs uneasily away from that standard. As things are now going, it may be a very long time before Haiti sees much peace and order.

In retrospect, it's clear that the United States and the Organization of American States made a fundamental political miscalculation last October. The army had pushed the democratically elected president, Jean-Bertrand Aristide, into exile. The hemisphere's governments immediately joined hands to impose a tight embargo. The idea was that the economic pain inflicted by the embargo would force the army to give up power and allow the president to return. But that overlooked the nature of the Haitian army.

It is much less an army in the modern sense than a loose confederation of armed bands not reliably under the control of its officers. Many of these armed bands are engaged in preying on the civilian population, running drugs and smuggling. Since the embargo enhances the smuggling trade, the soldiers have little interest in ending it. Diplomats of the OAS had worked out an intricate arrangement under which President Aristide would return and govern with another politician, Rene Theodore, as his prime minister. Ten days ago armed police, who in Haiti are subservient to the army, broke into one of Mr. Theodore's meetings, beat people at random and, to emphasize their purpose, murdered one of his bodyguards with a machine gun.

The embargo continues to cause great suffering, but not among the gunmen. Since it isn't serving its purpose, this embargo needs to be relaxed. The Bush administration has been debating the exemption of at least the assembly industry—the factories that imported components mainly from the United States and re-exported the products. There were more than 35,000 jobs in those factories before the embargo. To persist in the present total embargo is to increase the distress, purposelessly, in a country now ruled by cruelty and violence. To force refugees to return there under these conditions is worse. It is a violation of American values.

By Mr. ADAMS:

S. 2186. A bill for the relief of Rolando and Amelia Degracia; to the Committee on the Judiciary.

S. 2187. A bill for the relief of Celestina Maes; to the Committee on the Judiciary.

RELIEF OF CERTAIN INDIVIDUALS

• Mr. ADAMS. Mr. President, I rise today to introduce two private immigration relief bills. Private immigration relief legislation is, by definition, the last recourse immigrants have to appeal Immigration and Naturalization Service decisions. Legislation should be initiated only after careful thought and for truly meritorious cases.

The cases of Rolando and Amelia Degracia and Celestina Maes fit this bill.

Rolando and Amelia Degracia are citizens of the Philippines. Rolando was born in the Philippines on November 18, 1947. Amelia was born in the Philippines on October 11, 1949.

In March 1983, Mr. Degracia entered the United States to attend military training at Fort Eustis, VA, on behalf of the Philippine Government. Ms. Degracia came to the United States and enrolled in a course of pediatrics at Mount Sinai Hospital in New York.

Rolando and Amelia's son, Rommel, was born prematurely on August 4, 1983 in Williamsburg, VA, and is U.S. citizen. Because of his premature birth, Rommel required extensive surgery which involved removal of a portion of his intestines. As a result of this operation, Rommel has a short, poorly functioning intestinal tract which renders him incapable of total oral nutrition. He requires daily infusions of a special formula through a central line catheter into his heart to survive.

Because the medical solutions and supplies necessary for Rommel's survival are not available to the Philippines, he must continue to obtain medical care in the United States.

Amelia informed my staff that she has visited the Philippines on two occasions with disastrous results. During their first visit, Amelia and Rommel were forced to return to the United States after 9 days because the pump controlling the rate of infusion of his formula malfunctioned. Amelia obtained an improved pump and returned to the Philippines. However, once again, the pump malfunctioned forcing Amelia and Rommel to return to the United States. Clearly, as these examples point out, Rommel must have access to U.S. medical technology in order to survive.

Since Rommel Degracia is a U.S. citizen and depends on American medical supplies and technology for survival, Amelia and Rolando Degracia have requested private immigration bills.

Celestina Maes is a citizen of the Philippines and a widow of a United States citizen. Celestina and Julian Maes were married in the Philippines on November 22, 1982. Prior to Julian's death in 1987 in the United States, the couple had three children who are U.S. citizens. Although Celestina never immigrated to the United States, she indicates Julian intended that his children grow up in the United States.

Although the INS in Seattle has granted her voluntary departure status, Celestina's attorney indicates, "There is, however, no statutory or administrative basis for her remaining permanently in the United States." Celestina must depend on the good will of the INS to remain in the United States with her children. Celestina and her children are worried that, at some point, her voluntary departure status will be revoked and she will be required to return to the Philippines and leave her children in the United States with friends.

Celestina Maes has requested a private immigration bill so that she may become a permanent resident and remain in the United States with her U.S. citizen children.

I am satisfied that all possible avenues for immigration have been investigated in these cases and that the only option available is to introduce private relief immigration bills.•

By Mr. GRAHAM (for himself, Mr. MACK, Mr. DECONCINI, Mr. STEVENS, and Mr. INOUYE):

S.J. Res. 250. Joint resolution to designate February 1992 as "National Grapefruit Month"; to the Committee on the Judiciary.

NATIONAL GRAPEFRUIT MONTH

Mr. GRAHAM. Mr. President, I am joined today by several of my colleagues in introducing a joint resolution designating February 1992 as National Grapefruit Month. Congress has good reason to honor America's grapefruit industry.

The United States was the first Nation to develop its grapefruit industry into a commercially viable operation. The economic impact of the grapefruit crop will approximately be $2.5 billion this year. More than 40,000 individuals will be employed by the industry. And grapefruit exports are helping our balance of trade with many countries—today we are the world's leading producer and exporter of grapefruit. Grapefruit from my home State of Florida, for example, is exported heavily to the Pacific rim area where it is prized for its superior quality and flavor.

For more than 75 years Florida has been producing grapefruit, in fact this year our State will grow more than 50 percent of the world's grapefruit. That translates into more than 4 billion pounds from over 11 million grapefruit trees on 125,000 acres of Florida land.

Mr. President, grapefruit is easy to eat, tastes great, supplies 100 percent of the U.S. recommended daily allowance for vitamin C, and is a good source of vitamin A, potassium, folic acid, and dietary fiber. Given the importance of the grapefruit crop to the U.S. economy, I ask my colleagues to join me in saluting our Nation's citrus industry and the world's finest grapefruit.

Mr. MACK. Mr. President, I rise today to introduce a joint resolution declaring February 1992, as "National Grapefruit Month."

The United States was the first Nation in history to make its grapefruit industry commercially viable. Today, America ranks as the world's leading producer and exporter of grapefruit; this contributes significant revenues to the U.S. economy. Americans everywhere can find fresh grapefruit in their neighborhood markets from September through June, and grapefruit juice is available year-round.

It is important to know that grapefruit supplies 100 percent of the U.S. recommended daily allowance for vitamin C. Moreover, it is an excellent source of vitamin A, potassium, foliate, and dietary fiber. The National Research Council recommends that Americans consume five or more servings of fruits and vegetables, especially citrus, every day. Thanks to increased production, grapefruit can play an even greater role in a healthy American diet. Grapefruit is not only highly nutritious, it is delicious too.

Thus, it is with pride that Senator GRAHAM and I introduce this joint resolution today, in the hopes that it will encourage Americans around the country to make grapefruit a regular feature on their families' table.

ADDITIONAL COSPONSORS

S. 25

At the request of Mr. CRANSTON, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 25, a bill to protect the reproductive rights of women, and for other purposes.

S. 574

At the request of Mr. WOFFORD, his name was added as a cosponsor of S. 574, a bill to amend the Civil Rights Act of 1964 to prohibit discrimination on the basis of affectional or sexual orientation, and for other purposes.

S. 1002

At the request of Mr. SHELBY, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 1002, a bill to impose a criminal penalty for flight to avoid payment of arrearages in child support.

S. 1257

At the request of Mr. BOREN, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 1257, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real estate activities under the limitations on losses from passive activities.

S. 1423

At the request of Mr. DODD, the names of the Senator from Mississippi [Mr. LOTT], the Senator from Texas [Mr. BENTSEN], and the Senator from Louisiana [Mr. BREAUX] were added as cosponsors of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1677

At the request of Mr. DASCHLE, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 1677, a bill to amend title XIX of the Social Security Act to provide for coverage of alcoholism and drug dependency residential treatment services for pregnant women and certain family members under the medicaid program, and for other purposes.

S. 1842

At the request of Mr. DASCHLE, the names of the Senator from Hawaii [Mr. AKAKA] and the Senator from Kansas [Mr. DOLE] were added as cosponsors of S. 1842, a bill to amend title XIX of the Social Security Act to provide for Medicaid coverage of all certified nurse practitioners and clinical nurse specialists services.

S. 1902

At the request of Mr. ADAMS, the names of the Senator from Colorado [Mr. BROWN], the Senator from California [Mr. CRANSTON], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of S. 1902, a bill to amend title IV of the Public Health Service Act to require certain review and recommendations concerning applications for assistance to perform research and to permit certain research concerning the transplantation of human fetal tissue for therapeutic purposes, and for other purposes.

S. 1912

At the request of Mr. DOMENICI, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 1912, a bill to amend the Public Health Service Act and the Social Security Act to increase the availability of primary and preventive health care, and for other purposes.

S. 2065

At the request of Mr. DIXON, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 2065, a bill to federalize the crime of child molestation for repeat offenders.

S. 2106

At the request of Mr. CRANSTON, the names of the Senator from Nevada [Mr. REID] and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of S. 2106, a bill to grant a Federal charter to the Fleet Reserve Association.

S. 2169

At the request of Mr. LAUTENBERG, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 2169, a bill making supplemental appropriations for programs in the fiscal year that ends September 30, 1992, that will provide near-term improvements in the Nation's transportation infrastructure and long-term benefits to those systems and to the productivity of the U.S. economy.

SENATE JOINT RESOLUTION 209

At the request of Mr. LAUTENBERG, the names of the Senator from Tennessee [Mr. GORE], the Senator from New York [Mr. D'AMATO], the Senator from Hawaii [Mr. AKAKA], the Senator from Montana [Mr. BURNS], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Connecticut [Mr. DODD], the Senator from North Dakota [Mr. CONRAD], the Senator from California [Mr. SEYMOUR], the Senator from Hawaii [Mr. INOUYE], the Senator from North Dakota [Mr. BURDICK], the Senator from Colorado [Mr. BROWN], the Senator from Washington [Mr. ADAMS], the Senator from South Dakota [Mr. DASCHLE], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of Senate Joint Resolution 209, a joint resolution designating the month of March 1992 as "National Computing Education Month."

SENATE JOINT RESOLUTION 214

At the request of Mr. RIEGLE, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of Senate Joint Resolution 214, a joint resolution to designate May 16, 1992, as "National Awareness Week for Life-Saving Techniques."

SENATE JOINT RESOLUTION 240

At the request of Mr. SPECTER, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from Alabama [Mr. SHELBY], the Senator from Idaho [Mr. CRAIG], the Senator from Arizona [Mr. MCCAIN], the Senator from Colorado [Mr. BROWN], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 240, a joint resolution designating March 25, 1992 as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE JOINT RESOLUTION 243

At the request of Mr. KASTEN, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from North Dakota [Mr. CONRAD], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Joint Resolution 243, a joint resolution to designate the period commencing March 8, 1992 and ending on March 14, 1992, as "Deaf Awareness Week."

SENATE CONCURRENT RESOLUTION 57

At the request of Mr. BOREN, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of Senate Concurrent Resolution 57, a concurrent resolution to establish a Joint Committee on the Organization of Congress.

SENATE CONCURRENT RESOLUTION 71

At the request of Mr. MACK, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of Senate Concurrent Resolution 71, a concurrent resolution condemning the unconditional seizure of power by elements of the Haitian military and consequent violence, and calling on the Attorney General to suspend temporarily the forced return of Haitian nationals in the United States during the crisis in Haiti.

SENATE CONCURRENT RESOLUTION 89

At the request of Mr. KERRY, the names of the Senator from North Carolina [Mr. SANFORD], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Concurrent Resolution 89, a concurrent resolution to express the sense of the Congress concerning the United Nations Conference on Environment and Development.

SENATE RESOLUTION 246

At the request of Mr. DOLE, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of Senate Resolution 246, a resolution on the recognition of Croatia and Solvenia.

AMENDMENT NO. 1525

At the request of Mr. GORTON, the name of the Senator from Washington

[Mr. ADAMS] was added as a cosponsor of amendment No. 1525 intended to be proposed to S. 2166, a bill to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

SENATE CONCURRENT RESOLUTION 90—RELATIVE TO THE ROLE OF THE NORTH ATLANTIC TREATY ORGANIZATION

Mr. ROTH submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 90

Whereas the North Atlantic Treaty Organization has, for more than forty years, successfully deterred aggression against the West by the armed forces of the Warsaw Pact and the Soviet Union;

Whereas the Warsaw Pact no longer exists;

Whereas the Soviet Union has devolved into a commonwealth of sovereign, independent republics;

Whereas the members of the North Atlantic Treaty Organization share many common interests in deterring aggression, conflict and economic dislocation both within and beyond Europe's geographic boundaries: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the Sense of the Congress that the international security situation has undergone radical change and that the North Atlantic Treaty Organization should adapt to this new environment. Therefore, the President of the United States is requested to open discussions with the heads of state of NATO's various member states, with a view to adapting the alliance to current realities.

Mr. ROTH. Mr. President, I arise today to address an issue which I believe to be of the highest importance as this Nation assesses its security needs in the new world order. I am speaking of this country's 42-year commitment of human and financial resources to the North Atlantic Treaty Organization.

I believe, Mr. President, that the Senate owes it to the Nation to address this issue in depth and at length because, while I am reluctant to admit it, NATO's inertia, its general failure to address itself to a radically changed global security environment has rendered the rationale for an ongoing U.S. commitment to NATO more and more open to question.

I make this statement with a heavy heart, Mr. President, because I have long been a fervent supporter of NATO and, indeed, I still believe that NATO could and should play a vital role in the stabilization of the new world order. However, I am obliged to note that because of the reluctance of several of our European allies to make any fundamental change in the structure or mission of NATO, and of a general desire at NATO headquarters to shun new challenges, the alliance is increasingly unable to address the challenges posed by a radically new global security system. Thus NATO is increasingly marginalized in situations which should lie well within its competence: the stabilization of Yugoslavia, the expulsion of Iraqi forces from Kuwait, and the formation of a new, stable security framework in Eastern Europe.

If NATO proves incapable of seizing the initiative on these vital questions, it will be condemned to live in the past at a time when the present poses a wealth of opportunity and challenge.

Mr. President, under these circumstances, it is the clear duty of the U.S. Senate to send a wake-up call to Brussels, to ask why this Nation should continue to commit personnel and treasure to the alliance if that wake-up call elicits no response. We need to ask whether those resources which, traditionally, this Nation has directed to the North Atlantic Treaty Organization might not be spent more wisely either here in the United States, or through other international organizations which are more capable of adapting to the changed security environment, and thereby addressing the real security needs of this Nation.

For 42 years, this Nation has played a leading role in the North Atlantic Treaty Organization as it stood firm against a very real threat posed by huge conventional forces in the east. But let us speak plainly. That threat has disappeared for the foreseeable future. But NATO appears reluctant to recognize this fact. It unveils a supposedly radical shift in military structure from heavy, relatively static forces to lighter, more mobile forces. But in reality this is little more than cosmetic change. The structure and the equipment may have changed, but the concept of the threat remains static. The alliance's new forces might be lighter and more mobile, but they are still deployed in order to repel that same attack from the east that all of us find ever less believable.

Meanwhile, the alliance, has allowed itself to be laced into a straightjacket by meaningless distinctions between in area and out of area considerations, and consequently proves ever less capable of addressing the real security questions of the day, namely, threats to the security of the alliance which emanate from beyond Europe's geographic frontiers and the threat of serious instability in the newly independent nations of Eastern Europe.

The latter failing is, to my mind, particularly disappointing. I have been struck repeatedly by the strong support which NATO enjoys in Eastern Europe. Some of the newly elected governments even wished to seek membership in NATO. They believed, quite rightly in my opinion, that membership in a new alliance with a broadened mandate would dampen potential ethnic and regional disputes, consolidate their membership in the democratic community and generally deter the violence and instability which was endemic to the region before it fell under the cold hand of communism.

But NATO, rather than seeking the fruits of victory, forsook the initiative and, instead chose to abrogate the expanded new role that it could have played in Eastern Europe, choosing instead to stay with its now outdated mandate. East European applicants to the alliance were fobbed off on the basis that their membership in the alliance would offend the Soviet Union. As the Soviet Union ceased to exist that excuse faded and, instead, they were informed that their concerns would be addressed by a new, unspecified European security organization. The people of Croatia were similarly informed, Mr. President, and I believe it may be indicative of much of Eastern Europe's future if we remember exactly what happened to the people of Croatia.

Just as NATO has failed the new nations of Eastern Europe, it has similarly failed to address the emerging new threats to Western security, namely, the so-called out-of-area questions. For years, the alliance has pretended that security questions can be neatly compartmentalized as falling within or without NATO's sphere of competence. That sphere of competence is simplistically defined in terms of the area within the alliance's geographic frontiers. But, in an era of high-speed, long distance communications and long range ballistic missiles, often armed with nuclear warheads, such compartmentalized, indeed isolationist, modes of thinking are totally outmoded. Our enemies are capable of striking us dead with nuclear or chemical means, regardless of whether they stand inside or outside a specified area. Conflict in Eastern Europe could prompt a tidal wave of unwanted immigrants into Western Europe. Aggression in the Middle East could disrupt vital energy supplies. In short, Europe can no more practice isolationism successfully than can the United States and it is NATO's own attempt to practice "alliance isolationism" which has brought it to its current sorry condition.

Already, many nations of the Middle East are capable of inflicting major damage on Western nations simply by cutting off oil supplies. Meanwhile, nations of the region are developing their own ballistic missile capabilities and, even more disturbing, their ability to mount nuclear warheads on those missiles. NATO's consistent efforts to overlook these developments is dangerously shortsighted.

Some European advocates of a restricted NATO have asserted that the questions I have just covered are better handled by other organizations. The obvious retort to such an assertion is—which other organizations? The United Nations has only recently begun to enjoy success as an enforcer of the will of the international community and we should bear in mind that its most conspicuous success to date—its investigation of Iraqi nuclear capabilities—was successful only because it was backed up by the military forces of a multilateral coalition. If the United Nations is going to enjoy similar successes in the future, it will have to be backed up by military force in a similar manner.

The North Atlantic Treaty Organization could, in my opinion, play a vital role in this regard, supporting the United Nations with its military forces and thereby deterring aggression on a much broader scale.

Once again, Mr. President, I am obliged to ask my colleagues the uncomfortable question—if NATO cannot address these so-called out-of-area questions, what is the ultimate purpose of U.S. membership in that organization?

Some of my colleagues in Europe have asserted to me that the nations of that region are, indeed, willing to play a more active role, both in underwriting Eastern European security and in out-of-area problems.

However, they also assert that these tasks cannot be addressed by NATO. Rather, they should be addressed by a new, distinctly European security organization.

I have no personal objection to the construction of such an organization, though the recent failure of the E.C. leadership to bring the Yugoslav civil conflict to a swift end may provide an ominous portent of European weaknesses in this area. However, I do have some very serious questions about such an organization.

First, from where will it get its troops? Many European governments currently need their entire defense establishments to fulfill their commitments to NATO. Do they intend to reduce their commitments to NATO in order to establish this new organization? In short, Mr. President, our European allies, albeit unknowingly, may be throwing away a viable, existing security organization—NATO—in favor of an alternative organization which, as yet, does not, and may never, exist.

And a second question must be asked—if Western Europe is, indeed, capable of establishing a viable security structure of its own, what, from the U.S. point of view, is the ongoing purpose of NATO? Western Europe might have required a U.S. military presence during the cold war, when it was necessary to demonstrate the validity of the U.S. strategic nuclear commitment to Europe's defense. However, with the cold war now gone, and with Western Europe proclaiming a desire for its own independent defense identity, what now is the rationale for maintaining a U.S. military presence in Europe, particularly if NATO sticks by its apparent commitment to European isolationism?

Even if Europe still needs the protection of the U.S. "nuclear umbrella," that need still does not presuppose a need for ongoing conventional force deployments. So why should the United States not withdraw its forces from the European theater?

Mr. President, in closing, I need to stress, once again, that I take no joy in this presentation. I have long been a strong supporter of the North Atlantic Treaty Organization. For more than four decades that organization has been the underpinning of the prosperity and stability of the West. I sincerely believe that, if its members allow NATO to rise to the challenge, it can address the new security problems which have arisen in the aftermath of the cold war.

However, if the alliance fails to act in this regard—and to date it has failed to act—then it is our duty as U.S. legislators to point out that this emperor has no clothes, that, tragically, NATO has degenerated into an alliance in name only and, sadly, it is therefore no longer deserving of our support or our membership.

AMENDMENTS SUBMITTED

NATIONAL ENERGY SECURITY ACT

GLENN (AND OTHERS) AMENDMENTS NOS. 1526 THROUGH 1528

(Ordered to lie on the table.)

Mr. GLENN (for himself, Mr. JOHNSTON, Mr. KOKL, and Mr. FOWLER) submitted three amendments intended to be proposed by them to the bill (S. 2166) to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes, as follows:

AMENDMENT NO. 1526

Beginning on page 144, line 19, strike the text of subtitle B of Title VI, and insert the following in lieu thereof.

SEC. 6201. DEFINITIONS.

For purposes of this subtitle—

(1) the term "agency" means an Executive agency as defined under section 105 of title 5, United States Code, any agency of the judicial branch of Government;

(2) the term "facility energy supervisor" means the employee with responsibility for the daily operations of a Federal facility, including the management, installation, operation and maintenance of energy systems in Federal facilities which may include more than one building;

(3) the term "trained energy manager" means a person who has demonstrated proficiency, or who has completed a course of study in the areas of the fundamentals of building energy systems; building energy codes and applicable professional standards; energy accounting and analysis; life-cycle cost methodology; fuel supply and pricing; and instrumentation for energy surveys and audits; and

(4) the term "Task Force" means the Interagency Energy Management Task Force established under section 547 of the National Energy Conservation Policy Act (42 U.S.C. 8257).

SEC. 6202. FEDERAL ENERGY COST ACCOUNTING AND MANAGEMENT.

(a) GUIDELINES.—Not later than 120 days after the date of the enactment of this Act, the Office of Management and Budget, in cooperation with the Secretary, the General Services Administration, and the Department of Defense, shall establish guidelines to be employed by each Federal agency to assess accurate energy consumption for all buildings or facilities which the agency owns, operates, manages or leases, where the Government pays utilities separate from the lease and the Government operates the leased space. Such guidelines are to be used in reporting quarterly and annual energy consumption and energy cost figures as required under section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253). Each agency shall implement such guidelines no later than 120 days after their establishment. Each facility energy manager shall maintain energy consumption and energy cost records for review by the Inspector General, Congress and the general public.

(b) CONTENTS OF GUIDELINES.—Such guidelines shall include the establishment of a monitoring system to determine—

(1) which facilities are the most costly to operate when measured on an energy consumption per square foot basis or other relevant analytical basis;

(2) unusual or abnormal changes in energy consumption; and

(3) the accuracy of utility charges for electric and gas consumption.

(c) FEDERALLY LEASED SPACE ENERGY REPORTING REQUIREMENTS.—Not later than December 31, 1992, and on each December 31 thereafter, the Administrator of General Services shall report to the Committee on Governmental Affairs of the Senate, the Committee on Energy and Natural Resources of the Senate and the House of Representatives on the estimated energy cost of leased buildings or space in which the Federal government does not directly pay the utility bills.

(d) POSTAL SERVICE.—The United States Postal Service shall adopt regulations to ensure the reliable and accurate accounting of energy consumption costs for all buildings or facilities which it owns, leases, operates or manages. The regulations shall include establishing a monitoring system to determine which facilities are the most costly to operate; identify unusual or abnormal changes in energy consumption; and check the accuracy of utility charges for electricity and gas consumption.

SEC. 6203. FEDERAL ENERGY COST BUDGETING.

The President shall include in each budget submitted to the Congress under section 1105 of title 31, United States code, a separate statement of the amount of appropriations requested, on an agency basis, for—

(1) energy costs to be incurred in operating and maintaining agency facilities; and

(2) compliance with the provisions of part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq.), the Energy Policy and Conservation Act, and applicable Executive orders, including Executive Orders No. 12003 and No. 12579.

SEC. 6204. INSPECTOR GENERAL REVIEW AND AGENCY ACCOUNTABILITY.

(a) AUDIT SURVEY.—Not later than 120 days after the date of the enactment of this Act, each Inspector General created to conduct and supervise audits and investigations relating to the programs and operations of the establishments listed in section 11(2) of the

Inspector General Act of 1978 (5 U.S.C. App.) as amended, and the Chief Postal Inspector of the United States Postal Service, in accordance with section 8E(f)(1) as established by section 8E.(a)(2) of the Inspector General Act Amendments of 1988 (PL 100–504) shall—

(1) identify agency compliance activities to meet the requirements of such section and any other matters relevant to implementing the goals of the National Energy Conservation Policy Act; and

(2) assess the accuracy and reliability of energy consumption and energy cost figures required under section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253).

(b) PRESIDENTS COUNCIL ON INTEGRITY AND EFFICIENCY REPORT TO CONGRESS.—Not later than 150 days after the date of the enactment of this Act, the President's Council on Integrity and Efficiency shall submit a report to the Committee on Governmental Affairs of the Senate, the Committee on Energy and Natural Resources of the Senate, and the House of Representatives, on the review conducted by each Inspector General of each agency carried out under this section.

(c) INSPECTOR GENERAL REVIEW.—Each Inspector General established under section 2 of the Inspector General Act of 1978 (5 U.S.C. App.) is encouraged to conduct periodic reviews of agency compliance with the National Energy Conservation Policy Act, the provisions of this subtitle, and other laws relating to energy consumption. Such reviews shall not be inconsistent with the performance of the required duties of the Inspector General's office.

SEC. 6205. INTERGOVERNMENTAL ENERGY MANAGEMENT PLANNING AND COORDINATION.

(a) CONFERENCE WORKSHOPS.—The General Services Administration, in consultation with the Secretary and the Task Force, shall hold regular, biennial conference workshops in each of the 10 standard Federal regions on energy management, conservation, efficiency, and planning strategy. The General Services Administration shall work and consult with other Federal agencies to plan for particular regional conferences. The General Services Administration shall invite State, local, and county public officials who have responsibilities for energy management or may have an interest in such conferences and shall seek the input of, and be responsive to, the views of such State, local and county officials in the planning and organization of such workshops.

(b) FOCUS OF WORKSHOPS.—Such workshops and conferences shall focus on the following, but may include other topics:

(1) developing strategies among Federal, State, and local governments to coordinate energy management policies and to maximize available intergovernmental energy management resources within the region;

(2) the design, construction, maintenance, and retrofitting of Federal facilities to incorporate energy efficient techniques;

(3) procurement and use of energy efficient products;

(4) alternative fuel vehicle procurement, placement, and usage;

(5) coordinated development with the private sector for the servicing, refueling, and maintenance of alternative fuel vehicles;

(6) dissemination of information on innovative programs, technology, and methods which have proven successful in government; and

(7) technical assistance to design and incorporate effective energy management strategies.

(c) ESTABLISHMENT OF WORKSHOP TIMETABLE.—As a part of the first report to be submitted pursuant to section 6214 of this Act, the Administrator shall set forth the schedule for the Regional Energy Management Workshops. Not less than five workshops shall be held by September 30, 1993, and at least one such workshop shall be held in each of the 10 Federal regions every two years beginning on September 30, 1993.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $300,000 for each of fiscal years 1993, 1994, and 1995 to carry out the purpose of this section.

SEC. 6206. PROCUREMENT AND IDENTIFICATION OF ENERGY EFFICIENT PRODUCTS.

(a) PROCUREMENT.—The General Services Administration, in consultation with the Department of Defense and the Defense Logistics Agency, shall undertake a program to include energy efficient products on the Federal Supply Schedule and the New Item Introductory Schedule.

(b) IDENTIFICATION PROGRAM.—The General Services Administration, in consultation with the Department of Energy and the Defense Logistics Agency, shall implement a program to identify and designate on its respective Supply Schedules those energy efficient products which offer significant potential savings, as calculated using the life cycle cost methods and procedures developed under section 544 of the National Energy Conservation Policy Act (42 U.S.C. 8254), unless such life cycle cost information is not readily available.

(c) GUIDELINES.—The Office of Federal Procurement Policy, in consultation with the General Services Administration, the Department of Energy, and the Department of Defense, shall issue guidelines to encourage the acquisition and use by all Federal agencies of products identified pursuant to this section. The Department of Defense and the Defense Logistics Agency shall consider, and place emphasis on, the acquisition of such products as part of the Agency's ongoing review of military specifications.

(d) UNITED STATES POSTAL SERVICE GUIDANCE.—The USPS shall undertake a program to identify and procure energy efficient products for use in its facilities. The USPS shall, to the maximum extent practicable, incorporate energy efficient information available on Federal Supply Schedules maintained by GSA and DLA to carry out the purpose of this section.

(e) REPORT TO CONGRESS.—As a part of the report to be submitted pursuant to Section 6214 of this Act, the Administrator of General Services, in consultation with the Defense Logistics Agency and the Department of Energy, shall report on the progress, status, activities, and results of the programs under subsections (b) and (c) of this section. The report shall include, but not be limited to—

(1) the number, types, and functions of each new product under subsection (a) added to the Federal Supply Schedule and the New Item Introductory Schedule during the previous fiscal year, and the name of the product manufacturer;

(2) the number, types, and functions of each product identified under subsection (b), and efforts undertaken by the General Services Administration and the Defense Logistics Agency to encourage the acquisition and use of such products;

(3) the actions taken by the General Services Administration and the Defense Logistics Agency to identify products under subsection (b), the barriers which inhibit implementation of identification of such products, and recommendations for legislative action, if necessary;

(4) whether energy cost savings technologies identified by the Advanced Building Technology Council, under section 809(h) of the National Housing Act (12 U.S.C. 1701j-2), have been added to the Federal Supply Schedule or New Item Introductory Schedule;

(5) an estimate of the potential cost savings to agencies and the Federal Government, taking into account the quantity of energy efficient products which could be utilized throughout the Government, That would be realized through implementation or installation of products identified in this section; and

(6) the actual quantity of such products acquired and an estimate of the energy savings achieved by the use of such products.

SEC. 6207. GENERAL SERVICES ADMINISTRATION FEDERAL BUILDINGS FUND.

Section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)), is amended—

(1) in paragraph (1), by inserting "(to be known as the Federal Buildings Fund)" after "a fund"; and

(2) by adding at the end thereof the following new paragraphs:

"(7)(A) The Administrator is authorized to receive amounts from rebates or other cash incentives related to energy savings and shall deposit such amounts in the Federal Buildings Fund for use as provided in subparagraph (D). Amounts deposited in the Federal Buildings Fund under this subparagraph shall be used to implement energy efficiency programs.

"(B) The Administrator may accept such goods or services, consistent with approved Federal energy management objectives, provided in lieu of any rebates or other cash incentives for energy savings under subparagraph (A).

"(C) In the administration of any real property for which the Administrator leases and pays utility costs, the Administration may assign all or a portion of energy rebates to the lessor to underwrite the costs incurred in undertaking energy efficiency improvements in such property.

"(D) The Administrator may, in addition to amounts appropriated for such purposes and without regard to paragraph (2), obligate for energy management improvement programs—

"(i) amounts received and deposited in the Federal Buildings Fund under subparagraph (A);

"(ii) goods and services received under subparagraph (B); and

"(iii) amounts the Administrator determines are not needed for other authorized projects and are otherwise available to implement energy efficiency programs.

"(8)(A) The Administrator is authorized to receive amounts from the sale of recycled materials and shall deposit such amounts in the Federal Buildings fund for use as provided in subparagraph (B).

"(B) The Administrator may, in addition to amounts appropriated for such purposes and without regard to paragraph (2), obligate amounts received and deposited in the Federal Buildings Fund under subparagraph (A) for programs which—

"(i) promote further source reduction and recycling programs; and

"(ii) encourage employees to participate in recycling programs by providing funding for child care, fitness, or other employee benefit programs.".

SEC. 6208. FEDERAL ENERGY MANAGEMENT TRAINING.

(1) Each executive department described under section 101 of title 5, United States

Code, the Environmental Protection Agency, the National Aeronautics and Space Administration, the General Services Administration, and the United States Postal Service shall establish and maintain a program to ensure that facility energy managers are trained energy managers as defined under section 6201(3). Such programs shall be managed—

(A) by the agency representative on the Task Force; or

(B) if an agency is not represented on the Task Force, by the designee of the head of the agency.

(2) Agencies shall encourage appropriate employees to participate in energy manager training courses. Employees may enroll in courses of study covering the areas described under section 6201(3) including, but not limited to courses offered by:

(A) a private or public educational institution;

(B) a Federal agency; or

(C) a professional association.

(b) AGENCY REPORT.—(1) Each agency listed in 6208(a) shall, no later than 60 days following the enactment of this Act, report to the Task Force the following information:

(A) those individuals employed by the agency on the date of the passage of this Act who qualify as trained energy managers as defined under section 6201(3);

(B) the General Schedule (GS) or grade level at which each of these individuals are employed; and

(C) the facility or facilities for which these employees are responsible or otherwise stationed.

The Task Force shall provide a summary of these agency reports to the Committee on Governmental Affairs of the U.S. Senate and the Committee on Energy and Natural Resources of the U.S. Senate.

(c) REQUIREMENTS AT FEDERAL FACILITIES.—(1)(A) Not later than September 30, 1992, the departments and agencies described under subsection (a)(1) shall upgrade their energy management capabilities by:

(1) designating facility energy supervisors as defined in section 6201(2);

(2) encouraging facility energy supervisors to become trained energy managers, as defined in 6201(3); and

(3) increasing the overall number of trained energy managers within the agency.

(B) Agencies described under subsection (a)(1) shall ensure that, no later than September 30, 1992, no fewer than two trained energy managers are employed by each such department and agency.

(C) Federal employees designated for energy training and counted under (c)(1)(B) shall not include those employees listed in the report in 6208(b).

(2)(A) Not later than September 30, 1993, the departments and agencies described under subsection (a)(1) shall further upgrade their energy management capabilities by ensuring that no fewer than five trained energy managers are employed by each such department or agency.

(B) Federal employees designated for energy training and counted under (c)(2)(A) shall not include those employees listed in the report in 6208(b).

(3) Agencies may hire trained energy managers to be facility energy supervisors and count these new personnel toward the goals established in (c)(1)(B) and (c)(2)(A). Trained energy managers, including those who are facility supervisors as well as other trained personnel, shall focus their efforts on improving energy efficiency in the following facilities:

(i) agency facilities identified as most costly to operate or most energy inefficient under section 6202 of this Act; or

(ii) other facilities identified by the agency head as having significant energy savings potential.

(d) DEPARTMENT OF DEFENSE REQUIREMENTS.—(1)(A) Not later than September 30, 1992, the Department of Defense shall upgrade its energy management capabilities by:

(1) designating facility energy supervisors as defined in section 6201(2);

(2) encouraging facility energy supervisors to become trained energy managers, as defined in 6201(3); and

(3) increasing the overall number of trained energy managers within the Department.

(B) The Department shall insure that, no later than September 30, 1992, no fewer than twenty trained energy managers are employed by the Department.

(C) Federal employees designated for energy training and counted under (d)(1)(B) shall not include those employees listed in the report in 6208(b).

(2)(A) Not later than September 30, 1993, the Department shall further upgrade its energy management capabilities by ensuring that no fewer than forty trained energy managers are employed by the Department.

(B) Federal employees designated for energy training and counted under (2)(A) shall not include those employees listed in the report in 6208(b).

(3) The Department may hire trained energy managers to be facility energy supervisors and count these new personnel toward the goal established in (d)(1)(B) and (d)(2)(A). Trained energy managers shall focus their efforts on improving energy efficiency in the following facilities:

(i) Department facilities identified as most costly to operate or most energy inefficient under section 6202 of this Act; or

(ii) other facilities identified by the Secretary of Defense as having significant energy savings potential.

(e) SPECIFIED AGENCY REQUIREMENTS.—(1)(A) Not later than September 30, 1992, the General Services Administration, the Department of Veterans Affairs, the Department of Energy, and the United States Postal Service shall upgrade their energy management capabilities by:

(1) designating facility energy supervisors as defined in section 6201(2);

(2) encouraging facility energy supervisors to become trained energy managers, as defined in 6201(3); and

(3) increasing the overall number of trained energy managers within the agency.

(B) Agencies identified in (e)(1)(A) shall insure that, no later than September 30, 1992, no fewer than ten trained energy managers are employed by each such department and agency.

(C) Federal employees designated for energy training and counted under (e)(1)(B) shall not include those employees listed in the report 6208(b).

(2)(A) Not later than September 30, 1993, the General Services Administration, Department of Veterans Affairs, the Department of Energy, and the United States Postal Service shall further upgrade their energy management capabilities by ensuring that no fewer than twenty trained energy managers are employed by each such department or agency.

(B) Federal employees designated for energy training and counted under (e)(2)(A) shall not include those employees listed in the report in 6208(b).

(3) Agencies may hire trained energy managers to be facility energy supervisors and count these new personnel toward the goals established in (e)(1)(B) and (e)(2)(A). Trained energy managers, including those who are facility supervisors as well as other trained personnel, shall focus their efforts on improving energy efficiency in the following facilities:

(i) agency facilities identified as most costly to operate or most energy inefficient under section 6202 of this Act; or

(ii) other facilities identified by the agency head as having significant energy savings potential.

(e) REPORTS OF AGENCIES.—Each agency shall report to the Secretary on the status and implementation of the requirements of this section. The Secretary shall include a summary of each agency's report in the annual report to Congress as required under section 548(b) of the National Energy Conservation Policy Act (42 U.S.C. 8258).

SEC. 6209. FEDERAL FACILITY ENERGY MANAGER RECOGNITION AND INCENTIVES AWARD PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall, in consultation with the Office of Personnel Management and the Task Force, establish a financial award program to reward outstanding facility energy managers in Federal agencies, including the United States Postal Service, and other individuals making outstanding contributions toward the reduction of energy consumption or costs in Federal facilities.

(b) SELECTION CRITERIA.—Not later than June 1, 1992, the Secretary shall issue procedures for implementing and conducting the award program, including the criteria to be used in selecting outstanding energy managers and contributors. Such criteria shall include—

(1) improved energy performance through increased energy efficiency;

(2) implementation of proven energy efficiency and energy conservation techniques, devices, equipment, or procedures;

(3) effective training programs for facility energy managers, operators, and maintenance personnel;

(4) employee awareness programs;

(5) success in generating utility incentives, shared energy savings contracts, and other federally approved performance based energy savings contracts;

(6) successful efforts to fulfill compliance with energy reduction mandates, including the provisions of section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253); and

(7) success in the implementation of the guidelines under section 6202 of this Act.

(c) AWARD LIMIT.—No single award shall be greater than $2,500.

(d) REPORT.—Each year the Secretary shall publish and disseminate to Federal agencies, and to Congress as a part of the report required under Section 548(b) of the National Energy Conservation Policy Act (42 U.S.C. 8258) a report to highlight and recognize the achievements of bonus award winners.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $250,000 for each of fiscal years 1993, 1994, and 1995 to carry out the purposes of this section.

SEC. 6210. IDENTIFICATION AND ATTAINMENT OF AGENCY ENERGY REDUCTION AND MANAGEMENT GOALS.

Section 3 of the Federal Energy Management Improvement Act of 1988 (42 U.S.C. 8253 note; Public Law 100–615 is amended—

(1) in subsection (a)—

(A) by striking out "using funds appropriated to carry out this section," and inserting in lieu thereof "in consultation with the Task Force,";

(B) in paragraph (1) by striking out "and" after the semicolon;

(C) in paragraph (2) by striking out the period and inserting in lieu thereof a semicolon and "and"; and

(D) by adding at the end thereof the following new paragraph:

"(3) determining barriers which may prevent an agency's ability to comply with section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) and other energy management goals.";

(2) in subsection (b)—

(A) in paragraph (1) by striking out "Congress, within 180 days after the date on which funds are appropriated to carry out this section,' and inserting in lieu thereof "Senate Committee on Energy and Natural Resources, the Senate Committee on Governmental Affairs, and the House of Representatives, within 180 days after the date of the enactment of the National Energy Security Act of 1992,"; and

(B) by adding at the end thereof the following new paragraph:

"(4) For the purpose of this section, a representative sample shall include, where appropriate, the following types of Federal facility space:

"(A) Housing;

"(B) Storage;

"(C) Office;

"(D) Services;

"(E) Schools;

"(F) Research and Development;

"(G) Industrial;

"(H) Prisons; and

"(I) Hospitals.";

(3) in subsection (d)—

(A) by striking out "Congress" and inserting in lieu thereof "Senate Committee on Energy and Natural Resources, the Senate Committee on Governmental Affairs, the Committee on Energy and Commerce of the House of Representatives, the Committee on Government Operations of the House of Representatives,"; and

(B) by adding at the end thereof "The report shall include an analysis of the probability of each agency achieving the 20 percent reduction goal by January 1, 2000 established under Executive Order No. 12759.".

SEC. 6211. UNITED STATES POSTAL SERVICE BUILDING ENERGY SURVEY AND REPORT.

(a) IN GENERAL.—The USPS shall conduct an energy survey, as defined in section 549(5) of the National Energy Conservation Policy Act, for the purposes of—

(1) determining the maximum potential cost effective energy savings that may be achieved in a representative sample of buildings owned or leased by the USPS in different areas of the country;

(2) making recommendations to the Postmaster General for cost effective energy efficiency and renewable energy improvements in those buildings and in other similar USPS buildings; and

(3) determining barriers which may prevent USPS compliance with energy reduction goals, including Executive Orders No. 12003 and 12579.

(b) IMPLEMENTATION.—(1) The Postmaster General shall transmit to the Senate Committee on Governmental Affairs, the Senate Committee on Energy and Natural Resources, and the House of Representatives Post Office and Civil Service Committee, within 180 days of enactment of this Act, a plan for implementing this section.

(2) The Postmaster General shall designate buildings to be surveyed in the project so as to obtain a sample of Postal facilities of the types and in the climates that consume the major portion of the energy consumed by the Postal Service.

(3) For the purposes of this section, an improvement shall be considered cost effective if the cost of the energy saved or displaced by the improvement exceeds the cost of the improvement over the remaining life of the Postal facility or the remaining term of a lease of a building leased by the Postal Service.

(c) REPORT.—As soon as practicable after the completion of the project carried out under this section, the Postmaster General shall transmit a report of the findings and conclusions of the project to the Senate Committee on Governmental Affairs, the Senate Committee on Energy and Natural Resources, and the House of Representatives Committee on Post Office and Civil Service.

SEC. 6212. FEDERAL BUILDING ENERGY CONSUMPTION TARGETS.

Not later than two years after the date of the enactment of this Act, the Secretary shall consider, in consultation with the Administrator of General Services and the Task Force, establishing energy consumption targets for January 1, 2000, for each Federal agency to reduce energy consumption per square foot in Federal buildings based upon the information provided in the report under section 6210 of this Act. The United States Postal Service shall independently consider establishing its own energy consumption targets for January 1, 2000 based upon the information provided in the report under section 6211.

SEC. 6213. UTILITY INCENTIVE PROGRAMS.

(a) IN GENERAL.—Federal agencies are authorized and encouraged to participate in programs for energy conservation or the management of electricity demand conducted by gas or electric utilities and generally available to customers of such utilities.

(b) ACCEPTANCE OF FINANCIAL INCENTIVES.—Federal agencies may accept any financial incentive, generally available from any such utility, to adopt energy efficiency technologies and practices that the Secretary determines are cost effective for the Federal Government.

(c) NEGOTIATIONS.—Each Federal agency is encouraged to enter into negotiations with electric and gas utilities to design special demand management and conservation incentive programs to address the unique needs of facilities used by such agency.

(d) USE OF CERTAIN FUNDS.—(1) Fifty percent of funds from utility energy efficiency rebates shall, subject to appropriation, remain available for expenditure by the agency for additional energy efficiency measures which may include related employee incentive programs, particularly at those facilities at which energy savings were achieved.

(2)(A) Agencies shall maintain strict financial accounting and controls for savings realized and all expenditures made under this section.

(B) Records maintained under subparagraph (A) shall be made available for public inspection upon request.

SEC. 6214. REPORT BY GENERAL SERVICES ADMINISTRATION.

Not later than six months after the date of enactment of this Act, and on each December 31, at least six months thereafter, the Administrator of General Services shall report to the Committee on Governmental Affairs of the Senate, the Committee on Energy and Natural Resources of the Senate, and the House of Representatives on the activities of the General Services Administration conducted pursuant to this subtitle. Such reports shall include, but not be limited to, the information requested under sections 6205(c) and 6206(d).

SEC. 6215. UNITED STATES POSTAL SERVICE ENERGY MANAGEMENT REPORT.

Not later than one year after the date of the enactment of this Act, and on each January 1 thereafter, the Postmaster General shall submit a report to the Committee on Governmental Affairs of the Senate, the Committee on Post Office and Civil Service of the House of Representatives, and the Committee on Energy and Natural Resources of the Senate on the Postal Service's building management program as it relates to energy efficiency. The report shall include, but not be limited to, the following:

(1) actions taken to reduce energy consumption;

(2) future plans to reduce energy consumption;

(3) an assessment of the success of the energy conservation program;

(4) energy costs incurred in operating and maintaining all postal facilities; and

(5) the status of the energy efficient procurement program established under section 6206(d).

SEC. 6216. AMENDMENTS TO PART 3, TITLE V OF NECPA.

Part 3 of Title V of the National Energy Conservation Policy Act (NECPA) (Public Law 95-619), as amended, is further amended as follows:

(a) In section 543.—(1) Strike subsection (a) and insert the following new text in lieu thereof:

"(a) ENERGY MANAGEMENT REQUIREMENT FOR FEDERAL BUILDINGS.—(1) Not later than January 1, 2000, each Federal agency shall, to the maximum extent practicable, install in Federal buildings under the control of such agency in the United States, all energy conservation measures with payback periods of less than ten years as calculated using the methods and procedures developed pursuant to section 544. Within two years after the date of enactment of the National Energy Security Act of 1991, each agency shall submit to the Secretary a list of projects meeting the ten-year payback criterion, the energy that each project will save and total energy and cost savings involved.

"(2) An agency may exclude from the requirements of paragraph (1) any Federal building or collection of Federal buildings, and the associated energy consumption and gross square footage, if the head of such agency finds that compliance with the requirements of paragraph (1) would be impracticable. A finding of impracticability shall be based on the energy intensiveness of activities carried out in such Federal buildings or collection of Federal buildings, the type and amount of energy consumed, the technical feasibility of making the desired changes, or the unique character of many facilities operated by the Departments of Defense and Energy. Each agency shall identify and list in each report made under section 548, the Federal buildings designated by it for such exclusion. The Secretary shall review such findings for consistency with the impracticability standards set forth herein, and may within 90 days after receipt of the findings, reverse a finding of impracticability, in which case the agency shall comply with the requirements of paragraph (1). This section shall not apply to an agency's facilities that generate or transmit electric energy, nor to the uranium enrichment facilities operated by the Department of Energy.";

(2) In subsection (b):

(A) after the words "subsection (a)," insert the following: "The Secretary of Energy shall consult with the Secretary of Defense and the Administrator of the General Services Administration in developing guidelines for the implementation of this Part, and";

(B) strike the phrase "Federal Energy Management Improvement Act of 1988," in paragraph (1) and insert in lieu thereof "National Energy Security Act of 1992, and submit to the Secretary of Energy";

(C) after the words "high priority projects;" insert the following: "and such plan shall include steps to take maximum advantage of contracts authorized under title VII of this Act (42 U.S.C. 8287 et seq.), financial incentives, and other services provided by utilities for efficiency investment and other forms of financing to reduce the direct costs to the government;";

(D) at the end of paragraph (2), strike the semicolon and insert the following: ", and update such surveys periodically, but not less than every three years;";

(E) replace paragraph (3) with the following new paragraph:

"(3) using such surveys, determine the cost and payback period of energy conservation measures likely to achieve the goals of this section;"; and

(F) insert a new paragraph (4) as follows, and renumber paragraph (4) as "(5)":

"(4) install those energy conservation measures that will attain the requirements of this section in a cost-effective manner as defined in section 544, and".

(b) In section 544—

(1) strike "National Bureau of Standards," in subsection (a) and insert in lieu thereof "National Institute of Standards and Technology,"; and

(2) strike all after the word "each", in paragraph (b)(2) and insert in lieu thereof: "agency shall, after January 1, 1994, fully consider the energy efficiency of all potential building space at the time of renewing or entering into a new lease. Further, all government leased space constructed after January 1, 1994, shall meet model Federal energy conservation performance standards for new commercial buildings promulgated pursuant to Section 304 of the Energy Conservation and Production Act (Public Law 94-385).".

(c) In section 545 add after the word "measures" the following: "as needed to meet the requirements of section 543.".

(d) In section 548—

(1) strike the word "Each" in subsection (a) and insert in lieu thereof the following: "In addition to the plan required to be submitted to the Secretary pursuant to section 543(b)(1), each";

(2) insert the phrase "by April 2 of each year," after the word "annually" in subsection (b); and

(3) insert the words "by each agency", after the words "under this part" in subsection (b)(1).

(e) Renumber section 549 as section 551 and insert the following two new sections:

"SEC. 549. DEMONSTRATION OF NEW TECHNOLOGY.

"(a) DEMONSTRATION PROGRAM.—Not later than January 1, 1993, the Secretary, in cooperation with the Administrator of the General Services Administration, shall establish a demonstration program to install, in Federally owned facilities, energy efficiency technologies which the Secretary has determined are ready for commercial demonstration and which were developed by entities that have received or are receiving Federal financial assistance for energy conservation research and development.

"(b) EVALUATION.—The Secretary and the Administrator shall evaluate the commercial viability of each type of energy efficiency technology so installed, including its technical feasibility, operational feasibility, and economic effectiveness. Installations of each technology shall include a sufficient number of applications to produce statistically reliable evaluation results based on the technologies' application in various climates and building situations.

"(c) AUTHORIZATION.—There are authority to be appropriated to carry out this section no more than $2,000,000 for fiscal year 1993, $3,000,000 for fiscal year 1994, and $4,000,000 for fiscal year 1995.".

"SEC. 550. FEDERAL ENERGY EFFICIENCY PROJECTS FUNDING.

"(a) IN GENERAL.—Not later than one year after the date of enactment of the National Energy Security Act of 1992, the Secretary shall establish guidelines for the transfer of up to $1,000,000 per project to encourage any Federal agency to undertake energy efficiency projects in Federally owned facilities.

"(b) PROJECT SELECTION.—The Secretary shall establish procedures for the receipt of proposals under this section. The Secretary shall consider the following factors in determining whether to provide funding under subsection (a):

"(1) the cost-effectiveness of the project;

"(2) the proportion of energy and cost savings anticipated to the Federal Government;

"(3) the amount of funding committed to the project by the agency requesting financial assistance;

"(4) the extent that a proposal leverages financing from other non-Federal sources; and

"(5) any other factor which the Secretary determines will result in the greatest amount of energy and cost savings to the Federal Government.

"(c) REPORTS.—The Secretary shall report annually to Congress, in the supporting documents accompanying the President's budget, on the activities under this section. The report shall include the projects funded and the projected energy and cost savings from installed measures.

"(d) AUTHORIZATION.—For purposes of this subsection, there is authorized to be appropriated, and to remain available until expended, not more than $50,000,000.".

(f) TECHNICAL AND CONFORMING AMENDMENT.—The table of contents for the National Energy Conservation Policy Act is amended to read as follows:

"Sec. 549. Demonstration of new technology.
"Sec. 550. Federal energy efficiency projects funding.
"Sec. 551. Definitions."*ERR08*

SEC. 6217. CONGRESSIONAL OFFICE BUILDING ENERGY IMPROVEMENT ASSESSMENT.

The Architect of the Capitol shall undertake a study to determine the feasibility and costs associated with compliance with part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq), and Executive Orders No. 12003 and No. 12579 for all facilities under the Architect's jurisdiction, taking into account particular needs with respect to the security and physical operation of the legislative branch of the Government. The Architect shall report the results of such study to the appropriate committees of Congress.

SEC. 6218. STUDY OF FEDERAL PURCHASING POWER.

(a) STUDY.—The Secretary shall conduct a study to evalute the potential use of the purchasing power of the Federal Government to promote the development and commercialization of energy efficient products. The study shall identify products for which there is a high potential for Federal purchasing power to substantially promote their development and commercialization, and shall include a plan to develop such potential. The study shall be conducted in consultation with utilities, manufacturers, and appropriate nonprofit organizations concerned with energy efficiency.

(b) REPORT.—The Secretary shall report to Congress on the results of the study within two years of the date of the enactment of this Act.

(c) AUTHORIZATION.—There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

SEC. 6219. ENERGY MANAGEMENT GOALS FOR THE UNITED STATES POSTAL SERVICE.

(a) ENERGY PERFORMANCE GOAL FOR POSTAL FACILITIES.—(1) Not later than January 1, 2000, the United States Postal Service shall, to the maximum extent practicable, install in all facilities under its control, energy conservation measures with payback periods of less than ten years as calculated using methods and procedures developed pursuant to section 544 of the National Energy Conservation Policy Act. Within two years after the date of enactment of the National Energy Security Act of 1992, the USPS shall submit to the Senate Committee on Governmental Affairs, the Senate Committee on Energy and Natural Resources, and the House of Representatives Committee on the Post Office and Civil Services a list of projects meeting the ten-year payback criterion, the energy that each project will save and total energy and cost savings involved.

(2) The USPS may exclude from the requirements of paragraph (1) any facility or collection of facilities, and the associated energy consumption and gross square footage, if the Postmaster General finds that compliance with the requirements of paragraph (1) would be impracticable. A finding of impracticability shall be based on the energy intensiveness of activities carried out in such facility or collection of facilities, the type and amount of energy consumed, or the technical feasibility of making the desired changes. The USPS shall identify and list in the report made under sec 6215 the facilities designated by it for such exclusion. This section shall not apply to the USPS facilities that generate or transmit electric energy.

(b) IMPLEMENTATION STEPS.—To achieve the goal established in subsection (a), the USPS shall—

(1) prepare or update, within 1 year after the date of the enactment of this Act, a plan describing how the USPS intends to meet such goal. The plan may be submitted as part of the report under section 6215. The plan shall include how the USPS will implement this part, designate personnel primarily responsible for achieving such goal, and identify high priority projects;

(2) perform energy surveys of USPS facilities and update such surveys periodically, but not less than every three years;

(3) using such surveys, determine the cost and payback period of energy conservation measures likely to achieve the goals of this section;

(4) install those energy conservation measures that will attain the requirements of this section in a cost-effective manner as defined in section 544 of the National Energy Conservation Policy Act; and

(5) ensure that the operation and maintenance procedures applied under this section are continued.

Amendment No. 1527

Amend page 9, line 23, by deleting the word "and", and on line 25 by inserting a new subsection (16) before the period as follows: "; and (16) encourage the Federal government to play a lead role in the widespread commercialization of alternative fuel vehicles.".

Amend page 18, section 4101 by adding the following new definitions (1) and (4) and renumbering the existing definitions accordingly:

"(1) "Administrator" means the Administrator of the General Services Administration;

"(4) "comparable conventionally fueled vehicle" means a commercially available vehicle powered by an internal combustion engine that utilizes gasoline or diesel fuel as its fuel source and provides passenger capacity or payload capacity comparable or similar to an alternative fuel vehicle as determined by the Secretary.".

Amend page 21, line 15, by inserting the following new subsection (b) and redesignating subsequent subsections accordingly:

"(b) Program Criteria.—The Secretary, the Administrator, in consultation with the head of each Federal agency, shall consider the following criteria in the procurement and placement of alternative fuel vehicles:

"(1) the procurement plans of State and local governments and other public and private institutions;

"(2) the current and future availability of refueling and repaid facilities;

"(3) the reduction in emissions of the Federal motor vehicle fleet;

"(4) whether the vehicle is to be used in a nonattainment area as specified in the Clean Air Act of 1990;

"(5) the needs of Federal, State, and local agencies; and

"(6) the contribution to the reduction in the consumption of oil in the transportation sector.

Amend page 46, line 21, by inserting the following new subsection (g) and redesignating subsequent subsections accordingly:

"(g) Acquisition Requirement.—Federal agencies, to the extent practicable, shall obtain alternative fuel vehicles from original equipment manufacturers.".

Amend page 26, line 17, by deleting "4102, 4103," and inserting in lieu thereof "4103".

Amend page 29, by redesignating sections 4110 and 4111 as sections 4118 and 4119 respectively and inserting on page 29, after line 19, the following new sections 4110, 4111, 4112, 4113, 4114, 4115, 4116, and 4117:

"SEC. 4110. RESALE OF ALTERNATIVE FUEL VEHICLES.

(a) Not less than three years from the date of purchase, the Administrator may resell any alternative fuel passenger automobile purchased pursuant to this subtitle. For purposes of this subsection, a "passenger automobile" means any passenger automobile as defined in section 501(2) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001(2)).

"(b) Not less than six years, or 60,000 miles from the date of purchase, the Administrator may resell any alternative fuel light truck purchased pursuant to this subtitle. For purposes of this subsection, a "light truck" means any light truck as defined in section 501(15) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001(15)).

"(c) The Administrator may resell or dispose of an alternative fuel passenger automobile or light truck at an earlier date if such vehicle is damaged in an accident, or if the Administrator determines selling such alternative fuel passenger automobile or light truck is in the best interests of the Federal alternative fuel vehicle program.

"(d) The Administrator shall take all feasible steps to ensure that all alternative fuel vehicles sold under the provisions in (a) and (b) of this section shall remain alternative vehicles at time of sale.

"SEC. 4111. FEDERAL AGENCY PROMOTION, EDUCATION, AND COORDINATION.

(a) Promotion and Education.—The Administrator shall institute a program to promote and educate officials and employees of Federal agencies on the merits of alternative fuel vehicles. The Administrator shall provide and disseminate information to Federal agencies on the:

"(1) location of refueling and maintenance facilities available to alternative fuel vehicles in the Federal fleet;

"(2) range and performance capabilities of alternative fuel vehicles;

"(3) State and local government and commercial alternative fuel vehicle programs;

"(4) Federal alternative fuel vehicle purchases and placements;

"(5) operation and maintenance of alternative fuel vehicles in accordance with the manufacturer's standards and recommendations; and

"(6) incentive programs established pursuant to sections 4112 and 4113 of this Act.

"(b) Assistance in Procurement and Placement.—The Administrator shall provide guidance, coordination and technical assistance to Federal agencies in the procurement and geographic location of alternative fuel vehicles purchased through the Administrator. The procurement and geographic location of such vehicles shall comply with the purchase requirements under section 4102 of this Act.

"(c) Intergovernmental Coordination.—The Administrator shall identify other Federal, State, and local efforts to promote and use alternative fuel vehicles. To the maximum extent practicable, the Administrator shall coordinate Federal alternative fuel vehicle procurement, placement, refueling and maintenance programs with those at the State and local level.

"SEC. 4112. AGENCY INCENTIVES PROGRAM.

(a) Reduction in Rates.—To encourage and promote use of alternative fuel vehicles in Federal agencies, the Administrator may offer a five percent reduction in fees charged to agencies for the lease of alternative fuel vehicles below those fees charged for the lease of comparable conventionally fueled vehicles.

"(b) Federal Employee Pooling and Driver Program.—Notwithstanding the provisions of section 1344(a) of title 31, United States Code, Federal agencies may authorize Federal employees to use alternative fuel vehicles from their residence to their place of employment for purposes of:

"(1) Federal employee carpooling of not less than four Federal employees for each trip; and

"(2) refueling and maintenance, if the Federal agency head, or the designee of the agency head, determines that such services are not convenient to the location of place of employment.

"SEC. 4113. RECOGNITION AND INCENTIVE AWARDS PROGRAM.

(a) Awards Program.—The Administrator shall establish an annual cash awards program to recognize those employees of the General Services Administration and other Federal agencies who demonstrate the strongest commitment to the use of alternative fuels and fuel conservation in Federal motor vehicles.

"(b) Criteria for General Services Administration Employees.—The Administrator shall provide annual cash awards of not more than $2,000 each to three General Services Administration employees who best demonstrate a commitment:

"(1) to the success of the Federal alternative fuels vehicle program through—

"(A) exemplary promotion of alternative fuel vehicle use within the General Services Administration and other Federal agencies;

"(B) proper alternative fuel vehicle care and maintenance;

"(C) coordination with Federal, State, and local efforts;

"(D) innovative alternative fuel vehicle procurement, refueling and maintenance arrangements with commercial entities; and

"(2) to fuel efficiency in Federal motor vehicle use through the promotion of such measures as increased use of fuel-efficient vehicles, carpooling, ride-sharing, regular maintenance and other conservation and awareness measures.

"(c) Limitations on Awards.—The three awards under paragraph (b) shall be awarded to three different employees each year. No employee may win a cash award in more than two consecutive years.

"(d) Award to Regional General Services Administration Employees.—(1) In each standard Federal region where the General Services Administration operates alternative fuel vehicles, the Administrator shall offer two annual cash awards of not more than $1,000 to the regional General Services Administration employees who meet the criteria under paragraph (b).

"(2) Employees who receive an award under section (b) may not receive an award under this section in the same fiscal year. No more than two awards shall be awarded under this subsection in each region in any fiscal year.

"(e) Award to Federal Agency Employees.—In each region where the General Services Administration operates alternative fuel vehicles, the Administrator shall provide one annual $2,000 cash award to the Federal employee (other than an employee of the General Services Administration) who demonstrates the greatest interest and commitment to alternative fuel vehicles by—

"(1) making regular requests for alternative fuel vehicles for agency use;

"(2) maintaining a high number of alternative fuel vehicles used relative to comparable conventionally fueled vehicles used;

"(3) promoting alternative fuel vehicle use by agency personnel; and

"(4) demonstrating care and attention to alternative fuel vehicles.

"(f) Authorization of Appropriations.—There are authorized to be appropriated $25,000 in fiscal year 1992, $35,000 in fiscal year 1993, and $45,000 in fiscal year 1994 to carry out the purposes of this section.

"SEC. 4114. MEASUREMENT OF ALTERNATIVE FUEL USE.

The Administrator shall use such means as may be necessary to measure the percentage of alternative fuel use in flexi-fueled vehicles procured by the Administrator.

"SEC. 4115. INFORMATION COLLECTION.

The Secretary, in consultation with the Administrator, shall determine a representative sample of alternative fuel vehicles in the Federal fleet. Such a sample shall be sufficient to address at a minimum—

"(1) the performance of such vehicles, including performance in cold weather and at high altitudes;

"(2) the fuel economy, safety, and emissions of such vehicles; and

"(3) a comparison of the operation and maintenance costs of such vehicles to the operation and maintenance costs of other passenger vehicles and light duty trucks.

"SEC. 4116. GENERAL SERVICES ADMINISTRATION REPORT.

Not later than one year after the date of the enactment of this Act, and annually thereafter, the Administrator shall report to the Congress on the General Services Administration's alternative fuel vehicle program under this Act. The report shall contain information on—

"(1) the number and type of alternative fuel vehicles procured;

"(2) the location of alternative fuel vehicles by standard Federal region;

"(3) the total number of alternative fuel vehicles used by each Federal agency;

"(4) arrangements with commercial entities for refueling and maintenance of alternative fuel vehicles;

"(5) future alternative fuel vehicle procurement and placement strategy;

"(6) the difference in cost between the purchase, maintenance and operation of alternative fuel vehicles and the purchase, maintenance, and operation of comparable conventionally fueled vehicles;

"(7) coordination among Federal, State and local governments for alternative fuel vehicle procurement and placement;

"(8) the percentage of alternative fuel use in flexi-fueled vehicles procured by the Administrator as measured under section 4114;

"(9) a description of the representative sample of alternative fuel vehicles as determined under section 4115; and

"(10) award recipients under this subtitle.

"SEC. 4117. UNITED STATES POSTAL SERVICE REPORT.

Not later than one year after the date of the enactment of this Act, and annually thereafter, the Postmaster General shall submit a report to the Congress on the Postal Service's alternative fuel vehicle program. The report shall contain information on—

"(1) the total number and type of alternative fuel vehicles procured prior to the date of the enactment of this Act (first report only);

"(2) the number and type of alternative fuel vehicles procured in the preceding year;

"(3) the location of alternative fuel vehicles by region;

"(4) arrangements with commercial entities for purposes of refueling and maintenance;

"(5) future alternative fuel procurement and placement strategy;

"(6) the difference in cost between the purchase, maintenance and operation of alternative fuel vehicles and the purchase, maintenance, and operation of comparable conventionally fueled vehicles;

"(7) the percentage of alternative fuel use in flexi-fueled vehicles procured by the Postmaster General;

"(8) promotions and incentives to encourage the use of alternative fuels in flexi-fueled vehicles; and

"(9) an assessment of the program's relative success and policy recommendations for strengthening the program.".

TECHNICAL AND CONFORMING AMENDMENT.—On page 2, delete items 4110 and 4111, and add the following items in lieu thereof:

"Sec. 4110. Resale of Alternative Fuel Vehicles.
"Sec. 4111. Federal Agency Promotion, Education, and Coordination.
"Sec. 4112. Agency Incentives Program.
"Sec. 4113. Recognition and Incentive Awards Program.
"Sec. 4114. Measurement of Alternative Fuel Use.
"Sec. 4115. Information Collection.
"Sec. 4116. General Services Administration Report.
"Sec. 4117. United States Postal Services Report.
"Sec. 4118. Enforcement.
"Sec. 4119. Implementation.".

AMENDMENT NO. 1528

On page 87, line 22, amend section 5201 of subtitle B of title V by inserting at the end thereof the following new subsection (d):

"(d) NATIONAL RENEWABLE ENERGY AND ENERGY EFFICIENCY MANAGEMENT PLAN.—Section 9(b) of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (Public Law 101-218) is amended:

"(A) in paragraph (1) by inserting "three-year" before "management plan"; and

"(B) by deleting paragraph (5) and inserting the following new paragraphs (5) and (6) in lieu thereof:

"(5) In addition, the Plan shall—

"(A) contain a detailed assessment of program needs, objectives, and priorities for each of the programs authorized under sections 4, 5, and 6 of this Act;

"(B) use a uniform prioritization methodology to facilitate cost-benefit analyses of proposals in various program areas;

"(C) establish milestones for setting forth specific technology transfer activities under each program area;

"(D) include annual and five-year cost estimates for individual programs under this Act; and

"(E) identify program areas for which funding levels have been changed from the previous year's Plan.

"(6) Within one year after the date of the enactment of this paragraph, the Secretary shall submit a revised management plan under this section to Congress. Thereafter, the Secretary shall submit a management plan every three years at the time of submittal of the President's annual budget submission to the Congress.".

GLENN AMENDMENT NO. 1529

(Ordered to lie on the table.)

Mr. GLENN submitted an amendment intended to be proposed by him to the bill S. 2166, supra, as follows:

On page 22, line 2, add after the period "If publicly available fueling facilities are not convenient or accessible to the location of Federal alternative fuel vehicles purchased under this title, the Administrator is authorized to enter into commercial arrangements with commercial fueling operators for the purpose of fueling Federal alternative fuel vehicles.".

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a business meeting on Wednesday, February 5, 1992, beginning at 9:30 a.m., in 485 Russell Senate Office Building to adopt the committee rules and agenda to be followed immediately by an oversight hearing on the implementation of the Indian Gaming Regulatory Act.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, February 4, at 11:30 a.m. to hold a nomination hearing on Scott Spangler to be Associate Administrator of the Agency for International Development.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Tuesday, February 4, at 10:15 a.m., for a hearing on the subject of: Terrorist defectors—are we ready?

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, February 4, 1992, at 10 a.m. to hold a hearing on review of the national drug control strategy, 1992.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

PENNSAUKEN TOWNSHIP'S 100TH ANNIVERSARY

• Mr. LAUTENBERG. Mr. President, I rise today to congratulate historic Pennsauken township in New Jersey on its 100th anniversary in February.

Originally, this town was settled by a Native American tribe called the Lenni-Lenapes. The Lenapes used the shores of Pennsauken to trade tobacco, so the area became known as Pindasenakun, which meant Tobacco Pouch. Throughout the years, residents made various attempts at the correct spelling of the name. In 1892 the New Jersey State Legislature determined the spelling of the new township to be Pennsauken.

In the 17th century, Quakers came and populated the area. While they were living in England, the Quakers were subjected to religious persecution by the English Government. In order to protect their civil rights, the Quakers purchased land in New Jersey and Pennsylvania and established the first permanent settlement in Pennsauken. The Quakers paid the Native Americans for the land they acquired and it appears that the two groups were able to live in harmony.

Pennsauken continued to play an important role in New Jersey history in the 18th and 19th centuries. During the Revolutionary War, George Washington ordered the Pennsauken Creek Bridge to be destroyed because it was feared that the British would gain control of it. During World Wars I and II, Pennsauken contributed on the home front by sending soldiers, clothing, food, and by complying with the rationing standards.

From 1929 to 1940, Pennsauken established itself in aviation history. Flying legends such as Amelia Earhart, Orville Wright, and Charles Lindbergh came to Central Airport.

Today, Pennsauken is a suburban town with a strong public spirit. I extend my heartiest congratulations to the residents of Pennsauken for a grand celebration of the town's 100th anniversary.•

PLACENTIA-YORBA LINDA HIGH SCHOOL STUDENTS EXCEL

• Mr. SEYMOUR. Mr. President, I rise today to commend and congratulate the students and educators of the Placentia-Yorba Linda School District in the State of California, for their energetic pursuit to achieve the national education goals the President has set before them.

In these times of extreme budget cuts and limitations, the students and educators from the Placentia-Yorba Linda schools are faced with barriers that threaten learning and development. This year alone, students will have approximately 42 fewer teachers, counselors, and nurses available in their schools. Curriculum will be reduced while the number of students in each class will increase at a rate of 3 per academic year. In addition, each school district must reduce the spending limit per student by 2.7 percent due to inflation and the influx of students enrolled in California's schools.

One would expect with these odds, there would be little hope for the students in my state to continue on to higher education and beyond. But, as they say, to every rule there is an exception. Today, I would like to acknowledge the exceptional students and teachers of the Placentia-Yorba Linda high schools.

The school performance report summary for the California State Department of Education, assesses the performance of California's high school students. The report is based on several characteristics: The percentage of students completing high school courses, the rate of dropouts, and the number of students who will continue on to college, based on the SAT scores.

Mr. President, I am proud to announce that the students in the Placentia-Yorba Linda high schools are better prepared than 92 percent of the total number of students enrolled in California high schools. The subtest scores for their SAT exams increased by 10 points on the verbal section, and 28 points on the mathematics section between the 1989-90 and 1990-91 school years. In only 1 year, these students have made better progress than any other students in the State.

As our Nation strives to solve the education dilemma with curriculum constraints and budget cuts, it is impressive to see students and teachers overcome the obstacles by working together to achieve our Nation's education goals. My congratulations to them all for their continued hard work and dedication, and for making the Placentia-Yorba Linda School District one of the best in the State of California.•

ANDEAN DRUG WAR: PENTAGON DESERVES PRAISE FOR "JUST SAYING 'NO'"

• Mr. CRANSTON. Mr. President, from the very beginning I have been an opponent of administration efforts to seek a military solution to the misleadingly named Andean drug war.

I have long believed that military assistance efforts are singularly inappropriate tools to combat what are essentially law enforcement and development problems.

Because of my strong opposition to what I view as a foreign policy disaster in the making, I have risen many times to add my voice to those urging the administration to seek a new course in a fight we cannot afford to lose.

I have sought—in hearings, through press statements, and through legislation—to hold the administration to its stated goals of promotion of human rights, support for democracy, and effective strategies to combat narcotics trafficking.

In the United States we have a strict delineation of internal security and national defense functions set down in the principle of posse comitatus. Law enforcement is almost entirely a police function, except in the most extraordinary circumstances, and is carried out primarily at the local level.

Yet, the Bush administration has been quick to short circuit such considerations when acting outside our borders, particularly in the antinarcotics arena, and appears to be beside itself with enthusiasm for involving host-country militaries in roles we ourselves wisely prohibit to our own Armed Forces.

Reduction of demand in the United States, trade, development, and administration of justice assistance are the tools that will allow the nations of the Andean region to escape the growing tentacles of the international drug mafia.

A focus on these will also help these new or fragile democratic regimes to escape the threat posed by their own often brutal and corrupt militaries.

Instead, the administration rushes headlong toward increased militarization, a strategy that cannot work and remains an unthinking reflex of cold war counterinsurgency strategies, with their focus on internal enemies and the regimentation of vast sectors of public life.

Mr. President, there are a couple of developments in recent days I believe are important to draw to the attention of our colleagues.

First is an article in the Los Angeles Times reporting that the Department of Defense has—appropriately—sidestepped an effort by the White House to force it to take on an even greater leadership role in antinarcotics efforts.

The Times article quotes a senior administration official as saying of the Department, "I do not understand why they can't act a little more forward-looking."

Frankly, I think DOD should be applauded for its stand. Those whose field of vision appears to be clouded are those who are pushing for greater military involvement—an effort that will be costly, create as many or more problems than it solves, and, in the last analysis, is doomed to failure.

According to the Times article:

> The Pentagon had jumped to the forefront of the drug fight three years ago in a burst of enthusiasm sparked by concern that its traditional mission was evaporating with the decline of the Soviet threat. "Its reluctance now to take on a bigger role was described by senior government sources as a consequence, in part, of the Persian Gulf war, which made some military officers scornful of mere anti-drug operations. But it was also said to reflect also a Pentagon weariness about becoming too closely identified with the failure to make inroads against a potentially intractable problem.

It is in this context that the administration is preparing to release $10 million in military aid to Peru, thereby committing even further United States prestige and resources to a vicious three-cornered fight between the cocaine-tainted army, drug traffickers, and ultra-leftist guerrillas who are themselves steeped in narcotics activity.

Just last year the Defense Intelligence Agency issued a classified study that reportedly showed that there had been no appreciable decline in cocaine production. The Times article also cites an internal DOD memorandum that concluded, correctly, "that the attainment of United States objectives is impossible" in Peru.

The memorandum also stated that the Bush Andean strategy had "only marginally impacted on narcotraffickers" and cautioned about an even greater involvement by the Pentagon in such issues.

Mr. President, our military are not police, nor should they be given such a mission, even when the goal is as worthy as trying to stem the flow of narcotics into our cities.

Those officers who are worth their salt know that they are not prepared to carry out law enforcement tasks. As a

January 25 article in the New York Times pointed out, "for years the American military expressed a reluctance about engaging in operations that they considered police work. * * *"

Those military men who seek such missions are often merely budget-protecting desk jockeys whose motivations are themselves suspect.

By reinforcing the militaries' role in internal security in the new, emerging or troubled democracies of the developing world we are virtually guaranteeing politicized armed forces and corrupt and demoralized police forces.

Mr. President, I ask my colleagues to keep an eye on—if not the bouncing ball—then at least the bottom line.

In its 1990 national drug control strategy, the administration set the 2-year goal of a 15-percent reduction in the "estimated amounts of cocaine, marijuana, heroin, and dangerous drugs entering the United States."

Last year, the administration revised its goal to 20 percent by 1993, using 1988 levels as the baseline. Curiously, in the 1992 strategy, released Monday, the administration has decided not to divulge its new 2-year reduction target, saying only that it will be "below a (to be established) baseline level."

What is going on here? Who's in charge of this war? What faith can we put into a strategy whose goals seem as elastic as an accordion?

It is instructive to look at what was actually accomplished with respect to the previous goals, since the establishment of more ambitious targets might reasonably lead one to infer that the previous ones have been attained.

Over this period, cocaine has been the main target of the militarized war on drugs in the Andes. Yet, according to the DEA, Latin American cocaine production doubled between 1988 and 1990, and was expected to jump another 40 percent in 1991. The traffic continues unabated.

Mr. President, I once again challenge the administration to live up to its stated goals of respecting human rights, fortifying new and emerging democracies and successfully combating the scourge of illegal drugs.

It can be done, but it cannot be done the way George Bush is doing it. Think hard, Mr. Bush, don't just talk tough.

Mr. President, I ask that the two newspaper articles I have cited be reprinted in the RECORD at the conclusion of my remarks.

The articles follow:

[From the Baltimore Sun, Jan. 27, 1992]

PENTAGON REFUSES ROLE IN WAR ON ILLEGAL DRUGS

WASHINGTON.—The Department of Defense has rejected a White House plan for the military to take a new leadership role in the war on illegal drugs, setting back administration efforts to give fresh impetus to a lagging program, according to senior officials.

The refusal leaves stalled a proposal by the White House Office of Drug Control Policy that would have created a unified military authority to coordinate most U.S. counter-narcotics operations in Central and South America.

With new obstacles threatening progress made after President Bush escalated the drug fight, the Pentagon posture disappointed officials who had hoped that a military-style battle plan would help the administration wage a more effective campaign.

"I do not understand why they can't act a little more forward-looking," one senior administration official complained.

The Pentagon had jumped to the forefront of the drug fight three years ago in a burst of enthusiasm sparked by concern that its traditional warfighting mission was evaporating with the decline of the Soviet threat.

Its reluctance now to take on a bigger role was described by senior government sources as a consequence, in part, of the Persian Gulf war, which made some military officers scornful of mere anti-drug operations. But it was said to reflect also a Pentagon wariness about becoming too closely identified with the failure to make inroads against a potentially intractable problem.

The Pentagon's rejection of the plan deprives the White House of what had been envisioned as the centerpiece of its fourth annual anti-drug strategy, to be unveiled today at a news conference.

In a separate case of wrangling within the administration, another high-profile White House proposal—to make public a most-wanted list of the nation's top drug criminals—also was turned down, in this case by Attorney General William P. Barr.

Mr. Barr, who blocked the plan during a meeting of the White House Domestic Policy Council, was said to have been concerned that such high-profile publicity could undermine law enforcement efforts aimed at cracking the drug rings.

What remains intact of the new anti-drug strategy, to be released by Bob Martinez, director of the Drug Control Policy office, includes an unexceptional call for a 6 percent increase in federal funding on narcotics operations.

Coming in the wake of disappointing news on the drug front, the unveiling of the strategy also is expected to be marked by administration efforts to claim new successes.

At a news conference today, Health and Human Services Secretary Louis W. Sullivan plans to release a new survey of high school seniors showing declines in their use of drugs and alcohol, a glimmer of good news in contrast to studies last year that showed new increases in cocaine and heroin use among hard-core addicts.

As the administration broadens its focus from the stubborn area of drug use, the strategy will propose for the first time plans to discourage use of alcohol among underage minors.

But in its renewed bid to fulfill Mr. Bush's inaugural vow that "this scourge will end," the administration has been confronted in recent months with sobering indications that the job may be more difficult than it appeared.

Despite a near-quadrupling of spending for U.S. anti-drug efforts in Latin America, the Defense Intelligence Agency issued a classified report last year that their had been no appreciable decline in cocaine production. More recently, an internal Pentagon memorandum concluded that the "attainment of U.S. objectives is impossible" in Peru, a primary front in the administration's counternarcotics strategy.

In warning that the Andean strategy had "only marginally impacted on narco-traffickers," the report warned against deeper Pentagon involvement in the drug war.

In the latest setback, administration officials said that U.S.-backed anti-drug efforts in Peru had been forced to a halt in the last two weeks by concerns about the role of Maoist Shining Path guerrillas in the fatal crash of a U.S. helicopter.

[From The New York Times, Jan. 25, 1992]

IN SHIFT, UNITED STATES WILL AID PERU'S ARMY AGAINST DRUGS AND REBELS

(By Clifford Krauss)

WASHINGTON, January 24.—After months of Congressionally imposed delays, the Bush Administration is preparing to release $10 million in military aid to Peru as the first stage of a new policy to help the Peruvian military fight drug traffickers and Maoist guerrillas involved in the cocaine trade.

The program marks a change after more than two decades of limited relations between Washington and the Peruvian military, which has long retained close relations to the Soviet Union and which had recently been criticized by Administration officials for its dismal record on human rights.

"Moreover, as recently as two months ago American officials accused elements of the army of taking payoffs from drug traffickers and of blocking Peruvian police efforts to interrupt the cocaine trade.

CONFIDENCE IN MILITARY

United States involvement in Peru has slowly increased in the last five years. The Drug Enforcement Administration and anti-drug officers under State Department contract have worked at the Santa Lucia police base in the Upper Huallaga Valley advising the police on eradicating drugs and maintaining helicopters. In the last two years, members of the United States Army Special Forces have trained Peruvian police units but up until now have not trained military units.

State Department officials now say the Peruvian military is being reformed, can be vital in the war against drugs and will only improve with increased American tutelage.

"The Peruvian Army is making rather impressive gains to the degree they have opened themselves up to the judicial authorities," said a senior State Department official, who added that the aid would begin to flow in the next few weeks. "Together we have the beginnings of a serious counternarcotics program. They need our help."

The initial aid package will include the sending of about 15 military trainers to instruct a Peruvian marine company and police antinarcotics units, spare parts for helicopters and jet aircraft, and road-building equipment for army civic action. The package is far smaller than the original program the Bush Administration proposed to Congress last year, which included sending dozens of military advisers to train three special army battalions.

ANTIDRUG AID AT $1.2 BILLION

Still, Congressional critics and human rights groups warn that the program could open the door for a growing American role in Latin America's most vicious guerrilla war. Such fears were reinforced this month when three Americans under contract with the State Department to help maintain Peruvian police equipment were killed in a helicopter downed by Shining Path rebels high in Andes.

With the close of the cold war and the shrinking military budgets, the war on drugs is one of the few growth areas the Pentagon has left. Its antinarcotics spending has increased to a projected $1.2 billion this year, from $440 million in 1989. For years the American military expressed reluctance about engaging in operations that they considered police work, but today the United States Southern Command in Panama fields about 500 soldiers working on intelligence and antinarcotics training programs in Latin America.

Administration officials say their strategy in Peru is to improve the coordination of the Peruvian Army and police, so that law enforcement units can safely operate in the Upper Huallaga Valley where the Shining Path guerrillas operate. Along with the military aid program, the Administration is sending $60 million in economic assistance to help peasants switch from coca cultivation to other crops.

More than half of the cocaine consumed in the United States originates from coca plants cultivated in Peru, making anticocaine efforts there crucial to the Administration's declared war on drugs.

American officials insist they have no interest in deploying ground troops in Peru to fight the guerrillas, who have been accused of not only serving as middlemen between peasant coca growers and the traffickers but also of trafficking to finance their operations. Nonetheless, in a Jan. 17 letter to four senior members of Congress, Janet G. Mullins, Assistant Secretary of State for Legislative Affairs, said the Administration intended to send nearly $25 million more in military aid once Lima demonstrated better antidrug and human rights efforts.

Congressional leaders are meeting to decide how to respond to the Administration's intentions. Although lawmakers released their hold on aid late last year when the State Department agreed to release the funds only after Lima fulfilled a number of Congressionally set targets on human rights, they could block future aid proposals from the Administration.

REFORM IS REPORTED

Those targets included a commitment from Lima that all military aid would be channeled through President Alberto K. Fujimori to reinforce civilian rule, that military prisons be open to international inspection and local civilian prosecutors, that military prisoners be listed on a national registry, and that a number of politically charged human rights cases involving military officers be prosecuted.

In her letter to Congress, Ms. Mullins said the aid would be released because Congressional conditions "have been fulfilled." She noted that the International Red Cross had been allowed to tour military and police prisons unhindered on a regular basis since late September and that Lima has developed a registry of detainees.

But international human rights monitors are expressing doubts.

"It is clear that while limited progress has been made in complying with certain conditions, the overall human rights situation has not improved and may in fact be getting worse." said Coletta Youngers, senior associate at the Washington Office on Latin America, a human rights group. Ms. Youngers said Peruvian human rights monitors were reviewing and trying to verify 70 reported cases of disappearances linked to the security forces in the last few months.

In a trip to Peru this month, Ms. Youngers said she had found that Red Cross visits to military installations were prearranged and therefore unspontaneous and that Peruvian human rights workers said the registry of prisoners was incomplete.●

BUDGET SCOREKEEPING REPORT

●Mr. SASSER. Mr. President, I hereby submit to the Senate the budget scorekeeping report prepared by the Congressional Budget Office under section 308(b) of the Congressional Budget Act of 1974, as amended. This report serves as the scorekeeping report for the purposes of section 605(b) and section 311 of the Budget Act.

This report shows that current level spending exceeds the budget resolution by $3.7 billion in budget authority and by $3.2 billion in outlays. Current level is $3 billion above the revenue target in 1992 and $3.5 billion above the revenue target over the 5 years, 1992–96.

The current estimate of the deficit for purposes of calculating the maximum deficit amount is $351.5 billion, $0.3 billion above the maximum deficit amount for 1992 of $351.2 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, February 3, 1992.

Hon. JIM SASSER,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1992 and is current through January 31, 1992. the estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the Concurrent Resolution on the Budget (H. Con. Res. 121). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated January 22, 1992, there has been no action that affects the current level of spending and revenues.

Sincerely,

ROBERT D. REISCHAUER,
Director.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG., 2D SESS., AS OF JAN. 31, 1992

[In billions of dollars]

	Budget resolution (H. Con. Res. 121)	Current level[1]	Current level +/– resolution
On-budget:			
Budget authority	1,270.6	1,274.3	+3.7
Outlays	1,201.6	1,204.8	+3.2
Revenues:			
1992	850.4	853.4	+3.0
1992–96	4,832.0	4,835.5	+3.5
Maximum deficit amount	351.2	351.5	+.3
Debt subject to limit	3,982.2	3,704.4	–277.8
Off-budget:			
Social Security outlays:			
1992	246.8	246.8	
1992–96	1,331.5	1,331.5	
Social Security revenues:			
1992	318.8	318.8	
1992–96	1,830.3	1,830.3	

[1] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG., 2D SESS., SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1992 AS OF CLOSE OF BUSINESS JAN. 31, 1992

	Budget authority	Outlays	Revenues
ENACTED PRIOR TO 102D CONG.			
Revenues			850,405
Permanent appropriations	784,740	723,462	
Outlays from prior year appropriations	0	234,906	
Offsetting receipts	(186,675)	(186,675)	
Total previously enacted	598,065	771,693	850,405
ENACTED 1ST SESS.			
Appropriation legislation:			
Agriculture (Public Law 102–142)	51,219	36,382	
Commerce-Justice (Public Law 102–140)	21,425	16,016	
Offsetting receipts	(119)	(119)	
Defense (Public Law 102–172)	269,911	176,492	
District of Columbia (Public Law 102–111)	700	690	
Energy and Water (Public Law 102–104)	21,875	12,961	
Interior (Public Law 102–154)	12,466	8,098	
Labor, HHS, Education (Public Law 102–170)	183,044	146,857	
Offsetting receipts	(39,658)	(39,658)	
Legislative branch (Public Law 102–90)	2,309	2,063	
Military construction (Public Law 102–136)	8,563	2,931	
Transportation (Public Law 102–143)	14,302	12,217	
Treasury-Postal Service ((Public Law 102–141)	19,695	17,027	
Offsetting receipts	(6,079)	(6,079)	
Veterans, HUD (Public Law 102–139)	80,941	42,469	
Emergency supplemental for humanitarian assistance (Public Law 102–55)		(1)	
Dire emergency supplemental appropriations, 1991 (Public Law 102–27)		511	
Disaster relief supplemental appropriations, 1992 (Public Law 102–229)	113	(154)	
Other spending legislation:			
Extending IRS deadline for Desert Storm troops (Public Law 102–2)			(5)
Veterans' education, employment and training amendments (Public Law 102–16)	2	2	
Higher education technical amendments (Public Law 102–26)	(56)	(56)	
Veterans' Health Care Personnel Act (Public Law 102–40)		(1)	
Veterans' housing and memorial affairs (Public Law 102–54)		5	
Veterans' Benefits Improvement Act (Public Law 102–86)	3	3	
Intelligence authorization Act, fiscal year 1991 (Public Law 102–88)	(1)	(1)	(1)
Veterans' educational assistance amendments (Public Law 102–127)		(1)	
Extend most-favored-nation status to Bulgaria (Public Law 102–158)			(2)
Unemployment compensation (Public Law 102–164)	3,825	3,825	2,600
Provide MFN status to Czechoslovakia and Hungary (Public Law 102–182)	505	505	(17)
Intelligence Authorization Act, fiscal year 1992 (Public Law 102–183)	(1)	(1)	
Defense Authorization Act (Public Law 102–190)		(7)	
Extend MFN status to the Soviet Union (Public Law 102–197)			(22)
James Madison Memorial Act (Public Law 102–221)		(1)	
Tax Extension Act (Public Law 102–227)			405
San Carlos Indian Irrigation Project Divestiture Act (Public Law 102–231)	(2)	(2)	
RTC Refinancing Act (Public Law 102–233)	25	25	
Food, Agriculture, Conservation and Trade Act amendments (Public Law 102–237)	(2)	(2)	
Intermodal Surface Transportation Efficiency Act (Public Law 102–240)	18,514	(590)	
Coast Guard authorization (Public Law 102–241)	(1)	(1)	

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG., 2D SESS., SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1992 AS OF CLOSE OF BUSINESS JAN. 31, 1992—Continued

	Budget authority	Outlays	Revenues
Deposit Insurance Reform and Protection Act (Public Law 102–242)	3	3	....
Discretionary estimating adjustment	(233)	(5,823)	....
Total appropriation and other spending legislation	663,291	426,591	2,959
CONTINUING LEGISLATION AUTHORITY PUBLIC LAW 102–145			
Foreign Operations (expires Mar. 31, 1992)	14,034	5,496	....
Offsetting receipts	(41)	(41)	....
Total continuing resolution authority	13,992	5,454	....
MANDATORY ADJUSTMENTS			
Entitlement authority and other mandatory adjustments required to conform with current law estimates in budget resolution	(1,041)	1,105	....
MANDATORY ADJUSTMENTS			
Entitlement authority and other mandatory adjustments required to conform with current law estimates in budget resolution	(1,041)	1,105	....
ENACTED 2D SESS.			
Total current level	1,274,306	1,204,844	853,364
Total budget resolution	1,270,612	1,201,600	850,400
Amount remaining:			
Over budget resolution	3,694	3,244	2,964
Under budget resolution	....	....	....

[1] Less than $500,000.

Note.—Numbers may not add due to rounding.•

A TRIBUTE TO GIL CISNEROS AND THE SMALL BUSINESS ADMINISTRATION IN COLORADO

• Mr. WIRTH. Mr. President, it is always a pleasure to recognize the achievements and accomplishments of a fellow Coloradan, and it is particularly pleasing when that person happens to be a Federal official like Mr. Gil Cisneros, the Regional Director of the Small Business Administration [SBA] in Denver, CO.

Gil Cisneros took over the regional office of the SBA in 1987. By many accounts, he inherited an agency that was beset by morale problems, a poor record of community outreach, and an ever increasing tide of complaints about its effectiveness in meeting the needs of small businesses. In a short period of time, Gil has managed to restore the SBA's reputation—and is, in my view, one of the best political appointments this administration has made.

My staff and I have a high regard for the quality of work and improved service offered by the SBA under Gil Cisneros' leadership, and I am pleased to recognize his accomplishments. Last year, he was named by Hispanic Business as one of the 100 most influential Hispanics in America, and his record in Colorado includes very distinguished service in the Denver Community Desegregation Project and the Denver Minority Business Development Center. His background as a successful businessperson, and as a community leader have helped to make his tenure at the SBA very productive for Colorado—the SBA District Office increased loans to small businesses by one-third in fiscal year 1991.

I do not know Gil Cisneros personally, but my office and I are very much aware of his work and his reputation in the community. In that spirit, and in a bipartisan fashion, I wish to express my admiration for Gil, and for the aggressive and creative approach he has taken at the SBA.

At a time when Federal programs and officials are easy targets for abuse, I am proud to congratulate Gil Cisneros, his staff at the Regional SBA Office, and the Colorado District SBA Office, for a job well done.•

SUPPORT VENEZUELAN DEMOCRACY

• Mr. CRANSTON. Mr. President, I rise today to express my most energetic condemnation of the attempted military coup that took place early this morning in Venezuela.

Venezuela is one of Latin America's oldest democracies. It has been one of the United States most important allies in the quest for the rule of law and social justice in Latin America. Today's action by the military is illegal and immoral. I add my voice to those condemning such a flagrant disregard for the rights of the Venezuelan people as expressed by this morning's unfortunate events.

Military unrest in Venezuela cannot but help to create unease and concern in the many nations in our hemisphere that are in the process of creating or consolidating their own democratic governments. It is ironic that Venezuela, with its 33-year-old tradition of civilian rule, is today faced with a challenge by that most primitive of authoritarian ideologies, militarism.

Mr. President, those who are shocked by events in Caracas have not been paying attention to events in Venezuela. There was a warning of things to come 3 years ago—a point I have made several times over the past months—and it is a point that bears increasing attention as we devise security assistance programs for the post-cold-war period.

Despite Venezuela's relatively long period of civilian rule, and despite the fact that it has several interesting and innovative mechanisms to ensure civilian control over the armed forces, Venezuela's civil-military relationship has an Achilles' heel.

Venezuela, unlike the United States but like many other Latin American countries, does not make a clear distinction between national defense and internal security. Thus their military have a large, though undefined, role in internal security.

Unfortunately, as a recent article in the National Journal points out, not only does the United States continue to promote this confusion of roles in other countries—under the guise of fighting the drug war—but is increasingly militarizing law enforcement at home.

Mr. President, in early 1989 the announcement of an IMF-supported economic austerity package sparked widespread urban rioting in Venezuela. When the disturbances broke out, the confusion between national defense and internal security manifested itself in a security force rampage. Between 600 and 2,000 people reportedly died as a result.

By means of comparison, one can look at Argentina, a country that, despite its long history of military coups, in the 1980's clearly defined law enforcement as a police function.

Under the government of President Raul Alfonsin, a law was passed that separated military from law enforcement functions, thus giving the police a nearly exclusive role in the maintenance of public safety. It was Alfonsin who wrested Argentina's police forces—once a den of neo-Nazi and criminal activity—from military control, placing at their head law enforcement professionals who were respected by their own forces.

In May 1989, as Alfonsin was struggling under the weight of the economic collapse and his own status as a lame-duck President, bread riots broke out in several major cities, including Buenos Aires. They lasted for several days and appeared to be of the same intensity as those in Venezuela.

The military demanded it be given a role in crushing the riots. Alfonsin refused, and pointed to the fact the armed forces were prohibited from carrying our internal security functions. Restored to professional respect through Alfonsin's reforms, the federal police and the national gendarmarie took control of the streets using modern crowd control techniques. About a dozen people were killed, most victims of angry shopkeepers or other non-law-enforcement-related parties.

The contrast between Argentina, with its turbulent past of military coups, and Venezuela, one of the hemisphere's oldest democracies, could not have been greater. The difference between them was the role they assign to their police forces and their military.

Mr. President, last year Venezuelan political leader Eduardo Fernandez was asked what he thought was the lesson of that country's tragic experience in 1989. His answer: The military are not qualified to act as police, and should never be given that role. Unfortunately, he noted, nothing had been done to redefine the military's role as one of strictly national defense. The results are there for all to see.

Mr. President, the National Journal has noted that not since Federal troops occupied the South has our military been so involved in civilian law enforcement as it is today in the war on drugs.

The separation of military and law enforcement functions in the United States has been one of the most important underpinnings of our democracy. It is a model we ought to preserve and seek to promote in our dealings with friends and allies abroad. Failure to do so will surely give us more future opportunities to come to the floor to lament future challenges to neighboring democracies, and perhaps to our own.•

TRIBUTE TO JUDGE JOSEPH C. HOWARD

• Mr. SARBANES. Mr. President, it is with great pride that I rise to pay tribute to Judge Joseph C. Howard who has served with distinction on the U.S. District Court for the District of Maryland since 1979. Judge Howard retired from active service on November 15, 1991, and has continued to hear cases as a senior district judge since that time.

For over a decade, Judge Howard has made significant contributions to the U.S. district court and the legal community. His commitment to justice and his extraordinary abilities have made him a leader in the ongoing effort to make our legal system work for all our people. As a Federal judge, he continued to display the outstanding character, integrity, and courage that he had shown as a pioneer in the legal profession for over 20 years in Maryland.

Judge Howard, was born and brought up in Des Moines, IA. He served in the U.S. Army from 1944 to 1947, beginning as a private and finishing his military service as an officer. He received his undergraduate degree from the University of Iowa and his law degree from Drake University in 1955, followed by an M.A. degree from Drake in 1957.

Judge Howard came to Maryland in 1958, and worked initially as a probation officer with the Supreme Bench of Baltimore City. He was admitted to practice in Maryland in October 1959, and from 1960 to 1968 practiced law in the small firm of Howard and Hargrove. From 1964 until early 1968, Judge Howard served as an assistant State's attorney for Baltimore City and was chief of the trial section from 1966 to 1968. In 1968, he also served for a short period of time as assistant city solicitor for Baltimore City. In 1968, Judge Howard ran for the supreme bench of Baltimore City and was elected to a 15-year term. Early in 1979, Judge Howard was nominated by President Carter to the U.S. District Court in Maryland. He was confirmed by the Senate and sworn in on October 23, 1979.

Judge Howard has been both a practitioner and student of the law. He taught and lectured at a number of colleges and law schools and has received many awards and honors for his accomplishments. He has served on the board of visitors of the University of Maryland Law School and as a member of the advisory board of the Baltimore Law School. He was honored by being awarded the Drake University Outstanding Alumni Award in 1988.

He has also written a number of articles and studies dealing with the administration of justice and has found time over his busy and productive career to help strengthen the legal profession. As one of seven judges from the United States, he was part of the first delegation of Americans to examine the judicial system in mainland China.

Throughout his professional life as a prosecuting attorney, in private practice, and as a judge at both the local and Federal levels, Judge Howard has been steadfast in his effort to remove discrimination so that our justice system will be open to all. He was the first black judge elected to the superior bench in Baltimore City and the first black judge to serve on the U.S. District Court in Maryland.

Etched in stone above the entrance to the U.S. Supreme Court is the statement "Equal Justice Under Law." Judge Howard's life is dedicated to this fundamental principle.

I congratulate him for his many accomplishments and thank him for his significant contributions to our legal system and society. We are going to miss his full-time service on the U.S. District Court for Maryland, but we take comfort in the knowledge that his services will still be available as a senior judge. We also know he will continue to be a forceful voice and active participant in our community.•

MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL POLICY FOUNDATION

Mr. MITCHELL. Mr. President, on behalf of Senator DECONCINI and Senator MCCAIN, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 2184, introduced earlier by Senators DECONCINI and MCCAIN.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 2184) to establish the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DECONCINI. Mr. President, I rise to speak on a matter of great concern, both to me personally and to this body institutionally. Last session, the Congress enacted and sent to the President a bill to establish a fitting tribute to honor the contributions that our good friend, Mo Udall, has made to this Nation over his long career of public service. S. 1176, the Morris K. Udall Scholarship and Excellence in National Environmental Policy Act, was sponsored by 23 Senators and passed enthusiastically by both the Senate and the House.

The act sets up, as an independent entity of the executive branch, the Morris K. Udall Scholarship and Education Foundation to be located in Tucson, AZ. The act assigns the Foundation the mission of expanding awareness and understanding of national environmental issues, with an emphasis on training and educational outreach. Also, it has the mission of augmenting the training of Native American and Alaska Native health care professionals.

The Foundation is authorized to award undergraduate scholarships, graduate fellowships, internships, and grants to further these goals. The Foundation is also mandated to develop a program for environmental policy research and environmental conflict resolution at the Udall Center for Studies in Public Policy, which was established at Mo's alma mater, the University of Arizona in 1987.

The act establishes a trust fund to carry out these ambitious programs and authorizes the appropriation of moneys to this trust fund. In separate legislation, the fiscal year 1992 Interior appropriations bill, Congress appropriated $5 million for the educational work of the Foundation, to be available on September 30, 1992.

The Foundation created by this law will be a living monument to honor Mo Udall and to express this Nation's appreciation for his decades of leadership, courage, and vision. The act will ensure that Mo's important work will continue by establishing in his name programs to expand education and encourage continued use and enjoyment of our Nation's rich natural resources, and the training of Native American and Alaska Native health care and public policy professionals, for which Mo has worked so hard throughout his years of distinguished service.

Unfortunately, a decision was made that the President would not sign S. 1176 into law, when it was presented to him over the Christmas holidays. Instead, in a memorandum of disapproval, the President sought to exercise a pocket veto. As my colleagues know, the pocket veto is the protection that the Framers of the Constitution gave the President to make sure that, whenever Congress sent a bill to the President, the President would have an opportunity to veto the bill by returning the bill to the Congress with his objections. If Congress prevents the President from returning a bill, then the bill may not become law.

Historically, the Senate, as well as the House, have taken effective measures to ensure that the President has his constitutional opportunity to return a bill to the Senate with a veto during any period when the Senate is adjourned over the holidays or at other times of the year before the final adjournment of a Congress. The Senate has appointed the Secretary of the Senate to accept all messages, including vetoes, from the President at such times, and the House has appointed its Clerk to do the same.

In fact, President Bush utilized this very mechanism during the adjournment between sessions of the last Congress, when he vetoed the Chinese students bill, which Congress had passed to protect students studying in the United States after the massacre at Tiananmen Square, by returning the bill with his objections to the House through the House Clerk. President Reagan, used the same procedure, and returned bills to congressional officers during adjournments, as did Presidents Carter and Ford before them.

Indeed, the Federal courts in the District of Columbia have repeatedly ruled, in legal actions brought by the senior Senator from Massachusetts [Mr. KENNEDY] and by members of the House over the past two decades, that the return of bills to congressional officials is the proper constitutional mechanism to be followed for Presidential vetoes when the Congress is adjourned between sessions or within a session. The courts have made clear that the President may not constitutionally pocket veto a bill in those circumstances. In the most recent of these lawsuits, in 1984, the Senate intervened to express its bipartisan position that the constitutionally required consequence of a President's failure to return a bill, when an officer of the Congress has been appointed to receive it, is that the bill becomes a law.

The Supreme Court has not ruled on this question. The Department of Justice decided not to ask the Court to review the decision of the District of Columbia Circuit, in the case of Kennedy versus Sampson, which invalidated an intrasession pocket veto. Then, the Solicitor General persuaded the Court that the case of Barnes versus Kline, in which the District of Columbia Circuit invalidated an intersession pocket veto, was moot and should not be decided on the merits.

Up until last month, however, judging from the return of the Chinese student bill in 1989, it appeared that President Bush had determined to follow these Federal appellate court decisions and to return bills to Congress during adjournments in order to permit Congress to try to muster the necessary two-thirds majority in both Houses to override. The Congress has found that a difficult burden indeed. In fact, the President has a perfect record on sustaining his vetoes. Regardless of my position on the specific legislation that was vetoed, this is acceptable to this Senator because that is the way our Constitution provides for a limited sharing with the President of the Congress' legislative power.

Use of the pocket veto in these circumstances, however, is an attempt to reallocate the Constitution's grant of legislative power. It is all check and no balance. It is regrettable that the President did not follow his own sound prior example and that of his predecessors and send this bill back to us so that we could consider his objections in the manner prescribed in the Constitution.

Let me turn briefly to the objections that led the President to try to veto this bill in the first place. It is not, the President assures us, because of any disagreement over the substance of the bill, for the President states that he supports the creation of a foundation to honor Mo. Rather, the President has raised objections to the way in which the Board that will administer the Foundation is set up. In his statement, the President questions whether the law may provide for the congressional leadership and the president of the University of Arizona to appoint members to the Foundation Board, in addition to the President.

This is not the first law that Congress has enacted establishing a foundation with congressional participation to honor the distinguished career of an American leader who served as a Member of Congress. It is, however, the first time that the President has vetoed such a law.

In 1975, the Congress honored former President, and former Senator, Harry S Truman, by establishing the Truman Scholarship Foundation. Then, in 1986, the Congress honored another distinguished Arizonan, Senator Goldwater, by establishing the Barry Goldwater Scholarship and Excellence in Education Foundation. The Truman and Goldwater Foundations, after which the Udall Foundation was substantially patterned, are governed by boards made up of congressional, as well as Presidential, appointees. The distinguished chairman of the Armed Services Committee, Mr. NUNN, as well as my able colleague from Arizona Mr. MCCAIN, currently serve as trustees of the Goldwater Foundation. President Reagan expressed reservations about the appointment mechanism for the Goldwater Board, but he signed the bill into law nonetheless.

Nor are the Truman and Goldwater Foundations the only government educational foundations whose membership is designated, in part, by the Congress. The James Madison Memorial Fellowship Foundation was established by Congress to commemorate the bicentennial of the Constitution by sponsoring programs for graduate study of the Constitution's principles and formation. Under the law, the board of trustees that administers the Madison Foundation is made up of persons appointed by the President, in part from persons designated by the leadership of Congress. In fact, at this moment, two of our colleagues serve as the chairman and treasurer of the Madison Board.

As my colleagues can see, we had a reasonable basis for drawing up the Board for the Udall Foundation the way we did and for believing that the President would sign the legislation. Given the background, I believe that the President would have been better-advised to have signed this bill, while requesting any amendments that he might want to accommodate his appointment concerns. At a minimum, the President should have returned the bill to the Senate so that we could have chosen how to proceed under the Constitution.

Now we have to determine how to proceed from where we are now. Under the Constitution, a bill becomes law automatically if the President neither signs it nor returns it to Congress, unless return was prevented. As the courts have interpreted and applied the Constitution over the past 20 years, S. 1176 accordingly became law in December when the President failed to return it with his objections to the Senate by causing them to be delivered to the Secretary.

If we wished to bring this question before the courts one more time, I am confident that we would receive the same ruling one more time, and S. 1176 would be declared a law. But I do not think that course, which might take several years to complete, is a wise initial course to take in this case. Rather, it is important to get this Foundation off and running. Mo Udall deserves better than for this Foundation, and the educational endeavors in the environment and health care it will support, to be delayed by litigation over the President's purported pocket veto.

Therefore, after staff discussions with the White House, my colleague, Senator MCCAIN, and I are today introducing a bill that I hope will enable us to resolve this matter simply and expeditiously. The bill does two things. First, it repeals S. 1176, which is necessary since under the Constitution S. 1176 is presently a law, even if the President's memorandum does not recognize that fact. Second, it reauthorizes the Udall Foundation and modifies the Board's appointment provisions to meet the President's objections.

It is my hope that once the Senate acts on this bill, the House and the President will each do their part, so that the worthwhile work of the Udall Foundation can commence on schedule.

Mr. President, I yield the floor.

ABUSE OF THE POCKET VETO POWER

Mr. KENNEDY. Mr. President, it is doubly unfortunate that President Bush has asserted a right to pocket veto S. 1176, legislation to establish a scholarship program to honor our colleague and friend from Arizona, Representative Morris Udall.

Mo Udall was an extraordinary Member of Congress. His wit and grace made him a pleasure to work with, and his commitment to preserving the Nation's natural heritage has made America a better, more beautiful, land. He richly deserves the honor of having this scholarship program established in his name, and I hope that the issues raised by the President can be resolved as quickly as possible, so that the scholarships can begin.

But it is also unfortunate that, in seeking to protect his constitutional prerogatives, President Bush violated the Constitution itself by attempting to pocket veto the legislation during the recent recess. Article I, section 7 of the Constitution makes it clear that the President must return vetoed legislation to the House in which it originated, "unless the Congress by their adjournment prevent its return."

In recent years, when the Senate and House have recessed or adjourned during a session or between sessions, they have designated officers to receive bills returned by the President. This procedure upholds the constitutional separation of powers by permitting the President to veto bills that he finds objectionable while preserving Congress' ability to enact the measures into law by overriding the veto.

In the early 1970's, when President Nixon sought to use a pocket veto during a 5-day recess, I brought suit to challenge the constitutionality of that action. In *Kennedy* v. *Sampson*, 511 F.2d 430 (1974), the U.S. Court of Appeals for the District of Columbia Circuit upheld my challenge and ruled that the President's pocket veto was unconstitutional. The rationale of the decision makes clear that a pocket veto is valid only at the end of a Congress, and not during adjournments within a session or the adjournment between sessions. In 1976, the Ford administration announced that it would use a normal veto rather than the pocket veto, in accord with the court's ruling.

Although President Reagan and President Bush disagreed with the court's ruling, they have generally followed it, and returned bills vetoed during recesses to the Congress with a statement noting the disagreement over the issue. When President Reagan tried to pocket veto a Salvadoran human rights bill during an intersession recess in 1983, the Senate joined in a lawsuit to challenge that veto, and the D.C. circuit upheld that challenge; but the litigation was eventually dismissed by the Supreme Court on mootness grounds.

Technically, the recent recess was an intrasession recess, since the first session did not adjourn sine die until January 3. Therefore, in accord with the Sampson decision, the President should have returned the bill to Congress with the usual notation preserving his position on the pocket veto, but he did not do so. Because the President did not return S. 1176 to the Senate, the bill has become law, without the President's signature.

But I agree with Senator DECONCINI that it is sensible to move quickly to permit this fitting honor for Mo Udall to go forward, while preserving Congress' position on the pocket veto issue. For that reason, the legislation being introduced today recognizes that S. 1176 is now a public law, and repeals it and enacts new legislation to address the President's concerns about the manner in which members of the Board of Trustees of the Morris K. Udall Scholarship and Excellence in National Environmental Foundation will be appointed.

When President Bush decides to veto legislation, he should follow the constitutionally mandated procedures for exercising his veto power. He should not abuse the pocket veto power and deprive Congress of the opportunity to override his veto. I hope the administration will restore the practice of recent years, which permits Congress and the administration to maintain their respective positions until a satisfactory resolution of the pocket veto controversy can be achieved.

The PRESIDING OFFICER. If there are no amendments, the bill is deemed read a third time and passed.

So the bill (S. 2184) was passed, as follows:

S. 2184

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992.

SEC. 2. REPEAL OF PREVIOUS LEGISLATION.

The Morris K. Udall Scholarship and Excellence in National Environmental Policy Act, S. 1176, 102nd Congress, is hereby repealed.

SEC. 3. FINDINGS.

The Congress finds that—

(1) For three decades, Congressman Morris K. Udall has served his country with distinction and honor;

(2) Congressman Morris K. Udall has had a lasting impact on this Nation's environment, public lands, and natural resources, and has instilled in this Nation's youth a love of the air, land and water;

(3) Congressman Morris K. Udall has been a champion of the rights of Native Americans and Alaska Natives and has used his leadership in the Congress to strengthen tribal self-governance; and

(4) it is a fitting tribute to the leadership, courage, and vision Congressman Morris K. Udall exemplifies to establish in his name programs to encourage the continued use, enjoyment, education, and exploration of our Nation's rich and bountiful natural resources.

SEC. 4. DEFINITIONS.

For the purposes of this Act—

(1) the term "Board" means the Board of Trustees of the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation established under section 4(b);

(2) the term "Center" means the Udall Center for Studies in Public Policy established at the University of Arizona in 1987;

(3) the term "eligible individual" means a citizen or national of the United States or a permanent resident alien of the United States;

(4) the term "Foundation" means the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation established under section 4(a);

(5) the term "fund" means the Morris K. Udall Scholarship and Excellence in National Environmental Policy Trust Fund established in section 8;

(6) the term "institution of higher education" has the same meaning given to such term by section 1201(a) of the Higher Education Act of 1965; and

(7) the term "State" means each of the several States, the District of Columbia, Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federal States of Micronesia, and the Republic of Palau (until the Compact of Free Association is ratified).

SEC. 5. ESTABLISHMENT OF THE MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION.

(a) ESTABLISHMENT.—There is established as an independent entity of the executive branch of the United States Government, the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation.

(b) BOARD OF TRUSTEES.—The Foundation shall be subject to the supervision and direction of the Board of Trustees. The Board shall be comprised of 12 trustees, eleven of whom shall be voting members of the Board, as follows:

(1) Two Trustees, shall be appointed by the President, with the advice and consent of the Senate, after considering the recommendation of the Speaker of the House of Representatives, in consultation with the Minority Leader of the House of Representatives.

(2) Two Trustees, shall be appointed by the President with the advice and consent of the Senate, after considering the recommendation of the President pro tempore of the Senate, in consultation with the Majority and Minority Leaders of the Senate.

(3) Five Trustees, not more than three of whom shall be of the same political party, shall be appointed by the President with the advice and consent of the Senate, who have shown leadership and interest in—

(A) the continued use, enjoyment, education, and exploration of our Nation's rich and bountiful natural resources, such as presidents of major foundations involved with the environment; or

(B) in the improvement of the health status of Native Americans and Alaska Natives and in strengthening tribal self-governance, such as tribal leaders involved in health and public policy development affecting Native American and Alaska Native communities.

(4) The Secretary of the Interior, or the Secretary's designee, who shall serve as a voting ex officio member of the Board but shall not be eligible to serve as Chairperson.

(5) The Secretary of Education, or the Secretary's designee, who shall serve as a voting ex officio member of the Board but shall not be eligible to serve as Chairperson.

(6) The President of the University of Arizona shall serve as a nonvoting, ex officio member and shall not be eligible to serve as chairperson.

(c) TERM OF OFFICE.—

(1) IN GENERAL.—The term of office of each member of the Board shall be six years, except that—

(A) in the case of the Trustees first taking offices—

(i) As designated by the President, one Trustee appointed pursuant to Sec. 5(b)(2) and two trustees appointed pursuant to Sec. 5(b)(3) shall each serve 2 years; and

(ii) as designated by the President, one Trustee appointed pursuant to Sec. 5(b)(1) and two Trustees appointed pursuant to Sec. 5(b)(3) shall each serve 4 years; and

(iii) as designated by the President, one Trustee appointed pursuant to Sec. 5(b)(1), one Trustee appointed pursuant to Sec. 5(b)(2), and one Trustee appointed pursuant to Sec. 5(b)(3) shall each serve 6 years; and

(B) a Trustee appointed to fill a vacancy shall serve for the remainder of the term for which the Trustee's predecessor was appointed and shall be appointed in the same manner as the original appointment for that vacancy was made.

(d) TRAVEL AND SUBSISTENCE PAY.—Trustees shall serve without pay, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties as members of the Board.

(e) LOCATION OF FOUNDATION.—The Foundation shall be located in Tucson, Arizona.

(f) EXECUTIVE DIRECTOR.—

(1) IN GENERAL.—There shall be an Executive Director of the Foundation who shall be appointed by the Board. The Executive Director shall be the chief executive officer of the Foundation and shall carry out the functions of the Foundation subject to the supervision and direction of the Board. The Executive Director shall carry out such other functions consistent with the provisions of this Act as the Board shall prescribe.

(2) COMPENSATION.—The Executive Director of the Foundation shall be compensated at the rate specified for employees in level IV of the Executive Schedule under section 5315 of title 5, United States Code.

SEC. 6. PURPOSE OF THE FOUNDATION.

It is the purpose of the Foundation to—

(1) increase awareness of the importance of and promote the benefit and enjoyment of the Nation's natural resources;

(2) foster among the American population greater recognition and understanding of the role of the environment, public lands and resources in the development of the United States;

(3) identify critical environmental issues;

(4) establish a Program for Environmental Policy Research and an Environmental Conflict Resolution at the Center;

(5) develop resources to properly train professionals in the environmental and related fields;

(6) provide educational outreach regarding environmental policy; and

(7) develop resources to properly train Native American and Alaska Native professionals in health care and public policy.

SEC. 7. AUTHORITY OF THE FOUNDATION.

(a) AUTHORITY OF THE FOUNDATION.—

(1) IN GENERAL.—(A) The Foundation, in consultation with the Center, is authorized to identify and conduct such programs, activities, and services as the Foundation considers appropriate to carry out the purposes described in section 5. The Foundation shall have the authority to award scholarships, fellowships, internships, and grants and fund the Center to carry out and manage other programs, activities, and services.

(B) The Foundation may provide, directly or by contract, for the conduct of national competition for the purpose of selecting recipients of scholarships, fellowships, internships, and grants awarded under this Act.

(C) The Foundation may award scholarships, fellowships, internships, and grants to eligible individuals in accordance with the provisions of this Act for study in fields related to the environment and Native American and Alaska Native health care and tribal public policy. Such scholarships, fellowships, internships and grants shall be awarded to eligible individuals who meet the minimum criteria established by the Foundation.

(2) SCHOLARSHIPS.—(A) Scholarships shall be awarded to outstanding undergraduate students who intend to pursue careers related to the environment and to outstanding Native American and Alaska Native undergraduate students who intend to pursue careers in health care and tribal public policy.

(B) An eligible individual awarded a scholarship under this Act may receive payments under this Act only during such periods as the Foundation finds that the eligible individual is maintaining satisfactory proficiency and devoting full time to study or research and is not engaging in gainful employment other than employment approved by the Foundation pursuant to regulations of the Board.

(C) The Foundation may require reports containing such information, in such form, and to be filed at such times as the Foundation determines to be necessary from any eligible individual awarded a scholarship under this Act. Such reports shall be accompanied by a certificate from an appropriate official at the institution of higher education, approved by the Foundation, stating that such individual is making satisfactory progress in, and is devoting essentially full time to study or research, except as otherwise provided in this subsection.

(3) FELLOWSHIPS.—Fellowships shall be awarded to—

(A) outstanding graduate students who intend to pursue advanced degrees in fields related to the environment and to outstanding Native American and Alaska Native graduate students who intend to pursue advanced degrees in health care and tribal public policy, including law and medicine; and

(B) faculty from a variety of disciplines to bring the expertise of such faculty to the Foundation.

(4) INTERNSHIPS.—Internships shall be awarded to—

(A) deserving and qualified individuals to participate in internships in Federal, State and local agencies or in offices of major environmental organizations pursuant to section 5; and

(B) deserving and qualified Native American and Alaska Native individuals to participate in internships in Federal, State and local agencies or in offices of major public health or public policy organizations pursuant to section 5.

(5) GRANTS.—The Foundation shall award grants to the Center—

(A) to provide for an annual panel of experts to discuss contemporary environmental issues;

(B) to conduct environmental policy research;

(C) to conduct research on Native American and Alaska Native health care issues and tribal public policy issues; and

(D) for visiting policymakers to share the practical experiences of such for visiting policymakers with the Foundation.

(6) REPOSITORY.—The Foundation shall provide direct or indirect assistance from the proceeds of the Fund to the Center to maintain the current site of the repository for Morris K. Udall's papers and other such public papers as may be appropriate and assure such papers' availability to the public.

(7) COORDINATION.—The Foundation shall assist in the development and implementation of a Program for Environmental Policy Research and Environmental Conflict Resolution to be located at the Center.

(b) MORRIS K. UDALL SCHOLARS.—Recipients of scholarships, fellowships, internships and grants under this Act shall be knows as "Morris K. Udall Scholars".

(c) PROGRAM PRIORITIES.—The Foundation shall determine the priority of the programs to be carried out under this Act and the amount of funds to be allocated for such programs. However, not less than 50 percent shall be utilized for the programs set forth in section 6(a)(2), section 6(a)(3) and section 6(a)(4), not more than 15 percent shall be used for salaries and other administrative purposes, and not less than 20 percent shall be appropriated to the Center for section 6(a)(5), section 6(a)(6) and section 6(a)(7) conditioned on a 25 percent match from other sources and further conditioned on adequate space at the Center being made available for the Executive Director and other appropriate staff of the Foundation by the Center.

SEC. 8. ESTABLISHMENT OF THE MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY TRUST FUND.

(a) ESTABLISHMENT OF FUND.—There is established in the Treasury of the United States a trust fund to be known as the "Morris K. Udall Scholarship and Excellence in National Environmental Policy Trust Fund" to be administered by a Foundation. The fund shall consist of amounts appropriated to it pursuant to section 10 and amounts credited to it under section (d).

(b) INVESTMENT OF FUND ASSETS.—

(1) IN GENERAL.—It shall be the duty of the Secretary of the Treasury to invest, at the direction of the Foundation Board, in full the amounts appropriated to the fund. Such investments shall be in Public Debt Securities with maturities suitable to the needs of the Fund. Investments in Public Debt Securities shall bear interest "at rates determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States" of comparable maturity.

SEC. 9. EXPENDITURES AND AUDIT OF TRUST FUND.

(a) IN GENERAL.—The Foundation shall pay from the interest and earnings of the fund such sums as the Board determines are necessary and appropriate to enable the Foundation to carry out the provisions of this Act.

(b) AUDIT BY GENERAL ACCOUNTING OFFICE.—The activities of the Foundation and the Center under this Act may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. Representatives of the General Accounting Office shall have access to all books, accounts, records, reports filed and all other papers, things, or property belonging to or in use by the Foundation and the Center, pertaining to such federally assisted activities and necessary to facilitate the audit.

SEC. 10. ADMINISTRATIVE PROVISIONS.

(a) IN GENERAL.—In order to carry out the provisions of this Act, the Foundation may—

(1) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act, except that in

no case shall employees other than the Executive Director be compensated at a rate to exceed the maximum rate for employees in grade GS-15 of the General Schedule under section 5332 of title 5, United States Code;

(2) procure or fund the Center to procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for level IV of the Executive Schedule under section 5315 of title 5, United States Code;

(3) prescribe such regulations as the Foundation considers necessary governing the manner in which its functions shall be carried out;

(4) accept, hold, administer and utilize gifts, both real and personal, for the purpose of aiding or facilitating the work of the Foundation.

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse such personnel for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(6) enter into contracts, grants, or other arrangements or modifications thereof, to carry out the provisions of this Act, and such contracts or modifications thereof may, with the concurrence of two-thirds of the members of the Board of Trustees, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes (41 U.S.C. 5); and

(7) make other necessary expenditures.

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the fund $40,000,000 to carry out the provisions of this Act.

Mr MITCHELL. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SUSPENDING THE FORCIBLE REPATRIATION OF HAITIAN NATIONALS

Mr. MITCHELL. Mr. President, I understand that Senator KENNEDY introduced S. 2185 earlier today.

The PRESIDING OFFICER. The Senator is correct.

Mr. MITCHELL. I now ask that the bill be read for the first time.

The PRESIDING OFFICER. The clerk will read the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2185) to suspend the forcible repatriation of Haitian nationals fleeing after the coup d'etat in Haiti until certain conditions are met.

Mr. MITCHELL. Mr. President, I now ask for its second reading.

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The bill will lie over pursuant to rule XIV.

BILL INDEFINITELY POSTPONED—S. 2173

Mr. MITCHELL. Mr. President, I now ask unanimous consent that Calendar No. 394, S. 2173, the unemployment compensation benefits bill, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, will the majority leader yield?

Mr. MITCHELL. Yes, certainly.

The PRESIDING OFFICER. The Republican leader.

ORDER OF PROCEDURE

Mr. DOLE. With reference to the unanimous-consent request we earlier propounded and agreed to, I think we indicated after 1 hour of debate there would be then a vote on the motion to proceed. I know of no objection on this side if we just by unanimous consent now agree that after an hour of debate we go on the bill itself. We have no request for a vote.

Mr. MITCHELL. Mr. President, we have not checked that on our side. If the Senator does not mind, I would prefer to inquire of Democratic Senators before doing that. Perhaps I could do that first thing in the morning and then we could do it then if that is agreeable with the Senator.

Mr. DOLE. Yes. I think some may interpret that, since we did not say what kind of vote, there might be a rollcall vote. We have no request for a rollcall vote. We are willing to agree after that hour by unanimous consent to go on the bill.

Mr. MITCHELL. I understand that and appreciate that. I would appreciate the opportunity to at least inform Democratic Senators of that before agreeing to do so, and will then be prepared to respond first thing tomorrow morning to the Senator.

Mr. President, I have a brief statement I would like to make. I now ask unanimous consent that upon the completion of my remarks the Senate stand in recess as to be ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate competes its business today it stand in recess until 10:30 a.m., on Wednesday, February 5; that following the prayer, the Journal of the proceedings be approved to date; that the time for the two leaders be reserved for their use later in the day; and that there then be a period for morning business not to extend beyond 11 a.m., with Senators permitted to speak therein, with Senator SIMPSON recognized for up to 5 minutes, Senator SPECTOR for up to 10 minutes, and Senator PRYOR for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MITCHELL. Mr. President, I ask unanimous consent that at 11 a.m., on Wednesday, February 5, there be 1 hour for debate on the motion to proceed to S. 2166, to be equally divided between Senators JOHNSTON and MURKOWSKI; that following the conclusion or yielding back of time, the Senate proceed to vote on the motion to proceed to S. 2166. I further ask unanimous consent that following any opening statements on S. 2166, Senator JEFFORDS be recognized to offer an amendment regarding alternative fuels.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

FREEDOM OF CHOICE ACT

Mr. MITCHELL. Mr. President, several members of the press have asked about an article in the Washington Post today regarding my views on the Freedom of Choice Act.

The Post headline and the lead sentence of the article state that I "oppose" the Freedom of Choice Act. That is incorrect. Later in the article it is stated that I have "serious reservations" about the act. That is correct.

I strongly support the purpose of the Freedom of Choice Act, which is to secure the right of each woman to make the choice about abortion that was first set forth in the Supreme Court's 1973 ruling in the case of Roe versus Wade.

If the Supreme Court determines that it will no longer protect that right, Congress should act to provide that protection.

Moreover, I believe the action Congress takes should seek to secure protection for the right of choice in the future as well as immediately. To the degree possible, we should seek to ensure that future Congresses cannot nullify that protection.

The only vehicle currently before the Congress to protect the right of choice is the Freedom of Choice Act. Like all legislation introduced in the Congress, its wording and implications will be carefully reviewed before the Labor and Human Resources Committee votes on whether to send it to the full Senate for debate. I hope the concerns I have about securing the long-term protection of the right of choice can be considered as the committee considers this matter.

I take seriously the responsibility of the Congress to respond if the Supreme Court overturns the right to choose. American women should know that the majority in the Congress is determined to secure their rights to the best of our ability and within the limits of the constitutional authority we have to do so.

I do have concerns about the use of a statute to define and secure a constitutional right. Such an action could create a dangerous precedent.

If a simple majority of this Congress can establish the constitutional right of a woman to choose abortion, a future Congress, with a different majority, could expand the rights of the fetus at the expense of the woman, thereby, in effect nullifying the right of choice.

I also caution that because Senate rules permit an unrestricted right of amendment, a Freedom of Choice Act could be burdened with amendments much more restrictive than the laws they would supersede in many of the States.

Difference of opinion over the wording of long-range effect of legislation does not mean that there are substantial differences on the substance of the issue or in the goals of the legislation. In this instance, there are none between me and those who support the act. I support the right of choice for women and I believe that right ought to be protected, in an appropriate and constitutional way. I will work with the sponsors of the act to achieve that common objective.

Mr. President, I yield the floor.

RECESS UNTIL TOMORROW AT 10:30 A.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess.

Thereupon, the Senate, at 7:22 p.m., recessed until Wednesday, February 5, 1992, at 10:30 a.m.

EXTENSIONS OF REMARKS

DR. MARTIN LUTHER KING, JR., HOLIDAY PROGRAM AT NORTH IDAHO COLLEGE ON JANUARY 15, 1992

HON. LARRY LaROCCO
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. LAROCCO. Mr. Speaker, recently I had the pleasure of participating in the North Idaho College Seventh Annual Dr. Martin Luther King, Jr., Holiday Program in Coeur d'Alene, ID. While this event honored the life and work of a historic civil rights leader, it also served as a tribute and thank you to the members of the Kootenai County Task Force on Human Relations. This is a group whose dedication and commitment to human rights at the local level should serve as an example to other communities nationwide. I would also like to commend Faith Byron, the author of an award winning essay commemorating North Idaho's celebration of this special day in our Nation's history.

I insert my remarks and the text of Ms. Byron's essay into the CONGRESSIONAL RECORD:

REMARKS OF CONGRESSMAN LARRY LAROCCO

My dear friends, it is an honor and a privilege to be with you all for today's celebration of the "Seventh Annual Dr. Martin Luther King, Jr. Holiday Program." As always, it is wonderful to be at North Idaho College, enjoying the peace and quiet of Coeur d'Alene before I return to the hectic hustle and bustle of Capitol Hill.

I would take this opportunity to thank everyone who has played a role in organizing this beautiful ceremony. It is indeed a touching and fitting tribute to Dr. King, and I consider myself lucky to have been asked to participate. I would also extend a special thank you to the faculty and students of North Idaho, the N.I.C. Popcorn Forum, the Coeur d'Alene and Post Falls School Districts, and, of course, the members of the Kootenai County Task Force on Human Relations. I think you all deserve a special round of applause for your hard work and commitment to improving the quality of life in our great State.

We have come together today to honor the life and work of a prodigious and heroic man—the Rev. Dr. Martin Luther King, Jr. As a leader and spokesman for the Civil Rights movement, Dr. King's selfless commitment to freedom for all Americans will never be forgotten. Our presence here today is evidence of this fact. It is proof that Dr. King's dream of securing the fundamental human rights for all men and women, across all ethnic and religious boundaries, is still very much alive.

But what do we really mean when we use the term "human rights"? For many, the expression conjures up images of oppression and torture in far away countries, or the grassroots work of organizations such as Amnesty International and Human Rights Watch. Without a doubt, the human rights agenda is a global one. And these monitoring groups perform an extremely important service which affects each and every one of us by virtue of our humanness.

However the people gathered here today are proof that it is a concern of local importance as well. The struggle to secure human rights, dignity, and equality for all must begin within each one of us, and within our own homes, neighborhoods, and communities. It is a burden which we all must bear at one level or another. While some may work to free prisoners of conscience in China, others are diligently fighting against hate crimes here at home.

It is, of course, impossible to say that one cause is more noble or deserving then another. However, the question brings to mind Eleanor Roosevelt's remarks before the U.N. Commission on Human Rights. Her words are as truthful today as they were in 1958:

"Where, after all, do universal human rights begin? In small places, close to home—so close and so small that they cannot be seen on any map of the world. Yet they are the world of the individual person: the neighborhood he lives in; the school or college he attends; the factory, farm, or office where he works. Such are the places where every man, woman, and child seeks equal justice, equal opportunity, equal dignity without discrimination. Unless these rights have meaning there, they have little meaning anywhere. Without concerted citizen action to uphold them close to home, we shall look in vain for progress in the larger world."

And so we come to realize that the way to most effectively change what is wrong with our world is to begin with our own surroundings. As several bumper stickers in the parking lot so aptly put it, we must "Think globally, but act locally."

In reflecting upon what I would say this morning, and how to best relate Dr. King's calling to the work being done in this community, I was drawn to his now famous "Letter From a Birmingham Jail." Those who have read the piece could never forget it. Those who have not, should seek it out. He penned this inspiring treatise in April of 1963 while serving a sentence for participating in civil rights demonstrations. It marked one of the very few times that Dr. King attempted to "defend" himself and his tactic of nonviolent resistance.

In his "Letter From a Birmingham Jail" Dr. King explained the rationale behind his movement. Change, he said, is best brought about through "patience and reason." Clearly, we cannot and should not be expected to tolerate injustice. Yet over-reaction and a "fight fire with fire" approach will only make more flames.

While it is my job to help create sound public policy at the federal level, every Idahoan must refuse to accept a society which breeds crimes of hate. Working together, in Washington, DC and in Idaho, we must do all that we can to transform our community—with patience and reason.

The program for today's ceremony contains a critical excerpt from the same Birmingham letter. It reads, "Injustice anywhere is a threat to justice everywhere. We are caught in an inescapable network of mutuality, tied in a single garment of destiny. Whatever affects one directly, affects all indirectly."

These are words that I hold dear to my heart. As global population rises and long-standing walls of political difference are torn down, our world does become increasingly connected. Yet as this happens, Congress must attempt to find balance in a world of infinite needs and finite resources. Though it pains us all to learn of suffering and injustice abroad, we must also do all we can to fight for safety and justice at home.

I firmly believe our world is changing for the better. The democratization of the Soviet Union, an El Salvadoran peace accord, the freeing of Western hostages from Lebanon and the diligent march towards reconciliation in the Middle East indicate that we are headed down the right path. Similarly, we see the determination of a North Idaho community which—in the tradition of Dr. Martin Luther King—has refused to tolerate hate and selfishness.

Mrs. Roosevelt asked us, "Where do universal human rights begin?" I think I know the answer. They begin right here, right now, in Coeur d'Alene, Idaho.

Thank you all very much.

MARTIN LUTHER KING DAY CELEBRATION

(By Faith Byron)

Ninety years ago, a thirteen year old girl sat in her cabin, unable to comprehend the persistent persecution overtaking her existence. This fearful young girl was forced to hide. She wanted to rescue herself from the peril which enveloped her city. While loud drunken villagers patrolled the city, seeking to set fire to her home, she continued to uphold the very beliefs which put her in peril. Constant harassment finally forced her family and her to flee their homeland, Russia, leaving their threatened existence behind. In the early 1900's her family immigrated to America where they could practice their Jewish beliefs and express their individual rights. This young girl was my great-great grandmother.

People like my great-great grandmother who immigrated from Russia sought a country where individual rights could be expressed and guaranteed. Many other pilgrims followed a path which would allow them to practice their religious beliefs. These people are our history. Americans must recognize individuals who have contributed to making our history for they set the path for our future.

Today, as we reflect on America's past for a moment, we acknowledge the factors which have made our history. We have gathered to honor and celebrate a person who has given America the courage and responsibility to advocate freedom, equality, and justice, to all citizens regardless of race, color, religion, or sex. I am speaking of a man who viewed his moral values above his individual needs. As a Baptist minister, Reverend Martin Luther King Jr. based his beliefs on Christianity. In pastoring his congregation, Reverend King preached about a commitment to Jesus Christ, whom he believed empowered others to support everyone's rights to equality and

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• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

freedom. Reverend Martin Luther King inspired his congregation to support the Civil Rights Movement by advocating these values through peaceful protest. As a single unit they were able to march their way to freedom and equality. Throughout Reverend King's lifetime, he fought injustice and inequality, and bravely defended his own rights and beliefs.

As Americans, we have the opportunity to demonstrate our appreciation of Reverend Martin Luther King Jr. By putting into practice what he believed, we have the chance to reinforce the values of equality and freedom in our society.

Reverend King realized the significance of freedom and equality to Americans and fought to fly their banner high above our nation. He believed it should soar above all citizens so that the rights of all people were not ignored or considered inferior. Freedom is a value which can be destroyed if we allow ourselves to ignore the importance of equality. They are bound together by the bloodshed and history of our ancestors. On September 5, 1958, Reverend Martin Luther King presented this statement to Judge Loe. "I also make this decision because of my love for America and the sublime principles of liberty and equality upon which she is founded. I have come to see that America is in danger of losing her soul. . . ." My great-great grandmother's and King's love of America was not intellectual or political. It came from the heart and soul. It is only when we allow ourselves to have a moist heart as they did, that we are able to respond with the conviction which causes change.

Reverend Martin Luther King Jr.'s actions have benefitted all Americans. Without the rise of the Civil Rights Movement, the individual rights of all citizens would have been ignored. Some would continue to violate the principles of freedom, harming fellow citizens' rights. Reverend King drew America's attention to our right to be treated and handled in equal terms. When we let our fellow citizen infringe on our rights, we are denying ourselves equality. Reverend Martin Luther King believed his rights were equal to others. By exercising freedom, the Civil Rights Movement was successful.

Reverend Martin Luther King Jr. died on April 4, 1968. He wished to leave a legacy of a committed life behind. Can we do any less? Before King, numerous other people dedicated their lives to seeking the same goals as Reverend King. The young Jewish girl from Russia committed her life to exercising her rights and maintaining her values of freedom and equality. Her wanting to be free enabled her to be free.

Many other olim found their home by taking the path to freedom. Recently, I had a remarkable opportunity to greet hundreds of immigrants. As I met and spoke with them, they told me how thankful they were to be able to exercise their rights without being cruelly punished. Obviously, the moistness of heart they felt, came at a very high expense.

Because of Reverend King's efforts to make equality and freedom high priorities in America, the rights of Black American citizens are being upheld. Reverend Martin Luther King transformed our nation. Now we must continue the transformation. It is our turn to become the pathfinders. We will create the history of the future. It is our responsibility to make this history significant. We must accept our responsibility and continue the peaceful fight. It is our challenge to take the risk of having a moist heart. We may suffer but someday future generations may study their history and say, "They left a legacy of committed lives."

THE ACTORS' PLAYHOUSE BRINGS THEATER TO LIFE FOR DADE KIDS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, the Actors' Playhouse of Miami, FL has brought the thrill of theater to more that 80,000 Dade County students a year. This year marks the theater company's fifth season. The Actors' Playhouse offers both children's and adult theater, and features matinees to accommodate primary and secondary students. The theater program at the Actors' Playhouse, though not exclusively for students, challenges its patrons to think creatively and to interact with the issues raised by the performances.

For primary school students, the children's theater is both fun and exciting, and truly a treat to many inner-city children. Some of the performances include workshops which get the children involved and up on stage. These self-confidence building programs are also extended to the mentally disabled in the community, such as students and residents at the Haven Center.

High school students are exposed to the theater at the playhouse's adult stage. Each of the six plays offered annually is accompanied by a carefully crafted question which requires the students to think about the performance. These questions are then utilized by many high school teachers as a starting point for creative essays and class discussions.

Recently the Actors' Playhouse developed a contest to reward the creativity of high school students who attend the theater. Round-trip air fare to London for three and $500 spending money is the grand prize in playhouse's creativity contest. The contest asks students in the 9th through 12th grade to see a play, then write an essay or poem, or to create a painting, drawing, or sculpture about a specific question relating to the show.

The Actors' Playhouse has two theaters, a 300-seat adult stage and a 350-seat children's stage. The company is the second largest Actors' Equity theater in Dade County and the largest children's theater in south Florida. The theater has been the recipient of many local awards for its productions, and has gained the acclaim of the Dade County community, from students and adults alike.

Mr. Speaker, it is exciting to see a community theater, such as the Actors' Playhouse, make the theater come alive in an engaging and exciting way. I want to commend the leadership of executive director, Barbara Stein; artistic director, David Arisco; children's theater director, Earl Maulding; and public relations director, Lee Zimmerman for making the Actors' Playhouse happen. I wish them much success in this, their fifth season.

S.D. WARDEN CO.: CORPORATE GOOD CITIZEN

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. VANDER JAGT. Mr. Speaker, calls for, and recognition of, corporate good citizenship are common in normal times—and common sense dictates a positive response by any responsible business. After all, we all know that's just good business—and besides, they get a tax benefit.

In today's troubled economy, however, examples of generous corporate citizenship are a lot rarer—and so are earnings from which to take tax benefits. And for that reason, an example of corporate generosity coupled with community leadership is particularly noteworthy.

I am delighted to bring to the attention of my colleagues the example of the S.D. Warren Co., a business which is facing troubled times not only on account of our economy, but because it is a paper mill, on account of outside burdens. That it chooses to "dig deep" to contribute to the welfare of the community is of special merit because its objective is the future, the education of our children.

In Muskegon, MI, in our Ninth District, the economic recession has hit particularly hard. The revitalization business and industrial infrastructure, and the education of the children who will create and fill the jobs of tomorrow, must be a primary consideration. But in hard economic times there is little money for creativity and innovation to meet these special challenges for the future. The S.D. Warren Co., in a special act of generosity, is assuring that the educational system will seek out new ideas, and improve the skills and objectives of our teachers. Not only is the company putting its own stake in this effort, it has assumed a leadership role in persuading others to do so as well. That is leadership, and it deserves to be recognized.

Indeed, it might well be an example nationally. For this kind of activism can only contribute to the kind of creative thinking and investment in our children and the quality of their values and work which will assure that our return to a vibrant economy will be rock solid and long-lasting.

I offer, for my colleagues' attention, an editorial comment on the S.D. Warren Co.'s effort, from the Muskegon Chronicle:

[From the Muskegon Chronicle Jan. 22, 1992]

AS WE SEE IT: S.D. WARREN PROGRAM WILL PAY DIVIDENDS

Despite a troubled economy that has resulted in tight times for Muskegon's S.D. Warren Co., the huge paper mill has once again demonstrated why it is a top-flight citizen of the community.

S.D. Warren has pledged $123,000 under the Michigan Partnership for New Education program, enabling Muskegon and Muskegon Heights schools to participate in a revoluntionary new teaching program that will align the districts with two of the state's top universities. The company is also helping to raise an additional $71,600 from other sources to continue the fund drive. The effort is being coordinated by the Muskegon

County Community Foundation, which has also done much for the Muskegon area and its young people.

Under the plan, the two school districts will form partnerships with Grand Valley State University and Michigan State University. The idea is to "teach the teachers" by exposing them to new ideas in education, as well as reviewing their current instruction methods. Those teachers will then bring their new ideas back to their district counterparts:

We're always hearing that something has to be done to improve education. That it is being done, and being accomplished in a partnership with the business community, is great news. A fresh look at education is always a good idea, especially now that so much pressure is being put on our students and teachers to adapt to a new world full of challenges.

TRIBUTE TO THE PAGE MID-YEAR DEPARTURE CEREMONY

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to the organizers and participants of the U.S. House of Representatives page class departure ceremony. I wish to express to them my gratitude at having been chosen to address such a dedicated group of young people.

The unfaltering commitment of these high school students has become an immeasurable asset to the House over the years. The performance of the departing pages for fall fully demonstrated the vibrant energy and eager willingness to learn as their honorable predecessors.

I wish to thank most heartedly the principal, Dr. Robert F. Knautz, for allowing these students to be involved in such a distinguished program. I sincerely hope that he will continue to encourage young people to engage in this little mentioned, but much appreciated service. The names of those honorable students are as follows:

DEPARTING PAGES FOR FALL, 1991–92

Lucy Abbott, Roni Abdul-Hadi, Leslie Biltekoff, Lindsay Campbell, Alisha Clester, Michael Connors, Kelly Creeden, Michale Demetriou, Sonal Desai, Sean Dooley, Kevin Eckstrom, Heidi Eichhorn, Julie Flahive, Bryn Floyd, Michael Froehlich, Emily Goldwasser, Margaret Hauselt, Jonathan Hinze, Christopher Hoff, Stacy Hooks, Desiree Humphreys, Thea Iacomino.

Nathan Just, Paul Kelley, Michael Margolis, Robyn McCoy, Fritz Musser, Mark Paige, April Patterson, Kelly Pfaff, Christopher Reed, Michael Romansky, Meg Rothman, Claire Shamblin, Keysha Smith, Dax Steele, Tyson Taylor, Matthew Thompson, Samantha Tompkins, Amy Turnbull, Lambert van der Walde, Brandon Vasquez, Laura Ward.

Again, Mr. Speaker, I rise to pay tribute to the departing pages for fall. They are among the brightest young men and women that our country has produced. I wish them the best of luck. May they know how very proud I am of them.

CONGRESSMAN BLAZ IS A TRIBUTE TO THE HOUSE

HON. DANA ROHRABACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. ROHRABACHER. Mr. Speaker, Congressman BEN BLAZ of the Commonwealth of Guam is one of the most distinguished Members of the House of Representatives. As a former marine general, Congressman BLAZ exhibits leadership that is often sorely lacking in this House. His patriotism reflects that of his constituents on Guam, good Americans all.

Guam's Delegates may not have full voting rights but Congressman BLAZ stands shoulder to shoulder with the most effective and articulate Members of Congress. He has made friends on both sides of the aisle and, as Congressman RICHARD LEHMAN has pointed out, "he delivers."

Congressman BLAZ has won friendship and accolades. I hope my colleagues will take a moment to read the following article that appeared in the Honolulu Star Bulletin. It accurately demonstrates his effectiveness and dedication to the people he serves.

[From the Honolulu Star Bulletin, Nov. 28, 1991]

GUAM DELEGATE WINS OVER HOUSE WITH PUBLIC-LAND NEGOTIATIONS

(By David Judson)

WASHINGTON.—When contentious public lands legislation divided the House this week, one man was saluted by both Democrats and Republicans for bringing the sides back together: Delegate Ben Blaz R-Guam.

Blaz not only made friends on both sides of the aisle. He made history, becoming the first delegate—as opposed to a representative—charged with carrying legislation on the House floor.

"Ben Blaz is not highly partisan and he's a lot less inflammatory than some of the others in his party," said Rep. Richard Lehman, D-Calif., this week. "He delivers on the interests he cares for."

That praise comes from the congressman who carried the legislation competing with Blaz's.

Blaz led the opposition against Lehman's successful bill to set aside 8.3 million acres of desert in southern California as protected wilderness.

Delegates from Guam, the Virgin Islands, American Samoa, and the District of Columbia rarely are seen on the floor of the House, where they cannot vote.

But this week and last, Republicans tapped Blaz as "floor manager" of their competing legislation to lock up fewer acres of the California desert and protect military interests there.

Blaz is the ranking Republican on the House Interior Committee, where Lehman's desert bill was first debated. Beyond that, Blaz's training in the desert during his time as a Marine made him the logical point man for the Republican Party, said Rep. Jerry Lewis, R-Calif., the author of the legislation entrusted to Blaz.

"Ben is a guy who is very sensitive to the fact (that) the interest of the territories are often ignored," Lewis said. "So * * * he is sensitive to the interests of others when they are ignored. That's why he has such tremendous respect from Democrats and Republicans."

It was Blaz who directed debate and offered amendments through 10 hours of often emotional and political wrangling.

Amendments broke along partisan lines. But when the two sides divided over what the legislation should do to military installations in the desert, Blaz met over the weekend with Democrats pushing the broader land bill.

After his negotiations, the former Marine General offered an amendment to protect the desert's military practice ranges at China Lake and Chocolate Mountain. It was accepted unanimously by Democrats, the only Republican victory in the fight.

After the amendment, Rep. Bruce Vento, D-Minn., who negotiated with Blaz on behalf of Democrats, took to the floor to thank Blaz. Vento addressed him as "the representative from Guam," an intentional inaccuracy taken by all as a sign of respect.

Rep. Randy "Duke" Cunningham, R-Calif., who said that while the Republican legislation ultimately failed, it was the amendments introduced by Blaz and the dialogue he maintained with Democrats that will make fruitful negotiation over the bill possible in the Senate.

"Blaz's was the only amendment to be accepted by the Democrats," Cunningham noted later. "He transcends party politics and has a lot of respect on both sides."

That was apparent when Blaz closed debate on the bill.

"I want to take the opportunity to thank the members of this House for the respect they have shown toward the delegate from Guam," Blaz said.

It was a rare scene in this year's contentious wrap-up of Congress: Democrats and Republicans alike broke into applause.

A TRIBUTE TO BOY SCOUT TROOP 346

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. YATRON. Mr. Speaker, I rise to pay tribute to Troop 346 of the Boy Scouts of America of Reading, PA. I would like to honor Troop 346 for it's 50 years of outstanding service to the Reading community and the Sixth District of Pennsylvania.

The members of Troop 346, led by Scoutmaster William Shea, have dedicated themselves to service to community, church, and school. Troop 346 has been highly successful in helping its members to become self-reliant adults and productive members of the community. This troop has had six Eagle Scouts and has produced numerable young men of distinction. Troop 346 has had over 400 members since its inception in 1942. It has had an ethnically and racially diverse membership reflecting all parts of the Reading community.

The Scouts of Troop 346 have been admirable in their involvement with community service activities in Reading. They have been actively involved in gathering and disbursing food as part of food drives for needy families in Berks County. The young men Troop 346 have also made many other contributions to the community and have been active participants in local parades.

These Scouts also spend 1 week every summer camping in the woods. The trip, which is sponsored by the United Church of Christ, provides a chance for these inner-city youths to enjoy the wilderness and learn about nature. On the trip, the kids learn outdoors skills including hiking, camping, cooking, and general wilderness subsistence.

Troop 346 has been an important part of the development of many young men in the Reading area. Troop 346 has been exemplary of the finest qualities and values of Scouting. I hope that all young people will follow the high standards set by these young men. I ask all of my colleagues to join me in honoring Troop 346, and wishing its former and present members the greatest success and good fortune in the future.

INDEX CAPITAL GAINS NOW

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. GINGRICH. Mr. Speaker, I hope all my colleagues saw the following editorial that appeared in the Wall Street Journal last week. We should urge the President to ignore Congress' inability to pass a capital gains tax and do it on his own.

The editorial follows:

[From the Wall Street Journal, Jan. 28, 1992]

PRESIDENTIAL INDEXATION

The odds of a capital-gains tax cut are higher today than they were last week, regardless of how Congress reacts to President Bush's State of the Union. That's because the White House has just discovered that the executive branch isn't doomed to acting like a pitiful, helpless giant.

The administration has been discussing an argument, which holds that President Bush can issue a regulation on his own to index capital gains. This would end the absurdity of a tax on "gain" defined as the difference between the purchase and selling prices, even if inflation eroded the dollar faster than the property appreciated.

This idea emanated out of the Justice Department's policy shop and first appeared last week in a Washington Times column by Paul Craig Roberts. It is based on the distinction between laws passed by Congress and regulations issued solely by the executive branch.

The argument here is that President Bush has the authority to index capital gains because the procedures for measuring gains are determined by regulation, not by law. Congress, of course, never said that capital gains must be defined as the inflated gains (the reasons for its reluctance to say so explicitly are fairly obvious).

The tax law itself says only that taxes must be paid on gains as measured by the increase from the "basis" a taxpayer has in the property. The code defines the basis from which taxes must later be paid as "the cost of such property," but the cost isn't defined as real or nominal. Treasury rules have treated the basis as nominal, but a new regulation could include an adjustment for inflation. The same argument could be used to index depreciation schedules, which could further boost real-estate values and save many banks.

There is a long history of executive-branch departments and agencies interpreting vague statutes; for details the lawyers can check out *Chevron* v. *Natural Resources Defense Council* (1984). The Bob Jones University case in 1982 arose when the IRS by regulation blocked charitable status for racist schools. (We've made the related argument that the President also has the inherent impoundment and line-item veto powers.) It's also unlikely that anyone would have standing to sue to block indexing.

It would be an enormously productive and popular move if Mr. Bush decides to index capital gains. Just as inflation led to bracket creep on personal income-tax rates before Congress passed indexing starting in 1985, indexing capital gains would be the equivalent of a tax cut. The most appropriate time to announce such a policy, of course, would be this evening. It would be a bold move, which would benefit both the economy and Mr. Bush.

TRIBUTE TO DR. NEVIN S. SCRIMSHAW: WINNER OF THE 1991 WORLD FOOD PRIZE

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. SWETT. Mr. Speaker, I rise today to pay tribute to Dr. Nevin S. Scrimshaw of Thornton, NH, winner of the 1991 World Food Prize from the World Food Prize Foundation. The foundation was founded in 1990, in response to the growing awareness of the seriousness of the world hunger problem. The World Food Prize is the foremost international award recognizing outstanding individual achievement in improving the quality, quantity, and availability of food in the world. This award was founded by Dr. Norman E. Boriaug, the 1970 recipient of the Nobel Peace Prize.

Dr. Nevin S. Scrimshaw, currently an institute professor emeritus at the Massachusetts Institute of Technology, has positively affected the lives of millions of people in developing countries through his outstanding contributions in the fight against hunger and malnutrition. In 1949, while at the institute of Nutrition of Central America and Panama [INCAP], he developed a low-cost, protein-rich weaning food called Incaparina to fight kwashiorkor, a deadly protein-deficiency disease. Using potassium iodate for salt enrichment, Dr. Scrimshaw was also able to decrease the prevalence of endemic goiter, a deadly protein deficiency. Through his efforts, the use of potassium iodate has become the standard method worldwide for the prevention of iodine-deficiency disorders. He has made extensive contributions to basic nutrition and food science and their practical implications for policy and programs to relieve world hunger and malnutrition.

Mr. Speaker, I ask my colleagues to join me in congratulating my constituent, Dr. Scrimshaw, for his great accomplishments. I also wish to place in the CONGRESSIONAL RECORD excerpts from his acceptance speech when he received this prestigious award.

GOVERNMENT POLICY CAN MAKE—OR BREAK—HUNGER

(By Dr. Nevin S. Scrimshaw)

As many as one-half of the people in developing countries are impaired in their health, mental and work-production capabilities because of deficiencies in their diets. These people, in short, suffer from some form of hunger, hidden or overt.

It is a condition that government policy, if properly motivated and directed, can overcome.

Freedom from hunger, both hidden and overt, is the most fundamental of human rights. There are also the very real problems of environmental pollution and destruction, global warming, loss of germ plasm, and a rate of human reproduction that exacerbates all of these. Conquering hunger will release human potential for creating better societies. However, achieving the other rights of shelter, education and hope for the future will not follow automatically unless governments implement appropriate policies.

Adequate food production for a growing world population depends on the continuing success of agricultural research and extension. But the conquest of hunger and malnutrition requires additional links in the food chain. These include post harvest food conservation and storage, processing and distribution, and finally, consumption. Human need is not met and human demand is not effective unless people can consume an adequate diet.

Famines and the hunger of refugees periodically affect hundreds of thousands, and even millions of people for limited periods of time. The silent emergence of hidden hunger chronically—and often permanently—damages hundreds of millions of individuals. It is incredible that various kinds of hidden hunger still devastate such a large proportion of the world's population. The conquest of hidden hunger is essential to the human future.

Almost everyone in the Western World is aware of the ravages of famine. Civil war and government oppression create refugee populations that furnish the news media with graphic pictures and heart-rending descriptions of dying children and wasted adults. The developed world tries to respond to the crisis, but only after great suffering has occurred. Then the developed world relaxes until the next crisis. Improved agricultural production can do very little for this kind of hunger, because it is rooted in government cruelty, disinterest, corruption and aggression. While drought may sometimes be an exacerbating factor, it is rarely famine's primary cause. As we have seen most recently in Ethiopia, Sudan, Somalia, and Iraq, it is government actions that result in desperate refugees. International assistance cannot eliminate hunger of this kind without changes in national government policy.

Much more desirable than the alleviation of famine is its prevention. This is possible even where floods and droughts are common. The antifamine policies of India and China put an end to the frequent famines that ravaged these countries as recently as the middle of this century. Despite limited resources, this was done by national action, not international assistance.

In 1971, nearly 15 million refugees fled to India to escape the civil war in East Pakistan, now Bangladesh. By using food reserves it had built up, and applying its famine experience, India successfully fed this huge population, despite only limited international assistance. Yet famine was not prevented in recent and current refugee populations of Africa because famine aid has been obstructed rather than facilitated by the policies of the governments responsible.

Hidden hunger is responsible for most of the excessive mortality, the ill health afflicting developing country populations, and for permanent impairment of physical capacity and cognitive performance. It is a sad fact that as shameful and tragic as is the occurrence of famine in today's world, its economic, social and individual significance pales beside the tragedy of hidden hunger. Most of the hunger that is damaging the survival, development, and welfare of underprivileged populations is unrecognized because even when there are clinical symptoms, they are not associated with food.

The solution of hidden hunger requires the efforts of many different disciplines including nutrition and food science and the social and political sciences as well as agriculture and fisheries. Hunger, both overt and hidden, is largely the result of government policies. Overcoming hunger requires the implementation of policies that facilitate food production and increase social equity, improve nutrition and health, and reduce the burden of poverty. Foreign aid can do little to alleviate hidden hunger in a country without the active cooperation of the government.

The basic human rights are food, shelter, education and opportunity for the future, and the most fundamental and urgent of these is food. International, bilateral and voluntary agencies can and should be influential in promoting political changes that favor these basic human rights. However, ultimately it will be the policies that governments adopt that will determine the security with which their populations can achieve these basic rights.

There is now evidence from a number of countries that the conquest of hunger is possible even before poverty can be eliminated. This is all the more reason that solving all of the physical and biological problems will still have little meaning if the social problems of poverty, misery and lack of hope for any proportion of the world's population persist. When we work for adequate feeding of the world's population, we must recognize that sustaining the conquest of hunger will also require overcoming exponential population growth, the avoidance of global warming and environmental destruction, the cessation of war, and maintenance of societies that have given their citizens dignity and hope.

The physical, biological, and social problems humankind is facing are caused by human activity, and they an be solved by human actions if we avoid further delay. Everyone concerned with the human food chain from production to consumption have their own formidable task but they must also be effective partners in the efforts of other disciplines to assure the future of human society in a sustainable environment in which it can flourish at its best.

A TRIBUTE TO THE JEWISH FILM FESTIVAL ON MIAMI BEACH

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the Second Annual Jewish Film Festival on Miami Beach which was held January 25–February 2, 1992, at the Colony Theater. This enriching event, sponsored by the Miami Beach Jewish Community Center, Miami Jewish Tribune, Broward Jewish World, and Palm Beach Jewish World brought together movie enthusiasts of all ages and diverse cultures.

The Jewish Film Festival featured films from Israel, Russia, Latin America, Europe, as well as Yiddish films, premieres, and classics. Some of the movies presented at the Jewish Film Festival included "Cup Final," in Hebrew and Arabic with English subtitles, "The Revolt of Job," in Hungarian with English subtitles, "Taxi Blues," in Russian with English subtitles, and "The Light Ahead," in Yiddish also with English subtitles.

The Jewish Film Festival held a special film tribute to Isaac Bashevis Singer, the Nobel Prize-winning Yiddish author. Two of Mr. Singer's films shown at the Jewish Film Festival were "Isaac Singer's Nightmare & Mrs. Pupko's Beard," and "Isaac Bashevis Singer: Without Pretense."

This year, as part of the festival, a create your own "Jewish Home Video" contest was open for the public's participation. The winning videos were shown during the Jewish Film Festival. There was also a special opportunity for south Florida establishments to sponsor the Jewish Film Festival. South Florida involvement included: The Miami Beach Visitor and Convention Authority and the city of Miami Beach, Metro-Dade Cultural Affairs and the Board of County Commissioners, Southern Bell, Yellow Carriage, Inc., the Israel Histadrut Foundation, the Wiesenthal Center—Generation After, Israel Activities and Aliyah Department of the Greater Miami Jewish Federation, Central Agency for Jewish Education, the Miami Beach Chamber of Commerce, Business Volunteers for the Arts, Jacques Auger Design Association, and Books & Books.

I wish to congratulate the many individuals who spent long hours in developing the very successful Jewish Film Festival on Miami Beach: Joyce and Nicholas Spill, Dianne Brenners, Deede Weithorn, and Carol Kahn.

TRIBUTE TO NATHAN H. MONUS, YSU'S DISTINGUISHED CITIZEN 1991

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Nathan H. Monus, an outstanding business and community leader from my 17th Congressional District of Ohio, who is also the recipient of the Youngstown State University Alumni Association's prestigious Distinguished Citizen's Award.

Mr. Monus is now serving as a board member of Giant Eagle, Inc., and Phar-Mor, as well as chairman of the board of the Geordan Candy Co. His previous professional accomplishments include being financial vice president of the Tamarkin Co., and vice president of Tamco Distributors, Inc., and Giant Eagle, Inc.

I extend my gratitude to Mr. Monus for becoming an inspiration to future businessmen and women who wish to remain true to a sense of civic duty. Mr. Monus has served on the board of directors of Goodwill Industries and is presently a national board member of the Union of American Hebrew Congregations. Also, he is president of the Joseph L. Morse Geriatric Center of Palm Beach, FL.

Again, Mr. Speaker, I rise to pay tribute to Nathan H. Monus for his laudable contributions to the greater Youngstown area. His personal and professional commitment to excellence has accredited to him a remarkable type of distinction as the 1991 Distinguished Citizen.

BLACK HISTORY MONTH—A TIME FOR REFLECTION

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. YATRON. Mr. Speaker, I rise today to highlight the important contributions African-Americans have made to our society on the anniversary of Black History Month.

African-Americans have made tremendous contributions to and advancements in world history, from the pre-Columbus period to our current generation, and are always looking forward to further achievement. As we look back upon the history of our fellow Africans and African-Americans, we can learn from the accomplishments of their ancestors. Remembering the flourishing civilizations of West Africa to the more devastating period of slave trade gives us a greater understanding of how African forefathers have prospered and survived for thousands of generations.

Turning to more recent history, African-Americans have tirelessly fought for their freedoms and rights—their freedom to vote and right of representation, their freedom to attend integrated schools and right to a decent education, and most recently, their freedom to strive for economic equality and right to be treated fairly in the work force. Frederick Douglass, W.E.B. DuBois, Martin Luther King, Jr., Medgar Evers, our colleague JOHN LEWIS, and thousands of other proud Americans have made our society all the better by fighting the shameful injustice of racism, bigotry, and discrimination. We commend their selfless actions and celebrate their contributions.

Black History Month gives us time to reflect on black Americans and the struggles to which they have devoted their lives. At the same time, Black History Month forces us to contemplate solutions to the complicated problems facing segments of black society. We are all intrinsically aware of the obstacles confronting some African-Americans including unequal hiring practices, impoverished female-headed households, and the lack of affordable, low-cost housing. These pervasive problems undermine the strength of the African-American family, and we must work to correct these economic inequities to bolster the youth of tomorrow.

Mr. Speaker, as we celebrate Black History Month, let us take wisdom and encouragement from the many gifted African-Americans who have blessed this great country, and let us dedicate ourselves to making their dreams into reality.

AMENDMENTS TO THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965 AND TO THE APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. KOLTER. Mr. Speaker, today I am introducing a bill—the Public Works and Economic Development Act Amendments of 1992 and the Appalachian Regional Development Act Amendments of 1992—that would amend and reauthorize the programs of the Economic Development Administration [EDA] and the Appalachian Regional Commission [ARC].

This bill contains provisions similar to those which overwhelmingly passed the House in five previous Congresses. In the last Congress the bill passed the House 340 to 82, the best vote ever. There was support in the Senate where it was amended and reported out of committee, although it did not get to the floor before the Congress adjourned.

It is imperative that we again make every effort to authorize these important economic development programs. Given the present state of our Nation's economy, there is a dire need to promote economic growth and create jobs. With unemployment currently running about 7.1 percent, 8.9 million people are out of work. An estimated 1.1 million workers are discouraged enough to have abandoned the job search and massive layoffs have been announced for the next several years by many major corporations.

But, we are not looking to an economic quick fix. For, economic development is a continual process requiring the on-going efforts of many people and organizations. These EDA and ARC programs are designed to assist that process and help economically distressed areas plan for and implement long-term strategies to develop and diversify their economic base and provide permanent new jobs.

Title I of the bill amends the Public Works and Economic Development Act of 1965, as amended, while title II contains amendments to the Appalachian Regional Development Act of 1965, as amended.

It provides urgently needed Federal investment dollars for severely depressed areas to help them nurture and diversity their resources and promote economic growth and job opportunities. It is based on the widespread awareness that the overall well-being of the Nation depends largely on the economic strength and self-sufficiency of all areas and regions of the country.

Our economy is increasingly involved in the worldwide marketplace. The bill recognizes that, as well as the fact that changing national and global economies have created new problems and challenges for our Nation. It affirms that Federal investment has enhanced local and private investment. Clearly, it is in our national interest not only to continue, but to improve on, the public and private sector partnerships that have targeted economic development and adjustment activities for disadvantaged areas and industries and groups within those areas. Now, more than ever, we must pursue policies to bring all areas of the country to a position to be competitive in the global economy of the 21st century.

Title I of this bill—amendments to the Public Works and Economic Development Act—has been drafted in a different form. Titles I through VII of the act are replaced by the provisions of the bill that passed the House in the last Congress. Titles VIII, IX, and X of existing law have been retained. Title IX has worked well to provide economic adjustment assistance to communities adversely affected by military base closings, by the closing of plants that are major employers, and by natural disasters. Title VIII, economic recovery for disaster areas, and title X, the Job Opportunities Program, would remain in the event they may be needed in the future.

However, drawing on the valuable experience and expertise gained over the years and in an effort to address past criticisms, and parts of the existing legislation have been revised. The bill amends the often criticized current procedure of overdesignating areas eligible for assistance. Applicants would have to certify, with each new application, that an area where a project is to be located meets at least one of three distress criteria: Per capita income 80 percent or less of the national average; an unemployment rate at least 1 percent above the national average for the previous 24 months; or significant job loss due to sudden economic dislocation.

Applicants may be States, counties, cities, towns, economic development districts, Indian tribes, and development organizations.

The legislation would provide development assistance grants for new construction, repair, rehabilitation, and improvement of public facilities that is so essential for stimulating commercial and industrial development. Grant moneys could also be used to establish revolving loan funds to foster small business growth and expansion of job opportunities and to promote employee stock ownership plans.

The technical assistance, research, and information provisions of existing law are revised to provide grants for economic development planning, including preparation of development investment strategies, and for universities, colleges, and other organizations to provide management and technical assistance. Provision is also made for evaluation of investment efforts and for demonstration programs.

To strengthen the partnership of all levels of government and the private sector, a development investment strategy must be prepared identifying several elements that will emphasize coordinated development efforts, mutually supporting projects in distress areas, and active participation by the private sector and non-Federal governmental units. This approach changes the project-by-project planning of the overall economic development plans under existing law.

The bill would authorize $250 million annually for the 3 fiscal years 1993, 1994, and 1995 for development and planning programs and $26 million annually for salaries and administrative expenses. The limit on title I grants to each applicant is $4 million, other than grants to promote employee ownership organizations.

Title II of the bill extends the Appalachian Regional Commission programs for 3 years to allow continuation of the area redevelopment programs and construction of the development highway system.

The recession of the early 1980's and changes in national and international economies in recent years undermined much of what the Commission had previously accomplished in the region. The Appalachian Act amendments represent the views of the Appalachian Governors as to what is considered necessary to carry out expanded development activities aimed at making the region more competitive in national and world markets.

Authorizations included in this bill are for 3 years, 1993, 1994, and 1995, and provide $144 million annually for the highway programs, $37.5 million annually for nonhighway programs and $3.5 million annually for administrative expenses.

Mr. Speaker, this marks the sixth Congress that legislation to reauthorize these economic development programs has been introduced. This effort reflects our longstanding goal of promoting economic renewal and revitalization in distressed urban and rural areas of the Nation and among population groups and industries that have time and again been bypassed during years of economic expansion and have suffered unduly in times of economic difficulty.

But, in today's international economy, there is growing concern about how to deal with the impact of some difficult economic issues that confront not only our hard-pressed areas and businesses, but the Nation as a whole. I am referring to matters such as the difficulty of competing effectively against goods produced by foreign companies subsidized by their governments; the drain of American jobs to countries that have low-cost labor; and the impact of free trade agreements. We must examine how to better coordinate Federal programs and focus on national policies that will help our country's businesses, industries and labor force to be more productive and competitive in world markets.

The bill being introduced today will be the starting point for action by our committee. As chairman of the Subcommittee on Economic Development, I intend to hold hearings early in this session. With the support of committee members, I anticipate a bill will be reported out of the Public Works and Transportation Committee, passed by the House and sent to the Senate for action within the first 6 months of this session.

A summary of the bill follows:

SUMMARY TO REVISE AND EXTEND EDA AND ARC

Title I of the bill revises and extends Public Works and Economic Development Act of 1965; provides authorizations for Fiscal Years 1993, 1994 and 1995 at $250 million each year for programs and planning and $26 million for salaries and expenses.

To be eligible, applicants must meet one of three criteria:

(1) Unemployment 1% above national average, previous 24 months.

(2) Per capita income 80% of national average (latest statistics).

(3) Significant job loss due to sudden economic dislocation.

Qualified applicants: States, counties, cities, towns, economic development districts, Indian tribes and development organizations.

Program assistance provided:

Development Investment Assistance:

Grants for new construction and improvement of public facilities (including site preparation)—up to 80% Federal share.

Grants to establish revolving loan funds to stimulate small business growth—$1 million limit and 50% Federal match.

Grants to establish revolving loan funds to set up employee stock ownership organizations.

Grants to community development organizations to help small businesses by reducing interest rates for economic development project activities.

$4 million limit on grants under this title to each applicant, other than grants to promote employee ownership organizations.

Strategy, Planning, Evaluation and Demonstration:

Grants for economic development and strategy planning.

Grants to colleges, universities and other groups to provide management and assistance—75% Federal match of costs.

Authorizes evaluations and demonstration programs. Results to be reported to Congress within 90 days of completion.

Technical Assistance by Secretary.

Development Investment Strategy required, to include: inventory of community resources, industries and businesses; infrastructure available and needed; workforce skills; land available; showing of non-federal matching funds; showing or private sector willingness to invest; description of industry/business to be created or expanded; demonstration of participation by representative percentage of small business concerns owned and controlled by socially and economically disadvantaged individuals.

Application Procedure:

Submit to Secretary of Commerce with Development Strategy.

Certify area meets distress criteria, and performance responsibilities.

Secretary reviews for approval/rejection based on consideration of several factors including severity of distress, anticipated increase in permanent employment, extent of private sector and non-federal involvement.

Subsequent applications must demonstrate new showing of distress.

Title II of the bill amends Appalachian Regional Development Act of 1965.

Provides authorizations annually for Fiscal Years 1993, 1994, 1995.

For Development Highway and local access roads, $144 million (up to 80% Federal share); for non-highway programs, $37.5 million (up to 80% Federal share for the most distressed counties); for salaries and expenses, $3.5 million.

Allows funds to be used for projects and programs to assist the most severely distressed and underdeveloped counties; for revolving loan funds for business assistance loans; for establishing business incubators; for community infrastructure projects; for on-site employee training and programs to enhance manpower skills; and for other initiatives directed toward developing and sustaining economic growth and stability.

HENRY COUNTY SCHOOLS RECEIVE STATE RECOGNITION

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. GINGRICH. Mr. Speaker, as Congressman from the Sixth District of Georgia, I am very proud to share with my colleagues the news that the Henry County School System has once again received the School Award from the Governor's Commission on Drug Awareness and Prevention.

This is the second time Henry County schools, along with the strong help of their local parent organization Partners and Learners in the Schools [PALS], have been chosen for this honor. That such an innovative, locally based program is being recognized by our State is heartening, and I want to encourage other school systems in Georgia and beyond to follow their inspiring example.

In Henry County last October, students, teachers, and PALS worked together to hold a successful Red Ribbon Week. This is a time when activities, projects, and programs are developed and carried out to promote the motto "Real Life Is Drug Free."

Pam Nutt, the President of PALS, was one of the local volunteers who made this year's award possible. She was a leader in the creation of very active programs throughout the county, and, once completed, she submitted the school system's materials to the State judges. According to Helen Holt, Henry County school superintendent, this year's program went even better than last year's, which was also award winning.

My point, however, is not simply to commend the volunteers, teachers, and school administrators who helped push for this outstanding program. I want especially to congratulate the students of Henry County for their creativity in developing Red Ribbon Week projects, their enthusiasm in carrying them out, and their genuine desire to help themselves and their peers by participating in this week-long focus on eliminating drug use.

By making events like Red Ribbon Week a priority in our schools and by recognizing the achievements of superior programs, we start our students down the right path toward staying drug-free the rest of their lives. Let us not forget, however, that these important lessons must be constantly reinforced—at home, at school, and in the community at large.

Congratulations to Henry County—its students, parents, teachers, and local leaders. You give us hope that we can, with caring, determination, and local initiative, win the war on drugs.

MEMORIAL TO HONOR GEORGE MASON

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. COLEMAN of Missouri. Mr. Speaker, I rise today in support of legislation to authorize the establishment of a memorial, built with non-Federal funds, on Federal land—to honor George Mason in the District of Columbia.

George Mason wrote the Virginia Declaration of Rights, which served as the basis of our own Declaration of Independence and the first 10 amendments to the Constitution, the Bill of Rights. It is well known that Mason refused to sign the original Constitution because it omitted the guarantees of individual freedom which he set forth in his declaration of rights. Soon thereafter, the validity of his position was recognized by the adoption of the first 10 amendments.

Mr. Speaker, I again commend to you the writings of Dumas Malone of the University of Virginia contained in the introduction to Robert Rutland's book, "George Mason: Reluctant Statesman," in which he aptly describes the importance of George Mason in our national heritage and history. I ask that Mr. Malone's foreword be inserted in the RECORD at this point.

FOREWORD

That the name of George Mason should be acclaimed throughout the Republic whose birth pangs he shared, and indeed throughout the free world, will be agreed, I believe, by all American historians. He was the author of the Virginia Declaration of Rights, which was adopted three weeks before the national Declaration of Independence; and in this he charted the rights of human beings much more fully than Jefferson did in the immortal but necessarily compressed paragraph in the more famous document. Of the contemporary impact of Mason's Declaration there can be no possible question. Draftsmen in other states drew upon it when they framed similar documents or inserted similar safeguards of individual liberties in their new constitutions. Universal in its appeal, it directly affected the French Declaration of the Rights of Man and the Citizen of 1789. In our own time it is echoed in the Declaration of Human Rights of the United Nations. Writing in his old age, Lafayette said: "The era of the American Revolution, which one can regard as the beginning of a new social order for the entire world, is, properly speaking, the era of declarations of rights." More than any other single American, except possibly Thomas Jefferson, whom in some sense he anticipated, George Mason may be regarded as the herald of this new era; and in our own age, when the rights of individual human beings are being challenged by totalitarianism around the world, men can still find inspiration in his noble words.

The fact that Jefferson rather than Mason became the major American symbol of individual freedom and personal rights is attributable to no difference between the two men in basic philosophy, but was owing rather to the subsequent course of events and the accidents of history. Mason was by no means a minor figure in his own time; besides the Declaration of Rights he was the main author of the Virginia Constitution of 1776; and, because of his recognized wisdom, he was constantly consulted by other leaders. But, partly because of health, partly because of family cares, partly because of temperament, he was, in Mr. Rutland's apt phrase, a reluctant statesman. At times other leading Virginians sought to escape the burdens and responsibilities of public service—Jefferson being a good example—but no one of them carried reluctance to the same degree as Mason, who loathed routine legislative tasks and had no stomach for any sort of political intrigue. Venturing from home and his family as little as possible, he did not often leave Virginia. Thus, even in his own time, circumstance made this man of universal mind more a local than a national figure. As the architect of the new government in his own commonwealth he had shown himself to be constructive, but in connection with the new federal Constitution his own deep convictions caused him to assume a negative role and even to seem obstructive. As a delegate to the Federal Convention, he declined to sign the document which emerged from those closed sessions in Philadelphia; he opposed ratification in his own state and went down in defeat. His chief objection to the new frame of government was that it lacked the sort of guarantees of individual freedom which he had set forth in his Declaration of Rights; and also that is went further than was necessary toward centralization, thus endangering local rights and liberties. Opposition of the sort he symbolized had a positive result in the adoption of the first ten amendments to the Constitution—the national Bill of Rights—and to that extent his contemporaries recognized the validity of his position. The triumphant Federalists were not kind in their judgment of their opponents, however; even George Washington was cool toward his old friend and neighbor. Furthermore, Mason's objections to Hamiltonian consolidation gave him a black mark in the history the partisans of the first Secretary of the Treasury did so much to write. It should be noted that Jefferson likewise protested against the omission of a bill of rights from the Constitution and eventually offered similar objections to Hamilton's policy. But Jefferson lived to achieve vindication in his own election to the presidency, by which time Mason was long since dead.

In his own "country"—that is, Virginia—Mason was and remained an honored prophet. Indeed there were those, like the historian of the Virginia Convention of 1776 who regard the Declaration of Rights as a loftier work than the Declaration of Independence, which was in considerable part a political manifesto, designed to justify a change in government. Comparisons of this sort, if not odious, are quite unnecessary, for the two documents breathe the same philosophy. But the later national pronouncement can be advantageously supplemented by the fuller state declaration, and in certain cases Mason's language may be preferred. A good example follows:

"That all men are by nature equally free and independent, and have certain inherent rights, . . . namely, the enjoyment of life and liberty, with the means of acquiring and possessing property, and pursuing and obtaining happiness and safety."

The author of the Declaration of Independence, who claimed no originality for his production, had nothing but praise for the author of the Declaration of Rights. Jefferson described Mason as "a man of the first order of wisdom among those who acted on the theatre of the Revolution, of expansive mind, profound judgment, cogent in argument, learned in the lore of our former constitution, and earnest for the republican change or democratic principles." Mason, he said, was a man "of the first order of greatness."

The story of such a person cannot fail to be of wide, and should be of universal, interest. The purpose of this body is something more than to inscribe his name in larger letters on the list of eminent champions of individual freedom. It is also to make him live again as a human being. There is no need to anticipate here the human story which the author of this book tells so well, but I cannot refrain from pointing out that Mason provides a striking example of the spirit of *noblesse oblige*, for he was born to wealth and a privileged position, just as Jefferson was. Such men cannot be explained in terms of economic determinism. Every reader is entitled to find his own answer to the question, why this master of broad acres and scores of slaves laid supreme emphasis on man's freedom and found tyranny of all sorts abominable. It may be suggested, however, that the spirit of liberty appears in high places as well as low—that, in fact, it assumes its noblest form when most disinterested. Rarely has it appeared in nobler form than in George Mason.—Dumas Malone, University of Virginia.

A TRIBUTE TO THE MIAMI CHAPTER OF IKEBANA INTERNATIONAL

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the Miami Chapter 131 of Ikebana International, a Japanese flower arranging school which was founded in 1968 and affiliated with the original chapter in Tokyo. In a Miami Herald article entitled "Pleasure Abounds in Putting Flowers in Their Place," Bea Moss reports on the beauty of Japanese flower arranging. I commend the following article to my colleagues:

You can study ikebana until the day you die and still not know everything about it, say lovers of the Japanese flower-arranging art.

"It's ongoing learning," said Nellie Roberts who has studied ikebana for 36 years. "You just keep studying. We see so many changes."

Others can learn more about Ikebana's attraction at the annual ikebana show Tuesday at Fairchild Garden. The show will feature almost 40 ikebana arrangements by club members and a demonstration by Soei Mihori of the Sogetsu School of ikebana and director of the Florida Branch of Ikebana International.

"A lot of people want to learn about ikebana but they also want to be entertained," said Dottie Connors who lives in the Kendall area and is first vice president of the Miami chapter of Ikebana International. "Even after 36 years, I feel I should learn more about the classical form."

Young girls in Japan start learning the art of flower arranging when they are about 12.

"The discipline of flowers never changes," said show chairwoman Mieko Kubota who learned ikebana as a child growing up in Japan and is a master of the Kumoi School of Japanese flower arrangement. "Ikebana is Japanese, but its flavor is international."

And it's getting more popular, said Kubota, who lives in The Falls area.

"When this show is over we start thinking about next year's show," said Kubota who also teaches ikebana classes at Fairchild.

But members think about ikebana most of the time.

"It's like expressing yourself in flowers. If you're frustrated, you get flowers and a branch and in 20 minutes sadness and frustration are out of your soul," said Connors, who learned ikebana when she and her late husband Bill were stationed in Japan with the Army from 1959-62.

Nellie Roberts, who also was in Japan with her husband Ralph, wasn't too enthusiastic about ikebana when she began taking classes. She's now a believer.

"You can find artistry in a junk pile, walking on the beach or through the woods," said Roberts of Florida City and president of the Miami chapter of Ikebana International. "You can just pick something up and use it."

The first ikebana arrangements were in the temples, Kubota said. The art dates to Sixth Century Japan when Chinese Buddhist missionaries introduced the art. The first school of flower arranging in Japan was founded in the Seventh Century.

Although there are 100 different schools and styles of ikebana, the three leading schools, Connors said, are the Sogetsu, Ikenobo and Ohara.

Miami Chapter 131 of Ikebana International was founded in Miami in March 1968 and is affiliated with the original chapter founded in Tokyo in 1956. Now 200 chapters of Ikebana International operate throughout the United States, Europe, the Far East, Australia and other countries.

"It's our duty to educate and display," Connors said. "It's a lifelong thing and you meet a lot of nice people. It's friendship, too."

"It opens up your eyes," Roberts said. "We learn to bring the outside in. It lets you appreciate nature."

I am pleased to recognize the Miami Chapter 131 of Ikebana International and wish them much success with the teaching of ikebana.

CBO STUDY ON INFANT MORTALITY

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. GRADISON. Mr. Speaker, I rise today to call attention to an interesting and informative new Congressional Budget Office study that significantly clarifies the often misunderstood subject of infant mortality in the United States. The report will be released later this week. It is titled "Factors Contributing to the Infant Mortality Ranking of the United States" and was prepared in response to a request I made.

The tragedy of an infant's death cannot be mitigated by reducing it to a statistic. But to the extent that we must use statistics to help us understand the problem, we must come to grips with what the numbers can and cannot tell us. This CBO report goes a long way toward that goal.

For example, the report cites the rarely mentioned fact that infant mortality rates in the United States have declined dramatically and consistently since 1950, from 26 deaths to 10.1 deaths per 1,000 live births through 1988. Further, although infant mortality rates are substantially higher for blacks than for whites in the United States, improvement has occurred continually for both groups since 1950. The rate for blacks declined from 45.1 to 17.8 deaths per 1,000 live births over this period, while the rate for whites declined from 26.0 to 8.7 deaths per 1,000 live births.

That does not minimize the importance of the relatively high rate of infant mortality in the United States when compared with other countries. But even in this regard, the attention to detail in the CBO analysis calls into question the accuracy of past comparisons.

Few people realize that, according to the CBO study, "very premature births are more likely to be included in birth and mortality statistics in the United States than they are in several other industrialized countries with lower infant mortality rates." In fact, "limited data from Japan, Norway, and the United States suggest that births from 20 to 27 weeks gestational age are more likely to be classified as live births in the United States than in the other two countries. Furthermore, if fetal deaths of 20 weeks or more gestational age were included in feto-infant mortality rates, the Norwegian and Japanese rates would probably be comparable to the United States rate."

This is not a reason for us to be less concerned. It simply means that international comparisons, when used in a simplistic or superficial way, shed more heat than light on the nature and causes of our problem.

In the United States, medical care and technology do an outstanding job of saving premature infants. We simply have too many low birth weight babies. The CBO report points out that "low birth weight is the primary risk factor for infant mortality in the United States. We must reassess the balance between policies to reduce low birth weight and policies to use high-technology health care."

GET OFF OUR BACKS!

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. VANDER JAGT. Mr. Speaker, if Congress passes a mandate, it should be forced to pay for it, and to balance the cost with savings elsewhere. After all, a mandate just increases someone else's burden—and that means higher taxes at the State and local level.

President George Bush was right on the mark on the burden of regulation or mandates, or whatever it is that we do here on the banks of the Potomac that affects the cost of governing or doing business beyond the Beltway.

Perhaps in the 90 days major departments and agencies will carry out a top to bottom review of all regulations, old and new—to stop the ones that will hurt growth, and speed up those that will help growth. Perhaps also the EPA will discover the foolishness of the $200,000 to $300,000 burden that they propose to impose on small local government generators of power. Emissions control is a significant need—we all value the air we breathe. But a regulation which requires constant monitoring for data that is reported quarterly, from small plants using technology that rarely results in substantial pollutants is wrongsighted. Michigan municipal power generators deserve relief.

So do business and government at all levels.

Government regulation, conceived as the pet who can distinguish friend from foe—and only barks at danger, has become the very monkey on our backs as mindless mandates find evil lurking at every turn. Paranoia parades as prudence!

So we have to step back. We owe it to ourselves—or we'll pay for it at the market or city hall—to do a little analytical thinking: A cost/benefit ratio that encompasses not only the effect of regulation, but the long-term burden we will bear.

Recently, the Muskegon Chronicle of Muskegon, MI, in our Ninth Congressional District, offered an opinion piece which very clearly stated the case for review—and where the buck should stop. I offer that editorial for my colleagues' review, and for their attention as we consider proposals which impose burdens on businesses and governments without providing the wherewithal to meet the obligation:

[From the Muskegon Chronicle, Jan. 22, 1992]

GET FEDERAL RULES OFF THE BACKS OF STATE AND RESIDENTS

Driven, no doubt, by the fear of the unknown in New Hampshire, there are encouraging signs that the administration in Washington is starting to wake up to the agony of the states. Especially welcome is President Bush's call for a 90-day moratorium on new federal regulations.

For years now, the best-kept secret in government has been the astounding growth in federal regulations imposed on state and local governments. Those rules have added billions in costs to project specifications that the federal government requires. The government mandates ever-cleaner water and sewage treatment, programs that just about two decades ago were financed largely by the federal government. Today, federal assistance for local improvement or quality programs is increasingly hard to come by.

Yet, when costs go up and local municipalities have to increase the bills for residents, they get the heat, not the feds. And those costs inevitably go up as a result of Washington's stringent requirements, which it are continually upgrades and revises.

Businesses, too, have felt the lash of the many new rules that are constantly being devised in Washington. John Sloan, president of the National Federation of Independent Business, interviewed by U.S. News & World Report, said it best: "It is inappropriate for government to promote programs—often misguided programs—that it can't afford and to simply shift them onto the back of business."

In a refreshing example of creative policy, as opposed to simply tossing out more mandatory rules, the president is said to be looking favorably at a policy that we have long urged—paying the public to get rid of gas-guzzling junkers that litter our highways, stink up the air and pollute our cities. According to a story in Tuesday's Wall Street Journal, the administration is weighing such a plan as one way to achieve cleaner air. The alternative, notes The Journal are enforcing "environmental rules (that) would cost (businesses and governments) $70.5 billion—more than any year but one during the Reagan administration."

Washington must actively preserve the health and welfare of American citizens, but it mustn't abuse the privilege by passing the buck to the state and local governments, who are at the same time being increasingly deprived of federal aid. It's unlikely that logic dictated Bush's recent pronouncements—we suspect his descending popularity ratings had much to do with it—but this new moratorium is welcome.

HONORING THE WINNERS FROM THE SUFFOLK COUNTY COLLEGE BILL OF RIGHTS DAY

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. DOWNEY. Mr. Speaker, I would like to bring to the attention of my colleagues the outstanding accomplishments of three of my constituents who entered and excelled in the Suffolk Community College Bill of Rights Day. Ms. Paige Bade, Mr. Bernard Gay, and Mr. Marc Demant received top honors in the college's contest honoring the Bill of Rights. In their winning essays, they have captured the true spirit of this historic document.

Mr. Speaker, it is with great honor that I present to my colleagues in the House of Representatives the text of the winning essays. Ms. Paige Bade, Mr. Bernard Gay, and Mr. Marc Demant, we commend you for your fine efforts.

THE BILL OF RIGHTS: A VIEW OF ITS SIGNIFICANCE

(By Paige Bade, Senior, Amityville Memorial High School)

The Bill of rights, along with the Declaration of Independence and the original Constitution, is one of the most significant documents shaping American history. Although the Declaration of Independence and Constitution were monumental in that they created the philosophy and framework for a new government, the Bill of Rights was revolutionary in that it specifically defined the relationship between the individual citizen and the national government.

The Bill of Rights, as a specific document, developed gradually. Although discussed at the Constitutional Convention, a "Bill of Rights" was not included in the final proposal submitted to the federated states for approval. In January of 1788, seven states had already ratified the proposed Constitution. Three of the largest states, namely, Massachusetts, New York and Virginia had not. Their leaders demanded that the Constitution include specific provisions regulating the power of the Federal government in order to protect the citizens' basic rights. To induce approval, federalist leaders promised that a Bill of Rights would be added to the Constitution after its ratification.

Upon approval of the constitution, Congress created a series of proposed additions to the Constitution limiting powers of the federal government. At first, there was a set of over twenty amendments to be added, which were recommended by various state ratifying conventions. Congress reduced that number to twelve. Thereafter these proposals were submitted to the several states for debate and consideration. Ten were ultimately approved and have come to be known as the Bill of Rights.

The first eight amendments were enacted in order to limit the powers of all three branches of the national government. In the first amendment, Congress is prohibited from making any laws restricting the free exercise of religion, public assembly, freedom of speech or the right to redress grievances. This amendment is a bold outright prohibition of the power of the legislative branch. In the third and fourth amendments, restrictions are imposed on the executive branch. These amendments regulate the quartering of troops and severely restrict the power of police. For example, the fourth amendment mandates that a person cannot be arrested nor his property seized or searched, unless a warrant is issued on proper evidence. The other amendments regulate the power of the judicial branch. Thus, under the due process clause of the fifth amendment, the right of every citizen to a proper hearing and protection against double jeopardy, trying a person for the same crime twice, is assured. Additionally, the sixth amendment provides for substantial guarantees such as legal counsel, a speedy, public trial and the right to an impartial tribunal. The seventh amendment reinforces the right to a jury trial and prohibits the retrial of a matter once there has been a judicial determination.

The ninth and tenth amendments affirmatively recognize rights of the people or the states. They provide, in substance, that the people retain certain rights, even though those rights are not specifically identified within the Constitution. Also, that any powers not delegated to the federal government are reserved to the states or their citizens. Thus, unlike the first eight amendments, which grant specific limitations on government action, these amendments grant sweeping, though unidentified rights. These amendments were critical to the continued vitality and flexibility of the Constitution as a living instrument.

The Bill of Rights represented a unique experiment in the willingness of a government to limit its powers, grant specific rights, but most importantly, to recognize rights and powers yet to evolve.

THE BILL OF RIGHTS

(By Marc Demant)

In order for one to understand the importance of having the Bill of Rights, one must imagine living in a society where they do not exist.

For those European Jews who survived Hitler's reign of terror, better known as the Holocaust, the experience of living a life without rights is still a sharp and painful memory. The 1935 Nuremnberg Laws passed by the Nazi party, was a clear example of life without the Bill of Rights. These laws, approved by the government, clearly defined the difference between a citizen and a subject. A citizen would have the protection of their country, whereas a subject would have no rights at all. In essence, they would be transformed from the country's citizens to the country's property. As a result, their possessions as well as their very lives, no longer belonged to them.

Fortunately, here in the United States, such a thing could never happen. The reasons why, is detailed in the words of our constitution, which just happens to be the backbone of our society. But the constitution alone is not enough. That is because the text within the constitution is general, and can be left to many different types of interpretation.

This is where the Bill of Rights comes in. It is within the words of this document, that the fundamental laws of our society are spelled out. But what's more important, is that not only are the rights of the people clearly defined, but at the same time, government is forbidden to violate those rights.

There are times, though, when I get angry, because it seems unfair to share the freedom given by these rights with those living in this country that are clearly against the way our society is. Let's take for example, the radical militant groups that set out to publicize their cause. Should someone, or perhaps even some group publically protest against them, than these very people, as unpatriotic as they might appear to be, will use the bill of rights as their own weapons to fight for their right to be heard.

At these times, these groups usually are represented by the lawyers belonging to the A.C.L.U., the American Civil Liberties Union. It is the job of these lawyers, to put their own personal feelings aside, and use the bill of rights to guarantee their clients rights under the law.

This is not always easy to do. Our society, I must admit, as well as I myself, sometimes tends to judge based on the difference of right verses wrong, good verses bad. However, according to the Bill of Rights, it is not the moral issues behind ones beliefs that are protected, just ones right to speak of those issues no matter what they might be.

Perhaps the early founders of our society did not have the education that we are able to receive today, but what they did have, was wisdom. And with that wisdom, must have come the knowledge, that freedom is for everyone.

To me, the importance of the Bill of Rights, is that it guarantes my freedom as an American, and it gives me the peace of mind, that in this country, as in Germany so many years ago, I will never learn as the people there did, how it feels to revert from being a citizen into becoming a subject.

THE SIGNIFICANCE OF THE BILL OF RIGHTS

(By Bernard Gay, Junior, Amityville Memorial High School)

The Bill of Rights. Technically the Bill of Rights is a document that describes the liberties and freedoms of the people in the United States. If also forbids the government from violating these rights. But what really is the Bill of Rights? What makes it so important that four states would not adhere to the Constitution because a Bill of Rights was missing? What makes it so important that our whole style of government could have been altered because of its absence? The answer is Democracy. What the Bill of Rights stands for is much more profound than what is written on paper. It stands for the whole foundation that America was built on. It symbolizes what we fought so hard for during the American revolution. That notion of freedom from oppression and discrimination, freedom of belief and worship. An escape from the tyrannical Monarchy in England. The establishment of a new, fresh form of government different from any other in the world. One based on the freedoms and Natural rights that all humans should possess. That is what the Bill of Rights stands for. And it goes even deeper than that. Even though the drafters of the Bill of Rights might not have intentionally planned it, the significance of the Bill goes in to terms so deep, that they are indescribable to man. Without it, the entire system of Democracy would crumble.

On December 7, 1787 Delaware became the first state to ratify the constitution. Soon after, 7 other states ratified the constitution. On June 21, 1788 New Hampshire ratified it as well. It was the 9th state to do so. But two states were left to adopt the constitution as their basis of government before it officially went into effect. Those two states were New York and Virginia. Both refused to ratify the document that would govern them until their terms were met. They felt that there were still many faults in it that had to be worked out. Many critics objected to the fact that no Bill of Rights was included in the Constitution, the president had too much independence, and that the Senate was too aristocratic. In addition to that, they thought that Congress had too many powers and the national government had too much authority. The system was not balanced enough. But even as this conflict arose, there still remained those in favor of the constitution. Those who did were called Federalists. The critics who opposed it, were called anti-Federalists. Both developed into the first political parties in America. So the discussions when on until finally on June 25, 1768 Virginia ratified the constitution. Later that year on July 26—New York did the same. But even though New York and Virginia ratified the Bill of Rights remained a big issue. Both North Carolina and Rhode Island refused to approve the Constitution and take part in the new government until Congress agreed to add a Bill of Rights.

The states argued that there were no specific rights given to the people—that everything was for the government. Nowhere in the Constitution did it mention any of the freedoms that the people of the states should have. Therefore a member of the legislature at the time, James Madison, took it upon himself to draft a Bill of Rights. He made sure to keep in mind that the Bill should protect a person's right to "life, liberty, and the pursuit of happiness."

Basically the Bill of Rights consisted of ten amendments. The first three are general rights, Amendment four through eight are criminal rights, and 9 and 10 are important points not mentioned in the constitution.

The first amendment issues the most basic freedoms that Americans were entitled to. It gave them freedom of religious worship, which meant that every individual was allowed to practice any religion he desired, free of persecution. It gave the media freedom of the press, meaning that newspaper journalists and reporters could print what they felt like. They could openly express their opinions, even if it meant criticizing the government. Freedom of speech was also included, allowing Americans to speak their opinions overtly, without opposition. This right, though, had a certain extent. One could not shout "fire" when none existed, and claim freedom of speech. The people were also issued freedom of assembly, which entitled them the right to gather in groups to openly protest, hold meetings or other such things without the consent of the government.

And finally, the first amendment gave the people the right to voice complaints against the government. Not everyone's problems was guaranteed to be solved, but it didn't prevent them from speaking their opinions.

The second amendment gave citizens the right to bear arms, under the condition that he or she had a license for the weapon. It also stated that during peacetime, soldiers could not be stationed in one's private house, without the owner's consent. Only during wartime could a soldier be stationed at one's house, if Congress past a law to do so. The fourth amendment basically gave citizens the right to privacy. Authorities would have to obtain a search or arrest warrant from a judge, in order to search or seize one's property. This next amendment protected those accused of crime. Under the fifth amendment, no person could be tried twice for the same offense, by the same government, also known as double jeopardy. During an arrest, a person can not be forced to say anything that would discriminate him or her. The federal government can't take away a person's property except by due process of law either. Nor can it seize private property for public use without fair payment. The sixth amendment issued criminals the right to a short, quick, public trial. It also gives them the right to an attorney, and those accused must be told what he or she is accused of. In addition, the accused must be present in front of all witnesses. The seventh amendment states that a trial by jury is guaranteed for all cases exceeding a twenty dollar value. Under the eighth amendment to the constitution, excessive bail is not required, nor is "cruel and unusual" punishment. This means that bail is only required to make sure the defendant shows up for his or her trial, and it need not be unreasonably high. At that time, the death penalty was acceptable, so "cruel and unusual" punishment probably referred to torture. The ninth and tenth amendments basically reiterated the known fact that the people of the states were America's source of power and that all power that the federal government had is based on what the states or the people gave to it.

All these rights put together constituted the first ten amendments to the constitution. Originally, 12 amendments were made, but two were rejected because they had to do with the House of Representatives and salaries, but nothing to do with people's rights. By December 15, 1791 the Bill of Rights was approved by all the states, the United States Constitution, could finally go into effect. The legislatures continued on to add more amendments to the constitution, later on throughout the years. To this day, there are 26 amendments to the United States constitution. The people today will abide by the law and take full advantage of their rights. Some examples of how the Bill of Rights applies to today's society is all the diverse religions we have today. That illustrates the freedom of worship. Our press critizes the government frequently now-a-days. It is mandatory that authorities used search warrants as well.

Indeed, the Bill of Rights has many applications in today's world, and if we did not have them, we could not take advantage of the liberties it grants us. The whole meaning of the Bill Of Rights is based on the Democracy which we established when we proclaimed our independence as a nation. And if a Democracy means a rule by the people, then the Bill of Rights stands for the rights and freedoms for which the people rule by.

FLAWED U.S. IMMIGRATION SYSTEM NEEDS REPAIR

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. BEREUTER. Mr. Speaker, our Nation's immigration policy should be designed to permit fair and orderly entry into the United States for appropriate numbers of qualified applicants. Legal immigration has a healthy and positive impact on our society. Illegal immigration, on the other hand, causes great damage to the fabric of American society.

This Member believes that American public supports legal immigration. However, there are few matters that strike the near-unanimous outrage that illegal immigration strikes.

Recently a serious loophole in U.S. immigration policy came to this Member's attention. Mr. Speaker, it seems that the Immigration and Naturalization Service cannot stem the ever-increasing flow of illegal aliens who, without any papers, land at some of our international airports. Illegal arrivals are overwhelming the INS agents at JFK International Airport in New York, at Los Angeles International Airport, and elsewhere. In December alone, 1,250 illegal aliens arrived at JFK. Because the INS lacks the facilities to hold these individuals, they are released pending a court hearing on their case. In short, illegal aliens simply fly to the United States, and are released on their own recognizance pending a hearing. Not surprisingly, few of these illegal aliens return for their hearing.

This is an outrageous situation, Mr. Speaker, but this is not all. It gets worse. According to the January 27 edition of the Washington Post, many of those illegal arrivals will not even allow themselves to be photographed or fingerprinted. Even for these individuals who refuse to cooperate with U.S. authorities in the most basic manner, the INS feels it has no option but to release them on their own recognizance. In the words of one INS agent, "They won't engage in any conversations with you at all. They are calling our bluff. They're saying, I'm not even going to tell you my name, you're not going to get my fingerprints and I know there's very little you can do with me.

Mr. Speaker, this situation defies all reason. It makes a mockery of this body's attempts to craft a coherent and equitable immigration policy. It is an insult and disservice to those who wait, sometimes years, to enter the United States legally. We don't need individuals who, by their very manner of entry, demonstrate absolute contempt for our laws and traditions. This body must act promptly to address this situation, Mr. Speaker. If we fail to act, the American public will surely judge us harshly, and they will be correct to do so.

Mr. Speaker, this Member would ask to have inserted into the RECORD a recent editorial from the Omaha World-Herald. Entitled "Border Net Needs Repair," the World-Herald notes that the system is failing those who play by the rules, and needs to be fixed. I would commend this insightful editorial to my colleagues.

BORDER NET NEEDS REPAIR

America's immigration system is so flawed that some people can enter the country illegally, almost at will, through American airports. The net that is supposed to protect U.S. borders obviously has holes that need to be repaired.

By some accounts, almost anyone who wants to come to the United States and stay for an indefinite period needs only to buy an airplane ticket. The problem is worse at large airports, officials said, including John F. Kennedy International Airport.

At JFK, the flood of illegal arrivals has swamped the detention facilities of the Immigration and Naturalization Service. By law, the INS cannot summarily prevent anyone from entering the United States. Because of the volume of new arrivals at JFK, virtually everyone is allowed in.

Those without proper entry documents are detained briefly and told to appear at a hearing before an immigration judge. But the process is so jammed that the hearing in many instances is held more than one year later. Not surprisingly, most of the people never show up.

The word that it is easy to enter the U.S. through JFK is spreading. In December, a record 1,250 illegal travelers landed at JFK. The INS anticipates 1,500 a month by March. An official said that the problem will continue to grow as others discover that "we just don't have the resources to prevent them from coming in."

One of the worst things about the policy is that it gives criminals easy access to American drug connections. Officials don't have the time or authority to check the claims made by the new arrivals. As a result, a man who claims to be a banker from Venezuela may well be a courier for the murderous drug lords of Colombia.

Certainly there should be room in an immigration policy for people who want to become Americans and have the training and qualifications to make a major contribution. Millions of immigrants and their descendants have strengthened and shaped America.

But a certain number of the arrivals of 1992 have no intention of entering under the laws or of contributing as good citizens. The system is failing those who play by the rules. It needs to be fixed.

NATIONAL GRAPEFRUIT MONTH: FEBRUARY 1992

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. LEWIS of Florida. Mr. Speaker, as we approach the peak of grapefruit season this month, I would like to join with my colleague, ANDY IRELAND, in introducing legislation to proclaim February as National Grapefruit Month.

As one of the Nation's most vital agricultural industries the United States has the unique distinction of being the world's leading producer and exporter of grapefruit. Export sales for fresh grapefruit have doubled since 1986 and revenue from exports sales have tripled.

The industry is still growing. My own State of Florida, which accounted for more than 80 percent of fresh grapefruit consumed in the United States in 1990–91, is expected to increase grapefruit production by 70 percent during the coming decade.

More than providing the United States with a viable and profitable industry, grapefruit provides Americans with a healthy source of dietary fiber, Vitamin C, and Vitamin A. We should all follow the advice of the National Research Council which recommends consumption of five or more daily servings of fruits and vegetables. My recommendation is to make one of those servings grapefruit throughout the month of February. "Health food never tasted better."

I hope my colleagues will join me in cosponsoring this legislation to promote the outstanding dietary benefits of grapefruit and to recognize the accomplishments of the American citrus industry.

TRIBUTE TO LUIS G. ZAMBRANA

HON. JOAN KELLY HORN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Ms. HORN. Mr. Speaker, I am honored today to pay tribute to Luis G. Zambrana, a long-time business and civic leader within the St. Louis community, who passed away on February 1, 1992.

Luis Zambrana truly represented the story many of us are told by our grandmothers and grandfathers about achieving the American dream. He was born and educated through high school in Beni, Bolivia. For college he came to America and attended Kansas State University where he earned a degree in civil engineering.

From there he came to St. Louis, where his contributions to the community were plentiful. He was a founding member of the Hispanic Chamber of Commerce in St. Louis, which through his leadership has grown very active over the years. He owned and operated L.G. Zambrana Consultants, Inc., an engineering and surveying firm, from 1982 until his death, as well as part ownership of CTS Systems, a computer consulting firm. In 1989, Luis Zambrana was named Regional Small Business Person of the Year.

Luis Zambrana's professional career as a civil engineer spanned 30 years, including 12 years of public service with the Missouri Highway and Transportation Department and 10 years with the St. Louis County Department of Public Works. He believed in working together within the community. This is amplified by the list of associations he was affiliated with, including the Society of American Military Engineers, National Society of Professional Engineers, American Public Works Association, and the Missouri Association of Registered Land Surveyors. Locally, he was a member of the Richmond Heights Planning and Zoning Commission, East-West Gateway Coordinating Council, and the Engineers Club of St. Louis.

However, his participation did not limit itself to the business community. Luis Zambrana contributed his energy, as well, as a founding member of the St. Louis Bolivian Society and as a member of the St. Louis Ambassadors Club.

America was made great by men and women with the spirit and determination represented in the life of Luis Zambrana. His wife, Imarie, and his children, Luis, Michael, Nanette, and Lisa Renee continue to share this legacy within our community.

Mr. Speaker, Luis G. Zambrana was a great American. He was determined, he was courageous, and he was an inspiration to all. He will never be forgotten.

A TRIBUTE TO CLARENCE L. HUBERT

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. YATRON. Mr. Speaker, I rise today to recognize an outstanding citizen in the Sixth District of Pennsylvania, Mr. Clarence L. Hubert of Reading. On February 16, 1992, there will be a dinner to honor Mr. Hubert for his outstanding contributions to the Reading community.

Mr. Hubert was born in Reading on January 27, 1910. Mr. Hubert joined the Boy Scouts of America at age 12 and has been an active and exemplary member ever since. Mr. Hubert has been important in the lives of many young people in his 70 years of Scouting. Mr. Hubert is a former recipient of the Whitney M. Young, Jr. Service Award, presented in honor of his work creating Scouting opportunities for low-income youth within the Hawk Mountain Council. His achievements include 17 merit badges and the attainment of the rank of Life Scout.

In addition to Scouting, Mr. Hubert has been involved extensively with a variety of community organizations in Berks County. He has served on the board of directors of many local organizations including the Reading-Berks Economic Opportunities Council and the Reading Boys Home. He has also been involved with the Berks County Prison Board, the YMCA Home Relations Committee, the Reading Branch of the NAACP, and is a member of the Washington United Presbyterian Church.

Mr. Hubert has made admirable contributions to improvement of the Reading community. He has touched the lives of the many people fortunate enough to come into contact with him. He represents the finest qualities of Scouting and is a fine role model for our young people. I ask all of my colleagues to join me in paying tribute to Mr. Hubert and wishing him the greatest success and good fortune in the future.

SCOUTING'S ANNIVERSARY WEEK

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. SAXTON. Mr. Speaker, just yesterday, the Ocean County Council of the Boys Scouts of America of Toms River, NJ, contacted me to remind me that next week will mark the 82d anniversary of Scouting in America.

As a former Boy Scout myself, I was impressed to find out that 14.6 percent of Ocean County's youth between the ages of 6 and 20 are enrolled in Scouting programs practicing Scouting's goals of character development, citizenship training, and personal fitness conditioning. Continuing its commitment to combat the social ills of hunger, child abuse, substance abuse, illiteracy, deprivation, and unemployment, I am pleased to report that Scouting still operates under the slogan "Duty to God and Country."

Mr. Speaker, I also am told that a national delegation of seven scouts will be in Washington next week to meet with congressional leaders and President Bush to deliver their annual "Report to the Nation." In fact, they will be meeting here with the Clerk of the House on February 11.

I thank Edmund Bennett, Jr., president of the Ocean County Council, for bringing this to my attention so I might share it with my colleagues.

A TRIBUTE TO RUTH HARRIS

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine work and outstanding public service of Ruth Harris of Bloomington, CA. Ruth has served as a member of the Bloomington and Colton Boards of Education for 38 consecutive years. She will be honored next week for her long-time service to her students, staff, and the community at a recognition dinner sponsored by the Agua Mansa PTA Council.

Ruth Harris has literally dedicated her working life to education. She was elected to the Bloomington Board of Education in 1953 and served in that capacity until the Bloomington, Colton, and Grand Terrace schools unified in 1966. During that time, she ran successfully for the Colton Joint Unified School District Board of Education. She has recently completed 25 years of service with the Colton District. In addition, Ruth served as a member of the San Bernardino County Board of Education for 18 years.

Ruth has also been active in the PTA since moving to Bloomington 46 years ago. She served as the first president of the Bloomington PTA Council in 1950 and has also held five directorships. She has also served as president, vice president, and parliamentarian of the Fifth District PTA.

Over the years, Ruth has made numerous contributions and donated countless hours to community agencies. She has served on the board of directors for the American Red Cross, Arrowhead United Fund, and Colton United Methodist Church. In addition, she has served as community association chairman of the San Gorgonio Council Girl Scouts, as president of American Field Services, as president of the San Bernardino County Museum, and parliamentarian for the California Association of Neurologically Handicapped Children.

Ruth has received a great deal of recognition for her work. She is a lifetime member of the National PTA, was named Lay Citizen of the Year in San Bernardino County, named an honorary member of Delta Kappa Gamma, and is also listed in Who's Who in the Methodist Church. Ruth is also the namesake of the Fifth District PTA Office Ruth Harris Building. In addition, the Colton Joint Unified School District Board of Education voted to name the district's newest junior high school in her honor. The school for seventh and eighth graders from Bloomington and Fontana is expected to be completed in 1993.

Mr. Speaker, I ask that you join me and our colleagues, friends, and family in recognizing the many contributions of a very special lady, Ruth Harris. Ruth's dedication and many years of selfless service to the community are certainly worthy of recognition by the House today.

1992 IS THE YEAR OF THE AMERICAN INDIAN

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188 (S.J. Res. 217, H.J. Res. 342), Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years. In support of the Year of the American Indian, I am providing a copy of a recent article for the consideration of my colleagues.

[From USA Today, Dec. 3, 1991]

A CALL FOR BETTER NATIVE EDUCATION

(By Dennis Kelly)

Schools have failed to nurture the language and academic needs of Native American and Alaska Native students, so they continue to have the highest dropout rate of any ethnic group, a new report says.

The report recommends new steps to halt this erosion of Indian cultures, including more funding for early childhood education and creation of an assistant secretary's position for Indian education within the U.S. Department of Education.

"I think we could do a lot better than we've been doing, not only in funding, but also in making this a high priority," says Terrel H. Bell, former U.S. Education Secretary.

A task force appointed by former Education Secretary Lauro Cavazos prepared the report, Indian Nations at Risk, released Monday at a Native American conference in San Francisco. Bell co-chaired the group with William G. Demmert Jr., former Alaska commissioner of education and a Tlingit/Sioux.

Only 10% of the 383,028 Native American and Alaska Native students in the U.S. attend schools funded by the federal Bureau of Indian Affairs, while 87% have blended into the nation's public schools. Three percent go to private schools.

Across the board, though, the report says Native children suffer because they face:

Schools that discourage use of Native languages in classrooms, weakening their cultural ties.

A curriculum presented from a European perspective.

Relegation to low-academic tracks "that result in poor academic achievement among up to 60% of Native students."

Economic and social problems in families and communities—including proverty, single-parent homes and substance abuse—that are barriers to good education.

Limited access to college because of insufficient funding.

Natives' lands are also "constantly besieged" by outside forces further interested in reducing their original holdings, the report says.

With all these problems, the proportion of students who drop out after 10th grade is 36% for Native Americans, compared with 28% for Hispanics, 22% for blacks and 15% for whites, the report says.

Academic achievement suffers as well. A 1988 study of eighth-graders showed that Native students have the smallest percentage of students performing at the advanced—or highest—level of mathematics of all ethnic groups.

The report gives no specific dollar amount on new funding needed, but calls for:

More spending for early childhood education, prenatal care and parental training.

Establishment of a national research and school improvement center for Native education.

Additional efforts to train Native American teachers and administrators.

RECOGNITION OF MICHAEL WALLER, CLEVELAND ENTREPRENEUR

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. STOKES. Mr. Speaker, I rise today to give deserving recognition to Mr. Michael Waller who has distinguished himself within the business community.

Mr. Waller is the president and chief operating officer of Cleveland Telecommunications Corp., a company which he founded in 1983. Due to his persistent efforts, CTC has been able to quadruple its business volume over the past 5-year period. A similar increase in the work force commensurate with this progress is anticipated by the spring. As a result, his firm has recently been cited among the list of fastest growing companies in northeast Ohio. CTC was ranked highest of all the minority firms included, and was one of three Cleveland based minority enterprises making the list. The other two minority firms receiving honors from the Cleveland area were Solar Universal Technologies, Inc., and Servo Products, Inc.

Mr. Waller participates in a number of professional organizations, as well as community service activities, seeking not only to expand his own horizons, but to facilitate increased opportunities for others. For example, he is currently the president of the Northeast Ohio 8(a) Contractors Association and teaches economics classes at the local high school. He has received many awards for his exemplary performance.

Mr. Speaker, I applaud the accomplishments of Mike Waller. He is an industrious businessman and a good citizen. I am proud of his entrepreneurial success and his sense of social responsibility and would, therefore, like to share with my colleagues the following Call and Post newspaper article concerning his latest achievement.

[From the Call and Post, Dec. 26, 1991]

MICHAEL WALLER HONORED FOR FASTEST GROWING MINORITY FIRM

CLEVELAND, OHIO.—Three Cleveland minority entrepreneurs are included in the Weatherhead 100, northeast Ohio's fastest growing companies. Cleveland Telecommunications Corporation (CTC), Michael Waller President and CEO; Solar Universal Technologies, Inc., C. Milton Kates, President and CEO and Servco Products, Inc., Calvin Vinson, President, were among the honorees of outstanding enterprises for their remarkable individual growth.

The Weatherhead 100, launched in 1988 is co-sponsored by Case Western Reserve's Weatherhead School of Management, Enterprise Development, Inc., Kemper Securities Group, Inc., and Cleveland Enterprise magazine to celebrate the success of high-growth entrepreneurial business in northeast Ohio. Manufacturing, Service, and Wholesale/Retail companies are among the largest in the industry breakdown with Distribution, Construction/Real Estate and Oil & Gas following.

Michael Waller, President and CEO of Cleveland Telecommunications Corporation is the top ranked minority enterprise of the group. Founded in 1983, CTC is a national full-service advanced voice and data communications corporation offering consultation, system design and engineering installation, support and service of various communications systems. More recently, CTC has diversified to include facilities management-maintenance.

Honored by his organization's recognition, Michael states the award indicates "progress minorities have made but have further to go," in creating and expanding entrepreneurship in the Cleveland area.

An eleven year systems technician at Ohio Bell/AT&T, Michael saw opportunities in the advent of the divestiture and deregulation for businesses to purchase their own phone systems versus leasing. In the last five years, CTC has grown 413 percent and is expecting to increase the size of its employees from 35 to 150 by March 1992. With offices in Seattle, Washington and the Washington DC area, short-term expansion projects include international markets and the manufacture of electronic components. Among its many clients are the Cuyahoga Metropolitan Housing Authority, Ohio State University, Tennessee Valley Authority, State of Ohio Department of Prisons (Mansfield, Lorain & Grafton), Scott Air Force Base in Illinois, EPA, NASA, Ohio Lottery, Ohio Bureau of Employment Services and many more.

"Capitalize as much as possible and work within your means," are his golden words of wisdom for budding minority entrepreneurs. "Many of the larger telephone companies similar to ours have come and gone. My opinion is they fail due to mismanagement. Don't quit—and be prepared to fail. Most entrepreneurs just starting out become discouraged when mistakes are made and experience failure. You can't be successful without failure. Learn from each mistake and do what it takes to realize your goals," says Michael.

A dedicated pillar in the community, Michael teaches economics for Junior Achievement at Heights High School, is a member of the Minority Business Input Committee, Minority Business Enterprise Toastmaster's International, National Telecommunications Association, NAACP, and the Minority Contractors Association. He has received awards from the City of Cleveland Minority Business Development Center for major development in minority business enterprise, Who's Who and the 1990 Brother's Keeper Award for a "Businessman who cares" from the Cleveland Budget Coalition.

A firm believer in giving back to the community, Michael encourages those who want to start their own business. He helps them evolve their entrepreneurial mentality by uplifting their creativity and confidence level.

ELIZABETH MURRAY, DADE SUPERTEACHER

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, every school district has those teachers who stand out. After 45 years in the classroom Mrs. Elizabeth Murray is clearly one of these exceptional educators. She presently devotes herself to the Riviera Middle School in Miami where she teaches the English language to children who speak other languages. The Miami Herald recently recognized her as one of Dade County's superteachers in an article by staff writer Jon O'Neill. That article follows:

To help her teach at Riviera Middle School, Elizabeth Murray calls on experience—lots of it.

She has 45 years as a classroom teacher and nearly as many as a mother, raising seven daughters and five sons. And although Murray says she's old enough to retire, she just can't.

"I love coming in every day to work with the kids," she said. "Each one is different. Each one is special."

Murray teaches English to kids who speak other languages. many of her students, who range in age from 10 to 15, have never been in school before. Her class includes students from Honduras, Colombia, Argentina and Russia.

"I teach them more than just the language," Murray said. "I teach them culture, customs and behavior. It's my job to help them grow up to be good Americans."

In class, Murray likes to keep things light. Her kids laugh a lot, and they learn a lot. When visitors showed up in class Thursday, several students who spoke no English in September were more than happy to show off how much of the language they know now.

"They can be noisy sometimes," Murray said with a smile.

"She's a very giving and caring person, besides being a veteran teacher," said Verdell King, an assistant principal at Riviera. "She knows how to nurture the students."

Murray has never wanted to do anything but teach. The daughter of a teacher, she was born in New York City and graduated with an education degree from Queens College. She began teaching right away in New York.

Murray moved to Miami with her husband and growing family in 1961, and kept right on teaching. Along the way she picked up a master's degree from Nova and finished raising her kids. Not surprisingly, five of her daughters became teachers.

Murray has taught at Mays Middle School and came to Riviera 10 years ago. She now teaches regular English courses along with her English classes for kids who speak other languages.

Murray got involved with those classes when the Mariel boatlift brought thousands of new students to Dade in 1980. She volunteered to work at a relief school for the new students at Centennial Middle School in South Dade.

"I thought I could do some good there," she said. "Now, I think this is where I'm needed most."

In her classes, she pushes her kids and looks for little victories, the kind found in the eyes of students who understand something. In the eyes of kids like Carla Carrai or Dasha Chepanov.

"I'm trying to learn more words," said Carla, 13. "She's a good teacher because she explains things to me."

"I like her, but I don't know why," said Dasha, 11, who came to the United States from Moscow seven months ago. "I knew very little English, but now I can speak more. I have fun in this class."

Kids like these keep Murray in the classroom.

"When you see them making so much progress, it feels good," she said.

Mr. Speaker I commend Mrs. Murray for her lifelong commitment to excellence in education. I know that she is an inspiration to other teachers in her school and throughout Dade County. I commend the leadership of Principal Mr. Ken Davis, Assistant Principal Dr. John Sanchez, and Assistant Principal Ms. Verdell King for making Riviera Middle School a place where teachers like Mrs. Murray and their students can thrive.

MALCOLM "MAC" DOUGLAS, PILLAR OF COMMUNITY IN HAMPTON, NY, TO BE HONORED AT RETIREMENT DINNER

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. SOLOMON. Mr. Speaker, as you know, I measure a man by his contribution to his community.

By that yardstick, Malcolm Douglas of Hampton, NY, or "Mac" as his many friends call him, is a giant.

Mac is stepping down as clerk of the Washington County Board of Supervisors after nearly 30 years of service in a number of capacities.

He was assessor in the town of Hampton from 1963 to 1967. He earned the trust and respect of the town voters and was elected supervisor, serving from 1968 to 1973. Mac was chairman of the Washington County Board of Supervisors from 1972 to 1973.

He was then director of emergency services until 1989. Meanwhile, he has served as clerk of the board of supervisors since 1982 and budget officer since 1986, holding both posts until his recent retirement.

But Mac's contribution was not limited to the public arena. He was active for many years in the Skenesborough emergency squad. He was a past master of Whitehall Grange 922, which he joined in 1949. He was past master and past deputy of the Washington County Pomona Grange, and a member of the New York State Grange Building Committee.

He also belonged to the Eureka Lodge Masons in Fair Haven, VT. And finally, he was a lifelong member of the Whitehall United Methodist Church, serving presently as secretary-treasurer of the board of directors, and having served an important role in building the new church.

And, as is so often the case with people who give so generously of their time, Mac Douglas is a devoted family man.

He and his wife of 45 years, Jean, are the parents of three children, William Harris Douglas, who still lives on the family farm in Hampton, Malcolm B. Douglas Jr. of Ballston Spa, and Janice McPhee, also of Ballston Spa. Mac and Jean are the parents of seven grandchildren.

They are also avid hockey fans, and I'm glad to see them quite often at Adirondack Red Wings games at the Glens Falls Civic Center.

Mr. Speaker, you can see why Mac Douglas has so many friends. Those friends are going to honor him at a retirement dinner this Saturday. But let us pay our own tribute today, rising to honor Malcolm Douglas, one of Hampton's favorite sons, a model public servant, a great American, and a good friend.

CUT THE CAPITAL GAINS TAX

HON. DANA ROHRABACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. ROHRABACHER. Mr. Speaker, Congress must heed President Bush's call to cut the capital gains tax. A cut in the capital gains tax would reinvigorate our economy, create economic growth and produce millions of new jobs.

The budget summit agreement of 1990 set our economy down the dark road of recession. If we continue our current tax strategies, forecasters agree that average annual real growth for the economy through 1996 would be only 2.6 percent. The time has come to change course.

If Congress had passed President Bush's capital gains proposal in 1989, it would have created 400,000 new jobs this year and 750,000 jobs by 1995. Our gross national product would have increased by $273 billion over the next 10 years.

While the benefits of a cut are clear, so is the politics of the issue. Democrats claim such a tax cut would only benefit the rich. Nothing could be further from the truth. Just this past week I received two letters from two different hard-working constituents that show the real beneficiaries of a capital gains tax cut are average middle-class Americans. I hope my liberal colleagues will take a moment and read their thoughtful and thought-provoking letters. Congress must move quickly and pass a pro-growth economic package, and a cut in the capital gains tax rate is a vital part of any effective economic package.

HUNTINGTON BEACH, CA,
January 15, 1992.

Hon. DANA ROHRABACHER,
Member of Congress, Los Alamitos, CA.

DEAR MR. ROHRABACHER: I, and millions of Americans like me, need your help concerning the tax on capital gains.

In 1973 I was an unwed mother on welfare. Five years later, working 60 hours or more a week, I was finally able to buy our first home. With continued hard work and long hours, four years later we were able to buy our present home.

In the entrepreneurial spirit, I kept the first house, and rented it. I worked even longer hours to make up the $200 a month deficit not covered by the monthly rent plus the gargantuan payments on our new house. I hope, some day when the market was right

I could sell the first house and realize a profit that might see my daughter through college. I, sir, was in search of the American dream—prosperity and abundance.

Two years, ago, I took out a second trust deed on the first house. With those funds I bought three more rental houses in the San Bernardino area. I have had great difficulty finding good renters in the area, and there have been times the houses have sat empty for several months at a time. I have come to realize I may have bitten off more than I can chew. I would like to sell either the original house or one of the San Bernardino properties, instead of working yet more hours to make yet more money to cover the ever increasing expenses.

My daughter and I have each given up a lot to achieve our financial goals. You see, I have done all this by myself, without a husband or the aid of child support, or loans from wealthy parents. My daughter, now 18, and I have shared only one vacation together and that was sponsored by one of my employers, a generous gesture for all of my hard work and long hours.

The long hours and continuous years of two and sometimes three jobs is wearing on me now. I feel I have worked hard, very hard, for everything I've received. I'd like to cash in on a little of it now and take life a bit easier for a while. I'm not asking for a lot. I still drive a 1973 Volkswagon and live in a house filled with a mish-mash of thrift store junk furniture. And our home is in dire need of some expensive maintenance, which can only mean yet another job and longer hours.

What I'm telling you is that I would love to sell one or two of these properties, but after the tax on capital gains, plus the slump in real estate, I wouldn't even be able to realize my original investment. It just isn't worth it!

I'm not a rich person who will make millions off these investments. I'm a single mother whose primary residence needs major repair. I'm a single mother who would love a well-deserved and long overdue vacation. And if the tax on capital gains were removed, not only would it help me, it would help the roofer I would employ, the plumber, the painter, plus their suppliers, plus the mills they buy from, the manufacturers, etc. Do you get my point?

It's not the "rich" who are being punished by this tax on capital gains, it's people like me—the middle class, and we need your help!

I need your voice in Washington; I and the millions like me need you to scream at the top of your lungs, from every house top in every city of America. Stop this unfairness. Help us to realize the American dream. Please!

Sincerely,

WILLA JOHNS.

LONG BEACH, CA,
January 22, 1992.

Hon. DANA ROHRABACHER,
Washington, DC.

DEAR CONGRESSMAN: I am a 62-year-old man whose income has averaged under $18,000.00 per year for the last 40 years (I.R.S. verified).

Three years ago, when millions of Americans, including myself, voted overwhelmingly for George Bush to be our President. . . . we also voted for everything he stood for. After listening to his previous three State of the Union messages (and probably in his upcoming one on January 28), his one consistent message has been for a cut in the Capital Gains tax or its complete abolishment. This is not a tax benefit for the wealthy but for every American homeowner who has an equity in his home. Get the homes selling in this country and the automotive industry will pick up.

We millions of Americans voted for George Bush to be our President . . . not George Mitchell. Stand up now and give the President his agenda.

Sincerely,

F.X. MCDONALD, Jr.

"ANTI-SEMITISM IN EASTERN EUROPE: OLD WINE IN NEW BOTTLES"—IMPORTANT NEW REPORT OF THE ANTI-DEFAMATION LEAGUE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. LANTOS. Mr. Speaker, the Anti-Defamation League [ADL] of B'nai B'rith has a long and distinguished tradition of leading the fight against anti-Semitism, both here in the United States and abroad. I would like to call to the attention of my colleagues in the Congress an excellent report prepared by the ADL on Anti-Semitism in the former Communist countries of Central and Eastern Europe.

Eastern Europe is an area where anti-Semitism has been endemic for centuries, and 45 years of communism did little to change feelings about Jews. Now that some of the restraints of the former totalitarian governments have been lifted, anti-Semitism has reemerged with a new intensity.

Ironically, Mr. Speaker, despite this upsurge of anti-Semitism there is a virtual absence of Jews in most of these countries as a consequence of the Holocaust and postwar migration of most surviving Jews. Anti-Semitism without Jews raises serious questions about the perseverance of age-old patterns of prejudice in this region.

I insert this excellent report in the RECORD, and I urge my colleagues to give it serious and thoughtful attention:

ANTI-SEMITISM IN EASTERN EUROPE: OLD WINE IN NEW BOTTLES

INTRODUCTION

Anti-Semitism Under the Communists: There is a long history of anti-Semitism in Eastern Europe. After World War II, anti-Semitism was directly linked to a specific Communist policy of eliminating the infrastructure of Jewish life. Jewish, along with many other religious institutions, faced numerous government-enacted obstacles. They found it difficult if not impossible to attract younger members of the community because celebrating one's Jewish identity was considered a hostile and anti-Communist act. Contact with Israel and with Jewish cultural and religious institutions worldwide was proscribed. Virulent attacks on Israel and on Jews were often voiced by government bureaucracies. Judaism and Israel were linked as negative entities.

Jewish history suffered under the Communists as well. The Holocaust was an attempt by the Germans to annihilate the Jews. For all intents and purposes it succeeded in Eastern Europe. Under the Communists, it no longer was a "war against the Jews," but was presented as a terrible act of aggression by the Fascists against the Communists. It is not surprising that few non-Jews who came of age in the post-war era in these countries understood either the dramatic effect World War II had on Jewish life or why Jews remain so sensitive to any manifestation of anti-Semitism.

The treatment of the Jews by the Communist regimes must, of course, be analyzed within the context of the treatment of other religious and ethnic minorities. Under Communism, the pressure for assimilation was intense. The difference, both religious and ethnic, between the different groups—Jews as well as others—were ignored, hidden, or actively suppressed by government bureaucracies. Because Marxist-Leninist theory denied the legitimacy of ethnographic differences, these distinctions were simply declared to be non-existent.

However significant the impact of Communist policy on anti-Semitism, one cannot ignore the long prior history of anti-Semitism in these countries. The history has been well documented and historically analyzed. It has social, economic, political and religious roots. Under the Communists, it was not allowed open expression. One saw little anti-Semitic graffiti or read few openly anti-Semitic articles in newspapers unless they were government authorized. But this animus was never eradicated. The speed and ease with which it emerged after the fall of Communism is indicative of the fact that it had long festered under the surface.

Anti-Semitism After Communism: Much of contemporary anti-Semitism can be attributed to the socio-economic dislocation that has emerged since the demise of Communism. The often caustic debates over democracy, nationalism and the role of an opposition have added fuel to the fire and fostered the increased expression of anti-Semitism. but the entire issue would not have come to the surface had it not existed as an undercurrent suppressed by the previous regime.

Now that Communism has been eliminated, Jewish life has improved dramatically. It is ironic, however, that because of the more open expression of anti-Semitism, Jews in many Eastern European countries feel less secure. Many of the existing formal and bureaucratic obstacles which had prevented the free development of the Jewish community have been removed. Jewish schools, camps, youth groups, seminaries, and university-level Jewish studies programs have been established. Communal institutions which existed under the Communists in a limited and precarious fashion are flourishing. This is an exciting and positive development and has prompted some to project the possibility of a reconstruction of Jewish life in Eastern Europe.

But at the same time, popular anti-Semitism has now percolated to the surface. Anti-Semitic graffiti, articles, religious homilies, political slogans and vandalism have appeared in virtually all the countries discussed in this report. The sale of traditional anti-Semitic material, including the well-known forgery, the Protocols of the Elders of Zion, has been reported.

This anti-Semitism is not a new sentiment. In many respects, it is the same as before but now, instead of emanating from official government circles, it is coming from other sources. On some levels, it is more frightening to Jews. It is far less predictable and sometimes more openly virulent. Before, one could attribute it to a hated government policy. Now it seems to be coming from one's neighbor. Moreover, it harks back to an age-old teaching: "The Jews are the cause of all our problems."

Equating Jews With Communism: In many of these countries, Jews are held responsible for the miseries suffered under Communism. Because of the anti-Semitism Jews endured at the hands of the Nazis, there were Jews in each of these countries who embraced Communism after World War II. Proportionately, far more non-Jews associated with the party, but this fact seems to be lost on the anti-Semites. The association of these individual Jews with Communism has resulted in a popular sentiment: "The Jews are responsible for the terrors of Communism." Because post-war generations have not been taught about the specific horrors suffered by the Jews at the hands of the Nazis, they often fail to understand why Communism seemed a welcome alternative to many Jews.

Moreover, because a tradition of anti-Semitism has conditioned the populace to see Jews as a unified entity, i.e. the Jews, they fail to differentiate between the actions of individual Jews and the fate of the Jewish community as a whole. This ingrained prejudice makes it rational to argue that because some Jews supported Communism, all Jews are responsible.

Anti-Semitism Without Jews: It is ironic that this has become such a significant issue in an area which is essentially devoid of Jews. The Jewish population of these countries is small. [It is infinitesimal compared to the pre-war population.] In many cases it is composed primarily of elderly retired Jews, many of whom are supported by philanthropy. Richard Schifter, U.S. Assistant Secretary of State for Human Rights and Humanitarian Affairs, commented in June 1991 in Bucharest that "only a negligible proportion of the population of the countries in this region is Jewish. But that . . . has not put an end to anti-Semitism in this part of the world." The prevalence of anti-Semitism in an area in which there are so few Jews is yet another indication of the irrational and prejudicial nature of this sentiment.

CATEGORIES OF ANTI-SEMITISM

The anti-Semitism which has emerged can be divided into a number of different categories.

Nationalist Anti-Semitism: Much of the anti-Semitism evident in recent months is directly related to the emergence of a new and sometimes malicious form of nationalism. Within a number of Eastern European countries different ethnic/national groups are vying for political autonomy. In those countries where there are a multiplicity of minority groups, this form of ant-Semitism has been particularly potent. Someone of those involved in these struggles have used explicit anti-Semitism as a political tool. This has been particularly evident in Slovakia, Romania and Hungary.

In other instances, politicians have relied on more implicit expressions of anti-Semitism. They have publicly claimed that they have "pure blood" or have made a point of stressing that neither they nor any of their family members has any "Jewish roots." This tactic has been utilized by national leaders, members of the opposition and politicians engaged in election campaigns.

In depicting Jews as "other," as inherently "cruel," and as consciously working to thwart the desires of the majority population, they have drawn upon a long standing anti-Semitic stereotype. They have demonized" the Jew. Even in countries where there are virtually no Jews this tactic has been employed. It sets up a familiar enemy upon whom a whole array of woes can be blamed.

The essential question is what kind of national identity will be forged, particularly in countries with a multitude of ethnic/national groups. Will it be narrowly defined or will it be more pluralistic?

Entrepreneurial Anti-Semitism: Another form of anti-Semitism which has been evident in a number of the countries we reviewed can be described as economic, competitive or entrepreneurial anti-Semitism. The change to a free market economy has caused severe economic dislocation in much of Eastern Europe. Moreover, ambivalent feelings exist among the population towards those who have achieved or seemed poised to achieve economic success due to new market opportunities. In certain areas, entrepreneurs, both Jews and non-Jews, have been condemned by the same people who called for an end to the Communist economic system. Anti-Semitic canards with economic overtones have been used. This kind of anti-Semitism builds upon traditional imagery which has long accused Jews of "money lending" and "usury."

Populist ["Peasant"] Anti-Semitism: (Though we call this "peasant" anti-Semitism, it seems to be as prevalent in the city as in the agricultural areas.) This form of deeply seated anti-Semitism exists among the general populace. It is rooted in both national and religious stimuli. It has been described as a form of "mob" anti-Semitism. It sees the Jews as the source of a broad range of problems. The Jew becomes the "mythical" enemy upon whom much can be blamed. It often exists among those with absolutely no contact with Jews but who are nonetheless convinced that their personal troubles as well as those of their country are the fault of "the Jews." This kind of anti-Semitism is easily stimulated by religious and national sentiments. This sentiment might be most responsive to a sustained educational campaign by religious and educational institutions. Parish priests and classroom teachers could do much to eradicate it.

THE FIGHT AGAINST ANTI-SEMITISM

A number of positive steps have taken to counter the emergence of anti-Semitism. We briefly list below the prototypes of these actions and which, if properly sustained, could have a meritorious impact.

Condemnation by Political Leaders: Political leaders in many of the countries in Eastern Europe have spoken out forcefully against this prejudice. Some have primarily done so in their meetings with Jewish or Israeli representatives. While representatives of the Jewish community have appreciated these sentiments they have sometimes wondered if they are being expressed solely for their benefit.

There is a self-serving reason for the countries of this region to fight this prejudice. They realize, as one observer recently commented, that "anti-Semitism is bad manners" and makes them suspect in European circles. "People with bad manners will not be invited to sit at the table." [The New York Times, December 9, 1990.] Eastern Europeans are aware that anti-Semitism may well jeopardize the aid and trade agreements they wish to make with [Western] European countries.

Some political leaders, e.g. Czechoslovakia's President Havel, have not hesitated to condemn anti-Semitism as soon as it manifested itself. They have done so publicly and unequivocally to their own media as well as foreign journalists. This is the response that is likely to have a positive impact on the fight against anti-Semitism, for it is not the victims or their children who need to hear the condemnation; it is the perpetrators and their heirs who must hear it. Because this is such a deeply seated prejudice, they must hear it more than once.

Action by Political Leaders: In certain cases, verbal condemnation must be accompanied by action. Such a step was taken by Poland's President Walesa when he established a Presidential Commission on Anti-Semitism. This type of response, if it receives sustained support from the highest political levels, can be important. Otherwise, it will be relegated to the category of prestigious but meaningless actions, designed to placate foreign opinion.

Condemnation by Church Leaders: In a few notable instances, church leaders have individually and collectively condemned anti-Semitism as antithetical to Christian principles. The most effective example of this is the Polish Episcopate's letter of January 1991. But such steps can only be effective if they are transmitted to the grassroots of the community. If cardinals and archbishops condemn, then parish priests must also speak out and educate about the evil of anti-Semitism.

Education: Though there has been some discussion, no broad-based programs to educate about anti-Semitism have been established. A few individual efforts have been made. Since the younger generations have such a murky sense of the Holocaust, this is one area which must be included in any education program.

ABSENCE OF A DEMOCRATIC TRADITION

The emergence of post-Communist anti-Semitism has been exacerbated by the absence of democratic tradition. Even those who fought for the overthrow of despotic regimes are often unwilling to tolerate a political opposition. They find it difficult to countenance the fact that now that they have attained power there are those who continue to speak out against them. They have no familiarity with this aspect of the democratic system. Consequently, they will engage in tactics designed to delegitimize the opposition. One way of doing so is to accuse your opponent of being supported by Jews or "Jewish interests." But it is not only those in a position of power who have utilized these tactics. In a number of cases those in the opposition have used anti-Semitic canards to undermine elected officials.

When one hears anti-Semitic voices in Prague, Bratislava, Budapest, Bucharest, Warsaw or a myriad of cities, towns and villages, it must be understood that these are voices which are not only expressing hostility towards Jews but also towards the basic notion of European democracy. Adam Michnik, one of Poland's leading journalists, has analyzed this problem in Poland. His observations can, in fact, be applied to virtually all of the countries in the region.

"Anti-Semitism has become a code and a common language for people who are dreaming of a nationally pure and politically disciplined state—a state without people who are "different" and without a free opposition.... When anti-Semitic opinions are express[ed].... Jews are not the issue.... The question is whether there will or will not be ... democracy."

Though the situation in each of these countries may differ in its details, the general profile is the same. There is an urgent need for government officials consistently to speak out against anti-Semitism. They must speak out in their own country, to their own media and not just when they visit Jewish leaders on trips abroad.

Educational programs to teach non-Jews about the insidious impact of anti-Semitism must be established. These steps must be seen to have a significance that goes beyond the Jewish population. It must be understood that, if anti-Semitism is allowed to flourish, there is serious doubt whether democracy will flourish. The two cannot long co-exist.

The fight against anti-Semitism is a critical part of the struggle for a democratic future. Only when those in positions of political, religious, and economic power recognize that these two struggles are intimately connected is there any chance that this age-old hatred can be eradicated and that democracy will be secure.

Poland

There have been a number of anti-Semitic incidents in Poland during the past two years, including a September 1991 attack on the Warsaw Synagogue. But far more disturbing has been the appearance of anti-Semitism in political and religious circles. At the same time, there have been a number of very positive developments which, if emulated by other countries, could significantly ameliorate the problem.

During the Polish presidential campaign, Lech Walesa was severely criticized for using anti-Semitism for political purposes. He accused two leading members of Prime Minister Mazowiecki's campaign team of "hiding their Jewish origins." He also called on voters to support him because "I am a full-blooded Pole with documents going back to his ancestors to prove it." His rallies consistently attracted anti-Semites who yelled slogans such as "Jews to the gas." To the consternation of many Poles, Jews and non-Jews alike, Walesa never disavowed them.

Before the run-off election, Walesa admitted that he had been wrong to identify himself as a "full-blooded Pole." Subsequently he announced that a Warsaw Ghetto museum would be established near the Umschlagplatz, the square from which Jews were transported to the death camps. During his visit to the United States in March 1991, he met with various Jewish groups and spoke at a ceremony at the site of the United States Holocaust Memorial Museum. He repeatedly distanced himself from the anti-Semitic remarks he made during the presidential campaign. He acknowledged that he had blundered. "I stumbled on this. I crashed into anti-Semitism. . . . Twice I gave clumsy answers." He also denounced the resurgence of anti-Semitism in Poland.

His disavowals and condemnation were welcome but not new. He had often made these types of statements in meeting with Western Jewish leaders. Of far greater importance was his decision, announced shortly before his departure for the United States, that he planned to create a "permanent task force" to combat anti-Semitism. The council's tasks are to design educational programs for Polish youth which stress the close links between Poles and Jews; to submit to the Ministry of Education and the church proposals which promote better understanding between Poles and Jews; to react to incidents of anti-Semitism and to examine any problems that might arise between Poles and Jews. The Under-Secretary of State in the President's Chancellery was cited in Gazeta Wyborcza as explaining that "the council [was] an institutional expression of the President's commitment" to not "allow anti-Semitism to increase."

The council's inaugural statement stressed the interconnections between Poles and Jews. "With no other people have Poles been so strongly linked as with Jews. No other people helped so much to create our economic life, culture, literature and art." If the council continues to have the support of the President and is allowed to become a true policy-making body, it may well be in a position to take concrete steps to reverse the spread of anti-Semitism in Poland.

Other major developments took place in the religious sphere. In August 1984, a group of about a dozen nuns from the Order of Discalced Carmelites moved into the Theatergebäude at the site of Auschwitz I. They had obtained permission from Polish authorities and church officials but never had any dialogue about this move with members of the Jewish community, inside or outside Poland. Though Jewish and Catholic leaders agreed in February 1987 that the Auschwitz convent would become part of a new center of information, education, meeting and prayer . . . outside the area of Auschwitz-Birkenau camps, and that there would "be no permanent Catholic place of worship on the site of Auschwitz and Birkenau camps," two years passed and the convent did not move. In July 1989, Rabbi Avraham Weiss and a small group of demonstrators protested outside the convent. They were ejected by Polish workers.

In August 1989, at the shrine of the Black Madonna, Poland's holiest icon, Polish primate Cardinal Glemp issued a homily in which he accused Jews of "getting peasants drunk," "breeding Communism," and warned them not to speak to Poles "from a position of a people raised above all others." He also accused the demonstrators of intending to kill the nuns at the Auschwitz convent. He stated that "Jewish power lies in the mass media" and that the media are at the disposal of the Jews. His statements, which drew on traditional anti-Semitic imagery, deeply disturbed Jews and non-Jews in and outside Poland. Prominent non-Polish church leaders denounced Cardinal Glemp's anti-Semitic accusations. In September 1989, Sister Maria Teresa, the superior of the Auschwitz convent, is reported in a widely-cited interview to have stated that the Carmelites "are not moving a single inch."

The negative impact of the Cardinal's statements was followed by the issuance on January 20, 1991 of a letter by the Polish Episcopate strongly condemning anti-Semitism. The letter was interpreted as a sign that the Catholic Church in Poland had decided to oppose anti-Semitism. It was particularly encouraging because it came from the highest levels of the Catholic Church, and was signed by all the cardinals, archbishops and bishops at the 244th Plenary Conference of the Polish Episcopate. It was mandated by them to be read in all churches and chapels of Mass on January 20, 1991. Finally, and most importantly, the Episcopate's letter acknowledged the "greatness and variety of links between the church, Mosaic religion and the Jewish nation." It noted that with "no other religion does the Church remain in such close relationship, nor does the Church find itself bound to any other nation so intimately." In addition, it conceded that, though many Poles rescued Jews during the Holocaust, "there were those who remained indifferent to this inconceivable tragedy." It "deplore[d] especially the action of some Catholics who contributed in any way to the death of Jews." On behalf of those Christians who "could have helped but did not," it asked "forgiveness of our Jewish brothers and sisters." It described anti-Semitism as "incompatible with the spirit of the Gospel." It described Poland as a "common Fatherland for Poles and Jews for ages."

It remains to be seen to what extent this letter will be followed up at the parish level and catechesis. Only if it filters down to local and community levels—to those with continuous and sustained contact with population—will it have significant impact.

In 1991, immediatley prior to his visit to the United States, Cardinal Glemp condemned anti-Semitism as "evil and . . . contrary to the spirit of the Gospel." He also retracted his accusation that Jewish demonstrators at the Carmelite convent intended to harm the Carmelite Sisters. "I understand that seven members of the Jewish community who disturbed the peace of Carmelite Sisters in July 1989, to which I reacted in my homily on August 26, 1989, did not intend to kill the Sisters or to destroy the convent." He did not, however, retract any of the other accusations he made in his homily nor did he condemn anti-semitism in Poland.

But these positive actions on the Church's part have been thrown into question by the emergence of a chauvinistic anti-Semitic electoral alliance which appears to be supported and encouraged by segments of the Church. This alliance was reported by the left wing liberal Polityka.

"Invitations were sent out by the Church authorities for conference to create a Christian electoral pact—the suggestion coming originally from the Christian Citizens Movement, the Christian National Union and representatives of parish and deanery communities."

According to the report the Christian Citzens' Movement and the Christian National Union, both of which are regarded as anti-Semitic, have allied themselves with parish and deanery coalition, a combination of the Centre Alliance and the Citizens' Committees of Solidarity, has distanced itself from the anti-Semitic Christian National Union and other similar groups.

One of the political parties known to have engaged in anti-Semitic accusations is the National Party. Its paper has accused Jews of being responsible for the troubles which have afflicted Poland.

But more disturbing than the actions of political parties, which have limited followings, are public opinion polls revealing how deeply rooted are anti-Semitic feelings in Poland. Surveys have found that 40 percent of Poles said they were unwilling to have Jews live near them. Similar studies were conducted in Czechoslovakia and Hungary where the response was 23 percent and 17 percent, respectively.

In April 1991, a poll taken in Poland revealed that one Pole in three believes that "the influence of people they believe to be Jewish is too great" in Poland. According to the survey, five percent admitted to being "extremely anti-Semitic," 10 percent were "strongly anti-Semitic," and 16 percent claimed to be "moderately or slightly anti-Semitic." The results are interpreted by the polling institute (CBOS) as "evidence of the existence of strong negative stereotypes," unrelated to the facts. An earlier poll taken before the presidential election in October 1990 revealed that 22 percent of Poles believed that "Jews are the ones with the greatest influence on the Mazowiecki government." The most strongly anti-Semitic statements were made by agricultural and industrial workers who typically had not advanced past grade school. There was no difference between city and country dwellers.

Romania

Since the coup of December 1989, there has been a steady rise in anti-Semitism in Romania. A Romanian journalist recently observed that "everyone . . . feel[s] in danger now for political or ethnic reasons. Xenophobia and anti-Semitism are no longer under control." Anti-Semitic articles have regularly appeared in a number of newspapers. The charge is frequently made that Jews brought Communism to Romania and that the government is "overwhelmingly Jewish." Commemorations of the Holocaust have been marred by demonstrators. In certain towns, the celebrations of Jewish holidays have been canceled because of fears of anti-Semitic attacks. Cemeteries and synagogues have been vandalized.

There are approximately 17,000 Jews in Romania, which has a total population of 23 million. Most of them are elderly. Fewer than one thousand are under the age of 30. "It's anti-Semitism without Jews," observed Petru Cluj, a journalist with Romania Libera, the nation's most prominent independent newspaper.

The tabloid press has produced numerous anti-Semitic stories, some of which have blamed Jews for the hardships Romania is enduring as its economy falters. The weekly newspaper Europa regularly publishes anti-Semitic articles including an attack against Israel Ambassador Zvi Mazel. Articles by its publisher, Ilie Neascsu, frequently contain citations of classic French, English, and German anti-Semitic literature. The paper published an article in May 1991 claiming that Jews "were occupying the majority of decision-making functions" in the government.

Another newspaper, Romani Mare, with a circulation of a half million, also published numerous anti-Semitic articles. In an article on the "Jewish problem" in April 1991, the editor wrote that he had nothing against Jews as long as they "leave this country alone." He complained that they held too many "key jobs" and that Parliament and the Government were "full of Jews." The paper claimed that "While there are 20,000 Jews in Romania, 5,000 of them are in the country's leadership . . . the heads of TV and radio are all Jews, and in Parliament, it rains Jewish by the bucket. It's not their fault—domination has been their style since the dawn of time—but can't they let us breathe a little, instead of trampling on us as they have been doing since 1947?" It also accused the Jews of "trying to disintegrate" the country. In subsequent articles, the expulsion of all Gypsies was also demanded.

Though the Government has condemned Europa's anti-Semitism, two of its principal ministers recently sent the publisher letters thanking him for giving ten percent of the weekly profits to the Defense and Interior Ministries. The letters were published in the paper. U.S. Assistant Secretary of State Richard Schifter described anti-Semitism as having "been injected into the political dialogue" in Romania in the "form of attacks on prominent personalities based on the ethnicity of their ancestors."

In July 1991, a visit to Romania by Jews from abroad, including Nobel Prize winner Elie Wiesel, to mark the 50th anniversary of anti-Jewish pogroms was marred by anti-Semitic outbursts. In addition, Romania's chief Rabbi Moshe Rosen has had death threats made against him.

On a visit to Israel, President Ion Iliescu disassociated himself from the outbursts of anti-Semitism. Both Iliescu and former Prime Minister Petre Roman have condemned many of the expressions of this hatred. But Iliescu has engaged in a strange kind of symmetry. In addition to attacking those who have engaged in anti-Semitism, he has attacked those who have condemned the anti-Semits. He has accused them of exaggerating the situation and sullying the reputation of Romania.

The tragedy of this development is exacerbated by the history of Romania's recent treatment of Jews. It was the one Eastern European country which never broke relations with Israel. Moreover, most of its 400,000 Jews were allowed to make aliyah. In addition, Bucharest has served as a transit point for Soviet Jews in the process of immigrating to Israel.

The problem of anti-Semitism was aggravated in April 1991 when Marshal Ion Antonescu, the anti-Semitic dictator under whom Romania joined Hitler's invasion of the Soviet Union, was honored by the Romanian Parliament in a minute of silent tribute. Not one member of Parliament publicly opposed the motion honoring Antonescu, though a few did refuse to vote for it.

Mr. Iliescu has condemned Antonescu's rule, and the Government of Prime Minister Petre Roman denounced the resurgence of anti-Semitism. Nonetheless, in the weeks before and after the 45th anniversary of Antonescu's execution, newspapers and weeklies, including those which support the Government, published long articles praising Antonescu as a great patriot. Even when Mr. Iliescu disassociated himself from the tributes and condemned the praise for the former Hitler ally, most Romanian papers ignored his statements.

Despite this, his actions won the praise of Romanian and foreign diplomats, who saw his forceful and public position as a demonstration of "exceptional political courage in taking a stand against the broadening stream of assertive nationalism." In addition to Mr. Iliescu's condemnations, denunciations of anti-Semitism have been issued by Bogdan Baltazar, the government spokesman.

The manifestation of anti-Semitism in Romania can be traced, in part, to economic troubles, the political uncertainties caused by a weak government, and a population angry about the slow pace of reform. The profound social, economic, and political problems plaguing this country have proved to be a prime breeding ground for Jew hatred. There are dozens of political and ethnic groups who share no common ideology or culture. An ideology which attacks those who are "other," e.g. Jews, is one of the few things that unites the disparate groups. One cannot, of course, build a healthy democratic system which is solely predicated on the hatred of another group.

Hungary

Hungary is unique in that it has a much larger Jewish population than any of the other Eastern European countries. There are approximately 80,000 Jews in the country. There has been a resurgence in Jewish life since the fall of Communism. A wide range of Jewish activities take place on a regular basis, many of them held under the umbrella of the Association for Jewish Culture. The nation's first official memorial to Holocaust victims was recently dedicated. The synagogue is filled on major religious holidays. In addition to Jewish religious schools, a Jewish secular school which emphasizes tradition, history, and culture—as opposed to religion—has opened during the past year.

But anti-Semitism has also emerged. In the spring of 1990, during the national elections some leaders of the Democratic Forum, an anti-Communist political party, played upon Hungarian anti-Semitism. In a radio broadcast, Istvan Csurka, a prominent writer and a member of the Forum executive, urged Hungarians to "wake up." He warned them that a "dwarfish minority" was robbing Hungarians of their national culture and symbols and called Jews "rootless cosmopolitans." Other well-known Democratic Forum members have engaged in similar tactics. Though the leadership of the party has distanced itself, it has not condemned them. A prominent Hungarian sociologist acknowledges that the Forum, while not an anti-Semitic party, did "deliberately play the ethnic nationalism card of 'us' versus 'the strangers' during the campaign. And they won."

Szent Korona is the publication of the Christian National Union—Hungarian National Party and the National Federation of Hungarians. It publishes vehemently anti-Semitic articles which have described Jews as "cruel" and accused them of "occupying . . . leading positions[s]."

Hungary's President Arpad Gonez has condemned anti-Semitism. During a visit to Israel, he announced that his country would "do everything to ensure that Jews . . . are able to feel at home, live in peace, security and dignified honor."

Though there have been various manifestations of anti-Semitism, there also have been positive signs. A poll, conducted in May 1991, found that while 12 percent of the population had negative views of Jews, 67 percent had favorable views. In addition, in April 1991, an Inter-parliamentary Council against anti-Semitism was formed. Many of the country's leading writers and intellectuals have spoken out against anti-Semitism in a timely and forthright fashion.

About ten percent of Hungary's population belongs to designated minorities. They are entitled to certain privileges including special schools financed by the government. Some within the Jewish community would like the Jews to apply for this special status. Others object because it would be acknowledging what the anti-Semites have been claiming: Jews are "other." It would also deny the fact that the vast majority of Hungary's Jews are culturally Hungarian and do not consider themselves a national minority

It is ironic that there has been such a resurgence of anti-Semitism in Hungary since so many Hungarians live outside of Hungary, where they are often denied schooling in their language and other cultural rights.

Czechoslovakia

Anti-Semitism in Czechoslovakia as a whole has been peripheral to political developments. Jewish leaders have described it as "marginal" but it has not been totally absent. It has been particularly visible among Slovakian separatists. The Slovak National Party, a group with anti-Semitic overtones, won several seats in the Slovak National Council and the Federal Assembly. In March 1991, a crowd of approximately 7,000 Slovakian protestors at a rally chanted anti-Semitic, anti-Czech slogans and waved portraits of Nazi war criminal Josef Tiso. They also physically assaulted President Havel. During the rally, recordings of Tiso's speeches were broadcast. This is part of an effort to whitewash his role and that of Slovakia during World War II.

The occasion for the protest was the 52nd anniversary of the founding of the Nazi puppet state of Slovakia on March 14, 1939. Havel warned against nostalgia for an event that brought war and misery. This was not the first time President Havel had spoken out in a direct fashion to condemn anti-Semitism. Frantisek Miklosko, chairman of the Slovak National Council, who accompanied Havel on his visit, apologized for the behavior of the crowd.

Slovakian separatists have organized daily meetings and rallies in Bratislava in support of Slovakian independence. At such rallies, leaflets charging a Zionist conspiracy have been distributed.

In April, demonstrators protesting the resignation of Prime Minister Vladimir Machier complained that the political changes in Slovakia were the work of "Czechs, Hungarians and Jews." Demonstrators carried posters with vicious anti-Semitic statements.

In contrast to Slovakia, there have been very few, if any, expressions of anti-Semitism in Bohemia and Moravia.

As in other Eastern European countries, the racial/ethnic conflict in Czechoslovakia does not involve only Jews. Czechs and Gypsies have also been attacked. Skinheads have been using slogans such as "Gypsies to the Gas Chambers." Many of these groups are fiercely anti-foreign. They direct their animus also against Vietnamese and Cuban foreign workers. Currently, Jews are usually not the target of their violence.

Surveys of public attitudes towards Jews, Israel and the Holocaust in Czechoslovakia, Hungary and Poland demonstrate that 23 percent of Czechs and 34 percent of Slovaks preferred that Jews not live in their neighborhoods. Those who are disappointed by the pace of reform or the dislocation that accompanies the switch from a controlled to a market economy have looked for a scapegoat and found it in the Gypsies and Jews.

SUMMARY

In an area where anti-Semitism has been endemic for centuries, the 45-year experience with Communism has done little to change feelings about Jews.

Perhaps the most remarkable fact is that the virtual absence of Jews in most European countries, as a result of the Holocaust, has had so little impact on these feelings. Not only does there seem to be little understanding, even interest, concerning the genocide of the Jews. It's as if it hadn't happened. And anti-Semitism without Jews raises new questions about the persistence of age-old patterns of prejudice.

As Europe grows together, first in the West and eventually "from the Atlantic to the Urals," and as more people seem to see the trend, the importance of dealing with the old-new anti-Semitism becomes all the more critical. The unified Europe of the coming decades will be new and exciting, not just as old frontiers and enmities diminish or fall, but also as old and destructive patterns of thinking about neighbors within countries are abandoned.

INTRODUCTION OF H.R. 4163, A BILL TO TURN THE SS "UNITED STATES" INTO A MARITIME MUSEUM

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. YOUNG of Alaska. Mr. Speaker, today my colleagues and I are introducing a bill that would prohibit the foreign sale or the foreign scrapping of the SS *United States*. This great ship was the queen of the seas in the heyday of passenger ship travel. She still holds the speed record for trans-Atlantic passenger ship crossings. It is only appropriate that she become a museum to our maritime heritage, not a bunch of blades for Japanese or Taiwanese razors.

To allow this great ship to be sold to a foreign scrap yard is an insult to the men and women who built and sailed this great ship. In an era where our Nation's maritime capability is rapidly deteriorating, where both our shipping and shipbuilding industries face momentous competition from heavily subsidized foreign competitors, it is absolutely appropriate that we retain the vestiges of our glorious maritime past as a tool to remind the people of this great Nation on the need for a vital U.S. maritime industry.

This bill requires the Secretary of Transportation to use his discretion under the Merchant Marine Act of 1936, as amended, to prevent the foreign sale of this great vessel. It would also allow the ship to be stored at the Maritime Administration's reserve fleet locations until a final museum location can be found.

On February 10, 1992, a judicial sale is scheduled on the SS *United States*. It is the hope of the authors and many other Members of Congress that the Secretary of Transportation will use his discretionary authority to prevent the sale of this ship to a foreign scrap yard. Several cities and private museums have expressed an interest in turning this great ship into a museum at their ports. These organizations and municipalities need a little more time to finalize the financial and logistical planning necessary for such an effort. It is our hope that the Secretary will give this great ship enough respect to allow these folks a reasonable amount of time to get their affairs in order, otherwise this great lady of our maritime tradition will be forever lost.

GOVERNMENT REGULATIONS STRANGLING SMALL BUSINESSES

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. IRELAND. Mr. Speaker, in his recent State of the Union Address, President Bush made it clear that he understood the regulatory burden that government regulation imposes on small businesses. He imposed a 90-day freeze on Federal regulations, which should be used as an opportunity for departments and agencies to comply with the Regulatory Flexibility Act. The following letter from the National Roofing Contractors Association, which was recently also published in the Wall Street Journal, is a real-life example of how our complex web of regulations affects even the simplest of jobs—putting a roof on your neighbor's garage. The National Roofing Contractors Association, and their president, Rick Rosenow, have stated their case well. Isn't it time we all started listing?

NATIONAL ROOFING CONTRACTORS ASSOCIATION,
Rosemont, IL, January 1992.

Theories abound as to why the economy is at a standstill. There can be little doubt that one of the contributing factors is the avalanche of regulations that has put a drag on American business. The following scenario will demonstrate just how pervasive the web of regulations has become, even for something as simple as fixing the roof on your neighbor's garage.

Suppose you own a roofing business, and one morning you get a call from your neighbor, whose garage roof is leaking. He tells you that the roof is asphalt-based, and you agree to send a repair crew to try to fix it. In order to fully comply with federal regulations that are in effect today, you would have to:

First examine the roof to determine whether asbestos is present. There is a good chance that an asphalt roof will at least include asbestos-containing base flashings and cements; if they do, EPA regulations will apply and OSHA regulations may apply.

It is very likely that you won't know from a visual examination whether asbestos is present. In that case, you will have to cut a sample from the roof, and patch it to avoid leaks at the point of the sample cut. You will then send the sample, after you have bagged it properly, to an accredited laboratory, and delay your repair work until the sample is analyzed. (In some states, only a certified abatement contractor is allowed to make this test cut.)

If you discover that asbestos is contained in the roof.

Notify the owner (your neighbor) in writing.

Notify the EPA Regional Office (10 days prior to beginning work, which will mean your neighbor's roof will continue to leak).

Be sure that at least one person on your repair crew is trained to satisfy EPA requirements.

Conduct air monitoring on the job, once you are able to start work, to determine whether emissions of asbestos will exceed OSHA's action level. You can't do this, of course, until the 10-day EPA notification period has passed.

Once you begin any repair work, you will have to "adequately wet" the materials. EPA defines this as "thoroughly penetrating" the asbestos-containing material, which is an interesting concept for a waterproof material like asphalt. EPA also stipulates that there be no "visible emissions" on the job even if you can demonstrate that the emissions contain no asbestos fibers.

You will then have to vacuum the dust generated by any "cutting" that you do, put it in double bags, and take it to an approved landfill.

You will also be responsible for prohibiting smoking on the job site, and are subject to fine if one of your employees lights up.

You will probably wonder why your neighbor will be asked to absorb all of the costs associated with these steps, since hundreds of test samples have shown no asbestos exposures above acceptable limits in roofing operations.

Ensure that your crew is trained about any hazardous materials that they may encounter. (These will include the gasoline you use to power the pump on your roofing kettle.) You will also have to be sure that copies of the appropriate Material Safety Data Sheets are present at the work site, and that all containers are properly labelled.

Your crew must also be thoroughly trained in handling these materials. This will be determined not by what steps you have taken to train them, but by what your employees tell the OSHA inspector who asks them what they have been taught.

Because you are transporting asphalt at a temperature above 212 degrees, so that your crew won't have to wait two or three hours at your neighbor's home for the asphalt to heat, you must:

Mark the side of your roofing kettle with a sticker that says "HOT" in Gothic letters.

Complete shipping papers before the truck leaves your yard.

Have emergency response procedures developed in the event the kettle should turn over en route to your neighbor's home.

Be sure that your driver has been drug-tested, and has a commercial driver's license.

Be sure that the driver completes his log sheets for the day, and stops 25 miles after he leaves your yard to see if the load has shifted.

Be sure that your kettle has a hazardous material placard, in addition to the "HOT" sticker mentioned above.

Because your vehicle is being driven for work-related matters, you must be sure that the driver wears his seat belt, and has received driver training. If he does not wear his seat belt, you, of course, will be fined.

Assuming you have met other OSHA safety standards, and are satisfied you will be in compliance with local and state regulations, it is now safe for you to begin. Your most dangerous act, however, is yet to come: presenting your neighbor with his bill, and explaining why your costs have increased so dramatically in the three years since these regulations have been promulgated.

WILLIAM GOOD,
Executive Vice President.

HAPPY BIRTHDAY TO VICE PRESIDENT QUAYLE

HON. JILL L. LONG

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Ms. LONG. Mr. Speaker, as a Representative of the Fourth Congressional District of Indiana, I wish to extend a greeting to Vice President QUAYLE, who represented Indiana's Fourth Congressional District from 1976 until becoming Indiana's junior Senator in 1980.

Today Vice President QUAYLE will be celebrating his 45th birthday, and I know that my constituents would appreciate an extension of warm birthday greetings on his birthday. On behalf of myself and the people of Indiana's Fourth Congressional District, and wherever the Vice President may be today working hard for a better America, I extend him our warmest birthday greetings and wish him safe travels and best wishes in the coming year.

GOOD ENOUGH FOR GOVERNMENT WORK

HON. SCOTT L. KLUG

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. KLUG. Mr. Speaker, I'd like to include in today's RECORD a story from the November 4, 1991 edition of Industry Week magazine. The story highlights the role which Michael Williamson, a constituent of mine from Madison, WI, is playing in bringing the Total Quality Management concept—or TQM—to Government.

Total Quality Management ideas and techniques are having a revolutionary impact across the private sector, and applied to Government have the potential to save $1 out of every $5 in operations costs while actually improving services to the public. Agencies within the Department of Defense and the Internal Revenue Service, where TQM has been tried on a prototype basis, have shown remarkable improvements in efficiency and service delivery.

TQM, and the efforts of people like Mike Williamson to bring it to Government, can make a real difference in what we mean when we say "Good Enough for Government Work."

TQM GOVERNMENT

(By Joseph F. McKenna)

Good enough for government work.

So goes the public apologia. America is not merely the land of the free. It's also the home of the lousy city service, the cumbersome state bureaucracy, and the perk-loving, free-lunching, check-kiting Congress from Hell.

But, hey, that's the way government is, right?

Wrong, Americans should not be seeing government the way it is and asking why. Instead, like George Bernard Shaw, they should be seeing government the way it could be and asking why not. And the way it could be is efficient, cost-effective, and customer-driven.

In other words, Total Quality Government.

As it turns out, the proposition of government of, by, and for the customer isn't all that farfetched. Public-service visionaries have successfully introduced Total Quality Management (TQM) ideas and techniques into a variety of governmental programs. This is something even filmmaker Frank Capra couldn't have dreamed of: Mr. Deming Goes to Washington . . . and the Statehouse . . . and City Hall.

What America means by saying "Good enough for government work" can change, insists Michael L. Williamson, co-chairman of the National Public Sector Network (NPSN), Madison, Wis., an information clearinghouse on TQM.

"You know how "Made in Japan' has taken on a new meaning in this country?" says Mr. Williamson. "I now firmly believe that 'Good enough for government work' will take on a new meaning. People are looking at [TQM in government] partly because of the fiscal austerity sweeping the country, but also because of an understanding of customer-orientation."

TQM is a win-win situation for everyone involved in government, declares Ian D. Littman, director of federal TQM services for the management consultant Coopers & Lybrand and the co-author of Excellence in Government: Total Quality Management in the 1990s (Coopers & Lybrand, 1990). "It's patriotic and represents streamlining," he says, "but it also represents an improvement to the image of public service, which is what everybody wants."

"Using modern quality management to save one out of every five dollars in government operations costs, while actually improving services to the public, is a realistic and maybe even a modest goal," says David K. Carr, a Coopers & Lybrand partner and Mr. Littman's co-author. "Private companies have saved as much, and some public agencies are well on their way."

Already, certain federal departments can boast of the most impressive strides toward quality in the public arena. One 1990 statistic from the Office of Management & Budget cited quality and productivity-improvement efforts in 265 government programs.

"We've seen a noticeable increase of interest and involvement in the federal government," reports Jeff Manthos of the Federal Quality Institute (FQI), Washington. He points to the 15 winners of the Quality Improvement Prototype Award—a Baldrige Award-like honor—and to the three to four finalists for every winner selected. Also, he tells Industry Week, "We've actually consulted or applied what we call our start-up service to more than 30 other agencies."

For the deficit-hobbled U.S., Total Quality Government is the compass that could direct the nation back to fiscal well-being. For instance, Coopers & Lybrand's Mr. Carr points out that quality management "will mean savings of $100 billion a year" at the federal level.

And as the feds go, so must go state and local governments.

"The best estimate is that there are about 50 county and municipal quality initiatives in the United States," report the co-authors of Excellence in Government. "These include Phoenix, Ft. Collins, Colo., Madison, Wis., Rocky Mountain, N.C., and Volusia, Fla.

"Well-run local TQM efforts are probably the 'hidden jewels' of the renaissance of American quality," they continue. "They have managed to introduce TQM to nearly the full spectrum of public-service functions. Few private companies face such a complex challenge. . . ."

Admittedly, few private industries do surpass government with regard to managerial complexity. But business and industry—and the far-sighted managers in them—deserve much of the credit for showing public agencies just how valuable TQM is. Like business and industry, government has watched as customer demands rise and resources disappear. Not surprisingly, well-managed public agencies have taken their cue from such quality-oriented turnarounds as Xerox Corp. and Motorola Corp.

For those corporations, says Mr. Littman, there was a compelling need to embrace TQM. Maybe it was a coveted gain of market share, or maybe it was simply survival. Although "we don't have a parallel to that in government," says Mr. Littman, it's important to "shake the federal employee, the federal manager, and say, 'Hey, this is important. You're going to have less money to work with in the future, fewer people, and lower-caliber people.'"

Government, Mr. Littman says, has to become a better place—indeed, an important place—to work. TQM can make that happen, as current success stories attest.

One of these success stories is a 1991 Prototype Award winner, the 1926th Communications-Computer Systems Group of the Air Force Logistics Command. The 1926th serves the information systems needs of 20,000 customers at Robbins Air Force Base, Georgia's largest industrial complex.

Four years ago, the 1926th embraced the Air Force's quality strategy called QP4—people, process, performance, and product. Sounding quite a bit like today's leaders in civilian industry, the 1926th outlines its quality "transformation triad" in a summary published by the FQI.

"The first part is management, the transformation of functional managers into process managers and quality leaders. Second is methodology, the use of statistical process control (the language of the process) and the other analytical techniques to improve our processes. Third is people, the transformation of the workforce into an empowered team performing at its full potential."

As a customer-driven organization, the 1926th has become a group of quality commandos whose chief weapon is a 14-step plan.

"The steps range from flow-charting to process certification and are designed to achieve continuous improvement and customer satisfaction," the 1926th reports in the FQI summary. "Through the use of this approach, results in productivity and quality of service have exceeded our expectations. For example, cost savings and avoidances have reached nearly $10 million over the past three years and, based on our feedback, customer satisfaction is at an all-time high."

O. K. So $10 million won't make up overnight for government's decades of waste. But every step away from the $9,609 socket wrench is a step in the right direction.

"There's a profusion of interest out there," argues the NPSN's Mr. Williamson, who served as chief of staff when then-Mayor Joseph Sensenbrenner led city services in Madison, Wis., through an unprecedented quality transformation in the '80s. Moreover, there's pressure from leaders in the private sector to adopt quality efforts in the public sector, says Mr. Sensenbrenner, who works as a quality consultant to state governments.

Obviously, there's no reason that state and local governments can't follow the lead of Wisconsin, which may qualify as the TQM state. As Mr. Carr and Mr. Littman write:

"Using TQM, the Dept. of Revenue in 1989 was able to send refunds to 1.2 million taxpayers in two weeks rather than eight, which was usual before then.

"Impressed by this and other successes, in 1989 Gov. Tommy Thompson decided to make Wisconsin's commitment to quality formal. He set up an executive steering committee of five cabinet secretaries to promote and oversee development of TQM in state agencies. . . . He also appointed a quality coordinator for state government."

The state legislature, the authors add, also pledged allegiance to TQM, giving bipartisan support to such efforts as TQM training for government supervisors.

Pointing out that government usually lags behind industry by 10 to 15 years, Mr. Littman says it's especially interesting that Total Quality Government is "happening at the same time it's happening in the private sector." Today, he says, "government—especially the federal agencies—is as impressive in its results as some of your Baldrige winners."

Then again, the reason for that phenomenon may be easy to explain. Ours is a nation in crisis, a nation saddled with debt (more than $3 trillion) and with a myriad of social problems. In a world that is disarming militarily and all but disarmed economically, the call for quality is the patriot's call.

As Mr. Williamson observes, government's mission includes "not only the delivery of service but also regulation. We're charged with keeping the peace as well as delivering fire protection. Because the customer relationship is more complex, it's more difficult." Still, he's "extremely optimistic" that TQM offers a "tremendous amount of improvement for government.

"We've pretty much debunked that this won't work in the public sector," he says. "We've got too many examples now."

Success stories notwithstanding, there's still a lot of missionary work to do among those in government, both elected officials and know-nothing bureaucrats.

"The biggest skeptics and detractors just don't understand what it is," laments Mr. Littman. "They see it as Japanese management or something else. They don't take the time to understand the philosophy, the empowerment, the customer focus, and all the issues associated with it."

With any luck, history will repeat itself. Plenty of corporate leaders once looked askance at the principles of total quality, only to become zealots when the success stories became widely known.

"Interestingly enough," Mr. Williamson points out, "[TQM] got started in a lot of communities where people in corporations using it also served on city councils and school boards. They said, 'Let's bring that here.'"

Yet, a growing interest in Total Quality Government does not a juggernaut make. Even more leaders within public service need to press the case for TQM among their colleagues and the public they serve. "Right now," write Mr. Carr and Mr. Littman, "excellence in government is missing the most important ingredient: leadership."

At the federal level to date, that leadership has been confined to the managers of TQM operation. Within the elected sphere, the number plunges dramatically, with Rep. Newt Gingrich (R, Ga.) and Rep. Don Ritter (R, Pa.) as the leading Congressional lights.

"My main aim is to make this a principal national issue on the radar screens of the great political debate," declares Rep. Ritter, a true believer who has pushed the quality agenda in his own Congressional office as well as in Pennsylvania's Lehigh Valley. Regrettably, Rep. Ritter admits, "it's not on that many radar screens in Congress."

Why that is the case taxes the rational mind. Considering the public's long-held skepticism about government, public officials should want to preach quality as a public goal. More importantly, considering the inevitable consequences of government-as-usual, public officials should resign their posts unless they practice quality.

Admittedly, infusing TQM into the heart of government is a scary proposition to people more at home with a copy of Niccolo Machiavelli's "The Prince" than with Phil Crosby's "Quality Is Free."

"One of the inherent problems," explains Mr. Williamson, "is that politics, by its nature, is built on competition. Quality is built on cooperation." When it comes to what Mr. Williamson calls "the political stuff," politicians don't want anything to do with continuous improvement "because it might increase the competitive advantage of their opponents."

Nevertheless, there's still room for quality efforts from City Hall to Capitol Hill. For instance, says Mr. Sensenbrenner, Congress could use TQM to determine the impact of pending bills by a systematized look at similar legislation and related data. TQM, he says, also could streamline internal processes, such as preparing audits and committee reports. And Mr. Williamson points to one state legislator in Wisconsin who uses quality-improvement techniques not only in the assembly but in her political campaigning as well.

Especially in Washington, Total Quality Government should be derigeur. Even if TQM could unravel only the redundancies built into fashioning a federal budget, says Mr. Littman, the change would be monumental.

But, as management demigod Dr. W. Edwards Deming declares, quality requires profound knowledge and constancy of purpose—attributes rarely associated with government in general and almost never associated with Congress.

Certainly TQM has a place in Congress, which is little more than a lab for the study of organized inaction. Congress, Mr. Littman notes, "is as archaic as you can get. It's feudal and not likely to embrace the idea unless members can see how it's going to improve their offices and make people who call feel better about them."

The fact is, the total-quality approach has worked in industry. And it can work in government—to the credit of the serving and the benefit of the served. All it needs is an initial push from the top.

That means President Bush must use his bully pulpit to preach TQM to all corners of the Executive Branch. That means state and local governments must follow the lead of Wisconsin. That means the 535 members of Congress must foresake the safe harbor of bureaucracy for the uncharted and challenging waters of customer-oriented results.

Total Quality Government represents a way of thinking about public policy that is every bit as revolutionary as those ideas promoted by Thomas Jefferson and James Madison. Quality "isn't a matter of an adjustment here, a bit of fine tuning there," say Lloyd Dobyns and Clare Crawford-Mason in "Quality or Else: The Revolution in World Business" (Houghton Mifflin, 1991). "Quality is a change in the structure and purpose of an organization. . . ."

As America moves further into its third century, a profound change of purpose is needed—to be a nation not only dedicated to human liberty, but also devoted to its own continuous improvement.

TRIBUTE TO CATHERYNE J. FARRIS

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. RAY. Mr. Speaker, I rise today to pay tribute to Mrs. Catheryne J. Farris who recently retired from a long and distinguished career with the city of Columbus, GA.

From 1961 to 1991, Mrs. Farris held several important positions within the city's government. At the time of her retirement, she served as special population coordinator where she directed a staff of 22 in coordinating and supervising programs for 4 senior citizens centers, 21 neighborhood senior clubs, the Senior Day Care Center, the Retired Senior Volunteer Program, and the Therapeutic Recreation Program.

Mr. Speaker, I applaud Mrs. Farris for her dedication and tireless work on behalf of the people of Columbus, GA. I would also like to submit for the Congressional Record a copy of a resolution passed by the Columbus City Council which expresses their appreciation:

A Resolution—No. 620-91

Whereas, Mrs. Catheryne J. Farris, Special Populations Coordinator with the Department of Parks and Recreation, is retiring on December 31, 1991;

Whereas, Mrs. Farris was employed by this government in 1961 and since has served in numerous recreation capacities—always making a tremendous impact on the lives of our citizens;

Whereas, As Special Populations Coordinator, Mrs. Farris coordinates and supervises programs of four Senior Citizen Centers, Neighborhood Senior Clubs, the Senior Day Care Center, the Retired Senior Volunteer Program (RSVP), and the Therapeutic Recreation Program;

Whereas, Mrs. Farris works diligently with other senior citizen groups and agencies at the local and state levels to facilitate special events and activities for senior, and to enhance the general welfare of our senior population;

Whereas, through the tireless efforts and dedication of Mrs. Farris, Columbus senior citizens have been afforded the opportunity to participate in such events as Georgia Golden Olympics, Camp Will-A-Way, Senior Citizen Oktoberfest and Senior Citizen State Softball Tournament;

Now, therefore, the Council of Columbus, Georgia hereby resolves;

This Council hereby expresses its appreciation for the diligent and faithful service of Mrs. Catheryne J. Farris who has served the Consolidated Government and the citizens of Columbus for 30 years. We wish for Mrs. Farris happiness and contentment in her retirement.

LETTING TERRORIST HABBASH GO IS A MAJOR SETBACK IN FIGHT AGAINST TERRORISM

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mrs. LOWEY of New York. Mr. Speaker, last week the notorious international terrorist George Habbash was admitted to a French hospital for what his wife called a routine medical check. Despite enormous evidence that he has masterminded countless terrorist operations, French officials permitted him to travel back to his home in Tunis after receiving treatment.

Habbash is the leader of the Popular Front for the Liberation of Palestine, a militant group responsible for numerous terrorist operations including the highjacking of an Air France jet and a 1978 machine gun attack at Paris' Orly Airport in 1978.

The decision by the French Government to allow Mr. Habbash to slip through their fingers and return to Tunis rather than being brought to justice is a travesty. I rise to condemn the irresponsible action of the French Government. Such actions are an affront to victims of terrorism and all who believe in a civilized society.

BUSH'S TRIP GETS A BUM RAP

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. OXLEY. Mr. Speaker, I strongly urge you to read this column by James Kilpatrick, as he takes the press to task for their tactics following President Bush's trip to Japan. He further states that those who are critical of the President must recognize that "George Bush is the only President we have, and that he's doing the best he can at a difficult period at home and abroad."

BUSH'S TRIP GETS A BUM RAP

(By James Kilpatrick)

A few years ago, when I was living in the Blue Ridge Mountains of Virginia, I saw a flock of vultures go to work on a wounded deer. The birds have human counterparts. Behold the buzzards of press and politics as they sink their talons into the most decent man in high office today.

"President's Trip Is PR Disaster," read one headline. "Bush Fails as Salesman," said another. Sen. Tom Harkin of Iowa fluttered in: The Bush mission was a "hat-in-hand horror show." Rep. Richard Gephardt of Missouri belittled the mission: It was no more than a photo opportunity.

The Associated Press, which used to have a reputation for impartial coverage of the news, swooped down: "President Bush returned home from Japan," said the AP, eager to get at the entrails, "boasting of 'dramatic progress' that will produce American jobs."

Those of us who deal in opinion will regard that word "boasting" with professional admiration. It is a spin word, carrying all the unattractive images that go with the image of a braggart. Bush the boaster! What did he have to boast about?

Troubles, they say, never come singly; troubles come in bunches, like grapes, and since this recession began in 1990 Bush has had a vineyard to harvest. He returned from the Far East on the very day that the figures came out on unemployment. Gloomy figures. They dominated the weekend news.

Lee Iacocca, the Chrysler crybaby, leaped to a microphone to wail once more at the Japanese. He was disappointed at the president's inability to wring greater concessions from Tokyo. It is not the auto industry's fault, he said, that Japan sells so many cars in the United States. He was fed up with that kind of talk. The executives who run the American auto industry are not idiots.

Ah, Sir, a bystander might observe, the executives may not be idiots, but considering their performance they surely are morons—and overpaid morons at that.

The president's trip was not a disaster. The New York Times buried on Page 26 some comments that escaped the buzzards. James Koontz of New Hampshire, president of a company manufacturing machine tools, had some sensible things to say:

"I think the trip created recognition that there is a problem. The fact that we focused on the Japanese trade problem may have gotten some of the Japanese transplants to realize that they have to work more with American vendors.

"On the other hand, our problems are not really with the Japanese. They are at home. The major companies and unions have to sit down and agree to make our plants more flexible and productive. The Japanese are 90 percent right in saying our problems are here."

Reginald Lewis, chairman of Beatrice International, a food company, had no criticism of the mission. "I don't think it was the wrong thing to do." Dexter F. Baker, chairman of a petrochemical company in Pennsylvania, was one of the executives who accompanied the president. He said: "Some market-opening initiatives were achieved. I think it was a very positive trip. This wasn't tokenism."

My guess is that the president's visit gave the inscrutable Japanese a great deal to get scrutable about. They should understand clearly that the cries of "failure" will fire up protectionists in Congress. In an election year all kinds of folly are predictable.

If the Japanese want to avoid a trade war that could set off worldwide upheaval, they may yet prove agreeable to reforms of real meaning. Meanwhile, their pledge to buy an additional $10 billion a year in auto parts is not an insignificant promise.

Over the weekend, most newspapers carried the same photograph of George Bush. He was talking with reporters aboard Air Force One as his plane left Tokyo for home. It was a photograph of a weary man, half-dead from sheer fatigue, but there was something indomitable about it also. The lines in Bush's face have deepened over the past three years. Eight years as vice president prepared him superbly for the Oval Office, but no preparation could have made him altogether invulnerable to a flight of vultures.

Fly off, you carrion birds! George Bush is the only president we have, and he's doing the best he can at a difficult period at home and abroad. Look at the five lightweights who are seeking to replace him. Their names are Brown, Clinton, Harkin, Kerrey and Tsongas. Could any one of them do better? Think it over.

TRIBUTE TO BENJAMIN JENKINS

HON. RICHARD H. STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. STALLINGS. Mr. Speaker, I would like to take the opportunity today to pay tribute to a young Cub Scout from my district, Benjamin Jenkins of Idaho Falls, ID. Benjamin became a hero last week when he saved the life of a friend with a skill he learned in the Cub Scouts.

I would like to insert in today's RECORD the text of a newspaper article published in the Idaho Falls Post Register on Sunday, February 2. The article was written by Lisa Miller:

For Benjamin Jenkins, being a hero meant getting to eat a whole plate of cookies.

The fourth-grader became a hero last month when he saved the life of a choking friend with the Heimlich maneuver he learned in Cub Scouts.

The boys were playing basketball in Daniel Delonas' yard when Daniel suddenly stopped and put his hand to his throat as his face turned dark red.

Benjamin knew just what to do.

"I was kind of nervous, but I just did what they taught us to do in Scouts," he said. "I went up behind him and did it."

Benjamin dislodged a piece of candy in two tries. He said it flew out of his friend's mouth.

Daniel, also a fourth-grader, was sucking on a piece of candy when he tilted his head back and the candy slid into his throat.

"I started waving my arms around and Benjamin came running and saved me," he said.

Benjamin said the other boys who were playing basketball didn't know anything about the Heimlich maneuver until he demonstrated it after their friend almost choked to death.

"Later that night, the Delonases came down and gave me a plateful of cookies and a sign that said, 'Our Hero.' That was the nicest part," Benjamin said.

Edward, Daniel's father, said they were grateful Benjamin was there and knew what to do.

"When we brought the gifts down for Benjamin his dad didn't know that happened. Benjamin hadn't told anyone," he said. "Plenty of praise was lavished after we told him and everyone had a big smile on their face."

The praise may not end there.

Pamela Helm, Benjamin's Cub Scout leader, said Benjamin probably will receive a special award at the Scouts' Blue and Gold Banquet next week.

Benjamin learned the life-saving maneuver when the Scouts went to the police and fire stations for demonstrations, but he had never actually practiced it on someone until he used it to save a life.

"They saw the demonstration and we read about it in a section of his Cub Scout manual, but we taught them never to do it on an actual person unless they were really choking because it could hurt the person," Helm said. "I'm glad this sunk in."

Benjamin's father, David, said his son is a quick, clear thinker who doesn't panic under pressure.

"You never know what's sticking with these children," he said. "I'm glad the things he is learning at home and at school or Cub Scouts are staying with him."

1992 GROUNDHOG DAY PROCLAMATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. CLINGER. Mr. Speaker, I rise today to announce the prediction of the only legitimate and true fur-covered weather forecaster in history. Of course, I refer to the famous and always correct Punxsutawney Phil.

As I am sure all of my colleagues know, February 2 is one of our most important annual events: It's Groundhog Day. Every year, Phil emerges from his burrow, takes a peek and informs his millions of faithful fans as to the fate of Old Man Winter.

So, without further delay, here, direct from Gobbler's Knob, is Phil's 1992 forecast:

1992 GROUNDHOG DAY PROCLAMATION

This February 2d at exactly 7:27 a.m., Punxsutawney Phil seer of seers, prognosticator of prognosticators, emerged "reluctantly" but alertly from his borrow at Gobbler's Knob in Punxsutawney, PA.

His friend, Bud Dunkel, held him high so he could wish the huge throng of faithful followers a happy Groundhog Day.

Phil glanced skyward toward the east then behind at the ground and said loud and clear in groundhogeeze to President Jim Means "I definitely see a shadow. It's back to bed 'til six more weeks of changeable winter weather are over."

CARTERET MAN SELECTED TO BE GRAND MARSHAL OF NEWARK ST. PATRICK'S DAY PARADE

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. DWYER of New Jersey. Mr. Speaker, I rise today to congratulate Councilman Francis J. James of Carteret, NJ, on his selection as the grand marshal for the 1992 St. Patrick's Day Parade hosted by the city of Newark. The parade will be held on March 15, 1992.

Mr. James, who was born and raised in Bayonne, NJ, has lived in Carteret for the past 31 years. However, his Irish roots are deep. His mother, father and two older brothers immigrated from County Cork in 1929.

Frank James has lived his life in New Jersey. He is married to Carol Pryor James. They have raised four children and are now the proud grandparents of two grandsons.

Councilman James has been an active member of Local 68 of the IUOE for 37 years; and, since 1987, has served as the training director for the local's school. Previously, Mr. James has served as the vice president of the Union County Central Labor Council AFL–CIO. He has been a trustee of the Middlesex Labor Council, AFL–CIO; a member of the Labor Advisory Committee of both the Boy Scouts of America and United Cerebral Palsy; and he has served as a member of the International Union of Operating Engineers Safety and Health Committee.

Councilman James was the general chairman of the 1980 Irish Festival and a past president of the Giblin Association. In 1978, he served as the chief of staff for the Newark St. Patrick's Day Parade and is an active member of the Ancient Order of Hibernians.

As a Fourth Degree Knight in the Father Carey Council #1280, Frank James has been active in his church and its charitable community work. He is a devoted husband and father and has been a responsible civic leader. Clearly, the parade's sponsors could not have selected a better grand marshal for the St. Patrick's Day Parade.

TRADE ENHANCEMENT ACT OF 1992

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mrs. COLLINS of Illinois. Mr. Speaker, the bill we are introducing today, the Trade Enhancement Act of 1992, will accomplish what President Bush tried but failed to do on his recent trip to Japan. Rather than attempting to cajole Japan into buying a few more American-made automobiles and auto parts, this legislation says Japan must either find a way on its own to substantially reduce our huge trade deficit with Japan in each of the next 5 years, or we will reduce the deficit for them by strictly limiting what they can bring into our country.

The future health of our economy cannot be based on vague commitments made between President Bush and various Japanese Government officials. Since the President's return, the pitfalls of relying on such understandings have become clear. Japan's Prime Minister and the head of Toyota now say that the agreement to purchase additional American autos and auto parts was not at all a commitment as President Bush described it. Instead, the agreement simply identified targets that Japan said it would work toward. And this week, the head of the Japanese Diet was quoted as saying that the United States is now nothing more than Japan's subcontractor.

It should, therefore, be clear that even the best intentions of President Bush and the leaders of Japan cannot be expected to change our persistent and unfair trade imbalance with Japan. Japan will always postpone taking the action needed, because it benefits tremendously from the current situation.

We must take charge of our own economic destiny and be willing to say to Japan that the "free ride" in trade is now over; if Japan wants to trade with us they may only do so if we are allowed to trade with them in the same open, unfair way. If President Bush is not willing to put this message to the Japanese in clear, enforceable terms, then the Congress must do it for him.

The Trade Enhancement Act focuses on the United States-Japan trade relationship in autos and auto parts. Three quarters of our overall trade deficit with Japan is in autos and auto parts. Over the last 10 years, the United States has accumulated trade deficits with Japan that total $400 billion. In 1990, the United States trade deficit with Japan was still $41 billion.

Not only is the auto industry the single most important element of our trade problem with Japan, but it also accounts for a huge share of the Nation's economy. Four and a half percent of the gross national product is directly attributable to the auto industry; when indirect economic activity is also considered, the auto industry accounts for 12½ percent of the gross national product.

This key American industry has been hit by repeated assaults of Japanese manufacturers that have been engaging in unfair trade practices. Today, American manufactured autos account for less than half of retail auto sales. Yet in Japan, all foreign manufacturers account for only 3 percent of their market and American manufacturers account for less than 1 percent.

The United International Trade Commission and Commerce Department have already determined that Japan auto manufacturers are not operating according to fair trade and fair market principles. We really, therefore, have only two choices: Let our auto industry die, or impose conditions on the terms under which Japan may operate in our market.

The cosponsors of this legislation strongly believe that we cannot afford to let the American auto industry die. If Japan does not reduce its huge and unjustified trade surplus with us in the immediate future, restrictions on Japanese auto exports to the United States will reduce the surplus for them.

Putting aside the issue of whole vehicles, our auto parts industry is fully competitive in quality and price with Japan's auto manufacturing facilities located here in the United States. But they don't. Of the $31 billion auto trade deficit with Japan last year, over $10 billion is attributable to auto parts, most of which are imported into the United States by Japan to supply their auto plants here. Studies have shown that in just the next few years, that $10 billion parts deficit with Japan will more than double. Clearly, Japanese auto manufacturers ought to buy more American-made auto parts for their auto plants here in our country.

Japan's keiretsu system, instead, is used to develop a base of dedicated suppliers on which Japan's auto manufacturers almost exclusively rely. Breaking into this supplier base has become a virtually impossible task for American and other foreign auto parts manufacturers. In addition, Japan has protected its own domestic auto market against competition from foreign auto manufacturers. With this protected domestic market as its base, Japan's auto manufacturers have dumped their vehicles in the United States at below fair market prices.

The way to correct the trade problem is clear. Japan should open its markets to American goods and services; it should engage in competitive procurement practices; and it should stop dumping its products in our market at below fair market prices. Japan must now decide how to deal with these issues, but if it fails to reduce the overall deficit by 20 percent in each of the next 5 years, as the bill prescribes, then Japanese auto exports to the United States must be reduced.

Our national will is being tested today in no less critical a manner than it was in the recent gulf war. We need not go to foreign shores to confront our trade problem, however. We need only be willing to recognize what is in our own national interests and to take the necessary steps to respond to those interests here at home.

This legislation commits our country to protect our vital national economic interests against exploitation and unfair practices. This is a commitment that the American people are ready and willing to make.

ROBERT WASSERMAN RETIRES AS CHIEF OF POLICE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. EDWARDS of California. Mr. Speaker, on December 27, 1991, Robert Wasserman retired as the chief of police of Fremont, CA, part of the 10th Congressional District. Chief Wasserman has been a loyal and dedicated public servant for much of his life. He began his career as a police officer with the city of Montebello, CA. His aptitude and efficiency consistently acclaimed, he rose through the ranks and was selected, after a nationwide search, to be chief of police with the city of San Carlos, CA. In 1972, after another nationwide search, he accepted the position of chief of police with the city of Brea, CA.

In January 1976 he was appointed chief of police with the city of Fremont. In his 15 years of dedicated service, Fremont's population has increased by 40 percent and is now the fourth largest city in the San Francisco Bay area. He oversaw the doubling of the Fremont Police Department to an organization of 212 sworn personnel and 109 nonsworn. Among his most impressive accomplishments are the results he achieved during this expansion. In these times of increasing violent crime rates nationwide, the total number of serious crimes in Fremont have actually decreased by 18 percent since 1974.

Chief Wasserman has many admirable qualities which we look to and value in a role model for our society. Chief among these are his diligence of spirit and his dedication to serving the public. With his retirement, Chief Wasserman has become one of the longest tenured police chiefs in California with over 22 years experience. The city of Fremont, and California, will truly miss one of it finest officials.

INTRODUCTION OF LEGISLATION TO AMEND THE COMMERCIAL MOTOR VEHICLE SAFETY ACT OF 1986

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. DARDEN. Mr. Speaker, today I introduced legislation to amend the Commercial Motor Vehicle Safety Act of 1986 by exempting city and county governments from the costly burden placed upon them by the testing requirements of the act. As you know, under the provisions of the that act, by April 1, 1992, all persons driving commercial vehicles as defined by the act must possess a commercial operators license given after passing a test which meets Federal requirements.

Unfortunately, Mr. Speaker, employees of local governments are among those affected by the act. The costs and difficulties placed on the small cities and counties all over this country by this act are considerable. Many local government officials have contacted my office to voice their concern on this issue. In order to prepare their employees, municipalities will be required to provide training courses at a cost that can reach hundreds of dollars per employees. These local governments will be required to spend scarce funds transporting their employees and vehicles long distances to State run testing sites. For many municipal vehicles this trip will be the only time they are driven on the Nation's interstates. All of this expense, time and effort will be expended so that employees can take a test that often covers material that has little to do with their jobs or the vehicles they drive at work.

Mr. Speaker, to make matters worse, the requirement that municipal employees obtain a commercial operators' license puts local government in competition with private shippers for the services of federally licensed drives, many of whom will be trained at local government expense.

Mr. Speaker, the broad stroke approach of the Commercial Motor Vehicle Act creates unnecessary burdens of the budgets of local governments at a time when they face the same budget crunch as the Federal and State governments. Farmers, firefighters, and military personnel have already been granted exemptions from the act by the Department of Transportation. My bill would create a limited exemption from the testing provisions of the act for drivers of municipal vehicles who have shown they are responsible drivers. I urge the Members of this body to support this change in the act.

PLANNED PARENTHOOD OF SOUTHEASTERN PENNSYLVANIA VERSUS CASEY

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. ENGEL. Mr. Speaker, I rise today to express my grave concern regarding the future of American women's reproductive rights. As you are well aware, recently the U.S. Supreme Court announced that it will review a highly controversial court decision handed down by the U.S. Third Circuit Court of Appeals on October 21, 1991. In that decision, the appeals court ruled that the Supreme Court's 1973 Roe versus Wade decision is no longer the law of the land and that, with the exception of a spousal notification requirement, the highly restrictive 1989 Pennsylvania abortion law is constitutional.

I cannot emphasize enough the importance and relevance of this case for all Americans. The lower court's October decision represents the first time that a Federal court of appeals has held that the standard of privacy established in Roe versus Wade is no longer the law of the land. It is the first time that a Federal court has interpreted the law in a manner to allow a State to adopt and enforce restrictive abortion laws that the Supreme Court had previously held to be unconstitutional. And it is the first time that the Supreme Court will have the opportunity to overrule the Roe versus Wade decision. Considering the Court's ruling on the Webster versus Reproductive Health Services case, I am gravely concerned about the outcome of the Pennsylvania case.

I urge the High Court to rule that the right to choose is a fundamental right to privacy protected under the Constitution, as the Court held in Roe versus Wade. I also ask that the Court uphold current protections for women regarding their reproductive rights. If the Court rules otherwise, such a decision would, in effect, overturn the 1973 ruling and adversely affect the lives of 60 million American women of childbearing age and their families.

Already many women's basic rights to privacy and choice are being stripped away at the State level. Shockingly, the threat is imminent that all women will be robbed of these constitutional rights. In fact, last year, both Louisiana and Utah enacted legislation which virtually outlaw all abortions. In Mississippi, North Dakota, and Ohio laws are on the books which impose mandatory waiting periods, and require that women seeking abortions receive State-prepared, antichoice lectures before making a final decision. This big brother attitude is an insult to all women. The Government is treating women not like thinking, feeling, and rational individuals who are capable of making their own decisions, but rather assumes they are easily manipulated by others and unable to weigh fact from fiction, or right from wrong. Government, at any level, has no role in dictating or infringing upon women's reproductive rights and personal decisions. Certainly, Government is in no position to pass moral judgments and impose personal beliefs upon the public at large.

Clearly, the Supreme Court's final ruling on Planned Parenthood of Southeastern Pennsylvania versus Casey cannot be taken lightly. That is why I rise today and implore my colleagues to join me in cosponsoring and passing legislation that will codify the principles contained in the 1973 Roe versus Wade decision. The Freedom of Choice Act, H.R. 25, would prohibit States from restricting a woman's right to an abortion, or at any time if the woman's health or life is threatened. In the legislation, States may impose only those requirements medically necessary to protect the life or health of the woman. This statutory, Federal standard is essential to assure that the right to choose can be ensured for all American women, regardless of the State that they reside in. Reproductive freedom is their right, and it is their choice.

TRIBUTE FOR BESS LOMAX HAWES

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. YATES. Mr. Speaker, it is with the greatest pride that I rise today to salute an outstanding American who, for the past 15 years, has served this Nation by her commitment to the arts. Her service has enriched all our lives.

I am speaking of Bess Lomax Hawes who was honored on January 31, 1992, by the National Endowment for the Arts, where she has worked with much distinction these past 15 years. On January 31, Ms. Hawes received the accolades of her colleagues at the Endowment and from members of the National Council on the Arts as she retires from the agency.

Mr. Speaker, Bess Lomax Hawes was born in Austin, TX, in 1921. Her father, John Lomax, grew up in the late 1800's in west Texas on a spur of the Chisholm Trail. He grew up admiring the songs, tales, and other lore of the hard-working cowboys of the Lone Star State. John Lomax went on to become a professor of English at the University of Texas, a banker, the director of the Archive of American Folksong at the Library of Congress, and a pioneer in collecting American folklore. He championed the worth and dignity of American folk artists. He was a great discoverer and preserver of that part of our national character that is uniquely American.

John Lomax passed on his love of folk art to his four children; and Bess, the youngest, and her older brother Alan, made careers out of that admiration for grassroots America. Alan Lomax collected and preserved the best of American folk art, sharing it with the Nation through recordings, radio, publications, and later television that made great American folk artists such as Jelly Roll Morton, Huddie "Leadbelly" Ledbetter, and Roscoe Holcomb a valued part of our national heritage.

Bess Lomax Hawes also possessed the foresight to see that the future of American culture and life lay in the minds, hands, and voices of ordinary Americans. She had the wisdom to bring this to the attention of a broad audience. As a member of the Almanac Singers, along with her husband, Butch Hawes, Woody Guthrie, Pete Seeger, and others, she pioneered the folk song revival that attracted millions of Americans to Afro- and Anglo-American song. She authored "Charlie on the MTA," which was recorded by the Kingston Trio and became an American song favorite. She produced films like "Georgia Sea Island Singers," "Pizza Pizza Daddy-O" on black children's games, and "Say, Old Man, Can You Play the Fiddle?" on a Missouri fiddler living in California. In 1972, with Bessie Jones she coauthored "Step It Down: Games, Plays, Songs and Stories from the Afro-American Heritage." That work is still a standard of folklore literature.

But, Mr. Speaker, perhaps her most profound, far-reaching, and long-lasting contributions to American culture would come later. In 1975 and 1976, Bess Hawes' work on the Smithsonian Bicentennial Festival of American Folklife played an important role in setting the stage for a new national effort to identify, assist, and celebrate the extraordinary diversity of American folk art. In 1977, she joined the National Endowment for the Arts and developed its initial efforts at supporting American folk arts into a full-fledged discipline program at the agency. Through her vision and personal dedication, a national network of support for folk artists was created at the State and local levels. Her idea of a program to recognize our Nation's most outstanding traditional artists become reality when, in 1982, the National Heritage Fellowships were created. Ten years later, they remain the Nation's highest honor for our folk artists.

Mr. Speaker, the efforts of the Lomax family to make American folk expression a central part of our national life already spans nearly the entire 20th century. And Bess Lomax's work will surely live on far into the 21st century. She has helped change the face of American life. She has recognized and helped tens of thousands of our Nation's folk artists, thereby enriching our own perception of ourselves as Americans.

Mr. Speaker, I appreciate this opportunity to present a brief profile of a woman who has devoted herself to the arts, who has preserved and gained recognition for an important segment of our national cultural heritage. She has immeasurably improved our whole world through these contributions. I am certain all of my colleagues join me in this salute to Bess Lomax Hawes on the occasion of her retirement from Government service with the National Endowment for the Arts and for her brilliant career in the traditional arts.

TRIBUTE TO THE FIRST AFRICAN BAPTIST CHURCH OF BRUNSWICK, GA

HON. LINDSAY THOMAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 4, 1992

Mr. THOMAS of Georgia. Mr. Speaker, I take great pleasure today in bringing national recognition to the members of the First African Baptist Church of Brunswick, GA, as they have attained a great landmark in the history of their church.

On January 26, this very special church celebrated their 129th anniversary. The congregation was able to use the very same building for this historic worship service that was used by their predecessors in the 1800's.

I am honored that such a remarkable church is a part of my congressional district, and I ask that we keep the members of this congregation and their pastor, the Reverend Rance Pettibone, in our hearts and in our prayers.

This is a church that draws upon the power of its Christian heritage to illuminate its path in meeting the challenges of the future. This is a church that has achieved such a remarkable history because it is a living, growing body of believers in the Lord.

I know that the First African Baptist Church will continue to grow in the years to come and share its living message with others in the Glynn County community.

On behalf of all of the citizens of the First Congressional District of Georgia, I send my congratulations to Reverend Pettibone and the entire congregation, along with my best wishes for another successful 129 years of service to our area.